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Dear Councillor

**CORPORATE GOVERNANCE AND STANDARDS COMMITTEE - WEDNESDAY 29  
NOVEMBER 2023**

Please find attached the following:

**Supplementary Information Sheet (Pages 1 - 4)**

Yours sincerely

John Armstrong,  
Democratic Services and Elections Manager  
01483 444102

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# CORPORATE GOVERNANCE AND STANDARDS COMMITTEE

29 NOVEMBER 2023

## SUPPLEMENTARY INFORMATION

### **AGENDA ITEM 3: INTERNAL AUDIT PROGRESS REPORT – SEPTEMBER 2023**

In the analysis of ‘Live’ audit reviews on page 15 of the agenda, responses to the management actions in relation to the internal audit reviews undertaken in 2022-23 by KPMG in respect of Performance Monitoring and Risk Management have been received (see **Appendix 1** attached)

The management response to the two ‘High Priority’ Management Actions marked as overdue in Annex 1 to Appendix 1 to the report (page 19 of the agenda) will be discussed at the next meeting of the Financial Recovery Executive Working Group on 13 December 2023. An update will be circulated to the Internal Auditor and the Committee thereafter.

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Audit Review	Observation	Priority	Management Action	Responsible Person	Job Title	Due Date	Implemented (Y/N)
Risk Management	The Corporate Risk Register template should be updated to include the date the risk was added to the corporate risk, links to Council Strategy, the name of responsible individuals and target risk scores.	Medium	Update the risk register to include fields for date risk was added, link to strategy and target risk score, and named individual (in addition to job title).	Robin Taylor	Exec Hd of Org Dev	TBC	Done. All of this information is has been added to the Corporate Risk Register template.
Risk Management	The Corporate Risk Register template should be updated to include the date the risk was added to the corporate risk, links to Council Strategy, the name of responsible individuals and target risk scores.	Medium	Ensure CMB and CGSC are sighted on the updated fields as part of regular reporting.	Robin Taylor	Exec Hd of Org Dev	TBC	Done. The RMG meet quarterly and report findings and escalations to CMB. A six monthly update is provided to CGSC which includes updates and additions to the Corporate Risk Register.
Risk Management	The RMG ToR and policy should be updated to provide greater clarity over the requirements for service leads owning red rated risks attending RMG for escalation to CMB.	Low	Update ToR and policy regarding mandatory attendance of Service Leads owning red-rated risks to RMG.	Robin Taylor	Exec Hd of Org Dev	TBC	The ToR now states 'when required the RMG will request the attendance of specific Executive Heads to discuss red residual risks relevant to their service area or for mitigation of which they are responsible.'
Risk Management	The Council has not formally defined risk appetite at a strategic level. Individual corporate risks do not have target risk scores aligning to risk tolerance thresholds.	Low	Update Risk Management Framework to set out risk appetite that aligns to the Council strategy	Robin Taylor	Exec Hd of Org Dev	TBC	Following the Risk Challenge Sessions (facilitated by a risk consultant from our insurer), the RMG will be revising its risk register template to include: Further actions requiring RMG/CMB approval; Direction of Travel; Target dates for action; and a Target Risk Score.
Risk Management	The Council has not formally defined risk appetite at a strategic level. Individual corporate risks do not have target risk scores aligning to risk tolerance thresholds.	Low	Ensure target risk scores for individual Corporate risks aligns to risk appetite	Robin Taylor	Exec Hd of Org Dev	TBC	This will be considered at the next meeting of RMG in early 2024, following which, will be reported to CMB.  This will be aligned to our scoring criteria for likelihood and impact.

Performance Monitoring	The Council could not provide evidence of formal data-level reviews by Service Areas level prior to submission to the Strategy & Communications team.	Medium	Strategy & Communications Team to send Service Leads proformas to capture the processes and calculations, including checks performed and sources of data, for every KPI	Steve Benbough Robin Taylor	Strategy and Communications Manager Exec Hd of Org Dev	30/09/23	Ongoing. We have a data sampling schedule of all KPIs. This includes: Quarter to be sampled; Year of Sample; What the data source is; A check whether there is a manual calculation undertaken; How the calculation/base data is reviewed and checked; How the data is checked before being submitted to the Strategy & Performance Team.  The outcome and documentation is recorded on the spreadsheet and saved in the relevant Teams folder.
Performance Monitoring	The Council could not provide evidence of formal data-level reviews by Service Areas level prior to submission to the Strategy & Communications team.	Medium	Strategy & Communications team to begin reviewing the calculations and underlying supporting KPI data as part of the sampling process.	Steve Benbough Robin Taylor	Strategy and Communications Manager Exec Hd of Org Dev	30/09/23	If following the above process, further action is required, this is followed-up with the relevant team.
Performance Monitoring	The responsible individual for the collation and reporting of the fly tipping data does not have system access to run reports of underlying data, should it be required for the Service Lead or Strategy & Communications Team to review.	Low	Obtain confirmation from all Service Leads that relevant individuals have appropriate access to data systems in order to provide and maintain the evidence that supports quarterly KPI figures.	Steve Benbough Robin Taylor	Strategy and Communications Manager Exec Hd of Org Dev	30/09/23	This action was not pursued, as the KPI was removed from the list of corporate indicators.
Performance Monitoring	The 'descriptions' in the Performance Reports for ENV3 and ENV4 do not entirely explain the calculations / reporting of underlying data.	Low	Strategy & Communications Team to review KPIs with Service Leads to ensure descriptions, titles and commentary support the collation of data in practice. This should be considered as part of the annual KPI review process management are implementing.	Steve Benbough Robin Taylor	Strategy and Communications Manager Exec Hd of Org Dev	30/09/23	During Q1 and Q2 2022/23, we reviewed our set of KPIs in consultation with EHOS, CMB and Portfolio Leads. The purpose of the review was to ensure that all our KPIs are meaningful corporate indicators and provide a clear definition of what is being collected.