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Legal and Democratic Services



AUDIT, CRIME & DISORDER AND SCRUTINY COMMITTEE

Tuesday 15 June 2021 at 7.30 pm

Place: Council Chamber, Epsom Town Hall

Link for public online access to this meeting:

<https://attendee.gotowebinar.com/register/5711891853284024847>

Telephone (listen-only): 0330 221 9914, Telephone Access code:526-319-396

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 Steve Bridger (Chair)
Councillor Nigel Collin (Vice-Chair)
Councillor Arthur Abdulin
Councillor Liz Frost
Councillor Rob Geleit

Councillor David Gulland
Councillor Previn Jagutpal
Councillor Phil Neale
Councillor Alan Sursham
Councillor Chris Webb

Yours sincerely

A handwritten signature in black ink that reads 'K. Beldan'.

Chief Executive

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

Public information

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

This meeting will be open to the press and public to attend as an observer using free GoToWebinar software, or by telephone.

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

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

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

Exclusion of the Press and the Public

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

Questions from the Public

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

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

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

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

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

Written questions must be received by Democratic Services by noon on the tenth working day before the day of the meeting. For this meeting this is **Noon, 1 June**

Registration for oral questions is open until noon on the second working day before the day of the meeting. For this meeting this is **Noon, 11 June**

AGENDA

1. QUESTION TIME

To take any questions from members of the Public.

2. DECLARATIONS OF INTEREST

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

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

The Committee is asked to confirm as a true record the Minutes of the Meeting of the Committee held on 8 April 2021 (attached) and to authorise the Chair to sign them.

4. INTERNAL AUDIT PROGRESS REPORT 2020/21 (Pages 11 - 32)

This report summarises final progress made against the Internal Audit Plan 2020/21.

5. ANNUAL INTERNAL AUDIT REPORT AND OPINION 2020/21 (Pages 33 - 48)

This report presents the Committee with the Annual Internal Audit Report and Opinion 2020/21.

6. ANNUAL REPORT ON THE USE OF DELEGATED POWERS (Pages 49 - 58)

In accordance with the Council's Scheme of Delegation to Officers, this report sets out significant decisions taken by Officers in consultation with Committee Chairs for the period 22 May 2019 to 28 May 2021.

7. ANNUAL REPORT ON THE USE OF RIPA POWERS (Pages 59 - 98)

To report on the Council's activities relating to surveillance under the Regulation of Investigatory Powers Act 2000 for 2020.

8. ANNUAL GOVERNANCE STATEMENT 2020/21 (Pages 99 - 116)

This report seeks the Committee's approval of the draft Annual Governance Statement 2020/21.

9. FOUR YEAR PLAN: YEAR END PERFORMANCE REPORT 2020/21 (Pages 117 - 128)

This report presents the end of year position for the Key Priority Targets 2020/21.

10. ANNUAL REPORT 2020/21 (Pages 129 - 136)

This report presents the Annual Report of the Audit, Crime & Disorder and Scrutiny Committee for 2020/21.

11. WORK PROGRAMME 2021/22 (Pages 137 - 142)

This report presents the Committee with the work programme for 2021/22.

**Minutes of the Meeting of the AUDIT, CRIME & DISORDER AND SCRUTINY
COMMITTEE held on 8 April 2021**

PRESENT -

Councillor Steve Bridger (Chair); Councillor Steven McCormick (Vice-Chair);
Councillors Arthur Abdulin, Nigel Collin, Liz Frost, Rob Geleit, David Gulland,
Colin Keane, Phil Neale and Alan Sursham

In Attendance: Neil Pitman (Head of Southern Internal Audit Partnership) (Southern
Internal Audit Partnership (Internal Auditor)), Natalie Jerams (Assistant Head of
Partnership) (Southern Internal Audit Partnership (Internal Auditor)) and Jon Vale
(Borough Commander, Surrey Police)

Officers present: Gillian McTaggart (Head of Policy, Performance & Governance), Rod
Brown (Head of Housing and Community), Margaret Jones (Business Assurance
Manager), Oliver Nelson (Environmental Health Team Leader), Sarah Keeble
(Democratic Services Officer) and Tim Richardson (Committee Administrator)

39 QUESTION TIME

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

40 DECLARATIONS OF INTEREST

No declarations were asked or had been submitted by Members in items on the
Agenda for this meeting.

41 MINUTES OF THE PREVIOUS MEETING

The Minutes of the previous meeting of the Audit, Crime & Disorder and Scrutiny
Committee held on 19 November 2020 were agreed as a true record and the
Committee authorised the Chairman to sign them.

42 COMMUNITY SAFETY PARTNERSHIP - END OF YEAR REPORT

The Committee received a report fulfilling the statutory requirement to scrutinise
the work of the Community Safety Partnership (CSP), in 2020-2021.

The Committee noted a presentation from Inspector Jon Vale.

The following matters were raised by the Committee:

- a) **Staffing resources:** Members raised concerns regarding the time taken for Police staff to attend crime scenes, particularly regarding robberies. The Borough Inspector noted that during the height of the Pandemic, there had been some issues with resources (whereby Officers were fulfilling other duties such as Council Welfare checks for the vulnerable). This meant that on some occasions, there was only 1 Officer covering the whole Borough. The Borough Inspector noted that lessons had been learnt from these experiences, and that they would work on picking up on earlier signs of where things may not be right.
- b) **Communication with local Councillors:** Following a question from a Member, the Borough Inspector confirmed that all PCSO's have been asked to contact Ward Members and provide regular contact, so that any issues or queries may be addressed and resolved in a timely manner.
- c) **Resource numbers:** Following a question from a Member, the Borough Inspector confirmed that the resourcing numbers noted throughout the presentation is the number of recruited Officers, and no further Officers are due to be recruited (there may only be replacements if staff are lost in any way).
- d) **Catalytic convertor theft:** Members noted the high number of thefts around catalytic convertors. The Borough Inspector noted the difficulties surrounding this crime, including non-local offenders, and a short offense-time. It was noted that the Police were making partnerships with local garages and working on the free supply of forensic-marking kits to Hybrid car owners, as well as raising awareness of the signs of theft in order to tackle this particular type of crime.

Following consideration, it was resolved with 8 Members voting for, 1 abstention and the Chairman not voting that:

- (1) **The Committee agreed to note and comment on the work of the CSP.**

43 INTERNAL AUDIT PROGRESS REPORT

The Committee received a report summarising progress made against the Internal Audit Plan.

The Committee received a verbal introduction from a representative of the Council's internal Auditor S.I.A.P.

The following matter was raised by the Committee:

- a) **Accounts Payable Outstanding Recommendation:** The Finance Team have confirmed that this recommendation was implemented as duplicate

transactions are resolved and the bank reconciliations was completed at the end of the year.

- b) **Building Control Outstanding Recommendation:** Members noted that the due date for the outstanding recommendation to undertake reconciliation between the uniform system and the general ledger had just passed. The Council's Internal Auditor noted that they were now looking to speak with relevant officers to obtain an update. It was also confirmed that this is an on-going piece of work linking into another project of outsourcing as part of Build Back Better; and that a report would go to the Strategy and Resources Committee detailing potential options for the future.

Following consideration, it was resolved unanimously that the Committee:

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

44 INTERNAL AUDIT PLAN AND CHARTER 2021/22

The Committee received a report introducing the Internal Audit Plan and Charter for 2021/22.

The Committee received a verbal introduction from the Head of Policy, Performance and Governance, in which they informed the Committee of a change made to the Plan following publication. The Local Plan would now be audited in quarter four of 2021/2022 instead of 2022/2023. Members requested a copy of the finalised version.

The following matters were raised by the Committee:

- a) **Air quality:** Members raised concerns about the lack of air quality monitoring throughout the Borough, and spoke about the potential of this being improved. This would not be in the audit plan for 2021/1022 but was referred to the Environmental Health Manager who was in attendance and confirmed monitoring was being undertaken. There is an annual report to Defra and air quality would be captured in the Climate Change Action Plan.
- b) **Internal Audit Fee:** Following a question from a Member, the internal Audit representative confirmed that whereas external audit is purchased for an agreed fee, the internal audit service is purchased per number of days in the plan, based on the level of risk and equating to a fee. There must be sufficient audit coverage to enable the Head of Internal Audit to provide the Head of Internal Audit's Year End Opinion providing assurance from the audits undertaken that year.

Following consideration, it was resolved unanimously that the Committee:

- (1) Agreed to endorse the Internal Audit Plan 2021/22 as set out at Appendix 1**
- (2) Approve the Internal Audit Charter 2021/22 as set out at Appendix 2.**

45 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 any actions in the Audit Findings issued by the External Auditor following the audit of the financial statements.

The Committee received a verbal introduction from the Head of Policy, Performance and Governance.

Following consideration, the Committee resolved unanimously to:

- (1) Receive the update on progress in implementing the Action Plan contained within the Annual Governance Statement.**

46 THE COUNCIL'S ONGOING RESPONSE TO THE COVID 19 PANDEMIC AND LEARNING POINTS

The Committee received a report providing an update on the Council's emergency response to the Covid 19 Pandemic and identifying some of the high level learning points.

The Committee received a verbal introduction from the Head of Policy, Performance and Governance.

The Committee was addressed by Ward Councillor Neil Dallen.

It was noted that a report would be taken to the relevant committee on IT issues and continuity arrangements and that the Head of Policy, Performance and Governance would liaise with the Chairman and Vice-Chairman on additional updates on the issues identified by Councillor Dallen.

Following consideration, the Committee unanimously resolved to:

- (1) Comment on the contents and learning points within the report identifying the impact of the Covid 19 pandemic on Council's operations, the additional services provided and the support provided to residents and businesses highlighting achievements and key challenges.**

47 FOUR YEAR PLAN: PROGRESS REPORT 2020/21

The Committee received a report providing an update on progress made against the Key Priority Targets 2020/21 as at the end of January 2021.

The Committee received a verbal introduction from the Business Assurance Manager.

Following consideration, it was resolved unanimously that the Committee:

- (1) Agreed to note the status of the individual Key Priority Targets 2020/21 as at the end of January 2021, set out at Appendix 1.**
- (2) Considered the latest update on all red and amber status targets set out at Appendix 2.**

48 WORK PROGRAMME 2021/22

The Committee received a report presenting the Committee with a work programme for 2021/22.

The Committee received a verbal introduction from the Business Assurance Manager.

Following consideration, it was resolved unanimously that the Committee:

- (1) Approved the work programme 2021/22 attached at Appendix 1.**

The meeting began at 7.30 pm and ended at 9.30 pm

COUNCILLOR STEVE BRIDGER (CHAIR)

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INTERNAL AUDIT PROGRESS REPORT

Head of Service:	Gillian McTaggart, Head of Policy, Performance & Governance
Wards affected:	(All Wards);
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	
Appendices (attached):	Appendix 1: Southern Internal Audit Partnership Internal Audit Progress Report 2020/21, May 2021

Summary

This report summarises final progress made against the Internal Audit Plan 2020/21.

Recommendation (s)

The Committee is asked to:

- (1) receive the final internal audit progress report from Southern Internal Audit Partnership for 2020/21 attached at Appendix 1.

1 Reason for Recommendation

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

2 Background

- 2.1 Southern Internal Audit Partnership (SIAP) was appointed as the Council's internal auditors from 1 April 2019 for a period of four years. As of the end of March 2021, SIAP completed two full years with the Council.

- 2.2 The Internal Audit Plan 2020 – 2021 was endorsed by this Committee on 19 November 2020. The plan was due to be reported to this Committee in April 2020 however the meeting was cancelled due to the pandemic. In the plan's developmental stages, SIAP re-engaged with the Leadership Team in July order to ensure that new risks and challenges for the Council arising from its response to the COVID-19 pandemic were reflected; SIAP identified a number of new emerging risks relating to COVID-19. The revised draft plan was approved by the Leadership team in July 2020.
- 2.3 Over the course of 2020/21 the Committee has received two internal audit progress reports from SIAP. Since the last report in April 2021 further significant progress has been made against the plan. Due to increased pressures on officers, mainly associated with the Council's response to the COVID-19 pandemic, some audits did experience some delay.
- 2.4 Currently eight audit reports have been finalised. A further eight audits are at draft report stage. [SIAP is in the process of finalising these for committee]. The Parking & Enforcement audit has yet to be finalised. Although at the close of audit stage, the outcome of this audit will be reported to the Committee in SIAP's first Internal Audit Progress Report of 2021/22. Work on auditing our submissions to the Local Government Compensation Scheme (LGCS) has been completed for two of the three submissions.
- 2.5 Throughout the year, the Internal Audit Plan 2020/21 has remained flexible in order that the Council can react to a changing environment and needs. No changes have been made to the plan since the last report to Committee in April 2021.
- 2.6 A full update on the Audit Plan 2020/21 is provided in the table below and in SIAP's Internal Audit Progress Report 2020/21 (*Draft Discussion*) attached at Appendix 1.

Audit Assignment	Current Position of Audit	Assurance Opinion	Management Actions		
			H	M	L
Programme and Project Management	Final Report (Reported to Committee 15 June 2021)	Reasonable		3	

Audit Assignment	Current Position of Audit	Assurance Opinion	Management Actions		
			H	M	L
Financial Resilience	Draft Report	Substantial	-	-	-
COVID-19 Business Support Grants	Final Report (Reported to Committee 15 June 2021)	Reasonable			3
Local Government Compensation Scheme (LGCS)	Review and sign off has taken place for claims 1 and 2.	N/A – grant certification			
Health & Safety (COVID-19)	Final Report (Reported to Committee 8 April 2021)	Reasonable		1	
COVID-19: Emergency Response & Recovery	Final Report (Reported to Committee 8 April 2021)	Reasonable		1	
Decision Making & Accountability	Final Report (Reported to Committee 15 June 2021)	Substantial		1	
Housing Benefits	Final Report (Reported to Committee 15 June 2021)	Substantial			2
Accounts Payable	Final Report (Reported to Committee 15 June 2021)	Reasonable		5	1
Payroll	Final Report (Reported to	Reasonable	-	-	-

Audit Assignment	Current Position of Audit	Assurance Opinion	Management Actions		
			H	M	L
	Committee 15 June 2021)				
Cyber Security	Final Report (Reported to Committee 15 June 2021)	Reasonable		4	3
Disaster Recovery & IT Business Continuity	Draft Report	Awaiting management response			
Parking & Enforcement	Close of Audit Meeting				
Homelessness	Final Report (Reported to Committee 15 June 2021)	Reasonable		6	
Disabled Facilities Grants	Final Report (Reported to Committee 15 June 2021)	Limited	3	9	1
Development Management	Final Report (Reported to Committee 8 April 2021)	Reasonable		5	
Community Safety	Final Report (Reported to Committee 15 June 2021)	Reasonable		1	2
Epsom & Walton Downs Conservators Account	Complete	N/A			

- 2.1 The Head of Internal Audit has issued his opinion on the adequacy and effectiveness of the Council's internal control environment 2020/21 based on the audits completed in the year (item included elsewhere on the Agenda).
- 2.2 One high priority management action remains outstanding from the Building Control audit . This relates to the reconciliation of fees between the Uniform system and the general ledger.
- 2.3 Further details on the latest position of each all this overdue actions are provided by SIAP in Annex 1 of its report.

3 Risk Assessment

Legal or other duties

3.1 Impact Assessment

3.1.1 None for the purposes of this report.

3.2 Crime & Disorder

3.2.1 None for the purposes of this report.

3.3 Safeguarding

3.3.1 None for the purposes of this report.

3.4 Dependencies

3.4.1 The Chief Internal Auditor issues an Annual Internal Audit Report & Opinion for 2020-21 on completion of the year. This report is a critical document that will be used in preparing the Annual Governance Statement 2020-21 included in the Statement of Accounts.

3.5 Other

3.5.1 None for the purposes of this report.

4 Financial Implications

- 4.1 There are no financial implications within this report.
- 4.2 **Section 151 Officer's comments:** None arising from the contents of this report.

5 Legal Implications

- 5.1 None for the purposes of this report.

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

6 Policies, Plans & Partnerships

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

- 6.1.1 Effective Council – Engaging, responsive and resilient.
- 6.1.2 Green & Vibrant – A better place to live where people enjoy their surroundings.
- 6.1.3 Safe & Well – A place where people feel safe, secure and lead healthy, fulfilling lives.
- 6.1.4 Opportunity & Prosperity – A successful place with a strong, dynamic local economy where people can thrive.
- 6.1.5 Smart & Connected – Alive and connected socially, economically, geographically and digitally.
- 6.1.6 Cultural & Creative – A centre for cultural and creative excellence and inspiration.

- 6.2 **Service Plans:** The matter is included within the current Service Delivery Plan.

- 6.3 **Climate & Environmental Impact of recommendations:** no relevance for the purposes of this report.

- 6.4 **Sustainability Policy & Community Safety Implications:** no relevance for the purposes of this report.

- 6.5 **Partnerships:** not applicable.

7 Background papers

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

Previous reports:

- Internal Audit Plan 2020-21, Audit, Crime & Disorder and Scrutiny Committee 19 November 2020.
- Internal Audit Progress Report, Audit, Crime & Disorder and Scrutiny Committee 19 November 2020.

Other papers:

- Southern Internal Audit Partnership, Internal Audit Plan 2020/21-2022/23

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Internal Audit Progress Report 2020/21

May 2021

Epsom & Ewell Borough Council



**Southern Internal
Audit Partnership**

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1. Role of Internal Audit

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

‘Undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.’

The standards for ‘proper practices’ are laid down in the Public Sector Internal Audit Standards [the Standards – updated 2017].

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

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

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

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

2. Purpose of report

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

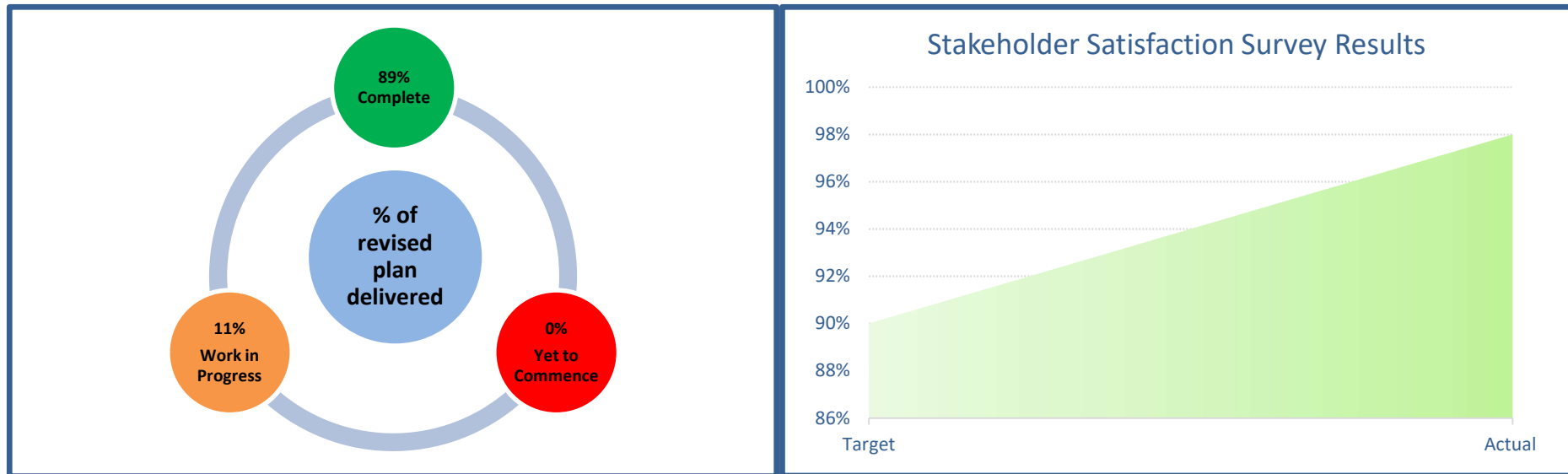
- The status of ‘live’ internal audit reports;
- an update on progress against the annual audit plan;
- a summary of internal audit performance, planning and resourcing issues; and
- a summary of significant issues that impact on the Chief Internal Auditor’s annual opinion.

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

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

** Some reports listed within this progress report (pre 2020-21 audit plan) refer to categorisations used by SIAP prior to adoption of the CIPFA standard definitions, reference is provided at Annex 2*

3. Performance dashboard



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Compliance with Public Sector Internal Audit Standards

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

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

Agenda Item 4
Appendix 1

4. Analysis of 'Live' audit reviews


Audit Review	Report Date	Audit Sponsor	Assurance Opinion	Total Management Action(s)	Not Yet Due	Complete	Overdue*		
							L	M	H
Fraud and Irregularities	06.08.2019	HofPPG	Adequate	4(0)	0(0)	3(0)		1	
Building Control	17.12.2019	HofP	Limited	6(1)	0(0)	0(0)	4	1	1
Asset Management (Property Assets)	17.12.2019	HofP&R	Adequate	7(5)	2(2)	3(3)	2		
Community and Wellbeing Centre	13.07.2020	HofOS	Limited	7(0)	0(0)	4(0)		3	
Information Governance	17.08.2020	HofPPG	Adequate	9(0)	0(0)	4(0)		5	
Emergency Response & Recovery	07.01.2021	HofPPG	Reasonable	1(0)	1(0)	0(0)			
Health & Safety (COVID -19 Response)	02.03.2021	HofPPG	Reasonable	1(0)	1(0)	0(0)			
Development Management	03.03.2021	HofP	Reasonable	6(0)	3(0)	1(0)		2	
Disabled Facilities Grant	14.05.2021	HofH&C	Limited	13(3)	13(3)	0(0)			
Cyber Security	27.05.2021	HofD&ST	Reasonable	7(0)	7(0)	0(0)			
Community Support	27.05.2021	HofH&C	Reasonable	3(0)	3(0)	0(0)			
Homelessness	28.05.2021	HofH&C	Reasonable	6(0)	6(0)	0(0)			
Total				70(9)	36(5)	15(3)	6	12	1

* Details of the overdue 'high priority' management actions is provided at Annex 1

Audit Sponsor			
CFO	Chief Finance Officer	HofP	Head of Planning
HofD&ST	Head of Digital and Service Transformation	HofOS	Head of Operational Services
HofHR&OD	Head of HR and OD	HofP&R	Head of Property & Regeneration
HofPPG	Head of Policy, Performance & Governance	HofH&C	Head of Housing & Community
CLO	Chief Legal Officer		

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

There has been one new report published concluding a “limited” assurance opinion since the last progress report in February 2021.

Disabled Facilities Grants		
Audit Sponsor	Assurance opinion	Management Actions
Head of Housing & Community		<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="background-color: green; color: white; padding: 5px; text-align: center;">Low 1</div> <div style="background-color: yellow; padding: 5px; text-align: center;">Medium 9</div> <div style="background-color: red; color: white; padding: 5px; text-align: center;">High 3</div> </div>
<p>Summary of key observations:</p> <p>Disabled Facilities Grants (DFG) are administered by the Council and support the adaptation of properties to enable recipients to live independently in their own homes for longer.</p> <p>It was confirmed through testing that the DFG policy complies with statutory requirements, regulation, Council Policy and is in line with the Council’s Corporate Objectives. For those applications reviewed, key milestones were achieved in line with regulatory timescales and quarterly reports submitted to Surrey County Council reporting performance.</p> <p>The DFG Team use an excel spreadsheet to log application data and status of works for each client. Changes to data could be made by any team member without prompts or management approval. Additionally, applications forms were not routinely reviewed and signed off by management and the spreadsheet that monitors data relating to all active and historic cases was not kept up to date.</p> <p>The DFG team hold a ‘suggested’ contractor listing that is provided to clients in assisting with the selection of contractors to perform DFG related works. However, evidence was not consistently available to substantiate due diligence (quality, cost, safety) of the contractors listed.</p> <p>Review of the procurement process highlighted that there was no formalised approach to selecting and approving a contractor. Whilst informal and verbal authorisation is gained from the Lead Grant Officer, there is a lack of formalised procedures to ensure a robust audit trail is attained as part of the procurement process.</p>		

Whilst authorisation was obtained from the Licensing Manager for payment of works, less than half of applications reviewed had evidence to confirm that post work inspections were performed by Adair (assigned surveyor) before payment was made to the contractor. Additionally, there was no reconciliation between grant monies spent against actual payments made to contractors.

There is a requirement to conduct checks for previously awarded grants made to either the property or applicant before approving an application. During 2020/21 such checks could not be completed as historical records are paper based and not accessible due to COVID 19 restrictions.

6. Planning & Resourcing

The scale of COVID-19 coupled with the speed of its impact and the wide-ranging challenges presented has necessitated new and different ways of working across the Council. Such challenges and subsequent resolutions bring with them new and emerging risks that management need to consider, manage, and mitigate. In response, the Southern Internal Audit Partnership engaged with the Council's Leadership Team to reprioritise the originally drafted audit plan in April 2020 to provide assurance in respect of emerging key risk areas and these are detailed within section 8 of this report.

The revised internal audit plan for 2020-21 was approved by Leadership Team in July 2020 and presented to Audit, Crime & Disorder and Scrutiny Committee in November 2020.

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

7. Rolling Work Programme

Audit Review	Sponsor	Scoping	Audit Outline	Fieldwork	Draft Report	Final Report	Assurance Opinion	Comment
Corporate Cross Cutting								
Programme & Project Management	HofH&C & HofPPG	✓	✓	✓	✓	✓	Reasonable	
Financial Resilience	CFO	✓	✓	✓	✓	✓	Substantial	
Corporate Governance								
Health and Safety	HofPPG	✓	✓	✓	✓	✓	Reasonable	
Decision Making & Accountability	HofPPG / CLO	✓	✓	✓	✓	✓	Substantial	
Business Support Grant	HofD&ST	✓	✓	✓	✓	✓	Reasonable	
Local Government Compensation Scheme	CFO	✓	✓	✓	n/a	n/a	n/a – grant certification	Claim 1 and 2 completed
COVID – Emergency Response & Recovery	HofPPG	✓	✓	✓	✓	✓	Reasonable	
Financial Management								
Housing Benefits	HofD&ST	✓	✓	✓	✓	✓	Substantial	
Accounts Payable	CFO	✓	✓	✓	✓	✓	Reasonable	
Payroll	HofHR&OD	✓	✓	✓	✓	✓	Reasonable	
Information Technology								
Disaster Recovery & IT Business Continuity	HofD&ST	✓	✓	✓	✓			Awaiting management response
Cyber Security	HofD&ST	✓	✓	✓	✓	✓	Reasonable	

Audit Review	Sponsor	Scoping	Audit Outline	Fieldwork	Draft Report	Final Report	Assurance Opinion	Comment
Corporate Priorities								
Homelessness	HofH&C	✓	✓	✓	✓	✓	Reasonable	
Development Management	HofP	✓	✓	✓	✓	✓	Reasonable	
Disabled Facilities Grants	HofH&C	✓	✓	✓	✓	✓	Limited	
Community Safety	HofH&C	✓	✓	✓	✓	✓	Reasonable	
Parking & Enforcement	HofOS	✓	✓	✓				
EWDC Conservators Account	CFO	✓	✓	✓	✓	✓	n/a	

8. Adjustment to the Internal Audit Plan

There have been the following amendments to the plan:

Plan Variations	
Removed from the plan	Reason
Financial Sustainability	Replaced with Financial Resilience review for 2020/21.
Income Collection	Removed on the basis that Parking & Enforcement is already within the plan which is a key source of income.
Information Security	Replaced with the Cyber Security review for 2020/21 due to COVID risks.
Operational Services	Removed from the plan due to significant pressures on the service. Replaced with the Local Government Compensation Scheme review.
Investments	Replaced with Financial Resilience review for 2020/21.
Service Delivery Plans	Removed from the plan to allow for new audit areas due to COVID risks.
Fees and Charges	Removed from the plan to allow for new audit areas due to COVID risks.
Other COVID Funding / Market Underwriting	Removed from the plan as assessment identified this as low priority. To incorporate within the 2021/22 plan for further consideration.
Data Management	Defer until 2021/22 due to significant pressure on the service. Reasonable coverage of IT reviews within the year.
Climate Change	Defer until 2021/22 to allow the review of the Climate Change action plan which is in the process of being updated.
Added to the plan	Reason
Business Support Grant	Prioritised due to implications of COVID-19.
Other COVID Funding / Market Underwriting	Prioritised due to implications of COVID-19.
COVID – Response & Recovery	Prioritised due to implications of COVID-19.
Cyber Security	Prioritised due to implications of COVID-19.
Financial Resilience	Prioritised due to implications of COVID-19.
Local Government Compensation Scheme (LGCS)	Prioritised due to implications of COVID-19.

Overdue 'High Priority' Management Actions

Building Control – Limited Assurance

Observation: Testing of fee income due, (as recorded on Uniform), for 12 Building Control Applications found:

- Three, where a letter to remind applicants that there fees were due had been issued (13 June, 25 June and 4 July 2019) but no follow up on these in terms of raising an invoice had been undertaken. Fees due from these applicants remained outstanding at the time of the audit (August 2019).
- One, where it is incorrectly recorded that fees have been paid (£400). There is no evidence on Civica that an invoice has been raised
- Eight where the income information recorded on Uniform agrees to Civica.

There is a risk that the Council are unable to demonstrate income has been received and accurately accounted for.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
Reconciliation to take place between Uniform and Civica.	31.05.2020	31.12.2021	The Council is currently looking at new models for operating the Building Control services and as part of this review, work is being undertaken to consider fees received and open cases. A full reconciliation will be undertaken between the information held on the Uniform system and the General Ledger.

Epsom & Ewell Borough Council Assurance Opinions (Pre 2020-21)

As from April 2020 CIPFA guidance recommends a standard set of assurance opinions and supporting definitions for internal audit service providers across the public sector.

To ensure SIAP continue to conform to the best practice principles, the standard definitions were adopted for our 2020/21 work and moving forwards.

There remain some residual reviews detailed within Section 4 of this report, issued prior to the 1 April 2020) that refer to SIAPs former assurance ratings which are detail below.

Substantial	A sound framework of internal control is in place and is operating effectively. No risks to the achievement of system objectives have been identified.
Adequate	Basically a sound framework of internal control with opportunities to improve controls and / or compliance with the control framework. No significant risks to the achievement of system objectives have been identified.
Limited	Significant weakness identified in the framework of internal control and / or compliance with the control framework which could place the achievement of system objectives at risk.
No	Fundamental weakness identified in the framework of internal control or the framework is ineffective or absent with significant risks to the achievement of system objectives.

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ANNUAL INTERNAL AUDIT REPORT AND OPINION 2020/21

Head of Service:	Gillian McTaggart, Head of Policy, Performance & Governance
Wards affected:	(All Wards);
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	
Appendices (attached):	Appendix 1 Annual Internal Audit Report & Opinion 2020/21

Summary

This report presents the Committee with the Annual Internal Audit Report and Opinion 2020/21.

Recommendation (s)

The Committee is asked to:

- (1) Receive the Annual Internal Audit Report and Opinion 2020/21 attached at Appendix 1**

1 Reason for Recommendation

- 1.1 The Accounts and Audit Regulations 2015 require an internal audit function in local government to 'undertake an effective audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal audit standards or guidance. The Head of Southern Internal Audit Partnership is responsible for the delivery of an annual opinion and report that is used to inform the Annual Governance Statement.
- 1.2 The Committee's Terms of Reference specify that the Committee has overall responsibility for audit and governance frameworks (including functions of an audit Committee). In accordance with this responsibility, the Committee receives regular internal audit reports each year. These reports include updates on progress made against the relevant audit plan and the annual end of year report encompassing the Head of Internal Audit's opinion.

2 Background

- 2.1 On 19 November 2020 the Committee endorsed the Internal Audit Plan 2020/21, this was slightly later than usual due to the COVID-19 pandemic. Work against this plan has been continuing throughout the year. An update on progress was reported to Committee at the November 2020 and April 2021 meetings. At the last meeting in April a number of audit reviews were yet to be finalised. These have since all been completed and are reported elsewhere on this agenda, except for the Parking & Enforcement audit, which is at close of audit stage.
- 2.2 The Annual Internal Audit Report and Opinion 2020/21 attached at Appendix 1 sets out the Head of Internal Audit's Opinion of the Council's framework of risk management, governance and internal control. It is based on the findings of the internal audit reviews undertaken over the course of the year.
- 2.3 The Head of Internal Audit has commented that the COVID-19 pandemic has had a significant impact on the way SIAP has worked and interacted across the year. To operate in accordance with government requirements, it adopted a revised operating model and innovative approach to virtual auditing. However, the Head of Internal Audit has stated that he is confident that the revised operating model has not comprised its audit work.

3 Head of Internal Audit's Opinion

- 3.1 The Head of Internal Audit's Report & Opinion 2020/21 is attached at Appendix 1. The Head of Internal Audit states:

I am satisfied that sufficient assurance work has been carried out to allow me to form a reasonable conclusion on the adequacy and effectiveness of Epsom & Ewell Borough Council's internal control environment.

In my opinion, Epsom & Ewell Borough Council's framework of governance, risk management and control is 'Reasonable' and audit testing has demonstrated controls to be working in practice.

Where weaknesses have been identified through internal audit review, we have worked with management to agree appropriate corrective actions and a timescale for improvement.'

- 3.2 This opinion has been based on 18 audits undertaken across the year. Two audits did not culminate in an opinion comprising, a review of the Local Government Compensation Scheme and sign off of the Conservators Account. Two have not been completed, these are Parking & Enforcement and Disaster Recovery & IT Business Continuity. The outcome of both these reviews will be reported to the Committee at a later stage. The Head of Internal Audit has stated that the outcome of these reviews will not impact his annual opinion adversely.
- 3.3 Of the remaining 14 audits, three were assigned substantial assurance, 10 were assigned reasonable assurance and one was assigned limited assurance.. No audits were assigned no assurance during 2020/21.

4 Risk Assessment

Legal or other duties

4.1 Impact Assessment

4.1.1 None for the purposes of this report.

4.2 Crime & Disorder

4.2.1 None for the purposes of this report.

4.3 Safeguarding

4.3.1 None for the purposes of this report.

4.4 Dependencies

4.4.1 Before final publication of the Annual Governance Statement (AGS) and audited accounts for the year ended 31 March 2021, the AGS must be certified by the Chief Executive and Chairman of the Strategy & Resources Committee. However, the content of the AGS is, in part, dependent upon the findings of the Head of Internal Audit's Annual Opinion 2020/21.

4.5 Other

4.5.1 There are no other implications associated with this report.

5 Financial Implications

5.1 There are no financial implications associated with this report.

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

6 Legal Implications

- 6.1 There are no legal implications associated with this report.
- 6.2 **Monitoring Officer's comments:** None arising from the contents of this report.

7 Policies, Plans & Partnerships

- 7.1 **Council's Key Priorities:** The following Key Priorities are engaged:
- 7.1.1 Effective Council – Engaging, responsive and resilient Council.
- 7.2 **Service Plans:** The matter is not included within the current Service Delivery Plan.
- 7.3 **Climate & Environmental Impact of recommendations:** no relevance for the purposes of this report.
- 7.4 **Sustainability Policy & Community Safety Implications:** no relevance for the purposes of this report.
- 7.5 **Partnerships:** Not applicable.

8 Background papers

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

Previous reports:

- Annual Governance Statement 2019/20, Audit, Crime & Disorder and Scrutiny Committee 17 September 2020

Other papers:

- Internal Audit Plan 2020/21, Audit, Crime & Disorder and Scrutiny Committee 19 November 2020
- Internal Audit Progress Report, Audit, Crime & Disorder and Scrutiny Committee 19 November 2020
- Internal Audit Progress Report, Audit, Crime & Disorder and Scrutiny Committee 8 April 2021

Annual Internal Audit Report & Opinion

2020-21

Epsom & Ewell Borough Council



Southern Internal Audit Partnership

Assurance through excellence
and innovation

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1. Role of Internal Audit

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

‘Undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.’

The standards for ‘proper practices’ are laid down in the Public Sector Internal Audit Standards [the Standards – updated 2017].



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

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

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

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

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2. Internal Audit Approach

To enable effective outcomes, internal audit provides a combination of assurance and consulting activities. Assurance work involves assessing how well the systems and processes are designed and working, with consulting activities available to help to improve those systems and processes where necessary. A full range of internal audit services is provided in forming the annual opinion.

The approach to each review is determined by the Head of the Southern Internal Audit Partnership and will depend on the:

- Level of assurance required;
- Significance of the objectives under review to the organisation’s success;
- Risks inherent in the achievement of objectives; and
- Level of confidence required that controls are well designed and operating as intended.

All formal internal audit assignments will result in a published report. The primary purpose of the audit report is to provide an independent and objective opinion to the Council on the framework of internal control, risk management and governance in operation and to stimulate improvement.

The impact of COVID-19 during the year has had a significant impact on the way we have worked and interacted. The enforced central government directive ‘if you can work from home, you must do so’ has required the Southern Internal Audit Partnership to adopt a revised operating model and innovative approach to virtual auditing.

Work contributing to my 2020/21 annual opinion has all been undertaken virtually, optimising technology and virtual platforms to share, monitor and observe operations to substantiate our findings.

I am confident that the revised operating model has not compromised quality or SIAPs ability to complete assurance work throughout the year or the conclusion drawn. I would wish to extend my appreciation to Council officers with whom we have worked during the year for their support, cooperation, and seamless transition to the virtual audit approach without which the delivery of an annual opinion would not have been possible.



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Agenda Item 5
Appendix 1

3. Internal Audit Opinion

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

In giving this opinion, assurance can never be absolute and therefore, only reasonable assurance can be provided that there are no major weaknesses in the processes reviewed. In assessing the level of assurance to be given, I have based my opinion on:

- written reports on all internal audit work completed during the course of the year (assurance & consultancy);
- results of any follow up exercises undertaken in respect of previous years' internal audit work;
- the results of work of other review bodies where appropriate;
- the extent of resources available to deliver the internal audit work;
- the quality and performance of the internal audit service and the extent of compliance with the Standards; and
- the proportion of the Council's audit need that has been covered within the period.

Annual Internal Audit Opinion 2020-21

"I am satisfied that sufficient assurance work has been carried out to allow me to form a reasonable conclusion on the adequacy and effectiveness of Epsom & Ewell Borough Council's internal control environment.

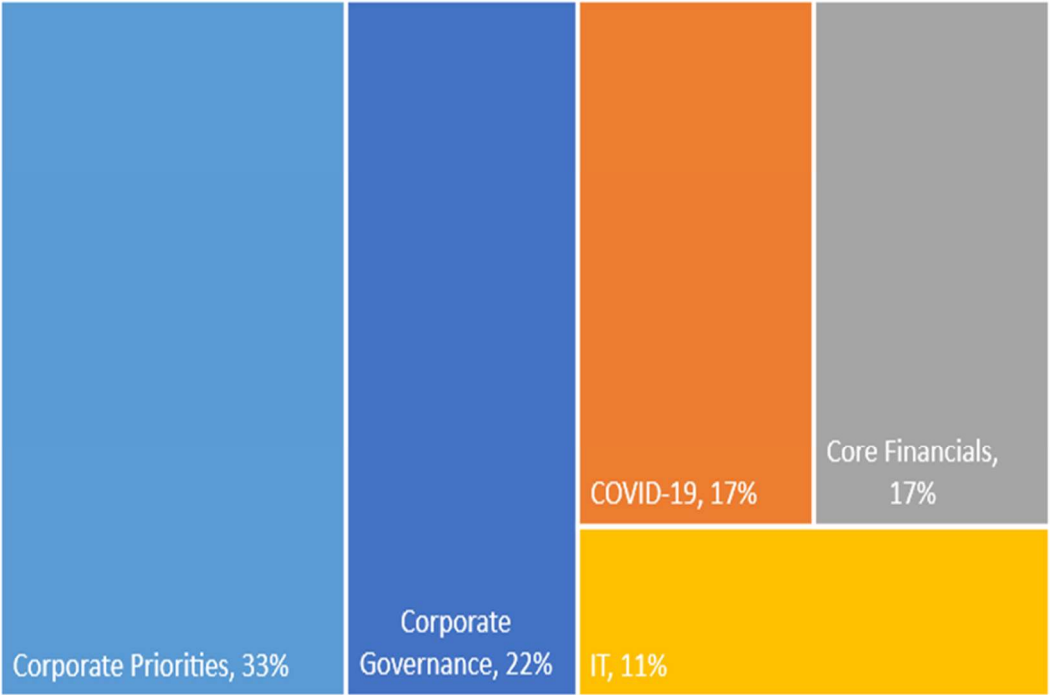
In my opinion, Epsom & Ewell Borough Council's framework of governance, risk management and control is 'Reasonable' and audit testing has demonstrated controls to be working in practice.

Where weaknesses have been identified through internal audit review, we have worked with management to agree appropriate corrective actions and a timescale for improvement."

4. Internal Audit Coverage and Output

The annual internal audit plan was prepared to take account of the characteristics and relative risks of the Council’s activities and to support the preparation of the Annual Governance Statement.

Audit Reviews by Type



Work has been planned and performed so as to obtain sufficient information and explanation considered necessary in order to provide evidence to give reasonable assurance that the internal control system is operating effectively.

The 2020-21 Internal audit plan, approved by the Audit, Crime & Disorder and Scrutiny Committee in November 2020, was informed by internal audits own assessment of risk and materiality in addition to consultation with management to ensure it aligned to key risks facing the organisation.

The scale of COVID-19 coupled with the speed of its impact and the wide-ranging challenges presented has necessitated new and different ways of working across the Council. Such challenges and subsequent resolutions bring with them new and emerging risks that management need to consider, manage, and mitigate. The plan has remained fluid throughout the year to maintain an effective focus.

In delivering the internal audit opinion internal audit have undertaken 18* reviews during the year ending 31 March 2021.

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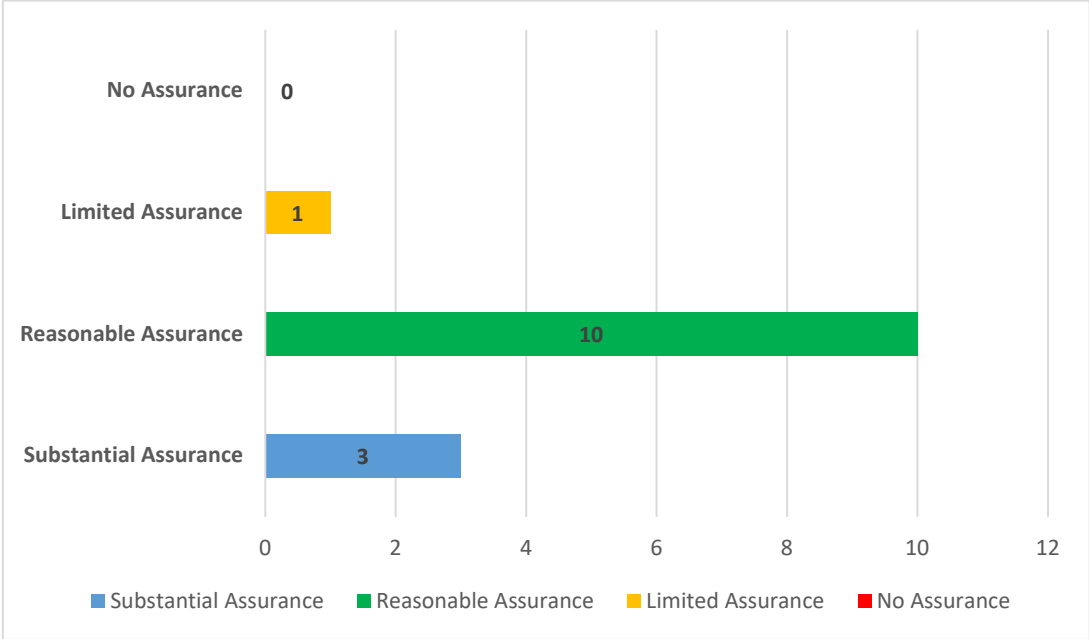
Agenda Item 5
Appendix 1

Due to the significant impact and subsequent challenges posed by the coronavirus pandemic (Covid-19), there has been an inevitable impact on the delivery of the revised 2020-21 internal audit plan.

Work is substantially complete, and an opinion has been formed for one review (Disaster Recovery & IT Business Continuity) however, the report has not yet been agreed and finalised.

Fieldwork remains in progress in respect of one review (Parking & Enforcement). It is fully anticipated that assurance work will be completed in the near future and reported to Leadership Team and the Audit, Crime & Disorder and Scrutiny Committee as part of our next progress report. I do not expect the outcomes of this review to adversely impact my annual opinion.

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Substantial –A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

Reasonable - There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.

Limited - Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.

No - Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

*2 reviews did not culminate in an audit opinion as one related to a review of the Local Government Compensation Scheme claims and the other to the Conservators Accounts sign off.

A list of the 2020-21 assurance reviews undertaken and their respective opinions is provided in Annex 1.

5. Key Observations

There were no 'No Assurance' opinions issued during the year. In general, internal audit work found there to be a sound control environment in place across a majority of review areas that were working effectively to support the delivery of corporate objectives, however, there were some areas identified that provide challenge to the organisations risk environment:

Disabled Facilities Grants

The DFG policy was found to comply with statutory requirements, regulation, Council Policy and was in line with the Council's Corporate Objectives. For those applications reviewed, key milestones were achieved in line with regulatory timescales and quarterly reports submitted to Surrey County Council reporting performance.

However, applications forms were not routinely reviewed and signed off by management and the spreadsheet that monitors data relating to all active and historic cases was not kept up to date.

The DFG team hold a 'suggested' contractor listing that is provided to clients in assisting with the selection of contractors to perform DFG related works. However, evidence was not consistently available to substantiate due diligence (quality, cost, safety) of the contractors listed. Review of the procurement process highlighted that there was no formalised approach to selecting and approving a contractor.

Whilst authorisation was obtained from the Licensing Manager for payment of works, less than half of applications reviewed had evidence to confirm that post work inspections were performed before payment was made to the contractor. Additionally, there was no reconciliation between grant monies spent against actual payments made to contractors.

6. Quality Assurance and Improvement

The Quality Assurance and Improvement Programme (QAIP) is a requirement within ‘the Standards’.

The Standards require the Head of the Southern Internal Audit Partnership to develop and maintain a QAIP to enable the internal audit service to be assessed against the Standards and the Local Government Application Note (LGAN) for conformance.

The QAIP must include both internal and external assessments: internal assessments are both on-going and periodical and external assessment must be undertaken at least once every five years. In addition to evaluating compliance with the Standards, the QAIP also assesses the efficiency and effectiveness of the internal audit activity, identifying areas for improvement.

An ‘External Quality Assessment’ of the Southern Internal Audit Partnership was undertaken by the Institute of Internal Auditors (IIA) in September 2020.

In considering all sources of evidence the external assessment team concluded:

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

7. Disclosure of Non-Conformance

In accordance with Public Sector Internal Audit Standard 1312 [External Assessments], I can confirm through endorsement from the Institute of Internal Auditors that:

‘the Southern Internal Audit Partnership conforms to the Definition of Internal Auditing; the Code of Ethics; and the Standards’

There are no disclosures of Non-Conformance to report.

8. Quality control

Our aim is to provide a service that remains responsive to the needs of the Council and maintains consistently high standards. In complementing the QAIP this was achieved in 2020-21 through the following internal processes:

- On-going liaison with management to ascertain the risk management, control and governance arrangements, key to corporate success;
- On-going development of a constructive working relationship with the External Auditors to maintain a cooperative assurance approach;
- A tailored audit approach using a defined methodology and assignment control documentation;
- Review and quality control of all internal audit work by professional qualified senior staff members; and
- An independent external quality assessment against the IPPF, PSIAS & LGAN.

9. Internal Audit Performance

The following performance indicators are maintained to monitor effective service delivery:

Performance Indicator	Target	Actual
Percentage of internal audit plan delivered	95%	89%
Positive customer survey response		
• Epsom & Ewell Borough Council	90%	100%
• SIAP – all Partners	90%	98%
Public Sector Internal Audit Standards	Compliant	Compliant

Customer satisfaction was collated for SIAPs EQA and is an assessment of responses to questionnaires issued to a wide range of stakeholders including members, senior officers and key contacts involved in the audit process (survey date May 2020).

10. Acknowledgement

I would like to take this opportunity to thank all those staff throughout the Council with whom we have made contact in the year. Our relationship has been positive, and management were responsive to the comments we made both informally and through our formal reporting.

Neil Pitman
Head of Southern Internal Audit Partnership
May 2021

2020-21 Audit Reviews and Opinions

Substantial Assurance	Reasonable Assurance	Limited Assurance	No Assurance
Housing Benefits Decision Making & Accountability Financial Resilience	Health & Safety Business Support Grant COVID – Emergency Response & Recovery Payroll Development Management Programme & Project Management Accounts Payable Homelessness Community Safety Cyber Security	Disabled Facilities Grants	

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*2 reviews did not culminate in an audit opinion as one related to a review of the Local Government Compensation Scheme claims and the other to the Conservators Accounts sign off.

Assurance Opinions (by assignment)

Year	Substantial	Reasonable	Limited	No
2019/20	1	6	6	0
2020/21	3	10	1	0

*It is important to note that whilst this does provide a direct comparison of assurance opinions provided across the previous two years, the areas of the organisation reviewed during these periods are not comparable.

ANNUAL REPORT ON THE USE OF DELEGATED POWERS

Head of Service:	Amardip Healy, Chief Legal Officer
Wards affected:	(All Wards);
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	
Appendices (attached):	Appendix 1: Schedule of significant officer decisions taken in consultation with Committee Chairmen

Summary

In accordance with the Council's Scheme of Delegation to Officers, this report sets out significant decisions taken by Officers in consultation with Committee Chairs for the period 22 May 2019 to 28 May 2021.

Recommendation (s)

The Committee is asked to:

- (1) note the significant decisions taken by Officers in consultation with relevant Chairman/Chair recorded using the delegated authority process from 22 May 2019 to 31 December 2019 and 1 August 2020 to 28 May 2021.**

1 Reason for Recommendation

- 1.1 The Scheme of Delegation to Officers included within Part 3 of the Constitution requires a report to be presented annually to the Audit, Crime & Disorder and Scrutiny Committee setting out significant decisions taken under delegated powers in the previous year.

2 Background

- 2.1 The Scheme of Delegation was drawn up on the principle that Officers are authorised to do all things that are necessary to run their services and to implement council policies provided their actions are taken within budget and according to standing orders etc.

- 2.2 The Scheme contains a number of caveats and restrictions to ensure that Members are aware of most actions taken under delegated powers and are consulted properly. One of these is that a report should be presented annually to this Committee setting out significant decisions taken by Officers under delegated powers in the previous year.
- 2.3 Urgent decisions or decisions that need to be made in consultation with a Chairman or where specifically authorised by a Committee are recorded using the Officer Action process. The process is also used as a means of recording decisions which officers have felt it necessary to consult members upon. Members are notified of any decisions taken via this process through Members Update.
- 2.4 The phrase “significant decision” is not defined in the Scheme of Delegation. For the purposes of this report it is defined as those decisions recorded using the Officer Action process.

3 Delegated decisions

- 3.1 At its meeting on 19 November 2020 the Committee received and noted a report presenting an independent review of [decisions taken under delegated powers between 1 January 2020 and 31 July 2020](#).
- 3.2 Appendix 1 provides a record of decisions taken under delegated powers since 31 July 2020. It also includes any decisions taken from 22 May 2019 to 31 December 2019 which have not been presented to the Committee due to the timing of the previous annual report.
- 3.3 A total of 15 decisions were taken during the period 22 May 2019 - 31 December 2019, with one Officer Action form being cancelled (not used). A total of 11 decisions were taken during the period 1 August 2020 – 28 May 2021, with one Officer Action form being cancelled (not used).

4 Risk Assessment

Legal or other duties

- 4.1 Impact Assessment
 - 4.1.1 None.
- 4.2 Crime & Disorder
 - 4.2.1 None.
- 4.3 Safeguarding
 - 4.3.1 None.
- 4.4 Dependencies

4.4.1 None.

4.5 Other

4.5.1 None.

5 Financial Implications

5.1 As set out in individual cases and signed off by the Chief Finance Officer.

5.2 **Section 151 Officer's comments:** none for the purposes of this report.

6 Legal Implications

6.1 The Chief Executive, Directors and Heads of Service are empowered to take all operational decisions within agreed policies in relation to the services for which they are responsible.

6.2 The current process of reporting to this Committee as a method of notification of decisions made under delegated decisions will cease. It will be replaced with changes where such decisions will be published on the Council's website.

6.3 **Monitoring Officer's comments:** none for the purposes of this report.

7 Policies, Plans & Partnerships

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

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

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

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

7.5 **Partnerships:** None.

8 Background papers

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

Previous reports:

- [Annual report on the use of delegated powers, Audit, Crime & Disorder and Scrutiny Committee, 25 June 2019](#)
- [Delegated Decisions report, Audit, Crime & Disorder and Scrutiny Committee, 19 November 2020](#)

Other papers:

- [Scheme of Delegation to Officers, Part 3 of the Epsom and Ewell Borough Council Constitution](#)

NAME	RESPONSIBLE COMMITTEE	FORM No.	DATE ISSUED	SUBJECT	DATE REPORTED IN MEMBERS' UPDATE	REASON FOR USE OF DELEGATED POWERS	FINANCIAL IMPLICATIONS	SOURCE OF FUNDING
R.Brown	Community & Wellbeing	541	13/06/19	Setting of Fees for animal welfare licensing	5/07/19	Significant Officer Decision	-----	-----
D.Roberts	Environment & Safe Communities	542	30/07/19	Heathrow Airport Expansion Consultation Response	13/09/19	Consultation period outside of committee cycle	-----	-----
I.Dyer	Community & Wellbeing	543	6/08/19	Provide Social Prescribing in Banstead	20/09/19	Significant Officer Decision	£34,000 a year income for 5 years to cover cost of link worker	Banstead Primary Care Network
I.Dyer	Community & Wellbeing	544	6/08/19	Provide Hospital to Home service in East Elmbridge	20/09/19	Significant Officer Decision	£8,000 income	Surrey County Council

NAME	RESPONSIBLE COMMITTEE	FORM No.	DATE ISSUED	SUBJECT	DATE REPORTED IN MEMBERS' UPDATE	REASON FOR USE OF DELEGATED POWERS	FINANCIAL IMPLICATIONS	SOURCE OF FUNDING
G. McTaggart	Strategy & Resources + Environment & Safe Communities	545	6/08/19	Environment Protection Action Plan	20/09/19	Significant Officer Decision	£51,500	Corporate Project Reserve
I.Dyer	Community & Wellbeing	546	12/08/19	To provide Social prescribing to ICP PCN	20/09/19	Significant Officer Decision	£34,000 a year income for 5 years to cover cost of link worker	Integrated Care Partnership Primary Care Network
D Roberts	Licensing and Planning Policy	547	23/08/19	Transport for South East Consultation	13/09/19	Consultation period outside of committee cycle	-----	-----
L Duffy	S&R	548	20/09/19	Business rates Pooling with SCC	11/10/19	Urgent Decision Required	-----	-----
R. Brown	Community & Wellbeing	549	14/10/19	Approval for GLL to subcontract for provision of a catering kiosk.	1/11/19	Significant Officer Decision	-----	-----

NAME	RESPONSIBLE COMMITTEE	FORM No.	DATE ISSUED	SUBJECT	DATE REPORTED IN MEMBERS' UPDATE	REASON FOR USE OF DELEGATED POWERS	FINANCIAL IMPLICATIONS	SOURCE OF FUNDING
R. Ormella	Planning	550	17/10/19	South Hatch Stables S106 agreement	01/11/19	Significant Officer Decision	-----	-----
		551	Form cancelled					
L. Duffy	Strategy & Resources	552	28/10/19	2020/21 Surrey Business Rates Pool Memorandum of Understanding	01/11/19	Urgent Decision Required	Projected benefit of £175,000	Surrey Business rates Pool
R. Ormella	Licensing and Planning Policy	553	30/10/19	Coast to Capital LEP Local Industrial Strategy Evidence Base Consultation	01/11/19	Consultation period outside of committee cycle	-----	-----
M. Shephard	Strategy & Resources	554	27/10/19	Dedication of land to highways in respect of Epsom & Ewell High School	13/12/19	Significant Officer Decision	£4,500 income. £500 cost of preparing valuation	Scheme developer
I. Dyer	Environment & Safe Communities	555	3/12/19	Surrey County Council Parking Strategy Response	13/12/19	Consultation period outside of committee cycle	-----	-----

NAME	RESPONSIBLE COMMITTEE	FORM No.	DATE ISSUED	SUBJECT	DATE REPORTED IN MEMBERS' UPDATE	REASON FOR USE OF DELEGATED POWERS	FINANCIAL IMPLICATIONS	SOURCE OF FUNDING
L. Duffy	Strategy & Resources	556	10/12/19	Council Tax Base 2020-21	10/01/20	Authorised by Council	Agreed Council Tax Base of 33,019.63 (Band D equivalent Properties)	Calculation of Council Tax prescribed in regulations
<u>Form 557 – 595 detailed in report considered by Audit, Crime and Disorder and Scrutiny Committee on 19 November 2020</u>								
D. Roberts	Environment & Safe Communities	596	04/08/20	Reopening Epsom Cemetery Chapel	06/08/20	Significant Officer Decision	-----	-----
I. Dyer	Community & Wellbeing	597	18/08/20	Resumption of locking of parks	20/08/20	Significant Officer Decision	-----	-----
I. Dyer	Community & Wellbeing	598	18/08/20	Bourne Hall Library Browsing Service and return of regular hirers	20/08/20	Significant Officer Decision	Cleaning costs accommodated within existing agreement	-----
I. Dyer	Community & Wellbeing	599	18/08/20	Phased re-opening of Community and Wellbeing Centre	20/08/20	Significant Officer Decision	-----	-----

NAME	RESPONSIBLE COMMITTEE	FORM No.	DATE ISSUED	SUBJECT	DATE REPORTED IN MEMBERS' UPDATE	REASON FOR USE OF DELEGATED POWERS	FINANCIAL IMPLICATIONS	SOURCE OF FUNDING	
I. Dyer	Community & Wellbeing	600	18/08/20	Re opening of BBQs at Horton Country Park	20/08/20	Significant Officer Decision	-----	-----	
I. Dyer	Community & Wellbeing	601	18/08/20	Re opening of the Harrier Centre	20/08/20	Significant Officer Decision	-----	-----	
R. Brown	Strategy & Resources	602	09/09/20	Renewal of the leases on the private sector leased properties used for homelessness	11/09/20	Significant Officer Decision	-----	-----	
		603	Form cancelled						
D. Roberts	Strategy & Resources + Community & Wellbeing	604	02/10/20	Formal response to GLL regarding Change Control Notice	16/10/20	Authorised by Committee	Detailed within Restricted report presented to Strategy & Resources Committee, 22/09/20	Detailed within Restricted report presented to Strategy & Resources Committee, 22/09/20	

NAME	RESPONSIBLE COMMITTEE	FORM No.	DATE ISSUED	SUBJECT	DATE REPORTED IN MEMBERS' UPDATE	REASON FOR USE OF DELEGATED POWERS	FINANCIAL IMPLICATIONS	SOURCE OF FUNDING
K. Beldon	Community & Wellbeing	605	04/11/20	Partial closure of Bourne Hall to the public with effect from 5/11/20 until 17/11/20	6/11/20	Significant Officer Decision	Loss of £4,348.85 income due to national lockdown	-----
I.Dyer	Environment & Safe Communities Committee	606	12/11/20	Development of two new market days, Wednesdays and Fridays	13/11/20	Approved by Committee	-----	-----
J. Doney	Strategy & Resources Committee	607	13/05/21	Additional Restrictions Grant Scheme	21/05/21	Urgent Decision Required	-----	-----

ANNUAL REPORT ON THE USE OF RIPA POWERS

Head of Service: Amardip Healy, Chief Legal Officer
Wards affected: (All Wards);
Urgent Decision?(yes/no)
If yes, reason urgent decision required:
Appendices (attached): 1: Policy & Guidance on Lawful Surveillance, Regulation of Investigatory Powers Act 2000
2: IPCO Inspection Letter dated 19.1.2021

Summary

To report on the Council's activities relating to surveillance under the Regulation of Investigatory Powers Act 2000 for 2020.

Recommendation (s)

The Committee is asked to:

- (1) note the annual report of the Council's use of its RIPA powers for 2020;**
- (2) note the findings of the inspection by the Investigatory Powers Commissioner's Office.**

1 Reason for Recommendation

- 1.1 This report seeks to inform on the last year's activities and update the Committee following the Inspection by the Investigatory Powers Commissioner's Office.

2 Background

- 2.1 The Council undertakes a number of functions which involve the enforcement of laws and regulation. On occasion, Officers may need to conduct investigations and, in exceptional circumstances, the Council has the power to make use of covert surveillance and similar activities.
- 2.2 The Regulation of Investigatory Powers Act 2000 (RIPA) and the Codes of Practice issued under section 71 of that Act, regulates the way in which the Council conducts surveillance for the purposes of law enforcement.

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

Inspections

- 2.5 The Investigatory Powers Commissioner's Office has responsibility to oversee the exercise of the use by Councils of their surveillance powers.
- 2.6 Following a desktop review by the Surveillance Commissioner in 2017 (as it was known then), a number of recommendations were made. They included updates to the Council's RIPA Policy. The recommendations were incorporated into an amended policy and approved by Strategy & Resources Committee on the 17th April 2018. Following a review of the law and good practice, no changes were felt necessary to the Policy in 2019.
- 2.7 A further inspection was carried out in 2020, by the Investigatory Powers Commissioner's Office. As a result, a review of the Surveillance policy was delayed until the outcome of the inspection was known.
- 2.8 As a result of compliance following a desktop survey, the Investigatory Powers Commissioner's Office, did not need to undertake a physical inspection. The Council received the Inspection report in January 2021, a copy of which is attached at Appendix 2. There were no recommendations which the Council was asked to implement. The Policy has been updated to reflect changes to personnel only.
- 2.9 Even though the Council does not often use its powers under the Regulatory Investigatory Powers Act, it remains critical for Officers to understand how to operate the Council's Surveillance Policy. The last training exercise was delivered in late 2018 and was offered to all Surrey Councils to develop better joint learning. It is proposed to provide refresher training later this year on the same basis.

Use of Powers 2020

2.10 There were no applications for directed surveillance authorisations in 2020.

3 Risk Assessment

Legal or other duties

3.1 Impact Assessment

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

3.2 Crime & Disorder

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

3.3 Safeguarding

3.3.1 None arising from the contents of this report.

3.4 Dependencies

3.4.1 None

3.5 Other

3.5.1 None

4 Financial Implications

4.1 None arising from the contents of this report.

4.2 **Section 151 Officer's comments:** None for the purposes of this report.

5 Legal Implications

5.1 None arising from the contents of this report.

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

6 Policies, Plans & Partnerships

- 6.1 **Council's Key Priorities:** The following Key Priorities are engaged: not applicable for the purposes of this report.
- 6.2 **Service Plans:** The matter is not included within the current Service Delivery Plan.
- 6.3 **Climate & Environmental Impact of recommendations:** not applicable for the purposes of this report.
- 6.4 **Sustainability Policy & Community Safety Implications:** not applicable for the purposes of this report.
- 6.5 **Partnerships:** Not applicable for the purposes of this report.

7 Background papers

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

Previous reports:

- Annual report Audit, Crime & Disorder and Scrutiny Committee, 19 November 2020. <https://democracy.epsom-ewell.gov.uk/documents/s17973/Annual%20Report%20on%20the%20use%20of%20RIPA%20powers.pdf>

Other papers:

- Policy & Guidance on Lawful Surveillance, 2018.



Policy & Guidance on Lawful Surveillance Regulation of Investigatory Powers Act 2000

Epsom & Ewell Borough Council

Town Hall

The Parade

Epsom, Surrey

KT18 5BY

Review and Amendment

Review Period: Annual
Responsible Officer: Chief Legal Officer

Date	Review or Amendment	Review Comments/ Summary of Amendment	Review/Amendment Made by
18/10/2017	Amendment	Various amendments made in response to OSC/IPCO Inspection Report	Simon Young
16/3/2018	Amendment	Various amendments in response to annual review	A Healy
29/5/2019	Review	No change	A Healy
24/5/2021	Review	Updates to Appendix 1	A Healy

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A. INTRODUCTION

1. In September 2000, the Regulation of Investigatory Powers Act 2000 (“RIPA”) came into force in England and Wales. The Act sets out in detail the type of surveillance work, and certain other investigatory work, the Council may lawfully undertake and the circumstances in which it may be undertaken. The Act provides a regulatory framework with which the Council must comply. In simple terms, the Act requires the Council to have procedures in place, which ensure that surveillance, and/or other regulated activities are: necessary, on specified grounds; proportionate to what is sought to be achieved; and are properly authorised.
2. The Council takes its statutory responsibilities seriously and will, at all times, act in accordance with the law and take necessary and proportionate action in these matters. The Council has various powers and duties in connection with the detection of crime, including environmental enforcement work, licensing and other regulatory work, and the detection of benefit fraud.
3. The Chief Legal Officer is duly authorised by the Council to keep this policy up to date and accurate and maintain a central record of authorisations for the purpose of RIPA. This policy should be read in conjunction with the codes of practice, which can be viewed at <https://www.gov.uk/government/collections/ripa-codes>
4. This version replaces version 2 of the Policy and Guidance documents approved in 2010. The current version of the policy and forms are those saved in O:\Common\SharedData\RIPA. If a hard copy has been printed, reference should first be made to the electronic copy of the policy, to check for any revisions. Forms should not be saved locally; the relevant form on the Home Office website should be used on each occasion. The forms are available at <https://www.gov.uk/government/collections/ripa-forms--2>. If the forms or website are unavailable for any reason, the forms in the above folder may be used instead.

5. If you are in any doubt about RIPA or any related legislative provisions, please consult the Chief Legal Officer at the earliest possible opportunity.

B. BACKGROUND

6. Article 8 of the European Convention on Human Right is enshrined in UK law by the Human Rights Act 1998. Article 8 requires the Council and any organisations working on its behalf to respect the private and family life of citizens. The European Convention made this a qualified right and not an absolute right and as such the Council may interfere in a citizens rights mentioned above if the interference is, a) in accordance with the law, b) necessary, and c) proportionate. RIPA was passed to ensure that law enforcement and other operations are consistent with the duties imposed upon public authorities by the Human Rights Act.
7. RIPA sets out a statutory mechanism for authorising certain regulated activities. It seeks to ensure that any interference with an individual's Article 8 rights is necessary and proportionate and there is a balance between the public interest and the human rights of individuals. Covert surveillance, and other regulated activities will only be undertaken where there is no reasonable and effective alternative means of achieving the desired objective. No activity shall be undertaken by the Council or its officers within the definition of intrusive surveillance.
8. Significant changes came into force pursuant to the Protection of Freedoms Act 2012, and amendments to the Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010.
9. Investigatory activities are controlled by a system of authorisation, which requires a senior officer to consider the purpose for which action is to be undertaken and the arrangements for ensuring that it is undertaken in accordance with the requirements of Guidance issued by the Office of the Surveillance Commissioners. Authorisations can only be given effect once an order approving the authorisation or notice has been granted by a Justice of the Peace.

10. Any evidence gathered by activities subject to RIPA but not properly authorised may be ruled inadmissible in court, jeopardising the case and potentially rendering the Council liable to pay court costs. Such activities being undertaken without proper authorisation could also lead to a challenge and/or claim for compensation under the Human Rights Act.
11. The Council is committed to using the RIPA framework in accordance with the Guidance issued by the Office of the Surveillance Commissioners and the Codes of Practice issued by the Home Office.

Necessity

12. The Council must consider whether the information that it is thought necessary to obtain by the authorised conduct could reasonably be obtained by other overt means and why it is necessary to use covert methods in the investigation. Prior to considering the “necessity” of a particular regulated activity, it is important to consider the scope of a local authority’s powers to engage in that activity. For example, there is now the crime threshold referred to in paragraph 21, which restricts the Council’s ability to authorise directed surveillance.

Proportionality

13. The following should be borne in mind when assessing proportionality:
- The means should not be excessive compared to the gravity of the alleged offence
 - The least intrusive covert methods should be chosen
 - Collateral intrusion should be minimised
 - Whether all other reasonable methods have been considered and discounted

C. SURVEILLANCE

14. Surveillance includes:

- Monitoring, observing, listening to persons, watching or following their movements, listening to their conversations and other such activities or communications.
- Recording any of the above in the course of authorised surveillance.
- Surveillance by or with the assistance of appropriate surveillance devices.

15. Surveillance can be overt or covert. Most surveillance carried out by the Council will be overt (open) and not hidden or secretive. Any surveillance that is undertaken where the subject is aware of it, for example, where a noisy resident has been warned that they are going to be recorded for noise, comes under the definition of overt surveillance. In many cases, officers will be behaving in the same way as a normal member of the public (e.g. in the case of most test purchases), and/or will be going about Council business openly.

16. Overt Surveillance does not require RIPA authorisation.

17. Covert surveillance enables public bodies to detect and prevent crime and obtain information about an individual's or organisation's activities.

18. The Home Office Code of Practice on Covert Surveillance and Property Interference states that surveillance will be covert where it is carried out in a manner calculated to ensure that the subject is unaware that it is or may be taking place.

19. RIPA regulates surveillance that is 'directed surveillance', and/or 'intrusive surveillance'. Surveillance is "**Directed surveillance**" if the following are all true:

- It is covert but not intrusive.
- It is carried out for the purposes of a specific investigation or operation
- It is likely to result in the obtaining of private information about a person

(information relating to his/her private and family life, home and correspondence and aspects of business and professional life)

- It is not conducted by way of an immediate response to events or circumstances where it would not be reasonably practicable to seek authorisation.

20. Examples of “directed surveillance” have in the past included, for example, the surveillance of individuals in respect of possible fly tipping, benefit fraud, anti-social behaviour, or planning contraventions. Since 1 November 2012, it has only been possible for directed surveillance to be authorised where the authority is investigating particular types of criminal offences. These are criminal offences, which attract a maximum custodial sentence of six months, or more, or criminal offences relating to the underage sale of alcohol or tobacco.

21. The key element of "directed surveillance" is the targeting of an individual with the likelihood of gaining private information.

22. **"Intrusive surveillance"** is defined as covert surveillance that:

- is carried out in relation to anything taking place on any residential premises or in any private vehicle; and
- involves the presence of an individual on the premises or in the vehicle or is carried out by means of a surveillance device.

23. Intrusive surveillance can only be carried out by the police and other law enforcement agencies. Council Officers must **not** carry out intrusive surveillance. If the surveillance may become, or if there is a risk of it becoming, intrusive the surveillance should stop and the officer should seek advice from the Chief Legal Officer. Officers need to give careful consideration to their chosen methods of surveillance and/or devices to be used to ensure that there is no unwitting intrusive surveillance.

24. **CCTV** - The provisions of RIPA or the Code of Practice do not cover the overt use of CCTV surveillance systems. Members of the public are aware that such systems are in use for their protection and to prevent crime. However, if CCTV is targeted at an individual, a RIPA situation could arise.

25. **Collateral Intrusion** – Authorising officers should take into account the risk of intrusion into the privacy of persons other than those who are directly the subjects of the investigation. Measures should be taken to avoid or minimise unnecessary intrusion into the lives of those not directly connected with the investigation or operation.

D. CONDUCT AND USE OF A COVERT HUMAN INTELLIGENCE SOURCE

26. A Covert Human Intelligence Source (CHIS) is a person who establishes or maintains a personal or other relationship with another person for the covert purpose of:

- using such relationship to obtain information or to provide access to any information to another person, or
- covertly disclosing information obtained by the use of such a relationship or as a result of the existence of such a relationship,
- where the relationship is conducted in a manner that is calculated to ensure that one of the parties to the relationship is unaware of its purpose or (in the case of disclosure of information) it is disclosed in a manner that is calculated to ensure that one of the parties to the relationship is unaware of the disclosure in question.

27. A CHIS may be an undercover officer or controlled informant. An informant can be considered to be “controlled” where a Council officer is directing the informant’s activities or enquiries.

28. **Other types of informants** – RIPA does not apply to members of the public who volunteer information as part of their civic duties, or members of staff who report information in accordance with their contract of employment, or under the Council’s Whistleblowing Policy.
29. The Council is involved in many of the everyday functions of law enforcement. For example, Enforcement Officers might use an informer (CHIS) as part of their enforcement function. The Council’s Internal Auditors might use an informer to see if there is an abuse of someone’s official position, (e.g. stealing money).
30. The Council can only use a CHIS if RIPA procedures are followed. The conduct or use of a CHIS requires **prior authorisation**. All authorised officers should consult the Chief Legal Officer for further information regarding procedure prior to authorising a CHIS. It will be important for an authorising officer to follow the requirements of Section 29 of RIPA. So, for example, the authorising officers’ needs to be satisfied that there will be a Handler for the CHIS – with day-to-day responsibility for the dealing with the CHIS, and for the CHIS’ welfare and security; there also needs to be a separate Controller, with general oversight of the use made of the CHIS.
31. “Test Purchasing” usually involves a council officer or other volunteer, who attempts to buy a product or use a service, where the seller/provider is not authorised in the circumstances to sell the product or provide the service. Most usually, this is organised/undertaken by licensing officers. This will not normally require authorisation, as no relationship is established between the test purchaser and the “target” of the operation. However, this will be fact sensitive. It is recommended that a summary of the proposed operation is written down and a judgment taken and recorded as to whether authorisation is required. This should be sent to the Chief Legal Officer.
32. The Regulation of Investigatory Powers (Source Records) Regulations 2000 contain mandatory arrangements for using a CHIS. Adequate arrangements

must be in place to ensure that records are kept which relate to the source and that these records contain particulars of certain matters. The particulars are listed below:

- The identity of the source
- The identity, where known, used by the source
- Any relevant investigating authority other than the authority maintaining the records
- The means by which the source is referred to within each relevant investigating authority
- Any other significant information connected with the security and welfare of the source
- Any confirmation made by a person granting or renewing an authorisation that the information above has been considered and that any identified risks have been explained to and understood by the source
- The date when, and the circumstances in which, the source was recruited
- The identities of the persons who, in relation to the source, are discharging or have discharged the functions
- The periods during which those persons have discharged those responsibilities
- The tasks given to the source and the demands made of him in relation to his activities as a source
- All contacts or communications between the source and a person acting on behalf of any relevant investigating authority
- The information obtained by each relevant investigating authority by the conduct or use of the source
- Any dissemination by that authority of information obtained in that way, and
- In the case of a source who is not an undercover operative, every payment, benefit or reward and every offer of a payment, benefit or reward that is made or provided by or on behalf of any relevant investigating

authority in respect of the source's activities for the benefit of that or any other relevant investigating authority.

E CONFIDENTIAL INFORMATION, VULNERABLE PERSONS AND JUVENILES

33. There are special safeguards which apply when either:

- a. Knowledge of confidential information is likely to be acquired;
- b. When a vulnerable individual is used as a source;
- c. When a juvenile, being a person under the age of 18, is used as a source.

34. In all three instances at a), b) and c) above only the Chief Executive or in her absence the person acting as Chief Executive can grant authorisation, save that in no circumstances can a juvenile under the age of 16 be authorised to give information that can be used against his or her parents.

35. Confidential information consists of matters subject to legal privilege, confidential personal information, communications between a Member of Parliament and another person or confidential journalistic material. This is further particularised in the revised Code of Practice.

36. A vulnerable person is a person in need of community care services because of illness, age, mental or other disability, or, is unable to take care of himself or herself, or is unable to protect himself or herself against significant exploitation or harm.

F. EXAMPLES OF DIFFERENT TYPES OF SURVEILLANCE

Type of surveillance	Examples
<p><u>Overt</u> Not requiring prior authorisation</p>	<ul style="list-style-type: none"> • Police Officer or Wardens on patrol; • Signposted Town Centre CCTV cameras (in normal use); • Recording noise from outside the premises after the occupier has been warned that this will occur if the noise persists (in most cases).
<p><u>Covert</u> But not requiring prior authorisation</p>	<ul style="list-style-type: none"> • CCTV cameras providing general traffic, crime or public safety information.
<p><u>Directed</u> Must be RIPA authorised</p>	<ul style="list-style-type: none"> • Officers follow an individual or individuals over a period, to establish whether s/he is working when claiming benefit or on long-term sick leave. • Test purchasers where the officer has a hidden camera or other recording device to record information which might include information about the private life of a shop-owner, e.g. where s/he is suspected of running a business in an unlawful manner. • Can only be used for offences, which meet the crime threshold.
<p><u>Intrusive</u> Council Officers cannot do this</p>	<ul style="list-style-type: none"> • Planting a listening or other device (bug) in a person's home or in their private vehicle.

G. ANTI-SOCIAL BEHAVIOUR (ASB) ACTIVITIES (e.g. noise, violence, etc.)

37. Persons who complain about ASB and are asked to keep a diary will not normally be Covert Human Intelligence Source and therefore do not require authorisation as they are not required to establish or maintain a relationship for a covert purpose. Recording the level of noise (e.g. decibel) will not normally capture private information and does not require authorisation. However, careful consideration should be given to how this is to be done in practice, as it is possible that conduct requiring authorisation might be undertaken.
38. Recording sound (with a DAT recorder) on private premises could constitute intrusive surveillance, unless it is done overtly. For example, it may be possible to record if the noisemaker is warned that this will occur if the level of noise continues. However, this will depend on how this is to be done, including the technical capabilities of the equipment used. Placing a stationary or mobile video camera outside a building to record ASB on residential estates will require prior authorisation.

H. INTERCEPTION OF COMMUNICATIONS

39. Local authorities cannot generally intercept communications. Under Part I of RIPA, employers can intercept e-mails with employees consent. However, consent is not needed where the purpose is to detect and prevent crime OR unauthorised use of the e-mail or internet system. The employer must make “all reasonable efforts” to inform the employee that their e-mails may be intercepted. The Council cannot otherwise seek to intercept communications.

I. ACQUISITION OF COMMUNICATIONS DATA

40. Under Part I, Chapter II of RIPA, local authorities have powers in respect of the acquisition of communications data from telecommunications and postal companies. Communications data means any traffic or any information that is sent by telecommunications system or postal system, together with information about the use of the system by any person. For example, this could include the dates and times messages are sent or calls made, but not the content of the messages.
41. An authorised person can authorise another officer within the public authority to collect the data. The local authority is allowed to collect data communications itself, i.e. if a private telecommunications company is technically unable to collect the data, the local authority would be able to collect the communications data itself.
42. In order to compel a Communications Company to obtain and/or disclose communications data in their possession, a Notice must be issued (Appendix 2). The *only* grounds a local authority can compel this is for the purposes of “preventing or detecting crime or of preventing disorder”.
43. In issuing a Notice, the authorising officer can authorise another person to liaise with the Communications Company covered by the Notice.
44. Whilst RIPA allows local authorities in appropriate circumstances to acquire communications data, this is not something Epsom & Ewell Borough Council can directly do at present, as we have no appropriately trained and accredited officers.

J SOCIAL MEDIA AND WEBSITES

45. Although Social Media and other websites are easily accessible and a great deal of information may be published, if that information is going to be sought out and used as part of an investigation, consideration must be given to whether authorisation under RIPA should be obtained. A guidance note is included at Appendix 3.
46. Care must be taken to understand how the particular site/service works. Officers should not assume that one site or service provider will work in much the same way as any other. Individuals have a large measure of responsibility to set privacy settings to protect against unsolicited access to their private information on social media or the internet generally. Unprotected data may be considered published and no longer fully under the control of the originator. An author has a reasonable expectation of privacy, especially where access controls have been applied. Where privacy settings are available but have not been used, authorisation is not usually required to access and use that data in an investigation. Regard will of course need to be had to whether that information can be directly tied to a particular individual.
47. In certain circumstances, however, authorisation might be required. Following an individual's activities on social media could stray into covert surveillance. Any proposal to ask to become a "friend" or to otherwise connect with an individual could constitute use of a CHIS. One-off test purchasing over the internet where no ongoing relationship is established will not normally require a CHIS authorisation.
48. Social media could be a valuable source of information. Prior to undertaking research, legal advice must be sought, and the investigating officer should document their decision, if they conclude in light of that advice, that no authorisation is required. Records of activities should be kept, and officers should regularly review whether authorisation is required. If required, authorisations will be granted and administered in the normal way.

49. Officers must not create covert online identities, for the purposes of research or investigation without first seeking legal advice. This activity is generally to be discouraged. If such activities are, in exceptional circumstances, considered to be necessary, this will require the approval of the Chief Legal Officer and/or the Chief Executive, before any RIPA authorisation is considered by an authorising officer. The approved arrangements must include details of controls in place, including a register of such identities and details of which officers have access to those identities. A record must be kept of all activities using a covert identity.

K. NON-RIPA SURVEILLANCE

50. RIPA does not of itself grant powers to carry out surveillance; such powers are either available under specific legislation, or ancillary to other functions. RIPA provides a framework for ensuring that surveillance that is undertaken is authorised and supervised in a manner that ensures compliance with the Human Rights Act 1998. Equally, RIPA does not prevent surveillance from being carried out or require that it may only be carried out in accordance with RIPA.

51. There may, exceptionally, be times when it will be necessary to undertake covert surveillance or use a CHIS otherwise in accordance with RIPA. For example, there may be a serious internal investigation. If this might lead to criminal proceedings, then a RIPA authorisation may be appropriate, but if criminal proceedings are not contemplated, this might not be possible.

52. There may be serious cases of anti-social behaviour or nuisance for which the penalties would be below the threshold for a RIPA authorisation. Nonetheless, there may be good reasons why covert directed surveillance, or the use of a CHIS is necessary, in order effectively to deal with the matter, especially if it might be the only effective means of efficiently obtaining the information necessary in order for action to be taken.

53. In such circumstances it is recommended that the same procedures are

followed, as if it were a RIPA authorisation – the forms should be clearly endorsed “NON-RIPA APPLICATION” on the top of each page. An application should be submitted for the consideration of an Authorising Officer in the usual way, who should consider it under the necessity and proportionality tests. The normal procedure of timescales, review and cancellations should also be followed.

54. The authorisation, review, renewal and cancellation of non-RIPA surveillance/CHIS activity must be notified to the Chief Legal Officer. Authorisations will not require Magistrates’ Court approval and will take effect when authorised. Records will be kept alongside the RIPA central record.

L. PROCEDURES

55. The overall rules and procedures that need to be followed are set out below. A quick RIPA checklist is included at Appendix 4.

Authorisation

56. An authorisation under Part II of the Act will provide lawful authority for a public authority to carry out surveillance. Public authorities are strongly recommended to seek an authorisation where the surveillance is likely to interfere with a person’s Article 8 right to privacy by obtaining private information about that person. There is a great likelihood of risk if you are carrying out observations around a person’s home. The Chief Legal Officer who is the Monitoring Officer for RIPA is authorised by the Council to oversee all RIPA use/processes within the Council and maintain the Central Record of Authorisations for the purpose of RIPA. The Monitoring Officer will receive and retain originals of all RIPA applications, authorisations, renewals, reviews and cancellations, and to maintain these in a central file. The list of authorised officers is attached as Appendix 1. If the Chief Operating Officer or Head of Service wishes to add, delete or substitute a post s/he must make a formal request to the Chief Legal Officer for consideration. The Monitoring Officer will oversee the RIPA process on behalf of the Council.

57. Private information is a broad term and can include aspects of private life such as gender identification, name, sexual orientation and sexual life. It can also cover interaction with others in the outside world (and not restricted to private premises), and may include activities of a professional or business nature (*Perry v United Kingdom*).
58. Ideally the Authorising Officer should not be responsible for authorising a CHIS in connection with their own activities, i.e. those operations or investigations in which they are directly involved or for which they have direct responsibility. If this is unavoidable, it should be highlighted in the central record.
59. All surveillance covered by the Act must be authorised using the corporate application forms, listed in Appendix 2. To ensure that the latest version of the relevant form is being used, officers must use a blank template on each occasion, and must not type over the top of a previously saved form.
60. Surveillance equipment will only be installed with the authorisation of the Council's authorised officers. If a resident is requested to keep a video diary as part of an evidence gathering exercise, this will be regarded as directed surveillance on behalf of the Council, and as such will require authorisation.
61. Directed surveillance or the conduct and use of CHIS can *only* be authorised by the Council on the ground of the prevention or detection of crime/disorder.
62. It is important that careful consideration be given to the issue of confidential information. It should be possible in most cases to ensure that it is not likely that confidential information will be acquired. In any case in which this is considered likely, advice should be sought prior to submission of an application to the Chief Executive for authorisation.

How is the application for authorisation made?

63. It should be made in writing, and it should specify:

- The details of the purpose for which the CHIS/surveillance will be used,
- The identities, where known, of those to be subject of the use or conduct of the CHIS/surveillance,
- Details of what the CHIS will be asked to do,
- An account of the investigation or operation,
- The ground on which the authorisation is sought (i.e. for the prevention or detection of crime/disorder),
- Why the use of CHIS/surveillance is considered to be proportionate to what it seeks to achieve.
- An explanation of the information which the Council desires to obtain as a result of the authorisation,
- Details of the level of authority required,
- The potential for collateral intrusion, that is to say, interference with the privacy of other persons other than the subjects of the investigation, and an assessment of the risk of such intrusion or interference,
- The likelihood of acquiring any confidential material and what that material might be,
- Where authorisation is sought urgently, reasons why the case is considered to be urgent.

64. In assessing an application form the Authorising Officer must:

- Be mindful of the corporate policy,
- Satisfy himself that:
 - The use of covert means is proportionate to the mischief being investigated and the degree of intrusion on the target and others;

- the RIPA authorisation is in accordance with the law, and the proposed activity is necessary and proportionate, and
- Whether other means show covert surveillance could be used,
- In assessing proportionality and necessity, consider whether other less intrusive means could be used to gather information,
- Consider the degree of intrusion for those likely to be affected, bearing in mind Article 8 of the Human Rights Act, including an assessment of the risk of any collateral intrusion,
- Set a date for reviewing the authorisation, Set the date on which the authorisation will expire
- Forward **the original** authorisation to the Chief Legal Officer within 5 working days of making the authorisation, keeping a copy on their own file.

65. When authorising the conduct or use of CHIS the Authorised Officer must adhere to the Regulation of Investigatory Powers (Source Records) Regulations 2000, and:

- Be satisfied that the appropriate arrangements are in place for the management of the CHIS. This should include a risk assessment for health and safety;
- Consider the diverse impact on community confidence that may result from the information obtained;
- Ensure that records are available on a need to know basis.

66. The authorisation must be reviewed within the time stated on the application form and cancelled as soon as it is no longer necessary. The duration of the authorisation for directed surveillance can last for a maximum of 3 months from the date of authorisation and 12 months for a CHIS. However, it is essential that the authorisations are reviewed or cancelled at the proper time. There must be evidence of cancellation on file.

67. Prior to any authorisation having effect, or being renewed, judicial approval

must be sought. This will be done by the investigating officer in conjunction with the Council's legal team, who will advise on the completion of the judicial application/order form and liaise with the court service.

Training and Development

68. All officers certified to sign RIPA forms shall be given the appropriate training. If the Chief Legal Officer feels that an authorised officer has not had the appropriate training/guidance then he is authorised to retract the officer's authorisation until the training has been completed.

69. RIPA Monitoring Officer shall aim to keep a Central Record of all RIPA training undertaken (to include officer name, date, provider & course title, optional comments, and copy of course materials where appropriate and available)

70. Regular refresher training of key staff shall be programmed (every 2-3 years).

71. Anyone attending training shall be encouraged to share what they have learnt with colleagues.

72. Extra training /updating will be held on at least a biennial basis – to cover legislative changes/guidance/cases etc., and follow-up on the most recent OSC inspection report or good practice.

M. MAINTENANCE OF RECORDS AND OTHER MATTERS

73. The Chief Legal Officer is responsible for:

- The integrity of the process in place within the public authority for the management of CHIS;
- Compliance with Part II of the Act and the Codes;
- Oversight of the reporting of any errors to the Commissioner and identifying both the cause(s) of errors and the implementation of processes to minimise the repetition of errors;

- Engagement with the OSC inspectors when they conduct their inspections, where applicable; and
- Where necessary, oversight of the implementation of post-inspection action plans approved by the relevant oversight Commissioner.

74. The following documents must be forwarded to the Chief Legal Officer by the Authorising Officer and retained by the Chief Legal Officer where an authorisation has been granted:

- **The original** of the forms with any supporting documentation;
- A record for the period for which the surveillance has taken place;
- The frequency of reviews as prescribed by the Authorising Officer;
- A record of the result of each review of an authorisation;
- A record of any renewal of an authorisation, the reason why the person renewing an authorisation considered it necessary to do so, and the reasons, if any, for not renewing an authorisation;
- The date and time of any instruction by the Authorising Officer;
- A record including the date and time of any oral authorisation given by the Authorising Officer, and the reason why the case was considered urgent;
- Any risk assessment made in relation to a CHIS;
- The circumstances in which tasks were given to the CHIS;
- The value of the CHIS to the investigating authority;
- The reasons for cancelling an authorisation;
- The date and time when any instruction was given by the Authorising Officer to cease using a CHIS
- A copy of the judicial application form, and original of any order obtained from the Court.

75. The Council will retain records in the Central Register for a period of at least 3 years after the end of a period of authorisation.

Central Register of Authorisations

76. This will be maintained by the Chief Legal Officer. All completed forms must be sent to the Chief Legal Officer, marked "Private and Confidential", within 5 working days for the purpose of maintaining the Central Register.

77. If you need any further advice on RIPA, please contact the Chief Legal Officer.

Who is responsible for overseeing compliance with RIPA?

78. The Chief Surveillance Commissioner and Surveillance Commission together with the Assistant Surveillance Commissioners have been appointed to provide independent oversight of the use of the powers contained in Part II of the Act. They will inspect the Council from time to time to ensure that the Council is complying with the Act. In addition, the 2000 Act establishes an independent tribunal. The tribunal has full powers to investigate and decide any case where a person complains about the conduct of the Council in exercising its powers that are covered by the Act.

Working with Other Organisations

79. Where another agency has been instructed by the Council to undertake any action under RIPA this must be done in accordance with this policy. The Chief Operating Officer or appropriate Head of Service requesting the work must ensure that the agency is made explicitly aware of what they are authorised to do.

Involvement of Councillors

80. This policy and the Council's use of RIPA will be reviewed on at least an annual basis by the Chief Legal Officer and by the Strategy and Resources Committee at least every four years. A report on the use of RIPA will be considered by the Audit Crime & Disorder and Scrutiny Committee at least annually. Councillors

will not act as authorised officers.

Acknowledgement

In producing this policy the Council has considered the Guidance of the Office of Surveillance Commissioners, the Codes of Practice. Good practice from other local authorities was considered.

List of Appendices

APPENDIX 1	LIST OF AUTHORISED OFFICERS
APPENDIX 2	RIPA FORMS
APPENDIX 3	GUIDANCE NOTE ON COVERT SURVEILLANCE OF SOCIAL NETWORKING
APPENDIX 4	QUICK RIPA CHECKLIST

APPENDIX 1 - LIST OF AUTHORISED OFFICERS

Chief Executive – Kathryn Beldon

Directors

Chief Legal Officer ¹– Amardip Healy

Other Authorised Officers (subject to receiving the appropriate training):

Head of Housing & Community – Rod Brown

Benefits Manager – Pete Wells

¹ Will not normally grant authorisations, due to role in overseeing use of RIPA.

APPENDIX 2 – RIPA FORMS

Please see paragraph 4 of the Policy

The forms are available at <https://www.gov.uk/government/collections/ripa-forms--2>

List of Forms

1. Application for Authorisation to Carry Out Directed Surveillance
2. Review of a Directed Surveillance Authorisation
3. Application for Renewal of a Directed Surveillance Authorisation
4. Cancellation of a Directed Surveillance Authorisation
5. Application for Authorisation of the Use or Conduct of a Covert Human Intelligence Source
6. Review of a Covert Human Intelligence Source (CHIS) Authorisation
7. Application for Renewal of a Covert Human Intelligence Source (CHIS) Authorisation
8. Cancellation of an Authorisation for the Use or Conduct of a Covert Human Intelligence Source (CHIS)
9. [Forms relating to the Acquisition of Communications Data have been removed from the list – please speak to the Chief Legal Officer for further information]
10. Application for judicial approval for authorisation to obtain communications data, to use a covert human intelligence source or to conduct directed surveillance.

APPENDIX 3 – GUIDANCE NOTE ON COVERT SURVEILLANCE OF SOCIAL NETWORKING SITES

The purpose of this guidance note is to provide clarity on the Council's position:

1. In using social media for the gathering of evidence:
 - officers must not 'friend' individuals on social networks
 - officers should not use their own private accounts to view the social networking accounts of other individuals
 - officers viewing an individual's profile on a social networking site should do so only once in order to obtain evidence to support or refute their investigation
 - further viewing of open profiles on social networking sites to gather evidence or to monitor an individual's status, must only take place once RIPA authorisation has been granted and approved by a Magistrate
 - officers should be aware that it may not be possible to verify the accuracy of information on social networking sites and, if such information is to be used as evidence, steps must be taken to ensure its validity.

2. It is not possible to provide a definitive list of social networking sites, so this should be taken to mean any site which involves individuals creating a profile which contains personal information and is viewable by others, whether accepted as 'friends' or otherwise. This might include sites such as 'Facebook' and 'Linked-In'.

3. As the definition of 'private information' under RIPA includes: 'any information relating to a person's private or family life and should be taken generally to include any aspect of a person's private or personal relationship with others, including family and professional or business relationships' Sites used to advertise goods and services should be included within the definition. Although there is likely to be a reduced expectation of privacy with this type of site, there

is still the possibility of obtaining private information that may be subsequently used in any enforcement proceedings.

4. If an allegation is received or, as part of an investigation into an individual, it is necessary to view their social networking site, officers may access the main page of the individual's profile once in order to take an initial view as to whether there is any substance to the allegation or matter being investigated.
5. The initial viewing must be reasonable – for example, it would not be reasonable to spend any significant amount of time searching through various pages of the individual's profile or to print out several pages just in case they may reveal something useful.
6. In some cases where, for example, a link to a site is provided by a complainant, it may be relevant for the receiving officer to view the link before passing it onto the investigating officer to also view. This would count as one viewing. However, it would not be reasonable for each officer in a team to view the site in turn so that they may each gather some information.
7. If there is a need to monitor an individual's social networking site, authorisation must be obtained.
8. If the offence being investigated falls under RIPA, a formal RIPA application must be completed, authorised by an Authorising Officers and then approved by a Magistrate.

APPENDIX 4 – QUICK RIPA CHECKLIST

When is RIPA Authorisation required? If the answer is 'Yes' to all of the following questions:

Questions to ask	Matters to consider
Is the proposed activity 'surveillance'?	involving monitoring, observing or listening to persons, their movements, their conversations or their other activities or communications, recording anything monitored, observed or listened to in the course of the proposed activity and/or a surveillance device will be used.
Is it 'covert'?	carried out in a manner calculated to ensure that the target(s) will be unaware of the activity
Is it 'directed'?	for the purposes of a specific investigation/operation.
Is it likely to result in obtaining private information about this person?	information about the target /targets' private or family life is likely to be obtained.
Is it a 'foreseen/planned response'?	something other than an immediate response to events. If the proposed activity has been planned in advance, it requires authorisation if all the answers to questions 1 to 4 above have also been 'Yes'.
Is it a "core function" of the Authority?	<ul style="list-style-type: none"> • matters which relate to functions the Authority is required to carry out under statute (such as investigating benefit fraud, planning or food hygiene enforcement, licensing). is for the purpose of preventing or detecting criminal offences that are

Questions to ask	Matters to consider
	either punishable, whether on summary conviction or indictment, by a maximum term of at least 6 months' imprisonment or are related to the underage sale of alcohol and tobacco (the crime threshold)
does it meet Home Office requirements	If the answer is 'No' to any of the above questions, the proposed activity falls outside the scope of RIPA and this policy.

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Investigatory Powers
Commissioner's Office

PO Box 29105, London
SW1V 1ZU

Ms Kathryn Beldon
Chief Executive
Epsom and Ewell Borough Council
By email

19 January 2021

Dear Ms Beldon,

Inspection of Epsom and Ewell Borough Council

Please be aware that IPCO is not a “public authority” for the purpose of the Freedom of Information Act (FOIA) and therefore falls outside the reach of the FOIA. It is appreciated that local authorities are subject to the FOIA and that they may receive requests for disclosure of our reports. In the first instance the SRO should bring the matter to the attention of the IPCO Data Protection Officer (at: info@ipco.org.uk), before making any disclosure. This is also the case if you wish to make the content of this letter publicly available.

Your Council was recently the subject of a telephone and desktop-based inspection by one of my Inspectors, Gráinne Athorn. This has been facilitated through your Senior Responsible Officer Amardip Healy who was interviewed over the telephone.

The information provided has demonstrated a level of compliance that removes the requirement for a physical inspection.

The last inspection of Epsom and Ewell took place during August 2017 and resulted in three recommendations concerning the need to deliver RIPA training to key personnel including nominated Authorising Officers, and the requirement to make amendments to the RIPA policy, including the provision of guidance to staff members about the limits of social media and internet research during investigations. I am pleased to confirm that as well as making the suggested changes to the policy, the document now also places limits on online activity, prohibiting the use of false personas without your expressed permission. I understand that one of the three nominated Authorising Officers has recently completed RIPA training and that further training is to be organised when COVID conditions allow. I ask that any future authorisation requests be considered by the trained AO until such time as that training has been completed. Based on the information provided above, I am content to discharge all three recommendations.

Since 2017 no authorisations have been granted for either surveillance or CHIS (albeit one application for communications data was submitted and has been examined by the Inspector) and consequently no records of this kind were examined.

Section 4.47 of the 2018 Home Office Covert Surveillance and Property Interference Code of Practice requires that Elected Members be provided with a regular update of the use made of RIPA powers. I understand that Members of the Audit, Crime and Disorder and Scrutiny Committee oversee RIPA matters and have approved the policy as recently as 2019.

I hope that this telephone-based inspection has proved to be a worthwhile exercise; it has been a critical element to ensuring that oversight of the use made of RIPA powers continues despite the circumstances in which we are all operating. My Office is available to you should you have any queries following the recent inspection, or at any point in the future. Contact details are provided at the foot of this letter.

I shall be grateful if you would acknowledge receipt of this letter within two months.

Yours sincerely,



The Rt. Hon. Sir Brian Leveson
The Investigatory Powers Commissioner

ANNUAL GOVERNANCE STATEMENT 2020/21

Head of Service:	Gillian McTaggart, Head of Policy, Performance & Governance
Wards affected:	(All Wards);
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	
Appendices (attached):	Appendix 1: Annual Governance Statement 2020/21

Summary

This report seeks the Committee's approval of the draft Annual Governance Statement 2020/21.

Recommendation (s)

The Committee is asked to:

- (1) Approve the 2020/21 Annual Governance Statement as set out at Appendix 1, prior to it being signed by the Chief Executive and the Chairman of the Strategy & Resources Committee.**
- (2) Give delegated authority to the Chief Finance Officer to make any required amendments to the Annual Governance Statement prior to its submission with the Statement of Accounts.**

1 Reason for Recommendation

- 1.1 To comply with the Accounts and Audit Regulations 2015, the Council must prepare an annual statement which covers its whole internal control environment. This statement, the Annual Governance Statement (AGS) forms part of the annual financial statements.

2 Background

- 2.1 Our governance arrangements aim to ensure that we set and meet objectives, act lawfully, openly and honestly. In addition, all monies and resources are accounted for, safeguarded and used efficiently and effectively.
- 2.2 The AGS is an important document which provides assurance concerning these governance arrangements, both financial and non-financial. It is prepared on an annual basis for inclusion in the Statement of Accounts. Before the Chief Executive and Chairmen of Strategy & Resources Committee certifies the statement it is presented to the Audit, Crime & Disorder and Scrutiny Committee for approval.
- 2.3 The draft AGS 2020/21 is attached at Appendix 1. This statement has been drafted by the Head of Policy, Performance and Governance in consultation with the Chief Finance Officer, Monitoring Officer and the Chief Executive. The Leadership Team contributes through the Divisional Assurance Statements. The Head of Internal Audit's opinion is included and provides independent assurance over the systems of internal control.
- 2.4 The COVID-19 pandemic has impacted on governance issues and so has been captured within the draft AGS.

3 Risk Assessment

Legal or other duties

3.1 Impact Assessment

- 3.1.1 There are no specific equality implications associated with this report.

3.2 Crime & Disorder

- 3.2.1 There are no specific crime and disorder implications associated with this report.

3.3 Safeguarding

- 3.3.1 There are no specific safeguarding implications associated with this report.

3.4 Dependencies

- 3.4.1 Before final publication of the AGS and audit accounts for the year ended 31 March 2021, the AGS must have been certified by the Chief Executive and Chairman of the Strategy & Resources Committee. This follows consideration of the draft statement by the Audit, Crime & Disorder and Scrutiny Committee.

3.4.2 The content of the AGS is, in part, dependent upon the findings of the Head of Internal Audit's Annual Opinion 2020/21.

3.5 Other

3.5.1 There are no other implications associated with this report.

4 Financial Implications

4.1 There are no financial implications arising through the preparation and publication of the AGS.

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

5 Legal Implications

5.1 In order to comply with Regulation 6 of the Accounts and Audit Regulations 2015, the Council must prepare and approve an Annual Governance Statement.

5.2 Regulation 10 of the 2015 regulations requires the Council to publish the AGS alongside the adopted statement of accounts.

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

6 Policies, Plans & Partnerships

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

6.1.1 Effective Council – Engaging, responsive and resilient Council.

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

6.3 **Climate & Environmental Impact of recommendations:** no relevance for the purposes of this report.

6.4 **Sustainability Policy & Community Safety Implications:** no relevance for the purposes of this report.

6.5 **Partnerships:** not applicable.

7 Background papers

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

Previous reports:

- Annual Governance Statement 2019/20, Audit, Crime & Disorder and Scrutiny Committee, 17 September 2020

Other papers:

- Internal Audit Plan 2020/21, Audit, Crime & Disorder and Scrutiny Committee 19 November 2020
- Internal Audit Progress Report, Audit, Crime & Disorder and Scrutiny Committee, 19 November 2020 and 8 April 2021
- Annual Governance Statement and External Audit Findings, Audit, Crime & Disorder and Scrutiny Committee, 8 April 2021



ANNUAL GOVERNANCE STATEMENT – 2020/2021

1.0 Introduction

- 1.1 This is the Council's Annual Governance Statement for 2020/21. It provides an opinion on the Council's governance arrangements, a review of the effectiveness of the governance statement, an update on the actions agreed in last year's statement and issues identified in 2020/21.
- 1.2 The Council adopted a Code of Corporate Governance which reflects the principles and is consistent with the CIPFA/SOLACE Framework, "Delivering Good Governance in Local Government" 2016. This framework requires that local authorities are responsible for ensuring that;
- Their business is conducted in accordance with all relevant laws and regulations.
 - Public money is safeguarded and properly accounted for.
 - Resources are used economically, efficiently and effectively to achieve priorities which benefit the local authority.
- 1.3 All Councils are required to produce an Annual Governance Statement (AGS) and review their governance arrangements at least once a year. The Accounts and Audit (Amendment) Regulations 2020 have amended the timing of the review and publication of the 2020/21 financial statements.
- 1.4 Covid 19 has had a significant impact on the delivery of council services and new arrangements that were implemented during 2020/21. The Council participated in the multi-agency response to the emergency as part of the Surrey Local Resilience Forum. The impact of the pandemic on governance has been identified in a separate section in this report.

2 Corporate Governance

- 2.1 Corporate governance is the process by which the Council directs, controls and is held to account. The Council's governance framework aims to ensure that in conducting its business it:
- Operates in a lawful, open, inclusive and transparent manner;
 - Makes sure that public money is safeguarded, properly accounted for and used economically, efficiently and effectively
 - Has effective arrangements for the management of risk and;
 - Secures continuous improvements in its governance

- 2.2 Strategy & Resources Committee approved the Council's Code of Corporate Governance on 4 April 2017. The Code is based on the seven new principles within the Chartered Institute of Public Finance (CIPFA)/ Society for Local Authority Chief Executives (SOLACE) Framework 2016. The Code summarises the Council's internal arrangements; each section looks at how the Council accounts for the principles. The Council acknowledges that it is responsible for ensuring that there is a sound system of governance and internal control compliant with its adopted principles within the local code. A high level summary is included in this document.

3 Compliance with the Principles

3.1 **PRINCIPLE A- Behaving with Integrity, demonstrating strong ethical values and respecting the law**

This is achieved by:

- 3.2 The Council's Constitution lays out compliance with legislation and includes;
- Codes of conduct which define our standards and behaviour and deals with Conflicts of interest
 - Whistleblowing procedures
 - Financial Regulations and Contract Standing Orders
 - Anti-Fraud and Corruption Strategy and the Anti-Bribery Policy
 - Rules relating to Members external interests
 - Rules relating to Gifts and Hospitality
 - Codes of Conduct for Members and Officers
 - Scheme of Delegation to officers
 - Information Security Policy
 - Information Governance Policy
 - Money Laundering Policy
- 3.3 The Monitoring Officer has specific responsibility for ensuring legality and investigating issues to ensure compliance with laws and regulations.

3.4 **PRINCIPLE B - Ensuring openness and comprehensive stakeholder engagement.**

This is achieved by:

- 3.5 Documenting a commitment to openness and acting in the public interest.
- 3.6 Establishing clear channels of communication with different sectors of the community and other stakeholders, ensuring accountability and encouraging open consultation.
- 3.7 Ensuring an effective scrutiny function is in place.

3.8 **PRINCIPLE C - Defining outcomes in terms of sustainable economic, social and environmental benefits.**

This is achieved by:

- 3.9 Developing and communicating a vision which specifies intended outcomes for citizens and service users and is used as a basis for planning.

3.11 PRINCIPLE D - Determining the interventions necessary to optimise the achievement of the intended outcomes.

This is achieved by:

- 3.12 Translating the vision into courses of action for the Council, its partnerships and collaborations.
- 3.13 Reviewing the effectiveness of the decision making framework, including delegation arrangements, decision making in partnerships, information provided to decision makers and robust data quality.
- 3.14 Measuring the performance of services and related projects and ensuring that they are delivered in accordance with defined outcomes and that they meet the agreed use of resources and value for money.

3.15 PRINCIPLE E- Developing the Council's capacity, including the capability of its leadership and the individuals within it.

This achieved by:

- 3.16 Defining and documenting the roles and responsibilities of members and management with clear protocols for effective communication in respect of the Council and partnership arrangements.
- 3.17 Ensuring effective arrangements are in place for discharging the duties of the Head of Paid Service.
- 3.18 Providing induction and identifying the development needs of members and senior management.

3.19 PRINCIPLE F - Managing risks and performance through robust internal control and strong public financial management.

This is achieved by:

- 3.20 Reviewing the effectiveness of the framework for identifying and managing risks and for performance and then demonstrating clear accountability.
- 3.21 Ensuring effective counter fraud and anti-corruption arrangements are developed and maintained in accordance with the Code of Practice on managing the risk of fraud and corruption (CIPFA 2015).
- 3.22 Independent review of the internal controls by Internal Audit when carrying out assessments of key activity areas.

3.23 PRINCIPLE G - Implementing good practices in transparency, reporting, and audit, to deliver effective accountability.

This achieved by:

- 3.24 Ensuring that assurance arrangements conform to the governance requirements of the CIPFA statement on the Role of the Head of Internal Audit (2010) and where they do not, explain why and how they deliver the same impact.
- 3.25 Undertaking the core functions of an audit committee, as defined in audit Committee, Practical Guidance for Local Authorities and Police (CIPFA 2013).
- 3.26 Ensuring that the Council provides timely support and information and responses to external auditors and properly considers audit findings and recommendations.

4. How do we know that our arrangements are working?

4.1 The Code of Corporate Governance requires assurance upon:

- Delivery of the Council's Corporate Plan and the Key Priorities
- Services delivered economically, efficiently and effectively
- Management of risk
- Financial planning and performances
- Effectiveness of internal controls
- Community engagement and public accountability
- Project management and project delivery
- Governance of shared services and alternative services delivery modules
- Procurement processes
- Roles and responsibilities of members and officers
- Standards of conduct and behaviour
- Training and development of members and officers
- Compliance with laws and regulations, internal policies and procedures
- Records keeping

4.2 Sources of Assurance

- Constitution and scheme of delegation
- Council Meetings and Full Council
- Corporate Plan and Service delivery plans
- Performance Management Framework
- Risk Management Framework
- Project Management methodology
- Medium Term Financial Strategy and budget monitoring
- Complaints Policy
- HR Policies and procedures
- Whistleblowing policies
- Organizational Development Strategy

- Training for Members and Officers
- External Audit and Internal Audit
- Role of Head of Paid Service (Chief Executive), Section 151 Officer (Chief Finance Officer) and Monitoring Officer (Chief Legal Officer)
- Member Officer Protocol
- Role of Audit, Crime & Disorder and Scrutiny Committee.

4.3 Assurances Received and Review of Effectiveness

- All Heads of Service are required to complete a Divisional Assurance Statement.
- The Statutory Officers were consulted on the review process and their roles and responsibilities and consulted on the outcome.
- The Chief Executive and the Chair of Strategy and Resources sign the AGS.
- Any frauds reported and complaints to the Ombudsman are reviewed.
- The Head of Internal Audit's Opinion for 2020/21 is taken into account, and comments made by external audit and other external reviews.
- Performance and performance indicators are reviewed.
- We have made progress in implementing the action plan from 2019/20, as set-out in section 15.
- The Leadership Team assists with good governance in delivering key services and making corporate decisions and monitors performance.
- Key management roles are defined and are within the Leadership Team.
- The Council's finances are driven through the Medium Term Financial Strategy. The Council sets an annual budget which is regularly monitored and reviewed and the Council's financial systems and processes are regularly audited.

4.4 Opportunities to improve

This AGS builds upon previous AGS's. All the key governance mechanisms remain in place. This documents includes any changes to the key governance systems and an update of the significant governance arrangements in 2019/20.

5 The Council and how it functions

- 5.1 The Council is a committee authority where policies and decisions are determined and scrutinized.
- 5.2 The Council has the following committees in place; Audit, Crime & Disorder and Scrutiny, Licensing and Planning Policy, Community & Wellbeing, Environment and Safe Communities, Strategy & Resources, Planning and Standards.
- 5.3 The Council's Regulatory and Advisory Committees/Panels include; Licensing (Hearing and General) Panels, the Appointments Panel, Financial Policy Panel, Health Liaison Panel, Human Resources Panel and the Shareholder Sub-Committee.

- 5.4 In addition the joint committees and outside bodies include; Epsom and Walton Downs Conservators, Epsom & Walton Downs Consultative Committee and the Nonsuch Park Joint Management Committee.
- 5.5 The Constitution sets out the roles and responsibilities and there is a terms of reference for each committee/body.
- 5.6 Meetings are open and all agenda papers, reports and decisions can be found on the Council's website and partnership risks are identified in committee reports. Details of all consultations and surveys are also available. The Council's budget and financial statements are available through the website. The website also highlights all completed and approaching public consultations.
- 5.7 The management structure is available on the Council's website. The Chief Executive is the Head of Paid Service. During 2020 the role of Chief Operating Officer was replaced by the role of Director of Environment, Housing & Regeneration. These posts meet regularly and also are part of the Leadership Team.

6 Significant operational events in 2020/21

- 6.1 The Local Government Boundary commission for England has been undertaking an electoral review to recommend new ward boundaries. A draft submission for the consultation was submitted in March but the final outcome will be published in February 2022
- 6.2 In March 2021, the Local Government Association undertook a Finance Peer Review. This focused on five themes - Financial Leadership; Financial strategy, planning & forecasting; Decision-making; Financial outcomes; Partnership & Innovation. The review found that the Council had a strong prudent financial management but also highlighted some areas for consideration to strengthen the Council which have been developed into an agreed action plan. This includes a review of the approach to financial decision making and scrutiny.

7 Reflecting the challenges from Covid 19 – Impact on Governance

- 7.1 This section considers the impact of Covid and any conclusion on the adequacy of the governance arrangements in place.
- 7.2 There has been significant impact as a result of local and national restrictions, both in delivering new services and supporting residents and businesses and delivering services as usual. All key services have remained available through a variety of channels. Our reception area was opened for a short period in November as regulations allowed, but most contact has been remotely
- 7.3 Changes and new areas of activity as part of the national response to coronavirus and any governance issues arising included;

- Delivery of virtual meetings after the MHCLG laid recommendations before parliament in April 2020 to provide flexible meetings between 4th April 2020 and 6th May 2021. These regulations enabled the Council to hold all meetings virtually. This was set up on a new app and a survey of members was undertaken to review the adequacy of arrangements.
- We have worked closely with the community and voluntary sector.
- Housed all rough sleepers through the “everyone in programme”.
- Provided Covid 19 regulatory advice to businesses through the Environmental Health Team, with pressures brought on traditional Environmental health work. This includes enforcement to protect the public and to ensure businesses are educated and supported to maintain standards.
- We have worked hard to ensure residents have been kept informed with dedicated webpages created and continually updated.
- We have also cascaded information through a range of channels, with regular staff and members briefings.
- The government published “Working safely during Coronavirus “on 11th May 2020. This created a significant amount of work to ensure buildings and services were subject to health and safety measures to be Covid Secure. To maintain essential services, the Council procured and supplied necessary PPE.
- Payments to residents who must self isolate have been processed through the government’s Test & Trace Scheme.

7.4 The Council created a Community Hub on 24 March 2020 which was stood down in June and then re-established to support the most vulnerable residents, with protocols and processes all documented. The data on clinically vulnerable was distributed to the Hub and had to be controlled and monitored.

7.5 The Council also put in place processes to pay grants to eligible businesses and self-isolation payments to residents. The first grants were announced in March 2020 and since then 10 further grants have been processed and paid by the Revenues and Benefits Team. In May, Local Restrictions Grants were introduced for some businesses that did not qualify for other grants. In addition, a series of business rate reliefs were introduced to further support businesses.

7.6 As a result of the pandemic, the Internal Audit Plan was updated to reflect the changes, new systems and processes, and to provide additional assurances over our arrangements. The delivery of the internal audit plan was impacted but has not affected the ability to provide a Head of Internal Audit’s year end opinion. All outstanding audits will be completed within quarter 1 in 21/22.

Funding of the Response

7.7 The financial impact for 2020/21 is significant although the council has received a number of government grants. The grants received and budget variances are monitored and have been reported to Strategy & Resources Committee during the year.

- 7.8 The provisional financial outturn and funding position for 2020/21 is due to be reported to Strategy & Resources in July 2021.

8 Managing Risks

- 8.1 All Members and officers are responsible for ensuring that the risk implications are considered and included when making decisions and planning services. To deliver services and key priorities the Council must manage its risks and opportunities.
- 8.2 Significant risks are recorded in the Leadership Risk Register which is managed and monitored. The Leadership Team reviews this every 6 months. The risk register is used to formulate the internal audit plan. The service risks are identified from the Divisional Assurance Statements completed by the Heads of Services. The Risk Management Framework is reviewed annually and was reported to the Audit, Crime & Disorder Committee in November. The Leadership Risk Register is currently being updated.
- 8.3 The Council's IT systems are regularly audited and the Council has an IT Security & Acceptable Use Policy and IT Information Assurance Policy.

9 Managing Fraud

- 9.1 The Council's Whistleblowing Policy is part of the Constitution which is available on the Council's website. The Council also has an Anti-Fraud and Anti-Corruption Strategy which supports the culture of honesty and opposing fraud and corruption. This strategy was last reviewed in 2019.
- 9.2 There has been an increased risk of fraud during 2020/21 due to Covid support grants for businesses. Checks have been put in place to check any fraudulent business transactions and regular updates and awareness bulletins received from the National Anti-Fraud Network.

10 Managing Resources

- 10.1 The Council continues to manage the effect of austerity measures and now Covid-19 through its Medium Term Financial Strategy and has introduced some new initiatives.
- 10.2 The Council is required to set a balanced budget on an annual basis. The budget sets out how much money will be spent on services, invested in projects and the level of Council tax for individual residents. The level of Council Tax also includes tax required by Surrey County Council and Surrey Police & Crime Commissioners Office although it has no control over the amount set by these bodies.

11 Responsibility of the Chief Finance Officer

- 11.1 The Chief Finance Officer is responsible for delivering and overseeing the financial management arrangements for the Council. He is part of the Council's Leadership Team and reports directly to the Chief Executive. These arrangements, both in design and in day to day practice, enable the financial aspects of material business decisions to be given due weight.
- 11.2 The Council maintains an effective system of financial control which is clearly set out within the Council's financial regulations and procedure rules. Control and oversight is facilitated by an effective internal audit function and underpinned by a strong culture of careful management of public money demonstrated by all managers. The effectiveness of the control environment can be evidenced through the Council's recent history of financial outturns and the timeliness and quality of the financial statements and other financial returns.
- 11.3 The Chief Finance Officer is the Council's S.151 Officer and in accordance with the statutory requirement has the relevant accountancy qualification and significant local government experience. In the opinion of the Chief Finance Officer, the Council's finance function is adequately resourced and contains a mix of staff with the appropriate levels of professional qualifications and experience.
- 11.4 The Chief Finance Officer is involved in the preparation of the Annual Governance Statement.

12 Managing Performance

- 12.1 The Council's performance management arrangements use a RAG system (red/amber/green). Targets are set annually based on the Council's Four Year Plan. The relevant Heads of Service and Committee Chairmen are consulted on proposed targets. The Audit, Crime & Disorder and Scrutiny Committee receives and reviews all key priority targets, although accountability rests with the relevant Head of Service. A report on performance against the 2020/21 year end priority targets identified that 63% of all targets were achieved. This was slightly lower than in previous years but 5 of the targets were only narrowly missed which would have increased overall performance to 72%.

13 Stakeholder Engagement & Partnership working

- 13.1 The Council has a two stage procedure for addressing complaints. This is clearly laid out in our procedure backed by the customer charter. **In 2020/21, (awaiting new figures)** For 19/20 - 502 complaints were received, of these 73% were resolved within 15 days. 39 complaints escalated to Stage 2 and of these 64% were resolved within 15 days. There was an improvement in both the number of Stage 1 and Stage 2 complaints resolved in 15 days from 2018/19 The number of complaints to the Ombudsman forms part of this procedure and an annual report is received. For 2020 the Ombudsman reported that a total of 12 complaints were referred to the Ombudsman with none upheld. **The data for 2021 is awaited.**

- 13.2 Data is published on the website to meet the requirements of the Local Government Transparency Code. An audit undertaken in 2019/20 on information governance identified gaps and some of the recommendations have still to be implemented, principally due to a focus on the Covid-19 response. Officers are working to implement the recommendations in the current year.
- 13.3 The Southern Internal Audit Partnership who provide internal audit services has a key Stakeholder Board, in accordance with the Partnership Agreement and the Head of Policy, Performance & Governance sits on the Board.
- 13.4 Insurance is provide in partnership with the London Borough of Sutton who regularly report on contract arrangements and provide an annual report
- 13.5 The Council agreed in July 2020 to establish a new Community Safety Partnership, the Epsom & Ewell CSP to improve how it serves the needs of Borough residents. The EECSP has set 4 key priorities.

14 Internal Audit and External Audit Assurance

- 14.1 Internal audit is a key element of the governance arrangements and provides an independent, risk based approach.
- 14.2 Internal Audit has been delivered by the Southern Internal Audit Partnership since 2019 (SIAP). SIAP was established in 2012 and is hosted by Hampshire County Council and is one of the largest providers of public sector internal audit in the region.
- 14.3 SIAP have been externally assessed as compliant with the Public Sector Internal Audit Standards. In September 2020 the Institute of Internal Auditors were commissioned to complete an external assessment of the SIAP. It confirmed that “SIAP conforms to the definition of Internal Auditing, the Code of Ethics and the standards”
- 14.4 In accordance with these practices (Public Sector Internal Audit Standards), and the Internal Audit Charter the Chief Internal Auditor provides a written status report to the Leadership Team and the Audit, Crime & Disorder and Scrutiny Committee, summarising the status of ‘live’ internal audit reports; an update on progress against the annual audit plan; a summary of internal audit performance, planning and resourcing issues; and a summary of significant issues that impact on the Chief Internal Auditor’s annual opinion. Internal audit reviews culminate in an opinion on the assurance that can be placed on the effectiveness of the framework of risk, management, control and governance designed to support the achievement of management objectives of the service area under review. A large part of the internal audit plan for 2020/21 has been delivered and includes adequate coverage of IT. The Head of Internal Audit’s opinion is stated below;

Annual Internal Audit Opinion 2020-2021

“I am satisfied that sufficient assurance work has been carried out to allow me to form a reasonable conclusion on the adequacy and

effectiveness of Epsom & Ewell Borough Council's internal control environment.

In my opinion, Epsom & Ewell Borough Council's framework of governance, risk management and control is 'Reasonable' and audit testing has demonstrated controls to be working in practice.

Where weaknesses have been identified through internal audit review, we have worked with management to agree appropriate corrective actions and a timescale for improvement."

- 14.5 The Audit, Crime & Disorder and Scrutiny Committee carries out the role of an Audit Committee as identified in CIPFA's "Audit Committees – Practical Guidance for local authorities". The Committee produces an Annual Report to Council which covers the work of internal audit. This Committee meets throughout the year and monitors specific areas of governance including performance management, risk management and internal audit; it receives the Head of Internal Audit's Year end opinion. As a Scrutiny Committee, it also conducts a number of specific reviews.
- 14.6 In 2020/21, the Committee met 3 times including one special meeting to approve the 19/20 Annual Governance Statement and reviewed progress against the audit plan, progress in implementing recommendations, and risk management arrangements. The Committee annually reviews how effective it has been in overseeing the arrangements in their annual report to Council.
- 14.7 External Audit is provided by Grant Thornton, who were appointed through Public Sector Audit Appointments Ltd (PSAA). The statutory accounts have been audited and Grant Thornton have issued an unqualified opinion and value for money assurance.

15 Issues from 2019/20

- 15.1 The implementation of the actions identified in 2019/20 have been monitored and reported in detail to the Audit, Crime & Disorder and Scrutiny Committee as part of the arrangements for approving the AGS.

Issues identified for 2019/20	Action taken to date
The financial impact of Covid and further losses in future years depending on the outcome of the fair funding review and funding available.	The on-going financial impact has been regularly reviewed and reported to Financial Policy Panel and Strategy & Resources Committee. The Chief Finance Officer equally reports to MHCLG on current impact. A register of all grants received is maintained.
Organisational capacity was significantly challenged whilst responding to the emergency and	The service delivery plan for 2019/20 was updated to reflect the impact of the pandemic.

<p>this will continue for a number of months.</p>	<p>Capacity to support the further impact of the pandemic, a surge or other incidents is an ongoing challenge and is closely monitored.</p> <p>The Council is undertaking a restructure in 2021 to improve capacity and resilience</p>
<p>The updated Local Plan programme as agreed in June 2019 was delayed by Covid which delayed the Regulation 18 consultation.</p>	<p>A new timetable was agreed by the Licensing, Planning Policy Committee on 4 March 2021 The deadline for the estimated date of adoption is December 2023.</p>
<p>Emergency response to Covid-19.</p>	<p>A report on lessons learnt from the Covid-19 pandemic went to the Audit, Crime & Disorder and Scrutiny Committee in April 2021.</p> <p>The major incident status in Surrey was stood down on 28th April 2021 and the Council worked with partners to support the emergency response.</p> <p>We continue to work with partners to deliver ongoing support requests as required.</p> <p>Internally the Emergency Plan has been reviewed and updated with the Emergency Assistance Centre Plan. Training is also being rolled out by Applied Resilience, the Council's Emergency planning provider.</p>
<p>Review and strengthen compliance with policies, procedures and legislative requirements for procurement.</p>	<p>This is an on-going area for improvement and captured in the 20/21 AGS.</p> <p>The contract register was updated to capture all contracts and will be regularly refreshed.</p> <p>The Contract Standing Orders are under review and will be reported to S&R in November with the updated Financial Regulations.</p>
<p>Significant work has been undertaken on the health and safety framework in 19/20, but there is additional risks to be managed due to the impact of the Covid Secure requirements.</p>	<p>Over 80 Covid Secure documents and risk assessments have been completed to ensure compliance and will be overseen by the Corporate Health & Safety Group.</p> <p>As more services return and officers return to work these arrangements will be reviewed and updated in line with government guidance.</p>
<p>Due to Covid-19, the annual performance report against the</p>	<p>The 2019/20 year-end performance report was presented to the Audit, Crime &</p>

2019/20 key priority targets has not yet been finalized for Audit, Crime & Disorder and Scrutiny Committee.	Disorder and Scrutiny Committee in November 2020.
The new Corporate/Four Year Plan was published and then immediate impacted by Covid	The Build Back Better Programme has been developed to promote the Council's priorities as confirmed by Strategy & Resources Committee on 16 th March 2021.
Due to Covid-19, the annual report from Audit, Crime & Disorder and Scrutiny Committee on the work of internal audit in 2019/20, has not yet been presented to Full Council.	The report was produced and presented to Full Council on 8 th December 2020
The Council's Equality and Diversity Policies are in need of updating.	The Council's Equity, Inclusion and Diversity Policy was updated and consulted on. It was approved by the Strategy & Resources Committee on 30 th March 2021

16 Conclusion and significant governance issues 2020/2021

- 16.1 The Council is satisfied that the appropriate governance arrangements are in place, however it remains committed to maintaining and where required improving those areas. The key issues to be addressed in 2020/21 are listed below and these will be reviewed and monitored with a detailed action plan.

Issues identified for 2020/21	Action to be undertaken taken
<p>Funding shortfall caused by sustained losses to income and increased costs due to long-term impact of Covid-19 on Council services.</p> <p>Potential reduced funding from New Homes Bonus Grant and further losses in future years depending on outcome and timing of government reviews into Fair Funding and Business Rates.</p>	<p>Budget monitoring and utilisation of government financial support schemes for Local Authorities.</p> <p>Delivery of existing MTFS planned service savings and new savings identified in January 2021.</p> <p>Strategic Asset Reviews undertaken in 2021/22.</p> <p>Production of new budget for 2022/23 to factor in updated income and expenditure levels following Covid-19.</p>
The full impact of the pandemic is unlikely to be clear until out of current national lockdown and all restrictions lifted	The service delivery plan and annual plan need be flexible to reflect the recovery plans, new and adapted services and backlogs, and new demands created as a

<p>Covid 19 Recovery Plan will need to assess both the medium and longer term impact on the economy and the community</p>	<p>result of the pandemic These will be monitored and reviewed regularly. The Recovery Plan will be monitored and regularly updated by Senior Leadership Team</p>
<p>The Council need to build upon the digital improvements and opportunities resulting from the pandemic</p>	<p>The ICT Road Map will be updated and developed to ensure digital progress..</p>
<p>There are challenges in delivering effective data security management</p>	<p>A health check of the arrangements for data management should be undertaken and training provided</p>

Statement of the Chair of Strategy and Resources & Chief Executive

We have been advised of the result of the review of the effectiveness of the arrangements by senior officers and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

Signed:

.....

Chair of Strategy and Resources

Date

Signed:

.....

Chief Executive

Date

FOUR YEAR PLAN: YEAR END PERFORMANCE REPORT 2020/21

Head of Service:	Gillian McTaggart, Head of Policy, Performance & Governance
Wards affected:	(All Wards);
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	
Appendices (attached):	Appendix 1: Key Priority Targets 2020/21 – End of Year Position Appendix 2: Commentary on targets not achieved

Summary

This report presents the end of year position for the Key Priority Targets 2020/21.

Recommendation (s)

The Committee is asked to:

- (1) note the achievement of the individual Key Priority Targets 2020/21 as at year-end set out at Appendix 1.**
- (2) consider the update on those targets not achieved set out at Appendix 2 and action to be taken in 21/22 .**

1 Reason for Recommendation

- 1.1 The Audit, Crime & Disorder and Scrutiny Committee has a responsibility under Paragraph 4 of the Overview and Scrutiny Procedure Rules of the Constitution for monitoring progress on the Council's Corporate Plan.
- 1.2 In line with this responsibility, the Committee is asked to consider the end of year position of the Key Priority Targets (KPTs) 2020/21.

2 Background

- 2.1 The Committee was presented with the KPTs 2020/21 at its meeting on 19 November 2020. It was informed that a slightly different approach to

the development of the KPTs had been adopted in 2020/21 compared to previous years, due to the impact of COVID-19. The KPTs 2020/21 were drafted to directly reflect revised Service Delivery Plan (SDP) priorities 2020/21, which are operational in nature.

- 2.2 Initial SDP targets were revised to reflect what could be delivered given the impact of COVID-19 on Council services. These revised targets were agreed through the Leadership Team and reported to the Member Recovery cell. The KPTs 2020/21 comprised the top three priorities within each service area of the SDP as well as the overall top five priorities agreed corporately.
- 2.3 It was highlighted in the report to the Committee on 19 November that the need to respond to the on-going pandemic might impact the successful delivery of priorities. Particular areas that might be impacted were highlighted as the Communications Review, potential for Grounds Maintenance Shared Service and the Climate Change Action Plan.
- 2.4 The overview attached at Appendix 1 sets out the end of year position of the individual KPTs 2020/21. Table 1 below sets out the overall percentage of targets achieved and not achieved as at year end. The table also highlights the number of targets, which although not achieved at year end were very close to full completion.

Table 1

Status	Number	Percentage
Achieved	31	63% (n=31/49)
Not Achieved	17	35% (n=17/49)
<i>Close to completion</i>	5	10%
Awaiting End of Year Data (Recycling)	1	2%
Information only	3	-
TOTAL	52	100%

- 2.5 As at the end of March 2021, 63% of the KPTs 2020/21 were completed successfully. The overall percentage of targets achieved during 2020/21 is slightly lower than previous years as shown in Table 2 below.

Table 2

	2020/21	2019/20	2018/19	2017/18
Percentage of targets achieved	63% (n=31/49)	66% (n=35/53)	74% (n=46/62)	68% (n=43/63)

2.6 Five targets were very narrowly missed:

2.6.1 Remove offensive graffiti within two working days of being reported to Operational Services. (Missed by 4% across entire year.)

2.6.2 Support delivery of the Finance Peer Review by the LGA team reporting findings and an Action Plan to S&R Committee by 31 March 21. (This was reported to Strategy & Resources Committee on 13 May 21.)

2.6.3 Deliver the HR work plan for 2020/21 by 31 March 21.

2.6.4 At least 99.0% of Business Rates to be collected. (Missed by 1.84% across entire year.)

2.6.5 At least 98.4% of Council Tax collected. (Missed by 0.4% across entire year.)

2.7 As highlighted to Committee in November 2020 and again in April 2021, the on-going COVID-19 emergency impacted progress achieved during 2020/21. Some targets have had work stalled completely due to direct implications of COVID-19, for example, the target to 'Hold an opening event for the new cemetery extension in accordance with appropriate COVID Secure arrangements by 31 March 2021'. This will now be held in 2021/22 once Government restrictions have been lifted.

2.8 Other targets have been impacted indirectly by the increase in workload associated with COVID-19, such as the targets relating to the Digital and Service Transformation Team. The Revenue and Benefits Team has had a central role in allocating new national funding programmes to businesses. In addition, the government introduced a series of business rate relief to further support businesses. The ICT team stepped up to provide overnight remote access for all staff, with on-going implications and supported virtual Committee meetings.

2.9 The targets identified specifically at the beginning of the year as being susceptible to COVID-19 (highlighted in paragraph 2.3 above) have been impacted to varying degrees. The target to identify potential for a shared Grounds Maintenance service will now be taken forward in 2021/22 as a specific service review under the Medium Term Financial Strategy. The

target relating to the Communications Review Action Plan has been part delivered. A Communications Review Action Plan was agreed at Strategy & Resources Committee on 22 September 2020, but not all short and medium term recommendations have been implemented as at year end. An interim Communications Manager has been appointed to progress the individual actions. A report to Environment & Safe Communities Committee in January 2021, showed that some good progress had been made against the Climate Change Action Plan.

- 2.10 Commentary on all those targets not achieved in 2020/21 is set out at Appendix 2.

3 Risk Assessment

Legal or other duties

3.1 Impact Assessment

3.1.1 No implications associated with this report.

3.2 Crime & Disorder

3.2.1 No implications associated with this report.

3.3 Safeguarding

3.3.1 No implications associated with this report.

3.4 Dependencies

3.4.1 Overall achievement of the outcomes of the Four Year Plan 2020-2024 may be impacted if the COVID-19 pandemic continues for a significant period.

3.5 Other

3.5.1 No implications associated with this report.

4 Financial Implications

4.1 Delivery of the KPTs 2020/21 will be met by the approved Budget 2020/21; Strategy & Resources Committee received a report on the financial impact of COVID-19 at its meeting of 2 July 2020.

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

5 Legal Implications

5.1 No implications associated with this report.

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

6 Policies, Plans & Partnerships

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

6.1.1 Effective Council – Engaging, responsive and resilient Council

- 6.2 **Service Plans:** The matter is included within the current Service Delivery Plan.

- 6.3 **Climate & Environmental Impact of recommendations:** Year 1 actions of Climate Change Action Plan reflected in KPTs and SDP 2020/21.

- 6.4 **Sustainability Policy & Community Safety Implications:** Year 1 actions of Community Safety & Enforcement reflected in SDP 2020/21.

- 6.5 **Partnerships:** Successful achievement of some KPTs for 2020/21 will require work with partners, including the Local Government Association, GLL and economic partners.

7 Background papers

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

Previous reports:


- Four Year Plan 2020-2024; Strategy & Resources Committee 14 January 2020
- Financial Impact of COVID-19; Strategy & Resources Committee 2 July 2020
- 2021/22 Budget Targets and Finance Update; Strategy & Resources Committee 8 September 2020
- Corporate Plan: 2019 to 2020 Year End Performance and Target Overview 2020 to 2021

Other papers:

- Service Delivery Plan 2020/21
- Four Year Plan 2020 - 2024

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Four Year Plan 2020 – 2024: Key Priority Targets 2020/21 – End of Year Position

Green and Vibrant	Safe and Well	Opportunity and Prosperity	Cultural and Creative	Effective Council
<ul style="list-style-type: none"> Identify the potential for a shared service for Grounds Maintenance by 31 March 21. (Ian Dyer; E&SC) Implement and monitor COVID-19-Secure arrangements across venues, parks and service delivery by 31 March 21. (Ian Dyer; S&R) (Achieved) Tender documentation for a new Tree Contract by 31 March 21. (Viv Evans; E&SC) (Achieved) Report to the Environment & Safe Communities Committee on the Climate change Action Plan by 31 March 21. (Gillian McTaggart; E&SC) (Achieved) <p><u>Statistical Targets</u></p> <ul style="list-style-type: none"> Graffiti – remove 95% of graffiti on council owned land within 5 working days of being reported to Operational Services. (Ian Dyer; E&SC) (March 100%; March YTD total 65.82%) Fly tipping – remove 95% of all fly tips on council owned land within 5 working days of being reported to Operational Services. (Ian Dyer; E&SC) (March 89%; March YTD total 98%) (Achieved) Graffiti – remove offensive graffiti within two working days of being reported to Operational Services. (Ian Dyer; E&SC) (March 67%; March YTD total 96%) Recycle 54% domestic waste by 31 March 2021. (Ian Dyer; E&SC) (February 47.57%; February YTD total 53.08%) Over the year at least 99% of bins to be collected on average each week by 31 March 2021. (Ian Dyer; E&SC) (March YTD 99.90%) (Achieved) 	<ul style="list-style-type: none"> Develop and report to S & R Committee a new Council Tax Support Discount to replace the current means tested Council Tax Support scheme by 30 November 20. (Judith Doney; S&R) (Achieved) Produce a projection of the borough's homelessness levels by 31 December 20. (Rod Brown; C&W) (Achieved) Develop a Homelessness Reduction Action Plan by 31 March 21. (Rod Brown; C&W) (Achieved) Work in partnership with GLL and agree actions to support the return of a COVID Secure venue by 30 September 20. (Rod Brown; C&W) (Achieved) Hold an Opening Event for the new cemetery extension in accordance with appropriate COVID Secure arrangements by 31 March 21. (Rod Brown; C&W) Develop the Council's continued response to the COVID-19 pandemic and prepare for the next stages, including any changes to Government directions by 31 March 21. (Gillian McTaggart; S&R) (Achieved) Develop Recovery plans for the Community and Wellbeing Centre, Harrier Centre and Pavilions by 31 December 20. (Ian Dyer; E&SC) (Achieved) <p><u>Statistical Targets</u></p> <ul style="list-style-type: none"> Less than 40 households living in emergency nightly paid temporary accommodation per month. (Rod Brown; C&W) (March: 101) At least 30 households supported through the rent deposit scheme by 31 March 2021. (Rod Brown; C&W) (February: 39 households) (Achieved) At least 5 additional households accommodated through the private sector leasing scheme by 31 March 2021. (Rod Brown; C&W) (0 additions) Process new Housing Benefit claims within an average time of 28 days. (Judith Doney; S&R) (March 28.32 days) Process Housing Benefit change of circumstances within an average time of 11 days. (Judith Doney; S&R) (March 3.17 days) (Achieved) 93% of all food businesses rated as 3-5 within the food hygiene ratings by 31 March 2021. (Rod Brown; E&SC) (March 97.7%; March YTD 95.8%) (Achieved) 	<p><u>Local Plan (Viv Evans; L&PP):</u></p> <ul style="list-style-type: none"> Complete the next stages in preparation for the Regulation 18 Consultation reporting to the LPP Committee by 31 December 20. Start preparation for the Regulation 19 stage by 31 March 21. <ul style="list-style-type: none"> Deliver the CIL Projects Scheme allocation by 30 September 20. (Gillian McTaggart; E&SC) (Achieved) Report options for the development of the Wells site to S& R Committee by 31 October 20. (Mark Shephard; S&R) (Achieved) Develop and deliver an Economic Recovery Action Plan by 31 March 21. (Kathryn Beldon; S&R) <p><u>Statistical Targets</u></p> <ul style="list-style-type: none"> *Number of major planning applications (MHCLG) received (Viv Evans; Planning) (March 1; March YTD: 15) *Number of non-major planning applications (MHCLG) received (Viv Evans; Planning) (March 100; March YTD: 794) At least 60% of major planning applications decided in time. (Viv Evans; Planning) (March 0%; March YTD 79%) (Achieved) At least 70% of non-major planning applications decided in time (Viv Evans; Planning) (March 0%; March YTD 79%) (Achieved) No more than ten per cent of major planning applications allowed at appeal (using the two-year rolling assessment period defined by the government). (Viv Evans; Planning) (Achieved) *The number of officer recommendations overturned by the Planning Committee (Viv Evans; Planning) (As at Q3, 2 applications overturned at Planning Committee. In addition one further one was issued in the quarter from an earlier meeting) 	<ul style="list-style-type: none"> Develop Recovery Plans for the Playhouse, Bourne Hall and Ewell Court House by 31 October 20. (Mark Shephard; C&W) (Achieved) <p style="text-align: center;"> Smart and Connected</p>	<p><u>ICT Road Map (Judith Doney; S&R):</u></p> <ul style="list-style-type: none"> Implement Phase 1 of Abavus for Operational Services by 31 October 20 (Achieved) Implement Phase 2 of Abavus for Operational Services by 31 March 21 Improve the remote working experience for members and officers by introducing collaborative working tools by 31 March 21 Test the ICT Business Continuity Plan once the new datacentre is fully operational by 31 March 21 <ul style="list-style-type: none"> <u>Financial Resilience (Lee Duffy; S&R)</u> <ul style="list-style-type: none"> Report to S&R Committee on the financial implications to the 20/21 Budget arising from the impact of COVID-19 by 31 July 20. (Achieved) Update the MTFs and report to S&R Committee by 31 January 21. (Achieved) Revise and deliver the Capital Programme 2020/21 by 31 March 2021. (Lee Duffy; S&R) (Achieved) Support delivery of the Finance Peer Review by the LGA team reporting findings and an Action Plan to S&R Committee by 31 March 21. (Lee Duffy; S&R) Deliver the HR work plan for 2020/21 by 31 March 21. (Shona Mason; S&R) Develop a Communications Review Action Plan and implement short and medium term recommendations by 31 March 21. (S Mason; S&R) Complete a procurement options appraisal for the supply of agency staff by 31 December 20. (Shona Mason; S&R) (Achieved) Complete the 2020/21 stages of the Electoral Boundary Review by 31 March 21. (Amardip Healy; S&R) (Achieved) Operate virtual committee meetings subject to central and local COVID-19 arrangements by 31 March 21. (A Healy; S&R) (Achieved) Review and update Part 5 of the Constitution and agree a Planning Code of Practice by 31 March 21. (A Healy; S&R) Develop options for a sustainable model of building control by 31 March 21. (Viv Evans; S&R) (Achieved) To support the MTFs, identify commercial property suitable for purchase in line with agreed criteria by 31 March 21. (Mark Shephard; S&R) (Achieved) <p><u>Statistical Targets</u></p> <ul style="list-style-type: none"> At least 99.0% of Business Rates to be collected. (J Doney; S&R) (March: Profile 99.00%; Actual 97.16%) At least 98.4% of Council Tax collected. (J Doney; S&R) (March: Profile 99.00%; Actual 98.00%)

Key: Achieved; Not achieved; No data (italics); Information only indicator (* asterisk)

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Commentary on Targets Not Achieved 2020/21

	Target	Responsible Officer/Committee	Commentary
1.	Identify the potential for a shared service for Grounds Maintenance by 31 March 21	Ian Dyer; Environment & Safe Communities Committee	Target was put on hold due to second lock down. For 21/22 this has been identified as a service review for to support the savings outlined in the Medium Term Financial Strategy which will be reported to S&R.
2.	Graffiti – remove 95% of graffiti on council owned land within 5 working days of being reported to Operational Services.	Ian Dyer; Environment & Safe Communities Committee	Strong performance with 100% achievement across 5 months of the year. Performance was lowest in August and September when staff absences were at their highest; quarter 2 achievement was 40%. This together with variable performance across the remaining months impacted overall achievement.
3.	Graffiti – remove offensive graffiti within two working days of being reported to Operational Services.	Ian Dyer; Environment & Safe Communities Committee	Monthly performance was generally strong with 100% achievement for 7 months of the year. February and March percentages were lower at 50% and 67% respectively, affecting overall performance achieved, although this represented low case numbers, n=2/4 and n=2/3 respectively.
4.	Hold an Opening Event for the new cemetery extension in accordance with appropriate COVID Secure arrangements by 31 March 21.	Rod Brown; Community & Wellbeing Committee	Event pushed back to 2021/22 due to Government COVID-19 restrictions in place. Awaiting a date to be agreed by Head of Housing & Community
5.	Less than 40 households living in emergency nightly paid temporary accommodation per month.	Rod Brown; Community & Wellbeing Committee	Whilst the number of households in nightly paid accommodation remained high, the overall numbers did not significantly increase, despite having to making 43 new placements during quarter 4. The majority of new placements were as a result of Lockdown 3 and the government’s requirements under ‘Everyone In’. Additional households have been prevented from becoming homeless through the extra private rented tenancies secured through the Rent Deposit Scheme”. For 21/22

	Target	Responsible Officer/Committee	Commentary
			this will continue to be monitored and action taken through the Homelessness Reduction Strategy and action Plan
6.	At least 5 additional households accommodated through the private sector leasing scheme by 31 March 2021.	Rod Brown; Community & Wellbeing Committee	Achievement was linked to recruitment to a new Temporary Accommodation Assistant post. Originally this was planned for February 2020. However recruitment was unsuccessful and the post was put on hold during the COVID-19 pandemic. Post recruited to mid-January 2021. However, resources were redirected to other priorities which had arisen and target pushed back for completion in 2021/22. This will continue to be monitored
7.	<u>Local Plan</u> Complete the next stages in preparation for the Regulation 18 Consultation reporting to the LPP Committee by 31 December 20.	Viv Evans; Licensing & Planning Policy Committee	The previous Local Plan Programme was published in August 2020. It identified a number of different milestones including public consultation under Regulation 18 in November – December 2020. Timescales slipped due to various Government announcements proposing specific changes to the planning system and more wider significant reforms to planning. This was compounded by the continued challenges created by the coronavirus pandemic. Following clarification from the Government regarding the various proposals for change and on the likely timeframe, the local plan programme was revised and approved by the Licensing & Planning Policy Committee on 4 March 2021. The Regulation 18 consultation is now proposed for the winter 2021.
8.	<u>Local Plan</u> Start preparation for the Regulation 19 stage by 31 March 21.	Viv Evans; Licensing & Planning Policy Committee	Revised Local Plan timetable approved by the Licensing & Planning Policy Committee March 2021.

	Target	Responsible Officer/Committee	Commentary
9.	<u>ICT Road Map</u> Implement Phase 2 of Abavus for Operational Services by 31 March 21	Judith Doney; Strategy & Resources Committee	This project was delayed due to the COVID-19 pandemic. Work is progressing on Phase 2 of Abavus with the next module for Bulky Waste collection due to go live in Q1 of 2021/22. This will be monitored through the SDP.
10.	<u>ICT Road Map</u> Improve the remote working experience for members and officers by introducing collaborative working tools by 31 March 21	Judith Doney; Strategy & Resources Committee	This project has been delayed due to the COVID-19 pandemic. The roll out of Microsoft 365 is underway and is expected to be completed by 30 November 2022. This will be monitored through the SDP
11.	<u>ICT Road Map</u> Test the ICT Business Continuity Plan once the new datacentre is fully operational by 31 March 21	Judith Doney; Strategy & Resources Committee	This project was delayed due to the COVID-19 pandemic. The ICT Business Continuity Plan test is due Quarter 1 of 2021/22 and the ICT Road Map will be monitored through the SDP.
12.	Support delivery of the Finance Peer Review by the LGA team reporting findings and an Action Plan to S&R Committee by 31 March 21.	Lee Duffy; Strategy & Resources Committee	Peer Review undertaken. Report to Strategy & Resources Committee in May 2021, a slight delay due to the purdah period. For 21/22 the Action Plan will be implemented and monitored
13.	Deliver the HR work plan for 2020/21 by 31 March 21.	Shona Mason; Strategy & Resources Committee	The majority of the individual elements of this target were implemented; the HR Work Plan comprises the delivery of numerous guidance documents to support the Council's recovery and to support staff. Guidance on a working from home strategy has yet to be completed as further development of the strategy was required by the Human Resources Panel in December 2020. A virtual Managers' Huddle is yet to be held. For 21/22 this will continue to be monitored through the SDP.

	Target	Responsible Officer/Committee	Commentary
14.	Develop a Communications Review Action Plan and implement short and medium term recommendations by 31 March 21.	Shona Mason; Strategy & Resources Committee	Action Plan presented to Strategy & Resources Committee on 22 September. An Interim Communications Manager has been appointed to progress work against the targets. This will continue to be monitored
15.	Review and update Part 5 of the Constitution and agree a planning Code of Practice by 31 March 21	Amardip Healy, Strategy & Resources Committee	Not all of Part 5 was updated by year end. A report on Standing Orders on Public Questions went to the Standards Committee on 18 January 2021. For 21/22 a Working Party has been established to review current arrangements which will report on progress to the Standards Committee ..
16.	At least 99.0% of Business Rates to be collected.	Judith Doney; Strategy & Resources Committee	1.84% under target
17.	At least 98.4% of Council Tax collected.	Judith Doney; Strategy & Resources Committee	0.4 % under target

ANNUAL REPORT 2020/21

Head of Service:	Gillian McTaggart, Head of Policy, Performance & Governance
Wards affected:	(All Wards);
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	
Appendices (attached):	Appendix 1 – Annual Report 2020/21

Summary

This report presents the Annual Report of the Audit, Crime & Disorder and Scrutiny Committee for 2020/21.

Recommendation (s)

The Committee is asked to:

- (1) Approve the Annual Report 2020/21 attached at Appendix 1 and to present the Annual Report to the next meeting of Council.**

1 Reason for Recommendation

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

2 Background

- 2.1 Attached at Appendix 1 is the draft Annual Report 2020/21 which looks back across the year and which notes the impact of the COVID-19 pandemic on the work of the Committee. Two meetings of the Audit, Crime & Disorder and Scrutiny Committee (June 2020 and February 2021) were cancelled during the year. A Special meeting was held in September 2020.
- 2.2 On approval, the Annual Report 2020/21 will be presented to the next meeting of Council.

3 Risk Assessment

Legal or other duties

3.1 Impact Assessment

3.1.1 None for the purposes of this report.

3.2 Crime & Disorder

3.2.1 Scrutiny of the Community Safety Partnership is a responsibility of this committee.

3.3 Safeguarding

3.3.1 None for the purposes of this report.

3.4 Dependencies

3.4.1 None for the purposes of this report.

3.5 Other

3.5.1 None for the purposes of this report.

4 Financial Implications

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

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

5 Legal Implications

5.1 There are no legal implications for the purpose of this report.

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

5.3

6 Policies, Plans & Partnerships

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

6.1.1 Effective Council – Engaging, responsive and resilient Council

6.1.2 Safe & Well – A place where people feel safe, secure and lead healthy, fulfilling lives

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

6.3 **Climate & Environmental Impact of recommendations:** no relevance for the purpose of this report.

6.4 **Sustainability Policy & Community Safety Implications:** no relevance for the purpose of this report.

6.5 **Partnerships:** Not applicable.

7 Background papers

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

Previous reports:

- Agenda and Minutes of the Audit, Crime & Disorder and Scrutiny Committee 17 September 2020
- Agenda and Minutes of the Audit, Crime & Disorder and Scrutiny Committee 19 November 2020
- Agenda and Minutes of the Audit, Crime & Disorder and Scrutiny Committee 8 April 2021

Other papers:

- None.

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Annual Report of the Audit, Crime & Disorder and Scrutiny Committee 2020/21

1. Introduction

- 1.1 This Annual Report provides Council with an overview of the work of the Audit, Crime & Disorder and Scrutiny Committee undertaken during 2020/21.
- 1.2 The work of the Committee during 2020/21 was impacted by the COVID-19 pandemic. Its meetings scheduled for June 2020 and February 2021 were cancelled. In order for the Committee to meet its responsibilities in relation to receiving the Annual Governance Statement and the Head of Internal Audit Annual Opinion 2019/20, a Special meeting was held on 17 September 2020. Of the three formal meetings held across the year, all were held virtually. Attendance at the three virtual meetings is set out in the table below.

Member	Actual Attendance at Meetings	Nominated Substitute
Councillor Steve Bridger (Chairman)	3	
Councillor Steven McCormick (Vice Chairman)	3	
Councillor Arthur Abdulin	3	
Councillor Nigel Collin	3	
Councillor Liz Frost	3	
Councillor Rob Geleit	3	
Councillor David Gulland	3	
Councillor Colin Keane	3	
Councillor Phil Neale	2	
Councillor Alan Sursham	2	

- 1.3 The Committee considered and agreed its work programme for 2020/21 in November 2020. The work programme was designed to ensure that the Committee met its statutory and local responsibilities and provided the Council with added value and assurance.

Effectively Holding Decision Makers to Account

- 1.4 To support effective, transparent and accountable decision making at the Council, the Committee has the power to review policy committee decisions made, but not yet implemented through the call-in procedure and to receive an annual report on the use of delegated powers. The Committee did not receive any requests to use its call-in power during 2020/21. Due to the impact of the COVID-19 pandemic the Committee did not receive the standard annual report on the use of delegated powers; this report is now

included on the June 2021 agenda. The Committee did however consider a report on the use of delegated powers between 1 January and 31 July 2020.

- 1.5 Concerns had been raised that decisions had been made during the first few months of the COVID-19 pandemic through the delegated process, when perhaps they should not have been. Following the agreement of the Chairman of the Audit, Crime & Disorder and Scrutiny Committee, the Chief Legal Officer established an independent review to assess the compliance of delegated decision making within the stated time period, against the powers relating to general delegation to officers contained within the Constitution (Part 3, section 7).
- 1.6 The review was undertaken by internal auditors, Southern Internal Audit Partnership. It was commissioned on 16 October 2020 and reported on 16 November 2020. The report confirmed that 40 delegated decisions had been made during the specified time. Most of the decisions were delegated decisions involving Committee Chairmen and/or Vice Chairmen. Only three decisions had been taken under urgency powers because either Council or a policy committee was not able to meet or could not meet earlier than the time for a decision to be made. The Committee noted that work was being undertaken to improve the way in which Members are notified of decisions that have been made and look forward to receiving an update on this work at a future meeting.
- 1.7 The Committee met its responsibilities under the Police and Justice Act 2006 by reviewing the work of the local Community Safety Partnership (CSP). It was informed that the Environment and Safe Communities Committee had agreed in July 2020 to establish a new CSP for Epsom and Ewell, as participation in the previous East Surrey CSP was not adequately serving the needs of borough residents. Terms of Reference had been agreed at the CSP's inaugural meeting held in August 2020 at which it also agreed to adopt four priorities, namely:
 - The most vulnerable or those at risk of harm
 - Serious Organised Crime and PREVENT
 - Identifying and tackling crime and antisocial behaviour
 - Improving community engagement.
- 1.8 The local Borough Inspector (Surrey Police being a key statutory partner of the CSP) attended the Committee meeting and provided committee members with a presentation. He updated the Committee on work undertaken by Surrey Police within the borough.
- 1.9 The Committee monitored progress made against the Council's Key Priority Targets 2020/21. The Committee examined in particular those targets assigned amber or red status, that is, those identified as slightly off target - not a major concern or significant slippage, and those identified as off target and a major concern and/or significant slippage, respectively. No issues were raised with a policy committee.

Contributing to more Effective Policies and Improving the Quality of Life for Local People

- 1.10 The Committee received an annual report on matters relating to the Regulation of Investigatory Powers Act 2000 (RIPA). The Act and the Codes of Practice issued under section 71 regulate the way in which the Council conducts surveillance for the purposes of law enforcement. The Committee was informed that there were no applications for directed surveillance authorisations in 2019. The policy & guidance on Lawful Surveillance was due to be brought back to the Committee once the on-going inspection by the Investigatory Powers Commissioner's Office was completed. An update report has been included on the June 2021 agenda; the findings will be reflected in the Committee's Annual Report 2021/22.
- 1.11 At the end of the year the Committee received a report which set out an overview of the Council's response to the entire COVID-19 pandemic as well as some high level learning points. The Committee was informed that a report would be taken to the relevant policy committee on IT issues and continuity arrangements, both of which were discussed by members.

Improving Services and Adding Value

- 1.12 At the Special Meeting of the Committee held in September 2020 the Committee received the Annual Governance Statement (AGS) and the Annual Internal Audit Report & Opinion 2019/20. The AGS is an important document which provides assurance regarding our governance arrangements, both financial and non-financial. It is prepared on an annual basis for inclusion in the Statement of Accounts. The AGS is normally presented in June to meet the 31 July statutory timetable for the publication of the AGS and final audited accounts, but due to the onset of the COVID-19 pandemic this date was pushed back to 30 November 2020 by the Accounts and Audit (Coronavirus) (Amendment) Regulations 2020.
- 1.13 The AGS is underpinned by the Head of Internal Audit's Annual Opinion. The Annual Opinion provides a conclusion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. The Head of Internal Audit highlighted the significant impact and subsequent challenges posed by the coronavirus pandemic on the way that they worked and on the delivery of Council services. This resulted in some delays to the completion of the 2019/20 reviews, particularly those audits completed in the latter part of the year. However this did not inhibit his ability to provide an opinion for 2019/20. The Council's framework of governance, risk management and control was provided an adequate rating. Of the internal audit reviews undertaken during 2019/20, six reviews had been assigned limited assurance, six assigned adequate assurance and one assigned substantial assurance. No reviews were assigned no assurance.
- 1.14 The Audit, Crime & Disorder and Scrutiny Committee received two internal audit progress reports from the internal auditors, Southern Internal Audit

Partnership (SIAP). These reports updated the Committee on work against the Internal Audit Plan 2020/21, which had been adjusted in light of the coronavirus pandemic. The Committee has endorsed the Internal Audit Plan 2021/22, the third year of the current internal audit contract, although movement of audits can take place across the year in order to enable auditors respond to any new risk areas identified. Internal audit representatives attended all three virtual Committee meetings to present their findings and answer members' questions.

- 1.15 Finally, the Committee received a report which enabled it to meet its responsibilities for monitoring the development of the Council's risk arrangements. The Committee considered the arrangements in place for risk management and following review of the Leadership Risk Register, the Committee did not identify any risks which it wished to raise with the Leadership Team.

Conclusion

- 1.16 The Audit, Crime & Disorder and Scrutiny Committee wishes to record its thanks to all those who contributed to the work of the Committee over the year.

WORK PROGRAMME 2021/22

Head of Service:	Gillian McTaggart, Head of Policy, Performance & Governance
Wards affected:	(All Wards);
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	
Appendices (attached):	Appendix 1: Work Programme 2021/22

Summary

This report presents the Committee with the work programme for 2021/22.

Recommendation (s)

The Committee is asked to:

- (1) **Note and agree the on-going work programme 2021/22 attached at Appendix 1.**

1 Reason for Recommendation

- 1.1 Paragraph 1.2(d) of the Overview and Scrutiny Procedure Rules states that the Committee is responsible for approving an annual Overview and Scrutiny Work Programme, including the programme of any sub-committees or panels. The recommendation enables the Committee to maintain oversight of its work programme 2021/22 and make any additions or adjustments it may wish.

2 Background

- 2.1 The Committee's work programme for 2021/22 was agreed at its April 2021 meeting. Appendix 1 shows the current position of the work programme. The Committee will wish to note that two changes have been made since the April meeting. The report to update the Committee on Compliance with the Surveillance Camera Code of Practice has been pushed back from June to November 2021. This reflects current pressures on officers within the Housing & Community Team to respond to on-going COVID-19 needs. In addition, a new item has been included

in the work programme- the annual report on the work of the local
Community Safety Partnership – has now been included for April 2022.

3 Risk Assessment

Legal or other duties

3.1 Impact Assessment

3.1.1 No implications for the purposes of this report.

3.2 Crime & Disorder

3.2.1 The Crime & Disorder Committee has a responsibility to review the actions and decisions of the local Community Safety Partnership on an annual basis. The work programme enables the Committee to meet this particular responsibility.

3.3 Safeguarding

3.3.1 No implications for the purposes of this report.

3.4 Dependencies

3.4.1 Completion of the Council's Financial Accounts 2020/21 are dependent upon consideration of the Annual Internal Audit Report and Opinion 2020/21 as well as the Annual Governance Statement 2020/21 at the June 2021 meeting.

3.5 Other

3.5.1 No implications for the purposes of this report.

4 Financial Implications

4.1 No implications for the purposes of this report.

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

5 Legal Implications

5.1 None arising from the contents of this report.

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

6 Policies, Plans & Partnerships

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

- 6.1.1 Green & Vibrant – A better place to live where people enjoy their surroundings
- 6.1.2 Safe & Well – A place where people feel safe, secure and lead healthy, fulfilling lives
- 6.1.3 Opportunity & Prosperity – A successful place with a strong, dynamic local economy where people can thrive
- 6.1.4 Smart & Connected – Alive and connected socially, economically, geographically and digitally
- 6.1.5 Cultural & Creative – A centre for cultural and creative excellence and inspiration
- 6.1.6 Effective Council – Engaging, responsive and resilient Council
- 6.2 **Service Plans:** The matter is not included within the current Service Delivery Plan.
- 6.3 **Climate & Environmental Impact of recommendations:** none for the purposes of this report.
- 6.4 **Sustainability Policy & Community Safety Implications:** The work programme includes scrutiny of the actions and decisions of the Community Safety Partnership.
- 6.5 **Partnerships:** none for the purposes of this report.

7 Background papers

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

Previous reports:

- Annual Report 2020/21, Audit, Crime & Disorder and Scrutiny Committee, 19 November 2020.

Other papers:

- Overview and Scrutiny Terms of Reference, Part 3, Responsibility for Functions, Constitution.

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**Audit, Crime & Disorder and Scrutiny Committee
Work Programme 2021/22**

MEETING	ITEMS FOR CONSIDERATION BY FULL COMMITTEE
<i>June 2021</i>	<ul style="list-style-type: none"> • <i>Internal Audit Progress Report 2020/21</i> • <i>Annual Internal Audit Report & Opinion 2020/21</i> • <i>Annual Governance Statement 2020/21</i> • <i>Four Year Plan: Year End Performance Report 2020/21</i> • <i>Use of Delegated Powers Annual Report</i> • <i>Annual Report on the Regulation of Investigatory Powers Act 2000</i> • <i>Annual Report 2020/21 (To be presented to Full Council)</i> • <i>Work Programme 2021/22</i>
November 2021	<ul style="list-style-type: none"> • Internal Audit Progress Report 2021/22 • Risk Management Framework Annual Report • Four Year Plan: Six Monthly Performance Report 2021/22 • Six Monthly Budget Report 2021/22 • Update on Compliance with the Surveillance Camera Code of Practice • Work Programme 2021/22
February 2022	<ul style="list-style-type: none"> • Internal Audit Progress Report 2021/22 • Annual Governance Statement and District Auditor's Audit Findings, Progress Against Action Plans • Work Programme 2021/22
April 2022	<ul style="list-style-type: none"> • Internal Audit Progress Report 2021/22 • Internal Audit Plan 2022/23 and Internal Audit Charter 2022/23 • Annual Report on the Community Safety Partnership • Annual Report 2021/22 (To be presented to Full Council) and Draft Work Programme 2021/22

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