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DIRECTOR OF STRATEGY,  
PERFORMANCE AND  
GOVERNANCE'S OFFICE  
DIRECTOR OF STRATEGY, PERFORMANCE  
AND GOVERNANCE  
Paul Dodson

6 January 2021

Dear Councillor

You are summoned to attend the meeting of the;

## **PERFORMANCE, GOVERNANCE AND AUDIT COMMITTEE**

on **THURSDAY 14 JANUARY 2021** at **2.00 pm**.

Please note that this will be a **remote meeting** – Members to access the meeting via Microsoft Teams. Members of the press and public may listen to the live stream via the [Council's YouTube channel](#).

A copy of the agenda is attached.

Yours faithfully



Director of Strategy, Performance and Governance

COMMITTEE MEMBERSHIP	CHAIRMAN	Councillor Mrs J C Stilts
	VICE-CHAIRMAN	Councillor K W Jarvis
	COUNCILLORS	Mrs P A Channer, CC M S Heard M W Helm A L Hull J V Keyes S P Nunn N G F Shaughnessy W Stamp

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**AGENDA**  
**PERFORMANCE, GOVERNANCE AND AUDIT COMMITTEE**  
**THURSDAY 14 JANUARY 2021**

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1. **Chairman's Notices**

2. **Apologies for Absence**

3. **Minutes of the last meeting** (Pages 5 - 14)

To consider the minutes of the Committee on 26 November 2020, (copy enclosed).

4. **Disclosure of Interest**

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

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

5. **Public Participation**

To receive the views of members of the public, of which prior notification in writing has been received (no later than noon on the Tuesday prior to the day of the meeting).

Should you wish to submit a question please complete the online form at:

[www.maldon.gov.uk/publicparticipation](http://www.maldon.gov.uk/publicparticipation)

6. **Internal Audit Report:- Progress, Sector Update, Follow-up of Recommendations, Workforce Management Audit and Information Management Audit** (Pages 15 - 58)

To consider the report of the Director of Resources (copy enclosed)

7. **Balance Scorecard Exceptions Report** (Pages 59 - 62)

To consider the report of the Director of Strategy, Performance and Governance, (copy enclosed).

8. **Annual Governance Statement Actions Update** (Pages 63 - 66)

To consider the report of the Director of Strategy, Performance and Governance, (copy enclosed)

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

**NOTICES**

**Sound Recording of Meeting**

Please note that the Council will be recording and publishing on the Council's website any part of this meeting held in open session. At the start of the meeting an announcement will be made about the recording.



**MINUTES of  
PERFORMANCE, GOVERNANCE AND AUDIT COMMITTEE  
26 NOVEMBER 2020**

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**PRESENT**

Chairman	Councillor Mrs J C Stilts
Vice-Chairman	Councillor K W Jarvis
Councillors	Mrs P A Channer, CC, M S Heard, M W Helm, A L Hull, S P Nunn, N G F Shaughnessy and W Stamp
Substitute Councillor	Mrs M E Thompson
In Attendance	Councillors M F L Durham, CC, C Mayes, C Morris and N J Skeens

**104. CHAIRMAN'S NOTICES**

The Chairman welcomed everyone to the remote meeting, held under new regulations which came into effect on 4 April 2020 in response to the COVID-19 pandemic. She took Members through some general housekeeping issues, together with the etiquette for the meeting and then asked Officers present to introduce themselves.

This was followed by a roll call of Committee Members present.

**105. APOLOGIES FOR ABSENCE**

An apology for absence was received from Councillor J V Keyes. In accordance with notice duly given Councillor Mrs M E Thompson was in attendance as a substitute for Councillor J V Keyes.

**106. MINUTES OF THE LAST MEETING**

**RESOLVED** that the Minutes of the meeting of the Committee held on 24 September 2020 be approved and confirmed.

**107. DISCLOSURE OF INTEREST**

Councillor Mrs P A Channer, CC, declared a non-pecuniary interest as a Member of Essex County Council in relation to any items on the agenda pertaining to that organisation.

## **108. PUBLIC PARTICIPATION**

No requests had been received.

## **109. INTERNAL AUDIT REPORTS - PROGRESS; FOLLOW-UP OF RECOMMENDATIONS; SAFEGUARDING AND CIPFA CODE PREPAREDNESS**

The Committee considered the report of the Director of Resources and associated appendices that covered four reports from the Internal Auditors BDO LLP, the *Internal Audit Progress Report; Follow-up of Recommendations Report; Safeguarding Audit* and *CIPFA Code Preparedness*, all as at November 2020.

The Chairman introduced the report and deferred to the Internal Auditors to present the detail. The Internal Audit Partner then presented the Progress and Follow-up of Recommendations reports.

He drew Members attention to page 19 of the Progress report that listed the planned work for the remainder of the financial year which he reported would be completed within the normal timeframes. Other ongoing work included training for staff on fraud risk assessment and training had been also been scheduled in for the new lease standard IFRS16 compliance. He advised that should the introduction of the standard be put back a year the time allocated would be used for other key work. With reference to the Follow-up of Recommendations report he said he was very pleased with progress. There was only one recommendation outstanding that of Climate Strategy which would be completed next month.

The Internal Audit Manager then took the Committee through the Safeguarding Audit. She reported that the final assessment was moderate in both design and operational effectiveness. It was noted that good controls were in place, a new lead officer for safeguarding had been appointed and the role was defined in the safeguarding policy. All other related roles were properly defined, new starters were DBS checked with appropriate procedures and training in place. Improvements required included better controls around contractors and volunteers working for the Council and secure storage of safeguarding documentation. It was noted that the Management Action Plan would address the improvements required.

The Chairman moved the recommendations in the report and these were seconded by Councillor Nunn.

In response to questions raised Officers reported as follows:-

- that the audit had been a good benchmarking exercise that enabled the Council to strengthen its safeguarding procedures. That the Council took its safeguarding responsibilities very seriously and work was now underway to create an approved list of contractors with a built in agreement where all on the list had undertaken the necessary/appropriate DBS checks. This would also apply to volunteers and the information would be held centrally on a secure network.

- that the Lead Specialist on Safeguarding would check with the auditors to determine if they had included staff checks around allegations and look into the procedure for DBS checks for Members and report back.
- that Member training was now being rolled out supported by partners at Chelmsford City Council.
- that Internal Audit were content with the moderate assessment as there was good practice evidenced but also areas for improvement which would now be addressed through the new Management Action Plan.
- that FreshService was the chosen secure network for safeguarding documentation as it accommodated safeguarding triggers.
- that although the completion timeline was end of next year there would be an interim progress update report for consideration by the committee. It was noted that the long lead in for completion would allow time to embed the new system and ensure it was working. The progress update report would provide a detailed breakdown of the timescale.

The Internal Audit Manager then presented the CIPFA Code Preparedness report. She informed the Committee that the assessment was substantial on both design and overall effectiveness. The Council was prepared for the code with one area requiring strengthening that of service plans. It was noted that some service plans did not clearly state how they relate back to the themes as set out in the Council's Corporate Plan. However, it was envisaged that these would be addressed in the review currently underway on Corporate Plan Objectives.

The Chairman then put the recommendations to the Committee and they were agreed by assent.

**RESOLVED** that the Committee considered, commented and approved the:

- (i) Internal Audit Progress Report - November 2020 at appendix 1;
- (ii) Follow-up of Recommendation Report – November 2020 at appendix 2;
- (iii) Safeguarding Audit – November 2020 at appendix 3;
- (iv) CIPFA Code Preparedness – November 2020 at appendix 4.

## **110. EXTERNAL AUDIT REPORT**

The Committee considered the report of the Director of Resources that provided the Council's External Auditor with the opportunity to report the key findings of their audit to those charged with governance, prior to issuing their opinion on the 2019/20 Statement of Accounts. The Final Report for the year ended 31 March 2020 (2019/20) was attached at appendix 1.

The Chairman introduced the report and deferred to the External Auditor to present the detail. He reported that all work recorded as outstanding in the report had now been

completed and that the external auditors would be issuing a clean, unqualified opinion on the accounts. He said he would present a summary audit letter outlining all work undertaken at a future meeting.

The Chairman moved the recommendation in the report and this was seconded by Councillor Nunn.

In response to a query around valuations and management revisiting the letter of engagement the external auditor said that from an audit perspective the valuations were a significant risk. However, he understood that officers had met with the valuers to review the process. He concluded by saying he had made some recommendations around this area and would pick these up with officers during the course of the next audit.

The Director of Resources added that he fully supported the external audit recommendations and that he had met with the valuers. An approval timetable had been agreed that ensured sufficient checking time was built into the process and expectations were clear on both sides. The valuations for this year had already been submitted to the valuers.

There being no further queries the Chairman put the recommendation to the Committee and it was agreed by assent.

**RESOLVED** that the report of the external audit at appendix 1 was noted.

## **111. STATEMENT OF ACCOUNTS - 2019/20**

The Committee considered the report of the Director of Resources that presented for approval the Statement of Accounts for 2019/20, which included the Annual Governance Statement, at appendix 1.

The Chairman drew Members attention to the Supplementary Pack that had been circulated on the day that superseded the original papers for this item of business. She then deferred to the Director of Resources to present the detail.

He took the Committee through the key changes in the supplementary pack which changed the recommendations in the report to approve the statement of accounts as the external auditor report was now included with the clean opinion. He reported the main highlights on appendix 1 and said that the audit demonstrated there was a good foundation in key financial controls. Improvements flagged were around an improved template for displaying the accounts and an improved process around valuations. He reminded Members that a timetable had already been established around valuations and reported that a new template was being worked on.

The Chairman moved the recommendations as set out in the report and these were seconded by Councillor Jarvis.

Councillor Nunn thanked the Director and his team for their work in preparing the accounts and the reassurances provided. Councillor Stamp echoed these comments and said that the team should be commended for their work.

There being no further queries the Chairman put the recommendations to the Committee and they were agreed by assent.

## **RESOLVED**

- (i) That the Statement of Accounts for 2019/20, including the Annual Governance Statement, at appendix 1 be approved.
- (ii) That the letter of representation at appendix 2 be approved.

## **112. QUARTER 2 REVIEW OF CORPORATE PERFORMANCE**

The Committee considered the report of the Director of Strategy, Performance and Governance that required the Committee to undertake a quarterly review of the Thematic Strategies performance, as assurance that performance was being managed effectively to achieve the corporate outcomes as set out in the Council's Corporate Plan 2019 - 2023, and for recommended changes and improvements to be reported to the Strategy and Resources Committee later in 2020. Appendix 1 to the report provided an overview of performance as of the end of Quarter 2 (July - September 2020).

The Chairman introduced the report and deferred to the Programmes, Performance and Governance Manager to present the detail. She took the Committee through the report noting that there were measures which were not performing as expected which was largely down to the impact of COVID on how the Council delivered services or where officer resources had been diverted.

She drew Member's attention to section 3.3 of the covering report that contained a summary table highlighting for each of the three themes the number of measures on track or otherwise. It was noted that appendix 1 contained the full set of data and supporting plans to assist in the monitoring and delivery of the strategies. New activity taking place, not originally in the Corporate Plan included:- Virtual Fitness, Grow your own vegetables, Direct engagement with those in 'isolation' risk group for COVID that far surpassed the original target of people expected to reach, an increase in channel shift and conversations with eighty businesses as part of the COVID response.

She concluded by saying that the performance team would be feeding into the wider review taking place on Corporate Plan objectives to ensure appropriate performance reporting would be produced as part of the review.

The Chairman moved the recommendations in the report and these were seconded by Councillor Heard. There being no further discussion the Chairman put the recommendations to the Committee and they were agreed by assent.

## **RESOLVED**

- (i) That Members reviewed the information as set out in this report and appendix 1 with priority focus given to the Strategic Outcome level performance.
- (ii) That Members confirmed they were assured through this review that corporate performance is being managed effectively.

## 113. QUARTERLY REVIEW OF CORPORATE RISK

The Committee considered the report of the Director of Strategy, Performance and Governance that required the Committee to undertake a quarterly review of the Corporate Risk Register as assurance that the corporate risks were being managed effectively. Appendix 1 was attached to the report for this purpose.

The Chairman introduced the report and deferred to the Programmes, Performance and Governance Manager to present the detail. She took the Committee through the report that covered Quarter Two risk (July-September 2020) together with a summary of risk direction and changes since Quarter One as follows:-

- Risk 26 – Failure to deliver Channel Shift- this had seen a decrease in score due to the increase in Channel Shift in response to COVID.
- Risk 25 – Failure to deliver Transformation programme Finances due to commercial income targets not met as a result of COVID.

Three risks had been recommended for closure:-

- R12 as the new committee structure was in operation since October 2019,
- R24 as staff had been working remotely, agilely and digitally since March 2020 and
- R26 as Channel Shift had delivered beyond expectations, with the majority of contact driven online.

The Manager concluded by advising that the Corporate Leadership Team continued to monitor and review risks during the emergency pandemic. In addition, operationally, there was a further level of monitoring risks removed from the Corporate Register through the balance scorecard report.

The Chairman moved the recommendations in the report and these were seconded by Councillor Helm.

Councillor Channer asked when the vacancy on Risk 23- Financial Resource and Process would be filled and what impact that would have on the risk level. The Director of Resources said that the vacancy had been recruited to and was now subject to references. He advised that it would be best to wait until the resource had been embedded to determine the impact on the risk.

Councillor Heard noted the reduction in risks and thanked the officers involved for their good work.

The Chairman put the recommendations to the Committee and they were agreed by assent.

### **RESOLVED**

- (i) That Members noted the change in scoring in this report, to reflect recent policy updates;

- (ii) That Members reviewed the Corporate Risk Register in appendix 1 and provide comment and feedback for consideration;
- (iii) That Members were assured through this review that corporate risk and is being managed effectively;
- (iv) That Members challenged risk where the Committee felt that the Council's corporate goals may not be achieved.

**114. SECTION 106 UPDATE REPORT AND THE FIRST MALDON DISTRICT COUNCIL INFRASTRUCTURE FUNDING STATEMENT**

The Committee considered the report of the Director of Strategy, Performance and Governance that provided an update to Members on progress with S106 service delivery, as indicated at the June meeting of the Performance and Governance and Audit Committee. A draft Infrastructure Funding Statement (IFS) was attached for Members consideration as appendix 1.

The Chairman introduced the report and deferred to the Director of Strategy, Performance and Governance to present the detail. The Director advised that the report provided an update on the S106 service delivery to date and at appendix I the draft Infrastructure Funding Statement (IFS). This was the first time Maldon District Council had completed an IFS which was due for submission on 31 December 2020. The Committee was being asked to delegate sign-off responsibility to both the Director of Strategy Performance and Governance and the Chairman of this Committee. He reported that a lot of work had been done to reconcile the S106 activity and that members would be updated by way of the website and through a member workshop early in the New Year

Councillor Mrs Channer expressed concerns regarding the sign-off arrangements given the importance of the document. She felt it was intrinsically linked to a suite of documents including the Infrastructure Delivery Plan. In response the Director of Strategy Performance and Governance said that the statement itself was a factual high level statement of work to date and that full details would be reported back to a future committee. He advised that all changes to the Infrastructure Delivery Plan would be reported through the Strategy and Resources Committee. It was noted that the website would reflect the links to all related documents.

Councillor Stamp concurred with Councillor Mrs Channer regarding the importance of the statement and proposed that the sign-off be extended to include the Leader of the Council and the leaders of the other main parties. This was seconded by Councillor Mrs Channer.

The Chairman put the recommendations, including the revised recommendation (ii) to the Committee and they were agreed by assent.

**RESOLVED** that

- (i) Members noted the content of this report, the format and layout of the Draft Infrastructure Statement (IFS)

- (ii) Members accepted the need for further preparation work on the content of the IFS and agreed that the final version be signed off by the Leader of the Council, the leaders of the main parties, the Director of Strategy, Performance and Governance, in consultation with the Chairman of Performance, Governance and Audit Committee and duly submitted by the Director of Strategy, Performance and Governance.

## **115. HEALTH AND SAFETY UPDATE - QUARTER 2**

The Committee considered the report of the Director of Service Delivery that provided an update on health and safety statistics and activity during quarter 2 (1 July 2020 to 30 September 2020).

The Chairman introduced the report and deferred to the Director of Service Delivery. He took the Committee through the headline issues around accident statistics and instances of unacceptable behaviour. He reported that a lot of activity had taken place towards the end of this reporting period around staff training and introduced the Lead Countryside and Coast Co-Ordinator to update Members on some of the activity in more detail.

The Lead Countryside and Coast Co-Ordinator reported that an IOSH (Institution of Occupational Safety and Health) Working Safely course had been delivered to the Parks, Cemeteries and Maintenance teams on 8 and 15 October 2020; all staff in Facilities, Maintenance and Parks had undergone Hand, Arm Vibration training at the beginning of December; in the new year an external contractor would provide training on risk assessments and more complex method statement training for onsite arrangements, a new suite of operating procedures had been commissioned along with best practice guidance around cemeteries work and memorial safety testing had taken place week commencing 21/12/2020. In response to a query he advised that whilst dedicated first aid training was provided to specific office staff all parks staff were trained in first aid as a matter of course.

There being no further discussion the Chairman moved the recommendation and they were seconded by Councillor Nunn. She then put the recommendations to the Committee and they were agreed by assent.

### **RESOLVED**

- (i) To note the accident and incident statistics; and,
- (ii) to note the health and safety activity for quarter 2.

## **116. APPOINTMENT OF REPRESENTATIVES ON LIAISON COMMITTEES/PANELS**

The Committee considered the report of the Director of Strategy, Performance and Governance that reminded Members of the existing representatives on Liaison Committees/ Panels and for new appointments to be made for 2020/21. The Chairman introduced the report and deferred to the Director of Strategy, Performance and Governance to present the detail. He advised that following the reset

of Committees at the annual Council there was now a need for Committees to appoint to Outside Bodies and Liaison Panels as appropriate.

The Chairman moved the recommendation in the report and this was seconded by Councillor Nunn.

Councillor Nunn then proposed the nominations for Maldon Citizen's Advice Bureau as Councillors Mrs P A Channer, K W Jarvis and N G F Shaughnessy. Councillor Mrs Channer asked that Councillor J V Keyes replace her as a nominee These were duly seconded.

Councillor Mrs P A Channer proposed Councillors A L Hull and J V Keyes as the nominations for the Maldon District Museum Liaison Committee and this was duly seconded.

The Chairman noted that she was the nominated representative on the Parish Clerk's Forum as Chairman of the Performance, Governance and Audit Committee. This was seconded. The Chairman then noted that the nominees for the River Crouch Coastal Community Team (Management Team) was the Chairman and Vice-Chairman of the Performance Governance and Audit Committee. This was seconded.

The Chairman then put the recommendation with the duly seconded aforementioned nominations to the Committee and they were agreed by assent.

**RESOLVED** that the committee appointed representatives to the outstanding bodies as detailed below, for the remainder of the municipal year, to May 2021.

<b>Body</b>	<b>Appointed to May 2021</b>
Maldon Citizens Advice Bureau Liaison Committee	Councillors K W Jarvis, J V Keyes and N G F Shaughnessy
Maldon District Museum Liaison Committee	Councillors A L Hull and J V Keyes
Parish Clerk's Forum	Councillor Mrs J C Stilts, Chairman of the Performance, Governance and Audit Committee
River Crouch Coastal Community Team (Management Team)  <b>NB: This body aligns with both the PGA and Strategy &amp; Resources Committees</b>	Councillor Mrs J C Stilts, Chairman and Councillor K W Jarvis, Vice-Chairman of the Performance, Governance & Audit Committee

**117. ANY OTHER ITEMS OF BUSINESS THAT THE CHAIRMAN OF THE COMMITTEE DECIDES ARE URGENT**

The Chairman thanked Members for their contributions and Officers for their hard work.

The meeting closed at 3.31 pm.

MRS J C STILTS  
CHAIRMAN

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## **REPORT of DIRECTOR OF RESOURCES**

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to  
**PERFORMANCE, GOVERNANCE AND AUDIT COMMITTEE  
14 JANUARY 2020**

### **INTERNAL AUDIT REPORTS – PROGRESS; SECTOR UPDATE; FOLLOW-UP OF RECOMMENDATIONS; WORKFORCE MANAGEMENT AND INFORMATION MANAGEMENT**

#### **1. PURPOSE OF THE REPORT**

- 1.1 To present for consideration, comment and approval by the Committee the following reports issued by BDO LLP, the Council’s internal audit service provider
- Internal Audit Progress Report - December 2020 at **APPENDIX 1**;
  - Internal Audit Sector Update – January 2021 at **APPENDIX 2**;
  - Follow-up of Recommendations Report – December 2020 at **APPENDIX 3**;
  - Workforce Management – November 2020 at **APPENDIX 4**;
  - Information Management – December 2020 at **APPENDIX 5**.

#### **2. RECOMMENDATIONS**

That the Committee considers, comments and approves the:

- (i) Internal Audit Progress Report - December 2020 at **APPENDIX 1**;
- (ii) Internal Audit Sector Update – January 2021 at **APPENDIX 2**;
- (iii) Follow-up of Recommendation Report – December 2020 at **APPENDIX 3**;
- (iv) Workforce Management Audit – November 2020 at **APPENDIX 4**;
- (v) Information Management – December 2020 at **APPENDIX 5**.

#### **3. SUMMARY OF KEY ISSUES**

- 3.1 BDO LLP are the Council’s contracted Internal Audit Service provider. The Partner, Mr. Greg Rubins, fulfils an equivalent role to that of Head of Internal Audit.
- 3.2 The Internal Audit Service is there to provide assurance to the Director of Resources, Management and Members of the adequacy of internal controls and checks in the organisation and to highlight any risks that the Council may be exposed to in its overall and day to day operations.

- 3.3 As such, Internal Audit is independent of Management and operates, performs to and is measured against The UK Public Sector Internal Audit Standards (PSIAS) issued by the Chartered Institute of Public Finance and Accountancy (CIPFA). In addition CIPFA has also issued a Statement on the Role of the Head of Internal Audit.
- 3.4 The reports attached in the three appendices will be presented to the Committee and discussed by Mr. Greg Rubins or his representative on his behalf.

#### **4. CONCLUSION**

- 4.1 This report together with the reports attached as Appendices allows the Committee to fulfil its remit of overseeing governance.

#### **5. IMPACT ON STRATEGIC THEMES**

- 5.1 Internal Audit cuts across the delivery of all the Strategic Themes of the Council.

#### **6. IMPLICATIONS**

- (i) **Impact on Customers** – any impact on customers will be highlighted with the reports in the appendices.
- (ii) **Impact on Equalities** – any impact on equalities will be highlighted with the reports in the appendices if it is within the scope of the audit work carried out.
- (iii) **Impact on Risk** – Any risks identified as a result of the findings of the internal audit work are highlighted with the individual reports and summarised in the Progress Update and Follow Up of recommendations reports.
- (iv) **Impact on Resources (financial)** – Same comment applies here as for Impact on Risk above.
- (v) **Impact on Resources (human)** – Same comment applies here as for Impact on Risk above.
- (vi) **Impact on the Environment** – Same comment applies here as for Impact on Risk above.

Background papers: None.

Enquiries to: Chris Leslie, Director of Resources, Maldon District Council  
Greg Rubins (BDO LLP)  
Emma Donnelly (BDO LLP)

# INTERNAL AUDIT PROGRESS REPORT

MALDON DISTRICT COUNCIL

DECEMBER 2020

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# SUMMARY OF 2020/21 WORK

This report is intended to inform the Performance, Governance & Audit Committee of progress made against the 2020/21 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.

As a result of the impact of Covid-19 there have been some delays to the start of the 20/21 plan. We have been working with officers to minimise these and to agree audits that can be done remotely by our team. We have agreed timings on all remaining audits and our work has recommenced accordingly. The 20/21 Audit Plan will need to be flexible to accommodate new risks resulting from Covid-19; we will agree any proposed changes with the Director of Resources and the Performance, Governance and Audit Committee (PGA).

## 2020/21 Internal Audit Plan

The following audits have been issued in final:

- Workforce Management
- Information Management

The following audits are in the fieldwork stage:

- IFRS 16- As previously reported, our support to the Council on IFRS16 is impacted by the national delay in implementation for local authorities. We have provided a project plan for officers and invited them to our forthcoming technical seminars. That concludes the work we are able to perform this financial year.

The following audits are scheduled (confirmed with management):

- Financial systems (Payroll)- fieldwork scheduled January 2021
- Knowledge Management- fieldwork scheduled January 2021

## Other Reports for this Committee

- Follow Up of Internal Audit Recommendations
- Sector Update

## REVIEW OF 2020/21 WORK

Audit Area	Planning	Original Fieldwork	Revised date (due to CV19)	Reporting	Opinion	
					Design	Effectiveness
Financial Systems (Payroll)	✓	Q2	Q3	March 2021		
Customer Service- CRM Post Implementation		Q2	Q4	March 2021		
Communications & Stakeholder Management	✓	Q1	Q4	March 2021		
Information Management	✓	Q1	Q3- w/c 16 <sup>th</sup> October	Jan 2021	Moderate	Moderate
Workforce Management	✓	Q2	Q2- w/c 22 <sup>nd</sup> September	January 2021	Substantial	Substantial
Safeguarding	✓	Q1	Q2- 24 <sup>th</sup> July 2020	November 2021	Moderate	Moderate
Knowledge Management & Transfer	✓	Q4	Q2- w/c 10 <sup>th</sup> August	February 2021		
Management of Property		Q4	Q4	February 2021		
Housing Needs and Affordable Housing		Q4	Q4	March 2021		
CIPFA FM Code Readiness	✓	N/A	Q3	Nov 2020	Substantial	Substantial
IFRS 16 Readiness	✓	N/A	Q3	Jan 2021		

FOR MORE INFORMATION:

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**SECTOR UPDATE**  
MALDON DISTRICT COUNCIL

JANUARY 2021

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## SECTOR UPDATE

Our quarterly Local Government briefing summarises recent publication and emerging issues relevant to Local Authorities that may be of interest to your organisation. It is intended to provide a snapshot of current issues for senior managers, directors and members.

### Councils could need additional £6bn to balance Covid-19 spend

The organisation analysed returns councils submitted to the Ministry of Housing, Communities and Local Government on the financial impact of the pandemic earlier this month. The LGA found that the two emergency tranches of £3.2bn allocated by the government covered costs and income losses so far, but around £2bn more is likely to be needed to cover further costs of responding to the pandemic. An additional £4bn may be needed to deal with the impact of lost income from sources such as council tax, business rates and sales, fees and charges, the LGA said - stressing these figures were based on the assumption that things return to normal in July. "Vital emergency funding from government has helped meet extra cost pressures and lost income in the past three months, James Jamieson, LGA chairman said. "Concerns remain about the ongoing financial pressures ahead. Councils will need further funding and financial flexibilities in the weeks and months ahead to meet ongoing Covid-19 pressures and to keep services running normally. "Certainty around this is desperately-needed so councils can balance their budgets this year and take vital decisions about how to pay for vital local services next year."

<https://www.publicfinance.co.uk/news/2020/05/councils-could-need-additional-ps6bn-balance-covid-19-spend>



### Coronavirus: LGA statement on local government funding crisis

"Extra funding for councils will be helpful but they will need up to four times the funding they have been allocated by government so far." Cllr Richard Watts, Chair of the Local Government Association's Resources Board, said:

"Local government continues to lead local efforts to beat this virus but is being stretched to the maximum. Many councils continue to face spiralling cost and demand pressures at the same time as seeing a huge drop in income. This is unsustainable. "Extra funding for councils will be helpful but they will need up to four times the funding they have been allocated by government so far. We are working with councils to provide the most robust evidence to government on the financial challenges they face. Their latest monthly returns should show the impact of a full month of cost pressures and income reductions and the impact of lower council tax and business rates collection rates.

<https://www.local.gov.uk/coronavirus-lga-statement-local-government-funding-crisis>



### Spelthorne receives 90% of commercial rent despite Covid disruption

The council has gained attention over recent years for its investment strategy, which relies on borrowing significant sums from the Public Works Loan Board to invest in commercial property. In a report on its economic response to the pandemic, the council said of the 10% outstanding rent, all but 3.6% has been addressed through rent deferral plans agreed between the council and the tenants. The council's most high-profile venture was the purchase of a £360m business park in Sunbury-on-Thames in 2016, for which it took out 50 separate PWLB loans. The report said that the council's property portfolio is valued at £1bn, and that the income is critical in funding services and tackling the Covid-19 pandemic.

"As a result of our investments, we have improved the financial resilience of and increased service delivery resources in areas such as homelessness and independent living," the report said. "This has enabled the council to pro-actively and rapidly move in response to COVID-19 to meet the needs of its vulnerable communities without reliance on government funding in advance." The council redeployed staff to almost exclusively focus on maximizing rent receipts in order to ensure rental income was received, spending around 75% of their time in March and April on the task, the report said.

<https://www.publicfinance.co.uk/news/2020/05/spelthorne-receives-90-commercial-rent-despite-covid-disruption>



### Council deploys tech to identify fraud

St Albans City and District Council says it is making "good progress" in tackling fraud, after adopting new technology to identify residents who are potentially abusing council tax discounts for single occupancy. Last year, the council subscribed to a government service that pinpoints properties where suspect claims are being made, and has since begun investigating an "unusually high number" of people claiming the single person's discount of 25% for council tax. It's doing so by matching discount claims with other financial and personal data that public bodies are entitled to hold. During the first three months of this year, 139 people were identified as high risk and were sent letters stating they were in receipt of single-occupancy reduction that they were not entitled to, according to a report given to a council audit committee last week. Further investigations will begin after the coronavirus pandemic passes.

"Already, more than 100 people suspected of incorrectly claiming a council tax discount have been identified along with four council homes where there may be tenancy fraud. We will look to recover any money which the council is owed and free up properties that are in the wrong hands."

<https://www.publicfinance.co.uk/news/2020/05/council-deploys-tech-identify-fraud>



Local government has done pretty well in cyber defence, but the model only works well if you are not the first to be attacked. So, as the internet of things takes off in care and other areas of our communities, it's clear that the current reactive model to cyber defence will be severely tested. There are already some powerful lessons to be learned from other countries. It is now possible to put cyber defence on the front foot; you don't need to have seen the type of attack before to trap it and kill it.



<https://www.lgcplus.com/services/health-and-care/how-councils-can-collaborate-to-harness-the-power-of-social-care-data-05-02-2020/>

### PWLB Future Lending Terms

A recent report by the National Audit Office (NAO) highlights how a minority of local authorities have started using low-cost loans from the Public Works Loan Board (a public body that lends to local authorities for capital projects) to buy investment property primarily for rental income.

The case for this 'debt-for-yield' activity can be compelling for the individual local authority. But it introduces risks locally and nationally. At the local level, it exposes ratepayers to the risk that the income does not materialise, leaving the local authority with an inflexible commitment to keep up with the repayments on their loans. Within the wider public sector, it diverts money from core services such as schools, hospitals, and roads. And, because local authorities can often access debt more cheaply than the private sector, it becomes hard for businesses to compete. In the wider economy, it could crowd out public investment, and risks distorting property markets.

The government has launched this consultation to work with local authorities, sector representatives, and wider stakeholders to develop a targeted intervention to stop this activity while protecting the crucial work that local government does on service delivery, housing, and regeneration. The government's overall aim in this is to secure the effective operation of the prudential system for local councils, taxpayers and for all of us that rely on local services.

Alongside the publication of this consultation, the government is cutting the interest rate on new loans for social housing and has offered over £1 billion of discounted lending for high-value local infrastructure projects. The government intends to cut the interest on all new loans from the PWLB, subject to market conditions, following the development and implementation of a robust lending framework co-designed with the sector through this consultation.



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# INTERNAL AUDIT FOLLOW UP OF RECOMMENDATIONS REPORT

MALDON DISTRICT COUNCIL

DECEMBER 2020

IDEAS | PEOPLE | TRUST



# Summary

2018/19	Total Recs				To follow up	Complete		In progress		Overdue		No Response		Not Due		% Recommendations Implemented
		H	M	L		H	M	H	M	H	M	H	M			
18/19. Fraud Risk Assessment	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	-	4	-	-	-	1	-	-	-	-	80%
18/19. Transformation Programme	1	-	1	-	1	-	1	-	-	-	-	-	-	-	-	100%
18/19. Local Development Plan	3	-	2	1	2	-	2	-	-	-	-	-	-	-	-	100%
18/19. Building Control	5	2	3	-	5	1	3	-	-	-	-	-	-	-	1	80%
	22	3	13	6	16	2	12	-	-	-	1	-	-	-	1	

2019/20

	Total Recs				To follow up	Complete		In progress		Overdue		No Response		Not Due		% Recommendations Implemented
		H	M	L		H	M	H	M	H	M	H	M			
19/20. GDPR Compliance	3	-	3	-	3	-	3	-	-	-	-	-	-	-	-	100%
19/20. Risk Maturity Assessment	5	-	5	-	5	-	5	-	-	-	-	-	-	-	-	100%
19/20. Procurement & Contract Management	6	1	3	2	4	1	3	-	-	-	-	-	-	-	-	100%
19/20. IT Disaster Recovery	4	1	3	-	4	1	3	-	-	-	-	-	-	-	-	100%
19/20. Key Financial Systems	9	2	7	-	9	2	7	-	-	-	-	-	-	-	-	100%
19/20. Workforce Management	3	-	1	2	1	-	1	-	-	-	-	-	-	-	-	100%
19/20. Network Security	7	1	3	3	4	1	3	-	-	-	-	-	-	-	-	100%
19/20. Community Safety	2	-	2	-	2	-	2	-	-	-	-	-	-	-	-	100%
19/20. Flooding Risk Management	4	-	4	-	4	-	-	-	-	-	-	-	-	4	-	0%
19/20. Corporate Governance	5	-	3	2	3	-	3	-	-	-	-	-	-	-	-	100%
	48	5	34	9	39	5	30	-	-	-	-	-	-	4	-	

2020/21

	Total Recs				To follow up	Complete		In progress		Overdue		No Response		Not Due		% Recommendations Implemented
		H	M	L		H	M	H	M	H	M	H	M			
20/21. Safeguarding	5	1	3	1	4	-	-	-	-	-	-	-	-	4	-	0%
20/21. CIPFA FM Preparedness	1	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-
20/21. Workforce Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20/21. Information Management	2	-	2	-	2	-	-	-	-	-	-	-	-	2	-	0%
	8	1	5	2	6	-	-	-	-	-	-	-	-	6	-	

# Summary

We regularly follow up progress with the implementation of recommendations raised by Internal Audit and we report to the Performance, Governance & 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 information is collected via the Sharepoint portal. This report represents the status of all internal audit recommendations as at 11 December 2020.

## 2018/19 Recommendations

3 high and 13 medium recommendations have been raised in 2018/19. The current position of these recommendations is as follows:

- 14 are considered implemented as previously reported relating to Budgets and Performance Management (1 recommendation), Main financial Systems (1 recommendation), Safe and Clean Environment (4 recommendations), Transformation Programme (1 recommendation), Local Development Plan (2 recommendations) and Building Control (4 recommendations), Fraud Risk Assessment (1 High)
- Safe & Clean Environment- 1 recommendation is now overdue.
- The below recommendations are not yet due for follow up:
  - Building Control- One high recommendation not yet due (31.12.2020).

## 2019/20 Recommendations

- 5 high and 34 medium recommendations have been raised in 2019/20, 35 of which are considered implemented and previously reported to the PGA.
- 4 recommendations are not yet due for follow up (Flood Risk Management)

## 2020/21 Recommendations

- 1 high and 5 medium recommendations have been raised in 2020/21. None of these recommendations are due for follow up.

## Recommendations: Overdue

RECOMMENDATION MADE	PRIORITY LEVEL	MANAGER RESPONSIBLE	DUE DATE	CURRENT PROGRESS
2018/19- Safe and Clean Environment				
Create and environmental and waste management strategy.	Medium	Damien Ghela	<del>December 2020</del> March 2021	<p>We will request a copy of the Climate Change Strategy once approved to ensure this closes off the recommendation appropriately.</p> <p>At the last PGA, the Lead Specialist Community in response to a query regarding the timing of the Climate Change and Waste Strategy report to Strategy and Resources Committee advised that a version with a much wider scope was currently being worked on and shared with internal partners. It was due to be submitted to the Strategy and Resources Committee in December 2020 however this is behind schedule due to operational pressures.</p>

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# MALDON DISTRICT COUNCIL

## INTERNAL AUDIT REPORT

WORKFORCE MANAGEMENT  
NOVEMBER 2020

LEVEL OF ASSURANCE	
Design	Operational Effectiveness
Substantial	Substantial

EXECUTIVE SUMMARY .....	2
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OBSERVATIONS .....	6
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APPENDIX I - DEFINITIONS.....	8
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#### DISTRIBUTION

Name	Job Title
Sam Mott	Senior Specialist - HR - Resources Directorate
Annette Cardy	Head of Resources - Specialist Services

#### REPORT STATUS LIST

Auditors:	Ravi Gadhia - Internal Audit Semi Senior
Dates work performed:	12 October 2020 - 16 October 2020
Draft report issued:	5 November 2020
Final report issued:	16 November 2020

**EXECUTIVE SUMMARY****LEVEL OF ASSURANCE: (SEE APPENDIX I FOR DEFINITIONS)**

Design	Substantial	There is a sound system of internal control designed to achieve system objectives.
Effectiveness	Substantial	The controls that are in place are being consistently applied.

**SUMMARY OF RECOMMENDATIONS: (SEE APPENDIX I)**

High	0
Medium	0
Low	0

**TOTAL NUMBER OF RECOMMENDATIONS: 0****BACKGROUND:**

The overall size of the Council workforce has remained relatively static over recent years, although the Senior Management Review reorganisation has resulted in a small reduction in the workforce. This reflects the changing nature of services and the need to achieve efficiencies in service delivery.

The Council's traditional personnel function has transformed to a more strategic Human Resources and Organisational Development (HR & OD) model and is now part of a wider service working together to be more proactive with plans for staff and the wider community, to be better able to help to improve Maldon District Council. The primary focus of the Service is to develop, support and steer cultural and transformational change.

The Council have developed a Workforce Strategy and plan which identifies how they will meet current and future people needs to ensure there are highly skilled people to deliver high quality services.

People (Workforce) Planning aims to:

- understand the medium/long term skills gaps of employees and identify solutions;
- develop a productive and skilled workforce;
- engage and support employees in organisational change;
- have policies that support diversity and good people management

**GOOD PRACTICE:****Workforce Strategy**

- We confirmed that Maldon District Council (MDC "The Council") has a Strategic Plan for People & Workforce Development in place which runs from 2020-2022. The

strategy was created in March 2020 and is currently in draft format. However once finalised, the strategy will follow an annual review cycle.

- Our review of the Strategic Plan for People & Workforce Development confirmed there to be narrative surrounding linkage of the strategy into the Council's wider Corporate Plan. The Strategic Plan for People & Workforce Development runs in conjunction with the Medium Term Financial Plan and ICT Strategy in order to achieve the objectives set out in the Corporate Plan.
- The Council's Corporate Plan includes four items under Culture, Vision and Values. These areas are: (i) being a high performing organisation (ii) being an employer of choice (iii) being a learning organisation and (iv) being a healthy organisation. Our review of the Strategic Plan for People & Workforce Development confirmed that activities have been proposed in order to achieve each of the four areas. We have included a summary below:

Culture, Vision & Values (Corporate Plan)	Actions from Strategic Plan for People & Workforce Development
High performing organisation	<ul style="list-style-type: none"> <li>• Leadership</li> <li>• Performance management</li> <li>• People management</li> </ul>
Employer of choice	<ul style="list-style-type: none"> <li>• Recruitment and selection</li> <li>• Pay and rewards</li> <li>• Organisational culture</li> </ul>
Learning organisation	<ul style="list-style-type: none"> <li>• Continuous improvement</li> <li>• Self-development</li> </ul>
Healthy organisation	<ul style="list-style-type: none"> <li>• Wellbeing support</li> <li>• Flexible working</li> </ul>

### Workforce Strategy Action Plan & Oversight

- We confirmed that the Council's Strategic Plan for People & Workforce Development has action plans to support implementation of the strategy. We reviewed the action plan and confirmed actions are in place for 2019/20, 2020/21 and 2021/22. In total, there are four action plans, which span the duration of the strategy. The action plans cover: (i) Resourcing and Recruitment (ii) Retention (iii) Learning and Development and (iv) Employee Engagement.
- We confirmed that delivery of actions is monitored through the Council's HR Service plan, where objectives are created to facilitate the delivery of actions stated in the Workforce Plan. It is a live document where each objective is supported by a responsible owner and includes a deadline and comments regarding current progress.

We received an updated version of the HR service plan on 04 October 2020 and confirmed there to be a total of 59 actions, of which: 34 are complete, 23 which are ongoing, one being moved to 2021/22 (relating to work experience) and another being on hold due to Covid-19 (relating to wellbeing).

### Staff Resources to Deliver Workforce Strategy

- The Council's Strategic Plan for People & Workforce Development outlines the resources in place to be able to deliver the strategy. The implementation of the

strategy is led by the Senior HR specialist who is supported by two HR specialists along with Resource Caseworkers.

- Our review of the strategy also confirmed it outlines the priorities of the HR function in relation to implantation of the strategy. The priorities in question are (i) Recruitment and resourcing (ii) Training and development (iii) Retention and succession planning and (iv) Staff consultation and engagement.

### Staff Engagement

- We confirmed that the Council had carried out a staff survey between 11 November 2019 and 9 December 2019. We reviewed the presentation which was circulated to management following completion of the survey. The overall response rate of the staff survey was 61%.
- The results of the survey highlighted the following concerns by staff, which represent common themes across all directorates surveyed.
  - Not enough resource - staff feeling overworked, areas where resource hasn't been recruited to full capacity.
  - Uncertainty - staff not knowing what to make of, and responding to changes.
  - Management direction and visibility - senior managers needing to be more visible and obvious in their decision making.
  - Perception that staff cannot be honest - staff worried they are unable to raise issues for fear of how management would react, and not wanting to look negative.
- As a result of the staff survey, the Council put in place an action plan which was created by HR and Extended Leadership Team (ELT). We compared the themes above with actions from the action plan and confirmed that the Council has put in place actions to address the concerns raised. The monitoring of this is also through the HR service plan, of which we noted there to be two requirements: Prepare an action plan to support feedback outcomes and review staff survey outcomes. The current status for these two actions have been noted as 'ongoing' with the explanation that it is on hold due to Covid-19, however a further survey was issued in September 2020. We were informed by the Senior HR Specialist that the survey window has now closed, and a deadline of February 2021 has been assigned in terms of reporting back the findings of the survey to CLT and creating an updated action plan.

Areas of concern from staff survey	Proposed actions by MDC (examples - not exhaustive list)
Not enough resource	<u>Resourcing &amp; Recruitment action plan</u> <ul style="list-style-type: none"> <li>- Develop recruitment strategy</li> <li>- Utilise talent pool candidates</li> <li>- Develop apprenticeships programme</li> </ul> <u>Retention Action Plan</u> <ul style="list-style-type: none"> <li>- Benchmark salaries</li> <li>- Total reward policy</li> <li>- Review allowances and call outs paid</li> </ul> <u>Learning &amp; Development Action Plan</u> <ul style="list-style-type: none"> <li>- Conduct Council-wide skills audit</li> </ul>

	<ul style="list-style-type: none"> <li>- Expand apprenticeship scheme within the Council</li> <li>- Promote training opportunities via One News</li> </ul>
Uncertainty	<u>Employee Engagement</u> <ul style="list-style-type: none"> <li>- Communicate messages in a clear and consistent way and implement regular CLT briefings</li> <li>- Celebrating success, recognising ideas and employee contributions</li> </ul>
Management Direction and Visibility	<u>Employee Engagement Action Plan</u> <ul style="list-style-type: none"> <li>- Communicate messages in a clear and consistent way and implement regular CLT briefings</li> </ul>
Perception That Staff Cannot be Honest	<u>Learning &amp; Development Action Plan</u> <ul style="list-style-type: none"> <li>- Complete rollout of employee staff survey action plan</li> <li>- Implement healthy workforce programme in conjunction with the wellbeing officer</li> </ul> <u>Employee Engagement Action Plan</u> <ul style="list-style-type: none"> <li>- Consider further employee wellbeing initiatives</li> <li>- Celebrate success, recognising ideas and contribution from employees at all levels</li> </ul>

### Impact of Covid-19 on Workforce Strategy

- Our review of the Workforce Strategy confirmed that it has been updated to reflect the challenges Covid-19 has had on the Council. The strategy states that as a result of Covid-19, it has had to move to a more flexible way of working, making use of improved IT infrastructure to support the majority of staff working from home.
- The strategy also outlines how the Council is supporting vulnerable groups in the community and local businesses with additional grant funding. Covid-19 is having a negative impact on the Council's financial position due to lost revenue. As a result of this, the strategy states how it is impacting on the People plan objectives - thus requiring the plan to be delivered using alternative methods.
- The Council carried out an additional Staff Survey in May 2020 as a result of Covid-19 in order to identify how the Council has been impacted in terms of service delivery, productivity, work/life balance and wellbeing. We reviewed the results of the survey and found the results to be favorable in terms of technology in place and work life balance. Overall, staff preferred to be able to work from home most of the time.
- Despite the detrimental impact of Covid-19, the strategy concludes that most of the Council's activities and statutory duties can be carried out remotely, which in turn reduces cost and allows customers to access services outside of regular business hours. We also noted the strategy references the introduction of a new ways of working policy to guide how the Council and staff will operate in the future.
- To support new ways of working since the impact of Covid-19, the Council have put in place a Working at Home Policy which was created in September 2020 and is a live document which is reviewed by the Extended Leadership Team (ELT). We reviewed the policy and found it to link to other policies such as parental leave, leave, managing attendance, compassionate leave and safer recruitment. We also found the policy to include sections covering: working hours, office use, wellbeing,

adjustment of duties, vulnerable groups, self-isolation and quarantine (including travel to/from foreign countries) for example.

#### CONCLUSION:

From our review of the Council's Workforce Strategy, results of the staff survey and supporting action plans, we confirm that there is a clear direction and appropriate oversight over implementation of the strategy. Additionally, we can confirm the Council has responded to the impact of Covid-19, through amending its workforce strategy, in addition to holding a staff survey and creating a dedicated policy in relation to Covid-19. We have therefore given substantial assurance on both design and operation of the controls in place.

## 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
Sam Mott	Senior Specialist - HR - Resources Directorate
Annette Cardy	Head of Resources - Specialist Services

APPENDIX I – 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 II - TERMS OF REFERENCE

### PURPOSE OF REVIEW:

To provide assurance on the extent of implementation of the workforce development strategy, and that planning and required resources are in place to enable delivery of the strategy. We will also review the impact of CV-19 on its aims and progress.

### 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:

- The Workforce Development Strategy is not aligned with corporate objectives and priorities
- The Council has not assessed progress of implementation of the actions within the Workforce Development Strategy, or the assessed progress is not supported by clear evidence of implementation or performance against agreed indicators
- The Council has not identified outstanding actions or does not have a clear plan for delivery of outstanding actions which assigns targets and responsibility for those actions
- Resources, including the HR IT system, are considered inadequate to enable delivery of the strategy
- There is no clear plan for a post project implementation benefits realisation assessment
- The strategy has not been updated to reflect the impact of covid-19 on delivery

### SCOPE OF REVIEW:

The following areas will be covered as part of this review:

- Confirmation that the Council has a clearly workforce strategy in place and this is aligned to the corporate plan
- Review the strategy and underlying actions and plans and confirm that these appropriately support the implementation of the strategy
- Confirm appropriate resources (staff, budget and infrastructure) are in place to support the delivery of the strategy
- Confirm there is appropriate engagement with staff to support the implementation of the strategy
- Confirm if there is appropriate oversight over the implementation and progress of the strategy, including post project analysis
- Confirm if the strategy has been updated to reflect the impact of covid-19

### APPROACH:

Our approach will be to share information as set out in the scope of the review section above and liaise with relevant officers as necessary.

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**Greg Rubins**

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The matters raised in this report are only those which came to our attention during the course of our audit and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. The report has been prepared solely for the management of the organisation and should not be quoted in whole or in part without our prior written consent. BDO LLP neither owes nor accepts any duty to any third party whether in contract or in tort and shall not be liable, in respect of any loss, damage or expense which is caused by their reliance on this report.

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# MALDON DISTRICT COUNCIL

## INTERNAL AUDIT REPORT (DRAFT)

INFORMATION MANAGEMENT  
NOVEMBER 2020

LEVEL OF ASSURANCE	
Design	Operational Effectiveness
Moderate	Moderate

IDEAS | PEOPLE | TRUST



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#### DISTRIBUTION

Chris Leslie	Director of Resources
Annette Cardy	Resources Specialist Services Manager
Emma Holmes	Data Protection Officer
Grant Hulley	Senior ICT Specialist

#### REPORT STATUS LIST

Auditors:	Awais Farooq - IT Auditor
Dates work performed:	19 October 2020 - 5 November 2020
Draft report issued:	01 October 2020
Final report issued:	17 December 2020

**EXECUTIVE SUMMARY****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)**

High	0
Medium	2
Low	0

**TOTAL NUMBER OF RECOMMENDATIONS: 2****CRR/BAF REFERENCE:**

CRR11 :- Failure to protect personal or commercially sensitive information

**BACKGROUND:**

The management and use of information has become more important as both the expectations of information governance and the service expected by customers get more demanding. Getting the use and management of information right has a significant part to play in the delivery of the Council's expectations and strategic objectives.

As well as being a key requirement for compliance with the General Data Protection Regulation (GDPR), maintaining a record of processing activities and information assets gives the Council oversight of its high risk instances of data processing, allowing it to take a risk-based approach when investing in security controls to secure its most critical assets.

The Council maintains both physical and digital records holding personal confidential information and has a duty to manage these records effectively. The Council could incur financial and reputational damage when information is found to have been poorly managed.

A GDPR compliance audit carried out in June 2019 provided substantial assurance over the design of the Council's GDPR compliance controls and moderate assurance over their operational effectiveness. The audit identified that improvements were required to ensure that the Council's information asset register is in line with the requirements of the GDPR.

Historical paper records are stored in-house, in two storage rooms located at the Council Offices. The Human Resources Department has separate storage arrangements due to the confidential nature of the HR records. Responsibility for the retention or disposal of information rests ultimately with the individual Heads of Service.

The purpose of this audit was to assess the design and effectiveness of the Council's information management controls and the processes for the storage, retention and destruction of paper documents to support compliance with the Council's retention schedule and current legislation.

## GOOD PRACTICE

Good practice was evidenced in the following areas:

- The Council has identified and recorded its information assets and has a defined Information Asset Register (IAR) in place, which was last reviewed in May 2020. At the time of the audit, the IAR was found to include details relating to 90 information assets, including the information asset owner, location, last review date and the lawful basis for processing the information asset. The IAR also includes a tracker for the number of days to the next scheduled review date and a validation sheet pointing to the documentary evidence relating to the individual assets reviews.
- The Council has arrangements in place for ensuring that the principle of least privilege is exercised and that information is only accessible and available to those that have a valid business need. There are secure storage facilities for the retention of paper documents and the Council has documented the security measures and storage controls for each information asset as part of its information asset register.
- The Council has a document retention schedule in place, which was last reviewed in February 2020. The retention schedule includes defined and enforced mandatory minimum retention periods, which are based on Information and Records Management Society guidelines, the Council's requirements and are in line with current legislative and regulatory requirements. Through discussions with information asset owners, we confirmed awareness of the retention schedule and maintenance of appropriate records of all information kept in on-site storage facilities for archiving purposes.
- There are defined procedures in place for the disposal and destruction of information, which include identification, recording and authorisation procedures and there are appropriate on-site facilities for confidential waste and for the storage of confidential information. Confidential waste is securely shredded once a week on site by Shred Station, an external contractor, in line with the Council's defined procedures.

## KEY FINDINGS:

We identified the following areas of improvement:

- The Council's Document Retention and Data Protection policies were found to be out of date at the time of the audit and do not include the procedures for the management of the Council's digital records (Medium - Finding 1)
- The Council has not defined and communicated the responsibilities of information asset owners (Medium - Finding 2).

## CONCLUSION:

Based on our review we have raised two medium level recommendations to improve the Council's information management arrangements.

Overall, the Council has a sound system of internal controls and maintains an appropriate document retention schedule and information asset register. However, the absence of defined responsibilities for the information asset owners and the gaps identified in the Council's information management policies and defined procedures could undermine its ability to manage information assets appropriately and in line with current legislation.

Consequently, we conclude moderate assurance over both the design of the Council's information management controls and their operational effectiveness.

## DETAILED FINDINGS

**RISK: THE COUNCIL DOES NOT HAVE APPROPRIATE POLICIES AND PROCEDURES IN PLACE FOR INFORMATION GOVERNANCE AND RECORD MANAGEMENT**

Ref	Significance	Finding
1.	Medium	<p><u>Document Retention and Data Protection Polices</u></p> <p>The Council has a Document Retention Policy in place, which provides a corporate framework for governing management decisions on retention and disposal of paper and other non-digital records. The Council also has a Data Protection Policy in place to ensure that personal information held by the Council is treated lawfully, in an accountable manner and in compliance with the Data Protection Act 2018.</p> <p>However, both policies were found to be out of date at the time of the audit and were last reviewed in February 2018. Whilst the Document Retention Policy has been presented to the Strategy and Resources Committee in November 2020, we found that the Data Protection Policy has not been reviewed.</p> <p>Where information management policies are incomplete or out of date there is an increased risk that the Council's information will not be managed in line with its strategic objectives, best practice and current legislation and regulations.</p>

### RECOMMENDATION:

- 1.1. Management should review and update the Council's Data Protection Policy to ensure that it remains in compliance with the Data Protection Act 2018, is relevant to the Council's needs and is in line with the Council's strategic objectives.
- 1.2. The revised policies should be approved and communicated to members of staff and arrangements should be put in place for reviewing the policies on a routine basis.

### MANAGEMENT RESPONSE:

Agreed in principle during audit closing meeting with Emma Holmes (Data Protection Officer) and Annette Cardy (Resources Specialist Services Manager).

The Document Retention Policy was approved by the Council's Strategy and Resources Committee on 24 November 2020.

Details of revised policies will be provided to all managers and staff.

Policies will be reviewed annually.

Responsible Officer: Emma Holmes, Data Protection Officer

Implementation Date: 31 March 2021

**RISK: THE COUNCIL DOES NOT HAVE APPROPRIATE POLICIES AND PROCEDURES IN PLACE FOR INFORMATION GOVERNANCE AND RECORD MANAGEMENT**

Ref	Significance	Finding
2.	Medium	<p><u>Responsibilities of Information Asset Owners</u></p> <p>The Council has a defined information asset register in place, which identifies the information asset owners for each of the Council's information assets.</p> <p>However, we found that the responsibilities of the information asset owners have not been defined and communicated to the relevant members of staff and there is no requirement in the Council's information management policies for the information assets to be reviewed on a regular basis by the information asset owners.</p> <p>Where the responsibilities of information asset owners have not been defined and communicated there is an increased risk that the Council's information will not be managed in line with its strategic objectives and best practice.</p>

**2. Medium** Responsibilities of Information Asset Owners**RECOMMENDATION:**

2.1. Management should define the responsibilities of information asset owners, which should include, but not be limited to:

- Knowing who has access to the information assets and why
- Monitoring access to information assets and maintaining a log of access requests made
- Reviewing risks to the confidentiality, integrity and availability of the information assets on at least an annual basis
- Approving and minimising the transfer of the assets
- Ensuring that the assets are appropriately protected and that their value to the Council is fully exploited.

**MANAGEMENT RESPONSE:**

Agreed in principle during audit closing meeting with Emma Holmes (Data Protection Officer) and Annette Cardy (Resources Specialist Services Manager)

Detailed Guidance notes on responsibilities and policies will be provided to all IAO setting out their role and responsibilities.

The Council began an annual review of the Information Asset Register in 2020 and this will continue. Data Protection Officer will require confirmation that these have been reviewed.

Responsible Officer: Emma Holmes, Data Protection Officer

Implementation Date: May 2021

## OBSERVATIONS

### CONFIDENTIAL WASTE CONTRACT WITH SHRED STATION

The destruction of confidential waste is managed by Shred Station, an external third party, which carries out weekly on-site shredding of all confidential documents and archived documents that have reached their destruction date. The contractor provides the Council with a collection note at each visit, identifying the number of bins collected for onsite destruction.

The confidential waste contract was put in place in January 2013 for an initial duration of two years and we observed that the contract has been rolled over annually since then, but has not been officially reviewed since its inception. We noted through discussions with management that the contract will be market tested at the end of the current financial year.

### DOCUMENT RETENTION- DIGITAL RECORDS

We found that the Document Retention Policy only defines the procedures for the management and retention of paper records and does not include the procedures relating to the management of the Council's digital records, including access controls, review and retention requirements and disposal arrangements.

The Council's Document Retention Policy was updated in December 2020 so that it defines the digital record management and retention procedures to ensure that digital records are subject to the same retention schedules and scrutiny as paper and other non-digital records: 'The retention schedule refers to all information, regardless of the media in which it is stored, i.e. manual files, computer files, tapes, microfiche, etc.'

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.

Annette Cardy	Resources Specialist Services Manager
Emma Holmes	Data Protection Officer

APPENDIX I – 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 II - TERMS OF REFERENCE

### PURPOSE OF REVIEW:

The purpose of this audit is to assess the design and effectiveness of the Council's information management controls and the processes for the storage, retention and destruction of paper documents to support compliance with the Council's retention schedule and current legislation.

### 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:

- The Council does not have appropriate policies and procedures in place for information governance and record management
- The Council does not have a full understanding of the information that it holds, why it holds it, what it is used for and its value
- Personal confidential information is not stored securely and access to information is not appropriately and effectively controlled
- Information and document retention is not compliant with the requirements of the GDPR and users cannot access information as and when it is required
- Information is not securely disposed of and/or destructed when it is no longer required.

### SCOPE OF REVIEW:

The following areas will be reviewed as part of this audit:

- Policies and guidance documents relating to information governance and records management, including the procedures for identifying, assessing and resolving data security breaches and for establishing the lawful basis for collecting, processing and storing personal information
- The Council's information asset register, which should classify the Council's information assets in line with governing regulations and should be reviewed on a regular basis
- The arrangements for ensuring that access to information is restricted only to those that have a valid business need and the storage facilities for the retention of paper records
- The Council's retention schedule, including the frequency with which it is reviewed and how compliance is monitored at Departmental level, and how members of staff are made aware of the Council's information and document retention requirements
- Whether there are appropriate on-site facilities for confidential waste and whether the contractual arrangements for the disposal and/or destruction of records are regularly reviewed and include information governance clauses.

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.

FOR MORE INFORMATION:

**Greg Rubins**

Greg.Rubins@bdo.co.uk

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**REPORT of  
DIRECTOR OF STRATEGY, PERFORMANCE AND GOVERNANCE**

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**to  
PERFORMANCE, GOVERNANCE AND AUDIT COMMITTEE  
14 JANUARY 2021**

**BALANCE SCORECARD EXCEPTIONS REPORT**

**1. PURPOSE OF THE REPORT**

- 1.1 To report exceptions to operational service reporting for Committee review and discussion
- 1.2 The Corporate Performance and Governance framework requires this Committee to be given visibility of any identified Balance Scorecard key performance indicators (KPI) that have met their threshold, supported by an action plan to ensure targets are met. This gives assurance that Operational performance is being managed proactively and effectively.

**2. RECOMMENDATIONS**

- (i) That the committee review and comment on exceptions to service reporting provided in this report;
- (ii) That Members confirm they are assured through this review, Operational performance is being managed effectively.

**3. SUMMARY OF KEY ISSUES**

- 3.1 Following a refresh of our Corporate Performance Reporting, the committee have been receiving quarterly Performance reports since 2019 that focussed on the delivery of the Corporate outcomes.
- 3.2 Alongside this, services have been monitoring performance data, and officers have centralised this into an internal ‘Balance Scorecard’ that is reviewed monthly by the Extended Leadership Team as a way to operationally track our performance.
- 3.3 It was agreed that this Committee would receive an exceptions report where operational measures are under/ over performing to give Members oversight alongside the Corporate Plan Measures. This will be produced every six months for Member review.
- 3.4 Online versions of the full Balance Scorecard report are available to view on the Members’ SharePoint site.

3.5 For the period up to December 2020, the following measures are underperforming:

<b>Measure</b>	<b>Explanation</b>	<b>Action</b>
% of business rates collected	Expected impact of COVID emergency	To account for this in the MTFS
% of council tax collected	Expected impact of COVID emergency	To account for this in the MTFS
Revs and Bens outstanding cases and process time	Expected impact of COVID emergency	Additional resource temporarily put in to support the team
Commercial income delivery	Expected impact of COVID emergency- approx. 3-6 months behind on delivery	To account for this in the MTFS
Leisure participation and uptake	Due to capacity reduction and closures for COVID	To account for this in the MTFS, and being reviewed closely through the Member working group

3.6 For the period up to December 2020, the following measures are overperforming:

<b>Measure</b>	<b>Explanation</b>	<b>Action</b>
Channel Shift	90% of contact online, due to forced changes of pandemic	Continue to use feedback, build online process and support continuation of this behaviour. Support those who need it in person and by phone.
Website feedback	Increase in league position and customer feedback	Continue to invest in process improvements and work with services to make processes digital

## 4. CONCLUSION

4.1 The exceptions reported in this paper are provided for Member review. Where thresholds have been met, the supporting action plan will be executed to enable KPI to be brought back on track.

## 5. IMPACT ON STRATEGIC THEMES

5.1 It is important that performance is monitored and managed effectively, to ensure that Maldon District Council progresses towards and/ or achieves its stated outcomes.

## 6. IMPLICATIONS

- (i) **Impact on Customers** – Performance management covers the monitoring of key operational performance indicators to support customer service and delivery of our corporate plan which includes delivery for our customers.

- (ii) **Impact on Equalities** – none
- (iii) **Impact on Risk** – If performance is not managed effectively by the Council, it puts the Council’s corporate outcomes’ delivery at risk and increases unnecessary exposure to potential, operational, reputational or regulatory consequences.
- (iv) **Impact on Resources (financial)** – All performance management is undertaken within existing planned budgets.
- (v) **Impact on Resources (human)** – All performance management is undertaken within existing planned budgets.
- (vi) **Impact on the Environment** – None
- (vii) **Impact on Strengthening Communities** – None

Background Papers:

Enquiries to: Cheryl Hughes, Programmes, Performance and Governance Manager

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**REPORT of  
DIRECTOR OF STRATEGY, PERFORMANCE AND GOVERNANCE**

**to  
PERFORMANCE, GOVERNANCE AND AUDIT COMMITTEE  
14 JANUARY 2021**

**ANNUAL GOVERNANCE STATEMENT ACTIONS UPDATE**

**1. PURPOSE OF THE REPORT**

1.1 To update the Committee on the actions identified in the 19/20 Annual Governance Statement (AGS).

**2. RECOMMENDATIONS**

(i) To review the AGS action table and updates and challenge where appropriate

**3. SUMMARY OF KEY ISSUES**

3.1 The Annual Governance Statement in its new format was approved by the Performance, Governance and Audit committee on 30 July 2020. In line with Chartered Institute of Public Finance and Accountancy (CIPFA) best practice, it was reflective of governance matters for 19/20, and forward looking about where we could make improvements for 20/21.

3.2 For the first time, the report had an action plan for the year looking forwards and the Committee agreed that progress on the actions would be reported to and reviewed by the Committee.

3.3 These are held on our SharePoint system and updated by responsible officers, with regular reminders from the Programmes, Performance and Governance Team.

3.4 The current table of these actions and officer updates are pasted below for Member consideration

Title	Owner	Status	Target Completion	Commentary
Be more performance driven. Focus has been on establishing measures and reporting at an outcome level, the programme for the next year will be to review and revise these measures	Cheryl Hughes	Ongoing		Review meetings are taking place to analyse the Corporate plan and whether the Outcomes are fit for purpose with relevant officers.

Title	Owner	Status	Target Completion	Commentary
Internal balance scorecard reporting has been put together and will start to be used at leadership meetings- enabling swift decision making	Paul Dodson		26/02/2021	This has been operationally in place since October 2020. Exceptions to be reported to PGA committee quarterly starting in January 2021
Overall PMO reporting and lessons learned utilised at extended leadership team and to inform future budget considerations	Paul Dodson	Ongoing		ELT holding a monthly PMO review meeting to challenge and build this in since May 2020
A review of the Corporate Risk Register, to map Risk Management to the corporate outcome delivery	Cheryl Hughes	Ongoing	15/02/2021	CRR has been more regularly reviewed and challenged as part of the covid response, but we will also complete an exercise to update this and align to the revised Corporate Plan that comes forwards
Plan the internal audit programme according to the weaknesses in outcome delivery	Chris Leslie	Ongoing	31/03/2021	Meeting between Internal Audit, Director of Resources and the Programmes, Performance and Governance Manager on 10th December to review the risk register and performance monitoring. From the meeting a draft audit plan will be prepared for discussion with officers before being presented to Committee. The 2020/21 audit plan has been agreed by Committee. The draft 2021/22 plan will be presented to Committee in the new year capturing areas of weakness in outcomes.
Monitor and improve commercial income delivery, and tracking the benefits of the Transformation programme	Steven Butcher	Ongoing		Commercial projects are updated to the Corporate Project Board monthly, and Commercial income is included in the Corporate Balance Scorecard since October 2020
Review our Audit committee arrangements in light of the Redmond review (i.e Performance, Governance and Audit committee)	Cheryl Hughes	Ongoing	30/01/2021	Initial suggestions were discussed with the CGWG, but this will be developed further and brought back when the full review details and suggestions are released by CIPFA (expecting this early 2021)

Title	Owner	Status	Target Completion	Commentary
Analyse our preparedness for the CIPFA financial management code and put necessary measures in place for 2021 <a href="https://www.cipfa.org/policy-and-guidance/publications/f/financial-management-code">https://www.cipfa.org/policy-and-guidance/publications/f/financial-management-code</a>	Annette Cardy	Completed	31/03/2021	Audit Nov 2020 completed and reported assurance level of substantial on our controls and on our effectiveness to deliver these - report will be listed for the next PGA
Public involvement and budget consultation as part of our Annual Strategic Cycle	Chris Leslie	Ongoing	31/12/2021	An online survey tool has been identified to deliver the budget consultation next year. This will be built into the budget setting time table.
Peer review of our scrutiny arrangements	Cheryl Hughes		30/01/2021	O&S committee in November will consider a methodology approach to future work planning, the results of this discussion will then shape planning for the peer review. Corporate Governance Audit did highlight the need for a clearer remit and training for the committee
Governance internal audit actions	Cheryl Hughes	Completed	31/12/2020	Audit produced a moderate assurance and identified actions, the majority of which were already in progress and identified by officers. This is now tracked in the overall audit reporting
Further roll out of risk management training	Cheryl Hughes	Ongoing	22/01/2021	Officer training is planned for January 2021
Monitor the impact of the COVID crisis on the governance arrangements	Paul Dodson	Ongoing		The impact of Covid and our recovery plan is included in the draft Audit plan for 2021/22

3.5 As this is the first report of Annual Governance Statement Actions, members are invited to feedback on the information provided and how this is presented to the Committee in future.

#### 4. CONCLUSION

4.1 The information provided gives progress updates against the key actions defined in the 19/20 Annual Governance Statement.

#### 5. IMPACT ON STRATEGIC THEMES

5.1 Good governance will enable delivery of strategic priorities going forwards.

## 6. IMPLICATIONS

- (i) **Impact on Customers** – Not applicable (NA).
- (ii) **Impact on Equalities** – NA
- (iii) **Impact on Risk** – good governance will help minimise our corporate risk for the future
- (iv) **Impact on Resources (financial)** – the monitoring and delivery of this item is provided with existing resources
- (v) **Impact on Resources (human)** – the monitoring and delivery of this item is provided with existing resources
- (vi) **Impact on the Environment** – NA
- (vii) **Impact on Strengthening Communities** - NA

Background Papers: 2019/20 Annual Governance Statement

Enquiries to: Cheryl Hughes, Programmes, Performance and Governance Manager.