



# Internal Audit Progress report

**Guildford Borough Council**

KPMG Governance, Risk and Compliance Services

---

March 2022

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# Executive Summary

The purpose of this document is to provide the Corporate Governance and Standards Committee with an update on the Internal Audit plan for 2021-22. We have summarised below the key points to draw your attention in the period since we last reported to you:

Activity	Comments
Progress against the plan	<ul style="list-style-type: none"> <li>— We have finalised our Q4 reviews on Follow up reviews from 2020-21, CIPFA FM Compliance and Audit Committee Effectiveness with actions agreed with management.</li> <li>— All 14 reviews in the 2021-22 plan have been delivered, which allows us to issue our Head of Internal Audit Opinion for 2021-22 (see appendix D).</li> </ul>
Reports completed	<ul style="list-style-type: none"> <li>— We have finalised our Q4 reviews on Follow up reviews from 2020-21, CIPFA FM Compliance and Audit Committee Effectiveness with actions agreed with management.</li> <li>— A full status is set out in section 2 of this document.</li> </ul>
Significant findings to highlight	<ul style="list-style-type: none"> <li>— In 2020-21, five reviews were given ‘partial assurance with improvements required’ ratings: Treasury Management; Income and Accounts Receivable; Expenditure and Accounts Payable; Performance Monitoring; and Local Risk Management.</li> <li>— We have followed up with the 20 recommendations arising from those reviews, of which 7 are implemented and 13 are overdue.</li> </ul>
Other items	<ul style="list-style-type: none"> <li>— Since the last meeting of the Corporate Governance and Standards Committee, we have prepared the 2021-22 annual report (inc. Head of Internal Audit opinion). Our Head of Internal Audit opinion is presented in Appendix D.</li> <li>— Our 2022/23 internal audit plan has been agreed with CMT and is presented at Appendix E for approval.</li> </ul>



## For information

- March 2022 internal audit progress report
- Annual report (inc. Head of Internal Audit opinion)



## For approval

- 2022/23 internal audit plan

# Progress of plan

Below is the full status of the 2021-22 Internal Audit plan as approved by the Corporate Governance and Standards Committee.

Internal audit	Status					Reporting to CGSC	Results	Recommendations			
	Planning	Fieldwork	Draft Report	Final Report	Overall Rating		High	Medium	Low	Total	
01/22: HRA / RTB receipts	✓	✓	✓	✓	June 2021	Partial assurance with improvement required	1	6	-	7	
02/22: Performance Monitoring – KPI review one	✓	✓	✓	✓	August 2021	Significant assurance with minor improvement opportunities					
03/22: Performance monitoring – KPI review two	✓	✓	✓	✓	August 2021	Significant assurance with minor improvement opportunities	-	3	1	4	
04/22: Performance monitoring – KPI review two	✓	✓	✓	✓	August 2021	Significant assurance with minor improvement opportunities					
05/22: Safeguarding	✓	✓	✓	✓	November 2021	Partial assurance with improvement required	-	5	2	7	
06/22: Key Learnings from Covid	✓	✓	✓	✓	November 2021	Significant assurance with minor improvement opportunities	-	2	4	6	
07/22: Future Guildford Programme	✓	✓	✓	✓	November 2021	Significant assurance with minor improvement opportunities	-	1	1	2	

## Progress of plan (cont.)

Internal audit	Status				Reporting to CGSC	Results	Recommendations			
	Planning	Fieldwork	Draft Report	Final Report		Overall Rating	High	Medium	Low	Total
08/22: Financial controls: capital management	✓	✓	✓	✓	January 2022	Significant assurance with minor improvement opportunities	-	2	-	2
09/22: Financial controls: income and accounts receivable compliance	✓	✓	✓	✓	January 2022	Partial assurance with improvement required	1	-	1	2
10/22: Financial controls: expenditure and accounts payable compliance	✓	✓	✓	✓	January 2022	Significant assurance with minor improvement opportunities	-	2	-	2
11/22: Financial controls: procurement	✓	✓	✓	✓	January 2022	Significant assurance with minor improvement opportunities	-	2	-	2
12/22: Follow up reviews from 2020-21	✓	✓	✓	✓	March 2022	Significant assurance with minor improvement opportunities	7 recommendations fully implemented and 13 recommendations overdue			
13/22: CIPFA Financial Management	✓	✓	✓	✓	March 2022	Significant assurance with minor improvement opportunities	-	1	4	5

## Progress of plan (cont.)

Internal audit	Status				Reporting to CGSC	Results	Recommendations			
	Planning	Fieldwork	Draft Report	Final Report		Overall Rating	High	Medium	Low	Total
14/22: Audit Committee Effectiveness	✓	✓	✓	✓	March 2022	Significant assurance with minor improvement opportunities	-	3	2	5
Total							<b>2</b>	<b>27</b>	<b>15</b>	<b>44</b>

# Appendix A – Follow up reviews from 2020-21

## Conclusion

As part of our 2021-22 internal audit plan with Guildford Borough Council (“the Council”), we are delivering a follow up of reviews in previously audited areas. This follow up review has focused on the 2020-21 reviews which received ‘partial assurance with improvements required’ and have reviewed all of the recommendations raised in our reports on: Treasury Management; Income and Accounts Receivable; Expenditure and Accounts Payable; and Performance Management.

The **amber-red** rating of the Treasury Management review included three medium priority recommendations. During our follow up review, we have assessed that these recommendations are overdue.

- **Timely completion of bank reconciliations: Overdue.** Whilst management has taken steps to address this action through the adaptation of Business World, functionality issues have caused delays. A revised due date has been set for 30 April 2022.
- **Addressing single point of failure risk: Overdue.** Management has sought to address this action, however until issues with Business World are addressed implementation is delayed. A revised due date has been set for 30 April 2022.
- **Update of the Treasury Management Practices: Overdue.** This action has not been addressed. A revised due date has been set for 31 March 2022.

The **amber-red** rating of the Income and Accounts Receivable review included one high priority recommendation. During our follow up review, we have assessed that this recommendation has been implemented.

- **Maintaining and providing evidence for the operation of identified controls in a timely manner: Implemented.** This area was reviewed as part of our 2021-22 Internal audit plan. This review concluded with one high priority recommendation made as well as the confirmation that this action had been implemented using the functionality in Business World. The high priority recommendation will be monitored during the 2022-23 follow-up.

## Acknowledgements

We thank the following individuals for their contribution during this internal audit:

- Lead Specialist (Finance) & Deputy s151 Officer
- Strategy and Communications Manager
- Policy Officers for Strategy
- HR Manager
- Development Manager Team Leader

# Appendix A – Follow up reviews from 2020-21

The **amber-red** rating of the Expenditure and Accounts Payable review included one high priority recommendation. During our follow up review, we have assessed that this recommendation has been implemented.

- **Maintaining and providing evidence for the operation of identified controls in a timely manner: Implemented.** Our fieldwork during our 2021-22 internal audit of this area concluded this action to be implemented.

The **amber-red** rating of the Performance Management review included two high priority and five medium priority recommendations. During our follow up review, we have assessed that 2/2 high priority and 2/5 medium priority recommendations have been implemented. The recommendations were:

- **Internal Performance Reporting: Implemented.** We reviewed reporting evidence to confirm regular reporting that includes clarity over the KPIs reported on as well as defining key role and responsibilities of those involved.
- **Staff sickness absence KPI – System Integration: Implemented.** We reviewed evidence of the KPI data for sickness absences to confirm the adequate functionality of Business World in this process.
- **Review of KPIs prior to reporting.** This was confirmed as being in operation and implemented at the time of reporting in 2020-21 We confirmed with management that this review process continues to be operating each quarter.
- **Staff sickness absence – Data entry inconsistency: Overdue.** Management confirmed this action will be addressed once administrator roles are filled. Management's revised due date is 30 April 2022.
- **Major applications – KPI definition: Overdue.** This action is yet to be addressed due to the responsible owner changing roles. Once KPIs across the services are confirmed, then this will be implemented. Management's revised due date is 24 March 2022.
- **Retention and availability of underlying data and records: Implemented.** We reviewed evidence of the reporting to the Corporate Governance and Standards Committee and the HR service plan to confirm reporting and retention of KPI data.

# Appendix A – Follow up reviews from 2020-21

- **Retention and storage of sickness absence documentation: Overdue.** Management have confirmed this action will be addressed once administrator roles are filled. Management's revised due date is 31 July 2022.

The **amber-red** rating of the Local Risk Management review included two high priority, four medium priority and two low priority recommendations. During our follow up review, we have assessed that one of eight recommendations has been implemented. This was the medium priority recommendation on policy review and refresh. The high and medium priority recommendations were:

- **Consistent Council-wide risk management framework: Overdue.** Management has taken action to address this recommendation. Implementation cannot be delivered until the new risk management framework has been approved. A revised due date has been set for 28 April 2022.
- **Implementing the new risk management framework: Overdue.** Management has taken action to address this recommendation. Implementation cannot be delivered until the new risk management framework has been approved. A revised due date has been set for 28 April 2022.
- **Governance and Risk Register: Overdue.** Management has taken action to address this recommendation. We reviewed updated draft risk registers to confirm this. Implementation cannot be delivered until the new risk management framework has been approved. A revised due date has been set for 28 April 2022.
- **Policy review and refresh: Implemented.** The strategy and service teams are working to ensure that all strategies and policies that have expired are updated. We reviewed a tracker of key policies and strategies to confirm implementation.
- **Target completion dates for mitigating actions: Overdue.** Management has taken action to address this recommendation. Implementation cannot be delivered until the new risk management framework has been approved. A revised due date has been set for 28 April 2022.
- **Risk scores and documented actions and controls: Overdue.** Management has taken action to address this recommendation. We have reviewed updated draft risk registers which includes risk scoring to confirm this. Implementation cannot be delivered until the new risk management framework has been approved. A revised due date has been set for 28 April 2022.

# Appendix B – CIPFA Financial Management Compliance

## Conclusion

We reviewed the Council’s Chartered Institute of Public Finance and Accountancy (CIPFA) Financial Management (FM) Code self-assessment and provide a rating of ‘significant assurance with minor improvement opportunities’ (amber-green), which is in line with Management’s forecast. The Council’s current compliance date based on its self-assessment carried out in May 2021 is 88% (15 out of 17 standards). From the 15 standards assessed as compliant, the Council has been able to demonstrate that the assessment is rooted in evidence, with appropriate supporting documentation. We have reviewed the two standards assessed as non-compliant, and confirm that the Council has identified appropriate actions needed to achieve compliance.

CIPFA published the FM Code in October 2019 which provides guidance for good and sustainable financial management in local authorities, giving assurance that authorities are managing resources effectively. The self-assessment we reviewed was prepared for 2020-21, which is a shadow year before the first full year of compliance in 2021-22. The FM Code outlines 7 sections and 17 individual elements including leadership, monitoring of financial performance to engagement with local stakeholders.

We reviewed the initial self-assessment prepared by the Director of Resources and the wider Finance team in May 2021. While compliance with the standards is mandatory, the Code does not prescribe how this should be achieved. The Council’s self-assessment is well structured and pulls out key questions from the CIPFA FM Code guidance notes which articulate practical application of the Code. We confirmed with management that the 2021-22 self-assessment is due to be completed by the end of March 2022.

The Council has assessed performance against all the required sections and elements laid out in the Code. The actions identified to either achieve compliance or work towards strong compliance have been pulled directly from recommendations from the Code, however, in certain areas, are abstractly defined. In order to demonstrate that the Council is working towards full compliance with the code, we recommend that the Council identify defined actions as well as assigning owners and due dates for completion. To demonstrate conformity with the Code, we were able to evidence applicable parts of the Council’s Constitution, reports, policies and strategies.

## Summary

<b>Overall rating:</b>	<b>Significant assurance with minor improvement opportunities</b>	
<b>Priority rating:</b>	Control design	Operating effectiveness
High	0	0
Medium	1	0
Low	1	3

## Acknowledgements

We thank the following individuals for their contribution during this internal audit:

- Director of Resources (Executive Sponsor)
- Lead Specialist (Finance) & Deputy s151 Officer

# Appendix B – CIPFA Financial Management Compliance

## Conclusion (cont.)

Working towards first full financial year of the FM Code's application, the self-assessment should be scrutinised through appropriate governance structures to ensure full oversight of the Council's compliance and progress towards compliance.

To support embedding of best practices in line with the CIPFA Code and practices at other local authorities, we identified minor gaps where the Council could consider further work to document stronger compliance, or where it is acknowledged that compliance is weaker, with a need for improvement and action required.

This includes stronger demonstration of the Council's commitment to value for money to local stakeholders on its public reports and channels, regular updates to the registers of interests maintained for members of CGSC and the Executive, monitoring of changes in systems/processes affecting compliance and assessing the capital and investment projects appraisal methodology to the CIPFA-recommended standard.

# Appendix B – CIPFA Financial Management Compliance

## Areas of good practice

- ✓ The Council's self-assessment is made against key questions listed by CIPFA in the FM Code Guidance Notes which ensures that the Council is exploring the themes addressed in the FM Code with sufficient detail.
- ✓ The structure, level of detail and evidence of compliance in the Council's self assessment is in line with expectations of a local authority of similar size.
- ✓ Gaps have been identified in line with recommendations from the CIPFA FM Code guidance notes.
- ✓ The Council has covered all required elements of the CIPFA FM Code in its assessment.
- ✓ As part of the Future Guildford Transformation Programme, the Council has rolled out a new ERP system, Business World which has streamlined corporate budgeting and reporting across the organisation.
- ✓ There is strong evidence of financial monitoring through presentation of Financial Monitoring reports and Corporate Performance Monitoring reports to the CGSC, Executive and full Council.
- ✓ Finance staff has recently attended the CIPFA FM Code Workshop which covers the requirements of the FM Code and appreciation of processes, skills and behaviours needed to transition current operations to comply with Code guidance.

## Summary of key findings

### Coordination and oversight of CIPFA FM Code activity

**2.1** A coordinated approach to conducting the self-assessment, identifying and monitoring actions for improvement and reporting to governance structures is needed to drive continuous improvement and compliance.

### Demonstration of Value for Money

**2.2** The Council should consider additional demonstration of Council's commitment to value for money to members of the public.

### Periodic update of register of interests

**2.3** From our review of 28 registers of interests maintained for the Councillor-members of CGSC and the Executive, 18 registers were last updated in 2019, with three last updated in 2020 and seven last updated in 2021.

### Monitoring of new systems and processes

**2.3** The Council should consider monitoring the implementation of new systems or processes where it has been identified as an assessment point for compliance to ensure that it is fit for purpose.

### Alignment of Portfolio, Programme and Project Governance Framework

**2.4** For good practice, the Council should consider assessing the new Portfolio, Programme and Project Governance Framework against the CIPFA FM Code recommended option and the IFAC/PAIB publication appraisal mechanism to the guidance set out in *Project and Investment Appraisal for Sustainable Value Creation: Principles in Project and Investment Appraisal* (2013).

# Appendix C – Audit Committee Effectiveness

## Conclusion

We reviewed Guildford Borough Council’s (‘the Council’) adherence to the CIPFA’s Position Statement on Audit Committees in Local Authorities and Police (2018). We issued a survey with questions drawn from the good practices outlined by our Audit Committee Institute to members of the Corporate Governance and Standards Committee (CGSC) and key Council staff. We provide ‘significant assurance with minor improvement opportunities’ (amber-green), which is in line with Management’s forecast.

The audit committee equivalent at the Council is the Corporate Governance and Standards Committee (CGSC). We assessed the appropriateness of the roles and responsibilities, structure, membership and operation of the CGSC against CIPFA’s Position Statement which includes best practices recommended for local authorities as a key component in governance.

Papers, policies and procedures on the function and operation of the CGSC are readily available to the public via the Council’s website. Agendas are published at least five working days before the date of meeting as per statutory requirements and minutes are published normally within two weeks of the meeting. There is clear signposting to relevant documents and policies online. The terms of reference for the CGSC is included in the Constitution, and this is reviewed and updated annually.

The design, function and operation of the CGSC broadly meets the expectations of an audit committee as outlined by CIPFA with minor improvements identified. CIPFA states that an audit committee plays a principal role in making recommendations for improvement of governance, risk and control and ensuring that these are acted on. Although detailed minutes are produced after each CGSC meeting with discussion points and key resolutions captured, we recommend that the Council consider defining and formally minuting key actions from the discussions at CGSC with assigned owners.

Where CIPFA has recommended good practices in relation to purpose and governance, we have raised recommendations around increased clarity on purpose and governance arrangements.

## Summary

<b>Overall rating:</b>	<b>Significant assurance with minor improvement opportunities</b>	
<b>Priority rating:</b>	Control design	Operating effectiveness
High	0	0
Medium	3	0
Low	2	0

## Acknowledgements

We thank the following individuals for their contribution during this internal audit:

- Director of Resources (Executive Sponsor)
- Councillor and CGSC Chair
- Democratic Services and Elections Manager

# Appendix C – Audit Committee Effectiveness

## Conclusion (cont.)

We issued a survey to an agreed list of respondents with management and the Chair of the CGSC which includes CGSC members, substitute members and key officers to understand how the CGSC structure operates and whether roles and responsibilities are discharged appropriately.

The general findings from the survey shows average scores below 3.5 out of 5 (see Appendix B) but with varied responses on several questions ranging from very positive responses included with less positive ones.

However, on an aggregate basis, areas with lower scores are around appropriate processes in place for:

- CGSC members' understanding of Council's critical accounting policies, estimates and judgements;
- CGSC members' understanding of clarity and completeness of disclosures in the financial statements;
- CGSC members' understanding of experience and quality of the Council's Finance team;
- Ensuring CGSC members have skills, experience, time and knowledge to undertake their duties; and
- Appropriate induction, training and development of CGSC members.

These are potential areas to prioritise in ensuring that the members of the CSGC are fully equipped to discharge their duties effectively.

# Appendix C – Audit Committee Effectiveness

## Areas of good practice

- ✓ CGSC structure and composition, papers, minutes and agendas are available on the Council’s website and are updated in a timely manner.
- ✓ The CGSC terms of reference is included in the Council’s constitution which is reviewed and updated annually.
- ✓ CGSC meeting dates are available online up to a year in advance.
- ✓ CGSC meetings are webcasted online to the public.
- ✓ The CGSC maintains a 12 month forward-looking rolling Work Programme which captures decisions to be taken by the Committee. This is updated after every meeting.
- ✓ Regular Financial Monitoring reports and Performance Monitoring reports are presented to the CGSC by officers at regular intervals throughout the year.
- ✓ The CGSC undertakes wider governance and oversight roles in treasury management and oversight of key public policies produced by the Council.

## Summary of key findings

### Capturing action points at CGSC meetings

**2.1** Actions arising from discussions at CGSC meetings should be captured with assigned owners in meeting minutes.

### Oversight of CGSC meetings

**2.2** CIPFA recommends that an audit committee should be held to account on a regular basis to the council and at least annually report an assessment of their performance.

### Skills and knowledge assessment

**2.3** CIPFA provides a knowledge and skills framework which includes core areas of knowledge, specialist areas of knowledge and core skills that members of the CGSC should be assessed against.

### Accountability arrangements in CGSC terms of reference

**2.4** Management consider adding in an explicit section on how the CGSC is accountable to the full Council.

### Statement of Purpose in CGSC terms of reference

**2.5** CIPFA recommends that audit committees includes a high-level Statement of Purpose at the beginning of their terms of reference.

# Appendix D - Head of Internal Audit Opinion 2021/22

## *Basis of opinion for the period 1 April 2021 to 31 March 2022*

Our internal audit service has been performed in accordance with KPMG's internal audit methodology which conforms to Public Sector Internal Audit Standards (PSIAS). As a result, our work and deliverables are not designed or intended to comply with the International Auditing and Assurance Standards Board (IAASB), International Framework for Assurance Engagements (IFAE) or International Standard on Assurance Engagements (ISAE) 3000. PSIAS require that we comply with applicable ethical requirements, including independence requirements, and that we plan and perform our work to obtain sufficient, appropriate evidence on which to base our conclusion.

## *Roles and responsibilities*

The Council is collectively accountable for maintaining a sound system of internal control and is responsible for putting in place arrangements for gaining assurance about the effectiveness of that overall system. The Governance Statement (AGS) is an annual statement by the Accountable Officer, on behalf of the Council, setting out:

- how the individual responsibilities of the Accountable Officer are discharged with regard to maintaining a sound system of internal control that supports the achievement of policies, aims and objectives;
- the purpose of the system of internal control as evidenced by a description of the risk management and review processes, including the Assurance Framework process; and
- the conduct and results of the review of the effectiveness of the system of internal control including any disclosures of significant control failures together with assurances that actions are or will be taken where appropriate to address issues arising.

The Assurance Framework should bring together all of the evidence required to support the AGS.

The Head of Internal Audit (HoIA) is required to provide an annual opinion in accordance with PSIAS, based upon and limited to the work performed, on the overall adequacy and effectiveness of the Council's risk management, control and governance processes (i.e. the system of internal control). This is achieved through a risk-based programme of work, agreed with Management and approved by the Corporate Governance and Standards Committee, which can provide assurance, subject to the inherent limitations described below.

The purpose of our HoIA Opinion is to contribute to the assurances available to the Accountable Officer and the Council which underpin the Council's own assessment of the effectiveness of the system of internal control. This Opinion will in turn assist the Council in the completion of its AGS and may be taken into account by regulators to inform their conclusions.

The opinion does not imply that the HoIA has covered all risks and assurances relating to the Council. The opinion is derived from the conduct of risk-based plans generated from a robust and Management-led Assurance Framework. As such it is one component that the Council takes into account in making its AGS.



# Appendix D - Head of Internal Audit Opinion 2021/22

## *Opinion*

Our opinion is set out as follows:

- Basis for the opinion;
- Overall opinion; and
- Commentary.

## *Basis for the opinion*

The basis for forming our opinion is as follows:

- An assessment of the design and operation of the underpinning aspects of the risk and assurance framework and supporting processes; and
- An assessment of the range of individual assurances arising from our risk-based internal audit assignments that have been reported throughout the period. This assessment has taken account of the relative materiality of these areas.

## *Overall opinion*

**'Partial assurance with improvements required'** can be given on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control.

# Appendix D - Head of Internal Audit Opinion 2021/22

## *Commentary*

The commentary below provides the context for our opinion and together with the opinion should be read in its entirety. Our opinion covers the period 1 April 2021 to 31 March 2022 inclusive, and is based on the fourteen internal audits completed in the period.

During 2021/22, the Council continued to operate in a difficult environment, as COVID continued, with a third wave peak during winter months. Whilst we were able to issue a 'significant assurance with minor improvement opportunities' rating for our internal audit on Future Guildford Programme, the Council still experienced ongoing system implementation issues, leading to the high priority recommendation in our follow-up income and accounts receivable compliance review. During 2021/22, we issued three 'partial assurance with improvements required' reports, HRA/RTB receipts, safeguarding and income and accounts receivable – covering areas of core financial control, governance and risk management. We agreed two high priority recommendations during the year:

- One high priority recommendation relate to our HRA/RTB receipts review. This recommendation related to the lack of formal policy that sets out roles, responsibilities, accountability and ownership throughout the process of monitoring and reporting on the spend of RTB receipts.
- One high priority recommendation relate to our income and accounts receivable compliance review. This recommendation related to the lack of formal procedures and controls to ensure regular monitoring of outstanding debt and subsequent chasing of customers.

We also followed up on all recommendations raised in 2020-21 review with 'partial assurance with improvements required' ratings. Of the 20 recommendations we reviewed, 7 were implemented and 13 were overdue.



KPMG LLP  
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March 2022



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# Appendix E - Internal audit plan 2022/23

We set out below the proposed schedule for delivering the Internal Audit Plan 2022/23. This schedule has been aligned with the planned dates of the Corporate Governance and Standards Committee to ensure a smooth and balanced cycle of reporting throughout the year.

		Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
01/22	IT Infrastructure for Remote Working												
02/22	Performance monitoring – KPI Review One												
03/22	Performance monitoring – KPI Review Two												
04/22	Performance monitoring – KPI Review Three												
05/22	Customer Services: Complaints Handling												
06/22	Corporate Programmes: Redevelopment Projects												
07/22	Risk management (deferred from 2021/22)												
08/22	Financial controls: budgetary control (deferred from 2021/22)												
09/22	Financial controls: General Ledger												
10/22	Financial controls: Payroll												
11/22	s.106 Contributions												
12/22	Follow up reviews from 2020/21												
13/22	Regeneration												
14/22	Financial controls: Journals												
Corporate Governance and Standards Committee Dates		❖		❖	❖		❖		❖		❖		❖

# Appendix E - Internal audit plan 2022/23

#	Name	Rationale for inclusion and scope	Sponsor
01/22	IT Infrastructure for Remote Working	We will review whether risks have been identified and mitigated in relation to new ways of working and the security of any on-site technology and information assets.	Director of Resources Lead Officers: Lead ICT Specialist Lead HR Specialist
02/22 03/22 04/22	Data quality: Performance monitoring (KPIs)	We will review the arrangements in place to manage and monitor performance across the Council by looking at three key performance indicators as selected by Management. As part of this, we will consider overall management of performance; including collation and reporting of data. We will consider the frequency of performance meetings, escalation of identified issues and tracking of actions. For each of the key controls identified, we will test the operating effectiveness. Through the use of data analytics, we will also consider the quality of data used to monitor performance of each of the selected KPIs.	Strategic Services Director Policy Officer
05/22	Customer Services: Complaints Handling	<p>We will review the processes and controls in place for capturing, dealing with, monitoring, reporting and governing complaints. Our review will include an assessment of processes and controls in place relating including:</p> <ul style="list-style-type: none"> <li>• The processes and policies used by the relevant team(s) handling complaints;</li> <li>• Information made available on the Council website regarding the complaints procedures;</li> <li>• How service areas redirect complaints to the customer service team and vice versa;</li> <li>• Adherence of processes to formal internal policies and external guidance/regulation (for example, the Housing Ombudsman Complaint Handling Code); and</li> <li>• How the Council monitors and reports on complaints received.</li> </ul> <p>Our review will include sample testing complaints received to assess compliance with identified controls.</p>	Service Delivery Director

# Appendix E - Internal audit plan 2022/23

#	Name	Rationale for inclusion and scope	Sponsor
06/22	Corporate Programmes: Redevelopment Projects	We will review policies, processes, and governance arrangements in place to support the Council's development programmes as part of their 2021-2025 Corporate Plan. This will include an assessment of the Council's controls in place to ensure new housing developments have lower carbon emissions, high energy efficiency standards, electric vehicle charging points and renewable energy sources –as set out in the 2021-25 Corporate Plan,.	Director of Service Delivery Head of Housing, Strategy & Development
07/22	Risk Management	We will review the process for identifying, capturing and escalating local risks. We will review the design of the process for managing local risks, and assess how these feed in to the Council's ongoing risk management processes. For a sample of risks across services, we will assess whether they have been scored and managed in line with the Council's risk management policy. We will select a wider sample to assess whether the quality of risk action updates is appropriate, timely, and whether there is evidence to support the implementation of the action.	Strategy and Communications Manager
08/22 09/22 10/22 14/22	Financial Controls	We undertake our work on financial systems on a cyclical basis, reviewing separate systems each year to provide coverage across key systems over the life of strategic plan. In 2022/23 we will undertake a review across your financial systems designed to assess the robustness of controls implemented. We will work with the finance team to develop shared process documentation of the control systems that can be utilised in forthcoming periods. We will develop data analytics routines to assess the consistency with which controls have operated as designed. In 2021/22 we will review the following areas: <ul style="list-style-type: none"> <li>• Budgetary Controls;</li> <li>• Payroll; and</li> <li>• General ledger; and</li> <li>• Journals.</li> </ul>	Director of Resources

# Appendix E - Internal audit plan 2022/23

#	Name	Rationale for inclusion and scope	Sponsor
11/22	s.106 Contributions	<p>We will review policies and processes relating to s.106, including:</p> <ul style="list-style-type: none"> <li>• Consultation and agreement;</li> <li>• Monitoring;</li> <li>• Income and expenditure</li> </ul> <p>We will review processes and controls to ensure that :</p> <ul style="list-style-type: none"> <li>• Planning obligations are effectively monitored and subject to enforcement action where required;</li> <li>• Developer contributions are only used for purposes outlined in agreements; and</li> <li>• Accounting records are maintained to evidence expenditure.</li> </ul>	<p>Director of Service Delivery</p> <p>Director of Resources</p> <p>Lead Officers:</p> <p>Interim Head of Place</p> <p>s.106 Officer</p> <p>Lead Specialist (Finance)</p> <p>Finance Specialist (Capital &amp; VAT)</p>
12/22	Follow Ups	<p>We will deliver seven follow up reviews specifically targeting previously audited areas that received challenging recommendations. We will prioritise follow up reviews that were given 'no assurance' or 'partial assurance with improvements required' ratings. Additionally, we will follow up on a sample of previously audited areas that were given an assurance rating of 'significant assurance with minor improvement opportunities' as selected by the Council.</p>	<p>Director of Resources</p>
13/22	Regeneration	<p>We will review the policies, processes and governance arrangements in place to support the Council's regeneration of the Borough, in line with the 2021-25 Corporate Plan. This will focus on:</p> <ul style="list-style-type: none"> <li>• The Council's focus on brownfield sites to avoid further use of greenbelt land;</li> <li>• The Council's commitment to creating employment opportunities through regeneration;</li> <li>• The Council's 'Guildford Economic Regeneration Programme' and it's commitments to setting out plans to revitalise the town centre with affordable, sustainable living and high-quality public spaces;</li> </ul>	<p>Strategic Services Director</p> <p>Lead Officer:</p> <p>Corporate Programmes Manager</p>



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