

To: All Members of the AUDIT & RISK  
COMMITTEE  
(Other Members for Information)

When calling please ask for:

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Date: 7 June 2024

### Membership of the Audit & Risk Committee

Cllr Julian Spence (Chair)  
Cllr Michael Higgins (Vice Chair)  
Cllr Jerome Davidson  
Cllr Alan Earwaker

Cllr David Beaman  
Cllr Zoe Barker-Lomax  
Cllr Maxine Gale

Dear Councillors

A meeting of the AUDIT & RISK COMMITTEE will be held as follows:

DATE: MONDAY, 17 JUNE 2024

TIME: 7.00 PM

PLACE: COMMITTEE ROOM 1, COUNCIL OFFICES, THE BURYS,  
GODALMING

The Agenda for the meeting is set out below.

This meeting will be webcast and can be viewed on [Waverley Borough Council's YouTube channel](#) or by visiting [www.waverley.gov.uk/webcast](http://www.waverley.gov.uk/webcast).

Yours sincerely

**Susan Sale,**  
**Joint Strategic Director Legal & Democratic Services & Monitoring Officer**

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### **NOTE FOR MEMBERS**

Members are reminded that contact officers are shown at the end of each report and members are welcome to raise questions etc in advance of the meeting with the appropriate officer.

### **AGENDA**

1. **APOLOGIES FOR ABSENCE**

To receive apologies for absence.

2. **MINUTES**

To confirm the Minutes of the Meeting held on 25 March 2024 and published on the Council's website.

3. **DISCLOSURE OF INTERESTS**

To receive from Members, declarations of interests in relation to any items included on the Agenda for this meeting, in accordance with the Waverley Code of Local Government Conduct.

4. **QUESTIONS BY MEMBERS OF THE PUBLIC**

The Chairman to respond to any questions received from members of the public of which notice has been duly given in accordance with Procedure Rule 10.

The deadline for receipt of questions is 5pm on Monday 10 June 2024.

5. **QUESTIONS FROM MEMBERS**

The Chairman to respond to any questions received from Members in accordance with Procedure Rule 11.

The deadline for receipt of questions is 5pm on Monday 10 June 2024.

6. **WHISTLEBLOWING POLICY** (Pages 1 - 26)

Waverley Borough Council encourages staff and others to report any cases of

suspected wrongdoing or misconduct, illegal acts, or failure to act within the Council, as part of its commitment to act with integrity and openness in the best interest of its residents and communities. To govern any such disclosures, the Council has a Whistleblowing Policy.

The Whistleblowing Policy has been reviewed and updated.

Reccomendation

The Audit and Risk Committee is recommended:

To adopt the proposed revised Whistleblowing Policy, as set out in Appendix 1 to this report.

7. WHISTLE BLOWING ANNUAL REPORT (Pages 27 - 34)

This report presents the annual whistleblowing report of the Council as a new report to the Audit and Risk Committee to improve transparency and accountability. The report summarises the whistleblowing activity over the last year and analyses the effectiveness of the Council's system.

The Annual Whistleblowing Register has been redacted and is attached in Appendix 1.

Recommendation

The Audit and Risk Committee is asked to recommend:

That the Council approves:

- To review the contents of the Annual Whistleblowing report to satisfy themselves that the governance arrangements are operating effectively;
- To make any recommendations for improvement; and
- To review the Whistleblowing Register on an annual basis.

8. FRAUD INVESTIGATION SUMMARY (STANDING ITEM) (Pages 35 - 42)

The report provides an update to the Committee on the work being completed in investigating fraud, primarily focusing on Housing Tenancy Fraud.

**Recommendation**

**It is recommended that the Audit Committee notes the outcomes of the fraud investigation activity.**

9. STAFFING TURNOVER AND POTENTIAL HR RISKS. (Pages 43 - 52)

To receive a verbal update from Robin Taylor and John Formby on staffing turnover and potential HR risks.

10. RISK MANAGEMENT (STANDING ITEM) (Pages 53 - 76)

Robin Taylor to update the Audit and Risk Committee on progress with the Corporate Risk Register

11. ANNUAL IDM REPORT (Pages 77 - 96)

In September 2023 the Audit & Risk Committee have approved the inclusion of this annual report (AUD26/23) as part of their ongoing work programme at June cycle of meetings ((2022-23 Annual IDM Report - Annexe 1 Final.pdf (waverley.gov.uk)). This decision has marked the beginning of a new chapter with a strong recognition that information and data is one of our key corporate assets, and therefore we must ensure robust governance is put in place and active management practices are embedded throughout the organisation. The purpose of this report is to reflect the journey taken in 2023/24 to improve our information and data management (IDM) practices across the organisation and inform about the next planned steps.

Recommendation

The Audit & Risk Committee is asked to:

note the report and pass on their comments and observations back to the officers, the senior management team and the portfolio holders as appropriate

12. QUARTERLY INTERNAL AUDIT REPORT - (Q1 AND Q2) (STANDING ITEM) (Pages 97 - 110)

This report provides the Southern Internal Audit Partnership proposal to transition to a quarterly approach to internal audit planning through 2024-25 and to adopt this methodology in full for future plans.

Appendix 1 presents the proposed retrospective Internal Audit Plan for Quarter 1 and the proposed Quarter 2 for 2024-25 in accordance with the requirements of the Public Sector Internal Audit Standards.

13. FINANCIAL STATEMENT UPDATE

To receive an update from Mavis Amouzou-Akue on the current position regarding Grant Thornton signing off the accounts.

14. FINANCIAL PROCEDURE RULES



The Financial Procedure Rules and Contract Procedure Rules provide the framework for managing the Council's financial affairs. They apply to every Member and Officer and anyone acting on its behalf. All decision makers need to ensure that they have the authority under the Constitution to make a decision, and that they are also authorised under these Rules to incur the financial consequences of every decision that they make.

15. ANNUAL GOVERNANCE STATEMENT - INTERIM REVIEW (Pages 111 - 138)

To consider the Draft AGS 2023-24 (6.6.24) ( a copy of the draft AGS (18.3.24) is attached for information) and enable the Committee to raise any potential emerging governance issues that may need to be addressed.

**Recommendation**

**The Committee is invited to raise any potential emerging governance issues for consideration.**

16. AUDIT COMMITTEE RECURRENT ANNUAL WORK PROGRAMME (Pages 139 - 140)

The Committee's annual recurrent work programme is attached. The work programme details regular items, but other items can be submitted to each meeting on an ad hoc basis or at the request of the Committee.

**Recommendation**

**The Audit Committee is invited to note its recurrent annual work programme and consider any revisions necessary.**

17. EXCLUSION OF PRESS AND PUBLIC

To consider the following recommendation on the motion of the Chairman:

Recommendation

That pursuant to Procedure Rule 20 and in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following item(s) on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during the item(s), there would be disclosure to them of exempt information (as defined by Section 1001 of the Act) of the description specified in the appropriate paragraph(s) of the revised Part 1 of Schedule 12A to the Local Government Act 1972 (to be identified at the meeting).

18. ANY OTHER ISSUES TO BE CONSIDERED IN EXEMPT SESSION

To consider any matters relating to aspects of any reports on this agenda which, it is felt, may need to be considered in exempt session.

**For further information or assistance, please telephone  
Kimberly Soane, Democratic Services Officer, on 01483 523258 or by  
email at [Kimberly.soane@waverley.gov.uk](mailto:Kimberly.soane@waverley.gov.uk)**

## Waverley Borough Council

Report to: Audit and Risk Committee  
Date: 17 June 2024  
Ward(s) affected: All  
Report of Director: Susan Sale, Strategic Director of Legal & Democratic Services  
Tel: 01483 444022  
Email: susan.sale@guildford.gov.uk  
Lead Councillor: Cllr Victoria Kiehl  
Email: Victoria.kiehl@waverley.gov.uk  
Report Status: Open  
Key Decision: No

# Waverley Borough Council Whistleblowing Policy

## 1. Executive Summary

- 1.1 Waverley Borough Council encourages staff and others to report any cases of suspected wrongdoing or misconduct, illegal acts, or failure to act within the Council, as part of its commitment to act with integrity and openness in the best interest of its residents and communities. To govern any such disclosures, the Council has a Whistleblowing Policy.
- 1.2 The Whistleblowing Policy has been reviewed and updated.

## 2. Recommendation to the Audit and Risk Committee

The Audit and Risk Committee is recommended:

- 2.1. To adopt the proposed revised Whistleblowing Policy, as set out in Appendix 1 to this report.

## 3. Reasons for Recommendation:

- 3.1. It is right and proper to uphold the principles of transparency to encourage individuals to make any disclosures and raise any concerns where they suspect wrongdoing.
- 3.2. It is important that the Council has a Whistleblowing Policy in place to govern such disclosures and that such Policy is kept under regular review.

#### **4. Exemption from publication**

- 4.1. This report does not contain exempt information under schedule 12A to the Local Government Act 1972 and there are no restrictions on its publication.

#### **5. Purpose of Report**

- 5.1. The purpose of the report is for the Audit and Risk Committee to consider the proposed revisions to the Council's Whistleblowing Policy.

#### **6. Strategic Priorities**

- 6.1. One of the Council's values is to ensure that its councillors and staff uphold the highest standards of conduct.
- 6.2. The Council's mission is to be a trusted, efficient, innovative and transparent Council that listens and responds quickly to the needs of our community.

#### **7. Background**

- 7.1. The aim of the Whistleblowing Policy is to encourage employees and others who have serious concerns about any aspects of the Council's work to come forwards and voice those concerns.
- 7.2. The Council's Whistleblowing Policy intends to:
- Encourage staff to report suspected wrongdoing as soon as possible, in the knowledge that their concerns will be taken seriously and investigated as appropriate, and that their confidentiality will be respected as far as possible;
  - Encourage and enable staff to raise concerns within the Council rather than ignoring a problem or blowing the whistle externally without exhausting internal procedures;
  - Provide staff with guidance as to how to raise those concerns;
  - Reassure staff that they should be able to raise genuine concerns without fear of reprisals, victimisation, subsequent discrimination, disadvantage or dismissal, even if they turn out to be mistaken, provided the disclosure is made in the public interest.
- 7.3. The Council is committed to conducting business with honesty and integrity and expects all staff to maintain high standards of conduct. However, all organisations face the risk of things going wrong from time to

time, or of unknowingly harbouring illegal or unethical conduct. A culture of openness and accountability is essential in order to prevent such situations occurring or to address them when they do occur.

- 7.4 Staff are often the first to realise that there may be something seriously wrong within an organisation. Whistleblowing is viewed by the Council as a positive act that can make a valuable contribution to the Council's efficiency and long-term success. It is not disloyal to colleagues or the Council to speak up. The Council is committed to achieving the highest possible standards of service and the highest possible ethical standards in public life and in all aspects of its practices. To help achieve these standards it encourages freedom of speech.
- 7.5 The Whistleblowing Policy should be regularly reviewed and at least every two years, or more frequently where there is change to legislation or statutory guidance, or learning from its operation that should be taken into account.
- 7.6 The existing Waverley Borough Council Whistleblowing Policy was adopted in 2019 and so it is overdue for a review. It is due to be considered by the Audit and Risk at this meeting and then due for a further review in June 2026.
- 7.7 It is proposed that Waverley Borough Council and Guildford Borough Council attempt to align their Whistleblowing Policies as far as it is appropriate to do so, whilst accepting there may be local differences. This is with a view to supporting the collaboration and transformation programme.

## **8. Consultations**

- 8.1. Cllr Kiehl, Portfolio Holder with responsibility for Organisational Development and Governance and Cllr Follows, the Leader of the Council have been consulted.

## **9. Key Risks**

- 9.1. There is a risk of not having a Whistleblowing Policy in place, in that disclosures are not made, or not made in a transparent way, or dealt with in accordance with process, or that disclosures are made externally without exhausting any internal process. Without a Whistleblowing Policy there is a greater risk of wrongdoing going unchecked within the Council.

## **10. Financial Implications**

- 10.1. There are no financial implications arising from this report.

## **11. Legal Implications**

- 11.1. The Audit and Risk Committee's terms of reference provide for that Committee to consider an annual report of the operation of the whistleblowing policy, including incidents reported.
- 11.2. The Constitution provides that the Audit and Risk Committee is responsible for making decisions on all matters within the policy framework which are not the responsibility of any other part of the Council.

## **12. Human Resource Implications**

- 12.1 There are no Human Resource implications arising from this report.

## **13. Equality and Diversity Implications**

- 13.1 There are no Equality & Diversity implications arising from this report.

## **14. Climate Change/Sustainability Implications**

- 14.1. There are no Climate Change/Sustainability implications arising from this report.

## **15. Background Papers**

None.

## **16. Appendices**

Appendix 1: Revised Whistleblowing Policy 2024

Appendix 2: Existing Whistleblowing Policy 2019

## **Appendix 1:**

# **Whistleblowing Policy**

## **Waverley Borough Council**

### **Document Information**

Version Control: Version 3.0

Policy Service Owner: Monitoring Officer

This document replaces: Whistleblowing Policy 2019

Document Creation Date: June 2024

Next review date: June 2026

Governance: To be considered by the Audit & Risk Committee on the 17 June 2024.

## **Harmonisation**

Please be aware that this Whistleblowing Policy is aligned with Guildford Borough Council's Whistleblowing Policy. This means that the Policy is structured and formatted with similar language. Whilst many of the substantive provisions are similar there may be some local differences in Policy as adopted by each Council's member approval process.



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## 1.0 Purpose

Waverley Borough Council is committed to delivering high quality and value for money services to the highest standards of openness, honesty and accountability. The Council has rules, policies and procedures to ensure that it maintains the highest standards of conduct wherever possible. Where malpractice does occur, it will not be tolerated.

The Council believes that knowing that any malpractice will be reported and thoroughly investigated, and that prompt and appropriate action will be taken against those responsible, acts as a deterrent to such conduct.

We acknowledge the legal protection under the Public Interest Disclosure Act 1998 provided for employees who make disclosures about malpractice.

## 2.0 Aims

The Whistleblowing Policy aims to encourage and enable anyone to raise issues of concern about suspected improper conduct in the way Waverley Borough Council carries out its business. It aims to give staff, councillors and others, the confidence to raise concerns by assuring them that they can do so without fear of harassment, victimisation or reprisals. It also confirms our commitment to investigate and rectify any malpractice reported to us swiftly and thoroughly.

## 3.0 Policy Scope

This policy applies to

- all Council employees (temporary, permanent, part time and full time);
- all Councillors
- all Council trainees;
- agency staff, casual staff or consultants undertaking council work;
- contractors working for the Council;
- suppliers and those providing services under contract with the Council;
- volunteers.

Our staff, councillors or others working with us are often the first to realise that there may be something wrong. We encourage them to raise concerns, that are in the public interest as soon as there is a reasonable suspicion of wrongdoing.

Complaints of a personal nature, such as, about the terms of an individual's employment, should be raised via the grievance procedure rather than through this policy.

## 4.0 Policy Definitions

Whistleblowing is the reporting of information which relates to suspected wrongdoing at work, including possible unlawful conduct, fraud, risks to the public or malpractice.

Such concerns can be raised if there is a reasonable belief that one or more of the following has occurred:

- any unlawful act, whether criminal or a breach of civil law;
- maladministration;
- breach of any statutory code of practice;
- serious breach of or failure to implement or comply with a Council policy;
- serious breach or failure to safeguard children and vulnerable people in accordance with our policies and procedures;
- failure to comply with appropriate professional standards;
- corruption or fraud;
- breach of the Council's officer code of conduct;
- breach of the Council's Member code of conduct;
- actions which are likely to cause physical danger to any person or to give rise to a risk of significant damage to property;
- an act that creates risk to health and safety;
- an act causing damage to the environment;
- failure to take reasonable steps to report and rectify any situation which is likely to give rise to a significant avoidable cost or loss of income to the Council or would otherwise seriously prejudice the Council or its residents;
- abuse of power, or the use of the Council's powers and authority for any unauthorised or ulterior purpose;
- a miscarriage of justice;
- concealment of any of the above.

This is not an exhaustive list, but an illustration of the sorts of concerns that may be raised under this policy.

## 6.0 Other Strategies, Policies, and Procedures

The Council has adopted a number of rules and procedures to ensure the Council's business is properly monitored and controlled. They form part of the Council's internal control process and system of governance and it is important that all councillors and officers are aware of and abide by, them.

## **7.0 Confidentiality**

An individual is encouraged to raise concerns openly wherever possible. This will enable them to exercise their right of protection under the law and help with subsequent investigations.

The Council will do its best to protect the identity of an individual when a concern is raised and the individual wishes to remain anonymous. In such circumstances, the Council will keep the number of people aware of who raised the matter to a minimum, although it must be accepted that sometimes an individual may be identifiable by the nature of the information they provide. If disciplinary or other proceedings follow any whistleblowing investigation, it may not be possible for the Council to take action as a result of the disclosure without the individual coming forwards as a witness. Any such witness would be offered appropriate advice and support.

## **8.0 Harassment and Victimisation**

We recognise that the decision to report a concern can be a difficult one, not least because of the fear of reprisal from those responsible for the misconduct. The Council will not tolerate harassment or victimisation and will take all reasonable measures to protect those who raise a concern in good faith. This still applies even if, after investigation, the disclosure is found to be incorrect or unfounded.

The Council will not tolerate any attempt on the part of any officer, councillor, contractor, supplier or anyone under their control, to apply any sanction or detriment (including informal pressure) to any person who has reported any serious and genuine concern of malpractice and will take all reasonable measures to protect the whistleblower.

Anyone who victimises a whistleblower could be exposed to liability for a criminal offence and also to personal liability as the whistleblower may choose to issue a direct civil claim against them.

If an individual feels victimised or harassed as a result of raising a concern, they should notify the Council's Monitoring Officer, or one of the Deputy Monitoring Officers, as soon as possible.

The Council may be vicariously liable for an officer or councillor's conduct in victimising a whistleblower. The Council will treat any recriminations, victimisation or harassment by an employee as a serious disciplinary matter. Where a councillor carries out any such recrimination, victimisation or harassment, the Council will regard this as a potential breach of the Councillors' Code of Conduct and appropriate action will be taken against the councillor in accordance with the Council's standards arrangements. Where a contractor or supplier carries out any such recrimination, victimisation or harassment, the Council will regard this as a potential breach of contract and instigate necessary action.

If an individual is unsure as whether to raise a concern formally under the Whistleblowing Policy, they should discuss the issue with their line manager, Assistant Director, Strategic Director or with Human Resources.

## **9.0 Anonymous Allegations**

The Council encourages whistleblowers to put their name to their allegation whenever possible. If they do not, it may be more difficult for action to be taken and more difficult for the Council to protect the position of the whistleblower or provide them with information relating to the outcome of the process.

The Council will take all concerns raised seriously. Concerns expressed anonymously may be less powerful but will be considered at the discretion of the Monitoring Officer.

In exercising this discretion, the Monitoring Officer would take into account:

- the seriousness of the concern raised;
- the credibility of the concern; and
- the likelihood of being able to investigate and verify the allegation from reliable alternative sources.

## **10. False allegations**

There is no requirement for disclosures to be true in order for whistleblowers to receive statutory protection. For example, if an individual suspects wrongdoing and reports it, they will be protected under this policy even if the concern is found not to be substantiated following an investigation.

However, any allegation that the whistleblower knows to be false and/or is brought maliciously would not be afforded the statutory protection as such a disclosure would not be deemed to be in the public interest. To ensure the protection of all of the Council's officers, those who make an allegation they do not reasonably believe to be true and/or made in the public interest may be liable to disciplinary action.

## **11. Safeguarding**

Safeguarding concerns about children and vulnerable people should be raised through our safeguarding policies and procedures.

However, the Whistleblowing Policy may be used in circumstances where an individual may have a concern about the conduct of an individual who may be in a position of trust within the organisation, which could be detrimental to the safety or wellbeing of children and vulnerable adults where, for whatever reason, the individual feels unable to raise such concern under the Council's Safeguarding Policy.

The designated Lead Safeguarding Specialist must be contacted to provide appropriate advice with regards to disciplinary and grievance procedures and contacting the Local Authority Designated Officer (LADO).

## **12. Data Protection**

All records relating to disclosures, subsequent investigation and action taken, will be managed in compliance with the Data Protection Act 2018, GDPR and the Council's Retention and Disposal Policy.

## **13. Learning and Improvement**

Investigations may result in recommendations for changes to procedures and systems which will be incorporated into action plans. Follow-up reviews will also be carried out to ensure that recommendations are implemented.

## **14. Review of the Policy**

The Council's Audit and Risk Committee will be responsible for the adoption and review of this Policy and will be responsible for monitoring the operation of the Policy and will receive confidential reports from the Monitoring Officer on an annual basis of any disclosures made under the Policy and their outcome.

When a whistleblowing matter is received by the MO, they will inform the Leader of the Council and the Chair of the Audit and Risk Committee.

The Monitoring Officer is authorised to make minor and consequential amendments to this Policy in consultation with the Chair of the Audit and Risk Committee, to ensure it remains fit for purpose. Minor amends include, but are not limited to, updating weblinks, changes in job titles, accessibility requirements, names of officers, contact details, and/or organisation names referenced in the document.

## **15. How to Report a Concern**

An individual should submit their disclosure to the Monitoring Officer by one of the following methods:

- e-mailing [monitoringofficer@waverley.gov.uk](mailto:monitoringofficer@waverley.gov.uk); or
- writing to the Monitoring Officer in a sealed envelope marked "Private and Confidential: To be opened by Address only" and addressing the envelope to the Monitoring Officer, Waverley Borough Council, The Burys, Godalming, Surrey GU7 1HR, or delivering by hand and leaving at reception.

In the absence of the Monitoring Officer, or in cases where it would not be appropriate to submit a disclosure to the Monitoring Officer, the individual should make their disclosure directly to one of the Deputy Monitoring Officers, who have full authority to act in accordance with this Policy.

Any disclosure should include:

- name(s) of the person, body or organisation that the concern is about;
- nature and details of the disclosure;
- names and contact details (if known) of any witnesses;
- dates of any incidents;
- whether the whistleblower wishes for their name to remain confidential and if so why.

If any whistleblower considers that they would benefit from additional support in the workplace, then they should make such request to the Monitoring Officer. The Monitoring Officer will consider allocating a Human Resources Officer, or a senior manager not involved in the disclosure or investigation, to provide such support.

The earlier any concern is raised, the easier it will be for the Council to take appropriate action.

## **16. How the Disclosure will be Dealt with**

The Monitoring Officer is responsible for the operation of this Policy and will ensure that adequate resources are allocated for the investigation of any complaints.

The Monitoring Officer will:

- receive and record any disclosures under the Policy;
- take steps to protect the whistleblower's identity when a disclosure is made, and the whistleblower has indicated that they do not want their name to be disclosed and such request is deemed to be reasonable by the Monitoring Officer;
- will inform the Leader of the Council and the Chair of the Audit and Risk Committee,
- investigate promptly the disclosure using appropriate staff as required, or an external investigator;
- report the outcome of the investigation to the Corporate Management Board and recommend the action to be taken;
- report the outcome of the investigation to the Audit and Risk Committee
- where the disclosure relates to the conduct of a member of the Corporate Management Board, report to the Chief Executive;
- where the disclosure relates to the Chief Executive, report to the Leader of the Council;



- report, as appropriate, either jointly with the Chief Executive or in their own right, to the Audit and Risk Committee as part of the annual report on the operation of this policy, or separately in cases of urgency;
- recommend appropriate action to resolve a concern raised.

The Monitoring Officer will acknowledge receipt of any whistleblowing disclosure within five working days of receipt. Within a further five working days the Monitoring Officer will confirm whether the matter will be investigated further and the nature and arrangements of any such investigation, unless the Monitoring Officer requests further information to inform this decision. A whistleblower shall have the opportunity to be accompanied by a workplace colleague or trade union representative at any subsequent meetings or interviews.

The Council may also ask for more information where this would assist in the investigation.

The action the Council shall take will depend on the nature of the concern. The matter may:

- be investigated internally by staff or externally by an external investigator
- be referred to the Police
- be referred to the internal or external auditor
- form the subject of an independent inquiry

The outcome of an investigation may lead to disciplinary action against employees, conducted in accordance with the Council's Disciplinary Procedures. In this situation, the employee would be informed that the issue has been raised under the Whistleblowing Policy. This may be in addition to any legal proceedings instigated by the Police.

For the purposes of the investigation, the Monitoring Officer has a right of access to all councillors and officers and to all documents and records of the Council as they determine to be necessary and appropriate.

If a whistleblowing disclosure is made and later withdrawn by the whistleblower, the Council will take account of the whistleblower's wishes. However, there may be circumstances where the Monitoring Officer will deem it appropriate to continue to investigate, which may result in further evidence being required from the whistleblower.

## **17. External Disclosures**

This Policy provides individuals with the opportunity to raise concerns as to wrongdoing with the Council and provides assurance that the Council will investigate all reasonable claims promptly and thoroughly.

The Council encourages individuals to use this Policy, rather than blowing the whistle outside of the organisation, as premature or unnecessary publicity may



damage the Council's reputation, impede or prejudice proper investigation and due process or cause needless hurt to individuals.

However, if an individual considers it is right to take the matter outside the Council, or has exhausted the procedure under the Policy and remains dissatisfied, the following are possible contact points:

- the relevant councillor;
- the Council's External Auditor;
- any relevant professional bodies or regulatory organisations;
- an independent external solicitor
- the Police
- the charity "Protect" (020 7404 6609)

## **18. Employee Co-operation**

The Council expects the full co-operation of all of its officers, councillors, contractors, suppliers and partners in securing the highest standards of service delivery and conduct.

Where employees are aware of, or suspect, malpractice, we expect them to report it. We will regard the failure by an employee to report such malpractice, or the suspicion of malpractice, as a serious matter which may be investigated under the disciplinary policy.

## **19. Review of the Procedure**

Authority be delegated to the Monitoring Officer to make such minor amendments to the Whistleblowing Policy as they deem appropriate for the purpose of keeping it up to date.

The Council will review this Policy at least every two years or when there are changes to legislation or statutory codes of practice.

## Appendix 1: Relevant Waverley Borough Council Strategies, Policies and Procedures

**Bullying and Harassment Procedure:** clear guidance on the informal and formal steps that can be taken if bullying or harassment is taking place in the workplace.

**Code of Conduct for Staff** sets out the rules and requirements that staff must follow to maintain the high standards expected by the public.

**Complaints Policy and Procedure:** this policy sets out our approach to dealing with customer complaints and ensuring that complaints are investigated in an evidence-based, fair, and efficient way.

**Councillors' Code of Conduct** sets out the rules and requirements that councillors must follow to maintain the high standards expected by the public

**Disciplinary Policy and Procedure:** this policy covers our disciplinary rules and procedures that must be followed by managers so that individuals are treated fairly and consistently.

**Financial Procedure Rules:** financial procedure rules for managing the Council's financial affairs which must be followed by everyone acting on behalf of the Council

**Grievance Policy and Procedure:** this policy outlines the issues that may cause grievances and what steps can be taken to resolve them

**Induction checklist for managers:** process for managers to follow when inducting new employees including safeguarding training requirements

**IT, Information Management, and Information Security Policies:** a framework of different policies for users and managers that address the need to protect confidential and sensitive information from disclosure, unauthorised access, loss, corruption, and interference.

**Investigations - Guidance on conducting workplace investigations:** this guidance is intended for use by managers and employees involved in internal, workplace investigations arising out of allegations of misconduct, gross misconduct or poor performance.

**Privacy & Data Protection Policy:** guidance on the safe handling of personal information.

**Procurement Procedure Rules:** applies to all purchases of works, goods and services that must be followed so that the Council is fair, open, transparent, non-discriminatory, and lawful.

**Record and Retention and Disposal Schedule:** This document aims to set out the legislation, guidance, and policy about record retention.

**Bullying and Harassment Procedure:** clear guidance on the informal and formal steps that can be taken if bullying or harassment is taking place in the workplace.

**Code of Conduct for Staff** sets out the rules and requirements that staff must follow to maintain the high standards expected by the public.

**Complaints Policy and Procedure:** this policy sets out our approach to dealing with customer complaints and ensuring that complaints are investigated in an evidence-based, fair, and efficient way.

**Councillors' Code of Conduct** sets out the rules and requirements that councillors must follow to maintain the high standards expected by the public

**Disciplinary Policy and Procedure:** this policy covers our disciplinary rules and procedures that must be followed by managers so that individuals are treated fairly and consistently.

**Financial Procedure Rules:** financial procedure rules for managing the Council's financial affairs which must be followed by everyone acting on behalf of the Council

**Grievance Policy and Procedure:** this policy outlines the issues that may cause grievances and what steps can be taken to resolve them

**Induction checklist for managers:** process for managers to follow when inducting new employees including safeguarding training requirements

**IT, Information Management, and Information Security Policies:** a framework of different policies for users and managers that address the need to protect confidential and sensitive information from disclosure, unauthorised access, loss, corruption, and interference.

**Investigations - Guidance on conducting workplace investigations:** this guidance is intended for use by managers and employees involved in internal, workplace investigations arising out of allegations of misconduct, gross misconduct or poor performance.

**Privacy & Data Protection Policy:** guidance on the safe handling of personal information.

**Procurement Procedure Rules:** applies to all purchases of works, goods and services that must be followed so that the Council is fair, open, transparent, non-discriminatory, and lawful.

**Record and Retention and Disposal Schedule:** This document aims to set out the legislation, guidance, and policy about record retention.

## Appendix 2: Existing Whistleblowing Policy 2019



### WHISTLEBLOWING POLICY & PROCEDURE

FOR  
STAFF (EMPLOYEES), CONTRACTORS & PARTNERS

Part A: The Policy  
Part B: Procedures for dealing with a report Part C:  
Contact details

Owned By:	Human Resources
Created Date:	2010
Review Date:	March 2019
JCC Consultation Date:	November 2016
Council Approved	March 2019
Date for Review:	2020 or change in legislation

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<b>1</b>	<b>INTRODUCTION</b>
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<b>4</b>	<b>TYPES OF CONCERNS</b>
<b>5</b>	<b>SAFEGUARDS</b>
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## **POLICY STATEMENT**

**THIS POLICY AIMS TO ENCOURAGE AND ENABLE EMPLOYEES TO RAISE ISSUES OF CONCERN ABOUT SUSPECTED IMPROPER CONDUCT IN THE WAY WAVERLEY CARRIES OUT IT'S BUSINESS.**

If the matter being raised relates directly to a Councillors conduct, you should contact the Monitoring Officer, please see Part C of this policy for contact details.

### **Scope of the Policy Part**

#### **A:**

#### **1. INTRODUCTION**

- 1.1 Waverley Borough Council is committed to conducting its business properly through the application of a range of procedures including its Contract Procedural Rules, Financial Regulations, and Codes of Conduct. These reinforce the Council's commitment to effective governance, the highest possible standards of openness, honesty and accountability.
- 1.2 This policy supports that commitment by encouraging employees and others who may have serious concerns about any aspect of the Council's work to be able to raise those concerns in good faith, in confidence and without fear of recrimination.
- 1.3 Waverley is committed to dealing responsibly and professionally with any genuine concern raised about malpractice, be it danger to staff or the public, financial malpractice, breach of legal obligations or damage to the environment. However, if any Waverley employee makes deliberately false or malicious allegations this will be regarded as a serious disciplinary offence.
- 1.4 This policy is in addition to the Council's complaints procedures and ethical standards framework for Councillors and other statutory reporting procedures. The Council acknowledges the legal protection, under the Public Interest Disclosure Act 1998, provided for employees who make disclosures about improper practice.

#### **2.0 AIM OF THE POLICY**

- 2.1 This Policy aims to:-
  - is intended to encourage anyone who may have concerns about improper conduct of the Council, elected Members or external organisations to disclose any allegation of malpractice within the Council, without fear of recrimination. This Policy is founded on the principle that service users and the public interest come first.

- Provide avenues for employees to raise those concerns and receive feedback on any action taken

### **3.0 THE COUNCIL'S RULES AND PROCEDURES**

- 3.1 The council has adopted a number of rules and procedures to ensure the Council's business is properly monitored and controlled. They form part of the Council's internal control process and system of governance and it is important that all members and staff are aware of, and abide by, them.

The most important of these are:

- Codes of Conduct for Employees and Councillors
  - Financial Regulations
  - Contract Procedure Rules
  - Scheme of Delegation
  - Employees' Conditions of Service and Staff Code of Conduct
- 3.2 The Financial Regulations require all cases of actual or suspected fraud, corruption, bribery and theft to be reported immediately to the Section 151 Officer who will inform the Internal Audit Manager. The Chief Executive, Strategic Directors and Heads of Service must ensure that all staff are aware of the reporting requirements.

### **4.0 TYPES OF CONCERNS THAT CAN BE RAISED AS PART OF THIS POLICY**

- 4.1 Concerns can be raised if there is a reasonable belief that one or more of the following has occurred:
- any unlawful act (e.g. theft);
  - the unauthorised use of public funds (e.g. expenditure for improper purpose);
  - a breach of the Code of Conduct for Employee/Councillors;
  - maladministration (e.g. not adhering to procedures, negligence);
  - failing to safeguard personal and/or sensitive information (data protection);
  - damage to the environment (e.g. pollution);
  - fraud and corruption (e.g. to give or receive any gift/reward as a bribe);
  - abuse of power;
  - other unethical conduct; and
  - any deliberate concealment of information tending to show any of the above.
  - health and safety risks, either to the public or other employees;
  - the abuse of children and /or vulnerable adults (physical or psychological);
  - Similar behaviour not otherwise described.

## 5.0 SAFEGUARDS

### 5.1 Harassment or Victimisation

The Council recognises that the decision to report a concern can be a difficult one, not least because of the fear of reprisal from those responsible for the misconduct. The Council will not tolerate harassment or victimisation and will take all reasonable measures to protect those who raise a concern in good faith. This does not mean that, if you are an officer of the Council making the disclosure and are already the subject of disciplinary or redundancy procedures, these will be halted as a result of the disclosure.

### 5.2 Confidentiality

The Council will protect the identity of the person making the disclosure (wherever possible) where that Officer has requested that his or her name be kept confidential. During the course of an investigation, the Council will keep to a minimum the number of people aware of who raised the matter. However, it must be appreciated that the investigation process may reveal the name of the source of the information, and a statement by the officer making the disclosure may be needed as part of the evidence.

### 5.3 Anonymous Allegations

This policy encourages those making a disclosure to put their name to the allegations. Concerns expressed anonymously are much less powerful, but they may be considered at the discretion of the Council. In exercising that discretion, the factors to be taken into account would include:-

- I. the seriousness of the issue raised;
- II. the credibility of the concern; and
- III. the likelihood of confirming the allegation from attributable sources.

### 5.4 Untrue Allegations

If an allegation is made in good faith but is not confirmed by the investigation, no action will be taken against the officer making the disclosure. If, however, a member of staff makes malicious or vexatious allegations, the allegations will not be taken further and disciplinary action may result. The judgement of whether an allegation is malicious or vexatious rests with the Internal Audit Manager, after consultation with other senior officers as necessary.



## 6. WHISTLEBLOWING PROCEDURE PART B: PROCEDURES FOR DEALING WITH A REPORT

### 6.1 How to report any concerns

You are advised in the first instance to report your suspicions to the Internal Audit Manager who manages the Council's Whistle-blowing arrangements, dealing with concerns that relate to members of staff, and other contractors/partners. Concerns can be reported by calling 01483 523333 and asking for one of the Council officers listed in Part C of this policy or alternatively by e-mailing them. Calls will be answered between 09.00 and 17.00 Monday to Thursday (09.00 to 16.45 on Fridays). If the person you call is not able to take your call, it will be possible to leave a message either on "Voicemail" or with the person answering your call. Reports can also be submitted using the web reporting facility on the Waverley web site [www.waverley.gov.uk](http://www.waverley.gov.uk) in "Report it" in fraud and corruption. The more detailed the information provided will provide more assistance in resolving any issues raised.

Letters can also be addressed to:

Internal Audit Manager The Burys  
Council Offices  
Godalming Surrey GU7  
1HR

Alternatively, your suspicions can be reported directly to the Chief Executive, Section 151 Officer, Strategic Directors. The Internal Audit Manager may where necessary suggest that the matter be referred to third parties that may deal with issues of Member conduct, or the Police. If the matter relates to a Councillor, you should contact the Monitoring Officer.

Anyone with concerns may, in confidence and without fear of recrimination, disclose worries of suspected improper conduct at the levels set out below. Concerns are better raised in writing. You are invited to set out the background and history of the concern, giving as much information as possible including names, dates, vehicle details and places where possible, including contact details of the whistle blower to enable the investigating officer to clarify and verify the circumstances and the reason for raising this particular concern. If you feel unable to put a concern in writing, you can telephone or arrange to meet the appropriate officer. It may in some circumstances be necessary if the need arises for the complainant to be called as a witness at a later date, should the need arise.

If you do not wish to go through this reporting mechanism, or you are unhappy with the outcome of any investigation undertaken, please feel free to contact any of the other external organisations listed in this policy.

Employees are advised that they may raise their concerns with other external organisations such as the Citizens' Advice Bureau, addresses and telephone numbers can be found in the telephone directory. Alternatively 'Public Concern at Work' is a registered charity which is able to provide, free of charge, confidential and independent advice to people in these circumstances. Contact details for this organisation are included at the end of this policy.

## **7.0 HOW THE COMPLAINT WILL BE DEALT WITH**

7.1 The Internal Audit Manager logs all reports and carries out a preliminary review in each case to determine the most appropriate course of action. The action will depend on the nature and seriousness of the concern. Any matters which fall within the scope of other existing procedures (e.g. complaints or discrimination issues) will be dealt with under these procedures. Some concerns may be resolved by agreed action without the need for investigation. Matters to be investigated may be:

- dealt with internally by the Internal Audit Service or other specialists such as the, Human Resources Advisors or
- referred to the Police or other external agency.

The decision as to who shall complete the investigation will be made by the Internal Audit Manager in consultation with the Section 151 Officer and the Monitoring Officer.

Where an allegation is made against Senior Officers of the Council, including members of the Management Board, Section 151 Officer, Monitoring Officer, Head of Finance or the Internal Audit Manager, an appropriate body will be requested to complete the investigation, such as the Council's External Auditors.

7.2 Within **three working days** of a concern being received, the Council will contact the complainant, (if contact details are supplied):

- acknowledging that the concern has been received,
- indicating how it proposes to deal with the matter,

The Council may also ask for more information where this would assist in the investigation.

7.3 Investigations may result in recommendations for changes to procedures and systems which will be incorporated into action plans. Follow-up reviews will be carried out to ensure that recommendations are implemented.

7.4 Investigations may lead to disciplinary action against employees conducted in accordance with the Council's Disciplinary Procedures. In this situation, the employee would be informed that the issue has been raised under the Whistleblowing Policy. This may be in addition to any legal proceedings instigated by the police.

- 7.5 Where appropriate the Internal Audit Manager will refer findings to the Police for investigation or review, after discussion with the Chief Executive, Section 151 Officer or the Monitoring Officer.
- 7.6 If you raise a matter and then later decide to withdraw your concern, the Council will respect your wishes wherever possible. However, if the matter is assessed as serious, then the Council will, where it deems appropriate, continue to investigate, which may result in further evidence being required from you.

## 8. WHISTLEBLOWING PART C: CONTACT DETAILS

### 8.1 Internal Contact Details

Internal Audit Manager – Gail Beaton  
Telephone: 01483 523260

e-mail: [gail.beaton@waverley.gov.uk](mailto:gail.beaton@waverley.gov.uk)

Chief Executive – Tom Horwood  
Telephone: 01483-523238

e-mail: [tom.horwood@waverley.gov.uk](mailto:tom.horwood@waverley.gov.uk)

Section 151 Officer –  
Graeme Clark  
Telephone: 01483-523099

e-mail: [graeme.clark@waverley.gov.uk](mailto:graeme.clark@waverley.gov.uk)

Monitoring Officer – Robin Taylor  
Telephone: 01483 523108

e-mail: [robin.taylor@waverley.gov.uk](mailto:robin.taylor@waverley.gov.uk)

### 8.2 External Organisation Contact Details

Grant Thornton is the Council's external auditor, an independent body, which may be contacted if you feel that your suspicions of fraud or malpractice have not been satisfactorily dealt with through the internal route.

#### Grant Thornton

Jon Roberts  
2 Glass Wharf  
[jon.roberts@uk.gt.com](mailto:jon.roberts@uk.gt.com) Temple Quay,  
Bristol, BS2 0EL Telephone:  
0117 305 7699

Telephone: 0117 305 7699  
e-mail:

#### Protect

The Greenhouse  
244-254 Cambridge Heath Road  
2520 London  
E2 9DA  
Website: [www.protect-advice.org.uk](http://www.protect-advice.org.uk)

#### Whistleblowing Advice Line

Telephone: 0207 404 6609  
General Enquiries 020 3117  
E-mail UK enquiries:  
[whistle@protect-advice.org.uk](mailto:whistle@protect-advice.org.uk)

Any concerns relating to Housing Benefits can be reported confidentially on the Department Work and Pensions Fraud hotline: 0800-854-440.

## Waverley Borough Council

<b>Report to:</b>	Audit and Risk Committee
<b>Date:</b>	17 June 2024
<b>Ward(s) affected:</b>	All
<b>Report of:</b>	The Monitoring Officer
<b>Author:</b>	Susan Sale, Strategic Director, Legal & Democratic Services
<b>Email:</b>	<a href="mailto:susan.sale@waverley.gov.uk">susan.sale@waverley.gov.uk</a>
<b>Lead Councillor:</b>	Cllr Victoria Kiehl
<b>Email:</b>	Victoria.kiehl@waverley.gov.uk
<b>Report Status:</b>	Open
<b>Key Decision:</b>	No

## Annual Whistleblowing Report and Register

### 1. Executive Summary

- 1.1 This report presents the annual Whistleblowing Report of the Council to the Audit and Risk Committee to improve transparency and accountability. The report summarises the whistleblowing activity over the last year and analyses the effectiveness of the Council's system.
- 1.2 The annual Whistleblowing Register has been redacted and is attached as **Appendix 1**

### 2. Recommendation to Committee

The Committee is recommended to:

- 2.1 Review the contents of the annual Whistleblowing Report to satisfy itself that the governance arrangements are operating effectively.
- 2.2 Make any recommendations for improvement.

### **3. Reasons for the Recommendation**

- 3.1 The Audit and Risk Committee is a key component of the authority's corporate governance regime. The Committee provides an independent and high-level focus on the assurance and reporting arrangements that underpin good governance.
- 3.2 The Audit and Risk Committee is required to consider an annual report of the operation of the Whistleblowing Policy, including matters reported.

### **4. Purpose of the Report**

- 4.1 The Monitoring Officer is obliged to report the outcome of any particular whistleblowing matters received. The purpose of this report is to satisfy such reporting requirements and appraise the Committee of the whistleblowing disclosures, the outcome of the investigations, the recommendations and the actions taken during 2023-24.

### **5. Strategic Priorities**

- 5.1 To demonstrate our commitment to listening to and acting upon complaints; and
- 5.2 To demonstrate commitment to transparency and accountability.

### **6. Background**

- 6.1 The Council is required to have an effective Whistleblowing Policy and arrangements in place. It is considered good governance to present an annual Whistleblowing Report and Register to Councillors.

### **7. Consultations**

- 7.1 Consultation has also taken place with the Council's Corporate Management Board.
- 7.2 Consultation has taken place with the Leader of the Council and the relevant Portfolio Holder.

## **8. Key Risks**

- 8.1 The purpose of the Whistleblowing Register is to ensure resilience and robust service delivery in accordance with good practice. The progress made towards openness, transparency and good governance has mitigated any risks of service failure or non-compliance and should now provide confidence to the Council.

## **9. Financial Implications**

- 9.1 There are no direct financial consequences arising from this report.

## **10. Human Resource Implications**

- 10.1 There are no direct human resource implications arising from this report. Any action taken in respect of any employees has been taken in compliance with the Council's relevant Human Resources Policies.

## **11. Equality and Diversity Implications**

- 11.1 There are no direct equality and diversity implications arising from this report.

## **12. Legal and Governance Implications**

- 12.1 The current Whistleblowing Policy provides that the Monitoring Officer is responsible for the operation of the policy and is obliged to receive and record any whistleblowing disclosures and promptly investigate them, as appropriate.

## **13. Climate Change/Sustainability Implications**

- 13.1 There are no direct climate change or sustainability implications.

## **14. Conclusions**

- 14.1 All allegations and disclosures made under the Whistleblowing Policy are taken very seriously and robust investigations were undertaken.

- 14.2 Following consideration of the findings of the investigations, recommendations were made, and action was implemented.
- 14.3 The Audit and Risk Committee should satisfy itself that the governance arrangements are operating effectively.

## **15. Background Papers**

- 15.1 None

## **16. Appendices**

- 16.1 Appendix 1: Waverley Borough Council's Whistleblowing Register 2023-24.







Appendix 1

**WAVERLEY BOROUGH COUNCIL  
WHISTLEBLOWING REGISTER 2023/2024  
WBC Audit & Risk Committee June 17 2024**

Service Area	Allegation	Date received	Action Taken	Outcome	Reported
Head of Paid Service	Allegation of previous wrongdoing by senior officer in previous employment.	March 2024	Investigated by Monitoring Officer	No evidence of wrongdoing found.	Report to CMB April 2024.  Reported to WBC Audit & Risk Committee by way of Annual Report June 2024.
Head of Paid Service	Allegations of failure to comply with duties.	February 2024	Referred to Joint Senior Staff Committee who commissioned an investigation.	Investigation ongoing	To be reported to Joint Senior Staff Committee, CMB and WBC Audit & Risk Committee in due course.



## Waverley Borough Council

Report to: Audit & Risk Committee

Date: 17 June 2024

Ward(s) affected: All

Report of Director: Ian Doyle, Transformation & Governance

Author: Fraud Investigation Officer

Tel: 01483 523583

Email: Jose.Ribeiro@waverley.gov.uk

Audit Committee Chairman: Cllr Spence

Email: Julian.Spence@waverley.gov.uk

Report Status: Open

# Fraud Investigation Summary for Qtr 1 in 2024-2025

## 1. Executive Summary

- 1.1 The Audit and Risk Committee is responsible for monitoring and reviewing the adequacy of the Council's anti-fraud arrangements and this is a key aspect of the Council's risk management, control and governance framework.
- 1.2 This report provides the Audit and Risk Committee with an overview of Waverley's fraud investigation activity completed in quarter 1 of 2024-25 (1<sup>st</sup> April to 06 June 2024).

- 1.3 This work has resulted in the recovery of one property, the cancellation of one Right to Buy and the cancellation of two Housing Applications.

## **2. Recommendation to Audit & Risk Committee**

- 2.1 That Audit & Risk Committee notes the results of the anti-fraud activity and investigation as set out in Appendix 1.

## **3. Reason(s) for Recommendation:**

- 3.1. To enable the Audit & Risk Committee to be aware of the results of the housing fraud investigation activity for the period covering 01 April 2024 to 06 June 2024.

## **4. Exemption from publication**

- 4.1. N/A

## **5. Purpose of Report**

- 5.1 The report provides an update to the Committee on the work being completed in investigating fraud, primarily focusing on Housing Tenancy fraud

## **6. Strategic Priorities**

- 6.1. A financially sound Waverley, with infrastructure and services fit for the future.

## **7. Background**

- 7.1 This report provides the Audit & Risk Committee with an update on the activity relating to fraud investigations. The work completed has been supported by the Prevention of Social Housing Fraud Act 2013

where the maximum penalty for the offence of acting dishonestly in the subletting/parting with possession of a property is up to 2 years' imprisonment or a fine (or both).

- 7.2 In the period 01 April 2024 to 06 June 2024 outcomes include one property being made available for new tenants to occupy. The tenancy was recovered as the tenant was not utilising the property as their main or principal home in accordance with the terms and conditions of the Tenancy Agreement. This tenant had also submitted a Right To Buy application and the outcome of the investigation resulted in the application being cancelled.

## **8. Consultations**

- 8.1 No consultations were completed re the content of this report as the results would not have been affected by a consultation as they are a report of facts.

## **9. Key Risks**

- 9.1 If the authority did not carry out this investigation work it would enable fraudsters to perpetrate housing fraud against the council and obtain services or financial benefit including housing to which they are not entitled. This investigative work therefore assists in protecting council assets and the council reputation on how it deals with fraud.

## **10. Financial Implications**

- 10.1. Without the work of the Housing Tenancy Fraud investigator the achievement of the recovery of one property, the cancellation of one Right to Buy and the cancellation of two Housing Applications in the first quarter of 2024 could not be realised. This work supports the council's zero tolerance to fraud whilst providing indicative saving of £206, 398 based on the National Fraud Initiative's notional values. Additionally, the cost for Waverley to build a new home is on average

£300K; therefore these outcomes represent significant savings to the council.

## **11. Legal Implications**

11.1 The Local Government Transparency Code requires the Council to publish data regarding its anti-fraud arrangements. The information contained within the Appendix consist of part of that. Consistent with the Code, this information will also be published on the Council's website in due course.

11.2 The responsibilities of public sector entities in relation to the prevention and detection of fraud and error are set out in statute, standards and other guidance. Local authorities also have a statutory duty to make arrangements for the proper administration of their financial affairs.

## **12. Human Resource Implications**

12.1. N/A

## **13. Equality and Diversity Implications**

13.1 There are no direct equality, diversity, or inclusion implications in this report. Equality impact assessments are carried out, when necessary, across the council to ensure service delivery meets the requirements of the Public Sector Equality Duty under the Equality Act 2010.

## **14. Climate Change/Sustainability Implications**

14.1. There are no direct implications in the report.

## **15. Conclusion**

15.1 The contents of the report inform the Audit Committee of the recovery of properties from those not using them in accordance with the



tenancy agreement and the financial and reputational value of completing this work to safeguard the councils' assets.

## **16. Background Papers**

16.1 There are no background papers, as defined by Section 100D(5) of the Local Government Act 1972).

## **17. Appendices**

17.1 Appendix 1 – Fraud investigation results for the first quarter (01 April 2024 to 06 June 2024) of the 2023 -2024 financial year.

## **18. Governance Journey**

18.1 The minutes of the meeting will be included on the next Council agenda.

Please ensure the following service areas have signed off your report.  
Please complete this box, and do not delete.

<b>Service</b>	<b>Sign off date</b>
Finance / S.151 Officer (Mavis Amouzou-Akue)	
Legal / Governance Mark Watkins	
HR (Jon Formby)	
Equalities	
Strategic Director (Ian Doyle)	
Lead Councillor	N/A
CMB	N/A
Executive Briefing/Liaison	N/A
Committee Services	

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Authority	Waverley
Accumulative up to Quarter	1

**Record of cases investigated in the period covering 01 April 2024 - 06 June 2024**

	Cases carried over from previous years	Referrals received since 1 April 2024	Cases Started	Cases closed	Still under investigation	Positive outcomes includes previous years cases	Properties retained by the Council	Properties Handed Back / Recovered	Housing / Homeless/RTB / Succession/Mutual Exchange/Shared ownership application withdrawn	Financial Value	Prosecutions	Other Sanctions
<b>Number of Referrals from Members of the Public on Website</b>	5	14	6	4	15	0		0				
<b>Housing</b>												
Social housing Fraud	6	2	8	1	7	1		1	Tenancy/ices Relinquished	78,300	0	
Housing Register Fraud	2	0	0	2	0	2		0	Housing Applications Rejected	25,698		
Homelessness Applications	0							0		0		
<b>Right To Buy/Right To Acquire</b>	10	10	16	3	17	1		0	Right to Buy stopped and/or Tenancy Relinquished	102,400		
<b>Successions</b>	1	1	1	1	1	0		0	No of Succession/s denied	0		
Sole to Joint Tenancy	0	0	0	0	0	0	0	0	Joint Tenancy Denied	0		
<b>Recovered properties for others</b>	0											
Council Tax Discount												
<b>SPD &amp; LCTRS (As result from Caseload above)</b>												
Student Exemptions												
Disability												
<b>Council Tax Support (benefit)</b>												
CT overpayment identified during cases above												
<b>Business rates</b>												
NNDR												
HB overpayment identified during cases above												
<b>Other (DFG)</b>												
NFI exercise **												
<b>2024/25</b>	<b>24</b>	<b>27</b>	<b>31</b>	<b>11</b>	<b>40</b>	<b>4</b>	<b>0</b>	<b>1</b>		£206,398.00		
2023/24 Year Total	17	80	75	75	23	6	0	3		£242,203.30		
2022/23 Year Total	17	70	70	69	15	12	1	10		£1,023,729.00		£4,166.42
2021/22 Year Total	11	121	131	116	17	15	5	5		£964,810.00		
2020/21 Year Total	11	58	67	56	11	13	7	6		£1,083,000.00		
2019/20 Year Total	18	65	83	73	11	4	0	6		£879,976.00		
2018/19 Year Total	18	54	72	55	17	8	3	4		£189,710.00		
2017/18 Year Total	21*	113	134	117	17	30	13	10		£733,930.00		
2016/17 Year Total	11	127	138	118	20*	32	13	12		£688,866.00		
							<b>42</b>	<b>53</b>	<b>Accumulative over 8 years</b>	<b>£6,012,622.30</b>		<b>£4,166.42</b>

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**Value of financial savings (NFI Cabinet Office savings 01 April 2023)**

Tenancy Recovered (includes where successions not applicable and property available for new tenants) - £78,300  
 Housing/Homeless Application withdrawn - £4,283  
 Right To Buy/Right To Acquire withdrawn/terminated - £102,400 per application withdrawn re max RTB  
 Council Tax Single Person Discount - Annual value of discount cancelled multiplied by 2 years  
 Council Tax Support - weekly reduction multiplied by 33 weeks.  
 Business Rates - actual figure per case  
 Housing Benefit Overpayment identified during investigation - actual figures per case

Resources utilised to investigate - 1 full time officer, approx. £80,000 per year including legal costs etc (£20K per quarter)

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## Waverly Borough Council Turnover and Retention Report

Audit and Risk Committee – 17<sup>th</sup> June 2024

Year ending 31 March 2024

### **Turnover - Statistical Background**

The rolling 12-month turnover ending 31 March 2024 was 15.37% a decrease from 15.75% in 22/23.

The rolling 12-month voluntary turnover (which includes resignations but not retirements) ending 31 March 2024 was 8.82% - a decrease from 12.25% in 22/23.

The average rolling 12-month turnover over the last 5 financial years is 15.58% and rolling 12-month voluntary (or resignation) turnover is 9.84%, with the average impacted by particularly low voluntary turnover (5.86%) during the covid pandemic (April 2020 – March 2021).

The average turnover ending 31 March 2024 across ten other local authorities within Surrey was 13.3%. It is difficult to make a direct comparison with this figure however because three of these authorities advised that this figure only includes voluntary turnover.

The latest turnover report from Brightmine Compensation Planning (formerly Cendex), part of Brightmine (previously XpertHR), based on figures between 1 January to 31 December 2023 and 390 organisations, found that across all organisations total turnover was 14.4%, and voluntary turnover was 11.7%.

Total turnover across public sector organisations was 13.55%, with voluntary turnover at 11% and across organisations with between 250 -999 employees, total turnover was 14.9% and voluntary turnover was 12.9%.

During the 23/24 financial year, there were 61 leavers. Of the 61 leavers, 35 (57%) were resignations, 15 (25%) were retirements and 2 (3%) were redundancies.

The highest proportion of resignations (29.5%) were from employees who had between 5- and 10-years' service. There were less resignations from employees with between 1- and 5-years' service in the 23/24 financial year. This decreased from 57.1% in 22/23 to 21.3% in 23/24.

### **Processes**

#### **Overview and Scrutiny Sub Group – Quarterly Reporting**

A sub group of Overview and Scrutiny (Resources) Committee was set up in 2023/2024 to look at the data and type of statistics produced by the Human Resources team. The outcome of this group was a new quarterly statistics dashboard that will begin to be produced from the first quarter of 2024/2025. The revised dashboard will include:

- Sickness data expanded and broken down to cover each service area individually, with the top five highest areas highlighted and with additional explanatory comment included on reasons behind the figures and where appropriate action plan put into place to manage this developed with the Assistant Director for that area.
- Turnover data expanded and broken down to cover each service area individually, with the top five highest areas highlighted and with additional explanatory comment included on reasons behind the figures and where appropriate action plan put into place to manage this developed with the Assistant Director for that area.
- The inclusion of two new types of data to be monitored on a quarterly basis:
  - o Ratio of contract staff to employed staff per service area
  - o Recruitment time data from advert to offer

### **Leaver's Feedback Survey**

All leavers are asked and sent a link in their leavers letters to complete the leaver's feedback survey. This is a short survey asking for information on the leaver's experience of working at Waverley and asking for details on their main reasons for leaving. This information is confidential and anonymised for reporting purposes.

Leavers also have the option to have a follow up leaver's interview with their manager or a senior member of the Human Resources Team. This information is also confidential , but helps inform any areas of concern.

### **Retention Work**

The local government sector continues to face a number of challenge in regard to the recruitment and retention of staff. One particular challenge is the recruitment and retention of young people.

Over the last 12 months at Waverley we have put into place a number of initiatives to assist with the recruitment and retention of young people.

### **Young Employee's Network**

This network meets on a regular basis throughout the year and is a forum for young people that are 29 and under that work at Waverley to discuss their working experience and what is important to them. It has been attended over the last year, by the HR Manager, Chief Executive and a Strategic Director and helps inform initiatives that help to retain and attract young people to work at Waverley and in the local authority sector. This group is going to be expanded in 2024/2025 to include a comparable group of Guildford Borough Council Staff. The group has had a focus on:

- Input into attendance at College and Careers Fairs
- Input into the use of social media for recruitment purposes
- Input into the arranging of interest groups and social activities at Waverley
- Inclusive language and communication to employees
- The working experience at Waverley Borough Council

From a broader perspective we are also looking at how we can engage with and inform the local community on opportunities for work within the local community.

### **Human Resources in the Community**

Human Resources have recently begun a project with the Communications team called Human Resources in the Community, this is a project that looks to connect with a range of different community groups with the borough through a mix of physical and digital media to engage with the council through the Common Place platform and share information about career opportunities and roles within local authorities and specifically at Waverley Borough Council.

This project will also look for opportunities for employees from the Human Resources team to go out into the community and use their specialist knowledge to assist residents with help and support on applying for and preparing for job interviews.

### **Working with Service Areas**

Where there are particular challenging areas such as in Planning Development in terms of recruitment and retention, the Human Resources team has undertaken a number of pieces of work to support that areas including:

- A planning salary benchmarking exercise in 2023/2024
- Offering of support for restructuring
- Support in a recruitment campaign to increase the number of employed staff in the area and reduce the number of contractors
- Offering of training and support to assist with workload and team resilience

Jon Formby  
HR Manager  
6<sup>th</sup> June 2024

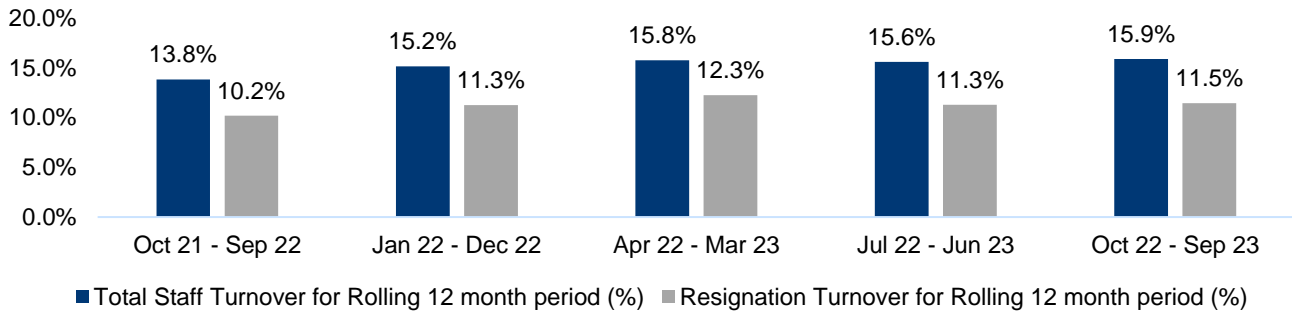
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**Percentage of Total Staff Turnover**

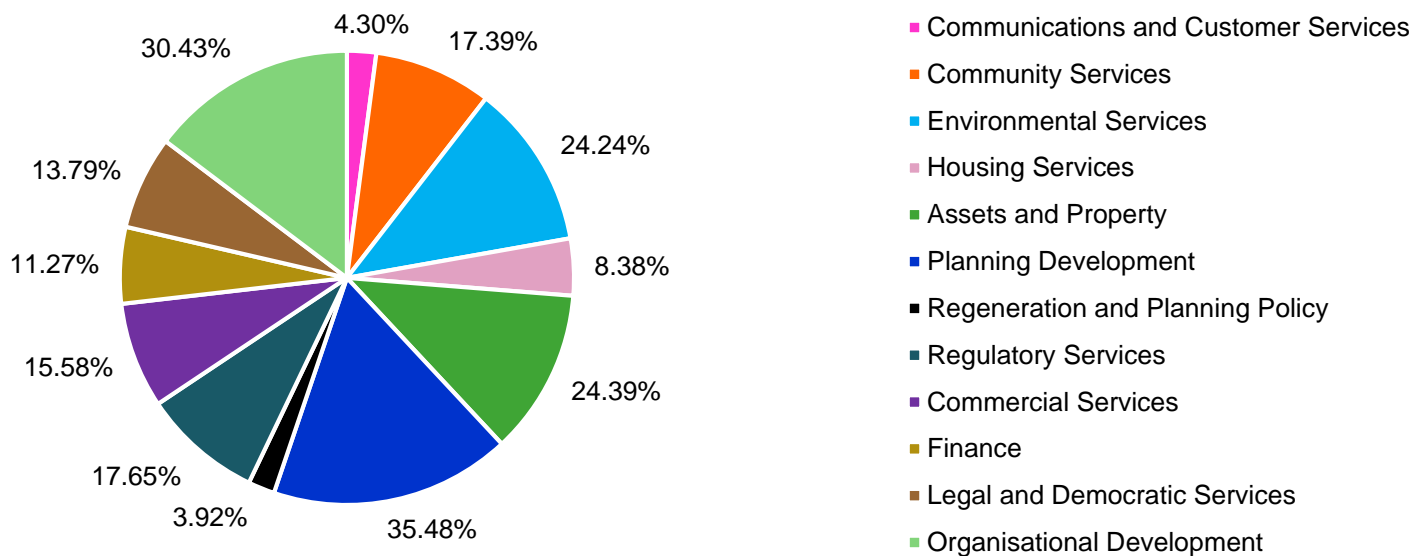
(Rolling 12 months) Q2 22/23 - Q2 23/24



2022/23			2023/24	
Q2	Q3	Q4	Q1	Q2
13.8%	15.2%	15.8%	15.6%	15.9%

**Comment:** The overall turnover figure and resignation turnover for the rolling period to October 2022 to September 2023 continues to remain higher than the comparable position of 12 months ago. Local authorities across the board are seeing a general increase in staff turnover as in certain areas as pools of suitable candidates are very low and it is a very candidate driven market creating opportunities for staff to move on. In certain areas, such as Finance staff are being targeted fairly aggressively by head-hunters to prise them from one organisation to another and challenging areas such as Planning continue nationally and locally. We have a challenging situation as we manage our way through the collaboration with Guildford which creates more instability and makes us more vulnerable to staff movements as they may look to seek stability in other organisations. This is compounded by a cross societal change post Covid of employees looking at and considering other working options and mobility increases not just within professions but also career changes. We have recently restarted the Waverley Wellbeing Group and are now actively working on different interventions to improve team cohesion and a feeling of belonging at Waverley as well as encouraging Managers to hold regular team meeting and training events.

**Benchmarking:** 9 of the 11 District Authorities in Surrey shared their staff turnover figures for quarter 2. Of that comparison group, Waverley’s figure of 15.9% compared to a mean average of 14.9% and a modal average of 15.6%.

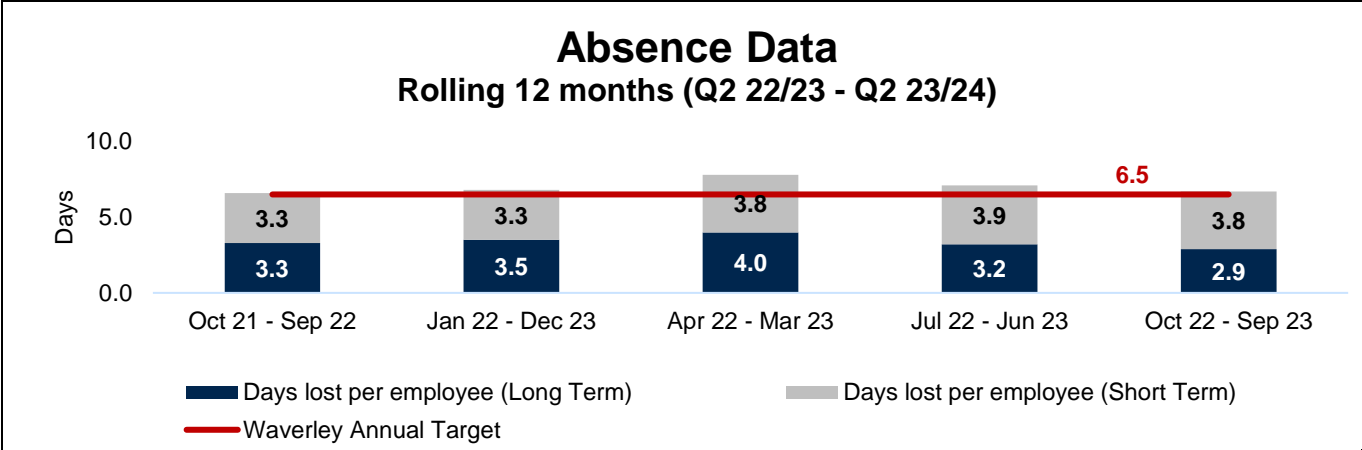


Q3 2023/24

Service Area	Resignation Turnover	Total Turnover	Comment
Communications and Customer Services	4.3%	4.3%	
Community Services	8.7%	17.4%	Comment required
Environmental Services	6.1%	24.2%	Comment required
Housing Services	3.6%	8.4%	
Assets and Property	14.6%	24.4%	Comment required
Planning Development	35.5%	35.5%	Comment required
Regeneration and Planning Policy	0	3.9%	

Regulatory Services	17.7%	17.7%	Comment required
Commercial Services	7.8%	15.6%	Comment required
Finance	8.5%	11.3%	
Legal and Democratic Services	0	13.8%	
Organisational Development	17.4%	30.4%	Comment required

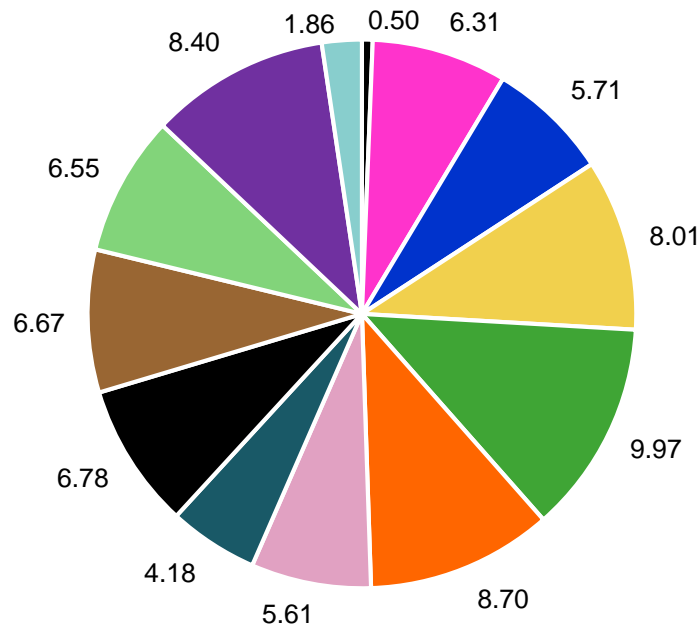
<b>OD2</b>	<b>Total Staff Short and Long term Sickness Absence – working days lost per employee for Rolling 12-month period</b>	<b>Target 6.52%</b> <b>Direction of travel</b>
------------	----------------------------------------------------------------------------------------------------------------------	---------------------------------------------------



2022/23			2023/24	
Q2	Q3	Q4	Q1	Q2
	6.6	7.8	7.1	6.6

**Comment:** Overall sickness levels in this most recent quarter have reduced, primarily due to the resolution of some longer-term sickness cases. Short term sickness levels continue to be higher than they were in the rolling period 12 months ago and remain a concern. There are a number of factors behind these figures which continue to create a challenging situation, such as a recent increase in Covid cases, which is likely to develop further in the Winter months. This was seen nationally due to a new variant. We are also currently looking at how we can change the focus of the fit to work policy towards a more supportive document, in terms of language and practice and then how we can skill up the managers to be more supportive and preventative in terms of their approach to absence. We have also stressed the importance to the Managers Group that it important to report in a timely fashion to Human Resource any potential absence cases so we can bring forward interventions such as support for mental health or Occupational health Assessments at the earliest opportunity to reduce absence length and allow us to bring forward earlier, plans for staged return to work processes.

**Benchmarking.** 9 of the 11 District Authorities in Surrey shared their sickness figures for quarter 2. Of that comparison group, Waverley’s figure of 6.6 days compared to a mean average of 8.2 days and a modal average of 8.2 days.



- Directorate
- Communications and Customer Services
- Community Services
- Environmental Services
- Housing Services
- Assets and Property
- Planning Development
- Regeneration and Planning Policy
- Regulatory Services
- Commercial Services
- Finance
- Legal and Democratic Services
- Organisational Development

Service Area	Work Days Lost per Employee			Q3 2023/24
	Short Term	Long Term	Total	Comment
Directorate	0.5	0	0.5	
Communications and Customer Services	5.9	0.4	6.3	
Community Services	5.7	0	5.7	
Environmental Services	3.2	4.8	8	Comment required
Housing Services	4.4	5.6	10	Comment required

Assets and Property	1.5	7.2	8.7	Comment required
Planning Development	4.5	1.1	5.6	
Regeneration and Planning Policy	4.2	0	4.2	
Regulatory Services	2	4.8	6.8	Comment required
Commercial Services	4	2.7	6.7	Comment required
Finance	3.3	3.3	6.6	Comment required
Legal and Democratic Services	3.9	4.5	8.4	Comment required
Organisational Development	1.9	0	1.9	

## Waverley Borough Council

**Report to:** Audit and Risk Committee

**Date:** 17 June 2024

**Ward(s) affected:** All

**Report of Director:** Transformation & Governance

**Author:** Robin Taylor, Assistant Director of Organisational Development

**Tel:** 01483 523108

**Email:** Robin.Taylor@Waverley.gov.uk

**Executive Portfolio Holder/ Lead Councillor responsible:** Councillor Victoria Kiehl, Executive Portfolio Holder for Organisational Development

**Email:** Victoria.Kiehl@Waverley.gov.uk

**Report Status:** Open

**Key Decision:** No

## Update on Risk Management

### Executive Summary

- 1.1 This report presents the progress made on implementing the newly endorsed Risk Management Framework, including the Risk Management Strategy and Policy (appendix 1), since progress on risk management was last reported to the Audit and Risk Committee (the Committee) in November 2023.
- 1.2 This report presents a list of the Councils corporate risks (appendix 2), which were reported to Corporate Management Board (CMB) (Performance and Risk) on 23 April 2024.

- 1.3 This report also details the next steps to ensure the proper implementation of the new Risk Management Strategy and Policy.

## **Recommendation to Committee**

That the Committee:

- 2.1 note progress made with risk management and implementing the newly endorsed Risk Management Framework, making any observations or comments.
- 2.2 note the next steps applicable to implementing the Risk Management Framework.

## **Reason(s) for Recommendation:**

- 1.2 The Risk Management Policy document (page 11 of appendix 1) states the Committee will monitor and review the corporate risk register on a six-monthly basis. It is the responsibility of the Committee to ensure it is satisfied the Council operates and maintains a robust and effective risk management process.

## **Exemption from publication**

- 1.3 No part of this report is exempt from publication.

## **Purpose of Report**

The purpose of this report is to:

- 5.1 Present the progress officers have made with risk management since the last update to the Committee in November 2023.
- 5.2 Outline the actions officers will take to progress with risk management between now and the next Committee in September 2024.



## **Strategic Priorities**

- 1.4 To achieve its strategic priorities, the Council recognises risk management as an integral part of good management and governance. The Council must effectively manage risk across the whole organisation resulting in the anticipation and resolution of risks before they become issues, and the leveraging of potential opportunities.

## **Background**

- 7.1 In March 2023 the Southern Internal Audit Partnership produced an audit report reviewing Waverley Borough Council's processes and controls for risk management. The audit report went to the Audit and Risk Committee on 11 September 2023. Since then, officers have revised the Risk Management Policy and Toolkit and developed a new Risk Management Framework, including a Risk Management Strategy and Policy.
- 7.2 At its last meeting in November 2023, the Committee were informed that additional resourcing had been allocated to risk management. Since then, Waverley Borough Council's Graduate Management Trainee has worked with other officers to develop the Risk Management Framework and a risk mapping & identification process to review the corporate risk register.

## **8. Risk Management Framework**

- 8.1 As per the recommendation from the Southern Internal Audit Partnership report in March 2023, the newly endorsed Risk Management Framework has been developed to mirror Guildford Borough Council's approach to risk management.
- 8.2 To ensure the Risk Management Strategy is robust and supports the operation and maintenance of an effective risk management process,

officers at both Guildford Borough Council and Waverley Borough Council are reviewing the Risk Management Strategy, ensuring adherence to best practice. This will assure alignment and that the Risk Management Strategy is being implemented consistently and effectively.

## **9. Corporate Risk Register**

9.1 Since the last Committee meeting in November 2023, officers have undergone a risk mapping and identification process, to develop a reviewed list of corporate risks, including risk descriptions (appendix 2). These revised corporate risk descriptions were reported to Corporate Management Board (CMB) (23 April 2024) in accordance with the roles and responsibilities set out within the Risk Management Strategy and Policy document. Regular progress reporting to CMB will continue on a monthly basis.

## **10. Next steps**

10.1 The Risk Management Framework states a Risk Management Group (RMG) will be set up to measure the performance of the Framework and develop indicators relating to the effect of mitigations on risk RAG ratings. The group will be established and would have met by the next Audit and Risk Committee meeting in September 2024. It is suggested by officers the first meeting of Waverley Borough Council's RMG focuses on updating the corporate risk register with current mitigations and agreeing RAG ratings.

10.2 A baseline corporate risk register in completion, will be reported to the Committee. This will include a progress update against risk mitigation activities.

10.3 A revised Risk Management Strategy, will be presented to the Committee so that the Committee can be assured our approach is as comprehensive as possible.

10.4 An update on the progress of the developing service risk registers, will be reported to the Committee. The Risk Management Framework states the need for service risk registers, to ensure

operational risks within services are managed and prevented. Service risk registers should also be integrated into the service planning process.

## **11. Consultations**

- 11.1 The corporate risks were reported to CMB (Performance and Risk) on 23 April 2024, for review.

## **12. Key Risks**

- 12.1 Without a fit-for-purpose and consistent risk management process the Council risks being exposed to unnecessary and unacceptable risks.

## **13. Financial Implications**

- 13.1 Adopting and implementing the Risk Management Framework 2020-2025, strategy and policy will begin to give assurance to both Internal and External auditors that Waverley Borough Council are on a trajectory to even better governance and control.
- 13.2 Maintaining a joint service register could have implications for the signing off of the Waverley Borough Council Annual Statement of Accounts should anything service-related go wrong in Guildford Borough Council and vice versa.

## **14. Legal Implications**

- 14.1 The constitution requires that the Audit Committee monitors the effective development and operation of risk management in the Council. Adherence with the Risk Management Framework aligns with good Governance.

## **15. Human Resource Implications**

15.1 Completion, maintenance and oversight of the risk registers will require resource from JMT, Service Leads, the Corporate Policy team and specialists within the organisation. These risk management processes should be seen as important elements of business as usual, much like Service Planning.

## **16. Equality and Diversity Implications**

16.1 The Public Sector Equality Duty has been considered in the context of this report and it has been concluded that there are no equality and diversity implications arising directly from this report.

## **17. Climate Change/Sustainability Implications**

17.1 There are no direct climate change or sustainability implications of this report. The council must manage risk effectively, especially risks relating to programmes and projects, in order to achieve its goal of being net-zero carbon by 2030.

## **18. Conclusion**

18.1 The Committee will receive the next 6-monthly report in September 2024 detailing; the revised Risk Management Strategy, a baseline corporate risk register in completion and progress on developing service risk registers, together with any other updates made.

## **19. Appendices**

19.1 Appendix 1 - Risk Management Framework

19.2 Appendix 2 - Corporate risk descriptions

Please ensure the following service areas have signed off your report.  
Please complete this box, and do not delete.

Service	Sign off date
Finance / S.151 Officer	05/06/24
Legal / Governance	04/06/24
HR	31/05/24
Equalities	
Lead Councillor	
CMB	
Executive Briefing/Liaison	
Committee Services	

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## **Waverley Borough Council**

# **Risk Management Framework 2020-2025**

Origin/author: Robin Taylor, Executive Head of Organisational Development

Policy Owner – Service: Organisational Development

This document replaces: Risk Management Policy and Toolkit

Committee approval:

Last review date:

Next review date: (biennial)

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## **Part A: Joint Approach with Guildford Borough Council to Risk**

### **Management**

In July 2021 both Guildford Borough Council and Waverley Borough Council agreed to explore partnership working, through collaboration, with the aim to cut costs and help protect local services for residents. Both councils agreed to have one Joint Management Team (JMT), which was established in October 2022. The Vision statement for the partnership states the councils will seek opportunities for other ways to collaborate, including harmonising processes where possible and there is good reason.

It was recommended in the Risk Management Internal Audit Report, produced in March 2023 by the Southern Internal Audit Partnership, that when reviewing Waverley Borough Council's Risk Management Policy and Toolkit, the Council should "explore whether or not this, and the arrangements put in place to deliver it, could be shared or harmonised with Guildford Borough Council." Therefore, a joint approach to risk management will ensure best practice at both councils and for officers to use the risk management framework more efficiently.

However, as separate authorities, Guildford Borough Council and Waverley Borough Council have different corporate strategic objectives, risks and risk appetites and tolerances, therefore the councils will have their own corporate, service and programme/project risk registers. With the exception of the collaboration risk register which is owned by both Councils.

## **Part B: Waverley Borough Council Risk Management Strategy**

### **Introduction**

The Risk Management Strategy sets out our approach to risk management at a strategic level, whilst the Risk Management Policy in Part C of this document, and the guidance documentation accompanying it, set out the approach at an operational level.

Risk can be defined as "an uncertain event that, should it occur, will have an effect on the Council's objectives and/or reputation." It is the combination of the probability of an event (likelihood) and its effect (impact). Risk management is the "systematic application of principles, approaches and processes to the identification, assessment and monitoring of risks."

The purpose of this Strategy is to briefly outline the current position of the Council relating to risk management and give a high-level view of how we will improve those processes.

The scope of the Risk Management Framework covers the corporate processes behind risk management. It does not replace risk processes used for health and safety, business continuity or emergency planning, but instead supports those activities by establishing a framework for their escalation if appropriate.

### **Our commitment to risk management**

The Council recognises that risk is unavoidable, and sometimes necessary to achieve its objectives. Risk management is an integral part of good management and governance, and the Council has a legal duty to have risk management arrangements in place. We are

committed to ensuring risk management is part of our decision making with structures and processes in place to ensure the risks are identified, assessed, and addressed in a consistent way and in accordance with the appetite and objectives of the Council.

Council-wide ownership and accountability for managing risk is critical to the success of our services and the achievement of our corporate objectives. We require all internal services to actively anticipate and manage their business risks, identify opportunities, and mitigate any threats in line with their risk tolerances. This ensures a consistent approach where the risk profiles of each service are transparent to provide a whole organisation portfolio approach to risk management.

The next few years will continue to present significant challenges for the Council in delivering its services. The challenges will mean that we need to develop a different model for local government through differing methods of service delivery including commissioning services, partnership-working or exploring alternative service delivery models. Whilst these changes create opportunities; they also create risks and uncertainty. As new ways of working emerge and collaborative work with Guildford Borough Council continues, the risk management process will need to adapt to respond to these.

The Council's attitude to risk is to operate in a culture of creativity and innovation, in which all key risks are identified in all areas of the business and the risks are understood and managed, rather than avoided.

### **Current position**

In March 2023 the Southern Internal Audit Partnership produced an audit report reviewing Waverley Borough Council's processes and controls for risk management. Since then, officers have reviewed the Risk Management Policy and Toolkit and developed a new Risk Management Framework, including a Risk Management Strategy and Policy, and risk register templates will be adjusted accordingly, to strengthen our arrangements.

### **Outcomes of risk management**

The desired outcome for risk management is the effective management of risk across the whole organisation resulting in the anticipation and resolution of risks before they become issues, and the leveraging of potential opportunities. We aim to ensure that we have the correct level of control in place to provide sufficient protection from harm, without stifling opportunity and development.

The main objective for this Framework, which includes a Strategy and Policy is to outline, implement and maintain a consistent approach to risk management across the Council, including common methods of risk identification, assessment, and monitoring. In addition, the new framework included in the Policy will set out the governance and reporting processes at the various levels of risk management. As the new framework embeds across the organisation, the results will be a common understanding of the Council's risk management processes; better identification, assessment and monitoring of risks, and improved risk governance processes.

## **How will we achieve these outcomes?**

To achieve the outcomes set out above we will:

- Implement and maintain a robust and consistent risk management approach that will identify and effectively manage strategic, service and programme/project risks.
- Ensure accountabilities, roles and responsibilities for managing risks are clearly defined and communicated within risk registers.
- Consider and manage risk as an integral part of business planning, service delivery, key decision-making processes, and project and partnership governance.
- Communicate risk information effectively through a clear reporting framework.
- Increase understanding and expertise in risk management through targeted training and the sharing of good practice.
- Set up a Risk Management Group to measure the performance of this Framework and develop indicators relating to the effect of mitigations on risk RAG ratings.

The results of further audit reviews will also be considered when assessing the performance of the Strategy. In the longer-term, the impact of risks materialising will reduce as a result of an effective risk management framework, including financial penalties for breaches and/or insurance costs.

## **Monitoring of the Strategy and Policy**

The Risk Management Strategy and Policy will be monitored and reviewed by the Risk Management Group to ensure our approach takes account of changing legislation, government initiatives, best practice and experience gained within the Council.

Approval of minor changes is delegated to the Corporate Policy Manager in consultation with the Risk Management Group and the relevant Lead Councillor. More fundamental changes will be escalated to the Executive in line with the Council's strategy and policy review processes.

## **Key services**

All services will be key to ensuring the risk management framework is implemented fully and successfully. Specific services will have a role in the Risk Management Group relating to the risk domains (Finance, Legal/Regulatory, Reputational, Health & Safety, Service Delivery). The Corporate Policy team has the key role in the maintenance and reporting of the risk management framework.

## **Part C: Waverley Borough Council Risk Management Policy**

### **Introduction**

The purpose of this Policy is to set out the approach to risk management at an operational level, to outline the roles and responsibilities relating to risk across the Council, and to illustrate the main reporting framework and key controls. It should be read in conjunction with the Risk Management Strategy (Part B) and will be reviewed and updated at the same time.

The scope of this Policy is outlined in the [Introduction in Part B of this document](#) (the Risk Management Strategy). The risk management approach and processes set out in this Policy will be underpinned by a set of more detailed guidance documents which contain further information on assessment of risks, operation of risk registers, and the risk matrix.

### **Risk categorisation**

Risks will be categorised into high level risk domains within the risk register. Most risks will have impacts that span multiple risk categories and high-level risk domains allow risks to be categorised according to the biggest impact on the Council should the risk materialise. High level risk domains are useful to understand the general nature of a risk and to help ensure the right officers are monitoring and dealing with it.

Risks will be categorised into the following domains universally across the risk registers:

- Financial – risks that could impact on the financial viability of the Council or the budget, or that could result in financial claims, fines, or penalties.
- Reputational – risks that could result in negative publicity or damage the Council's reputation.
- Service Delivery – risks that could interrupt service delivery, particularly statutory, key, or high priority services.
- Health and Safety – risks that could impact the health and safety of employees, councillors, residents and/or service users or that breach the health and safety rules.
- Legal/regulatory – risks that could expose the Council to legal challenge.
- Contract – risks that could impact the visibility or monitoring of major contracts across the Council.

Where a risk does not fit into one of the above five categories the risk owner should temporarily assign it a category that enables it to be reviewed and mitigated appropriately. For example, this could be technological if it is an IT related risk, or information governance if it relates to data protection. As the Corporate Policy team monitors and supports the risk registers, the risk categories will be reviewed, and any emerging frequent categories will be added.

### **Risk Registers**

This Risk Management Policy covers three main levels of risks: corporate, service and programme/project. The risk registers are aligned to these levels. It is important to define the levels of risk in order to deal with risk in the most appropriate way and through the most appropriate risk register.

### *Corporate*

The highest level of risk is managed at this level. Risks included in the corporate risk register should be ones that could have an effect on the successful achievement of our long-term core purpose, priorities, and outcomes. This includes:

- risks that could potentially have a council-wide impact and/or
- risks that could happen/apply to any service.

### *Service*

This level relates to the operational risks within services. Risks at a service level that could influence the successful achievement of the service outcomes / objectives are service risks. Risks that have originated in other risk registers (programme/project) may also be service risks if they impact service outcomes. Service risks that culminate to have a corporate impact or that require escalation should also be reflected in the Corporate Risk Register.

Guildford Borough Council and Waverley Borough Council have joint Service Plans. The Service Risk Register will follow this approach and there will be a Joint Service Risk Register. As explained in Part A of this document, the Councils have different corporate strategic objectives, risks and risk appetites and tolerances. Therefore, the Joint Service Risk Register will have filters for each Council, as the service risks will be different at the two Councils.

### *Programme/project*

This level concerns risks that could have an effect on the successful achievement of the programme or project's outcomes / objectives in terms of service delivery, benefits realisation, and engagement with key stakeholders (service users, third parties, partners etc.). These could be risks from the initial mandate or business case stage in a programme or project, or they may arise during the project lifecycle. Programme/project risks that culminate to have a service or corporate impact, or that require escalation, may also be reflected in the Corporate Risk Register and/or Service Risk Register.

## **Risk appetite and tolerance**

### *Risk appetite*

Risk appetite is the level of risk an organisation is willing to accept and considers both the willingness to take risk and the level of control. The risk appetite should set the 'tone from the top' on the level of risk we are prepared to accept on the different risk domains.

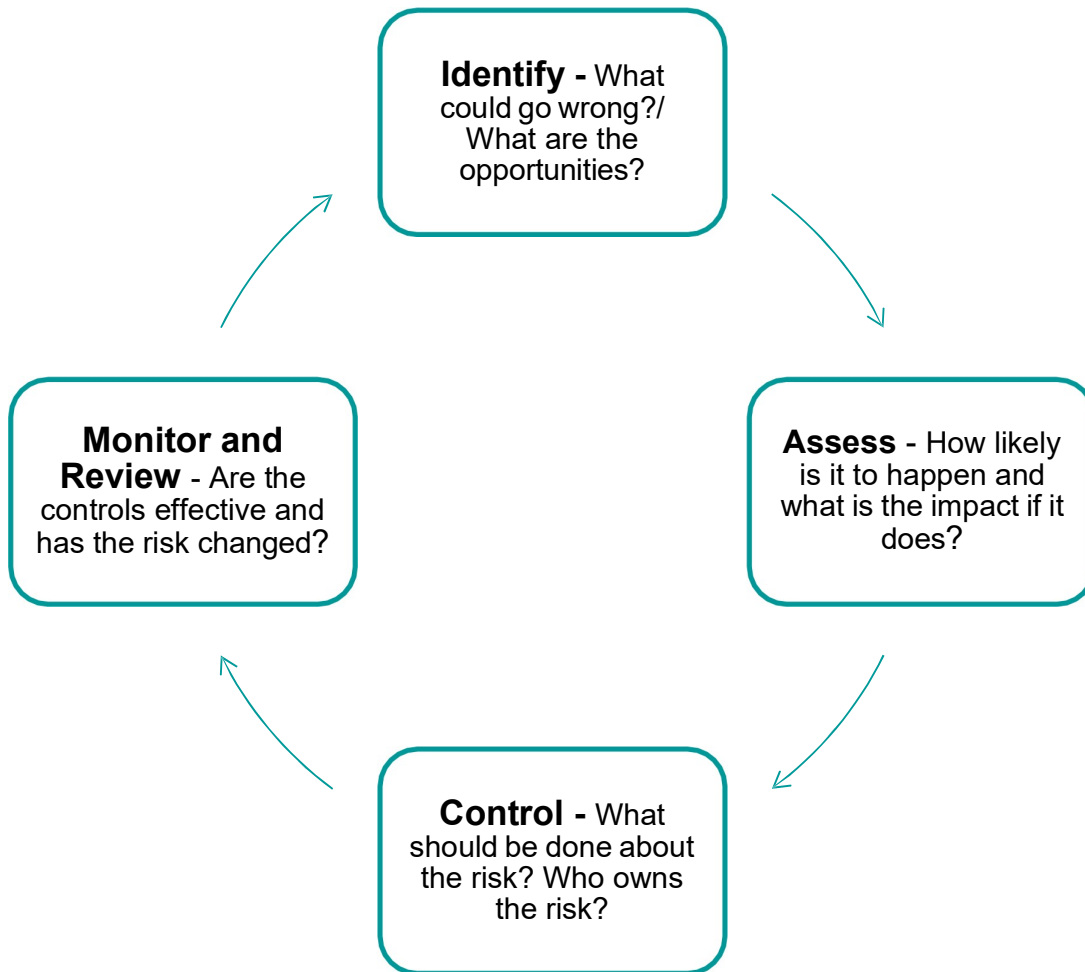
### *Risk tolerance*

After agreeing mitigating actions, the residual score of a risk will be assessed according to the corresponding risk tolerance. The outcome of this assessment will determine whether or not the risk is escalated.

## **Effective risk management**

The Council's Risk Management Framework sets out the arrangements the Council has in place to ensure effective risk management throughout the organisation. This section sets out the process for managing risk effectively. The Council adopts this approach to ensure risks are properly managed and reduced to an acceptable level.

Figure 1: Process for managing risk across the organisation



### *Step 1: Risk identification*

A risk is fully identified once it has been assigned a risk domain, defined, and assigned an owner.

There are different categories of risks that an organisation may face including financial loss, failure of service delivery, physical risks to people, and damage to the organisation's reputation.

Risk registers will categorise risks according to the following domains:

- Financial
- Reputational
- Service Delivery
- Health and Safety
- Legal/regulatory

In addition to being categorised as one of these domains, risks will need to be defined and described in enough detail to articulate and communicate the threat faced. Guidance on defining risks can be found in the risk management scoring criteria and risk matrix at appendix 3.

Lastly, all risks must have an owner assigned, in line with the risk roles and responsibilities found at appendix 1. A risk owner is defined as a person with the accountability and authority to effectively manage the risk.

### *Step 2: Risk assessment*

After identification, each risk is assessed according to the impact if it were to happen and the likelihood of it happening. Guidance on how to assess the risk can be found at appendix 3.

Depending on the results of the assessment, each risk is given a score and RAG rated according to the risk matrix in appendix 3. This is done both for gross and residual risk. The first assessment (the gross risk) is based on the level of risk if no action is taken, and the second assessment (the residual risk) sets out the risk once mitigating actions have been taken into account. These assessments help prioritise risks as they can then be considered according to level of risk after mitigating action has been taken as opposed to the original, evaluated risk.

### *Step 3: Control of the risk*

Once the risk has been identified and assessed it needs to be controlled and managed. Senior managers have overall responsibility for managing risk in their service area and to ensure that this is done in the most effective manner. Ownership and control of the risk may be delegated to the person (risk owner) directly responsible for managing the business activity specific to the risk.

Risk may be managed in one, or a combination of, of the following ways:

**Avoid:** A decision is made not to take a risk. Where the risks outweigh the possible benefits, avoid the risk by doing things differently e.g. revise strategy, revisit objectives, or stop the activity.

**Accept:** A decision is taken to accept the risk. Management and/or the risk owner make an informed decision to accept that existing actions sufficiently reduce the likelihood and impact of a risk and there is no added value in doing more.

**Transfer:** Transfer all or part of the risk through insurance or to a third party e.g., contractor or partner, who is better able to manage the risk. Although responsibility can be transferred, in most cases accountability remains with the Council, so this still needs to be monitored.

**Treat/Reduce:** Implement further additional action(s) to reduce the risk by minimising the likelihood of an event occurring (e.g. preventative action) and/or reducing the potential impact should the risk occur (e.g. insurance). These will be recorded in the appropriate risk register and regularly monitored. Once they have been completed, where appropriate the residual risk level should be re-assessed.

**Exploit:** Whilst taking action to mitigate risks, a decision is made to exploit a resulting opportunity.

#### *Step 4: Review and report*

Risk management should be thought of as an ongoing process and as such risks need to be reviewed regularly to ensure that prompt and appropriate action is taken to reduce their likelihood and/or impact. The risk registers are used to report on risk, to record mitigating action and to monitor results.

#### **Embedding risk management within the organisation**

For risk management to be effective and a meaningful management tool, it needs to be an integral part of key management processes, day-to-day working in service delivery and the culture of the whole organisation.

The Council will be open in its approach to managing risks. Lessons from events that lead to loss or reputational damage will be shared as well as lessons from things that go well. Discussion on risk in any context will be conducted in an open and honest manner.

Risks and the monitoring of mitigating actions should be considered as part of a number of the Council's significant business processes, including:

- Corporate decision making – significant risks, which are associated with policy or action to be taken when making key decisions, are included in appropriate committee reports.
- Budget planning – this annual process includes updating the corporate and service risk registers to reflect budget realities.
- Programme and project management – all significant projects should formally consider the risks to delivering the project outcomes before and throughout the project. This includes risks that could have an effect on service delivery, benefits realisation, and engagement with key stakeholders.



- Procurement – Procurement Procedure Rules clearly specify that all risks and actions associated with procurement need to be identified and assessed, kept under review, and amended as necessary during the procurement process.
- Contract Management – all significant risks associated with all stages of contract management are identified and kept under review.
- Insurance – the Council’s insurance function manages insurable risks and self-insurance arrangements.
- Health and Safety – the Council has a specific risk assessment policy to be followed in relation to health and safety risks.
- Service Planning – key risks will be escalated by Joint Executive Heads of Service to Strategic Directors through the Service Planning process.

### **Review and performance**

As set out in the [Monitoring of the Strategy and Policy section within this document](#), the Risk Management Group will have a key role in reviewing the efficacy of the Strategy and Policy, as well as the risk management framework.

The Strategy and Policy documents will be reviewed on a biennial basis, at the Audit and Risk Committee, to ensure they are up to date and relevant.

## **Appendix 1 – Roles and Responsibilities**

Joint Executive Head of Organisational Development to populate and update the corporate risk register.

Corporate Policy team to maintain risk management framework including guidance and support, monitor service risk registers, identify trends across the Council, support Joint Executive Head of OD to maintain corporate risk register in conjunction with the Risk Management Group (RMG).

CMB/Joint Strategic Directors to own and undertake a review of the corporate risk register on a quarterly basis and to have an oversight of service risk registers.

Joint Executive Heads of Service to contribute to the corporate risk register, to own and update their service risk registers and to attend project board meetings when necessary.

Risk Management Group\*:

- Oversee risk across the Council, monitor service risk registers, identify trends across the Council, report areas of concern to CMB, agree, recommend, and implement mitigation for corporate risks, undertake deep-drive reviews as recommended by Audit and Risk Committee in conjunction with the Corporate Policy team.
- Report the Corporate Risk Register to CMB and Audit and Risk Committee.
- Support Joint Executive Heads of Service with escalated service risks.
- Support Joint Executive Heads of Service with escalated programme/project risks.

Audit and Risk Committee to monitor the corporate risk register on a 6 monthly basis.

Programme and project sponsors to attend project board meetings, contribute to project risk management.

Programme and project Leads to own\*\*, update, maintain, and present risk registers at project board meetings.

Programme and project management boards to receive, monitor and comment on programme/project risk registers.

\*Core membership: Joint Strategic Director (Transformation and Governance), Joint Executive Head of Finance, Joint Executive Head of Organisational Development, Joint Executive Head of Regulatory Services, Corporate Policy Officer(s).

Ad hoc membership: Lead Specialists for Finance, HR, IT and Health and Safety, Joint Executive Head of Regeneration and Planning Policy, Specialist in Payroll and Insurance and relevant Joint Executive Heads of Service.

\*\*ownership of programme and project risks depends on their nature and the stage of the project.

## Appendix 2 – Risk Management Framework



## Appendix 3 – Guidance Documents – risk appetite and tolerance

### Guidance Documents

#### Corporate Definitions of Likelihood

Score	Likelihood	Indicators
1	Almost Impossible	Less than 1% chance of occurring Has happened rarely/never before
2	Very Low	1 - 10% chance of occurring Only likely to happen once in three or more years May have happened in the past
3	Low	10 - 20% chance of occurring Reasonable possibility it will happen in the next three years Has happened in the past
4	Medium	20 - 50% chance of occurring Likely to happen at some point in next one-two years Circumstances occasionally encountered
5	High	50 - 80% chance of occurring Almost certain to happen within the next 12 months Regular occurrences frequently encountered
6	Very High	Above 80% chance of occurring Inevitable it will happen within the next 6 months No influence/control over event occurring

#### Corporate Definitions of Impact

Score	Impact	Risk Domain	Indicators
1	Small	Financial Legal/Regulatory Safety Service Delivery Reputational	Loss <£10k Trivial breach or non-compliance <b>Insignificant injury (First Aid)</b> Negligible disruption/unnoticed by service users insignificant damage
2	Significant	Financial Legal/Regulatory Safety Service Delivery Reputational	Loss £10k to £50k <b>Isolated legal action or regulatory breach</b> Minor injury (medical attention) Small disruption/inconvenience <b>One-off adverse local publicity</b>
3	Critical	Financial Legal/Regulatory Safety Service Delivery Reputational	<b>Loss £50k to £100k</b> Sustained legal action or (limited) regulatory fine Serious injury (not life threatening) <b>Substantial, short-term disruption/inconvenience</b> Short-term, but wide reaching adverse publicity
4	Devastating	Financial Legal/Regulatory Safety Service Delivery Reputational	Loss £100k Major legal action or regulatory sanction Death(s) or multiple serious injuries Major, sustained disruption/serious inconvenience Major, long-term damage

**Council's appetite for risk in bold (Risk Appetite Statement 2019)**

### Corporate risk descriptions

This document should be read in conjunction with the 17 June 2024 Audit and Risk Committee report. The document includes; corporate risk domains, references and descriptions, which have been identified by officers and reported to Corporate Management Board (CMB) on 23 April 2024.

<b>Risk domain</b>	<b>Risk reference</b>	<b>Risk description</b>
Health and Safety	CR1	There is a risk that a member of staff, Council contractor or the public is involved in an incident or accident at work or relating to the Council's work or services
Financial	CR2	There is a risk that the Council is unable to balance the Medium Term Financial Plan
Financial	CR3	There is a risk our systems are not sufficiently robust in order to prevent fraud
Legal/regulatory	CR4	There is a risk that the Council experiences a major data breach
Legal/regulatory	CR5	There is a risk that we are unable to meet our statutory duties
Legal/regulatory	CR6	There is a risk that we will not follow governance procedures and decisions will not be appropriately made
Reputational	CR7	There is a risk that the Council fails to meet its target of becoming net carbon zero by 2030 for the Council's own operations
Financial	CR8	There is a risk decisions are not appropriately made in adherence to decision making principles in the constitution and we fail to follow our own processes
Health and Safety	CR9	There is a risk that statutory safeguarding duties are not met
Service delivery	CR10	There is a risk that the current IT model and level of resource is not sufficient or viable for the level of change happening in the organisation
Financial	CR11	There is a risk that procurement processes are

		not being adhered to and contracts are not being managed properly across the Council
Service delivery	CR12	There is a risk that the Council experiences a loss of IT systems or data, for example as a result of a cyber security incident
Service delivery	CR13	There is a risk that the Council is unable to recruit and retain suitably qualified and motivated staff
Financial	CR14	There is a risk that the Guildford-Waverley collaboration does not meet its objectives or is not politically supported
Legal/regulatory	CR15	There is a risk that we do not have sufficient data to support decision making
Service delivery	CR16	There is a risk we don't deal appropriately with charitable trusts or achieve value for money

# Waverley Borough Council

**Report to:** Audit & Risk Committee

**Date:** 17 June 2024

**Ward(s) affected:** All

**Report of Director:** Dawn Hudd, Joint Strategic Director (Place)

**Author:** Nora Copping, Information Manager

**Tel:** 01483 523493

**Email:** [nora.copping@waverley.gov.uk](mailto:nora.copping@waverley.gov.uk)

**Executive Portfolio Holder responsible:** George Murray and Victoria Kiehl

**Email:** [George.Murray@waverley.gov.uk](mailto:George.Murray@waverley.gov.uk) , [victoria.kiehl@waverley.gov.uk](mailto:victoria.kiehl@waverley.gov.uk)

**Report Status:** Open

**Version:** Final - 06/06/2024 22:16

## Annual Information & Data Management (IDM) Report 2023-24

### 1 Executive Summary

#### 1.1 Purpose of Report

In September 2023 the Audit & Risk Committee have approved the inclusion of this annual report ([AUD26/23](#)) as part of their ongoing work programme at June cycle of meetings (([2022-23 Annual IDM Report - Annexe 1 Final.pdf \(waverley.gov.uk\)](#)). This decision has marked the beginning of a new chapter with a strong recognition that information and data is one of our key corporate assets, and therefore we must ensure robust governance is put in place and active management practices are

embedded throughout the organisation. The purpose of this report is to reflect the journey taken in 2023/24 to improve our information and data management (IDM) practices across the organisation and inform about the next planned steps.

## 1.2 Report Structure

The report has been broken down into three sections: The Executive Summary, the Information & Data Management Framework details and the Annual Statement for officer-resourced functions.

The subsections for the 'Annual Statement for officer-resourced functions' provide background information about the function itself, reflect on the work done in past year 2023-24, and highlight focus or improvement work planned for the coming year 2024-25.

Those function are:

- Information & Data Management Programme
- Cyber Security
- Data Protection
- Freedom of Information
- Data Transparency & Open-Source Data

## 2 Recommendation to Audit & Risk Committee

The Audit & Risk Committee is asked to:

- 2.1 note the report and pass on their comments and observations back to the officers, the senior management team and the portfolio holders as appropriate

## 3 Reason(s) for Recommendation

- 3.1 the officers would welcome the committees feedback on the report and seek their agreement for this report to become an annual update to the committee on matters related to Information and Data Management at the council.



## **4 Exemption from publication**

4.1 This report is open to public and does not contain any exemptions.

## **5 Strategic Priorities**

5.1 The actions taken to improve our information and data management support the 'New Ways of Working' Theme withing the [Waverley Borough Council - Corporate Strategy 2020-2025](#) and are aimed to help with our digital transformation and improved service delivery.

## **6 Consultations**

6.1 No form of consultation was sought in preparation of this report.

## **7 Key Risks**

9.1 The report proposes a creation of an organisation wide Information Risk Register which will link to the Corporate Risk Register to enable escalation of greater risks. This should help going forward with consistent identification and mitigation of risks resulting from handling of data and information across the organisation.

## **8 Financial Implications**

8.1 This is an annual update report without any direct financial implications.

## **9 Legal Implications**

9.1 This is an annual update report without direct legal implications, the legal team has reviewed and approved the report for publication. The Council approach to Information and Data Management and our governance arrangements is driven by the following legislation which affects some or all services:

- General Data Protection Regulation
- Data Protection Acts 2018 and 2008
- Privacy and Electronic Communications Regulation 2011 and 2003

- Freedom of Information Act 2000
- Environmental Information Regulations 2004
- Local Government Acts 1972 to 2003
- Regulation of investigatory Powers Act 2000
- Consumer Protection Regulations 2000
- The Electronic Commerce Directive
- Re-use of Public Sector Information Regulations 2005
- Human Rights Act 1998

## **10 Human Resource Implications**

10.1 This is an annual update report without any direct human resource implications.

## **11 Equality and Diversity Implications**

11.1 This is an annual update report without direct equality and diversity implications.

## **12 Climate Change/Sustainability Implications**

12.1 This is an annual update report without direct climate change / sustainability implications.

## **13 Background Papers**

13.1 All external background information referred to in the report was hyperlinked directly from the relevant section throughout the report.

## **14 Appendices**

14.1 2023-24 Annual IDM Report - Annexe 1 Final ( containing full report)

Please ensure the following service areas have signed off your report.  
Please complete this box, and do not delete.

Service	Sign off date
Finance / S.151 Officer	N/A
Legal / Governance	Robin Taylor – Assistant Director for Organisational Development and Senior Information Risk Owner
HR	N/A
Equalities	N/A
Lead Councillor	Cllr Murray and Cllr Kiehl – approved 31 August 2023
CMB	N/A
Executive Briefing/Liaison	N/A – Signed off by the Exec Portfolio Holders
Committee Services	

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# Annual Information & Data Management (IDM) Report for 2023/24

1 April 2023 – 31 March 2024



**Version: Final report 6 June 2024**

**Lead Officer:** Nora Copping, Information Manager at Waverley Borough Council

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## 1 Purpose of the report

In September 2023 the Audit & Risk Committee have approved the inclusion of this annual report ([AUD26/23](#)) as part of their ongoing work programme at June cycle of meetings ([\(2022-23 Annual IDM Report - Annexe 1 Final.pdf \(waverley.gov.uk\)\)](#)). This decision has marked the beginning of a new chapter with a strong recognition that information and data is one of our key corporate assets, and therefore we must ensure robust governance is put in place and active management practices are embedded throughout the organisation. The purpose of this report is to reflect the journey taken in 2023/24 to improve our information and data management (IDM) practices across the organisation and inform about the next planned steps.

## 2 Executive Summary for 2023/24

### 2.1 Senior Information Risk Owner (SIRO) Summary

The delivery of services to our communities and local businesses relies on the collection and processing of a wide range of data. For example, we need our residents' information to provide bin collection services, to process council tax and benefits claims, to respond to tenants' home-repair request cases. We also analyse data from different types of transactions or service delivery to monitor our performance, to help us gain invaluable insight and contribute to clear decision-making.

In a context of constantly changing and evolving technology where our customers' rightly expect digitally accessible services, ongoing improvements to our information and data management practices are a vital part of our operations. We must empower our staff and councillors to grow their data and digital skills to perform their roles effectively.

The details about the progress made in 2023-24 can be found in following sections:

- [Information and Data Management Programme \(IDMP\)](#)
- [Cyber Security](#)
- [Data Protection](#)
- [Freedom of Information \(FOI\)](#)
- [Data Transparency & Open-Source Data](#)

I would like to express my gratitude to all colleagues who have contributed to this report and for the work carried out throughout the organisation to promote best use of information and data.

**Robin Taylor** (*interim SIRO*), *Joint Assistant Director, Organisational Development*

### 2.2 Portfolio Holders Statement

In times of funding cuts and many challenges faced by communities in our borough, as well as changes in customer demand, successful service delivery is dependent on data-driven, evidence-based decision making to support innovation and to help streamline our processes. The Executive is very supportive of the steps taken by the organisation to improve information and data management practices

**Cllr George Murray**, *Executive Portfolio Holder for Customer Services and IT*

**Cllr Victoria Kiehl**, *Executive Portfolio Holder for Organisational Development and Governance*

### 3 Information & Data Management (IDM) Framework

#### 3.1 Background

In 2022 after an internal review, the senior management team has recognised that a more robust approach to Information & Data Management was required to enable digital transformation and promote effective use of data in day-to-day service delivery and decision making.

Whilst there appeared to be good practice already in place in many areas, there was no overarching custodian linking efforts across the Council. The corporate post of Information Manager was created in June 2022 to achieve this, and to lead Council’s Information and Data Management Programme of improvement initiatives.

#### 3.2 Framework Foundations

Since July 2022, Waverley started to use the principles recommended by globally recognised Data Management Association ([DAMA UK](#)) as a basis for the framework. This holistic approach to Information and Data Management is rooted in recognition that good practices need to be embedded throughout all data management functions, with everyone understanding their specific roles and responsibilities, as well as strong governance and clear channels of escalations.

##### 3.2.1 Using DAMA principles

There are eleven Information and Data management functions, with each having its own specific governance requirements.



*DAMA-DMBOK2 Data Management Framework, broken down per data management functions (also known as DAMA wheel)*

These functions do not directly represent a single team structure but are more indicative of certain themes / aspects that need to be considered for a holistic approach to data management.

How does this work in practice in our organisation? Some of the themes are very technical and are looked after by our IT team or external software providers, others relate to corporate



initiatives such as implementation of our Master Data Management (MDM) Platform and integration with back-office systems, where multiple cross-service teams get involved. Others are specific to how teams manage their data (such as data quality checks, where to store and how to classify our documents and official records). Not all aspects can be tackled at once and the 'Information and Data Management Programme' has been put in place to target specific workstreams every year until we achieve a desired level of maturity in our practices, when the programme will become part of business-as-usual operations (with the information and data management improvement initiatives being informed by the organisational needs at the time).

### 3.2.2 Other guidelines

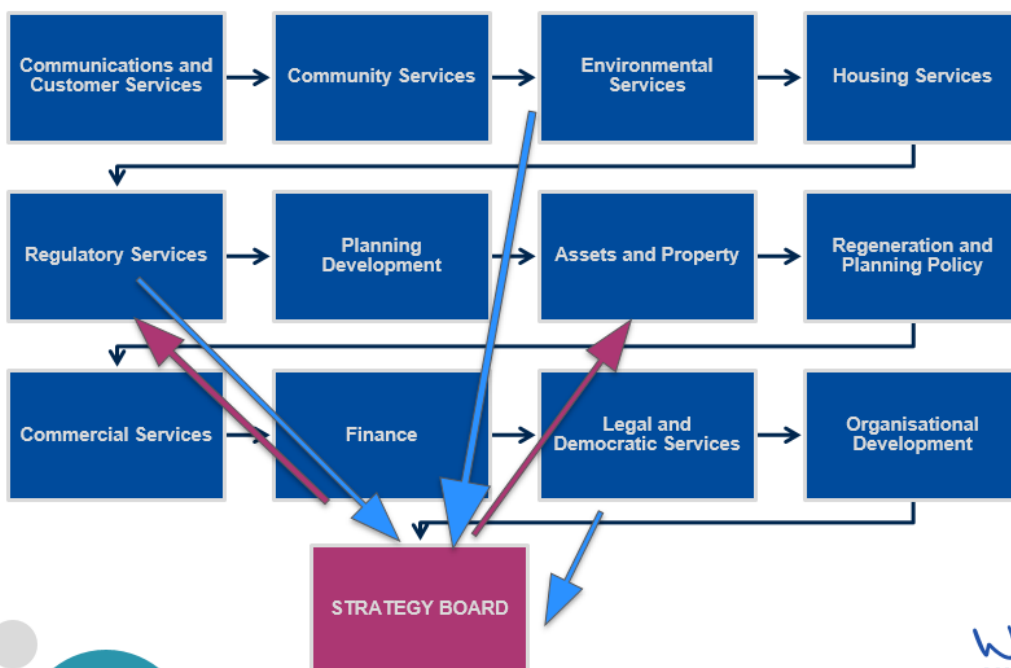
As a public authority the council considers the latest advice from [Information Commissioner's Office \(ICO\)](#) and impact of governmental initiatives such as for example the [National Data Strategy - GOV.UK \(www.gov.uk\)](#).

### 3.3 Governance arrangements

In December 2023 the senior management team agreed adoption of new governing structures combining all previous groups and boards related to IT, Information and Data, and also adding Digital aspect. This change is reflective of the needs within the organisation to consider these matters jointly for a more holistic. The service specific IDD Group (IT, Data & Digital) will be meeting three times a year in short cycles, escalating any areas of concern or decisions requiring corporate steer to the IDD Board. This initiative is in its first months of trial, but the first cycle of meetings (which took place in February and March 2024) has already brought a lot of valuable conversations and helped to identify areas of priority work. The IDD groups membership consists of service representatives Information Assets Owner (Assistant Director for the service) and Information Asset Managers (Managers and Team Leaders), as well as System Administrators from the teams and the technical representatives from IT, Information & Data Management and Digital Team. There is still a lot of work to be done to establish the data roles within the service and this will be a focus for 2024-25.

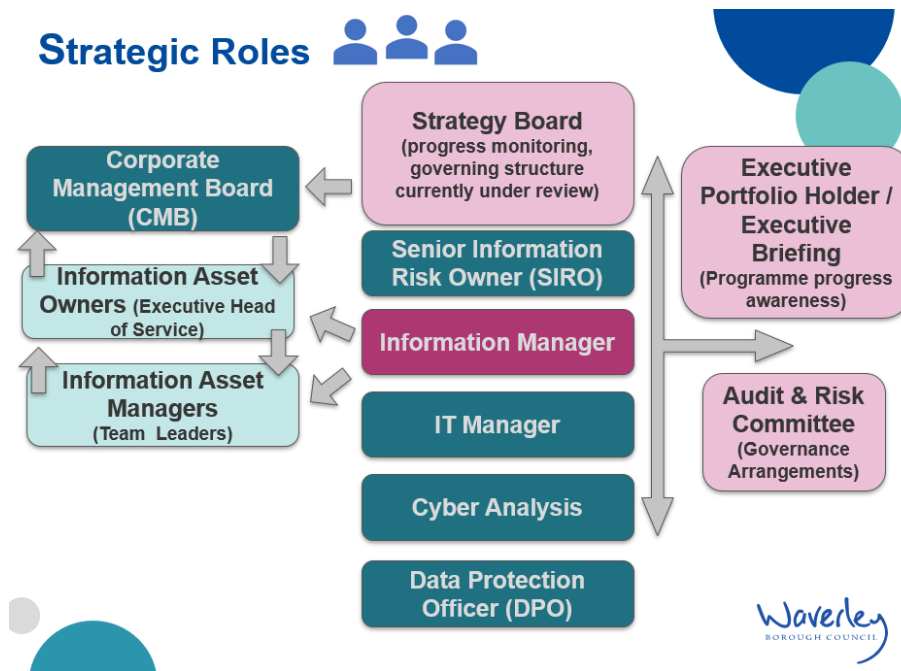
## IDD Groups and Board

*(IT, Data and Digital)*



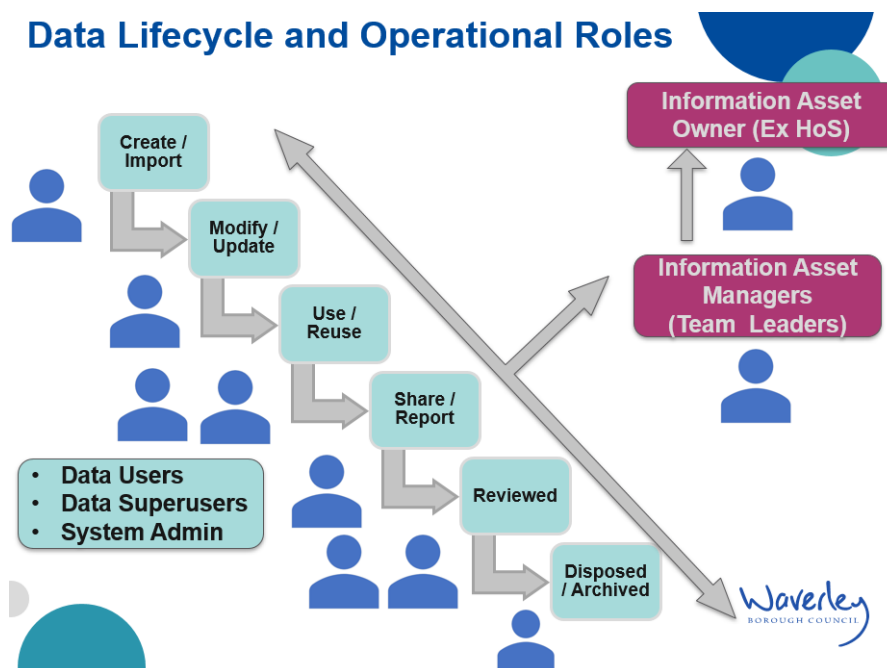
### 3.4 Strategic roles

Although everyone (staff and councillors) has certain responsibilities with relation to our information and data management, the organisation has a handful of officers working on setting a long-term vision for the organisation with clear guidelines on practices, supported by staff training and communications. The Governing structure including strategic roles have been illustrated in the below infographic.



### 3.5 Operational roles

The focus of the operational roles is on actively managing data in their care. The infographic below illustrates how different data roles operate within a typical data lifecycle. It is worth noting, that although major software system administrator roles are frequently a full-time post, for all other roles the management of data runs alongside other tasks expected from the postholders. The current focus is to embed a strong Information Asset Management practices and support the services offering necessary training to do them well.



### 3.6 Policies and Procedures

The policies and procedures that guide staff in best practices are as follows:

- Information & Data Management Policy – internal publication
- [Records Retention Schedule](#) – external publication
- [Data Protection Policy](#) – external publication
- [Consent Policy](#) – external publication
- Data Breach procedure – internal publication

## 4 Annual statement for officer-resourced functions

### 4.1 Information and Data management Programme (IDMP)

#### 4.1.1 About the function

As the organisation began establishing stronger information and data management (IDM) practices, a dedicated Information and Data Management Programme (IDMP) was developed in July 2022, led by the Information Manager. The aim of the programme is to provide a robust framework and a clear road map to achieve the desired level of maturity in our practices and link up with functions across the organisation.

#### IDMP Vision and Mission

The programme was defined using the VMOSA model (Vision, Mission, Objectives, Strategies, Action). The vision statement and mission focus areas have been included in the infographic below. The long-term objectives and strategies are still being developed, with progress monitored through the annual action plan.



### 4.1.2 2023-24 Reflection

It has been a very busy year with a successful progression of majority of the programme workstreams as per below:

- **Workstream 1 – Framework Development**

**Status:** All planned work for 2023-24 have successfully completed with the review of the governance framework resulting in the creation of new IT, Data and Digital groups for each service area (reporting to a joint IDD Board). These will work going forward as an effective accountability and action monitoring vehicle, as well as facilitating clear communications about future plans and resourcing. The first cycle of meetings in February and March 2024 received a positive feedback, but more needs to be done with the teams to embed strong information asset management practices across the organisation. Multiple ‘knowledge growth and awareness campaigns were run throughout the year using Yammer / Viva Engage Information and Data Management Channel for staff:

- **Have you heard about Metadata? You already use it!**
- **How can you and your team improve quality of your data?**
- **Version control – ‘Timestamp’ vs ‘Version sequencing’**
- **Welcome to DataConnect23 by Gov.uk**
- **Data deletion as an important element of good data management practices**

- **Workstream 2 – Data Management Practices Maturity Assessment**

**Status:** Pilot completed, further reflection needed to decide how to successfully approach these assessments in the future across the organisation.

- **Workstream 3 – Development of a Data Classification Scheme**

**Status:** Due to other priorities only the research phase has been completed, however due to the scale of this initiative, clear scoping of the project is needed to understand how to resource it. (Aim: Using the [Local Government Functional Classification Scheme \(irms.org.uk\)](https://www.irms.org.uk) and existing classification models in Civica Electronic Document Management Systems ([EDMS](#)) and SharePoint to develop a corporate Data Classification Scheme enabling consistent document labelling and categorisation facilitating easier search functions and systematic disposal using automation)

- **Workstream 4 – Document & Content Management**

**Status:** The page is close to completion but needs to be rolled out to staff and included in the IT Induction Training (Aim: Development of a SharePoint page for new starter induction and resource for existing staff regarding data storage, and what systems are recommended for different activity types, councillors needs to be also considered)

- **Workstream 5 – Development of a Modernisation Plan for Legacy Systems**

**Status:** All planned workstreams were successfully delivered, with major system replacement programmes and projects continuing in 2024-25 (Aim: Collaboration with the IT team and services to ensure data is stored in safe and efficient systems)

### 4.1.3 2024-25 Planned focus and improvement work

The focus of the programme for the coming year is delivery of five key workstreams, complemented by smaller initiatives, time permitting.

- **Workstream 1 – Information & Data Management Framework Development** The focus in 2024-25 will be to embed the data roles and responsibilities with the services when it comes to Information Asset Management, using IDD groups as a vehicle for this purpose. Support the organisation in reviewing our internal Data Sharing practices to introduce more efficiency whilst ensuring safety and integrity of our data and information.
- **Workstream 2 – Support Legacy Systems Modernisation Plan** Collaborate with the colleagues from IT team and services to ensure data is stored in safe and efficient systems and all necessary modernisation plans are on the way and well resourced

- **Workstream 3 – Project Management of M3 to Idox replacement system for regulatory services**

Support regulatory services providing the overarching project management function until the full implementation at the beginning of 2025.

- **Workstream 4 – Data Quality Improvement Initiatives**

Work with colleagues across the council on data quality improvement initiatives. The focus will continue to be promoting use of the UPRN and our golden address record in a form of LLPG ensuring that where possible key systems are directly integrated to our Local Land and Property Gazetteer [Waverley Borough Council - postcodes](#).

- **Workstream 5 – Data Deletion Project & Classification**

This workstream is a continuation of the Workstream 3 from 2022-23 'Development of a Data Classification Scheme', focusing on two key phases: automation of data deletion in our key systems and introducing classification / file plan for our document management systems to help with better housekeeping going forward. The scoping stage will begin in Summer 2024 and it is most likely to be a multi-year project requiring external expertise at times.

#### 4.1.4 Information Risk Management

Although service level risks are managed by the teams locally, development of a standalone subject-specific Information Risk Register would support an effective escalation process, and guide prioritisation of information and data improvement initiatives. The Information Manager will liaise with all identified stakeholders ([IAO](#), [IAM](#), [DPO](#), Cyber Analyst, IT Manager and Senior Management team) to develop a document and establish the monitoring process.

## 4.2 Cyber Security

### 4.2.1 About the function

The council aims to implement security by concentrating on the following ten areas:

- Risk Management
- Engagement and Training
- Asset Management
- Architecture and configuration
- Vulnerability management
- Identity and access management
- Data security
- Logging and monitoring
- Incident management
- Supply chain security

In order to facilitate this there are various security solutions deployed at multiple points on the network to build up layered security.

The goal is to protect assets and data from malicious interception and interference and it is necessary to take both a pro-active and reactive approach. This requires ongoing hardening of hardware and software; creating and responding to automatic alerts; and investigating and implementing new technologies to improve defensive capabilities.

It is also imperative to spread awareness of cyber security throughout the organisation, by providing training, responding to requests for advice and assisting in identifying malicious behaviour, or proactively responding to social engineering attempts.

The council currently works towards PSN compliance and certification, but will be investigating adoption of the [Cyber Assessment Framework for Local Government](#) when PSN moves to



end-of-life. The objectives outlined in the framework concentrate on addressing risk, protecting against attack, detecting cyber events and minimising impact of incidents.

The [National Cyber Security Centre \(NCSC\)](#) supports the council by providing assistance and advice in the case of incident, and also a set of monitoring tools to help protect DNS; detect vulnerabilities in council web services; and also provides live detection and advice on the security technologies lying behind email services.

#### **4.2.2 2023-24 Reflection**

There has been a concerted effort to both harden the onsite infrastructure and also migrate from legacy software to reduce the number of vulnerabilities that exist on the network. The backup infrastructure has also received significant attention and investment and has been improved and upgraded to help protect against Ransomware and the potential of data loss or theft.

An investment has been made into staff training and to raise awareness of cyber security and the various methods that cyber criminals take to try and compromise an organisation by using social engineering or malicious technologies to gain a foothold.

Incident management has matured further through a process of categorising incidents and designing responses to alerts so that there is a more appropriate response by the relevant team, saving resource time on unnecessary administration. This is a continuing requirement as new types of threats and false positives are identified.

#### **4.2.3 2024-25 Focus or improvement work planned**

Further work is planned to improve offsite backup storage, concentrating on hardening and refining backup schedules. A greater focus will be made on cloud and supply chain security.

### **4.3 Information Governance & Data Protection**

#### **4.3.1 About the function**

The Council has a Data Protection Officer (Information Governance Team Leader / DPO) responsible for ensuring compliance with the [Data Protection Act 2018](#) (DPA 2018) and the UK GDPR (which is the UK's implementation of the European Union's General Data Protection Regulation (GDPR), these legislations set the framework for how personal information is used by organisations, businesses and government). We also follow the latest guidelines set by the [Information Commissioner's Office \(ICO\)](#). The DPO is a statutory role and part of the responsibilities of the DPO includes but not limited to managing rights of access to personal information known as Subject Access Requests (SARs) by individuals and supports activities such as preparation of privacy notices and statements, data sharing agreements, as well as carrying out the ongoing review of the Council's [Records Retention Schedule](#).

#### **4.3.2 2023-24 Reflection**

##### **Subject Access Requests (SARs)**

The 'Right of Access', introduced through the UK GDPR and [Data Protection Act 2018](#), gives individuals the opportunity to: ask organisations how their data is being used; let them ask why their data is being used in a certain way; ask that their data be corrected, and request that data processing be stopped. The vast majority of SARs, however, are submitted with the intention of using the information provided to either try and build a case against the Council, or in relation to a neighbour dispute in the hope of finding out what a third party might have said about them. WBC are not allowed to challenge the motivation for a request, but where appropriate, we apply various exemptions available under the UK GDPR and/or the Data

Protection Act 2018 which includes redacting or completely withholding third party data in any response (which is explained to the requestor).

Whilst the numbers can fluctuate, overall, there has been a steady decrease in the number of SARs received by the Council in the last financial year. The statutory timelines for responding to a SAR is one calendar month following receipt of the requestor's proof of Identity. Response time from services, when asked to provide the requested data is challenging and this often makes the compliance rate with response timescale low. Any challenge to SAR responses has been resolved without the need of escalation to the Information Commissioner's Office (ICO).

You can learn more about how to make a subject access by visiting our website [Waverley Borough Council - Subject Access Request - how to submit a SAR](#).

### **Data Breach Statistics**

Totals received since records began towards the end of 2018:

2018 - Sept – Dec: 25

2019 – 90

2020 – 76

2021 – 58

2022 – 39

2023 – Jan to May – 20

2023 - June to December - 23

2024 – Jan to May - 6

### **Privacy Notices & Privacy Statements**

We aim to be very clear with residents, businesses, suppliers and partners) on how we handle the data in our care, and for that purpose the organisation has put in place an overarching [Waverley Borough Council - Main council privacy notice](#). As we provide a wide range of services which differ in terms of the type of data collected and how it is processed. Where appropriate, we have created [Service specific privacy notices](#) which are more detailed and specific to the functions performed.

As many of customer interactions will involve collection of data, we also use privacy statements (small disclaimers about use, retention and sharing), to inform customers about the purpose of collection. A 'Privacy Notice and Privacy Statement' dedicated intranet page has been created as a resource for staff.

### **Data Sharing Agreements**

The council has developed a refreshed 'Information and Data Sharing Agreement' template which will be used as part of procurement documentation suite. A communication campaign and training workshops are planned to help embed the practice.

### **Communications**

The DPO is often asked for advice about specific data protection matters related to colleagues' work and breaches appear to be promptly reported because colleagues understand that there will be no recrimination – just the need to learn from cases, where possible.

## Training

The DPO liaises with the Learning and Development Team, which is part of Human Resources, to ensure annual Data Protection refresher training is undertaken as a mandatory requirement. There is a process to ensure new starters undertake the mandatory data protection and the UK GDPR trainings as soon as they join.

### 4.3.3 2024-25 Focus or improvement work planned

In addition to the training referred to a SAR and FOI procedure will be developed this year. Also, this year it is hoped we will be able to review the Retention Schedule and ROPA (Records of Processing Activities). Staff awareness campaign and training will also be carried out to embed good practices for information and data sharing. The new [Data Protection and Digital Information Bill](#) is being taken through Parliament and its progress will be monitored so we can understand what implications there might be for the Council's data protection obligations.

## 4.4 Freedom of Information

### 4.4.1 About the function

The [Freedom of Information \(FOI\) Act 2000](#) and the [Environmental Information Regulations \(EIR\) 2004](#) gives any person a general right of access to information held (formally recorded) by public authorities. Following a restructure exercise in the Legal Services Team in April 2024, the Information Governance Team is responsible for handling the Council's FOI/EIR requests and SARs. The Information Governance team is headed by the Information Governance Team Leader/DPO who manages 2 other staff i.e. Access to Information Rights Officer and Access to Information Rights Coordinator. The FOI team relies on all service areas of the Council to promptly provide requested information to ensure compliance with the statutory timelines of 20 working days; the FOI team regularly chase up services areas for their inputs so as to avoid enforcement action from the Information Commissioner's Office (ICO) which includes fines and reputation damage

Further details about our FOI function can be found on our website [Waverley Borough Council - Freedom of Information \(FOI\) and Environmental Information Requests \(EIR\)](#). Frequent requests can be viewed on our website. [Waverley Borough Council - publication scheme](#)

### 4.4.2 2023-24 Reflection

The new FOI system was being embedded and is now successfully assisting with the timely processing of FOI requests.

The team has completed all bar one of the audit recommendations assigned to them by the internal audit function in early 2023, the remaining action (which related to training of councillors and key officers) will be completed in 2024-25.

The performance monitoring of this function is subject of quarterly scrutiny by the Resources Overview and Scrutiny (O&S) Committee, and the latest statistics are included in the [Q3 2023-24 Corporate Performance Report - Annexe 1 Final \(waverley.gov.uk\)](#) on page 30 of the report.

There are two key performance indicators (KPIs) reviewed by the Resources O&S Committee:

- Number of Freedom of Information (FOI) and Environmental Information Regulations Requests (EIR) received in a quarter (Data only)



- Percentage of FOI and EIR requests responded to within the statutory timescale in a quarter (Target of 90% has been set)

Past performance reports and FOI statistics can be found in the [Resources O&S Committees past agenda papers](#) in previous Corporate Performance Reports.

#### 4.4.3 2024-25 Focus or improvement work planned

The new Information Governance Team Leader will be starting in summer 2024 and will be reviewing training and other improvement plans for the Council with regards to compliance with the Freedom of Information Act 2000.

## 4.5 Data Transparency & Open-Source Data

### 4.5.1 About the function

One of the tasks overseen by the Policy and Performance Officer is the coordination of data transparency publications, submitted by colleagues across the organisation, in accordance with the [Local Government Transparency Code](#). The Council has created an internally-managed 'Data Transparency Publication Schedule', and reminders are sent to relevant officers alerting them to when they need to publish their files. The majority of uploads take place annually after the end year in April, but some financial data gets updated on a quarterly basis. Further details can be found on our website on [Waverley Borough Council - Data transparency](#).

The Council participates in the Government's Open Data Scheme ([data.gov.uk](https://data.gov.uk)) allowing access to data published by central government, local authorities and public bodies.

### 4.5.2 2023-24 Reflection

Due to workload the annual upload task has not yet been completed, but it is expected that all publication for 2023-24 subject to the Data Transparency Code will be completed by the end of September 2024. All the latest published documentation can be found on our website at [Waverley Borough Council - Data transparency](#).

### 4.5.3 2024-25 Focus or improvement work planned

The Policy and Performance Officer will be working with the teams to ensure publications are completed in a timely manner, sufficient resources have been allocated and officers trained to perform the required publication tasks.

The Information Manager will liaise with colleagues to review current placement of the Data Transparency function to create stronger links to the FOI function, and also to establish a corporate approach to publications through the governmental Open Data Scheme ([data.gov.uk](https://data.gov.uk)), to support the teams who are currently using or would like to use this platform in the future to publish their data.

## 5 Past reports

### 5.1 2022-24 First Annual Information and Data Management Report

The first report of this nature has been produced in 2022-23 and was presented to the Audit Committee on the 11 September 2023:

- Covering report [Agenda item number: "Click to insert number" \(waverley.gov.uk\)](#)
- Full Report [2022-23 Annual IDM Report - Annexe 1 Final.pdf \(waverley.gov.uk\)](#)

The minutes from that meeting can be found on our website as part of the Agenda pack found under item AUD26/23 [Agenda for Audit & Risk Committee on Monday, 11th September, 2023](#).

[7.00 pm - Waverley Borough Council.](#)

## 6 Glossary

- DPO – Data Protection Officer endure compliance with Data Protection Act and ICO guidelines
- EDMS - [Electronic Document Management Systems](#)
- Golden record - [A golden record](#) is a single source of truth, data point that provides all of the important information about a customer, client, or resource with total accuracy. For example, a golden record would provide correct address information, an email, a phone number, and more, all in a single data entry
- [Hardening process](#) – [What is systems hardening by BeyondTrust](#) ‘Systems hardening is a collection of tools, techniques, and best practices to reduce vulnerability in technology applications, systems, infrastructure, firmware, and other areas. The goal of systems hardening is to reduce security risk by eliminating potential attack vectors and condensing the system’s attack surface’
- IAM – Information Asset Manager – at WBC typically Team Leader directly reporting to the Executive Head of Service. Responsible for ongoing management of information assets allocated to them, delegating the work to System Admins, Super users and Data Users. Ensures that effective data processing procedures are in place and all systems users know it well and adhere to it in their daily data processing practices. Organises necessary staff training sessions, data quality checks. Alerts IAO of any issues and risk that could compromise integrity and/or safety of the information/data asset and help to develop mitigation measures
- IAO – Information Asset Owner – at WBC typically an Executive Head of Service. Responsible for overseeing the management of Information Assets within their service and the work done by Information Asset Managers. Owner of risks and mitigation actions for information assets. Ensures that the robust policies and appropriate resources have been put in place for efficient data and information management within their service area. Champion of data and information principles, training and knowledge sharing
- ICO – [Information Commissioner’s Office](#)
- LLPG – [Local Land and Property Gazetteer](#) – Waverley as a local authority is a custodian for borough wide address data set ensuring best quality of data, this data set feeds into the National Gazetteer and is used by many other public sector organisations (police, ambulance, etc.) as well as private organisations such as Royal Mail
- NLPG – [National Land and Property Gazetteer](#)
- RBL – [Realtime blackhole list](#)
- [Social engineering](#)
- UPRN – [Unique Property Reference Number](#)

## Waverley Borough Council

Report to: Audit and Risk Committee

Date: 17 June 2024

Ward(s) affected: All

Report of Director: Finance

Author: Richard Bates, Joint Strategic Director Finance (Section 151 Officer)

Tel: 01483 523539

Email: Richard.Bates@waverley.gov.uk

Lead Councillor responsible:

Tel:

Email:

Report Status: Open

## Q1 and Q2 Internal Audit Plan 2024-25

### 1. Executive Summary

1.1 This report provides the Southern Internal Audit Partnership proposal to transition to a quarterly approach to internal audit planning through 2024-25 and to adopt this methodology in full for future plans.

1.2 Appendix 1 presents the proposed retrospective Internal Audit Plan for Quarter 1 and the proposed Quarter 2 for 2024-25 in accordance with the requirements of the Public Sector Internal Audit Standards.

### 2. Recommendation to Committee

2.1 That the Committee approves:

- The approach to quarterly internal audit planning.

- Approves the proposed Quarter 1 and Quarter 2 Plans.

### **3. Reasons for Recommendation:**

- 3.1. The Committee has a responsibility to approve the Internal Audit Plan in accordance with the Public Sector Internal Audit Standards.
- 3.2. To ensure good governance arrangements and internal control by undertaking an adequate level of audit coverage.

### **4. Exemption from publication**

- 4.1. No part of this report is exempt from publication.

### **5. Purpose of Report**

- 5.1 The purpose of this report is to present the Internal Audit Plans for Quarter 1 (retrospective) and Quarter 2 2024-25 to the Committee in accordance with the requirements of the Public Sector Internal Audit Standards. (Appendix 1).

### **6. Strategic Priorities**

- 6.1 The audit of Council services supports the priority of providing efficient, cost effective and relevant quality public services that give the community value for money.

### **7. Background**

- 7.1 Currently the Southern Internal Audit Partnership (SIAP) approach to internal audit planning within Waverley Borough Council is premised on an annual plan which is presented to Members for approval in March each year projecting internal audit activity over the forthcoming 12 months.
- 7.2 This approach has served us well; however, we are now operating in an increasingly more volatile and dynamic environment requiring us to adapt our approach and develop a more risk based and agile approach to our audit planning process and whilst the current

approach enables a longer-term projection of audit focus it remains speculative given the rapidly changing environment in which the Council and SIAP operate.

- 7.3 Audit planning is a perpetual process that should enable the ability to react to new and emerging risks and the changing needs of the organisation.
- 7.4 This is currently managed through the annual planning process making necessary adjustments to the annual internal audit plan over the course of the year either in respect of revisions to the timing the work is undertaken or to the audit entity being reviewed.
- 7.5 With the plan agreed in March each year a number of the changes occur due to competing capacity or timing issues for officers and the auditors as reviews may have been given a speculative window for completion some six to ten months in the future. This can lead to significant inefficiencies both for the organisation and for SIAP.
- 7.6 To ensure internal audit focus remains timely and relevant for the Council and to optimise officer resource and capacity, SIAP would like to propose to move to a quarterly planning process through 2024/25.
- 7.7 Quarterly planning would facilitate a much more agile approach and has worked successfully with other Partner organisations that have already adopted this methodology.
- 7.8 In adopting the quarterly planning approach, all auditable areas of review would remain subject to ongoing assessment and discussion with management and Committee, however, our focus would be on the most critical reviews (highest risk) for the organisation at that time.

- 7.9 Experience of the quarterly planning approach by SIAP and other audit services who have adopted it, has found it also negates multiple variations to the plan having to be presented to Members and enables them to have greater assurance each quarter that the plan they are approving is a more committed representation of assurance to be provided during that period.
- 7.10 Some of the advantages of the quarterly planning process include:
- More agile approach to react to new and emerging risks
  - More effective engagement with officers
  - More efficient and effective end to end delivery of the review (client capacity / availability)
  - Greater engagement with the Audit and Risk Committee
  - Audit and Risk Committee achieve real time approval of the plan, rather than retrospective acknowledgement of changes.

### ***Process***

- 7.11 The proposed adoption of quarterly planning provides a modern, agile, and forward-thinking approach that remains compliant with the current Public Sector Internal Audit Standards and places SIAP and Waverley Borough Council in an excellent position for the future adoption of the Global Internal Audit Standards that will supersede the Public Sector Internal Audit Standards in January 2025.
- 7.12 It is proposed that all potential audit areas will be reviewed and reassessed on a quarterly basis which will be informed through meetings with key stakeholders.
- 7.13 Once all meetings have concluded, the quarterly internal audit plan will be compiled and presented to Corporate Management Board (CMB) and Audit and Risk Committee for approval.
- 7.14 The timings of the Audit and Risk Committee Committee are well aligned to the financial quarters in which we operate therefore optimising input and approval from Members prior to the

commencement of audit work. An indicative timetable is included below for illustrative purposes.

	Q1	Q2	Q3	Q4
Planning Meetings			July 24	Sept 24
CMB Approval		May 24	Aug 24	Oct 24
Audit and Risk Committee Approval		June 24	Sept 24	Nov 24

\* Q1 Plan: 2 of the 3 areas of coverage were already approved as part of the annual internal audit plan brought to Committee in March 2024.

### ***Conclusion***

7.15 The Southern Internal Audit Partnership want to ensure our Partners continue to receive a high quality, innovative, and agile internal audit service.

7.16 The proposed transition to quarterly planning will be beneficial to both the organisation, Committee and SIAP, optimising, focus, flexibility, efficiency, and effectiveness, which has been demonstrated in other organisations that have adopted the quarterly planning approach and aligns with industry good practice.

## **8. Consultations**

8.1. Consultation with Senior Management has been undertaken as part of the process of drawing up the proposed internal audit plans for Quarter 1 and Quarter 2 2024-25.

## **9. Key Risks**

9.1. None.

## **10. Financial Implications**

10.1. None.

## 11. Legal Implications

11.1. None.

## 12. Human Resource Implications

12.1. None.

## 13. Equality and Diversity Implications

13.1. None.

## 14. Climate Change/Sustainability Implications

14.1. None.

## 15. Conclusion

15.1 The Committee is asked to approve the proposed Internal Audit Plans for Quarters 1 and 2 for 2024-25, as set out in Appendix 1 to this report.

## 16. Background Papers

None.

## 17. Appendices

Appendix 1: Internal Audit Plans for Quarter 1 and 2 2024-25.

Please ensure the following service areas have signed off your report.  
Please complete this box and do not delete.

a) Service	b) Sign off date
c) Finance / S.151 Officer	d)
e) Legal / Governance	f)
g) HR	h)



i) Equalities	j)
k) Lead Councillor	l)
m) CMB	n)
o) Executive Liaison/briefing	p)
q) Committee Services	r)

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**Southern Internal  
Audit Partnership**

Assurance through excellence  
and innovation

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**WAVERLEY BOROUGH COUNCIL  
INTERNAL AUDIT PLAN 2024-25 (Q1 AND Q2)**

**Prepared by: Neil Pitman, Head of Partnership  
& Iona Bond, Assistant Head of Partnership**

**May 2024**

## Introduction

The role of internal audit is that of an:

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

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

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

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

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

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

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

## Your Internal Audit Team

Your internal audit service is provided by the Southern Internal Audit Partnership. The strategic lead will be Iona Bond, Assistant Head of Partnership, supported by Jade Lakeland, Audit Manager.

## Conformance with internal auditing standards

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

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

Considering all sources of evidence the external assessment team concluded:

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

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

## Conflicts of Interest

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

Waverley Borough Council – Corporate Priorities 2020 – 2025

Waverley Borough Council have set their Corporate Strategy for 2020 to 2025 which sets out their strategic priorities for the next five years:



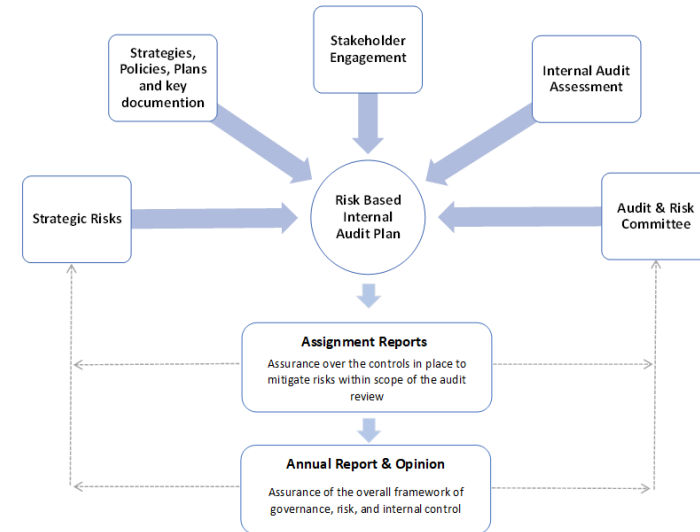
## Developing the internal audit plan 2024/25

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

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

To ensure internal audit focus remains timely and relevant, the Southern Internal Audit Partnership has moved to a quarterly planning process.

Based on conversations with key stakeholders, review of risk registers, key corporate documents and our understanding of the organisation, the Southern Internal Audit Partnership have developed a plan of proposed internal audit coverage during quarter 1 and 2.



The Council are reminded that internal audit is only one source of assurance and through the delivery of our plan we will not, and do not seek to cover all risks and processes within the organisation. We will however continue to work closely with other assurance providers to ensure that duplication is minimised, and a suitable breadth of assurance is obtained.

To produce a meaningful and value adding audit plan SIAP gather information from a variety of sources as depicted in the above diagram., however, at the time of our planning process Waverley Borough Council did not retain a Strategic or Directorate risk registers.

Whilst the risk registers are an important source of information used to inform the risk based internal audit planning process, they are not the only source of intelligence used. We supplement our review of organisational risk through a range of additional sources of information including review of strategic, policies, plans and key documentation, engagement with key stakeholders and our own internal audit needs assessment. Whilst the absence of organisational risk register has not inhibited our ability to create an audit plan for 2024/25, in is important that the absence of such a resource is creating a risk-based plan is clearly highlighted.

## Internal Audit Plan 2024-25 – Quarter 1 and 2

Audit	Sponsor (Joint Strategic Director)	Scope/ Risk	Strategic / Committee Risk	Quarter
Annual Governance Statement	Finance	Assurance over the framework to compile, contribute and deliver the AGS.	-	Q1
Council Tax	Finance	Assurance over the governance and control framework to support the effective delivery of the Council Tax service.	-	Q1
National Non-Domestic Rates	Finance	Assurance over the governance and control framework to support the effective delivery of the NNDR service.	-	Q1
Car Parking	Finance	Assurance over the arrangements in place for the administration of Parking Charge Notices.	-	Q2
Medium Term Financial Planning	Finance	Assurance over the process, assumptions, and development of the medium-term financial strategy.	-	Q2
Housing Rents	Community Wellbeing	Cyclical review of the rent collection process.	-	Q2
Health and Safety (Corporate)	Place	Effective H&S Strategy in place and operating effectively with effective governance, accountability, and issue resolution.	-	Q2
Management		To include audit planning, reporting, attendance at Corporate Management Board and Corporate Governance & Standards Committee, action tracking, liaison with key stakeholders and annual report and opinion (2023-24).	-	Q1 - 2



## Annual Governance Statement 2023/24

### Document Information & Governance

#### Approval & Publication / Version Control Information:

Approving Body	Publication Type	Version	Version Status	Date	Version Author	Version Comment
Audit Committee	Internal	V1.0	Draft	11/9/23	Rosie Plaistowe	Update previous year's version
Audit Committee	Internal	V1.1	Draft	27/11/23	Rosie Plaistowe	Update to incorporate Audit Committee comments.
Audit Committee	Internal	V1.2	Draft	18/03/24	Mavis Amouzou-Akue & Richard Bates	Incorporates Audit Committee comments, updated sections 5.2,5.4, 8, 10, 11 and 12
Audit Committee	Internal	V1.3	Draft	06/06/24	Mavis Amouzou-Akue & Richard Bates	Expanded sections 5.3 and 5.4 on Audit Committee request.

#### 1. Introduction

Waverley Borough Council (the Council) is committed to improving governance on a continuing basis through a process of evaluation and review in accordance with the Council's governance framework.

The Council's Chief Executive and the Leader of the Council acknowledge responsibility for ensuring that there is a sound system of governance and internal control when managing and delivering the vision set out in the Corporate Strategy.

Each year the Council is required to produce an Annual Governance Statement (AGS) under the Accounts & Audit (England) Regulations 2015, to be published alongside the Statement of Accounts. The AGS is published in accordance with *Delivering Good Governance in Local Government: Framework (2016)* issued by CIPFA/SOLACE.

The AGS describes how the corporate governance arrangements have been working and the effectiveness of the systems of internal control during the year. It also documents key changes and developments within the Council's governance framework during the financial year up to the date of approval of the Annual Financial Report.

This AGS was reviewed and approved by the Audit Committee at its meeting on 25<sup>th</sup> March 2024.

# Annual Governance Statement 2023/24

## 2. What is Corporate Governance?

Corporate governance generally refers to the systems and processes by which organisations are directed, controlled, led and 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 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.

The Council’s framework brings together legislative requirements, good practice principles and management processes. It is consistent with the principles set out in the Delivering Good Governance Framework. The principles are summarised in the diagram below. Principles 1. and 2. have an overarching effect on the outcome of all other principles.



# Annual Governance Statement 2023/24

## 3. The Principles – A Summary

---

### **The Council aims to achieve good standards of governance by:**

Principle 1 - Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

- Having codes of conduct which define standards of behaviour for Councillors and all staff, supported by more detailed policies for ethical values such as whistleblowing and conflicts of interest.
- Ensuring compliance with relevant laws and regulations, internal codes, policies and procedures.
- Ensuring effective arrangements are in place for the discharge of the Monitoring Officer function.

Principle 2 - Ensuring openness and comprehensive stakeholder engagement.

- Demonstrating, documenting and communicating the Council's commitment to openness and accountability in acting in the public interest.
- Establishing clear channels of communication with the community and other stakeholders, and encouraging open consultation.
- Ensuring an effective scrutiny function is in place.

Principle 3 - Defining outcomes in terms of sustainable economic, social and environmental benefits.

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

Principle 4 - Determining the interventions necessary to optimise the achievement of the intended outcomes.

- Translating the vision into courses of action for the Council, its partnerships and collaborations.
- Reviewing the effectiveness of the decision-making framework, including delegation arrangements and robustness of information.
- Quarterly performance monitoring of services and projects to ensure the Council achieves its agreed vision as planned.

Principle 5 - Developing the Council's capacity, including the capability of its leadership and the individuals within it.

- Defining clearly the roles and responsibilities of Councillors and Officers, with protocols to ensure shared understanding of roles.
- Providing inductions, training and development to give all the appropriate skills, knowledge, and support to fulfil their roles and responsibilities.
- Ensuring effective arrangements are in place for the discharge of the Head of Paid Service function.

Principle 6 - Managing risks and performance through robust internal control and strong public financial management.

- Risk Management is an integral part of all activity and is considered in decision making in accordance with the Council's Risk Appetite Statement.
- Service delivery is monitored through financial management review and quarterly reporting to ensure service plan delivery is on target.
- Internal controls are independently reviewed by Internal Audit when carrying out assessments of key activity areas.

Principle 7 - Implementing good practices in transparency, reporting and audit to deliver effective accountability.

- Meetings and decisions are available on the Council's website along with other information such as quarterly performance reviews.
  - Undertaking the core functions of an Audit Committee to provide good governance.
  - The Council provides timely support, information and responses to external auditors and properly considers audit findings and recommendations.
-

# Annual Governance Statement 2023/24

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

Corporate Governance requires providing assurances on:

- Delivery of Corporate Strategy priorities
- Services being delivered economically, efficiently and effectively
- Management of risk
- Financial planning and performance
- Effectiveness of internal controls
- Community engagement and public accountability
- Shared service governance
- Project management and project delivery
- Procurement processes
- Roles and responsibilities of Councillors and Officers
- Standards of conduct and behaviour
- Training and development of Councillors and Officers
- Compliance with laws and regulations, internal policies and procedures
- Secure and comprehensive record keeping
- Financial planning, performance and reporting

DRAFT

# Annual Governance Statement 2023/24

The Council gains assurance through having:	How does this provide assurance
Constitution (including Scheme of Delegation to Officers)	This sets out how the council operates, how decisions are made and the procedures followed to ensure that these are efficient, transparent and accountable to local people.
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## Annual Governance Statement 2023/24

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# Annual Governance Statement 2023/24

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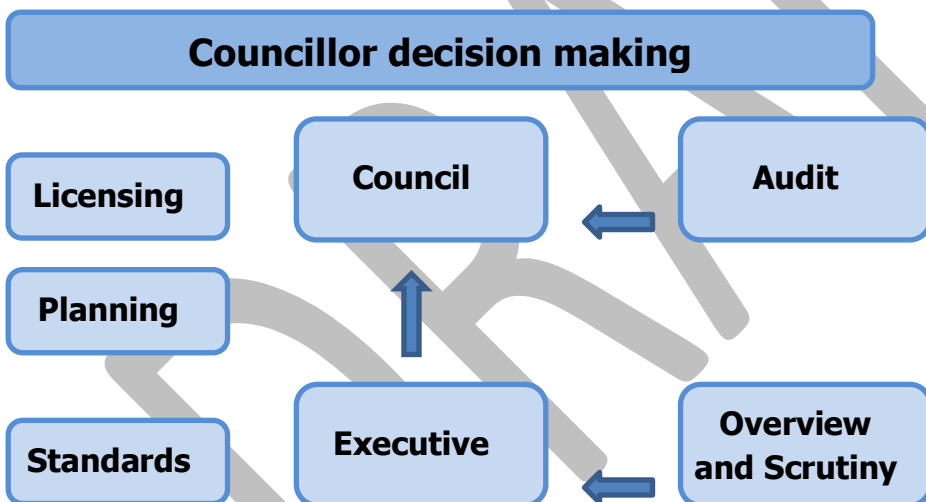
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# Annual Governance Statement 2023/24

## 5.1 Changes in governance during the year

### Planning threat of Designation

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Waverley Borough Council has received formal confirmation from the Minister of State for Housing and Planning, Rachel Maclean MP, that the council will not be designated for its planning performance.

### Changes in committee groups

Standards Committee on 7 June 2023 agreed a number of changes to committee meetings including changes in sizes of a number of committees to reflect the change in number of councillors, also:

- Audit Committee became Audit & Risk Committee to reflect the terms of reference of the Committee
- Overview and Scrutiny Committee remits to update split of services.
- Abolition of Eastern and Western Planning Committees, replaced by one single Planning Committee to improve efficiency and speed of decision making in light of planning designation risk.

### Data Management

An information and Data Management framework has been developed to ensure a proactive and robust approach to Information & Data Management was required to enable digital transformation and promote effective use of data in day-to-day service delivery and decision making. The Audit & Risk committee reviewed the first iteration in September 2023.

## 5.2 Resolution of significant governance issues in 2023/24

There were no significant issues to be resolved.

## 5.3 Significant operational events in 2023/24

**Cost of living crisis** – As a result of a number of significant national and global issues, the UK has been facing significant inflationary pressures since 2022, resulting in a cost-of-living crisis for much of the population and the establishment of the Cost of Living Working Group. CPI, which had not exceeded 3% since November 2017, rose to 8.7% in April 2023 and then fell back to 3.1% in January 2024.

### Staff Retention/Turnover

#### Turnover Figures

The total rolling turnover figure ending the 31st March 2024 was 15.37%, a decrease from the equivalent period in March 2023 when turnover was 15.75%.



# Annual Governance Statement 2023/24

External data from Xpert HR for similar sized organisations in this period has recorded an average turnover figure of 14.9%.

The final quarter of 2004 also marked a fifth consecutive month in a reduction in turnover due to resignation, which now sits at 8.8% of total turnover. Resignation turnover was previously at 12.25% in the same period 12 months ago, which shows a significant reduction in resignation turnover from last year. This compares to the external data from Xpert HR of 12.9% for resignation turnover.

There has been an increase over the last 12 months in leaving reason given as retirement, rather than resignation which accounts for a significant portion of the overall turnover.

## **Work on retention/turnover**

We are consciously aware that like the rest of local authorities we face an ageing workforce and over the last 12 months we set up a Young Employee Network at Waverley, which will be expanded to cover Guildford as well in the next 12 months. One of the key objectives of this Young Employees Network is to understand what attracts younger applicants to Waverley Borough Council and also what is important in retaining these younger staff so that we can look to retain them in the future and be able to build a future pipeline for our team leader and manager roles. Many of our apprentices have moved into permanent roles as have some of our Graduate Management Trainees and we plan to do further work over the next 12 months working in the community through attending college and school open days to promote career opportunities at the council. Through this we can also draw on some new recruitment materials provided by the local government association in a trial recruitment campaign looking at a number of areas attracting young employees and also those who are of working age back who left the recruitment market during covid.

## **5.4 Other governance issues arising during 2023/24**

The Council has collaboration arrangements in place with Guildford Borough Council in respect of a shared management team. Several financial and governance issues, including an alleged housing repairs fraud, arose at Guildford during 2023-24 which led to several internal and external reviews and investigations.

This has led to changes in the shared management team, with arrangements put in place to cover various posts, fill vacant posts and restructure senior governance and finance roles to ensure continuity of service.

A Corporate Governance Review was commissioned by Guildford in early 2024 and undertaken by SOLACE. The report from the review was published in May 2024 and a comprehensive corporate improvement plan has been put in place to address the issues raised.

Some governance improvements, such as a strengthening of the joint legal and governance function will have a beneficial impact across both Councils. Any lessons learnt from the wider corporate improvement plan will also be shared by the two councils.

## Annual Governance Statement 2023/24

### 6. Audit Committee seeking assurance

The Audit Committee has responsibility for requesting and receiving reports that deal with issues that are key to good governance. It met four times in 2023/24, considering a wide range of governance issues.

#### Audit Committee Work Programme for 2023/24

20 June 2023	11 September 2023	27 November 2023	March 2024
Annual Governance Statement - Consideration Of Potential Governance Issues	Statement of Accounts	Annual RIPA Report	Internal Audit Plan
Review Of Progress In The Implementation Of Internal Audit Actions	External Audit Findings Report	Risk Management	Risk Management
Annual Internal Audit Report	Value for Money Report	Waverley 22-23 Audit Plan	Annual Governance Statement - Consideration Of Potential Governance Issues
Review Of The Progress In Achieving The Audit Plan	Local Audit Delay Cross- System Statement and DLHUC letter Update	Enquiries of Management 22-23	Internal Audit Charter
Fraud Investigation Summary	2022-23 Annual Information and Data Management Report	Review Audit Committees Terms of Reference	Statement of Accounts
Internal Audit Charter	Covert Surveillance Policy	Annual Governance Statement - Consideration Of Potential Governance Issues	External Audit Findings Report
Risk Management	Anti Money Laundering Update	Review Of Progress In The Implementation Of Internal Audit Actions	Value for Money Report
	Financial Regulations Update	Review Of The Progress In Achieving The Audit Plan	
	Risk Management		

## Annual Governance Statement 2023/24

	Annual Governance Statement - Consideration Of Potential Governance Issues		
	Review Of The Progress In Achieving The Audit Plan		
	Review Of Progress In The Implementation Of Internal Audit Actions		

The Audit Committee considers each year how effective it has been in overseeing the Council's governance arrangements and submits an annual report to Council that summarises its work and allows the Council to take comfort that key governance processes are being reviewed.

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# Annual Governance Statement 2023/24

## 7. Managing key risks

All Councillors and Officers are responsible for ensuring that risk implications are considered in the decisions they take in accordance with the Council's 'risk appetite' as detailed in the Risk Appetite Statement.

The successful delivery of the Corporate Strategy Objectives depends on the Council's ability to manage and tolerate risk where it cannot be eliminated altogether. Significant risks that may be potentially damaging to the achievement of the objectives are recorded in the Corporate Risk Register.

The Corporate Management Team reviews and updates the Corporate Risk Register and is required to state positively the level of assurance they can place upon the controls that mitigate risks. If the residual risk exceeds the 'risk appetite', managers are required to consider whether cost effective actions that will reduce the likelihood and/or impact of the risk occurring can be introduced. The Risk Register is reviewed by the Audit Committee and used to inform the Internal Audit Plan for annual audit planning.

The Audit Committee will continue to review the governance arrangements to ensure they are fit for purpose in managing key risks and seeking corrective action where they are found not to be.

## 8. Managing the risk of fraud

To mitigate the risk of fraud the council has in place fraud and governance policies to which staff should adhere. These include the Anti-fraud, Bribery and Corruption Policy, Prosecution Policy, Whistleblowing Policy and Anti-Money Laundering Policy. These policies are reviewed, updated and agreed by the Audit Committee. Any issues raised relating to these policies are dealt with by the appropriate responsible Officers in accordance with the requirements of each policy. Where appropriate the policies are available on the Council's website and intranet.

Within the Council, the fraud investigation officer provides a proactive and reactive role for issues relating to fraud. This is a dedicated resource to investigate all types of housing tenancy fraud. This work results in ensuring that properties are used by tenants in accordance with the tenancy agreement. Outcomes can include the return of properties to the housing stock to enable them to be utilised for those on the housing waiting list.

## 9. Anti-Fraud and Corruption Statement

The Council is committed to the highest possible standards of honesty, openness and accountability.

It will ensure that internal procedures are in place to identify, deter and prevent the risk of fraud and corruption and maintain clear and well publicised arrangements for receiving and investigating issues raised through its governance policies.

The Council will pursue appropriate action, including the recovery of any losses it has suffered, where fraud and corruption has been identified.

## 10. Responsible Chief Financial Officer

An Executive Head of Service now known as the Strategic Director of Finance is the Chief Financial Officer (CFO) (the 'Section 151 Officer'). The CFO has responsibility for delivering and overseeing the Council's financial management arrangements and has responsibility for the Finance Team and Internal Audit.

# Annual Governance Statement 2023/24

The Waverley Borough Council's Internal Audit Client manager left on 16<sup>th</sup> November 2023 and Southern Internal Audit Partnership have now expanded their work for the Council, incorporating Internal Audit except for counter fraud.

The CFO has been involved in reviewing the governance framework and preparing this Statement and is satisfied with the arrangements that are in place for managing finances, considers the system of internal control works effectively and that no matters of significance have been omitted from this Statement.

## 11. Internal and External Audit assurance

The Council receives a substantial amount of assurance from the work that is undertaken by its Internal Audit Service (Southern Internal Audit Partnership) and External Auditors (Grant Thornton LLP).

Despite the difficulties of the nationwide audit backlog for Local government accounts, our external auditors Grant Thornton have been able to complete both the 2021/22 and 2022/23 external audits in 2023/24.

## 12. Internal Audit

The Council considers its Internal Audit arrangements to be a key component of its governance framework that:

- Provides independent, risk-based and objective assurance, advice and insight to the Council on its operations.
- Enhances and protects value, by assisting management improve the delivery of the Council's objectives and operations through evaluating and challenging the effectiveness of risk management, control and governance processes.

Each year the Audit Committee reviews the Internal Audit Charter, which sets out the internal audit role and its responsibilities and clarifies its independence and aligns it to the *Public Sector Internal Audit Standards (PSIAS)*.

To maintain independence and objectivity of the Internal Audit service, it has direct access to the Chief Executive, the Audit Committee and its Chairman.

The Internal Audit Manager had stated in their 2022/23 Internal Audit Annual report that there were no constraints placed upon them in respect of determining overall audit coverage, audit methodology, the delivery of the audit plan or proposing actions for improvement or forming opinions on individual audit reports issued.

This was still their opinion for the first seven and a half months of the financial year when the Internal Audit Manager was still in post.

The opinion for the 12-month period ending March 2024 will be provided by Southern Internal Audit Partnership when they complete their work.

One of the key assurance statements the Council receives is the annual Internal Audit report. This report will include the opinion of the Southern Internal Audit Partnership on the Council's control environment based on the work that has been completed throughout the 2023/24 year.

# Annual Governance Statement 2023/24

## 13. External Audit

The Council's external auditors are appointed by Public Sector Audit Appointments Limited (PSAA). Grant Thornton LLP were appointed by PSAA to undertake the Council's external audit.

The external auditor has issued an unqualified opinion on the Council's arrangements for securing economy, efficiency and effectiveness (value for money) and in the use of its resources for financial year 2021/22 and is expected to do the same for 2022/23.

## 14. Level of Assurance

This AGS demonstrates that the systems and processes continue to provide a comprehensive level of assurance to the Council in its governance arrangements during 2023/24.

## 15. Certification

The Council's framework of governance comprises all the detailed strategies, policies and procedures that are in place to achieve good governance. These are used in delivering the objectives set out in the Corporate Strategy and to which Officers work to in carrying out their responsibilities on behalf of the Council. This AGS has been prepared by those with knowledge of the key governance issues who are satisfied that the Council's framework complies with the principles set out in the Delivering Good Governance Framework.

We therefore commend the Governance Statement to the Audit Committee for approval.

Councillor Paul Follows

Pedro Wrobel

Signed

Signed

Leader of the Council

Joint Chief Executive

Dated

Dated

# Annual Governance Statement 2023/24

## Document Information & Governance

### Approval & Publication / Version Control Information:

Approving Body	Publication Type	Version	Version Status	Date	Version Author	Version Comment
Audit Committee	Internal	V1.0	Draft	11/9/23	Rosie Plaistowe	Update previous year's version
Audit Committee	Internal	V1.1	Draft	27/11/23	Rosie Plaistowe	Update to incorporate Audit Committee comments.
Audit Committee	Internal	V1.2	Draft	18/03/24	Mavis Amouzou-Akue & Richard Bates	Incorporates Audit Committee comments, updated sections 5.2,5.4, 8, 10, 11 and 12

### 1. Introduction

Waverley Borough Council (the Council) is committed to improving governance on a continuing basis through a process of evaluation and review in accordance with the Council's governance framework.

The Council's Chief Executive and the Leader of the Council acknowledge responsibility for ensuring that there is a sound system of governance and internal control when managing and delivering the vision set out in the Corporate Strategy.

Each year the Council is required to produce an Annual Governance Statement (AGS) under the Accounts & Audit (England) Regulations 2015, to be published alongside the Statement of Accounts. The AGS is published in accordance with *Delivering Good Governance in Local Government: Framework (2016)* issued by CIPFA/SOLACE.

The AGS describes how the corporate governance arrangements have been working and the effectiveness of the systems of internal control during the year. It also documents key changes and developments within the Council's governance framework during the financial year up to the date of approval of the Annual Financial Report.

This AGS was reviewed and approved by the Audit Committee at its meeting on 25<sup>th</sup> March 2024.

# Annual Governance Statement 2023/24

## 2. What is Corporate Governance?

Corporate governance generally refers to the systems and processes by which organisations are directed, controlled, led and 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 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.

The Council’s framework brings together legislative requirements, good practice principles and management processes. It is consistent with the principles set out in the Delivering Good Governance Framework. The principles are summarised in the diagram below. Principles 1. and 2. have an overarching effect on the outcome of all other principles.





# Annual Governance Statement 2023/24

## 3. The Principles – A Summary

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### **The Council aims to achieve good standards of governance by:**

Principle 1 - Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

- Having codes of conduct which define standards of behaviour for Councillors and all staff, supported by more detailed policies for ethical values such as whistleblowing and conflicts of interest.
- Ensuring compliance with relevant laws and regulations, internal codes, policies and procedures.
- Ensuring effective arrangements are in place for the discharge of the Monitoring Officer function.

Principle 2 - Ensuring openness and comprehensive stakeholder engagement.

- Demonstrating, documenting and communicating the Council's commitment to openness and accountability in acting in the public interest.
- Establishing clear channels of communication with the community and other stakeholders, and encouraging open consultation.
- Ensuring an effective scrutiny function is in place.

Principle 3 - Defining outcomes in terms of sustainable economic, social and environmental benefits.

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

Principle 4 - Determining the interventions necessary to optimise the achievement of the intended outcomes.

- Translating the vision into courses of action for the Council, its partnerships and collaborations.
- Reviewing the effectiveness of the decision-making framework, including delegation arrangements and robustness of information.
- Quarterly performance monitoring of services and projects to ensure the Council achieves its agreed vision as planned.

Principle 5 - Developing the Council's capacity, including the capability of its leadership and the individuals within it.

- Defining clearly the roles and responsibilities of Councillors and Officers, with protocols to ensure shared understanding of roles.
- Providing inductions, training and development to give all the appropriate skills, knowledge, and support to fulfil their roles and responsibilities.
- Ensuring effective arrangements are in place for the discharge of the Head of Paid Service function.

Principle 6 - Managing risks and performance through robust internal control and strong public financial management.

- Risk Management is an integral part of all activity and is considered in decision making in accordance with the Council's Risk Appetite Statement.
- Service delivery is monitored through financial management review and quarterly reporting to ensure service plan delivery is on target.
- Internal controls are independently reviewed by Internal Audit when carrying out assessments of key activity areas.

Principle 7 - Implementing good practices in transparency, reporting and audit to deliver effective accountability.

- Meetings and decisions are available on the Council's website along with other information such as quarterly performance reviews.
  - Undertaking the core functions of an Audit Committee to provide good governance.
  - The Council provides timely support, information and responses to external auditors and properly considers audit findings and recommendations.
-

# Annual Governance Statement 2023/24

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

Corporate Governance requires providing assurances on:

- Delivery of Corporate Strategy priorities
- Services being delivered economically, efficiently and effectively
- Management of risk
- Financial planning and performance
- Effectiveness of internal controls
- Community engagement and public accountability
- Shared service governance
- Project management and project delivery
- Procurement processes
- Roles and responsibilities of Councillors and Officers
- Standards of conduct and behaviour
- Training and development of Councillors and Officers
- Compliance with laws and regulations, internal policies and procedures
- Secure and comprehensive record keeping
- Financial planning, performance and reporting

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# Annual Governance Statement 2023/24

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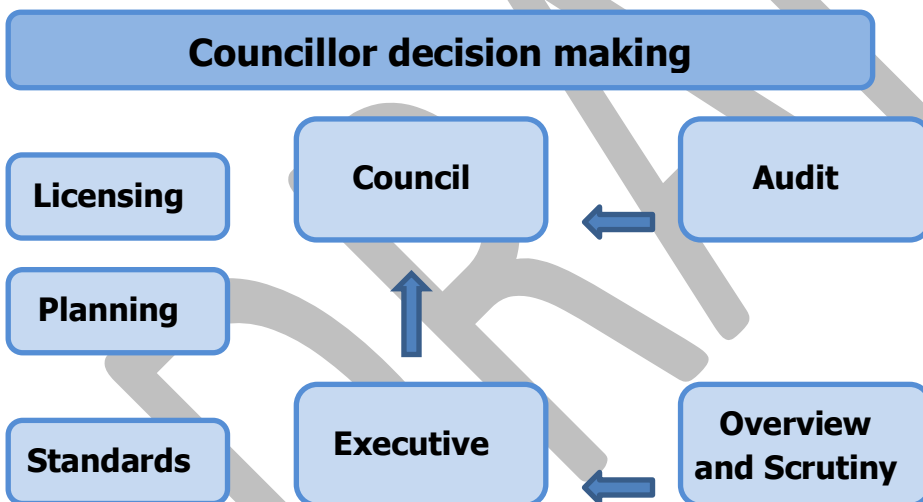
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# Annual Governance Statement 2023/24

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## 5.4 Other governance issues arising during 2023/24

The Council is in collaboration arrangements with Guildford Borough Council and has a shared management team. A number of governance issues have arisen at Guildford during 2023-24 which has led to several changes in the management team, some permanent and some temporary. Arrangements

## Annual Governance Statement 2023/24

are in place to fill / cover these posts and a Corporate Governance Review has been undertaken at Guildford. This review will be repeated at Waverley during 2024.

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## Annual Governance Statement 2023/24

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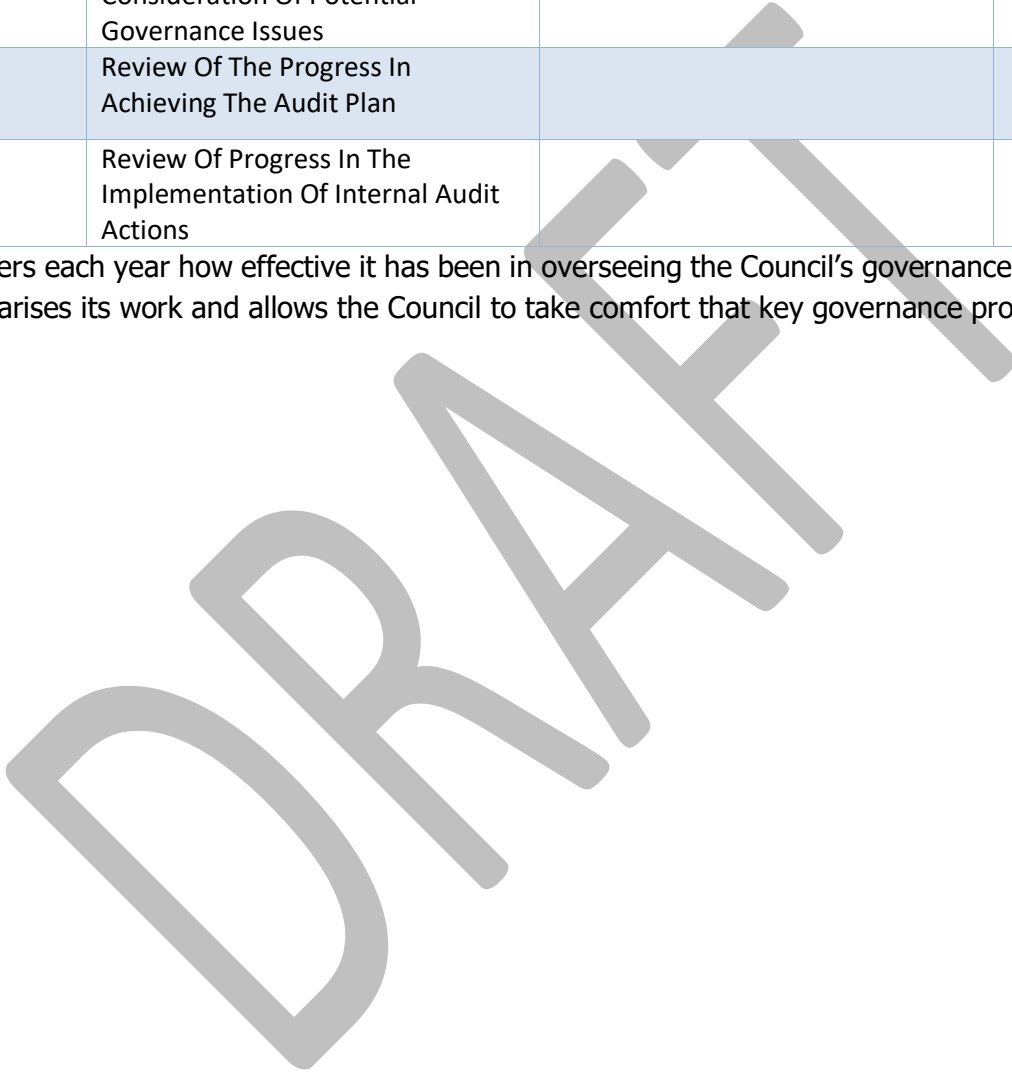
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Review Of Progress In The Implementation Of Internal Audit Actions	External Audit Findings Report	Risk Management	Risk Management
Annual Internal Audit Report	Value for Money Report	Waverley 22-23 Audit Plan	Annual Governance Statement - Consideration Of Potential Governance Issues
Review Of The Progress In Achieving The Audit Plan	Local Audit Delay Cross- System Statement and DLHUC letter Update	Enquiries of Management 22-23	Internal Audit Charter
Fraud Investigation Summary	2022-23 Annual Information and Data Management Report	Review Audit Committees Terms of Reference	Statement of Accounts
Internal Audit Charter	Covert Surveillance Policy	Annual Governance Statement - Consideration Of Potential Governance Issues	External Audit Findings Report
Risk Management	Anti Money Laundering Update	Review Of Progress In The Implementation Of Internal Audit Actions	Value for Money Report
	Financial Regulations Update	Review Of The Progress In Achieving The Audit Plan	
	Risk Management		



# Annual Governance Statement 2023/24

	Annual Governance Statement - Consideration Of Potential Governance Issues		
	Review Of The Progress In Achieving The Audit Plan		
	Review Of Progress In The Implementation Of Internal Audit Actions		

The Audit Committee considers each year how effective it has been in overseeing the Council’s governance arrangements and submits an annual report to Council that summarises its work and allows the Council to take comfort that key governance processes are being reviewed.



# Annual Governance Statement 2023/24

## 7. Managing key risks

All Councillors and Officers are responsible for ensuring that risk implications are considered in the decisions they take in accordance with the Council's 'risk appetite' as detailed in the Risk Appetite Statement.

The successful delivery of the Corporate Strategy Objectives depends on the Council's ability to manage and tolerate risk where it cannot be eliminated altogether. Significant risks that may be potentially damaging to the achievement of the objectives are recorded in the Corporate Risk Register.

The Corporate Management Team reviews and updates the Corporate Risk Register and is required to state positively the level of assurance they can place upon the controls that mitigate risks. If the residual risk exceeds the 'risk appetite', managers are required to consider whether cost effective actions that will reduce the likelihood and/or impact of the risk occurring can be introduced. The Risk Register is reviewed by the Audit Committee and used to inform the Internal Audit Plan for annual audit planning.

The Audit Committee will continue to review the governance arrangements to ensure they are fit for purpose in managing key risks and seeking corrective action where they are found not to be.

## 8. Managing the risk of fraud

To mitigate the risk of fraud the council has in place fraud and governance policies to which staff should adhere. These include the Anti-fraud, Bribery and Corruption Policy, Prosecution Policy, Whistleblowing Policy and Anti-Money Laundering Policy. These policies are reviewed, updated and agreed by the Audit Committee. Any issues raised relating to these policies are dealt with by the appropriate responsible Officers in accordance with the requirements of each policy. Where appropriate the policies are available on the Council's website and intranet.

Within the Council, the fraud investigation officer provides a proactive and reactive role for issues relating to fraud. This is a dedicated resource to investigate all types of housing tenancy fraud. This work results in ensuring that properties are used by tenants in accordance with the tenancy agreement. Outcomes can include the return of properties to the housing stock to enable them to be utilised for those on the housing waiting list.

## 9. Anti-Fraud and Corruption Statement

The Council is committed to the highest possible standards of honesty, openness and accountability.

It will ensure that internal procedures are in place to identify, deter and prevent the risk of fraud and corruption and maintain clear and well publicised arrangements for receiving and investigating issues raised through its governance policies.

The Council will pursue appropriate action, including the recovery of any losses it has suffered, where fraud and corruption has been identified.

## 10. Responsible Chief Financial Officer

An Executive Head of Service now known as the Strategic Director of Finance is the Chief Financial Officer (CFO) (the 'Section 151 Officer'). The CFO has responsibility for delivering and overseeing the Council's financial management arrangements and has responsibility for the Finance Team and Internal Audit.

# Annual Governance Statement 2023/24

The Waverley Borough Council's Internal Audit Client manager left on 16<sup>th</sup> November 2023 and Southern Internal Audit Partnership have now expanded their work for the Council, incorporating Internal Audit except for counter fraud.

The CFO has been involved in reviewing the governance framework and preparing this Statement and is satisfied with the arrangements that are in place for managing finances, considers the system of internal control works effectively and that no matters of significance have been omitted from this Statement.

## 11. Internal and External Audit assurance

The Council receives a substantial amount of assurance from the work that is undertaken by its Internal Audit Service (Southern Internal Audit Partnership) and External Auditors (Grant Thornton LLP).

Despite the difficulties of the nationwide audit backlog for Local government accounts, our external auditors Grant Thornton have been able to complete both the 2021/22 and 2022/23 external audits in 2023/24.

## 12. Internal Audit

The Council considers its Internal Audit arrangements to be a key component of its governance framework that:

- Provides independent, risk-based and objective assurance, advice and insight to the Council on its operations.
- Enhances and protects value, by assisting management improve the delivery of the Council's objectives and operations through evaluating and challenging the effectiveness of risk management, control and governance processes.

Each year the Audit Committee reviews the Internal Audit Charter, which sets out the internal audit role and its responsibilities and clarifies its independence and aligns it to the *Public Sector Internal Audit Standards (PSIAS)*.

To maintain independence and objectivity of the Internal Audit service, it has direct access to the Chief Executive, the Audit Committee and its Chairman.

The Internal Audit Manager had stated in their 2022/23 Internal Audit Annual report that there were no constraints placed upon them in respect of determining overall audit coverage, audit methodology, the delivery of the audit plan or proposing actions for improvement or forming opinions on individual audit reports issued.

This was still their opinion for the first seven and a half months of the financial year when the Internal Audit Manager was still in post.

The opinion for the 12-month period ending March 2024 will be provided by Southern Internal Audit Partnership when they complete their work.

One of the key assurance statements the Council receives is the annual Internal Audit report. This report will include the opinion of the Southern Internal Audit Partnership on the Council's control environment based on the work that has been completed throughout the 2023/24 year.

## 13. External Audit

# Annual Governance Statement 2023/24

The Council's external auditors are appointed by Public Sector Audit Appointments Limited (PSAA). Grant Thornton LLP were appointed by PSAA to undertake the Council's external audit.

The external auditor has issued an unqualified opinion on the Council's arrangements for securing economy, efficiency and effectiveness (value for money) and in the use of its resources for financial year 2021/22 and is expected to do the same for 2022/23.

## 14. Level of Assurance

This AGS demonstrates that the systems and processes continue to provide a comprehensive level of assurance to the Council in its governance arrangements during 2023/24.

## 15. Certification

The Council's framework of governance comprises all the detailed strategies, policies and procedures that are in place to achieve good governance. These are used in delivering the objectives set out in the Corporate Strategy and to which Officers work to in carrying out their responsibilities on behalf of the Council. This AGS has been prepared by those with knowledge of the key governance issues who are satisfied that the Council's framework complies with the principles set out in the Delivering Good Governance Framework.

We therefore commend the Governance Statement to the Audit Committee for approval.

Councillor Paul Follows

Pedro Wrobel

Signed

Signed

Leader of the Council

Joint Chief Executive

Dated

Dated

# Audit & Risk Committee – Recurrent Annual Work Programme 2024-25

**Last updated:**

Meeting	Item	Action	Responsibility
<b>June/July 2024</b>	Financial Statement Update	Note	Joint Strategic Director, Finance, Richard Bates
	Annual Governance Statement – Interim Review	Comment and instruct	Joint Strategic Director, Finance, Richard Bates
	Risk Management - Review of Risk Register	Note	Assistant Director Organisational Development, Robin Taylor
	Whistleblowing Policy	Approve	Joint Strategic Director, Legal and Democratic Services, Susan Sale
	Whistleblowing Annual Report	Approve	Joint Strategic Director, Legal and Democratic Services, Susan Sale
	Financial Procedure Rules	Note	Joint Strategic Director, Finance, Richard Bates
	Annual Information and Data Management Report for 2023-24	Note	Nora Copping, Information Manager.
<b>September 2024</b>	Annual Governance Report	Endorse	External Audit
	External Audit Plan	Note	External Audit
	Certification Report	Note	External Audit
	Statement of Accounts	Approve	Joint Strategic Director Finance, Richard Bates
	Covert Surveillance Reports	Note	Joint Strategic Director, Legal and Democratic Services, Susan Sale
	Value for Money Report and External Audit Findings Report	Note	External Audit
	Annual Governance Statement	Approve	Joint Strategic Director Finance, Richard Bates
<b>November 2024</b>	Annual Governance Statement – Interim Review	Comment and instruct	Joint Strategic Director Finance, Richard Bates
	Review Audit Committee's Terms of Reference	Rec to Council, if necessary	Committee Clerk, Democratic Services
	Audit Committee Annual Report	Note	Committee Clerk, Committee Services
	Annual RIPA Report	Note	Joint Strategic Director Legal and Democratic Services, Susan Sale
	Internal Audit Plan	Approve	Southern Internal Audit Partnership

<b>March 2025</b>	Annual Governance Statement	Approve	Joint Strategic Director Finance, Richard Bates and Joint Strategic Director Legal and Democratic Services, Susan Sale
	Internal Audit Charter	Endorse	Southern Internal Audit Partnership
	External Audit Findings Report	Note	External audit

**Please Note: At every meeting the Committee will receive the following reports:**

- Quarterly Internal Audit Report [To note and instruct];
- Risk Management [To receive update]; and
- Fraud Investigation Summary [To note].
- Recurrent Annual Work Programme [To note and agree]

The Work Programme details regular items, but other items can be submitted to each meeting on an ad hoc basis or at the request of the Committee.