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Contact Officer:

John Armstrong, Democratic Services Manager
Tel: 01483 444102

19 July 2017

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 on **THURSDAY 27 JULY 2017 at 7.00 pm.**

Yours faithfully

James Whiteman
Managing Director

MEMBERS OF THE COMMITTEE

Chairman: Councillor Gordon Jackson

Vice-Chairman: Councillor Jo Randall

Councillor Alexandra Chesterfield	+Mrs Maria Angel
Councillor Colin Cross	^Mr Charles Hope
Councillor Mike Hurdle	^Ms Geraldine Reffo
Councillor Nigel Kears	^Mr Ian Symes
Councillor Nigel Manning	

*Independent member

^ Parish member

Authorised Substitute Members:

Councillor Richard Billington	Councillor Christian Holliday
Councillor Andrew Gomm	Councillor Susan Parker
Councillor David Goodwin	Councillor David Reeve
Councillor Liz Hogger	Councillor Caroline Reeves

OFFICER REPRESENTATION:

James Whiteman (Managing Director and Head of Paid Service)
Joan Poole (Deputy Monitoring Officer and Head of Internal Audit)
Claire Morris (Chief Finance Officer)
Sarah White (Deputy Monitoring Officer)
Steve White (Director of Resources)

QUORUM 3



THE COUNCIL'S STRATEGIC FRAMEWORK

Vision – for the borough

For Guildford to be a town and rural borough that is the most desirable place to live, work and visit in South East England. A centre for education, healthcare, innovative cutting-edge businesses, high quality retail and wellbeing. A county town set in a vibrant rural environment, which balances the needs of urban and rural communities alike. Known for our outstanding urban planning and design, and with infrastructure that will properly cope with our needs.

Five fundamental themes that support the achievement of our vision:

- **Our Borough** - ensuring that proportional and managed growth for future generations meets our community and economic needs
- **Our Economy** - improving prosperity for all by enabling a dynamic, productive and sustainable economy that provides jobs and homes for local people
- **Our Infrastructure** - working with partners to deliver the massive improvements needed in the next 20 years, including tackling congestion issues
- **Our Environment** - improving sustainability and protecting our countryside, balancing this with the needs of the rural and wider economy
- **Our Society** - believing that every person matters and concentrating on the needs of the less advantaged

Your Council – working to ensure a sustainable financial future to deliver improved and innovative services

Values for our residents

- We will strive to be the best Council.
- We will deliver quality and value for money services.
- We will help the vulnerable members of our community.
- We will be open and accountable.
- We will deliver improvements and enable change across the borough.

Mission – for the Council

A forward looking, efficiently run Council, working in partnership with others and providing first class services that give our society value for money, now and for the future.

WEBCASTING NOTICE

This meeting will be recorded for live and/or subsequent broadcast on the Council's website. The whole of the meeting will be recorded, except where there are confidential or exempt items, and the footage will be on the website for six months.

If you make a representation to the meeting you will be deemed to have consented to being recorded. By entering the Council Chamber, you are also consenting to being recorded and to the possible use of those images and sound recordings for webcasting and/or training purposes. If you have any queries regarding webcasting of meetings, please contact Committee Services on 01483 444102.

AGENDA

ITEM

1 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

2 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.

3 MINUTES (Pages 1 - 10)

To confirm the minutes of the meeting of the Corporate Governance and Standards Committee held on 15 June 2017 (attached).

4 RISK MANAGEMENT STRATEGY AND FRAMEWORK 2017 (Pages 11 - 24)

5 FREEDOM OF INFORMATION COMPLIANCE UPDATE (Pages 25 - 32)

6 EXTERNAL AUDIT UPDATE (Pages 33 - 50)

7 SUMMARY OF INTERNAL AUDIT REPORTS OCTOBER 2016 - MARCH 2017 (Pages 51 - 66)

8 WORK PROGRAMME (Pages 67 - 72)

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CORPORATE GOVERNANCE AND STANDARDS COMMITTEE

15 June 2017

- * Councillor Gordon Jackson (Chairman)
- * Councillor Jo Randall (Vice-Chairman)

- | | |
|-------------------------------------|--------------------|
| * Councillor Alexandra Chesterfield | Mrs Maria Angel |
| Councillor Colin Cross | * Mr Charles Hope |
| * Councillor Mike Hurdle | Ms Geraldine Reffo |
| Councillor Nigel Kearse | * Mr Ian Symes |
| Councillor Nigel Manning | |

*Present

CGS1 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies for absence were received from Councillors Colin Cross, Nigel Kearse and Nigel Manning and from Mrs Maria Angel.

Councillors David Goodwin, Andrew Gomm and Richard Billington substituted for Councillors Colin Cross, Nigel Kearse and Nigel Manning respectively.

CGS2 LOCAL CODE OF CONDUCT - DISCLOSURE OF INTERESTS

There were no disclosures of interest.

CGS3 MINUTES

The Committee confirmed the minutes of the meeting held on 30 March 2017. The Chairman signed the minutes.

CGS4 ANNUAL GOVERNANCE STATEMENT 2016-17

The Committee considered a report on the Council's Annual Governance Statement for 2016-17, as required by the Accounts and Audit (England) Regulations 2015. The Statement was underpinned by the Head of Internal Audit's Annual Opinion Report April 2016 to March 2017, which was appended to the report.

The Statement set out the Council's governance framework and procedures that had operated at the Council during the year, a review of their effectiveness, significant governance issues that had occurred and a statement of assurance.

The Annual Governance Statement, which would be included in the Council's statement of accounts for 2016-17, concluded that Guildford was a well-run Council with good governance processes in place. However, there had been a number of significant governance issues during the year, full details of which were reported in the Statement.

Having considered the report and the Annual Governance Statement set out in the Appendix thereto, the Committee

RESOLVED: That, subject to the correction of paragraph 5.1 of the Statement to substitute "85%" in place of "77%", the Executive be requested to adopt the Council's Annual Governance Statement for 2016-17 as set out in Appendix 1 to the report submitted to the Committee and to note the Committee's comments as follows:

- (a) The Committee welcomed the continuing improvement in the Council's performance in dealing with Freedom of Information requests.
- (b) The Committee suggested that the table in the Statement demonstrating how the Council had set up arrangements for delivering good governance should, in future, set out the column headed "Recent achievements, developments and areas for improvement" into separate columns.

Reason for Decision:

To comply with Regulation 10 of the Accounts and Audit (England) Regulations 2015, the Executive must approve an Annual Governance Statement.

CGS5 TREASURY MANAGEMENT ANNUAL REPORT 2016-17

The Committee considered the Treasury Management Annual Report for 2016-17, which had set out details of the activities of the Council's Treasury Management function and Prudential Indicators for 2016-17, in accordance with the requirements of the CIPFA Prudential Code. The report had included:

- a summary of the economic factors affecting the approved strategy and counterparty update
- a summary of the approved strategy for 2016-17
- a summary of the treasury management activity for 2016-17
- compliance with treasury and prudential indicators
- risks and performance
- Minimum Revenue Provision (MRP)
- details of external service providers
- details of training

In relation to treasury management activity in 2016-17, the Committee noted that, as at 31 March 2017, the Council held £127 million in investments, which had decreased by £17.8 million and total debt had reduced by £4.7 million during the year. Therefore, net debt had increased by £13 million.

The Council had budgeted an overall return on investments of 1.45%, and had achieved 1.21%. The return was lower because the Council had budgeted for an increase in investment rates as base rates were expected to rise, when in fact they were cut.

The report had confirmed that the Council had complied with its prudential indicators (except the upper limit of variable rate investments due to having higher investment balances than expected when setting the indicator), treasury management policy statement and treasury management practices for 2016-17.

The Committee noted that the slippage in the capital programme had resulted in a lower Capital Financing Requirement than estimated. Interest paid on debt had been lower than budget, due to the variable loan rate being reset lower than expected.

The yield returned on investments had been lower than estimated, but the interest received was higher due to more cash being available to invest in the year – a direct result of the capital programme slippage.

The Committee requested that arrangements be made for the holding of short training sessions on treasury management for councillors and co-optees on the Committee, which could be held immediately prior to future meetings.

Having considered the report, which included the proposed changes to the Investment Policy for 2017-18, the Committee

RESOLVED: That the following recommendations to Council be endorsed:

- (1) That the Treasury Management Annual Report for 2016-17 be noted, subject to the following corrections:
 - (a) Substitution of the following in place of the second sentence of paragraph 7.3 of the report: *“Therefore, net debt has increased by £13 million.”*
 - (b) Substitution of the following in place of the first sentence of paragraph 7.9 of the report: *“The Council also invested £960,000 of equity investment in Guildford Holdings Ltd, and made a loan of £1.4 million to North Downs Housing Ltd.”*
 - (c) Substitution of the following in place of paragraph 2.10 of Appendix 1 to the report:
“Although not classed as treasury management activities and therefore not covered by the CIPFA Code, the Council also holds £960,000 of equity investments in Guildford Holdings Ltd and a loan of £1.4 million to North Downs Housing Ltd”.
- (2) That the actual prudential indicators reported for 2016-17, as detailed in **Appendix 1** to the report submitted to the Committee, be approved.
- (3) That the changes to the 2017-18 investment policy, as detailed in section 13 of the report, be approved.

Reasons for Recommendation:

- 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.
- To allow the Council to further diversify its investment portfolio.

CGS6 DRAFT STATEMENT OF ACCOUNTS FOR 2016-17

Councillors noted that the Committee's terms of reference included approval of the statutory Statement of Accounts on behalf of the Council. The Committee therefore considered the draft (un-audited) Statement of Accounts for 2016-17, which the Chief Finance Officer had signed and issued in draft on 31 May 2017. The draft Accounts would be available for inspection at the Council offices and on the website from 19 June 2017. Having considered the report and the draft Statement of Accounts for 2016-17, the Committee

RESOLVED: That, the Draft Statement of Accounts 2016-17, as set out in Appendix 1 to the report submitted to the Committee, be noted, subject to the following:

- (a) the inclusion of a note in Note 9 of the Draft Statement of Accounts (Officers' Remuneration) on page 114 of the agenda, to explain the relatively high pension contributions in respect of the Director of Corporate Services and Executive Head of Organisational Development and the termination payment made to the latter; and
- (b) the following corrections:
 - (i) in the first paragraph under "Collection Fund" on page 94, the collectable debit for council tax in 2016-17 was £94 million and business rates was £84 million;
 - (ii) the table in the paragraph headed "Other Performance during the year" on pages 96 and 97 should read:

Indicator	2016-17	2015-16
1. Council Tax Collected	99.27%	99.32%
2. NNDR Collected	99.29%	99.48%
3. Invoices paid on time	91.75%	97.90%
4. Benefit Overpayments recovered	£1.398m	£1.991m
5. Processing of 'major' planning applications within 13 weeks	97%	86.67%
6. Processing of 'minor' planning applications within 8 weeks	91%	69.44%
7. Processing of 'other' applications within 8 weeks	88%	74.48%
8. Appeals dismissed against the Council's refusal of planning permission	68%	69.29%
9. Number of Households living in temporary accommodation	61	46
10. Housing Advice – homelessness prevented (cases resolved)	396	407
11. Days taken to process Housing Benefit / Council Tax support claims	24.77 for new claims 7.07 for changes	24.89 for new claims 7.68 for changes
12. Number of affordable homes completed	32	125
13. Food businesses with 'scores on the door' of 3 or over	94.8%	95%
14. % Household waste recycled and composted	59.7%	58%
15. Staff sickness absence		
Office	6.9 days	9 days
Manual	12.6 days	12.8 days
16. Staff turnover	12.8%	9.24%
17. Calls answered by customer services within 20 seconds	91.3%	84.6%

(iii) clarification of the key to the graph on page 97 as follows:

- Green: On Track
- Orange: Experiencing obstacles
- Red: Off track
- Grey: Not started

Deletion of the text "The graph shows xxxxxx".

(iv) in the table in Note 9 of the Draft Statement of Accounts (Officers' Remuneration) on page 114, substitute "£130,214" in place of "£136,839" *at the top of the third column.*

Reason for Decision:

The Accounts and Audit Regulations 2015 require the approval of the statutory Statement of Accounts for 2016-17 by 30 September 2017.

CGS7 EXTERNAL AUDIT 2017-18 FEE LETTER AND THE FUTURE OF LOCAL GOVERNMENT EXTERNAL AUDIT

The Committee considered the External Audit 2017-18 Fee Letter, which had been submitted by the Council's external auditors, Grant Thornton. The letter provided a broad summary of the programme of work that they intended to carry out during 2017-18.

The overall fee for the core audit was the same as the fee charged in 2016-17. The fee for grant certification work had not yet been set by Public Sector Audit Appointments (PSAA) Ltd. The Committee noted that the total fee of £57,533 could be managed within the overall budget for the Resources directorate.

The Committee was also reminded that central Government had closed down the Audit Commission in March 2015. The report also provided councillors with an update on arrangements for local body audit following its closure.

Having considered the report, the Committee

RESOLVED:

- (1) That the external audit fee submitted by Grant Thornton be approved.
- (2) That the arrangements for local body audit following the closure of the Audit Commission be noted.

Reason for Decision:

To enable the Committee to consider and comment on the planned audit fee.

CGS8 INTERNAL AUDIT PLAN 2017-18

The Committee considered a report on the Internal Audit Plan for 2017-18.

The Committee was informed that in 2016-17, 85% of audits had been completed, with eight ongoing. Councillors were also updated on the internal audit resource issue and were advised of the outcome of the recent restructure of the team.

The Plan for 2017-218 had been extracted from the audit planning system 2016-17 and showed a resource requirement for 660 days. The team had a resource calculation of 587 days, which included a pro rata calculation for the new posts following the restructure. The shortfall would be covered by a contractor, and included the specialist ICT audits.

The report had also set out information on the findings of the Local Government Ombudsman in respect of the 19 complaints about the Council that had been lodged in 2016-17.

Having considered the report, the Committee

RESOLVED: That the audit plan for 2017-18 as set out in Appendix 1 to the report submitted to the Committee be approved, subject to clarification of the Audit Type in respect of item 14 of the Audit Plan: Public Health and Well-Being, which should read: "*Compliance Audit*".

Reason for Decision:

To ensure an adequate level of audit coverage.

CGS9 REVISED GOVERNANCE ARRANGEMENTS - 12-MONTH REVIEW

The Committee considered a report on the review of the Council's revised governance arrangements, which had been introduced in January 2016 following an extensive scrutiny review in 2015.

The revised arrangements involved a hybrid approach with an altered role for a new, single Overview and Scrutiny Committee (OSC), and the addition of two Executive Advisory Boards (EABs) to advise and make recommendations to the Leader and Executive. The Council had agreed that these arrangements be reviewed after a twelve-month period of operation. As part of those recommendations, it was further agreed that a full-time, dedicated Scrutiny Officer should be recruited.

On 7 March 2017, a seminar to which all councillors were invited was held to review the revised governance arrangements. The report had set out the outcomes of that seminar with a number of options for consideration and had invited the Committee to comment and formulate any recommendations and advice to full Council on this matter.

The report would also be considered by the two EABs, at their respective meetings on 10 and 13 July and by OSC on 11 July, prior to final consideration by full Council on 25 July 2017.

Having considered the options, the Committee

RECOMMEND:

- (1) That the public webcasting of meetings of the Executive Advisory Boards be discontinued with immediate effect.
- (2) That an annual/bi-annual meeting between the Leadership and the EAB and O&S Committee chairmen and vice-chairmen be established to discuss topic areas for future work programmes and to discuss how the EABs and O&S Committee could make a more effective contribution to the decision-making process.
- (3) That, in order to improve the arrangements for topic selection and agenda planning, the Executive/CMT be requested to provide suggestions for topic areas for EABs drawn from the (revised) Corporate Plan Action Plan for consideration at future work programme meetings and to have a CMT (as well as Executive) representative attend those meetings.
- (4) That the approach to development of the O&S Committee work programme be broadened, by amending O&S Procedure Rules to introduce a more flexible approach to topic selection through replacing the topic selection flow chart in O&S Procedure Rules with the PAPER tool.
- (5) That O&S Committee members should have an opportunity for putting written questions to lead councillors attending O&S Committee meetings in advance so that written answers may be prepared.
- (6) That lead councillors should normally present matters (supported by officers as appropriate) for discussion at EAB meetings and engage actively in a dialogue with the EABs regarding those matters, and that the terms of reference of the EABs be amended accordingly.
- (7) That EABs be encouraged to set up task groups to research and review areas for policy development.
- (8) That the focus for public engagement should be aimed more at O&S than EABs.

- (9) That more proactive measures for public engagement in respect of the work of the O&S Committee be established by:
- (a) inviting suggestions for the O&S work programme from the public and partners as well as officers and councillors; and
 - (b) alerting the public about O&S agenda topics on days leading up to the meeting, on the day of the meeting and action agreed at the meeting through press releases/social media.
- (10) That progress on matters previously considered by EABs be reported back to them periodically.
- (11) That a briefing note be provided to those officers invited to attend O&S Committee meetings to ensure there is full comprehension of the process, including the role of scrutiny and the Scrutiny Officer.

Reason for Recommendation:

To ensure that the Council's decision-making processes remain accessible, robust and accountable to local people.

CGS10 APPOINTMENTS TO EXTERNAL ORGANISATIONS WORKING GROUP - FINAL REPORT AND RECOMMENDATIONS

In accordance with Public Speaking Procedure Rule 3 (a), and prior to the formal consideration of this matter, Sarah Creedy addressed the Committee in her capacity as chairman of governors at the Royal Grammar School and Abbots Hospital.

Councillors noted that, at its meeting on 30 March 2017, the Committee had considered an interim report from the External Organisations Working Group and had endorsed a number of recommendations which full Council approved on 11 April 2017. These recommendations sought to improve the process of appointing to external organisations. Since then the Working Group had proceeded to apply those new approaches to undertake a review of individual councillor appointments.

The Committee now considered a report, which set out the final recommendations of the Working Group in respect of existing and new appointments. Thereafter, the next stage would be for full Council on 25 July 2017 to agree, not only the recommended list of appointments, but also those councillors who would fill those roles.

The Committee was advised that, currently, the Mayor was an ex officio appointee to the following external organisations:

- (a) Abbot's Hospital
- (b) Guildford/Freiburg Association
- (c) Guildford Sunset Homes (Honorary President)
- (d) Royal Grammar School
- (e) Surrey County Agricultural Society (Honorary Vice President for three years)

The Working Group had recommended in respect of Abbot's Hospital and Royal Grammar School that the Council should discontinue making a formal appointment because the appointment did not meet any of the criteria approved by the Council on 11 April 2017, i.e. they did not

- (i) Support the Council's corporate priorities,
- (ii) Assist in delivery of Council services, or

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(iii) Use Council facilities

Instead, the working group suggested that a local ward councillor could put their name forward independently for possible appointment without the need for formal approval by the Council.

However, the Council needed to consider in respect of Abbot's Hospital and the Royal Grammar School, whether the ex officio appointment of the Mayor to these bodies should continue if the formal appointment of a councillor discontinued.

The Committee noted that the Mayor of Guildford had strong, historical connections with both Abbot's Hospital and the Royal Grammar School, with the Mayor being involved in their respective governance arrangements for nearly 400 years in respect of the former and over 500 years in respect of the latter.

In view of this, officers had recommended that, should the Council agree to discontinue the appointment of a councillor to Abbot's Hospital and Royal Grammar School, the ex officio appointment of the Mayor as a trustee and governor/director to those bodies should continue.

The Committee

RESOLVED:

- (1) That the Democratic Services Manager be authorised to send copies of all the person profile forms completed by the various external organisations to all councillors so that they may discuss with group leaders their suitability for the roles in terms of relevant skills and experience.
- (2) That councillors nominated by their groups for appointment to an external organisation be requested to complete and submit to the Democratic Services Manager the relevant person profile forms, with details of their relevant skills and experience, by no later than Friday 14 July 2017.

The Committee further

RECOMMEND: That the Council agrees:

- (1) That the final recommendations of the Councillor Appointments to External Organisations Working Group in respect of existing and proposed new appointments, as set out in Appendix 2 to the report submitted to the Committee, be approved, subject to:
 - (a) the following corrections:
 - (i) in respect of Guildford Poyle Charities, delete "*additional*" in the Legal Comment column so that it reads "*No insurance*";
 - (ii) in respect of Guildford Sunset Homes, substitute "Yes" in place of "No" in the Mayor (ex officio) column;
 - (iii) In respect of Experience Guildford (BID):
 - delete "*No further*" in the Legal Comment column, so that it reads "*Insurance in place*";
 - this appointment should be made by the Executive, rather than full Council, as it is appropriate that the relevant lead councillor responsible for economic development should be the Council's appointee.

- (iv) In respect of Guildford Book Festival:
- delete “*further*” in the Legal Comment column so that it reads “*No insurance in place*”.
 - Substitute “*Appoint*” in place of “*Retain*” in the Working Group recommendation and reasons column
- (v) In respect of Abbot’s Hospital (Trinity Hospital Governors), substitute “*Yes*” in place of “*No*” in the Mayor (ex officio) column; and
- (b) the proviso that should the Council agree to discontinue the appointment of a councillor to Abbot’s Hospital (Trinity Hospital Governors) and the Royal Grammar School, the ex officio appointment of the Mayor as a trustee and governor/director to those bodies should continue.
- (2) That, in relation to those external organisations where the Council agrees to discontinue appointments and where the term of office of the current appointees expire in 2018 or 2019, the Council agrees that such appointments should be allowed to run their course.

Reason for Recommendation:

To ensure that the Council maintains and develops relationships with key local organisations and partners in the most mutually productive ways and in the best interests of local people.

CGS11 REVIEW OF THE COUNCILLORS' DEVELOPMENT STEERING GROUP

The Committee noted that Council Procedure Rule 24 (v) required the appointing body to review annually, the continuation of task groups appointed by them. Although the Councillors’ Development Steering Group had been set up originally as an Executive working group, it was agreed in 2015 that the Steering Group would report on its work to this Committee.

The Committee considered a report which reviewed the work carried out by the Steering Group over the past twelve months and the work they were likely to undertake over the next twelve months and to agree that it should continue its work. The current political composition of the Steering Group was as follows:

Conservatives: 2
Liberal Democrats: 1
Guildford Greenbelt Group: 1
Labour: 1

The Lead Councillor had asked the Committee to consider increasing the number of Conservative councillors on the Steering Group from two to four.

Having considered the report, the Committee

RESOLVED:

- (1) That the Councillors’ Development Steering Group should continue its work and that the numerical allocation of seats on the Steering Group to each political group be agreed as follows:

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Conservatives: 4
Liberal Democrats: 1
Guildford Greenbelt Group: 1
Labour: 1

- (2) That political group leaders be asked to confirm the councillor membership of the Steering Group in accordance with the numerical allocation of seats referred to in paragraph (1) above.

Reason for Decision:

To comply with the requirement for this Committee to review the continuation of the Councillors' Development Steering Group, in accordance with Council Procedure Rule 24 (v).

CGS12 WORK PROGRAMME

The Committee, having considered its proposed work programme for the remainder of the 2017-18 municipal year,

RESOLVED: That the updated work programme for 2017-18, as set out in Appendix 1 to the report submitted to the Committee, be approved, subject to the deletion from the work programme of the 'unscheduled item' (Review of the effectiveness of the audit responsibilities of the Committee).

Reason for Decision:

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

The meeting finished at 8.40 pm

Signed

Chairman

Date

Corporate Governance and Standards Committee Report

Report of Chief Internal Auditor

Author: Joan Poole

Tel: 01483 444854

Email: joan.poole@guildford.gov.uk

Lead Councillor responsible: Matt Furniss

Tel: 07891 022206

Email: matt.furniss@guildford.gov.uk

Date: 27 July 2017

Risk Management Strategy and Framework 2017

Recommendation

The Committee is requested to consider the draft Risk Management Strategy and Framework 2017, attached as Appendix 1 to this report, and subject to any comments and suggestions:

- (1) to recommend the adoption of the Strategy and Framework by the Executive; and
- (2) to monitor future progress against the Strategy and Framework annually.

Reason for Recommendation:

To ensure that there is a system for effective monitoring, development and operation of risk management in the Council.

1. Purpose of Report

- 1.1. To ask the Committee to consider the new draft Risk Management Strategy and Framework 2017, which is attached as Appendix 1, and to recommend its adoption by the Executive.

2. Strategic Priorities

- 2.1. Effective risk management supports the Council's priority of providing efficient, cost effective and quality public services that give the community value for money and comply with legislation and best practice.

3. Background

- 3.1 Risk management is an integral part of our governance framework but it is an everyday occurrence within services, whether the decision making process is formal or informal. This Committee's terms of reference include 'monitoring the effective development and operation of risk management and corporate governance in the Council'.

3.2 Risk is not just about identifying negative events it is also about identifying the positives and the opportunities within day-to-day service delivery or projects. This has become more relevant and important given the Council's ambitious Corporate Plan, the financial pressures that we are facing and our desire to look for income generating business opportunities. It is also sound business practice.

3.3 The Council's objectives for risk and opportunity management are to:

- (i) embed risk and opportunity management into the culture of the Council
- (ii) embed the culture of risk and opportunity management at a strategic and operational level and within all projects and partnerships
- (iii) identify and manage the key risks and opportunities facing the Council
- (iv) maximise the opportunities for achieving the corporate objectives and minimise the risks of service failure
- (v) learn from opportunity outcomes and risk failures to improve awareness and our systems and processes.
- (vi) use risk and opportunity management to support the decision-making processes - both strategic and operational
- (vii) comply with our legal obligations and ensure that effective risk and opportunity management arrangements are in place to support the Annual Governance Statement and the overall governance framework of the Council.

3.4 Risk management is designed to ensure that the key risks and the opportunities relating to our corporate objectives are identified and managed. Failure to do so could have a significant impact on our performance and our ability to achieve our stated objectives. However, we cannot eradicate every risk and to try to do so would mean that the organisation would not change or move forward. The challenge for us is to achieve high performing, innovative services through the sensible management of risk and opportunity.

11 FINANCIAL IMPLICATIONS

11.1 There are no financial implications arising from the adoption of the Strategy.

12 LEGAL IMPLICATIONS

12.1 There are no legal implications arising from the adoption of the Strategy.

13 HUMAN RESOURCES

13.1 There are no Human Resource issues arising from the adoption of the Strategy.

14 CONCLUSION

14.1 The last year has been a time of change and challenge for the Council and this looks set to continue. Risk management is an important element in our performance framework to ensure that we manage the existing risks and identify and deal with the emerging risks. We have responded well to recent financial challenges but given the current pressures on the Council and greater expectations from our customers and residents, we have to maximise our opportunities to deliver cost-effective, efficient and innovative services while minimising and managing the risks.

15. BACKGROUND PAPERS

None

16. APPENDICES

Appendix 1: Draft Risk Management Strategy and Framework 2017

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Draft Risk Management Strategy and Framework 2017

“Successful organisations are not afraid to take risks; Unsuccessful organisations take risks without understanding them.”

Guildford Borough Council Risk Management Policy

Risk management is an integral part of good management and governance and the Council has a legal duty to have risk management arrangements in place. The Council’s approach to managing risk is explained in this strategy, which sets out the Council’s approach to risk management at a strategic and operational level.

Guildford Borough Council is a complex organisation, providing a diverse range of services to over 135,000 people living and working in the Borough and surrounding area. The Council has many stakeholders and works with other public, private and voluntary bodies to make Guildford a better place for people to live and work.

The next few years will present significant challenges for the Council in delivering its services. The challenges mean that we need to develop a very different model for local government. One that is smaller and delivers with differing methods of service delivery, either through commissioning services, entering into partnerships or looking at other service models. Whilst these changes create opportunities, they also create risks and uncertainty.

Risk management is the process of identifying what might go wrong, what the potential consequences may be, what could trigger the occurrence and deciding how best to minimise the risk materialising. If it does go wrong, as some things inevitably will, proactive risk management will help ensure the impact is kept to a minimum.

The Council’s attitude to risk is to operate in a culture of creativity and innovation, in which all key risks are identified in all areas of the business and the risks are understood and managed, rather than avoided. We should not be afraid of risk but we must proactively manage it. This will allow us to meet future challenges and opportunities to deliver the most effective services. Risk management therefore needs to be an integral part of our decision making with structures and processes in place to ensure the risks and opportunities of daily service activities are identified, assessed and addressed in a consistent way.

This strategy is focused on providing the risk management principles, tools, techniques, advice and support for services now and in the future.

Guildford Borough Council has developed a systematic and logical process of managing business risk within a comprehensive framework to ensure it is managed effectively, efficiently and consistently across the organisation. Council wide ownership and accountability for managing risk is critical to the success of our services and the achievement of our corporate objectives.

We require all services to actively anticipate and manage their business risks, identify opportunities and mitigate any threats in line with their risk tolerances. This ensures a consistent approach where the risk profiles of each function are transparent and enables comparisons to be made and risks to be aggregated to provide a whole organisation portfolio approach to risk management.

What are the Council's risk management objectives?

- Adopt a strategic approach to risk management to make better informed decisions which is vital to successful transformational change;
- Set the 'tone from the top' on the level of risk we are prepared to accept on our different service delivery activities and priorities;
- Acknowledge that even with good risk management and our best endeavours, things can go wrong. Where this happens we use the lessons learnt to try to prevent it from happening again;
- Develop leadership capacity and skills in identifying, understanding and managing the risks facing the Council;
- Integrate risk management into how we run Council business and services.
- Support a culture of measured risk taking (our risk appetite) throughout the Council, including strategic, programme, partnership, project and operational areas. This includes setting risk ownership and accountabilities and responding to risk in a balanced way, considering the level of risk, reward, impact and cost of control measures;
- Ensure that the Council continues to meet all statutory and best practice requirements in relation to risk management;
- Ensure risk management continues to be a key and effective element of our corporate governance arrangements.

How are our objectives going to be met?

- Maintain a robust and consistent risk management approach that will identify and effectively manage strategic, operational and project risks and focus on those key risks that, because of their likelihood and impact, make them priorities;
- Ensure accountabilities, roles and responsibilities for managing risks are clearly defined and communicated;
- Consider risk as an integral part of business planning, service delivery, key decision making processes, and project and partnership governance;
- Communicate risk information effectively through a clear reporting framework; and increase understanding and expertise in risk management through targeted training and the sharing of good practice
- The Risk Management Framework will be reviewed periodically to take account of changing legislation, government initiatives, best practice and experience gained within the Council.

The Council will be open in its approach to managing risks. Lessons from events that lead to loss or reputational damage will be shared as well as lessons in good practice from things that go well. Discussion on risk in any context will be conducted in an open and honest manner. The strategy will be reviewed annually and further guidance will be published on the Council's intranet.

Risk Management Approach

1. Introduction

This strategy sets out our approach to risk management and aims to:

- Provide standard definitions and language to underpin the risk management process
- Ensure risks are identified and assessed consistently across the Council
- Clarify roles and responsibilities for managing risk
- Implement an approach that meets current legislative requirements and follows best practice and relevant standards.

2. Definitions

Risk can be defined as “an uncertain event that, should it occur, will have an effect on the Council’s objectives and/or reputation.” It is the combination of the probability of an event (likelihood) and its effect (impact).

Risk management is the “systematic application of principles, approach and processes to the identification, assessment and monitoring of risks.” By managing our risk process effectively, we will be in a better position to safeguard against potential threats and exploit potential opportunities to improve services and provide better value for money.

Risk management covers all levels of service delivery including:

Corporate Strategic Risks – Risks that could affect or prevent the Council achieving its objectives. These are:

1. risks that could potentially have a Council-wide impact and/or
2. risks that cannot be managed solely at a business unit level because higher level support/intervention is needed.

Business Unit Risks – Risks at a business unit and function level that could have an effect on the successful achievement of the group and business unit outcomes and objectives. Potentially these risks could have a significant financial, reputational and/or service delivery impact on the business unit as a whole.

Contract Risks – Risks that could have an effect on the successful achievement of the contract’s outcomes / objectives in terms of delivery, outcomes and value for money. Contract risks are managed throughout the contracting process including contract management or business as usual.

Programme/Project Risks – Risks that could have an effect on the successful achievement of the programme or project’s outcomes/objectives in terms of service delivery, benefits realisation and engagement with key stakeholders (service users, third parties, partners etc.).

Partnership Risks – Risks that could have an effect on the successful achievement of the partnership’s outcomes / objectives including engagement with key stakeholders (service users, third parties, partners etc.). These can be strategic and/or operational depending on the size and purpose of the partnership.

Reputational Risks - Risks that could affect the successful achievement of objectives including engagement and future relationships with key stakeholders, partners and the wider community.

3. Our Risk Framework

For a number of years the Council has been working towards a comprehensive and integrated approach to risk management where:

- Staff are clear about what risk management is intended to achieve;
- Significant risks are being identified and managed effectively;
- Training and guidance on risk management are easily accessible;
- A consistent corporate approach is followed using a common 'risk language'; and it is seen as an integral part of good corporate governance

This section details the framework to ensure the effective management of risk across the organisation. The Council's approach to risk management is based on best practice and involves a number of key steps.

Step 1: Purpose and Outcomes

Before we can identify our risks we need to establish the context by looking at what we are trying to achieve and what our proposed outcomes are. Depending on the area under review, the relevant objectives and outcomes will usually be detailed in existing documents, including the following:

- Corporate Plan (for core purpose, priorities and outcomes)
- Business Unit Plans (for group / business unit outcomes / objectives and actions)
- Project Brief/Project Initiation Document (for project aims and objectives)
- Programme Definitions/Plans (for programme aims and objectives)
- Partnership Agreements (for partnership aims and objectives)

Step 2: Identify Risks

There are a number of different types of risks that an organisation may face including financial loss, failure of service delivery, physical risks to people, and reputational damage.

To act as a prompt and to ensure completeness, a checklist of risk categories has been developed around the acronym PERFORMANCE:

- **P**olitical
- **E**conomic
- **R**egulatory
- **F**inancial
- **O**pportunities / **O**utcomes
- **R**eputation
- **M**anagement
- **A**ssets
- **N**ew Partnerships / **P**rojects / **C**ontracts
- **C**ustomers / **C**itizens
- **E**nvironment

The standard way to identify risks is through a risk register. Describing the risk is important to ensure that risks are fully understood, and to introduce the most effective solutions. Typical phrases used to do this include:

Risk of ... Failure to ... Failure of ... Lack of ... Loss of ... Uncertainty of ... Delay in ... Inability to ... Inadequate ... Partnership with ... Development of ... Opportunity to ... Damage to ... due to ... because leads to ... results in ...

All of the risks need to be captured in the risk register and a risk owner must be recorded against each risk on the register to ensure 'ownership' of the risk is documented and recognised.

A risk owner is defined as a person with the appropriate accountability and authority to effectively manage the risk e.g. a Director at Corporate Risk level. At this stage, there may well be a long list of possible risks. The next step will help to prioritise these in order of importance.

Step 3: Evaluate and Assess the Risk Level

To ensure resources are focused on the most significant risks, we need to assess and prioritise the risks in terms of the potential likelihood. Therefore, the process requires each risk to be assessed twice to identify the evaluated and residual risk levels.

The first assessment (the evaluated risk) is based on the level of risk if no action is taken or any existing actions are not operating effectively. In other words, what is the worst-case scenario if the risk were to occur.

Step 4: Risk Appetite

Risk appetite is best summarised as "the amount of risk an organisation is willing to accept". Guildford Borough Council aims to be aware of the risks, to actively manage business risks to protect and grow the organisation.

Step 5: Risk Maturity

There are several stages in the risk management process which defines the risk maturity of an organisation and these are shown in the table below.

Risk Maturity	Key Characteristics
Risk Naive	No formal approach developed for risk management
Risk Aware	Scattered silo based approach to risk management
Risk Defined	Strategy and policies in place and communicated. Risk appetite defined
Risk Managed	Enterprise wide approach to risk management developed and communicated
Risk Enabled	Risk management and internal control are fully embedded into operations

Step 6: Risk Management Levels

Our approach to risk management is founded upon ensuring risk is effectively and consistently managed across all levels of the Council. The risk culture that emanates from

the strategic leadership team is essential in ensuring all levels buy into and adhere to the corporate risk process.

The Levels:

Function Level: The function complies with the risk management strategy and ensures risks are identified against the delivery of the annual service plan. This level is the key lever for escalation of risks through to a strategic level where they are no longer containable by the function alone.

Service/Unit Level: The day-to-day management activities provide reasonable assurance that the main tactical and operational risks arising from service operations are identified, assessed, managed and monitored.

Programme/Project Level: The identification of risks from the initial business case stage in a programme/project and continued risk management throughout the project lifecycle to ensure the objectives can be achieved.

Corporate Strategic Level: The highest level of risk is managed at this level. Reports on the top business critical risks are reviewed by the Corporate Management Team and discussed at their management meeting on a monthly basis. This level sets the tone for effective risk management across the whole Council. At this level, the risk management strategy is developed for submission to the Executive for approval, and once agreed, its principles are championed by the strategic leaders of the Council.

Step 7: Risk Response and Further Actions

Not all risks can be managed all of the time, so having assessed and prioritised the identified risks, cost effective action needs to be taken to manage those that pose the most significant threat. Risk may be managed in one, or a combination, of the following ways:

- **Avoid**
A decision is made not to take a risk. Where the risks outweigh the possible benefits, avoid the risk by doing things differently e.g. revise strategy, revisit objectives or stop the activity.
- **Accept**
A decision is taken to accept the risk. Management and, or the risk owner make an informed decision to accept that existing actions sufficiently reduce the likelihood and impact of a risk and there is no added value in doing more.
- **Transfer**
Transfer all or part of the risk through insurance or to a third party e.g. contractor or partner, who is better able to manage the risk. (Note - Although responsibility can be transferred, in most cases accountability remains with the Council, so this still needs to be monitored.)
- **Mitigate Treat and Reduce**
Implement further additional action(s) to reduce the risk by minimising the likelihood of an event occurring (e.g. preventative action) and, or reducing the potential impact should the risk occur (e.g. business continuity plans). These will be recorded in the risk register and regularly monitored. Once they have been completed, the net risk level should be re-assessed. These are normally referred to as mitigating actions.
- **Exploit**
Whilst taking action to mitigate risks, a decision is made to exploit a resulting opportunity.

Step 8: Review, Report and Monitor

Risk management should be an ongoing process and as such risks need to be reviewed regularly to ensure that prompt and appropriate action is taken to reduce their likelihood and, or impact. Our approach is that:

- Risks should be reviewed as part of service performance monitoring reporting;
- The focus is on risks that, because of their likelihood and impact, make them priorities.

Regular reporting to CMT enables senior managers and Members to be more fully aware of the extent of the risks and progression being made to manage them. Red risks on business unit risk registers will be escalated and reported with the corporate risks in the CMT reports.

Step 9: Roles and Responsibilities

To ensure risk management is effectively implemented, staff and Members should have a level of understanding of the Council's risk management approach.

All Employees

All staff have a responsibility to manage risk in their areas and report risk management concerns to their line managers.

Service Managers and Project Managers

- Responsible for the effective leadership and management of risk in their area of responsibility in line with the Council's risk management framework
- Identify, assess and appropriately document significant risks and clearly identify risk ownership
- Manage risks in line with corporately agreed timescales and policies

Senior Managers

- Responsible for the effective leadership and management of risk in their business unit to meet corporate and business objectives in line with the Council's risk management framework and confirm annually that this has been done as part of the annual governance statement process
- Maintain the business unit risk registers with the appropriate risk owner ensuring all key risks are identified, managed and reviewed in line with the corporate risk management approach
- Promptly escalate risks appropriately
- Encourage staff to be open and honest in identifying risks and opportunities and have as a standing item on team meetings
- Ensure risk management process is an explicit part of transformation programmes and all significant projects

Strategic Directors

- Risk manage their services in delivering the Council's core purpose, priorities and outcomes.
- Constructively review and challenge the risks involved in decision making

Corporate Management Team

- Manage the Council's approach to risk to ensure that the strategic risks are identified and effectively managed to deliver our corporate objectives.
- Draft the risk management framework for consideration by Corporate Governance and Standards Committee and approval by the Executive
- Consider and challenge the risks involved in making any 'key decisions'

Corporate Governance and Standards Committee

- Provide independent assurance to the Council on the overall adequacy of the risk management framework including review of proposed amendments prior to submission to the Executive for approval.

Executive

- To approve the risk management strategy and framework and subsequent amendments.

All Members

- Support and promote an effective risk management culture
- Constructively review and scrutinise the risks involved in delivering the Council's core purpose, priorities and outcomes.

Partners

- Where appropriate participate in the development of a joint partnership risk register where the Council is the lead accountable body
- Actively manage risk within the partnership
- Report on risk management issues to partnership boards or equivalent.

Step 10: Embedding Risk Management

For risk management to be effective and a meaningful management tool, it needs to be an integral part of key management processes and day-to-day working. As such, risks and the monitoring of mitigating actions should be considered as part of a number of the Council's significant business processes, including:

- **Corporate Decision Making** – significant risks, which are associated with policy or action to be taken when making key decisions, are included in appropriate committee reports.
- **Business/Budget Planning** – this annual process includes updating the individual business unit risk registers to reflect current aims/outcomes.
- **Project Management** – all significant projects should formally consider the risks to delivering the project outcomes before and throughout the project. This includes risks that could have an effect on service delivery, benefits realisation and engagement with key stakeholders (service users, third parties, partners etc.).
- **Partnership Working** – partnerships should establish procedures to record and monitor risks and opportunities that may impact on the Council and, or the Partnership's aims and objectives.
- **Procurement** – procedure rules clearly specify that all risks and actions associated with procurement need to be identified and assessed, kept under review and amended as necessary during the procurement process.
- **Contract Management** – all significant risks associated with all stages of contract
- **Information Governance** – an annual information risk assessment should be carried out to assess the level of risk and compliance with regard to the use of information and data
- **Insurance** – the Council's Insurance team manages insurable risks and self-insurance arrangements.
- **Health and Safety** – the Council has a specific risk assessment policy to be followed in relation to health and safety risks.

Appendix 1: Check List for Risk Identification
Remember, effective risk management improves.....PERFORMANCE

P	Political
	<ul style="list-style-type: none"> • Member support / approval • Change in Government policy • Political personalities • New political arrangements
E	Economic
	<ul style="list-style-type: none"> • Economic downturn - prosperity of local businesses / local communities • Demographics
R	Regulatory:
	<ul style="list-style-type: none"> • Legislation and internal policies/regulations including Health & Safety at Work Act, Data Protection, Freedom of Information, Human Rights, Equality Act 2010 and Public Sector Equality Duty 2011, Employment Law, TUPE, Environmental legislation etc. • Grant funding conditions • Legal challenges, legal powers, judicial reviews or public interest reports
F	Financial
	<ul style="list-style-type: none"> • Loss of/reduction in income/funding, increase in energy costs • Budgetary pressures • Cost of living, interest rates, inflation etc. • Financial management arrangements • Investment decisions, Sustainable economic growth • Affordability models and financial checks • Inadequate insurance cover • System / procedure weaknesses that could lead to fraud
O	Opportunities/Outcomes
	<ul style="list-style-type: none"> • Add value or improve customer experience/satisfaction • Reduce waste and inefficiency • Raising educational attainment and improving the lives of children, young people and families • Maximising independence for older people with disabilities • Developing sustainable places and communities
R	Reputation
	<ul style="list-style-type: none"> • Negative publicity (local and national), increase in complaints
M	Management
	<ul style="list-style-type: none"> • Loss of key staff, recruitment and retention issues • Training issues • Lack of/or inadequate management support • Poor communication/consultation • Capacity issues - availability, sickness absence etc • Emergency preparedness / Business continuity

A	Assets
	<ul style="list-style-type: none"> • Property - land, buildings and equipment, • Information – security, retention, timeliness, accuracy, intellectual property rights • ICT – integrity, security, availability, e-government • Environmental - landscape, countryside, historic environment, open space
N	New
	Partnerships/Projects
	<ul style="list-style-type: none"> • Contracts • New initiatives, new ways of working, new policies and procedures • New relationships – accountability issues / unclear roles and responsibilities • Monitoring arrangements • Managing change
C	Customers
	<ul style="list-style-type: none"> • Changing needs and expectations of customers - poor communication/consultation • Poor quality / reduced service delivery - impact on vulnerable groups • Crime and disorder, health inequalities, safeguarding issues
E	Environment
	<ul style="list-style-type: none"> • Recycling, green issues, energy efficiency, land use and green belt issues, noise, contamination, pollution, increased waste or emissions, • Impact of planning or transportation policies • Climate change – hotter drier summers, milder wetter winters and more extreme events – heat waves, flooding, storms etc

Reviewing and Reporting Framework

High

There are significant risks, which may have a serious impact on the Council and the achievement of its objectives if not managed. Immediate management action needs to be taken to reduce the level of residual risk. Any residual red risks at business unit level or arising from projects will be included, alongside corporate risks, in the reports to CMT.

As a minimum review monthly.

Medium

Although usually accepted, these risks may require some additional mitigating to reduce likelihood if this can be done cost effectively. Reassess to ensure conditions remain the same and existing actions are operating effectively.

As a minimum review quarterly

Low

These risks are being effectively managed and any further action to reduce the risk would be inefficient in terms of time and resources. Ensure conditions remain the same and existing actions are operating effectively.

As a minimum review 6-monthly

Corporate Governance and Standards Committee Report

Ward(s) affected: not applicable

Report of Director of Resources

Author: Ciaran Ward

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Lead Councillor responsible: Matt Furniss

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Date: 27 July 2017

Freedom of Information Compliance Update

Executive Summary

This is a regular report to monitor the Council's performance in dealing with Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests.

In 2017, to date there have been:

- 330 Freedom of Information/Environmental Information requests
- 37 Environmental Information Regulations requests

As at 10 July, the Council's performance rate for delivery of FOIs/EIRs stands at 91.5%. The Key Performance Indicator (KPI) of 90% set by the Corporate Management Team has therefore been exceeded.

89.5% was the figure for this time last year.

Recommendation to Committee

That the Corporate Governance and Standards Committee notes the officer actions and continues to receive updates to ensure the Council continues to meet, and wherever possible to exceed, the 90% compliance target.

1. Purpose of Report

- 1.1 The Corporate Governance and Standards Committee has requested this report to ensure the Council improves its response timescales for FOI and EIR requests.
- 1.2 Appendix 1 contains the performance figures for each service area and a total for the Council, including volume of FOI/EIR requests received and the percentage responded to on time.

2. Strategic Framework

- 2.1 Promoting openness and transparency in Council policy and decision-making is essential to promote public confidence within the Borough in order to improve prosperity and well-being as outlined in the Strategic Framework – i.e. the Council “will be open and accountable”.
- 2.2 Effective compliance with information governance, including the management of the Council’s FOI/EIR regime plays a key part in achieving these objectives.

3. Background

- 3.1 The Council is required to respond to FOI and EIR requests within 20 working days – subject to certain exceptions as long as the requester is kept informed – for example extra time can be taken to consider the Public Interest Test (PIT).
- 3.2 The performance figures for 2017 (as at 10 July) are included in the Appendix.

Update on progress in 2017

- 3.3 As at 10 July 2017, the Council had received 357 FOI/EIR requests during the current calendar year. By comparison, 388 requests were received at this stage during 2016. 336 requests had been closed at the time the figures were compiled, with a number of requests still open. The open requests have not been included in these figures. The Council’s performance time currently stands at 91.5% of requests being closed within the statutory time frame, compared with a figure of 89.5% at this time in 2016.
- 3.4 The current figure also compares favourably with the overall figure for 2016, which was 89%.

4 Requests received by Directorate, January – June 2017 (up to 10 July)

- 4.1 Resources received the most requests with a total of 135 (33% of the total requests received). 92% of these requests were answered within the 20 working day time scale. The best performing directorate has been Community which answered 93% of its requests on time.
- 4.2 Four directorates – Environment, Community, Development and Resources – are currently performing above the ICO’s minimum performance target of 85%. It is not currently possible to compare these figures with previous years due to the corporate restructure which took place in 2016. However, future reports will aim to cover this.

Fig 1 – Pie of requests received by directorate

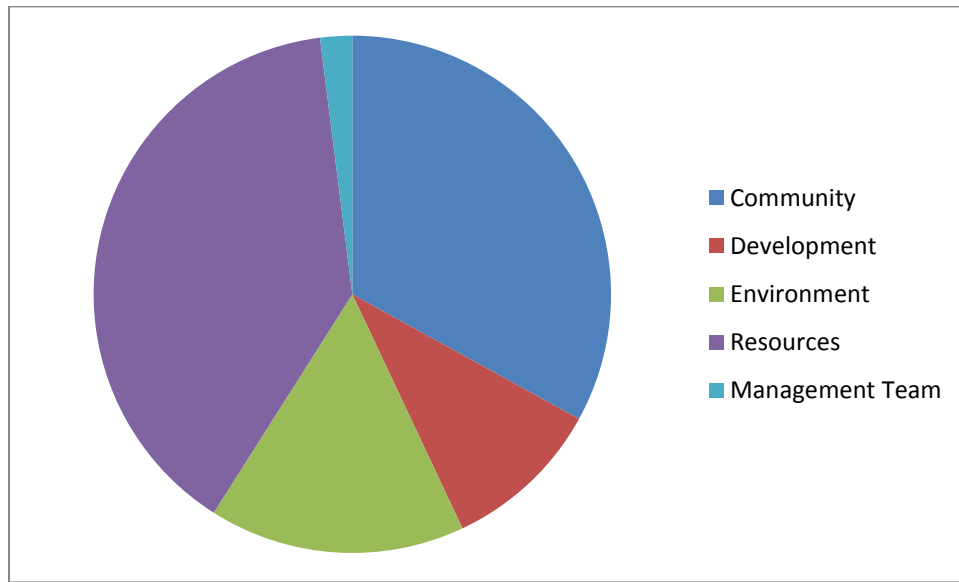


Fig 2 – Table of Requests received by directorate and percentage answered in time

Directorate	Number of requests received	Requests answered in time	Percentage answered in time
Environment	58	53	91%
Resources	134	124	92%
Management Team	5	4	80%
Community	103	96	93%
Development	36	32	89%

Requests received by service area

- 4.3 Out of 29 service areas which received FOI/EIR requests during the period covered, 20 have responded to 90% or more requests in time. So 69% of service areas therefore have a compliance rate of 90% or more. This compares very favourably with the overall figures for 2016, where only 12 service areas had a 90% compliance rate. Thirteen service areas (44.8%) currently have a 100% response rate. See appendices for full details.
- 4.4 Health and Community Care Services received the most requests – 65 in total, with an impressive compliance rate of 92%. This was followed by Business Rates, which received 41 requests and achieved an outstanding compliance rate of 100%.

5. Exemptions

- 5.1 The most frequently used exemption under the Freedom of Information Act was section 21 (information available by other means), which was used on 20 occasions to date this calendar year. Twelve of these requests were allocated to the Business Rates area. This is largely due to business rates information being readily available on the Council's website. Other examples of frequently requested information include public health funerals, empty commercial properties and financial information, which can be easily obtained via the Council website. The greater the amount of pro-actively published online information, the less time and effort will be required of FOIs. Accordingly, a project to set up a disclosure log whereby responses to FOIs/EIRs would be published online and available for public perusal is currently in the pipeline.
- 5.2 The next most commonly applied exemption was section 40 (personal information) which was used 8 times.

6. Internal Reviews and cases referred to the ICO

- 6.1 Seven requests so far this year have gone to internal review stage. Of those, three were upheld, one was overturned and three are still currently open.
- 6.2 Three cases have been referred to the Information Commissioner's Office (ICO). Two of these relate to EIR, the other relates to a Subject Access Request (SAR) for personal information. The SAR case was upheld by the ICO. Of the two EIR cases, one was withdrawn by the complainant and the other case is currently still open.

7. Equality and Diversity Implications

- 7.1 No Equality and Diversity Implications apply to this report.

8. Financial Implications

- 8.1 There are no financial implications to this report.

9. Legal Implications

- 9.1 Failure to respond to FOI/EIR requests within 20 working days is a breach of the respective legislation. Requesters whose FOIs/EIRs have not been answered within the statutory time limit have the right to request an internal review and/or to make a formal complaint to the Information Commissioner's Office (ICO). There are therefore direct legal implications associated with the risk of reputational damage to the Council, adverse publicity and active monitoring by the ICO.

10. Human Resource Implications

- 10.1 There are no proposals in this report with any direct HR implications.

11. Summary of Actions

- 11.1 Directors will ensure requests in their service areas remaining overdue or approaching their deadline date are resolved as soon as possible so that current standards can be kept up and, if possible, exceeded.

12. Conclusion

- 12.1 The Council is currently compliant with the KPI target for FOI/EIR performance figures. To maintain this standard, directors should ensure that requests for their services are resolved as efficiently as possible. The Information Rights Officer will continue to send reminders to any service areas responsible for requests which are nearing their deadline. Corporate Management Team should continue to monitor progress to drive improvement. FOI training has recently been delivered across services and will be continued so that staff will have a good understanding of what is required under the legislation.

13. Appendices

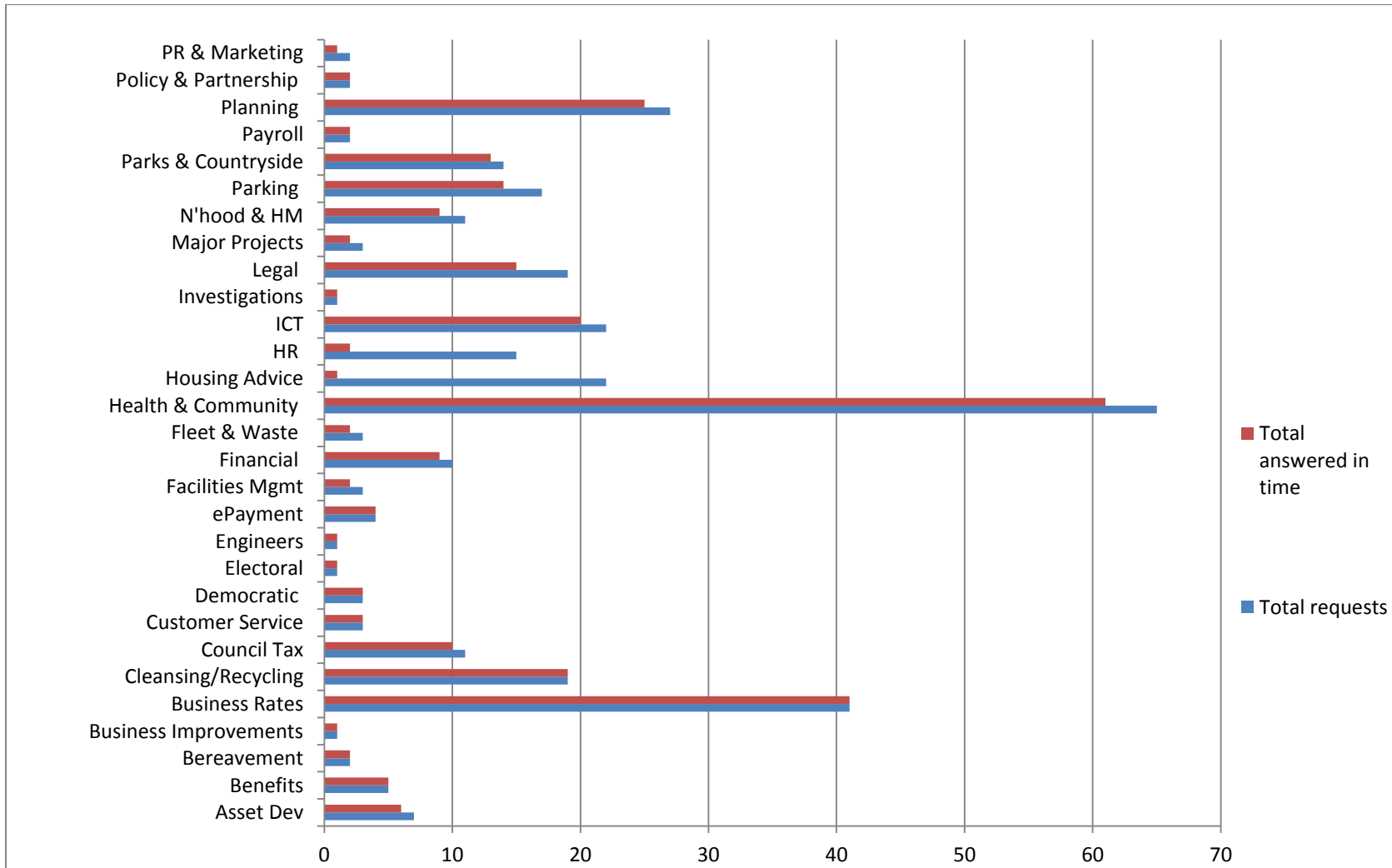
Appendix 1: Requests received by service area, 01/01/17 – 10/07/17

Appendix 2: Bar chart of Requests received by Service Area

Appendix 1 - Requests received by service area, 01/01/17 – 10/07/17

Service Area	Total requests	Total answered in time	Percentage answered in time
Asset Development	7	6	85.50%
Benefits	5	5	100%
Bereavement	2	2	100%
Business Improvements	1	1	100%
Business Rates	41	41	100%
Cleansing/Recycling	19	19	100%
Council Tax	11	10	91%
Customer Service	3	3	100%
Democratic	3	3	100%
Electoral	1	1	100%
Engineers	1	1	100%
ePayment	4	4	100%
Facilities Management	3	2	66.6%
Financial	10	9	90%
Fleet & Waste	3	2	67%
Health & Community	65	61	92%
Housing Advice	22	1	95%
HR	15	2	87%
ICT	22	20	91%
Investigations	1	1	100%
Legal	19	15	79%
Major Projects	3	2	67%
Neighbourhood & Housing Management	11	9	82%
Parking	17	14	82%
Parks & Countryside	14	13	93%
Payroll	2	2	100%
Planning	27	25	92.5%
Policy & Partnership	2	2	100%
PR & Marketing	2	1	50%

Appendix 2 – Bar chart of Requests received by Service Area



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Audit update report
Report of Head of Financial Services
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Date: 27 July 2017

External Audit Update

Executive Summary

The Council's external auditor, Grant Thornton periodically presents update reports to the Committee detailing progress on their audit and informing the Committee of updates affecting local government finance and accounts. The report at Appendix 1 is the latest of these reports.

Recommendation:

That the Committee notes the content of the External Auditor's update report and makes any comments that it feels appropriate.

Reason for Recommendation:

To allow the Committee to comment on the External Auditor's update report

1. Purpose of Report

1.1 This report presents the latest of a periodic update that our external auditors will prepare for this Committee.

2. Strategic Framework

2.1 These updates are part of the annual audit process that supports the Council's fundamental theme of Developing your Council in the Corporate Plan.

3. Background

3.1 Our external auditors, Grant Thornton periodically present an ongoing update of the progress of the annual audit. Attached at **Appendix 1** is the latest of these updates.

- 3.2 The update covers the progress up to July 2017 and provides a work programme for the rest of the audit to September 2017. The paper identifies a number of technical accounting issues, of which officers are aware, and have attended training on.
- 3.3 The paper also summarises various guidance and documents published by Grant Thornton and the National Audit Office (NAO). These publications cover various issues around local government finance and financial management. The Grant Thornton and NAO websites hold copies of these publications.

4. Financial Implications

- 4.1 There are no financial implications arising from this report

5. Legal Implications

- 5.1 There are no legal implications to this report

6. Human Resource Implications

- 6.1 There are no HR implications to this report

7. Conclusion

- 7.1 Grant Thornton will be presenting an audit update regularly giving the Committee an opportunity to discuss progress on the audit plus any other issues that may arise.

8. Appendices

Appendix 1: Grant Thornton Audit and Corporate Governance Committee update

Corporate Governance & Standards Committee Guildford Borough Council Progress Report and Update Year ended 31 March 2017

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July 2017

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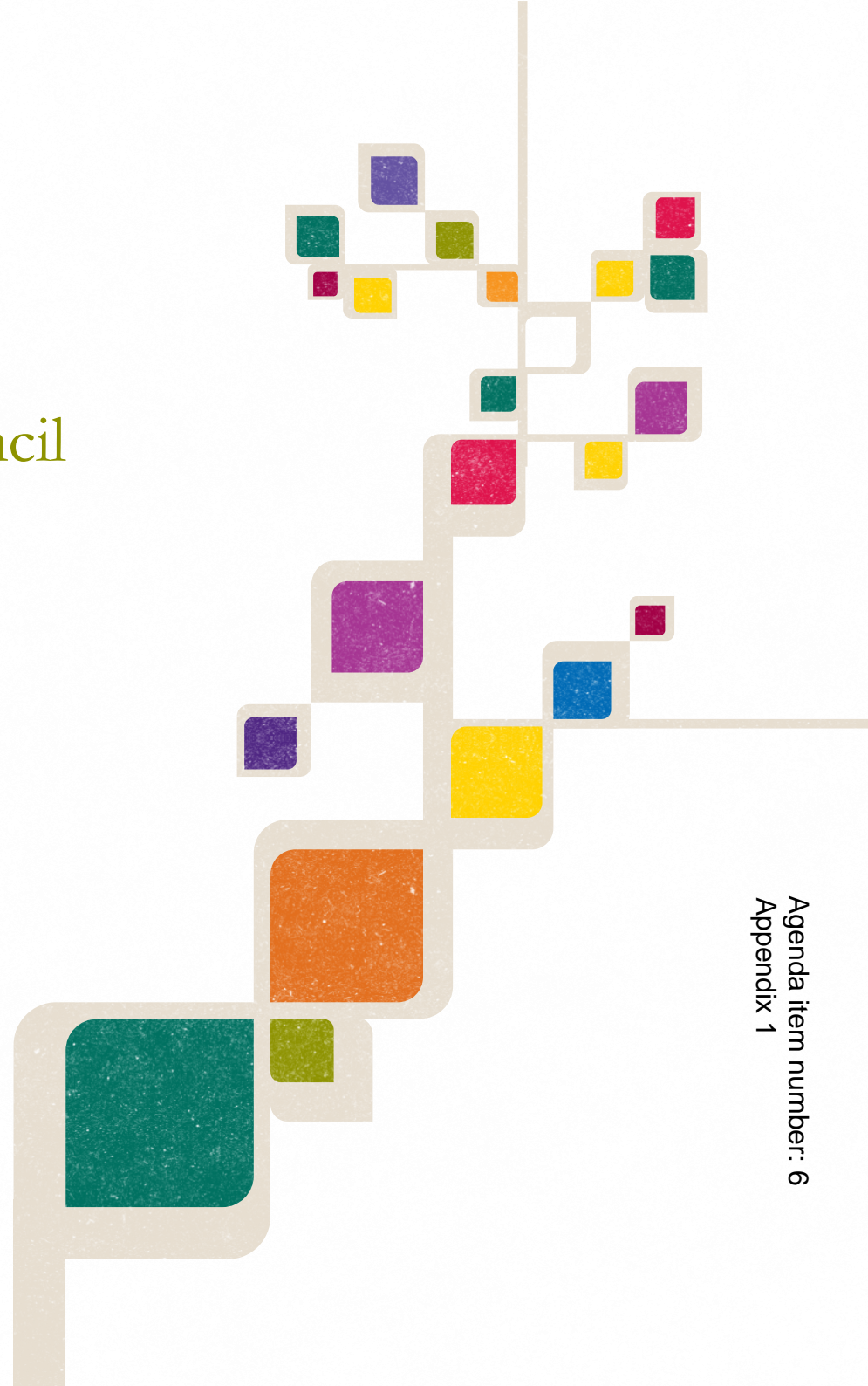
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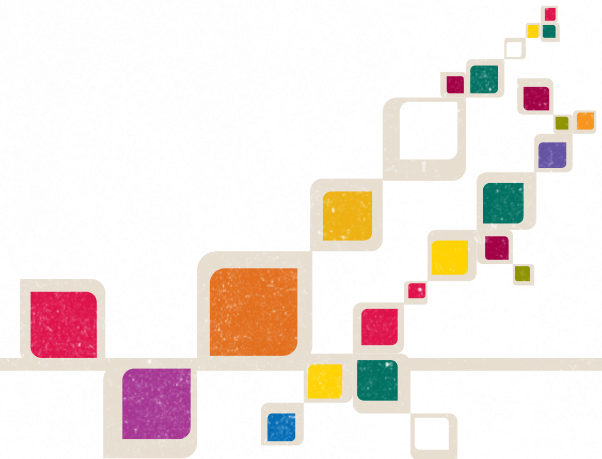
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The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect your business or any weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.



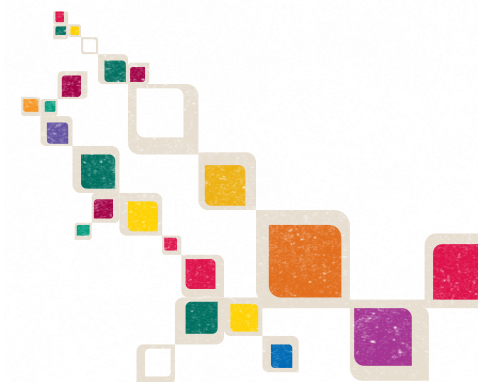
Introduction

This paper provides the Corporate Governance & Standards Committee with a report on progress in delivering our responsibilities as your external auditors.

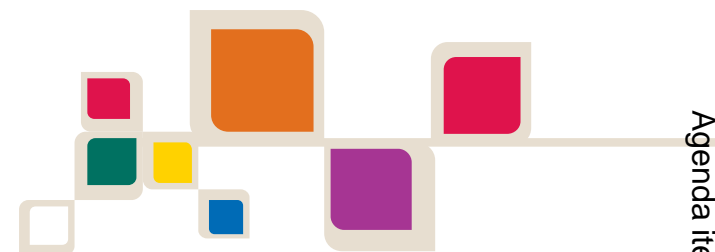
Members of the Audit and Governance Committee can find further useful material on our website www.grantthornton.co.uk, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications and articles, including the reports mentioned in this update along with other items:

- Income generation is an increasingly essential part of providing sustainable local services (March 2017); <http://www.grantthornton.co.uk/en/insights/the-income-generation-report-local-leaders-are-ready-to-be-more-commercial/>
- CFO Insights – reviewing council's 2015/16 spend (December 2016); <http://www.grantthornton.co.uk/en/insights/cfo-insights-reviewing-councils-201516-spend/>
- Fraud risk, 'adequate procedures', and local authorities (December 2016); <http://www.grantthornton.co.uk/en/insights/fraud-risk-adequate-procedures-and-local-authorities/>
- Brexit and local government; (April 2017) <http://www.grantthornton.co.uk/en/insights/a-global-britain-needs-more-local-government-not-less/> and (December 2016) <http://www.grantthornton.co.uk/en/insights/brexit-local-government-transitioning-successfully/>

If you would like further information on any items in this briefing, or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Engagement Manager.



Progress at July 2017

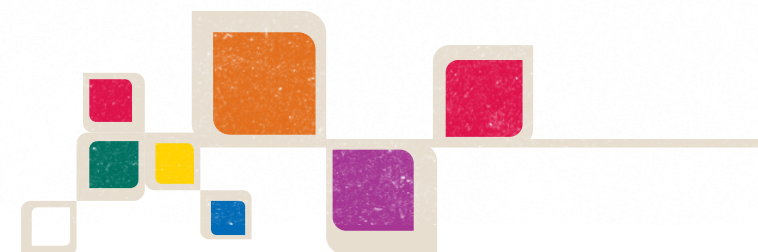


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2016/17 work	Planned Date	Complete?	Comments
<p>Fee Letter</p> <p>We are required to issue a 'Planned fee letter for 2016/17' by the end of April 2016</p>	April 2016	Yes	Completed as per plan
<p>Accounts Audit Plan</p> <p>We are required to issue a detailed accounts audit plan to the Council setting out our proposed approach in order to give an opinion on the Council's 2016-17 financial statements.</p>	March 2017	Yes	Completed as per plan and reported to Corporate Governance & Standards Committee on 30 March 2017
<p>Interim accounts audit</p> <p>Our interim fieldwork visit plan included:</p> <ul style="list-style-type: none"> • updated review of the Council's control environment • updated understanding of financial systems • review of Internal Audit reports on core financial systems • early work on emerging accounting issues • early substantive testing • Value for Money conclusion risk assessment. 	March 2017	Yes	Completed as per plan

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Progress at July 2017



2016/17 work

Planned Date Complete? Comments

Final accounts audit

Including:

- audit of the 2016/17 financial statements
- proposed opinion on the Council's accounts
- proposed Value for Money conclusion
- review of the Council's disclosures in the consolidated accounts against the Code of Practice on Local Authority Accounting in the United Kingdom 2015/16

July 2017

In progress

Working closely with the Council's finance team we have made good progress against our audit of the 2016/17 financial statements and the work is substantially complete. We have used this year as a test run for the statutory deadline coming forward in 2017/18. We have noted some useful practices which both ourselves and the finance team can put into place to ensure we meet the new deadline next year.

Value for Money (VfM) conclusion

The scope of our work is unchanged to 2015/16 and is set out in the final guidance issued by the National Audit Office in November 2015. The Code requires auditors to satisfy themselves that; "the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources".

The guidance confirmed the overall criterion as; "in all significant respects, the audited body had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people".

The three sub criteria for assessment to be able to give a conclusion overall are:

- Informed decision making
- Sustainable resource deployment
- Working with partners and other third parties

August 2017

In progress

We will complete the work on our value for money conclusion in August 2017. As per our Audit Plan we are focusing on two main areas:

- Medium term financial planning
- General Fund capital programme

Technical Matters





Accounting and audit issues

LAAP Bulletin 105: Closure of the 2016/17 accounts and related matters

In March, CIPFA's Local Authority Accounting Panel issued LAAP Bulletin 105. The bulletin provides further guidance and clarification to complement CIPFA's 2016/17 Guidance Notes for Practitioners and focuses on those areas that are expected to be significant for most authorities.

Topics include:

- Highways Network Asset (not applicable to GBC)
- update to the 2016/17 code
- Telling the Story
- accounting standards that have been issued but have not yet been adopted
- summary of other changes to the 2016/17 Code
- statutory guidance on the flexible use of capital receipts
- the Better Care Fund

Telling the Story – the 2016/17 Code changed segmental reporting arrangements for the Comprehensive Income and Expenditure Statement (CIES) and introduced the Expenditure and Funding Analysis (EFA). Both the CIES and EFA include a segmental analysis which requires local authorities to report on the basis of how they are structured. This has been reflected in your 2016/17 financial statements and we will report our detailed findings to you in September.



Accounting and audit issues

Code of Practice on Local Authority Accounting in the United Kingdom 2017/18

CIPFA/LASAAC has issued the Local Authority Accounting Code for 2017/18.

The main changes to the Code include:

- amendments to section 2.2 (Business Improvement District Schemes (England, Wales and Scotland), Business Rate Supplements (England), and Community Infrastructure Levy (England and Wales)) for the Community Infrastructure Levy to clarify the treatment of revenue costs and any charges received before the commencement date
- amendment to section 3.1 (Narrative Reporting) to introduce key reporting principles for the Narrative Report
- updates to section 3.4 (Presentation of Financial Statements) to clarify the reporting requirements for accounting policies and going concern reporting
- changes to section 3.5 (Housing Revenue Account) to reflect the Housing Revenue Account (Accounting Practices) Directions 2016 disclosure requirements for English authorities
- following the amendments in the Update to the 2016/17 Code, changes to sections 4.2 (Lease and Lease Type Arrangements), 4.3 (Service Concession Arrangements: Local Authority as Grantor), 7.4 (Financial Instruments – Disclosure and Presentation Requirements)
- amendments to section 6.5 (Accounting and Reporting by Pension Funds) to require a new disclosure of investment management transaction costs and clarification on the approach to investment concentration disclosure.

Sector issues and developments

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National Audit Office

Protecting information across government

“Protecting information while re-designing public services and introducing the technology necessary to support them is an increasingly complex challenge. To achieve this, the Cabinet Office, departments and the wider public sector need a new approach, in which the centre of government provides clear principles and guidance and departments increase their capacity to make informed decisions about the risks involved.”

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Amyas Morse, head of the National Audit Office, 14 September 2016

<https://www.nao.org.uk/report/protecting-information-across-government/>

Planning for 100% local retention of business rates

“The Department faces a significant challenge in implementing 100% local retention of business rates by 2019-20. It has benefited from the experience of delivering the 50% local retention scheme and is using this experience effectively. The key question is whether there is enough money in the system to let services be delivered on the right scale and for self-sufficiency to be seen to succeed.”

Amyas Morse, head of the National Audit Office, 29 March 2017

<https://www.nao.org.uk/report/planning-for-100-local-retention-of-business-rates/>

Health and social care integration

“Integrating the health and social care sectors is a significant challenge in normal times, let alone times when both sectors are under such severe pressure. So far, benefits have fallen far short of plans, despite much effort. It will be important to learn from the over-optimism of such plans when implementing the much larger NHS sustainability and transformation plans. The Departments do not yet have the evidence to show that they can deliver their commitment to integrated services by 2020, at the same time as meeting existing pressures on the health and social care systems.”

Amyas Morse, head of the National Audit Office, 8 February 2017

<https://www.nao.org.uk/report/health-and-social-care-integration>

NAO Publications

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Income generation

Local government is under immense financial pressure to do more with less. The 2015/16 spending review is forecast to result in a £13 billion funding hole by 2020 that requires. With further funding deficits still looming, income generation is increasingly an essential part of the solution to providing sustainable local services, alongside managing demand reduction and cost efficiency of service delivery. This report shares the insights into how and why local authorities are reviewing and developing their approach to income generation.

Our new research on income generation which includes our CFO Insights tool suggests that:

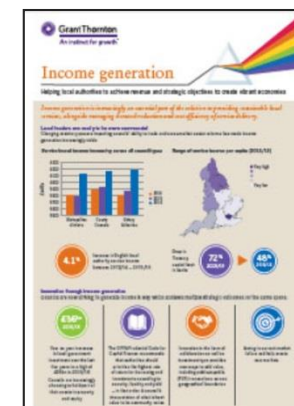
- ❖ councils are increasingly using income generation to diversify their funding base, and are commercialising in a variety of ways. This ranges from fees and charges (household garden waste, car parking, private use of public spaces), asset management (utilities, personnel, advertising, wifi concession license) and company spin-offs (housing, energy, local challenger banks), through to treasury investments (real estate development, solar farms, equity investment).
- ❖ the ideal scenario to commercialise is investing to earn with a financial and social return. Councils are now striving to generate income in way which achieves multiple strategic outcomes for the same spend; examining options to balance budgets while simultaneously boosting growth, supporting vulnerable communities and protecting the environment.

- ❖ stronger commercialisation offers real potential for councils to meet revenue and strategic challenges for 2020 onwards. Whilst there are examples of good practice and innovation, this opportunity is not being fully exploited across the sector due to an absence of a holistic and integrated approach to corporate strategy development (a common vision for success, understanding current performance, selecting appropriate new opportunities, the capacity and culture to deliver change).

Our report helps local authorities maximise their ability to generate income by providing:

- Case study examples
- Local authority spend analysis
- Examples of innovative financial mechanism
- Critical success factors to consider

Grant Thornton publications



Our Income generation report was published on Thursday 2 March, hard copies are available from your team and via link:

<http://www.grantthornton.co.uk/en/insights/the-income-generation-report-local-leaders-are-ready-to-be-more-commercial/>

CFO Insights – driving performance improvement

CFO insights is an online analysis tool that gives those aspiring to improve the financial position of their local authority instant access to insight on the financial performance, socio-economy context and service outcomes of every council in England, Scotland and Wales.

The tool provides a three-dimensional lens through which to understand council income and spend by category, the outcomes for that spend and the socio-economic context within which a council operates. This enables comparison against others, not only nationally, but in the context of their geographical and statistical neighbours. CFO Insights is an invaluable tool providing focused insight to develop, and the evidence to support, financial decisions.

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We are happy to organise a demonstration of the tool if you want to know more.

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A Manifesto for a Vibrant Economy

Grant Thornton publications

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Developing infrastructure to enable local growth

Cities and shire areas need the powers and frameworks to collaborate on strategic issues and be able to raise finance to invest in infrastructure priorities. Devolution needs to continue in England across all places, with governance models not being a “one-size-fits all”. Priorities include broadband, airport capacity in the North and east-west transport links.

Addressing the housing shortage, particularly in London and the Southeast, is a vital part of this. There simply is not enough available land on which to build, and green belt legislation, though designed to allow people living in cities space to breath, has become restrictive and is in need of modernisation. Without further provision to free up more land to build on, the young people that we need to protect the future of our economy will not be able to afford housing, and council spending on housing the homeless will continue to rise.

Business rates are also ripe for review – a property-based tax is no longer an accurate basis for taxing the activity and value of local business, in particular as this source of funding becomes increasingly important to the provision of local authority services with the phasing out of the Government’s block grant.

Demographic and funding pressures mean that the NHS no longer remains sustainable, and the integration of health and social care – recognised as critical by all key decision makers – remains more aspiration than reality.

There is an opportunity for communities to take a more holistic approach to health, for example creating healthier spaces and workplaces and tackling air quality, and to use technology to provide more accessible, cheaper diagnosis and treatment for many routine issues

Finding a better way to measure the vibrancy of places

When applied to a place we can see that traditional indicators of prosperity such as GVA, do not tell the full story. To address this we have developed a [Vibrant Economy Index](#) to measure the current and future vibrancy of places. The Index uses the geography of local authority areas and identifies six broad objectives for society: prosperity, dynamism and opportunity, inclusion and equality, health wellbeing and happiness, resilience and sustainability, and community trust and belonging.

The city of Manchester, for example, is associated with dynamic economic success. While our Index confirms this, it also identifies that the Greater Manchester area overall has exceptionally poor health outcomes, generations of low education attainment and deep-rooted joblessness. These factors threaten future prosperity, as success depends on people’s productive participation in the wider local economy, rather than in concentrated pockets.

Every place has its own challenges and opportunities. Understanding what these are, and the dynamic between them, will help unlock everybody’s ability to thrive. Over the coming months we will continue to develop the Vibrant Economy Index through discussions with businesses, citizens and government at a national and local level.



<http://www.grantthornton.co.uk/globalassets/1.-member-firms/united-kingdom/pdf/documents/creating-manifesto-vibrant-economy-draft-recommendations.pdf>

Guy Clifton – Head of Local Government Advisory

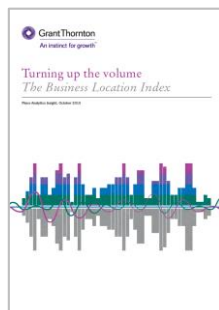
Publications

Providing key insight and examples of best practice to local government, police, fire and rescue services.



Innovation in public financial management

Our research on international public financial management shows it is evolving, from having a narrow focus on budgeting, towards a wider mandate as a key driver of policy and strategy across all levels of government, public services, state enterprises and public-private partnerships.



Turning up the volume

Our Business Location Index identifies the most desirable and affordable areas for investment in England, by looking at a combination of economic performance, people & skills, environment & infrastructure and cost.

Our aim is to give local authorities and LEPs the tool to better understand and market their strength and assets to increase inward investment and inform their devolution discussions.

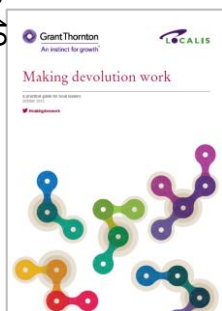


Reforging local government

The autumn statement identified how councils will need better financial management and further efficiency to achieve the projected 29% savings. This presents a serious challenge to manage councils that have already become lean.

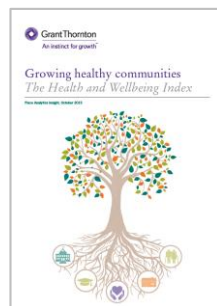
Our report looks at the financial challenge facing councils, the new governance agenda that will challenge traditional arrangements and expectations, and the way forward for the public sector through devolution, innovation, collaboration and cultural change.

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Making devolution work

This report gets under the bonnet of the devolutionary conversations taking place between Whitehall and local government across England. It offers a practical guide to local leaders by outlining the benefits of devolution, the areas of priority to central government and the key questions that must be addressed in order to produce a successful devolution bid.



Growing healthy communities

It has long been recognised that the health of a population is strongly linked to the circumstances in which people live.

Our health and wellbeing index looks at the health determinants and outcomes of an area, highlights the scale and nature of inequality across the country and reiterates the need for a local, place-based approach to tackling health outcomes. It also identifies the wider economic determinants on an area's circumstances, emphasising the need for local collaboration between public sector bodies.



Spreading their wings

Our first report in a series looking at alternative delivery models in local government looks at local authority trading companies (LATCs).

The need to improve performance against the continuing financial pressure in the public sector has led to an increase in innovative solutions to the challenges, such as alternative delivery models. Our report provides a guide on building a successful LATC, identifying the areas that must be considered at each stage of the process, as well as offering a number of examples of best practice.

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Hard copies of these reports are available from your audit team and soft copies from the Grant Thornton website



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Corporate Governance and Standards Committee Report

Report of Chief Internal Auditor

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Date: 27 July 2017

Summary of Internal Audit Reports - October 2016 – March 2017

Recommendation

The Committee is requested to note the summary of audit reports and other associated work for the period 1 October 2016 to 31 March 2017.

Reason for Recommendation:

To ensure an adequate level of audit coverage.

1. Purpose of Report

- 1.1. To present a summary of audit work for the period 1 October 2016 to 31 March 2017.

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. We have to ensure that the level of audit coverage is sufficient to provide assurance on the overall standard of corporate governance. The section has undergone a fundamental service review over the last year to identify the best service option for the Council's current needs but also looking at the Council's strategic objectives over the next three years and future developments within local government.

4. Summary of Audit Reports – October 2016 to March 2017

4.1. The summaries of the audit reports that we have carried out in the period October 2016 to March 2017 are set out below. Internal Audit uses a scale to categorise the findings and audit opinion under five classifications. These are:

- **No Opinion** – Results of one-off investigations or consultancy work ranging from investigations into potential fraud or misappropriation or other projects such as value for money reviews on which no audit opinion is given.
- **No Assurance** – Fundamental control weaknesses that need immediate action. The area reviewed has significant control weaknesses and/or significant problems were found in the course of the audit.
- **Limited Assurance** – Some assurance that the controls are suitably designed and effective but inconsistently applied and action needs to be taken to ensure risks are managed. The area reviewed has some control weaknesses and there is a risk of loss or problems identified in the course of the audit.
- **Reasonable Assurance** - Assurance that the controls are suitably designed, consistently applied and effective, but we have identified issues that, if not addressed, increase the likelihood of risk materialising in this area. This rating reflects audits where the systems are sound and there are only low level risks.
- **Substantial Assurance** – Assurance that the controls are suitably designed consistently applied and effective. The area reviewed is well controlled and no material problems were found.

4.2. The classifications are included in the reports to managers and have been included here to provide the Committee with an overall conclusion on the findings of the audits. The reports are ranked in order of audit opinion.

5. No Opinion

5.1. There were no reports with “No opinion” in this period.

6. No Assurance

6.1. There were no reports with a “No Assurance” opinion in this period.

7. Limited Assurance

Data Quality

7.1. One of the main areas in the audit plan this year was the focus on governance and the emerging risks and legislation in this area. One of the most significant risks and challenges for us is the requirement to comply with the new General Data Protection Regulation, which comes into force in May 2018. We have had

problems in the past where poor data quality and management has caused problems but the new regulation has raised the risk level for the Council if we fail to comply and could result in:

- 1) Reputational damage
- 2) Resource implications
- 3) The risk of financial loss
- 4) The risk of acting illegally
- 5) The risk of data protection breaches and incurring penalties (potentially up to 20 million euros)
- 6) The risk of legal action from the data subject which could result in a claim for personal damages
- 7) The risk of decisions being made on incorrect data
- 8) The risk of unauthorised and uncontrolled access to data

7.2 The next step for the Council is to assess how this new legislation will impact our services. This new regulation emphasises that it is about making sure that we have organised ourselves properly to deal with privacy and that we have the technical ability to do so. We have a year in which to address any issues within our current processes before GDPR becomes statutory.

7.3 The audit review looked at data quality from both a strategic and service viewpoint. They are both important and interlinked. We firstly need a strategy to give us direction but practically we need to conduct a baseline assessment to identify the status, location, risk, visibility and ownership of essential data. This should be documented in a data map to address governance, risk and compliance issues. It should not be treated as a one-off process because it is an essential milestone in a process of continuous improvement and good information governance.

7.4 The data review should include and challenge the whole data life cycle ranging from where information is stored to who has access and editing rights. The findings from the audit should form part of an information governance framework. It is essential that the right stakeholders are involved in the process and any actions arising from the audit are reported to Corporate Management Team.

7.5 As part of this exercise there should be:

- a comprehensive assessment of file access and usage rights to identify any unauthorised personnel accessing and editing sensitive data.
- a process to automatically rescind access permissions and rights after an employee leaves the organisation or changes roles within the Council
- the creation and evaluation of file access and usage logs, to determine the integrity of information
- a data age assessment to comply with best practice and improve system performance, ensure agility and save money.
- an information profiling exercise to determine the business value of any given piece of information.
- an information map that identifies and gives a context to the overall information universe and assigns a value to all data and to come up with better ways to store, secure, share, archive and restore information.

- 7.6 At a service level, we need to look at Performance Indicators and how we monitor and report performance. There is little value in collecting data that is of no practical use or application so applying general criteria to all services will not work and performance management will fail. There should be business specific business indicators, which are reported monthly to CMT.
- 7.7 Service managers and staff need to understand the importance of proper data management and how it could impact on them individually, their service, or the Council as a whole. The consequences under the new legislation are significant not just financially but also the damage to our reputation and we have to prove that we are taking steps to identify, mitigate and treat the risks.
- 7.8 It was recommended that:
- 1) We have a Data Quality Management Strategy
 - 2) We carry out a mapping review of data that we process including access rights
 - 3) Carry out an information governance review to analyse which data is no longer needed
 - 4) Introduce corporate training on data security
 - 5) We carry out a gap analysis on our current processes against the new requirements of GDPR to identify possible weaknesses
 - 6) There are regular reports to CMT on progress

Audit Opinion – Limited Assurance

Recommendations have been agreed and we will be reviewing progress against the requirements of the new legislation in August 2017

Transparency Agenda

- 7.9 In February 2015, the government issued a revised Local Government Transparency Code. This built on previous codes, the most recent version of which was published in 2014. The Transparency Agenda requires councils to publish the following information, (subject to certain restrictions relating to issues such as commercial confidentiality, data protection, copyright, licences and statutory requirements):
- Expenditure exceeding £500
 - Government Procurement Card Transactions
 - Details of tenders above £5,000
 - Details of contracts above £5,000
 - Local authority land
 - Social housing assets
 - Grants to voluntary, community and social enterprise organisations
 - Organisation chart
 - Trade union facility time
 - Parking account
 - Parking spaces

- Senior salaries
- Constitution
- Pay multiple
- Fraud

7.10 The Code requires that information is:

- **demand led** - requiring an understanding of what data communities want and how it should be published.
- **open** - helpful and accessible presentation and availability and promoted and publicised.
- **timely** - available as soon as possible after production.

7.11 The Code recognises that the method of publication is essential to true transparency and there is a “five step journey to a fully open format”, which includes a star rating:

- One Star - Available on the web (whatever format) but with open license
- Two Star - As for one star plus available as machine-readable structured data (e.g. Excel instead of an image scan of a table)
- Three Star - As for two star plus use a non-proprietary format (e.g. CSV and XML)
- Four Star - All of the above plus use open standards from the World Wide Web Consortium (such as RDF and SPARQL21)
- Five Star - All the above plus links an organisation’s data to others’ data to provide context

7.12 The Government recommends that local authorities publish the appropriate data in Three Star formats and in an open and machine-readable format

7.13 The review compared the Council’s current processes with the government’s requirements. The review found:

- The hit rate on the Transparency web page was not significant which could be due to accessibility issues, lack of interest or knowledge
- The Transparency web page includes information that is not required under the Transparency Code.
- There is some inconsistency in the information provided. For example expenditure, the Council publishes information on all expenditure when it is only required to publish information on spend above £500. However, the Council does not publish redacted information on expense payments to staff, which is a current requirement.
- Some information is out of date. For example, the information on Voluntary Grants is for 2014/15 and the Parking Business Plan is for 2015/16.
- Not all information is published in a format that satisfies the Three Star requirement. Some are published as PDF documents, which means that the information cannot be manipulated or easily analysed.

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- There is no single person responsible for the oversight of the Transparency Agenda to ensure that the Code is being complied with or that changes in the requirements of the Code are covered. (This is why, for example, the Council is not publishing information on payment of expenses. The officers responsible for publishing spend information were unaware that this was required by the revised Code published in February 2015.)
- 7.14 The Council's biggest challenge will be to comply with the publication of information in relation to procurement. The Council is required to publish details of the tender for any contract valued at more than £5,000 and the details of any contract awarded valued at more than £5,000. This includes formal contracts and any goods or services purchased through an order. Some information is published, but the review found that it appeared to be limited to a number of building contracts. We need to build the publication of this information into the procurement process to ensure that all qualifying transactions are identified. This is the area that there could be highest risk of a challenge to the Council and is currently under review.
- 7.15 The following recommendations were made:
- The Web Team carries out a review of the Transparency web page in order to reduce the content and increase traffic to the page.
 - The Council considers publicising the information in order to improve public awareness and increase traffic to the page.
 - The Council reviews the content of the web page to ensure that it is up to date.
 - The Council should ensure that where the Transparency information is published in a larger document, it is also published as an extract in the appropriate format to provide accessibility and utility.
 - The Council should publish all information in the appropriate format to achieve the Three Star level required by the Code.
 - The Council should make an officer responsible for the oversight of the Council's response to the Transparency Agenda.
 - There should be a review of the Council's procurement processes to ensure that services are aware of their responsibilities to record tender and contract details.

Audit Opinion – Limited Assurance

Recommendations have been agreed and progress will be reviewed in the second part of the year.

Housing Benefit Overpayments

- 7.16 The objective of the audit was to ensure that adequate controls are in place to ensure that Housing Benefit (HB) overpayments are managed effectively, and monies collected in a timely manner. The specific objectives of the review were to ensure that:
- There are suitable policies and procedures in place surrounding HB overpayments and recovery;
 - HB overpayments identified are dealt with in line with procedures;
 - There is an appeals process in place for Claimants;
 - HB overpayments can be reconciled to the overpayments handed to/ from the Housing department;
 - Overpayments are actively pursued and any write-offs only proposed after all reasonable recovery efforts have been exhausted and subject to formal approval;
 - HB overpayments are reclaimed against re-award of HB to the claimant; and
 - HB overpayments are suitably monitored by Management.
- 7.17 There is a weekly transfer of HB overpayments between the HB section and the Housing Rents team. These can occur when claimants who are Council tenants are no longer eligible for benefits. The Housing Rents team will collect the HB overpayments as part of its rent arrears process. Where tenants have rent arrears and HB overpayment, priority is given to collecting the rent arrears and once this debt has been cleared, the Housing Rents team then chases the HB overpayment.
- 7.18 Where tenants are re-awarded benefits, the associated HB overpayment is transferred back to the HB section, who will deduct an agreed sum from the tenant's weekly entitlement.
- 7.19 The review found some the following areas of good practice
- The Housing Rents team has a 'Former Tenants Arrears' procedure in place.
 - The Area Housing Managers (AHM) perform a weekly check of the HB payments received against the rent accounts. This enables the AHMs to identify HB overpayments transferred from HB section and tenants who have been re-awarded HB entitlement.
 - The AHMs send an email to the Deputy Housing Benefits Manager informing him of the HB overpayments that will be returned to HB section, as the tenant is in receipt of Housing Benefit.
- 7.20 There were however areas for improvement
- There needs to be better administration of former tenant arrears accounts.
 - A management decision needs to be taken on the approach to aged debt.
 - Write offs over £10,000 have not been authorised in line with the requirements of the Council's Constitution.

- Movements of overpayments to and from HB and Rents are not subject to automated reconciliation by either section, as the system cannot generate a specific report.

Audit Opinion - Limited Assurance

The Landlord Services Manager is already reviewing the processes for Former Tenants Arrears and the management of aged debt. Progress will be monitored in 2018-19.

8. Reasonable Assurance

Elections

- 8.1 Since May 2016, we have had three elections and two referendums. These were:
- 1) May 2016: Police and Crime Commissioner for Surrey
 - 2) June 2016: EU Referendum
 - 3) October 2016: Mayoral Referendum
 - 4) May 2017: Surrey County Council Elections
 - 5) June 2017: Parliamentary Election
- 8.2 This level of activity is unusual and has impacted on staff resources but each election places a great strain on resources not only in Electoral Services but also across the Council. The democratic processes can be complicated and need to withstand scrutiny and challenge both from candidates and the Electoral Commission. Audit carried out a substantial piece of work over the last 12 months to improve the governance and accountability of the election process. Following detailed walk through testing, we introduced an end-to-end timeline and check sheet, which can be adapted for all elections. This provides better governance and control over the whole process.
- 8.3 In particular, we have improved the governance and reconciliation of postal votes with the introduction of more robust processes at each stage of what is a complex procedure.
- 8.4 We also visited neighbouring authorities to compare our processes and identify best practice. That gave us assurance that our security over the whole process is sound. The new system was used at the Parliamentary election and worked well but there is still room for improvement and this will be the subject of ongoing work with the Elections team.

Audit Opinion – Reasonable Assurance

The recommendations were implemented during the course of the audit.

Single Person Discount

- 8.5 The overall objective of the audit was to ensure that adequate processes are in place that supports the effective and efficient operation of the Single Persons Discount (SPD). The specific objectives of the review were to ensure that:

- SPD policy and procedures are in place and are regularly reviewed in line with any changes to legislation, local policy and best practice;
- The SPD discount is granted to those who meet the eligibility criteria;
- All relevant paperwork is on file to support the SPD discount granted;
- Third party verification is performed on SPDs;
- An annual review is performed of SPDs granted;
- There is a process in place for collecting overpayments of SPDs;
- SPDs identified through the National Fraud Initiative (NFI) have been followed up; and
- Management receive regular monitoring information on SPDs.

8.6 The Council has approximately 16,000 residents claiming Single Persons Discount (SPD). The projected value of discount granted in 2016/17 amounts to £7.4 million. The Council Tax team is responsible for collecting and managing the Council Tax service. Council Tax is administered through the Civica system, which processes and records Council Tax bills, amendments, payments and discounts. There are no key weaknesses identified during the audit and the review identified the following areas of good practice.

- We use the annual NFI data check exercise to inform the Council of any erroneous or fraudulent SPDs. All anomalies are investigated and outcomes reported to the NFI.
- SPD overpayments are collected via the Council Tax recovery process, which is initiated with an overpayment letter and progresses to Court action.
- The Assistant Council Tax Manager is in the process of compiling an SPD analysis of how Guildford Council compares with other Surrey Councils.

8.7 However, the following improvements were recommended

- **SPD Procedure Notes**

Discussions held with the Assistant Council Tax Manager revealed that there are no SPD procedure/ guidance notes in place. The Council Tax team are fully versed with the SPD criteria and processing of such discounts and staff can ask the manager or other experienced staff for guidance if necessary

- **SPD Award and Review**

The review found that taxpayers do not complete and SPD form. They will normally inform the Council Tax team by phone or email if they are claiming single occupancy status and the discount is applied with immediate effect and a diary note created on the taxpayer's account.

While the NFI data matching exercise acts as an annual review we may want to consider introducing further controls, which could take the form of spot checks during the year which would give added assurance that the SPD's are appropriate.

Audit Opinion - Reasonable Assurance

Vehicle Management

- 8.8 Internal audit undertook a review of Council Vehicle Fuel Management as part of the 2016-17 audit plan. The audit involved a walk through test to ensure the administration for ordering fuel was in accordance with the Council's Financial Procedure Rules.
- 8.9 Over 200 items within the Council's list of vehicles and plant require fuel for operational purposes. The cost to the Council is significant with a spend of approximately £550,000 per year so we need to control and manage this expenditure. Fuel is dispensed from tanks at Woking Road Depot and it is monitored by specialist software. There are also procurement cards for use at Esso stations, which should only be used in emergencies.
- 8.10 We reviewed the controls for dispensing fuel, which is administered through the Cameron Forecourt Fuel System. We also looked at the controls for master key usage and emergency Esso cardholders.
- 8.11 The review covered the following areas:
- 1) Fuel Ordering – controls were in place and working as intended
 - 2) Fuel Delivery – evidence of good control and monitoring of the fuel in the tanks
 - 3) Dispensing Fuel - Two fob keys are required to dispense fuel, a driver fob key (red) and a vehicle fob key (blue). Fob keys are allocated by the Fleet Co-ordinator and recorded on the Cameron Forecourt Fuel System.
 - 4) Emergency Cards – evidence of good control by the Fleet Administrator who monitors usage
 - 5) Stocktake - There is an annual stock take at the end of year, the service accountant, and the Fleet Co-ordinator dip the fuel tanks to reconcile purchases and issues for the year from the opening stock at 1 April and the stock take at the end of March.
 - 6) Security – There are CCTV cameras positioned to cover the petrol pumps all of the time.
 - 7) Management Reporting - The Cameron Forecourt Fuel System is able to provide management reports, but the full functionality is not being used. We are currently looking at a new integrated system.

Audit Opinion - Reasonable Assurance

Crematorium

- 8.12 Internal audit undertook a review of the crematorium as part of the annual audit plan for 2016-17. The review assessed the progress since the last audit and the effectiveness of the system controls. The objectives of the audit were:
- To review the income systems.
 - To review the procedures in place for the collection and banking of income.

- To review the procedures in place for raising invoices and orders.
- To make recommendations for improvements as appropriate.

8.13 The Crematorium generates income of approximately £1.5m per year against direct expenditure of £580,000. The review identified good financial control and only minor issues were raised relating to an outstanding debtors invoice and the roll out of a new automated system for raising invoices.

Audit Opinion - Reasonable Assurance

Taxi Licensing Fees

8.14 Following a series of challenges to the fees set for taxi licensing, internal audit now carry out an annual review of the data upon which the fees are based. This includes verifying the formulae used in the calculation and ensuring that we have included all the relevant costs.

Audit Opinion - Reasonable Assurance

G Live Contract Monitoring

8.15 This review was a follow-up to an audit carried out in 2014-15. There were seven recommendations arising from this and the previous audit. The review found:

- Three recommendations had been fully or partially implemented
- One has been superseded
- Two were still to be implemented (these were low level, low risk recommendations)

8.16 There is one recommendation, which has now been incorporated into the audit plan for 2017-18 relating to an 'Open Book Accounting' review, at various intervals through the life of the contract. This is already being carried out on the Spectrum contract but now we will also be including an annual review of the G Live contract.

Audit Opinion – Reasonable Assurance

9. Substantial Assurance

National Non-Domestic Rates (NNDR) Discounts

9.1 The Council has circa 4,500 business properties and is responsible for collecting NNDR. The Revenues team is responsible for collecting and managing the NNDR service for the Council. NNDR is administered through Civica which processes and records NNDR bills, amendments, reliefs and payments. The overall objective of the audit was to ensure that adequate control processes are in place over the operation of NNDR reliefs. The specific objectives of the review were to ensure that:

- There are processes in place to ensure compliance with established policies, procedures, laws and regulations;

- Reductions are granted only after checks are made against eligibility criteria;
- Reductions are credited to the correct accounts in a timely manner;
- Adequate segregation of duties is in place between administration and collection duties;
- Management information produced is timely, appropriate and adequate; and
- Personal data is processed in a secure and controlled manner in line with internal policy and legislation.

9.2 There were no weaknesses found during the audit and the following areas of good practice were identified:

- Adequate segregation of duties exists between staff who process NNDR and staff who process the NNDR payments.
- Testing of a sample of Small Business Rates Relief (SBBR), Charitable Relief, Discretionary Relief, Unoccupied and Partly Unoccupied relief identified that all reliefs had been awarded in line with criteria.
- Management do not receive any monitoring information pertaining to NNDR Reliefs however, the Interim Exchequer Services Manager maintains a Rates Retention Monitoring spreadsheet which is emailed to Corporate Finance and the Director of Resources and contains information on NNDR Reliefs.
- The Revenues section monitors on a monthly basis the NNDR collection rate. As at February 2017 the collection rate stood at 96.1% - the year-end target is 99%.

Audit Opinion – Substantial Assurance

Land Charges

9.3 A local land charge is a restriction on a piece of land or property that can limit its use or bind the owner to a payment of a sum of money. Charges can include planning decisions; road agreements; tree preservation orders; conservation areas and listed buildings notices; environmental health notices and charges or objections made against previous owners. The objectives of the audit were to ensure:

- Compliance with the Land Charges Act 1975 and the latest rulings regarding the VAT charge for CON29R and CON290 under the Environmental Information Regulations.
- Compliance with the Court of Justice of the European Union regarding the implications for charges for property searches.
- that the register maintained by the Land Charges Section is up to date and current.
- Income received is banked promptly and the register is updated accordingly.
- Regular reconciliations are carried out between income collected and the accounting records in the General Ledger.
- Budget monitoring is effective and carried out on a regular basis.
- The fees are calculated to reflect a break-even service.

- 9.5 The review found that the controls in place were sound and working as intended. Guildford's turnaround performance of 3-5 days has greatly improved over the last three years and compares favourably with other Surrey districts.

Audit Opinion – Substantial Assurance

10 Governance, Corporate and Projects

Ombudsman

- 10.1 It is difficult to plan for Local Government Ombudsman (LGO) complaints or know how much audit will be involved. Some complaints are more complex than others and we work with the services prior to making a response to the LGO. While it may not be traditional audit work and in some cases they can be time consuming and can result in a mini audit. They are, however, a valuable insight into areas of emerging risk which we then build into the audit plan. Our performance is subject to an annual review by the LGO and their report is due in the next few weeks and will be reported to the 21 September meeting of this Committee.

Tenancy Fraud

- 10.2 As part of our focus on fraud, we have been working with services on the emerging risk of tenancy fraud. The pressure and cost of housing in the area has increased the risk of tenancy fraud within our social housing sector. Earlier in the year, we carried out a review to assess the controls that the Council has in place to prevent and deter tenancy fraud. The preliminary findings of the review found that although staff do carry out some checks, they are not consistently applied and could be more robust.
- 10.3 Since then we have worked with Neighbourhood and Housing Management Services to improve the level of controls. Progress has been made and a Tenancy Fraud policy is currently being drafted. In addition, the Landlord Services Manager has identified a range of data that the Council already holds which could be indicators of possible fraud and which are not currently being used.
- 10.4 As part of these reviews, internal audit met with the Local Partnership Manager from the Home Office. Central government are building links with local audit teams to help us to detect fraudulent documentation and activity. This is part of an ongoing initiative under which they are willing to give the Council access to data and specialist training. The services that we have identified that would benefit from training are:
- Housing Advice
 - Housing Rents
 - Taxi Licensing
 - Recruitment (including agency staff)
 - Customer Service Centre staff

Risk Management

- 10.5 We have updated the corporate risk register to take account of new structures and emerging risks. The service risk registers will form part of the new service plans, which are being rolled out across the Council and will be aligned to the corporate risks. There is also a new Draft Risk Management Strategy, which is the subject of a separate report on this agenda.

Service Planning

- 10.6 Service Plans are an important part of our management control environment. We have had a service planning process for several years, which has developed over time and, as a result, service plans are not being produced or used in a consistent way across the Council.
- 10.7 Following a review of our service planning process, the Corporate Management Team has agreed that we will continue to have Service Plans but that the procedure should be simplified. The new Service Plans will consist of two main documents. First, there will be a document with summary information about the service and its significant projects and activities looking ahead over the next three financial years. Second, there will be a simple spreadsheet showing each of these projects/activities, which will be used in one to ones and at CMT to monitor the progress against targets.
- 10.8 The new service plans are currently being rolled out to all services for inclusion in the 2018-19 financial planning process as well as being useful tools to monitor and manage significant projects and activities. Service Plans also provide an opportunity to engage with colleagues, councillors and customers to improve their understanding of the scale and objectives of each service.

Point of Sale

- 10.9 This is an ongoing piece of work to identify all income streams and to take payment at point of sale. This should reduce back office administration and result in efficiency savings.

11 Service Reviews

- 11.1 Over the last year, Internal Audit has worked with managers on lean reviews, some as stand-alone projects and some as part of their fundamental reviews. Although this is not traditional audit work, many of the business process re-engineering disciplines involved are closely related to audit systems analysis. This has the benefit of helping managers make efficiency savings but it also increases our understanding of the services and the business risks.

Parks and Open Spaces

- 11.2 During the last half of 2016-17, we started work on a review of Parks and Countryside services. The scope of the review includes the current working model,

whether there are synergies or duplication with other Council services, and whether there is scope for different service delivery models. This review is ongoing and the outcome will be reported to a future meeting of this Committee.

Operational Services

- 11.3 We carried out a lean review of the administration team at Woking Road Depot. The work involved analysis of tasks, identifying more efficient and effective processes, highlighting duplication and double handling and making recommendations for improvement and efficiency savings. The review resulted in a re-structure, which has produced significant year-on-year savings. This review is now continuing and there is a project to introduce new software, which will automate processes and deliver further savings.

Heritage Services

- 11.4 We have been working with Heritage Services (Museum, Guildford House and Guildhall) on a Lean Review. This looks at all the business processes, structures and synergies to deliver a more streamlined efficient and effective service. This is ongoing and will include not only heritage services but will also include economic development and the Tourist Information Centre.

Customer Service Centre

- 11.5 We have carried out a review of our Customer Service Centre and identified possible different service delivery models for the future. This will be subject of further work in 2017-18.

12. Financial Implications

- 12.1 There are no financial implications.

13. Legal Implications

- 13.1 The Local Government Act 1972 (S151) requires that a local council “shall make arrangements for the proper administration of their financial affairs”.
- 13.2 The 1972 Act is supported by the Accounts and Audit Regulations 2011, which state, “*A relevant body must undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control*”.
- 13.3 The internal audit plan is necessary to satisfy these legal obligations.

14. Human Resources

- 14.1 There are no Human Resource issues.

15. Conclusion

- 15.1 The second half of the year has been challenging. There were some staffing issues which we covered by increased use of a contractor. The audit focus is changing as the Council is seeking to become more entrepreneurial and the challenge for the team is to balance the requirement for robust governance and control and helping to deliver the Council's ambitious change agenda.

16. Background Papers

None

17. Appendices

None

Corporate Governance and Standards Committee Report

Ward(s) affected: n/a

Report of Director of Resources

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Date: 27 July 2017

Corporate Governance and Standards Committee Work Programme

Recommendation

That the Committee considers and approves its updated work programme for 2017-18, as detailed in Appendix 1 to this report.

Reason for recommendations:

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

1. Purpose of report

1.1 To enable the Committee to keep its work programme updated.

2. Updated work programme

2.1 The Committee's updated work programme for the 2017-18 municipal year 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.

2.2 The Committee is asked to note the recent change of the date of the November meeting which has been put back by one week to Thursday 30 November 2017.

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
- Corporate Management Team Forward Plan

7. Appendices

Appendix 1: Corporate Governance and Standards Committee updated work programme for 2017-18

Corporate Governance and Standards Committee
Draft Work Programme 2017-18

Appendix 1

21 September 2017

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Monitoring Officer's Report	To receive a quarterly ethical update on the issues dealt with by the Monitoring Officer and the statutory officer Corporate Governance Group.	Corporate Governance and Standards Committee	Sarah White 01483 444069
Financial Monitoring 2016-17 Period 3 (April to June 2016)	To note the results of the Council's financial monitoring	Corporate Governance and Standards Committee	Claire Morris 01483 444827
2015-16 Audit Findings Report	To note the external auditor's findings and management's response in the Action Plan	Corporate Governance and Standards Committee	Claire Morris 01483 444827
Single Equality Scheme and Action Plan	To review the Single Equality Scheme and Action Plan for 2012-15	Corporate Governance and Standards Committee	Lucy Richards 01483 444013
Local Government Ombudsman and customer complaints	Annual Report on complaints to the Local Government Ombudsman and customer complaints	Corporate Governance and Standards Committee	Joan Poole 01483 444854
Councillor Training Programme	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

30 November 2017
(note change of date)

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Annual Audit Letter	To consider the Annual Audit Letter and Annual Governance Report for 2016-17	Executive	Claire Morris 01483 444827
External Audit Update	To note the update report from the external auditor	Corporate Governance and Standards Committee	Claire Morris 01483 444827
Financial Monitoring 2017-18 – Period 6 (April to September 2017)	To note the results of the Council’s financial monitoring for the period April to September 2017	Corporate Governance and Standards Committee	Claire Morris 01483 444827
Treasury Management Activity Half-Year Monitoring Report 2017-18	To consider the report monitoring treasury management from April to September 2017	Corporate Governance and Standards Committee Council	Victoria Worsfold 01483 444834
General Data Protection Regulation (GDPR)	To consider a report on progress with compliance with the GDPR	Corporate Governance and Standards Committee	Joan Poole 01483 444854
Summary of internal audit reports April 2017 to September 2017	To consider the summary of internal audit reports and progress on the internal audit plan for April to September 2017	Corporate Governance and Standards Committee	Joan Poole 01483 444854
Internal Audit Plan: Progress Report			

18 January 2018

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Treasury Management Strategy 2017-2018	To recommend to Council the adoption of the revised Treasury Management Strategy and prudential indicators	Executive Council	Victoria Worsfold 01483 444834
Financial Monitoring 2017-18 Period 8 (April to November 2017)	To note the results of the Council's financial monitoring for the period April to November 2017	Corporate Governance and Standards Committee	Claire Morris 01483 444827
Monitoring Officer's Report	To receive a quarterly ethical update on the issues dealt with by the Monitoring Officer and the statutory officer Corporate Governance Group.	Corporate Governance and Standards Committee	Sarah White 01483 444069
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	Sarah White 01483 444069
Freedom of Information Compliance - Annual Report 2017	To consider the annual report on the Council's performance in dealing with Freedom of Information requests in 2017.	Corporate Governance and Standards Committee	Ciaran Ward 01483 444072

29 March 2018

Subject	Details of decision to be taken	Decision to be taken by	Contact Officer
Monitoring Officer's Report	To receive a quarterly ethical update on the issues dealt with by the Monitoring Officer and the statutory officer Corporate Governance Group.	Corporate Governance and Standards Committee	Sarah White 01483 444069
Enquiries of those charged with governance	To agree the Committee's response to the external auditor's audit plan for 2017-18	Corporate Governance and Standards Committee	Claire Morris 01483 444827
External Audit Plan and Audit Update 2017-18	To approve the external audit plan for 2017-18, and to note the content of the External Auditor's update report and make any appropriate comments.	Corporate Governance and Standards Committee	Claire Morris 01483 444827
Budget Monitoring	To receive a revenue budgetary monitoring report for Month 10 and capital monitoring report for Quarter 3	Corporate Governance and Standards Committee	Claire Morris 01483 444827