

Public Document Pack

Democratic Services



AUDIT AND SCRUTINY COMMITTEE

Thursday 6 April 2023 at 7.30 pm

Place: Council Chamber, Epsom Town Hall

Free public online access to this meeting is available on YouTube: [Link to online broadcast](#)

The members listed below are summoned to attend the Audit and Scrutiny Committee meeting, on the day and at the time and place stated, to consider the business set out in this agenda.

Councillor Steve Bridger (Chair)
Councillor Nigel Collin (Vice-Chair)
Councillor Rob Geleit
Councillor David Gulland
Councillor Christine Howells

Councillor Phil Neale
Councillor David Reeve
Councillor Alan Sursham
Councillor Chris Webb

Yours sincerely

Chief Executive

For further information, please contact Democratic Services, 01372 732000 or democraticservices@epsom-ewell.gov.uk

EMERGENCY EVACUATION PROCEDURE

No emergency drill is planned to take place during the meeting. If the fire alarm sounds continuously, or if you are instructed to do so, you must leave the building by the nearest available exit. You will be directed to the nearest exit by council staff. It is vital that you follow their instructions.

- You should proceed calmly; do not run and do not use the lifts;
- Do not stop to collect personal belongings;
- Once you are outside, please do not wait immediately next to the building, but move to the assembly point at Dullshot Green and await further instructions; and
- Do not re-enter the building until told that it is safe to do so.

Public information

Please note that this meeting will be held at the Town Hall, Epsom and will be available to observe live on the internet

This meeting will be open to the press and public to attend as an observer using free YouTube software.

A link to the online address for this meeting is provided on the first page of this agenda and on the Council's website. A limited number of seats will also be available in the public gallery at the Town Hall. For further information please contact Democratic Services, email: democraticservices@epsom-ewell.gov.uk, telephone: 01372 732000.

Information about the terms of reference and membership of this Committee are available on the [Council's website](#). The website also provides copies of agendas, reports and minutes.

Agendas, reports and minutes for this Committee are also available on the free Modern.Gov app for iPad, Android and Windows devices. For further information on how to access information regarding this Committee, please email us at Democraticservices@epsom-ewell.gov.uk.

Exclusion of the Press and the Public

There are no matters scheduled to be discussed at this meeting that would appear to disclose confidential or exempt information under the provisions Schedule 12A of the Local Government (Access to Information) Act 1985. Should any such matters arise during the course of discussion of the below items or should the Chairman agree to discuss any other such matters on the grounds of urgency, the Committee will wish to resolve to exclude the press and public by virtue of the private nature of the business to be transacted.

Questions from the Public

Questions from the public are permitted at meetings of this Committee. Any person wishing to ask a question at a meeting of this Committee must register to do so, as set out below.

Up to 30 minutes will be set aside for written or oral questions from any member of the public who lives, works, attends an educational establishment or owns or leases land in the Borough on matters within the Terms of Reference of the Audit and Scrutiny Committee which may not include matters listed on a Committee Agenda.

All questions whether written or oral must consist of one question only, they cannot consist of multi parts or of a statement.

The question or topic may not relate to a specific planning application or decision under the Planning Acts, a specific application for a licence or permit of any kind, the personal affairs of an individual, or a matter which is exempt from disclosure or confidential under the Local Government Act 1972. Questions which in the view of the Chairman are vexatious or frivolous will not be accepted.

To register to ask a question at a meeting of this Committee, please contact Democratic Services, email: democraticservices@epsom-ewell.gov.uk, telephone: 01372 732000.

Written questions must be received by Democratic Services by noon on the tenth working day before the day of the meeting. For this meeting this is **Noon, 23 March 2023**

Registration for oral questions is open until noon on the second working day before the day of the meeting. For this meeting this is **Noon, 4 April**

AGENDA

1. QUESTION TIME

To take any questions from members of the Public.

2. DECLARATIONS OF INTEREST

Members are asked to declare the existence and nature of any Disclosable Pecuniary Interests in respect of any item of business to be considered at the meeting.

3. MINUTES OF THE PREVIOUS MEETING (Pages 5 - 10)

The Committee is asked to confirm as a true record the Minutes of the Meeting of the Committee held on 2 February 2023 (attached) and to authorise the Chair to sign them.

4. SIAP INTERNAL AUDIT PLAN 2023-2024 AND INTERNAL AUDIT CHARTER (Pages 11 - 34)

This report introduces the Internal Audit Plan and Charter for 2023-2024.

5. SIAP INTERNAL AUDIT PROGRESS REPORT - APRIL 2023 (Pages 35 - 54)

This report summarises progress against the Internal Audit Plan 2022-2023.

6. EXTERNAL AUDIT UPDATE (Pages 55 - 60)

This report presents an update on the 2021/22 Statement of Accounts audit and the Annual Auditor's Report.

7. COMMITTEE ANNUAL REPORT 2022-2023 (Pages 61 - 70)

This report presents the Annual Report of the Audit and Scrutiny Committee for 2022-2023.

8. ANNUAL REPORT OF THE USE OF RIPA POWERS (Pages 71 - 74)

To report on the Council's activities relating to surveillance under the Regulation of Investigatory Powers Act 2000 (RIPA) for 2021.

9. OMBUDSMAN ANNUAL REPORT 2021-22 (Pages 75 - 82)

This report provides the annual review of complaints received and decisions made by the Local Government and Social Care Ombudsman during 2021-2022.

10. COMMITTEE WORK PROGRAMME 2023-2024 (Pages 83 - 88)

This report presents the Committee with the work programme for 2023-2024.

**Minutes of the Meeting of the AUDIT AND SCRUTINY COMMITTEE held on 2
February 2023**

PRESENT -

Councillor Steve Bridger (Chair); Councillor Nigel Collin (Vice-Chair); Councillors Rob Geleit, David Gulland, Phil Neale, David Reeve, Alan Sursham and Chris Webb

In Attendance: Councillor Kate Chinn, Jon Vale (Borough Commander, Surrey Police) (Items 24-27 only)

Absent: Councillor Christine Howells

Officers present: Andrew Bircher (Interim Director of Corporate Services), Brendan Bradley (Head of Finance), Rod Brown (Head of Housing and Community) (Items 24-27 only), Sue Emmons (Chief Accountant), Will Mace (Business Assurance Manager), Jason Ofosu (Principal Solicitor) and Tim Richardson (Democratic Services Manager)

24 QUESTION TIME

The Committee received a verbal question from a member of the public, to which the Chair invited the Principal Solicitor to provide a verbal reply.

In response to the Principal Solicitor's reply, a supplementary verbal question was asked by the member of the public. The Chair replied that a response to the supplementary question would be provided to the member of the public in writing following the meeting.

The member of the public requested to ask a further verbal question. The Principal Solicitor informed the Committee that a second question had already been asked by the member of the public, in the form of the supplementary question. The Principal Solicitor advised the meeting that as a second question had already been asked, the member of the public was not able to ask a further question at the meeting.

25 DECLARATIONS OF INTEREST

No declarations of interest were made in relation to items of business to be discussed at the meeting.

26 MINUTES OF THE PREVIOUS MEETING

The Minutes of the previous meeting of the Audit and Scrutiny Committee held on 17 November 2022 were agreed as a true record and signed by the Chair.

27 COMMUNITY SAFETY PARTNERSHIP UPDATE

The Committee received a report updating it on the work of the Epsom and Ewell Community Safety Partnership (CSP).

The following matters were considered:

- a) **Meetings of the CSP.** The Committee requested that details of dates and attendance at meetings of the CSP be recorded in future reports to the Audit and Scrutiny Committee. The Head of Housing and Community informed the Committee that this would be provided in future and reported that attendance of statutory partners at recent meetings of the CSP had been fairly consistent.
- b) **Community protection warning notices.** A Member of the Committee asked how many community protection warning notices had been issued, and how they were enforced. The Head of Housing and Community informed the meeting that he would provide the number of notices issued in writing following the meeting, and provided a verbal overview of the process for issuing a Community protection warning notice (CPWN) or a Community Protection Notice (CPN).
- c) **Collaboration between Council and Surrey Police.** Following a question from a Member, the Head of Housing and Community informed the Committee that one of the key purposes of the CSP was to improve collaborative working between all parties of the partnership. With regard to the collaboration between the Council and Surrey Police, the Head of Housing and Community highlighted the recent successful bid to the Police and Crime Commissioner for Safer Streets funding which had led to the replacement of the Town Centre CCTV cameras as well as a number of measures intended to address violence against women and girls, and protecting the night-time economy of the town centre.

In response to a question from a Member of the Committee regarding a reported delay in providing information to the Police by the Council, Inspector Vale informed the meeting that a mistake had been identified in the procedure followed but that this had been corrected. A Member of the Committee asked for clarity as to whether this was a matter which could be called in to the Committee, and was informed that the Chair would look into the matter and inform all Members of the Committee following the meeting.

- d) **JAG and CHaRRM.** Following a question, the Head of Housing and Community informed the Committee that the number of Joint Action Group (JAG) and Community Harm and Risk Reduction Meetings (CHaRRM) held were reported to the CSP and could also be provided to

the Committee in the future. The Head of Housing and Community informed the Committee that it would be difficult to report on the outcome of CHaRRMs, due to sensitive nature of the information considered. The Head of Housing and Community would consider whether information relating to JAG meetings could be disclosed to members of the Committee and provide an update following the meeting.

- e) **RAG Status for Review of town centre crime data.** A Member of the Committee identified that the “Review town centre crime data regularly to identify emerging patterns” objective listed on page 23 of the agenda pack was at red status, and asked how this would be addressed. The Head of Housing and Community informed the Committee that the relevant data was required to be analysed within a six month timeframe. Of the current period, 3 months had passed. The Head of Housing and Community informed the Committee that the data would be reviewed later in the week and that the target would be at green status by April 2023. Inspector Vale informed the Committee that Surrey Police also undertook weekly data analysis and that if this identified any emerging trends, the other relevant partners in the CSP would be informed.

Following a further question from a Member, the Head of Housing and Community informed the Committee that he would contact members of the CSP to ask whether the partnership would be in agreement to updating its report to explain that the target was currently listed as red status, but would be completed within the target 6-month timeframe, and that the review had also been completed in time for the previous 6 month period.

Following consideration, the Committee resolved with 6 votes for, 1 vote against, 1 abstention and the Chair not voting to:

- (1) **Note and comment on the work of the Epsom and Ewell Community Safety Partnership (CSP).**

28 REVENUE BUDGET MONITORING - QUARTER 3

The Committee received a report presenting the forecast revenue outturn position for the current financial year 2022/23, as at Quarter 3 (31 December 2022).

The report also provided an update on the external audit of 2021/22’s Statement of Accounts.

The following matters were considered:

- a) **Staffing levels.** Following a question from a Member, the Head of Finance informed the Committee that the Council budgeted for a full staffing establishment, but included a 2.5% vacancy assumption due to the natural turnover of staff.

- b) **Cemetery income.** A Member asked for further information relating to the £34,000 adverse variance for cemetery income. The Head of Finance informed the Committee there remained a general trend for the population to opt for cremation over burial, and that he would investigate the reduction in income and provide an update following the meeting.
- c) **Charge for External Audit services.** In response to a question from the Vice Chair, the Head of Finance informed the Committee that he would discuss any proposed additional charge for external audit work with the external auditor and consider what representations could be made if the reason for such a fee lies with another party.
- d) **Bank of England Base rate change.** With a view to the increase in Bank of England Interest rate announced earlier in the day, and in response to a question from a Member, the Head of Finance informed the Committee that the change was unlikely to have a material short term impact for the interest rates achievable by the Council.

Following consideration, the Committee unanimously resolved to:

- (1) **Receive the revenue budget monitoring report, which sets-out a projected favourable budget variance of £304,000 for 2022/23;**
- (2) **Note that a report to Licensing & Planning Policy Committee has been requested to address reduced forecast planning income and identify mitigation options;**
- (3) **Receive the 2021/22 external audit update provided in section 11 of the report;**
- (4) **Note that the outturn position will be reported to Strategy & Resources in July, then to this committee alongside the Statement of Accounts.**

29 CAPITAL BUDGET MONITORING - QUARTER 3

The Committee received a report presenting the capital budget monitoring position at Quarter 3 for the current financial year 2022/23.

The following matters were considered:

- a) **Replacement lamp columns.** A Member of the Committee asked for further information as to why only 1 of the 6 contractors contacted regarding the works had submitted a tender and it was noted that officers would provide an update following the meeting.
- b) **Plan-E Marketplace.** The Chair asked for an update on outstanding works for the Plan-E marketplace project. The Chief Accountant informed the Committee that there were still outstanding works due to be undertaken by Surrey County Council and confirmed that payment would not be made until the works had been completed.

Following consideration, the Committee unanimously resolved to:

- (1) receive the capital monitoring position at Quarter 3 (to 31 December 2022), as set out in the report;**
- (2) note the progress of capital projects as set out in Appendix 1 of the report.**

30 PERFORMANCE AND RISK REPORT - FEBRUARY 2023

The Committee received a report providing an overview of the council's performance with respect to its annual plan objectives, key performance indicators and corporate risks.

The following matters were considered:

- a) Update to appendix 1 of report - Property Maintenance completion Q3 data. The Business Assurance Manager informed the Committee that Property Maintenance completion data for was 99.9% for the first two months of quarter 3.
- b) Staff turnover indicator. The Business Assurance Manager informed the Committee that the number of vacancies currently being advertised or progressed for advertisement was 21.
- c) Number of planning applications processed. The Business Assurance Manager informed the Committee that the number of planning applications received in Q2 was 172.
- d) Ombudsman complaints and data protection. Following a question from a Member, the Committee noted that Officers would consider the inclusion of legal risks, data protection breaches and Ombudsman complaints as risks on the Corporate Risk Register.
- e) Staffing levels. Following a question from a Member, the Committee noted that Officers would look into the future provision of information to show the staffing levels across the Council on a monthly basis.
- f) Place Development. The Committee considered that the planning development charts provided on page 11 of the appendix to the report should detail that the existing target had been set at a national level. The Committee also considered that a local, more stretching target should also be set for these indicators.
- g) Performance indicator 24 - Visible Patrols. The Interim Director of Corporate Services informed the Committee that Officers would clarify whether performance indicator 24 ("Visible patrols across the Borough promoting behavioural change to maintain our clean and attractive streets and open spaces") would be retained following Surrey County Council's decision to take back the contract for on street parking enforcement.

- h) Reputational risk. The Committee considered that a general “Reputational Risk” should be included within the corporate risk Register and requested officers to consider its addition.

Following consideration, the Committee resolved with 7 votes for, 1 abstention and the Chair not voting to:

- (1) Note and comment on the performance and risk information located at Appendix 1 to the report.**

31 COMMITTEE WORK PROGRAMME 2022-2023

The Committee received a report presenting the work programme for 2022-2023.

The following matters were considered:

- a) **Ombudsman complaints and data protection breaches.** A Member of the Committee expressed concern that information regarding ombudsman complaints and data protection breaches had not been presented to the Committee. The Interim Director of Corporate Services informed the Committee that a response regarding these matters would be provided to Committee Members following the meeting.
- b) **Equalities impact assessment.** It was noted that the Committee report for this item did not include the equality impact aspect of the report template. Officers would rectify this matter for future reports.

Following consideration, the Committee resolved with 7 votes for, 1 vote against and the Chair not voting to:

- (1) Agree the on-going work programme for 2022-2023 as presented in Section 2 of the report.**

The meeting began at 7.30 pm and ended at 8.52 pm

COUNCILLOR STEVE BRIDGER (CHAIR)

SIAP INTERNAL AUDIT PLAN 2023-2024 AND INTERNAL AUDIT CHARTER 2023-24

Head of Service:	Andrew Bircher, Acting Director of Corporate Services
Wards affected:	(All Wards)
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	N/A
Appendices (attached):	Appendix 1 – Internal Audit Plan 2023-2024 Appendix 2 – Internal Audit Charter 2023-2024

Summary

This report introduces the Internal Audit Plan and Charter for 2023-2024.

Recommendation (s)

The Committee is asked to:

- (1) endorse the Internal Audit Plan 2023-2024 as set out at Appendix 1.**
- (2) approve the Internal Audit Charter 2023-2024 as set out in Appendix 2.**

1 Reason for Recommendation

- 1.1 The Committee has overall responsibility for audit and governance frameworks, including the functions of an audit committee.

2 Background

- 2.1 Internal Audit provides the Council, through the Audit and Scrutiny Committee, with an independent and objective opinion on risk management, control and governance.
- 2.2 The internal audit plan establishes how internal audit resources across a given year are to be utilised in order to enable the Chief Internal Auditor to provide their statement of assurance.

- 2.3 Southern Internal Audit Partnership (SIAP) became the Council's internal auditors on 1 April 2019 for a four-year period. Since then, it has progressed work against four audit plans. The first was endorsed by this Committee on 16 April 2019, the second on 19 November 2020 (delayed due to the COVID-19 pandemic), the third on 8 April 2021, and the fourth on 7 April 2022.

3 Internal Audit Plan 2023-2024

- 3.1 In preparation for the audit plan for 2023-2024, SIAP has once again used several different sources of information such as the corporate risk register, previous audits, and feedback from the Strategic Management Team.
- 3.2 Please see Appendix 1 for the Audit Plan for 2023-2024.

4 Internal Audit Charter 2023-2024

- 4.1 The Public Sector Internal Audit Standards require all internal audit activities to implement and retain a Charter. The Internal Audit Charter for 2023-2024 is attached at Appendix 2. This Charter sets out the purpose, authority and responsibilities for the internal audit services at the Council. Approval of the Charter is a responsibility of this Committee.

5 Risk Assessment

Legal or other duties

5.1 Equality Impact Assessment

- 5.1.1 None for the purposes of this report.

5.2 Crime & Disorder

- 5.2.1 None for the purposes of this report.

5.3 Safeguarding

- 5.3.1 None for the purposes of this report.

5.4 Dependencies

- 5.4.1 None for the purposes of this report.

5.5 Other

- 5.5.1 The annual opinion in June could potentially result in a proposal to amend the annual plan, as it is risk-based.

6 Financial Implications

- 6.1 The audit days within the plan are 199, these can be funded from the agreed budget.

6.2 **Section 151 Officer's comments:** None arising from the contents of this report.

7 Legal Implications

7.1 No implications for the purpose of this report.

7.2 **Legal Officer's comments:** None arising from the contents of this report.

8 Policies, Plans & Partnerships

8.1 **Council's Key Priorities:** The following Key Priorities are engaged:

8.1.1 Effective Council – Engaging, responsive and resilient Council

8.2 **Service Plans:** The matter is included within the 2023-2024 Service Delivery Plan.

8.3 **Climate & Environmental Impact of recommendations:**

8.3.1 No implications for the purpose of this report.

8.4 **Sustainability Policy & Community Safety Implications:**

8.4.1 No implications for the purpose of this report.

8.5 **Partnerships:**

8.5.1 The Council's arrangements with partners, such as shared services, are considered during the plan's preparation.

9 Background papers

9.1 The documents referred to in compiling this report are as follows:

Previous reports:

- INTERNAL AUDIT PLAN AND CHARTER 2022-2023, Audit, Crime and Disorder and Scrutiny Committee, 7 April 2022. Online available: <https://democracy.epsom-ewell.gov.uk/documents/s23252/Internal%20Audit%20Plan%202022-2023%20Internal%20Audit%20Charter.pdf> [Last accessed 24/02/2023]

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Southern Internal Audit Partnership

Assurance through excellence
and innovation

EPSOM AND EWELL BOROUGH COUNCIL INTERNAL AUDIT PLAN 2023-24

Prepared by: Natalie Jerams, Deputy Head of Partnership

March 2023

Agenda Item 4
Appendix 1

Introduction

The role of internal audit is that of an:

‘Independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes’.

The Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the Council that these arrangements are in place and operating effectively.

The Council’s response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisation’s objectives.

The aim of internal audit’s work programme is to provide independent and objective assurance to management, in relation to the business activities; systems or processes under review that:

- the framework of internal control, risk management and governance is appropriate and operating effectively; and
- risk to the achievement of the Council’s objectives is identified, assessed and managed to a defined acceptable level.

The internal audit plan provides the mechanism through which the Chief Internal Auditor can ensure most appropriate use of Internal Audit resources to provide a clear statement of assurance on risk management, internal control and governance arrangements.

Internal Audit focus should be proportionate and appropriately aligned. The plan will remain fluid and subject to on-going review and amendment, in consultation with the relevant Directors and Audit Sponsors, to ensure it continues to reflect the needs of the Council. Amendments to the plan will be identified through the Southern Internal Audit Partnership’s continued contact and liaison with those responsible for the governance of the Council.

Your Internal Audit Team

Your internal audit service is provided by the Southern Internal Audit Partnership. The team will be led by Natalie Jerams, Deputy Head of Southern Internal Audit Partnership and supported by Joanne Barrett, Audit Manager.

Conformance with internal auditing standards

The Southern Internal Audit Partnership service is designed to conform to the Public Sector Internal Audit Standards (PSIAS). Under the PSIAS there is a requirement for audit services to have an external quality assessment every five years. In September 2020 the Institute of Internal Auditors were commissioned to complete an external quality assessment of the Southern Internal Audit Partnership against the PSIAS, Local Government Application Note and the International Professional Practices Framework.

In selecting the Institute of Internal Auditors (IIA) a conscious effort was taken to ensure the external assessment was undertaken by the most credible source. As the authors of the Standards and the leading Internal Audit authority nationally and internationally the IIA were excellently positioned to undertake the external assessment.

considering all sources of evidence the external assessment team concluded:

'The mandatory elements of the IPPF include the Definition of Internal Auditing, Code of Ethics, Core Principles and International Standards. There are 64 fundamental principles to achieve with 118 points of recommended practice. We assess against the principles. It is our view that the Southern Internal Audit Partnership conforms to all 64 of these principles.'

'We have also reviewed SIAP conformance with the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note (LGAN). We are pleased to report that SIAP conform with all relevant, associated elements.'

Conflicts of Interest

We are not aware of any relationships that may affect the independence and objectivity of the team which are required to be disclosed under internal auditing standards.

Four Year Plan 2020-2024

Epsom & Ewell Borough Council have developed a long-term vision for the borough, Future40. Through extensive engagement and consultation, the Council have brought together the views and aspirations of people that live and work in Epsom and Ewell. Five themes have been identified reflecting people's views and priorities for the borough until 2040. These five themes form the core of the four-year plan.



Council Risk

The corporate risks assessed by the Council are a key focus of our planning for the year to ensure it meets the organisation's assurance needs and contributes to the achievement of their objectives.

Ref	Risk
CRR-46	Failing to deliver a local plan (e.g. due to budget, staffing, legislative changes, legal objection/challenge)
CRR-63	Unsupported legacy applications
CRR-107	Reduced central government funding for homelessness activities
CRR-29	Failing to deliver the climate change strategy
CRR-86	Failing to recruit to vacant positions promptly with quality candidates, and retain existing talent
CRR-8	Significant rise in oil, gas and electricity prices
CRR-97	Increasing EPC requirements
CRR-51	Fail to balance the budget annually (inc. mitigating the ongoing financial impacts of Covid-19) & MTFS
CRR-56	Cyber attack
CRR-48	Issues with ICT infrastructure resilience, security and capacity
PCR13	Significant Health and Safety incident occurs

*Corporate Risks as per the Corporate Performance Report February 2023

We will monitor the corporate risk register closely over the course of the year to ensure our plan remains agile to the rapidly changing landscape.

Developing the internal audit plan 2023/24

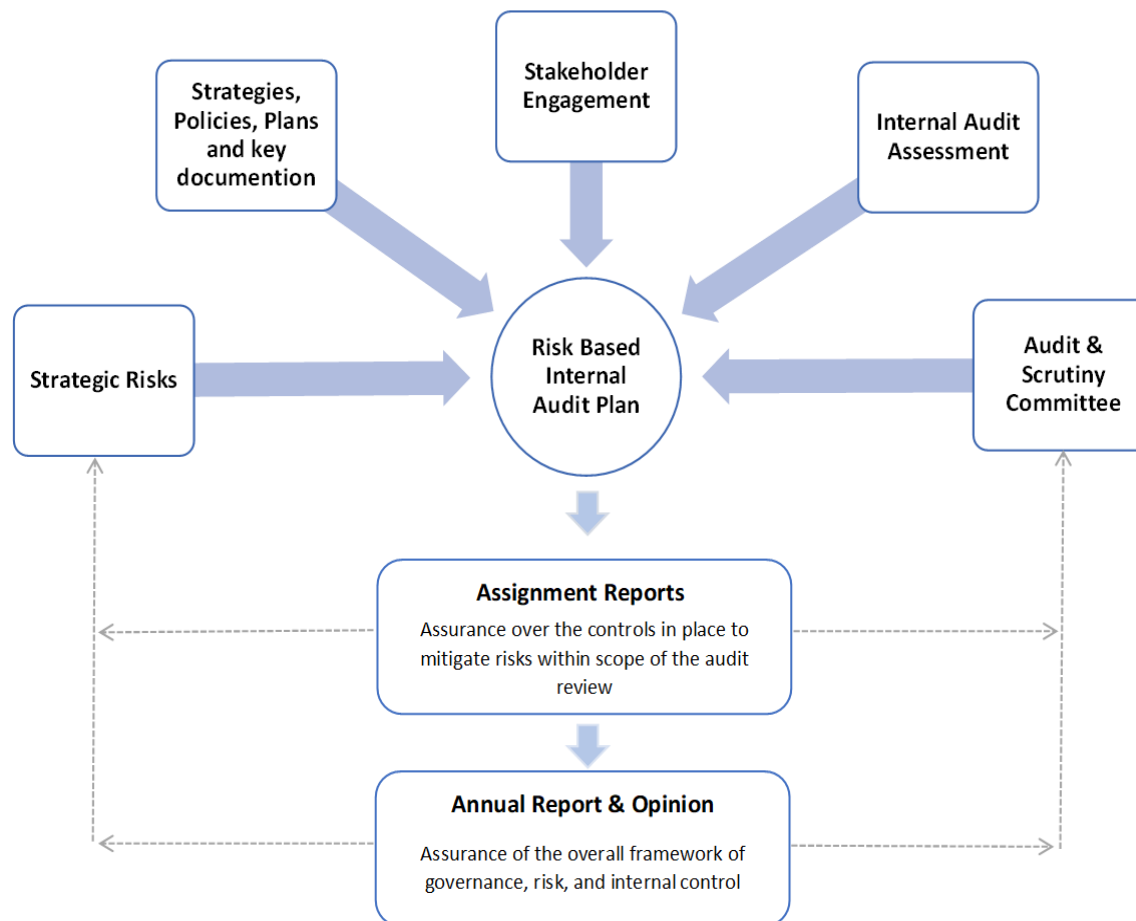
In accordance with the Public Sector Internal Audit Standards there is a requirement that internal audit establish a risk-based audit plan to determine the resourcing of the internal audit service, consistent with the organisation’s goals.

Based on conversations with key stakeholders, review of risk registers, key corporate documents and our understanding of the organisation, the Southern Internal Audit Partnership have developed an annual audit plan for the coming year.

Audit planning is a perpetual process throughout the course of the year to ensure we are able to react to new and emerging risks and the changing needs of the organisation.

The Council are reminded that internal audit is only one source of assurance and through the delivery of our plan we will not, and do not seek to cover all risks and processes within the organisation.

We will however continue to work closely with other assurance providers to ensure that duplication is minimised, and a suitable breadth of assurance is obtained.



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Agenda Item 4
Appendix 1

Internal Audit Plan 2023-24

Audit	Sponsor	Scope/ Risk	Corporate Risk	Quarter
Corporate				
Savings Realisation		To assess realisation and delivery of savings target / initiatives, including new income generating opportunities.	CRR-51, CRR-8, CRR-107	Q2
Asset Management (Statutory Checks)		Assurance over statutory compliance checks for properties.	CRR-97	Q3
Four Year Plan		Assurance over the governance arrangements in place to monitor, review and report on the delivery of the four year plan.		Q1
Governance				
Risk Management		Assurance over the risk management framework including governance, transparency and maturity following the implementation of the new Risk Management Strategy in 2022.		Q4
Fraud Framework		Assurance over the governance arrangements to prevent, detect and investigate fraud and irregularities.		Q2
Health and Safety – Follow Up		Follow up of the 2020/21 internal audit report to ensure management actions have been implemented and embedded.	PCR13	Q3
Business Continuity		Assurance over planning for extreme events that may lead to delays in responding to situations resulting in increased costs and staff resources.	CRR-56	Q2
Information Governance		To review the framework for Information Governance across the organisation.		Q4

Audit	Sponsor	Scope/ Risk	Corporate Risk	Quarter
Human Resources		Weak or ineffective internal control leading to financial loss resulting in damage to the Council's reputation and adverse publicity. Assurances over the audit cycle: <ul style="list-style-type: none"> • Performance Management • Absence management • Recruitment • Training & Development • Workforce Strategy / Development • Flexible Working • HR policies and procedures • Agency staff, volunteers. <p><i>Scope for 2023/24 TBC.</i></p>	CRR-86	Q4
Complaints		Assurance over the complaints management process.		Q1
Capital Programme		Assurance over the delivery of the Capital Programme.	CRR-86	Q3
IT				
Legacy Systems		Assurance over plans, progress and actions to address the corporate level IT risk around the legacy systems in use.	CRR-63, CRR-48	Q2
Cyber Security		Assurance over a specific area of cyber security which is to be agreed when scoping commences.	CRR-56, CRR-48	Q4
Core Financial Reviews				
Housing Benefits		Cyclical review of core financial systems		Q4
Accounts Payable				Q2

Audit	Sponsor	Scope/ Risk	Corporate Risk	Quarter
Safe and Well				
Homelessness		Assurance over the implementation of the strategy and action plan in place.	CRR-107	Q3
Planning Enforcement		Assurance over the Council's response to breaches of planning control.		Q1
Green and Vibrant				
Tree Inspections		Assurance over the inspection regime and record keeping.	PCR13	Q2
Other				
EWDC Conservators Account		Review and completion of the annual governance and accountability return.		Q1
Management				Q1-4
Total days				199

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Southern Internal Audit Partnership

Assurance through excellence
and innovation

**EPSOM & EWELL
BOROUGH COUNCIL**

Internal Audit Charter 2023-24

Prepared By: Natalie Jerams, Deputy Head of Partnership
March 2023

Internal Audit Charter 2023-24

Introduction

The Public Sector Internal Audit Standards (the Standards) provide a consolidated approach to audit standards across the whole of the public sector providing continuity, sound corporate governance and transparency.

The Standards form part of the wider mandatory elements of the International Professional Practices Framework (IPPF) which also includes:

- the mission;
- core principles;
- definition of internal audit; and
- Code of Ethics.

The Standards require all internal audit activities to implement and retain an 'Internal Audit Charter'.



The purpose of the Internal Audit Charter is to formally define the internal audit activity's purpose, authority and responsibility.

Mission and Core Principles

The IPPF 'Mission' aims *'to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.'*

The 'Core Principles' underpin delivery of the IPPF mission:

- Demonstrates integrity;
- Demonstrates competence and due professional care;
- Is objective and free from undue influence (independent);
- Aligns with the strategies, objectives and risks of the organisation;
- Is appropriately positioned and adequately resourced;
- Demonstrates quality and continuous improvement;
- Communicates effectively;
- Provides risk-based assurance;
- Is insightful, proactive, and future-focused; and
- Promotes organisational improvement.

Authority

The requirement for an internal audit function in local government is detailed within the Accounts and Audit (England) Regulations 2015, which state that a relevant body must:

‘undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control’.

The standards for ‘proper practices’ in relation to internal audit are laid down in the Public Sector Internal Audit Standards (updated 2017).

Purpose

The Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the Council that these arrangements are in place and operating effectively. The Council’s response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisation’s objectives.

This is achieved through internal audit providing a combination of assurance and consulting activities. Assurance work involves assessing how well the systems and processes are designed and working, with consulting activities available to help to improve those systems and processes where necessary.

The role of internal audit is best summarised through its definition within the Standards, as an:

‘independent, objective assurance and consulting activity designed to add value and improve an organisations operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes’.

Responsibility

The responsibility for maintaining an adequate and effective system of internal audit within Epsom & Ewell Borough Council lies with the Acting Director of Corporate Services and the Chief Finance Officer (S151 Officer).

For the Council, internal audit is provided by the Southern Internal Audit Partnership.

The Chief Internal Auditor (Deputy Head of Southern Internal Audit Partnership) is responsible for effectively managing the internal audit activity in accordance with the ‘Mission’, ‘Core Principles’, ‘Definition of Internal Auditing’, the ‘Code of Ethics’ and ‘the Standards’.

Definitions

For the purposes of this charter the following definitions shall apply:

The Board – the governance group charged with independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of financial reporting. At the Council this shall mean the Audit and Scrutiny Committee.

Senior Management – those responsible for the leadership and direction of the Council. At the Council this shall mean the Strategic Management Team.

Position in the organisation

The Chief Internal Auditor reports functionally to the Board, and organisationally to the Acting Director of Corporate Services and Chief Finance Officer who has statutory responsibility as proper officer under Section 151 of the Local Government Act 1972, for ensuring an effective system of internal financial control and proper financial administration of the Council's affairs.

The Chief Internal Auditor has direct access to the Chief Executive who carries the responsibility for the proper management of the Council and for ensuring that the principles of good governance are reflected in sound management arrangements.

The Chief Internal Auditor has direct access to the Council's Monitoring Officer where matters arise relating to Monitoring Officer responsibility, legality and standards.

Where it is considered necessary to the proper discharge of the internal audit function, the Chief Internal Auditor has direct access to elected Members of the Council and in particular those who serve on committees charged with governance (i.e. the Audit and Scrutiny Committee).

Internal audit resources

The Chief Internal Auditor will be professionally qualified (CMIIA, CCAB or equivalent) and have wide internal audit and management experience, reflecting the responsibilities that arise from the need to liaise internally and externally with Members, senior management and other professionals.

The Acting Director of Corporate Services and the Chief Finance Officer will provide the Chief Internal Auditor with the resources necessary to fulfil the Council's requirements and expectations as to the robustness and scope of the internal audit opinion.

The Chief Internal Auditor will ensure that the internal audit service has access to an appropriate range of knowledge, skills, qualifications and experience required to deliver the audit strategy and operational audit plan.

The annual operational plan will identify the resources required to complete the work, thereby highlighting sufficiency of available resources. The Chief Internal Auditor can

propose an increase in audit resource or a reduction in the number of audits where insufficient resources.

'Senior Management' and 'the Board' will be advised where, for whatever reason, internal audit is unable to provide assurance on any significant risks within the timescale envisaged by the risk assessment process.

The annual operational plan will be submitted to 'senior management' and 'the Board', for approval. The Chief Internal Auditor will be responsible for delivery of the plan. The plan will be kept under review to ensure it remains responsive to the changing priorities and risks of the Council.

Significant matters that jeopardise the delivery of the plan or require changes to the plan will be identified, addressed and reported to 'senior management' and 'the Board'.

If the Chief Internal Auditor, 'the Board' or 'Senior Management' consider that the scope or coverage of internal audit is limited in any way, or the ability of internal audit to deliver a service consistent with the Standards is prejudiced, they will advise the Chief Executive accordingly.

Independence and objectivity

Internal auditors must be sufficiently independent of the activities they audit to enable them to provide impartial, unbiased and effective professional judgements and advice.

Internal auditors must maintain an unbiased attitude that allows them to perform their engagements in such a manner that they believe in their work product and that no quality compromises are made. Objectivity requires that internal auditors do not subordinate their judgement on audit matters to others.

To achieve the degree of independence and objectivity necessary to effectively discharge its responsibilities, arrangements are in place to ensure the internal audit activity:

- retains no executive or operational responsibilities;
- operates in a framework that allows unrestricted access to 'senior management' and 'the Board';
- reports functionally to 'the Board';
- reports in their own name;
- rotates responsibilities for audit assignments within the internal audit team; and
- completes individual declarations confirming compliance with rules on independence, conflicts of interest and acceptance of inducements.

If independence or objectivity is impaired in fact or appearance, the details of the impairment will be disclosed to 'Senior Management' and 'the Board'. The nature of the disclosure will depend upon the impairment.

Due professional care

Internal auditors will perform work with due professional care, competence and diligence. Internal auditors cannot be expected to identify every control weakness or irregularity, but their work should be designed to enable them to provide reasonable assurance regarding the controls examined within the scope of their review.

Internal auditors will have a continuing duty to develop and maintain their professional skills, knowledge and judgement based on appropriate training, ability, integrity, objectivity and respect.

Internal auditors will apprise themselves of the *'Mission', Core Principles', Definition of Internal Auditing'*, the *'Code of Ethics'* and the *'Standards'* and will work in accordance with them in the conduct of their duties.

Internal auditors will be alert to the possibility of intentional wrongdoing, errors and omissions, poor value for money, failure to comply with management policy and conflicts of interest. They will ensure that any suspicions of fraud, corruption or improper conduct are promptly reported in accordance with the Council's Anti-fraud and Corruption Policy.

Internal auditors will treat the information they receive in carrying out their duties as confidential. There will be no unauthorised disclosure of information unless there is a legal or professional requirement to do so. Confidential information gained in the course of internal audit work will not be used to effect personal gain.

Access to relevant personnel and records

In carrying out their duties, internal audit (on production of identification) shall have unrestricted right of access to all records, assets, personnel and premises, belonging to the Council or its key delivery partner organisations.

Internal audit has authority to obtain such information and explanations as it considers necessary to fulfil its responsibilities. Such access shall be granted on demand and not subject to prior notice.

Scope of Internal Audit activities

The Chief Internal Auditor is responsible for the delivery of an annual audit opinion and report that can be used by the Council to inform its governance statement. The annual opinion will conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.

The Council assume a Key Stakeholder role within the Southern Internal Audit Partnership (SIAP). The SIAP currently provides internal audit services to a wide portfolio of public sector clients (Annex 1) through a variety of partnership and sold service delivery models.

A range of internal audit services are provided (Annex 2) to form the annual audit for each member / client of the SIAP. The approach is determined by the Chief Internal Auditor and will depend on the level of assurance required, the significance of the objectives under review to the organisation's success, the risks inherent in the achievement of objectives and the level of confidence required that controls are well designed and operating as intended.

In accordance with the annual audit plan, auditors will plan and evaluate their work so as to have a reasonable expectation of detecting fraud and identifying any significant weaknesses in internal controls.

Managing the risk of fraud is the responsibility of line management and strategic responsibility for reactive and proactive fraud work sits with the S151 Officer and the Head of Policy and Corporate Resources who would ensure any suspected or detected fraud or corruption was investigated.

The Council participates in the National Fraud Initiative (NFI) in which data from the Council's main systems are matched with data supplied from other local authorities and external agencies to detect potential fraudulent activity.

The S151 Officer or the Head of Policy and Corporate Resources will notify SIAP of any suspected or detected fraud to inform their opinion. They will instruct either SIAP or an external provider to undertake any investigations or reviews as required. SIAP will review the governance arrangements to prevent, detect and investigate fraud and irregularities on a cyclical basis.

Reporting

Chief Internal Auditor's Annual Report and Opinion

The Chief Internal Auditor shall deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement.

The annual internal audit report and opinion will conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.

The annual report will incorporate as a minimum:

- The opinion;
- A summary of the work that supports the opinion; and
- A statement on conformance with the Public Sector Internal Audit Standards and the results of the quality assurance and improvement programme.

Senior Management

As those responsible for the leadership and direction of the Council. It is imperative that the Strategic Management Team are engaged in:

- approving the internal audit charter (minimum annually);
- approving the risk based internal audit plan;
- receiving communications from the Chief Internal Auditor on the internal audit activity's performance relative to its plan and other matters;
- making appropriate enquiries of management and the Chief Internal Auditor to determine whether there are inappropriate scope and resource limitations; and
- receiving the results of internal and external assessments of the quality assurance and improvement programme, including areas of non-conformance.

The Board

Organisational independence is effectively achieved when the Chief Internal Auditor reports functionally to the Board. Such reporting will include:

- approving the internal audit charter;
- approving the risk based internal audit plan;
- approving the internal audit resource plan;
- receiving communications from the Chief Internal Auditor on the internal audit activity's performance relative to its plan and other matters, including the annual report and opinion;
- making appropriate enquiries of management and the Chief Internal Auditor to determine whether there are inappropriate scope or resource limitations;
- agreement of the scope and form of the external assessment as part of the quality management and improvement plan;
- receiving the results of internal and external assessments of the quality assurance and improvement programme, including areas of non-conformance; and
- approval of significant consulting services not already included in the audit plan, prior to acceptance of the engagement.

Review of the internal audit charter

This charter will be reviewed annually (minimum) by the Chief Internal Auditor and presented to 'Senior Management' and 'the Board' for approval.

Southern Internal Audit Partnership – Client Portfolio

Strategic Partners:	Hampshire County Council
Key Stakeholder Partners:	West Sussex County Council Havant Borough Council East Hampshire District Council Winchester City Council New Forest District Council Mole Valley District Council Epsom & Ewell Borough Council Reigate & Banstead Borough Council Tandridge District Council Crawley Borough Council Arun District Council Guildford Borough Council Hart District Council
Blue light Key Stakeholder Partners:	Hampshire & IoW Fire & Rescue Authority West Sussex Fire Service Office of the Hampshire Police & Crime Commissioner / Hampshire Constabulary Office of the Sussex Police & Crime Commissioner / Sussex Police Force Office of the Surrey Police & Crime Commissioner / Surrey Police Force
External clients:	Waverley Borough Council Hampshire Pension Fund West Sussex Pension Fund New Forest National Park Authority Ringwood Town Council Lymington & Pennington Town Council Langstone Harbour Authority Chichester Harbour Authority Isle of Wight College

Key Stakeholder Partners – have joined the Partnership by way of a discharge of function (S101 Local Government Act) and maintain a place on the Partnership Board. The arrangement is not time limited and runs in perpetuity until such time as either party wish to exist the Agreement.

External Clients – are those that operate under a contractual arrangement and are generally shorter term (3 to 5 year) agreements.

Assurance Services

- **Risk based audit:** in which risks and controls associated with the achievement of defined business objectives are identified and both the design and operation of the controls in place to mitigate key risks are assessed and tested, to ascertain the residual risk to the achievement of managements' objectives. Any audit work intended to provide an audit opinion will be undertaken using this approach.
- **Developing systems audit:** in which:
 - the plans and designs of systems under development are assessed to identify the potential weaknesses in internal control and risk management; and
 - programme / project management controls are assessed to ascertain whether the system is likely to be delivered efficiently, effectively and economically.
- **Compliance audit:** in which a limited review, covering only the operation of controls in place to fulfil statutory, good practice or policy compliance obligations are assessed.
- **Quality assurance review:** in which the approach and competency of other reviewers / assurance providers are assessed in order to form an opinion on the reliance that can be placed on the findings and conclusions arising from their work.
- **Fraud and irregularity investigations:** Internal audit may also provide specialist skills and knowledge to assist in or lead fraud or irregularity investigations, or to ascertain the effectiveness of fraud prevention controls and detection processes. Internal audit's role in this respect is outlined in the Council's Anti Fraud and Anti Corruption Strategy.
- **Advisory / Consultancy services:** in which advice can be provided, either through formal review and reporting or more informally through discussion or briefing, on the framework of internal control, risk management and governance. It should be noted that it would not be appropriate for an auditor to become involved in establishing or implementing controls or to assume any operational responsibilities and that any advisory work undertaken must not prejudice the scope, objectivity and quality of future audit work.

SIAP INTERNAL AUDIT PROGRESS REPORT - APRIL 2023

Head of Service:	Andrew Bircher, Acting Director of Corporate Services
Wards affected:	All Wards
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	N/A
Appendices (attached):	Appendix 1 – Internal Audit Progress Report

Summary

This report summarises progress against the Internal Audit Plan 2022-2023.

Recommendation (s)

The Committee is asked to:

- (1) **Note the internal audit progress report from Southern Internal Audit Partnership (SIAP) attached at Appendix 1**

1 Reason for Recommendation

- 1.1 This Committee has overall responsibility for the audit and governance frameworks, including the functions of an audit committee.
- 1.2 The Committee receives regular internal audit progress reports which update the Committee on progress made against the annual audit plan and the outcomes of individual audits.

2 Background

- 2.1 Southern Internal Audit Partnership (SIAP) was appointed as the Council's internal auditors from April 2019.
- 2.2 The Internal Audit Plan and Charter was endorsed by the Committee on 7 April 2022.

3 Audit Plan 2022- 2023

- 3.1 The report attached as Appendix 1 outlines the progress made against the current annual audit plan and analysis of live audit reports and outstanding management actions.

4 Outstanding Management Actions

- 4.1 Appendix 1 contains details of outstanding management actions from previous audits. We have made progress in reducing the number of overdue actions since the last report:
- In total there are 25 overdue actions, in the previous progress report there were 43.
 - In total 4 are High priority, in the previous report 12 were High.
 - In total 18 are Medium priority.
 - In total 3 are Low priority.

Further verbal updates can be provided by officers during the meeting.

5 Risk Assessment

Legal or other duties

5.1 Equality Impact Assessment

5.1.1 None for the purposes of this report.

5.2 Crime & Disorder

5.2.1 None for the purposes of this report.

5.3 Safeguarding

5.3.1 None for the purposes of this report.

5.4 Dependencies

5.4.1 The Head of Internal Audit (SIAP) will issue an annual Internal Audit Report and Opinion for 2022-2023 on completion of the annual plan. This report is a critical document that will be used in preparing the Annual Governance Statement for 2022-2023, which is included in the Statement of Accounts.

5.5 Other

5.5.1 None for the purposes of this report.

6 Financial Implications

- 6.1 There are no financial implications in this report.

- 6.2 **Section 151 Officer's comments:** None arising from the contents of this report.

7 Legal Implications

- 7.1 There are no legal implications arising from this report.

7.2 **Legal Officer's comments:**

The Council is required by statute (under the Regulation 5 of the Accounts and Audit Regulations 2015 and section 151 of the Local Government Act 1972) to have an adequate and effective internal audit function.

Regulation 5 of the Accounts and Audit Regulations 2015 requires the Council to 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.

In addition, the Council must each financial year conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement (Regulation 6 (1) of the Accounts and Audit Regulations 2015). SIAP are the appointed Council's internal auditors. The purpose of this report is to detail the summary findings of completed audit reports and follow-up reviews since the report submitted to the last meeting of this Committee.

8 Policies, Plans & Partnerships

- 8.1 **Council's Key Priorities:** The following Key Priorities are engaged:

8.1.1 Effective Council: Engaging, responsive and resilient Council.

8.2 **Service Plans:**

8.2.1 The matter is not included within the current Service Delivery Plan.

8.3 **Climate & Environmental Impact of recommendations:**

8.3.1 No relevance for the purpose of this report.

8.4 **Sustainability Policy & Community Safety Implications:**

8.4.1 No relevance for the purpose of this report.

8.5 **Partnerships:**

8.5.1 The Council's arrangements with partners, such as shared services, are considered within the remit of Internal Audit.

9 Background papers

9.1 The documents referred to in compiling this report are as follows:

Previous reports:

- *Internal Audit Progress Report 2022-2023*, Audit and Scrutiny Committee, 17 November 2022. Online available: <https://democracy.epsom-ewell.gov.uk/documents/s25118/Internal%20Audit%20Progress%20Report%202022-2023%20November%202022.pdf> [Last accessed: 02/03/2023]
- *Internal Audit Plan 2022-2023 and Internal Audit Charter 2022-2023*, Audit and Scrutiny Committee, 7 April 2022. Online available: <https://democracy.epsom-ewell.gov.uk/ieListDocuments.aspx?CId=157&MId=1109> [Last accessed 21/10/2022]

Southern Internal Audit Partnership

Assurance through excellence
and innovation

EPSOM & EWELL BOROUGH COUNCIL INTERNAL AUDIT PROGRESS REPORT 2022/23

Prepared by: Natalie Jerams, Deputy Head of Partnership

March 2023

Agenda Item 5
Appendix 1

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1. Role of Internal Audit

The requirement for an internal audit function in local government is detailed within the Accounts and Audit (England) Regulations 2015, which states that a relevant body 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 standards for ‘proper practices’ are laid down in the Public Sector Internal Audit Standards [the Standards – updated 2017].

The role of internal audit is best summarised through its definition within the Standards, as an:

‘Independent, objective assurance and consulting activity designed to add value and improve an organisations’ operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes’.

The Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the Council that these arrangements are in place and operating effectively.

The Council’s response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisations’ objectives.

2. Purpose of report

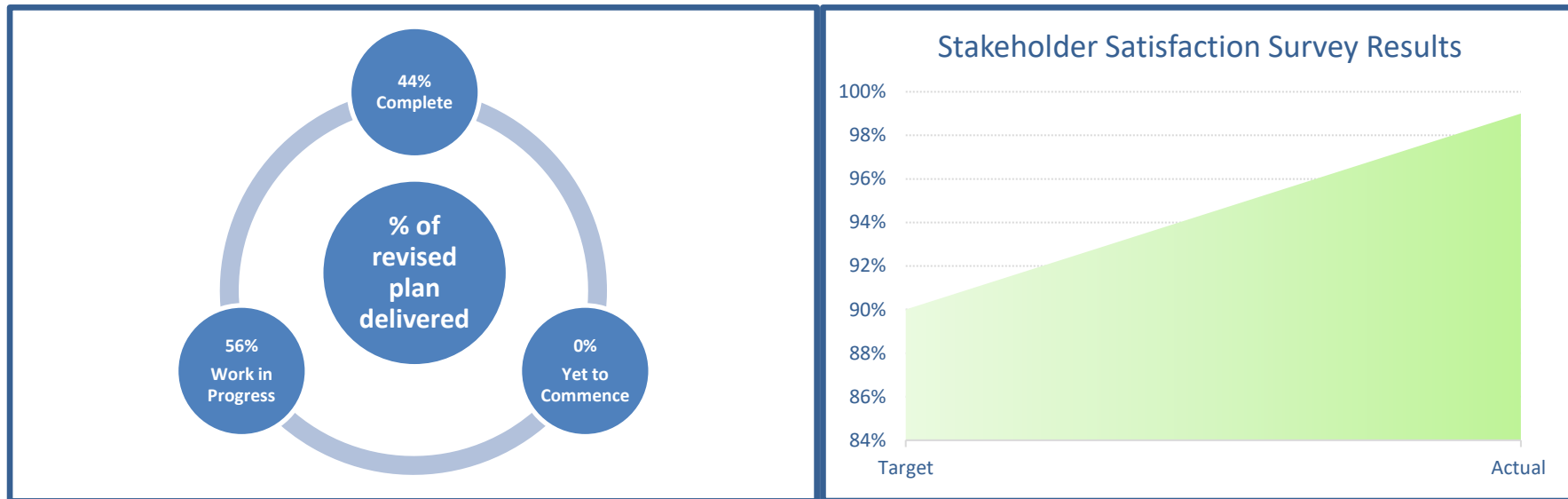
In accordance with proper internal audit practices (Public Sector Internal Audit Standards), and the Internal Audit Charter the Chief Internal Auditor is required to provide a written status report to 'Senior Management' and 'the Board', summarising:

- The status of 'live' internal audit reports;
- an update on progress against the annual audit plan;
- a summary of internal audit performance, planning and resourcing issues; and
- a summary of significant issues that impact on the Chief Internal Auditor's annual opinion.

Internal audit reviews culminate in an opinion on the assurance that can be placed on the effectiveness of the framework of risk management, control and governance designed to support the achievement of management objectives of the service area under review. The assurance opinions are categorised as follows:

Substantial	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
Reasonable	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Limited	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
No	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

3. Performance dashboard



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Compliance with Public Sector Internal Audit Standards

An External Quality Assessment of the Southern Internal Audit Partnership was undertaken by the Institute of Internal Auditors (IIA) in September 2020. The report concluded:

'The mandatory elements of the IPPF include the Definition of Internal Auditing, Code of Ethics, Core Principles and International Standards. There are 64 fundamental principles to achieve with 118 points of recommended practice. We assess against the principles. It is our view that the Southern Internal Audit Partnership conforms to all 64 of these principles. We have also reviewed SIAP conformance with the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note (LGAN). We are pleased to report that SIAP conform with all relevant, associated elements.'

Agenda Item 5
Appendix 1



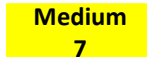

4. Analysis of 'Live' audit reviews

Audit Review	Report Date	Audit Sponsor	Assurance Opinion	Total Management Actions*	Not Yet Due	Complete	Overdue		
							L	M	H
Accounts Payable	18/05/2021	CFO	Reasonable	6(0)	0(0)	5(0)	1		
HR & OD Performance Management	20/05/2022	HofHR&OD	Limited	11(7)	1(0)	6(6)		3	1
Data Management	30/05/2022	HofD&ST	Limited	7(5)	1(0)	6(5)			
Health and Safety	30/05/2022	HofP&CR	Limited	11(2)	0(0)	7(1)		3	1
Information Security	30/05/2022	HofD&ST	Reasonable	5(1)	0(0)	3(1)	1	1	
Information Governance	30/05/2022	HofP&CR / HofD&ST	Limited	10(3)	1(0)	5(3)		4	
Environmental Health	06/06/2022	HofH&C	Reasonable	4(1)	0(0)	0(0)	1	2	1
Community, Health and Wellbeing	22/06/2022	HofH&C	Limited	4(0)	0(0)	0(0)		4	
Local Plan	29/06/2022	HofP	Reasonable	4(2)	1(0)	3(2)			
Operational Services	01/11/2022	HofOS	Reasonable	4(3)	2(2)	2(1)			
Contract Management	16/11/2022	HofP&CR	Reasonable	3(0)	1(0)	2(0)			
Affordable Housing Delivery	03/01/2023	HofH&C	Limited	14(7)	10(4)	2(2)		1	1
Council Tax	02/02/2023	HofD&ST	Reasonable	1(0)	1(0)	0(0)			
Investments	28/02/2023	HofP&R	Reasonable	2(0)	2(0)	0(0)			
NNDR	10/03/2023	HofD&ST	Substantial	1(0)	1(0)	0(0)			
Total				87(31)	21(6)	41(21)	3	18	4

*Total number of actions (total number of high priority actions)

5. Executive Summaries of reports published concluding a ‘Limited’ or ‘No’ assurance opinion

There has been one new final report published concluding a “limited” assurance opinion since the last progress report in November 2022.

Housing (Affordable Housing Delivery)				
Audit Sponsor	Assurance opinion	Management Actions		
Head of Housing & Community (HofH&C)				
<p>Summary of key observations:</p> <p>The Council completed a review of its organisational structure in 2021, aimed at aligning this to its corporate priorities, building capacity and resilience and developing an organisation with the skills to meet future needs. The outcome of the review was the creation of three new posts or updated roles. These are the Strategic Housing Manager, Housing Solutions Manager and Head of Place Development. These roles should provide the Council with the skills, knowledge and capacity to support the delivery of the key priority ‘addressing the housing needs of the Borough including affordable housing needs, through the development of our Local Plan’.</p> <p>Various strategies, policies and plans were reviewed during the audit to check that they provide clarity on the direction the Council is taking with affordable housing delivery, that quantified targets are set linked to affordable housing needs, that clear actions to achieve targets in place which are allocated to nominated responsible officers and that mechanisms are in place to measure and report on the delivery of targets. On reviewing each of these strategies, policies and plans it was evident that whilst there is a commitment to delivering affordable housing, as documented as a key priority within the Future40 Plan and Four Year Plan 2020-24, the overall framework is fragmented and there doesn’t appear to be a clear direction or clarity on the affordable housing targets and how these will be achieved.</p> <p>The Strategic Housing Market Assessment Update (September 2019) concluded that the overall net annual need for affordable housing was estimated as 349 units per annum. The Core Strategy 2007 (Local Plan) and the Revised Developers Contributions – Supplementary Planning Documents (Revised 2014) have not been updated to reflect the latest assessment. A further Housing and Economic Needs Assessment is being undertaken as part of the Local Plan. Whilst it’s recognised that this task has only recently been completed, the results of this assessment should inform all key strategies, policies, plans relating to affordable housing needs and delivery, ensuring there is consistency / clarity on targets and how these will be achieved.</p>				

Risks associated with the delivery of affordable housing have not been identified, evaluated or recorded. Affordable housing delivery is an inherently complex area given the interdependencies and collaboration required both internally across the Council and externally with stakeholders and partners. Incorporating risks covering all aspects of affordable housing delivery in the service risk register would provide the Council with a clearer understanding of both internal and external risks that could impact on delivery and allow for a comprehensive set of mitigating actions to be developed and managed.

Communications with key stakeholders have more recently been formalised to improve the collaborative working arrangements to support the delivery of affordable housing. However, no comprehensive stakeholder analysis had been undertaken to establish all those (both internal and external) who contribute to the delivery of affordable housing. Completing a stakeholder analysis would provide further clarity on their roles, responsibilities and engagement protocols.

Audit Sponsor

CFO	Chief Finance Officer	HofP	Head of Planning
HofD&ST	Head of Digital and Service Transformation	HofOS	Head of Operational Services
HofHR&OD	Head of HR and OD	HofP&R	Head of Property & Regeneration
HofP&CR	Head of Policy & Corporate Resources	HofH&C	Head of Housing & Community
CLO	Chief Legal Officer		

6. Planning & Resourcing

The internal audit plan for 2022-23 was presented to the Senior Management Team and the Audit & Scrutiny Committee in April 2022.

The audit plan remains fluid to provide a responsive service that reacts to the changing needs of the Council. Progress against the plan is detailed within section 7.

7. Rolling Work Programme

Audit Review	Sponsor	Scoping	Terms of Reference	Fieldwork	Draft Report	Final Report	Assurance Opinion	Comment
2021/22 reviews								
Corporate Cross Cutting								
Operational Services (Refuse/Recycling/Street Cleansing)	HofOS	✓	✓	✓	✓	✓	Reasonable	
Housing (Affordable Housing Delivery)	HofH&C	✓	✓	✓	✓	✓	Limited	
Local Plan	HofP	✓	✓	✓	✓	✓	Reasonable	
Community Health & Wellbeing	HofH&C	✓	✓	✓	✓	✓	Limited	
Follow up	CFO/ HofP&CR	✓	✓	✓	✓	✓	n/a	
2022/23 reviews								
Corporate								
Financial Resilience/Savings Realisation	CFO	✓	✓	✓				
Governance								
Contract Management	HofP&CR	✓	✓	✓	✓	✓	Reasonable	

Audit Review	Sponsor	Scoping	Terms of Reference	Fieldwork	Draft Report	Final Report	Assurance Opinion	Comment
Risk Management	HofP&CR	✓	✓	✓	✓	✓	n/a	Position statement.
Procurement	HofP&CR	✓	✓	✓				
Emergency Planning	HofP&CR	✓	✓	✓				
Human Resources - Recruitment	HofHR&OD	✓	✓	✓				
Ethical Governance	HofP&CR	✓	✓	✓				
Information Technology								
Networks, Communications and Firewall Management	HofD&ST	✓	✓	✓				
IT Business Continuity & Disaster Recovery – Follow Up	HofD&ST	✓	✓	✓	✓	✓	n/a	
Core Financial Reviews								
NNDR	HofD&ST	✓	✓	✓	✓	✓	Substantial	
Council Tax	HofD&ST	✓	✓	✓	✓	✓	Reasonable	
Accounts Receivable/Debt Management	CFO	✓	✓	✓				Close of audit meeting held. Report pending.
Main Accounting	CFO	✓	✓					Fieldwork due to commence in May 2023 at the request of the client. Review to be incorporated within the 2023/24 Annual Report.
Corporate Priorities								
Development Management – CIL	HofP	✓	✓	✓	✓			
Investments	HofP&R	✓	✓	✓	✓	✓	Reasonable	
EWDC Conservators Account	CFO	✓	✓	✓	✓	✓	n/a	

8. Adjustment to the Internal Audit Plan

There have been the following amendments to the 2022/23 internal audit plan:

Plan Variations	
Added to the plan	Reason
Risk Management	Following an internal audit review of risk management during 2021/22 in which a limited assurance opinion was concluded, the Chairman and Vice Chairman of the Audit & Scrutiny Committee were keen for early internal audit oversight of the revised Risk Management Strategy prior to its presentation to the Audit & Scrutiny Committee later in the year. This piece of work has been undertaken as a consultancy engagement rather than a risk-based assurance review.
Removed from the plan	Reason
Building Control	Defer to allow the new service arrangements with Elmbridge Borough Council to embed.
Systems Development	Due to capacity issues within the IT team to accommodate the review.
Homelessness	A recent DLUCH review was carried out in this area with an action plan now in place. To be included within the 2023/24 plan to provide assurance over the implementation and monitoring of the action plan.

Overdue 'High Priority' Management Actions

HR & OD Performance Management – Limited Assurance**Observation:**

The Induction Checklist clearly states that by the end of the second month a discussion and agreement of personal targets for a Personal Development Plan must be undertaken.

The policy states that both managers and employees are responsible for monitoring progress on the agreed goals/objectives.

A sample of new starters were tested and we confirmed that their progress is being reviewed and the relevant probationary meetings are being held to provide feedback and take any necessary actions. However, goals and objectives have not yet been set and we were advised that this task will be completed at the beginning of the new financial year.

We acknowledge that the new starters within our sample only recently joined the council (within the last three months), including temporary staff, but the expectation on setting goals/targets remains the same and should be completed as set by the policy.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
Conduct a survey of new starters post April 2022 to understand how they are settling in and whether they have clear goals/objectives set and a PDP set out.	30.06.2022	30.06.2023	Survey questions have been prepared with a view to meeting with new starters once the second HR Business Partner is in post.

Environmental Health – Reasonable Assurance**Observation:**

We confirmed that the terms of references for meetings of the Environment and Safe Communities Committee includes a monitoring role for environmental health services.

From our review of minutes between January 2020 and January 2022 we found that no reports were made to the Committee to highlight the performance, issues or risks facing the service.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
The service will explore Member expectations in respect of this area with a view to producing content for review if desired.	31.10.2022	30.09.2023	This will be conducted after the Council's election in May 2023.

Health and Safety – Limited Assurance

Observation:

There are clear accountabilities within the Health, Safety and Welfare Policy for managers to assume responsibility for instruction, training, completing risk assessments etc. However, within the policy there remains an emphasis on the Corporate Health and Safety Group to:

- monitor the extent of compliance with the Council’s Health and Safety policies and procedures.
- consider and make recommendations for Health and Safety training for all staff and monitor effectiveness.
- agree corporate health and safety standards which satisfy statutory requirements and/or industry best practice and monitor their implementation, for example frequency of fire risk assessments, fire drills, health and safety training etc.

The relative membership of the Health & Safety Group does enable positive provision of a degree of first line reassurance in key areas Health & Safety compliance, however, there is less evidence of second line assurance to substantiate compliant behaviours across the organisation.

It is acknowledged that the Corporate Assurance team have a schedule of planned periodic assurance checks of services and venues across the Council and that since the new Corporate Health and Safety Officer joined the authority in November 2021 some meetings have been rolled out, however, at the time of our review this process was still in its infancy and had yet to be fully embedded.

The Health and Safety Officer attends the Corporate Health and Safety Group and therefore has the opportunity to bring results of assurance checks for discussion moving forwards.

The Health and Safety Policy and the terms of reference for the Corporate Health and Safety Group incorporate responsibility to:

- review and monitor key performance indicators for health and safety, including trends in accidents / incidents.

Whilst there has only been one meeting of the reinstated Health and Safety Group, there was no performance monitoring minuted.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
Complete an initial visit with each relevant location and / or team.	31.10.2022	30.06.2023	All visits have been scheduled, both with each team and every venue. Due to the number and the H&S Officer's capacity these will run until May/June 2023.

Housing (Affordable Housing Delivery) – Limited Assurance

Observation:

Risks associated with the delivery of affordable housing have not been identified, evaluated or recorded. Formally recording risks will capture those risks impacting on delivery of affordable housing and should include:

- Description of the risk;
- Inherent risk score / evaluation;
- Mitigating actions;
- Residual risk score / evaluation;
- Risk owner;
- Status Update.

Affordable housing delivery is an inherently complex area given the interdependencies and collaboration required both internally across the Council and externally with stakeholders and partners. Incorporating risks covering all aspects of affordable housing delivery in the service risk register would provide the Council with a clearer understanding of both internal and external risks which might impact on delivery and would allow for a comprehensive set of mitigating actions to be developed and managed.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
Complete a Risk Assessment for Affordable Housing Delivery to identify risks, evaluate them and propose mitigations.	31.01.2023	30.04.2023	The risk assessment is underway, and we are currently finalising our assessments and reviewing mitigations. We expect to complete this work by the revised due date.

Overdue 'Low & Medium Priority' Management Actions

Audit Review	Report Date	Opinion	Priority	Due Date	Revised Due Date
Accounts Payable	18.05.2021	Reasonable	Low	31.12.2021	30.04.2023
HR & OD Performance Management	20.05.2022	Limited	Medium	30.09.2022	30.04.2023
			Medium	30.09.2022	30.04.2023
			Medium	30.09.2022	31.05.2023
Health and Safety	30.05.2022	Limited	Medium	31.10.2022	30.05.2023
			Medium	31.10.2022	30.06.2023
			Medium	30.11.2022	28.12.2023
Information Security	30.05.2022	Reasonable	Medium	30.09.2022	30.04.2023
			Low	31.12.2022	30.04.2023
Information Governance	30.05.2022	Limited	Medium	30.09.2022	30.04.2023
			Medium	30.09.2022	30.04.2023
			Medium	23.12.2022	30.04.2023
			Medium	30.12.2022	30.04.2023
Environmental Health	06.06.2022	Reasonable	Medium	31.10.2022	30.04.2023
			Medium	31.10.2022	30.09.2023
			Low	31.10.2022	30.09.2023
Community, Health and Wellbeing	22.06.2022	Limited	Medium	30.06.2022	30.09.2023
			Medium	31.08.2022	30.09.2023
			Medium	31.08.2022	31.03.2024
			Medium	30.09.2022	31.03.2024
Housing (Affordable Housing Delivery)	03.01.2023	Limited	Medium	31.01.2023	30.04.2023

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EXTERNAL AUDIT UPDATE

Head of Service:	Brendan Bradley, Head of Finance
Wards affected:	(All Wards);
Urgent Decision?	No
If yes, reason urgent decision required:	N/A
Appendices (attached):	Appendix 1 – Letter from Grant Thornton

Summary

This report presents an update on the 2021/22 Statement of Accounts audit and the Annual Auditor's Report.

Recommendation (s)

The Committee is asked to:

- (1) Note the conclusion of the 2021/22 Statement of Accounts audit;
- (2) Receive Grant Thornton's letter regarding the Annual Auditor's Report.

1 Reason for Recommendation

- 1.1 Approving the recommendations will enable the Council to meet its statutory requirements under the Accounts and Audit Regulations (England), regarding the preparation of its year-end accounts for 2021/22.

2 Background

- 2.1 In November, Grant Thornton (GT) presented its Audit Findings report on the Council's 2021/22 Statement of Accounts to this committee. In the report, GT anticipated issuing an unqualified [favourable] opinion on the Council's accounts by the 30 November statutory deadline, but this was subject to assurance being received from a separate audit of Surrey Pension Fund (administered by Surrey County Council), which is outside EEBC's control.

- 2.2 With this uncertainty in mind, Audit & Scrutiny Committee agreed to *delegate any further amendments to the 2021/22 Statement of Accounts to the Chief Finance Officer in consultation with the Chair or Vice Chair of Audit and Scrutiny Committee.*
- 2.3 Regrettably, GT was unable to obtain sufficient assurance from the Surrey Pension Fund audit by 30 November, and consequently the Council's Statement of Accounts audit was not formally signed off by 30 November.
- 2.4 The Council published a statutory notice to this effect on its website, as required under legislation. This was also communicated via Members News in late November.

3 Latest Update

- 3.1 In week commencing 20 February, Grant Thornton received the necessary assurance from the Surrey Pension Fund (SPF) auditors, who are a separate Grant Thornton team.
- 3.2 In the audit, SPF's auditors identified a £28m undervaluation of certain investments within the county-wide pension fund assets, due to valuation timing differences between 31 December 2021 and 31 March 2022. For context, SPF assets total c.£5bn, so £28m is considered an immaterial difference and as such, SPF's accounts have not been amended for the timing difference.
- 3.3 The calculated difference allocated to EEBC based on a 2% share of total pension fund assets is £560k.
- 3.4 In the context of EEBC's originally reported net pension liability valuation which was £36.79m, Grant Thornton agree that £560k is not a material valuation difference, and consequently agree that the Council's 2021/22 accounts presented in November need not be adjusted. Instead the difference will be picked up in 2022/23's accounts valuations.
- 3.5 As such and in consultation with the Chair and Vice Chair of this committee, the 2021/22 audited Statement of Accounts (unchanged from those presented to committee in November) and final Audit Findings report have now been published on the Council's website:

<https://epsom-ewell.gov.uk/financialreports>
- 3.6 Grant Thornton has now commenced work on its separate 2021/22 Annual Auditor's Report, another statutory requirement that focusses on governance, value for money and financial sustainability.
- 3.7 This report is expected to be prepared by the end of May – as set out in Grant Thornton's letter at Appendix 1 – and should therefore be presented at the next Audit & Scrutiny Committee in July.

4 Risk Assessment

Legal or other duties

4.1 Equality Impact Assessment

4.1.1 No direct implications arising from the contents of this report.

4.2 Crime & Disorder

4.2.1 No direct implications arising from the contents of this report.

4.3 Safeguarding

4.3.1 No direct implications arising from the contents of this report.

4.4 Dependencies

4.4.1 No direct implications arising from the contents of this report.

4.5 Other

4.5.1 No direct implications arising from the contents of this report.

5 Financial Implications

5.1 The Statement of Accounts audit fee for 2021/22 remains at £64,574 unchanged from the fee reported to Audit & Scrutiny in November, which fairly reflects that EEBC has not been responsible for any delay.

5.2 **Section 151 Officer's comments:** Although the external audit extended beyond 30 November, this was for reasons beyond the control of EEBC officers. At the time of writing (6 March), EEBC remains the first and only borough council in Surrey to publish a fully audited 2021/22 Statement of Accounts.

6 Legal Implications

6.1 The Accounts and Audit (Amendment) Regulations 2022 require that the audited Statement of Accounts be approved by a member committee and published on the council's website by 30 November 2022. Where this is not possible, a statutory notice must be published on the Council's website and the audit should be completed as soon as practicable thereafter.

6.2 The Council has followed these statutory requirements.

6.3 **Legal Officer's comments:** The legal implications are contained within the body of the report.

7 Policies, Plans & Partnerships

7.1 **Council's Key Priorities:** The following Key Priorities are engaged: Effective Council.

- 7.2 **Service Plans:** The matter is included within the current Service Delivery Plan.
- 7.3 **Climate & Environmental Impact of recommendations:** No direct implications arising from the contents of this report.
- 7.4 **Sustainability Policy & Community Safety Implications:** No direct implications arising from the contents of this report.
- 7.5 **Partnerships:** No direct implications arising from the contents of this report.

8 Background papers

- 8.1 The documents referred to in compiling this report are as follows:

Previous reports:

- 2021/22 Statement of Accounts & Audit Findings, Audit & Scrutiny Committee, 17 November 2022.

Other papers:

- None.

Councillor Bridger
Chair of Audit and Scrutiny Committee
Epsom and Ewell Borough Council
Town Hall, The Parade,
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KT18 5BY

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3 March 2023,

Dear Councillor Bridger,

The original expectation under the approach to VFM arrangements work set out in the 2020 Code of Audit Practice was that auditors would follow an annual cycle of work, with more timely reporting on VFM arrangements, including issuing their commentary on VFM arrangements for local government by 30 September each year at the latest. Unfortunately, due to the on-going challenges impacting on the local audit market, including the need to meet regulatory and other professional requirements, we have been unable to complete our work as quickly as would normally be expected. The National Audit Office has updated its guidance to auditors to allow us to postpone completion of our work on arrangements to secure value for money and focus our resources firstly on the delivery of our opinions on the financial statements. This is intended to help ensure as many as possible could be issued in line with national timetables and legislation.

As a result, we have therefore not yet issued our Auditor's Annual Report, including our commentary on arrangements to secure value for money. We now expect to publish our report no later than May 2023.

For the purposes of compliance with the 2020 Code, this letter constitutes the required audit letter explaining the reasons for delay.

Yours faithfully

John Paul Cuttle

John Paul Cuttle

Director

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COMMITTEE ANNUAL REPORT 2022-2023

Head of Service:	Andrew Bircher, Acting Director of Corporate Services
Wards affected:	All Wards
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	N/A
Appendices (attached):	Appendix 1 – Annual Report 2022-2023

Summary

This report presents the Annual Report of the Audit and Scrutiny Committee for 2022-2023.

Recommendation (s)

The Committee is asked to:

- (1) Approve the Annual Report 2022-2023 attached at Appendix 1 and to present the Annual Report to the next meeting of Full Council**

1 Reason for Recommendation

- 1.1 Article 6 within Part 2 of the Constitution requires the Audit and Scrutiny Committee to report annually to the Full Council on its workings and make recommendations for future work programmes and amended working methods if appropriate.

2 Background

- 2.1 Attached at Appendix 1 is the draft Annual Report 2022 - 2023, which looks back across the year on the work of the Committee.
- 2.2 If approved, the Annual Report 2022-2023 will be presented to the next meeting of Full Council.

3 Risk Assessment

Legal or other duties

- 3.1 Equality Impact Assessment

3.1.1 No direct impacts from this report.

3.2 Crime & Disorder

3.2.1 No direct impacts from this report.

3.3 Safeguarding

3.3.1 No direct impacts from this report.

3.4 Dependencies

3.4.1 None.

3.5 Other

3.5.1 None.

4 Financial Implications

4.1 There are no financial implications in this report.

4.2 **Section 151 Officer's comments:** None arising from the contents of this report.

5 Legal Implications

5.1 There are no legal implications arising from this report.

5.2 **Legal Officer's comments:** None arising from the contents of this report.

6 Policies, Plans & Partnerships

6.1 **Council's Key Priorities:** The following Key Priorities are engaged:
Effective Council – Engaging, responsive and resilient Council.

6.2 **Service Plans:** The matter is not included within the current Service Delivery Plan.

6.3 **Climate & Environmental Impact of recommendations:** No direct impacts from this report.

6.4 **Sustainability Policy & Community Safety Implications:** No direct implications from this report.

6.5 **Partnerships:** No direct impact on partnerships from this report.

7 Background papers

7.1 The documents referred to in compiling this report are as follows:

Previous reports:

- Annual Report of the Audit & Scrutiny Committee, 7th April 2022, Audit and Scrutiny Committee. Online available: <https://democracy.epsom-ewell.gov.uk/ieListDocuments.aspx?CId=157&Mid=1109> [last accessed 27/02/2023].

Other papers:

- As referenced in Appendix 1.

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Annual Report of the Audit and Scrutiny Committee 2022-2023

1. Introduction

- 1.1. This Annual Report provides Council with an overview of the work of the Audit and Scrutiny Committee undertaken during 2022-2023.
- 1.2. The Committee met four times between April 2022 and March 2023, with the following Member attendance. The meeting in September 2022 was cancelled due to the death of Her Majesty the Queen and the national mourning period.

Member	Actual Attendance at Meetings	Nominated Substitute
Councillor Steve Bridger (Chair)	4	
Councillor Nigel Collin (Vice Chair)	4	
Councillor Rob Geleit	4	
Councillor David Gulland	3	
Councillor Christine Howells	1	
Councillor Previn Jagutpal*	0	
Councillor Phil Neale	4	
Councillor David Reeve	2	1
Councillor Alan Sursham	3	
Councillor Chris Webb	2	

* Acted as a member between April 2022 and 8 December 2022. Resigned from being a councillor on 9 December 2022

- 1.3. The Committee considered and agreed its work programme for 2022-2023 in April 2022. The work programme was designed to ensure that the Committee would meet its statutory and local responsibilities and provided the council with added value and assurance.

2. Monitoring and Improving the Council's Governance

- 2.1. Following the Full Council's approval of the updated terms of reference of the Committee in February 2022, the 2022-2023 work programme has focused on maintaining an oversight of the council's framework of governance, performance and risk management as well as internal control environment.
- 2.2. Governance can be defined as "comprising the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and

achieved.”¹ Governance includes processes, procedures, policies, administrative systems, legal arrangements and so forth, “through which [an organisation’s] objectives are set and pursued in” their environmental context, while “ensuring that stakeholders can have confidence that their trust in that [organisation] is well founded.”²

2.3. To ensure good governance, the Committee has considered five reports from the Council’s independent internal audit function within the year. These reports cover audit planning for the year, internal audit’s findings with respect to individual business units’ governance arrangements, and an overall opinion on status of the council’s governance.

2.4. The Head of Southern Internal Audit Partnership (SIAP) provided their annual opinion to Committee in June 2022, concluding that for the year 2021-2022, the overall adequacy and effectiveness of the council’s framework of governance, risk management and control was “reasonable”. The outcomes of 17 completed audits are as follows:³

Number and (percentage) of completed audits	Assurance Opinion - category
2 (12%)	Substantial – A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
8 (47%)	Reasonable – There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
7 (41%)	Limited – Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.

There were no ‘No’ assurance opinions given during this audit period, which would require immediate actions to address fundamental gaps, weaknesses or non-compliance identified.

2.5. 59% of the audits received a “reasonable” or “substantial” opinion. Where weaknesses and risks have been identified through internal audit review, SIAP

¹ CIPFA (2014) *International Framework: Good Governance in the Public Sector*. London: Chartered Institute of Public Finance and Accountancy, p. 8.

² The Chartered Governance Institute UK & Ireland (no date) *What is corporate governance?* Online available: <https://www.cgi.org.uk/about-us/policy/what-is-corporate-governance> [Last accessed 10/03/22].

³ See SIAP (2022) *Annual Internal Audit Report & Opinion 2021-22*, Southern Internal Audit Partnership. Online available: <https://democracy.epsom-ewell.gov.uk/documents/s23876/Appendix%201%20-%20Annual%20Internal%20Audit%20Report%20Opinion%202021-2022.pdf> [Last accessed 02/03/2023].

have worked with management to “agree appropriate corrective actions and a timescale for improvement.”⁴ Progress on improvement actions are reported within each Internal Audit progress report brought to the Committee.

- 2.6. The internal audit annual opinion also underpins the council’s Annual Governance Statement (AGS). The 2021-2022 AGS was approved by the Committee in June 2022. The statement presented the council’s opinion on its governance arrangements and their effectiveness, as well as reporting on how governance improvements identified in the previous statement had been addressed, and actions to be pursued in the following year.⁵ The AGS was also reviewed by external audit and included alongside their annual audit of the council’s finances.
- 2.7. In addition to the above, the Committee considered:
 - 2.7.1. Two refreshed performance and risk reports, which updated the Committee on the progress of the objectives within the 2022-2023 annual plan, Key Performance Indicators, and the Corporate Risk Register.
 - 2.7.2. Reports on the council’s counter-fraud and whistleblowing arrangements, and the council’s equality and diversity activities.
 - 2.7.3. An updated local code of corporate governance for the council, which will sit alongside the 2022-2023 AGS in June 2023.
- 2.8. A report regarding compliance with the camera code of practice was removed from the Committee’s work programme. The Committee’s view was that this report would be more appropriately considered by the Crime and Disorder Sub-Committee.
- 2.9. The Head of Finance presented forecasts for the revenue and capital outturn for the financial year. The Committee received Quarter 1 on its agenda on September (although the actual meeting was cancelled during to the national mourning period), Quarter 2 in November and Quarter 3 in February. The revenue monitoring identifies favourable and unfavourable variances and the actions to address these.
- 2.10. Capital monitoring reports focus on the core capital programme, property acquisition fund, S106 developers’ contributions and Community Infrastructure

⁴ Ibid, footnote 3, page 15.

⁵ The full statement can be found at: <https://www.epsom-ewell.gov.uk/sites/default/files/documents/council/about-council/financial-reports/2021-22%20AGS.pdf> [Last accessed 02/03/2023].

Levy. These were presented on the Committee's agenda for September (although the meeting was cancelled as above), November, and February.

2.11. The Committee also approved the 2021/22 Statement of Accounts and received Grant Thornton's Audit Findings Report in November 2022.

3. Scrutiny activities

3.1. This section pertains to the scrutiny element of the Committee's responsibilities. Specifically, it considers the scrutiny of the council's decisions and actions, matters which affect residents, future policy development and other corporate projects and initiatives the Committee feels are relevant to review.

3.2. To support effective, transparent and accountable decision making at the council, the Committee has the power to review policy committee decisions made, but not yet implemented, through the call-in procedure.

3.3. In the year 2022-2023 the Committee:

3.3.1. Commissioned the council's internal auditors to conduct a consultancy engagement piece on the updated Risk Management Strategy, approved by Strategy and Resources Committee in July 2022. The conclusion drawn by SIAP was that "revision of the Risk Management Strategy (July 2022) provides a strong foundation and framework for risk management within Epsom & Ewell Borough Council moving forward. It is acknowledged by the Council that the new processes and protocols introduced are still being developed and embedded, and further refinements are expected as the Strategy matures. It is anticipated that observations highlighted in this commissioned consultancy review will aid in that journey."⁶

3.3.2. Reviewed the 'Oversight and Scrutiny' elements of the updated Constitution, via engagement with the Constitution working group. The updated Constitution will be implemented by Full Council in May 2023.

3.3.3. Received a report in June 2022 on the Use of Delegated Powers.⁷ This report sets out the significant decisions taken by officers under delegated powers in the previous year.

⁶ See, Southern Internal Audit Partnership (2022) *Internal Audit Progress Report 2022-2023 (November 2022)*, Audit and Scrutiny Committee, Thursday 17th June, page. 9. Online available: <https://democracy.epsom-ewell.gov.uk/ieListDocuments.aspx?CIId=157&MIId=1252> [last accessed 08/03/23].

⁷ See, Audit and Scrutiny Committee (2022) *Annual Report on the Use of Delegated Powers*, Thursday 17th June, item 4. Online available: <https://democracy.epsom-ewell.gov.uk/ieListDocuments.aspx?CIId=157&MIId=1250> [last accessed 09/03/2023].

4. Improving Services and the Quality of Life for Local People

- 4.1. Scrutiny, again, is the topic of this section, within the context of how the council is performing in light of its four-year corporate plan, which is split into four annual plans, and contributing to the quality of life for its residents and businesses.
- 4.2. The Committee monitors progress made against the Council's Four Year Plan, which encapsulates how the Council will contribute to the long-term vision for Epsom and Ewell. The Committee reviewed the end of year report in June 2022.⁸ The table below provides the end of year position, noting the number of key objectives that were achieved in 2021-2022. It also includes information from the last two years.

Key to reporting Status	2021-2022		Previous years	
	No.	%	2020-2021	2019-2020
Green (achieved)	26	70.3%	58.5%	63.5%
Amber (slippage)	4	10.8%	9.4%	3.8%
Red (missed target)	7	18.9%	32.1%	32.7%
TOTAL	37	100%	100%	100%
Information only indicator	3	N/A	N/A	N/A

- 4.3. The year-end report for 2021-2022 highlighted that 70.3% of the year's objectives had been achieved and 10.8% had been delayed. There were 18.9% of objectives that were not achieved. Finally, there were 3 indicators for information only.
- 4.4. The Committee considered the specific update on the targets that were not achieved, and also enquired on how the data is validated, a tree planting objective and the Planning Enforcement Plan.

⁸ See, Audit and Scrutiny Committee (2022) *Annual Report on the Use of Delegated Powers*, Thursday 17th June, item 6. Online available: <https://democracy.epsom-ewell.gov.uk/ieListDocuments.aspx?CIId=157&MIId=1250> [last accessed 02/03/2023].

5. Conclusion

- 5.1. The Audit and Scrutiny Committee wishes to record its thanks to all those who contributed to the work of the Committee over the year.

ANNUAL REPORT ON THE USE OF RIPA POWERS

Head of Service:	Andrew Bircher, Acting Director of Corporate Services
Wards affected:	(All Wards);
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	
Appendices (attached):	none

Summary

To report on the Council's activities relating to surveillance under the Regulation of Investigatory Powers Act 2000 (RIPA) for 2021.

Recommendation (s)

The Committee is asked to:

- (1) note the report of the Council's use of its RIPA powers for 2021 and 2022.**

1 Reason for Recommendation

- 1.1 This report is coming to committee to provide details of any surveillance carried out under RIPA powers. For 2021 and 2022 there were no such surveillance activities carried out. The policy is brought for members to approve as required under section 80 of the policy.

2 Background

- 2.1 The Council undertakes a number of functions which involve the enforcement of laws and regulation. On occasion, Officers may need to conduct investigations and, in exceptional circumstances, the Council has the power to make use of covert surveillance and similar activities.
- 2.2 The Regulation of Investigatory Powers Act 2000 (RIPA) and the Codes of Practice issued under section 71 of that Act, regulates the way in which the Council conducts surveillance for the purposes of law enforcement.
- 2.3 The fundamental requirement of RIPA is that when the Council considers undertaking directed surveillance or using a covert human intelligence source it must only do so if:

- a) the activity has been authorised by an officer with appropriate powers, and
 - b) the relevant criteria are satisfied, including authorisation by the Magistrates Court.
- 2.4 All RIPA surveillance which the Council wishes to authorise must be approved by an Authorising Officer and also be approved by a Magistrate. Where a Local Authority wishes to seek to carry out a directed surveillance or make use of a human intelligence source the Council must apply to a single Justice of the Peace. The Home Office issued guidance to Local Authorities and to Magistrates on the approval process for RIPA authorisations.

Inspections

- 2.5 The Investigatory Powers Commissioner's Office has responsibility to oversee the exercise of the use by Councils of their surveillance powers.
- 2.6 An inspection was carried out in 2020, by the Investigatory Powers Commissioner's Office. There were no recommendations which the Council was asked to implement.
- 2.7 The council has a Policy & Guidance on Lawful Surveillance, Regulation of Investigatory Powers Act 2000 and this has been updated to reflect changes in personnel.
- 2.8 Even though the Council does not often use its powers under the Regulatory Investigatory Powers Act, it remains critical for Officers to understand how to operate the Council's Surveillance Policy. The last training exercise was delivered in late 2018 and was offered to all Surrey Councils to develop better joint learning. We will look to provide further refresher training given the length of time since the last training.

Use of Powers 2021 and 2022

- 2.9 There were no applications for directed surveillance authorisations in 2021 and 2022.**

3 Risk Assessment

Legal or other duties

- 3.1 Equality Impact Assessment

3.1.1 Use of investigatory powers potentially engages the Human Rights Act 1998 and in particular the qualified right to private and family life under article 8 of the European Convention. This right may only be interfered with in circumstances where it is necessary and proportionate to do so in pursuit of the public interest. The Council's RIPA Policy & Guidance document is designed to facilitate compliance with the Human Rights Act.

3.2 Crime & Disorder

3.2.1 It is important to ensure regulatory investigative procedures are kept up to date and once the current Inspection is completed any recommendations will be included as part of the review.

3.3 Safeguarding

3.3.1 None arising from the contents of this report.

3.4 Dependencies

3.4.1 None arising from the contents of this report.

3.5 Other

3.5.1 None arising from the contents of this report.

4 Financial Implications

4.1 **Section 151 Officer's comments:** None arising from the contents of this report.

5 Legal Implications

5.1 **Legal Officer's comments:** None arising from the contents of this report.

6 Policies, Plans & Partnerships

6.1 **Council's Key Priorities:** The following Key Priorities are engaged: not applicable for the purposes of this report.

6.2 **Service Plans:** The matter is not included within the current Service Delivery Plan.

6.3 **Climate & Environmental Impact of recommendations:** not applicable for the purposes of this report.

6.4 **Sustainability Policy & Community Safety Implications:** not applicable for the purposes of this report.

6.5 **Partnerships:** Not applicable for the purposes of this report.

7 Background papers

7.1 The documents referred to in compiling this report are as follows:

Previous reports:

- Annual report Audit, Crime & Disorder and Scrutiny Committee, 15 June 2021.

Other papers:

- Policy & Guidance on Lawful Surveillance, May 2021.

OMBUDSMAN ANNUAL REPORT 2021-22

Head of Service:	Olwen Brown, Monitoring Officer
Wards affected:	(All Wards);
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	
Appendices (attached):	Appendix 1 – Local Government and Social Care Ombudsman Annual Review Letter 2021-2022

Summary

This report provides the annual review of complaints received and decisions made by the Local Government and Social Care Ombudsman during 2021-2022.

Recommendation (s)

The Committee is asked to:

- (1) Receive and note the Local Government and Social Care Ombudsman Annual Review Letter 2021-2022.**

1 Reason for Recommendation

- 1.1 To bring to the attention of the Committee the Annual Review of Complaints by the Local Government and Social Care Ombudsman (LGSCO), regarding complaints it has considered against the Council.

2 Background

- 2.1 The Local Government and Social Care Ombudsman produces an Annual Review Letter for local authorities detailing the number and type of complaints received and decisions made relating to each authority. The annual review letter for the period from 1 April 2021 to 31 March 2022 relating to Epsom and Ewell Borough Council is attached to this report as Appendix 1.

3 Annual Review Letter 2021-22

- 3.1 The Annual Review Letter sets out that for the year ending 31 March 2022 the LGSO undertook a total of 3 detailed investigations into complaints against the Council. The Ombudsman upheld 2 complaints. In total 11 complaints were made to the Ombudsman, 8 of which were dismissed.
- 3.2 The details of the two complaints upheld by the Ombudsman are summarised below.
- 3.2.1 The complainant said that the council had failed to properly deal with property repair issues they raised about their temporary accommodation and wrongly assessed their needs. The Ombudsman found that the council was at fault for its complaint handling and it delayed dealing with the property repair issues. The council agreed to the Ombudsmans recommendations to address the injustice caused by its fault.
- 3.2.2 The complainant said that the Council had failed to act on reports of unauthorised development by their neighbour and also that the council had applied its vexatious complainant policy to them unreasonably. The Ombudsman found that there was fault by the council in not informing the complainant of the outcome of its enforcement investigation and that, due to this, the vexatious complainant policy was applied incorrectly. The Council agreed to apologise to the complainant and make a payment to them to address the injustice they had suffered.
- 3.3 The annual review letter refers to concerns about the timeliness of the response from the council in handling complaints. We have taken this on board. We have made contact with the Ombudsman's office directly and have sent the key officers who deal with complaints on training provided by the Ombudsman. We have also transferred responsibility to another team to ensure there is improved focus on dealing with Ombudsman enquiries
- 3.4 The Annual Review letter does not detail the total number of complaints made to the LGO against the Council. For the year ended 31 March 2021, this was 11. A comparison with previous years is provided below:

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of complaints and enquiries received by the Ombudsman	19	15	15	23	27	17	11
Number of complaints upheld	4	2	1	2	0	3	2

3.5 The Council's figures for 2021-22 are comparable to other Surrey authorities, as outlined in the below comparison table:

Authority	Investigations	Upheld
Elmbridge	4	0
Epsom and Ewell	3	2
Guildford	2	2
Reigate & Banstead	4	3
Runnymede	1	0
Spelthorne	1	1
Surrey Heath	0	0
Tandridge	5	4
Waverley	4	2
Woking	1	1

4 Risk Assessment

Legal or other duties

4.1 Impact Assessment

4.1.1 There are no equalities issues arising from the contents of this report.

4.2 Crime & Disorder

4.2.1 None.

4.3 Safeguarding

4.3.1 None.

4.4 Dependencies

4.4.1 None.

4.5 Other

4.5.1 None.

5 Financial Implications

5.1 None arising from this report.

5.2 **Section 151 Officer's comments:** None arising from the contents of this report.

6 Legal Implications

6.1 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.

6.2 **Legal Officer's comments: Nothing further to be added**

7 Policies, Plans & Partnerships

7.1 **Council's Key Priorities:** The following Key Priorities are engaged: Effective Council.

7.2 **Service Plans:** The matter is not included within the current Service Delivery Plan.

7.3 **Climate & Environmental Impact of recommendations:** None.

7.4 **Sustainability Policy & Community Safety Implications:** None.

7.5 **Partnerships:** None.

8 Background papers

8.1 The documents referred to in compiling this report are as follows:

Previous reports:

- None

Other papers:

- Local Government and Social Care Ombudsman website, your Council's performance: <https://www.lgo.org.uk/your-councils-performance>

20 July 2022

By email

Ms King
Interim Chief Executive
Epsom & Ewell Borough Council

Dear Ms King

Annual Review letter 2022

I write to you with your annual summary of complaint statistics from the Local Government and Social Care Ombudsman for the year ending 31 March 2022. The information offers valuable insight about your organisation's approach to complaints. As such, I have sought to share this letter with the Leader of your Council and Chair of the appropriate Scrutiny Committee, to encourage effective ownership and oversight of complaint outcomes, which offer such valuable opportunities to learn and improve.

Complaint statistics

Our statistics focus on three key areas that help to assess your organisation's commitment to putting things right when they go wrong:

Complaints upheld - We uphold complaints when we find fault in an organisation's actions, including where the organisation accepted fault before we investigated. We include the total number of investigations completed to provide important context for the statistic.

Compliance with recommendations - We recommend ways for organisations to put things right when faults have caused injustice and monitor their compliance with our recommendations. Failure to comply is rare and a compliance rate below 100% is a cause for concern.

Satisfactory remedy provided by the authority - In these cases, the organisation upheld the complaint and we agreed with how it offered to put things right. We encourage the early resolution of complaints and credit organisations that accept fault and find appropriate ways to put things right.

Finally, we compare the three key annual statistics for your organisation with similar authorities to provide an average marker of performance. We do this for County Councils, District Councils, Metropolitan Boroughs, Unitary Councils, and London Boroughs.

Your annual data, and a copy of this letter, will be uploaded to our interactive map, [Your council's performance](#), on 27 July 2022. This useful tool places all our data and information about councils in one place. You can find the detail of the decisions we have made about your

Council, read the public reports we have issued, and view the service improvements your Council has agreed to make as a result of our investigations, as well as previous annual review letters.

Your organisation's performance

During the year, your Council failed to respond on time to our correspondence during three investigations. On each occasion we had to escalate the matter internally and were forced to consider issuing a witness summons and a public report for non-compliance. Such delays to the investigation process undermine our role and can result in further avoidable distress to complainants. I am pleased you have met with one of my Assistant Ombudsmen and your Council has committed to reflect on its practices and take the necessary steps to improve its liaison with my office.

Supporting complaint and service improvement

I know your organisation, like ours, will have been through a period of adaptation as the restrictions imposed by the pandemic lifted. While some pre-pandemic practices returned, many new ways of working are here to stay. It is my continued view that complaint functions have been under-resourced in recent years, a trend only exacerbated by the challenges of the pandemic. Through the lens of this recent upheaval and adjustment, I urge you to consider how your organisation prioritises complaints, particularly in terms of capacity and visibility. Properly resourced complaint functions that are well-connected and valued by service areas, management teams and elected members are capable of providing valuable insight about an organisation's performance, detecting early warning signs of problems and offering opportunities to improve service delivery.

I want to support your organisation to harness the value of complaints and we continue to develop our programme of support. Significantly, we are working in partnership with the Housing Ombudsman Service to develop a joint complaint handling code. We are aiming to consolidate our approaches and therefore simplify guidance to enable organisations to provide an effective, quality response to each and every complaint. We will keep you informed as this work develops, and expect that, once launched, we will assess your compliance with the code during our investigations and report your performance via this letter.

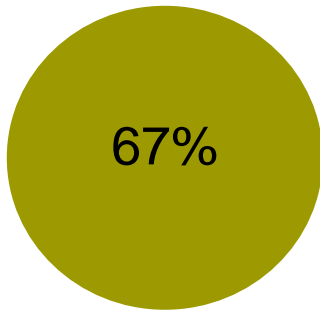
An already established tool we have for supporting improvements in local complaint handling is our successful training programme. We adapted our courses during the Covid-19 pandemic to an online format and successfully delivered 122 online workshops during the year, reaching more than 1,600 people. To find out more visit www.lgo.org.uk/training.

Yours sincerely,



Michael King
Local Government and Social Care Ombudsman
Chair, Commission for Local Administration in England

Complaints upheld



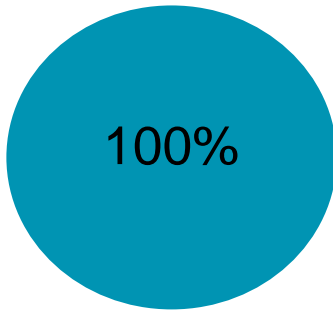
67% of complaints we investigated were upheld.

This compares to an average of **51%** in similar organisations.

2
upheld decisions

Statistics are based on a total of **3** investigations for the period between 1 April 2021 to 31 March 2022

Compliance with Ombudsman recommendations



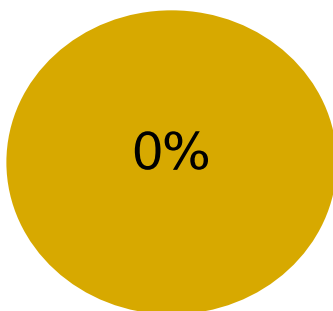
In **100%** of cases we were satisfied the organisation had successfully implemented our recommendations.

This compares to an average of **100%** in similar organisations.

Statistics are based on a total of **2** compliance outcomes for the period between 1 April 2021 to 31 March 2022

- Failure to comply with our recommendations is rare. An organisation with a compliance rate below 100% should scrutinise those complaints where it failed to comply and identify any learning.

Satisfactory remedy provided by the organisation



In **0%** of upheld cases we found the organisation had provided a satisfactory remedy before the complaint reached the Ombudsman.

This compares to an average of **20%** in similar organisations.

0
satisfactory remedy decisions

Statistics are based on a total of **2** upheld decisions for the period between 1 April 2021 to 31 March 2022

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COMMITTEE WORK PROGRAMME 2023-2024

Head of Service:	Andrew Bircher, Acting Director of Corporate Services
Wards affected:	All Wards
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	N/A
Appendices (attached):	None.

Summary

This report presents the Committee with the work programme for 2023-2024.

Recommendation (s)

The Committee is asked to:

- (1) Agree the on-going work programme for 2023-2024 as presented in Section 2.

1 Reason for Recommendation

- 1.1 Article 6 (paragraph 6.7) of the Constitution states that the Committee “will exercise overall responsibility for the work programme of those officers whose function is wholly to support its work”.¹ Therefore the recommendation enables the Committee to maintain oversight of its work programme 2023-2024 and make any additions or adjustments it may wish.

2 Background

- 2.1 The committee work programme for 2023-2024 is presented in Section 2.3 below.

¹ See *Constitution of Epsom and Ewell Borough Council*, p. 13. Online available: <https://democracy.epsom-ewell.gov.uk/documents/g1309/Public%20reports%20pack%2028th-Jan-2022%20Constitution%20of%20Epsom%20and%20Ewell%20Borough%20Council.pdf?T=10&Info=1> [Last accessed 15/03/22].

2.2 The plan includes reports that relate to the committee’s areas of responsibility as stipulated in its terms of reference.² Please note that the committee dates, after the 6th April 2023, are subject to agreement by Full Council, at its annual meeting in May 2023.

2.3 Work Programme 2023-2024:

Meeting		Agenda
Past	2 February 2023	<ul style="list-style-type: none"> • Community Safety Partnership Update • Revenue Budget Monitoring – Quarter 3 (2022-2023) • Capital Budget Monitoring – Quarter 3 (2022-2023) • Performance and Risk Report – February 2023 • Work Programme 2022-2023
Present	6 April 2023	<ul style="list-style-type: none"> • Internal Audit: Progress Report - April 2023 • Internal Audit: Audit Plan 2023-2024 & Internal Audit Charter • External Audit Update • Committee Annual Report 2022-2023 (to be presented to Full Council) • Regulation of Investigatory Powers Act (2000) Annual Report • Work Programme 2023-2024 • Local Government and Social Care Ombudsman Annual Letter
Future	18 July 2023	<ul style="list-style-type: none"> • External Audit Update – Annual Auditor’s Report • Internal Audit: Annual Report & Opinion 2022-2023 • Internal Audit: Progress Report – July 2023 • Annual Governance Statement 2022-2023 • Performance and Risk Report – July 2023 • Use of Delegated Powers Annual Report • Work Programme 2023-2024 • IT Strategy³
	28 September 2023	<ul style="list-style-type: none"> • 2022-2023 Statement of Accounts and Audit Findings Report (subject to external audit progress). • Revenue Budget Monitoring – Quarter 1 (2023-2024) • Capital Budget Monitoring – Quarter 1 (2023-2024) • 2022-2023 Treasury Management Outturn Report • Internal Audit: Progress Report – September 2023 • Performance & Risk Report - September 2023 • Work Programme 2023-2024 • Local Government and Social Care Ombudsman Annual Letter

² See *Committee Terms of Reference*, Full Council, 15 February 2022, pp. 22-24. Online available: <https://democracy.epsom-ewell.gov.uk/documents/s22823/Committee%20Terms%20of%20Reference%20Appendix%201.pdf> [Last accessed 15/03/22].

³ The placeholder has moved from April 2023 to July 2023, as a date for the Strategy to be taken to Strategy and Resources Committed has now been confirmed.

	<p>16 November 2023</p>	<ul style="list-style-type: none"> • Revenue Budget Monitoring – Quarter 2 (2023-2024) • Capital Budget Monitoring – Quarter 2 (2023-2024) • 2023-2024 Treasury Management Interim Report, including associated training. • Code of Corporate Governance⁴ • Counter-Fraud and Whistleblowing Annual Report (inc. gifts and hospitality) • Work Programme 2023-2024 • Update on Compliance with the Surveillance Camera Code of Practice
	<p>1 February 2024</p>	<ul style="list-style-type: none"> • Community Safety Partnership Update • Revenue Budget Monitoring – Quarter 3 (2023-2024) • Capital Budget Monitoring – Quarter 3 (2023-2024) • External Audit Update • Equality and Diversity (incl.modern slavery) Annual Report • Internal Audit: Progress Report - February 2024 • Performance and Risk Report – February 2024 • Work Programme 2023-2024
	<p>28 March 2024</p>	<ul style="list-style-type: none"> • Internal Audit: Annual Plan 2024-2025 & Internal Audit Charter • Internal Audit: Progress Report - March 2024 • External Audit Update • Performance and Risk Report – March 2024 • Committee Annual Report 2023-2024 (to be presented to Full Council)⁵ • Work Programme 2024-2025 • Regulation of Investigatory Powers Act (2000) Annual Report

3 Risk Assessment

Legal or other duties

3.1 Equality Impact Assessment

3.1.1 No direct implications from this report.

3.2 Crime & Disorder

3.2.1 The annual scrutiny of the Community Safety Partnership is proposed to be held at the February 2024 committee meeting.

⁴ Placeholder, in the event of any significant changes following annual officer review.

⁵ Note, the Committee's Annual Report will be early this year (2023-2024), due to the committee timings and the need to

3.3 Safeguarding

3.3.1 No direct implications from this report.

3.4 Dependencies

3.4.1 The committee does rely on some of the council's partners, and other committees, to deliver its work programme as proposed in Section 2.3 (e.g. internal and external audit, and the Community Safety Partnership).

3.5 Other

3.5.1 No other direct implications from this report.

4 Financial Implications

4.1 None for the purposes of this report.

4.2 **Section 151 Officer's comments:** The forward plan will enable the Council to meet statutory obligations with regards to external audit.

5 Legal Implications

5.1 None for the purposes of this report.

5.2 **Legal Officer's comments:** None for the purposes of this report.

6 Policies, Plans & Partnerships

6.1 **Council's Key Priorities:** The following key priorities are engaged

6.1.1 Effective Council: Strengthen the council's financial independence.

6.1.2 Effective Council: Improve openness, transparency and customer service.

6.1.3 Safe & Well: Work with partners to keep our borough safe and secure.

6.2 **Service Plans:** The matter is not included within the current Service Delivery Plan.

6.3 Climate & Environmental Impact of recommendations: No direct implications from this report.

6.4 **Sustainability Policy & Community Safety Implications:** See Section 2.3, February 2024 meeting.

6.5 **Partnerships:** No direct implications from this report.

7 Background papers

7.1 The documents referred to in compiling this report are as follows:

Previous reports:

- Committee Work Programme 2022-2023, *Audit and Scrutiny Committee*, 2nd February 2023. Online available: <https://democracy.epsom-ewell.gov.uk/ieListDocuments.aspx?CId=157&MId=1253> [last accessed 28/02/2023].

Other papers:

- None.

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