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HEAD OF PAID SERVICE'S OFFICE
HEAD OF PAID SERVICE
Richard Holmes

20 August 2019

Dear Councillor

You are summoned to attend the meeting of the;

AUDIT COMMITTEE

on **THURSDAY 29 AUGUST 2019** at **3.00 pm**.

in the Council Chamber, Maldon District Council Offices, Princes Road, Maldon**.**

A copy of the agenda is attached.

Yours faithfully

R.A. Holmes

Head of Paid Service

COMMITTEE MEMBERSHIP	CHAIRMAN	Councillor E L Bamford
	VICE-CHAIRMAN	Councillor B E Harker
	COUNCILLORS	Mrs P A Channer, CC
		A S Fluker
		J V Keyes
		C Morris
		S P Nunn
		N J Skeens

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AGENDA
AUDIT COMMITTEE

THURSDAY 29 AUGUST 2019

1.   **Chairman's notices (please see overleaf)**

2.   **Apologies for Absence**

3.   **Minutes of the last meeting** (Pages 5 - 12)

        To confirm the Minutes of the meeting of the Audit Committee held on 13 June 2019, (copy enclosed).

4.   **Disclosure of Interest**

        To disclose the existence and nature of any Disclosable Pecuniary Interests, other Pecuniary Interests or Non-Pecuniary Interests relating to items of business on the agenda having regard to paragraphs 6-8 inclusive of the Code of Conduct for Members.

        (Members are reminded that they are also required to disclose any such interests as soon as they become aware should the need arise throughout the meeting).

5.   **Internal Audit Update Report** (Pages 13 - 82)

        To consider the report of the Interim Section 151 Officer, (copy enclosed).

6.   **Any other items of business that the Chairman of the Committee decides are urgent**

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or see the Council's website – www.maldon.gov.uk.

NOTICES

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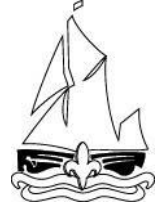
MINUTES of
AUDIT COMMITTEE
13 JUNE 2019

PRESENT

Chairman	Councillor E L Bamford
Vice-Chairman	Councillor B E Harker
Councillors	Mrs P A Channer, CC, A S Fluker, J V Keyes, C Morris, S P Nunn and N J Skeens
In Attendance	Councillor C Swain

161. CHAIRMAN'S NOTICES

The Chairman opened the meeting by welcoming all new Members to the first meeting of the new municipal year.

She then drew Members' attention to the notices on the reverse of the agenda.

162. APOLOGIES FOR ABSENCE

There were no apologies for absence.

163. MINUTES OF THE LAST MEETING

RESOLVED that the Minutes of the meeting of the Committee held on 4 April 2019 be approved and confirmed

164. DISCLOSURE OF INTEREST

Councillor Mrs P A Channer, CC declared a non-pecuniary interest in Agenda Item 5 – Updated Action Plan of Flood Mitigation Projects Across the District - as a member of Essex County Council, a consultee on planning application matters with respect generally, to highways, matters of access and education primarily.

Councillor A S Fluker in the interest of openness and transparency declared on Agenda Item 5. - Updated Action Plan of Flood Mitigation Projects Across the District, as a member of the Maldon Harbour Improvement Commissioners.

165. UPDATED ACTION PLAN OF FLOOD MITIGATION PROJECTS ACROSS THE DISTRICT REPORT

The Committee considered the report of the Director of Strategy, Performance and Governance that provided Members with a six-monthly update on the action plan of flood mitigation projects across the district, as agreed at Audit Committee on 6 December 2018.

It was noted that the updates were highlighted in red on the action plan at appendix 1. Furthermore, that consideration of this live action plan of projects should assist Members when reviewing the current risk score for corporate risk "Failure to have a clear shared plan regarding strategic ownership of coastal, fluvial and surface water flooding mitigation and long-term maintenance responsibilities" on today's agenda at Item 6. The Director of Resources asked the Lead Specialist Community to present the report and action Plan. For the benefit of new Members, the Lead Specialist Community provided the background to this key piece of work as follows:-

In response to the floods in 2007 in the Northeast of the country Sir Michael Pitt was charged with carrying out a review on flood risk management. One of the outcomes was the Flood and Water Management Act April 2010, which made the Environment Agency (EA) responsible for national strategy, Essex County Council (ECC) Lead Local Flood Authority (LLFA) responsible for district strategy and District Councils to act as risk management authorities. As a result of this all government funding to develop flood alleviation schemes had been allocated to the EA and ECC. This new strategy made the Council's position very difficult in that they could only lobby partners to engage with bringing in funding to this district for flood alleviation projects.

The Plan presented today by the Lead Specialist Community had been developed through working in partnership with the Environment Agency, Anglian Water and ECC, facilitating meetings and setting up an Operational Group. The Plan was now a live working programme with a number of good schemes across the district at different stages of development.

At this point the Chairman reminded Members that the recommendation was, dependent on the outcome of the discussion, to look at possibly reducing the risk score for this corporate risk when debating the corporate register under Item 6 – Quarterly Review of Corporate Risk.

In response to questions from Members the following was reported:-

- that the Heybridge flood alleviation scheme with a date of March 2024 on the Plan was a separate line of development to the Heybridge Garden Settlement planning application;
- that the West Althorne embankment repairs scheme referred to the Southminster branch line. This scheme would involve partnership engagement with landowners, Network Rail being one of the major ones in the scheme;
- that 'delivery in-house' on the plan meant delivery by the Environment Agency's in-house engineers;
- that the Stokes Hall scheme had been successfully completed in May 2019;
- that the Lead Specialist Community was working with landowners in respect of the Bradwell Waterside scheme;

- that with reference to the Brickhouse Farm scheme work was currently underway with ECC to discharge conditions around landscaping, types of trees preferred by MDC parks team, signage etc. A provisional start date had been agreed and next steps were around the felling of birch trees ideally as close to the start date as possible;
- that the Lead Specialist Community would report back at the next meeting on the Updated Flood Maps and on other issues raised outside of the meeting as appropriate.

It was noted that some of the updates at the meeting had not been incorporated in the Plan as they had happened post agenda publication, thus demonstrating how live the clear shared plan was.

The Chairman thanked the Lead Specialist Community for all her hard work and acknowledged how difficult it was to progress schemes when having to lobby for funding from partners.

The Chairman put the recommendation to the Committee and it was agreed.

RESOLVED that Members had considered the updates to the action plan provided in appendix 1 and agreed to review the current risk score as a result of the updated plan and progress to date.

166.   QUARTERLY REVIEW OF CORPORATE RISK

The Committee considered the report of the Director of Resources and its role in providing independent assurance to the Council on the adequacy of the risk management framework. It was noted that the Risk Management Policy required this Committee to undertake a quarterly review of the Corporate Risk Register, attached at appendix 1, as assurance that the corporate risks are being managed effectively.

The Director of Resources introduced the report and reminded Members that this report represented the position as at the end of Quarter 4 (31 March 2019) on the corporate risks included within the Corporate Risk Register 2018/19. She advised that the Corporate Risk register was reviewed by CLT on a quarterly basis, reported on TEN and subsequently considered by the Audit Committee. In advance of taking Members through the register page by page, and as a guide, she drew Members attention to the scoring matrix used in the Risk Management Policy Methodology.

All Risks were considered, and the following were discussed in more detail:-

Risk 1 – *Failure to safeguard children and vulnerable adults* - Members were pleased to note that. given their role in the community, safeguarding training applied to both Members and Officers.

In response to a question regarding timing of training the Director of Service Delivery advised that safeguarding training would be rolled out later in the year. The reason for the delay was due to the reorganisation of the safeguarding area. Interim arrangements were in place and when staff were in their new roles training would commence for both Officers and Members. A lead Member was not deemed necessary as safeguarding was part of everyone's remit.

Risk 5 – *Failure to deliver the required infrastructure to support development arising from the LDP* - the Director of Strategy performance and Governance reported that the Council was in the final stages of appointing a Section 106 Officer

Risk 6 – *Failure to have a clear shared plan regarding strategic ownership of coastal, fluvial and surface flood mitigation and long-term maintenance responsibilities* – the Chairman reminded Members that they had agreed under Item 5 to review the risk score in light of progress made against the original risk. The Director of Strategy Performance and Governance reiterated that this risk was around the failure to have a clear shared plan which was now in place and therefore reviewing the scoring was appropriate.

Councillor Fluker proposed that the risk score be reduced by lowering the likelihood from 4 to 3 with no change to the impact score of 4, resulting in an overall score of 12. This was seconded by Councillor S P Nunn.

The Chairman put the proposal to the Committee and this was agreed.

Risk 11 – *Failure to protect personal or commercially sensitive data* - it was agreed that the end of June 2019 would be a timely point to review the score for this corporate risk.

Risk 16 – *Corporate policies not managed and reviewed* - it was noted that the Corporate model on Mod.gov was out of date and would be removed.

The chairman thanked the Director of Resources for the comprehensive report

RESOLVED

(i)   That Members reviewed the information as set out in this report and appendix 1 and their views and comments were considered;

(ii)   That in undertaking this review Members were assured that corporate risk was being managed effectively;

(iii)   That the Risk Score for Corporate **Risk 6 -** *Failure to have a clear shared plan regarding strategic ownership of coastal, fluvial and surface flood mitigation and long-term maintenance responsibilities* be reduced from 16 to 12.

167.   INTERNAL AUDIT - FOLLOW UP OF RECOMMENDATIONS REPORT - MAY 2019

The Committee considered the report of the Director of Resources that reported progress with regard to recommendations raised by Internal Audit for the years 2015/16, 2016/17, 2017/18 and 2018/19.

Mr Greg Rubins, Head of Internal Audit at Bider Dijke Otte (BDO) took the Committee through the report. He informed Members that the situation was positive with 48 high and medium recommendations out of 68 now implemented. Of the remaining 20, there were 2 not due yet and 7 formed part of the Future Model programme.

He provided a brief update on the Safe and Clean environment report around street cleaning and waste contracts, clarifying that 2 recommendations were in progress and 2 were not due yet. He assured Members that this would be completed by the next Committee, alongside the other outstanding work, as management initiatives had been prompt in response to recommendations raised.

The Chairman put the recommendation to the Committee and it was agreed.

RESOLVED that Members considered the progress to date against these recommendations.

168.   INTERNAL AUDIT - PROGRESS REPORT - MAY 2019

The Committee considered the report of the Director of Resources that dealt with the completed audits together with the assurance levels, audits that are currently a work in progress and any deviances to, or slippage, on the Internal Audit Plan 2018 / 19.

Mr Greg Rubins introduced the report which updated Members on progress against the Audit Plan for 2018/19 and 2019/20. In addition, there were two summary reports being considered, namely the Fraud Risk Assessment and the Transformation Summary. The Transformation report had an assurance level of substantial on design and an assurance level of moderate on effectiveness This work had been completed by one of BDO's local government advisory teams who were impressed with the processes, governance structure and clear work streams in the Council's Future Model.

Furthermore, it was clear that investment requirements and cost benefits had been considered. The only recommendation BDO had, concerned clearer definition around non-financial benefits, but acknowledged that this was probably impacted by the stage the Council had reached in the transformation programme. Once raised, Council Officers had responded promptly and positively.

There were four reports still outstanding at different stages of completion; these will be reported at the next meeting. Finally, he reported that work had commenced on fieldwork for the 2019/20 programme of work to ensure timely delivery of the Audit Plan going forward.

The chairman put the recommendations to the Committee and they were agreed.

RESOLVED

(i)   that Members considered the progress against the 2018/19 Internal Audit Plan;
(ii)   that Members commented on progress to date against the 2018/19 Internal Audit Plan, including the completed audits.

169.   INTERNAL AUDIT ANNUAL REPORT - MAY 2019

The Committee considered the report of the Director of Resources that presented the Annual Opinion of the Head of Internal Audit (BDO LLP) on the results of, and assurance gained, from 1 April 2018 to 31 March 2019 internal audit work.

Mr Greg Rubins advised that the annual report and opinion summarised the work undertaken during the year and ultimately informed the Council's annual Governance Statement. Overall it represented moderate assurance, their second highest level of assurance, which reflected a very positive set of reports. The set consisted of six finalised reports and they had also taken into account the positive work emerging from the outstanding areas.

He added that the strong moderate assurance level this year could be even higher in future years once the transformation programme was completed. In respect of BDO's performance he said normally he would prefer to be further ahead in the process. The delays were largely due to the Council's major restructure hence the reason BDO had already started scoping the work for the financial year 2019/20.

The Chairman put the recommendation to the Committee and it was agreed.

RESOLVED that Members considered the Head of Internal Audit's opinion on the results of and assurance gained from the 2018 / 19 internal audit work, as set out in appendix 1.

170. INTERNAL AUDIT FRAUD RISK ASSESSMENT- ADVISORY REPORT - MARCH 2019

The Committee considered the advisory report to carry out a Fraud Risk Assessment as requested by the Director of Resources, covering the period November 2018 to January 2019.

Before asking the Head of Internal Audit, Greg Rubins, to comment on findings the Director of Resources provided the background to this report. She informed the Committee that in 2015 Central Government decided to centralise all benefit fraud investigation work, however, this Council decided to retain their own fraud resource with an allocated budget. The result was a combined corporate fraud and planning enforcement resource.

In 2017 the Director of Resources asked for a review to take place, specifically requested by the section 151 Officer, as there were concerns regarding the resource and whether it was focussed on corporate fraud or planning enforcement. The report found that the Council was not doing counter fraud work as the resources were focussed on planning enforcement cases.

Mr Rubins then addressed the report and advised that for best practice purposes BDO had assessed the Council against the Chartered Institute of Public Finance & Accountancy (CIPFA) guidance on counter fraud. He said he had seen both private and public sector organisations adversely impacted by corporate fraud. Furthermore, when going through transformation, there was an increased risk of fraud therefore close control over potential fraud was important. Whilst there was a basic framework in place and the fraud team was both experienced and knowledgeable, resources were inconsistently applied.

Assessment findings demonstrated a need to develop counter fraud resource by putting together a proper risk-based plan, a training plan for both Officers and Members,

updated policies and strategies with resources applied to wider areas including procurement, HR and Finance. Alongside these measures regular reporting to Audit Committee on actions taken was crucial. He advised that once investment in this area occurs the Council may see an initial increase in reporting fraud and that this was quite normal as previously staff may not have been aware of fraud or what constituted fraud.

The Director of Resources advised the Committee that, from the outset, the Future Model had a resourced built-in activity to cover this area of work through either staff appointment or external contactor. She said that the review had shown how valuable counter fraud work can be to an organisation as it raised awareness/reporting and shone a light on fraud, which by its nature was hidden.

The chairman put the recommendations to the Committee and they were agreed.

RESOLVED

(i)   That Members reviewed the information as set out in this report and appendix 1 and their views and comments were sought;

(ii)   That it was recommended that the Finance and Corporate Services Committee receive and consider the findings of the Internal Audit Fraud Risk Assessment – Advisory Report – March 2019.

### 171.   ANY OTHER ITEMS OF BUSINESS THAT THE CHAIRMAN DECIDES ARE URGENT

The Director of Resources advised the Committee that she would circulate the annual accounts, annual governance statement and the statement from the auditors to all Members. She requested that Members consider the paperwork and feedback to the Director. It was noted that once the final versions have been received and agreed by the next Audit Committee they would be signed-off by Councillor A S Fluker, Leader of the Council and Mr R Holmes the Head of Paid Services.

A question was raised regarding qualifications of the committee membership and subsequent to the meeting it was confirmed that all Members had attended Audit training which was delivered jointly by the Director of Resources and Mr Greg Rubins, Head of Audit at Binder Dije Otte (BDO), the Council's Internal Auditors.

There being no further items of business the Chairman closed the meeting at 4.09 pm.

E L BAMFORD
CHAIRMAN

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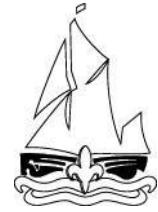
REPORT of
INTERIM SECTION 151 OFFICER

to
AUDIT COMMITTEE
29 AUGUST 2019

INTERNAL AUDIT UPDATE REPORT

1.   PURPOSE OF THE REPORT

1.1   This report provides a progress update on the following aspects of Internal Audit:-

- work completed and any deviances to, or slippage, on the Internal Audit Plan 2019/20; and,
- implementation of recommendations raised by Internal Audit.

2.   RECOMMENDATIONS

(i)   that the progress against the 2019/20 Internal Audit Plan (**APPENDIX 1**) is reviewed and commented on;

(ii)   that the final Building Control report – July 2019 (**APPENDIX 2**) is reviewed and commented on;

(iii)   that the final Risk Management report – July 2019 (**APPENDIX 3**) is reviewed and commented on.;

(iv)   that the Internal Audit – Follow-Up of Recommendations report (**APPENDIX 4**) is reviewed and commented on.

3.   SUMMARY OF KEY ISSUES

3.1   **2019/20 Internal Audit Progress report**

3.1.1   Details of the progress to date against the 2019/20 Internal Audit Plan are attached at **APPENDIX 1,** this includes the final audits on GDPR Compliance (appendix b) and Local Development Plan, (appendix c)

3.2   **Final Building Control report**

3.2.1   Internal Audit's review of the Building Control Service and performance to determine the effectiveness of the controls the Council has in place, attached at **APPENDIX 2**.

3.3   **Final Risk Management report**

3.3.1   Details of Internal Audit's key findings in relation to risk maturity within the Council, report attached at **APPENDIX 3**

3.4   **Internal Audit Follow-up of Recommendations report**

3.4.1   Details of the progress to date with regard to the implementation of recommendations raised by internal audit are attached at **APPENDIX 4.**

4.   CONCLUSION

4.1   This report updates the Audit Committee Members on matters relating to Internal Audit.

5.   IMPACT ON STRATEGIC THEMES

5.1   The report links to the Maldon District Council Strategic Theme of providing clear direction for allocating and managing our resources, grant funding and capital expenditure.

6.   IMPLICATIONS

(i)   **Impact on Customers** – None.

(ii)   **Impact on Equalities** – None.

(iii)   **Impact on Risk** – None.

(iv)   **Impact on Resources (financial)** – None.

(v)   **Impact on Resources (human)** –None.

(vi)   **Impact on the Environment** – None.

Background papers: Attached.

Enquiries to: Kamal Mehta, Interim Section 151 Officer, (Tel: 01621 875789)

MALDON DISTRICT COUNCIL

INTERNAL AUDIT PROGRESS REPORT

AUGUST 2019

BDO

CONTENTS

SUMMARY OF 2019/20 WORK

Internal Audit

This report is intended to inform the Audit Committee of progress made against the 2019/20 internal audit plan. It summarises the work we have done, together with our assessment of the systems reviewed and the recommendations we have raised. Our work complies with Public Sector Internal Audit Standards. As part of our audit approach, we have agreed terms of reference for each piece of work with the risk owner, identifying the headline and sub-risks, which have been covered as part of the assignment. This approach is designed to enable us to give assurance on the risk management and internal control processes in place to mitigate the risks identified.

Internal Audit Methodology

Our methodology is based on four assurance levels in respect of our overall conclusion as to the design and operational effectiveness of controls within the system reviewed. The assurance levels are set out in Appendix 1 of this report, and are based on us giving either "substantial", "moderate", "limited" or "no". The four assurance levels are designed to ensure that the opinion given does not gravitate to a "satisfactory" or middle band grading. Under any system we are required to make a judgement when making our overall assessment.

2018/19 Internal Audit Plan

The following audits have been issued in Final since the last audit committee:

- Local Development Plan
- Building Control (Appendix 2)

2019/20 Internal Audit Plan

The following audits have been issued in Final since the last audit committee:

- GDPR Compliance
- Risk Maturity Assessment (Appendix 3)

The following audit has been issued in draft since the last audit committee:

- Procurement and Contract Management

Reports for this Audit Committee

- Follow Up of Internal Audit Recommendations (Appendix 4)

3

REVIEW OF 2019/20 WORK

Audit Area	Audit Days	Planning	Fieldwork	Reporting	Opinion	
					Design	Effectiveness
Audit 1. Main Financial Systems	20	✔				
Audit 2. Risk Maturity Assessment	15	✔	✔	August 2019	N/A	N/A
Audit 3. Corporate Governance	20	✔				
Audit 4. Workforce Management	15	✔				
Audit 5. Transformation Programme	25	✔				
Audit 6. GDPR Compliance	15	✔	✔	August 2019	Substantial	Moderate
Audit 7. IT Disaster Recovery	20	✔				
Audit 8. Procurement & Contract Management	15	✔	✔	Draft report issued		
Audit 9. Counter Fraud	10	✔				
Audit 10. Management of Property	15	✔				
Audit 11. Corporate Plan and Priorities	15	✔				
Audit 11. Commercialisation	15	✔				

4

APPENDIX A- DEFINITIONS

OPINION AND RECOMMENDATION SIGNIFICANCE DEFINITION

Level of Assurance	Design Opinion	Findings from review	Effectiveness Opinion	Findings from review
Substantial	Appropriate procedures and controls in place to mitigate the key risks.	There is a sound system of internal control designed to achieve system objectives.	No, or only minor, exceptions found in testing of the procedures and controls.	The controls that are in place are being consistently applied.
Moderate	In the main, there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective.	Generally a sound system of internal control designed to achieve system objectives with some exceptions.	A small number of exceptions found in testing of the procedures and controls.	Evidence of non compliance with some controls, that may put some of the system objectives at risk.
Limited	A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year.	System of internal controls is weakened with system objectives at risk of not being achieved.	A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year.	Non-compliance with key procedures and controls places the system objectives at risk.
No	For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Poor system of internal control.	Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Non compliance and/or compliance with inadequate controls.

APPENDIX B- GDPR COMPLIANCE

LEVEL OF ASSURANCE: (SEE APPENDIX I FOR DEFINITIONS)		
Design	Substantial	There is a sound system of internal control designed to achieve system objectives.
Effectiveness	Moderate	Evidence of non compliance with some controls, that may put some of the system objectives at risk.

SUMMARY OF RECOMMENDATIONS: (SEE APPENDIX I FOR DEFINITIONS)

High	
Medium	3
Low	0

TOTAL NUMBER OF RECOMMENDATIONS: 3

BACKGROUND:

From May 25 2018, the General Data Protection Regulations (the GDPR) has replaced the Data Protection Act 1998 as the regulation governing the protection of data in the UK. As a data controller, the Council is obliged to comply with this new regulation and a programme of work is undertaken to implement the necessary governance framework.

The transition from operating under the Data Protection Act 1998 (DPA) to the GDPR increases the risk of significant financial and reputational damage should the security of the Council's information be found to have been breached.

The UK's withdrawal from the EU may also affect the 'legal obligation' lawful basis (which is under EU Member State law); hence following exit from the EU organisations may not be able to process EU citizens' personal data under this lawful basis by relying solely on UK law.

Our approach was to conduct interviews to establish the maturity of the ways of working for each of our areas of our maturity assessment. We then sought documentary evidence that these ways of working are designed as described. We evaluated these controls to identify whether they meet the maturity level assessed by the Council.

We sought to gain evidence of the satisfactory operation of the controls to verify the effectiveness of the control through use of a range of tools and techniques.

6

GOOD PRACTICE:

We identified the following areas of good practice from our fieldwork:

- The Council is registered with the Information Commissioner's Office (ICO) as a Tier 2 organisation and registration is valid until the 18 April 2020
- Data protection policy (March 2018) was approved by Finance & Corporate Services Committee and Council, and clearly sets responsibilities and security needs for all staff.
- Comprehensive retention schedule was also approved by Council and developed through consultation with all functions. It sets appropriate periods based on needs and legislation.
- Terms of reference for the newly formed Information Governance Board are in place, and stipulates: quorum, agenda and frequency.
- The Council's data protection officer (DPO) led the formation of an information sharing group with DPOs from other Essex Councils, which has proven to be effective.
- The DPO and previous Head of IT sourced subscription payments from finance and reconciled to applications to verify completeness of the information asset register.
- There are five processing streams which require consent to be obtained and recorded. Sample testing confirmed that adequate electronic records were held for all cases.
- Data security is listed as a key risk in the Resources' directorate's risk register and is regularly reviewed and updated by the Director of Resources.
- Subject access request (SAR) process was built from the FOI procedures. A template request form is available to the public, and a clear SAR manual has been developed.
- Only a total of six SARs have been received since May 2018. Sample testing confirmed complete responses were returned to subjects on average within 11 days of receipt.
- Council's terms and disclaimer webpage covers all requirements of the privacy notice as per ICO guidance: DPO contact details, types of personal data held, lawful basis for processing, how personal data is processed, and the rights of all data subjects.
- Total of three data breaches have occurred since May 2018 which the DPO holds a tracking worksheet for. Testing verified that all breaches were assessed (impact) and addressed (reported to ICO and necessary action taken) within one day.
- Training was rolled out in February (DPO) and March (online) 2018. Presentations were delivered by the DPO to all staff members, and 94% had completed the eLearning module by June 2018. The remaining users were addressed later in the year.

KEY FINDINGS:

We have also identified the following key areas of weakness which need addressing:

- Security controls, user access and the information asset register itself were last reviewed in June 2018 and need to be reviewed and updated on a regular basis going forwards (Finding 1)
- Data privacy impact assessments (DPIAs) need to be updated by data/system owners and built into the information asset register (Finding 2)
- Contractual addendums need to be reviewed and agreed with contractors where necessary and built into the information asset register (Finding 3)

CONCLUSION:

Overall, we conclude that the control framework in place for monitoring and managing compliance with GDPR is substantially designed and operationally effective to a moderate level but management need to address the areas of risk identified from this review.

MANAGEMENT ACTION PLAN

Ref	Recommendation	Management Response	Responsible Officer	Implementation date
1	a) All data sources and corresponding applications should be reviewed on at least an annual basis to ensure access risks, security measures and general changes are updated and managed. b) Management should consider holding an induction session with all assigned data owners following the staff restructure to ensure responsibilities are understood.	The issues and findings from this review were discussed and agreed with the data protection officer on the 13th June 2019	Emma Holmes	31 October 2019
2	Information Governance Group should provide oversight and ensure DPIAs are completed as soon as possible where necessary by responsible management (i.e. DPO and data owners).	The issues and findings from this review were discussed and agreed with the data protection officer on the 13th June 2019	Emma Holmes	31 December 2019
3	Information Governance Group should provide oversight and ensure contractual addendums are agreed as soon as possible where necessary by responsible management (i.e. contract owners).	The issues and findings from this review were discussed and agreed with the data protection officer on the 13th June 2019	Emma Holmes	31 September 2019

APPENDIX C- LOCAL DEVELOPMENT PLAN

LEVEL OF ASSURANCE: (SEE APPENDIX I FOR DEFINITIONS)		
Design	Moderate	Generally, a sound system of internal control designed to achieve system objectives with some exceptions.
Effectiveness	Moderate	Evidence of non compliance with some controls, that may put some of the system objectives at risk.

SUMMARY OF RECOMMENDATIONS: (SEE APPENDIX I FOR DEFINITIONS)	
High	0
Medium	2
Low	1

TOTAL NUMBER OF RECOMMENDATIONS: 3

BACKGROUND:

The Local Development Plan (LDP) sets out the planning strategy for future growth over the next 15 years. It is the means by which Maldon District Council will deliver sustainable development across the Maldon District and provides a spatial strategy for the delivery of the required future employment, homes, retail, community facilities and infrastructure provision. It has a number of component parts which sit alongside the spatial strategy. These include development management policies and strategic site allocations.

The Council published the Local Development Plan Preferred Options consultation document in July 2012 (MDC, 2012g). Following on from the Preferred Options consultation, the Council published the Draft Local Development Plan for consultation in August 2013 (MDC, 2013k). The consultation was undertaken for 6.5 weeks, and a consultation pack (a leaflet, a questionnaire and a return envelope) was sent to every household and business within the District. Over 3,600 responses were received.

The Pre-Submission LDP was consulted on in January-February 2014. Comments were invited on whether the Plan had been prepared in accordance with the duty to co-operate, legal and procedural requirements, and whether the Plan was 'sound'. Responses were received from over 220 people and organisations. Following this consultation the LDP was submitted to the Secretary of State for Examination-in-Public (EiP) on 25 April 2014. In May 2015 the Inspector issued his interim findings. He found that one policy H6 Provision for Travellers was unsound and therefore the whole plan was unsound.

On 8 March 2016 the Secretary of State restarted the Examination and appointed a new Inspector. In September to October 2016 a consultation was held on the Main Modifications to the LDP that had arisen from the previous Examination Hearings. The Inspector submits his report directly to the Secretary of State, who approved the Plan on 21 July 2017.

The Planning and Compulsory Purchase Act 2004, as amended by the Localism Act 2011, requires local planning authorities to prepare and maintain a Local Development Scheme (LDS). The purpose of the LDS is to set out the subject matter, area to be covered and timetable for

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the preparation and revision of local development documents, including Supplementary Planning Documents (SPDs) and the Statement of Community Involvement (SCI).

In essence, it is a project plan setting out the timetable for work to be undertaken from February 2019 until January 2021. It sets out details of the documents that will be given priority during this period.

It is likely that the Council will not meet its five year housing land supply target, which will trigger an early review of the LDP. This is reflected in the Council's risk register.

GOOD PRACTICE:

We identified the following areas of good practice from our fieldwork:

- Risks related to the delivery of the LDP are on the Corporate Risk Register and discussed quarterly

- Significant public consultation has been undertaken on policies and plans to ensure stakeholder involvement

- The Local Development Scheme (LDS) has been developed and is in operation detailing upcoming documents and these are in the process of being established

- An efficient approach to production of the Authority Monitoring Report is in place through the use of Factsheets

KEY FINDINGS:

We have also identified the following key areas of weakness which need addressing:

- There is no formal monitoring of the day-to-day delivery in order to better track the numerous deadlines that stem for the LDP and LDS (**Finding 1 – Medium**)

- Mitigating actions for the risks relating to planning found on the Corporate Risk Register have implementation dates that are overdue or significantly in the future (**Finding 2 – Medium**)

- No consultation statement was developed and made available to the public following the public consultation for the LDP (Finding 3 – Low)

CONCLUSION:

Our review identified that the LDP process has been well managed with key requirements having been adhered to with a good understanding of work remaining. The LDS is in place and clearly identifies which policies and plans are intended in the year to come. However, there are findings relating to public awareness and the updating of risks, which has led to a final assessment of moderate assurance over the control design and moderate assurance over the control effectiveness.

MANAGEMENT ACTION PLAN

Ref	Recommendation	Management Response	Responsible Officer	Implementation date
1	Produce a RAG report/schedule which details plans and policies to be produced as well as their milestones in order to provide better oversight of progress	We will produce a RAG report in line with the timescales of the LDS and in addition to this	Georgina Button	January 2020

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		reflect monitoring in the Authority Monitoring Report (AMR).		
2	Mitigating action completion dates should be reviewed as part of the quarterly update process to ensure they are appropriate and the actions are still relevant.	There is a corporate review of risk underway and we will review this as part of this piece of work.	Georgina Button	January 2020
3	The Council should ensure that consultation statements are completed for all future consultations and made available via the Council's website	The Council will ensure the consultation process requires a statement for every consultation. This is normal practice, however, for the Sept 2016 main modifications consultation – a statement may not have been completed. This is likely due to an oversight based on staffing and structure changes at the time. For the March 2017 main modifications consultation – it's worth noting that this was specifically undertaken by the Council on behalf of the Planning Inspector.	Georgina Button	July 2019

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FOR MRE INFORMATION:

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MALDON DISTRICT COUNCIL
INTERNAL AUDIT REPORT - FINAL

BUILDING CONTROL
JULY 2019

LEVEL OF ASSURANCE	
Design	Operational Effectiveness
Limited	Moderate

BDO

DISTRIBUTION	
Paul Dodson	Director of Strategy, Performance and Governance
Matt Leigh	Group Manager Planning Services

REPORT STATUS LIST	
Auditors:	Nemisha Patel – Internal auditor
Dates work performed:	9 April 2019 – 1 May 2019 (closing meeting)
Draft report issued:	
Management response received:	
Final report issued:	

EXECUTIVE SUMMARY

LEVEL OF ASSURANCE: (SEE APPENDIX I FOR DEFINITIONS)

Design	Limited	System of internal controls is weakened with system objectives at risk of not being achieved.
Effectiveness	Moderate	Evidence of non-compliance with some controls that may put some of the system objectives at risk.

SUMMARY OF RECOMMENDATIONS: (SEE APPENDIX I)

High	2
Medium	3
Low	-

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TOTAL NUMBER OF RECOMMENDATIONS: 5

BACKGROUND:

Local authorities are under a duty to provide an at-cost building control service to the public under the Building Act 1984. This includes a duty to enforce the Act in their jurisdiction and retain ultimate responsibility for decision-making with regard to enforcement action. However, unlike other statutory services, Local Government building control services compete with the private sector (Approved Inspectors).

The Service has two elements, which are described as fee earning and non-fee earning work. The building regulation aspect of the service is income generating and in accordance with The Building (Local Authority Charges) Regulations 2010 and CIPFA accounting requirements. This aspect of the business must be self-financing over a continuous three-year rolling period. The non-fee earning part of the service is funded by the council tax payer and includes dangerous structures, enforcement, demolitions, support for the safety advisory group and consultancy to other council services.

When the review was undertaken this was during a period of reorganisation within the council. We have recognised this throughout the fieldwork and have made recommendations that should be implemented prospectively as the Building Control team recruit staff to fill the vacant roles.

ADDED VALUE

We undertook benchmarking on the Council's building control standard charges 2018/19 against other district councils. For charges for new dwellings, we identified that the planning fees, building notices and regularisation fees are below the average, however the inspection fee is above the average. Additionally, for works relating to a single dwelling and all other domestic works the majority of planning, inspection, building notices and regularisation charges are above the averages. (See Appendix II)

GOOD PRACTICE:

- Monthly reconciliations are undertaken to ensure revenue from the service has been collected and is sent to finance to ensure any debts are collected.
- There is sufficient information available on the Council's website on the Building Control applications/notices, inspection services and further regulatory information that the team provides and the necessary charges.

KEY FINDINGS:

- The Building Control team have two vacant roles, which is impacting on the management of their workload. There is no evidence of training and development needs being monitored and formal team meetings are not taking place. (Finding 1)
- There are no policies or procedures in place outlining the Building Control role, responsibilities and function. We identified non-compliance with the process for reporting and recording two dangerous structures, such as lack of evidence that inspections had taken place. (Finding 2)
- Through sample testing we identified some instances where fees have been incorrectly charged and an extension to the deadline that had been made without appropriate evidence on file. Where underpayments and overpayments are made there is no guidance outlining the process to be followed. (Finding 3)

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- There is insufficient information held on file and on Uniform to indicate the date that inspections are requested and completed. (Finding 4)
- No management information is produced or reported in order to monitor performance of the service. (Finding 5)

CONCLUSION:

Overall, we are able to provide limited assurance over the design and moderate assurance on the effectiveness of the controls the Council have in place. We have raised two high level recommendations around no policies or procedures being in place and management information on performance of the service area not being produced. We have raised three medium recommendations. We recognise that staffing levels has been an issue, therefore once the team are at full capacity, implementing the recommendations outlined in this report will improve the Building Control service and performance.

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DETAILED FINDINGS

RISK 1: STAFF CAPACITY AND/OR TRAINING IS INADEQUATE TO MEET THE OBJECTIVES OF THE SERVICE

Ref	Significance	Finding
1	Medium	**Staff capacity** The Building Control team currently consists of: • Principle Building Control Surveyor (Qualified as Chartered Surveyor (MICS) and member of the Chartered Association of Building engineers) • Building Control officer (Member of the Chartered Institute of builders and Chartered Association of Building engineers) • Support from a Business Analyst whom is currently supporting the team with admin in order to manage the workload. The Council are currently going through a reorganisation, the team structure should comprise of 3 Building Control Officers, as well as Caseworkers responsible for the admin functions. From discussions with the Principle Building Control Surveyor and support Business Analyst staff turnover has been consistently high and the Building Control Surveyor felt that he had not been provided with sufficient support. The team have utilised external contractors but they have not provided value for money. We confirmed that Human Resources are currently advertising two roles internally. We undertook benchmarking (see Appendix II) and identified salaries for Building Control Officers range between £30,000 - £35,000 which is consistent with the council offering a median average of L1 = £30,676 and L2 £36,427 respectively. For Senior Building Control roles salaries exceeded £40,000 consistent with the Council offering a median average salary of £41,904. **Training and development:** From discussions with the Principle Building Control Surveyor and Business Analyst currently team meetings do not occur. Often issues will be raised and addressed through informal discussions. The Principle Building Control Surveyor has monthly meetings with the Group Manager Planning Services to raise issues however, since the restructuring this has not been consistent. There are no records produced from the meetings. If the team do not have sufficient staff capacity or are not provided with training and development required to undertake their role there is risk of poor performance from the service resulting in excess charges and ultimately a loss of income.

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RECOMMENDATION:

Staff capacity
Review the jobs roles on offer and consider promoting the roles externally in order to generate more uptake and interest.

Training and development:
The team should hold monthly meetings or as required in line with good practice. In addition, formal meetings with managers should be recorded with personal development plans being produced to monitor performance in addition to identifying staff training requirements.

MANAGEMENT RESPONSE:

Agreed at the closing meeting held on 1 May 2019 with the Principle Building Control Surveyor and Group Manager Planning Services.

The council are planning to undertake a council-wide skills gap analysis exercise in order to identify staff training and development needs within each service area.

Responsible Officer:
Hannah Wheatley

Implementation Date:
30th October 2019

RISK 2: POLICIES, PROCEDURES AND STRATEGIES ARE NOT FIT-FOR-PURPOSE AND/OR EFFECTIVE & RISK 5: INEFFECTIVE PROCEDURES IN PLACE TO MANAGE DANGEROUS STRUCTURES, DEMOLITIONS AND STREET NAMING/NUMBERING TO ENSURE REFERRALS ARE IDENTIFIED AND ASSESSED PROPERLY		
Ref	Significance	Finding
2	High	The team do not have any policies or procedures to outline the service area's role, responsibilities and function within the Council.

The team follow Building Regulations 2010 and the Building Act 1984. There is a Uniform user guide dated April 2017 which provides guidance on creating records, calculating charges, validating applications, recording payments and decisions, monitoring building works and the dangerous structure module.

Dangerous structures:
We identified two dangerous structures reported to the Council since April 2018. The Council receive notifications of dangerous structures by phone/email/letter, this is treated as an emergency and would need to be inspected urgently. It was explained by the Principle Building Surveyor that the structures were inspected and were not classified as dangerous. From the two dangerous structures reviewed we found no evidence of the date the notification was received, the inspection being completed or notes recorded in Uniform.

The team have started to put plans in place to implement policies and procedures covering the building control service (both applications and notices), demolitions and damages structures. This is anticipated to be implemented in October 2019.

If there are no policies or procedures in place or adhered to, there is a risk of non-compliance with key processes, fees have not been paid and building regulations are not adhered to resulting in threats to the public and loss of income. |

RECOMMENDATION:

a) Implement adequate policies and procedures providing guidance on the Building Control service function, requirements and deadlines. This should cover the process once notification of planning applications, building notices, demolitions and dangerous structures are received. The timeframes that need to be met including the fees/charges requirement, the process for dealing with under/overpayments and refunds. Once completed and approved this should be made available to all staff.
b) Remind staff of the importance of recording the date notifications received, inspections completed, supporting notes and implement the requirement of inspectors to take photographic evidence of dangerous structures and uploaded onto Uniform.

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MANAGEMENT RESPONSE:

Agreed at the closing meeting held on 1 May 2019 with the Principle Building Control Surveyor and Group Manager Planning Services.

The Council will be implementing a new CRM system (Firmstep) in October 2019, which will provide a date and time stamp for all incoming customer requests, including building inspections. The CRM system provides workflow from the Customer Solutions team through to back office Specialists and will evidence when site inspections are completed to close the loop. Inspections will be indexed in Civica and Uniform with photographs taken on site. Process maps have been produced for Building Control processes, and these will be used to inform knowledge base articles and procedural documents to outline the service function, fees and charges, requirements and SLAs.

The knowledge base articles may not be completed until December 2019 depending on the amount of work involved and resources required.

Responsible Officer: Hannah Wheatley

Implementation Date: 30 October 2019

RISK 3: APPLICATION AND/OR NOTICES RECEIVED ARE NOT SUBJECT TO SUFFICIENT REVIEW AND/OR APPROVAL TO ENSURE COMPLIANCE WITH BUILDING REGULATIONS & RISK 6: REVENUE RELATING TO THE SERVICE IS NOT SET APPROPRIATELY, NOT RAISED IN LINE WITH SCALE FEES AGREED AND/OR NOT MONITORED APPROPRIATELY		
Ref	Significance	Finding
3	Medium	Once an applicant has submitted a planning application or building notice, the admin team will update Uniform. A qualified building control individual will review the submission and confirm the correct fee has been charged and has been paid therefore, an acknowledgement letter will be sent to the applicant and recorded on Uniform. If this is satisfactory the application/notice will be validated and approved, this decision must be completed within the 5 week statutory period and can be extended up to 2 months at the applicant's request for an extension. We selected a sample of 15 planning applications and notices from April 2018 to March 2019 and identified the following: • In one case (Reference 18/00337/WSDBN) the applicant had incorrectly paid for a building notice relating to an *'Exiting Dwelling/Building - where the whole of the work is solely for the purpose of providing access for the disabled person to, from and within their residence, or for the purpose of providing accommodation or facilities designed to secure the greater health, safety, welfare or convenience of the disabled person, no charge shall be payable.'* This is exempt from fees and therefore the amount paid by the applicant £86.40 needs to be refunded. • In one case (Reference 18/00314/WSDFP) the time taken for validating and reviewing a planning application had exceeded the 5 week statutory period. At the applicant's request this was extended however, the team were awaiting further information in order to validate the application. No further correspondence or evidence was provided to the applicant. • In one case (Reference 18/00559/MLTFP) the applicant had made an overpayment of £115.20 and another case (Reference 18/00550/WSDFP) there was an underpayment of £1.40 of the charge. It was explained by the Principle Building Control Surveyor that the excess would be deducted or added to the inspection fees that would be charged. However this is not documented that this is the procedure that should be followed in these circumstances. It was explained by the Group Manager of Planning Services that during the period from April 2018 to March 2019 the team had a number of temporary staff and due a reduction in staff capacity there was a lack of oversight of temporary staff. If planning applications and building notices are not reviewed or updated and statutory deadlines are not met, there is a risk that incorrect fees are charged and possible legal fines due to applications being deemed as approved resulting in a financial loss.
RECOMMENDATION:		

a) The team should complete monthly spot checks of planning applications and building notices to ensure the correct fees have been charged.
b) Where statutory deadlines are not met, the council should gain consent from the

applicants to agree an extension of the decision making process. This should be regularly reported in order to monitor the performance of the service area (Finding 5)

c) If applicants make overpayments or underpayments of fees, the process for dealing with these should be documented on the Building Control Charges 2018/19 document so that the applicant is aware of their responsibilities and the Council's obligations.

MANAGEMENT RESPONSE:

Agreed at the closing meeting held on 1 May 2019 with the Principle Building Control Surveyor and Group Manager Planning Services.

A list of the Councils 'Discretionary Fees and Charges for 2019-2020' has been provided.

Responsible Officer: Matt Leigh

Implementation Date: 30 October 2019

RISK 4: INEFFECTIVE INSPECTIONS ARE CONDUCTED TO VALIDATE WHETHER BUILDING REGULATIONS ARE BEING ADHERED TO		
Ref	Significance	Finding
4	Medium	Applicants must request inspections through phone calls, emails or online. Inspections undertaken are recorded on files or on the Uniform system and must be completed by a qualified individual (Building Control officer/Principle Building Control Surveyor). The current process involves the individuals going on-site to undertake the inspection and then updating the file or Uniform on their return. The team are in the process of developing remote working in order to make the process more efficient. In the sample selected (Finding 3) of 15 planning applications and notices we identified the following: • In one case an inspection had been undertaken on the file but was neither signed or dated by the building control officer. This was not recorded on the Uniform system either. We selected a sample of 10 inspections which had been completed and in all cases the date requested was not recorded on Uniform. It was explained by the Principle Building Control Surveyor that requests are received through various individuals, sources (phone, email, online) or prearrangements. If the inspections requested and undertaken have not been recorded there is a risk requests for inspections are not completed and have not been undertaken by appropriate staff and that building regulations are not being adhered to.

RECOMMENDATION:

a) The date inspections are requested should be recorded in Uniform in order for the team to monitor that all inspections have been completed.
b) Once inspections are completed ensure they have been adequately recorded on file or Uniform. Spot checks should be undertaken on a monthly basis.

MANAGEMENT RESPONSE:

Agreed at the closing meeting held on 1 May 2019 with the Principle Building Control Surveyor and Group Manager Planning Services.

The Council will be implementing a new service delivery model in October 2019, where the majority of customer interactions will be received via the Customer Solutions team. These interactions will be recorded on a new CRM system (Firmstep) which will provide a date and time stamp for all incoming customer requests, including building inspections. The CRM system provides workflow from the Customer Solutions team through to back office Specialists and will evidence when site inspections are completed to close the loop. Inspections will be indexed in Civica and Uniform with photographs taken on site. Monthly quality checks will be completed to ensure all site inspections have been completed within agreed timescales and with all relevant information recorded within Uniform.

Responsible Officer: Hannah Wheatley

Implementation Date: 30 October 2019

RISK 7: MANAGEMENT INFORMATION AND/OR OVERSIGHT IS INEFFECTIVE TO MONITOR THE RISKS SPECIFICALLY INCLUDING POST GRENFELL RISKS AND/OR PERFORMANCE OF THE SERVICE		
Ref	Significance	Finding
5	High	From discussions with the Group Manager Planning services and Principle Building Control Surveyor it was explained the team had performance objectives prior to October 2016, however since staffing levels have reduced this information is no longer collected. There is no management information on the overall Building Control service area. It was explained that informal team meetings or discussions will take place when required. However, no formal meetings or discussions take place within the team or the wider Council to review performance of the service area. There are no key performance indicators or internal targets in place across the Building Control service area in order to monitor performance against targets and objectives. If performance of the Building Control service is not monitored there is a risk of non-compliance with key activities and of underperformance and that fee charging services are unprofitable resulting in financial loss for the Council.

RECOMMENDATION:

The team should outline key performance indicators or internal targets should cover the following areas for example:

- On submission of applications decisions are completed within the 5 week statutory timeframe
- The number of inspections requested and completed on time
- Dangerous structures are responded to and inspected within 24 hours
- Timeframe for acknowledgement of applications and notices received

Performance should be reviewed and monitored during monthly team meetings and reported to the Council.

MANAGEMENT RESPONSE:

Agreed at the closing meeting held on 1 May 2019 with the Principle Building Control Surveyor and Group Manager Planning Services.

The Council is implementing a new CRM system (Firmstep) in October 2019, and this will provide management information relating to enquiry types, volumes, SLAs and performance measures. KPIs are being reviewed to ensure they align to corporate objectives and evidence how these are delivered through activities detailed within the Service Plan. Firmstep will produce dashboard reports (frequency to be confirmed) to illustrate performance against KPIs and highlight where targets/SLAs have not been achieved. In these instances, reports will be escalated to Senior Management and Director level along with an action plan to show how the service intends to bring performance back on-track.

Responsible Officer: Hannah Wheatley

Implementation Date: 30 October 2019

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STAFF INTERVIEWED

BDO LLP APPRECIATES THE TIME PROVIDED BY ALL THE INDIVIDUALS INVOLVED IN THIS REVIEW AND WOULD LIKE TO THANK THEM FOR THEIR ASSISTANCE AND COOPERATION.

Name	Job Title
Gary Martindill	Principle Building Control Surveyor
Robyn Chandler	Business Analyst

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APPENDIX I – BENCHMARKING BUILDING CONTROL ROLES

BUILDING CONTROL ROLES ADVERTISED AT OTHER COUNCILS, SALARY ON OFFER, RESPONBILITIES AND EXPERIENCE/QUALIFICIATIONS REQUIRED

Council	Role	Salary per annum (based on 37 hours per week)	Responsibilities	Experience/Qualifications
Maldon	Specialist – Building Control L1 and L2	L1 = £28,485 - £32,866 L2 = £33,961 - £38,892 Median: L1 = £30,676 L2 = £36,427	L1: • Deliver customer-focused specialist advice and services for one area of specialism, keeping up to date with current and emerging legislation, best practice and policy to ensure continuous development and improvement in services • Manage complex or contentious applications, cases and inspections that will require an understanding of one specialist area, processes and compliance, regulations and legislation, acting as the single point of contact for customers on those cases, attending court or appeals as appropriate • Support, guide and advise multi-skilled service delivery teams (Customer Solutions, Community Engagement and Case Management) on less complex cases related to the specialism • Ensure personal and professional development is maintained to the required standards • Working collaboratively with colleagues across the organisation, Members and managing key relationships e.g. with Members, partners and other stakeholders • Access and accurately update all relevant information systems, both customer and back office ensuring that the master customer record is updated and maintained through verification and validation, and in accordance with Data Protection principles • Prepare and present reports to Planning Area committees and other internal and external meetings L2: (in addition to the above): • Acting as member of corporate or community project teams - providing specialist advice and input • Owning key professional and technical stakeholder relationships on behalf of the Council relevant to day-to-day delivery of services or projects	Educated to degree level in a relevant subject (e.g. Planning, Building Surveying), Member of a relevant professional body (e.g. Royal Town Planning Institute (RTPI), RICS, ABE, Institution of Structural Engineers) and Evidence of CPD.

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			• Manage a broad range of complex cases, applications and inspections and providing resilience and flexibility within the Specialist team • Deputise, as appropriate, for the Senior Specialists	
	Senior Specialist – Building Control L3	£39,438 - £44,369 Median: £41,904	L1 & L2 as stated above in addition: • Have a deep understanding of Development Management, enabling resolution of a broader range of more complex cases, applications and inspections and providing resilience and flexibility within the Specialist team • Provide functional leadership for a team of specialists ensuring the provision of professional services that meet customers' needs • Prepare and present reports to non-planning Council committees • Assisting the development of the community of practice across the organisation including mentoring staff in order to improve delivery of the specialism and support career development.	
Milton Keynes	Building Control Surveyor	£43,757 - £48,331 Median: £46,044	•Formal checking of Building Regulations applications and carrying out inspections on site, for an extensive range of projects, at key stages of building work to ensure the requirements of the regulations are being followed •Investigating reports of unauthorised building work and providing evidence for potential enforcement •Providing support to the Helpline by providing advice and guidance in relation to technical enquiries •Promoting the local authority building control service and supporting the LABC Partnering Scheme •Investigating reports of dangerous structures to determine action required to ensure that structures are safe •Liaising, by face to face, verbal and written communications, with construction professionals, builders, members of the public, Councillors, other Council departments and other local authority building control teams in relation to the duties above.	•Extensive experience of working in a Building Control team •Detailed understanding of the Building Regulations and Building Act 1984 •Professional qualification or equivalent demonstrable knowledge in relevant specialist areas OR full membership of relevant professional body.
Lewes District Council	Specialist Advisor	£28,221-£42,806 Median: £35,514	An experienced and qualified / nearly qualified Building Control professional to assume responsibility for allocated Building Control applications working as part of our specialist team. The applicant will have an ethos of excellent customer focussed service and the main duties of the post will include examination of plans, site inspection visits, enforcement of	will ideally be professionally qualified (e.g. RICS/CABE/CIOB) with significant experience working within a Local Authority Building Control team.

			legislation and dealing effectively with reported "dangerous structures" and other urgent/emergency cases. Possess an excellent knowledge of the relevant technical guidance and current legislation, being able to demonstrate superb professional assessment skills applicable to more complex and technically challenging commercial and residential cases. Good team player, be self motivated and be able to work under pressure. You will also help to support, develop and mentor other staff. Additionally you will have excellent written and verbal communication skills, be computer literate and possess a full, clean driving licence.	You should preferably hold a degree (e.g. Building Control Surveying / Building Surveying) OR have a minimum HNC in Building Construction with significant and relevant construction industry experience and be actively working towards a recognised professional qualification (e.g. RICS/CABE).
Nottingham City	Building Control Officer	L1 = £32,878 L2- £34,788 <u>Median:</u> £33,833	To join our successful team you should be an enthusiastic Building Control Surveyor with experience of the Building Control function, including: •Checking plans and details in relation to proposed building work, for compliance with the Building Regulations and associated legislation within statutory time periods, and checking Building Notices for compliance with the Building Regulations. •Carrying out inspection work on site for the compliance with the Building Regulations and the Council's Building Control policy. •The timely maintenance of full, accurate and complete records. •Investigating breaches of Building Regulations and associated legislation and to take appropriate action following Council policy including collating evidence, preparing reports and providing evidence in court as necessary. Alternatively, you will have significant experience in a relevant building profession that would enable you to undertake these duties with limited guidance and training. Your workload would not include dangerous structures. You will have the opportunity to work flexibly from home and the office to suit your work life balance and the needs of the service. Applicants should submit their CV and covering letter as one document outlining how their current skills, knowledge and experience meets the essential criteria listed below. Applicants should remove any personal details from their CV and Covering Letter (including their name), as part of our commitment to remove the risk of unconscious bias.	Ideally, the successful candidate would hold a recognised construction qualification, be working towards, or have membership of a professional body such as the RICS, CABE or CIOB.

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				The application process will capture your personal details (including your name) and these details will only be made visible to recruiting managers once the shortlisting stage has been completed. Essential requirements: •Knowledge of Building Regulations and associated legislation. •Knowledge of in-depth building construction techniques and methods. •Experience of working in a Building Control or related environment. •Ability to organise working procedures and work to statutory deadlines. •An understanding of competition and marketing of Building Control and enthusiasm to promote the service. •Experience of working with stakeholders and partners, to efficiently deliver projects that meet customer needs. •Experience of delivering projects ensuring agreed deadlines, costs and outcomes are realised.	
City of York Council	Building Control Surveyor	Level 1-4 £30,500 to £34,797 Median: £32,649		Development of career if you can combine detailed experience of the operation of the building control function with a clear commitment to the development and delivery of customer-centred services, then you could help us to deliver even higher standards whilst gaining experience of the diverse range of developments and constructional practices which York offers. A high level of self-motivation is a must. You will need to be an effective communicator, able to deal with developer negotiations, and equally comfortable working independently or as a part of a team. If you share our commitment to achieving ever higher standards of customer service, we offer casual car user allowance, free car parking, occupational pension scheme and great career development opportunities. As this role is public facing, applicants will need to demonstrate, at interview, their competency to converse and provide advice and guidance to members of the public, in spoken English to CEFR level C2: Can express him/herself spontaneously at length with a natural conversational flow, avoiding or backtracking around any difficulty so smoothly that the person with whom they are conversing is hardly aware of it.	You should be working towards, or hold, a recognized qualification in Building Control, (IBC, ABE, RICS,) or have worked in Building Control for a significant number of years.

APPENDIX II – BENCHMARKING BUILDING CONTROL CHARGES 2018/19

COMPARISON OF THE AVERAGE BUILDING CONTROL CHARGES 2018/19 WITH OTHER DISTRICT COUNCILS

NEW DWELLINGS						
S.No.	District Council	Particulars	Average Plan Charge (inclusive of VAT)	Average Inspection Charge (inclusive of VAT)	Average Building Notice Charge (inclusive of VAT)	Average Regularisation Charge (no VAT)
1	Maldon	Bungalows/Houses/ Flats - 1 to 5 Plots not exceeding 300m²	£390.72	£1,092	£1,631.04	£1,729.8
2	Braintree	Bungalows/Houses/ Flats - 1 to 5 Plots not exceeding 300m²	£445.5	£968	£1,481.2	£1,557.85
3	Epping Forest	Bungalows/Houses/ Flats - 1 to 5 Plots not exceeding 300m²	£499	£1,037	£1,536	£1,600
4	Folkestone and Hythe	Bungalows/Houses/ Flats - 1 to 5 Plots not exceeding 300m²	£410	£1,195.11	£1,926.13	£2,006.38
5	Uttelsford	Bungalows/Houses/ Flats - 1 to 5 Plots not exceeding 250m²	£544.8	£1,062	£1,702.8	£1,773.75
AVERGAE			£458	£1,070.82	£1,655.43	£1,733.56

S.No.	District Council	Particulars (Average)	Extension & New Build Single storey extensions floor area ranging from 0-100m²	Conversions (First & Second floor loft) or Other conversions	Alterations (including underpinning): renovation thermals, replacement windows/rood, cost of works ranging from 0 – £100,000
		WORK TO A SINGLE DWELLING			
1	Maldon	Plan Charge (inclusive of VAT)	£214	£230.4	£160.29
		Inspection Charge (inclusive of VAT)	£418.8	£345	£234.17
		Building Notice Charge (inclusive of VAT)	£695.5	£631.8	£433.54
		Regularisation Charge (no VAT)	£737.57	£670.5	£459.6
2	Braintree	Plan Charge (inclusive of VAT)	£180.5	£139	£139.86
		Inspection Charge (inclusive of VAT)	£426.5	£320	£169.71
		Building Notice Charge (inclusive of VAT)	£637.67	£482.5	£325.14
		Regularisation Charge (no VAT)	£669.67	£506.5	£341.43
3	Epping Forest	Plan Charge (inclusive of VAT)	£243.33	£237.5	£195
		Inspection Charge (inclusive of VAT)	£469.17	£272.5	£208
		Building Notice Charge (inclusive of VAT)	£712.5	£510	£403
		Regularisation Charge (no VAT)	£741.67	£532.5	£419
4	Folkestone and Hythe	Plan Charge (inclusive of VAT)	£150	£175	£125
		Inspection Charge (inclusive of VAT)	£253.03	£479.19	£120.32
		Building Notice Charge (inclusive of VAT)	£403.03	£761.67	£245.32
		Regularisation Charge (no VAT)	£503.79	£817.74	£306.65
5	Uttlesford	Plan Charge (inclusive of VAT)	£189	£153	£152
		Inspection Charge (inclusive of VAT)	£404	£354	£324

		Building Notice Charge (inclusive of VAT)	£611	£543	£490
		Regularisation Charge (no VAT)	£636.46	£565.63	£510.42
AVERAGE		Plan Charge (inclusive of VAT)	£195.37	£186.98	£154.43
		Inspection Charge (inclusive of VAT)	£394.30	£354.14	£211.24
		Building Notice Charge (inclusive of VAT)	£611.94	£585.79	£379.4
		Regularisation Charge (no VAT)	£657.83	£618.57	£407.42

ALL OTHER NON-DOMESTIC WORK				
S.No.	District Council	Particulars (Average)	Extensions and New Build Single Storey & part 2/3 floor area ranging from 0 – 100m²	Alterations – including replacement windows/roof, renewable energy, thermal, shopfront, Cost of works ranging from £0 – £100,000
1	Maldon	Plan Charge (inclusive of VAT)	£230.4	£230.16
		Inspection Charge (inclusive of VAT)	£618	£247.44
		Regularisation Charge (no VAT)	£918.25	£516.9
2	Braintree	Plan Charge (inclusive of VAT)	£288	£170.8
		Inspection Charge (inclusive of VAT)	£524	£246.8
		Regularisation Charge (no VAT)	£827.25	£439.2
3	Epping Forest	Plan Charge (inclusive of VAT)	£290	£184
		Inspection Charge (inclusive of VAT)	£520	£169
		Regularisation Charge (no VAT)	£842.5	£355.5
4		Plan Charge (inclusive of VAT)	Information not available	£228.7

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	Folkestone and Hythe	Inspection Charge (inclusive of VAT)	Information not available	£436.98
		Regularisation Charge (no VAT)	Information not available	£732.78
5	Uttelsford	Plan Charge (inclusive of VAT)	£282	£142.8
		Inspection Charge (inclusive of VAT)	£601.5	£307.8
		Regularisation Charge (no VAT)	£920.31	£469.38
	AVERAGE	Plan Charge (inclusive of VAT)	£272.60	£191.29
		Inspection Charge (inclusive of VAT)	£565.88	£281.6
		Regularisation Charge (no VAT)	£877.08	£502.75

APPENDIX III – DEFINITIONS

LEVEL OF ASSURANCE	DESIGN OF INTERNAL CONTROL FRAMEWORK		OPERATIONAL EFFECTIVENESS OF CONTROLS	
	FINDINGS FROM REVIEW	DESIGN OPINION	FINDINGS FROM REVIEW	EFFECTIVENESS OPINION
Substantial	Appropriate procedures and controls in place to mitigate the key risks.	There is a sound system of internal control designed to achieve system objectives.	No, or only minor, exceptions found in testing of the procedures and controls.	The controls that are in place are being consistently applied.
Moderate	In the main there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective.	Generally a sound system of internal control designed to achieve system objectives with some exceptions.	A small number of exceptions found in testing of the procedures and controls.	Evidence of non-compliance with some controls that may put some of the system objectives at risk.
Limited	A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year.	System of internal controls is weakened with system objectives at risk of not being achieved.	A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year.	Non-compliance with key procedures and controls places the system objectives at risk.
No	For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Poor system of internal control.	Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Non compliance and/or compliance with inadequate controls.

RECOMMENDATION SIGNIFICANCE	
High	A weakness where there is substantial risk of loss, fraud, impropriety, poor value for money, or failure to achieve organisational objectives. Such risk could lead to an adverse impact on the business. Remedial action must be taken urgently.
Medium	A weakness in control which, although not fundamental, relates to shortcomings which expose individual business systems to a less immediate level of threatening risk or poor value for money. Such a risk could impact on operational objectives and should be of concern to senior management and requires prompt specific action.
Low	Areas that individually have no significant impact, but where management would benefit from improved controls and/or have the opportunity to achieve greater effectiveness and/or efficiency.

APPENDIX IIII - TERMS OF REFERENCE

BACKGROUND

Local authorities are under a duty to provide an at-cost building control service to the public under the Building Act 1984. This includes a duty to enforce the Act in their jurisdiction and retain ultimate responsibility for decision-making with regard to enforcement action. However, unlike other statutory services Local Government building control services compete with the private sector (Approved Inspectors).

The Service has two elements, which are described as fee earning and non-fee earning work. The building regulation aspect of the service is income generating and in accordance with The Building (Local Authority Charges) Regulations 2010 and CIPFA accounting requirements. This aspect of the business must be self-financing over a continuous three-year rolling period. The non-fee earning part of the service is funded by the council tax payer and includes dangerous structures, enforcement, demolitions, support for the safety advisory group and consultancy services to other council services.

PURPOSE OF REVIEW

To review the effectiveness of the Council's approach to and delivery of change to the Building Control service.

KEY RISKS

Based upon the risk assessment undertaken during the development of the internal audit operational plan, through discussions with management, and our collective audit knowledge and understanding, the key risks associated with the area under review are:

- Staff capacity and/or training is inadequate to meet the objectives of the service
- Policies, procedures and strategies are not fit-for-purpose and/or effective
- Application and/or notices received are not subject to sufficient review and/or approval to ensure compliance with Building Regulations
- Ineffective inspections are conducted to validate whether Building Regulations are being adhered to
- Ineffective procedures in place to manage dangerous structures, demolitions to ensure referrals are identified and assessed properly
- Revenue relating to the service is not set appropriately, not raised in line with scale fees agreed and/or not monitored appropriately
- Management information and/or oversight is ineffective to monitor the risks specifically including post Grenfell risks and/or performance of the service
- Promotion of the service to inform those in the Council area of their obligations is insufficient and/or ineffective.

SCOPE OF REVIEW

This review will consider the effectiveness of the Council's building control service including:

- Review recruitment and retention compared to its comparators
- Review the capacity of the team in light of the future operating model
- Review a sample of 15 building control applications from start to finish to check compliance with procedures

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- Assess overall governance and how the Council promote the service and ensure it is commercially effective.

However, Internal Audit will bring to the attention of management any points relating to other areas that come to their attention during the course of the audit. We assume for the purposes of estimating the number of days of audit work that there is one control environment, and that we will be providing assurance over controls in this environment. If this is not the case, our estimate of audit days may not be accurate.

APPROACH

Our approach will be to conduct interviews to establish the controls in operation for our areas of audit work. We will then seek documentary evidence that these controls are designed as described. We will evaluate these controls to identify whether they adequately address the risks. Any opportunities identified to improve arrangements will be offered for consideration alongside recommendations to resolve any weakness in controls.

EXCLUSIONS

Our work will be restricted to the areas of consideration within the scope of our review. This is a high level review, we will therefore assess controls through interview, walkthroughs and review of supporting evidence and documents provided by the Council, but there will be no substantive testing.

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FOR MORE INFORMATION:

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MALDON DISTRICT COUNCIL

INTERNAL AUDIT REPORT

RISK MANAGEMENT

JULY 2019

BDO

Distribution	
Name	Job Title
Cheryl Hughes	Programmes, Performance and Governance Manager
Paul Dodson	Director of Strategy, Performance and Governance

Report Status list	
Auditors:	Chris Andre
Dates work performed:	17/06/19 – 02/07/19
Draft report issued:	05 July 2019
Final report issued:	24 July 2019

EXECUTIVE SUMMARY

OVERVIEW

The purpose of the risk maturity assessment is to help ensure an effective risk management culture becomes embedded across the Council, by highlighting areas where processes could be improved. As a primarily advisory piece of work, the assessment will not generate an assurance opinion. The Council's ambition is to achieve 'risk enabled' status.

The Council is currently undertaking an extensive project that has significantly altered the structure and working practices within the Council and has resulted in a large turnover of staff. This includes the key risk management position within the Council, which now falls under the newly appointed Programmes, Performance and Governance Manager.

The Risk Management Policy states it is for all staff to be involved within the Risk Management process with risks to be reviewed at service level and escalated to the Corporate Risk Register (CRR) if scoring hits a certain threshold. The Corporate Leadership Team (CLT), with Audit Committee also having oversight, monitor corporate risks whilst service level risks are to be monitored by the service managers.

Officers informed us that the Council, in its past, has generally been risk adverse with a hierarchical, centralised structure resulting in only executive management having responsibility for risk. However, with the work currently underway it is seen as a turning point with the move to a more de-centralised structure allowing for the risk management process to be further embedded at all levels of the Council, promoting a bottom-up approach with regards to risk identification and involvement.

The Council is well positioned to improve on the maturity scoring stated below, with steps already in place to advance and replace processes and systems to make them fit for purpose given the changes underway. There is already good buy-in from the three Directors who understand the need for strong risk management and are proactive in embedding it further. It is anticipated that a follow up of this audit next year would identify much improved results.

GOOD PRACTICE:

In our review, we have noted the following areas of good practice:

- Quarterly updates of all mitigating actions are undertaken with TEN (Council's risk management system) issuing email reminders to the owners of the actions – NB, this system is due to be replaced by one with greater functionality

- Risk Management training for Members has recently been undertaken to ensure a better understanding of their role whilst induction training is being improved to embed Maldon's specific identification and management processes

- A Corporate Risk Register is in place which is monitored and reviewed with risk scoring changed where necessary

- Steps to replace the risk management system are already well underway to allow for improved reporting

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KEY FINDINGS

Recommendations have been raised against each of the areas of the risk maturity assessment. However, our key findings are:

- Inconsistent practices with regard to the identification and ongoing monitoring of risks at service level

- Mitigating actions are not always appropriate or specific enough to ensure progress against reducing the risk

- The Council does not currently report on any KPIs relating to their management of risk

- Not all risks at service level are required to have mitigating actions established and continually monitored

Having conducted a risk assessment at another district council recently it can be seen that both scored similarly. This is evidenced by the graph below:

1 - Naïve
2 - Aware
3 - Define
4 - Managed
5 - Enabled

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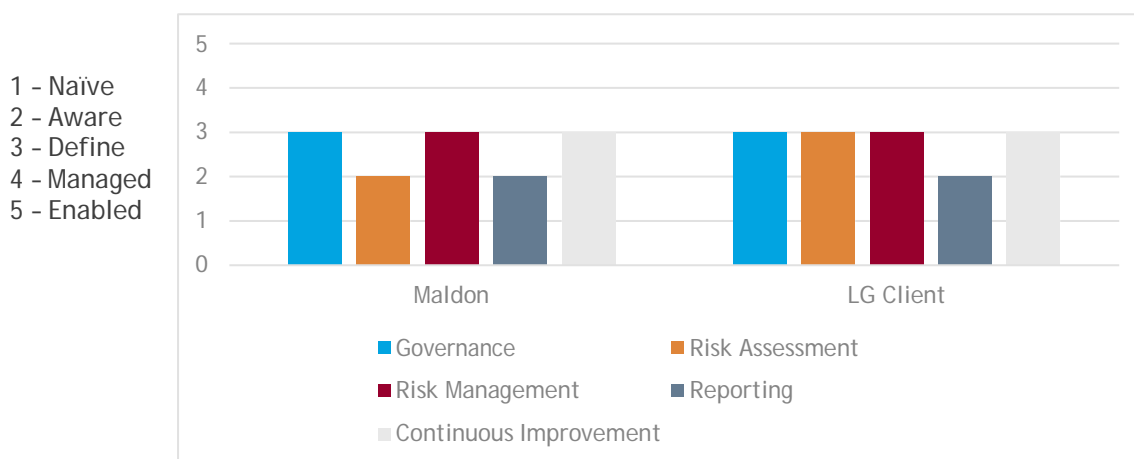
OVERVIEW

We considered the maturity of the Council's current risk management arrangements by assessment against BDO's risk maturity model. The following elements were assessed:

Risk Governance	Risk Assessment	Risk Mitigation	Monitoring and Reporting	Continuous Improvement
- Strategy and objectives - Tone at the top - Roles and responsibilities - Resources - Training - Risk appetite - Risk strategy - Risk Policy	- Risk Identification - Risk Analysis - Risk Evaluation - Assigning responsibilities for risks	- Current Mitigation - Action Plans - Reaction Plans	- Monitoring - Reporting - Assurance	- Review Approach - KPIs

The current and target levels of maturity for each area were assessed in accordance with five categories, defined at Appendix III:

Naïve	Aware	Defined	Managed	Enabled

The Risk Maturity Assessment Matrix is at Appendix I and sets out the definitions for each level of maturity. It is the intention that the results of the assessment assist those charged with governance in the further development of an effective and embedded risk management framework. Within our report we have identified areas where further development is required in order to reach the target maturity levels and have made recommendations for improvement within the body of the report. We have summarised below the current and target maturity levels, based on our work performed.

	Risk Governance	Risk Assessment	Risk Mitigation	Monitoring and Reporting	Continuous Improvement
Current	Defined	Aware	Defined	Aware	Defined
Target	Enabled	Managed	Enabled	Managed	Enabled

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ASSESSMENT OF RISK MATURITY AGAINST THE BDO RISK MATURITY MODEL

Risk Maturity Assessment - Governance			
1.	**Strategy and objectives:**	**✓/✗**	**Evaluation**
1.1	The organisation has clear objectives	✓	The Council has recently developed a new Corporate Plan running from 2019 -2023. It is divided into three main areas; Place, Community and Prosperity, under which sit 32 objectives.
2.	**Tone at the top**		
2.1	The Board have mandated that a formal approach be taken to risk management and set out why risk management is important.	✓	The Council holds a Risk Management Policy which states that it is the responsibility for all staff to: Report hazards and risks to their Managers, undertake their duties within risk management guidelines, Health and Safety Risks are to be dealt with immediately - where possible the risk should be removed or eliminated, otherwise it must be reported as a matter of urgency and steps taken to warn people of the problem
3.	**Roles and responsibilities:**		
3.1	Roles and responsibilities for risk management have been defined centrally and across divisions and departments.	✓	Roles and responsibilities are set out within the Council's Risk Management Policy at section 4 and includes Full Council, Finance and Corporate Services Committee, Audit Committee, CLT, Risk Owners, Managers and All Staff.
3.2	Effectiveness in discharging risk management responsibilities is evaluated as part of individual performance review/appraisal.	✗	From our discussions with staff within the Council, we identified that the effectiveness of risk management was not consistently incorporated into individuals performance appraisals
4.	**Resources:**		
4.1	Resource requirements have been identified and budget allocated.	✓	The Programmes, Performance and Governance Manager is the central contact and main individual responsible for risk management within the Council. The Council also utilises TEN, which is used as a repository for risks on the corporate risk register and their respective mitigating actions. The system is due to be replaced.

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4.2	Regular review takes place of ongoing resource requirements.	✓	The Programmes, Performance and Governance Manager was recently appointed following the review of the Councils structure. The current risk management software has limited capability and therefore steps are already underway to replace it with software with much improved reporting and analytical capabilities
5.	**Training:**		
5.1	Training undertaken for managers and staff responsible for risk management.	✓	A Risk Management Workshop was recently undertaken to ensure that Members understand their roles and responsibilities
5.2	Training in risk management is provided to all staff.	✓/✗	The induction training includes a section on risk management, albeit brief. However, it is positive to note that this is due to be improved with training in relation to risk management and risk mitigation being configured and will be completed via e-learning. However, some of the managers spoken to had not received any recent risk management training.
6.	**Risk Appetite:**		
6.1	A formal risk appetite statement has been agreed by the board at corporate level	✓/✗	The Risk Management Policy discusses the Council's risk appetite in terms of the scoring for a risk as well as in more detail as part of their thematic strategy, however, there is no formal Risk Appetite Statement. See Appendix II for an example risk appetite statement.
7.	**Risk policy:**		
7.1	A risk management policy is in place and has been communicated throughout the organisation.	✓	A Risk Management Policy is in place, was reviewed in 2017 and is due to be reviewed again in 2020. However, due to the significant changes within the Council and change in structure, the policy is to be reviewed before 2020.

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Assessment of maturity for this element					
	Naïve	Aware	Defined	Managed	Enabled
			✓		
					✓

Recommendations for improvement - GOVERNANCE

1. Risks should be linked to the corporate objectives of the Council

2. Those with risk management responsibilities should have this area of their job role reviewed during annual appraisals

3. Service Level Managers should be provided with refresher training to ensure a consistent approach to risk management across the Council

4. Consideration should be given to establishing a formal risk appetite statement for the Council, which is reviewed on an annual basis with the Audit Committee. This will help to embed a risk aware culture and ensure a consistent reflection on the direction of risk management within the Council

Management Response	Responsibility and Implementation Date
½. We have created a new template for SMART appraisals which links their role to the corporate objectives and have a question in there for staff to flag any identified risk, so that once implemented all staff will have this link.	Cheryl Hughes- Dec 2019
3. We will be rolling out a corporate training programme and including risk as a topic available to all staff and compulsory for service managers and project leads	Cheryl Hughes/ Annette Cardy- Feb 2020
4. Elected members and senior staff will be approached as part of the development of the policy, and to factor in risk appetite	Cheryl Hughes- Nov 2019

Risk Maturity Assessment – Risk Assessment			
1.	Risk Identification:	✓/✗	Evaluation
1.1	Comprehensive process in place for systematically identifying risks throughout the organisation.	✓/✗	Risks are identified annually in the process of developing Service Plans. Any risks to the achievement of objectives for that Service are recorded as risks. Risks are then scored and, if they hit a certain threshold, will be required to be added to the Corporate Risk Register via TEN. Those below the threshold remain on the Service Plan only. Risks are then able to be identified and added throughout the year at forums such as CLT. However, risks appear to be mainly the consideration and responsibility of management. Further, complaints received by the Council are not analysed for trends and to identify potential risks. Further, there appears to be no ICT risks held on the CRR.
2.	Risk Analysis:		
2.1	Risks are linked to objectives	✗	Risks are not linked to the corporate objectives of the Council

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2.2	Risks are clearly described	✘	The Risk Management Policy provides guidance on the best way to describe a risk with the consequence required to be included. However, this is rarely seen as part of risk descriptors and, therefore, they do not detail the actual risk.
2.3	Risks are assigned a category	✘	Risks are not assigned a category
3.	**Risk Evaluation:**		
3.1	Risks are evaluated based on a defined scoring methodology	✓/✘	All risks are assessed on a defined scoring methodology with a 4x4 risk matrix in place identifying the potential impact and likelihood. A risk assessment table is also found within the Risk Management Policy with the impact further defined for different scenarios. However, use of the 4x4 risk matrix results in risks either being serious enough to be added to the CRR or not serious enough to require mitigating actions (as per the Risk Management Policy), with no middle ground.
3.2	Regular management challenge of the risk evaluations applied	✓	Risk scorings on the CRR are discussed at CLT on a regular basis. In addition, an annual review of the CRR is completed, as per policy, to ensure that risk scoring is still appropriate. This was seen working well in relation to the housing land supply risk which has recently increased due to decisions made my Members.
5.	**Assigning responsibilities for risk:**		
5.1	All risks have an owner	✓/✘	There are 17 risks found on the CRR with all having an owner, albeit two are the responsibility of the CLT. Risks on the service plans are assumed to be the responsibility of the service manager but this is not explicitly stated.

Assessment of maturity for this element					
	Naïve	Aware	Defined	Managed	Enabled
		✔			
				✔	

Recommendations for improvement – Risk Assessment
1. Risk identification processes should be expanded within the Risk Management Policy to ensure staff at all levels are able to identify and escalate risks and these should be discussed in Service Level meetings on a monthly basis. Complaints should also be reviewed to identify any trends. 2. An updated scoring matrix (5x5) should be considered to provide a more differentiated score for the risks at all levels of the Council 3. All risks identified should be added to the Council's risk management software to allow for service level risk registers to be produced and maintained as well as having a centralised repository of risks to allow for greater visibility of risks across the Council 4. Risks should be assigned a category in order to undertake more informed trend analysis. This will become a more valuable tool when all risks are added to the Council's new risk management system 5. The approach to writing a risk should be updated in the Risk Management Policy with current risks reviewed to ensure they are appropriate. See Appendix III for an example of how to write risks as seen at another client

Management Response	Responsibility and Implementation Date
We will be reviewing and updating the risk management policy and will factor these recommendations into the review and roll out of this.	Cheryl Hughes, December 2019

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Risk Maturity Assessment – Risk Mitigation			
1.	**Current Mitigation:**	**✓/✗**	**Evaluation**
1.1	Responses to risks have been selected and implemented, having regard to the risk appetite.	✓	Responses to risks are developed in order to bring them down to an acceptable level to the Council.
2.	**Action Plans:**		
2.1	Action plans are in place for all risks that have not been accepted at the current level.	✓/✗	A sample of risks were viewed on TEN, all of which had mitigating actions. However, some actions were not considered sufficiently clear or specific such as 'Improve Project Management' whilst others had completion dates that had passed or were too far in the future, such as 2029. In addition, service level risks did not all have mitigating actions.

Assessment of maturity for this element				
	Naïve	Aware	Defined	Managed	Enabled
			✓		
					✓

Recommendations for improvement - Risk Mitigation
1. All risks, including those on the Service Plans, should have associated actions with target dates and responsible officers
2. Actions that have completion dates that have passed should be reviewed to ensure they are still valid with dates updated where necessary. Actions due to be completed in 2029 are to be reassessed and identified if they are in fact controls and, therefore, do not require updates each quarter for the next ten years.

Management Response	Responsibility and Implementation Date
As part of a wider project to move from TEN software, we will be reviewing the current risks and mitigating actions and how they are reported. We are aware that in the current software we have 'expired' risks and that some housekeeping needs to be done as part of the wider software upgrade	Cheryl Hughes/ Eloise Howard- Jan 2020

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Risk Maturity Assessment – Reporting and Review		
1.	**Monitoring:**	**✓/✗** **Evaluation**
1.1	A strategic risk register has been populated	✓ A Corporate Risk Register is in place and is reviewed on a quarterly basis
1.2	Departmental risk registers have been populated	✓/✗ Formal service level risk registers are not in place within the Council. However, risks not scoring over a certain threshold are to be found on the Service Plans. These are updated throughout the year with risks able to be added if identified. However, as not held in a formal risk register, there is often a lack of information such as due dates, responsible officers, actions etc.
1.3	Risk registers are reviewed on a regular basis	✓ As discussed in 1.1 above, the CRR is reviewed quarterly and updated where required.
2.	**Reporting:**	
2.1	Regular reporting on key risks at corporate level	✓ The CRR is reported quarterly at the CLT after the updates have been received from the risk owners/action leads. Further, updates are taken to Audit Committee for awareness.
2.2	Regular reporting on risks at division/department level	✓/✗ Through discussion with Managers, discussion of risks at service levels do appear to take place but to varying degrees, likely due to the lack of formalised guidance.
2.3	Decisions based on risk reports are fed back	✓/✗ Due to a lack of discussion on operational risks, and therefore risks that are more relevant to the services, this feedback is limited. However, there are forums for this to take place.
3.	**Assurance:**	
3.1	Assurance is provided on the effectiveness of the management of risks	✓/✗ Whilst there is good oversight of risks at a Corporate level, only a limited level of assurance is able to be provided that risks are effectively being managed at service level.

Assessment of maturity for this element				
Naïve	Aware	Defined	Managed	Enabled
	✓			
			✓	

Recommendations for improvement – Reporting and Review
1. The Risk Management Policy should be updated to ensure that discussion of risks form a consistent part of service level meetings, perhaps through the use of a standardised agenda

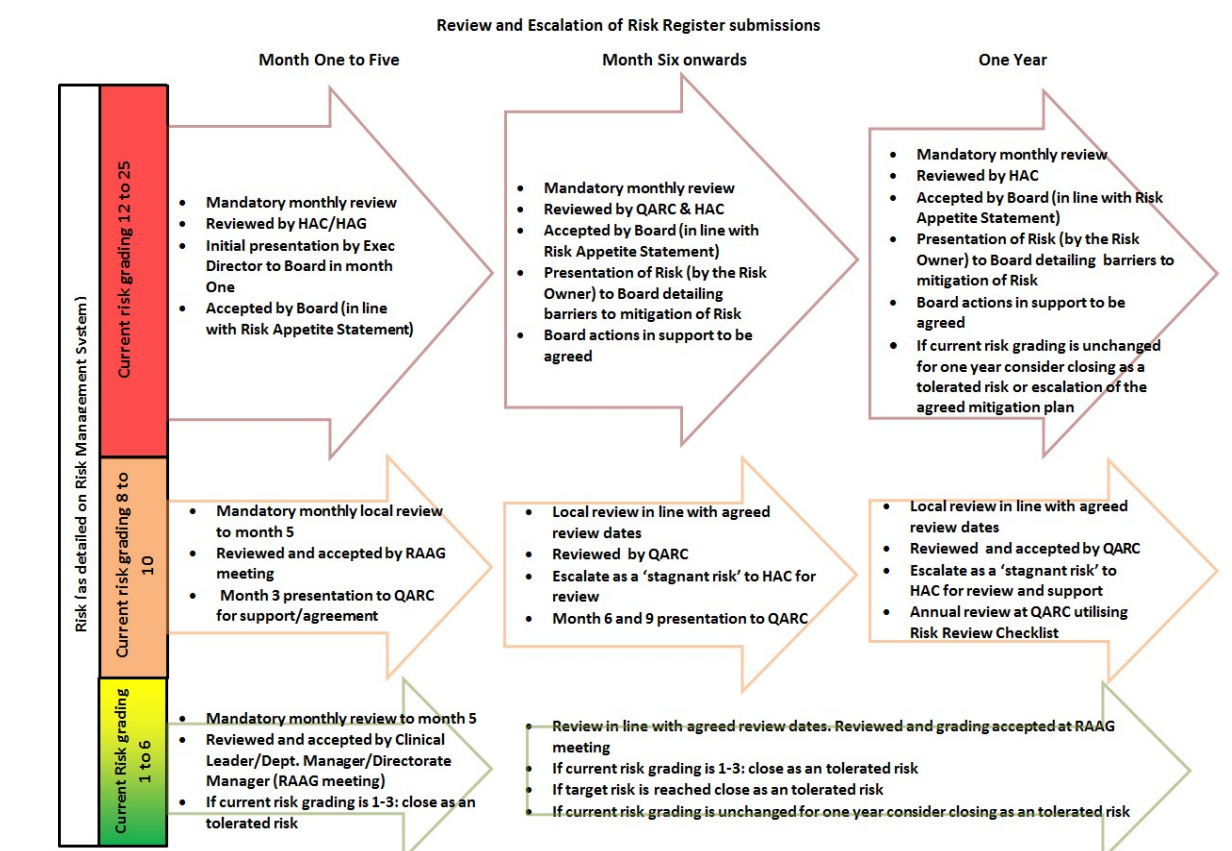| Management Response	Responsibility and Implementation Date
A full review and update of our risk management policy will be taking place	Cheryl Hughes, December 2019

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Risk Maturity Assessment – Continuous Improvement			
1.	Continuous Improvement:	✓/✗	Evaluation
1.1	The organisation's risk management approach and the Board's risk appetite are regularly reviewed and refined in light of new risk information reported	✓/✗	The Council reviews its Risk Management Policy every three years, with the next review set for 2020. However, due to the changes across the Council and the appointment of a new lead for risk, there are plans in place to review the policy before this date. Whilst there is no indication of regular reviews of the Council's formal approach to risk management occurring as the result of new risk information being reported, this may be due to a lack of significant risk requiring this to be done. Further, with the change in staff and structure across the Council, it is likely that changes will occur.
2.	KPIs:		
2.1	KPIs are used to measure aspects of the risk management activity, e.g. timeliness of implementation of risk responses, number of risks materialising or surpassing impact-likelihood expectations •% of risk issues exceeding defined risk tolerance without action plans •Cycle time from discovery of a control deficiency to risk acceptance decision •% of staff having undertaken advanced risk management training.	✗	The Council itself does not monitor and report on any KPIs relating to risk management.

Assessment of maturity for this element					
	Naïve	Aware	Defined	Managed	Enabled
			✓		
					✓

Recommendations for improvement – Continuous Improvement
1. Identify KPIs in order to measure the effectiveness of risk management activity at the Council. This can include the proportion of risks operating at the target level and/or the overall effectiveness of risk management (current risk versus target risk etc.). See Appendix I for a list of possible KPIs

Management Response	Responsibility and Implementation Date
We are currently reviewing and overhauling all performance management, and as part of the balance scorecard dashboard, we will look to include KPI's around risk, as well as reporting risk updates.	Cheryl Hughes/ Eloise Howard- Feb 2020

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APPENDIX I – EXAMPLE KPIs

- Timeliness of implementation of risk responses

- Percentage of risks operating at the target level

- The overall effectiveness of risk management (current risk versus target risk)

- Number of risks materialising or surpassing impact-likelihood expectations

- % of risk issues exceeding defined risk tolerance without action plans

- Cycle time from discovery of a control deficiency to risk acceptance decision

- % of staff having undertaken risk management training

- SMT must attend at least 50% of the XXX governance meetings

- Heads of Departments must attend at least 75% of the XXX Board/Committee meetings and departmental governance group meetings and ensure that a designated deputy attends in their absence

Review and Escalation of Risk Register submissions

	Month One to Five	Month Six onwards	One Year
Current risk grading 12 to 25	• Mandatory monthly review • Reviewed by HAC/HAG • Initial presentation by Exec Director to Board in month One • Accepted by Board (in line with Risk Appetite Statement)	• Mandatory monthly review • Reviewed by QARC & HAC • Accepted by Board (in line with Risk Appetite Statement) • Presentation of Risk (by the Risk Owner) to Board detailing barriers to mitigation of Risk • Board actions in support to be agreed	• Mandatory monthly review • Reviewed by HAC • Accepted by Board (in line with Risk Appetite Statement) • Presentation of Risk (by the Risk Owner) to Board detailing barriers to mitigation of Risk • Board actions in support to be agreed • If current risk grading is unchanged for one year consider closing as a tolerated risk or escalation of the agreed mitigation plan
Current risk grading 8 to 10	• Mandatory monthly local review to month 5 • Reviewed and accepted by RAAG meeting • Month 3 presentation to QARC for support/agreement	• Local review in line with agreed review dates • Reviewed by QARC • Escalate as a 'stagnant risk' to HAC for review • Month 6 and 9 presentation to QARC	• Local review in line with agreed review dates • Reviewed and accepted by QARC • Escalate as a 'stagnant risk' to HAC for review and support • Annual review at QARC utilising Risk Review Checklist
Current Risk grading 1 to 6	• Mandatory monthly review to month 5 • Reviewed and accepted by Clinical Leader/Dept. Manager/Directorate Manager (RAAG meeting) • If current risk grading is 1-3: close as an tolerated risk	• Review in line with agreed review dates. Reviewed and grading accepted at RAAG meeting • If current risk grading is 1-3: close as an tolerated risk • If target risk is reached close as an tolerated risk • If current risk grading is unchanged for one year consider closing as a tolerated risk	

(Row label on left side of diagram: "Risk (as detailed on Risk Management System)")

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APPENDIX II – EXAMPLE RISK APPETITE STATEMENT

The Council recognises it is impossible to deliver its services and achieve positive outcomes for its stakeholders without taking risks. Indeed, only by taking risks can the Council realise its aims. However, it must take risks in a controlled manner, thus reducing its exposure to a level deemed acceptable from time to time by the Council and, by extension, external inspectors/regulators and relevant legislation.

Methods of controlling risks must be balanced in order to support innovation and the imaginative use of resources when it is to achieve substantial benefit. In addition, the Council may accept some high risks because of the cost of controlling them. As a general principle, the Council will not accept and will therefore seek to control all risks, which have the potential to:

- Cause significant harm to staff, visitors, contractors and other stakeholders;
- Endanger notably the reputation of the Council;
- Have severe financial consequences which could jeopardise the Council's viability;
- Jeopardise significantly the Council's ability to carry out its normal operational activities;
- Threaten the Council's compliance with law and regulation.

Risk Tolerance
The Council has determined that some risks are acceptable / tolerable. This is in line with the stated risk appetite and is reflected in the green area of the risk heat map. All risks with a rating of three or less are deemed to be acceptable or tolerable. Some risks with a rating higher than three may also be accepted/tolerated. This would most probably be because of the potential benefits of taking the risk, the cost of controlling the risk or the risk's proximity; acceptance or tolerance of any risk with a rating higher than 3 must be approved by a director or manager with the appropriate authority to do so (not the risk owner).

APPENDIX III – EXAMPLE RISK DEFINITION GUIDANCE

A risk is something that might happen that could have an effect upon the Council.

The risk will be a combination of three elements:
Cause – what might trigger the event to occur
Event – an unplanned or unintended variation from an objective
Effect – how the Council may be impacted should the event occur

Articulating the risk from these three elements will result in the risk starting with the word *'If' (the cause)*, with a middle section *'then' (the event)*, and a final section *'resulting in' (the effect)* or similar terminology.

Risk identification – getting it wrong! It is <u>NOT</u> something that has happened (an incident) or something that will happen or is already happening (an issue). The following descriptors should <u>NOT</u> be used:

> Failure of or questioning the objective
> One word risks
> Statement of fact
> Failure to ….
> Whinge!
> Essay

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APPENDIX IV - RISK MATURITY ASSESSMENT MATRIX

	Risk Governance	Risk Identification and Assessment	Risk Mitigation and Treatment	Risk Reporting and Review	Continuous Improvement
Enabled	Risk management and internal control is fully embedded into operations. All parties play their part and have a share of accountability for managing risk in line with their responsibility for the achievement of objectives.	There are processes for identifying and assessing risks and opportunities on a continuous basis. Risks are assessed to ensure consensus about the appropriate level of control, monitoring and reporting to carry out. Risk information is documented in a risk register.	Responses to the risks have been selected and implemented. There are processes for evaluating risks and responses implemented. The level of residual risk after applying mitigation techniques is accepted by the organisation, or further mitigations have been planned.	High quality, accurate and timely information is available to operational management and directors. The board reviews the risk management strategy, policy and approach on a regular basis, e.g. annually, and reviews key risks, emergent and new risks, and action plans on a regular basis, e.g. quarterly.	The organisational performance management framework and reward structure drives improvements in risk management. Risk management is a management competency. Management assurance is provided on the effectiveness of their risk management on a regular basis.
Managed	Risk management objectives are defined and management are trained in risk management techniques. Risk management is written into the performance expectations of managers. Management and executive level responsibilities for key risks have been allocated.	There are clear links between objectives and risks at all levels. Risk information is documented in a risk register. The organisation's risk appetite is used in the scoring system for assessing risks. All significant projects are routinely assessed for risk.	There is clarity over the risk level that is accepted within the organisation's risk appetite. Risk responses appropriate to satisfy the risk appetite of the organisation have been selected and implemented.	The board reviews key risks, emergent and new risks, and action plans on a regular basis, e.g. quarterly. It reviews the risk management strategy, policy and approach on a regular basis, e.g. annually. Directors require interim updates from delegated managers on individual risks which they have personal responsibility.	The organisation's risk management approach and the Board's risk appetite are regularly reviewed and refined in light of new risk information reported. Management assurance is provided on the effectiveness of their risk management on an ad hoc basis. The resources used in risk management become quantifiably cost effective. KPIs are set to improve certain aspects of the risk management activity, e.g. timeliness of implementation of risk responses, number of risks materialising or surpassing impact-likelihood expectations.

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Defined	A risk strategy and policies are in place and communicated. The level of risk-taking that the organisation will accept is defined and understood in some parts of the organisation, and it is used to consider the most appropriate responses to the management of identified risks. Management and executive level responsibilities for key risks have been allocated.	There are processes for identifying and assessing risks and opportunities in some parts of the organisation but not consistently applied in all. All risks identified have been assessed with a defined scoring system. Risk information is brought together for some parts of the organisation. Most projects are assessed for risk.	Management in some parts of the organisation are familiar with, and able to distinguish between, the different options available in responding to risks to select the best response in the interest of the organisation.	Management have set up methods to monitor the proper operation of key processes, responses, and action plans. Management report risks to directors where responses have not managed the risks to a level acceptable to the board.	There is some discussion around the review and update of the organisations approach to risk management based on information received/changes to the organisation whilst KPIs are not formally reviewed or reported at a corporate level.
Aware	There is a scattered, silo-based approach to risk management. The vision, commitment and ownership of risk management have been documented. However, the organisation is reliant on a few key people for the knowledge, skills and the practice of risk management activities on a day-to-day basis.	A limited number of managers are trained in risk management techniques. There are processes for identifying and assessing risks and opportunities, but these are not fully comprehensive or implemented. There is no consistent scoring system for assessing risks. Risk information is not fully documented.	Some responses to the risks have been selected and implemented by management according to their own perception of risk appetite in the absence of a board-approved appetite for risk.	There are some monitoring processes and ad hoc reviews by some managers on risk management activities.	The Board gets minimal assurance on the effectiveness of risk management.
Naive	No formal approach developed for risk management. No formal consideration of risks to business objectives, or clear ownership, accountability and responsibility for the management of key risks.	Processes for identifying and evaluating risks and responses are not defined. Risks have not been identified nor collated. There is no consistent scoring system for assessing risks.	Responses to the risks have not been designed or implemented.	There are no monitoring processes or regular reviews of risk management.	Management does not assure the Board on the effectiveness of risk management.

APPENDIX V – TERMS OF REFERENCE

BACKGROUND

The risk management process involves the identification, evaluation and treatment of risk as part of a continuous process aimed at helping the Council and individuals reduce the incidence and impacts of risks that they face.

Risk management is therefore a fundamental part of both the operational and strategic thinking of every part of the service delivery within the organisation. This includes corporate, business and financial risks.

PURPOSE OF REVIEW

The purpose of the BDO Risk Maturity Assessment is to help ensure an effective risk management culture becomes embedded across the Council, by highlighting areas where processes could be improved. As primarily an advisory piece of work assessing the Council's current position against the BDO Risk Maturity Matrix, this assessment will not generate an assurance opinion.

KEY RISKS

The key risks, and therefore the lines of enquiry which we will undertake as part of our review in order to assess if the controls relating to Risk Management are working effectively are::

- Whether there is a clear understanding of risk within the Council;
- The risks on the risk registers correspond to those actually facing the Council;
- Risks are reviewed on a regular basis and appropriate assurance and controls are assigned to them; and
- Escalation and management review of risks is sufficient, and mitigating actions are effective

SCOPE OF REVIEW

The Risk Maturity Assessment will cover the following elements of risk management:

- Governance;
- Identification and assessment;
- Mitigation and treatment;
- Reporting and review; and
- Continuous improvement.

Based on documentary review and interviews with key staff, each element will be judged on a five-part scale between 'naïve' and 'enabled', as outlined in the BDO Risk Maturity matrix in Appendix 1.

However, Internal Audit will bring to the attention of management any points relating to other areas that come to their attention during the course of the audit. We assume for the purposes of estimating the number of days of audit work that there is one control environment, and that we will be providing assurance over controls in this environment. If this is not the case, our estimate of audit days may not be accurate.

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APPROACH

Our approach will be to conduct interviews and perform documentary review to establish the level of maturity of each of the key elements of risk management considered by the assessment

ADDED VALUE

The review will enable us to benchmark the Council's risk maturity level against other Councils.

BAF/CRR REFERENCE:

N/A – This audit will be reviewing the BAF and Risk Register as part of the scope.

DATA ANALYTICS

We can perform high level analytics on the meta data in the risk registers and present these in a graphical format.

EXCLUSIONS

The scope of the review is limited to the areas documented under the scope and approach. All other areas are considered outside of the scope of this review.

FOR MORE INFORMATION:

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MALDON DISTRICT COUNCIL

INTERNAL AUDIT
FOLLOW UP OF RECOMMENDATIONS

JULY 2019

BDO

Summary

Audit	Total Recs	H	M	L	To follow up	Complete		In Progress		Not Due		Overdue		% Complete
						H	M	H	M	H	M	H	M	
15/16. Risk Management – High Level Review	5	1	4	-	5	-	5	-	-	-	-	-	-	100%
16/17. Channel Shift	7	-	7	-	7	-	1	-	-	-	-	-	6	14%
16/17. Information Governance PCI/DSS	4	1	3	-	4	-	3	-	-	-	-	1	-	75%
16/17. Planning	5	-	5	-	5	-	3	-		-	-	-	2	60%
16/17. Flooding	5	-	5	-	5	-	3	-	1	-	1	-	-	60%
17/18. Economic Development/ Business Rate Growth	4	-	4	-	4	-	3	-	-	-	1	-	-	75%
17/18. Partnership Working	3	-	1	2	1	-	1	-	-	-	-	-	-	100%
17/18. Disaster Recovery and Business Continuity	6	-	5	1	5	-	1	-	4*	-	-	-	-	20%
17/18. Contract Procurement Management and Purchasing	6	-	3	3	3	-	3	-	-	-	-	-	-	100%
17/18. Attendance Management	2	-	1	1	1	-	1	-	-	-	-	-	-	100%
17/18. Elections Improvement Plan	6	-	3	3	3	-	3	-	-	-	-	-	-	100%
17/18. Business Resilience	5	-	3	2	3	-	3	-	-	-	-	-	-	100%
17/18. Budget Setting	1	-	1	-	1	-	1	-	-	-	-	-	-	100%
18/19. Budgets and Performance Management	4	-	1	3	1	-	1	-	-	-	-	-	-	100%
18/19. Main Financial Systems	2	-	1	1	1	-	1	-	-	-	-	-	-	100%
18/19. Safe and Clean Environment	6	-	5	1	5	-	2	-	1	-	2	-	-	20%
18/19. Transformation Programme	1	-	1	-	1	-	-	-	-	-	1			0%
Total	89	2	68	19	70	7	43	-	6	-	5	1	8	

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Summary

 Introduction

We regularly follow up progress with the implementation of recommendations raised by Internal Audit and quarterly we report to the Audit Committee. We request commentary by responsible officers on the progress towards implementation of our recommendations and for high and medium priority recommendations we verify the progress to source evidence and conclude either that the recommendation is complete or incomplete. This report represents the status of all internal audit recommendations as at 30 June 2019.

2015/16 Recommendations

19 high and medium priority recommendations were made in 2015/16, 18 of which were previously reported as implemented. 1 medium priority recommendation was followed up as part of the 2019/20 internal audit of Risk Maturity which has now been completed. The 2015/16 has now been closed and the new recommendations arising from the 2019/20 audit will be taken forward and reported to the Audit Committee in due course.

2016/17 Recommendations

For 2016/17 we raised a total of 35 high and medium priority recommendations. From this we note:

- 24 recommendations have been implemented
- 1 recommendation is in progress relating to Flooding
- 1 recommendations is in progress relating to Flooding with has a revised implementation date which is not yet due for follow up
- A further 9 are overdue relating to the audit of Channel Shift (6 recommendations) and Planning (2 recommendation) and Information Governance PCI/DSS (1 recommendation). These recommendations will be implemented under the Future Council Model

2017/18 Recommendations

22 high and medium recommendations were raised in 2017/18. The current position of these recommendations is as follows:

- 17 (medium priority) are considered implemented relating to Economic Development, Partnership Working, Procurement & Contract Procurement Management and Purchasing, Business Resilience and Disaster Recovery, Attendance Management, Main Financial Systems, Elections improvement Plan and Business Continuity

- 4* (medium priority) are in progress relating to Disaster Recovery and Business Continuity, which have revised implementation dates which are not yet due. These recommendations will be superseded by the IT Disaster Recovery audit which is scheduled for Q3.

- 1 medium recommendation relating to Economic Development has a revised implementation date which is not yet due

2018/19 Recommendations

8 medium recommendations have been raised in 2018/19. The current position of these recommendations is as follows:

- 3 are considered implemented as previously reported relating to Budgets and Performance Management (1 recommendation), Main financial Systems (1 recommendation) and Safe and Clean Environment (1 recommendation)

- 1 has now been completed relating to Safe and Clean Environment

- 1 is in progress and 2 are not yet due relating to Safe and Clean Environment

- 1 is not yet due relating to Transformation Programme

Recommendations: Complete

RECOMMENDATION MADE	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
2018/19- Safe and Clean Environment				
Performance monitoring should be evidenced as undertaken on a set periodic basis, with any performance discussion minuted. If performance targets are not being met, and rectification notices are being issued, the contractor should be asked to provide a response for the reason for the missed targets. An action plan should be created to record the actions that need to be taken by both the Council and the contractor, who is responsible for implementing each action and the timeframes for this. The action plan should be presented at every contract monitoring meeting so it can be updated with the actions addressed. b) A review of performance targets should be undertaken. If the current target for missed bins is not feasible, an additional target should be created above which performance would be deemed unsatisfactory. Other key performance indicators should be considered to identify if these would assist in the monitoring of performance, based upon management knowledge of the service and contract. Based upon our experience at other Councils, we have found the following indicators commonly used: - Number of customer complaints - Turnaround time at delivery points - Vehicle breakdowns - Number of delayed collections - Timeliness of container deliveries	Medium	Carol Love – Waste and Street Scene Manager	~~31 January 2019~~ July 2019	Performance monitoring meetings are now minuted and action points noted. Performance is discussed at regular contract monitoring meetings. Action plans, as recommended, are being implemented in January 2019. Other performance indicators as outlined above have been considered and implemented as appropriate. A revised target for missed bins has been revised and for 2019/20 it is 15 justified reports of missed bins per working day. IA Comments – Actions taken have been implemented in accordance with the recommendation and propose this finding is closed.

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Recommendations: In Progress

RECOMMENDATION MADE	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
2018/19- Safe and Clean Environment				
The Council should work with the contractor to determine the monitoring and performance targets to be implemented which are commensurate with the risk and value of the contract. Monitoring should then be undertaken on a set periodic basis, with monitoring reports provided by the contractor to enable an assessment of performance against predetermined targets. Any performance below target should result is an action plan being put in place by the contractor to enable them to meet the Council's expectations	Medium	Carol Love – Waste and Street Scene Manager	~~11 January 2019~~ July 2019	This contract is currently considered to be a low risk by the council, this is evidenced by the lack of complaints by the public and parish councils also the Community Protection Officers visually monitor the district on a daily basis. If the levels of cleanliness of the district should begin to drop then resources will be applied to monitoring and maintaining standards. The contractors for Street Cleansing have carried out the service for many years and the level of performance during that time has been consistently high. All flytipping and complaints are dealt with quickly and within expected timescales. Although no programmed monitoring is currently undertaken due to resources it is recognised that this should be implemented and this is included in this year's Business Plan. Internal audit confirmed that soft market testing has been undertaken to ensure the Council is getting value for money. If confirmed the SLA with the contractors will be updated to include these indicators. The Council is going through changes at the moment and a re-structure of how the council works. Any monitoring of both the street cleansing contract and waste contract will be undertaken by the new Community Engagement Team. Although the new team is in place, there were a number of vacancies which they are recruiting to. The Team will determine how proceed with the monitoring

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				requirements at their next team meeting.
2016/17- Flooding				
Consider the appropriateness of the current allocation of the various flooding responsibilities and reporting lines for both officers and committees, to identify if there are opportunities to increase alignment for flooding related matters. Ensure the Members and officers understand the allocation of responsibilities and reporting lines for the different aspects of flooding related matters and the rationale for those allocations.	Medium	Emma Foy Director of Resources	June 2019	Awaiting response.

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