



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, 21 September 2023 **at 7.30 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 (Pages 3 - 8)
To approve the minutes of the meeting of the Standards and Audit Committee held on 6 July 2023 as published.
2. Apologies for Absence
To receive any apologies for absence.
3. Declarations of Interest (Pages 9 - 10)
 - (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 Strategic Director - Corporate Resources, Kevin Foster declares a disclosable personal interest (non-pecuniary) in any items concerning the companies of which he is a Council-appointed director. The companies are listed in the attached schedule. The interests are such that Mr Foster may advise 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 Determination

5. Update on External Audit
Reporting Person – Steve Bladen (BDO)

6. Internal Audit Progress Report STA23-015 (Pages 11 - 26)
Reporting Persons – Graeme Clarke / Juan Fosco (Mazars)

7. Revised Internal Audit Annual Plan 2023/24 STA23-016 (Pages 27 - 38)
Reporting Persons – Graeme Clarke / Juan Fosco (Mazars)

8. Ombudsmen Complaints STA23-012 (Pages 39 - 44)
Reporting Person – Gareth John

9. Members' Code of Conduct STA23-013 (Pages 45 - 52)
Reporting Person – Gareth John

AGENDA ENDS

Date Published - 13 September 2023

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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MINUTES
OF A MEETING OF THE
STANDARDS AND AUDIT COMMITTEE

held on 6 July 2023

Present:

Mrs C Storey (Chairman)
Cllr A Caulfield (Vice-Chair)

Cllr H Akberali Cllr S Greentree
Cllr J Brown Cllr S Oades
Cllr G Cosnahan

1. MINUTES

RESOLVED

That the minutes of the meetings of the Committee held on 2 March and 22 May 2023 be approved and signed as true and correct records.

2. APOLOGIES FOR ABSENCE

Apologies for absence were received from Kevin Foster.

3. DECLARATIONS OF INTEREST

In accordance with the Officer Employment Procedure Rules, the Strategic Director - Communities, Louise Strongitharm declared a disclosable personal interest (non-pecuniary) in any items concerning the companies of which she is a Council-appointed director. The interests were such that Mrs Strongitharm could advise on those items.

4. URGENT BUSINESS

There were no items of Urgent Business.

5. INTRODUCTORY BRIEF FROM GRANT THORNTON LLP, THE INCOMING EXTERNAL AUDITOR FROM 2023/24

The Chairman welcomed Guy Clifton, Director in Public Assurance from Grant Thornton, to the meeting, who advised that Grant Thornton was delighted to have been appointed the Council's External Auditor from the 2023/24 financial year. Guy was attending the meeting to provide an introductory brief on the value for money framework and governance review taking place.

Guy advised that the current Code of Audit Practice was set by the National Audit Office every five years, with the most recent version being approved in 2020. The Code provided

for Auditors to prepare a commentary in their annual report on the arrangements in place with three broad areas of focus: Financial Sustainability, Governance and the Three E's (Economy, Efficiency and Effectiveness) for inclusion in the Auditor's Annual Report (AAR). The auditing work would begin following the conclusion of the current financial year.

The Committee was advised that the Code required prompt reporting for any areas of key risk or weakness identified. Under this part of the Code, the Council had commissioned Grant Thornton to carry out a Value for Money Governance Review, for which the Terms of Reference had been finalised and would be forwarded to the Committee shortly. The Key Lines of Inquiry included decisions and timelines relating to the Council's Investment Strategy; the governance of those decisions; the effectiveness of their scrutiny; the arrangements around the implementation of the Strategy such as adopted business cases and investment structures such as subsidiaries or joint ventures; planning assumptions around the Strategy; and the monitoring and reporting of the Strategy.

The Review would be complex and as it progressed could require an extension to those Key Lines of Enquiry. The first step would be a document review following which meetings with key stakeholders would be held and lead to the reporting stage, expected to be completed from the end of August. Depending on the outcomes, the Auditor could be obliged to use its powers such as statutory recommendations which would require debate in public within a period of one month. A more significant reporting power was stated to be a public interest report which related to a higher level of risk and would need to be considered by Full Council.

The Committee welcomed the introductory briefing, noting that the timeframes for the Value for Money review were set out in the Terms of Reference; and that the regular progress updates would be held with the Chief Executive and Section 151 Officer leading to a report being received by the Committee at the close of the Review, with an interim report if need be. An update would be received at the next meeting of the Committee in September.

The Chairman thanked Guy for his informative update.

6. UPDATE ON EXTERNAL AUDIT STA23-010

The Chairman welcomed Steve Bladen, the Council's lead Auditor and Ryan Ferguson, Head of Local Audit, from BDO to the meeting. The Committee received an update on the 2019/20 External Audit from BDO, noting that Commissioners had been appointed by the Government and a Section 114 Notice issued since the last meeting. Steve advised that the report outlined the financial challenges for the Council and its financial statements due to prior period adjustments to the Accounts being required. The report set out the areas of audit activity such as the Council's subsidiaries, Minimum Revenue Provision (MRP) and loans to third parties. Steve stated that the Audit was close to completion, with BDO awaiting the Council's intention on its approach to carrying out the prior period adjustments.

The Chairman stated that it was clear that the Council not having received the benefit of an Audit Opinion since the 2018/19 accounts was having an adverse impact on the Council, and there had been little progress in recent months which could have contributed to a clearer picture of the financial position at an earlier stage. She stated that the Council would need to take a view of the accounting amendments required and would need assurance from BDO that the Audit would be concluded in a timely manner.

Brendan Arnold, Interim Director of Finance / Section 151 Officer, stated that from an auditing perspective when reviewing accounts there was more than one source of assurance from which an Auditing Opinion could be made. Due to the Council's previous approach to MRP, the Accounts would have included a negative balance likely prior to 2018/19. On the basis that it was clear that the Accounts were at high risk of a qualified Opinion, the prior period adjustments should not delay the Opinion and conclusion of the Audit. Steve stated that BDO were awaiting confirmation of the Council's intentions and that the Accounts would not represent a true and fair view until that time. It was noted that the adjustments could involve the 2018/19 Accounts being restated.

Following questions by Brendan over whether there was a risk of BDO auditing its own work as the last Opinion was stated for 2018/19 and whether BDO would note any errors in its work by not notifying the Council of the General Fund balance earlier, Ryan stated that restating financial accounts was not uncommon with no actual risk of BDO auditing its own work. Ryan added that Steve had not been involved in the 2018/19 Audit and it was the responsibility of the Council to provide financial statements.

Members felt that with the benefit of hindsight if the delays in the Audit had not occurred the current financial issues could have been identified earlier, although it was noted that BDO had been unable to secure the working papers of the past subsidiary auditor, Hamlyns. The possibility of a complete re-Audit was not an affordable option for the Council. It was stated that a complaint raised by a resident regarding MRP had been accepted by BDO as an objection to the Accounts. The issue of MRP had been acknowledged by the Council in its seeking of a legal Opinion, however the Committee did not accept that BDO had stated previously that it had disagreed with the past policy on MRP. The Audit Letter from 2018/19 had only recommended that the Council review its MRP policy against the guidance.

Following a question by the Chairman, Brendan advised that work was continuing to ensure the loan documentation history to the Council's subsidiaries was complete and assess their recoverability, which should be completed by August. Consideration was being given as to the prior period adjustments, however he stated that he felt a low level of confidence in BDO completing the Audit soon afterwards based on past levels of activity. He urged BDO to consider the views expressed at the meeting and how it could provide the contracted Audit service the Council desperately needed.

Members reiterated their concerns over the delays of the Audit, the report before the Committee and effect on local residents. The Chairman noted the report before the Committee along with BDO's request for the Council to look at the past accounts adjustments, and that the work would result in the Council having a deficit and a qualified Opinion.

RESOLVED

That the update be noted.

7. INTERNAL AUDIT ANNUAL REPORT 2022/23 STA23-009

The Committee received the Internal Audit Annual Report 2022/23 which contained the Head of Internal Audit annual assurance opinion on the control environment of the Council based on internal audit work undertaken during the 2022/23 financial year.

Graeme Clarke of Mazars introduced the report and stated that all planned audits had been delivered although a few had not reached the final report stage as yet. Note had been

taken of the Council's Section 114 Notice and the recent commentary from the Department of Levelling Up, Housing and Communities on the control environment. Around half of the audits had received limited assurance with one classed as unsatisfactory, with an increasing number of average recommendations being made over the past few years. Overall, the Opinion had been set as unsatisfactory, reduced from moderate the previous year.

The Chairman stated that the tone of the report had changed markedly and asked whether previous years' plans had been correctly focused. Graeme explained that the content of each year's programme varied following consultation with stakeholders including the Corporate Leadership Team. The 2022/23 Plan had focused on areas whereby there could be a greater level of concern, for example the gas servicing audit. Brendan expressed uneasiness over the unsatisfactory rating and noted the lower level of audit work relating to financial systems. Graeme added that the financial systems were included on a cyclical reviewing basis to provide an overall health check of key controls.

It was noted that Audits for Thamesway and Victoria Square had been deferred since the 2021/22 Plan and there would need to be strong focus going forward on the extraordinary risks highlighted by the non-statutory DLUHC Rapid Review. Brendan added that the Grant Thornton Value for Money Review would be a key tool for understanding those risks and that officers would work with the Internal Audit Opinion to seek to improve the rating in the future.

RESOLVED

That the annual assurance opinion of the Head of Internal Audit over the control environment be noted.

8. HALE END COURT - AUDIT OUTCOME STA23-006

Louise Strongitharm, Strategic Director – Communities, introduced the report containing the audit outcome of Hale End Court from Homes England. Louise advised that in July 2020 Investor Partner Status was secured with Homes England for secured funding of £2m towards affordable extra care homes at Hale End Court. Following a compliance audit requested by Homes England, four breaches had been identified; three of which were classed as high and one of which was classed as low. The two main learning points were that rents should have been updated as they had changed during the two year term of the project, and practical completion claims should have been submitted for the grant awards at the correct time.

The Chairman stated that the report made for sombre reading and it appeared that there could have been some failings in project management, adding that it was vital for the lessons learnt to be incorporated into day to day practice. Louise advised that the Council's full project management process had been followed.

It was agreed that a further brief report would be received at the next meeting of the Committee setting out reflections on how the learning points were being applied more broadly within the Council.

RESOLVED

That (i) the Homes England Audit Report, as attached to the report, be accepted;

- (ii) the Strategic Housing and Development Manager be authorised to officially sign off the report with Homes England; and
- (iii) a further brief report would be received at the next meeting of the Committee setting out reflections on how the learning points were being applied within the Council.

9. DRAFT BUDGET TIMETABLE STA23-011

The Committee received a report on the draft timetable for both the 2023/24 revised Budget and the 2024/25 Budget. Brendan introduced the report and stated that the meeting of Full Council on 28 September 2023 would identify savings following the public engagement consultation on service choices and preferences in July and August that would have a full impact for the 2024/25 financial year, which would be agreed at the usual Full Council meeting in February 2024. Both of these meetings would have detailed and rigorous scrutiny in advance to maximise the challenge and stress testing of the proposals. The Executive meeting on 14 September 2023 would receive the draft Budget. The views of the Committee were sought on the draft budget timetable.

The Chairman supported the clear path towards producing the budget. The Chairman of the Overview and Scrutiny Committee, Councillor Josh Brown, stated that the members of the Standards and Audit Committee would be invited to attend the meeting of the Overview and Scrutiny Committee. The three day period between this meeting and the Executive was noted.

RESOLVED

- That (i) the proposed budget timetable for the revised 2023/24 budget and the 2024/25 budget be received; and
- (ii) the proposed timetable contained sufficient assurance regarding review and challenge activities.

10. REGISTRATION OF INTERESTS FOR MEMBERS ELECTED IN 2023 STA23-008

RESOLVED

That the registration of the interests of the Members newly-elected in May 2023 be noted.

11. STANDARDS AND AUDIT COMMITTEE - WORK PROGRAMME STA23-007

The draft Work Programme for the year ahead was received and it was noted that any suggestions from members of the Committee would be welcome. It was noted that a briefing session from Grant Thornton on the local audit and the value for money work was being planned to be held on the same day as the next meeting of the Committee, beginning around forty-five minutes beforehand.

RESOLVED

That the work programme be received.

The meeting commenced at 7.00 pm
and ended at 9.00 pm

Chairman: _____

Date: _____

Agenda Item 3.

Schedule Referred to in Declaration of Interests

Council-appointed directorships

Kevin Foster, Strategic Director – Corporate Resources	
Brookwood Cemetery Limited	VSW Hotel Limited
Brookwood Park Limited	Victoria Square Residential Limited
Export House Limited	Victoria Square Woking Limited
Kingfield Community Sports Centre Limited	Woking Necropolis and Mausoleum Limited
LAC 2021 Limited (Dormant)	Woking Shopping Limited

Louise Strongitharm, Strategic Director – Communities	
Rutland Woking (Carthouse Lane) Limited	Rutland Woking (Residential) Limited
Rutland (Woking) Limited	

Adam Walther, Head of Transformation and Digital	
Brookwood Cemetery Limited	Thamesway Developments Limited
Brookwood Park Limited	Thamesway Energy Limited
Thamesway Central Milton Keynes Limited	Thamesway Limited
Thamesway Sustainable Communities Limited	Thamesway Solar Limited
Woking Necropolis and Mausoleum Limited	

STANDARDS AND AUDIT COMMITTEE – 21 SEPTEMBER 2023

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 11 February 2022 to 8 September 2023.

Recommendations

The Committee is requested to:

RESOLVE That the report be received and progress against the 2023-24 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.

Reporting Person: Graeme Clarke, Partner, Mazars LLP
E-Mail: graeme.clarke@mazars.co.uk

Juan Fosco, Manager, Mazars LLP
E-Mail: juan.fosco@mazars.co.uk

Contact Person: Eugene Walker, Interim Director of Finance / S151 Officer
Ext. 3277, E-Mail: Eugene.walker@woking.gov.uk

Date Published: 13 September 2023

Implications

Financial and Risk

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, implementing recommendations improves the control environment and hence the risk management.

Human Resources and Equalities

Some audit recommendations need officer resources to put in place. There is minimal impact on equality 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 March to September 2023 Period
September 2023

Contents

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Disclaimer

This report ("Report") was prepared by Mazars LLP at the request of Woking Borough Council (WBC), 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 WBC, 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, re-interpretation, amendment and/or modification. Accordingly, any reliance placed on the Report, its contents, conclusions, any extract, re-interpretation, amendment and/or modification by any third party is entirely at their own risk. Further details are provided in Appendix A4, "Statement of Responsibility".

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 2023/24 Internal Audit Plan (Plan) on 2 March 2023. However, as suggested in the March 2023 Committee meeting, we have revisited the Plan for 2023/24 considering the Council's current situation and challenges. A separate report has been prepared for Members on this item.

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 2023/24 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 11 February 2023 to 8 September 2023.

02 Internal Audit Progress

Further to 01, following the outcomes of the Department for Levelling Up, Housing and Communities (DLUHC) review, and the Council's Section 114 Notice (s114) in June 2023 in response to the authority's unprecedented financial challenges, a separate report has been prepared for the Committee to consider and approve the revised 2023/24 IA Plan.

As part of this process, we have met with the Interim Director of Finance (Section 151 Officer) to consider areas where Internal Audit resources are best focused, deprioritising other work where risks are not linked to the Council's current situation.

It was agreed that the focus of Internal Audit should be weighted towards financial and expenditure controls, income collection and key financial systems reviews given the challenges faced by the Council at this time.

Before revisiting and amending the 2023/24 Plan, we conducted work in two areas initially included in the initial Plan, these are related the implementation of Office365 and Housing Rents Collection, on both, we have completed the fieldwork.

The table below provides a summary of the progress of the remaining audits included in the original 2023/24 Plan (pending consideration of the revised Plan at this meeting):

Audit Status	Number of reviews	Percentage %
Finalised	0	0%
Draft	1	7%
Fieldwork in progress	1	7%
Not yet started	11	84%
Total	13	100%

Further detail on 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**.

In our previous Progress Report for March 2023, we highlighted two reports at draft stage (DFG and HR – Recruitment and Retention). These have now been finalised. The table below shows the reports issued in the period:

Audit Title	Assurance Opinion	Recommendations by Priority		
		High	Medium	Low
2022/2023 Internal Audit Plan				
DFG	Moderate	-	2	1
HR – Recruitment & Retention	Limited	1	4	3
Housing Stock - Gas Safety	Unsatisfactory	3	8	-
Environmental Health Inspections	Limited	-	5	-
Waste Management	Substantial	-	-	-
Sheerwater Regeneration Project	Limited*	3	-	-
KFS – AP, GL, NNDR and Council Tax	N/A*	-	9	4
Contract Management - Savills	Limited*	4	1	-
Commercial Property Estate – Management, Acquisitions, Disposals and Rents	Limited*	4	4	1
2023/2024 Internal Audit Plan				

IT – Office365	N/A*	-	7	9
Total		15	22	18

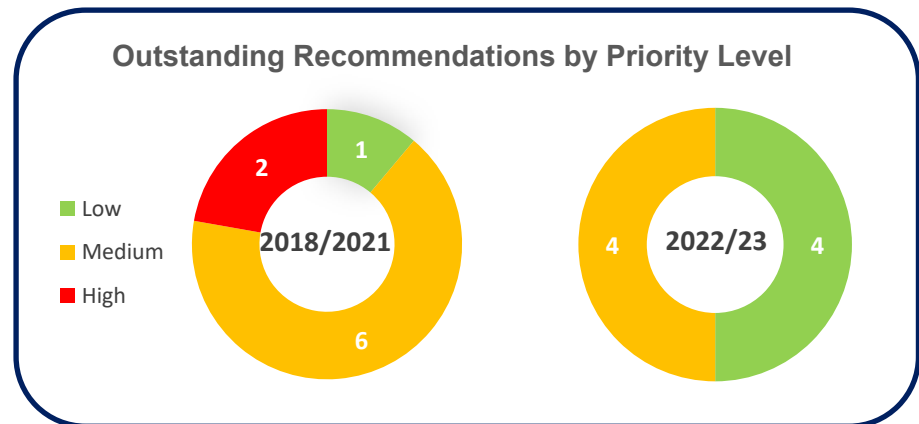
* Draft reports currently awaiting management responses, which may lead to changes in content, including assurance levels and/or recommendations

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

As shown in the table above, 15 High Priority recommendations were raised. However, 11 are from draft reports and can be subject to change. Further details of recommendations raised from finalised reports can be found in the summary reports for each audit provided separately to Members.

04 Follow-Ups

As of 8 September 2023, there are 17 recommendations which have past their initially agreed implementation dates. There are a further 30 recommendations that were raised but within the agreed timescales for implementation and, therefore, not yet reviewed. Priorities for overdue recommendations are as follows:



Two high-priority recommendations are outstanding, which relate to historic recommendations from the Counter Fraud audit report, which were agreed to be implemented by December 2022, as previously reported to this Committee.

Six out of the nine medium-priority recommendations relate to the Temporary Accommodation audit completed in 2021/22 with recommendations agreed to be implemented by December 2022.

All relevant Officers or Corporate Leadership Team (CLT) Members assigned to implement all outstanding recommendations were reminded to update the Action Management System with progress.

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

A1 Current Progress – 2023/24 Plan

Audit area	Progress	Assurance Opinion	Recommendations		
			High	Medium	Low
Housing - Rent Collection	Fieldwork	-	-	-	-
Accounts Payable (Creditors)**	To start in October 2023	-	-	-	-
Accounts Receivable (Debtors)**	To start in October 2023	-	-	-	-
Council Tax**	To start in November 2023	-	-	-	-
Business Rates**	To start in November 2023	-	-	-	-
Payroll**	To start in November 2023	-	-	-	-
Income Management and Systems Reconciliations**	To start in December 2023	-	-	-	-
Pension Fund Administration**	To start in January 2024	-	-	-	-
Group Companies**	To start in February 2024	-	-	-	-
Victoria Square Development	Merged with Group Companies Work				
Community Safety	Proposed to deprioritise				
Key Financial Control Testing – Accounts Payable, Accounts Receivable, General Ledger, NNDR, Council Tax and Payroll	Included as standalone/individual audits				
Health and Safety	Proposed to deprioritise				

Audit area	Progress	Assurance Opinion	Recommendations		
			High	Medium	Low
Business Planning/Woking for All Strategy	Proposed to deprioritise				
Housing – Voids Process and Performance	Proposed to deprioritise				
Project Planning	Proposed to deprioritise				
Savings Plan, Monitoring of Budgets (including MTFS)	Work being undertaken with external consultants				
Information Governance	Proposed to deprioritise				
Parking Services – Off Street	Proposed to deprioritise				
IT					
Office 365	Draft*	-	7	7	9
Application Lifecycle Management	Starts in December 2023	-	-	-	-
Total			0	7	9

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

** New areas proposed as part of the revised 2023/24 IA Plan.

A2 Outstanding High Priority Recommendations (Past Implementation Date)

Counter Fraud 2019/20					
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><i>February 2023:</i></p> <p>The work previously being discussed with Reigate/Oxford has stalled. Contact has recently been made to re-engage the team to progress this work. It is envisaged that this can be included within the Fit for the Future programme to be funded by Flexible Use of Capital receipts which will be reported to the Executive in March.</p>	<p>31 March 2020</p> <p>Director of Finance</p> <p>Revised timescale:</p> <p>30 June 2023</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</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.</p>	High	<p>Agreed, once the risk assessment (recommendation 1) has been completed, a Counter Fraud and Corruption Strategy will be prepared.</p>	<p>30 December 2020</p> <p>Director of Finance</p>

Counter Fraud 2019/20					
Ref	Observation/Risk	Recommendation	Priority	Management Response	Timescale and Responsibility
	<p>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>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>	<p>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> <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><i>February 2023:</i></p> <p>The work previously being discussed with Reigate/Oxford has stalled. Contact has recently been made to re-engage the team to progress this work. It is envisaged that this can be included within the Fit for the Future programme to be funded by Flexible Use of Capital receipts which will be reported to the Executive in March.</p>	<p>Revised timescale:</p> <p>30 June 2023</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.

A4 Other Matters

Fiscal pressure & inflation challenges for the public & social sector – 23/24 survey

Against a backdrop of political uncertainty, unprecedented strike action and the prevailing cost of living crisis – itself a consequence of the conflict in Ukraine among other factors – many of the UK's most vulnerable communities are at risk of becoming more marginalised and desperate. In response, we sought to understand how the public sector plans to support vulnerable people, communities, and service users in 2023/24.

Key Findings at a Glance

1. Supporting vulnerable communities is a public and social sector imperative: The public sector is taking proactive steps to strengthen support and service delivery to deprived communities, but could more be done to safeguard vulnerable citizens?

To support people, communities, and service users, 61% said they are seeking new funding/income streams to maintain services; and 54% said they are reassessing the breadth and depth of services. In particular, respondents highlighted the creation of hardship funds, diversion of critical services, and streamlining of internal processes.

81% said lack of funding; 67% said lack of staffing resources; and 46% said focus on short term not long term all pose the greatest barrier to supporting vulnerable people and communities.

2. Innovation and collaboration are key enablers in the fight against financial constraints: As the public sector moves to meet rising demand with renewed vigour, what role will innovation and collaboration play in the fight against poverty?

The majority of public sector organisations are looking externally for support and solutions, with 90% agreeing that external collaboration could strengthen their response to deep-running fiscal challenges and 87% of respondents positive that engaging with third parties could improve efficiency and productivity organisation wide. There were similar reflections about the importance of leveraging internal networks, with 83% of respondents agreeing that staff collaboration across their organisation, e.g. cross-departmental, would improve efficiency and productivity. Organisations are therefore advocating a unified approach, which values the existing workforce's skills and insight, and supplements this with external perspectives to diversify thinking and continually improve.

Both innovation and technology were identified as potential opportunities for improved service delivery. Respondents highlighted the need for digital transformation strategies, sharing good practice, and using artificial intelligence to identify the people and communities most at risk. Efficient and digitised services have the potential to free up resources and there was a particular spotlight on self-help tools for their dual function in creating capacity and empowering citizens.

3. The Public and social sector must redefine its place in an evolving economic landscape: Many service providers are still thinking short-term. How can we ensure public services are future fit, and what will the biggest priorities be over the next 12-24 months?

Organisations referred to targeting priorities across both key inputs (31% securing funding; 41% continuous employee wellbeing and development) and outputs (54% improving citizen/service user experience; 45% supporting local communities to cope with rising living costs).

Public sector organisations remain alert to issues on the external horizon that could impact success, with uncertainty both in relation to energy costs and inflation (90%) and the current UK political landscape (79%) being a key concern for most respondents. Instability in the workforce completed the top three concerns, with 77% of organisations responding that higher level skills shortages were having a high (43%) or medium (34%) impact.

These themes are consistent with previous findings – employees need to be nurtured, new funding streams secured, and significant efficiency gains made. Upstream investment in people and relationships should intrinsically support the achievement of outputs and outcomes, maximising medium to long term impact. However, our survey suggests the sector needs an injection of confidence that there will be the financial and political security to deliver this success.

[Our full report of the survey and responses can be downloaded for free from our website.](#)



A5 Statement of Responsibility

We take responsibility to WBC for this report which is prepared on the basis of the limitations set out below.

The responsibility for designing and maintaining a sound system of internal control and the prevention and detection of fraud and other irregularities rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy and effectiveness of the system of internal control arrangements implemented by management and perform sample testing on those controls in the period under review with a view to providing an opinion on the extent to which risks in this area are managed.

We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify any circumstances of fraud or irregularity. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.

The matters raised in this report are only those which came to our attention during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made.

Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices.

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Mazars is an internationally integrated partnership specialising in audit, accountancy, advisory, tax and legal services*. Operating in over 95 countries and territories worldwide, we draw on the expertise of 47,000 professionals – 30,000 in Mazars' integrated partnership and 17,000 via the Mazars North American Alliance – to assist clients of all sizes at every stage in their development.

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STANDARDS AND AUDIT COMMITTEE – 21 SEPTEMBER 2023

REVISED INTERNAL AUDIT ANNUAL PLAN 2023/24

Executive Summary

This report set out the revised Internal Audit Plan for 2023/24, which details how the Council will meet its statutory requirements for Internal Audit.

The report explains that the initially approved IA Plan for 2023/24 has been revisited and amended to reflect the current risks and challenges faced by the Council 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.

Discussions between Mazars representatives, and representatives of the Council's finance team have acknowledged that there is a new senior finance team in place at the Council, including a new S151 officer. As a result of this, further priorities may be identified during the continued discovery phase and resources could be redirected again in the coming months.

Recommendations

The Committee is requested to:

RESOLVE That the revised Internal Audit Annual Plan for 2023/24 be approved.

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

Background Papers: None.

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Date Published: 13 September 2023

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 Revised 2023-24 Plan
September 2023

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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

At the time of presenting the Internal Audit 2023/24 Plan to the Standards and Audit Committee of Woking Borough Council (Council) in March 2023, we identified the need to revisiting the content of the Plan to consider the outcomes of the Department for Levelling Up, Housing and Communities (DLUHC) review. Furthermore, the Council subsequently issued a Section 114 Notice (s114) in June 2023 in response to the authority's unprecedented financial challenges.

Following publication and consideration of the DLUHC report and s114, we have also met with the Interim Director of Finance (Section 151 Officer) to consider areas where Internal Audit resources are best focused, deprioritising other work where risks are not linked to the Council's current situation.

Given the current challenges of the Council, it was considered that the focus of Internal Audit should be weighted towards financial and expenditure controls, income collection and key financial systems reviews and which is set out in this paper.

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 internal control system and report major weaknesses together with recommendations for improvement. The role is fulfilled by carrying out appropriate audit work following the Annual Plan approved by the Chief Finance Officer (Director of Finance) and the Council's Standards and Audit Committee (Committee).

03 Preparing the Revised Annual Plan 2023/24

Further to 01, following the DLUHC's report and the Council's S114 Notice, we have revisited the initially approved Plan in conjunction with Council officers and propose that the focus of Internal Audit increases around

financial and expenditure controls, income collection and key financial systems reviews.

For example, the Key Financial Systems review originally proposed in the Plan has been split into more focused in depth reviews of Accounts Payable, Accounts Receivable, Payroll, Council Tax and Business Rates (NDR). We have also included areas such as Income Management and Systems Reconciliations and Pensions Fund Administration.

Other key finance related areas such as Treasury Management, Budget Monitoring and Savings Plan were also discussed however, the Council has appointed external advisors and consultants in these areas with aims to improve the effectiveness processes and practices and risk management. We will continue to consider these areas once work has been completed.

At the same time, some internal audits whilst representing important areas to the Council and should be considered as part of an ongoing internal audit strategy have been deprioritised in order to ensure total resources and costs associated with the original Plan remain consistent. These, include Housing – Void Properties, Community Safety, Project Planning, Corporate Health and Safety, Business Planning and Information Governance.

It is worth noting that, with scope yet to be defined with CLT, we allocated resources for 'Group Companies' work. This will consider how Internal Audit can assist and add value in these areas.

The proposed number of internal audit days allocated has changed with a reduction of 12 days compared to the initially agreed Plan in March 2023. This includes 257 general days, including 30 days for IT audit and 30 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 (HoIA) to provide an effective annual opinion on the internal control environment.

A summary of the original Plan approved Plan and its revised version is presented in **Appendix A1**.

The revised 2023/24 Plan is presented in **Appendix A2**.

A1 Summary of Changes to the 2023/24 Plan

Original Plan – Approved March 2023	
Audit Title	Allocated Days
IT - Office 365	15
Housing - Rent Collection	12
Victoria Square	12
Parking Services (Off Street)	12
Key Financial Systems	40
Housing - Void Properties	12
Community Safety	10
Project Planning	10
Health and Safety	10
Thameswey Group Companies	15
Information Governance	10
Business Planning/Woking For All Strategy	10
Savings Plan, Budget Monitoring and Medium Term Financial Strategy	12
IT - Application Lifecycle Mgmt.	15
Follow ups	10
Head of Internal Audit	24
Management	20
Contingency	20
Total Days	269

New Revised Plan – September 2023	
Audit Title	Allocated Days
IT - Office 365	15
Housing - Rent Collection	12
Group Companies	24
Accounts Payable (Creditors)	12
Accounts Receivable (Debtors)	12
Council Tax	12
Business Rates	12
Payroll	15
Pension Fund Administration	15
IT - Application Lifecycle Mgmt.	15
Income Management and System Reconciliations	24
Follow Ups	15
Head of Internal Audit	24
Management	30
Contingency	20
Total Days	257

A2 Detailed Revised Annual Plan 2023/24

	Title	Source	Scope/Notes	Indicative Days	Status
1	Housing - Rent Collection	CLT	Internal Audit to provide assurance that the Council has effective controls in place over the management of rent collection, focusing on income management and rent arrears recovery.	12	Fieldwork complete
2	Accounts Payable (Creditors)	CLT	To assess the adequacy and effectiveness of the Council's controls for managing creditor transactions and obligations, ensuring accurate and timely payments. This includes invoice processing, payment authorisations, reconciliation procedures and compliance with relevant financial regulations.	12	Starts in October 2023
3	Accounts Receivable (Debtors)	CLT	To assess the effectiveness, accuracy, and timeliness of the Council's debtor management procedures, ensuring debts are being accurately recorded and collected. Areas of focus will include invoicing, credit control procedures, debt recovery processes, write-offs, and compliance with internal procedures and relevant legislation.	12	Starts in October 2023
4	Council Tax	CLT	To review the effectiveness and efficiency of the Council's processes in administering and collecting Council Tax. The scope would encompass billing, exemptions and discounts; collection and recovery procedures; bad debt provision and maintenance of the Council Tax database.	12	Starts in November 2023
5	Business Rates	CLT	To evaluate the Council's effectiveness in managing and collecting non-domestic rates and assessing compliance with legislation and regulations. The scope would focus on rate setting; application of reliefs and exemptions; collection and recovery	12	Starts in November 2023

	Title	Source	Scope/Notes	Indicative Days	Status
			processes; maintenance of the rating list; valuations, and accuracy of record-keeping.		
6	Payroll	CLT	Examine the Council's payroll processes to confirm that accurate and timely payments are made to employees in compliance with legal obligations and internal policies. The scope might include payroll calculations, tax and deductions compliance with HRMC requirements, data security and integrity of the payroll system.	15	Starts in November 2023
7	Income Management and System Reconciliations	CLT	Review the effectiveness of controls related to incoming bank statements and other transactions, input and reconciliations between Pay 360 and bank statement/other transactions, reconciliation between Pay 360 and Integra, procedures, dealing with transaction exceptions and unallocated transactions, audit trails and assess the possible double handling of paperwork and electronic records.	24	Starts in December 2023
8	Pension Fund Administration	CLT	Review the effectiveness and compliance of the Council's administration of pension funds. The scope could encompass records management; calculation and payment of benefits; fund valuation processes; compliance with the relevant legislation and codes of practice; and governance and risk management structure.	15	Starts in February 2024
9	Group Companies	CLT	Scope to be determined with CLT.	24	Resources allocated in January 2024
	Victoria Square Development	Deferred from 2022/23	Scope to be determined	12	Treated as Group Companies work

	Title	Source	Scope/Notes	Indicative Days	Status
	Community Safety	Deferred from 2022/23	Strategy and Governance; Partnership Working; Data Sharing; Commissioned Services; Financial Management; Performance Management.	10	Deferred to 2024/25
	Key Financial Control Testing – Accounts Payable, Accounts Receivable, General Ledger, NNDR, Council Tax and Payroll	Standing item	Testing of key financial controls in each financial system.	40	Split in standalone audits.
	Health and Safety	Deferred from 2022/23	Policies and Procedures; Staff Training and Awareness; H&S Checks; Risk Assessments; Reporting Incidents and Follow-Ups; Management Reporting.	10	Deferred to 2024/25
	Business Planning/Working for All Strategy	Deferred from 2022/23	Priority Setting; Collation of Information and Development of Plans; Scrutiny and Approval; Communication; Monitoring and Review; Risk Management.	12	Deferred to 2024/25
	Housing – Voids Process and Performance	CLT	A review of the effectiveness and of processes in place to ensure that void loss is minimised, including processes for inspecting void properties, carrying out void works and the timeliness of the re-allocation of properties.	12	Deferred to 2024/25
	Project Planning	CLT	Projects Initiation and Approval; Implementation and Delivery; Costs and Benefits; Risk Management and Lessons Learned; Monitoring and Reporting	10	Deferred to 2024/25
	Savings Plan, Monitoring of Budgets (including MTFS)	CLT – Strategic Risk Register	Scope to be confirmed	12	Split in standalone audits. MTFS to be included in 2024/25

	Title	Source	Scope/Notes	Indicative Days	Status
	Information Governance	CLT	Legislation, Policies and Procedures; Roles and Responsibilities; Training and Awareness; Data Classification and Sharing; Data Protection Impact Assessment; Corporate Registration; Fair Processing Statements, Privacy Notices and Consent; Security of Information, Retention and Disposal; Data Security Breaches.	15	Deferred to 2024/25
	Parking Services—Off Street	CLT	Scope to be determined	12	Deferred to 2024/25
IT Audits					
13	Office 365	Deferred from 2022/23	We have reviewed the migration to Microsoft365, specifically related to its configuration, including the design and implementation of controls by reviewing common configuration settings that apply to all Microsoft365 users.	15	Fieldwork complete
14	Application Lifecycle Management	CLT	Scope to be determined.	15	Q4
Other Work					
15	Follow Up Reviews	Ongoing	N/a	15	-
16	Management	Ongoing	N/a	30	-
17	Head of Internal Audit	Ongoing	N/a	24	-
18	Contingency	Ongoing	N/a	20	
Total Audit Days				257	

A3 Statement of Responsibility

We take responsibility to WBC for this report which is prepared on the basis of the limitations set out below.

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Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices.

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STANDARDS AND AUDIT COMMITTEE – 21 SEPTEMBER 2023

OMBUDSMEN COMPLAINTS

Executive Summary

The Committee is responsible for the oversight of payments in cases of maladministration that are neither disputed nor significant (which are dealt with by the Monitoring Officer).

This report provides details of recent complaints to the Local Government & Social Care Ombudsman and the Housing Ombudsman.

Recommendations

The Committee is requested to:

RESOLVE That the position regarding complaints to the Local Government & Social Care Ombudsman and the Housing Ombudsman be noted.

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

Background Papers:	None.
Reporting Person:	Gareth John, Director of Legal and Democratic Services / Monitoring Officer Email: gareth.john@woking.gov.uk, Extn: 3077
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Date Published:	13 September 2022

STA22-012

1.0 Introduction

- 1.1 The Council’s Constitution provides for the Standards and Audit Committee to have “oversight of payments in cases of maladministration which are neither disputed nor significant (which are dealt with by the Monitoring Officer).” Full Council retains responsibility for “disputed/significant payments in cases of maladministration”.
- 1.2 At its meeting on 7 July 2016, the Committee asked for an annual report on Ombudsmen complaints. The Local Government & Social Care Ombudsman provides Councils with an Annual Review letter in July each year. It is, therefore, sensible for the annual report to be submitted to the September meeting of the Committee.

2.0 Ombudsmen

- 2.1 The Council is subject to the oversight of two Ombudsmen, the Housing Ombudsman and the Local Government & Social Care Ombudsman.
- 2.2 The Housing Ombudsman considers complaints arising from the provision of housing by the Council if the complainant is not satisfied with the outcome of the Council’s consideration of the complaint.
- 2.3 The Local Government & Social Care Ombudsman considers complaints arising from the provision of other, non-housing, services by the Council if the complainant is not satisfied with the outcome of the Council’s consideration of the complaint.

3.0 Complaints submitted to the Ombudsmen

- 3.1 The 2023 Annual Review letter from the Local Government & Social Care Ombudsman gives a summary of statistics for decisions made by the Ombudsman on complaints, about the Council, for the year ended 31 March 2023. All data from the report, along with annual letters sent to individual authorities can be found on the Ombudsman’s website through the interactive map. The map now holds four years of data, giving the annual summary of complaints plus compliance rates and the changes which have made on the back of investigations, for each local authority in England. The map can be found using the following link:-

Your council’s performance (lgo.org.uk) (<https://www.lgo.org.uk/your-councils-performance>)

- 3.2 The Annual Review letter confirms that the Ombudsman undertook no detailed investigations into a complaint against the Council for the period between 1 April 2022 to 31 March 2023. The Ombudsman’s website therefore states that it upheld zero complaints.
- 3.3 The Annual Review letter does not detail the total number of complaints made against the Council. For the previous year ended 31 March 2022, this was six. The Ombudsman closed all the complaints after making initial enquiries. During the previous year, eleven complaints were made.
- 3.4 The Council’s figures are comparable to neighbouring authorities, as outlined in the below comparison table:

Authority	Investigations	Upheld
Elmbridge	14	2
Epsom and Ewell	11	2
Guildford	9	2
Reigate and Banstead	10	3
Runnymede	5	3

Ombudsmen Complaints

Spelthorne	6	0
Surrey Heath	12	2
Tandridge	21	3
Waverley	19	6

- 3.5 The Housing Ombudsman does not issue an Annual Review letter. This report, therefore, details cases considered by the Housing Ombudsman since those referred to in last year's annual report, i.e. the period between 1 September 2022 and 1 August 2023.
- 3.6 The Housing Ombudsman is currently investigating one complaint. As the matter is ongoing I shall not provide any details at this time. In addition, a further complaint was passed back to the Council for complaint response stage two, as it had been submitted before the Council's process for handling complaints had been completed.
- 3.7 A total of three complaints were determined by the Housing Ombudsman during the period 1 September 2022 to 1 August 2023. For one of the complaints, the decision had been not to investigate the complaint due to it falling outside of the Ombudsman's jurisdiction as governed by the Housing Ombudsman Scheme. A summary of the two remaining decisions is set out below.

Decision One

- 3.8 On 19 July 2023, the Housing Ombudsman made a decision in respect of a complaint around the landlord's handling of the resident's concerns regarding replacement of their kitchen and the landlord's handling of the associated complaint.
- 3.9 The Housing Ombudsman determined that there had been service failure by the landlord in its handling of the resident's concerns about the condition of her kitchen and service failure by the landlord in its handling of the associated complaint. The Council was ordered to pay the resident £200 compensation in light of its failures in relation to the condition of the kitchen; pay the resident £150 compensation in light of its complaint handling failures; review its internal complaint handling policies against the Housing Ombudsman's Complaint Handling Code and ensure that its annual self-assessment is clearly accessible from its website; and complete another inspection of the property and confirm any works that are outstanding to the resident, supported by evidence, with any work to be booked within six weeks.
- 3.10 The Council has complied with the determinations. The tenant was issued with £350 of compensation on 2 August 2023 in respect of the failures around the condition of the kitchen and complaint handling. A further property inspection was undertaken on 26 July 2023 and the remaining repairs were instructed on 1 August 2023. The Self-Assessment has been published on the Council's Website.

3.11 Decision Two

- 3.12 On 26 July 2023, the Housing Ombudsman made a decision in respect of a complaint about how the landlord handled the resident's rehousing; how the landlord handled estate and building management during the regeneration project; how the landlord supported the resident during their move; and how the landlord dealt with reports of staff misconduct.
- 3.13 The Housing Ombudsman ordered the Council to pay the resident £350 and identified maladministration in the landlord's estate and building management during 2021/22, which had affected the resident. The Housing Ombudsman found no maladministration or service failures in respect of the rehousing process and support and its handling of the complaint around staff misconduct. Furthermore, it was acknowledged that in providing a "responsive and problem-

solving focussed approach, it kept to its regeneration commitments to support the resident during her move.”

- 3.14 The Council has complied with the determination, crediting the resident’s rent account with £350 on 22 August 2023.

4.0 Conclusions

- 4.1 Although it would be preferable for there to be no complaints to the Ombudsmen, this is unlikely to ever happen due to (i) the varied nature of the services provided by the Council and (ii) the number of recipients of those services. That said, the number of complaints is not disproportionate. There are no matters of concern which the Monitoring Officer needs to bring to the attention of the Committee.
- 4.2 The Council treats every complaint received as an opportunity to identify learning outcomes and improve service provision. These complaints are valuable not only in identifying service improvements but in improving public perception and satisfaction with the Council as a whole.

5.0 Corporate Strategy

- 5.1 The publication of this report demonstrates the Council’s commitment to openness and transparency.

6.0 Implications

Finance and Risk

- 6.1 Poor complaint handling could be a reputational and financial risk to the council, especially with the increase in people using social media to raise awareness of issues.
- 6.2 There is a risk that the Local Government and Social Care Ombudsman will report against the council which means the report is published outlining the council’s failures.

Equalities and Human Resources

- 6.3 None.

Legal

- 6.4 The Council is obliged to respond to complaints of maladministration through the Ombudsman. The Local Government Act 1974, prescribes the way in which the Ombudsman conducts investigations.

7.0 Engagement and Consultation

- 7.1 The nature of the content of the report does not lend itself to an engagement and/or consultation exercise.

REPORT ENDS

STANDARDS AND AUDIT COMMITTEE – 21 SEPTEMBER 2023

MEMBERS' CODE OF CONDUCT

Executive Summary

This report advises the Committee of complaints, submitted under the Members' Code of Conduct, received by the Monitoring Officer between 1 August 2022 and 31 July 2023.

Recommendations

The Committee is requested to:

RESOLVE That

- (i) the report detailing the complaints, submitted under the Members' Code of Conduct, received by the Monitoring Officer between 1 August 2022 and 31 July 2023 be noted; and
- (ii) the Monitoring Officer be advised of any areas of concern upon which the Committee would like further information and/or further work carried out.

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

Background Papers:	None.
Reporting Person:	Gareth John, Director of Legal and Democratic Services / Monitoring Officer Email: gareth.john@woking.gov.uk, Extn: 3077
Contact Person:	Gareth John, Director of Legal and Democratic Services / Monitoring Officer Email: gareth.john@woking.gov.uk, Extn: 3077
Date Published:	13 September 2023

1.0 Introduction

- 1.1 The Arrangements for Dealing with Standards Allegations under the Localism Act 2011, adopted by the Council, provide for the Monitoring Officer to submit an annual report to the Standards and Audit Committee with appropriate details of complaints received.
- 1.2 This report details complaints received by the Monitoring Officer between 1 August 2022 and 31 July 2023.
- 1.3 The purpose of this report is to seek to promote and maintain high standards of conduct amongst Members and to ensure members of the Committee and others to whom the report is circulated are updated as to complaints received and to enable them to consider learning points for the future.

2.0 Complaints Received

- 2.1 Attached at Appendix 1 is a list showing the decisions taken by the Monitoring Officer in relation to allegations made against borough councillors.
- 2.2 The Monitoring Officer received 6 complaints between 1 August 2021 and 31 July 2022. These have all now been closed. The number of complaints has decreased from 11 complaints in the previous corresponding year.
- 2.3 The identity of all Councillors complained of has been anonymised and a brief description of the complaint provided. It is felt that such information should remain confidential unless and until any complaint results in an open hearing before the Standards Panel.
- 2.4 In respect of the 6 complaints received half of them related to social media content.

3.0 Advice and Guidance

- 3.1 Councillors are reminded that in respect of social media, they are governed by the Code of Conduct for members, when acting in their official capacity. A Councillor is acting in their "official capacity" and any conduct may fall within the Code whenever a Councillor:
 - a) Conducts the business of the Authority; or
 - b) Acts, claims to act or gives the impression they are acting as a representative of the Authority; or
 - c) Acts as a representative of the Authority.
- 3.2 Councillors should always think carefully before they make a social media post; Councillors are personally responsible for the content published on any form of social media. Social media sites are in the public domain and it is important that Councillors ensure they are confident of the nature of the information to be published. Once published, content is almost impossible to control and may be manipulated without consent, used in different contexts, or further distributed.
- 3.2 Councillors are reminded that they should not publish or report on meetings which are private or internal (where no members of the public are present or it is of a confidential nature) or exempt reports (which contain confidential information or matters which are exempt under the provision of the Local Government (Access to Information) Act 1985). Councillors should not hesitate to contact Council Officers for advice in respect of a particular meeting or content.
- 3.3 Councillors should be mindful of public perception; frequent use of mobile devices during meetings may give the public the impression that Councillors are not fully considering the

points made during the debate of an item in order to contribute to the decision that is to be made. Even though the frequent use of such devices during meetings may be in a Councillor capacity and necessary for the good conduct of the meeting, Councillors should seek to use mobile devices sparingly, discreetly and with common sense at meetings, considering the impression they are giving to others.

- 3.4 The LGA has produced various resources to support Councils and Councillors to maintain high standards of conduct and behaviour in public life which are openly available. Councillors conduct and guidance on standards can be found using the below link:-

[Councillor conduct and standards | Local Government Association](#)

- 3.5 Further to the above guidance the LGA has produced a series of guides to support Councillors in using social media. These include:-

- Overview of social media for Councillors
- Guide to the role of councillors on social media
- Guide to creating content on social media
- Guide to tackling online abuse
- Guide to creating accessible social media content
- Guide to using Facebook
- Guide to using Instagram
- Guide to using Twitter; and
- Guide to using YouTube

These guides can be found at: [Social media guidance for councillors | Local Government Association](#)

4.0 Conclusion

- 4.1 The Committee is asked to note the cases referred to in Appendix 1; and to advise the Monitoring Officer of any areas of concern upon which they would like further information and/or further work done

5.0 Corporate Strategy

The Committee's discussion in public about decisions taken on ethical standards allegations against councillors and consideration of any learning points for the future is an important element of good corporate governance and reinforces the Council's commitment to be open and accountable to its residents.

6.0 Implications

[Finance and Risk](#)

- 6.1 There is a financial cost to the Council if complaints are passed to external consultants for investigation/report.

[Equalities and Human Resources](#)

- 6.2 The Equality Act 2010 places specific duties on local authorities. Councillors have a central role to play in ensuring that equality issues are integral to the local authority's performance and strategic aims. The Members' Code of Conduct provides that Members should promote equalities and that they do not discriminate unlawfully against any person.

Legal

- 6.3 The statutory background can be found in the Localism Act 2011, Part 1 Chapters 6 and 7 ("the Act") and the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 ("the Regulations") made thereunder.

7.0 Engagement and Consultation

- 7.1 Given the nature of the report before the Committee, it would not be appropriate to undertake an engagement or consultation exercise in respect of its content.

REPORT ENDS

Appendix 1 - Code of Conduct Complaints

Date of Decision Notice	Complainant	Independent Person Consulted	Summary of Complaint	Decision	Outcome	Status
28.09.22	Member of the Public	Yes	Complaint about behaviour during course of private business	Comments did not appear to be made by the Councillor themselves and did not appear to relate to matters in which they were acting in their capacity as a Woking Borough Councillor.	No further action taken	Closed
30.11.22	Member of the Public	Yes	Complaint regarding comments made on Social Media	The complaint did not merit formal investigation. Councillors would be reminded of their responsibilities and to be respectful when using Social Media platforms.	No further action taken	Closed
23.03.23	Councillor	Yes	Inappropriate behaviour during a Council meeting.	There was no arguable case that the Councillor had breached the Code of Conduct. The complaint did not merit formal investigation. Councillors would be reminded of their responsibilities and to be respectful when using Social Media platforms.	No further action taken	Closed
23.12.22	Councillor	Yes	Complaint regarding comments made on Social Media	There was no arguable case that the Councillor had breached the Code of Conduct. The complaint did not merit formal investigation. Councillors would be reminded of their responsibilities and to be respectful when using Social Media platforms.	No further action taken	Closed
31.03.23	Member of the Public	Yes	Complaint regarding comments made on Social Media	There was no arguable case that the Councillor had breached the Code of Conduct. The complaint did not merit formal investigation.	No further action taken	Closed

Members' Code of Conduct

				Councillors would be reminded of their responsibilities and to be respectful when using Social Media platforms.		
01.09.23	Member of the Public	Yes	Complaint about behaviour during course of private business	There was no arguable case that the Councillor had breached the Code of Conduct. The complaint did not merit formal investigation.	No further action taken	

