

A meeting of the **CORPORATE GOVERNANCE COMMITTEE** will be held in the **DRAMA STUDIO, BURGESS HALL, ONE LEISURE, WESTWOOD ROAD, ST IVES, CAMBRIDGESHIRE, PE27 6WU** on **TUESDAY, 14 SEPTEMBER 2021** at **7:00 PM** and you are requested to attend for the transaction of the following business:-

AGENDA

APOLOGIES

1. MINUTES (Pages 5 - 10)

To approve as a correct record the Minutes of the meeting of the Committee held on 22nd July 2021.

Contact Officer: H Peacey - (01223) 752548

2. MEMBERS' INTERESTS

To receive from Members declarations as to disclosable pecuniary and other interests in relation to any Agenda Item.

Contact Officer: Democratic Services - (01223) 752548

3. CODE OF CONDUCT COMPLAINTS - UPDATE (Pages 11 - 14)

To provide a summary and update of completed or ongoing complaints received regarding alleged breaches of the Code of Conduct under the Localism Act 2011 since the start of the year.

Contact Officer: L Jablonska - (01223) 739952

4. REORGANISATION OF COMMUNITY GOVERNANCE ORDER - HOLME (Pages 15 - 18)

To receive a report updating Members on the Community Governance Review of Holme following the request from the Parish Council to increase the size from 7 to 9 parish councillors.

Contact Officer: L Jablonska - (01223) 739952

5. ANNUAL COMPLAINTS REPORT 2020/21 (Pages 19 - 36)

To receive a report on complaints referred to the Local Government Ombudsman and those received by the Council between April 2020 – March 2021.

Contact Officer: L Sboui - Louise.Sboui@huntingdonshire.gov.uk

6. PROGRESS ON ANNUAL GOVERNANCE STATEMENT 2019/20 - SIGNIFICANT ISSUES (Pages 37 - 44)

To receive a report outlining progress on issues arising from the 2019/20 Annual Governance Statement.

Contact Officer: D Moss - (01480) 388475

7. IMPLEMENTATION OF INTERNAL AUDIT ACTIONS (Pages 45 - 54)

To receive a report from the Internal Audit Manager providing an update on the implementation of audit actions.

Contact Officer: D Moss - (01480) 388475

8. INTERNAL AUDIT SERVICE: INTERIM PROGRESS REPORT (Pages 55 - 62)

To receive a report from the Internal Audit Manager detailing the performance of the Internal Audit Service for the period April – July 2021.

Contact Officer: D Moss - (01480) 388475

9. CORPORATE GOVERNANCE COMMITTEE PROGRESS REPORT (Pages 63 - 64)

To receive the Corporate Governance Committee Progress Report.

Contact Officer: H Peacey - (01223) 752548

6 day of September 2021



Head of Paid Service

Disclosable Pecuniary Interests and Non-Statutory Disclosable Interests

Further information on [Disclosable Pecuniary Interests and Non - Statutory Disclosable Interests is available in the Council's Constitution](#)

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Arrangements for these activities should operate in accordance with [guidelines](#) agreed by the Council.

Please contact Habbiba Peacey, Democratic Services Officer, Tel: (01223) 752548 / email: Habbiba.Peacey@huntingdonshire.gov.uk if you have a general query on any Agenda Item, wish to tender your apologies for absence from the meeting, or would like information on any decision taken by the Committee.

Specific enquiries with regard to items on the Agenda should be directed towards the Contact Officer.

Members of the public are welcome to attend this meeting as observers except during consideration of confidential or exempt items of business.

Agenda and enclosures can be viewed on the [District Council's website](#).

Emergency Procedure

In the event of the fire alarm being sounded and on the instruction of the Meeting Administrator, all attendees are requested to vacate the building via the closest emergency exit.

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HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the CORPORATE GOVERNANCE COMMITTEE held in the Countryside Centre, Hinchingsbrooke Country Park, Brampton Road, Huntingdon, Cambs, PE29 6DB on Thursday, 22 July 2021

PRESENT: Councillor G J Bull – Chairman.

Councillors Dr P L R Gaskin, D A Giles, K P Gulson,
P Kadewere, H V Masson, L W McGuire, J P Morris,
R J West and Mrs S R Wilson.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors E R Butler and J C Cooper-Marsh.

14 MINUTES

(At 7:01pm Councillor J P Morris took his seat at the meeting).

The Minutes of the meeting of the Committee held on 9th June 2021 were approved as a correct record and signed by the Chairman.

(At 7:02pm Councillor P Kadewere took his seat at the meeting).

15 MEMBERS' INTERESTS

No declarations were received.

16 EXTERNAL AUDIT PLAN 2020/21

(Mr M Hodgson, Audit Partner, Ernst & Young LLP was in attendance for consideration of this item).

The Committee received a report by the Chief Finance Officer (a copy of which is appended in the Minute Book) to which was attached the Council's External Audit Plan 2020/21, which had been produced by the Council's External Auditors, Ernst & Young LLP.

The Chief Finance Officer delivered a brief introduction to the report where it was noted that the Audit Plan provided an overview of the 2020/21 strategy, outlined audit risks and value for money risks, provided information on audit materiality and the scope of the audit and included detail on the audit team, audit timeline and independence.

Referring to the report, Mr M Hodgson drew the Committee's attention to key messages contained within the report which included planning materiality, performance materiality and audit differences. In terms of the former, it was reported that this had been set at £2,112 million representing 2% of the previous year's gross expenditure on the provision of services. Attention was then drawn to the audit risks and the areas of focus and an explanation was delivered on

each new or increased risk. Value for money was then discussed, where it was noted that risk assessments had been undertaken on the Council's arrangements to enable commentary to be provided under the three reporting criteria. He then concluded by drawing Members' attention to the provisional audit timeline and the scale of the audit fees.

In response to questions which had been raised, Mr Hodgson confirmed that detailed information on the phasing plan produced for the audit had previously been shared with all Section 151 Officers and that a buffering period of one week had been built into the existing plan either side of the audit. If the Council's planned audit had not been completed within the agreed timeframe then auditing would cease and investigations put into a queue alongside other authorities who may be in a similar position. In response to subsequent questions, it was confirmed that the District Council's audit was due in the penultimate phase and that it was not envisaged that there would be a long period to wait if the audit was not completed on time. In the event of delays with the audit, the Chief Finance Officer confirmed there would be a process to follow in the event of delays with the publication of the accounts, which would be similar to the process adopted with the previous year's accounts.

Other matters that were discussed included whether the external auditor's value for money assessment would be produced in time for the Committee's next meeting on 14th September 2021 and the potential reporting of significant weaknesses in the Council's arrangements for delivering value for money. In terms of the latter, the Committee were reminded of the role of Senior Leadership Team in providing assurances to Members in the handling of its financial and business affairs including its response to the COVID-19 pandemic.

Whereupon, it was

RESOLVED

- (a) that the content of the External Audit Plan 2020/21 as attached as an Appendix to the report now submitted be noted; and
- (b) that the timetable for reports and updates to the Committee as set out in paragraph 4.6 of the report now submitted be noted.

17 INTERNAL AUDIT SERVICE: ANNUAL REPORT 2020/21

In compliance with the Public Sector Internal Audit Standards, the Committee gave consideration to the Internal Audit Service Annual Report 2020/21 (a copy of which is appended in the Minute Book).

The Internal Audit Manager drew Members' attention to the Audit Opinion for 2020/21 which gives "adequate assurance" of the control environment. It was further reported that a limitation of scope was also in place in respect of risk management, which had been excluded from the audit opinion. The Internal Audit Manager then went on to report that over the reporting period, her team had been redeployed to assist the Council in its response to the COVID-19 pandemic, the impact of which had meant that only a limited number of resource days were available to complete internal audit work. 15 audits had been completed identifying a total of 46 actions for improvement of which 9 were

classified as “red” or “high risk” actions. Attention was then drawn to the 5 new areas arising from the audits which related to cyber security, cloud services, project management, risk management and contract management. A number of follow up reviews have been planned into the current financial year and efforts would be made to get back on track with this work going forward. Finally, the Committee’s attention was drawn to the outstanding issues arising from the self-assessment undertaken back in May 2018 to evaluate the service’s conformance with Public Sector Internal Audit Standards. Another assessment would be undertaken once the team was fully resourced and had the capacity available to undertake this work.

In respect of project management, Members were concerned given the Council’s recent investments in this area. The Internal Audit Manager advised that this primarily related to projects before the new project management system had been in place. Other matters that were discussed included the need to get back on top of training which appeared as a common theme across audit reports, debt management which was reported quarterly to the Overview and Scrutiny Panel (Performance and Growth) and Cabinet and the role and remit of the recently established Risk and Controls Group. In respect of the latter, the Assistant Director (Corporate Services) and the Chairman undertook to discuss the matter outside of the meeting with a view to establishing reporting links between the Group and the Committee.

Whereupon, it was

RESOLVED

- (a) that the content of the report now submitted be noted; and
- (b) that the Internal Audit Manager’s Opinion be taken into account when considering the Annual Governance Statement for 2020/21.

18 DRAFT 2020/21 ANNUAL FINANCIAL REPORT AND APPROVAL FOR PUBLICATION OF THE ANNUAL GOVERNANCE STATEMENT

With the aid of reports prepared by the Chief Finance Officer (copies of which are appended in the Minute Book) the Committee gave consideration to the process for finalising and publishing the Council’s Annual Financial Report for 2020/21 and the statutory requirement to produce an Annual Governance Statement which was required as part of the process to approve the final accounts.

The Chief Finance Officer confirmed the position with regards to the unaudited accounts and reported that owing to the current situation with the COVID-19 pandemic, the normal statutory deadline had moved from 31st July 2021 to 30th September 2021.

Attention was drawn to the key financial highlights, where it was noted that the Council had achieved an underspend of £0.064m against a budget of £17,687m and that the General Fund Reserves had been maintained at £2,175m. Furthermore, the Committee were encouraged to note that £45,111m had been delivered to local businesses via Business Support Grants. The Chief Finance Officer then went on to explain the increased pensions deficit of £95,273m and the position with the valuation of the Council’s Land & Buildings and Investment

Properties which had yet to be completed by October 2021. In terms of the latter, it was reported that a new valuer had recently been appointed on a year's contract with the Council.

Having regard to the Annual Governance Statement, Members' attention was drawn to the main themes for 2020/21 which were noted as follows:

- Housing affordability
- Morbidity/growing number of years of ill health
- Wider economic environment
- Skill levels and educational attainment
- Partner agency operational pressures; and
- Environmental pressures.

Having commended the Chief Finance Officer and her team for the production of comprehensive reports and following a brief discussion on the impact of COVID-19 upon the collection of business rates and how they were presented within the unaudited accounts, the Committee

RESOLVED

- (a) that the Unaudited Annual Financial Report be approved;
- (b) that the Notice of Publication be approved; and
- (c) that the Annual Governance Statement be approved and that the Executive Leader and Managing Director be authorised to sign the Statement on behalf of the Council.

19 CORPORATE GOVERNANCE COMMITTEE PROGRESS REPORT

The Committee received and noted a report (a copy of which is appended in the Minute Book) on progress of actions in response to any decisions taken at previous meetings.

The Assistant Director (Corporate Services) reported that the Code of Procurement Waiver Procedure had only been used once since its inception in April 2021, which had been reported at previous meetings.

Prior to closing the meeting, the Chairman, who would not be present at the next Committee meeting on 14th September 2021, conveyed his thanks on behalf of the Committee to the Chief Finance Officer for all her hard work during her time at the District Council. The Chief Finance Officer would be leaving the District Council on 30th September 2021 and all Members expressed their best wishes to her for the future.

The Democratic Services Officer advised the Committee that the venue for the next meeting on 14th September 2021 would be the Burgess Hall, One Leisure, St Ives.

Chairman

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Public
Key Decision - No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Code of Conduct Complaints – Update

Meeting/Date: Corporate Governance Committee – 14th September 2021

Executive Portfolio: Councillor R Fuller, Executive Leader

Report by: Elections and Democratic Services Manager & Deputy Monitoring Officer

Ward(s) affected: All

Executive Summary:

This report provides Members with an update on complaints cases regarding alleged breaches of the Code of Conduct. The Committee is responsible for maintaining high standards of conduct by Members of the District and Town and Parish Councils, for monitoring operation of the Code of Conduct and for considering the outcome of investigations in the event of breaches of the Code.

Recommendation:

The Committee is requested to note the progress of any outstanding complaints and the conclusion of cases resolved since the meeting in June 2021.

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to provide a summary and update of completed or ongoing complaints received regarding alleged breaches of the Code of Conduct under the Localism Act 2011 since the start of the year.

2. WHY IS THIS REPORT NECESSARY/BACKGROUND

- 2.1 In accordance with the functions of the Committee, this report seeks to provide a summary of the current position in relation to the Code of Conduct complaints since the last meeting.
- 2.2 At the meeting of the Committee on 13th September 2017, Members requested that this report be submitted on a quarterly basis and to include categories of the Code of Conduct cases to enable feedback to be given to Town and Parish Councils should similar themes emerge on the nature of the complaints to enable further training to be arranged.

3. ANALYSIS

- 3.1 Details of allegations/complaints in relation to the Code of Conduct have been outlined in the table below. Specific detailed information regarding the complaint has not been provided as this may be prejudicial to the conduct of the ongoing complaints process and to protect the identity of councillors who may not have breached the Code of Conduct.

Case Number	District/Town/ Parish Council	Allegation/complaint	Outcome
20/47	Huntingdonshire District Council	Complaint against a District Councillor alleging he breached 3.4 (disrepute) of the Code.	Matter currently under investigation and referred to external investigator.
20/48	Little Paxton Parish Council	Complaint against a Parish Councillor alleging he breached 3.4 (disrepute) of the Code.	After consultation with the Independent Person, it was concluded that there was no evidence/basis to suggest that there had been a breach of the Code of Conduct and the complaint has been dismissed.

4. LEGAL IMPLICATIONS

4.1 There are no significant implications to report.

5. REASONS FOR THE RECOMMENDED DECISIONS

5.1 This is an opportunity for Members of the Committee to be appraised of details of completed complaints and any outstanding complaints alleged against the Code of Conduct. This is in accordance with the functions of the Committee and its duty to discharge functions in relation to the promotion and maintenance of high standards of conduct within the Council and amongst Town and Parish Councils within the District.

6. BACKGROUND PAPERS

Constitution – Members' Code of Conduct

CONTACT OFFICER

Name/Job Title: Lisa Jablonska, Elections and Democratic Services Manager &
Deputy Monitoring Officer
Tel No: (01223) 739952
Email: lisa.jablonska@huntingdonshire.gov.uk

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Public
Key Decision - No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Reorganisation of Community Governance Order
- Holme

Meeting/Date: Corporate Governance Committee – 14th
September 2021
Council – 22nd September 2021

Executive Portfolio: Executive Leader, Councillor R Fuller

Report by: Elections and Democratic Services Manager

Ward affected: Stilton, Folksworth and Washingley

Executive Summary:

The purpose of this report is to update Members on the Community Governance Review of Holme following the request from the Parish Council to increase the size from 7 to 9 parish councillors.

The Corporate Governance Committee at their meeting on 22nd January 2020 approved the increase in membership and Council at their meeting on 26th February 2020 authorised the making of a Reorganisation of Community Governance Order. The Order would have taken effect from an election to be held in May 2020 but unfortunately due to the Coronavirus pandemic all polls were postponed until May 2021.

Following consultation with the Parish Council on the preferred option to take this forward, it was requested that this be delayed until the scheduled parish council elections in May 2022. It is therefore necessary to make a Reorganisation of Community Governance Order for Holme Parish Council to reflect these changes.

Recommendation:

The Committee is

RECOMMENDED

to note the delay in the implementation of the Reorganisation of Community Governance Order for Holme Parish Council to increase the membership from 7 to 9 councillors.

The Council is

RECOMMENDED

to approve the drafting of a Reorganisation of Community Governance Order to be made in accordance with the Local Government and Public Involvement in Health Act 2007 for Holme Parish Council to take effect from the scheduled elections in May 2022.

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to update Members on the Community Governance Review of Holme following the request from the Parish Council to increase the size from 7 to 9 parish councillors and to authorise the making of a Reorganisation of Community Governance Order for Holme Parish Council to reflect the changes that resulted from the postponement of the elections in May 2021.

2. WHY IS THIS REPORT NECESSARY/BACKGROUND

- 2.1 The Corporate Governance Committee at their meeting on 22nd January 2020 approved the increase in membership of Holme Parish Council from 7 to 9 parish councillors following a Community Governance Review undertaken in 2019. The Council at their meeting on 26th February 2020 authorised the making of a Reorganisation of Community Governance Order for Holme Parish Council.
- 2.2 The Order was due to take effect from an election to be held in May 2020 but as Members will be aware all polls were postponed in May 2020 due to the Coronavirus pandemic. The implications of such meant that it was necessary to consult with Holme Parish Council as to their preferred course of action to implement the increase in membership.

3. OPTIONS CONSIDERED & CONSULTATION

- 3.1 If the Order had taken effect from May 2020 this would have been an election held out of cycle and resulted in a two-year term for the parish councillors until the next scheduled parish council election in May 2022. As these polls were postponed it was necessary to re-visit the decision taken and consider the options in the drafting of the Order. The options presented to the Parish Council were as follows –
- Option 1 – hold an election in May 2021 and councillors be elected for a one-year term before resuming the normal cycle of scheduled elections in May 2022;
 - Option 2 – hold an election in May 2021 and councillors be elected for a five-year term before resuming the normal cycle of scheduled elections in May 2026; or
 - Option 3 – hold an election in May 2022 in the normal cycle of scheduled elections.
- 3.2 Holme Parish Council at their meeting on 19th January 2021 confirmed their preference for Option 3, partly attributed to cost implications but also mindful that at the time the May 2021 elections could still be postponed or poorly attended.

4. LEGAL IMPLICATIONS

- 4.1 Part 4 of the Local Government and Public Involvement in Health Act 2007 devolved power from the Secretary of State to principal councils to carry out our community governance reviews and put in place or make changes to

local governance arrangements. The Community Governance Review was undertaken in accordance with this Act.

- 4.2 To conclude the outcome of the review, the Council will be required to make an amended Reorganisation of Community Governance Order to implement the increase in membership from 7 to 9 parish councillors on Holme Parish Council.

5. REASONS FOR THE RECOMMENDED DECISIONS

- 5.1 To conclude the outcome of the Community Governance Review undertaken for Holme Parish Council to increase their membership from 7 to 9 parish councillors and the final making of the Reorganisation of Community Governance Order to take effect from the scheduled elections in May 2022.

6. BACKGROUND PAPERS

[Local Government and Public Involvement in Health Act 2007 Communities and Local Government - Guidance on Community Governance Reviews March 2010](#)

Minutes of Holme Parish Council dated 16th July 2019 and 19th January 2021 and request from Holme Parish Council dated 18th July 2019

CONTACT OFFICER

Name/Job Title: Lisa Jablonska, Elections and Democratic Services Manager
Tel No: (01480) 388004
Email: Lisa.Jablonska@huntingdonshire.gov.uk

Public
Key Decision - No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Annual Complaints Report 2020/21

Meeting/Date: Corporate Governance Committee – 14th September 2021

Executive Portfolio: Councillor David Keane Executive Councillor for Corporate Services

Report by: Louise Sboui

Ward(s) affected: All

Executive Summary:

The report provides Members with information on complaints referred to the Local Government & Social Care Ombudsman (LGO) during 2020/21. 22 complaints were received by the LGO, four were investigated. Of the four complaints investigated, three were upheld. The report also provides data relating to Stage One and Stage Two complaints received by the Council between April 2020 – March 2021, broad themes, actions taken/service improvements from these have been considered.

Recommendation(s):

The Committee is invited to comment on the LGO local authority report for Huntingdonshire District Council (2020/21) and the data relating to formal Stage One and Stage Two complaints received (2020/21).

1. PURPOSE OF THE REPORT

- 1.1 This report provides Members with information on complaints referred to the LGO and those received by the Council between April 2020 – March 2021.

2. WHY IS THIS REPORT NECESSARY/BACKGROUND

- 2.1 One of the purposes of the annual summary of statistics on complaints made to the LGO is to help ensure that learning from complaints helps inform service provision. The LGO statistics show complaints and enquiries received by service area and whether a decision was upheld, not upheld, advice given, closed after initial enquiry, incomplete/invalid, or referred back for local resolution.
- 2.2. A further purpose of this report is to provide Members with data relating to Stage One and Stage Two complaints by Service area.
- 2.3 Due to the delayed 2019/20 report, this is the second Complaints Report submitted to Members in 2021 and now brings us up to date with annual complaints reporting.

3. OPTIONS CONSIDERED/ANALYSIS

- 3.1 There were 22 complaints received by the LGO during 2020/21 (23 received during 2019/20) this includes those which did not progress to the LGO assessment stage or beyond. The LGO paused case work at the end of March 2020, to allow authorities to concentrate efforts on vital frontline services during the first wave of the Covid-19 outbreak. Casework restarted in late June 2020.
- 3.2 Of these 22 complaints, there were four detailed investigations carried out (four carried in 2019/20), of the four complaints investigated, three were upheld. In summary:
- Development Management - Customer complains the Council failed to consider the impact on property's amenity caused by raised ground levels at a new development near their home. The customer also complains the Council failed to take account of the advice of the Lead Local Flood Authority (LLFA) regarding a permeable rainwater storage tank near their property. The Council's failure to record the reasons for its decision to discharge a planning condition amounts to fault. However, the LGO concluded that this fault did not cause the customer an injustice.
 - Housing Needs - Customer complains the Council did not properly consider their application to join the housing register and delayed responding to their complaint. The LGO found no fault in the way the Council considered the application, but some fault in how it handled the complaint. The agreed action remedies the injustice caused (apology to customer, reminder to staff to adhere to complaints process).

- Benefits/Tax - Customer completed an on-line change of address form. The Council made an error and failed to properly enter the details into the database. This meant it did not issue a new bill and did not tell the customer about how much council tax was liable for the new property. The LGO did not further investigate this complaint about the Council's decision not to waive some council tax after it made an error. This is because the Council offered a fair remedy. The LGO upheld the complaint even though injustice remedied during the complaint process (apology and explanation of what went wrong and offered a payment plan).

One was **not upheld**

- Community - Customer complained about the way the Council handled complaints about noise from a nearby wind farm. There was no fault in the way the Council dealt with the complaints.
- 3.3 The LGO has created a new interactive map - [Your Council's Performance](#) the site also provides helpful links to decisions made on all cases where the LGO have been involved. It should be noted that most cases are closed after initial enquiries made (investigation not warranted, alternative appeal/tribunal routes available or no worthwhile outcome achievable by investigation) or referred back for local resolution (complaint premature).
- 3.4 The number of Stage One complaints (109) recorded on Complaints Tracker has decreased from last year (280). To provide context, for the Services with the higher number of complaints received, the higher volume customer transactions for these Services have also been indicated below.
- 28 complaints received by Development Management (26) & Growth (2), these related mainly to delays in response to planning application decisions (3301 planning applications received)
 - 27 complaints received by Customer Services (Customer Services includes a number of different services e.g. council tax, benefits, housing needs, and customer services/call centre), these related mainly to decisions about council tax (approx. 93,000 council tax amendments made per year)
 - 21 complaints received by Operations, these related mainly to missed bins (approx. 5.9 million bins collected per year)
 - 8 complaints received by Community these related mainly to Council procedures for handling noise nuisance complaints (596 service requests for noise complaints)
 - 1 complaint received by Leisure & Health (One Leisure was closed for most of 2020/21)
 - 1 complaint received by Corporate Services (Resources), this related to Council procedures.
 - 1 complaint received for Shared Services. A non HDC issue (street naming); recorded at 3CICT but response from Building Control
 - 22 Covid/business grant complaints (over 10,000 payments made). Complaints related mainly to eligibility criteria. There was a high proportion of complaints escalated to stage 2, reflecting the

importance, priority and frustrations felt by our customers during this difficult economic period.

- 3.5 36 Stage Two complaints were received, (up from 17 last year) but 16 of these of these related to Business Grants/Test & Trace Support payments and these complaints related mainly to lack of eligibility. Covid business support grants were a one-off Local Authority activity during the Government lockdowns in 2020/21; it should be noted that over 10,000 payments were made totalling c£54million across a number of Central Government schemes. It will still have a legacy in 2021/22; but is unlikely to feature on an ongoing basis.

Themes, actions taken/service improvements from Stage One and Stage Two complaints are included in Appendix 4 and 5.

- 3.6 Annual Performance monitoring:
- 94.5% of Stage One complaints were resolved within time (PI 40) against a target of 90%. In the entire year we had 6 late responses out of a total of 109 complaints. Of the 6 late responses, 4 were for Ops (waste & recycling) one for Covid/Business Grants and one for Community.
 - 89% of stage 2 complaints were resolved within time against a target of 90%. In the entire year we had four late responses out of a total 36 stage 2 complaints, 3 were for Development (2 for planning apps and 1 for enforcement) and one for Covid/business grants.

- 3.7 Unreasonable Complainants
- In 2019 four customers were being managed through the Council's Unreasonable Complainant Behaviour Policy, following a review in 2020/21, restrictions (single point of contact) were lifted for two of these customers and relationships returned to normal. Two customers continue to be managed under the Council's Unreasonable Complainant Behaviour Policy, both have a single point of contact at HDC; and we are continuing to manage both cases in a way that does not entail a disproportionate amount of time at the expense of other residents.

4. KEY IMPACTS / RISKS

- 4.1 With complaints, there is always a risk that we do not record all the complaints we receive and so do not have the full picture or identify trends. Following changes to web content and web form (early 2020), the majority of complaints are now being received via the online form. As a result of improved online processes and content, we continue to see a significant reduction in complaints about issues that are not within HDC remit (e.g. on street parking issues, highways, and roads) with customers being redirected to the correct organisation from the website (47 non-HDC complaints received 2019/20 and 16 received 2020/21).
- 4.2 The impact of Covid and lockdown measures is clearly visible in 2020/21 complaints figures. There has been a significant drop in the number of stage 1 complaints received and although the number of stage 2 complaints doubled, half of these related to business grants. It is

important to note the Covid/business grant complaints, however if we place this activity to one side, and focus on the Councils normal activities, the complaint figures for Stage 1 would be 87 and the figure for Stage 2 (20) shows that we have retained fairly level figures compared to previous years.

4.3 The Council's internal monitoring and recording system for complaints (Complaints Tracker) continues to provide a significant aid to improving how complaints are both recorded/monitored and handled on time. The system sends deadline reminders to Officers, who have reported is a helpful function.

4.4 Where possible, the identification of lessons learnt and service improvements as a result of complaints by Service area (you said – we did) has been reflected in App 4 and 5 below. Further work with services to demonstrate service improvements has been piloted with a number of services in Q1 and Q2 2021(dates fall outside of remit of this report). We will continue to push this approach. However, some early findings from this analysis include

- Changes to back office processes (Call Centre)
- Change of telephone provider/request for better reporting mechanisms (Call Centre)
- Road removed from maintenance schedule (Ops)
- Maps updated (Ops)

4.5 Complaints are just one aspect of customer feedback, it is important that we also record, monitor and report upon compliments, 351 were received in 2020/21. These are set out by service area in App 6 below. Again, the impact of Covid and lockdown measures are reflected in the compliments received by Services, particularly for some teams within Customer Services and Operations (waste & recycling). Primarily, customers reporting their gratitude for Council services continuing to operate during the various lockdowns.

4.6 A review of the Council's complaints process has been completed and an action plan created. Work so far has focused on raising awareness with specific services on a regular basis to highlight complaints (numbers, themes, lessons learnt/service improvements). Themes for further work include - review of customer feedback policy, staff guidance and training, and further development of the process to demonstrate evidence on how complaints lead to service improvements.

5. LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES, AND/OR CORPORATE OBJECTIVES

[See Corporate Plan](#)

5.1 Complaints handling links to the following Strategic Priority within the Corporate Plan – Becoming a more Customer Focused Organisation.

6. REASONS FOR THE RECOMMENDED DECISIONS

- 6.1 Members are invited to note the LGO Local Authority Report for Huntingdonshire District Council and note the data relating to Stage One and Stage Two complaints and compliments received by the Council.

7. LIST OF APPENDICES INCLUDED

Appendix 1	LGO statistics for HDC
Appendix 2	HDC recorded complaints by Service
Appendix 3	HDC recorded complaints by Teams
Appendix 4	Complaints – Stage 2 themes/actions taken/service improvements
Appendix 5	Complaints – Stage 1 themes/actions taken/service improvements
Appendix 6	Compliments
Appendix 7	LGO statistics – neighbouring authority comparison

CONTACT OFFICER

Name: Louise Sboui
Email: louise.sboui@huntingdonshire.gov.uk

Complaints and Enquiries Received (by Category) 2020/2021

HDC	Benefits and Tax	Corporate and Other Services	Environment Services, Public Protection and Regulation	Planning and Development	Housing	Highways and Transport	Adult Care Services*	Total
2020/21	11	1	3	6		0	1	22
2019/20	2	0	5	10	3	3		23
2018/19	6	3	2	6	0	0		17

*recorded due to comments made about health & well-being (but more a corporate & other services complaint)

Complaints and Enquiries Decided (by Outcome) 2020/21

HDC	Upheld	Not upheld	Advice given	Closed after initial enquiry	Incomplete/invalid	Referred back for local resolution	Total	Uphold rate (%)	Average uphold rate (%) of similar authorities
2020/21	3	1	0	9	0	10	23	75	53
2019/20	2	2	1	10	1	4	20	50	45
2018/19	1	3	0	6	0	5	15		

A number of cases will have been received and decided in different business years, this means the number of complaints and enquiries received will not always match the number of decisions made.

Appendix 2 - HDC Recorded Complaints March 2020 – April 2021

Service	Stage One			Stage Two			Total			LGO investigations		
	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
Community	8	4	8	4	-	4	12	4	12	-		1
Covid (Business Grants/Test & Trace Support Grants)	N/A	N/A	22	N/A	N/A	16	N/A	N/A	38	N/A	N/A	
Customer Services*	43	37	27	7	2	6	50	39	33	-	1	2
Development & Growth	46	44	28	5	11	7	51	55	35	4	2	1
Operations	224	161	21	3	1	2	227	162	23	-	1	
Corporate Services (Resources)	1	4	1	-	1	1	1	5	2	-		
Leisure and Health	93	30	1	-	1	-	93	31	1	-		
Shared Services	3	-	1**	-	-	-	3	-	1	-		
Other (cross cutting)	-	-	-	-	1	-	-	1	-			
Total	419	280	109	20	17	36	439	297	145	4	4	

*Customer Services includes a number of different services e.g. council tax, benefits, housing needs, and customer services/call centre

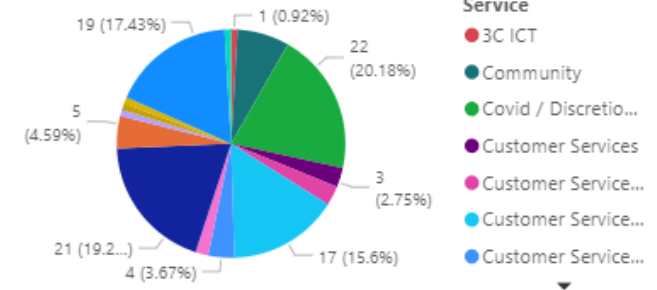
**3CICT/building control

App 3 – Complaints by Teams

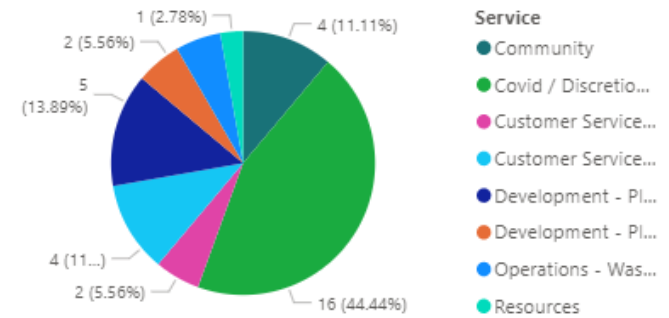
Select all 2019 **2020** 2021

ReportYear Service	2020		Total	
	Stage 1	Stage 2	Stage 1	Stage 2
3C ICT	1		1	
Community	8	4	8	4
Covid / Discretionary Grants	22	16	22	16
Customer Services	3		3	
Customer Services - Benefits	3	2	3	2
Customer Services - Council Tax	17	4	17	4
Customer Services - Housing	4		4	
Development - Other	2		2	
Development - Planning Applications	21	5	21	5
Development - Planning Enforcement	5	2	5	2
Leisure and Health	1		1	
Operations - Parking Services	1		1	
Operations - Streetscene	1		1	
Operations - Waste/Recycling	19	2	19	2
Resources	1	1	1	1
Total	109	36	109	36

S1



S2



Due to number different teams it is not possible to show entire legend for above stage 1 pie chart

Appendix 4 2020/2021 Stage Two complaints - summary of themes and actions taken/service improvements

Service	Themes	Actions taken/service improvements
Community (4) Upheld - 0 Not upheld - 3 Partially upheld - 1	Environmental health <ul style="list-style-type: none"> • Process for handling statutory nuisance, process for evidence collection and assessment • SPOC handling • Garage lease • Noise nuisance 	Clarity and reassurance provided Clarity and reassurance provided Clarity and reassurance provided Service improvement - team will review standard outcome letter for when statutory nuisance not found, customers will be provided with more explanation as to why.
Covid/Business Grants (16) Upheld - 0 Not upheld - 16 Partially upheld - 0	Eligibility criteria for Government Covid support grants	Further explanation and clarity provided on grant criteria and reasons for rejection provided
Customer Services (6) Upheld - 1 Not upheld - 2 Partially upheld – 1 Upheld - 0 Not upheld - 2 Partially upheld - 0	Council Tax (4): <ul style="list-style-type: none"> • Council tax liability • Business rates eligibility • Issues with direct debit process • Empty property discount Benefits: <ul style="list-style-type: none"> • Eligibility for Housing Benefit • Alleged data breach 	Acknowledged there was officer error, officer advised of process. Payment plan offered Team reminded of correct procedures when closing Ctax accounts.

Service	Themes	Actions taken/service improvements
Development & Growth (7) Upheld - 0 Not upheld - 5 Partially upheld – 0 Upheld - 0 Not upheld - 2 Partially upheld – 0	Planning applications: <ul style="list-style-type: none"> • How objections are considered • How tree application handled • Water drainage issues • Decision making process x 2 Planning Enforcement <ul style="list-style-type: none"> • Way application handled • Alleged planning enforcement failure 	Further clarity and reassurance provided. The Service acknowledges and apologise for any delays in response. Site visit offered. Customer asked for feedback on how council can improve on informing customers about legal implications of any actions they may take Service acknowledges issue around how the planning process works e.g. how objections are considered, the weight these objections carry, how impact is considered is complex process, which can be hard to explain simply Further clarity and reassurance provided Further clarity and reassurance provided
Operations (2) Upheld - 1 Not upheld - Partially upheld – 1	Waste/recycling: <ul style="list-style-type: none"> • Damage by vehicle • Missed bin 	Apology and further explanation provided Customer called, bin emptied next day, new bin sent out and property placed on watch list
Corporate Services (Resources) (1) Upheld - 0 Not upheld - 1 Partially upheld – 0	Industrial unit repair costs following end of lease	Further clarity and explanation provided

App 5 - 2020/21 Stage One complaints – summary of themes and actions taken/service improvements

Service	Themes	Actions taken/service improvements
Community (8) Upheld - 0 Not upheld - 6 Partially upheld -2	Environmental Health (4): <ul style="list-style-type: none"> • Process for handling statutory nuisance • Noise nuisance • Noise nuisance • Noise nuisance Community (3): <ul style="list-style-type: none"> • Process for Single Point of Contact • Lease charges for garage plot • Neighbour access issues Licensing (1): <ul style="list-style-type: none"> • License for home business 	Opportunity to provide further clarity Opportunity to provide further clarity
Covid/Business Grants (22) Upheld - 0 Not upheld - 22 Partially upheld - 0	People not adhering to social distancing x2 Eligibility criteria for Government Covid support grants (discretionary grant, additional restrictions grant, Test & Trace Support grant) x 16 Closure of Grant fund x 1 Lack of support for hospitality sector x 1 Eligibility criteria for Test & Trace support grant x 2	Opportunity to provide further clarity Website wording amended to ensure clarity for customers <i>Internally, the importance of involving and working closely with Customer Services/Call Centre was recognised, this team was often first point of call for customers and the right advice and support needed to be provided to the team to enable them to support customers.</i>
Customer Services (27) Upheld - 2 Not upheld - 10 Partially upheld – 5	Council Tax/Business rates (17): <ul style="list-style-type: none"> • Liability for C/tax/delays in response • Unable to make contact by telephone • Liability for C/tax x 3 • Issue of reminder notice x 2 • Eligibility for business rates x 2 • Direct debit process • Online payment & refund issues • Use of enforcement agents • C/tax summons x 3 • Issuing of reminder notice 	Advice provided and offer of payment plan Further training for staff member Process revised to ensure similar fault does not occur in the future. Reminded Advisers to listen to individual customer circumstances when dealing with calls.

Service	Themes	Actions taken/service improvements
<p>Upheld - 0 Not upheld - 3 Partially upheld – 0</p> <p>Upheld - 1 Not upheld - 1 Partially upheld – 1</p> <p>Upheld - 0 Not upheld - 0 Partially upheld - 4</p>	<ul style="list-style-type: none"> • Attachment of earnings process <p>Benefits (3):</p> <ul style="list-style-type: none"> • Eligibility for Housing Benefit • Alleged data breach • Eligibility for Council Tax Support <p>Call Centre/Customer Services (3):</p> <ul style="list-style-type: none"> • Length of time on hold • Process for passing queries onto back office teams • Advisor not being helpful <p>Housing Needs (4):</p> <ul style="list-style-type: none"> • way in which case handled x 2 • issues with temporary accommodation x 2 	<p>Process has been revised to enable call centre team to advise customers at first point of contact</p>
<p>Development & Growth (28)</p> <p>Upheld - 5 Not upheld - 11 Partially upheld -5</p>	<p>Planning Applications (21):</p> <ul style="list-style-type: none"> • How objections considered • How tree application handled • How planning application considered • How water drainage considered • Lack of response/communication x 11 • Delay in application being determined • Issues with seeking advice using website • Lack of time for consultation • Bias in decision making process • Issues with decision making process • How case handled 	<p>Worked with the applicant to achieve a favourable outcome to the complainant's planning application. Procedures adjusted Provision of a comprehensive explanation regarding the consideration and determination processes for the applications Re-allocation to a new officer to finalise the application and get a decision issued. IT issue raised; workaround found. Communication re IT issues raised amongst team Site visit Telephone call with customer</p> <p>The Service continues to acknowledge that issues around how the planning process works e.g. how objections are considered, weight these objections carry, how impact is considered is complex process, which can be hard to explain simply</p>

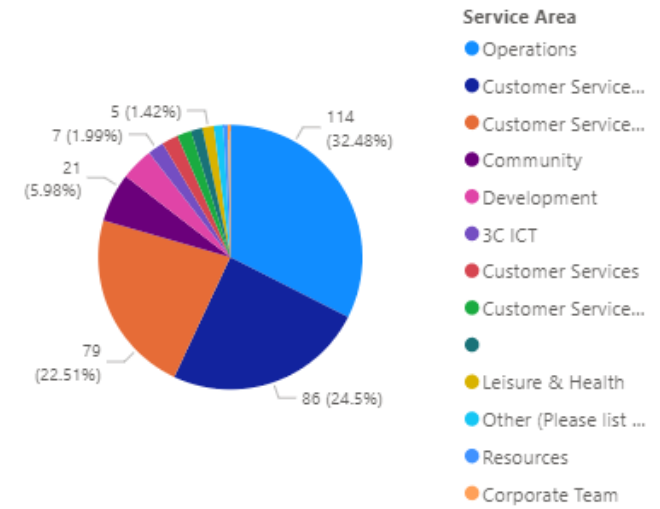
Service	Themes	Actions taken/service improvements
<p>Upheld - 2 Not upheld - 2 On-going - 1</p> <p>Upheld - 0 Not upheld - 0 Partially upheld - 2</p>	<p>Planning Enforcement (5):</p> <ul style="list-style-type: none"> • Alleged planning enforcement failure x 3 • Delay in response • Way application handled <p>Development (Growth & Other) (2):</p> <ul style="list-style-type: none"> • Lack of advice about CIL • Links in Economic Development newsletter not working 	<p>The Service also continued to acknowledge that there have been delays in responding to customers, explanations and apology provided to customer(s). Issues with IT following 'work from home' did cause some significant problems and delays.</p> <p>Explanation provided Apology provided and officer advised of importance of providing regular communication.</p> <p>Apology provided</p>
<p>Operations (21) Upheld Not upheld - 1 Partially upheld</p> <p>Upheld - 1 Not upheld - 0 Partially upheld - 0</p> <p>Upheld - 11 Not upheld - 8 Partially upheld - 0</p>	<p>Parking (1):</p> <ul style="list-style-type: none"> • Misuse of land/car parks <p>Street Scene (1):</p> <ul style="list-style-type: none"> • Tree removal <p>Refuse/recycling (19):</p> <ul style="list-style-type: none"> • Missed collection x 11 • Rejected bin x 4 • Direct debit process • Bulky waste process • New bin request process • Damage by vehicle 	<p>External organisations reminded to be mindful of local residents (noise levels)</p> <p>Site visit, tree works undertaken</p> <p>Issues rectified and customers reassured that steps taken to ensure collection teams issued with a map and further instructions to ensure that bins are collected as they should be in future. Customer called Apology and explanation provided Next day collection arranged Team reminded to check customer records/history before logging requests Internal processes reviewed to ensure no delays in future/crews issued with advice</p>

Service	Themes	Actions taken/service improvements
Leisure & Health (1) Upheld - 0 Not upheld - 1 Partially upheld - 0	Use of tennis courts during lock down	Reassurance that tennis courts were out of use during lock down periods
Corporate Services (Resources) (1) Upheld - 1 Not upheld - 0 Partially upheld - 0	Estates: <ul style="list-style-type: none"> Industrial unit repair costs following end of lease 	Comprehensive response provided
Shared Services (1) Non-HDC - 1	Recorded as 3CICT but response from Building Control – non HDC matter (street naming issue)	Contact made with Royal Mail and customer advised of what to do.

Appendix 6 - Compliments April 2020 – March 2021

Service Area	2020	Total
	5	5
3C ICT	7	7
Community	21	21
Corporate Team	1	1
Customer Services	7	7
Customer Services (Call Centre)	79	79
Customer Services (Housing)	86	86
Customer Services (Revs & Bens)	6	6
Development	14	14
Leisure & Health	5	5
Operations	114	114
Other (Please list in description)	4	4
Resources	2	2
Total	351	351

Compliments by Service



Appendix 7 LGO Neighbouring Authority Statistics

Cambridgeshire Councils	Detailed investigations decided (by outcome) 2020/21		Complaints and enquiries received	
	Not upheld	Upheld	2019/20	2020/21
Huntingdonshire	1	3	23	22
South Cambridgeshire	1	4	23	14
Fenland	2	0	10	7
East Cambridgeshire	0	0	13	8
Cambridge City	1	3	14	12
Cambridgeshire County Council	4	7	71	39

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Public
Key Decision - No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Progress on Annual Governance Statement 2019/20 - Significant Issues

Meeting/Date: Corporate Governance Committee – 14th September 2021

Executive Portfolio: Executive Councillor for Corporate Services
Councillor David Keane

Report by: Deborah Moss, Internal Audit Manager

Ward(s) affected: All Wards

Executive Summary:

The Council's Annual Governance Statement (AGS) contains a list of significant governance issues together with proposed remedial action for each.

This report advises the Committee on the progress made against each of these issues and the action taken to date. This is limited to an update on the 2019/20 AGS issues only (the new 2020/21 actions will be included later in the year once the AGS has been formally approved and time allowed for the actions to be progressed).

Two issues are fully completed/closed. Progressive action continues to be taken on the other issues.

Recommendation:

Committee is asked to review and comment upon the action and progress made to date.

1. PURPOSE OF THE REPORT

To advise the Committee on the progress made against the significant governance issues reported in the 2019/20 Annual Governance Statement (AGS).

2. BACKGROUND

The Accounts and Audit Regulations 2015 requires all relevant bodies to prepare an Annual Governance Statement (AGS). The purpose of the AGS is to communicate to stakeholders the standards of corporate governance the organisation demonstrates and identify any significant issues that have arisen in year, and what is planned to address these issues.

This report details the progress made to date on each significant issue.

3. DETAIL

As a result of the Covid-year implications, the Final Accounts and AGS 19/20 were not approved by Committee until January 2021.

Ten significant governance issues were highlighted in the AGS together with an action plan to show how each issue was to be remediated.

The Audit Manager has provided an update from responsible officers on the action taken to date. The significant issues raised in the 2019/20 Annual Governance Statement are set out in detail in Appendix 1 and progress against each of these is reported there – recording both the last update in May and now an August 21 update.

Action and progress continue to be taken on all issues identified.

4. KEY RISKS

The significant issues are raised because, without any remedial action, they may impact the governance of the Council.

5. LEGAL IMPLICATIONS

The Council is responsible for ensuring that it has a sound system of internal control which facilitates the effective exercise of its functions and the achievement of its aims and objectives, ensures that the financial and operational management of the authority is effective and includes effective arrangements for the management of risk (Regulation 3 of the Accounts and Audit Regulations 2015).

The Council must carry out an annual review of the effectiveness of its system of internal control which must be considered by the relevant committee. In the light of that review, the Council must produce an annual governance statement which must be approved by the relevant committee

in advance of the Authority approving the statement of accounts (Regulations 6 (1), (2) and (4) of the Accounts and Audit Regulations 2015.

6. REASONS FOR THE RECOMMENDED DECISIONS

The report has been requested by the Committee and as such, it needs to decide any further action it wishes to take.

7. LIST OF APPENDICES INCLUDED

Appendix 1 - AGS 2019/20 Significant Issues Updated Action Plan August 2021

BACKGROUND PAPERS

Annual Governance Statement 2019/20

CONTACT OFFICER

Deborah Moss – Internal Audit Manager

Tel No: 01480 388475

Email: deborah.moss@huntingdonshire.gov.uk

Appendix 1: AGS 2019.20 Significant Governance Issues Updated Action Plan Aug 2021

Area of Assurance	Issue / Gap	Action Plan Proposal	Progress @ May 21	Progress @ Aug 2021
Risk Management	RM is not fully embedded and functional within the Council in an effective way. The risk register requires revision and update otherwise it is at risk of being unreliable/unusable.	Service Plans will be redesigned to incorporate risk management. <ul style="list-style-type: none"> The risk register will be reinvigorated and redesigned before roll out to Services Internal audit reviews of top risks highlighted by management Longer term – potential audit review of RM. 	<p>March 21: Service Plan redesign incorporates risk management. The Risk & Control team to Services to update their risk registers</p> <p>May 21: The risk register now reflect HDC structure, risks entries reviewed and re-dispositioned to validate with assigned owners. Next stage: deep dive with Services to identify and assess their risks</p>	<p>Plan to carry out a basic self-assessment of our procedures that reference risk.</p> <p>Findings will help provide an overview of risk awareness and support what needs to be done to reactivate risk management in Services and to embed in processes and culture.</p>
Lone working (red action in an audit report):	The Council lacks a corporate lone working procedure that is robust and effective. H&S legislation requires us to protect our employees at work. A lack of protocol over lone workers could risk employees' safety and a breach of legislation.	Ownership to be appointed. <ul style="list-style-type: none"> To investigate lone worker systems that can operate within its 24-hour CCTV function. A suitable system/procedure to be implemented to protect all officers who lone work off site. Internal Audit: follow up review to ensure operation and compliance once installed. 	<p>March 21: Risk & Controls Board, taken on LW risk as a project</p> <p>May: New Services Forum, used to further LW progress and advise a refresh of risk assessments of LW</p>	<p>Operations SLT action to all Services update their risk assessments of all lone workers in their Service (deadline 30/09/21). Assessment of overall risk will inform if a corporate LW procedure is required or a Service Based approach is acceptable.</p>
Head of Internal Audit	The resignation of the Internal Audit Manager affects the resourcing of the statutory Internal Audit service. This impacts on the provision of an annual Audit Opinion.	An Acting Internal Audit Manager has been appointed. This employee is an existing internal auditor at the Council and is MIIA qualified. <ul style="list-style-type: none"> Restructuring of the function to take place to ensure adequate resourcing 	<p>Internal Audit Manager now in place (since April 2021). COMPLETED</p> <p>Additionally, an offer has been accepted by an auditor to take up the vacant internal auditor position.</p>	<p>Following withdrawal of the acceptance for Auditor, new options had to be considered.</p> <p>A new Trainee Internal Auditor post has been created and has now been successfully recruited to. COMPLETED</p>

GDPR (Data Protection Compliance)	Progressive action towards GDPR compliance and monitoring has not been sufficiently robust since the Regulations' effective date. This puts the council at a greater risk of a potential non-compliance with GDPR legislation, a data breach, penalty fine and reputational damage.	levels. Information Governance team has carried out a gap analysis review across the Council. <ul style="list-style-type: none"> • Work to be done to ensure data protection training and awareness. • A planned Internal audit [follow up] review to assess compliance. 	March: Progression on the gap analysis work and actions are continuing in IG eg work has started on preparation of info asset registers. The IG Manager is providing CGC with a separate update on these actions. (See Table of areas and actions from gap analysis.)	IG team has circulated templates to service areas in May for info gathering. The returns will be reviewed by IG from end of July. IG will support service areas in developing treatment plans for working towards continual GDPR compliance monitoring. Analysis carried out has identified the specific areas that are to be monitored for the service areas.
Network Access Management Control (red action in an audit report):	The audit found that user accounts may not be regularly reviewed and monitored (by HR or systems owners) leading to leaver, inactive or dormant accounts.	Agreed that HR management would assign ownership to line managers to review the network accounts that do not match to payroll listing. <ul style="list-style-type: none"> • Agreed that line managers/Heads of Service would perform a regular review of all staff in their service ae going forwards. • Progress to be monitored by Internal Audit. 	March: HR has provided ICT with a list of the highlighted 65 users that did not match the Payroll list of employees together with instructions as to which should remain active, which deleted and which needed further insight before remaining active. A follow up review of this action is included in the IA Plan 21.22 to ensure that regular checks on staff access rights have been conducted May: IA have asked ICT to confirm that corrective action has been taken and user accounts closed where applicable. ICT to set up regular review process to check users are still current and I to prevent further issues. This is also supported by a leaver's notification process to ICT.	ICT have a process to identify accounts that have not been accessed for a certain amount of days. ICT to confirm if gone back to the Service Managers to confirm if the users are supposed to be active or not. ICT still to check if this can be done as unsure if user accounts had departments put against them. Without this there would be no way of identifying which member of staff works for which team and then advise the correct HoS the network accounts.
Procurement function	Resignation of the Procurement Officer in March 2020 leaves the council with no Procurement support function. Absence of a procurement	The AD for Corporate Services has forged a good relationship with the Procurement Officer of a neighbouring authority which was used for support	March: Completed (subject to satisfactory completion of the employee's probationary period).	The new Procurement Lead has commenced employment in July 2021. COMPLETED

	function for advice has meant Services had to procure without assistance and put compliance more at risk.	and advice where needed in the interim and going forward. <ul style="list-style-type: none"> • The recruitment of a Procurement Officer was agreed. • Subsequent appointment of an experienced procurement officer took place in September 2020. 	May: The appointed Procurement Officer left the post due to personal reasons before the end of the probation period. The post was advertised and an offer has been made to a candidate from local public sector organisation, to take up the vacant position.	
Delivery of capital Schemes	An audit review found that there several issues relating to governance, capability, capacity and delivery, and commissioning.	Appointment of a Programme Delivery Manager took place in 2020. <ul style="list-style-type: none"> • Many programmes and projects are already underway • Internal Audit to carry out a follow up review. 	March: The Programme Delivery Manager has undertaken a full Project Management Delivery Audit in September. Findings and recommendations to mitigate risks highlighted have been presented to the WP SLT Board; awaiting board decision on recommendations. In Parallel PDM has established a EPMD Enterprise wide Project Management (EPMD) Steering Group to review PM Improvement of tools and processes. And introduced a Gateway Assurance Review process for HDC Projects and programmes going forward. A planned follow up review is included within the Audit Plan 21.22 May: The April board agreed that PMD at HDC is not working, the discussion took place at the SLT away day in April 21. It was agreed at the April WP Board that a task force should be set up to look at the way forward it will be a task and finish group. As recommended in the next steps of the Sept. 20 Audit report by the PDM.	A follow up Internal Audit review was undertaken in June 2021 to see assurance that the issues identified had now been addressed. Processes are being applied to new projects / capital schemes from 2021/22, and as such there will be a need to consider written guidance and training for staff, and arrangements for managing non-delivery as the scheme progresses. Due to the infancy of these changes it was not possible to fully assess the new control framework nor undertake any formal compliance testing to assess the degree to which changes have been applied and adhered to. Based on what is being proposed Audit provided a reasonable level of assurance that the concerns previously reported are being addressed, and that exposure to risk in this area will reduce.

			<p>The scope of what the task force focus should be has gone forward to the May WP board to confirm what is realistically achievable with the resources available in the absence of any PMO, and with regards to the GAP report on PMD at HDC.</p> <p>In parallel to this the PDM has set up and is working with our partner PMOs to continue and develop our KTN- Knowledge transfer Networks with SC, City, and ICT. As well National uk gov project authority.</p> <p>PMD at HDC will need to be a watching brief, to ensure governance is not diluted which may impact on current PMD risk mitigation plans.</p>	
Audit reports Outstanding	<p>There has been difficulty in obtaining replies by Services to draft audit reports. These reports highlight weaknesses and risks found in a system and if they remain not responded to and no actions are implemented to address the risks, then the risks potentially remain and assurance cannot be given.</p>	<p>Audit Manager has advised senior management of such outstanding reports.</p> <ul style="list-style-type: none"> • A new Risk & Controls Board has been developed which will formally reports these issues to Corporate SLT for action. 	<p>March: A list of outstanding reports has been formally reported by the R&C Board to Corporate SLT for action. Responses/updates are awaited, and an updated list will be a standing item on the R&C's monthly report.</p> <p>May: A list of outstanding reports has been formally reported by the R&C Board to Corporate SLT for action.</p> <p>Progress to finalise and close outstanding reports; surge effort by IA via escalation to Corporate Leadership level improved response.</p>	<p>3 reports remain outstanding:</p> <p>Lone working – work on this area is already in place</p> <p>Solcase Debts – this is being taken up by the AD Corporate Services</p> <p>Estates – this report and actions are being re-evaluated by the Service after lapse of time. Risks and actions that remain will be take up as actions.</p>
Information Governance Training	<p>The ability to monitor which staff have completed which training courses needs improvement. Decisions on mandatory training and frequency of courses needs</p>	<ul style="list-style-type: none"> • New Information Governance Manager in post • IT and IG policies are being reviewed • IG training modules are being reviewed 	<p>March: Policies are currently being reviewed. IG training modules have been reviewed. HR are due to roll out these modules as part of the Learning Mgt System (LMS) – the contract has been signed and due to go live by 15th March.</p>	<p>Further update unknown – IG group due to meet in September</p>

	to be decided. There is a risk that employees may not have sufficient training or awareness.	<ul style="list-style-type: none"> • Ownership of training attendance to be assigned • A system for monitoring all training 	<p>There is difficulty extracting exception reports on those employees who have not completed each IG course, and this is being examined by the Transformation team.</p> <p>May: The IG Training Needs has been developed and communicated to the IG Group.</p>	
Covid-19 risks, levels of debt, loss of income etc	<p>Since mid-March 2020, the Council has diverted its resources to focus on providing active support across Huntingdonshire as part of its response to Covid-19. There is a risk that costs incurred outweigh the levels of funds received from Central Government. Emergency procedures put in place need to be reviewed to ensure that effective governance is in place to protect Council / users etc</p>	<p>Assess 2020/21 budget and income streams for non-deliverable items and link to overall 2020/21 Financial monitoring and the 2021/22 MTFS requirements.</p> <ul style="list-style-type: none"> • Robust risk management processes followed to ensure effective monitoring of key risks whether relating to response to Covid-19 or return to business as usual. • Gold, Silver and Bronze command were stood up to manage critical responses/issues in response to the pandemic. 	<p>Mar:: Gold command active to respond / provide resources for support within the community in relation to the Covid 19 pandemic.</p> <p>Costs associated with responding to Covid 19 pandemic captured via A separate cost centre</p> <p>Recognition by central government in support loss of income for services affected by the closure of leisure and retail activities. The Income Compensation Scheme has provided Local Authorities to claim back 75p in the £1, (subject to 95% total).</p> <p>NNDR and CTAX will continue to be a concern into 21/22 with ongoing pressure around collections. Central Government have provided mechanisms to spread 20/21 deficits over 3 years and will also allow Local Authorities to claim compensation for irrecoverable losses.</p> <p>Balanced budget has been approved (Feb 21).</p>	Further update to be received

Public
Key Decision - No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Implementation of Internal Audit Actions

Meeting/Date: Corporate Governance Committee – 14th September 2021

Executive Portfolio: Executive Councillor for Corporate Services
Councillor David Keane

Report by: Deborah Moss, Internal Audit Manager

Ward(s) affected: All Wards

Executive Summary:

Key performance indicator: 100% of audit actions to be implemented by the agreed date. Not achieved.

Performance in the last 12 months* to 5th August 2021:

36 actions introduced - 27% on time, increasing to 73% when including late implementation

13 actions not implemented – 27%

(actions due before the last 12 months period are not included in this measure).*

19 overdue audit actions remained outstanding (at 05/08/21).

Recommendation:

It is recommended that the Committee consider the report and comment as they consider necessary.

1. PURPOSE OF THE REPORT

- 1.1 To update members on the implementation of audit actions.

2. WHY IS THIS REPORT NECESSARY?

- 2.1 At past meetings of the Corporate Governance Committee (CGC), the committee has expressed concerns at the underachievement of the management-set target of implementing 100% of agreed internal audit actions on time. This report provides an update for members based on audit actions that are outstanding as at 05th August 2021. It is intended (resources permitting) that a verbal update of current figures will be provided at the CGC meeting on the 14th September.

3. BACKGROUND

- 3.1 Following each audit review, audit conclusions, associated actions and implementation dates are agreed between the audit client and the audit team. Services can disagree with any action and the audit report is a record of what has been agreed by way of actions and their target dates.
- 3.2 The target for the implementation of 'agreed internal audit actions to be introduced on time' is set at 100% in line with best practice that suggests that all recommendations are implemented by the agreed deadline. The deadline date is set/agreed with the client service and can be extended upon request where reasonable justification is provided (the measurement is taken against the new target date). Therefore, it is reasonable that all actions should be completed by their target date.
- 3.3 For the 12 months ending 5th August 2021, 49 audit actions were due to be implemented. The following shows the performance against due dates:
- 27% (13 actions) were "implemented on time"; this increases to
 - 73% (36 actions) when late implementation is also included
 - 13 actions (27%) have not been implemented.
 - A further 11 actions have an implementation date of 30th September 21. There a none due end of August 2021.

Performance % has deteriorated since the last reported figures. Services have received less individual push from the IAM since the last performance report as it is not considered good use of Audit resource to chase managers to complete agreed actions; this is a responsibility of Senior Management and Committee.

4. NON-IMPLEMENTATION OF AUDIT ACTIONS

- 4.1 Sometimes non-implementation of an action is due to operational circumstances and to reflect this, a process is in place for re-assessing an action's implementation date and extending it where reasonable. Even after the introduction of this process the 100% indicator is still not being achieved.

All such extensions are agreed between the audit client and the Internal Audit Manager. Such audit actions are then not considered as “not implemented” and are excluded from the performance reporting unless the new target has also been missed (measurement is taken against variable target date).

4.2 However, circumstances sometimes prevail such that extended deadlines are missed and the current practice is that non-implementation at this stage is reported to management and CGC.

4.3 As at the 5th August 2021, 17 audit actions remained outstanding (overdue) and not implemented. This includes all overdue actions (not just those due in the last 12 months) to give a more accurate reflection.

A detailed analysis of these actions – providing original and variable deadlines - is shown in the **Appendix**.

Of the 17 actions:

- 1 action 2 years or older
- 3 actions are between 1 and 2 years overdue
- 3 actions are between 6 months and 1 year overdue
- 10 action is less than 6 months overdue

** Time is measured from the ‘original target implementation date’ to the 5th August 2021.*

4.4 All overdue actions continue to be reported to the SLT through our monthly Risk & Controls Board report – all SLT members can see these actions and are strongly encouraged to implement them, in an effort to establish a culture whereby actions are taken seriously and implemented in a timely manner.

5. KEY IMPACTS

5.1 It is important that the Council maintains a sound internal control environment. Actions that the Internal Audit Service propose to address risk and control weaknesses are discussed with Heads of Service and, if appropriate, Directors and agreement is reached as to any corrective action that needs to be taken. Internal audit actions are not imposed on management or Services.

5.2 An action that is not implemented means that the weakness or risk originally identified in the audit report, and which the action was designed to address, will remain as a risk to the organisation.

6. LINK TO THE CORPORATE PLAN

6.1 The Internal Audit Service provides independent, objective assurance to the Council by evaluating the effectiveness of risk management, control, and governance processes. It identifies areas for improvement across these three areas such that Managers can deliver the Corporate Plan objectives as efficiently, effectively and economically as possible.

7. RESOURCE IMPLICATIONS

7.1 There are no direct resource implications arising from this report.

8. REASONS FOR THE RECOMMENDED DECISIONS

8.1 The report has been requested by the Committee and as such, they need to decide what further action they wish to take.

9. LIST OF APPENDICES INCLUDED

Appendix 1 – Overdue Audit Actions as at 5th August 2021

BACKGROUND PAPERS

Audit actions contained within the 4Action system

CONTACT OFFICER

Deborah Moss – Internal Audit Manager

Tel No: 01480 388475

Email: deborah.moss@huntingdonshire.gov.uk

Appendix 1: Overdue Audit Actions @ 05 August 21

Overdue Audit Actions									
Ref	Audit Name and Action Number	Assignee	Action / Risk Priority	Detail	Evidence to be Provided	Current Due Target	Original Target Date	Status	Time lapse since original date (months)
1137	Data Protection and Information Management 15.16 / 10	Oliver Morley		The Senior Information Risk Officer (SIRO) shall decide how long information and emails etc shall be kept within Anite, and the process for purging or archiving. <i>The SIRO role was transferred on the departure of the previous incumbent late 2019, and the role reassigned the Corp Director (O Morley).</i>	Decision taken and copy of instruction informing managers.	31/07/2018	30/09/2016	NotStarted	39
1529	PCI DSS 18.19 / 3	Oliver Morley		A training needs assessment should be performed for all members of staff that have responsibility for PCI DSS compliance activities so as to determine their training needs.	Shared Service Management Board minutes	01/04/2020	01/04/2020	NotStarted	16
1530	PCI DSS 18.19 / 4	Oliver Morley		Compliance should be monitored and action taken when members of staff are found to have not completed the PCI DSS training or have not read the policy and procedures.	Shared Service Management Board minutes	01/04/2020	01/04/2020	NotStarted	16

1531	PCI DSS 18.19 / 5	Oliver Morley		<p>Actions need to be drawn together in a policy which sets out how the council will manage PCA DSS compliance activities and the policy should be reviewed on a regular basis. this should include but not be limited to:</p> <ul style="list-style-type: none"> - Assignment of roles and responsibilities for ensuring that the Council is PCS DSS compliant - Procures for staff that are responsible for taking card payments - The Council's security strategy in relation to the storage, processing and transmission of credit card data - A set of instructions for detecting, responding to the storage, processing and transmission of credit card data. 	Shared Service Management Board minutes	01/04/2020	01/04/2020	NotStarted	16
1526	Protocol Policy Management System 18.19 / 3	Madelaine Govier		Management will put a plan in place to seek staff awareness of IT policies by including a rolling awareness programme for extant policies within the protocol policy management system.	High level plan.	30/11/2020	01/06/2020	NotStarted	14

1513	Access Management Control 19.20 / 5	Sagar Roy		<p>Head of IT & Digital 3C Shared Services should ensure requirements for setting up new user access to the network are set out in formal policy document and is uploaded onto the intranet and the PPMS.</p> <p>Line managers acknowledge the formal policy set out by 3CSS which ensures 3CSS are notified of leavers in timely manner.</p>	<p>User access policy or requirements in an equivalent policy.</p> <p>Acknowledgement from line managers and employee owners.</p>	31/08/2020	31/08/2020	InProgress	11
1516	Hardware & Software Asset Management Control 19/20 / 3	Colin Chalmers		<p>A thorough review of the ICT asset database should be undertaken on a regular basis to ensure that all assets include a location and the information recorded on them is complete, accurate and up to date.</p>	<p>Review of records highlighted by BDO. Supporting evidence - written confirmation that task to review location records has been completed,</p>	31/12/2020	01/09/2020	InProgress	11
1552	Purchase Order Compliance	Claire Edwards		<p>Investigation will be made into finding out how many supplier accounts we have for employees and put these accounts into suspension so they cannot be used.</p>	<p>IA to be advised of outcome.</p>	30/04/2021	30/04/2021	NotStarted	3

1540	IT Maintenance Schedule Planning 20.21 Action 2	Alex Young		"Management should update the published Business Applications matrix to document which team/third party vendor is responsible for the management of security update patches/version upgrades."	"Updated Business Applications matrix."	31/07/2021	31/07/2021	InProgress	0
1545	Purchase Order Compliance 2019.20 / 1	Claire Edwards		Investigation into what can be done within the system to place a lockdown on budget codes so only budget manager and their delegated officers can use their cost centre and approve expenditure on their code.	Claire Edwards to provide details to IA of what investigation has been carried out and its conclusions.	30/06/2021	30/06/2021	NotStarted	1
1546	Purchase Order Compliance 2019.20 / 2	Claire Edwards		This investigation will also find out what HDC can amend alone and what can be done with Tech1 assistance (and the cost of this).	Details to be advised to IA	30/06/2021	30/06/2021	NotStarted	1
1547	Purchase Order Compliance 2019.20 / 3	Claire Edwards		Investigation should also look at whether the system can be set so that the PO originator defaults to sending the PO to the budget holder i.e. link a user to a default approver.	Evidence of review and outcomes.	31/07/2021	31/07/2021	NotStarted	0
1568	Land Charges 18.19 / 3	Claire Edwards		Written procedures should be in place to support how the costs and calculation process is carried out.	Procedure notes to be completed and uploaded to action before closure.	30/06/2021	30/06/2021	InProgress	1
1579	Cyber Security Risk Management 2020.21 / 5	Alex Young		Management should track the ongoing reduction of Domain Administrator accounts. Best practice is to have only 8-10 domain administrators.	It is acknowledged that work is underway to reduce the number of Domain Administrator	31/05/2021	31/05/2021	NotStarted	2

				accounts, but a target date should be set for when the validation exercise is due for completion, with regular reporting in place to monitor the decrease in number.					
1580	Cyber Security Risk Management 2020.21 / 6	Alex Young		Management should ensure that the migration plans of unsupported Windows system is recorded and tracked to completion.	A defined roadmap should be produced to outline the total number of systems which will be decommissioned and by what date, and progress status reports should be produced and shared with key stakeholders.	31/07/2021	31/07/2021	NotStarted	0
1581	Cyber Security Risk Management 2020.21 / 7	Alex Young		Management should put a procedure in place to apply anti-malware signature updates to devices that do not connect to the Council's IT network on a routine basis. This should include a process to restrict any non-complying devices connecting to the Council's IT network.	ICT is currently assessing each endpoint to validate the extent of the outdated agent and as part of that exercise should any device be found to be severely out of date, it must be investigated further and, if deemed to be a risk, prohibited from accessing the network until it is compliant.	31/05/2021	31/05/2021	NotStarted	2

1599	Creditors 2020.21 / 3	Sandra Dean		The Supplier Amendment Form (SAF) will be updated to include the requirement for Tech1 to be checked for existing suppliers prior to the new supplier being requested. In addition, AP staff will be reminded of the need to check the system before a new supplier is created.		31/07/2021	31/07/2021	NotStarted	0
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TOTAL 17

Public
Key Decision - No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Internal Audit Service: Interim Progress Report

Meeting/Date: Corporate Governance Committee – 14
September 2021

Executive Portfolio: Executive Councillor for Corporate Services
Councillor David Keane

Report by: Internal Audit Manager

Ward(s) affected: All Wards

Executive Summary:

This report details the work completed/undertaken by the Internal Audit Service during the period April 2021 to end July 2021. It is noted that historically and interim progress report would cover half of the year and be reported to committee in the October or December meeting.

The Internal Audit Manager's opinion on the Council's internal control environment and systems of internal control as at 31 March 2021 was that it provided adequate assurance over key business processes and financial systems. However, there was a limitation placed upon the opinion for the area of risk management which was excluded from the opinion as there was insufficient evidence to be able to provide an assurance opinion. From the work that has been completed since, that opinion remains unchanged.

During the reporting period it should be noted that:

- The 2020-21 Audit Plan has been completed and all reviews have been completed and reported and agreed audit actions assigned to the database for monitoring.
- For the 2021-22 Audit Plan some reviews are underway but only one has been completed/reported on.
- No changes have so far been made to the Audit Plan except for dropping some quarter reviews from the key systems continuous reviews. Very little time has passed since the Plan started. No new requests for assurance have been received from any source, similarly, no new emerging areas or risks have been notified to Internal Audit for inclusion.
- IT audit provision: it has been decided that it is within HDC's interest to allow a direct award of contract for a further year and BDO have agreed. The IT audit plan remains under discussion.
- 4Action software continues to be used for real-time management and reporting on the implementation of audit actions.

In accordance with the Internal Audit Charter, the Internal Audit Manager continues to report functionally to the Corporate Governance Committee and administratively to the Assistant Director of Corporate Services. She has maintained organisational independence and has had no constraints placed upon her in respect of determining overall audit coverage, audit methodology, the delivery of the audit plan or proposing actions for improvement or forming opinions on individual audit reports issued.

Resourcing the Service has proved to be an ongoing issue throughout the period. The Internal Audit Manager was confirmed to post in April 2021 leaving behind a vacancy for the Auditor post. It has been very difficult to recruit to this post, with limited suitable candidates and a failed recruitment drive. Instead we looked to training our own auditor and a new trainee is due to start within this role in September. This leaves the Service in its fully resourced position but there will be impact on delivery as the trainee will be given training days (internally and for professional qualification) and the Manager and Auditor will be required to train and mentor.

Recommendation(s):

The Committee is recommended that in considering the report, the following should be noted:

1. The Internal Audit Manager's unchanged opinion of 'adequate assurance' over the internal control environment and system of internal control; and
2. The Internal Audit Plan as agreed by Committee in March 2021 remains a flexible list of reviews and is unlikely to be fully delivered this year.
3. SLT have been invited to provide areas where assurance is required and also new/emerging areas, both of which should be continually considered for inclusion in the flexible Plan.

1. PURPOSE OF THE REPORT

- 1.1 This is an interim progress report detailing the performance of the Internal Audit Service for the period April - July 2021.

2. WHY IS THIS REPORT NECESSARY

- 2.1 The Public Sector Internal Audit Standards (PSIAS) require that the Committee (who fulfil the role of the Board, as defined by PSIAS) receive an annual report on the work of the Internal Audit Service. Best practice suggests that an interim report should also be presented, to keep the Committee aware of any issues of concern that have been identified and the progress achieved with the delivery of the audit plan.

3. ANALYSIS

- 3.1 The progress report (April-July 2021) on the Internal Audit Service is attached at Appendix 1.

4. KEY IMPACTS / RISKS

- 4.1 Insufficient audit assurance work risks the inability to provide an annual audit opinion.

5. LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES AND/OR CORPORATE OBJECTIVES

- 5.1 The Internal Audit Service provides assurance to both management and the Panel that risks to the delivery of the Corporate Plan across all of its areas are understood and managed appropriately.

6. REASONS FOR THE RECOMMENDED DECISIONS

- 6.1 The report is for information purposes and to allow Committee to gain an understanding of the views of the Internal Audit Manager on the internal control environment and systems of internal control.

7. LIST OF APPENDICES INCLUDED

Appendix 1 – Internal Audit Interim Progress Report
Appendix 2 – Audit Plan 2021.22

8. BACKGROUND PAPERS

Internal Audit reports
Internal Audit performance management information

CONTACT OFFICER

Name/Job Title: Deborah Moss, Internal Audit Manager
Tel No: 01480 388475
Email: Deborah.moss@huntingdonshire.gov.uk

INTERNAL AUDIT SERVICE

Interim Progress Report: April To July 2021

1. DELIVERY OF 2021/22 Audit Plan

- 1.1 Committee approved the Internal Audit Plan at its March 2021 meeting. During the last few years, a mixture of Plans has been formulated from an annual plan, 2 x six-monthly plans to quarterly plans. Due largely to the limited size and capacity within the team, no one method of presenting a plan has proved better than another. For this year's work an annual plan was prepared and took the form of a list of areas that it was felt should be looked at and put in a basic priority order. The limited and unknown audit resources suggested that presenting in number of days was impractical until a steady audit resource was in place. In reality, the order with which these reviews are taking place depends on who is available and most appropriate to carry out the review (especially given the limited staff and other responsibilities).
- 1.2 During the period, the Internal Audit Service faced challenges in terms of audit resource. The Acting Internal Audit Manager was appointed to the permanent role in April 2021 on a part-time basis, leaving behind an Auditor post vacancy. Recruitment to this post proved difficult with a national shortage of auditors generally and fewer with public sector experience. An applicant was appointed but then withdrew due to a counter-offer. A decision was taken that, rather than advertise externally again or resort to Agency assistance, which would be significantly more expensive, we would advertise internally for a trainee internal auditor and 'grow our own'. This plan proved successful and a new trainee auditor is due to start at the beginning of September. It is intended that this trainee will learn on-the-job and study for the Institute of Internal Auditors (IIA) qualification at the same time. The grade awarded to the post will hopefully retain this postholder long after qualification and support resilience and succession planning for the future.
- 1.3 Supporting a trainee within a very small team will have an effect on the Service delivery but is a worthy investment in future capacity and long-term sustainability. The trainee will be given days to support their development plan and a training days allowance to support the IIA study. Currently the amount is undetermined.
- 1.4 For the period April – July the Service has been operating on just over 1 full time equivalent (FTE) to cover all audit (both reviews and manager work) and non-audit work.

From September the IA Service will be resourced as follows:

Internal Audit Manager –	0.67 FTE
Auditor -	0.43 FTE
Trainee Internal Auditor –	1.0 FTE

Total for general audit	2.1 FTEs
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Operating at full capacity and within current budget.

- 1.5 The nature of internal audit work is such that the audit plan may change frequently. Adjustments may need to be made to the audit plan to respond to changes that are occurring within the Council, so ensuring that audit time is spent reviewing the most appropriate areas or to take account of unplanned additional time being spent on audit reviews. SLT have been asked to feed any such areas into the plan but there has been little to no input received.
- 1.6 The judgement of the Internal Audit Manager is that, following the unprecedented pandemic year, Services are still balancing between adjusting and maintaining their business-as-usual work, and thus any further requests are not given the attention they should be given due to capacity levels and 'priority balancing'.
- 1.7 The Audit Plan therefore remains as its original list with a further list of emerging areas that could become replacement reviews if needed or rolled over to the 2022/23 Plan. No audit reviews have been removed (with the exception of some quarterly reviews - see below) and no additional areas thus far added. Given the early timing of this report in the financial year, it is likely that the plan could change later in the year but any such changes will be made under consultation with the Assistant Director and the Chair of the Committee.
- 1.8 Audit reports that have been issued in the period since April 2021 are listed below together with the assurance opinion given. Copies of final audit reports for the 2020.21 Plan have been circulated to the Committee by email.

<i>Title</i>	<i>Opinion</i>
Cyber Security 20.21	Limited
Treasury Management 20.21	Adequate
Budgets & MTFs 20.21	Adequate
Budget monitoring & Forecasting 20.21	Substantial
Housing Benefit – Creditors 20.21	Adequate
Housing Benefit – Debtors 20.21	Adequate
Digital Service Management 20.21	Adequate
Main Accounting System 20.21	Adequate
Creditors 20.21	Adequate
Debtors 20.21	Limited
Council Tax & NNDR 20.21	Adequate
Contractor Management 20.21	Limited
Cloud Services 20.21	Limited
Capital Plan follow-up review 21.22	No opinion

- 1.9 The attached audit plan shows the status of each audit review. The following plan work has been undertaken:
- | | |
|--|------------------------------|
| Quarter 4 reviews on all key financial systems | - completed and reported |
| Quarter 1 reviews on selected key financial system | - completed |
| Delivery of Capital Plan | - memo report issued |
| Contract expenditure review | - near completion |
| Northgate | - discussions undertaken |
| Town Programme | - started, testing underway |
| DFG certification | - completed |
| Covid account | - initial discussions held |
| Recruitment module of new system | - quick overview of controls |
- 1.10 Due to the limited resources of both the IA service and the client services, the Audit Manager has taken the decision to remove some quarter reviews from the key financial system reviews which are usually performed under continuous

review every quarter. This has been done on a risk-balanced basis: the Housing Benefits system is found generally to be compliant and has therefore been dropped from review for Q1; Q2 reviews will similarly be removed from some areas where compliance is good and an opinion can be made on two/three quarter reviews instead of 4. Coverage taken will be stated in the annual IA report at year end.

1.11 Internal Audit has also completed work in several other areas including:

- Supporting the Corporate Governance Committee in the annual governance review, the preparation of the Annual Governance Statement and its annual report
- Membership of the new Risk & Controls Group and its reports to SLT
- Discussions on the new Recruitment module on HR system
- National Fraud Initiative reviews
- Guidance and advice have also been provided to managers and staff on an ad-hoc basis on a wide variety of control issues.
- Advice/info to insurers on several issues
- Advice and info to other local authority Audit Managers
- Attendance at Management Team, Services Forums, etc
- Preparation of reports to CGC, including progress information on AGS issues
- IT audit contract management and engagement work
- Complaints received via Whistleblowing
- Advice on data breach by third party
- Corporate complaint (MD request)
- Advice on latest Covid grant award
- IA intranet site maintenance and review

2. IT AUDIT

2.1 The IT audit contract with our providers BDO Ltd expired in March 2021. Following consultation with HDC's Procurement Lead, a decision has been taken to award a direct contract for one year to BDO under the same contract terms. This has been agreed by BDO and ICT management have been asked to propose areas for inclusion in an IT audit plan for this year. This is still in preparation as there is limited Risk information that could be used to assess areas that need assurance provided by an audit review. Once proposals are made, BDO can be appointed and decide together what areas will be audited in 2021/22.

2.2 All the planned IT audit reviews for 2020/21 have been completed and reports issued. Due to covid, a significant amount of both the fieldwork and the reporting on these reviews fell over into 2021/22. Both BDO and HDC worked together to ensure the reviews were completed as efficiently as possible and significant Audit Manager time had to be redirected towards this to ensure the audits were closed in time to be included in the annual opinion report and Annual Governance Statement for last year.

3. IMPLEMENTATION OF AGREED ACTIONS

- 3.1 Separate reports on the implementation of agreed audit actions are regularly provided to both Committee (currently at each meeting) and the Senior Leadership Team (via the monthly Risk & Controls Group report).
- 3.2 The 4Action system continues to be used to record, manage and report on all agreed audit actions that result from audit reviews. A system for managing the audit follow-up of implemented actions still needs to be designed (to eliminate time used inefficiently on manual monitoring). Presently, follow ups of individually selected actions are not carried out as we instead concentrate our efforts on audit reviews. However, there are several follow up reviews of previous audit areas listed in the audit plan because they are assessed as significant.
- 3.3 IT audit actions were all followed-up last year and any found not in place were reopened for further work by the Service.

4. ISSUES OF CONCERN

- 4.1 Whilst there have been a number of limited opinion reports issued since April 2021 these relate to the previous year's audit plan and were therefore included in the annual report and opinion for 2020/21. These reports were only recently presented to Committee in July 2021. There is nothing new of any significance that needs to be brought to the attention of the Committee.

5. INTERNAL AUDIT'S PERFORMANCE

- 5.1 As reported in the Annual Report in July, service delivery targets and customer satisfaction targets have not been maintained due to the low throughput of reports and staffing and the known resource time it has taken in previous years to produce these statistics.

- 5.2 Previous service delivery targets included:

- Completion of audit fieldwork by the date stated on the audit brief
- Issue draft audit reports within 15 days of completing the fieldwork
- Meet with the customer and receive response allowing draft report to progress to final within 15 working days of issuing a draft report
- Issue final audit report within 5 working days of receiving full response

And customer satisfaction targets included:

85% or more of auditees rating service quality as good or better (this was obtained by an end of audit survey form which managers were requested to completed giving an opinion on the value of the audit.

Whilst not reported on, our internal processes still support issuing reports within these 'deadlines' and will continue to be used within the team to both progress audits and evaluate auditor performance generally.

Deborah Moss, Internal Audit Manager
Huntingdonshire District Council
August 2021

CORPORATE GOVERNANCE COMMITTEE PROGRESS REPORT

nttCommitt ee	Decisions	Date for Action	Action Taken	Officer Responsible	Delete from future list
<p>27/01/2021</p> <p>24/03/2021</p>	<p>Data Protection Compliance: Update on Action Plan Agreed that quarterly reports on data protection compliance be submitted at future meetings.</p> <p>No longer necessary for quarterly reports but a future report to be submitted once all actions have been concluded successfully.</p>	<p>TBC</p>	<p>Report to be submitted to a future meeting.</p>	<p>Information Governance Manager</p>	<p>No</p>
<p>N/A</p>	<p>Code of Procurement: Status and Forward Plan Item added at request of Assistant Director, Corporate Services.</p>	<p>30/09/2021</p>	<p>Report to be submitted to 26 January 2022 meeting.</p>	<p>Assistant Director, Corporate Services</p>	<p>No</p>
<p>27/01/2021</p>	<p>The Code of Procurement Waiver Procedure Digest of all uses of the waiver procedure to be presented to the Committee.</p>	<p>At future meetings as required.</p>	<p>An update, if relevant, will be provided at the meeting.</p>	<p>Assistant Director, Corporate Services</p>	<p>No</p>

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