

A meeting of the **CORPORATE GOVERNANCE COMMITTEE** will be held in the **CIVIC SUITE (LANCASTER/STIRLING ROOMS), PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON, CAMBS, PE29 3TN** on **WEDNESDAY, 26 APRIL 2023** 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 25th January 2023.

**Contact Officer: H Peacey - (01480) 388007**

**2. MEMBERS' INTERESTS**

To receive from Members declarations as to disclosable pecuniary, other registerable and non-registerable interests in relation to any Agenda item. See Notes below.

**Contact Officer: Democratic Services - (01480) 388169**

**3. ASSISTANT DEPUTY EXECUTIVE LEADER- VARIATION TO ARTICLE 7 OF THE CONSTITUTION** (Pages 11 - 20)

To amend the Council's Constitution to reflect the new role responsibilities of Assistant Deputy Executive Leader following the approval of a Special Responsibility Allowance for this role at Council on 29th March 2023.

**Contact Officer: L Jablonska - (01480) 388004**

**4. EXTERNAL AUDIT UPDATE 2021/22**

To receive an update on progress with the External Audit 2021/22 – **“TO FOLLOW”**.

**Contact Officer: K Sutton/S Russell-Surtees - (01480) 387072 / 388524**

**5. INTERNAL AUDIT CHARTER (Pages 21 - 34)**

To receive a report from the Internal Audit Manager on the Internal Audit Charter.

**Contact Officer: D Moss - (01480) 388475**

**6. IMPLEMENTATION OF INTERNAL AUDIT ACTIONS (Pages 35 - 64)**

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

**Contact Officer: D Moss - (01480) 388475**

**7. CORPORATE GOVERNANCE COMMITTEE PROGRESS REPORT (Pages 65 - 66)**

To receive the Corporate Governance Committee Progress Report.

**Contact Officer: H Peacey - (01480) 388007**

18 day of April 2023

***Oliver Morley***

Head of Paid Service

**Disclosable Pecuniary Interests and other Registerable and Non-Registerable Interests.**

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

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The District Council also permits filming, recording and the taking of photographs at its meetings that are open to the public. Arrangements for these activities should operate in accordance with [guidelines](#) agreed by the Council.

**Please contact Habbiba Peacey, Democratic Services Officer, Tel: (01480) 388007 / email: [Habbiba.Peacey@huntingdonshire.gov.uk](mailto: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 CIVIC SUITE (LANCASTER/STIRLING ROOMS), PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON, CAMBS, PE29 3TN on Wednesday, 25 January 2023

PRESENT: Councillor N Wells – Chairman.

Councillors A M Blackwell, J Clarke, J A Gray, J E Harvey, S A Howell, P Kadewere, T D Sanderson, I P Taylor and R J West.

APOLOGY: An Apology for absence from the meeting was submitted on behalf of Councillor P J Hodgson-Jones.

### **34 MINUTES**

The Minutes of the meeting of the Committee held on 30th November 2022 were approved as a correct record and signed by the Chair.

### **35 MEMBERS' INTERESTS**

No declarations were received.

### **36 UPDATE ON CODE OF CONDUCT AND REGISTER OF DISCLOSABLE PECUNIARY INTERESTS**

With the aid of a report prepared by the Elections and Democratic Services Manager (a copy of which is appended in the Minute Book) the Committee were updated on the adoption of Codes of Conduct by Town and Parish Councils and the receipt and publication of register of interests forms on behalf of District, Town and Parish Councillors.

In introducing the report, the Elections and Democratic Services Manager reminded the Committee of their responsibility for maintaining high standards of conduct by Members of the District and Town and Parish Councils, for monitoring the operation of the Code of Conduct and for considering the outcome of investigations in the event of breaches of the Code. Attention was then drawn to Appendix 1 of the report which outlined the current position with the return of Disclosable Pecuniary Interests (DPI) forms from the Town and Parish Councils and Appendix 2 which summarised the Code of Conduct positions for each of the District's parishes. The Committee were pleased to note that whilst there were 83 vacant seats across the Town and Parish Councils, only 7 DPI forms remained outstanding. Furthermore it was reported that parishes were regularly chased for returns with forms published on the District Council's website.

Having commended the Town and Parish Councils for the low level of DPIs that remained outstanding, it was

RESOLVED

that the contents of the report now submitted be noted.

### **37 IMPLEMENTATION OF INTERNAL AUDIT ACTIONS**

*(At 7:06pm, during discussion on this item, Councillor J A Gray took his seat at the meeting).*

*(At 7:09pm, during discussion on this item, Councillor S A Howell took her seat at the meeting).*

A report by the Internal Audit Manager was submitted (a copy of which is appended in the Minute Book) providing an update on the implementation of internal audit actions.

The latest data now revealed 57% of actions being introduced on time (including those with late implementation). 21 actions were yet to be implemented and 26 overdue audit actions remained outstanding. Since the previous meeting, 3 actions had been implemented and closed, 56 had been closed since April 2022 and 48 remained open since January 2023. The Committee's attention was drawn to Appendix 1 which provided an update from services on the status of overdue audit actions.

In response to a question raised by Councillor J A Gray, the Internal Audit Manager confirmed that there were no specific actions that were of particular concern and that she had been thinking of ways to proactively issue meaningful reminders to Officers about their audit actions and highlighted the role of Senior Management in discussing these matters with Service Managers at one to one meetings. A subsequent question was then raised by Councillor J A Gray on whether the Committee wished to be provided with more commentary around Senior Management's actions and involvement in such matters. The Director for Finance and Corporate Resources responded by assuring the Committee that the Risks and Control Group highlighted any risks and concerns to Senior Management as necessary.

Questions were then raised by Councillors A M Blackwell and I P Taylor around the outstanding audit action relating to debtors. The Director for Finance and Corporate Resources reported that more detailed information around the performance of the service was available in the quarterly finance performance reports submitted to the Overview and Scrutiny Panel (Performance & Growth) and the Cabinet and that the level of current resource and performance levels achieved were deemed satisfactory. Councillor A M Blackwell expressed the view that the Council should be working harder to drive down arrears. In response to which assurances were delivered that the Council were successful in working with its debtors and negotiating payment terms on a case by case basis. Furthermore it was reported that the Council was mindful of the cost of living crisis and the current economic climate and that an indicator of those struggling to make payments on their Council Tax would be if individuals started to cancel their monthly Direct Debits.

Following a question raised by the Chair, the Committee expressed their wish to continue receiving Appendix 2 which outlined audit actions which had been closed/implemented since April 2022. Whereupon, it was

RESOLVED

that the content of the report now submitted be noted.

**38 APPOINTMENT OF AN INDEPENDENT MEMBER TO THE CORPORATE GOVERNANCE COMMITTEE**

Consideration was given to a report by the Internal Audit Manager (a copy of which is appended in the Minute Book) seeking the Committee's view on the appointment of an Independent Member to the Corporate Governance Committee.

By way of background, the Internal Audit Manager reported that Government reports and the Chartered Institute of Public Finance and Accountancy (CIPFA) had now recommended the appointment of at least one Independent Member, suitably qualified, to an Audit Committee. The Government has also indicated its intention to make this mandatory in the future. In preparation for this, some authorities have already appointed an Independent Member in the interests of good governance and transparency and it is proposed that Huntingdonshire should do the same. Having been acquainted with the benefits to the Committee, which included specialist knowledge and insight, independent challenge, transparency and neutrality and assisting with maintaining continuity and corporate memory for the Committee, Members' attention was then drawn to Appendix A which outlined a draft example person specification for the role.

A question was raised by Councillor J A Gray querying who would be sitting on the Appointments Panel to interview candidates for the role(s). It was confirmed that this would comprise the Chair and Vice-Chair of the Committee, Director of Finance and Corporate Resources and the Internal Audit Manager. A subsequent question was then raised by Councillor J A Gray on the proposal to appoint an individual on a three year term commencing 1st May 2023 and how this contradicted the benefit of corporate memory within the Committee given that all District Councillors would be up for election at the same time. In acknowledging this, it was suggested that further thought might need to be given to CIPFA's recommendation for up to 2 individuals to be appointed with the start date of commencement varying for each individual.

In response to a question raised by Councillor P Kadewere querying whether individuals would be remunerated, it was confirmed that this matter would also require some further thought. The Elections and Democratic Services Manager advised that the Independent Remuneration Panel had recently met to undertake a full review of Members' Allowances and that the matter would need to be referred onto them for consideration. The Committee were also informed that the Lead and Deputy Independent Persons appointed by the Council for the purposes of conducting Code of Conduct investigations received some form of remuneration for their work and that perhaps this might provide a starting point for the level of remuneration to be awarded to any Independent Members appointed to the Committee. Given the discussions on remuneration and the number of Independent Members to be appointed, Councillor J E Harvey

proposed an amendment to recommendation (b) of the report now submitted for up to 2 non-voting Independent Members to be appointed by the Council on to the Committee which was supported by Members.

In response to a question raised by Councillor I P Taylor proposing the start date of commencement 6 months after the May elections, the Elections and Democratic Services Manager advised against stipulating a start date now given the level of work yet to be undertaken to refine the proposals which included seeking Council approval in February 2023, engaging with the Independent Remuneration Panel to address questions which had been raised around remuneration and the need to advertise and recruit to the roles.

Owing to the absence of detail within the report, the Committee considered a suggestion to bring the report back to a future meeting. The view was expressed by Councillor J A Gray that the process should not be held up and that the report should continue to be submitted to Council on 22nd February 2023 with a suggestion that detail on the proposals should be worked up by the Chair and Officers and circulated to the Committee outside of the meeting. In that light and following discussion on the matter, the Elections and Democratic Services Manager suggested that an additional recommendation be added to the report proposing delegated authority to be given to the Chair and Vice-Chair, in conjunction with the Corporate Governance Committee, to finalise details including the level of remuneration, term of office and length of appointment of Independent Members to the Committee. Councillor J E Harvey also requested that the start date of commencement also be included in the delegation.

Councillor R J West questioned whether the Government or CIPFA had issued any best practice guidance on the process of setting up Independent Members on Audit Committees, to which the Internal Audit Manager responded that it was up to individual Councils to do. She then went on to advise that Cambridge City Council had appointed an Independent Member to its Committee.

Councillor A M Blackwell queried whether individuals would be able to terminate their service part way through their term. The Elections and Democratic Services Manager responded that the advert would need to specify the term of office required for the role so that candidates were aware of commitments prior to applying. Furthermore, it was noted that the Council ultimately would be responsible for confirming Independent Member appointments to the Committee.

Members were reminded by Councillor R J West of the Overview and Scrutiny Co-opted Members that served a four year term ending in 2014. It was confirmed by the Elections and Democratic Services Manager that this provision no longer existed and had been removed from the Council's Constitution.

Having agreed to amend recommendation (b) and to add a further recommendation giving delegated authority to the Chair and Vice-Chair with a view to finalising details within the proposals, the Committee

RESOLVED

- (a) to note the additional guidance provided on the appointment of Independent Member(s) to Audit Committees;



- (b) to recommend to Council the approval of the appointment of up to 2 non-voting Independent Members to the Corporate Governance Committee as set out in paragraph 5.6 of the report now submitted;
- (c) to recommend to Council the approval of the variation to the membership of the Corporate Governance Committee as set out in Part 3 – Responsibility for Council Functions – of the Council’s Constitution as outlined in paragraph 5.6 of the report now submitted;
- (d) to recommend to Council the making of necessary amendments to the Council’s Constitution; and
- (e) to delegate authority to the Chair and Vice-Chair, in conjunction with the Corporate Governance Committee, to finalise details including the level of remuneration, term of office, length of appointment and start date of commencement for the appointment of Independent Member(s) to the Corporate Governance Committee.

### **39 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. In doing so, the Democratic Services Officer advised that there had been no uses of the Code of Procurement Waiver Procedure since the previous meeting.

Councillor J A Gray reminded the Committee of the request which had been made at the December 2022 Council meeting to undertake a full review of the Council’s Constitution. The Elections and Democratic Services Manager reported that there were currently no plans for a full review to be undertaken owing to the lack of budgetary provision but that a bid could be made in the future as part of the budget setting process.

Chairman

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**Public**  
**Key Decision - No**

## HUNTINGDONSHIRE DISTRICT COUNCIL

**Title/Subject Matter:** Assistant Deputy Executive Leader – Variation to Article 7 of the Constitution

**Meeting/Date:** Corporate Governance Committee – 26th April 2023  
Council – 17th May 2023

**Executive Portfolio:** Executive Leader – Councillor S Conboy

**Report by:** Elections and Democratic Services Manager

**Ward(s) affected:** All or list individual Ward(s)

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### **Executive Summary:**

Following the approval by the Council of an amended Scheme of Members' Allowances on 29th March 2023, the revised Scheme made provision for a Special Responsibility Allowance payable to the role of Assistant Deputy Executive Leader that was created by the Joint Administration at the start of the Municipal Year in 2022/23 but was not remunerated. As this post currently does not exist in the Council's Constitution, it is necessary for the Council's Constitution to be updated to reflect this role.

### **Recommendation:**

The Corporate Governance Committee is

### **RECOMMENDED**

- (a) to endorse a variation to Article 7 of the Council's Constitution as outlined in Appendix B of the report now submitted; and**
- (b) to recommend to Council that the necessary variation be made to the Council's Constitution.**

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

- 1.1 The purpose of this report is to amend the Council's Constitution to reflect the new role responsibilities of Assistant Deputy Executive Leader following the approval of a Special Responsibility Allowance for this role at Council on 29th March 2023.

## **2. BACKGROUND**

- 2.1 The Council's Constitution provides the framework from within which it conducts its business. It describes who is responsible for making decisions and how decisions are made. The Council may amend its Constitution at any time to keep it up to date to reflect changes in the law or changes to Council policy and procedure.
- 2.2 The new role has been created to allow for the administrations of different political/organisational structures that have not existed previously.

## **3. ARTICLE 7**

- 3.1 Article 7 of the Council's Constitution relates to the Cabinet, including its form and composition. Council agreed at their meeting on 29th March 2023 to provide remuneration for the role of Assistant Deputy Executive Leader.
- 3.2 A copy of the role description for Assistant Deputy Executive Leader is attached as Appendix A to this report. For clarity, this is not a statutory role and the post holder will carry out tasks and duties assigned to them which are legally permissible.
- 3.3 Appendix B shows the additions/changes proposed to Article 7 of the Constitution denoted in red.

## **4. LEGAL IMPLICATIONS**

- 4.1 The proposed variation will impact directly upon the current Constitution. It is necessary to reflect the new role responsibilities in the Cabinet and to update Article 7 of the Constitution to this effect.

## **5. RESOURCE IMPLICATIONS**

- 5.1 The role of Assistant Deputy Executive Leader currently does attract a Special Responsibility Allowance and there is provision in the existing Members' Allowances budget to support this.

## **6. REASONS FOR THE RECOMMENDED DECISIONS**

- 6.1 Creating scope to appoint to a role of Assistant Deputy Executive Leader assists the Council's constitutional arrangements allowing for governing administrations composed of more parties than has historically been the case in the past. Where appointed, the Assistant Deputy Executive Leader will work alongside the Executive Leader and Deputy Executive Leader and provide ongoing support to those roles. An update to the Council's

Constitution is necessary to reflect incorporation of Assistant Deputy Executive Leader as approved in the revised Scheme of Members' Allowances at Council on 29th March 2023.

## **7. LIST OF APPENDICES INCLUDED**

Appendix A - Assistant Deputy Executive Leader Role Description  
Appendix B – Proposed Changes to Article 7 of the Constitution

## **8. BACKGROUND PAPERS**

[HDC Constitution](#)  
[Report to Council on Members Allowances – 29th March 2023](#)

### **CONTACT OFFICER**

Name/Job Title: Lisa Jablonska/Elections and Democratic Services Manager  
Tel No: (01480) 388004  
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## **ASSISTANT DEPUTY EXECUTIVE LEADER**

An Assistant Deputy Executive Leader may be appointed to support the Executive Leader and Deputy Executive Leader in carrying out their duties in a variety of ways. This is not a statutory role and the post holder will carry out tasks and duties assigned to them which are legally permissible.

### **Purpose**

1. To assist and work with the Executive Leader and Deputy Executive Leader to provide effective political leadership and strategic direction for the Council.
2. To assist the Executive Leader and Deputy Executive Leader with their responsibilities such as ensuring effective Corporate Governance and Stewardship of the Council and to ensure the Council delivers high quality, value for money services.
3. To deputise for the Executive Leader and Deputy Executive Leader as appropriate.

### **Duties and Responsibilities**

1. To assist and work with the Executive Leader and Deputy Executive Leader in delivering their responsibilities to the Council.
2. To deputise for the Executive Leader and Deputy Executive Leader in either of their absences from Council and Cabinet meetings as appropriate.
3. In the Deputy Executive Leader's absence to carry out the requirements of his/her job profile so far as legally possible and permissible.
4. To carry out such other duties and undertake portfolio responsibilities as delegated by the Executive Leader and Deputy Executive Leader.
5. To encourage the highest standards of probity and corporate governance, and to promote inclusivity and transparency in all that the Council does.

### **Desired Skills**

1. Good communication and interpersonal skills.
2. To have the ability to analyse and grasp complex issues.
3. A good understanding of how local and national government operates.
4. A clear understanding of the operation of the Council, and the economic and social situation within Huntingdonshire.
5. Business and financial acumen, including the ability to understand and manage the Council's budget.
6. Effective leadership skills.
7. Excellent political knowledge and awareness.
8. The ability to chair meetings and facilitate open discussion.
9. The ability to work effectively with Council officers, the public, the media and outside organisations.
10. Competent in the use of IT, including email and electronic calendars.

However, an Assistant Deputy Executive Leader cannot be a member of an Overview and Scrutiny Panel.

These duties and responsibilities are in addition to those detailed in the role description for an elected Member and Cabinet Member.

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**PROPOSED CHANGES TO ARTICLE 7 OF THE  
CONSTITUTION - THE CABINET**

**1. THE EXECUTIVE LEADER AND CABINET**

- 1.1 The Executive Leader is responsible for the discharge of all of the Council's functions which are not the responsibility of any other part of the Council, whether by law or under this Constitution. The Executive Leader has arranged for the discharge of the executive functions by the Cabinet which, unless the Executive Leader otherwise directs will undertake those functions collectively or by delegation to a panel of the Cabinet or individual executive councillors as specified in Tables of Part 3 of this Constitution.

**2. FORM AND COMPOSITION**

- 2.1 The Cabinet will consist of the Executive Leader together with at least two, but not more than nine, Councillors appointed by the Executive Leader.

**3. EXECUTIVE LEADER**

- 3.1 The Executive Leader is a councillor and will be elected at an annual meeting of the Council for a four-year term and thereafter at the annual meeting when the Executive Leader's term of office comes to an end. The Executive Leader will hold office from the date of his/her election to that position until:-

- (a) the first annual meeting after the Executive Leader's normal day of retirement as a councillor;
- (b) he/she resigns from the office; or
- (c) he/she is no longer a Councillor; or
- (d) he/she is removed from office by resolution of the Council.
- (e) he/she is disqualified from being a councillor

**4. DEPUTY EXECUTIVE LEADER**

- 4.1 The Executive Leader shall appoint a councillor to be Deputy Executive Leader who shall be a member of the Cabinet. The Deputy Executive Leader will hold office from the date of his/her appointment to that position, until:-

- (a) the end of term of office of the Executive Leader;
- (b) he/she resigns from the office; or

- (c) he/she is no longer a Councillor; or
- (d) he/she is removed from office by the Executive Leader.
- (e) he/she is disqualified from being a councillor

## **5. ASSISTANT DEPUTY EXECUTIVE LEADER**

5.1 The Executive Leader may appoint a councillor to be Assistant Deputy Executive Leader who shall be a member of the Cabinet. This is a non-statutory post. The Assistant Deputy Executive Leader will hold office from the date of his/her appointment to that position, until:-

- (a) the end of term of office of the Executive Leader;
- (b) he/she resigns from the office; or
- (c) he/she is no longer a Councillor; or
- (d) he/she is removed from office by the Executive Leader;
- (e) he/she is disqualified from being a councillor.

## **6. OTHER CABINET MEMBERS**

6.1 Other Councillors will be appointed to the Cabinet by the Executive Leader and will hold office until the day that -

- (a) they resign from office; or
- (b) they are no longer Councillors; or
- (c) they are removed from office, either individually or collectively, by the Executive Leader.
- (d) he/she is disqualified from being a councillor

## **7. ASSISTANT CABINET MEMBERS**

7.1 The Cabinet may appoint Councillors to act as assistants to the Cabinet as the Cabinet considers reasonably necessary and appropriate. Their role will be to assist the Cabinet collectively in accordance with their detailed Role Description approved by the Cabinet on 21st June 2018.

7.2 Assistants to the Cabinet may not vote on any matters before the Cabinet, neither may they substitute for a Cabinet Member at a meeting of the Cabinet nor in any decision-making role.

## 8. CASUAL VACANCIES

- 8.1 Any vacancy in the position of the Executive Leader shall be filled by the Council at the meeting that the Executive Leader ceases to hold office or at a subsequent meeting. Any vacancy in the position of Deputy Executive Leader, Assistant Deputy Executive Leader or member of the Cabinet will be filled by the Executive Leader and reported to Council at the next meeting. The person(s) elected or appointed shall be subject to the term of office described in paragraphs 3 to 6 above.

## 9. PROCEEDINGS OF THE CABINET

- 9.1 Proceedings of the Cabinet shall take place in accordance with the Cabinet Procedure Rules set out in Part 4 of this Constitution.

## 10. RESPONSIBILITY FOR FUNCTIONS

- (a) The Executive Leader will maintain or arrange to be maintained a list in Part 3 of this Constitution setting out which individual members of the Cabinet, committees appointed by the Cabinet, officers or joint arrangements are responsible for the exercise of particular Cabinet functions.
- (b) If for any reason the Executive Leader is unable to act or that office is vacant, the Deputy Executive Leader will act in his/her place. If for any reason both the Executive Leader and Deputy Executive Leader are unable to act or those offices are vacant, the Assistant Deputy Executive Leader will act in his/her place, but operating within what is legally permissible as the post is not a statutory role. If for any reason the Executive Leader, Deputy Executive Leader and Assistant Deputy Executive Leader are unable to act or those offices are vacant, the Cabinet will act in place of the Executive Leader or will arrange for a member of the Cabinet to do so.

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**Public**  
**Key Decision - No**

## HUNTINGDONSHIRE DISTRICT COUNCIL

**Title/Subject Matter:** Internal Audit Charter

**Meeting/Date:** Corporate Governance Committee – 26 April 2023

**Executive Portfolio:** Executive Councillor for Corporate & Shared Services, Councillor Martin Hassall

**Report by:** Deborah Moss, Internal Audit Manager

**Ward(s) affected:** All Wards

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### **Executive Summary:**

The Public Sector Internal Audit Standards require that the purpose, authority and responsibility of internal audit must be formally defined in an internal audit charter.

The Charter sets out the Internal Audit Service's position and responsibilities within the Council and its relationship and responsibilities to stakeholders. This annual review of the existing Charter has taken the form of a fuller re-write and not a simple update.

Where the recent Peer Review suggests any amendment to the Charter, this will be considered.

The Committee is

### **RECOMMENDED**

1. To review and approve the Internal Audit Charter.
2. To allow any amendment (following the Peer review) to be approved following consultation with the Chair of Committee.

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

- 1.1 This report is to present a new and updated version of an Internal Audit Charter following the annual review by the Internal Audit Manager.
- 1.2 Once the Charter is approved it forms the 'terms of reference' for Internal Audit at HDC and includes the relationships and responsibilities with senior management and Corporate Governance Committee.

## **2. BACKGROUND**

- 2.1 The Public Sector Internal Audit Standards (PSIAS) require that the purpose, authority and responsibility of internal audit must be formally defined in an internal audit charter. These definitions were initially held within the audit strategy and terms of reference, but these two documents were replaced by the Internal Audit Charter in 2013. The Charter has been reviewed and re-approved annually since then.
- 2.2 This review has taken the form of a fuller re-write of the Charter.

## **3. DETAIL**

- 3.1 The charter establishes Internal Audit's position within the Council, including
  - the nature of the internal audit manager's functional reporting relationship with the Committee
  - the maintenance of internal audit independence and objectivity
  - authority to access records, personnel and physical properties relevant to the performance of engagements
  - defining the scope of internal audit activities
  - the annual reporting responsibilities.
- 3.2 The Internal Audit Manager will periodically review the charter and present it to senior management and the Committee for approval.

## **4. REASONS FOR THE RECOMMENDED DECISIONS**

- 4.1 Committee is required to review and approve the Charter.

## **5. LIST OF APPENDICES INCLUDED**

Appendix 1 – Proposed Internal Audit Charter 2023

## **6. BACKGROUND PAPERS**

Public Sector Internal Audit Standards

## **CONTACT OFFICER**

Deborah Moss, Internal Audit Manager  
Tel No: 01480 388475  
Email: [deborah.moss@huntingdonshire.gov.uk](mailto:deborah.moss@huntingdonshire.gov.uk)

# **Internal Audit Charter**

**2023**

Version	V.1 March 2023
Next Review Date	March 2024
Officer responsible for review	Internal Audit Manager
Approval by	Corporate Governance Committee April 2023

The Council considers its Internal Audit Services to be a key component of its governance framework. This Charter provides a framework for the conduct of Internal Audit in Huntingdonshire District Council and has been approved by the Council's Corporate Governance Committee.

**The key provisions of this Charter are set out below.**

**Internal Audit Service**

The Council's internal audit service is an independent, objective assurance and consulting activity designed to add value and improve the Council's operations. It helps the Council accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

**Independence & Objectivity**

The internal audit service will remain free from interference by any element in the Council and its scope shall not be restricted in anyway. It shall be free to review the arrangements of any aspect of service delivery, finance or governance irrespective of whether those arrangements are provided directly or indirectly (via partnerships, contractually or any other business arrangement).

The objectivity, impartiality, integrity and conduct of all Internal Audit staff must be above reproach at all times.

**Authority**

Internal auditors are authorised to have full, free and unrestricted access to all services and functions, premises, assets, employees, elected members, suppliers and contractors, records and other documentation and information that the Internal Audit Manager considers necessary to enable the Internal Audit Service to meet its responsibilities. All employees are required to assist the internal audit activity in fulfilling its roles and responsibilities.

**Confidentiality**

All records, documentation and information accessed in the course of undertaking internal audit activities shall be used solely for the conduct of internal audit activities. The Internal Audit Manager and individual audit staff (including contractors and external service providers performing work on behalf of internal audit) are responsible and accountable for maintaining the confidentiality of the information they receive during the course of their work.

**Reporting**

The Internal Audit Manager shall submit to the Corporate Governance Committee, no later than the date at which the Council's annual governance statement is approved, an annual report and formal audit opinion.



## 1. Purpose and mission of Internal Audit

The Internal Audit Service (IAS) has been established to:

- provide independent, objective assurance, advice and insight to the Council on its operations.
- enhance and protect value, by assisting management in improving the delivery of the Council's objectives and operations through evaluating, challenging and improving the effectiveness of risk management, control and governance processes.
- The purpose of Huntingdonshire District Council's (HDC's) internal audit service is to provide independent, objective assurance and consulting services designed to add value and improve HDC's operations. The mission of internal audit is to enhance and protect organisational value by providing risk-based and objective assurance, advice, and insight. The internal audit service helps HDC accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.

## 2. Mandatory Guidance and Professional Standards

The IAS will govern itself by adhering to the Public Sector Internal Audit Standards (PSIAS)<sup>1</sup> as required by regulation 5 of the Accounts and Audit (England) Regulations 2015.

Guidance issued (the Local Government Application Note) and endorsed by the Relevant Internal Audit Standard Setters as applying to local government will also be adhered to along with the Council's relevant policies and procedures and the internal audit manual.

The Internal Auditors are also governed by the policies, procedures, rules and regulations established by the Council. These include, but are not limited to, the Codes of Financial Management and Procurement, the Anti-Fraud and Corruption Policy and the Code of Conduct.

The Council's Internal Auditors will additionally adhere to the Code of Ethics as contained within the PSIAS and will also demonstrate due professional care in the course of their work.

## 3. Authority

The Internal Audit Manager will report functionally to the Corporate Governance Committee (CGC) and administratively (ie day to day operations) to the Director of Finance and Corporate Resources (S.151 Officer).

To establish, maintain and assure that HDC's internal audit service has sufficient authority to fulfil its duties, the CGC will:

- Approve the internal audit services' charter
- Approve the risk-based internal audit plan

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<sup>1</sup> The PSIAS are based upon the Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing*.

- Receive the annual audit opinion
- Receive communications from the Internal Audit Manager on the internal audit service's performance relative to its plan and other matters.
- Make appropriate inquiries of management and the internal audit manager to determine whether there is inappropriate scope of resource limitations.

The Internal Audit Manager (IAM) will have:

- free and unrestricted access to, and communicate and interact directly with, the CGC and the right to attend all of its meetings, and hold private meetings without management present.
- the right to meet with the Chairman of the CGC and/or the relevant Cabinet Portfolio Holder to discuss any matters or concerns that have arisen from internal audit work.

The CGC authorises the Internal Audit Service to:

- have full, free, and unrestricted access to all functions, records, property and personnel pertinent to carrying out any engagement, subject to accountability for confidentiality and safeguarding of records and information.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques required to accomplish audit objectives, and issue reports.
- Obtain assistance from the necessary personnel of HDC, as well as other specialised services from within or outside HDC, in order to complete the engagement.

#### **4. Organisation and Relationship with Members & Senior Management**

Within the PSIAS, the terms 'Chief Audit Executive,' 'Board' and 'Senior Management' are used to describe key elements of the organisation's governance, and the ways in which they interact with Internal Audit. The PSIAS require that the terms are defined in the context of the governance arrangements in each public sector organisation, in order to safeguard the independence and objectivity of Internal Audit. The following interpretations are applied, so as to ensure the continuation of the current relationships between Internal Audit and other key bodies at the Council.

##### **Chief Audit Executive**

This is the Internal Audit Manager at HDC. They report to the S.151 Officer and has access to the Managing Director should it be required.

##### **Board**

This is the Corporate Governance Committee and oversees the work of Internal Audit. The Committee has delegated responsibility to be the Council's Audit Committee on behalf of the Council.

The internal audit service shall report functionally to the Corporate Governance Committee.

##### **Senior Management**

This is fulfilled by the Corporate Leadership Team (Managing Director/Head of Paid Service and the two Corporate Directors) and Senior Leadership Team (CLT plus other Directors, Assistant Directors and Heads of Service). To ensure effective

liaison between Internal Audit and senior management, Internal Audit has regular, free and unrestricted access to the Directors and Heads of Service.

The Council's Monitoring Officer is shared with two other councils, but the IAM has unrestricted access to him.

### **External Audit**

Internal Audit will establish and maintain an open relationship with the external auditor and other assurance providers. Internal audit will plan its activity so that there is adequacy of audit coverage and to minimise duplication of assurance effort. However, the work of Internal Audit will not be driven by external audit's own priorities.

External audit will have full and free access to all internal audit strategies, plans, working papers and reports.

### **Other Internal Audit Service Providers**

Internal Audit will also liaise with other Internal Audit Service providers, where shared service arrangements and contracting arrangements exist. An Internal Audit Shared Service Protocol is agreed and in place and regular communication with the other providers is held.

## **5. Independence & Objectivity**

Independence and objectivity are essential to the effectiveness of the internal audit service and the assurance function. The Internal Audit Service will remain free from all conditions or interference that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner. This shall include, but not be limited to matters of audit selection, scope, procedure, frequency, timing or report content. If the Internal Audit Manager determines that independence or objectivity may be impaired in fact or appearance, the details of impairment will be disclosed to appropriate parties.

Internal auditors must exhibit the highest level of professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined. They must make a balanced assessment of all the relevant circumstances and not be unduly influenced by their own interests or by others in forming judgments.

Internal audit staff with real or perceived conflicts of interests must inform the IAM as soon as these issues become apparent so that appropriate safeguards can be put in place.

Internal audit staff will not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair their judgment, including:

- Assessing specific operations for which they had responsibility within the previous year.
- Performing any operational duties for HDC or its affiliates.
- Initiating or approving transactions external to the internal audit service.

- Directing the activities of any HDC employee not employed by the internal audit service, except to the extent that such employees have been appropriately assigned to auditing teams or to otherwise assist internal auditors.

Internal Audit has no operational responsibilities or authority over any of the activities audited. The IAM will confirm to the CGC, at least annually, the organisational independence of the internal audit service. They will disclose to the CGC any interference and its related implications in determining the scope of internal auditing, performing work and/or communicating results.

There are other activities with Internal Audit involvement that may be considered to impact on objectivity: assisting with the Annual Governance Statement, Whistleblowing Log and annual report, National Fraud Initiative work, and writing and review of the Local Code of Corporate Governance. Whilst internal audit are involved, these may be considered as other activities that they will not be able to provide independent assurance on.

## **6. Authority & Confidentiality**

Internal auditors (including contractors and external service providers engaged to perform work on behalf of the IAM) shall have full, free and unrestricted access to all services and functions, premises, assets, employees, elected members, suppliers and contractors, records and other documentation and information that the IAM considers necessary to enable the IAS to meet its responsibilities. All employees and members are required to assist the internal audit activity in fulfilling its roles and responsibilities.

All records, documentation and information accessed in the course of undertaking internal audit activities shall be used solely for that purpose. Individual internal auditors are responsible and accountable for maintaining the confidentiality of the information they receive during the course of their work.

## **7. Scope and objectives of Internal Audit activities**

### Assurance activities

The scope of internal audit activities encompasses, but is not limited to, objective examinations of evidence for the purpose of providing independent assessments to the Corporate Governance Committee, management, and outside parties on the adequacy and effectiveness of governance, risk management, and control processes for HDC, based around the audit plan. This assists the Chief Audit Executive's responsibility to give an annual internal audit opinion based on an objective assessment of the Council's framework of governance, risk management and internal control.

Where the Council provides 'shared services' to, or receives 'shared services' from other organisations, the IAM shall liaise with the other organisations' internal audit service and agree the scope of the assurance that is to be provided or received and take account of that requirement when preparing the annual audit plan.

### Consultancy and Advice

Internal Audit also has a secondary role, whereby it can provide consultancy services which are advisory in nature and generally performed at the request of the Council to facilitate improved governance, risk management and control, and potentially contribute to the annual audit opinion.

A risk-based Audit Plan will be prepared each year to determine the appropriate level of audit coverage to allow for an annual audit opinion, which can then assist with the generation of the Council's Annual Governance Statement. Audit work performed will seek to enhance the Council's overall internal control environment. In the event of deficiencies in arrangements being identified during audit assignments, Internal Audit will put forward recommendations aimed at improving existing arrangements and restoring systems of internal control to a satisfactory level, where relevant.

Managing the risk of fraud and corruption is the responsibility of management. The Council has a separate in-house Fraud Team. However, as part of the scope of Internal Audit, it will be alert in all its work to the risks and exposures that could allow fraud or corruption to occur and will monitor the extent and adequacy of risk controls built into systems by management, sharing this information with External Audit and other corporate investigators.

## **8. Audit Resource**

The Internal Audit function is carried out by a small in-house team supported by a contracted-out IT audit provision.

### **Internal Audit Management**

The Council shall appoint an IAM who will determine the priorities of, manage and deliver the internal audit service in accordance with this Charter.

The IAM will be professionally qualified (CMIIA, CCAB, or equivalent) and have wide internal audit management experience, to enable them to deliver the responsibilities of the role.

The IAM will ensure that the Internal Audit Service has access to staff that have an appropriate range of knowledge, skills, qualifications and experience to deliver requisite audit assignments. The type of reviews that will be provided in year include systems reviews, consultancy input to new / modified systems, and special investigations. In the event of special investigations being required, there is limited contingency in the Audit Plans to absorb this work. However, additional resources may need to be made available to the Internal Audit Service when such input is necessary.

## **9. Responsibility**

The Internal Audit Manager has the responsibility to:

- Submit, at least annually, to senior management and the Corporate Governance Committee a risk-based internal audit plan for review and

approval. *They will have a comprehensive understanding of the Council's systems, structures and operations so allowing the preparation of a risk-based internal audit plan [each half year or at least annually] that is closely aligned to the need to provide assurance against the Council's strategic priorities, key business objectives and risks, as contained or identified within its Corporate Plan, Service Plans, risk register and framework of assurance.*

- review and adjust the audit plan as necessary, in response to changes in the Council's risks, operations, programs, systems and controls.
- Communicate to senior management and the CGC any significant interim changes to the audit plan.
- Ensure the engagements of the audit plan are executed, including objectives and scope, assignment of appropriate and adequately supervised resources, documentation of work programs and testing, and communication of results with recommendations to appropriate parties.
- Monitor the implementation of agreed corrective actions and report periodically to senior management and the CGC any corrective actions not implemented.
- Ensure the principles of integrity, objectivity, confidentiality, and competency are applied and upheld.
- Ensure the Internal Audit service collectively possesses or obtains the knowledge, skills and other competencies needed to meet the requirements of the internal audit charter.
- report annually the impact and consequence of any resource limitations to the CGC, who will then recommend to Cabinet whether or not to accept the consequence identified or seek an increase in internal audit resource.
- maintain a quality assurance and improvement programme to ensure that all audit work is completed to high standards and in accordance with the standards, practices and procedures as set out in the internal audit manual.
- undertake an annual review of the development and training needs of internal audit staff and arrange for appropriate training to be provided.
- put in place arrangements that ensure internal audit is notified of all suspected or detected instances of non-welfare fraud, corruption or impropriety and in conjunction with the Corporate Fraud Team Leader:
  - promote a counter-fraud culture within the Authority
  - determine the most appropriate method of investigating allegations.
- establish effective relationships with managers at all levels.

## **10. Reporting and Monitoring**

### **Internal Audit Reports**

The process followed for completing each audit is set out in Table 1 below.

At the conclusion of each audit assignment, where appropriate, a written Internal Audit report will be issued to the appropriate manager and Director/SLT Lead that:

- Provides an assurance opinion, but not provide absolute assurance, on the adequacy of the governance, risk and control processes of the area reviewed. This will contribute to the annual opinion on the internal control environment which, in turn, informs the Annual Governance Statement.
- identifies points arising from the audit and non-effective controls.

- details agreed corrective actions and timescales for implementation.
- identifies issues of good practice.

When corrective action has not been agreed, reporting will be escalated to a level consistent with the IAM's assessment of the risk.

The IAM shall regularly review and report to senior management, the progress made by managers in introducing the agreed corrective actions. Senior Management are responsible for ensuring that agreed corrective actions are introduced.

<b>TABLE 1: Working Arrangements During Audits</b>	
<b>Stage</b>	<b>Commentary</b>
Audit Brief	Set up and agreed with manager and SLT Lead/Assistant Director
Fieldwork	Assignment undertaking including interviews, testing.
Wash-up Meeting	At conclusion of fieldwork, a set of findings will usually be provided ahead of the wash-up meeting.  Issues raised for reporting (if not already provided during course of fieldwork) are discussed and corrective actions and implementation dates agreed.
Draft Audit report	Produced following completion of fieldwork / wash- up meeting. Head of Service or equivalent / Line Manager to formally respond including acceptance of actions and timescales to implement.
Final Audit Report	Internal Audit incorporates any changes agreed from the draft and re-issues as a final for acceptance.
Final Closed Report	The final report is issued to the any action owners, Service Manager, relevant Head of Service &/or Director and S.151 Officer.

Internal Audit reports include actions which are agreed with management and given a priority rating, plus an overall audit assurance opinion. All reports with a limited or little assurance opinion are notified to SLT.

<b>Audit Assurance Opinions</b>	
<b>Opinion</b>	<b>Description</b>
Substantial	No weaknesses in the level of control for managing the material inherent risks within the system. Testing shows that controls are being applied consistently and system objectives are being achieved efficiently, effectively and economically apart from any excessive controls which are identified in the report.
Adequate	minor weaknesses in the level of control for managing the material inherent risks within the system. Some control failings have been identified from the systems evaluation and testing which need to be corrected. The control failings do not put at risk achievement of the system's objectives
Limited	weaknesses in the level of control for managing the material inherent risks within the system. Too many control failings have been identified from the systems evaluation and testing. These failings show that the

	system is clearly at risk of not being able to meet its objectives and significant improvements are required to improve the adequacy and effectiveness of control.
Little	major, fundamental weaknesses in the level of control for managing the material inherent risks within the system. The weaknesses identified from the systems evaluation and testing are such that the system is open to substantial and significant error or abuse and is not capable of meeting its objectives.

### **Reporting to senior management and the Corporate Governance Committee**

The Internal Audit Manager will report periodically regarding:

- the internal audit services's purpose, authority and responsibility
- the internal audit services's plan and performance relative to its plan
- conformance with the IIA's Code of Ethics and Standards, and action plan to address significant conformance issues.
- Audit reports with a limited or little assurance opinion (reported to SLT)
- Resource requirements
- Any response to risk by management that may be unacceptable to HDC.
- periodic updates on the work of the IAS (provided to CGC). The updates will cover significant findings and actions and provide information on the status of the agreed audit work plan. Amendments and revisions to the audit plan will be reported and agreed by the CGC.
- Significant issues identified will be referred through to senior management for inclusion in the Annual Governance Statement.

Final closed internal audit reports will be issued to CGC members on a request basis.

The IAM shall present an annual report to the CGC. The annual report shall be timed to support the Council's annual statement of assurance on corporate governance and include an opinion on the overall adequacy and effectiveness of the control environment.

### **11. Quality and assurance programme**

The PSIAS require that the Internal Audit develops and maintains a quality assurance and improvement programme (QAIP) that covers all aspects of the Internal Audit activity, and includes both internal and external assessments.

#### **Internal Assessments:**

Internal Assessments must include on-going monitoring of the performance of the internal audit activity and these are reported as part of the annual report.



The PSIAS additionally require periodic self-assessments or assessments by other persons within the organisation with sufficient knowledge of Internal Audit practices. This obligation is satisfied by the HoIA performing an annual self-assessment of the effectiveness of Internal Audit. Presenting this information enables members to be assured that the Internal Audit Service is operating in a satisfactory manner such that reliance can be placed on the subsequent annual audit opinion provided by the IAM.

### **External Assessments:**

PSIAS requests that external assessments must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organisation. External assessments can be in the form of a full external assessment, or a self-assessment with independent external verification.

The IAM will discuss with the Committee and the Section 151 Officer the form of the external assessment and the qualifications and independence of the external assessor or assessment team.

Improvement plans arising from periodic reviews of internal audit will be prepared as appropriate and progress reported to senior management and the CGC in the Internal Audit annual report.

## **12. Review of the Charter**

The IAM will review the Internal Audit Charter each year and report the outcome of that review to the CGC.

Approval of the Charter shall be the responsibility of the CGC.

This version was approved by CGC on the 27 April 2023.

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**Public**  
**Key Decision - No**

## HUNTINGDONSHIRE DISTRICT COUNCIL

**Title/Subject Matter:** Implementation of Internal Audit Actions

**Meeting/Date:** Corporate Governance Committee – 26 April 2023

**Executive Portfolio:** Executive Councillor for Corporate & Shared Services, Councillor Martin Hassall

**Report by:** D Moss, Internal Audit Manager

**Ward(s) affected:** All Wards

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### Executive Summary:

Key performance indicator: 100% of audit actions to be implemented by the agreed date. KPI not achieved, but improvement in percentage implemented.

Performance in the last 12 months\* to 3rd April 2023:

**37 actions implemented** - 27% within target, increasing to 67% when including beyond target implementation  
*57% were reported as implemented last time so this is a marked improvement.*

**18 actions still to be implemented** – 33%  
*(\* actions due before the last 12 months period are not included)*

**18 overdue audit actions** remained outstanding at 3rd April 2023  
This is down from 26 in the last report, which can be attributed to an increased focus on ensuring managers review their outstanding actions and evidence any work undertaken.

**20 actions implemented** and closed since last report in January 23

**73 audit actions closed** since April 2022

**42 open** audit actions at April 2023

### Recommendation:

It is recommended that the Committee consider the report and comment on the progress achieved and state any action they wish to be taken.

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

1.1 To update members on the implementation of audit actions.

## **2. WHY IS THIS REPORT NECESSARY?**

2.1 To give visibility to members of the progress being made in closing out audit actions, or alternative measures being taken to mitigate risk impacts.

## **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. Recommended actions following an audit are discussed, 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; actions should be completed by their target date or reasons presented where this is not possible e.g., system changes take longer than expected or other service demands which carry a greater risk take priority.

3.3 For the 12 months ending 3rd April 2023 55 audit actions were due to be implemented (deadline date in this period). The following shows the performance against due dates:

- 15% (15 actions) were "implemented within target"; this increases to
- 67% (37 actions) when late implementation is also included
- 33% (18 actions) are yet to be implemented.

*[57% were reported as implemented at last report.]*

## **4. NON-IMPLEMENTATION OF AUDIT ACTIONS**

4.1 Operational circumstances sometimes mean non-implementation or missed deadlines for an audit action. Increased efforts have been made to ensure Service Managers are aware of outstanding actions, update whether progress has been made or operational factors have impacted on their implementation. Overdue actions are also reported to Committee for governance oversight.

4.2 Extensions to deadlines are no longer given. Instead, Action Owners can insert their own 'progress update', which will give a better indication of work being taken to implement the action and to notify any reasons for delay. The next step is to review reporting and escalation processes for this information; if there are barriers to implementation, assistance or resource is required to ensure the action is completed or if the organisation is content to accept the risk for longer and what mitigating actions are required.

4.3 As at the 3rd April 2023, 18 audit actions have not been implemented within target and are now overdue actions. This includes all overdue actions (not just those due in the last 12 months) to give a more accurate reflection.

*[ 26 were reported at last report.]*

A summary is provided at Appendix 1 below.

Of these 18 overdue actions:

- - 3 (*last report 4*) actions 2 years+
- ↑ 4 (*last report 6*) actions are 1 year+
- ↑ 4 (*last report 4*) actions are between 6 months & 1 year overdue
- ↑ 7 (*last report 12*) actions are less than 6 months overdue

*\* Time is measured from the 'original target implementation date' to the 03rd April 2023.*

4.4 In preparation for this report, owners of overdue audit actions have been asked to provide an update as to the status/progress of their action(s). The detail in Appendix 1 provides this 'last update' from the action owner. This gives Members further information as to the progress being made and potentially a new expected completion date. This provides meaningful information outstanding action progress, delays or hold-ups.

4.5 At Committee's request an additional detail of the reported audit opinion has been added to the summary of overdue actions table. The audit opinion is given in the audit report at close of an audit and relates to how well the system risks are managed by internal controls. It does not mean that all audit actions within the report have the same priority rating, since each action is given a priority based on risk mitigation significance and urgency.

4.7 Officers with actions assigned to them have direct access to the system to enable them to manage those actions. Reminders are sent from the 4Action system in advance of the target date and managers are expected to act on these.

4.8 At the request of Committee, an additional Appendix is included, listing all the implemented audit actions that have been closed by the Services since April 2022 (Appendix 2). Three actions have been closed since the last report, but additionally three actions have also been reopened by Audit as they were not deemed fully implemented at our follow up review.

## **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 appropriate members of the Service and, if appropriate, Directors, and agreement is reached as to any corrective/mitigating action that needs to be taken. Internal audit actions are not imposed on management or Services.

5.2 Actions that are proposed by Internal Audit but not agreed by the Service are included in the Internal Audit report, together with response/ details as to why the Service does not agree to implement. Senior Management would be asked to decide on whether the action needs to be taken or risk accepted (with reference to risk appetite).

5.3 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 albeit other controls within the organisation may mitigate the impact.

## **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 is presented to Committee to give comfort that progress is being made in completing audit actions.

## **9. LIST OF APPENDICES INCLUDED**

Appendix 1 – Overdue Audit Actions at 3rd April 2023

Appendix 2 – Closed /implemented Audit Actions closed since April 2022

## **BACKGROUND PAPERS**

Audit actions contained within the 4Action system

## **CONTACT OFFICER**

Deborah Moss – Internal Audit Manager

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Appendix 1: Overdue Audit Actions and the Service Progress Update @ 03/04/23

Review Area	Priority Level	Report's Audit Opinion	Agreed Action	Implementation Date	Last Update Date	Update Provided by Service	Months Late
PCI DSS 18.19 / 3	Amber	Adequate	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.	01/04/2020	07/11/2022	<p><i>New action to replace:</i></p> <p>Following a discussion with the Council's PCI DSS consultants it was noted that implementing the audit actions, which were recommended a few years ago, will not achieve PCI DSS compliance for the organisation.</p> <p>It is proposed instead to undertake a project achieving PCI DSS by payment channel (web based, automated telephony, face to face and non-automated telephony). This will be the quickest route to compliance, using the regulatory self-assessment</p>	36
PCI DSS 18.19 / 4	Amber	Adequate	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.	01/04/2020	07/11/2022		36

PCI DSS 18.19 / 5

Amber

Adequate

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:

- 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.

01/04/2020

07/11/2022

questionnaires (SAQ), and will identify where non-compliance exists and the decisions to be made. This could include service transformation work.

36



Land Charges 18.19 / 3

Amber

Limited

Written procedures should be in place to support how the costs and calculation process is carried out.

30/06/2021

23/03/2023

We have taken the model used by South Cambs and have adapted to suit. This working model has been shared with the land charges team and we are awaiting responses to queries which should resolve anomalies

21

Main Accounting System 2020.21 / 3

Amber

Adequate

The Payroll reconciliation will be remapped / worked up for the new HR / Payroll system. Instructions will be documented and the routine task handed over to the Payroll team for actioning.

30/09/2021

30/03/2023

Ryan (Payroll Manager) has been working very closely with Sharon (Chief Finance Officer) to reconcile the details for 2022/23. This has now been completed and Sharon is very happy with the outcome. There are no major issues to report.

18

The monthly process has been discussed further and reports required clarified. Ryan will be creating a new spreadsheet document for 2023/24 onwards, and prepare / check the payroll details monthly. Finance will then add in their details to identify any further variances for payroll to check.

Budgets and MTFS  
2020.21 / 1

Amber

Adequate

Management should perform a training needs analyses to identify and assess the level and type of training required by members of staff and Members with regards to the MTFS and the use of the budget module, which should also identify any training needs for Members.

31/12/2021

03/01/2023

Work is ongoing to update the procedure notes

15

A mandatory training programme should be put in place that is based upon the requirements of the training needs analysis.

Training completion should be recorded and monitored and training records should be maintained for audit purposes.

Main Accounting System 2020.21 / 4	Amber	Adequate	Debtors reconciliation issues will be investigated and resolved. The process for the reconciliation going forward will be documented and responsibility handed over to the Exchequer Officer.	31/03/2022	03/01/2023	We are still working with Tech 1, however this is not being prioritised by them. We have had several meetings with the account manager to try and get this, and other problems, resolved. We have stated that this must be done prior to year end.	12
Small Works Contract 21.22 / 1	Amber	Limited	A dedicated small works contract or framework agreement will be tendered and formalised for use across the authority.	30/04/2022	01/11/2022	Project slippage due to current workloads. This is still in the pipeline and will be picked up as soon as possible. Ideally an ITT will go out for contract prior to 2023.	11
Small Works Contract 21.22 / 2	Amber	Limited	Staff responsible for procurement will be made aware of the contract, its use mandated, and details of pricing / rates and staff responsibility will be communicated.	31/05/2022	01/11/2022	As previous update - due to commence ITT prior to 2023.	10

Inventory of IT Assets 2021.22 / 5	Amber	Limited	Review the inventory to locate gaps in the asset number sequence and create entries to explain the reasons for these gaps.	29/07/2022	30/03/2023	To complete the reconciliation staff have been asked to bring back devices. Despite regular requests not all staff have complied this has been escalated to relevant IC's. Updating gaps in numbers undertaken	8
Debtors 21.22 Action 3	Amber	Limited	Monthly management information and debt collection performance data will be prepared and reviewed to support the ongoing monitoring of activity and workload.	30/09/2022	14/03/2023	This action is still being investigated.	6
Payroll - Payments 22.23 / 7	Amber	Adequate	Annually check the full system admin users on iTrent, to confirm that they are the expected and correct users.	31/10/2022	30/03/2023	This check of core system users has been added to the HR/Payroll service plan for 2023/24, to be checked every 6 month. Payroll Manager has checked the details today, 30/03/2023 and HDC users are all accurate and correct. A request has been sent to SCDC and Cambs City Councils to review their users.	5

Small Works Contract 21.22 / 3	Amber	Limited	Formal contract management monitoring arrangements will be established, including review of spend, spot checking procurements and routine liaison meetings with service users and the supplier.	30/11/2022		<i>No update provided by Service</i>	4
Small Works Contract 21.22 / 4	Amber	Limited	Spend outside of the contract will continue to be monitored.	30/11/2022	01/11/2022	Change of assigned/action owner - Agreed with SY that would sit with her.	4

Corporate  
Enforcement Policy  
21.22 / 2

Amber

Adequate

Reminder to all officers that case notes should cover: all discussions and decisions made on a case; explanation as to why cases have been closed; notes detailing the outcome of a case; provide updates for reasons why cases are not going to be investigated; explain any potential delays to an investigation; any previous investigations or enforcement action taken on an individual. Managers/Team leaders should also discuss with teams whether they need further training and support in case management and whether the case management system supports the notes function or if improvements could be made.

30/12/2022

*No update provided by  
Service*

3

Corporate  
Enforcement Policy  
21.22 / 6

Amber

Adequate

Managers to review a percentage of open and closed cases each month to ensure that the cases are progressing or being closed where necessary.

30/12/2022

*No update provided by  
Service*

3

Corporate  
Enforcement Policy  
21.22 / 7

Amber

Adequate

All cases with the 'Public Safety' team need to be reviewed, updated and closed where necessary, so that caseload and reporting can be accurate.

30/12/2022

*No update provided by  
Service*

3

Corporate  
Enforcement Policy  
21.22 / 8

Amber

Adequate

Ensure that officers within the service review the mechanisms in which they are alerted to legislation changes [ie. Signed up to relevant newsletters/organisations, newsletter alerts] to ensure their knowledge remains up to date.

30/12/2022

*No update provided by  
Service*

3



**Appendix 2: Closed / Implemented Audit Actions – closed since April 2022**

Area	Agreed Action	Priority Level
MiPermit 2021.22 / 3	In conjunction with the Information Governance Manager / Data Protection Officer, consider what information may need to be added to the MiPermit Portal to highlight the Privacy Notice to customers before they submit their information.	Amber
Cyber Security Risk Management 2020.21 / 1	Management should provide operational updates including risk status related to its compliance with National Centre for Cyber Security (NCSC) 10 Steps for Cyber Security Principles (such as Network Security, Secure Configuration, Incident Management and Malware Prevention) to the information Governance Group on a quarterly basis to ensure all key stakeholders are engaged and aware of current status.	Amber
Digital Services - Development and Management 2020.21 / 9	Management should ensure that the configurations for the integration failure email alerting system is documented, particularly how errors are identified and managed, with the potential of improving the process, or perhaps investing in additional alerts in the future.	Amber
Inventory of IT Assets 2021.22 / 2	<p>The process should be documented and shared with all relevant staff.</p> <p>Previous Hardware &amp; Software Asset Management Control 19/20 audit resulted in the creation of Action 1516:                      “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”. This action remains in process.</p> <p>The current audit highlights that this action cannot be closed as a review of the inventory has not been conducted and no process in place to make the review regular. This should be completed once the Inventory is up to date following the reviews.</p>	Amber

Digital Services - Development and Management 2020.21 / 4	Management should provide guidance to all Service Areas who own and manage their own applications, informing them that any changes made to systems which integrate with other systems and services must be communicated to ICT, with an explanation of potential impacts, such as integration breakages.	Amber
Inventory of IT Assets 2021.22 / 6	Reminder to all staff of the ICT Asset Management policy so they are aware of how to request and update location of assets through hornbill and also how to appropriately return assets.	Amber
Inventory of IT Assets 2021.22 / 7	[This was previous Action 1515 from Hardware & Software Asset Management Control Audit 19/20. Closed 21/12/2020 but now has lapsed]  Review of the custodianship of surplus laptops so they can be readministered within the Council. Ensure that any decisions regarding the custodianship is reflected in the leavers process.	Amber
Digital Services - Development and Management 2020.21 / 2	The Matrix should be used as a primary source of reference throughout ICT and potentially the wider business, detailing key information about systems integration, application management and maintenance, documenting all integration journeys into and out of the system and key dependencies, as well as support arrangements, the hosting platform, and system life-cycle management information.	Amber
Digital Services - Development and Management 2020.21 / 3	Additional information should also be added to the Applications Matrix in due course, such as designated system Data Stewards and System Administration/Super User information.  Business processes should also be adapted to ensure that the Applications Matrix is consulted prior to making changes or decisions about hosting methods. The matrix may evolve into an essential reference point, but its usage needs to be embedded into existing practices to ensure the matrix remains of value.	Amber
Overtime 21.22 Action 5	Reports of temporary variations to pay will be reviewed each month. The Payroll Processing Checklist (signed and saved as PDF) will be date stamped as evidence of the check and the report held on file for reference.	Amber

Purchase Order Compliance 2019.20 / 3

Authorisation limits will be reviewed – unlimited authorisation limits will be amended; and users will be given appropriate limits based on needs for their role (not their grade) and the existing hierarchy within their team and who should be authorising POs.

Amber

Cloud Computing 2020.21 / 1

Management should review and revise the ICT Strategy document to include a detailed overview of intentions to perform feasibility assessments on corporate applications/services to ensure if they can be potentially hosted in the cloud.

Amber

Cloud Computing 2020.21 / 2

Management should update the design of the ICT Applications Matrix to include a detailed profile of each corporate application in use throughout the three councils.

The matrix should contain information about the application, such as:

- how it is supported and by whom
- where it is hosted
- what contractual obligations are in place
- whether a system upgrade is pending and it has vendor agreement to be hosted in the cloud.

Amber

As well as supporting a defined framework criteria for assessing applications' optimum hosting platforms, this document will also inform business continuity planning and future decisions for enhancement or replacement of applications.

Management should determine the agreed criteria to be used when assessing an application's potential for migration to the cloud.

Using the Applications Matrix as guidance, a defined framework should be constructed to ensure that all potential scenarios are factored into the assessment criteria to determine the driving focus.

For example, an application may be identified as nearing the end of its support agreement, so the potential to amend its current hosting methods may be preferable for reasons such as cost, system availability or system stability.

Red

Alternatively, the hardware used to host the application may be due for replacement, so a decision must be taken on whether migration to the cloud is a preferable option.

The design of the framework should be consistent, yet flexible enough to adapt to multiple potential scenarios, at its core, focusing on the elements regarded as high priority, such as: cost saving, potential risk, system availability and contractual obligations.

The key element of the decision-making process is to assess the appropriateness of migrating/not migrating an application to the cloud versus remaining "as is", with clearly documented pros and cons of each scenario.

Using the Migration Assessment Framework as a guide, a Corporate Applications Roadmap should be drafted, to ensure which applications the Councils would migrate to the cloud as well as which must be migrated to the cloud (for example, to avoid an impending required investment such as procurement of a new hardware.)

Management should assess possible dependencies of each system moving forwards, considering that multiple services may exist on the same platform on multiple servers – including business critical with non-business critical - so what happens to one application may impact others hosted on the same server.

Red

The Corporate Applications Roadmap should have a forward projected “review by” date applied for all systems that cannot be migrated to the cloud at this time and an overview of dependencies prohibiting migration, with a schedule to revisit and reassess their status built into ICT’s ongoing calendar of activities.

In addition, there should be reviews performed for all applications that have already been migrated to the cloud to evaluate latency and user connectivity, system availability, and if the hosting method remains appropriate.

ICT should provide guidance to operational teams on how Service Areas may utilise test environments, and provide information about the existing processes for undertaking changes, particularly with reference to the weekly Change Advisory Board meetings. This flow of information should be supported by designated points of contact within both the teams and ICT to maintain open lines of communication.

Amber

Systems that have integration should be flagged within the Application Matrix so that the Councils know that a process must be followed and communicated to ICT if a change is required. Operational teams should obtain access to the Matrix (or a cut-down version of it that cannot be edited) which should be consulted prior to any changes being made. If a required change is identified for one of the systems that is flagged, it should be communicated to ICT, who should provide guidance and support to ensure the change does not impact systems.

Amber

Hardware & Software Asset Management Control 19/20 / 5	<p>Management should perform an exercise to gather licensing information evidence relating to all the business and IT software applications. Additionally, licensing information should be recorded but not limited to :</p> <ul style="list-style-type: none"> <li>- Licence type</li> <li>- Product keys (if applicable)</li> <li>- Locations of the installation CD</li> <li>- Licence expiry</li> </ul>	Amber
Hardware & Software Asset Management Control 19/20 / 6	There should be a mechanism in place to monitor and review software installed on all end point devices.	Amber
Inventory of IT Assets 2021.22 / 3	Conduct a 'Laptop Amnesty' to collect unused laptops from staff. This is to then be followed by a 'walk around' Pathfinder House, checking cupboards and drawers to gather unused laptops. Update the inventory where necessary.	Amber
Digital Services - Development and Management 2020.21 / 8	<p>[Discussions held regarding wording so not to highlight that ICT are unaware of location and custodianship of hardware]</p> <p>Additionally, as a secondary control to identify when errors are made during execution of the Council's Leavers' process, a review should be performed every 90 days/each quarter to identify any Leavers' AD accounts that still remain in an active state. Steps should then be taken to disable/remove that access as soon as possible.</p>	Amber
Digital Services - Development and Management 2020.21 / 7	Focusing on Active Directory accounts and access to high risk applications such as payroll, financial and procurement, a review of all users with access should be performed to confirm there is a continued business need.	Amber
Hardware & Software Asset Management Control 19/20 / 3	The Leavers' Process should be updated to include checking that all application-level access is revoked when someone leaves the Council. <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>	Amber

Inventory of IT Assets 2021.22 / 1

Run regular reports from 'lansweeper' to establish what assets are connected to employee's laptop and update the inventory with this information. This will be dependent on speaking with the system administrator of 'lansweeper' to establish if docking stations could also be detected on the software.

Dependent on the success of Lansweeper, further inventory review may need to take place via Microsoft forms, in which employees' detail what equipment employees have in their custodianship.

Amber

[Discussions held regarding wording so not to highlight that ICT are unaware of location and custodianship of hardware]

Protocol Policy Management System 18.19 / 3

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.

Amber

Cyber Security Risk Management 2020.21 / 2

Management should complete the update of the Council's Information Security Policy and ensure that it is communicated to all staff.

Amber

A section should be included to provide adequate guidance for users regarding the secure usage of mobile devices/laptops/phones to reduce the risk of misuse/potential loss or theft/confidential data exposure.

Cyber Security Risk Management 2020.21 / 6

Management should ensure that the migration plans of unsupported Windows system is recorded and tracked to completion.

Red

It should also be included within the Council's ICT Risk Register and take steps to decommission these devices as soon as possible.

Management should complete the update of the Council's Cyber Security Incident Response Plan. The plan's contents should reflect the guidance provided by the NCSC (National Cyber Security Centre) and include the following:

- Procedures for assessing the nature and scope of an incident
- Identifying an incident
- Eradication procedures
- Containment procedures
- Recovery
- Lessons learnt

Amber

All stakeholders must be aware of their roles and responsibilities and the document should be included in a regular review cycle, at least once per year.

Management should undertake a review to assess the content, delivery method and quality of the council's user education programmes for cyber/IT security.

Efforts should be made to harmonise the education packages, extracting the most relevant elements from each to create an optimum package.

Due to increased security concerns as a result of COVID-19, the awareness training should be focused on phishing emails and social engineering.

Red

This education should be deployed to users at least on an annual basis, with consideration given to bi-annual refresher sessions.

New starters must complete this education on a mandatory basis to ensure that security awareness is embedded from day one of their employment within the Councils.

Training completion should be monitored and there should be a record of all the training that has been provided and completed to all members of staff.



Purchase Order Compliance 2019.20 / 8	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.	Amber
Access Management Control 19.20 / 5	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.  Line managers acknowledge the formal policy set out by 3CSS which ensures ECSS are notified of leavers in timely manner.	Amber
Network System Resilience & Availability 19.20 / 1	Management should establish planned schedule for testing of data centre failover. Testing should be undertaken on at least an annual basis.	Amber
Overtime 21.22 Action 6	Excessive hours / ask of employees will be incorporated into the Council's future Workforce Strategy, to support our consideration of staff wellbeing.	Amber
Budget Monitoring and Forecasting 2020.21 / 1	Management should perform a training needs analysis to identify and assess the level and type of training required by members of staff with regards to budget monitoring and forecasting and the use of the forecasting module, which should include, but not be limited to, salaries and project budgets.  A mandatory training programme should be put in place that is based upon the requirements of the training needs analysis.  Training completion should be recorded and monitored and training should be maintained for audit purposes.	Amber
Budgets and MTFS 2020.21 / 2	Management should document the Council's MTFS methodology, which should include, but not limited to: - The documentation required and used during the process - Interviews with key personnel undertaken - Risk assessments - Information gathered and used, including the basis for assumptions	Amber

Debtors 2020.21 / 1	Systems, processes and resource needs will be reviewed across the whole Debtors function. An action plan will be established, in conjunction with the team, to support delivery of improvements and address the control failings identified during the quarterly reviews (see Appendix, attached to the action).	Amber
Main Accounting System 21.22 Action 1	The Interim Finance Manager will review reconciliations performed by the Financial and Treasury Accountant. Reconciliations performed for Payroll and Debtors will be reviewed by a member of the Finance team.	Amber
Purchase Order Compliance 2019.20 / 1	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. This investigation will also find out what HDC can amend alone and what can be done with Tech1 assistance (and the cost of this). 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.	Amber
Main Accounting System 2020.21 / 1	The Disaster Recovery Plan will be reviewed and updated to reflect the move to Tech1 and any revised arrangements to ensure continuity of service across the wider Finance area.	Amber
Purchase Order Compliance 2019.20 / 4	Self -authorised requisitions will be monitored. The process by which this will be done is yet to be decided: it is likely to be a 6 monthly report of activity and volume, and check and re-education.	Amber
Purchase Order Compliance 2019.20 / 6	The above user guidance will include specific guidance on the use of retrospective ordering (when it is appropriate/efficient to use).  Consideration will also be given to introducing a Performance Indicator for retrospective ordering to measure its ineffective usage and inform where further education is needed.	Amber

Purchase Order Compliance 2019.20 / 7

Guidance will also include the use of 'bulk orders' which can be used for contracts requiring repeated invoices over the year introducing draw-down from the total commitment.

Amber

This will be set-up and users provided with education and a demo on its use and application within Services.

Payroll - Payments 22.23 / 6

Managers to be advised that as part of an establishment check for 'Ghost Employees' they should review their budgets packs and analyse the employees listed within this to ensure that the details are correct and no unknown officers are listed, and no leavers/new starters present when should not be.

Amber

Main Accounting System 21.22 Action 2

Larger value items in the Cashiers Suspense Account will be reviewed, evidenced as such, and corrected where possible.

Amber

Treasury Management 2020.21 / 1

Management should put arrangements in place for ensuring that investment opportunities outside the Council's Treasury Management are identified and proactively monitored.

Amber

Furthermore, the Council should put in place detailed and defined guidance with regards to any such investment opportunities with clear linkages to the Council's Treasury Management Strategy and framework.

Treasury Management 2020.21 / 2

Management should finalise the Terms of Reference for the Council's Treasury and Capital Management Group, which should ensure that the Group provides sufficient oversight and monitoring of the Council's treasury management activities.

Amber

Furthermore, the Terms of Reference should define the frequency with which the Group should meet and there should be a requirement for action plans to be put in place and followed up to resolution.

Creditors 2021.22 / 1

Once procedure notes have been completed and finalised, thoroughly review these with the team so they are following the same process and procedure. Ensure that the outcome from transformation has been considered when writing the procedure notes.

Amber

Please also communicate the procedure across the organisation with the aim that all officers are following the same process and procedure.

Debtors 21.22 Action 2

The Credit Control Manager will establish a programme of routine meetings with Service Managers to review debt lists.

Amber

Inventory of IT Assets 2021.22 / 8

Create policy regarding the donation of ICT assets to communities. This needs to outline what assets can be donated, the criteria for who may receive donated assets and who can authorise the donation. A process also needs to be produced alongside this to confirm how applications for assets can be made and how approval is given.

Amber

Inventory of IT Assets 2021.22 / 4

Update the Asset Tagging Process to include:

An independent officer to run a monthly report to ensure the number of assets ordered via Tech1 reconciles with the number of assets uploaded into the inventory for the same month. Any discrepancies need to be reported. [An independent officer should be someone separate from the officers who received the order at Pathfinder House and uploaded the assets into the inventory].

Amber

A process to create an entry in the inventory to record asset tag 'errors' and gaps and provide an explanation as to why an asset number is not assigned to an asset.

This should be followed with retraining staff of the new asset tagging process.

Purchase Order Compliance 2019.20 / 2

Further investigation will be taken to find out whether the system can be improved by showing the approver the remaining budget at the time of approving a requisition. This will enforce informed commitment making and remove existing blind approvals.

Amber

Payroll - Payments 22.23 / 1.1	Update timesheet documents so that the data replicates the information needed for input in iTrent.	Amber
Payroll - Payments 22.23 / 2	Investigation into direct input of timesheets by employees should be undertaken to see if it is a viable option. Benefits of efficiency savings (through not duplicating input and lower risk of transposing errors) needs to be weighed up against any costs of access rights and implications on contracts	Amber
Creditors 2020.21 / 4	Options for monitoring and addressing duplicate payments will be investigated and staff (AP team and wider services) will be reminded of the checks required when processing invoices for payment.	Amber
Creditors 2020.21 / 2	Written procedure notes will be reviewed and updated to ensure that they are reflective of current practices and cover all elements of the creditors system	Amber
Planning Application KPI's 22.23 / 1	Snapshot the data produced from Uniform when calculating the KPIs and save as evidence of the calculation made. Update the procedure notes to include this in the guidance.	Amber
Planning Application KPI's 22.23 / 2	Reminder email sent out to all relevant officers that once a decision on an application has been made, the decision date should not be changed retrospectively.	Amber
Purchase Order Compliance 2019.20 / 5	Written procedures on the PO process will be written and issued to users. Users will be educated and refreshed on certain areas not being performed correctly and causing delays or inefficiencies in the process e.g. current issue of failure to receipt, inappropriate use of retrospective ordering.	Amber
Compliance with the Code of Transparency 2021.22 / 2	Guidance will give specific reference to use of retrospective ordering; correct VAT codes; use of the delegation functionality to avoid delays; etc. Guidance should be posted to the 'Popular' section of the Intranet for quick access for users.  Appoint an 'owner' of the Transparency Code, so that they can be a point of contact, held accountable for the information uploaded and ensure HDC remain compliant with the code. This owner should ensure that the process outlined is adhered too by other services who hold the data.	Amber

Compliance with the Code of Transparency 2021.22 / 3	Review the information that is currently held on HDC's website in relation to the Transparency Code. Any data which is out of date should be removed and any links mentioned relevant.	Amber
Creditors 2020.21 / 1	Monthly 10% checks of supplier bank account changes, reported from the Tech1 system, will be reinstated, back dated to April 2021.	Amber
Data Protection and Information Management 15.16	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.	Amber
Overtime 21.22 Action 2	At least six-monthly reports will be generated by Payroll, and HR will review and identify any overtime "anomalies" and liaise with Service Managers to better understand / address issues or concerns.	Amber
Overtime 21.22 Action 3	Six-monthly headline Overtime information will be shared with SLT for information.	Amber
Shadow IT / Service-Procured Systems 21.22 / 2	Management should formally communicate the Council's Acceptable Use Policy to all members of staff and establish a mechanism for obtaining and recording user acknowledgement of the policy and confirmation that they have read and understood it.	Amber
Section 106 Agreements 21.22 Action 2	The risk register entry for Section 106 Agreements will be reviewed and updated to ensure that it is reflective of current working practices and issues.	Amber
Payroll - Payments 22.23 / 8	Implement Multifactor Sign on for all iTrent users, to increase security of highly sensitive data.	Amber
Corporate Enforcement Policy 21.22 / 3	Monitor the use of barristers in prosecution cases to establish if their use is justified and economic .	Amber
Compliance with the Code of Transparency 2021.22 / 1	Review the formal process document which outlines responsibilities for each data set including who is responsible for updating the data, what information needs to be included and the frequency of upload. If this document no longer exist/cannot be located, a new document should be created to capture this information.  [This was originally created under Action 1054 during the 2015/16 audit of the Transparency Code.]	Amber

Planning Application KPI's 22.23 / 4	Review aligning the data reported to the government and the data reported for internal KPIs, so that there is continuity and a reduction in unnecessary duplication of work	Amber
Planning Application KPI's 22.23 / 3		Amber
Planning Application KPI's 22.23 / 5	Update the data quality template to reflect the current procedure to produce internal KPIs. Create written procedure notes, which will be included in the 'DM Manual', focussing on the process for submitting data to central government and where the Data Quality Template is located for use in the production of Internal KPIs	Amber
Planning Application KPI's 22.23 / 6	Create written procedure notes, to be included in the 'DM Manual', focussing on the extension process. To include when officers should be notifying applicants of extension requests, how/when this should be recorded on the system and when managers should be reviewing applications to ensure that extension dates have been entered and that they are correct. Once complete, this should be distributed to all relevant officers to read.	Amber

**TOTAL 73 closed actions**

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## CORPORATE GOVERNANCE COMMITTEE PROGRESS REPORT

Committee	Decisions	Date for Action	Action Taken	Officer Responsible	Delete from future list
27/01/2021	<p><b>The Code of Procurement Waiver Procedure</b></p> <p>Digest of all uses of the waiver procedure to be presented to the Committee.</p>	At future meetings as required.	Since the last meeting on 25th January 2023, there are currently 2 uses of the waiver procedure. These are in motion at the moment and details will be circulated around to the Committee in due course.	Procurement Lead	No
25/01/2023	<p><b>Appointment of Independent Member to Corporate Governance Committee</b></p> <p>Delegated authority given to the to the Chair and Vice-Chair, in conjunction with the Corporate Governance Committee, to finalise details including the level of remuneration, term of office, length of appointment and start date of commencement for the appointment of Independent Member(s) to the Corporate Governance Committee.</p>	26/04/2023	<p>Council approved the appointment of up to 2 non-voting Independent Members to the Committee at its meeting on 22 February 2023.</p> <p>Update to be provided at meeting.</p>	Internal Audit Manager	No

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