

**WAVERLEY BOROUGH COUNCIL**

**AUDIT COMMITTEE**

**13<sup>TH</sup> JUNE 2022**

---

**Title:**  
**PROGRESS ON THE IMPLEMENTATION INTERNAL AUDIT AGREED ACTIONS**

---

**Lead Councillor:** Councillor Peter Marriott, Chairman of the Audit Committee

**Head of Service:** Graeme Clark, Strategic Director

**Key decision:** Yes

**Access:** Public

---

**1. Purpose and summary**

- 1.1 To inform the Audit Committee of Senior Management's progress in implementing the agreed actions raised by Internal Audit following a review in their service areas. This report will enable the Committee to consider what action is required in respect of those that are overdue or appear likely to be implemented later than the original agreed implementation date.

**2. Recommendation/s**

- 2.1 It is recommended that the Committee considers the information contained in **Annexe 1** and, following discussion at the Audit Committee meeting identifies any action it wishes to be taken and
- 2.2 Considers the Head of Service(s) justification for a request for a change in the agreed target date for the Management Actions (s) listed in **Annexe 2** and agree an appropriate implementation date(s).

**3. Reason for the recommendation**

To enable the Audit Committee to be informed of the status of agreed actions accepted by Heads of Service but not yet implemented or progress made to implement by the agreed implementation date.

#### **4. Background**

4.1 This report provides the Audit Committee with the latest position regarding the implementation of Internal Audit agreed actions.

#### **5. Relationship to the Corporate Strategy and Service Plan**

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

#### **6. Implications of decision**

##### **6.1 Resource (Finance, procurement, staffing, IT)**

Internal audit work helps management in achieving good value for money and, individual agreed actions may have value for money implications and protect the council from financial risks.

##### **6.2 Risk management**

There is a risk that where weakness or non-compliance identified as part of audit reviews, if not actioned to strengthen the controls will not assist to prevent the materialising of the risks identified.

##### **6.3 Legal**

There are no direct legal implications, although good governance and probity are strengthened by attending to the matters raised within the audit agreed actions.

##### **6.4 Equality, diversity, and inclusion**

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.

##### **6.5 Climate emergency declaration**

There are no direct implications in this report

#### **7. Consultation and engagement**

7.1 Heads of Service and SMT.

#### **8. Other options considered**

8.1 N/A

## **9. Governance journey**

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

### **Annexes:**

**Annexe 1** – provides the current position on agreed actions due for completion at the end of the month of the Audit Committee date.

**Annexe 2** – provides the requests from Heads of Service for changes to the agreed action dates.

---

### **Background Papers**

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

---

### **CONTACT OFFICER:**

Name: Gail Beaton  
Position: Internal Audit Manager  
Telephone: 01483 523260  
Email: [gail.beaton@waverley.gov.uk](mailto:gail.beaton@waverley.gov.uk)

Agreed and signed off by:  
Legal Services: 23/05/2022  
Head of Finance: 23/05/2022  
Strategic Director:  
Portfolio Holder: N/A

## Agreed Internal Audit Actions overdue or due by 30 June 2022







Generated on: 30 May 2022

Action Status	
	Cancelled
	Overdue; Neglected
	Unassigned; Check Progress
	Not Started; In Progress; Assigned
	Completed



### Head of Service Homewood, Richard

IA22/04.003.1 System Issues			
<b>Action Code &amp; Description</b>	<p>The Data Protection Act requires that everyone responsible for using personal data has to follow 'data protection principles'. They include that data should be "accurate and, where necessary, kept up to date", "kept for no longer than is necessary" and "ensures appropriate security of the personal data".</p> <p>The Council maintains a list of residents who may put staff at risk – the Staff Safety Register (SSR). Possible new entries on to the SSR are proposed by staff via the ReportIt! E-form and assessed by the Health and Safety Team. We were advised that residents are informed in writing when they are added to the SSR, however our testing of five entries in the register found no evidence of this.</p> <p>The Health and Safety Team have responsibility to ensure that the SSR remains up to date and maintained in line with the principles of the Data Protection Act. We were advised that records have been subject to review by the Health &amp; Safety Team during 2021, and at the time of our audit this was an ongoing task. The previous review was completed in August 2018.</p> <p>Based on the data provided there were 138 entries on the SSR.</p> <p>The recent review by the H&amp;S team of the SSR has so far identified that 22 records, which had been marked for deletion in 2018, were still held within the SSR at the time of our discussions and therefore held for longer than necessary and remain openly available to all Officers of the Council.</p> <p>We were provided with a report from the SSR, and this showed that 91 out of 138 records had "N/A" entered into the review date field. The Emergency Planning, Resilience and Safety Officer advised that the N/A entries were historic.</p> <p>It is the responsibility of the H&amp;S Team to maintain the SSR, however, the Team does not have the necessary access to do this. A formal request to enable the H&amp;S team to be able to process records (add, amend, delete after review) within the SSR along with other risk assessment tools was submitted to the IT department in June 2021.</p>	<b>Exit Meeting Date</b>	27-Oct-2021
		<b>Due Date</b>	30-Jun-2022

	Additionally, during our testing we noted that there are no documented procedure notes for maintaining and processing data in the Staff Safety Register, nor are there clearly stated responsibilities to ensure that the register is in line with GDPR requirements and information recorded remains appropriate.					
<b>Risk Level</b>	<b>Medium Priority</b>				<b>Risk RAG</b>	
<b>Audit Report Code and Description</b>	IA22/04 Lone Working Policy					
<b>Agreed Action</b>	3.1 System issues outlined will be fixed by the creation of a new SSR. This has been commissioned by the H&S Team, but IT Department's work programme will not be complete until late March 2022.					
<b>Status</b>		<b>In Progress</b>	<b>Progress</b>	90%	<b>Head of Service</b>	<b>Richard Homewood</b>
<b>All Notes</b>	System issues outlined will be fixed by the creation of a new SSR This has been commissioned by the H&S team but It Department's work programme will not be complete until late March 2022					01-Mar-2022



	<b>IA22/08.004.1 Relationship management</b>					
<b>Action Code &amp; Description</b>	We note that the resulting 'working together approach' appears to be working well with transparency on both sides to ensure service efficiency is maximised and disproportionate admin time spent in resolving smaller issues has ceased. (There have been no invoices received in 2021/22 from the contractor in respect of missed bin 'extra' collections).				<b>Exit Meeting Date</b>	25-Jan-2022
	We have seen evidence of a routine client / contractor meeting where these arrangements are partially evidenced. On a forward looking note this relationship management approach will need close monitoring to ensure that benefits continue to be realised but with the caveat that a balanced 'challenge' from the client continues with a particular eye on overall performance. There would be merit in formalising this partnership approach in a written 'principles of partnership and relationship management' document which would galvanise current arrangements and provide guidance for any new contract managers.				<b>Due Date</b>	30-Apr-2022
<b>Risk Level</b>	<b>Low Priority</b>				<b>Risk RAG</b>	
<b>Audit Report Code and Description</b>	IA22/08 Waste Management (Bins)					
<b>Agreed Action</b>	The working together approach will be reviewed at the next contract review meeting on 16 February and the effectiveness of the current position recorded and confirmed in the notes of the meeting.					
<b>Status</b>		<b>Overdue</b>	<b>Progress</b>	90%	<b>Head of Service</b>	<b>Richard Homewood</b>
<b>All Notes</b>	We are having regular meetings with Biffa to manage the recovery out of Covid and return to some sort of normality, but there are still Covid related issues affecting contract performance and delaying this recovery.					23-May-2022
	We are developing the document, but we have not yet agreed it and wish to concentrate on returning the service to as near normal as we can first. We would therefore ask for a further extension of time to the end of June for both of these actions.					
	Further discussion on refinement of relationship management on agenda for contract review meeting on 5 May 2022					27-Apr-2022
	Audit Committee Extension agreed at 28/03/2022 meeting to 30th April 2022.					29-Mar-2022
Working relationship discussed at Contract Review meeting on 16 February. Written principles of partnership and relationship management being produced for joint agreement. Extension to due date to 30 April requested					01-Mar-2022	

	<b>IA22/08.004.2 Exchange of Letters</b>					
<b>Action Code &amp; Description</b>	We note that the resulting 'working together approach' appears to be working well with transparency on both sides to ensure service efficiency is				<b>Exit Meeting Date</b>	25-Jan-2022



	<p>maximised and disproportionate admin time spent in resolving smaller issues has ceased. (There have been no invoices received in 2021/22 from the contractor in respect of missed bin 'extra' collections).</p> <p>We have seen evidence of a routine client / contractor meeting where these arrangements are partially evidenced.</p> <p>On a forward looking note this relationship management approach will need close monitoring to ensure that benefits continue to be realised but with the caveat that a balanced 'challenge' from the client continues with a particular eye on overall performance. There would be merit in formalising this partnership approach in a written 'principles of partnership and relationship management' document which would galvanise current arrangements and provide guidance for any new contract managers.</p>				<b>Due Date</b>	31-May-2022
<b>Risk Level</b>	<b>Medium Priority</b>				<b>Risk RAG</b>	
<b>Audit Report Code and Description</b>	IA22/08 Waste Management (Bins)					
<b>Agreed Action</b>	At the subsequent contract meeting in May, when hopefully the impacts of Covid have eased it will be further reviewed, ongoing arrangements agreed and confirmed by an exchange of letters confirming the principles of relationship management.					
<b>Status</b>		<b>Check Progress</b>	<b>Progress</b>	50%	<b>Head of Service</b>	<b>Richard Homewood</b>
<b>All Notes</b>	<p>We are having regular meetings with Biffa to manage the recovery out of Covid and return to some sort of normality, but there are still Covid related issues affecting contract performance and delaying this recovery.</p> <p>We are developing the document, but we have not yet agreed it and wish to concentrate on returning the service to as near normal as we can first. We would therefore ask for a further extension of time to the 30 June 2022 for both of these actions.</p>					23-May-2022

### Head of Service Smith, Andrew



	<b>IA21/17.002.2 Annual WBC Safeguarding Report</b>					
<b>Action Code &amp; Description</b>	<p>The Safeguarding Children and Adults at Risk Policy sets out the following responsibilities:</p> <ul style="list-style-type: none"> <li>. The Leader and Chief Executive are responsible for discharging the Councils Safeguarding responsibilities under the Care Act 2014, The Children Act 2004, and Working Together to Safeguard Children 2015.</li> <li>. Nominated Head of Service and Portfolio Holder responsible for coordinating, delivering and monitoring the Councils safeguarding responsibilities.</li> <li>. Internal Safeguarding Board - overseeing the Councils safeguarding responsibilities, including monitoring and evaluation of all safeguarding referrals.</li> </ul> <p>However, the Board's Terms of Reference do not clearly set out reporting arrangements.</p> <p>Although during 2020-21 there was evidence of ad hoc reporting to the Management Board, such as the section 11 self-assessment, there were no regular reports of safeguarding referrals and activities or other performance monitoring to give assurance to the Leader/Chief Executive that safeguarding duties were being discharged effectively.</p> <p>The previous Internal Audit of Safeguarding in 2018 did highlight the lack of a formal agreed reporting framework as an issue and management actions were agreed; however, we found no evidence, aside from the introduction of the Internal Safeguarding Board, that actions relating to improved reporting have been implemented.</p> <p>Without an established reporting framework there is no mechanism to ensure that safeguarding responsibilities are discharged.</p>				<b>Exit Meeting Date</b>	27-Jul-2021
					<b>Due Date</b>	15-Apr-2022



<b>Risk Level</b>	<b>Medium Priority</b>				<b>Risk RAG</b>	
<b>Audit Report Code and Description</b>	IA21/17 Safeguarding					
<b>Agreed Action</b>	2.2 – Implement an Annual WBC Safeguarding Report – starting with 21/22 – for interim please see action 2.4.					
<b>Status</b>		<b>Overdue</b>	<b>Progress</b>	10%	<b>Head of Service</b>	<b>Andrew Smith</b>
<b>All Notes</b>	Due to serious staff sickness and the pressure resulting from the team responding to the Ukrainian crisis, it is proposed to defer the publication of the Annual Safeguarding Report to September 2022. The Safeguarding Board is scheduled to meet on Monday 6 June, where this proposal will be discussed and a further updated posted on Pentana confirming the deferral.					30-May-2022
	Report not scheduled for completion until April 22 as needs to be in line with the Councils financial and service plan year					01-Feb-2022
	Information being collated - report not required until April 22					12-Oct-2021


### Head of Service Vickers, Peter

<b>Action Code &amp; Description</b>	<b>IA22/10.003.1 Monitoring Information</b>					
	We were advised that due to covid and other additional work pressures that debt monitoring information has not been provided to Service Accountants since March 2021, in order that this can be taken to their monthly budget monitoring meeting to review and discuss with their Service contact.				<b>Exit Meeting Date</b>	22-Feb-2022
	Similarly, aged debt monitoring information has not been provided to the Management Board since March 2021. We were also unable to view an audit trail by email of the last time management information was issued to the Management Board because this is generally printed and taken to these meetings or presented. We observed that it may be preferable for Board members to have this management information ahead of Board meetings, to allow them time for review. Additionally, the Debt Management Panel which meets monthly to review debt chasing procedures and debt statistics, have not meet since January 2021.				<b>Due Date</b>	30-Jun-2022
<b>Risk Level</b>	<b>High Priority</b>				<b>Risk RAG</b>	
<b>Audit Report Code and Description</b>	IA22/10 Debt Management					
<b>Agreed Action</b>	Monitoring information will be supplied monthly to the service accountants to take to budget meetings					
<b>Status</b>		<b>In Progress</b>	<b>Progress</b>	0%	<b>Head of Service</b>	<b>Peter Vickers</b>
<b>All Notes</b>						


<b>Action Code &amp; Description</b>	<b>IA22/10.003.2 Monthly Debt Report</b>					
	We were advised that due to covid and other additional work pressures that debt monitoring information has not been provided to Service Accountants since March 2021, in order that this can be taken to their monthly budget monitoring meeting to review and discuss with their Service contact.				<b>Exit Meeting Date</b>	22-Feb-2022
	Similarly, aged debt monitoring information has not been provided to the Management Board since March 2021. We were also unable to view an audit trail by email of the last time management information was issued to the Management Board because this is generally printed and taken to these meetings or presented. We observed that it may be preferable for Board members to have this management information ahead of Board meetings, to allow them time for review.				<b>Due Date</b>	30-Jun-2022

	Additionally, the Debt Management Panel which meets monthly to review debt chasing procedures and debt statistics, have not meet since January 2021.					
<b>Risk Level</b>	<b>Medium Priority</b>				<b>Risk RAG</b>	
<b>Audit Report Code and Description</b>	IA22/10 Debt Management					
<b>Agreed Action</b>	A monthly debt report will be provided to the Head of Finance and Property.					
<b>Status</b>		<b>In Progress</b>	<b>Progress</b>	0%	<b>Head of Service</b>	<b>Peter Vickers</b>
<b>All Notes</b>						



	<b>IA22/10.003.3 Exception Report</b>					
<b>Action Code &amp; Description</b>	We were advised that due to covid and other additional work pressures that debt monitoring information has not been provided to Service Accountants since March 2021, in order that this can be taken to their monthly budget monitoring meeting to review and discuss with their Service contact.				<b>Exit Meeting Date</b>	22-Feb-2022
	Similarly, aged debt monitoring information has not been provided to the Management Board since March 2021. We were also unable to view an audit trail by email of the last time management information was issued to the Management Board because this is generally printed and taken to these meetings or presented. We observed that it may be preferable for Board members to have this management information ahead of Board meetings, to allow them time for review. Additionally, the Debt Management Panel which meets monthly to review debt chasing procedures and debt statistics, have not meet since January 2021.				<b>Due Date</b>	30-Jun-2022
<b>Risk Level</b>	<b>Medium Priority</b>				<b>Risk RAG</b>	
<b>Audit Report Code and Description</b>	IA22/10 Debt Management					
<b>Agreed Action</b>	Meetings of the Debt Management Panel will be replaced by an exception report in 3.2					
<b>Status</b>		<b>In Progress</b>	<b>Progress</b>	0%	<b>Head of Service</b>	<b>Peter Vickers</b>
<b>All Notes</b>						

	<b>IA22/SP/01.015.1 Financial Accounts creation</b>					
<b>Action Code &amp; Description</b>	During the audit an attempt to create the financial accounts with the assistance of a member of the accountancy team was not possible. It was found that not only was the format of the accounts variable, but the coding of the service accounts was not consistent.				<b>Exit Meeting Date</b>	10-Jan-2022
	Previously the service accounts would have been prepared by the Homeownership Manager or an equivalent role in Housing and then verified as correct by the Internal Audit Service or latterly the Accountancy Team. The Audit identified that this has not been in place for many years which has added to the difficulties and raised Leaseholders concerns. Therefore, to enable assurance to be given to Leaseholders as they previously requested in 2016, with the assistance of accountancy team the accounts should be prepared for the last 10 years to evidence and inform the leaseholders of the balances on the service accounts and the Sinking Fund account.				<b>Due Date</b>	01-Apr-2022
<b>Risk Level</b>	<b>High Priority</b>				<b>Risk RAG</b>	
<b>Audit Report Code and Description</b>	IA22/SP/01 Sinking Funds					
<b>Agreed Action</b>	An exercise will be completed by the Accountancy Team to clearly present the position of the accounts over the last 10 years. The results will be communicated to both the leaseholders/shared ownership for Sycamore Court and Coxbridge Meadows by Finance and Housing team members. (PV)					



<b>Status</b>		<b>Overdue</b>	<b>Progress</b>	0%	<b>Head of Service</b>	<b>Peter Vickers;</b> Hugh Wagstaff
<b>All Notes</b>	Heads of Service request extension until 30 Sept 2022. Work has commenced but the investigation to prepare the accounts has taken longer than expected, staff absence has led to a delay in communications to residents and higher priority work currently to be completed within the teams. Action relates to £15k therefore reassessed as lower priority.					20-May-2022

### Head of Service Wagstaff, Hugh

<b>Action Code &amp; Description</b>	<b>IA22/06.002.3 Review Interim Measure at 1.2</b>							
	The Rent Recovery Procedure states that once a repayment agreement for debt has been reached with a Tenant that Orchard automatically produces a letter which they should send to the Tenant to confirm the commitment they have made.  Through testing we confirmed that letters are not being sent to formalise repayment arrangements as part of the current process, instead arrangements are agreed verbally.				<table border="1"> <tr> <td><b>Exit Meeting Date</b></td> <td>26-Nov-2021</td> </tr> <tr> <td><b>Due Date</b></td> <td>30-Jun-2022</td> </tr> </table>	<b>Exit Meeting Date</b>	26-Nov-2021	<b>Due Date</b>
<b>Exit Meeting Date</b>	26-Nov-2021							
<b>Due Date</b>	30-Jun-2022							
<b>Risk Level</b>	<b>Low Priority</b>				<b>Risk RAG</b>			
<b>Audit Report Code and Description</b>	IA22/06 Rent Recovery							
<b>Agreed Action</b>	Once a response is received from Orchard, we will review the interim measure at 1.2							
<b>Status</b>		<b>In Progress</b>	<b>Progress</b>	15%	<b>Head of Service</b>	<b>Hugh Wagstaff</b>		
<b>All Notes</b>	System Administrator to review arrangement process April 2022					14-Feb-2022		

## ANNEXE 2

### Requests for extension/s to previously agreed implementation date/s

<b>Recommendation Ref No/s</b>	<b>IA22/08.004.1 &amp; IA22/08.004.2</b>
<b>Justification for an extension</b>	<p>We are having regular meetings with Biffa to manage the recovery out of Covid and return to some sort of normality, but there are still Covid related issues affecting contract performance and delaying this recovery.</p> <p>We are developing the document, but we have not yet agreed it and wish to concentrate on returning the service to as near normal as we can first. We would therefore ask for a further extension of time to the 30 June 2022 for both actions.</p>
<b>Head of Service</b>	<b>Richard Homewood, Head of Environmental and Regulatory Services</b>

<b>Recommendation Ref No/s</b>	<b>IA21/17.002.2 Annual WBC Safeguarding Report</b>
<b>Justification for an extension</b>	<p>Due to serious staff sickness and the pressure resulting from the team responding to the Ukrainian crisis, it is proposed to defer the publication of the Annual Safeguarding Report to September 2022. The Safeguarding Board is scheduled to meet on Monday 6 June, where this proposal will be discussed and a further updated posted on Pentana confirming the deferral.</p>
<b>Head of Service</b>	<b>Andrew Smith, Head of Strategic Housing and Communities</b>

<b>Recommendation Ref No/s</b>	<b>IA22/SP/01.015.1 Financial Accounts Creation</b>
<b>Justification for an extension</b>	<p>Heads of Service request extension until 30 Sept 2022. Work has commenced but the investigation to prepare the accounts has taken longer than expected, staff absence has led to a delay in communications to residents and higher priority work currently to be completed within the teams. Action relates to £15k therefore reassessed as lower priority.</p>
<b>Head of Service</b>	<b>Peter Vickers, Head of finance &amp; Property &amp; Hugh Wagstaff, Head of Housing Operations.</b>