



TO THE CHAIRMAN AND MEMBERS OF THE **STANDARDS AND AUDIT COMMITTEE**

You are hereby summoned to attend a meeting of the Standards and Audit Committee to be held on Thursday, 3 March 2022 at 7.00 pm in the Council Chamber, Civic Offices, Gloucester Square, Woking, Surrey GU21 6YL.

The agenda for the meeting is set out below.

JULIE FISHER
Chief Executive

NOTE: Filming Council Meetings

Please note the meeting will be filmed and will be broadcast live and subsequently as an archive on the Council's website (www.woking.gov.uk). The images and sound recording will also be used for training purposes within the Council. Generally the public seating areas are not filmed. However by entering the meeting room and using the public seating area, you are consenting to being filmed.

AGENDA

PART I - PRESS AND PUBLIC PRESENT

1. Minutes
To approve the minutes of the meeting of the Standards and Audit Committee held on 25 November 2021 as published.
2. Apologies for Absence
To receive any apologies for absence.
3. Declarations of Interest (Pages 5 - 6)

- (i) To receive declarations of interest from Members and Officers in respect of any item to be considered at the meeting.
- (ii) In accordance with the Officer Employment Procedure Rules, the Director of Legal and Democratic Services, Joanne McIntosh, declares a disclosable personal interest (non-pecuniary) interest in any items concerning the companies of which she is a Council-appointed director. The companies are listed in the attached schedule. The interests are such that Mrs McIntosh may advise the Committee on those items.
- (iii) In accordance with the Officer Procedure Rules, the Finance Director, Leigh Clarke, declares a disclosable personal interest (pecuniary) in any items including reference to Woking Football Club, arising from her husband holding a small shareholding in the Club. The interests are such that Mrs Clarke may advise the Committee on those items.

4. Urgent Business

To consider any business that the Chairman rules may be dealt with under Section 100B(4) of the Local Government Act 1972.

Matters for Recommendation

5. Review of Code of Conduct Arrangements STA22-001 (Pages 7 - 36)
Reporting Person – Joanne McIntosh

Matters for Determination

6. Update on External Audit STA22-002
Reporting Persons – Steve Bladen (BDO) / Leigh Clarke
 - (Report to follow)
7. Internal Audit Strategy and Proposed 2022/23 Plan STA22-003 (Pages 37 - 46)
Reporting Person – Graeme Clarke / Juan Fosco (Mazars)
8. Internal Audit Service Progress Report STA22-004 (Pages 47 - 60)
Reporting Persons – Graeme Clarke / Juan Fosco (Mazars)

AGENDA ENDS

Date Published - 23 February 2022

For further information regarding this agenda and arrangements for the meeting, please contact Doug Davern on 01483 743018 or email doug.davern@woking.gov.uk



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Schedule Referred to in Declaration of Interests

Council-appointed directorships

Joanne McIntosh, Director of Legal and Democratic Services

Thameswey Limited

Thameswey Developments Limited

Thameswey Housing Limited

Thameswey Guest Houses Limited

STANDARDS AND AUDIT COMMITTEE – 3 MARCH 2022

REVIEW OF CODE OF CONDUCT ARRANGEMENTS

Executive Summary

A review of the Council's arrangements for dealing with Allegations of Misconduct by Councillors under the Localism Act 2011 has been undertaken by the Monitoring Officer to establish whether the procedures are fit for purpose and effective. The Monitoring Officer has consulted with Members, the Chairman of Standards and Audit Committee and Independent Person. This report outlines the proposed changes to the arrangements and recommends them for adoption.

Recommendations

The Committee is requested to:

RECOMMEND TO COUNCIL That

- (i) **the arrangements for dealing with Allegations of Misconduct by Councillors under the Localism Act 2011 be adopted;**
- (ii) **the Standards Hearing Sub-Committee shall be renamed the Standards Panel; and**
- (iii) **the Council's constitution be updated to include the arrangements.**

The item(s) above will need to be dealt with by way of a recommendation to Council.

Background Papers: None.

Reporting Person: Joanne McIntosh, Director of Legal and Democratic Services
Email: joanne.mcintosh@woking.gov.uk, Extn: 3038

Contact Person: Joanne McIntosh, Director of Legal and Democratic Services
Email: joanne.mcintosh@woking.gov.uk, Extn: 3038

Date Published: 23 February 2022

1.0 Introduction

- 1.1 Under the Localism Act 2011, the Council must have arrangements under which allegations that a Member has failed to comply with the Members' Code of Conduct can be investigated, and decisions made on such allegations.
- 1.2 At its meeting on 8 July 2021, the Audit and Standards Committee requested that the Monitoring Officer review the Council's Arrangements for dealing with Standards Allegations under the Localism Act 2011.
- 1.3 At its meeting of 16 September 2021, the Standards and Audit Committee received an update report. The Monitoring Officer has now undertaken a wholesale review of the arrangements to establish whether the procedures are fit for purpose, effective and follow best practice. The Monitoring Officer has consulted with Members throughout this process.

2.0 Review of the Council's Arrangements

- 2.1 The Council's arrangements for dealing with Standards Allegations under the Localism Act 2011 can be found on page 207 of the Council's Constitution. These arrangements outline the Council's processes and procedure under which allegations that a Member or co-opted Member has failed to comply with the Council's Code of Conduct are considered.
- 2.2 It is important that those subject to the arrangements are consulted on them and involved in the development of any new arrangements. Members were invited to provide individual feedback in respect of the current arrangements, their experience of them and any proposed changes they would like to see moving forward. Members were also invited to attend a workshop to discuss the same. The Chairman of the Standards and Audit Committee and the Independent Person were also consulted.

2.3 Consultation

- 2.4 Several themes emerged from the consultation with Members, the Independent Person and the Chairman of the Standards and Audit Committee. The first being that complaints should be dealt with in a timely manner. It is recognised that a prompt investigation and resolution is beneficial to all parties involved in the process. Whilst, the current arrangements have timescales included within them, these have been expanded upon in the new arrangements with clear timescales being given at each step of the process. Further, to this the new arrangements state that:

"The investigation shall be carried out promptly, with the expectation that all investigations, resolution of the Standards Panel will be completed within a maximum period of four months. All those involved in the complaint should do their utmost to ensure that this can happen."

- 2.5 Importantly, should there be any delay in any part of the process the Complainant and Subject Member shall be kept informed and provided with an explanation as to why there has been a delay.
- 2.6 Throughout the consultation, discussions turned to the provision of procedural and emotional support for the Complainant and Subject Member throughout the process. In these discussions, it was highlighted that support should be available in two distinct areas; as a guide to assist the Complainant and Subject Member in respect of the procedural elements of the process and as support to the Complainant and Subject Member throughout what may be a stressful process. It was noted that given the Monitoring Officer's role in the process, independent support would be preferable. The Council's Deputy Monitoring Officer and Human Resources Department shall be available to provide any such support and assistance needed throughout this process.

Review of Code of Conduct Arrangements

- 2.7 Members have requested clarity around the process. Members are often not familiar with the detailed process of the arrangements until they are involved within them. The process often feels legalistic and not “user friendly”. The process has for the most part remained the same but in response to the feedback, the arrangements have been expanded upon to provide clarity and detail at each step of the process. Notably, Appendix 1B to the arrangements provides detail of the assessment criteria applied in the decision making process and Appendix 1C to the arrangements outlines the procedure at Standards Panel. It is proposed that training in respect of the arrangements shall be provided to Members at the same time they received their annual Code of Conduct training.
- 2.8 The name of the Standards Hearing Sub-Committee provoked the image of an adversarial hearing process, which is not the Council’s intention. The process is inquisitorial in nature, as such it is proposed to change its name to the Standards Panel which better reflects the role. The membership shall remain the same.
- 3.0 **New Arrangements for dealing with Allegations of Misconduct by Councillors under the Localism Act 2011**
- 3.1 Members will find at Appendix 1 to this report, the proposed new arrangements for dealing with Allegations of Misconduct by Councillors under the Localism Act 2011, together with Appendix 1A to the arrangements - the Complaint Form and Annex1AA sanctions guidance, Appendix 1B to the arrangements - the Assessment of the complaint and Appendix 1C - Standards Panel guidance. A flowchart has been attached to this report at Appendix 2 to assist Members with the process.
- 3.2 Members are requested to recommend to Council that the New Arrangements for dealing with Allegations of Misconduct by Councillors under the Localism Act 2011 are adopted and the Council’s constitution be updated accordingly.

4.0 Future Review

- 4.1 An area for future consideration is the structure and make up of our Standards Panel. There is a small pool of Members from which the Standards Panel may be called. This can at times prove difficult to ensure a proportionately balanced Panel of Members with no prior knowledge or involvement in the matter at short notice. To date, this has always been achieved but it is a matter which shall continue to be monitored for further exploration and consideration.

5.0 Corporate Strategy

It is important to ensure that high standards of probity and ethical framework are at the heart of corporate governance of the authority and to ensure transparency and accountability.

6.0 Implications

Finance and Risk

- 6.1 There are no specific implications outlined in the report.

Equalities and Human Resources

There are no specific implications in respect of this report. It should be noted that should a complainant be unable to make a complainant in writing a reasonable adjustment shall be made to allow the complainant to make a complaint should they wish to do so.

Legal

Review of Code of Conduct Arrangements

6.5 Elected members are required to act in accordance with the Council's Code of Conduct and the Council must have appropriate arrangements in place, in accordance with the Localism Act 2011.

7.0 Engagement and Consultation

7.1 Members have been invited to attend a workshop to provide feedback on the current regime and proposed areas for change.

REPORT ENDS

Appendix 1:

Arrangements for dealing with Allegations of Misconduct by Councillors under the Localism Act 2011

1. Context

- 1.1. It is expected that elected members of Woking Borough Council (the Council) uphold the highest standards of public office. However, in the event that there is a complaint, it is important that this is handled effectively to ensure public confidence is maintained.
- 1.2. These arrangements describe how the public can make a complaint that a Member of the Council has failed to comply with the Council's Member Code of Conduct, and sets out how the Council will deal with allegations of a failure to comply with the Code of Conduct.
- 1.3. Under Sections 28(6) and (7) of the Localism Act 2011, the Council must have "arrangements" under which allegations that a Member, or co-opted Member, has failed to comply with the Council's Code of Conduct can be investigated, and decisions made on such allegations. Such arrangements must provide for the Council to appoint at least one Independent Person, whose views must be sought by the Council before it takes a decision on an allegation which it has decided shall be investigated. The Independent Person's views can also be sought by the Council at any other stage, or by a Member against whom an allegation has been made.
- 1.4. The terms capitalised in these arrangements are as defined within the text or at paragraph 2, Interpretation, below.

2. Interpretation

- 2.1. 'Code of Conduct' means the code of conduct for councillors and co-opted members adopted by the Council.
- 2.2. 'Complainant' means a person who has submitted a complaint in accordance with these Arrangements alleging that a Subject Member has breached the Code of Conduct.
- 2.3. 'Subject Member' means an elected or co-opted member of the Council against whom a complaint has been made alleging a breach of the Code of Conduct.
- 2.4. 'Independent Person' means a person or persons appointed by the Council under section 28(7) of the Localism Act 2011 who has the functions set out in section 28(7) of the Localism Act 2011.
- 2.5. 'Independent Member' means a co-opted person who is not a Councillor or Officer of the Council who sits on the Standards Panel in an advisory capacity but who is not entitled to vote.

- 2.6. 'Informal Resolution' means the procedure described in these Arrangements at paragraph 7.
- 2.7. 'Investigating Officer' means the person appointed by the Monitoring Officer to undertake a formal investigation of a complaint alleging a breach of the Code of Conduct by a Subject Member. The Investigating Officer may be another senior officer of the Council, an officer of another authority or an external investigator.
- 2.8. 'Monitoring Officer' means a statutory officer appointed by the Council under the Local Government and Housing Act 1989 ss 5 and 5A who has a role in the assessment of complaints and the promotion and maintenance of high standards of conduct within local authorities and his or her deputy or representative.
- 2.9. The Standards Panel is a sub-committee of the Council's Standards and Audit Committee. The Independent Person is invited to attend all meetings of the Standards Panel and his/her views are sought and taken into consideration before it takes any decision on whether the Subject Member's conduct constitutes a failure to comply with the Code of Conduct and as to any action to be taken following a finding of failure to comply with the Code of Conduct.

3. The Code of Conduct

- 3.1. The Council has adopted a Code of Conduct for Members. This is available for inspection on the Council's website (www.woking.gov.uk) and on request from the Council's Monitoring Officer.

4. Making a Complaint

- 4.1. All complaints must be made in writing and shall be on the official complaint form. Completion of the complaint form will enable the Council to process the complaint efficiently and transparently. A copy of the complaint form can be found at Appendix 1A. The complaint form can be posted or e-mailed to the Council's Monitoring Officer whose contact details are:

Joanne McIntosh
The Monitoring Officer,
Woking Borough Council,
Civic Offices,
Gloucester Square,
Woking,
Surrey,
GU21 6YL

Joanne.mcintosh@woking.gov.uk

- 4.2. Complainants who find difficulty in making their complaint in writing (e.g. because of a disability) will be offered assistance. A request for assistance should be made in the first instance by contacting the Monitoring Officer.

5. Anonymous Complaints

- 5.1. Anonymous complaints will not normally be investigated, and will only be accepted in exceptional circumstances where the Monitoring Officer (in consultation with the Independent Person) concludes that the balance of the public interest lies in doing so, and the fairness of the procedure is maintained.
- 5.2. As a matter of fairness and natural justice and in order to preserve the probative value of any evidence given, the Subject Member will usually be told who has complained about them and receive details of the complaint. However, in exceptional circumstances, the Monitoring Officer may withhold the identity of a Complainant or witness where the Monitoring Officer is satisfied that the Complainant has reasonable grounds for believing that they, or any witness relevant to the complaint, may be at risk of serious harm, or his or her employment may be jeopardised if their identity is disclosed, or where there are medical risks (supported by medical evidence) associated with the Complainant's identity being disclosed.
- 5.3. If the Monitoring Officer decides to refuse the Complainant's request for confidentiality, the Complainant will be notified of the Monitoring Officer's decision with reasons. At this stage the Complainant will be given the option to withdraw the complaint.
- 5.4. There is no right of appeal against the Monitoring Officer's decision to refuse the Complainant's request for confidentiality.
- 5.5. If the Complainant's request for confidentiality is upheld, the Monitoring Officer will inform the Complainant that confidentiality may be retained but is subject to review by the Monitoring Officer as the matter progresses.
- 5.6. The Monitoring Officer will acknowledge receipt of a complaint within five working days of receiving it, and will keep the Complainant informed of the progress of their complaint.
- 5.7. The Monitoring Officer will, within five working days of receipt, normally advise the Subject Member that a complaint has been received (together with the name and address of the complainant and brief details of the complaint unless it is subject to confidentiality). The Member shall not make any representations to the Monitoring Officer at this stage of the process.
- 5.8. The Monitoring Officer will, within the same timescale, normally advise the Leader of the Council, the Member's Group Leader and the Chief Executive of the receipt of the complaint (together with the name and address of the complainant and brief details of the complaint unless it is subject to confidentiality). The Leader of the Council, the Member's Group Leader and Chief Executive shall not make any representations to the Monitoring Officer at any stage of the process.

5.9. The Monitoring Officer may decide not to advise the Subject Member, Leader of the Council, Member's Group Leader or Chief Executive of the receipt of the complaint if this might prejudice a subsequent investigation. The Monitoring Officer shall have the discretion to notify other persons of the receipt of the complaint as he/she considers appropriate. The Monitoring Officer shall inform the Complainant and Subject Member should he/she exercise discretion.

6. Assessment of Complaint

6.1. The Monitoring Officer will assess every complaint received and, after consultation with the Independent Person, make a decision as to the most appropriate action to be taken in relations to the complaint. This decision will normally be taken within ten working days of receipt of the complaint. Details of how the Monitoring Officer will assess the complaint can be found at Appendix 1B.

6.2. Where the Monitoring Officer requires additional information in order to come to a decision, he/she may refer back to the Complainant for such information, and may also request information from the Subject Member.

6.3. The following decisions can be taken by the Monitoring Officer in consultation with the Independent Person:

- a) No further action;
- b) Attempt Informal Resolution;
- c) Recommend Formal Investigation;
- d) Referral to the Police or other regulatory agency if the complaint identifies criminal conduct or breach of other regulation.

6.4. Where the Monitoring Officer has taken a decision, he/she will inform the Complainant, the Independent Person, the Subject Member, and where appropriate the Chairman of the Standards and Audit Committee, all Group Leaders, the Chief Executive, of his/her decision and the reasons for that decision. The Monitoring Officer shall have the discretion to notify other persons of his/her decision (and the reasons for that decision) as he/she considers appropriate.

7. Informal Resolution

7.1. In appropriate cases, the Monitoring Officer may seek to resolve the complaint without the need for a formal investigation by way of Informal Resolution, which may be appropriate for example:

- a) Where it is apparent that the Subject Member is relatively inexperienced as a Member or has admitted making an error, was not actuated by any malicious intent, and the matter would not warrant a more serious sanction;

b) Where training or conciliation would be a more appropriate response.

7.2. Types of Informal Resolution might include:

- a) An explanation by the Subject Member of the circumstances surrounding the complaint;
- b) An apology from the Subject Member;
- c) An agreement from the Subject Member to attend relevant training or to take part in a mentoring process;
- d) Offering to engage in a process of mediation or conciliation between the Subject Member and the Complainant; or
- e) Any other action capable of resolving the complaint.

7.3. Where the Monitoring Officer seeks to resolve the complaint informally, he or she will provide the Subject Member with recommendation together with a reasonable timescale within which to attempt to resolve the complaint (usually this will be 20 working days following a decision to seek informal resolution) or to engage in a process of informal resolution organised by the Monitoring Officer.

7.4. Before deciding upon a course of action, the Subject Member may seek guidance from the Leader of their political group, the Independent Person, and/or the Monitoring Officer. The Monitoring officer may also seek the Complainant's views to ascertain what form of informal resolution they would find acceptable, particularly if the form of resolution they have specified in their complaint is not possible.

7.5. At the end of the 20 working day period the Monitoring Officer will, in consultation with the Independent Person, seek to establish whether the Subject Member has resolved the complaint to the Complainant's satisfaction.

7.6. Where it has been possible to agree a form of resolution between the Subject Member and the Complainant, there will be no further action taken in respect of the complaint and the Monitoring Officer will notify both the Complainant and the Subject Member of this decision.

7.7. Where it has not been possible to agree a form of resolution between the Subject Member and the Complainant, the Monitoring Officer will decide if the complaint merits formal investigation.

7.8. Where the Subject Member makes a reasonable offer of informal resolution, but it is rejected by the Complainant, the Monitoring Officer will take account of this in his or her decision and may impose the Informal Resolution.

7.9. Where Informal Resolution is proposed, the Monitoring Officer may direct that the Subject Member maintains confidentiality as to the matters discussed, and parties involved.

8. Formal Investigation

8.1. If the Monitoring Officer decides that a complaint merits formal investigation, he/she will appoint an Investigating Officer.

8.2. The Investigating Officer will decide whether he/she needs to meet or speak to the Complainant to understand the nature of the complaint, and so that they can explain their understanding of events and suggest what documents the Investigating Officer needs to see, and who the Investigating Officer needs to interview.

8.3. The Investigating Officer will normally write to the Subject Member and provide him/her with a copy of the complaint, and ask the Subject Member to provide his/her explanation of events, and to identify what documents he needs to see and who he needs to interview. In exceptional cases, where it is appropriate to keep the Complainant's identity confidential or disclosure of details of the complaint to the Subject Member might prejudice the investigation, the Monitoring Officer can delete the Complainant's name and address from the papers given to the Subject Member, or delay notifying the Subject Member until the investigation has progressed sufficiently.

8.4. At the end of the investigation, the Investigating Officer will produce a draft report and will send copies of that draft report, in confidence, to the Complainant and to the Subject Member concerned, to give both an opportunity to identify any factual matter in the draft report which is disputed or requires further investigation. A copy of the draft report will also be sent to the Monitoring Officer.

8.5. Having received and taken account of any comments that may be made on the draft report, the Investigating Officer will send his/her final report to the Monitoring Officer.

8.6. The Monitoring Officer will, within 10 working days of the receipt of the Investigating Officer's report, review the report.

8.7. The Monitoring Officer will, in consultation with the Independent Person, determine whether:

- a) The report is complete, or (where incomplete) should be referred back to the Investigating Officer or a newly appointed Investigating Officer; or,
- b) No further action is required, because the report finds no breach of the code of conduct; or
- c) The matter may be reasonably resolved by way of Informal Resolution; or,
- d) The matter should proceed to the Standards Panel.

8.8. A copy of the final report shall be sent to the Complainant, Subject Member, and at the discretion of the Monitoring Officer where appropriate to the Leader, Members Group Leader, Chairman of the Standards and Audit Committee and the Chief Executive.

9. Standards Panel

9.1. If the Monitoring Officer considers that Informal Resolution is not appropriate, or the Subject Member concerned is not prepared to undertake any proposed remedial action, the Monitoring Officer will report the Investigating Officer's report to the Standards Panel before deciding whether the Subject Member has failed to comply with the Code of Conduct and, if so, whether to take any action in respect of the Member.

9.2. The Standards Panel, with the benefit of any advice from the Independent Person, may conclude that the Member did not fail to comply with the Code of Conduct, and so dismiss the complaint. If the Standards Panel concludes that the Subject Member did fail to comply with the Code of Conduct, the Chairman will inform the Subject Member of this finding and the Standards Panel will then consider what action, if any, it should take as a result of the Subject Member's failure to comply with the Code of Conduct. In doing this, the Standards Panel will give the Subject Member an opportunity to make representations to it and will consult the Independent Person, but will then decide what action, if any, to take in respect of the matter. Separate guidance this procedure can be found at Appendix 1C.

10. Sanctions

10.1 The Standards and Audit Committee has delegated to the Standards Panel power to take action in respect of individual Members who have breached the Code of Conduct. Accordingly the Standards Panel may –

- a) Publish its findings in respect of the Member's conduct. This might comprise issuing a press release and/or inserting a public notice in the local newspaper(s);
- b) Report its findings to Council for information;
- c) Censure or reprimand the Member;
- d) Recommend to the Member's Group Leader (or in the case of un-grouped Members, recommend to Council or to Committees) that he/she be removed from any or all Committees or Sub-Committees of the Council for such period as the Standards Panel considers appropriate;
- e) Recommend to the Leader of the Council that the Member be removed from the Executive, or removed from particular Portfolio responsibilities for such period as the Standards Panel considers appropriate;

- f) Instruct the Monitoring Officer to arrange training for the Member;
- g) Recommend to the Council that the Member be removed from all outside appointments to which he/she has been appointed or nominated by the Council for such period as the Standards Panel considers appropriate;
- h) Withdraw facilities provided to the Member by the Council, such as a computer, website and/or email and Internet access for such period as the Standards Panel considers appropriate; or
- i) Exclude the Member from the Council's offices or other premises, with the exception of meeting rooms as are necessary for attending Council, Committee and Sub-Committee meetings for such period as the Standards Panel considers appropriate.

10.2. The Standards Panel has no power to suspend or disqualify the Member or to withdraw Members' allowances.

11. Notification of Decision

11.1. At the end of the Standards Panel, the Chairman will state the decision of the Standards Panel as to whether the Subject Member failed to comply with the Code of Conduct and as to any actions which it resolves to take.

11.2. Following consultation with the Chairman of the Standards Panel and Independent Person the Monitoring Officer shall issue the formal written decision notice to the Subject Member and send a copy to the Complainant. The decision notice shall include reasons for the decision. The Monitoring Officer will also make the summary of the decision notice available for public inspection and report the decision to the next convenient meeting of the Standards and Audit Committee.

12. Appeals

12.1. There is no right of appeal for as Complainant or for the Subject Member against a decision of the Monitoring Officer or the Standards Panel.

12.2. There is a right of complaint to the Local Government and Social Care Ombudsman.

13. Discontinuance of Complaints by Monitoring Officer

13.1 The Monitoring Officer has a discretion to discontinue a complaint or terminate an investigation if they consider it appropriate to do so, having regard to whether the balance of the public interest lies in continuing to action the complaint, where the Subject Member:

- (a) ceases to be a Member of the Council,

(b) has a long term or serious illness and is unable to participate in the procedure, or

(c) dies.

- 13.2 Where a complaint is discontinued, the Monitoring Officer will write to the Complainant and the Subject Member setting out the reasons for their decision. (Should a Subject Member become seriously ill or die, the Monitoring Officer shall exercise discretion in regards to contacting the Subject Members and/or their next of kin)

14. Confidentiality

- 14.1 Unless otherwise permitted under these arrangements or required by legislation, a complaint (and all associated information and documents) that a Member has breached the Code of Conduct shall remain confidential until such time that the Monitoring Officer or Standards Panel consider it appropriate (if at all) to disclose the complaint (and all associated information and documents).
- 14.2 Unless, otherwise determined, the findings of the Standards Panel shall be made public in accordance with the guidance set at Appendix 1C.

15 Timescales

- 15.1 The investigation shall be carried out promptly, with the expectation that all investigations and resolutions of the Standards Panel will be completed within a maximum period of four months. All those involved in the complaint should do their utmost to ensure that this can happen.
- 15.2 Key dates in relation to the administration of the arrangements are set out in the body of the arrangements, and shall act as targets to facilitate the swift administration of the arrangements but which, if missed, will not invalidate the procedure comprised herein.
- 15.3 The Complainant and the Subject Member will be informed should there be a delay in completing any stage of the process.

16 Complaint Support

- 16.1 Assistance and support shall be provided to the Complainant and Subject Member throughout this process by the Deputy Monitoring Officer or Head of Human Resources as appropriate.

17 Annual Report

- 17.1 The Monitoring Officer shall submit an annual report to the Standards and Audit Committee. The report should include appropriate details of all complaints received (including those where no breach was found).

APPENDIX 1A

COMPLAINT FORM: CODE OF CONDUCT FOR MEMBERS

To: **The Monitoring Officer**
Woking Borough Council

A. Your details

1. Please provide us with your name and contact details. Anonymous complaints will only be considered if there is independent evidence to substantiate the complaint.

Title:	
First Name:	
Last Name:	
Address:	
Contact Telephone:	
Email:	
Signature:	
Date of Complaint:	

Your address and contact details will not usually be released unless necessary or to deal with your complaint.

The following people will see this form:

- the Council's Independent Person advising the Standards Panel
- Monitoring Officer of the Borough Council
- the Chairman of the Standards and Audit Committee, if the matter proceeds to investigation
- the Standards Panel, if the matter proceeds to a Standards Panel

A brief summary of your complaint may also be shared, with the Member(s) you are complaining against. If you have serious concerns about your name and a summary, or details of your complaint being released, please complete Section C of this Form and also discuss your reasons or concerns with the Council's Monitoring Officer.

2. Please tell us which complainant type best describes you:

- A member of the public
- An elected or co-opted Member of the Council
- A Member of Parliament
- A Monitoring Officer
- Other council employee, contractor or agent of the Council
- Other (please state)

B. Making your Complaint

For a brief summary of sanctions available to the Standards Panel, please see information at the end of this Form.

3. Please provide us with the name of the member(s) you believe have breached the Borough Council's Code of Conduct.
4. Please explain in this section (or on separate sheet(s)) what the Member is alleged to have done that you believe breaches the Code of Conduct. If you are complaining about more than one member you should clearly explain what each individual person has done, with dates / witnesses to substantiate the alleged breach.

Title	First Name	Last Name	Summary of alleged breach of Code of Conduct

It is also important that you provide all the evidence you wish to have taken into account by the Monitoring Officer when he/she decides whether to take any action on your complaint or not. For example:

- You should be specific, wherever possible, about exactly what you are alleging the member said or did. For instance, instead of writing that the member insulted you, you should state what it was they said or did to insult you.
- You should provide the dates of the alleged incidents wherever possible. If you cannot provide exact dates it is important to give a general timeframe.
- You should confirm whether there are any witnesses to the alleged conduct and provide their names and contact details if possible.
- You should provide any relevant background information or other relevant documentary evidence to support your allegation(s).
- If the allegation(s) being made occurred over **28** days from the alleged behavior or conduct, clearly explain why the complaint was not made during that period of time.

Please provide us with the details of your complaint and the evidence you want the Monitoring Officer to consider. Continue on a separate sheet if there is not enough space on this form.

C. Confidentiality of complainant and the complaint details

(Only complete this next section if you are requesting that your identity is kept confidential.)

5. In the interests of fairness and in compliance with the rules of natural justice, we believe members who are complained about have a right to know who has made the complaint and the substance of the allegation(s) made against him/her. We are, therefore, unlikely to withhold your personal details or the details of your complaint unless you have good reasons to believe that you have justifiable grounds, for example:-

- you believe you may be victimised or harassed by the Member(s) against whom you are submitting a written complaint (or by a person associated with the same); or
- you feel you may receive less favourable treatment from the Council because of the seniority of the Member against whom you are submitting a written complaint in terms of any existing Council service provision or any tender/contract that you may have or are about to submit to the Council.

Please note that requests for confidentiality or requests for suppression of the personal and complaint details will not automatically be granted. The Monitoring Officer will consider the request with the Independent Person alongside the substance of your complaint and the Monitoring Officer will then contact you with the decision. If your request for confidentiality is not granted, we will usually allow you the opportunity, if you so wish, of withdrawing your complaint.

However, it is important to understand that - in exceptional circumstances, where the matter complained about is very serious - we may proceed with an investigation (or other action) and may have no choice but to disclose your personal and complaint details, because of the allegation(s) made, even if you have expressly asked us not to.

Please provide us with details of why you believe we should withhold your name and/or the details of your complaint. Continue on a separate sheet if there is not enough space on this form.

D. Additional Information

6. Frivolous, vexatious and politically-motivated tit-for-tat complaints are likely to be rejected.
7. Complaints must be submitted in writing. In line with the requirements of the Equality Act 2010, we can make reasonable adjustments to assist you if you have a disability that prevents

you from making your complaint in writing. We can also help if English is not your first language.

8. If you need any support in completing this form, please contact the Monitoring Officer as soon as possible.

E. Process from here

9. Once a valid complaint relating to an alleged breach of the Code of Conduct for Members has been received by the Monitoring Officer, it will be considered by the Monitoring Officer with the Independent Person. You and the member against whom the complaint has been made will not be allowed to attend these deliberations, as the matter will be considered in private.
10. The Monitoring Officer, in consultation with the Independent Person, may resolve to:
 - (a) dismiss your complaint, with reasons;
 - (b) ask you for additional information, with reasons; or
 - (c) refer your complaint for investigation (or other action).
11. You will be notified once the decision is made and given information on any further stage(s) in the process at that time.

Monitoring Officer
Woking Borough Council
Civic Offices
Gloucester Square
Woking
GU21 6YL

Joanne.mcintosh@woking.gov.uk

01483 743038

Annex 1AA: Sanctions available to the Standards Panel

The Standards and Audit Committee has delegated to the Standards Panel power to take action in respect of individual Members who have breached the Code of Conduct. Accordingly the Standards Panel may –

- a) Publish its findings in respect of the Member's conduct. This might comprise issuing a press release and/or inserting a public notice in the local newspaper(s);
- b) Report its findings to Council for information;
- c) Censure or reprimand the Member;
- d) Recommend to the Member's Group Leader (or in the case of un-grouped Members, recommend to Council or to Committees) that he/she be removed from any or all Committees or Sub-Committees of the Council for such period as the Standards Panel considers appropriate;
- e) Recommend to the Leader of the Council that the Member be removed from the Executive, or removed from particular Portfolio responsibilities for such period as the Standards Panel considers appropriate;
- f) Instruct the Monitoring Officer to arrange training for the Member;
- g) Recommend to the Council that the Member be removed from all outside appointments to which he/she has been appointed or nominated by the Council for such period as the Standards Panel considers appropriate;
- h) Withdraw facilities provided to the Member by the Council, such as a computer, website and/or email and Internet access for such period as the Standards Panel considers appropriate; or
- i) Exclude the Member from the Council's offices or other premises, with the exception of meeting rooms as are necessary for attending Council, Committee and Sub-Committee meetings for such period as the Standards Panel considers appropriate.

The Standards Panel has no power to suspend or disqualify the Member or to withdraw Members' allowances.

Appendix 1B

Assessment of the Complaint

The Monitoring Officer will, within 10 working days of the acknowledgement of receipt of a complaint, apply the following questions to determine whether a Complaint falls within the jurisdiction of these arrangements.

The Monitoring Officer shall do so in consultation with the Independent Person.

Stage 1 - Initial Jurisdiction Test

The complaint will be assessed by the Monitoring Officer against an Initial Jurisdiction Test as follows:

- (a) Did the alleged conduct occur before the adoption of the Code of Conduct?
- (b) Was the Subject Member a member of the Borough Council at the time of the alleged conduct?
- (c) Was the Subject Member acting in an official capacity as a councillor at the time of the alleged conduct? (The case law and legislative position is that Code of Conduct matters can only be dealt with when the allegation is about something that a Councillor did in his or her role as a councillor when acting in an official capacity.)
- (d) Did the alleged conduct occur when the Subject Member was acting as a member of another authority?
- (e) If the facts, could be established, as a matter of evidence, could or would the alleged conduct be capable of a breach of the Code of Conduct?
- (f) Is the complaint limited to dissatisfaction with the Borough Council's decisions, policies and priorities, etc.?

If the complaint fails one or more of the initial jurisdiction tests, no further action will be taken by the Monitoring Officer and the complaint will be rejected. The Complainant will be notified accordingly with reasons. There is no internal right of appeal against the Monitoring Officer's decision.

If the complaint satisfies the Initial Jurisdiction Test the Monitoring Officer the Monitoring Officer will then proceed to assess the complaint. The Assessment Test aids the Monitoring Officer in reaching a decision on the complaint by enabling the Monitoring Officer to consider the following criteria, whilst taking into account the nature of the complaint and the need to adopt a proportionate response:

Stage 2 - The Assessment Test:

General

- (1) Has the Complainant submitted enough information as regards the allegation and alleged misconduct to sustain a potential breach of the Code of Conduct?
- (2) Is an investigation likely to prove on the balance of probability whether or not a breach took place?
- (3) Does the complaint appear to be too trivial to warrant further action?
- (4) Is the evidence sufficiently reliable i.e. is it first-hand evidence or hearsay evidence?
- (5) Is the evidence relevant to the alleged breach?
- (6) Could any further evidence be revealed by an investigation?
- (7) Would an investigation serve any useful purpose?
- (8) Is the allegation serious enough to warrant further action?

Mitigating factors (tending to make further action less likely)

- (9) The substance of the complaint has already been the subject of an investigation or other action relating to the Code of Conduct;
- (10) The allegation took place more than 28 days prior to receipt of the complaint and there would be little benefit in taking action now;
- (11) The Subject Member took appropriate advice on the matter and followed that advice;
- (12) The complaint is such that it is unlikely that an investigation will be able to come to a firm conclusion on the matter, e.g. where there is no firm evidence on the matter;
- (13) It is likely that an investigation will prove only a technical or inadvertent breach;
- (14) The complaint appears to be malicious, vexatious, politically motivated or tit-for-tat;
- (15) The Complainant has involved the press in relation to the alleged complaint;
- (16) The member has already provided (or tried to provide) a suitable remedy (such as apologising);
- (17) The breach occurred in all innocence i.e. without knowledge;
- (18) There was unreasonable provocation;
- (19) The complaint involves a Subject Member who is seriously ill and it would not be in the public interest to pursue;
- (20) The complaint is about a deceased person;
- (21) The complaint is about a person who is no longer a borough councillor.

Aggravating factors (tending to make further action more likely)

- (22) The complaint involves allegations of bullying or intimidation of a Complainant;
- (23) The allegation if proven could have a serious effect upon the reputation of the Council or parish council, upon staff relations or upon public trust and confidence;
- (24) The Subject Member holds a position of seniority and/or a position of influence;
- (25) There is a pattern of individual acts of minor misconduct which appear to be part of a continuing pattern of behaviour that is unreasonably disruptive to the business of
- (26) the Council;
- (27) The Subject Member took appropriate advice on the matter but did not follow that advice;
- (28) The complaint involves an allegation that the behaviour may cause the Council to breach an equality enactment;

The criteria set out in the Assessment Test is not an exhaustive or prescriptive list and the Monitoring Officer can take into account other criteria dependent on the circumstance of the complaint. The existence of such criteria does not fetter the discretion of the Monitoring Officer. A written record of the assessment decision will be provided aiding robust and transparent decision-making.

Appendix 1C

STANDARDS PANEL GUIDANCE

The need for a Standards Panel

The Standards Panel will seek to hold a Standards Panel in relation to an allegation within 28 working days of receiving the Investigation Report.

Before the Standards Panel

The Standards Panel process

The Panel will use a written Standards Panel process in order to allow the Standards Panel to proceed fairly and efficiently.

The Subject Member will be asked to provide the following information to the Monitoring Officer within 5 working days from the notification of the Standards Panel:

- to identify those paragraphs in the Investigating Officer's Report which the Subject Member agrees with and those paragraphs in the Report that the Subject Member disagrees with and the reasons for such disagreement;
- to identify any further documentary evidence which the Subject Member would like to rely upon at the Standards Panel;
- to ascertain if they are going to attend the Standards Panel and if they are going to represent themselves or whether they are going to employ someone to represent them in which case they should provide the details of their representative prior to the Standards Panel;
- to give reasons whether the whole or any part of the Panel should be held in private and whether any of the documentation supplied to the Standards Panel should be withheld from the public.

The Investigating Officer will also be asked to comment on the Subject Member's response within a set time to say whether or not he or she:

- wants to call witnesses to give evidence to the Standards Panel;
- wants any part of the Panel conducted in private and why;
- wants any part of the Investigating Officer's report or other relevant documents to be withheld from the public and why.

The Monitoring Officer will endeavour to accommodate the availability of the parties attending the Standards Panel before notifying the parties of the date, time and place for the Standards Panel.

The Complainant will be asked to provide the following information to the Monitoring Officer:

- the Investigator's report forms basis of the case that the Code of Conduct has been breached. The Complainant asked to identify those paragraphs in the Investigating Officer's Report which the Complainant agrees with and those paragraphs in the Report that the Complainant disagrees with and the reasons for such disagreement. to ascertain if they wish to attend the Standards Panel and whether or not they wish to make representations to the Standards Panel. It should be noted that the Investigating Officer shall advocate that the Code of Conduct has been breached. The Complainant, at the discretion of the Chairman of the Standards Panel, may request the opportunity to rebut any matters raised within the Standards Panel to which they disagree.

- to give reasons whether the whole or any part of the Standards Panel should be held in private and whether any of the documentation supplied to the Standards Panel should be withheld from the public.

The Standards Panel

The Order of *Business*

The order of business will be as follows, subject to the Chairman exercising discretion and amending the order of business where they consider that it is expedient to do so in order to secure the effective and fair consideration of any matter:

- Appointment of a Chairman/Vice Chairman.
- Apologies for absence.
- Declarations of interests.
- The Chairman shall confirm that the Standards Panel is quorate.
- In the absence of the Subject Member, consideration as to whether to adjourn or to proceed with the Standards Panel.
- Introduction by the Chairman, of Members of the Standards Panel, the Independent Person, the Monitoring Officer or Legal Advisor to the Standards Panel, Investigating Officer, Complainant(s) and the Subject Member and their representative (if appointed).
- To determine whether the public/press are to be excluded from any part of the meeting and/or whether any documents (or parts thereof) should be withheld from the public/press.
- Conduct of the Standards Panel. The Standards Panel may adjourn the Standards Panel at any time.

Presentation of the Complaint

The Investigating Officer presents their report including any documentary evidence or other material and calls any complainant witnesses.

The Standards Panel will give the Subject Member the opportunity to ask any questions regarding the evidence presented through the Chair.

The Standards Panel may question the Investigating Officer upon the content of his or her report and any complainant witnesses.

Presentation of the Subject Member's case

The Subject Member or their representative presents their case and calls their witnesses.

The Standards Panel will give the Investigating Officer the opportunity to ask any questions regarding the evidence presented through the Chair.

The Standards Panel may question the Subject Member upon the contents of their case and any Subject Member witnesses.

Summing up

The Investigating Officer sums up the complaint.

At the discretion of the Chairman of the Standards Panel, the Complainant may have the opportunity to rebut any matters raised within the Panel to which they disagree.

The Subject Member or their representative sums up their case.

Views/Submissions of the Independent Person

The Chairman will invite the Independent Person, to express their view on whether they consider that on the facts presented to the Standards Panel there has been a breach of the Code of Conduct or no breach as the case may be.

The Standards Panel will adjourn the Standards Panel and deliberate in private (assisted on matters of law by a legal advisor) to consider whether on the facts found, the Subject Member has failed to comply with the Code of Conduct.

The Standards Panel may, at any time, come out of private session and reconvene the Standards Panel in public, in order to seek additional evidence from the Investigating Officer, the Subject Member or the witnesses. If further information to assist the Standards Panel cannot be presented, then the Standards Panel may adjourn the Standards Panel and issue directions as to the additional evidence required and by whom.

The Standards Panel will make its decision on the balance of probability, based on the evidence before it during the Standards Panel.

Where the complaint has a number of aspects, the Standards Panel may reach a finding, apply a sanction and /or make a recommendation on each aspect separately.

Having deliberated on its decision the Standards Panel will reconvene the Standards Panel in public and the Chairman will announce that, on the facts presented, the Standards Panel considers that there has been a breach of the Code of Conduct, or no breach, as the case may be.

If the Standards Panel considers that there has been **no breach of the Code of Conduct** the Standards Panel will set out the principal reasons for the decision. The Chairman will also announce that the Sub- Committee's full decision and reasons will be issued by the Monitoring Officer, in writing within approximately 10 working days following the close of the Standards Panel.

If the Standards Panel decides that there has been **a breach of the Code of Conduct**, the Chairman will announce the principal reasons for the decision.

The Chairman will then invite the Investigating Officer and the Subject Member, to make their representations as to whether any sanction(s) or recommendations should be applied and what form any sanction(s) or recommendation(s) should take.

In reaching its decision the Standards Panel may make any recommendations it considers may facilitate and enhance ethical standards within the relevant authority. The Independent Person will then be invited to express their view on any sanction(s) or recommendation(s).

Having heard the representation/views, the Standards Panel will adjourn and deliberate in private.

Having deliberated on the the application of any sanctions(s), and having taken into account the Independent Person's views the Standards Panel will reconvene the Standards Panel in public and the Chairman will announce:

- whether any sanctions are to be applied
- Whether any recommendations will be made to the Council or the Monitoring Officer.
- That the Standards Panel's full decision and reasons will be issued by the Monitoring Officer, in writing within approximately 10 working days following the close of the Standards Panel.
- That the decision will be published on the Borough Council's website; and
- That there is no internal right of appeal against the Standards Panel decision(s) and/or recommendations(s).

Range of Possible Sanctions

The Standards Panel may:

- Publish and report its findings in respect of the Subject Member's conduct to
- a meeting of the full Council

- Recommend to Council that the Subject Member be requested to apologise;
- Recommend to the Subject Member's political group leader (or in the case of an un-grouped Subject Member, recommend to Council or to Committees) that they be removed from any or all Committees or Standards Panels of the Council for a specified period;
- Recommend to the Leader of the Council, in the case of an Executive Subject Member, that the Subject Member be removed from the Executive, or removed from particular portfolio responsibilities;
- Recommend to Council that the Subject Member be requested to participate in appropriate training or participation in conciliation or mediation;
- Recommend to Council or the relevant Parish Council that the Subject Member be removed from all outside appointments to which they have been appointed or nominated by the Council for a specified period;
- Withdraw facilities provided to the Subject Member by the Council, such as a computer, website and/or e-mail and internet access for a specified period;
- Exclude the Subject Member from the Council's offices or other premises, with the exception of meeting rooms as necessary for attending Council, Committee and Sub-Committee meetings;
- Issue a formal letter to the Subject Member;
- Issue a formal reprimand to the Subject Member.

The Standards Panel cannot suspend a Subject Member, withdraw a Subject Member's allowance, impose financial penalties, award compensation or make an award of costs.

Matters to Consider when Applying a Sanction

When deciding whether to apply one or more sanctions referred to above the Standards Panel will ensure that the application of any sanction is reasonable and proportionate to the Subject Member's behaviour and that any sanction does not unduly restrict the Subject Member's ability to perform the functions of a councillor. The Panel will consider the following questions along with any other relevant circumstances raised at the Standards Panel:

- What was the Subject Member's intention and did they know that they were failing to follow the Council's Code of Conduct?
- Did the Subject Member receive relevant advice from officers before the incident and was that advice acted on in good faith?
- Has there been a relevant breach of trust?
- Has there been financial impropriety, e.g. improper expense claims or procedural irregularities?
- What was the result/impact of failing to follow the Council's Code of Conduct?
- How serious was the incident?
- Does the Subject Member accept that they were at fault?
- Did the Subject Member apologise to the relevant persons?
- Has the Subject Member previously been warned or reprimanded for similar misconduct?
- Has there been a relevant previous breach by the Subject Member of the Council's Code of Conduct?
- Is there likely to be a repetition of the incident?
- Was it a deliberate breach of the code or was it inadvertent (i.e. the Member thought that he/she was acting in a private capacity)? If capacity is an issue the Standards Panel will need to give reasons for its decision that the Subject Member was or was not acting publicly.

The written decision

The Chairman will announce its decision on the day. The Committee will issue a full written decision approximately 10 working days after the end of the Standards Panel to:

- The Subject Member; and
- The Complainant;

A summary of the decision and reasons for that decision to be published on the Council's website.

If the Standards Panel finds that a Subject Member did not fail to follow the Council's Code of Conduct, the public summary must say this, and give reasons for this finding.

If the Standards Panel finds that a Subject Member failed to follow the Code of Conduct, but that no action is needed, the public summary must say that the Subject Member failed to follow the Code of Conduct, outline what happened and give reasons for the Standards Panels decision not to take any action.

If the Standards Panel finds that a Subject Member failed to follow the Code of Conduct and it sets a sanction, the public summary must say that the Member failed to follow the Code of Conduct, outline what happened, explain what sanction has been set and give reasons for the decision made by the Sub- Committee.

Costs

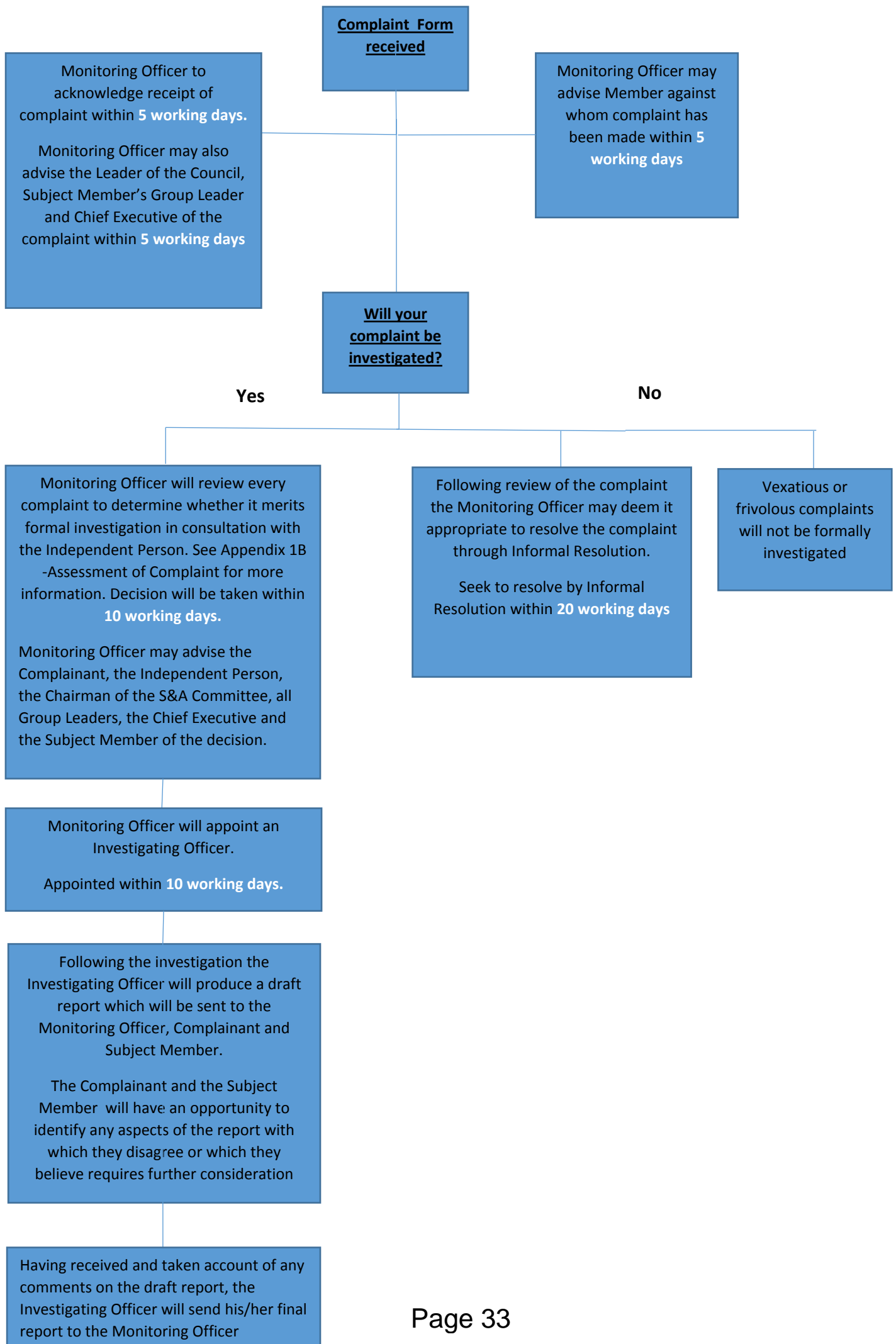
Subject Members are responsible for meeting the cost of any representation at a Standards Panel meeting. The Standards Panel cannot make orders as to costs. The Council cannot contribute to the Subject Member's costs or the Complainant's costs or indemnify a Subject Member or Complainant against costs which he or she may incur.

Appeals

There is no internal right of appeal for a Member against a finding by the Standards Panel following a Standards Panel.

Variation

The Monitoring Officer or the Chairman of the Standards Panel may vary this procedure in any particular instance where her she or they is/are of the opinion that such a variation is desirable and does not conflict with statutory requirements.



Outcome of Complaint

Investigating Officer concludes there is no evidence of failure to comply with Code of Conduct?

Investigating Officer concludes there is evidence of failure to comply with Code of Conduct?

Monitoring Officer will review the Investigating Officer's report within **10 working days** and, if satisfied (after consulting the Independent Person) that the Investigating Officer's report is sufficient, the Monitoring Officer will write to the Complainant and to the Subject Member concerned to provide them with a final copy of the report and to notify them that he/she is satisfied that **no further action is required**

The Monitoring Officer shall send a copy of the final report to the Complainant, Subject Member, the Leader, Members Group Leader, Chairman of the Standards and Audit Committee and the Chief Executive

If the Monitoring Officer is not satisfied that the investigation has been conducted properly, he/she may ask the Investigating Officer to reconsider his/her report

Monitoring Officer will review the Investigating Officer's report within **10 working days** and will then either send the matter before the Standards Panel or, after consulting the Independent Person, seek **Informal Resolution**

Informal Resolution
Monitoring Officer will consult Independent Person and Complainant to agree what they consider a fair resolution. If Subject Member complies with the suggested resolution, the Monitoring Officer will report the matter to the Standards and Audit Committee for information, but will otherwise take no further action

Within 20 working days

Standards Panel

Monitoring Officer will conduct the Standards Panel process. See Appendix 1C. The Investigating Officer and Subject Member will make representations to the Standards Panel and if the Panel finds the Subject Member failed to comply with the Code of Conduct the Chairman will inform the Member of this finding and the Standards Panel will then consider what action, if any, it should take as a result of the Member's failure to comply with the Code of Conduct

Monitoring Officer will prepare a formal decision notice in consultation with the Chairman of the Standards Panel.

Within 10 working days

The decision notice will set out the reason for the decision and be sent to the Complainant and to the Member

STANDARDS AND AUDIT COMMITTEE – 3 MARCH 2022

INTERNAL AUDIT STRATEGY AND PROPOSED ANNUAL PLAN 2022/23

Executive Summary

This report set out the Internal Audit Strategy and proposed Annual Plan for 2022/23, which details how the Council will meet its statutory requirements for Internal Audit.

The report explains that the overall level of audit coverage has been developed by applying a risk-based approach and overall coverage is similar to prior years in order to provide Members, management, and other external bodies with independent assurance on the adequacy of the Council's risk management, governance, and internal control framework.

Recommendations

The Committee is requested to:

RESOLVE That the Internal Audit Strategy and the proposed Annual Plan for 2022/23 be approved.

The Committee has the authority to determine the recommendation(s) set out above.

Background Papers: None.

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Date Published: 23 February 2022

Implications

Financial and Risk

There are financial implications related to the delivery of the proposed Annual Plan and the days included. A sufficient budget needs to be set aside to cover delivery costs.

There may be financial implications regarding implementing internal audit recommendations depending on the nature of the area and recommendations made. However, any such implications are considered by Management as part of the consideration of the recommendations raised. Some audit recommendations are also designed to improve value for money and financial control.

Internal Audit identifies weaknesses in the control environment. Therefore, the implementation of recommendations improves the control environment and risk management.

Human Resources and Equalities

Some audit recommendations need officer resources to put in place. There is minimal impact on equalities issues.

Legal

The professional responsibilities of internal auditors are set out within UK Public Sector Internal Audit Standards (PSIAS).



Woking Borough Council
Internal Audit Strategy and Proposed 2022-23 Plan
March 2022

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Disclaimer

This report (“Report”) was prepared by Mazars LLP at the request of Woking Borough Council (Council), and terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently, no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

The Report was prepared solely for the use and benefit of the Council, and to the fullest extent permitted by law, Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification. Accordingly, any reliance placed on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification by any third party is entirely at their own risk.

01 Introduction

This report establishes the Internal Audit Strategy (Strategy) and proposed Annual Plan (Plan) for 2022/23, which details how the Council will meet its statutory requirements for Internal Audit.

02 Background

The fundamental role of Internal Audit is to provide senior management and Members with independent assurance on the adequacy, effectiveness, and efficiency of the system of internal control and report major weaknesses together with recommendations for improvement. The role is fulfilled by carrying out appropriate audit work following the Annual Plan as approved by the Chief Finance Officer (CFO) and the Standards and Audit Committee of the Council. As Internal Audit is a major source of assurance that the Council is effectively managing its risks, a key rationale for developing the Internal Audit Plan was the Council's Strategic Risk Register (SRR).

The Council's Internal Audit Service is delivered following a regulatory framework comprising:

- The Local Government Finance Act 1972 which requires councils to 'make arrangements for the proper administration of their financial affairs;
- The Accounts and Audit Regulations 2015. These require that all local authorities must 'undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance'; and
- The UK Public Sector Internal Auditing Standards (PSIAS). These standards set out what is meant by appropriate internal audit practices. These are mandatory standards and replaced the former CIPFA Code of Practice for Internal Audit in Local Government 2006.

The Strategy is a high-level statement that outlines how the Internal Audit Service will be delivered to meet the requirements set out above. The PSIAS

no longer make specific reference to a strategy document. However, they require that the information be communicated to the Audit Committee (or equivalent) to support audit planning and resources discussion.

03 Internal Audit Strategy

This Strategy recognises that it is management's responsibility to establish and maintain a sound internal control system and ensure that risks are appropriately managed. Internal audit work aims to establish areas requiring improvement and recommend solutions to enable the Council to achieve its objectives.

The Strategy and planning process reflects that the control environment constantly changes, requiring continuous review and re-evaluation to ensure that emerging risks are identified, assessed, and included as appropriate in the audit plan. Specifically, recognising the unprecedented challenges facing Public Sector finances, the strategy must have in built flexibility to consider:

- Greatest risks to the achievement of the Council's objectives;
- New areas of activity;
- Issues of local significance and importance;
- Changing issues and priorities;
- Changes to models for service delivery and partnership working; and
- The impact of changes on existing control structures.

The purpose of the Strategy is to establish an approach that will enable internal audit to be responsive to change and managed in a way that will facilitate:

- An understanding of assurance needs to enable the provision to Members and management of an overall opinion each year on the Council's risk management, control and governance framework, to support the Annual Governance Statement within the audited financial statements;

- Internal Audit of the Council's risk management, control and governance systems through an approach which assesses risks to Council objectives and prioritises internal audits accordingly;
- The identification of internal audit resources required to deliver a service which meets the PSIAS and achieves the necessary level of audit coverage to enable an opinion to be given on the Council's control environment;
- The identification of other sources of assurance from other assurance providers which can be relied upon to inform the focus of internal audit activity;
- Co-operation and working protocols with the external auditors (BDO) and any other relevant review bodies to ensure that assurance functions work effectively together; and,
- Identification of responsibilities for providing assurance where services are delivered in partnership.

Based on the budget available for internal audit work, the Strategy and internal audit work make provision for:

- Sufficient coverage of all significant financial systems to provide the necessary audit assurance;
- New systems and emerging high-risk areas;
- Cross-cutting reviews for a selection of corporate themes which link to the SRR;
- Support for corporate governance, with particular focus on governance issues identified in the Council's annual governance statement, ensuring that proposed actions are taken;
- Monitoring the implementation of internal audit recommendations categorised as high; and
- An element for a contingency to enable the audit service to provide ad hoc advice and to respond to management requests for support.

The Plan is prepared based on a risk assessment combined with an understanding of other sources of assurance which are then compared to

the internal audit resources available. Given the level of internal audit resources available, internal audit work must be planned and focused to ensure efficient and effective use of resources directed at those areas of most significant risk to the Council.

The Internal Audit function, including the Head of Internal Audit role, is outsourced to Mazars LLP under the London Borough of Croydon APEX Framework.

04 Development of the Annual Plan 2022/23

The Plan was developed by applying a risk-based approach. Its overall coverage is similar to prior years in order to provide Members, management, and other external bodies with independent assurance on the adequacy of the Council's risk management, governance, and internal control framework.

The main factors taken into account in compiling the Plan consist of:

- Materiality and significance based upon budgets and volume of transactions;
- Historical knowledge and experience accumulated in Internal Audit, based upon the results of previous audits;
- Changes to the control environment or legislative changes since the previous internal audit;
- A review of internal audit themes against the Council's SRR and corporate objectives;
- Other sources of assurance available to the Council;
- Concerns and emerging risks as identified by the management team including the CFO and attendance and presentation to the Corporate Leadership Team (CLT); and,

- Mazars Horizon Scanning of issues affecting all Local Authorities (<https://www.mazars.co.uk/Home/Industries/Public-Social-Sector/Transforming-your-organisation/Horizon-Scanning>).

The total number of internal audit days allocated for 2022/23 is 305, including 30 days for IT audit and 24 days for the Head of Internal Audit role. The resources are allocated to ensure that sufficient high-risk areas are audited to allow the Head of Internal Audit to provide an effective annual opinion on the internal control environment.

The proposed days for 2022/23 is 16 days below the original allocation for 2021/22 (321 days); however, since approval of the 2021/22 plan, six audits have been deferred with five being included in the proposed 2022/23 Plan (56 days). For the remaining audit deferred from 2021/22, following discussions with the CFO and CLT, the remaining deferred audit (Careline) was replaced with the Sheerwater Regeneration Project audit as it was considered a higher priority. The Careline audit will be included in the 2023/24 IA Plan.

The proposed 2022/23 Plan is presented in Appendix A. Risks referred to in the plan are those on the SRR.

A1 Proposed Annual Plan 2022/23

	Title	Source	Scope/Notes	Indicative Days
People				
1	Disabled Facilities Grant	Deferred from 2021/22.	Policies and Procedures; Accessing to Funding; Works Performed; Performance and Financial Monitoring.	10
2	Community Safety	Discussion with CLT.	Strategy and Governance; Partnership Working; Data Sharing; Commissioned Services; Financial Management; Performance Management.	12
Place				
3	Environmental Health Inspections	Discussion with CLT.	Policies, Procedures and Legislation; Risk Ratings; Completion and Reporting of Interventions; Food Hygiene and H&S Inspections; Identification of Establishments, Registration and Issue of Licences; Complaints and Incidents; Enforcement Action; Provision of Advice; Management and Performance Information.	12
4	Waste Management	Discussion with CLT.	Contract Management – Joint Partnership .	10
5	Housing Stock - H&S Compliance	Discussion with CLT – Risk Register (Risk no. 1).	Framework, Policy and Procedures; Completeness of data/testing regime; Inspections/Survey/Risk Assessment Certificates; Implementation of Remedial Actions; Management Information.	20
6	Commercial and Investment Property Portfolio	Discussion with CLT – Risk Register (Risk no. 1).	Strategy; Asset Register and Management Plan; Acquisitions; Disposals; Determination of Rents; Cyclical Maintenance.	12

	Title	Source	Scope/Notes	Indicative Days
7	Contract Management - Savills	Discussion with CLT.	Contract Formalities; Specification and Schedule of Works; Contract Variations; Contract Monitoring and Performance Management; Management of Subcontractors; Payments; Financial Management.	12
Us				
8	Corporate Governance Arrangements	Discussion with CLT.	Governance Structure, Strategies and Monitoring; Decision Making Process; Conduct of Members and Officers; and Engagement of Stakeholders.	15
9	HR – Recruitment and Retention	Discussion with CLT.	Strategy, Policies and Procedures; Advertising, Recruitment and Selection; Integrity Checks; Calculation and Authorisation of Salaries; Pre-Employment Induction Tasks; Exit Interviews; Monitoring and Reporting.	10
Corporate				
10	Key Financial Control Testing – Accounts Payable, Accounts Receivable, General Ledger, NNDR and Council Tax	Standing item.	Testing of key financial controls in each financial system.	40
11	Thameswey Group Companies	Deferred from 2021/22.	Scope to be determined.	10
12	Victoria Square Development	Deferred from 2021/22.	Review of Internal Operations/Management.	12
13	Health and Safety	Discussion with CLT.	Policies and Procedures; Staff Training and Awareness; H&S Checks; Risk Assessments; Reporting Incidents and Follow-Ups; Management Reporting.	10

	Title	Source	Scope/Notes	Indicative Days
14	Business Planning	Deferred from 2021/22.	Priority Setting; Collation of Information and Development of Plans; Scrutiny and Approval; Communication; Monitoring and Review; Risk Management.	12
15	Corporate Debt Recovery	Deferred from 2021/22.	Scope to be determined.	12
16	Sheerwater Regeneration Project	Discussion with CLT.	Project Management Audit.	12
IT Audits				
17	Office365 Migration	Deferred from 2021/22.	Scope to be determined.	15
18	Disaster Recovery	Deferred from 2021/22.	Scope to be determined.	15
Other Work				
19	Follow Up Reviews	Ongoing	N/a	10
20	Management	Ongoing	N/a	20
21	Head of Internal Audit	Ongoing	N/a	24
Total Audit Days				305

STANDARDS AND AUDIT COMMITTEE – 3 MARCH 2022

INTERNAL AUDIT PROGRESS REPORT

Executive Summary

The Woking Borough Council Financial Regulation 2.8 requires that the Chief Finance Officer (Finance Director) shall regularly report to the Standards and Audit Committee (Committee) on the work undertaken by Internal Audit. Similarly, under the Internal Audit Charter approved by the Committee, it is a requirement that Internal Audit provides a quarterly report on internal audit progress and key findings to the Committee.

This report covers audit activity and performance from 5 November to 14 February 2022.

Recommendations

The Committee is requested to:

RESOLVE That the report be received and progress against the 2021-22 Internal Audit Plan and implementation of Internal Audit recommendations be noted.

The Committee has the authority to determine the recommendation(s) set out above.

Background Papers: None.

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Date Published: 23 February 2022

Implications

Financial and Risk

There may be minimal financial implications regarding implementing internal audit recommendations depending on the nature of the area and recommendations made. However, any such implications are considered by Management as part of the consideration of the recommendations raised. Some audit recommendations are also designed to improve value for money and financial control.

Internal Audit identifies weaknesses in the control environment. Therefore, the implementation of recommendations improves the control environment and hence the management of risk.

Human Resources and Equalities

Some audit recommendations need officer resources to put in place. There is minimal impact on equalities issues.

Legal

The professional responsibilities of internal auditors are set out within UK Public Sector Internal Audit Standards (PSIAS).



Woking Borough Council - Internal Audit Progress Report
For the November to February 2022 Period
March 2022

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Disclaimer

This report (“Report”) was prepared by Mazars LLP at the request of Woking Borough Council (Council), and terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently, no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

The Report was prepared solely for the use and benefit of the Council, and to the fullest extent permitted by law, Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification. Accordingly, any reliance placed on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification by any third party is entirely at their own risk.

01 Introduction

The Woking Borough Council (Council) Financial Regulation 2.8 requires that the Chief Finance Officer (Finance Director) shall regularly report to the Standards and Audit Committee (Committee) on the work undertaken by Internal Audit. Similarly, the Internal Audit Charter approved by the Committee requires that Internal Audit provide a quarterly report on internal audit progress and key findings to the Committee.

The Committee approved the 2021/22 Internal Audit Plan (Plan) on 4 March 2021. The purpose of this report is to outline the following in respect of Internal Audit Activity during the period:

- An update on progress in delivering the 2021/22 internal audit plan;
- A summary of any Limited/Unsatisfactory Assurance reports issued, and high priority recommendations raised; and
- An update on follow up activity and any recommendations outstanding for implementation.

This report covers internal audit activity and performance from 5 November 2021 to 14 February 2022.

02 Internal Audit Progress

Since the last Committee, progress against the Plan has remained on track. All audits planned for Q3 and Q4 are either finalised, at draft report stage or in progress in line with the expectations from Council Leadership Team (CLT).

Since our last progress report, four audits from the plan (allocated in Q4) did not start as initially planned. These are:

- *Disabled Facilities Grant:* The Housing Director indicated that a new DFG Policy had been developed and approved in January 2022. This introduced changes to some of the processes for application processing and approving funding. We agreed with the Finance Director and Director

of Housing that this audit will be re-scheduled to start in Q3 next year to ensure the audit provides the most value assessing compliance against the new policy.

- *Debt Recovery:* Covid presented challenges with staff becoming unavailable at very short notice during this reporting period. Reallocating this audit to a later date created a clash with other audits being performed in the same area, increasing the already high workload and pressures. We discussed and agreed with the Finance Director that this audit will be re-scheduled to the 2022/23 plan and for fieldwork to take place in Q1.
- *Business Planning:* A new Corporate Strategy will be approved in March 2022. There is currently an increased focus on finalising and approving the Strategy. As Business Planning will be linked to the Strategy, it was suggested that this audit was deferred to add the most value to the Council. This was discussed with the Finance Director and proposed to postpone this audit to the 2022/23 plan to start in Q1.
- *Office365 – IT Audit:* Following discussions with the ICT Manager, the Office365 migration project will now conclude in July 2022. It was felt an audit would be best timed to provide assurance following this, and so this has been deferred to the 2022.23 plan.

However, the days associated with the Office365 review were utilised to conduct a piece of work commissioned regarding an air conditioning incident at the Council's data centre (located in Export House, Woking) on 7 October 2021. The agreed scope for the audit was a lessons learnt exercise to report on the incident and assess relevant key controls in place to manage, monitor and report on incidents relating to the data centre cooling equipment. Two days from contingency days included in the 2021/22 Plan were also used to support this review.

The changes above do not affect the ability provide the HoIA annual opinion for 2021/22. In the context of the above changes, and those previously reported to the Committee, the table below provides a summary of progress for the remaining audits in the 2021/22 Plan:

Audit Status	Number of reviews	Percentage %
Finalised	6	43%
Draft	5	36%
Fieldwork in progress	2	14%
Not yet started	1	7%
Total	14	100%

As of 14 February 2022, 93% of the Plan was delivered to at least draft report stage or being delivered with work in progress. The remaining audit is due to start on 22 March 2022. Further detail of the audits, progress and timing is included in **Appendix A1** of this report.

03 Audit Reports Issued

We have four categories by which we classify internal audit assurance over the processes we examine: Substantial, Moderate, Limited or Unsatisfactory reviews. Further details on these categories are included in **Appendix A3**.

Our previous Progress Report for November 2021 highlighted three reports at the draft stage. One of these had now been finalised (HIF Project). However, two further reports from the 2020/21 IA Plan remain in draft (Covid-19 Lessons Learned and Risk Management). Council Officers have been reminded of the outstanding reports, and this has also been escalated with the Finance Director.

Since the last Committee, seven reports were issued in the period, two of which had been finalised (including the HIF Project and Capita Open Housing from 2020/21). The remaining reports are at draft stage.

The table below shows the reports outstanding and also those issued in the period:

Audit Title	Assurance Opinion	Recommendations by Priority		
		High	Medium	Low
2020/2021 Internal Audit Plan				
Covid-19 Lessons Learned* (Issued November 2020)	N/A - Advisory	-	-	-
Risk Management* (Issued August 2021)	Satisfactory	-	4	1
Capita Open Housing (IT)	Satisfactory	-	7	-
2021/2022 Internal Audit Plan				
Building Control	Moderate	-	2	2
HIF Project	Limited	3	3	-
Taxi Licensing*	Limited	1	1	2
Air Pollution*	Substantial	-	1	-
Thameswey – Green Jump Surrey*	Moderate	-	1	1
Key Financial Systems*	N/A - Advisory	-	2	4
Total		4	21	10

* Draft reports currently awaiting management responses, which may lead to changes in content, including assurance levels and/or recommendations

Internal Audit categorises recommendations as High, Medium, or Low priority to differentiate between the types of recommendation made. These categories give management an indication of the importance and urgency of implementing the recommendations.

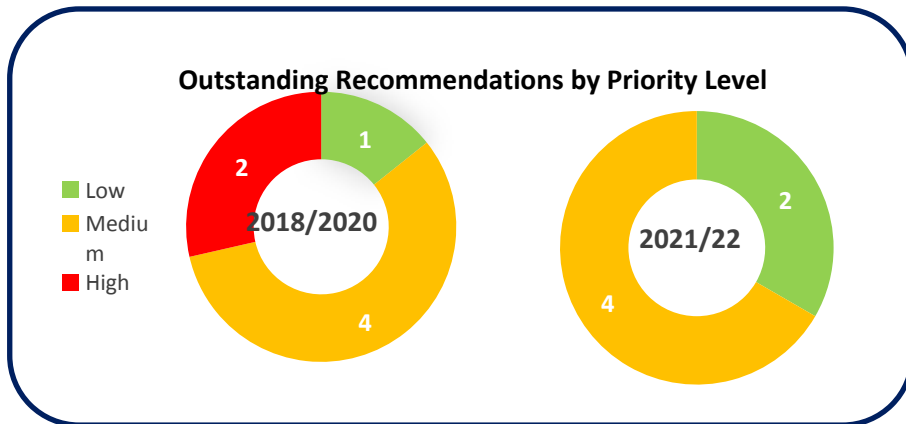
As shown in the table above, three High Priority recommendations were raised in the HIF Project report, shared with the Overview and Scrutiny Committee for their meeting on 22 November 2021. An additional High

Priority recommendation has been raised during the Taxi Licensing audit, with the draft report being reviewed by Management. Further details of recommendations raised can be found in the summary reports for each audit provided separately to Members.

04 Follow-Ups

Since the last Committee meeting, the Council’s Action Management system has continued to be populated with new recommendations from finalised internal audit reports.

As of 14 February 2022, there are 13 outstanding recommendations in Action Management (i.e., recommendations that are past their initially agreed implementation dates). Priorities are as follows:



The two high priority recommendations related to Counter-Fraud were not implemented within the initially agreed dates. Discussions with the responsible officers indicated various circumstances delaying their implementation. The revised dates for implementing both Counter Fraud recommendations have been updated with work due to commence in the new financial year.

We presented a report listing all outstanding recommendations to the Council’s CLT on 21 February 2022 ahead of this Committee Meeting.

Relevant Officers assigned to implement all outstanding recommendations were reminded to update the Action Management System with progress on implementing these.

In addition to monitoring management updates on progress within Action Management, Internal Audit undertook spot checks to confirm that recommendations are being implemented in practice, including high priority recommendations raised as part of the HIF Project report. A procedure is in place to escalate recommendations that have not been implemented as agreed to CLT and finally to this Committee where necessary.

Further detail of outstanding high-priority recommendations is included in **Appendix A2** of this report.

A1 Current Progress – 2021/22 Plan

Audit area	Progress	Assurance Opinion	Recommendations		
			High	Medium	Low
Insurance	Final	Limited	-	6	2
OSC Effectiveness Review	Final	N/A - Advisory	-	-	-
Homesafe Plus	Final	Moderate	-	1	1
Housing Benefits	Final	Substantial	-	-	1
HIF Project Assurance (Replaced Victoria Square review in Plan)	Final	Limited	2	2	-
Building Control	Final	Moderate	-	2	2
Taxi Licensing	Draft *	Limited	1	1	2
Green Jump Surrey	Draft *	Moderate	-	1	1
Air Pollution	Draft *	Substantial	-	1	-
Key Financial Systems	Draft *	N/A - Advisory	-	2	4
Capital Programme	In Progress	-	-	-	-
Temporary Accommodation	Starts 22/03/2022	-	-	-	-
Private Water Supply	Cancelled (Reported to Committee 08/09/2021)	-	-	-	-
Careline	Deferred to 22-23 (Reported to Committee 25/11/2021)	-	-	-	-
Thameswey Debt Recovery	Deferred to 22-23 (Reported to Committee 25/11/2021)	-	-	-	-
Disabled Facilities Grant (DFG)	Deferred to 22-23	-	-	-	-
Business Planning	Deferred to 22-23	-	-	-	-

Audit area	Progress	Assurance Opinion	Recommendations		
			High	Medium	Low
Corporate Debt Recovery	Deferred to 22-23	-	-	-	-
IT					
Data Centre Incident	Draft *	Moderate	-	4	4
Cyber Security	In progress	-	-	-	-
Office 365	Deferred to 22-23	-	-	-	-
Total			3	20	17

*Draft reports currently awaiting management responses, which may lead to changes in content, including assurance levels and/or recommendations

A2 Outstanding High Priority Recommendations (Past Implementation Date)

Counter Fraud					
Ref	Observation/Risk	Recommendation	Priority	Management Response	Timescale and Responsibility
1	<p>Fraud risk identification is essential in order to understand specific exposures to risk, changing patterns in fraud and corruption threats and the potential consequences to the Council and its service users.</p> <p>Although it was apparent that staff involved in counter fraud work are aware of fraud risks facing the Council, how they may occur and how they should be managed, the Council has not undertaken a formal fraud risk assessment.</p> <p>Where a fraud risk assessment is not undertaken, the Council may not be directing its counter fraud activity at the areas of greatest risk. Without a risk assessment and also a low number of reported cases of fraud, this may provide a false impression on the prevalence of fraud.</p>	<p>A fraud risk assessment should be undertaken so as to provide a basis for prioritising counter fraud activity. The Council should use published estimates of fraud loss, and where appropriate its own measurement exercises, to aid its evaluation of fraud risk exposure. This information should be used to evaluate the harm to the aims and objectives of the Council that different fraud risks may cause.</p> <p>The risk assessment should be reviewed periodically (at least annually) and reported to CMG.</p>	High	<p>Agreed. A Fraud risk assessment will be completed to inform future counter fraud work.</p> <p>November 2020: This has been delayed by the focus on responding to the Covid-19 pandemic. The Fraud team from Reigate and Banstead Borough Council are being engaged to assist the Council in undertaking this risk assessment.</p> <p>February 2021: It has not been possible to progress this work in the previously agreed revised timescale, however this will be made a priority over the next month.</p> <p>June 2021: An approach has been agreed with the Reigate & Banstead/Oxford City Council Counter Fraud & Investigations Partnership. The initial work will cover the Fraud Risk Assessment, Framework for the Counter Fraud Strategy, staff training and assessment of</p>	<p>31 March 2020</p> <p>Director of Finance</p> <p>Revised timescale:</p> <p>31 December 2021</p> <p>30 June 2022</p>

Counter Fraud					
Ref	Observation/Risk	Recommendation	Priority	Management Response	Timescale and Responsibility
				<p>processes in identified high risk areas and will be completed over a 3 month period.</p> <p>February 2022</p> <p>The Reigate/Oxford Counter Fraud team are due to start working with the Council in the new financial year. There will be an initial focus on analysis of data within Housing alongside the risk assessment, strategy, and training.</p>	
2	<p>Organisations require a counter fraud strategy to set out their approach to managing fraud risks and defining responsibilities for action.</p> <p>Although the Council has an Anti-Fraud and Corruption Policy, a Counter Fraud and Corruption Strategy has not been developed setting out the Council's approach to managing the risk of fraud.</p> <p>The Local Government Transparency Code 2015 requires the annual publication of data relating to the Council's counter fraud work; however, we were unable to locate any transparency data related to fraud.</p>	<p>A Counter Fraud and Corruption Strategy should be developed to address the fraud risks identified (see recommendation 1). The strategy should include a mixture of both proactive and reactive approaches that are best suited to addressing the Council's fraud and corruption risks. Proactive and reactive components of a good practice response to fraud risk can be found in CIPFA's Code of Practice on Managing the Risk of Fraud and Corruption.</p> <p>The strategy should include clear identification of responsibility and accountability for delivery of tasks within the strategy, and also for providing oversight.</p>	High	<p>Agreed, once the risk assessment (recommendation 1) has been completed, a Counter Fraud and Corruption Strategy will be prepared.</p> <p>November 2020: This has been delayed by the focus on responding to the Covid-19 pandemic. The Fraud team from Reigate and Banstead Borough Council are being engaged to assist the Council in developing an appropriate Strategy following completion of the risk assessment.</p> <p>February 2021:</p>	<p>30 June 2020</p> <p>Director of Finance</p> <p>Revised timescale:</p> <p>31 December 2021</p> <p>30 September 2022</p>

Counter Fraud					
Ref	Observation/Risk	Recommendation	Priority	Management Response	Timescale and Responsibility
	Where the Council does not have a Counter Fraud and Corruption Strategy, actions, responsibilities and accountability may be unclear. As a result, the fraud risks the Council is exposed to may not be managed effectively.	<p>A report should be prepared for CMG and the Standards and Audit Committee (or another suitable committee) at least annually on performance against the counter fraud strategy.</p> <p>The Council should also comply with the Local Government Transparency Code 2015 requirement to publish data relating to the Council's counter fraud work.</p>		<p>It has not been possible to progress this work in the previously agreed revised timescale, however this will be made a priority over the next month.</p> <p>June 2021: An approach has been agreed with the Reigate & Banstead/Oxford City Council Counter Fraud & Investigations Partnership. The initial work will cover the Fraud Risk Assessment, Framework for the Counter Fraud Strategy, staff training and assessment of processes in identified high risk areas and will be completed over a 3 month period.</p> <p>February 2022 The Reigate/Oxford Counter Fraud team are due to start working with the Council in the new financial year. There will be an initial focus on analysis of data within Housing alongside the risk assessment, strategy and training.</p>	

A3 Definitions of Assurance

Definitions of Assurance Levels	
Level	Description
Substantial	The framework of governance, risk management and control is adequate and effective.
Moderate	Some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.
Limited	There are significant weaknesses in the framework of governance, risk management and control such that it could be or could become inadequate and ineffective.
Unsatisfactory	There are fundamental weaknesses in the framework of governance, risk management and control such that it is inadequate and ineffective or is likely to fail.

Definitions of Recommendations		
Priority	Definition	Action required
High (Fundamental)	Significant weakness in governance, risk management and control that, if unresolved, exposes the organisation to an unacceptable level of residual risk.	Remedial action must be taken urgently and within an agreed timescale.
Medium (Significant)	Weakness in governance, risk management and control that, if unresolved, exposes the organisation to a high level of residual risk.	Remedial action should be taken at the earliest opportunity and within an agreed timescale.
Low (Housekeeping)	Scope for improvement in governance, risk management and control.	Remedial action should be prioritised and undertaken within an agreed timescale.

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Mazars is an internationally integrated partnership specialising in audit, accountancy, advisory, tax and legal services*. Operating in over 90 countries and territories worldwide, we draw on the expertise of 40,400 professionals – 24,400 in Mazars’ integrated partnership and 16,000 via the Mazars North America Alliance – to assist clients of all sizes at every stage in their development.

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