Public Document Pack

Legal and Democratic Services

AUDIT, CRIME & DISORDER AND SCRUTINY COMMITTEE

Thursday 7 February 2019 at 7.30 pm

Committee Room 1 - Epsom Town Hall

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

Councillor David Reeve (Chairman)
Councillor Steve Bridger (Vice-Chairman)
Councillor Michael Arthur MBE
Councillor Alex Clarke
Councillor Alex Coley
Councillor George Crawford
Councillor Rob Geleit
Councillor Humphrey Reynolds
Councillor Jean Steer MBE
Councillor Mike Teasdale

Yours sincerely

K. Beldon

Chief Executive

For further information, please contact Democratic Services, 01372 732122.

AGENDA

1. QUESTION TIME

To take any questions from members of the Public.
Please note: Members of the Public are requested to inform the Democratic Services Officer before the meeting begins if they wish to ask a verbal question to the Committee.

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 3 - 6)

The Committee is asked to confirm as a true record the Minutes of the Meeting of the Committee held on 22 November 2018 (attached) and to authorise the Chairman to sign them.

4. INTERNAL AUDIT MONITORING REPORT (Pages 7 - 52)

This report summarises progress against the audit plan for 2018/19.

5. PROGRESS ON THE IMPLEMENTATION OF INTERNAL AUDIT RECOMMENDATIONS (Pages 53 - 60)

This report outlines progress made on the implementation of internal audit recommendations to strengthen the control environment.

6. CORPORATE PLAN: PERFORMANCE REPORT TWO 2018 TO 2019 (Pages 61 - 108)

This report provides an update on progress made against the Key Priority Targets 2018/19 as at the end of December 2018.

7. WORK PROGRAMME 2018/19 (Pages 109 - 112)

This report updates the Committee on its work programme 2018/19.

Minutes of the Meeting of the AUDIT, CRIME & DISORDER AND SCRUTINY COMMITTEE held on 22 November 2018

PRESENT -

Councillor David Reeve (Chairman); Councillor Steve Bridger (Vice-Chairman); Councillors Michael Arthur MBE, Alex Clarke, Alex Coley, George Crawford, Rob Geleit, Humphrey Reynolds, Mike Teasdale and Tella Wormington (as nominated substitute for Councillor Jean Steer MBE)

In Attendance: Lorna Raynes (Client Manager) (RSM Risk Assurance (Internal Auditor)) (Items 20-21 only)

Absent: Councillor Jean Steer MBE

Officers present: Judith Doney (Head of Digital and Service Transformation) (Items 15-21 only), Gillian McTaggart (Head of Policy, Performance & Governance), Phil Gall (ICT Manager) (Items 15-21 only), Margaret Jones (Business Assurance Manager) and Tim Richardson (Democratic Services Officer)

15 QUESTION TIME

No questions were asked or had been submitted by members of the public.

16 DECLARATIONS OF INTEREST

No declarations of interest were made by Councillors in items on the agenda for this meeting.

17 MINUTES OF THE PREVIOUS MEETING

The Minutes of the meeting of the Committee held on 19 June 2018 were agreed as a true record and signed by the Chairman.

18 ORDER OF BUSINESS

The Committee noted that the order of business for the meeting would be rearranged, as the Internal Auditor had been delayed in attending.

19 ANNUAL GOVERNANCE STATEMENT AND EXTERNAL AUDIT FINDINGS

The Committee received a report setting out progress on the actions contained in the Council's Annual Governance Statement and in the Annual Audit findings issued by the External Auditor following the audit of financial statements.

Following consideration, the Committee:

(1) Agreed to receive the report on progress in implementing the Action Plan contained within the Annual Governance Statement and the actions agreed in the Audit Findings within the External Auditor's Report.

20 RISK MANAGEMENT FRAMEWORK ANNUAL REPORT

The Committee received a report detailing the Council's risk management arrangements.

The following matters were considered:

a) **Ranking of risks.** The Committee was informed that the ranking of risks within the Leadership Team Risk Register was considered regularly by the Leadership Team. The ranking was determined on all elements of the risk, not only it's "risk level".

b) **Risk L9 (successful implementation of Plan E Project Plan through SCC).** The Committee noted that the risk level for this item would be reviewed following the decision of Strategy & Resources Committee to approve additional funding for the works' completion.

c) **Risk L10 (Impact of welfare reforms including the Homelessness Act).** The Committee was informed that Officers were aware of the recent increased number of homeless rough sleepers within the Borough, and that work was underway to provide assistance to them.

Accordingly, the Committee:

(1) Considered the contents of the report and confirmed that it was satisfied with the arrangements in place for risk management.

(2) Reviewed the Leadership Risk Register and did not identify any risks which it wished to raise with the Leadership Team.

21 INTERNAL AUDIT MONITORING REPORT

The Committee received a report summarising progress against the audit plan for 2018/19 and providing details on the one outstanding audit from 2017/18.

The following matters were considered:

a) **Audit of Continuous Assurance of key controls – Tree inspection findings.** The Committee expressed concern that a year backlog of tree inspections had developed.

It was noted that Officers would provide an update on this matter at the next meeting of the Committee.

b) **2017/18 Audit of Cyber Security**. The Internal Auditor introduced the Audit and highlighted its findings to the Committee. Following this, the Committee received a presentation from the Head of Digital and Service Transformation and ICT Manager which detailed the: ICT service's current position, actions taken and scheduled in response to the Audit recommendations, service delivery plan, cyber security posture and disaster recovery arrangements. Committee members asked questions to the Head of Digital and Service Transformation and ICT Manager.

It was noted that Officers would provide an update on the implementation of recommendations from the Audit of Cyber Security at the Committee's April 2019 meeting.

c) **Proposed new arrangements for internal audit**. The Committee noted that the Council's contract with RSM for the provision of internal audit would expire at the end of March 2019. The Council's internal audit would be provided by Southern Internal Audit Partnership from April 2019.

Following consideration, the Committee:

(1) Received the internal audit progress report for 2017/18 which provided details on the outstanding audit from 2017/18.

(2) Received the internal audit progress report for 2018/19.

(3) Noted the proposed changes to the provision of internal audit services as from 1 April 2019.

The Committee expressed it's thanks to the Head of Digital and Service Transformation, ICT Manager and Internal Auditor for their work on the matters considered.

22 CORPORATE PLAN: PERFORMANCE REPORT ONE 2018 TO 2019

The Committee received a report providing an update on progress made against the Key Priority Targets 2018/19.

The following matters were considered:

a) **Allocation of target to Licensing & Planning Policy Committee/Planning Committee.** A Member of the Committee enquired why the target "No more than ten percent of major planning applications allowed at appeal (using the two-year rolling assessment period defined by the Government)" had been allocated to the Licensing and Planning Policy Committee rather than the Planning Committee. The Head of Policy, Performance and Governance informed the meeting that the Service Plan for 2018-19 required that all Key Service Priority targets be allocated to one of the Council's Policy Committees for overview.

b) **Development of two units for residential accommodation in South Street.** The Committee was informed that officers intended to present a report regarding the project to the January 2019 meeting of the Strategy and Resources Committee.

Following consideration, the Committee:

(1) Noted the overview of the Key Priority Targets as at Phase One attached at Annex 1.

(2) Considered the performance reported in Annex 2 and did not identify any areas of concern.

(3) Commented on the actions that have been proposed or taken where performance was currently a concern.

23 WORK PROGRAMME 2018/19

The Committee received a report presenting an update on the work programme for 2018/19.

Following consideration, the Committee:

(1) Noted the current position of its work programme 2018/19 attached at Annex 1.

The meeting began at 7.30 pm and ended at 9.18 pm

COUNCILLOR DAVID REEVE (CHAIRMAN)

INTERNAL AUDIT MONITORING REPORT

Head of Service/Contact:	Gillian McTaggart, Head of Policy, Performance & Governance
Annexes/Appendices (attached):	**Annex 1** – Internal Audit Progress Report
Other available papers (not attached):	Internal Audit Plan 2018/19 Reports and Minutes of meetings of the Audit, Crime & Disorder and Scrutiny Committee: 19 April 2018 and 22 November 2018

Report summary

This report summarises progress against the audit plan for 2018/19.

Recommendation (s)

(1) That the Committee receives the latest internal audit progress report for 2018/19.

1 Implications for the Council's Key Priorities, Service Plans and Sustainable Community Strategy

1.1 None for the purposes of this report.

2 Background

2.1 The Committee's Terms of Reference include the requirement to monitor the implementation of recommendations from both the external and internal auditors.

2.2 The Internal Audit Plan for 2018/19 was endorsed at the meeting of the Audit, Crime & Disorder and Scrutiny Committee on the 19 April 2018. On 22 November 2018 the Committee received the first internal audit progress report for 2018/19. Further audits within this plan have since been completed, the details of which have been set out in this report.

3 Audit Plan 2018/19

3.1 A summary of progress made against the Internal Audit Plan 2018/19 from 1 April 2018 to the end of January 2019 is shown in the table below and in the internal audit progress report attached at **Annex 1**. 12 audits have been finalised this year to date.

Assignment	**Reported**	**Opinion**	**H**	**M**	**L**
Cyber Security c/f from 2017/18	22 Nov 2018	Advisory	0	10	2
Midland HR iTrent	7 Feb 2019	Advisory	0	3	1
Health & Safety	22 Nov 2018	Partial Assurance	2	2	3
Income from s.106 and Community Infrastructure Levy	22 Nov 2018	Reasonable Assurance	0	1	3
Venues	7 Feb 2019	Advisory	2	3	
EEPIC Company Governance	22 Nov 2018	Reasonable	0	4	2
Community Safety	22 Nov 2018	Advisory	0	1	2
Project Management	7 Feb 2019	Advisory	1	3	1
Homelessness	7 Feb 2019	Reasonable	0	3	1
Treasury Management	7 Feb 2019	Substantial	0	1	0
Payroll					
IT Audit					
Corporate Governance					
Risk Management					
Continuous Assurance	22 Nov 2018 Quarter 1 Report	Advisory		1	
Continuous Assurance	7 Feb 2019 Quarter 2 Report	Advisory		1	
Follow Up				1	
Contract Management					

3.2 The Continuous Assurance audit for Quarter 2 was formalised with no recommendations. There was one recommendation from the Quarter 1 report relating to outstanding tree inspections. The Committee is asked to note that there is a plan to address these and that additional work is allocated to the tree contractor. The Head of Planning is also assessing the resources available.

4 Financial and Manpower Implications

4.1 There are no financial or manpower implications within this report.

4.2 **Chief Finance Officer's comments:** None for the purposes of this report.

5 Legal Implications (including implications for matters relating to equality)

5.1 None for the purposes of this report.

5.2 **Monitoring Officer's comments:** none arising from the contents of this report.

6 Sustainability Policy and Community Safety Implications

6.1 None for the purposes of this report.

7 Partnerships

7.1 The Council is part of the East Surrey Internal Audit Consortium but this Consortium is due to cease on 31 March 2019 when the Council will enter into a new agreement independently with Southern Internal Audit Partnership.

7.2 Due to the change of contract it is intended that all audits will be completed by the end of the financial year. The Head of Internal Audit's year end assurance presented to the Committee in June will be reported by RSM. The new contract with Southern Internal Audit Partnership will start on 1 April 2019.

8 Risk Assessment

8.1 The internal audit service forms a statutory part of the Council's internal control.

9 Conclusion and Recommendations

9.1 The Committee is asked to note that there has been good progress in completing the audits in this year's audit plan ensuring that the plan for 2018/19 will be completed in a timely manner.

Ward(s) Affected: (All Wards);

This page is intentionally left blank

Agenda Item 4
Annex 1

EPSOM AND EWELL BOROUGH COUNCIL

Internal Audit Progress Report

Audit, Crime & Disorder and Scrutiny Committee Meeting

7 February 2019

This report is solely for the use of the persons to whom it is addressed.
To the fullest extent permitted by law, RSM Risk Assurance Services LLP
will accept no responsibility or liability in respect of this report to any other party.

RSM

CONTENTS

1 Introduction 2
2 Looking ahead 3
3 Other matters 4
For further information contact 5
Appendix A: Internal audit assignments completed to date 6

The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Management actions for improvements should be assessed by you for their full impact before they are implemented. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

This report is solely for the use of the persons to whom it is addressed and for the purposes set out herein. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights from RSM Risk Assurance Services LLP for any purpose or in any context. Any third party which obtains access to this report or a copy and chooses to rely on it (or any part of it) will do so at its own risk. To the fullest extent permitted by law, RSM Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

This report is released to you on the basis that it shall not be copied, referred to or disclosed, in whole or in part (save as otherwise permitted by agreed written terms), without our prior written consent.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

RSM Risk Assurance Services LLP is a limited liability partnership registered in England and Wales no. OC389499 at 6th floor, 25 Farringdon Street, London EC4A 4AB.

1 INTRODUCTION

The Internal Audit Plan for 2018/19 was approved by the Audit, Crime & Disorder Scrutiny Committee in June 2018. Below provides a summary update on progress against that plan and summarises the results of our work to date.

This table informs of the audit assignments that have been finalised and the impacts of those findings since our last report to the Audit, Crime & Disorder Scrutiny Committee.

The Executive Summary and Key Findings of the assignments below are attached to the end of this progress report.

Assignments	Status	Opinion issued	Actions agreed		
			H	M	L
Homelessness (5.18/19)	FINAL	Reasonable Assurance	0	3	1
Venues Management (7.18/19)	FINAL	N/a - Advisory	2	3	0
Treasury Management (8.18/19)	FINAL	Substantial Assurance	0	1	0
Project Management (9.18/19)	FINAL	Simply Weekly and Cemetery Extension – Substantial Assurance Ebbisham Exit – Partial Assurance	1	3	1
Continuous Assurance Q2 (10.18/19)	FINAL	N/a - Advisory	0	1	0
Midland HR ITrent System (11.18/19)	FINAL	N/a - Advisory	0	3	1

2 LOOKING AHEAD

Assignment area	Timing per approved IA plan 2018/19	Status
Payroll	December 2019	Fieldwork in progress
Corporate governance	January 2019	Proposed start date 28 January 2019
Risk management	February 2019	Proposed start date 4 February 2019
Contract management	TBC	Workshop to be held by our specialist contract management team 7 February 2019
IT Audit	January 2019	Under discussions with specialists for review
Contingency	As required	N/a
Follow up	Ongoing	N/a

3 OTHER MATTERS

3.1 Changes to the audit plan

As reported to the November meeting of the Audit, Crime & Disorder Scrutiny Committee, there have been some minor changes to timings of reviews since this was agreed in June 2018. There has also been one addition to the plan, Venues Management, that was added in at management request in response to a budget overspend in this area in 2017/18.

FOR FURTHER INFORMATION CONTACT

Mike Cheetham, Head of Internal Audit

mike.cheetham@rsmuk.com

07800 617204

Lorna Raynes, Client Manager

lorna.raynes@rsmuk.com

07972 004175

APPENDIX A: INTERNAL AUDIT ASSIGNMENTS COMPLETED TO DATE

The following reports have previously been reported to Audit Committee.

Assignments	Opinion issued	Actions agreed		
		H	M	L
Health & Safety (1.18/19)	Partial Assurance	2	2	3
Income from s106 agreement and implementation of the Community Infrastructure Levy (2.18/19)	Reasonable Assurance	0	1	3
EEPIC Company Governance (3.18/19)	Reasonable Assurance	0	4	2
Community safety (4.18/19)	N/a - Advisory	0	1	2
Continuous assurance Q1 (6.18/19)	N/a - Advisory	0	1	0

HOMELESSNESS - EXECUTIVE SUMMARY

1.1 Background

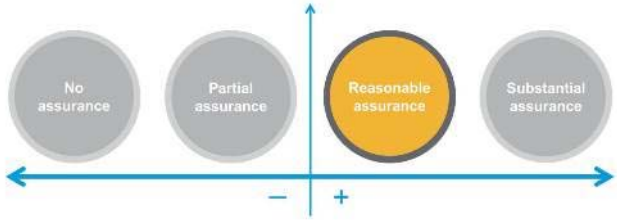
The Council has a responsibility to prevent homelessness under the Homelessness Act 2002. It does this through financial aid and providing temporary accommodation. The Homelessness Reduction Act came into force in April 2018 and increases the responsibilities of the Council to help prevent homelessness, including a duty of assessment and production of a personalised housing plan. Nightly paid accommodation is costly and sourced outside of Borough, which affects the quality of life of service users. To combat this, the Council has undertaken a number of initiatives for the provision of temporary accommodation, such as Private Sector Leasing, which has been audited separately (Apr 2018 ref 14.17.18), purchasing properties, working collaboratively, and is investigating more flexible solutions within borough.

Homelessness is one of the largest budgets within the Council and has a budget of £1m for 2018/19.

1.2 Conclusion

We found that the service has a structured work programme in place and is working towards implementing further changes such as a substantial homelessness review and to introduce a new strategy to replace the approved interim strategy. Management actions listed in Appendix 2 are in line with, and reinforce, actions already identified by the Council.

Internal audit opinion:
Taking account of the issues identified, the Council can take reasonable assurance that the controls in place to manage this risk are suitably designed and consistently applied. However, we have identified issues that need to be addressed in order to ensure that the control framework is effective in managing the identified risk(s).



1.3 Key findings

The key findings from this review are as follows:

We have raised three '**medium**' and one '**low**' management actions. Details of the 'low' priority management action can be found at section 2 below.

- A full housing/homelessness review is needed to inform the Strategy. The need for a review has already been reported to the Strategy and Resources Committee in April 2018. While an interim Homelessness Strategy is in place this is not available on the Council's website, potentially hindering service users from knowing what help is available to them before approaching the Council, and it is a requirement of the Homelessness Act 2002 to have a published strategy. **(Medium, 2.1 and Medium, 2.3)**

- As of mid-August, of the 116 homelessness cases presented there are 36 (31%) which have exceeded the 56 days to accept a duty of homelessness permitted by the Reduction Act, increased from 28 days under the Homelessness Act 2002. The Homelessness Reduction Act extends this duty to include people threatened with homelessness **(Medium, 2.4)**

Notwithstanding the above, we noted the following examples of well-designed and applied controls:

- The Council works collaboratively with appropriate organisations in order to fulfil a diverse range of temporary accommodation needs, including vulnerable adults, ex-offenders, young homeless people, sanctuary providers, housing associations, and private sector leasing. It has purchased a small number of houses to provide temporary accommodation at a substantial saving compared to nightly-paid accommodation out of borough and is investigating an opportunity to provide flexible accommodation within the borough.

- Financial assistance is available in the form of rent in advance, rent deposit schemes, bonds, Discretionary Housing Payments (DHP), and a non-priority rent deposit scheme. These take the form of grants and are an example of "investing to save" as these preventative measures are more cost effective than nightly paid accommodation.

- Financial scenario analysis is conducted jointly between the service and accountancy, giving a level of challenge and this is used for individual projects and the service as a whole. This allows the Council to see the budget requirements for different housing needs such as individuals, couples, and families. This demonstrates that value for money is a consideration for the Council and accommodation standards are in place to provide suitable temporary needs that are fit for use.

- The service has negotiated reduced rates with regular landlords for when nightly paid accommodation is required, resulting in a reduction of around 20-30% per night. Furthermore, the homelessness budget for 2017/18 was set at £1,146,043 and came in at 803,498.29 with commitments of 1,440. This gives a beneficial variance of £341,104.71, approximately a 30% saving.

- There is a work-stream project in place for the Homelessness Reduction Act, with assessment processes, personalised housing plans, financial checks in place. A check of 12 of the 116 cases, amounting to 10%, showed that appropriate checks are made at each stage of presenting homeless.

- Since 2015 the Council have had 19 appeals, 10 of which have been found in favour of the Council, 4 withdrawn, 2 dating back to 2015 and 2016 were quashed, and 3 are awaiting response by the external review organisation. This shows a good track record by the Council.

1.4 Additional information to support our conclusion

The following table highlights the number and categories of management actions made. The detailed findings section lists the specific actions agreed with management to implement.

Risk	Control design not effective*		Non Compliance with controls*		Agreed actions		
					Low	Medium	High
Insufficient access to suitable properties at an affordable cost to the Council	3	(4)	1	(4)	1	3	0
Nightly paid accommodation is costly and out of borough, which affects the quality of life of those services users	0	(1)	0	(1)	0	0	0
Total					**1**	**3**	**0**

* Shows the number of controls not adequately designed or not complied with. The number in brackets represents the total number of controls reviewed in this area.

2 DETAILED FINDINGS

Categorisation of internal audit findings	
Priority	**Definition**
Low	There is scope for enhancing control or improving efficiency and quality.
Medium	Timely management attention is necessary. This is an internal control risk management issue that could lead to: Financial losses which could affect the effective function of a department, loss of controls or process being audited or possible regulatory scrutiny/reputational damage, negative publicity in local or regional media.
High	Immediate management attention is necessary. This is a serious internal control or risk management issue that may lead to: Substantial losses, violation of corporate strategies, policies or values, regulatory scrutiny, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.

This report has been prepared by exception. Therefore, we have included in this section, only those risks of weakness in control or examples of lapses in control identified from our testing and not the outcome of all internal audit testing undertaken.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
Risk: Insufficient access to suitable properties at an affordable cost to the Council								
2.1	The Council is required to have, and publish, an approved interim Homelessness Strategy.	Yes	No	There is an approved interim housing strategy, however this has not been published on the Council's Website. While it is available in the Committee minutes, this is not easily accessible for most clients. Under the Homelessness Act 2002, it is a requirement for the strategy to be published.	Medium	The Housing Operations Manager will, following the planned housing review, update the Homelessness Strategy, gain Member approval, and then uploaded to the Council's website. In the short term, by 30 September 2018, the website will be updated with the interim strategy.	31 March 2019	Annette Snell, Housing Operations Manager

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
2.2	There is evidence of preventative measures, intervention where possible, and collaborative working with other agencies.	Yes	Scope to improve	The Council has a Rent Deposit scheme, rent in advance, non-priority rent deposit scheme, deposit bonds, and Discretionary Housing Payments to help clients. Rent deposits are currently grants, which still provide cost savings compared to nightly paid accommodation, however does not take into account that some clients may be able to afford to pay these back which would allow a proportion of funds to be recycled increasing the number of people who can be helped this way and reduce the financial impact on the Council without adversely affecting those most in need.	Low	The Council will draft a loan policy linked to the Homelessness Strategy. When conducting checks for financial aid such as Rent in Advance or Rent Deposit Schemes, the Council will use credit checking to decide whether this aid takes the form of a grant or fixed term loan.	31 March 2019	Annette Snell, Housing Operations Manager
2.3	The supply and commissioning of property for Temporary Accommodation is suitably forecast to maintain the capacity to meet demand going forward	No	N/A	The Council has a range of suitable temporary housing solutions in place and are in the process of investigating further opportunities. The service does not routinely perform any trend analysis and due to the nature of the clients this may not be possible however they do record statistics of usage and perform financial forecasting based on an average number of households per year, plus contingency, with Accountancy. Documenting trend analysis will assist the Council's housing review and provide a more complete picture	Medium	In line with the report to the Strategy and Resources Committee in April 2018, the Council will conduct a Homelessness review to inform the Homelessness Strategy	31 March 2019	Annette Snell, Housing Operations Manager

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
				of local needs than financial analysis alone.				
2.4	Due process is prescribed and complied with for individuals and families presenting as homeless	Yes	No	The Homelessness system dashboard shows that there are 36 out of 116 cases (31%) that have exceeded the 56 days to accept duty permitted under the Homelessness Reduction Act (HRA) opening the Council to costly and time-consuming appeals.	Medium	In order to reduce the time taken to compete HRA checks and the chance of justifiable appeals being made, the Housing Operations Manager will review all related policies, procedures, forms and resources once the Homelessness Strategy has been completed, taking into account the Housing Review. All documentation will be version controlled to ensure that the latest version is being used.	29 June 2019	Annette Snell, Housing Operations Manager

VENUES MANAGEMENT - EXECUTIVE SUMMARY

1.1 Background

The Council provides services for the hire of halls, rooms and facilities across a number of modern and historic buildings. These services are supported and delivered by the Venues Team which also manage operations delivered by the Council's PlayHouse and Well Being Centre (Longmead).

The controllable budget for the overall service in 2017/18 was £944K. The end of year outturn identified a £132K overspend on salaries principally attributed to overtime expenditure. After taking into account additional income generated within the service the net adverse variance against budget for the year was £47k.

This audit sought to examine budgetary management and in particular those strategic and operational processes and controls intended to provide effective assurance and scrutiny of Venues budgets. This review is 'Advisory' and as such no overall opinion is provided within our commentary.

1.2 Key findings

Overview

Examination of the £132k overspend identified that £91k (69%) was attributed to unbudgeted overtime, £24k was an overspend on routine salaries (18%) attributed to the Playhouse and Longmead and the remaining overspend was principally casual staff expenditure incurred at the Playhouse Theatre and bar which was offset by additional income raised.

This review particularly focussed on the overtime overspend. Analysis highlights that 40% of overtime in 2017/18 and 2016/17 was incurred at Bourne Hall and significantly overall overtime across the service increased by 30% between these years. In both years there was a zero budget for overtime. The full profile of the 2016/17 and 2017/18 overtime expenditure across venues is summarised in appendices A and B.

From our analysis of the £91K overtime we note that 20% was paid at time and a half and 9% at double time. If this additional 'demand' requirement had all been paid as core hours, at a plain payment rate, a saving of £10k would arise.

Resource Allocation and Control

We examined evidence of service demand recorded within the Artifax booking system and resource allocation controls with the Venues Operations Manager. In 2017/18 the Venues Service had 10 Venues Services Coordinators (3 full time & 7 part time) and 2 receptionists covering the core hours at Bourne Hall, Ebbisham Centre & Ewell Court House. Staff are not expected to work additional hours as it is on a voluntary basis only.

The Operations Manager checks the 'artifax' booking system for additional bookings on a monthly basis and records these on a monthly rota spreadsheet showing all the 'additional' shifts that require covering at the venues. This is sent out to all the staff across the service with a request to volunteer for any shift at any venue. Replies are then recorded and updated on the rota and staff are notified of the agreed overtime shifts for the upcoming month. Feedback from the Venues Operations Manager indicates that demand for these shifts is generally low. If there are still shifts left to fill the Operations Manager also sends out requests to two Town Hall staff who have volunteered for additional work in the past (an Apprentice Surveyor and a Casual Town Hall Support Officer). Once all these options have been explored the Venues Manager allocates the remaining shifts to the three senior officers within the service. We were informed that on average 300 to 500 additional hours are resourced through overtime on a monthly basis.

All overtime hours are input to the ITrent payroll system by the member of staff once the shift is completed and an automated workflow within the system requires the Operations Manager to authorise these on-line. Authorisation occurs after the Operations Manager checks the agreed Rota and verifies that the shift was completed. An authorisation hierarchy within iTrent requires any claim by senior officers to be certified by the Head of Service. Our sampling of overtime claims confirmed compliance with this control requirement.

We examined a period from September to November 2017 that was representative of service demand for the year.

Within this period, we confirmed that there was between 413 and 515 additional hours required cover each month across the venues. These were additional hours to the core hours built into the staff provision and relate primarily to evening and weekend work. Annual Leave and sickness were also a factor in balancing demand with resource.

2017	Contracted hours (Staff available)	Total additional O/T hours required	O/T hours (plain)	Overtime (1.5)	Double time
Sept (5 week period)	1821	417	319	67	31
Oct (4 week period)	1450	515	345	136	35
Nov (5 week period)	1821	413	297	91	25
Total	5092	1346	960	294	91

(Figures produced from Venues Operations Manager Rota and O/T Control Spread Sheet)

Total 'Demand' Hours 6438

21% resourced through O/T

The Ebbisham Centre was sold late in 2017/18 and staff were redeployed within the Venues service. These staff had previously provided 60 core hours service per week and were redeployed within the service at other locations. There have however been vacancies that have arisen too and in this respect we have examined one recent month in 2018 to establish what current demand pressures are being experienced within the service.

For the month of August 2018 we identified that the amount of overtime demand was the same as that experienced in the previous year's sample and was as follows:

2017	Contracted hours (Staff Available)	Total additional hours required	Additional hours (plain)	Overtime (1.5)	Double time
Aug 18 (4 week period)	1356	357	257	59	41

Total 'Demand' Hours 1713

21% resourced through O/T

Further feedback from the Venues Operations Manager has highlighted that at the time of writing this report in September 2018 staff availability in 2018 has been reduced by vacancies on hold and not being filled, one member of staff reducing their standard contracted hours, one officer now on long term sickness and two further officers are on 'amended duties'.

Budgetary Control

Overall, we identified that a number of factors were found to have contributed to the overspend within the service;

- Financial Regulation 2.17 highlights the responsibility of Service Level 'Directors' (Heads of Service) to control expenditure and income, monitor performance, and take the necessary action to avoid exceeding any budget. In this respect there appears to have been a failure over the last two years to provide the service within the budget.

- As noted above establishment numbers and types of contract within the Venues Team are considered by venues officers interviewed to be insufficient to provide resilience in respect of key officer absence and to meet the flexibility and responsiveness requirements of service operations. There is consequently a reliance on overtime to meet this perceived resource gap which is in part being met by senior officers within the Venues Team. (Overtime claimed by Venues Managers equated to £11k and 12% of the total £88k incurred across the service)

- A significant element of total overspend within the Venues budget was experienced at the Well Being Centre. Original considerations indicated that demand for services provided by the centre would diminish. We have been informed that attendance and demand for services actually increased in 2017/18 and this was reflected in a 23% increase in the salaries budget resourced principally through overtime.

- Key budgetary oversight, monitoring and scrutiny occurs with the quarterly financial report to the Leadership Team. These reports highlight significant variance with explanatory comment and where appropriate identify corrective action intended to mitigate adverse budgetary positions. From our analysis of the overtime pressure being brought to bear within the Venues operations we note that these were experienced consistently throughout the year and are evident across all key sites within the department. The charts in appendices A and B provide a summary profile of this analysis. We note however that the variance and commentary provided to the Leadership Team only picked up on these Overtime pressure in the Q3 report. Although the Finance Team did seek assurances in Quarter 2 about the overtime overspent . The Finance Team requested a report from the Head of Service of Venues to Leadership Team to address the overspend, but no report was subsequently provided by the Head of Service.

- Although there is reference within the HR Ebook to the overtime controls determined by the organisation there is scope for a more prescriptive and considered approach to Overtime practice to be outlined in a formal Overtime Policy document. This could include those determined controls relating to roles and responsibilities at all levels, overtime monitoring (beyond those of the budget holder) and those considerations relating to Working Time Regulations and Lone Working risks.

2 DETAILED FINDINGS

Categorisation of internal audit findings	
Priority	**Definition**
Low	There is scope for enhancing control or improving efficiency and quality.
Medium	Timely management attention is necessary. This is an internal control risk management issue that could lead to: Financial losses which could affect the effective function of a department, loss of controls or process being audited or possible regulatory scrutiny/reputational damage, negative publicity in local or regional media.
High	Immediate management attention is necessary. This is a serious internal control or risk management issue that may lead to: Substantial losses, violation of corporate strategies, policies or values, regulatory scrutiny, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.

This report has been prepared by exception. Therefore, we have included in this section, only those areas of weakness in control or examples of lapses in control identified from our testing and not the outcome of all internal audit testing undertaken.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
Area: In particular, the staff budget is robustly and realistically set, linking back to the establishment list and the requirements of the venue.								
2.1	We discussed the service delivery model for the Venue operation with the Head of Service and the HR Manager. Both commented that the current resource level had insufficient flexibility within it and consequently little resilience to cope when staff are sick and on leave. There is a consequent standard reliance on overtime to meet this gap.	No	N/A	Our testing confirmed that establishment numbers and types of contract within the Venues Team are currently inadequate to meet 'demand' hours required. There is a routine reliance on overtime to meet this resource gap which is in part being met by senior officers within the Venues Team. In addition, a significant element of total overspend within the Venues budget was experienced at the Well Being Centre (now part of Operational Services). Original	High	i) The Venues Team is currently being restructured with overall responsibility now under the Head of Property and Regeneration. As part of the restructure a more flexible staffing structure and resource support will be in place that will eliminate the need for routine overtime. This new structure will be aligned to a restructured salaries budget to ensure that budgetary control assurances are improved	April 2019	Head of Property & Regeneration

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
				considerations for 2017/18 indicated that demand for services provided by the centre would diminish. We have been informed that attendance and demand for services actually increased in 2017/18 and this was reflected in a 23% increase in the salaries budget resourced principally through overtime.	High	going forward. (as part of the 19/20 budget setting process) ii) In view of the significant overspend in 17/18, monthly monitoring and reporting by the relevant Head of Service at a corporate level is merited to ensure revised budgets are fit for purpose.	April 2019	Head of Property & Regeneration &Head of HR & OD
Area: Budgets are clearly communicated to budget holders and the acknowledgement of this is formally documented. There is regular budget monitoring in place and where variances are identified the reasons for these are understood and action plans/remedial actions put in place to address this.								
2.2	Key budgetary oversight, monitoring and scrutiny occurs with the quarterly financial report to the Leadership Team. These reports highlight significant variance with explanatory comment and where appropriate identify corrective action intended to mitigate adverse budgetary positions. In addition Financial Regulation 2.17 highlights the responsibility of Service Level 'Directors' (Heads of Service) to control	Yes	No	From our analysis of the overtime pressure being brought to bear within the Venues operations we note that these were experienced consistently throughout the year and are evident across all key sites within the department. We note however that the variance and formal commentary provided to the Leadership Team only picked up on these Overtime pressures in the Q3 report. There is also a clear individual responsibility placed on Heads of Service to clearly monitor and have responsibility for budgets.	Medium	Salary monitoring information will be circulated by the Finance Team on a monthly basis to Heads of Service, who are responsible for producing forecasts for their service areas in line with the budget monitoring timetable and informing finance of any adverse budget variances within their service.	April 2019	

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	expenditure and income, monitor performance, and take the necessary action to avoid exceeding any budget.							
2.3	Oversight and scrutiny from the Leadership Team ensures budgetary variances are challenged.	Yes	No	The 17/18 Q3 budgetary monitoring report to the Leadership Team highlighted a significant salaries overspend. The Venues and Facilities Department was identified as contributing to a significant element of this budgetary pressure. The report recommended that the Head of Service for Venues provide a report setting-out the cause and nature of the adverse budget variance, plus any possible mitigating action. As far as we have been able to ascertain no such report was provided to the Leadership Team.	Medium	The Financial Regulations and Finance Rule Book have been updated and will be reported to S&R in January. This provides a clearer escalation procedures for overspends, requiring a report to the Leadership Team on overspends over £50k and to the relevant Committee for overspends over £100k	April 2019	Chief Finance Officer/ Chief Accountant
2.4	Current controls relating to Overtime are recorded within the HR ebook.	No	N/A	We discussed overtime controls, as prescribed within the HR ebook with the HR Manager	Medium	Although there is reference within the HR Ebook to the overtime controls determined by the organisation there is scope for a more prescriptive and considered approach to Overtime practice to be	April 2019	Head of HR OD

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
						outlined in a formal Overtime Policy document. This could include those determined controls relating to roles and responsibilities at all levels, overtime monitoring (beyond those of the budget holder) and those considerations relating to Working Time Regulations and Lone Working risks. A formal Overtime Policy was agreed in in principal in November by the Leadership Team . The policy needs to be written and consulted on before implementation and will form part of the wider HR Policy Review and review of Contracts of Employment. HR will be responsible for monitoring overtime and identifying any areas of concern		

TREASURY MANAGEMENT - EXECUTIVE SUMMARY

1.1 Background

An audit of Treasury Management was undertaken as part of the approved internal audit plan for 2018/19.

Epsom and Ewell Borough Council faces both internal and external economic challenges, such as in relation to the current level of uncertainty over Brexit as outlined in the Council's Treasury Management Strategy for 2018-19. This strategy has also been formulated to account for domestic economic indicators, such as the expectation that interest rates will continue to remain low.

The Council is required to operate a balanced budget, managing its cash flow and planning to ensure that cash raised during the year will meet cash expenditure. Surplus monies are invested in low-risk counterparties or instruments in line with the Council's risk appetite, with the primary aim of the treasury management function being to provide adequate liquidity before considering investment return.

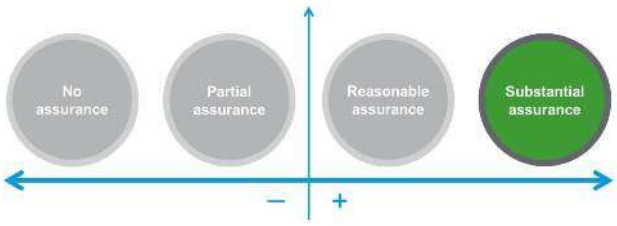
Treasury Management at the Council is managed primarily through a range of spreadsheets, administered by members of the Finance Team. Access is managed through user restrictions on the Council's network, with only certain users in the Finance department granted access to these files.

Link Asset Services provide the Council with treasury consultancy services. The Council's in-house short-term overnight investments are currently split across three institutions, with the total values of actual and forecasted investments at month ends ranging from £1.1m to £6.5m for 2018-19. The Council currently holds approximately £64.4m of external long-term borrowings, and additional internal borrowings of £15m.

The objective of this audit is to review the Council's approach to its Treasury Management controls.

1.2 Conclusion

Internal audit opinion:
Taking account of the issues identified, the Council can take substantial assurance that the controls upon which the organisation relies to manage the identified area(s) are suitably designed, consistently applied and operating effectively.



1.3 Key findings

The key findings from this review are as follows:

We have raised one '**Medium**' priority management action relating to the design and application of the control framework:

- **Interest Received Reconciliations**:
  Through discussions with members of the Finance team, it was confirmed that cash flow to ledger reconciliations of interest received had not taken place for quarters three and four of the 2017-18 financial year due to staff shortages. Although the quarter one reconciliation for 2018-19 had been completed and appropriately authorised, this was completed in October and thus was not timely. In the absence of regular, timely reconciliations, there is a risk that errors and differences will not be identified in good time. **(Medium)**

Notwithstanding the above, we noted the following examples of well-designed and applied controls:

- It was confirmed through the review of meeting minutes that the Council's Treasury Management Strategy for 2018-19 was approved by the Council on 20 February 2018. The strategy includes key changes made for the year, such as an increase in the Council's borrowing limit to £380m until 2019-20. The strategy also details key changes to the Council's management structure, following the removal of the Director of Finance and Resources and Head of Financial Services, and the creation of the Chief Finance Officer post.

- Link Asset Services provide the Council with treasury consultancy services, advising the Council on the formulation of suitable investment and borrowing strategies. It was confirmed that an agreement with Link is currently in place, with the most recent contract extension signed on 27 February 2017 and valid until 31 May 2020. Link Asset Services also provide the Council with regular email updates on economic and political changes impacting the Council's investment strategies. Members of the Finance team at the Council are also able to access the Link Passport portal, where further updates can be accessed.

- The Council's Treasury Management strategy includes a creditworthiness policy with credit rating information supplied by Link Asset Services. This policy outlines the minimum acceptable credit criteria for institutions the Council can invest in, such as the requirement that all banks be either UK owned, part nationalised UK banks or a non-UK bank with a minimum sovereign long-term rating of AAA. Review of all the in-house investments made by the Council this year confirmed that these complied with the stated requirements.

- The Council does not use a specific Treasury Management system, with the Treasury Management function administered primarily through a group of spreadsheets held on a secure network drive. Access to these documents is restricted via user accounts, with only members of the Finance team able to access this section of the network. Access to online banking facilities is also restricted through the use of chip and pin devices, held only by authorised members of the Finance team.

- The Council uses one main bank account for its Treasury Management activities and aims to keep the end of day balance on this account close to £200,000. Where an opportunity to invest amounts in excess to this are identified, short-term investments are made. We reviewed the account’s end of day balances between 01 April and 30 September 2018 and found that balances tended to remain close to £200,000. On days where this figure was exceeded, this did not last for longer than a couple of days, with the Council’s cash flow showing that appropriate short-term investments had been made to offset these excess amounts.

- A Change of Signatories letter sent from the Council to NatWest on 17 November 2017 indicates that the signatories list is regularly updated. The letter informs NatWest of recent staff changes within the Council, which required an updating of the signatories list. Through our sample testing of investments as detailed throughout this report, it was confirmed that in each case, investments had been authorised appropriately as per the latest signatories list.

- The Council produced both mid-year and annual Treasury Management performance reports for the 2017-18 year, in line with the CIPFA Code of Practice for Treasury Management in the Public Sector. It was confirmed that both reports had been presented to and approved by the Council's Financial Policy Panel and Strategy and Resources Committee respectively. At the time of testing, the mid-year report for the 2018-19 year was to be presented to the Financial Policy Panel in December 2018.

- The Council maintains complete records of its investments and loans held through a financial investments spreadsheet. This spreadsheet also allows the total investments held with each institution to be monitored. For a sample of investments made by the Council in the current financial year, it was confirmed that sufficient records were held in support of each investment. In each case, details of the investments had been correctly inputted from supporting documentation into the Council's treasury management spreadsheets.

- There have been no borrowings to date in the current financial year, with cash flow forecasting at the time of testing also confirming that no borrowings are currently planned for the remainder of the year. However, procedures governing the process of borrowings are outlined in the Council's Treasury Management strategy, should they be required.

1.4 Additional information to support our conclusion

The following table highlights the number and categories of management actions made. The detailed findings section lists the specific actions agreed with management to implement.

Area	Control design not effective*		Non Compliance with controls*		Agreed actions		
					Low	Medium	High
A Treasury Management policy is in place and has been reviewed by the appropriate committee and approved by the Council	0	(2)	0	(2)	0	0	0
Investments and loans operate in accordance with the Council's Treasury Management policy and are in line with the authority's risk appetite	0	(1)	0	(1)	0	0	0
Access to the Treasury Management system and online banking facilities are restricted to key personnel at the Council	0	(1)	0	(1)	0	0	0
An annual and a mid-year analysis of treasury management performance has taken place as per CIPFAs Treasury Management Code of Practice	0	(1)	0	(1)	0	0	0
Investments and loan details e.g. maturity date, principal and interest rate, have been accurately inputted on the Treasury Management system	0	(2)	0	(2)	0	0	0
Reconciliations between the Treasury Management system and the General Ledger are carried out on a regular basis and are subject to management review	0	(1)	1	(1)	0	1	0
Total					**0**	**1**	**0**

* Shows the number of controls not adequately designed or not complied with. The number in brackets represents the total number of controls reviewed in this area.

2 DETAILED FINDINGS

Categorisation of internal audit findings	
Priority	**Definition**
Low	There is scope for enhancing control or improving efficiency and quality.
Medium	Timely management attention is necessary. This is an internal control risk management issue that could lead to: Financial losses which could affect the effective function of a department, loss of controls or process being audited or possible regulatory scrutiny/reputational damage, negative publicity in local or regional media.
High	Immediate management attention is necessary. This is a serious internal control or risk management issue that may lead to: Substantial losses, violation of corporate strategies, policies or values, regulatory scrutiny, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.

This report has been prepared by exception. Therefore, we have included in this section, only those areas of weakness in control or examples of lapses in control identified from our testing and not the outcome of all internal audit testing undertaken.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
Area: Reconciliations between the Treasury Management system and the General Ledger are carried out on a regular basis and are subject to management review								
1.6.1	**Reconciliations:** Interest received reconciliations are completed quarterly and signed by the Chief Finance Officer. Segregation of duties is maintained between the preparer and the authoriser.	Yes	No	Through discussions with members of the Finance team, it was confirmed that cash flow to ledger reconciliations of interest received had not taken place for quarters three and four of the 2017-18 financial year due to staff shortages. Although the quarter one reconciliation for 2018-19 had been completed and appropriately authorised, this was completed in October and thus was not timely. In the absence of regular, timely reconciliations, there is a risk that	Medium	Management will ensure that quarterly interest received reconciliations are completed and appropriately authorised in good time.	31 January 2019	Teresa Wingfield - Senior Accountant

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
				errors and differences will not be identified in good time. It was also noted that the staff shortage has since been addressed and that the Council does intend to undertake quarterly reconciliations going forward.				

PROJECT MANAGEMENT - EXECUTIVE SUMMARY

1.1 Background

Project Management is the practice of initiating, planning, executing, controlling, and closing the work of a team to achieve identified goals and meet defined success criteria at a specified time and budget. Consistent corporate monitoring and control of projects provides assurance that projects are meeting objectives and that risks are promptly identified and mitigated.

Three recent projects were selected for review:

Simply Weekly – This project sought to introduce simple, weekly, high-capacity recycling collections at the disposal of the entire Borough – houses, flats and businesses. It sought to simplify and increase co-mingled recycling collections while being the cheapest to operate and provide resilience to the materials markets.

Cemetery Extension – The business case for the project was outlined at the time of the previous cemetery extension in 1995, when there was an agreement with the land owner that the Council was to have the option to purchase the remaining 3.69 acres. In 2015 officers identified that the existing available space for lawn graves would be used up by spring 2019 and there was a pressing need to acquire new land to expand the existing cemetery. This project sought to purchase the land, obtain planning permission and create the infrastructure within the site so that it could be integrated with the current cemetery setting.

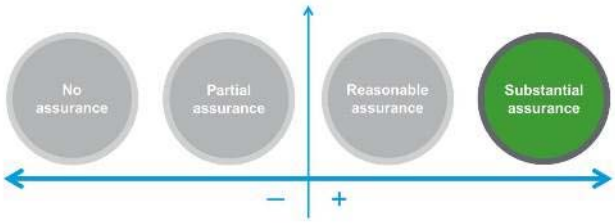
Ebbisham Centre Exit – The Ebbisham Centre was a community facility within the Town Centre managed by the Venues Team. It provided Venue space for hire or use principally by community groups, charities or members of the public. A review by officers highlighted that there was an adverse budgetary position in both revenue and capital terms and that sale of the Councils lease would mitigate future losses.

The full scope of our review objectives is summarised in appendix A

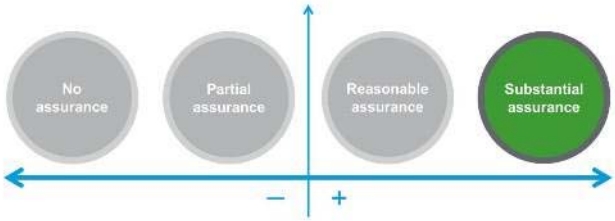
1.2 Conclusion

Our review found evidence of good and poor project management. We have therefore provided three opinions to reflect the assurance the Council can take that good project management controls were in place and evidenced across the three projects reviewed. In order to provide better consistency and application of good project management controls across the organisation there is scope for improved training and awareness of the Council's project management toolkit **(2.1 Medium Action)**. In this respect particular focus on the detail and scrutiny applied to Project Initiation Documents is merited.

Simply Weekly:
Taking account of the issues identified, the Council can take substantial assurance that the controls in place to manage this area are suitably designed and consistently applied.

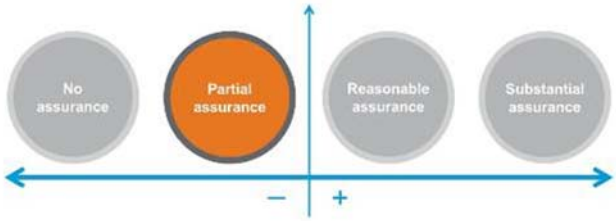


Cemetery Extension:
Taking account of the issues identified, the Council can take substantial assurance that the controls in place to manage this area are suitably designed and consistently applied.



Ebbisham Exit :

Taking account of the issues identified, the Council can take partial assurance that the controls in place to manage this area are suitably designed and consistently applied. However, we have identified issues that need to be addressed in order to ensure that the control framework is effective in managing the identified area(s).



1.3 Key Findings

1.3.1 Simply Weekly

- The business case for the move to a weekly 'all in' refuse collection for recyclables was clearly summarised and agreed through a report to the Environment Committee on 27 Oct 2015. The major point of consideration driving the change was the upcoming requirement to replace the refuse collection vehicle fleet after March 2017 when contract leases expired. As part of these exercises the following factors were taken into consideration:

  - Recyclable income streams had become depressed and the market itself was quite volatile becoming reliant on a number of specific organisations or destination countries for recyclable waste demand. For example, the collapse of Aylesford Newsprint in February 2015 halved the Council's income from recycled paper.
  - The current vehicle fleet relied on a number of specialist vehicles for the separate recyclables collected. These were more expensive to maintain and required specialist Health and Safety training for the operatives. There was potential for a smaller, generic fleet of vehicles to keep costs down.
  - Recyclable volumes collected had reached a ceiling of 45% of total tonnage against a Surrey wide average of 52%. Co-mingled collections generally increase recycling because of their higher convenience. This was shown both locally and nationally (in Surrey, most councils operated co-mingled recycling)
  - Officers believed that there was a public appetite within the borough for a simpler process whereby residents did less sorting themselves. Additionally, weekly collections provide for greater convenience.

- The project sought to introduce co-mingled recycling (paper, cardboard, cans, cartons, plastics). Glass and food waste would continue to be separately sorted. The proposed system required six fewer operatives and anticipated increasing recyclable rates to around 53%. Financial modelling identified a £132K saving for the new system (Weekly co-mingled with separate glass) against theoretical future costs if it were possible to extend the current system exactly as it was. The new system requires a fleet of 15 vehicles and 32 operatives against a previous fleet of 20 and 38 operatives.

- We confirmed that net annual operating costs projected for the new system were £1,435,000 against £1,566,000 and that at this point the future structure of refuse and recycling collections needed to be aligned with suitable, new vehicles.

- A number of collection models were explored by officers using financial modelling and 'on the ground' experience within the Borough. We were provided with evidence that supported this modelling and of service options considered in the process of preparing an actual working proposal.

- An agreed plan systematically identified those resources and individual phases required to meet the projects requirements. The Manager for the project was the Fleet and Refuse Manager who maintained a detailed and meticulous project control sheet to cover all aspect of timing and cost delivery. We satisfactorily confirmed that a detailed project plan evidenced the following:

- Communication Events within the Borough to engage with the Public This involved scheduled dates / logistics / Staff involved / Contact details (39 events and details listed);
- A detailed timing analysis of the planned phased implementation of the new schedule that was aligned with the delivery of new vehicles, as the Fleet was incrementally updated in April / May 2017;
- Planning and scheduling of new collection rounds and considerations regarding 'known/unusual' collection sites within the Borough;
- Budget analysis, update and monitoring of Project Finances;
- Monitoring of associated materials and items required for project implementation; (Print notices / Stickers / labels / Data handling / collection boxes/ storage requirements etc);
- Training schedule for staff regarding new fleet and rounds within the Borough;
- 'O' Licence amendment considerations and vehicle specs and required delivery dates;
- Policy and legal updates required;
- Redundancy Planning;
- Issues and risks associated with the plan.

- The project was implemented on time and to budget. We note that current monitoring of the recyclable market by officers has identified that there is now a business case for Paper and Card to be separately sorted and no longer co-mingled. Further investigation is required to examine the rationale and economic benefits that may arise and officers will progress these considerations in more detail going forward. Officers are in particular currently waiting on the position of Surrey County Council and its potential for taking over dry recyclables. Further updates will be provided to Committee as information becomes available

1.3.2 Cemetery Extension

- Between 2015 and 2017 negotiations with the landowner failed to progress significantly and these were complicated by the need for a Ground Water Protection Survey. The Ground Water Protection survey was a critical piece of work and was completed in August 2017 and additional surveys were completed between November 2017 and March 2018, notably the:
  - Archaeological Desk Study
  - Contaminated Land Desk Study
  - Topographical Survey
- None of the results indicated any concern for the viability of the land use as a cemetery and members were appraised of these developments principally through a report to the Strategy and Resources (S&R) Committee in April 2018. The Head of Housing & Environmental Services appointed an officer to lead the Cemetery Extension Project with a remit to implement the agreed S&R Committee actions.
- We satisfactorily confirmed the background, actions and way forward at the outset of the project in April 2018 and the determination of the S&R committee to proceed on the basis of:
  - Using Compulsory Purchase Order (CPO) powers if necessary to acquire the land if negotiations with the landowner did not progress;
  - Determining a revised budget for the project;
  - Appointing a planning consultant with specialist skills and expertise to prepare the planning application and the associated documents, undertake remaining surveys, discharge planning conditions, procure the build contractor, and oversee the works.
- We confirmed that the overall project plan is recorded within a project management Gannt chart and that this identified the key phases of the project, scheduling key tasks and individual milestones and provided a key timeline and critical path for the project.
- We note that there has been minor slippage from the timeline scheduled mainly due to negotiating a price with the landowner and completing the conveyancing. It was initially envisaged that once purchased, planning permission for the land would be sought in August 2018.

This has slipped to Q3 with building works now scheduled for the new year (2019). We confirmed that a revised budget has been agreed and is being actively recorded and monitored.

- We confirmed that a formal tendering process was entered into to appoint managing consultants for the project and that this was supported and managed through the corporate procurement function. A summarising tender report confirmed that tenders were sought from five consultants for professional services and that two tendered submissions were received and assessed against a predetermined specification. The Tender report clearly identified the Council User Group assessing the proposals and provided an overall conclusion and recommendation to engage a preferred bidder. In particular the report notes that questioning of one of the firms highlighted issues with resilience going forward and on this basis was discounted.
- Whilst we have been assured by management that best quality and vfm have been obtained through this process, we have not been able to identify a detailed scoring assessment against individual quality questions and a price calculation based on lowest bidder / bidder price x % weighting. This would evidence best practice and a full audit trail to support the decision-making process and in this respect we have agreed a management action to strengthen procurement controls going forward. **(Medium 2.2)**
- The project was still in progress at the time of our audit and we note from discussions with the current project lead officer that some clarity is required going forward as to where responsibility will lay for managing the oversight and performance of the management consultants and anticipated building works once that phase of the work begins in the new year **(Medium 2.3)**

Management action
2.2 (Procurement) All tender reports will identify a detailed scoring assessment against individual quality questions and a price calculation based on lowest bidder / bidder price x % weighting **(Medium)**
2.3 Officers will determine responsibility for the oversight and monitoring of the project's management consultants. This will ensure that a governance structure is in place to verify construction progress, budgets spent and any developing concerns. Issues and risks arising will be regularly reported and monitored by the project sponsor and monitoring Working Group. **(Medium)**

1.3.3 Ebbisham Exit

- We confirmed that the Business case for exiting from the Ebbisham Centre was considered within a report put before the Council's S&R Committee on 21 June 2016. The report highlighted that the Council's underlease agreement incurred ongoing adverse net operational costs of £124K together with a 46% share of capital cost obligations scheduled over the course of the next five years that totalled £815K. The report proposed that the Council maintain its joint freehold interest with Surrey County Council but surrendered its underlease agreement with Burleywood. In view of the significant costs being saved the report proposed a nil surrender value be placed on the lease.

- Officers interviewed (Borough Solicitor / Head of Property) as part of this review have highlighted that there were flaws in the initial business case proposal put forward by the Head of Venues. In particular: The initial 'nil' valuation of the lease was subsequently challenged by the Council's own Solicitor and a subsequent professional valuation obtained a value of £150K. In addition, there was limited evidence of resource benefits arising within the Venues Service after staff were redeployed. (See internal audit report on Venues Management 2018/19). Furthermore, we note that this exercise was not treated as a project in the formal sense of the term but was rather seen as a conveyancing and legal process.

In this respect overall ownership and responsibility for this piece of work became unclear and the implications surrounding the subsequent legal complexities that arose and the interdependencies with other workstreams (Venues Reorganisation) and the required engagement with partners (Surrey County Council) and users of the centre were overlooked at the outset **(High 2.4)**

- In progressing the disposal of the lease, the Council's solicitor quickly identified that the status of the lease agreement was significantly compromised as only a copy was held and the original lease could not be found. In addition, the lease had not been registered with Land Registry. These original omissions dating from 1999 resulted in significant delay as work was put in place to prepare, reinstate and officially record the lease. Much of this delay was due to slow communication from, and resource available within, Surrey County Council as joint leaseholder. We have not raised a formal action regarding this as this finding was not within the specific scope of our audit. However, we suggest that as part of their on-going work caseload legal office staff verify other deeds and leases held by the council against the property terrier / asset register to ensure all original copies are held and that appropriate documentation is lodged with Land Registry.

- In undertaking the conveyance and surrender of the lease further legal complications arose in establishing the sub-agreements in place with the users of the Ebbisham Centre which would transfer to the new Lessor. The portion of the Ebbisham Centre leased to EEBC in 1999 is made up of nine rooms/areas located on the mezzanine floor. These rooms are used by a variety of groups including a softplay company, a fitness company, an audiology clinic, a legal advice provider, Red Cross and an educational charity. The Council's Solicitor found differing types of agreement were in place. Either a licence, a hire agreement or lease arrangement. In addition, some of these could not be located or were out of date. Further delay occurred as correct agreements were required going forward. **(Low 2.5)**

Management action
2.4 All business cases will be clearly vetted and approved for financial and legal implications before being finalised. At the outset business cases must identify a project manager / sponsor together with defined outcomes, timelines, issues and risk analysis Where such projects or 'actions' are high profile or exceed a determined value officers will ensure that a Project initiation Document is prepared to determine project responsibility and the governance structure or forum that will provide scrutiny going forward. This scrutiny will ensure compliance to the Council's own Project Management toolkit or best practice. **(High)**
2.5 Officers will conduct a full check of all hire agreements / licences and leases agreed with users of Councils Properties to ensure that appropriate legal agreements are in place and are up to date. Training and raising of awareness is particularly required for Venues Staff to ensure that the correct contractual arrangement is entered in to with prospective service users **(Low)**

2 DETAILED FINDINGS

Categorisation of internal audit findings	
Priority	**Definition**
Low	There is scope for enhancing control or improving efficiency and quality.
Medium	Timely management attention is necessary. This is an internal control risk management issue that could lead to: Financial losses which could affect the effective function of a department, loss of controls or process being audited or possible regulatory scrutiny/reputational damage, negative publicity in local or regional media.
High	Immediate management attention is necessary. This is a serious internal control or risk management issue that may lead to: Substantial losses, violation of corporate strategies, policies or values, regulatory scrutiny, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.

This report has been prepared by exception. Therefore, we have included in this section, only those areas of weakness in control or examples of lapses in control identified from our testing and not the outcome of all internal audit testing undertaken.

Ref	Audit findings and implications	Priority	Action for management	Management response	Implementation date	Responsible owner
2.1	There is an approved approach to Project Management Control within EEBC. This is prescribed within the EEBC Project Management Toolkit The inconsistent findings from this review (in respect of one of the three projects sampled) indicates a need for greater awareness and training in Project Management across the Council	Medium	A Project Management Training Programme will be rolled out to raise awareness across the organisation of good practice and the processes and controls prescribed within the Project Management Toolkit	Agreed Contract Management training is being rolled out in February and this will be linked with procurement and project management training	Sept 2019	G McTaggart
2.2	**Cemetery Extension**					
	We satisfactorily confirmed that a formal tendering process was entered into to appoint managing consultants for the project and that this was supported and managed	Medium	(Procurement) - All tender reports will identify a detailed scoring assessment against individual quality questions and a price calculation based on lowest bidder / bidder price x % weighting	Agreed	With immediate effect	G McTaggart

Ref	Audit findings and implications	Priority	Action for management	Management response	Implementation date	Responsible owner
	through the corporate procurement function. Whilst we have been assured by management that best quality and vfm have been obtained through this process we have not been able to identify a detailed scoring assessment against individual quality questions and a price calculation based on lowest bidder / bidder price x % weighting. This would evidence best practice and a full audit trail to support the decision-making process.					
2.3	**Cemetery Extension**					
	Managing consultants for the project have been appointed and a time line, budget and delivery specification have been clearly determined to progress the infrastructure works required. At the time of our audit review it was unclear who would be responsible for progressing the oversight and monitoring of these consultants going forward.	Medium	Officers will determine responsibility for the on going monitoring of the Cemetery project's management consultants. A governance structure will be put in place to verify progress, budgets spent and issues arising.	The responsibility for the building work is allocated to the Building Surveyor and there will be a clear reporting structure for the project to Head of Housing & Community as the project lead.	February 2019	T Rod Brown Head of Housing & Community
2.4	**Ebbisham – Business case**					
	Officers interviewed (Borough Solicitor / Head of Property) as part of this review have highlighted that there were flaws in the initial business case proposal put forward	High	All business cases will be clearly vetted and approved for financial and legal implications before being finalised. At the outset business cases must identify a project manager / sponsor together	There will be further training and awareness on the project management toolkit and the to ensure that	Sept 2019	Gillian McTaggart Head of Policy, Performance & Governance

Ref	Audit findings and implications	Priority	Action for management	Management response	Implementation date	Responsible owner
	by the Head of Venues. In particular: The initial 'nil' valuation of the lease was subsequently challenged by the Council's own Solicitor and a subsequent professional valuation obtained a value of £150K. In addition, there was limited evidence of resource benefits arising within the Venues Service after staff were redeployed. (See internal audit report on Venues Management 2018/19). Furthermore, we note that this exercise was not treated as a project in the formal sense of the term but was rather seen as a conveyancing and legal process. In this respect overall ownership and responsibility for this piece of work became unclear and the implications surrounding the subsequent legal complexities that arose and the interdependencies with other workstreams (Venues Reorganisation) and the required engagement with partners (Surrey County Council) and users of the centre were overlooked at the outset.		with defined outcomes, timelines, issues and risk analysis Where such projects or 'actions' are high profile or exceed a determined value officers will ensure that a Project Initiation Document is prepared to determine project responsibility and the governance structure or forum that will provide scrutiny going forward. **(High)**	projects have clear objectives and goals, risks are identified and managed throughout the project		
2.5	**Ebbisham Exit – User Agreements** In undertaking the conveyance and surrender of the lease further legal complications arose in establishing the sub-agreements in place with the users of the Ebbisham Centre	Low	There is merit in conducting a full check of all hire agreements / licences and leases agreed with users of Councils Properties to ensure that appropriate legal agreements are in place and are up to date. Training and raising of awareness is particularly required for	As resources allow a review of hire agreements and licences and leases will be undertaken . Training or guidance	Sept 2019	Mark Shephard Head of Property & Regeneration & Danny Surowiak Principal Solicitor

Ref	Audit findings and implications	Priority	Action for management	Management response	Implementation date	Responsible owner
	which would transfer to the new Leasee. The portion of the Ebbisham Centre leased to EEBC in 1999 is made up of nine rooms/areas located on the first mezzanine floor. These rooms are used by a variety of groups including a softplay company, a fitness company, an audiology clinic, a legal advice provider, Red Cross and an educational charity. The Council's Solicitor found differing types of agreement were in place. Either a licence, a hire agreement or lease arrangement. In addition some of these could not be located or were out of date. Further delay occurred as correct agreements were required going forward.		Venues Staff to ensure that the correct contractual arrangement is entered in to with prospective service users	will be arranged for the Venues Team		

CONTINUOUS ASSURANCE - QUARTER TWO - BACKGROUND

An audit of key controls was undertaken as part of the Council's approved internal audit periodic plan for 2018/19.

As part of the annual internal audit plan, we have agreed to undertake quarterly testing on an agreed set of controls across a number of areas, in order to provide a high-level assurance that key controls are in place and operating effectively. These reviews focus on a suite of controls considered to be key risk areas for the Council, for which management require assurance throughout the year of their functionality and effectiveness, including revenues, benefits, capital accounting and debtors rather than completing detailed reviews in these areas.

The controls tested as part of this report are from across the following areas (with a complete schedule of controls tested detailed in Appendix A):

- Finance
- Environmental Services
- Fleet Management
- Licensing
- Safeguarding

Agenda Item 4
Annex 1

1 FINDINGS OVERVIEW

1.1 Key findings

Below is a tabular representation which reflects our view of the controls tested as part of this review, highlighting the areas where actions have been raised based on our testing.

Further details of these findings and management actions to address the issues identified can be found in the Findings and Action Plan in section three of this report.

	Conclusion (Q2)
Purchase order approval	✓
Purchase invoice matching and approval	✓
Key control account reconciliations	✓
New benefit claims	✓
Changes to supplier standing data	Not Tested
Debtors income and reconciliation	Not Tested
Council Tax and NNDR discounts/relief	✓
Tenders and quotations	Not Tested
Tree inspections	X
Council vehicle checks (MOT and Tax)	Not Tested
Employee driving licence checks	Not Tested
Issue of Licences	✓
Employee DBS Checks	✓

✓	No actions raised	✓	Low actions raised	X	Medium / High actions raised

2 FINDINGS AND ACTION PLAN

Categorisation of internal audit findings	
Priority	**Definition**
Low	There is scope for enhancing control or improving efficiency and quality.
Medium	Timely management attention is necessary. This is an internal control risk management issue that could lead to: Financial losses which could affect the effective function of a department, loss of controls or process being audited or possible regulatory scrutiny/reputational damage, negative publicity in local or regional media.
High	Immediate management attention is necessary. This is a serious internal control or risk management issue that may lead to: Substantial losses, violation of corporate strategies, policies or values, regulatory scrutiny, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.

This report has been prepared by exception. Therefore, we have included in this section, only those risks of weakness in control or examples of lapses in control identified from our testing and not the outcome of all internal audit testing undertaken.

Ref	Area	Priority	Finding summary	Actions for management	Action owner	Target date
1	Tree Inspections	Medium	The Council has a spreadsheet maintained by the Tree Officer which is used to monitor the tree inspection programme, detailing the schedule of tree inspections to be completed. Through discussions with the Tree Officer it was noted that the spreadsheet is not currently up to date due to a backlog of inspections. For example, no inspections that had been scheduled for 2018 have so far been undertaken due to the backlog from 2017 inspections. It was also noted that the Council no longer manages inspections for highway trees since April 2017, and that the current schedule requires updating to reflect the refocus to Council maintained trees.	The Council should determine what action is to be taken in addressing the current backlog in tree inspections, liaising with the relevant committee such as the Environmental Committee. Based on the agreed actions, the tree inspection spreadsheet should be updated such that the inspection schedule is accurate for inspections that are to be carried out for the remainder of the year.	Jeremy Young – Tree Officer	31 December 2018

MIDLAND HR IT SYSTEM GOVERNANCE REVIEW - EXECUTIVE SUMMARY

1.1 Background

Epsom & Ewell Borough Council (the "Council") have implemented the Midland HR iTrent system to conduct HR and payroll functions within their organisation. The ability to utilise the full HR functionality of this system was impacted as a result of a series of a staffing issues from the point that the administrator left (March 2018) for a period of three months until a short-term contractor was bought in. During this three month period, HR functions (such as recording annual leave taken, calculating maternity & paternity leave and pay) were being conducted outside the system, exposing the Authority to the risk of non-compliance with local policy and employment legislation.

The scope of this review was as follows:

- Review of iTrent system administration procedures; including patch management controls
- Database integrity controls
- Review of access rights to the iTrent application and database

1.2 Conclusion

A number of opportunities for further controls improvement were identified during this review. In particular, the current level of systems operational documentation is insufficient to provide a basis for operational continuity. Moreover, in relation to operational procedures, there is scope for further training regarding system administrator responsibilities to support systems functionality. In addition, further focus is required on change and version control of the system as different versions of the systems exist with the live, test and development environments.

1.3 Key findings

A number of primary opportunities exist to improve the current iTrent control environment, in particular:

- Established version control processes have not been followed and consequently system upgrades have not been deployed for the duration of time that no iTrent administrator has been in post. This issue increases the risk to the confidentiality, integrity and availability of the system.

- Two members of the HR unit have administrator rights to the iTrent system. However, these staff have not been formally trained for this role. Consequently, regular system administration tasks (administering leave requests, calculating leave entitlement, maternity and paternity leave and pay, etc) and system upgrades have not been managed on a timely basis.

- A number of procedure notes exist regarding specific modules within the iTrent system. However, there is scope to enhance these procedures to cover all modules and to update procedures to reflect changes following new system releases. Significant gaps specifically relating to Payroll, Recruitment and HR modules exist. Without comprehensive system documentation there is a risk of not retaining system functionality knowledge for everyday tasks within the organisation.

- System logs are in place that capture personal identifiable information. However, no related data retention policy is in place to ensure legislative compliance. The absence of such a policy increases the risk of legislative breaches.

- An iTrent testing strategy that sets out the requirement for the testing of data back-ups is not in place. This issue increases the risk that any failures in the back-up process will not be detected and rectified on a timely basis and may subsequently lead to a loss of key data and corresponding operations.

However, we did identify several well-designed controls which are summarised below:

- Logical access controls are in place that include the requirements for password expiry and complexity and minimum length configurations. These controls reduce the risk of unauthorised access to the system.
- User profile access controls are in place designed to designate iTrent access rights based on individual roles and responsibilities. This access structure provides system level separation of duties and reduces the risk of a loss of systems access confidentiality and integrity. In addition, role-based access supports the requirement for database integrity as the ability to amend underlying data is restricted and controlled.
- Membership of the high-level system administrator account is restricted based on operational roles and responsibilities. Furthermore, a formal process to authorise membership of the administrator account is in place that provides a basis to support the confidentiality of systems access and the integrity of data.
- Administrator account audit logging is in place that is designed to capture administrator account activity and be used as a basis for access account review where requirement. This control reduces the risk that any unauthorised amendments to underlying systems data will not be detected and addressed.

We would like to take this opportunity to thank staff and managers involved in this review for their co-operation and assistance throughout.

1.4 Additional information to support our conclusion

The following table highlights the number and categories of management actions made. The detailed findings section lists the specific actions agreed with management to implement.

Risk	Control design not effective*		Evidence of Non-Compliance with controls*		Agreed actions		
					Low	Medium	High
Weak IT governance controls increase the risk of the system not fulfilling the requirements of the organisation	3	(5)	1	(5)	1	3	0
Total					**1**	**3**	**0**

* Shows the number of controls not adequately designed or not complied with. The number in brackets represents the total number of controls reviewed in this area.

2 DETAILED FINDINGS

Categorisation of internal audit findings	
Priority	**Definition**
Low	There is scope for enhancing control or improving efficiency and quality.
Medium	Timely management attention is necessary. This is an internal control risk management issue that could lead to: Financial losses which could affect the effective function of a department, loss of controls or process being audited or possible regulatory scrutiny/reputational damage, negative publicity in local or regional media.
High	Immediate management attention is necessary. This is a serious internal control or risk management issue that may lead to: Substantial losses, violation of corporate strategies, policies or values, regulatory scrutiny, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.

Our internal audit findings and the resulting actions are shown below.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
Risk: Weak IT governance controls increase the risk of the system not fulfilling the requirements of the organisation								
1	A change and version control process is in place to ensure that the iTrent system is updated and maintained in accordance with MHA distribution and contractual agreements. However, we noted that no staff member has been designated with formal responsibility for new releases and version control.	Yes	N/A	We found that the version control process has not been followed and consequently system upgrades have not been deployed for a lengthy period time. Whilst the latest available version of iTrent is 10.28, the organisation currently has version 10.26 in place in the live and test environments, and version 10.25 in place in the development environment. It should be noted that version 10.25 is no longer supported by Midland HR. The lack of congruency between the different release versions undermine	Medium	Responsibility for the iTrent system administration will be assigned to an individual to allow patching and maintenance to be completed on a timely basis. We will discuss with IT the viability of sharing the responsibility for sharing the updating of iTrent with them, as they are better placed to maintain this aspect of the system.	March 2019	Head of HR & Organisational Development

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
				the key benefit of testing and approving new releases before they are deployed.		The system administration responsibilities will be in accordance with the in-house IT Change request procedure.		
2	A documented procedure exists for iTrent system administration account users. This includes the process to authorise membership of the administrator account, monitoring of administrative activity, resilience of the role in the event of absence and the suspension and removal of the system administrator account. However, no formal system administrator training has been delivered.	No	N/A	The absence of formal system administration increases the risk to the governance and efficient and effective operation of iTrent	Medium	Key individuals will be identified, nominated and trained for administration access. These will be members of HR and IT.	Temporary 6 month FTC appointed from 28 January to elevate immediate risk and support the HR team with setting up a process for managing the system administration. Currently building resilience with ICT. Documented procedures for system administration in place by June 2019	Head of HR & Organisational Development
3	There is scope to enhance current systems operational	No	N/A	The absence of comprehensive system documentation increases the risk to the efficiency, effectiveness,	Medium	Procedural documentation for the use of the iTrent system will be obtained and tailored so that the	June 2019	Head of HR & Organisational Development

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	procedures to cover all system modules. In particular, more comprehensive operational procedures are required for the Payroll, Recruitment and HR modules, as well as testing of data post recovery. Moreover, a process is not in place to amend operational procedures following a system update.			governance and continuity of iTrent operations.		Council retains knowledge of the functionality of this system, providing resilience should key administration staff leave, go on holiday or be otherwise absent from work.		
4	Logs of application administration activity (which includes personal identifiable information) are kept as an audit trail of those activities. However, a retention policy for system logs has not been established and the current logs date back to 2015.	No	N/A	The absence of a formal policy for system log data retention increases the risk of non-compliance with data regulations.	Low	IT will be consulted, and the log retention period will be adjusted to meet the organisation's wider information retention policies.	Clear down policy / procedure required. June 2019	Head of HR & Organisational Development

This page is intentionally left blank

PROGRESS ON THE IMPLEMENTATION OF INTERNAL AUDIT RECOMMENDATIONS

Head of Service/Contact:	Gillian McTaggart, Head of Policy, Performance & Governance
Annexes/Appendices (attached):	**Annex 1** – Update on the Implementation of recommendations
Other available papers (not attached):	Internal Assurance Report 2017/18

Report summary

This report outlines progress made on the implementation of internal audit recommendations to strengthen the control environment.

Recommendation (s)

(1) That the Committee notes progress made on the implementation of outstanding high and medium internal audit recommendations from the 2017/18 audit programme and other outstanding recommendations.

1 Implications for the Council's Key Priorities, Service Plans and Sustainable Community Strategy

1.1 None for the purposes of this report.

2 Background

2.1 The internal audit team (RSM) tracks progress made on the implementation of audit recommendations/internal audit management actions throughout the year. Its review focuses on the high and medium priority areas only.

2.2 An overview of progress made is included in the internal auditor's end of year report which contains the Head of Internal Audit's year end opinion.

2.3 RSM's end of year assurance report for 2017/18 stated 'Our follow up of the actions agreed to address previous years' internal audit findings shows that the organisation had made adequate progress in implementing the agreed actions.'

2.4 RSM reviewed the implementation of two high and 19 medium management actions. Of these 13 were implemented (included the two high recommendations), 6 were in progress and 2 were outstanding. The outstanding recommendations related to IT.

3 2018/19 Update on the Implementation of Internal Audit Recommendations

3.1 During 2018/19, 30 recommendations have been followed up, of which two were rated high and the others rated as medium.

3.2 Details on each of these recommendations/management actions, including whether a recommendation has been superseded, fully or partially implemented or not implemented have been set out at **Annex 1**. In summary, 11 were fully implemented, 6 have been partially implemented or were on-going and 3 actions have been superseded. The remaining 10 recommendations which relate to the Cyber Security audit were not yet due for implementation.

3.3 The recommendations from the Cyber Security audit were reported to the Committee in November 2018. The Committee requested that an update on progress made against the recommendations be brought to the April 2019 Committee meeting.

3.4 Overall, there has been reasonable progress. No high recommendations are outstanding, although as at the end of January nine medium recommendations have been identified as partially implemented or on-going.

3.5 The main areas of concern for the Committee to note relate to emergency planning arrangements as shown below. These actions will be followed up as part of the tracking process by internal audit together with those other actions that have been partially implemented.

Audit	Recommendation	Action Agreed
Emergency Planning - Critical Function Analysis	The ICT department will undertake a review into their current Business Continuity Plan and provide further detail surrounding the critical function analysis. The critical function analysis should adequately document the details of the function and any resources required for the recovery of the function.	The ICT Manager is currently reviewing both the business continuity and disaster recovery arrangements - as part of this update the critical function analysis will be updated and fully documented

Emergency Planning Disaster recovery procedures	The Acting Head of ICT will liaise with the relevant officer at Elmbridge and the lead at the new data centre to confirm a review of the current disaster recovery controls in place at the new data centre. These should be undertaken prior to the new data centre going live. Disaster recovery procedures should be tested on a regular basis to confirm adequate business continuity measures are in place.	The disaster recovery arrangements are being reviewed and a test will be undertaken once the migration to the new datacentre is completed.

4 Financial and Manpower Implications

4.1 There are no specific financial or manpower implications for the purpose of this report.

4.2 ***Chief Finance Officer's comments:*** None for the purposes of this report.

5 Legal Implications (including implications for matters relating to equality)

5.1 Legal implications can arise if key recommendations are not implemented.

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

6 Sustainability Policy and Community Safety Implications

6.1 None for the purposes of this report.

7 Partnerships

7.1 None for the purposes of this report.

8 Risk Assessment

8.1 Failure to track the progress of implementing recommendations could result in weaknesses in control and increased risks.

9 Conclusion and Recommendations

9.1 The Committee should note that reasonable progress has been made in implementing the recommendations. Those areas where progress is slower or where the recommendations have not been fully implemented, will continue to be monitored and reported to this Committee.

Ward(s) Affected: (All Wards);

UPDATE ON THE IMPLEMENTATION OF RECOMMENDATIONS SUPPLIED BY INTERNAL AUDIT

Audit Title	Assurance Rating	No of recommendations	Details of recommendation	Not yet due for implementation	Superseded	Not Implemented	Partially implemented/on-going	Implemented	Priority	Responsible Officer(s)	Commentary from internal audit & response
Council Tax/Benefits Support System 2017/18	**Reasonable Assurance**	1	Management to ensure that reconciliations are produced on a weekly basis to check for any imbalances . Documents to be signed and dated by the preparer and reviewer					1	MEDIUM	Judith Doney/Pete Wells	Weekly reconciliations are being undertaken.
Business Process Review 2017/18	**Reasonable Assurance**	3	**Lack of communication** 1For future BPRs, management responsible for the implementation of actions and delivery of cost savings, should be involved in a final meeting to establish the key actions required.				1		MEDIUM	Gillian McTaggart	No future BPR's have been undertaken so we can not evidence this action. They are due to be reinstated although specific details are not agreed. This recommendation is marked as on going as can not be evidenced
Business Process Review 2017/18	**Reasonable Assurance**		**Dissemination to key staff** 2.Following the introduction of the Homelessness Reduction Act, all Contact Centre staff should be given training on the Housing Options Wizard		1				MEDIUM	Annette Snell	Due to changes in the Homelessness Reduction Act, the training of Contact Centre staff on the Housing Options Wizard is not now appropriate.
Business Process Review Homelessness 2017/18	**Reasonable Assurance**		**Attributable cost savings** .Cost savings achieved should be linked and attributable, at least in part, to the actions implemented following the BPR. Where possible future BPRs should detail how proposed efficiency measures can be measured and linked to anticipated (and actual) costs reductions.				1		MEDIUM	Gillian McTaggart	As part of lessons learnt any future BPR's will link any cost savings identified into the actions implemented.
Payroll Procedural Documents 2017/18	**Reasonable Assurance**	6	There is currently no procedural document in place to explain the process of payroll, or the roles and responsibilities of individuals since the migration of payroll to an outsourcing faculty. The Council will ensure a procedural document is in place to detail the roles and responsibilities and changes in process to the outsourcing of payroll since April 2017.				1		MEDIUM	Shona Mason/Debbie Childs	Partially implemented - ongoing.

Payroll Reconciliation 2017/18	**Reasonable Assurance**		Reconciliation between Payroll and the General Ledger are undertaken by the Council's Finance team. Management to ensure that reconciliations are performed on a monthly basis. They will be calculated by the Financial Accountant before being signed off by the Senior Accountant. Signed copies will be stored on file.	-	-	-	-	1	MEDIUM	Chris Morgan	Reconciliation between Payroll and the General Ledger is being undertaken on a monthly basis
Corporate Governance Complaints Process 2017/18	**Reasonable Assurance**	4	A new complaint process introduced in January 2018 with a narrower definition of a complaint was determined. Clarification and training needs to be provided to the staff to differentiate between a formal complaint and a standard rectification request in respect of service failure, in addition to an overview of the new two stage process and the narrower definition.					1	MEDIUM	Gillian McTaggart/Emma Jeffrey	Two stage process for complaints is explained in the Customer Charter on the EEBC website. All staff received refresher training following the audit. All new staff are trained on the feedback policy.
Corporate Governance Monitoring Update to Committee 2017/18	**Reasonable Assurance**		A monitoring update on complaints received has not been provided to the Audit,Crime & Disorder and Scrutiny Committee in the last 12 months. An annual monitoring update will be provided to members through a report to the Audit Committee. It will report on year on year trends in complaint numbers as well as the number of complaints reaching Stage 2 and Local Government Obudsmen level and an overall compliance to the 15 day response target.					1	MEDIUM	Gillian McTaggart/Joy Stevens	A report was taken to the June ACD & S committee providing members with an opportunity to scrutinse complaints
Emergency Planning Critical Function Analysis 2017/18	**Reasonable Assurance**		The ICT department will undertake a review into their current Business Continuity Plan and provide further detail surrounding the critical function analysis. The critical function analysis should adequately document the details of the function and any resources required for the recovery of the function.				1		MEDIUM	Phil Gall/Gill Marchbank	This is ongoing the ICT manager is revieweing the business continuity arrangements and the disaster recovery arrangements. The critical function analysis will be undertaken as part of this.
Emergency Planning Shared ICT service with Elmbridge BC, memorandum of agreement 2017/18	**Reasonable Assurance**		The Emergency Planning & Business Continuity officer and the acting Head of ICT will liaise to review the current Memorandum of Agreement for the ICT Shared Service with Elmbridge BC. A discussion will be undertaken with senior officers at Elmbridge BC to establish what arrangements are still in place and can be agreed going forward with particular focus on desk space at the respective Council's in cases of emergency.		1				MEDIUM	Phil Gall	This recommendation is superceed as we are no longer part of a shared service with Elmbridge BC. EEBC need to ensure that new arrangments are sufficient and this is monitored through the IT New Ways of Working Group.

Emergency Planning Shared Data Centre, disaster recovery procedures 2017/18	**Reasonable Assurance**		The Acting Head of ICT will liaise with the relevant officer at Elmbridge and the lead at the new data centre to confirm a review of the current disaster recovery controls in place at the new data centre. These should be undertaken prior to the new data centre going live. Disaster recovery procedures should be tested on a regular basis to confirm adequate business continuity measures are in place.				1		MEDIUM	Judith Dorney/Phil Gall	The datacentre no longer provides this service and went into administartion. The Council now has a contract with ADAM continuity for DR, but this still needs testing. Current DR arrangements need to be reviewed once we have migrated the datacentre on to the new kit the DR arrangements will be tested.
Local Plan Annual Monitoring Report 2017/18	**Reasonable Assurance**	2	Section 35 of the Planning and Compulsory Act 2004 (as amended) requires local planning authorities to publish monitoring information to the public at least yearly in the interests of transparency. In order to comply with statute the Housing Annual Monitoring Report 2016/17 will be produced as soon as possible.					1	MEDIUM	Ruth Ormella/Karol Jakubczyk	The 16/17 Housing Annual Monitoring report has been reported to Committee. The 17/18 Housing Annual Report is due to go to Committee in March
Revenues Reminders/Final Letters/ Summons Letters 2017/18	**Reasonable Assurance**		Management will ensure that the indentified case (#100892778) is followed up and summons are issued to the individual responsible. The Council's recovery timetable should be followed to maximise the chances of recovering the debt. In addition, management will ensure that a review of all NNDR cases that are currently in arrears is undertaken to ensure all cases are currently being managed in line with the Council's recovery timetable.					1	MEDIUM	Siobhan Gavigan	The identified case is now on an arrangement to pay, a summons did not become necessary. NNDR arrears cases are now being monitored and managed in line with the Council's recovery timetable.
Cyber Security 2017/18	**Advisory**		10 medium audit recommendations were identfied	10						Judith Doney	The 10 recommendations have not fallen due for implementation and a separte report on progress will be reported to the AC&DS Committee in April
Building & Planning Control Attributable cost savings 2016/17	**Reasonable Assurance**	1	When the Customer Services Team receive outstanding information to complete a building or planning control application this is not always filtered through to the Planning and Building Control Team promptly. This results in applications being delayed. There is a risk that if applications are not being promptly processed that : - there is a delay in income due to the Council; and - Reputational damage occurs meaning the building control service will potentially receive less repeat business.	_	_	_	-	1	Medium	Emma Jeffrey	The auditors have received management assurance that the action has been implemented . The Customer Service staff confirmed that there are processes in place for applications and once activated, customer services staff can access appointments for building control direct and the diaries are shared. There is no backlog. There is a process for checking open cases although this is done as resources require and cases can be open for a number of years as work is not completed for a final certificate

Housing Rent Accounting and Reconciliation 2016/17	**Partial Assurance**	3	There is no reconciliation of the cash receipting system to the rent system to ensure all payments are accounted for and all suspense items have been posted to rent accounts.(Medium)	_	_	_		1	Medium	Annette Snell	The Housing Team have re drafted the rent arrears policy.
			The procedure for arrears recovery does not specify the point at which recovery action should begin or the intervals between recovery letters (Med)	_	_	_		1	Medium	Annette Snell	There are additional resources within the team because of the new Private Sector Leasing Officer and the Temporary Accommodation Liaison Officer to ensure arrears can be chased.
			Arrears are not being chased effectively due to the lack of staff capacity for this and the current lack of functionality for this in the rent system.(Med)	_	_	_	1	_	Medium	Annette Snell	The rent accounting system continues to present problems and following an upgrade to the academy system , housing have limited remote access and the Housing Team to continue exploring an alternative rent accounting system .
PCI Compliance 2016/17	**Partial Assurance**	**3**	The Council is not PCI compliant, as it has not yet completed the self-assessment questionnaire. We were informed that it has completed approximately 50% of the questions. There is a risk that it could be charged non-compliance fees by the Bank until it is compliant (High)					1	High	Judith Doney	This is implemented and the Council is compliant.
			To comply with PCI requirements the Council has to ensure that its third party providers are PCI compliant, however the Council has failed to ensure this by holding copies of their current certificates.(Med)		1				Medium	Judith Doney	As the Council have moved from Adelante to Civica Pay as part of upgrading the financial system, recommendation 2 is ssuperseded. This infornation is held on Civica Pay for the facilitaion of compliany card payments.
			Although the Council's call recording system has been upgraded and is PCI compliant it fails to be compliant when connected to the CRM system, risking the Council holding customer credit card details in breach of PCI requirements.(High)					1	High	Judith Doney	The call recording system has been switched off and is no longer in operation
TOTAL				10	**3**	**0**	**6**	**11**			
Summary											
Not yet due		**10**									
Fully Implemented		**11**									
Partially Implemented		**6**									
Not Implemented/Outstanding		**0**									
Superseded		**3**									
TOTAL		**30**									

CORPORATE PLAN: PERFORMANCE REPORT TWO 2018 TO 2019

Head of Service/Contact:	Gillian McTaggart, Head of Policy, Performance & Governance
Annexes/Appendices (attached):	**Annex 1** – Overview of Key Priority Targets as at the end of December 2018 **Annex 2** – Performance Report Two 2018 to 2019
Other available papers (not attached):	Corporate Plan 2016 to 2020

Report summary

This report provides an update on progress made against the Key Priority Targets 2018/19 as at the end of December 2018.

Recommendation (s)

That the Committee:

(1) Notes the status of all 66 Key Priority Targets as at the end of December 2018 shown at Annexes 1 and 2.

(2) Considers the latest performance update for those targets assigned amber and red status as at the end of December 2018 set out at Annex 2 and identifies any areas of concern.

1 Implications for the Council's Key Priorities, Service Plans and Sustainable Community Strategy

1.1 The Council has a four year Corporate Plan for 2016 to 2020.

1.2 The Corporate Plan sets out the Council's Vision – to make Epsom and Ewell an excellent place to live and work – and four Key Priorities:

1.2.1 Keeping our borough clean and green

1.2.2 Supporting our community

1.2.3 Managing our resources

1.2.4 Supporting business and our local economy

1.3 Sitting under the four Key Priorities are 66 Key Priority Targets (KPTs). Progress made against each of these targets is captured across the year and reported to this Committee.

2 Corporate Plan: Delivery against Key Priority Targets as at the end of December 2018

2.1 This report comprises the second performance management report for 2018/19; it covers the period April to December 2018. An overview of the current position of each target as at the end of December 2018 has been included at **Annex 1**.

2.2 The full Phase 2 performance report is attached at **Annex 2**. The table at the beginning of this report sets out the number of KPTs assigned each RAG status (Red/Amber/Green) together with the number of targets that have been achieved, are on hold and those that are information only indicators. The Committee will wish to note that data is outstanding for one information only target – Tonnage of fly tips removed (Keeping our borough clean and green).

2.3 The table below sets out the percentage of targets that have been assigned each RAG or other status as at Phase 1 (position as at the end of September 2018) and Phase 2. (*Please note that percentages may not add up to 100% due to rounding.) As at Phase 2, 74% of the targets have been achieved or assigned green status. This is a slight decrease from Phase 1 of 4%. However, the percentage of achieved targets has increased by 16% between Phase 1 and Phase 2.

Key to reporting status		**Phase 1 (%)***	**Phase 2 (%)***
Achieved	**Achieved**	**26%**	**42%**
Green	**On Track**	**52%**	**32%**
Amber	**Slightly off track, not a major concern or slippage**	**11%**	**11%**
Red	**Off track or unlikely to be achieved for projected year**	**10%**	**10%**

On Hold	**On Hold**	**2%**	**5%**

3 Proposals

3.1 The Committee is asked to consider the performance as at Phase 2 (performance to the end of December 2018) reported at **Annexes 1 and 2** and to identify any areas of concern.

4 Financial and Manpower Implications

4.1 There are no particular financial or manpower implications arising from this report.

4.2 ***Chief Finance Officer's comments:*** None for the purposes of this report.

5 Legal Implications (including implications for matters relating to equality)

5.1 There are no legal implications arising from this report.

5.2 ***Monitoring Officer's comments:*** none arising from the contents of this report.

6 Sustainability Policy, Community Safety Implications and Partnerships

6.1 None for the purposes of this report.

7 Risk Assessment

7.1 Regular monitoring of performance enables timely decisions to be made regarding the management of a target's progress/completion.

8 Conclusion and Recommendations

8.1 The report provides a snapshot of progress made to date against the Council's KPTs. A number of targets have been achieved already, plus a number of targets have been assigned green status. However, as at the end of December 2018, 6 targets have been assigned red status.

8.2 It is recommended that the Committee consider progress made to date and comment on any areas of concern.

Ward(s) Affected: (All Wards);

This page is intentionally left blank

Key Priority Targets Overview as at end December 2018

Keeping our borough clean and green

- Establish a corporate group to evaluate the future approach to enforcement and community safety with an agreed work programme by April 2018 **(Damian Roberts S&R)** ***(Achieved)***
- Evaluate the available powers and legal options for enforcement and present a report to Committee for member consideration by September 2018 **(Rod Brown EC)**
- Oversee the implementation of Public Space Protection Orders (PSPOs) as agreed by the Environment Committee by September 2018. **(Rod Brown EC)** ***(Achieved)***
- Prepare options for introducing electric charging points by October 2018 **(Ian Dyer EC)**
- Introduce new planting scheme for flower beds and flower displays by December 2018 **(Ian Dyer EC)** ***(Achieved)***
- Maintain external accreditation to Alexandra Rec Ground, Ewell Court Park and Rosebery Park and a South and South East Award for Nonsuch Park by December 2018 **(Ian Dyer CW)** ***(Achieved)***
- Produce Operational Management Plans for Poole Road Park and Long Grove Park by Dec 2018. **(Ian Dyer CW)** ***(Achieved)***
- Undertake a survey on the changes resulting from simply weekly collection and feedback on what would increase recycling behaviours by Sept 2018 **(Ian Dyer EC)** ***(Achieved)***
- Refurbishment of Rosebery Park Pond by July 2018 **(ID S&R)** ***(Achieved)***
- Hold at least three Community Clean up events by Nov 2018 **(Ian Dyer CW)** ***(Achieved)***
- Street Cleaning /Cleanliness (Twice yearly street cleansing survey (Phase 1: April to Aug; Phase 2 Sept to Mar) based on a random selection of 113 areas achieving a cleanliness rating of Grade B or above (grading being A to D) in 75% of all selected streets **(Ian Dyer EC)**
- Complete the newt survey at Stones Road Allotment and report on future options by Sept 2018 **(Mark Shephard S&R)**
- Deliver the Local Plan in accordance with: **(Ruth Ormella LPPC)**
  - Pre-submission consultation by 30 Sept 2018;
  - Submission to the Secretary of State by 31st December 2018
- Complete the Green Belt Study 2 and report to LPPC by July 2018 **(Ruth Ormella LPPC)** ***(Achieved)***

Statistics

- Recycle 54% domestic waste by 31 March **(Ian Dyer EC)** **(Dec 2018, 55.11%; Average YTD, 53.94%; Dec 2017, 54.17%)**
- Over the year at least 99% of bins to be collected on average each week 31 March **(Ian Dyer EC)** **(December 2018, 99.89%)**
- Fly tipping – remove 95% of all fly tips on council owned land within 5 working days of being reported to Operational Services **(Ian Dyer EC)** **(December 2018, 96%)**
- No*/*Tonnage of fly tips removed **(YTD 495/ Tonnage 51.52)**
- Graffiti – remove 95% of graffiti on council owned land within 5 working days of being reported to Operational Services. **(Ian Dyer EC)** **(December 2018 92%)**
- Graffiti – remove offensive graffiti within two working days of being reported to Op Srvs. **(Ian Dyer EC)** **(Dec 2018 100%)**
- Graffiti – remove 95% of graffiti on private property two working days from receiving the waiver document. **(ID)** **(Dec 2018 100%)**

Supporting our community

- Appraise options for the development of the Wells Site and agreed community space by Sept 2018 **(Mark Shephard S&R)** ***(Achieved)***
- Complete the transfer and support the handover of Horton Chapel to the Horton Chapel Arts & Heritage Society by March 2019 **(Amardip Healy S&R)**
- Deliver the agreed CIL 15% and Civic Investment Fund (CIF) by July 2018 **(Gillian McTaggart S&R)**
- To complete the build in the Long Grove Skate Park extension by May 2018 and arrange a fun day to officially open the park by June 2018 **(Rod Brown CW)** ***(Achieved)***
- A report to S&R Committee to determine the options to develop two units for residential accommodation in South Street by July 2018 **Mark Shephard/ (Rod Brown S&R)**
- As part of the Health & Wellbeing Strategy, review the social prescribing pilot scheme and recommend the next steps to the Community and Wellbeing Committee by Sept 2018 **(Ian Dyer CW)** ***(Achieved)***
- Produce a policy for the management of events on Council land by April 2018 **(Damian Roberts CW)**
- Support the delivery of the Hollymoor Lane Parade by 31 March 2019 **(Mark Shephard S&R)** ***(Achieved)***
- Submission of a planning application to extend Epsom Cemetery by 30 Sept 2019 **(Rod Brown CW)** ***(Achieved)***
- A review of the CCTV provision provided by the Council by 31 March 2019 **(Rod Brown S&R)**

Statistics

- Less than 40 households living in emergency nightly paid temporary accommodation per month **(Rod Brown CW)** **(December 2018 – 42 ; December 2017 - 34)**
- At least 8 households accommodated through the private sector leasing scheme by 31 March 2019 **(Rod Brown CW)** ***(Achieved)***
- At least 30 new households supported through the rent deposit scheme by 31 March 2019 **(Rod Brown CW)** **(December 2018, Actual 33)** ***(Achieved)***

Managing our resources

- Implement the new on-street parking agreement by 30 Sept 2018 **(Ian Dyer EC)**
- Delivery of the Income Generation Plan (by April 2018) and the supporting marketing action plan by September 2018 **(Lee Duffy S&R)**
- Produce a 10 year Financial Projection for the Council by Sept 2018 **(Lee Duffy S&R)** ***(Achieved)***
- Retender the FM contract to be awarded in January 2019 **(Mark Shephard S&R)** ***(Achieved)***
- Agree an action plan and Implement the recommendations from the Playhouse Review by October 2018 **(Mark Shephard CW)**
- Replace the stage and first floor changing rooms at the Playhouse by 31st March 2019 **(Mark Shephard CW)** ***(Achieved)***
- Replace the air conditioning units and lighting at Bourne Hall by March 2019 **(Mark Shephard CW)** ***(Achieved)***
- Improve on-line functionality to increase digital services for residents by 31 March 2019 **(Judith Doney S&R)** ***(Achieved)***
- Co-ordinate and support the Council's civic events for 2018 to commemorate WW1, Epsom 400 and Suffragette by 31 December 2018 **(Shona Mason S&R)** ***(Achieved)***
- Report on adopting a policy on single use plastics and an action plan to Strategy & Resources by September 2018 **(Amardip Healy S&R)**
- To agree an unauthorised encampment protocol with partners by May 2018 **(Amardip Healy S&R)** ***(Achieved)***

Statistics

- At least 99.0% of Business Rates to be collected **(Judith Doney S&R)** **(December 2018 Target 85.50%, Actual 85%)**
- At least 98.4% of Council Tax collected **(Judith Doney S&R)** **(December 2018 Target 90%, Actual 90%)**
- Process new Housing Benefit claims within an average time of 28 days **(Judith Doney S&R)** **(December 2018, Actual 13 days)**
- Process Housing Benefit change of circumstances within an average time 11 days **(Judith Doney S&R)** **(December 2018, Actual 4 days)**

Supporting businesses and our local economy

- Upgrades to the Ashley Centre Car Park installing:
  - Fencing, railings, mesh and fire doors by Dec 2018
  - Deckshield work to be completed by March 2019

  (Ian Dyer EC)
- Letting availability of South Street premises ground floor as a commercial occupation by March 2019 **(Mark Shephard S&R)**
- Run an educational event for local businesses with the Surrey Chamber of Commerce by August 2018 **(Economic Development Contract; Ruth Ormella/Julia Owen)** ***(Achieved)***
- Host an annual welcome event with University of the Creative Arts (UCA) business students by October 2018 **(Shona Mason S&R)**
- Work in conjunction with UCA to produce a promotional film to promote Epsom & Ewell by March 2019 **(Economic Development Contract; Ruth Ormella /Julia Owen)** ***(Achieved)***
- Support the work of the Business Improvement District (BID) by March 2019 **(Amardip Healy S&R)**
- Produce an economic profile of the Borough including ward profiles by Dec 2018 **(Gillian McTaggart S&R)** ***(Achieved)***
- Report to S&R on the options to establish a joint committee by July 2018 **(Amardip Healy S&R)**
- Develop a Memorandum of Understanding for the market place by December 2018 **(Damien Roberts)**
- Ten percent reduction of 0-2 food hygiene rated food businesses 31 March **(Rod Brown EC)**
- No more than ten per cent of major planning applications allowed at appeal (using the two-year rolling assessment period defined by the government) **(Ruth Ormella L&PPC)**
- The number of officer recommendations overturned by the Planning Committee* **(Ruth Ormella L&PPC)** **(December YTD 0 decisions overturned)**

Statistics

- At least 90% of premises licence application determined within 21 days from the end of the statutory consultation period 31 March **(LPPC Rod Brown)** **(December 2018, 100% determined)**
- Number of major planning applications (MHCLG) received* **(L&PPC Ruth Ormella)** **(December 2018, Actual 1, YTD 28)**
- Number of non-major planning applications (MHCLG) received* **(December 2018, Actual 66, YTD 618)**
- At least 60% of major planning applications decided in time **(December 2018, Actual 100%, YTD 100%)**
- At least 70% of non-major planning applications decided in time **(December 2018, Actual 98.48%, YTD 84%)**

(*Note: Information only indicator)

Key: **Achieved or on target**; **slightly off target not a major concern or slippage**; **off target / unlikely to be achieved for projected year or not achieved**; **Target on hold**

This page is intentionally left blank

Corporate Plan: Key Priority Performance Targets

Performance Report 2018/2019: Phase 2

Corporate Plan: Key Priority Performance Targets

Performance Report 2018/2019: Phase 2

Performance status						
Key to reporting target status		Keeping our borough clean and green	Supporting our community	Managing our resources	Supporting businesses and our local economy	Totals:
G	On track	7	2	7	4	20
A	Slightly off track not a major concern or slippage	0	1	1	5	7
R	Off track or unlikely to be achieved for projected year	2	3	0	1	6
Achieved	Target achieved	9	7	7	3	26
On Hold	Held in abeyance pending review	2	0	0	1	3
Information Indicators	These indicators are for information only	0	0	0	3	3
Awaiting Data		1	0	0	0	1
	Totals:	21	13	15	17	66

Keeping our Borough Clean and Green

We will do this by:

Providing quality parks, nature reserves and other public spaces that are safe, pleasant and well maintained

Accommodating sustainable development whilst protecting the green belt in accordance with Policy

Introducing a premium weekly waste and recycling service as standard for all residents and encourage more household waste to be recycled

Keeping the streets and public spaces clean and tidy

Taking action to reduce graffiti, littering, flytipping, flyposting illegal, advertising and dog fouling

KEY OUTCOMES

- Management plans for all major parks and public spaces
- Premium weekly recycling and waste service as standard for all residents introduced from Spring 2017
- Recycling clubs with local schools

KEY SUCCESS MEASURES

- External accreditation for our major parks and public spaces
- Delivery of the Biodiversity Action Plan
- Increase in recycled household refuse
- Street cleanliness assessment

Keeping our borough clean and green – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Establish a corporate group to evaluate the future approach to enforcement and community safety with an agreed work programme	Chief Operating Officer (S&R)	April 2018	**April to Sept:** A corporate group has been established and a number of joint operations resulting in enforcement actions have already taken place. A workshop with partners will be held on 19/11/18.	**Achieved**
			Oct to Dec: Target completed.	
			Jan to March:	
Evaluate the available powers and legal options for enforcement and present a report to Committee for member consideration	Head of Housing & Community (EC)	September 2018	**April to Sept:** Not started. Existing enforcement is underway and future options are now part of the wider joint enforcement project which has received funding from a successful bid to the Police and Crime Commissioner.	**On Hold**
			Oct to Dec: On Hold	
			Jan to March:	
Oversee the implementation of Public Space Protection Orders (PSPOs) as agreed by the Environment Committee	Head of Housing & Community (EC)	September 2018	**April to Sept:** The three original DPPAs have automatically become PSPOs ensuring continuation of effective controls. Report prepared for Leadership Team and Chairmen's on modified PSPO in accordance with Environment Committee resolution Jan 2017.	**Achieved**
			Oct to Dec: Target completed.	
			Jan to March:	

Keeping our borough clean and green – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Prepare options for introducing electric charging points	Head of Operational Services (EC)	October 2018	**April to Sept:** Two service providers have come in to give a business overview and discuss options for Epsom & Ewell Borough Council. Capital Bid was submitted but deferred to 2019/20	**On Hold** (Deferred)
			Oct to Dec: On Hold	
			Jan to March:	
Introduce new sustainable planting scheme for flowers beds and flower displays	Head of Operational Services (EC)	December 2018	**April to Sept:** In progress - Report prepared for Environment Committee on 23 October.	**Achieved**
			Oct to Dec: Scheme agreed by the Environment Committee October 2018. Target achieved.	
			Jan to March:	
Maintain external accreditation to Alexandra Rec Ground, Ewell Court Park and Rosebery Park and a South and South East Award for Nonsuch Park	Head of Operational Services (CW)	December 2018	**April to Sept:** Alexandra Rec Ground, Ewell Court Park and Rosebery Park awarded a Green Flag. Nonsuch Park secured a South & South East In Bloom Silver Gilt Award in the Heritage/Historic Parks & Gardens category. Action completed.	**Achieved**
			Oct to Dec: Nonsuch Park secured a South & South East In Bloom Silver Gilt Award in the Heritage/Historic Parks & Gardens category.	
			Jan to March:	

Keeping our borough clean and green – Key priority

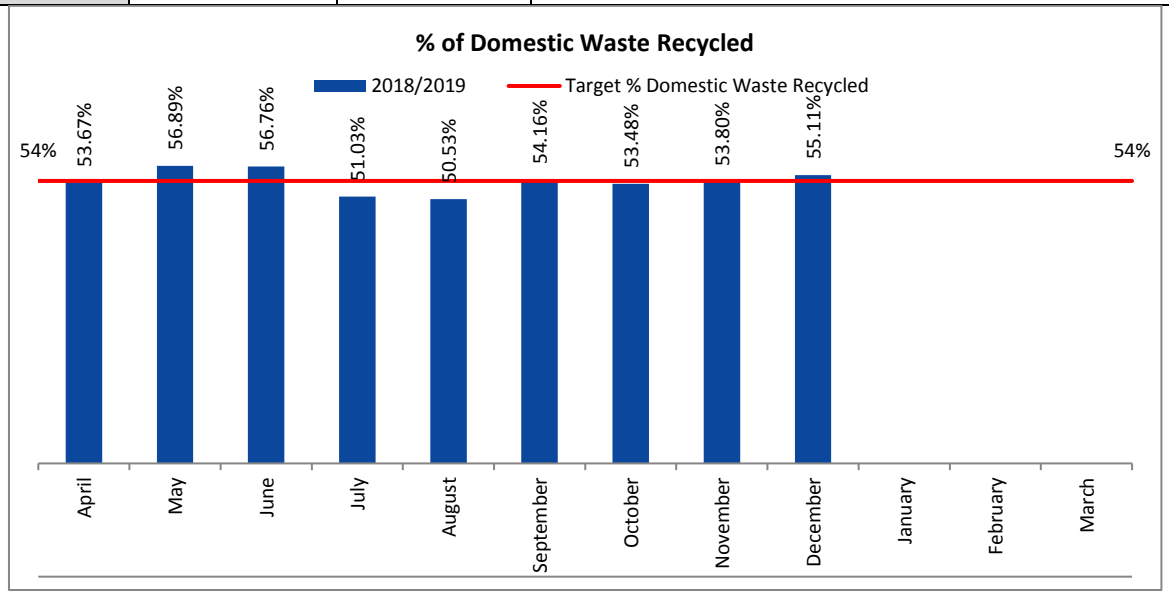
Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Produce Operational Management Plans for Poole Road Park and Long Grove Park	Head of Operational Services (CW)	December 2018	**April to Sept:** Visitors surveys currently being conducted. Once the information is collated the Management Plans will be produced.	**Achieved**
			Oct to Dec: These are now completed.	
			Jan to March:	
Undertake a survey on the changes resulting from simply weekly collection and feedback on what would increase recycling behaviours	Head of Operational Services (EC)	September 2018	**April to Sept:** Survey completed, 655 responses received. Overwhelmingly positive towards the introduction and use of Simply Weekly Recycling. Report prepared for Environment Committee 23 October.	**Achieved**
			Oct to Dec: Report prepared for Environment Committee 23 October 2018.	
			Jan to March:	
Refurbishment of Rosebery Park Pond	Head of Operational Services (S&R)	July 2018	**April to Sept:** Official opening on 12 April - completed	**Achieved**
			Oct to Dec: Target completed.	
			Jan to March:	

	Keeping our borough clean and green – Key priority			
Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Hold at least three Community Clean up events	Head of Operational Services (CW)	November 2018	**April to Sept:** Seven community litterpicks supported	Achieved
			Oct to Dec: Church of God x1, Community pick along Hogsmill, Auriol park completed by scouts.	
			Jan to March:	
Complete the newt survey at Stones Road Allotment and report on future options	Head of Property & Regeneration (S&R)	September 2018	**April to Sept:** Newt survey completed. Reporting to S&R in November.	R
			Oct to Dec: Report on future options to S&R postponed to future meeting.	
			Jan to March:	
Deliver the Local Plan in accordance with: • Pre-submission consultation • Submission to the Secretary of State	Head of Planning (LPP)	September 2018 December 2018	**April to Sept:** The Local Plan Regulation 19 submission is scheduled for Autumn 2019, on the basis that the changes to the National Planning Policy Framework (NPPF) and the Housing Delivery Test have led to further work and the commissioning of the Transformational Masterplan. The change in the programme has been reported to the Licencing and Planning Committee in July 2018.	R
			Oct to Dec: Work continues on Local Plan in line with new dates.	
			Jan to March:	

Keeping our borough clean and green – Key priority				
Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Complete the Green Belt Study 2 and report to LPPC	Head of Planning (LPP)	July 2018	**April to Sept:** Atkins have provided the completed final version of the Stage 2 Greenbelt and this has been reported to the Licencing and Planning Committee meeting of the 8th May 2018.	**Achieved**
			Oct to Dec: Target complete	
			Jan to March:	

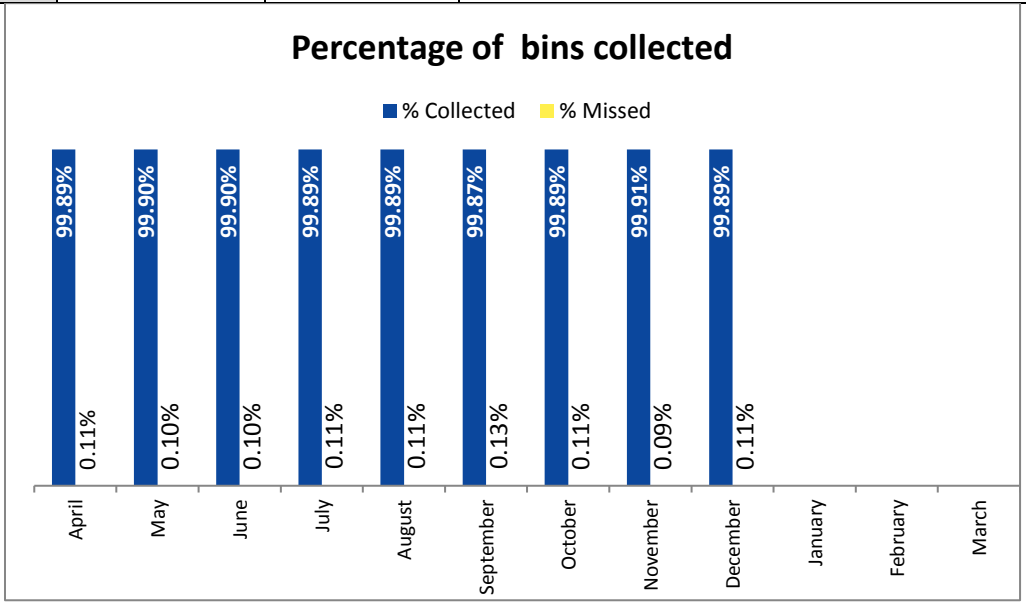
Keeping our borough clean and green – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Recycle 54% domestic waste	Ian Dyer Head of Operational Services (EC)	March 2019	**April to Sept:** For the period April to September the average recycling rate is 53.77%.	G
			Oct to Dec: YTD average 53.94% recycling rate.	
			Jan to March:	



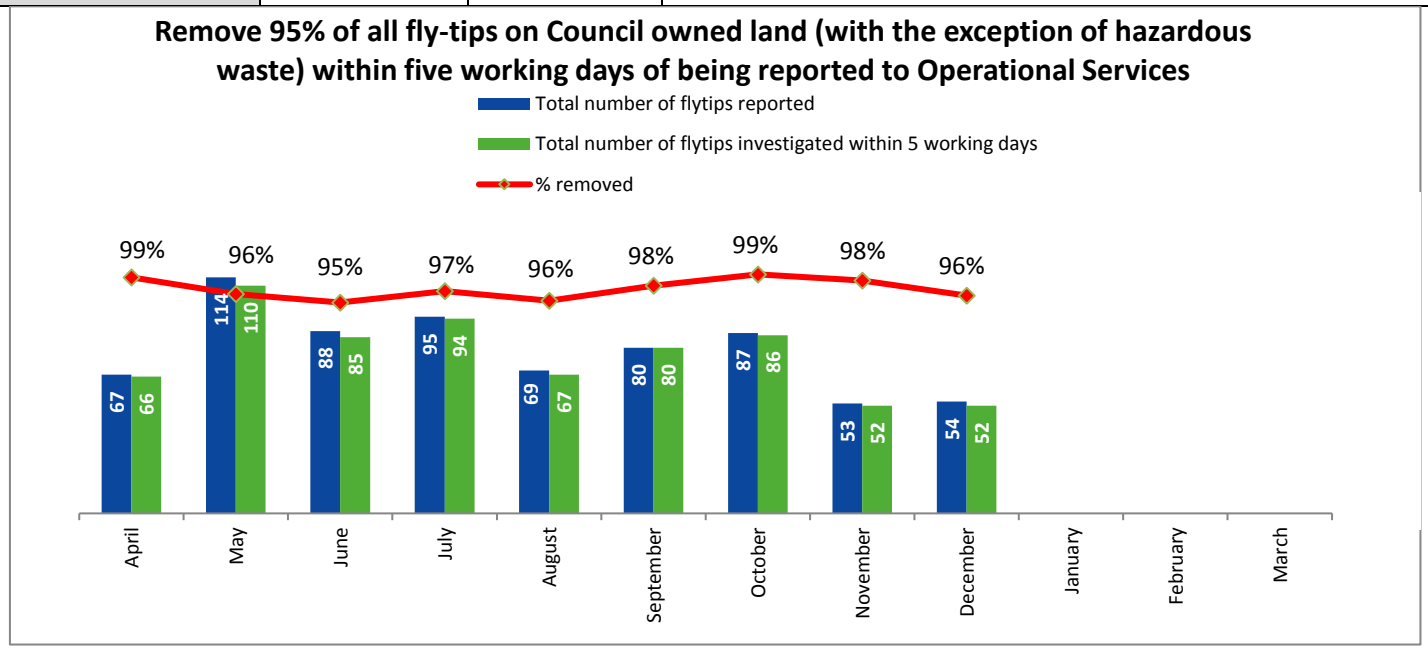
Keeping our borough clean and green – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Over the year at least 99% of bins to be collected on average each week	Head of Operational Services (EC)	March 2019	**April to Sept:** As at September, 99.87% bins collected. **Oct to Dec:** As at December, 99.89% bins collected. **Jan to March:**	G



Keeping our borough clean and green – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Fly tipping – remove 95% of all fly tips on council owned land within 5 working days of being reported to Operational Services	Head of Operational Services (EC)	March 2019	**April to Sept:** As at September, 98% of all fly tips on council owned land removed within 5 working days of being reported to Operational Services.	G
			Oct to Dec: As at December, 96% of all fly tips on council owned land removed within 5 working days of being reported to Operational Services.	
			Jan to March:	



Keeping our borough clean and green – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Number of fly tips dealt with; Tonnage of fly tips removed	Head of Operational Services (EC)	March 2019	**April to Sept:** As at September, a total of 495 fly tips were dealt with totalling 51.52 tons.	**Awaiting Data (Information only indicator)**
			Oct to Dec: Awaiting Data	
			Jan to March:	

Keeping our borough clean and green – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Graffiti – remove 95% of graffiti on council owned land within 5 working days of being reported to Operational Services	Head of Operational Services (EC)	March 2019	**April to Sept:** 100% graffiti removed. **Oct to Dec:** December 92% removed. **Jan to March:**	G
Graffiti – remove offensive graffiti within two working days of being reported to Operational Services	Head of Operational Services (EC)	March 2019	**April to Sept:** 100% graffiti removed. **Oct to Dec:** December 100% removed. **Jan to March:**	G
Graffiti – remove 95% of graffiti on private property within two working days from receiving the waiver document	Head of Operational Services (EC)	March 2019	**April to Sept:** 100% graffiti removed. **Oct to Dec:** December 100% removed. **Jan to March:**	G

Keeping our borough clean and green – Key priority				
Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Street Cleaning /Cleanliness (Twice yearly street cleansing survey (Phase 1: April to Aug; Phase 2 Sept to Mar) based on a random selection of 113 areas achieving a cleanliness rating of Grade B or above (grading being A to D) in 75% of all selected streets	Head of Operational Services (EC)	March 2019	**April to Sept:** Phase one of the survey sample was completed in August. All six areas surveyed were graded B or above - graffiti 100%, grass cutting 97.25%, fly posting 96%, Litter 89%, Detritus 78% and weeds 66%.	G
			Oct to Dec: Next survey to commence in January 2019.	
			Jan to March:	

Supporting our Community

We will do this by:

Supporting and enabling the delivery of affordable homes

Helping those at risk of homelessness

Promoting healthy and active lifestyles, especially for the young and elderly

Encouraging and supporting volunteering initiatives

KEY OUTCOMES	KEY SUCCESS MEASURES
Increase supply of homes to meet local needs	Delivery of affordable homes
Residents supported from becoming homeless	Long term empty properties brought back into use
Implement the Leisure Development Strategy	Reduction in homelessness Increase our supply of temporary accommodation
	Deliver the targets within the Leisure Development Strategy

Supporting our community – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Appraise options for the development of the Wells Site and agreed community space	Head of Property & Regeneration (S&R)	September 2018	**April to Sept:** Options appraisal completed and reported to September S&R. Authority provided to commence consultation with residents on the proposed site configuration.	Achieved
			Oct to Dec: Target achieved.	
			Jan to March:	
Complete the transfer and support the handover of Horton Chapel to the Horton Chapel Arts & Heritage Society	Chief Legal Officer (S&R)	March 2019	**April to Sept:** External solicitors appointed (Cripps) and agreement reached to transfer the Chapel by way of a 125 year lease. A long lease structure provides the Council with the necessary control to ensure the substantial public funds (s106 funding) are used for their intended purpose. Legal documentation progressing.	G
			Oct to Dec: Legal documentation completed and support being provided to hand over Horton Chapel to the Society.	
			Jan to March:	
Deliver the agreed initial Community Infrastructure Levy (CIL) and Civic Investment Fund scheme (CIF) in line with timetable	Head of Policy, Performance and Governance (S&R)	July 2018	**April to Sept:** The process for agreeing CIL 15% bids and the Borough Investment Fund (BIF) were approved by S&R in April. The CIL Panel approved 8 bids. The BIF scheme for improvements to shop fronts went live in September	G
			Oct to Dec: There has been some progress in the implementation the 8 agreed bids with one fully completed and a second one due to be completed at the end of January. A report will go to S&R Committee in April with the proposed permanent scheme for the allocation of the CIL 15%. Details of the Borough Investment Fund (BIF) were issued to local businesses and we have received one application and a number of expressions of interest.	
			Jan to March:	

Supporting our community – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
• To complete the build in the Long Grove Skate Park extension • Arrange a fun day to officially open the park	Head of Housing & Community (CW)	May 2018 June 2018	**April to Sept:** The new extension to Long Grove Skate Park was completed in May 2018. Due to the inclement weather during the build phase the area needed time to reinstate and so it was decided that the hosting of a fun day would not be appropriate. The facility is now open and regularly being used.	**Achieved**
			Oct to Dec: Target complete	
			Jan to March:	
A report to S&R Committee to determine the options to develop two units for residential accommodation in South Street	Head of Property & Regeneration Head of Environmental Health (S&R)	July 2018	**April to Sept:** Planning permission successfully obtained but programme delayed due to building works, contract to be tendered in next quarter and a report to S&R will follow in quarter four.	R
			Oct to Dec: Report to S&R Committee delayed to Q4 pending completion of options analysis.	
			Jan to March:	

Supporting our community – Key priority

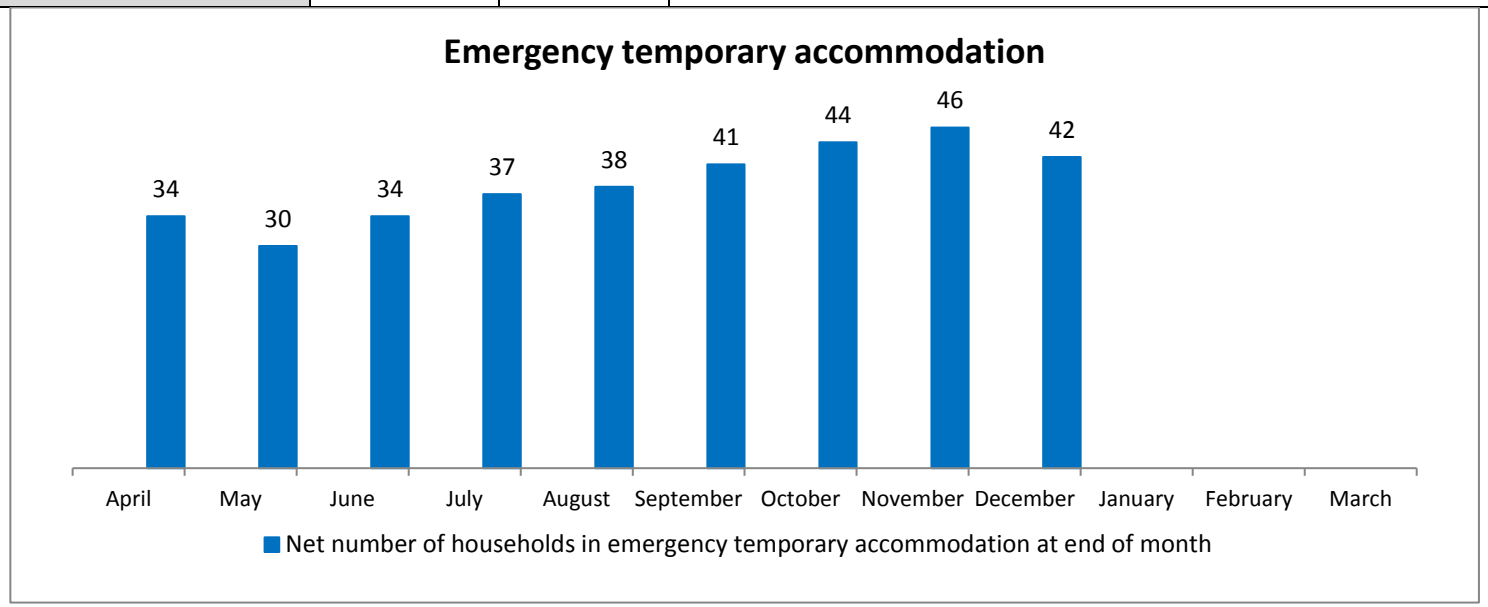
Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
As part of the Health & Wellbeing Strategy, review the social prescribing pilot scheme and recommend the next steps to the Community and Wellbeing Committee	Head of Operational Services (CW)	September 2018	**April to Sept:** Presentation of the review of Social Prescribing was given to the Leadership team on the 14 August 2018. An outcome of the review by the CCG's was to provide £30k funding for a link Worker for a period of one year. The link worker is now in post and the new model of Social prescribing is being presented to the Community and Wellbeing Committee on the 9 October 2018 for endorsement.	**Achieved**
			Oct to Dec: The Community and Wellbeing Committee agreed on the 9 October to endorse the continuation of the Social Prescribing service.	
			Jan to March:	
Produce a policy for the management of events on Council land	Head of Operational Services (CW)	April 2018	**April to Sept:** In progress - Working as part of a steering group headed by the Chief Operating Officer.	R
			Oct to Dec: Work in progress	
			Jan to March:	

Supporting our community – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Support the delivery of the Hollymoor Lane Parade	Head of Property & Regeneration (S&R)	March 2019	**April to Sept:** Construction programme on schedule and due to complete within the next quarter.	Achieved
			Oct to Dec: Completed December 2018. Target achieved.	
			Jan to March:	
Submission of a planning application to extend Epsom Cemetery	Head of Housing & Community (CW)	September 2018	**April to Sept:** The planning application for the cemetery was submitted on 25 September 2018. The land has been acquired and a revised budget agreed by S&R. A planning decision is expected in Dec 2018.	Achieved
			Oct to Dec: Planning was approved in December. Tender documents are being developed by planning consultant with the aim to go out to tender in January 2019.	
			Jan to March:	
A review of the CCTV provision provided by the Council	Head of Housing & Community (S&R)	March 2019	**April to Sept:** Initial discussions with MVDC and research from other LAs.	A
			Oct to Dec: Meeting with police representatives indicated a far more in depth focus is required into future CCTV provision, funding, monitoring arrangements and technology. Initial paper has been taken to the Leadership Team and joint work with boroughs in the East Surrey CSP is likely to be required once the police's intentions and timescales become clear.	
			Jan to March:	

Supporting our community – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Less than 40 households living in emergency nightly paid temporary accommodation per month	Head of Housing & Community (CW)	March 2019	**April to Sept:** As at September there were 41 households accommodated in emergency temporary accommodation.	R
			Oct to Dec: As at December there were 42 households accommodated in emergency temporary accommodation - with 4 placements made under SWEP.	
			Jan to March:	



Supporting our community – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
At least 8 households accommodated through the private sector leasing scheme	Head of Housing & Community (CW)	March 2019	**April to Sept:** As at September, eight households have been accommodated through the private sector leasing scheme.	**Achieved**
			Oct to Dec: For the period October to December ten households have been accommodated through the private sector leasing scheme. Target achieved.	
			Jan to March:	
At least 30 households supported through the rent deposit scheme	Head of Housing & Community (CW)	March 2019	**April to Sept:** As at September there were 22 households supported through the rent deposit scheme.	**Achieved**
			Oct to Dec: As at December there were 33 households supported through the rent deposit scheme. Target achieved.	
			Jan to March:	

MANAGING RESOURCES

WE WILL DO THIS BY:

Developing multi-skilled & motivated staff

Providing services digital

Identifying new sources of revenue and maximising our existing income

Delivering further efficiency savings and cost reductions

Maximising returns from properties and other investments

KEY OUTCOMES

An Organisational Development Strategy which drives culture change, build capacity and delivers a skilled workforce for the future

A new improved website enabling services to be delivered digitally

Asset Management Plan for major assets

Balanced budget each year

KEY SUCCESS MEASURES

Core values embedded into our performance management framework

Increase digital accessibility of our services

Return generated from property and other investments

Agreed savings delivered

Managing our resources – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Implement the new on-street parking agreement	Head of Operational Services (EC)	September 2018	**April to Sept:** Current agreement has been extended until 31 Dec 2018. Surrey CC have verbally offered an extension to 31 Mar 19 whilst finer points of longer term agreement can be finalised. **Oct to Dec:** Finalise Memorandum of Understanding for more collaborated approach in order to gain 4-year contract extension from April 2019. **Jan to March:**	G
• Delivery of the Income Generation Plan, and • Supporting marketing action plan	Chief Finance Officer Head of HR & OD (S&R)	April 2018 September 2018	**April to Sept:** Marketing plans have been developed for each of the services within the Income Generation work streams **Oct to Dec:** Marketing plans have been implemented for Business Bins and Day Care+ with promotional materials designed and developed with updates to the website etc actioned. Advertising online is now being pushed through as decision not to retarget via cookies has been made. **Jan to March:**	G
Produce a 10 year Financial Projection for the Council	Chief Finance Officer (S&R)	September 2018	**April to Sept:** Completed and presented to Financial Policy Panel on 11 September 2018. **Oct to Dec:** Target achieved. **Jan to March:**	**Achieved**

Managing our resources – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Retender the FM contract to be awarded	Head of Property & Regeneration (S&R)	January 2019	**April to Sept:** Retender procurement process on schedule - official contract renewal notice published 24 July 2018 inviting bidders to tender. Submissions received 24 August 2018 and shortlisted bidders notified 12 Sept 2018.	Achieved
			Oct to Dec: Report to Strategy & Resources Committee December 2018. Target complete.	
			Jan to March:	
Agree an action plan and Implement the recommendations from the Playhouse Review	Head of Property & Regeneration (CW)	October 2018	**April to Sept:** An action plan has been agreed and updates reported to Community and Wellbeing Committee on 9/10/18.	G
			Oct to Dec: Action plan update report taken to C&W Committee with agreement received to implement a transaction charge.	
			Jan to March:	
Replace the stage and first floor changing rooms at the Playhouse	Head of Property & Regeneration (CW)	March 2019	**April to Sept:** This target has been implemented.	Achieved
			Oct to Dec: Target completed.	
			Jan to March:	

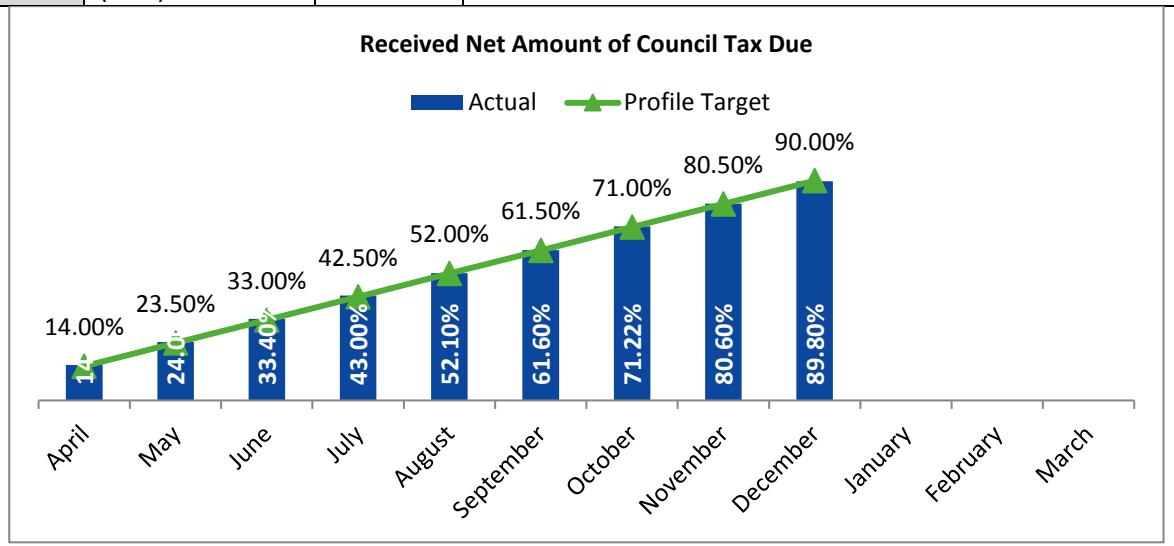
Managing our resources – Key priority				
Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Replace the air conditioning units and lighting at Bourne Hall	Head of Property & Regeneration (CW)	March 2019	**April to Sept:** This target has been implemented.	**Achieved**
			Oct to Dec: Target completed	
			Jan to March:	
Improve on-line functionality to increase digital services for residents	Head of Digital & Service Transformation (S&R)	March 2019	**April to Sept:** The self-service was soft launched on the website on 9 August 2018 to ensure the system was working well and fine tune the processes around this change. To date 396 users have registered to use the service and the feedback has been overwhelmingly positive.	**Achieved**
			Oct to Dec: System now fully launched with article in Borough Insight and social media. Target achieved.	
			Jan to March:	
Co-ordinate and support the Council's civic events for 2018 to commemorate WW1, Epsom 400 and Suffragette	Head of HR & Organisational Development (S&R)	December 2018	**April to Sept:** Poppies have been put up throughout the borough – these were raised to mark the anniversary of 100 day offensive. Bourne Hall Museum held our first World War One anniversary public event and have also been advising the Ashley Centre in their World War One project. On 7th Oct a small commemoration in Epsom Market Place to mark the death of 32 year-old Trooper Frederick. We are also involved in the activity arranged by St Paul's Howell Hill on Saturday 10 November. And on Sun 11 Nov we will join the chain of beacons that are being lit across the UK and commonwealth, with a floating beacon on the lake at Bourne Hall.	**Achieved**
			Oct to Dec: All WW1 events took place and the Suffragette event took place 10 -24 Dec which involved exhibition in civic street of local women of political and other of note.	
			Jan to March:	

Managing our resources – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Report on adopting a policy on single use plastics and an action plan to Strategy & Resources	Chief Legal Officer (S&R)	September 2018	**April to Sept:** Delayed whilst considering impact of County Council discussions. A report will be brought to S&R before the end of 2018.	A
			Oct to Dec: Leadership Team have approved an internal policy and will report to Environment Committee (not S&R) seeking its approval for adoption in March 2019.	
			Jan to March:	
To agree an unauthorised encampment protocol with partners	Chief Legal Officer (S&R)	May 2018	**April to Sept:** Surrey Police have issued a new Protocol on dealing with travelling encampments. The next stage is for the Council to work with other landowners to work to manage and remove unauthorised encampments within the Borough.	Achieved
			Oct to Dec: The Council has secured an interim injunction to protect 56 of its sites. Hearing for permanent injunction is in March 2019.	
			Jan to March:	

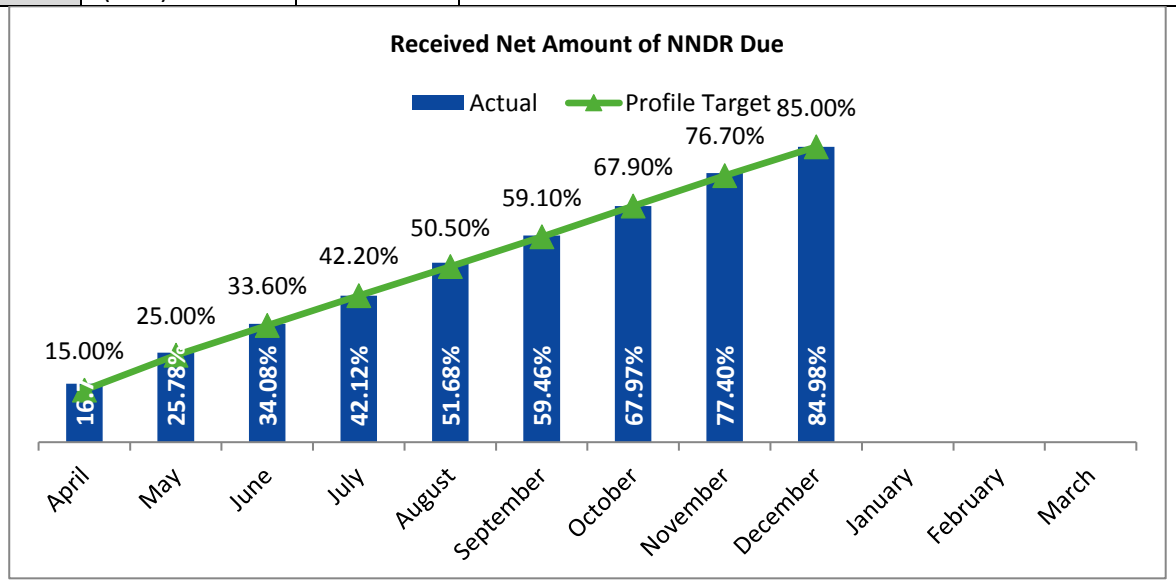
Managing our resources – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
At least 98.4% of Council Tax collected	Head of Digital & Service Transformation (S&R)	March 2018	**April to Sept:** As at September, 61.60% Council Tax collected.	G
			Oct to Dec: As at December, 90% of Council Tax has been collected.	
			Jan to March:	



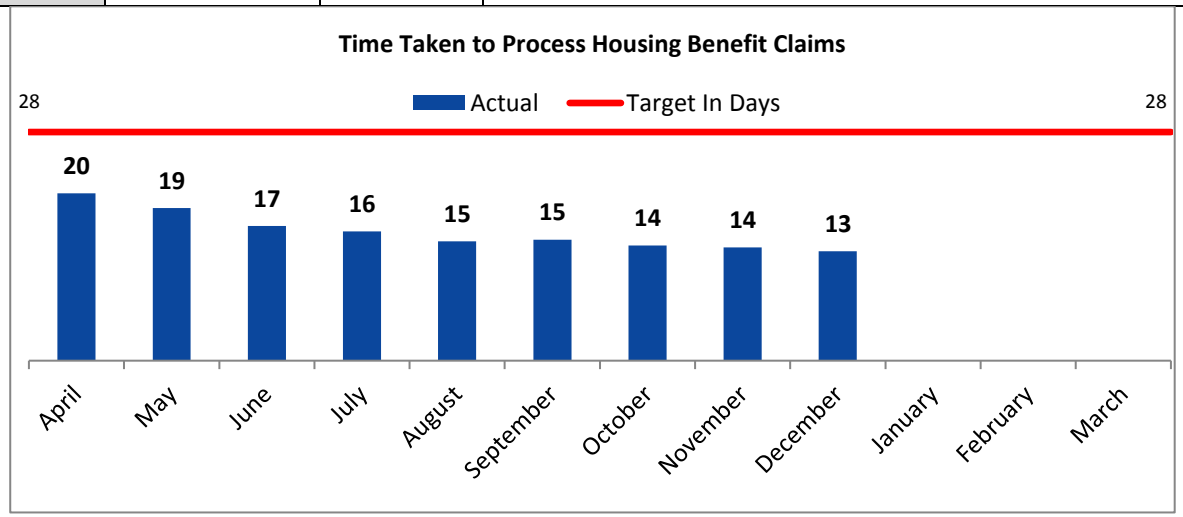
Managing our resources – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
At least 99.0% of Business Rates to be collected	Head of Digital & Service Transformation (S&R)	31 March 2018	**April to Sept:** As at September, 59.46% of Business Rates collected. **Oct to Dec:** As at December, 85% of Business Rates collected. **Jan to March:**	G



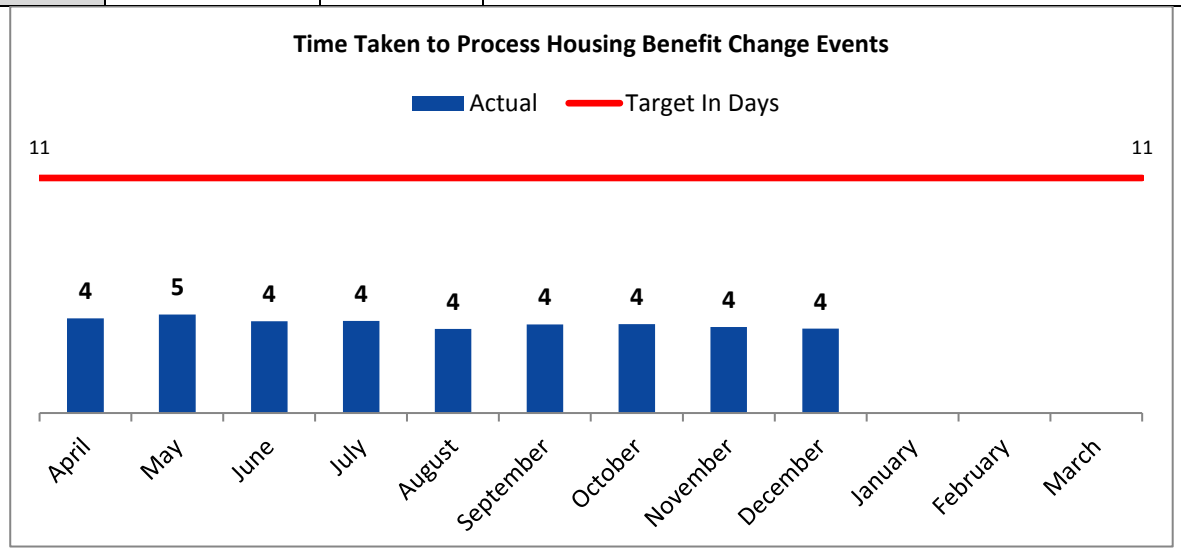
Managing our resources – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Process new Housing Benefit claims within an average time of 28 days	Head of Digital & Service Transformation (S&R)	March 2018	**April to Sept:** As at September, new Housing Benefit claims processed within an average time of 15 days.	G
			Oct to Dec: As at December, new Housing Benefit claims processed within an average time of 13 days.	
			Jan to March:	



Managing our resources – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Process Housing Benefit change of circumstances within an average time 11 days	Head of Digital & Service Transformation (S&R)	31 March 2018	**April to Sept:** As at September, Housing Benefit change of circumstances claims processed within an average time of 4 days.	G
			Oct to Dec: As at December, Housing Benefit change of circumstances claims processed within an average time of 4 days.	
			Jan to March:	



Supporting Businesses and our Local Economy

We will do this by:

Supporting a comprehensive retail, commercial and social offer

Maintaining strong links with local business leaders and representative organisations

Supporting developers to bring forward the development of town centre sites

Delivering an affordable Economic Strategy

Promoting our Borough as an excellent place to do business

KEY OUTCOMES	KEY SUCCESS MEASURES
High quality/innovative building design	Businesses attending the Business Leaders' meetings
Improved transport infrastructure	Delivery of Plan E to improve traffic flow into Epsom Town Centre
Visual appearance of the town/ shopping centres enhanced	Delivery of the Economic Development Strategy Action Plan
	Space for start-up/incubator businesses to grow and expand

Supporting businesses and our local economy – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Upgrades to the Ashley Centre Car Park installing: • Fencing, railings, mesh and fire doors • Deckshield work to be completed	Head of Operational Services (EC)	December 2018 March 2019	**April to Sept:** Tender process complete and contract awarded for fencing and mesh. Final surveyor assessments undertaken on areas where specialist fixing required. Planning permission obtained for fencing. Materials ordered. Work to commence late Oct/early Nov. Tender process for Railings underway. Works may run into 2019 if suspended over Christmas. Deckshield work scheduled for Q4 2018-19. Tender document being prepared.	A
			Oct to Dec: Fencing works on top floors (level 5 and level 4C and D) almost complete. Work to begin in Jan on the identified areas of risk on level 3 and 4. Stairwell railings and mesh for windows scheduled to begin end of January 2019 and last for 6 weeks. Fire door repairs completed, metal replacements on some doors to be done. Deckshield tender document to be issued in early 2019 works may overrun into summer of 2019.	
			Jan to March:	
Letting availability of South Street premises ground floor as a commercial occupation	Head of Property & Regeneration (S&R)	March 2019	**April to Sept:** This is subject to refurbishment completion, planning permission agreed but works delayed.	R
			Oct to Dec: Report to S&R Committee delayed to Q4 pending completion of options analysis.	
			Jan to March:	
Run an event for local businesses with the Surrey Chamber of Commerce by (Economic Development Contract)	Head of Planning / External Economic Development Support (S&R)	August 2018	**April to Sept:** A successful event was held with Surrey Chambers of Commerce on Tuesday 26 June on the introduction of GDPR that attracted around 30 attendees and was held at Nonsuch Mansion.	Achieved
			Oct to Dec: Target achieved.	
			Jan to March:	

Host an annual welcome event with University of the Creative Arts (UCA) business students	Head of HR & Organisational Development (S&R)	October 2018	**April to Sept:** Initial discussions have taken place to scope the format of the event with next steps to engage with UCA.	**On Hold**
			Oct to Dec: Seeking to establish with UCA if event will proceed.	
			Jan to March:	

Supporting businesses and our local economy – Key priority

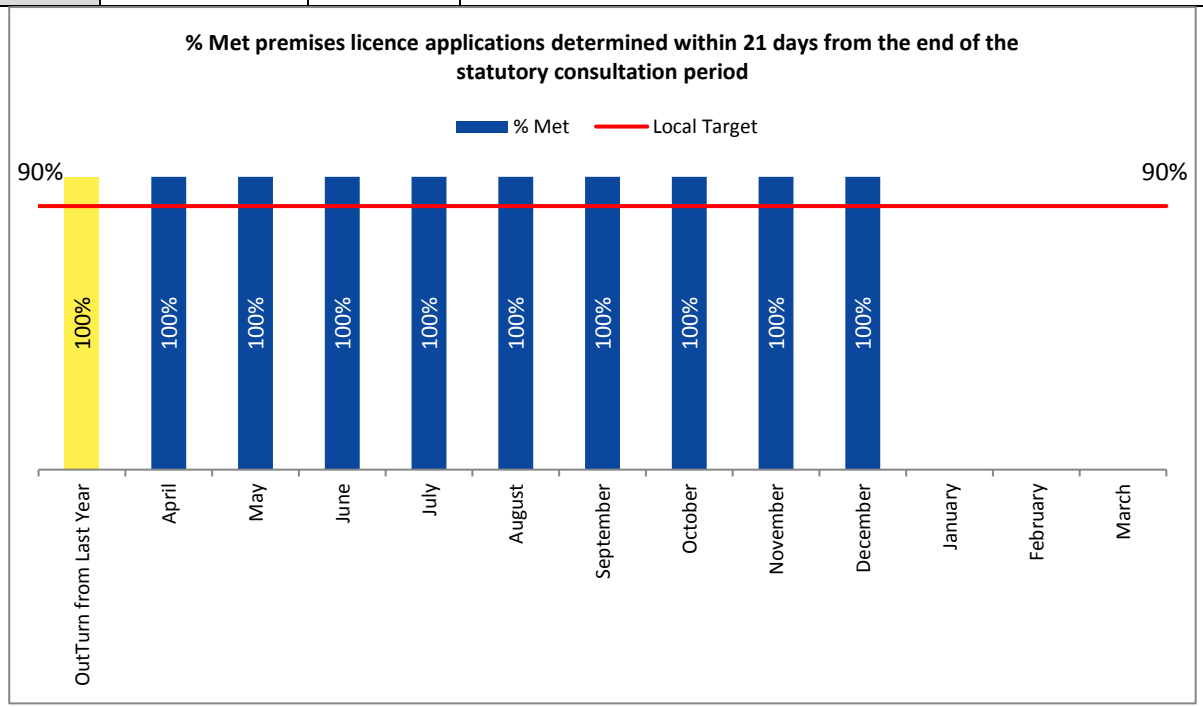
Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Work in conjunction with UCA to produce a promotional film to promote Epsom & Ewell	Head of Planning External Economic Development Support (S&R)	March 2019	**April to Sept:** A film has been produced by UCA, awaiting finalisation before being published.	**Achieved**
			Oct to Dec: Film produced and now being promoted via social media by EEBC and partners - January 2019. Target achieved.	
			Jan to March:	
Support the work of the Business Improvement District (BID)	Chief Legal Officer (S&R)	March 2019	**April to Sept:** Council officer has been appointed to the Bid Board. Officer is supporting the Bid both from the interests of the Council as a Bid levy payer but also from a local authority perspective. This has resulted in governance arrangements being put in place and expansion of the Bid Board to further the interests of the Bid area. Support from the Council has now resulted in the collection rate for payment of the levy reaching over 80%.	G
			Oct to Dec: Council has the Baseline Agreement with the Bid, currently the draft Operating Agreement is under review. Support from the Council has now resulted in the collection rate for payment of the levy reaching over 90%.	
			Jan to March:	

Supporting businesses and our local economy – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Produce an economic profile of the Borough including ward profiles	Head of Policy, Performance and Governance (S&R)	December 2018	**April to Sept:** Borough and ward profiles are being drafted and will be available in December. These will be living documents that will be developed throughout the year as additional statistical information becomes available.	**Achieved**
			Oct to Dec: Borough and Ward profiles were reported to the Leadership Team in December 2018. Target achieved.	
			Jan to March:	
Report to S&R on the options to establish a joint committee	Chief Legal Officer (S&R)	July 2018	**April to Sept:** Held in abeyance pending review by County Council of local committees.	A
			Oct to Dec: Matter has been reactivated. Due date April 2019.	
			Jan to March:	
Develop a Memorandum of Understanding for the market place	Head of Planning External Economic Development Support (S&R)	December 2018	**April to Sept:** Content has been determined. Working with SCC to ensure target is delivered within the specified timeframe.	A
			Oct to Dec: Work continuing with SCC.	
			Jan to March:	

Supporting businesses and our local economy – Key priority

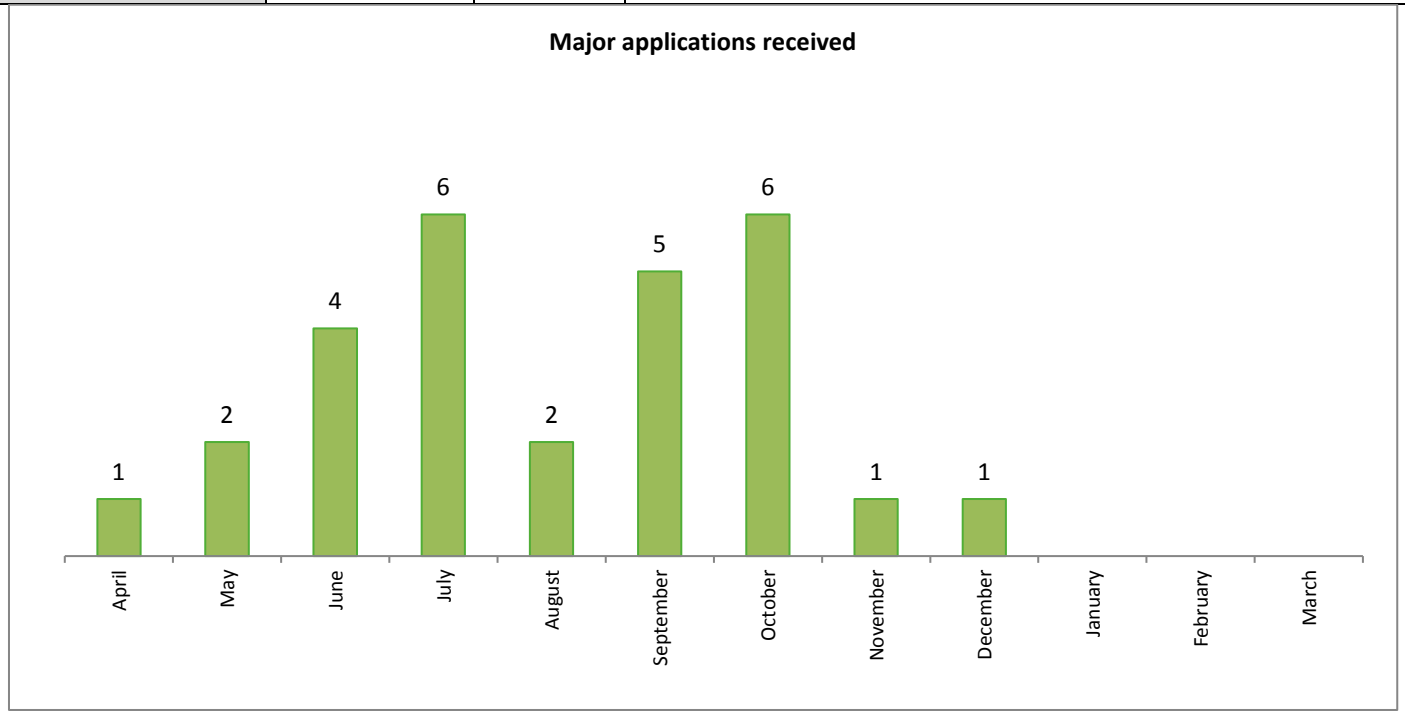
Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
At least 90% of premises licence application determined within 21 days from the end of the statutory consultation period	Head of Housing & Community (L&PPC)	March 2019	**April to Sept:** For the period April to September there were 34 premises licence applications made and 100% were determined within 21 days from the end of the statutory consultation period.	G
			Oct to Dec: For the period April to December there were 45 premises licence applications made and 100% were determined within 21 days from the end of the statutory consultation period.	
			Jan to March:	



Supporting businesses and our local economy – Key priority				
Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Ten percent reduction of 0-2 food hygiene rated food businesses	Head of Housing & Community (EC)	March 2019	**April to Sept:** 16% increase. Total of 4 additional premises 0-2 rated.	A
			Oct to Dec: 7.6% increase since April 2018. Net two additional premises 0-2 compared with April 2018.	
			Jan to March:	

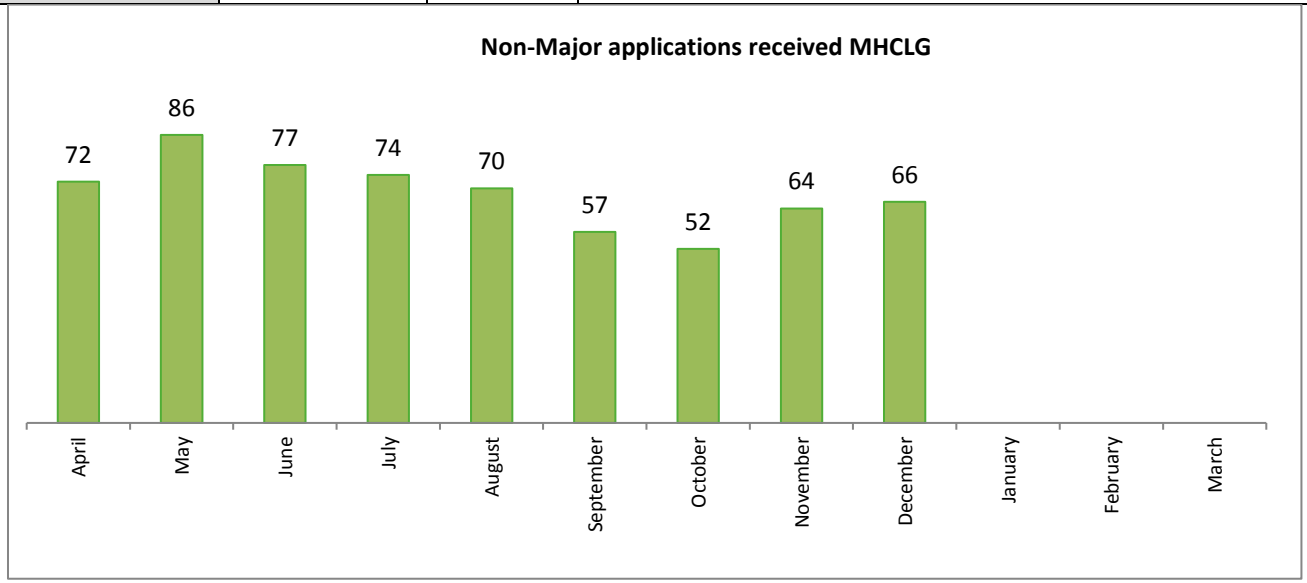
Supporting businesses and our local economy – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Number of Major planning applications MHCLG	Head of Planning (LPP)	March 2019	**April to Sept:** For the period April to September there were 20 major applications received (MHCLG)**.**	**Information only indicator**
			Oct to Dec: For the period April to December there were 28 major applications received (MHCLG).	
			Jan to March:	



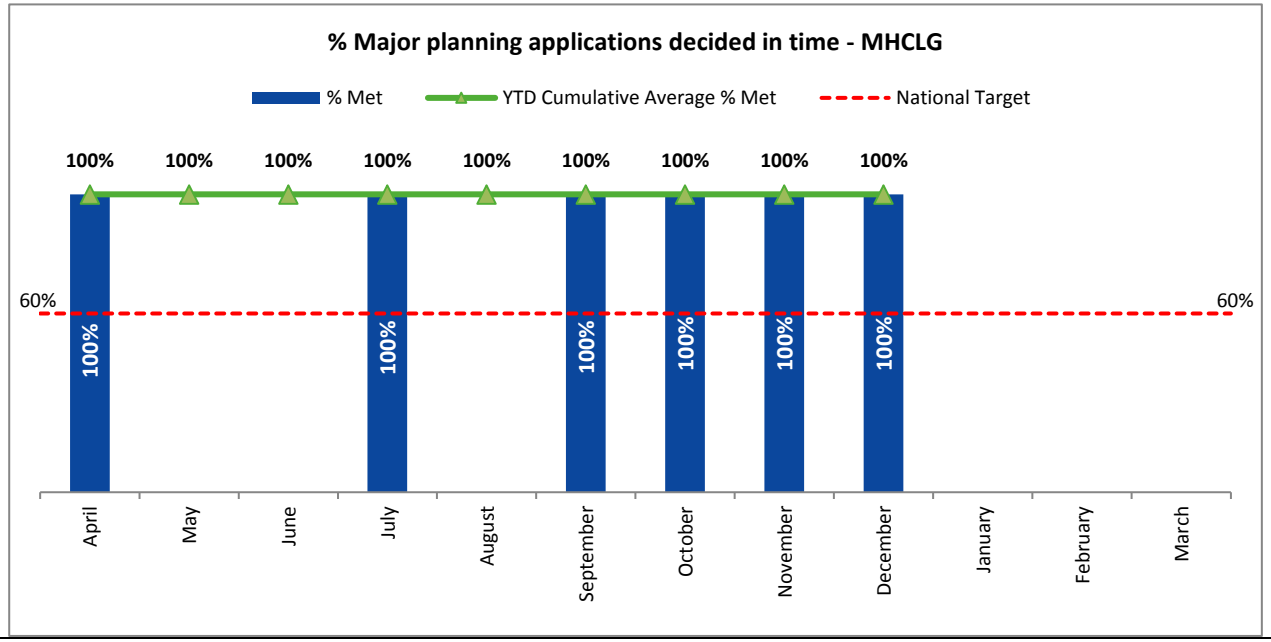
Supporting businesses and our local economy – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Number of Non-Major planning applications MHCLG	Head of Planning (LPP)	March 2019	**April to Sept:** For the period April to September there were 436 non-major planning applications received (MHCLG).	**Information only indicator**
			Oct to Dec: For the period April to December there were 618 non-major planning applications received (MHCLG).	
			Jan to March:	



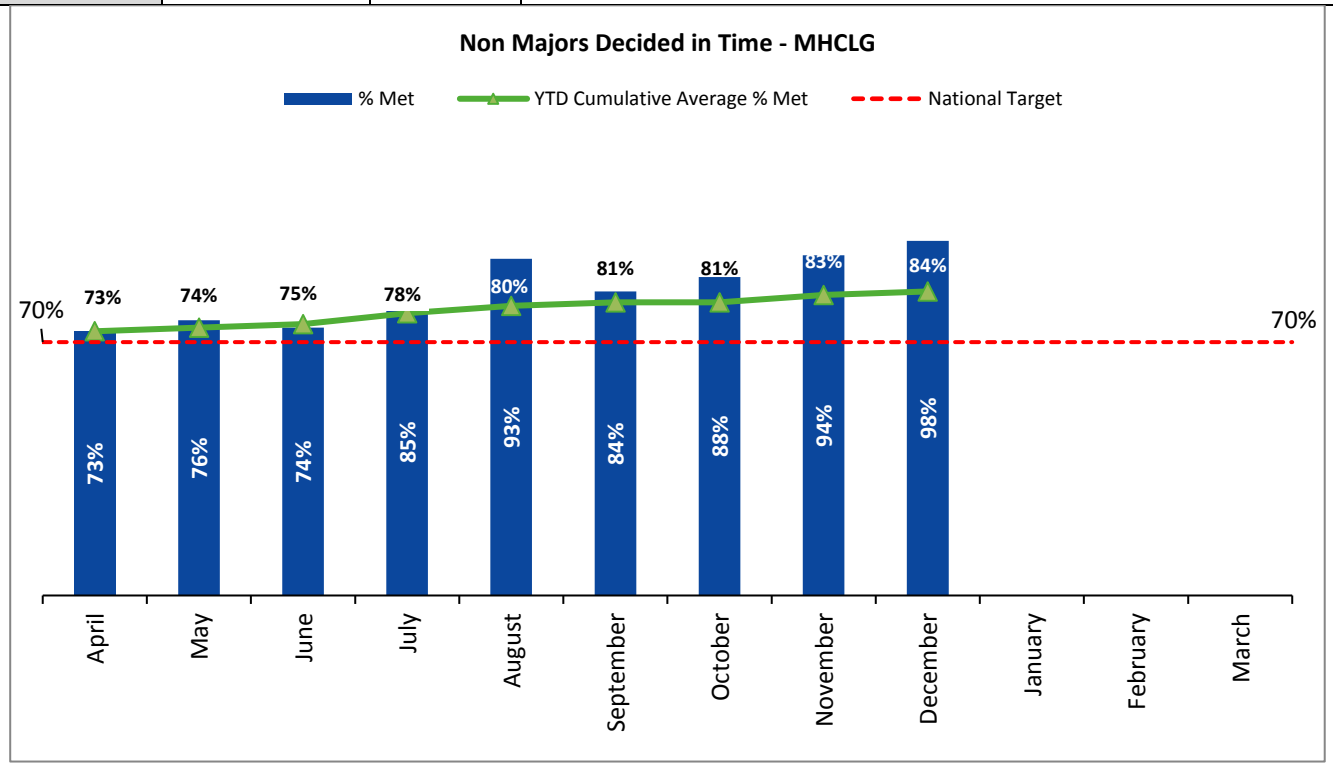
Supporting businesses and our local economy – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
At least 60% of Major planning applications decided in time - MHCLG	Head of Planning (LPP)	March 2019	**April to Sept:** 100% of major planning applications decided in time (MHCLG). There were no applications decided in May, June and August.	G
			Oct to Dec: 100% of major planning applications decided in time (MHCLG). There were no applications decided in May, June and August.	
			Jan to March:	



Supporting businesses and our local economy – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
At least 70% of Non-Major planning applications decided in time - MHCLG	Head of Planning (LPP)	March 2019	**April to Sept:** As at September (YTD cumulative), 81% of non-major planning applications decided in time (MHCLG).	G
			Oct to Dec: As at December (YTD cumulative), 84% of non-major planning applications decided in time (MHCLG).	
			Jan to March:	



Supporting businesses and our local economy – Key priority

Key priority performance target for 2018/19	Responsible officer	Achieved by:	Latest progress:	Status:
Quality of Decisions: 24-Month Risk Monitor for Major Decisions (National Threshold for designation 10%)	Head of Planning (LPP)	March 2019	**April to Sept:** • Quarter 1 (Apr-Jun): 15.38% • Quarter 2 (Jul -Sep): 14.29%	A
			Oct to Dec: • Quarter 1 (Apr-Jun): 15.38% • Quarter 2 (Jul -Sep): 14.29% • Quarter 3 (Oct-Dec): 3.23%	
			Jan to March:	
The number of officer recommendations overturned by the Planning Committee	Head of Planning (LPP)	March 2019	**April to Sept:** The Planning Committee have determined all referred planning applications in accordance with the Officers recommendation.	**Information only indicator**
			Oct to Dec: As at December, the Planning Committee have determined all referred planning applications in accordance with the Officers recommendation.	
			Jan to March:	

WORK PROGRAMME 2018/19

Head of Service/Contact:	Gillian McTaggart, Head of Policy, Performance & Governance
Annexes/Appendices (attached):	**Annex 1** – Work Programme 2018/19
Other available papers (not attached):	Report and Minutes of the meeting of the Audit, Crime & Disorder and Scrutiny Committee, 19 June 2018

Report summary

This report updates the Committee on its work programme 2018/19.

Recommendation (s)

(1) That the Committee notes the current position of its work programme 2018/19 attached at Annex 1.

1 Implications for the Council's Key Priorities, Service Plans and Sustainable Community Strategy

1.1 Implications vary across the different items agreed for inclusion in the work programme. Specific implications are considered by the Committee before undertaking any specific investigation.

2 Background

2.1 Paragraph 1 of the Overview and Scrutiny Procedure Rules requires the Committee to approve an annual overview and scrutiny work programme including the programme of any sub-committees or panels.

2.2 The Committee agreed its work programme 2018/19 at its meeting in June 2018. **Annex 1** shows the current position of the work programme.

3 Proposals

3.1 That the Committee notes the current position of its 2018/19 work programme attached at **Annex 1**.

4 Financial and Manpower Implications

4.1 The Committee's work programme has workload implications for both its members and officers. In depth scrutiny reviews undertaken by task groups require more intensive input for specific periods.

4.2 ***Chief Finance Officer's comments***: Any financial considerations arising from items included in the work programme will be set out as appropriate in the individual reports prepared for consideration by the Committee.

5 Legal Implications (including implications for matters relating to equality)

5.1 The work programme attached at **Annex 1** has been designed to meet the Committee's responsibilities set out in legislation and its Terms of Reference.

5.2 ***Monitoring Officer's comments:*** none arising from the contents of this report.

6 Sustainability Policy and Community Safety Implications

6.1 Scrutiny of the Community Safety Partnership is a responsibility of the Audit, Crime & Disorder and Scrutiny Committee.

7 Partnerships

7.1 The Committee has the ability to make reports or recommendations on matters which affect the authority's area or the inhabitants of that area.

8 Risk Assessment

8.1 Maintenance of an annual work programme helps to ensure the Committee meets its responsibilities both statutory and local. It enables the Committee to manage its workload across the year, identifying priorities and rescheduling work according to risk/need.

9 Conclusion and Recommendations

9.1 The Audit, Crime & Disorder and Scrutiny Committee is responsible for setting up its own work programme. The Committee approved its work programme 2018/19 in June 2018.

Ward(s) Affected: (All Wards);

Audit, Crime & Disorder and Scrutiny Committee Work Programme 2018/19

MEETING DATE	ITEMS FOR CONSIDERATION BY FULL COMMITTEE
19 June 2018	• Internal Audit Monitoring Report 2017/18 • Internal Audit Assurance Report 2017/18 • Annual Governance Statement 2017/18 • Corporate Plan: Year End Performance Report 2017 to 2018 and Provisional Targets for 2018 to 2019 • Community Safety Partnership 2017/18 – End of Year Report • Use of Delegated Powers Annual Report • Annual Report on the Regulation of Investigatory Powers Act 2000 • Complaints – Annual Monitoring Report • Work Programme 2018/19
22 Nov 2018	• Internal Audit Monitoring Report 2018/19 • Annual Governance Statement and District Auditor's Audit Findings – Progress Against Action Plans • Risk Management Framework Annual Report • Corporate Plan: Performance Report One 2018 to 2019 • Work Programme 2018/19
7 Feb 2019	• Internal Audit Monitoring Report 2018/19 (to include update on the Audit of Continuous Assurance – Q1 Tree Inspection findings) • Progress on the Implementation of Internal Audit Recommendations • Corporate Plan: Performance Report Two 2018 to 2019 • Work Programme 2018/19
16 April 2019	• Internal Audit Monitoring Report 2018/19 (to include update on the implementation of recommendations from the Audit of Cyber Security.) • Internal Audit Strategy 2019/20 • External Audit Plan for 2018/19 • Compliance with the Surveillance Camera Code of Practice • Annual Report 2018/19

Outstanding Matters: None.

This page is intentionally left blank