WOKING
BOROUGH COUNCIL

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, 7 March 2019 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.

RAY MORGAN
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 29 November 2018 as published.

2. Apologies for Absence

    To receive any apologies for absence.

3. Declarations of Interest

    To receive declarations of disclosable pecuniary and other interests from Members in respect of any item to be considered at the meeting.

    In accordance with the Officer Procedure Rules, the Head of Democratic and Legal Services, Peter Bryant, will declare an interest in any items under which the Thameswey Group of Companies, Brookwood Cemetery or Duke's Court are discussed, arising from his position as a Director of the subsidiary companies. The interest is such that speaking was permissible.

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.   Members' Code of Conduct - Protocol for Complaints Submitted by Members STA19-001 (Pages 3 - 8)

Reporting Person – Peter Bryant

Matters for Determination

6.   External Audit Plan STA19-002 (Pages 9 - 10)

Reporting Person – Leigh Clarke

7.   Internal Audit Strategy and Proposed 2019/20 Plan STA19-003 (Pages 11 - 20)

Reporting Person – James Graham

8.   Internal Audit Progress Report STA19-004 (Pages 21 - 26)

Reporting Person – James Graham

AGENDA ENDS

Date Published - 27 February 2019

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

STANDARDS AND AUDIT COMMITTEE – 7 MARCH 2019

MEMBERS' CODE OF CONDUCT - PROTOCOL FOR COMPLAINTS SUBMITTED BY MEMBERS

Executive Summary

This report recommends that the Committee recommends that Council should adopt a Protocol that provides for Member complaints against another Member to be confidential to (i) the Members concerned and (ii) the limited number of persons who receive notification under the Council's "Arrangements for dealing with Standards Allegations under the Localism Act 2011".

Recommendations

The Committee is requested to:

RECOMMEND TO COUNCIL That

(i)   the draft Protocol appended to this report be adopted; and

(ii)   the adopted Protocol is subject to paragraph 2.6 of the Members' Code of Conduct.

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

Background Papers: None.

Reporting Person: Peter Bryant, Head of Democratic and Legal Services/Monitoring Officer
Email: peter.bryant@woking.gov.uk, Extn: 3030

Contact Person: Peter Bryant, Head of Democratic and Legal Services/Monitoring Officer
Email: peter.bryant@woking.gov.uk, Extn: 3030

Date Published: 27 February 2019

Members' Code of Conduct – Protocol for Complaints Submitted by Members

1.0   Introduction

1.1   At its meeting on 20 September 2018, the Committee was advised that the Monitoring Officer was proposing to draft a Protocol for Members submitting complaints against another Member under the Members' Code of Conduct. The aim was to ensure that comments made to the media, and online social networks, did not prejudice the proper consideration of the complaint under the Council's formal arrangements for dealing with Standards complaints.

1.2   The Committee broadly supported the concept of a Protocol, but noted that it could be difficult to enforce. The Committee considered that an option could be to ring-fence the complaint between the two parties concerned and the Monitoring Officer until it had been resolved.

1.3   Following the meeting of the Committee, the Monitoring Officer consulted all Members of the Council, the Co-opted Independent Member/Chairman of the Standards and Audit Committee and the Council's Independent Person on what might be included in the Protocol.

2.0   Protocol

2.1   The simplest and most effective approach is to adopt a Protocol that provides for Member complaints against another Member to be confidential to (i) the Members concerned and (ii) the limited number of persons who receive notification under the Council's "Arrangements for dealing with Standards Allegations under the Localism Act 2011". Effectively, this is the "ring-fencing" option referred to by the Committee at its meeting on 20 September 2018.

2.2   Insofar as enforcement of the Protocol is concerned, paragraph 2.6 of the Members' Code of Conduct requires Members to comply with any Member Protocols that the Council has resolved should be the subject of that paragraph. Failing to comply with the confidentiality obligation could constitute a breach of the Members' Code of Conduct.

2.3   A draft Protocol is attached for the Committee's consideration.

2.4   The Protocol only deals with the narrow issue of Member complaints. Officers are drafting a Social Media Policy, which will cover the more general use of social media. This will be reported to the Executive, and may include provisions relevant to Member complaints.

3.0   Implications

Financial

3.1   None.

Human Resource/Training and Development

3.2   None.

Community Safety

3.3   None.

Risk Management

3.4   None.

Sustainability

3.5   None.

Equalities

3.6   None.

Safeguarding

3.7   None.

REPORT ENDS

DRAFT

WOKING BOROUGH COUNCIL

MEMBERS' CODE OF CONDUCT

PROTOCOL FOR COMPLAINTS SUBMITTED BY MEMBERS

1. <u>Introduction</u>

1.1 The Council has adopted a Members' Code of Conduct that sets out the standards of behaviour expected of Members.

1.2 The Council has also adopted "Arrangements for dealing with Standards Allegations under the Localism Act 2011" ("Arrangements").

1.3 This Protocol applies to complaints submitted, under the Members' Code of Conduct, by a Member against another Member.

2. <u>Confidentiality</u>

2.1 Member complaints against another Member shall be confidential to:-

(i) the two Members concerned (i.e. the Member submitting the complaint and the Member who is the subject of the complaint);

(ii) the Monitoring Officer, and

(iii) the persons notified of the complaint by the Monitoring Officer in accordance with the Arrangements.

3. <u>Breach of Protocol</u>

3.1 Paragraph 2.6 of the Members' Code of Conduct states:-

*"**Do** comply with any Member Protocols that the Council has resolved should be the subject of this paragraph."*

3.2 The Council has resolved that this Protocol should be subject to paragraph 2.6 of the Members' Code of Conduct.

3.3 Failure to comply with this Protocol could constitute a breach of the Members' Code of Conduct.

Adopted by the Council on [   ]

STANDARDS AND AUDIT COMMITTEE - 7 MARCH 2019

EXTERNAL AUDIT PLAN

Executive Summary

One of the Committee's roles and functions is to consider the Council's External Auditor's Audit Plan.

The Council has new External Auditors for 2018-19 as appointed through the Public Sector Audit Appointments (PSAA) procurement process. In December 2017, following a consultation period, Moore Stephens were appointed as the Council's auditors from 1 April 2018.

The PSAA only awarded Moore Stephens the audits of Woking Borough Council and Runnymede Borough Council with the majority of the contract being awarded across Grant Thornton, EY, Mazars, BDO and Deloitte.

In November 2018 it was reported in the press that Moore Stephens and BDO were in merger discussions. This resulted in the merger of BDO and Moore Stephens LLP on 1 February 2019. Not all of the Moore Stephens offices are included in the merger, but it does include the London office which was to resource the Woking and Runnymede audits.

The PSAA have been working with BDO and Moore Stephens to ensure that there is a contract in place to provide for the Woking 2018/19 audit of accounts. The Council has been consulted on the appointment of BDO to replace Moore Stephens and it is expected that this will be confirmed following the PSAA Board meeting on 26 February. BDO have confirmed they are able to take on the audits of Woking and Runnymede and have identified a partner to lead those audits. The audit teams have moved from Moore Stephens to BDO and will remain as previously planned.

During the transition period the new BDO team have been on site for 2 weeks from 11 February as previously scheduled by Moore Stephens, to complete planning work. The Audit Manager has confirmed that this has gone well and good progress has been made. However, it has not been possible for BDO to complete the Audit Plan, nor will they be available to attend the Standards and Audit meeting on 7 March.

It is expected that the Audit Plan will be completed by the end of March, which allows time for the Finance Director to meet with the new Audit Partner to discuss any issues arising from the planning work, new developments at Woking and to review the draft Plan when available. As the next meeting of this committee is not until July when the audit is expected to be complete, it is proposed that the Finance Director sends the agreed plan to Members of the Committee as soon as it is available. Any comments from members of the Committee can be addressed outside of the meeting and BDO will attend the next meeting on 18 July to report on the 2018-19 audit having completed the detailed work on the statement of accounts.

Recommendations

The Committee is requested to:

> **RESOLVE That** the proposals for the consideration of the 2018-19 External Audit Plan be agreed.

STA19-002

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

Background Papers: None.

Reporting Person: Leigh Clarke, Finance Director
Email: leigh.clarke@woking.gov.uk, Extn: 3277

Contact Person: Leigh Clarke, Finance Director
Email: leigh.clarke@woking.gov.uk, Extn: 3277

Date Published: 27 February 2019

STANDARDS AND AUDIT COMMITTEE – 7 MARCH 2019

INTERNAL AUDIT STRATEGY AND PROPOSED 2019/20 PLAN

Executive Summary

This report sets out the Internal Audit Strategy and proposed Annual Plan for 2019/20, 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. The Audit Plan continues to focus upon areas of highest risk and the overall coverage is sufficient to provide Members, management and other external bodies with an 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 indicative Audit
> Plan for 2019/20 be approved.

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

Background Papers: None.

Reporting Person: James Graham, Head of Internal Audit
Email: james.graham@mazars.co.uk

Contact Person: Leigh Clarke, Finance Director
Ext. 3277, E Mail: leigh.clarke@woking.gov.uk

Date Published: 27 February 2019

STA19-003

1.0   Introduction

1.1   This report establishes the Internal Audit Strategy and proposed Annual Plan for 2019/20, which details how the Council will meet its statutory requirements for Internal Audit.

2.0   Background

2.1   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 in accordance with the Annual Plan as approved by the Chief Finance Officer and the Standards and Audit Committee. As Internal Audit is a major source of assurance that the Council is effectively managing its risks, a key rationale for the development of the Internal Audit Plan was the Council's own Strategic Risk Register and risks detailed within the 2019/20 Service Plans.

2.2   The Council's Internal Audit Service is delivered in accordance with 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'.
- The 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.

2.3   The Internal Audit Strategy is a high level statement which outlines how the Internal Audit Service will be delivered to meet the requirements as set out above. The PSIAS no longer make specific reference to a strategy document, but they require that the information that it contains be communicated to the Audit Committee, to support discussion about audit planning and resources.

3.0   Internal Audit Strategy

3.1   This strategy recognises that it is management's responsibility to establish and maintain a sound system of internal control and ensure that risks are properly managed. The overall aim of internal audit work is to establish areas requiring improvement and recommend solutions that will enable the Council to achieve its objectives.

3.2   The audit strategy and planning process reflects that the audit environment is constantly changing, requiring continuous review and re-evaluation to ensure that emerging risks are identified and 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 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.

3.3 The purpose of the audit strategy is to establish an approach that will enable internal audit to be responsive to change and managed in a way which 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 preparation of the Annual Governance Statement;
- Audit of the Council's risk management, control and governance systems through an approach which assesses risks to Council objectives and prioritises audits accordingly;
- The identification of audit resources required to deliver an audit service which meets the PSIAS and achieves the required 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.

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

- Sufficient coverage of all major 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 corporate risk register;
- 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 high risk audit recommendations;
- An element for contingency to enable the audit service to provide ad hoc advice and to respond to management requests for support.

3.5 The internal audit plan is prepared on the basis of a risk assessment combined with an understanding of other sources of assurance which are then compared to the audit resources available. Given the level of audit resources available, it is vital that audit work is planned and focused to ensure an efficient and effective use of resources directed at those areas of greatest risk to the Council.

3.6 The Internal Audit function is outsourced to Mazars, with the Head of Internal Audit role being undertaken as a secondment from Mazars.

4.0 Development of 2019/20 Audit Plan

4.1 The Audit Plan continues to focus upon areas of highest risk and is sufficient to provide Members and management with an independent assurance on the adequacy of the Council's internal control framework.

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

- Materiality and significance based upon budgets and volume of transactions;
- Historic 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 audit;
- A review of audit themes against the Council's risk register and corporate objectives;
- Other sources of assurance available to the Council;
- Key governance issues identified within the Annual Governance Statement (AGS);
- Concerns and emerging risks as identified by Chief Officers; and,
- Horizon scanning of issues affecting all local authorities.

4.3 The total number of audit days allocated for 2019/20 is 305, including 30 days for IT audit and 24 days for the Head of Audit role. This number is in line with the allocation for 2018/19, with the overall budget for internal audit remaining the same. The resources allocated ensure that sufficient high risk areas are audited to allow the Head of Audit to provide an effective annual opinion on the internal control environment.

4.4 The proposed audit plan is presented in Appendix A. Risks referred to in the plan are those on the corporate risk register. The proposed plan has been agreed by the Council's Chief Finance Officer and reviewed by the Corporate Management Group. It will also be circulated to the Council's external auditor, BDO, to ensure that, where possible, the contents reflect areas where they require audit assurance.

5.0 Implications

Financial

5.1 There are minimal financial implications around the implementation of internal audit recommendations. Some audit recommendations are designed to improve value for money and financial control.

Human Resource/Training and Development

5.2 Some audit recommendations need resource to put in place.

Community Safety

5.3 There is minimal impact on Community Safety.

Risk Management

5.4 Internal Audit identifies weaknesses in the control environment. Implementation of recommendations therefore improves the control environment and hence the management of risk.

Sustainability

5.5 There is minimal impact of sustainability issues.

Equalities

5.6 There is minimal impact of equalities issues.

Safeguarding

5.7   There is minimal impact of safeguarding issues.

REPORT ENDS

Appendix A – Proposed 2019/20 Internal Audit Plan

	Title	Source	Scope/notes	Indicative days
People				
<u>1</u>	Community Centres	Discussions with CMG	To be based on outcome of service review	10
<u>2</u>	Homelink	Service Plan and discussions with CMG	SLA with Runnymede Council to provide their DFG and handyperson's service.	10
<u>3</u>	Housing Allocations	No recent audit coverage	Receipt and assessment of enquiries and applications, Works Monitoring, Administration of grants, Financial Management (including management of SLA to ensure no subsidisation of Runnymede)	12
<u>4</u>	HMO and Selective Housing Licensing	Carried forward from 2018/19 plan	Policies, Procedures and Guidance, Application, Selection and Allocation, Review and Appeals, Maintenance of the Register, Management Information	10
<u>5</u>	Right To Buy	Discussions with CMG	Policies and Procedures, Identification and Assessment, Application Processing, Income Collection, Enforcement, Management Information	10
Place				
<u>6</u>	Street Cleansing and Grounds Maintenance Contract Management (Serco)	Risk register (18) and discussions with CMG	Contract Formalities, Contract Monitoring and Performance Management, Payments, Financial Management	14
<u>7</u>	Facilities Management Contract Management	Risk Register (1 and 18) and discussions with CMG	Contract Formalities, Contract Variations, Contract Monitoring and Performance Management, Health and Safety Compliance, Payments, Budget Management	10
<u>8</u>	Community Infrastructure Levy (CIL)	Discussions with CMG	Utilisation and Monitoring of CIL Expenditure.	6

9	Brookwood Cemetery	Risk Register (17)	Recording of Burials and Cremations and Security of Records, Charging and Income Collection, Debt Recovery, Health and Safety Risk Management, Performance and Financial Management	8
Us				
10	Data Breaches	Risk Register (12)	Training and Awareness, Reporting of Breaches, Remedial Action.	8
Corporate				
11	Key Financial Control Testing	Standing item	Testing of key financial controls	45
12	NNDR	Cyclical Key Financial System Coverage	Policies and Procedures; NNDR Transactions and Records; Valuation; NNDR Multiplier; Liability and Reliefs; Billing; Collection; Refunds; Debt Recovery and Enforcement; Business Rate Retention; Finance and Performance Management	12
13	Cash Receipting/Collection Systems	Cyclical Key Financial System Coverage	Procedures and Training ; Receipt of Income; Processing Payments Received; Reconciliations; Security; Banking.	10
14	Fraud Service	No recent audit coverage	Policies Procedures and Strategy; Identification and Evaluation of Fraud Risks; Education and Empowerment; Referral Handling; Pro-Active and Detective Investigations; Practice Management.	10
15	Risk Management	No recent audit coverage	Risk Management Framework, Risk Identification, Risk Assessment and Recording, Management of Risk, Risk Monitoring, Communication and Reporting	12
16	Victoria Square Development - Change Control	Risk Register (10), and previous audit coverage.	To review project change control process	12

<u>17</u>	Group Companies	Risk Register (3)	More detailed audit of one area following 2018/19 key financial controls audit.	10
<u>18</u>	Off-Payroll Engagement (IR35)	No recent audit coverage	Polices and Procedures; Sourcing and Engagement; Vetting; Monitoring and Management; Payments	12
IT Audit				
<u>19</u>	TBC		Specific audit work to be determined following 2018/19 IT Strategy and Needs Assessment.	30
Other Work				
<u>20</u>	Follow up reviews	Ongoing		10
<u>21</u>	Management	Ongoing		20
<u>23</u>	Head of Audit	Ongoing		24
			TOTAL AUDIT DAYS	**305**

STANDARDS AND AUDIT COMMITTEE – 7 MARCH 2019

INTERNAL AUDIT PROGRESS REPORT

Executive Summary

Financial Regulation 2.8 requires that the Chief Finance Officer shall report regularly to the Standards and Audit Committee on the work undertaken by Internal Audit. This report is accordingly submitted to the Committee for consideration.

This report covers audit activity and performance from 20 November 2018 to 25 February 2019.

Recommendations

The Committee is requested to:

> **RESOLVE That** the report be received and progress against the 2018-19 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: James Graham, Head of Internal Audit
Email: james.graham@woking.gov.uk

Contact Person: Leigh Clarke, Finance Director
Ext. 3277, E Mail: Leigh.Clarke@woking.gov.uk

Date Published: 27 February 2019

STA19-004

1.0   Introduction

1.1   Financial Regulation 2.8 requires that the Chief Finance Officer shall report regularly to the Standards and Audit Committee on the work undertaken by Internal Audit. This report covers audit activity and performance from 20 November 2018 to 25 February 2019.

1.2   The Standards and Audit Committee approved the 2018/19 Internal Audit Plan on 8 March 2018.

1.3   The purpose of this report is to outline the following in respect of Internal Audit Activity during the period:

- A description of key audit issues and also of non-audit activity undertaken during the year;

- Details of reports issued during the period;

- A list of reports in progress as at 25 February 2019.

- Any major (i.e. high risk) recommendations made in Internal Audit reports issued between 20 November 2018 and 25 February 2019; and

- An update on all recommendations that remain outstanding for implementation.

2.0   Internal Audit Activity

2.1   The table below provides a summary of progress in terms of the number of reports at draft or final stage and those in progress, as at 25 February:

Audit Status	Number of reviews	Percentage Completion
Finalised	8	44
Draft	3	17
Fieldwork in progress	4	22
To be undertaken	3	17
Total	**18**	**100**

2.2   Table 1 above illustrates that 61% of the plan has been delivered to at least draft report stage as at 25 February, with a further 22% of the plan in progress. A further 3 audits (17% are currently in the process of being scheduled in.

2.3   All audits in progress are expected to be completed to at least draft stage by the end of March 2019. The remaining 3 audits not yet scheduled in are expected to be completed by the end of April 2019.

2.4   The table below shows the status of all audits on the 2018/19 plan, including the reviews carried forward from 2017/18 not yet at final report stage:

Audit Title	Audit Status	Recommendations by Priority		
		High	Medium	Low
Grants to Voluntary Organisations	Final report issued	0	2	2
Community Safety	Final Report issued	0	1	0

Homelessness	Fieldwork in progress	-	-	-
New Vision Homes Contract Management	Fieldwork in progress	-	-	-
Building Control	Draft report issued	-	-	-
Emergency Planning	Final report issued	0	1	5
Asset Management	Start date agreed	-	-	-
Air Quality Monitoring and Management	Final report issued	0	3	3
Freedom of Information Requests	Fieldwork in progress	0	2	1
Key Financial Control Testing	Final report issued	0	1	0
Sheerwater Regeneration Governance	Draft report issued	-	-	-
Group Companies	Draft report issued	-	-	-
Business Continuity	Fieldwork in progress	-	-	-
Supplier Resilience (Advisory)	Final report issued	N/A	N/A	N/A
HR – Sickness Absence Management	Final report issued	0	2	1
IT Strategy	Planning in progress	-	-	-
SekCheck (Windows Operating System Network Management)	Final report issued	2	5	1
Flexiroute Application	Planning in progress	-	-	-

Carried Forward from 2017/18

GDPR	Draft report issued	-	-	-
Victoria Square Development	Draft report issued	-	-	-

2.5   We have four categories by which we classify internal audit assurance over the processes we examine: Substantial, Satisfactory, Limited or Nil.

2.6   No draft or final reports issued in the period received a Limited or Nil assurance opinion.

2.7   Internal Audit categorise recommendations as High, Medium or Low priority to differentiate between the types of recommendation made. This gives management an indication on the importance and urgency of implementing the recommendation.

2.8   There were no High priority recommendations raised in the reports finalised in the period.

3.0   Follow Ups

3.1   All recommendations have historically been entered onto an improvement plan in Shikari. Managers updated progress on the system and closed down the recommendations on the system once implemented. The Shikari system has been phased out and a new system to track recommendations is being developed. In the interim period the implementation of recommendation is being tracked manually.

3.2   As at 25 February, there are 5 outstanding recommendations (i.e. recommendations are past their agreed implementation dates that have not been confirmed as implemented), of which none are classified as High priority. This is reduced from 24 in the previous period as management have provided updates by email to the Head of Internal Audit.

3.3   New recommendations will be agreed as the draft reports detailed in Table 2 are finalised. It is important that these are implemented within the agreed timescales to ensure that the position reported in 3.2 above is maintained or improved upon.

3.4   In addition to management updates on progress, spot checks are undertaken to confirm that recommendations are being implemented in practice. A procedure is in place to escalate recommendations that have not been implemented as agreed to CMG and finally to this committee where necessary.

4.0   Implications

Financial

4.1   There are minimal financial implications around the implementation of internal audit recommendations. Some audit recommendations are designed to improve value for money and financial control.

Human Resource/Training and Development

4.2   Some audit recommendations need resource to put in place.

Community Safety

4.3   There is minimal impact other than the Community Safety internal audit on the 2018/19 plan.

Risk Management

4.4   Internal Audit identifies weaknesses in the control environment. Implementation of recommendations therefore improves the control environment and hence the management of risk.

Sustainability

4.5   There is minimal impact of sustainability issues.

Equalities

4.6   There is minimal impact of equalities issues.

Safeguarding

4.7   There is minimal impact of safeguarding issues.

REPORT ENDS