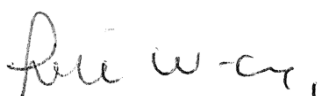


Date of issue: Wednesday, 24 February 2021

| | |
|--|--|
| MEETING: | AUDIT AND CORPORATE GOVERNANCE COMMITTEE (Councillors Sabah (Chair), Wright (Vice Chair), Ali, Akram, D Parmar, S Parmar and Plenty) CO-OPTED INDEPENDENT MEMBERS: Mr Sunderland and Mr Zafar. PARISH COUNCIL MEMBERS: Parish Councillor Ahmed (Wexham Court) Parish Councillor Escott (Colnbrook with Poyle) Parish Councillor Wright (Britwell) INDEPENDENT PERSON Dr Louis Lee |
| DATE AND TIME: | THURSDAY, 4TH MARCH, 2021 AT 6.30 PM |
| VENUE: | VIRTUAL MEETING |
| DEMOCRATIC SERVICES OFFICER: (for all enquiries) | SHABANA KAUSER 07821 811 259 |

NOTICE OF MEETING

You are requested to attend the above Meeting at the time and date indicated to deal with the business set out in the following agenda.



JOSIE WRAGG
Chief Executive

AGENDA

PART I

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|------------------------------|------------------------|-------------|-------------|
| | Apologies for absence. | | |



| <u>AGENDA ITEM</u> | <u>REPORT TITLE</u> | <u>PAGE</u> | <u>WARD</u> |
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| 1. | Declarations of Interest | - | - |
| | <i>All Members who believe they have a Disclosable Pecuniary or other Interest in any matter to be considered at the meeting must declare that interest and, having regard to the circumstances described in Section 4 paragraph 4.6 of the Councillors' Code of Conduct, leave the meeting while the matter is discussed.</i> | | |
| 2. | Minutes of the Last Meeting held on 10th December 2020 | 1 - 8 | All |
| 3. | Action Progress Report | 9 - 14 | All |
| CORPORATE GOVERNANCE ISSUES | | | |
| 4. | Councillor Code of Conduct | 15 - 28 | All |
| 5. | Schedule of Activity - Councillors Code of Conduct | 29 - 30 | All |
| 6. | Members Performance Report - May 2020 to February 2021 | 31 - 36 | All |
| AUDIT ISSUES | | | |
| 7. | Internal Audit Progress Report Quarter 4 2020/21 | 37 - 60 | All |
| 8. | Internal Audit Plan 2021/22 | 61 - 86 | All |
| 9. | Financial Statements 2018/19 | To Follow | All |
| 10. | Going Concern Statement - 2018/19 Accounts | 87 - 94 | All |
| 11. | Audit Findings Report 2018/19 | To Follow | All |
| 12. | Progress Update on implementation of Internal Audit Actions | 95 - 104 | All |
| 13. | General Data Protection Regulation Update | 105 - 110 | All |
| 14. | Risk Management Update Quarter 4 2020/21 | 111 - 120 | All |
| 15. | Exception Reporting to Overview and Scrutiny Committee | - | - |

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| 16. | Members Attendance Record 2020/21 | 121 - 122 | All |
| 17. | Date of Next Meeting - 29th July 2021 | - | - |

Press and Public

This meeting will be held remotely in accordance with the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020. Part I of this meeting will be live streamed as required by the regulations. The press and public can access the meeting from the following link (by selecting the meeting you wish to view):

<http://democracy.slough.gov.uk/mgCalendarMonthView.aspx?GL=1&bcr=1>

Please note that the meeting may be recorded. By participating in the meeting by audio and/or video you are giving consent to being recorded and acknowledge that the recording will be in the public domain.

The press and public will not be able to view any matters considered during Part II of the agenda.

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Audit and Corporate Governance Committee – Meeting held on Thursday, 10th December, 2020.

Present:- Councillors Sabah (Chair), Ali, Akram, D Parmar, S Parmar and Plenty.

Co-Opted Members: Mr Sunderland and Mr Zafar.

Parish Councillor Ahmed (Wexham Court)

Apologies for Absence:- Councillor Wright and Parish Councillor Escott (Colnbrook with Poyle)

PART 1

14. Declarations of Interest

Agenda Item 6 - Schedule of Activity Councillors Code of Conduct (Minute 19 refers) Councillor Plenty declared that two of the matters referred to in the report related to him and he would therefore leave the meeting. Councillor Plenty withdrew from the meeting during consideration of this agenda item.

15. Minutes of the Last Meeting held on 3rd August 2020

Resolved – That the minutes of the meeting held on 3rd August 2020 be approved as a correct record, subject to noting discussion relating to the LGA Working Group and Member input to the development of the action plan in response to the findings of the LGA Peer Review.

In the ensuing discussion a number of points were raised regarding GDPR and it was agreed that a report be considered at the next meeting, detailing the number of breaches on GDPR; those subject to legal action (for duration when GDPR role had remained vacant); and where responsibility for GDPR would sit within the new organisational structure. It was noted that the Corporate Risk Register would be updated to reflect the current position.

16. Action Progress Report

Details of the Action Progress Report were noted. A Member sought clarification regarding the arrangements for the appointment of the Monitoring Officer. The Executive Director, Corporate Services explained that details were yet to be finalised within Part 2 of the consultation phase, although it was anticipated that the role would be an advisory role based within corporate services. It was noted that the current Monitoring Officer arrangements would continue until the post had been filled.

Resolved – That details of the Action Progress report be noted.

17. LGA Peer Review on Governance Arrangements - Action Plan

The Committee were reminded that the Council underwent a formal Peer Review from the Local Government Association (LGA) of its governance arrangements in February 2020. The LGA'S final findings were received by the Council in June 2020. The main findings and recommendations were highlighted for Members as outlined in the report.

The Committee were informed that following completion of the Council's tier 2 and 3 restructure an action plan to address the LA's recommendations would be implemented. However, pending the development of the action plan, there were certain actions that could be considered in the interim, as outlined in the report, which included the establishment of a working group to monitor the completion of the specific actions. In response to when the working group would be convened it was noted that this was likely to be in January 2021.

Referring specifically to the action regarding Members being kept informed of events in their ward, a number of Committee Members expressed their disappointment that this was not already happening. It was suggested that the current weekly Members bulletin include a standing item setting out events and actions in individual wards and it was agreed that this would be explored further.

A Member queried the timescale for the action relating to how far the Council was complying with its minimum obligations under the Local Government Transparency Code 2015. The Executive Director, Corporate Services explained that the matter would be progressed following the appointment of the Associate Director responsible for Customer Services.

Resolved – That the actions, as set out in paragraphs 5.6 to 5.9 of the report, are agreed.

18. Disclosure and Barring Service- Checks on Members

At its meeting in August 2020 the Committee resolved that the issue of carrying out checks against Members with the Disclosure and Barring Service (DBS) be referred to the Member Panel on the Constitution (MPOTC) to consider in greater detail.

The Monitoring Officer reminded Members that the Council had no powers to procure a "standard check", an "enhanced check" or an "enhanced check with barring list(s)" with the DBS in respect of all Members, but only in respect of Members having portfolio responsibilities involving work with children or vulnerable adults. The Council could however procure "basic checks" against all Members with their consent by way of a provision in the Councillors' Code of Conduct.

Following consideration by the MPOTC at its meeting in September 2020, it was recommended that the Councillors Code of Conduct be amended to include provision to make "basic" checks on all Councillors and "enhanced"

checks on Councillors who hold portfolios relating to vulnerable adults and children and for any fees payable to the DBS for making checks to be met from the respective Councillors' allowances.

A number of points were raised in the ensuing discussion including why such checks were considered necessary, given that there was no statutory obligation to carry them out and what would be the benefit of obtaining such information. The Monitoring Officer explained that the information could be useful for Group Leaders when considering the suitability of Members to on Cabinet and Committees/Panels. A Member suggested that DBS checks be carried out prior to appointments being formally agreed and or announced. and it was noted that the practicalities of doing so would be explored further by officers.

In recommending the report to Council, Committee Members agreed that the DBS checks be implemented from the new municipal year 2021.

Recommended to Council - That the Councillors' Code of Conduct, in the terms set out at paragraph 5.10 of the report, be amended to include provision to make "basic" checks on all Councillors and "enhanced" checks on Councillors who hold portfolios relating to vulnerable adults and children, with the Disclosure & Barring Service ("DBS"), and for any fees payable to the DBS for making checks to be met from the respective Councillors' allowances; effective from the municipal year 2021.

(Councillor Plenty left the meeting)

19. Schedule of Activity - Councillors Code of Conduct

The Monitoring Officer updated the Committee with regards to complaints under the Councillors Code of Conduct since the last meeting in August 2020. A summary of the six complaints received was provided. It was noted that since the publication of the agenda, a number of complaints relating to Colnbrook with Poyle Parish Council had been received and that these would be reported to the next meeting. Recognising that previous matters had not been determined within the timeframe as set out in the code, the Monitoring Officer assured Members that any new complaints received would be completed within the prescribed timeframe.

It was brought to the Committee's attention that the Committee on Standards in Public Life had undertaken a review of the Model Code of Conduct for Councillors. It was agreed that a copy of the new Local Government Association model code of conduct would be circulated to Members and the matter scheduled for consideration at the next meeting in March 2021.

The Chair queried the timetable regarding determination of complaints and it was explained that the current code envisaged the preliminary investigation being completed within 28 days. It was agreed that the current flow chart setting out how complaints under the Code of Conduct for Councillors should be determined would be circulated to the Committee. It was also noted that the complaints/investigation procedure would be included in the future training programme for Members to ensure all were aware of the process.

A Member suggested that future reports include details of any lessons learnt once a matter had been concluded and it was noted that reports would be amended to reflect this.

Resolved – That details of the report be noted.

20. Local Government and Social Care Ombudsman - Complaints, Findings, Outcomes and Lessons Learnt

(Councillor Plenty re-joined the meeting)

The Committee received an update on the complaints made to the Local Government and Social Care Ombudsman since the previous meeting in August 2020. It was noted that one matter had been referred which concerned School Places and Appeals. A Member asked whether changes had been implemented relating to correct and timely information being provided to parents in advance of school admission appeals and the Executive Director, Corporate Services agreed an update would be circulated to the Committee.

Resolved – That details of the report be noted.

21. Internal Audit Progress Report Quarter 3 2020/21

The Head of Internal Audit, Daniel Harris, introduced a report that updated the Committee on the progress of the delivery of the 2019/20 and 2020/21 Internal Audit Plans.

In relation to the 2019/20 plan, three of the four draft reports had been finalised. The only audit remaining in draft from 2019/20 was on Business Rates and work was ongoing with management to finalise this report. A further 11 reports from the 2020/21 plan had been finalised since the last meeting of the Committee in August and a further 8 draft reports had been issued.

The Appendix to the report summarised the high and medium priority management actions from 'partial' or 'no assurance' reports from those finalised from the 2020/21 plan. This included the Business Continuity audit, which had received a 'partial' assurance opinion, and Members expressed concern that it had been found that the Council's various emergency planning documents had not been finalised and approved and that the strategic flood risk assessment had not updated since 2012 despite a requirement to update it every two years. The Director of Finance & Resources responded that the relevant plans did exist and had been followed as evidenced the Council's

responses to various emergency situations over the past year including the severe wind damage to a building in the High Street, IT issues and the Covid-19 pandemic. In relation to a question about it was recognised there was more work to do to formalise some of these plans and there were a series of management actions which were due to be completed by 31st March 2021. The Committee emphasised the importance of completing this work as soon as possible, including the flood risk assessment, although it was noted both emergency planning and IT were still directly involved in the Council's pandemic response which could impact on the timetable.

A Member asked about the finding in the audit of the Everyone Active contract that some payments had been made separately for various projects without it being formally tracked and recorded. It was agreed that further information would be provided to the Committee with details of additional spend with Everyone Active.

Resolved – That details of the Internal Audit Progress Report Quarter 3 2020/21 be noted.

22. Update on Financial Statements 2018/19

Julie Masci, the Engagement Lead at the Council's external auditors, Grant Thornton, gave a verbal update on the position regarding the audit of the 2018/19 financial statements.

Ms Masci reported that Grant Thornton were awaiting information from the Berkshire Pension Fund before formally completing the audit. The auditors had met the Chair and Council Officers prior to the meeting to discuss the outstanding actions that would need to be concluded before the financial statements could be presented to the Committee for approval. It had been agreed to seek to complete the audit by the end of January and it was proposed and agreed that an extraordinary meeting of the Committee be scheduled for 27th January 2021 to sign off the accounts.

Members were frustrated at the further delay and noted this would have an impact on the 2019/20 financial statements. The reasons for the current delay were discussed. The Chair expressed disappointment on behalf of the Committee that a written update had not been provided to members. The reasons for this were discussed and it was agreed that a written update be circulated to the Committee after the meeting to detail the outstanding information awaited and timeline for finalising the accounts.

Resolved –

- (a) That the verbal update be noted.
- (b) That an extraordinary meeting be scheduled for 27th January 2021 at which it was expected the 2018/19 financial statements could be approved.

23. Risk Management Update Quarter 3 2020/21

The Executive Director, Corporate Services outlined details of the Corporate Risk Register and outstanding actions.

Members asked for an update on the current position in relation to Slough Children's Services Trust, specifically referring to the publication of the SCST 2018/19 accounts which indicated that there was a material uncertainty due to there being no agreed plan to repay the £4m initial start up liabilities owed to the Council from July 2021. It was noted that the possibility of creating a local authority company by April 2021 was being discussed. The Committee were informed that currently there was no realistic plan from SCST for repaying its liabilities and the Council was in discussions with the Department of Education regarding how the funds were likely to be recouped. In response to the likely impact failure of recovering funds from SCST would have on the Council, it was explained that the Council would have to utilise a significant proportion of its estimated general reserves; which would leave the Council's reserves at only £1.3m.

It was noted that the Corporate Risk Register would be updated to reflect the current position regarding SCST.

Resolved - That details of the Risk Management Update Quarter 3 be noted.

24. Internal Audit Update Quarter 3 2020/21

The Executive Director, Corporate Services provided Members with an update on the progress of the implementation of Internal Audit management actions. The percentage of completed actions had increased to 88% compared to 81% from the previous quarter. It was noted that the Quarter 1 follow up review by Internal Auditors RSM, which monitored the progress of implementation of actions; showed that the Council had made 'reasonable progress.' A Member asked when the Accounts Receivable Debt Recovery Policy was likely to be produced and was informed that work had commenced but progress had been impacted by Covid-19 requirements.

Resolved – That details of the Internal Audit Update Quarter 3 2020/21 be noted.

25. Exception Reporting to Overview and Scrutiny

This was a standing agenda item to provide a formal mechanism to refer relevant matters to the Overview and Scrutiny Committee. No matters were referred.

Resolved - That no matters be reported to the Overview and Scrutiny Committee arising from the agenda.

26. Forward Work Programme

Following discussions earlier in the meeting, it was agreed that the March 2021 meeting receive a report on GDPR with details of the number of breaches on GDPR; and those subject to legal action (for duration when GDPR role has remained vacant); and where responsibility for GDPR would be within the new organisational structure.

Resolved – That details of the work programme be noted and the March 2021 meeting to receive a report on GDPR .

27. Members Attendance Record 2020/21

Resolved – That details of the Members Attendance Record 2020/21 be noted.

28. Date of Next Meeting - 4th March 2021

The date of the next scheduled meeting was confirmed as 4th March 2021.

Chair

(Note: The Meeting opened at 6.30 pm and closed at 8.52 pm)

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SLOUGH BOROUGH COUNCIL
AUDIT & CORPORATE GOVERNANCE COMMITTEE

ACTION PROGRESS REPORT

Actions Arising from Meetings

10th December 2020

| Minute: | Agenda item and Action: | For: | Status / Comment |
|---------|---|---|---|
| 15 | <p>Minutes of meeting held on 3rd August 2020</p> <p>General Data Protection Regulation (GDPR)</p> <p>Report to be considered at March meeting with details of number of breaches on GDPR; and those subject to legal action (for duration when GDPR role has remained vacant); and where responsibility for GDPR will be within the new organisational structure.</p> <p>Corporate Risk Register to be updated with information on GDPR</p> | <p>Executive Director, Corporate Operations</p> <p>Risk & Insurance Officer</p> | <p>Completed. Refer to agenda item 12 for 04.03.21 meeting.</p> <p>Completed. Refer to agenda item 13 for 04.03.21 meeting.</p> |
| 17 | <p>LGA Peer Review on Governance Arrangements - Action Plan</p> <p>That the Working Group, as set out in paragraph 5.6 of the report, be convened in January 2021.</p> | <p>Monitoring Officer</p> | <p>Completed. Our Futures Governance and Member Working Group Update' meeting held on 08.02.21. Provided an update on peer review actions and demonstrated that delivery will be assured through inclusion in the new 'governance' stream of the 'Our Futures' programme. Received member steer to use the cabinet-scrutiny working group as this working group for future monitoring of the peer review actions and other governance actions.</p> |

| | | | |
|----|--|--------------------------|---|
| 22 | <p>Update on Financial Statements 2018/19</p> <p>A written update – to include outstanding information awaited and timeline for finalising the accounts 18/19 - to be circulated to the Committee.</p> <p>Extraordinary meeting be scheduled for 27th January 2021 to consider the accounts 18/19.</p> | Grant Thornton - | <p>Completed. Emailed to Committee 04/01/21.</p> <p>Completed. Following meetings between SBC Officers, Cllr Sabah and External Auditors it was agreed that the Financial Statements 18/19 be considered on 04.03.21 meeting.</p> |
| 23 | <p>Risk Management Update - Quarter 3 2020/21</p> <p>Corporate Risk Register updated to reflect the current position regarding Slough Children’s Trust.</p> | Risk & Insurance Officer | <p>Completed. Refer to agenda item 13 04.03.21 meeting.</p> |

3rd August 2020

| Minute: | Agenda item and Action: | For: | Status / Comment |
|---------|--|---|---|
| 4. | <p>LGA Peer Review of Governance Arrangements</p> <p>To confirm the appointment of the Monitoring Officer.</p> | Chief Executive | Current arrangements for Monitoring Officer to continue until details of the role had been finalised as part of Phase 2 Our Futures programme. |
| 4. | <p>LGA Peer Review of Governance Arrangements</p> <p>To carry out a lessons learned review regarding the delay in external audit of the financial statements 2018/19.</p> | Executive Director, Corporate Operations. | To be carried out once the process has been completed for 2018/19. |
| 11. | <p>Internal Audit Update Quarter 1 2020/21</p> <p>Committee to receive an update at a future meeting on high priority action on reporting requirements for James Elliman Homes.</p> | Dan Harris, RSM | <p>Completed - An update was provided to the December 2020 A&CG meeting to confirm that as part of a 2020/21 review of James Elliman Homes, we confirmed that the reporting requirements for JEH had been established.</p> |

5th March 2020

| Minute: | Agenda item and Action: | For: | Status / Comment |
|---------|---|--------------------|--|
| 42. | <p>LGA Peer Review on Governance – Interim Report That a working group to include Councillors Sabah and Ali be set up to look at the issues raised by the review and that a questionnaire be sent to Committee Members for their feedback relating to the workings of the Committee.</p> | Monitoring Officer | Completed. Refer to comment for 10.12.20 meeting. Meeting held on 08.02.21. |
| 43. | <p>Schedule of Activity – Councillors’ Code of Conduct Training to be provided to councillors detailing the Standards Complaints Process.</p> | Monitoring Officer | Completed. Training scheduled for 09 March 2021. |
| 44. | <p>Schedule of Activity – Councillors’ Code of Conduct Monitoring Officer to examine whether the Code of Conduct could be amended to reflect that any findings of breaches to the Code of Conduct be published.</p> | Monitoring Officer | Completed. Agenda item 4 for 04.03.21 explicitly addresses this issue. |
| 46 | <p>Members Performance Report Future performance reports to include details on whether Members’ were using the electronic dashboard system for casework queries; and that officers consider any other appropriate measures to be used to report on Members performance.</p> | Monitoring Officer | Completed. Refer to agenda item 6 for 04.03.21 meeting. |

Note: Actions to be removed from the log after being reported as ‘completed’ to the Committee.

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SLOUGH BOROUGH COUNCIL

REPORT TO: Audit & Corporate Governance Committee

DATE: 4th March 2021

CONTACT OFFICER: Hugh Peart, Monitoring Officer

WARDS: All

PART I
FOR COMMENT & CONSIDERATION

COUNCILLOR CODE OF CONDUCT1. **Purpose of Report**

The Local Government Association ('LGA') has recently published a new Model Code of Conduct for Councillors, and the Committee is requested to consider both this and the recommendations of the Committee on Standards in Public Life ('CSPL').

2. **Recommendation(s)/Proposed Action**

The Committee is requested to:

- Determine which if any of the elements of the LGA new model code of conduct it wishes to adopt, and refer any recommended changes to the Member Panel on the Constitution; and
- Note the progress in implementing the recommendations of the CSPL and comment specifically on recommendations 2, 3, 5, 7, 9 & 12.

3. **The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**

The delivery of all these strategic priorities is dependent on the highest possible standards of openness, honesty and accountability. This is underpinned by the Confidential Whistleblowing Code, the Councillors' Code of Conduct and good governance arrangements being in place.

4. **Other Implications**(a) **Financial**

There are no financial implications of proposed action.

(b) **Human Rights Act and Other Legal Implications**

The law relating to Councillors' conduct is contained in the Localism Act 2011. Under Section 27 of that Act the Council must promote and maintain high standards of conduct by members of the Council and, in discharging this duty, the Council must adopt a code dealing with the conduct that is expected of members of the Council when they are acting in that capacity. The Council must secure, by virtue of Section 28 of that Act, that such code adopted by it is, when viewed as a whole, consistent with the principles of selflessness, integrity, objectivity, accountability, openness, honesty and leadership (the "Nolan Principles").

The Council must also have in place arrangements under which allegations can be investigated and arrangements under which decisions on allegations can be made, and if the Council find that a member of the Council has failed to comply with its code of conduct, it may

have regard to the failure in deciding whether to take action in relation to the member and what action to take.

(c) Equalities Impact Assessment

There is no identified need for an EIA arising from this Report.

5. SECTION 1: LGA NEW MODEL CODE OF CONDUCT

- 5.1** In 2019 the Local Government Association undertook a review of the Councillor Code of Conduct. This review resulted in a new draft code, which was consulted on last Summer, and received over 1,400 responses.
- 5.2** In response to the Consultation, in December last year the LGA published a new Model Code of Conduct, which was sent to all members of this Committee before Christmas, and the link is <https://www.local.gov.uk/local-government-association-model-councillor-code-conduct-2020-0>
- 5.3** In a joint statement the LGA introduced the Code as follows:

The role of councillor across all tiers of local government is a vital part of our country's system of democracy. It is important that as councillors we can be held accountable and all adopt the behaviours and responsibilities associated with the role.

Our conduct as an individual councillor affects the reputation of all councillors. We want the role of councillor to be one that people aspire to. We also want people from a range of backgrounds and circumstances to be putting themselves forward to become councillors.

As councillors we represent local residents, work to develop better services and deliver local change. The public have high expectations of us and entrust us to represent our local area; taking decisions fairly, openly and transparently. We have both an individual and collective responsibility to meet these expectations by maintaining high standards and demonstrating good conduct, and by challenging behaviour which falls below expectations.

Importantly we should be able to undertake our role as a councillor without being intimidated, abused, bullied or threatened by anyone, including the general public.

This Code has been designed to protect our democratic role, encourage good conduct and safeguard the public's trust in local government.

6. Commentary

Set out below are the material differences between the Council's current Code and the new model one:

7. Tense

The Current Code used the phrase 'you must', the new model is drafted around the first person, e.g. 'I act lawfully'.

8. General principles of councillor conduct

- 8.1 The current Code provides that 'When acting in your role as Member of the Council, you must ensure that you conduct yourself in such a manner that complies with the Seven Principles of Public Life.'
- 8.2 The new model is more detailed as follows:
- 8.3 Everyone in public office at all levels; all who serve the public or deliver public services, including ministers, civil servants, councillors and local authority officers; should uphold the Seven Principles of Public Life, also known as the Nolan Principles.
- 8.4 Building on these principles, the following general principles have been developed specifically for the role of councillor.
- 8.5 In accordance with the public trust placed in me, on all occasions:
- I act with integrity and honesty
 - I act lawfully
 - I treat all persons fairly and with respect; and
 - I lead by example and act in a way that secures public confidence in the role of councillor.
- 8.6 In undertaking my role:
- I impartially exercise my responsibilities in the interests of the local community
 - I do not improperly seek to confer an advantage, or disadvantage, on any person
 - I avoid conflicts of interest
 - I exercise reasonable care and diligence; and
 - I ensure that public resources are used prudently in accordance with my local authority's requirements and in the public interest.'

9. Application of the Code

- 9.1. The current code is silent as to when it applies but is treated as applying when a councillor is acting in that role, and not e.g. when at home or work. The new model is more specific:
- 9.2 This Code of Conduct applies to you as soon as you sign your declaration of acceptance of the office of councillor or attend your first meeting as a co-opted member and continues to apply to you until you cease to be a councillor.
- 9.3 This Code of Conduct applies to you when you are acting in your capacity as a councillor which may include when:
- you misuse your position as a councillor
 - Your actions would give the impression to a reasonable member of the public with knowledge of all the facts that you are acting as a councillor;
- 9.4 The Code applies to all forms of communication and interaction, including:

- at face-to-face meetings
- at online or telephone meetings
- in written communication
- in verbal communication
- in non-verbal communication
- in electronic and social media communication, posts, statements and comments.

9.5 You are also expected to uphold high standards of conduct and show leadership at all times when acting as a councillor.

Your Monitoring Officer has statutory responsibility for the implementation of the Code of Conduct, and you are encouraged to seek advice from your Monitoring Officer on any matters that may relate to the Code of Conduct.

10. Standards of Conduct

10.1. The current code requires that:

10.2. You must treat others with respect, including Council officers and other elected Members.

10.3. You must not bully any person (including specifically any Council employee) and you must not intimidate or improperly influence, or attempt to intimidate or improperly influence, any person who is involved in any complaint about any alleged breach of this Code of Conduct. Bullying is offensive, intimidating, malicious or insulting behaviour, or an abuse or misuse of power through means that undermine, humiliate, denigrate or injure the recipient. Examples of bullying are:

- spreading malicious rumours, or insulting someone by words or behaviour
- copying memos that are critical of someone to others who do not need to know
- ridiculing or demeaning someone – picking on them or setting them up to fail
- exclusion or victimization
- unfair treatment
- overbearing supervision or other misuse of power or position
- unwelcome sexual advances – touching, standing too close, display of offensive materials, asking for sexual favours, making decisions on the basis of sexual advances being accepted or rejected making threats or comments about job security without foundation
- deliberately undermining a competent worker by overloading and constant criticism
- preventing individuals progressing by blocking promotion or training opportunities

10.4 You must not do anything which compromises or is likely to compromise the impartiality of anyone who works for or on behalf of the Council.

10.5 You must not conduct yourself in a manner which could reasonably be regarded as bringing the Council, or your office as a Member of the Council, into disrepute.

10.6 You must not use or attempt to use your position as a Member improperly to confer on or secure for yourself or any other person any advantage or disadvantage.

10.7 You have a duty to uphold the law including the general law against discrimination

- 10.8 When using or authorising the use by others of the resources of the Council, you must act in accordance with the Council's reasonable requirements (as set out in such protocol as it may adopt from time to time for these purposes) and must ensure they are not used for party political purposes.
- 10.9 You must not prevent, or attempt to prevent, another person from gaining access to information to which they are entitled by law.
- 10.10 You must not disclose information which is given to you in confidence, or information which you believe or ought reasonably to be aware is of a confidential nature, unless:
- You have the consent of a person authorised to give it; or
 - You are required by law to do so; or
 - The disclosure is made to a third party for the purpose of obtaining professional advice, provided that the third party agrees not to disclose the information to any other person; or
 - The disclosure is reasonable and in the public interest and made in good faith.

11 The new model code is again more detailed:

11.1 Standards of councillor conduct

11.2 This section sets out your obligations, which are the minimum standards of conduct required of you as a councillor. Should your conduct fall short of these standards, a complaint may be made against you, which may result in action being taken.

11.3 Guidance is included to help explain the reasons for the obligations and how they should be followed.

11.4 General Conduct

11.5 **Respect:** as a councillor:

- I treat other councillors and members of the public with respect.
- I treat local authority employees, employees and representatives of partner organisations and those volunteering for the local authority with respect and respect the role they play.

11.6 Respect means politeness and courtesy in behaviour, speech, and in the written word. Debate and having different views are all part of a healthy democracy. As a councillor, you can express, challenge, criticise and disagree with views, ideas, opinions and policies in a robust but civil manner. You should not, however, subject individuals, groups of people or organisations to personal attack.

11.7 In your contact with the public, you should treat them politely and courteously. Rude and offensive behaviour lowers the public's expectations and confidence in councillors.

11.8 In return, you have a right to expect respectful behaviour from the public. If members of the public are being abusive, intimidatory or threatening you are entitled to stop any conversation or interaction in person or online and report them to the local authority, the relevant social media provider or the police. This also applies to fellow councillors, where action could then be taken under the Councillor Code of Conduct, and local authority

employees, where concerns should be raised in line with the local authority's councillor officer protocol.

11.9 **Bullying, harassment and discrimination:** as a councillor:

- I do not bully any person.
- I do not harass any person.
- I promote equalities and do not discriminate unlawfully against any person.

11.10 The Advisory, Conciliation and Arbitration Service (ACAS) characterises bullying as offensive, intimidating, malicious or insulting behaviour, an abuse or misuse of power through means that undermine, humiliate, denigrate or injure the recipient. Bullying might be a regular pattern of behaviour or a one-off incident, happen face-to-face, on social media, in emails or phone calls, happen in the workplace or at work social events and may not always be obvious or noticed by others.

11.11 The Protection from Harassment Act 1997 defines harassment as conduct that causes alarm or distress or puts people in fear of violence and must involve such conduct on at least two occasions. It can include repeated attempts to impose unwanted communications and contact upon a person in a manner that could be expected to cause distress or fear in any reasonable person.

11.12 Unlawful discrimination is where someone is treated unfairly because of a protected characteristic. Protected characteristics are specific aspects of a person's identity defined by the Equality Act 2010. They are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

11.13 The Equality Act 2010 places specific duties on local authorities. Councillors have a central role to play in ensuring that equality issues are integral to the local authority's performance and strategic aims, and that there is a strong vision and public commitment to equality across public services.

11.14 **Impartiality of officers of the council:** as a councillor I do not compromise, or attempt to compromise, the impartiality of anyone who works for, or on behalf of, the local authority.

11.15 Officers work for the local authority as a whole and must be politically neutral (unless they are political assistants). They should not be coerced or persuaded to act in a way that would undermine their neutrality. You can question officers in order to understand, for example, their reasons for proposing to act in a particular way, or the content of a report that they have written. However, you must not try and force them to act differently, change their advice, or alter the content of that report, if doing so would prejudice their professional integrity.

11.16 **Confidentiality and access to information:** as a councillor:

11.16.1. I do not disclose information:

- a) given to me in confidence by anyone
- b) acquired by me which I believe, or ought reasonably to be aware, is of a confidential nature, unless
 - i. I have received the consent of a person authorised to give it;
 - ii. I am required by law to do so;

- iii. the disclosure is made to a third party for the purpose of obtaining professional legal advice provided that the third party agrees not to disclose the information to any other person; or
- iv. the disclosure is:
 - a) reasonable and in the public interest; and
 - b) made in good faith and in compliance with the reasonable requirements of the local authority; and
 - c) I have consulted the Monitoring Officer prior to its release.

11.17. I do not improperly use knowledge gained solely as a result of my role as a councillor for the advancement of myself, my friends, my family members, my employer or my business interests.

11.18. I do not prevent anyone from getting information that they are entitled to by law.

11.19. Local authorities must work openly and transparently, and their proceedings and printed materials are open to the public, except in certain legally defined circumstances. You should work on this basis, but there will be times when it is required by law that discussions, documents and other information relating to or held by the local authority must be treated in a confidential manner. Examples include personal data relating to individuals or information relating to ongoing negotiations.

11.20. **Disrepute:** as a councillor: I do not bring my role or local authority into disrepute.

11.21. As a Councillor, you are trusted to make decisions on behalf of your community and your actions and behaviour are subject to greater scrutiny than that of ordinary members of the public. You should be aware that your actions might have an adverse impact on you, other councillors and/or your local authority and may lower the public's confidence in you or your local authority's ability to discharge your/it's functions. For example, behaviour that is considered dishonest and/or deceitful can bring your local authority into disrepute.

11.22. You are able to hold the local authority and fellow councillors to account and are able to constructively challenge and express concern about decisions and processes undertaken by the council whilst continuing to adhere to other aspects of this Code of Conduct.

11.23. **Use of position:** as a councillor I do not use, or attempt to use, my position improperly to the advantage or disadvantage of myself or anyone else.

11.24. Your position as a member of the local authority provides you with certain opportunities, responsibilities and privileges, and you make choices all the time that will impact others. However, you should not take advantage of these opportunities to further your own or others' private interests or to disadvantage anyone unfairly.

11.25. **Use of local authority resources and facilities:** as a councillor

- I do not misuse council resources.
- I will, when using the resources of the local or authorising their use by others:

- a) act in accordance with the local authority's requirements; and
- b) ensure that such resources are not used for political purposes unless that use could reasonably be regarded as likely to facilitate, or be conducive to, the discharge of the functions of the local authority or of the office to which I have been elected or appointed.

11.26. You may be provided with resources and facilities by the local authority to assist you in carrying out your duties as a councillor.

Examples include:

- office support
- stationery
- equipment such as phones, and computers
- transport
- access and use of local authority buildings and rooms.

11.27. These are given to you to help you carry out your role as a councillor more effectively and are not to be used for business or personal gain. They should be used in accordance with the purpose for which they have been provided and the local authority's own policies regarding their use.

11.28. **Complying with the Code of Conduct:** as a Councillor:

- I undertake Code of Conduct training provided by my local authority.
- I cooperate with any Code of Conduct investigation and/or determination.
- I do not intimidate or attempt to intimidate any person who is likely to be involved with the administration of any investigation or proceedings.
- I comply with any sanction imposed on me following a finding that I have breached the Code of Conduct.

11.29. It is extremely important for you as a councillor to demonstrate high standards, for you to have your actions open to scrutiny and for you not to undermine public trust in the local authority or its governance. If you do not understand or are concerned about the local authority's processes in handling a complaint you should raise this with your Monitoring Officer.

12. Interests

12.1. The current code provides that:

You must register in the Council's Register of Members' Interests your Disclosable Pecuniary Interests and your Personal Interests by writing to the Monitoring Officer within 28 days of your appointment as a Member of the Council; and any change taking place in your interests.

12.2. Under Section 34 of the Localism Act 2011 it is a criminal offence if a Member fails without reasonable excuse to inform the monitoring officer of any disclosable pecuniary interests which that member has before the end of the period of 28 days beginning with the date on which he or she became a member or provides information that is false or misleading knowing that the information is false or misleading or is reckless as to whether the information is false and not misleading; or

- 12.3. fails without reasonable excuse to inform the monitoring officer of any disclosable pecuniary interests which that member has, which are not already registered in the register of members' interests, the before the end of the period of 28 days beginning with the date on which he or she is re-elected as a member, or provides information that is false or misleading knowing that the information is false or misleading or is reckless as to whether the information is false and not misleading; or
- 12.4. fails without reasonable excuse, at any meeting of the council or of any committee, sub-committee, joint committee or joint sub-committee at which he or she is present, to declare any disclosable pecuniary interests which that member is aware he or she has in any matter which is to be, or is being, considered at such meeting, or provides information that is false or misleading knowing that the information is false or misleading or is reckless as to whether the information is false and not misleading; or
- 12.5. fails without reasonable excuse, to inform the Monitoring Officer within 28 days of disclosing any disclosable pecuniary interest at any meeting of the council or of any committee, sub-committee, joint committee or joint sub-committee if that interest is not registered in the register of members' interests or is not subject to appending notification or provides information that is false or misleading knowing that the information is false or misleading or is reckless as to whether the information is false and not misleading.
- 12.6. Where the Monitoring Officer is made aware of circumstances which may constitute a criminal offence under Section 34 of the Localism Act 2011 they will report the matter to the Police for their investigation before undertaking their own enquiries.
- 12.7. Failure without reasonable excuse to register a Disclosable Pecuniary or Personal Interest is a breach of this Code.
- 12.8. **Gifts and Hospitality**
- 12.9. You must within 28 days of receipt, notify the Monitoring Officer in writing of any gift, benefit or hospitality with a value in excess of £50 which you have accepted as a Member from any person or body other than the borough Council.
- 12.10. The Monitoring Officer will place the notification on the public register of gifts and hospitality.
- 12.11. The new model code provides:
- 12.12. **As a councillor:** I register and disclose my interests.
- 12.13. Section 29 of the Localism Act 2011 requires the Monitoring Officer to establish and maintain a register of interests of members of the authority.
- 12.14. You need to register your interests so that the public, local authority employees and fellow councillors know which of your interests might give rise to a conflict of interest. The register is a public document that can be consulted when (or before) an issue arises. The register also protects you by allowing you to demonstrate openness and a willingness to be held accountable. You are personally responsible for deciding whether or not you should disclose an interest in a meeting, but it can be helpful for you to know early on if others think that a potential conflict might arise. It is also important that the public know about any interest that might have to be disclosed by you or other councillors when making or taking part in decisions, so that decision

making is seen by the public as open and honest. This helps to ensure that public confidence in the integrity of local governance is maintained.

12.15. You should note that failure to register or disclose a disclosable pecuniary interest as set out in Table 1, is a criminal offence under the Localism Act 2011.

Appendix B sets out the detailed provisions on registering and disclosing interests. If in doubt, you should always seek advice from your Monitoring Officer.

12.16. **Gifts and hospitality:** as a councillor:

- I do not accept gifts or hospitality, irrespective of estimated value, which could give rise to real or substantive personal gain or a reasonable suspicion of influence on my part to show favour from persons seeking to acquire, develop or do business with the local authority or from persons who may apply to the local authority for any permission, licence or other significant advantage.
- I register with the Monitoring Officer any gift or hospitality with an estimated value of at least £50 within 28 days of its receipt.
- I register with the Monitoring Officer any significant gift or hospitality that I have been offered but have refused to accept.

12.17. In order to protect your position and the reputation of the local authority, you should exercise caution in accepting any gifts or hospitality which are (or which you reasonably believe to be) offered to you because you are a councillor. The presumption should always be not to accept significant gifts or hospitality. However, there may be times when such a refusal may be difficult if it is seen as rudeness in which case you could accept it but must ensure it is publicly registered. However, you do not need to register gifts and hospitality which are not related to your role as a councillor, such as Christmas gifts from your friends and family. It is also important to note that it is appropriate to accept normal expenses and hospitality associated with your duties as a councillor. If you are unsure, do contact your Monitoring Officer for guidance.

12.18. **Personal Security**

12.19. Where you think that disclosure of the details of any of your interests could lead to you, or a person connected with you, being subject to violence or intimidation, the Monitoring Officer may at your request make a note on the Register that you have an interest, but withhold the details.

12.20. **Declaration at Meetings**

12.21. All Members are required to disclose their Disclosable Pecuniary or Personal Interests at any meeting where a matter under discussion affects one or more of those interests.

12.22. Members should also declare as a Personal Interest where the subject matter under discussion:

- might reasonably be regarded as affecting the wellbeing or financial standing of them or a member of their family or a person with whom they have a close association to a greater extent than it would affect the majority of Council Tax payers, rate payers or inhabitants of their ward or Slough, or

- relates to or is likely to affect any of the interests listed in the Table in Appendix 2 of this Code, but in respect of a member of the Member's family or a person with whom they have a close association

12.23. **Action following declaration**

12.24. If you have declared a Disclosable Pecuniary Interest, you must withdraw from the room without participating in any discussion of or vote on the matter unless a written dispensation has been granted.

12.25. If you have declared a Personal Interest consider whether a member of the public with knowledge of the relevant facts would reasonably regard the interest as so significant that it is likely to prejudice your judgement of the public interest. If you believe this to be the case then you must withdraw from the room without participating in any discussion of or vote on the matter.

12.26. If this test is not met, you may remain, speak and vote on the matter provided that you declare that you are impartial on the matter.

13. SECTION 2: COMMITTEE ON STANDARDS IN PUBLIC LIFE

In 2019 the Committee published its report on Local Government Ethical Standards, and a copy of its recommendations was sent to all members of this Committee before Christmas. The report runs to over 100 pages and can be found here:

<https://www.gov.uk/government/publications/local-government-ethical-standards-report>.

Arising from the review the Committee made 15 recommendations, which are set out below, together with the progress/comments against each:

| Recommendation | Current status | Comment |
|--|-------------------------|---|
| 1. Local authorities should include prohibitions on bullying and harassment in codes of conduct. These should include a definition of bullying and harassment, supplemented with a list of examples of the sort of behaviour covered by such a definition. | Implemented | This is covered in both SBC's current & the LGA model code |
| 2. Councils should include provisions in their code of conduct requiring councillors to comply with any formal standards investigation and prohibiting trivial or malicious allegations by councillors. | Not implemented | The provision about complying with investigations is not in Slough's code but is in the LGA model one. The prohibition on trivial or malicious complaints is not in either code. |
| 3. Principal authorities should review their code of conduct each year and | Part implemented | SBC's Code has been updated as |

| | | |
|--|-------------------------|---|
| <p>regularly seek, where possible, the views of the public, community organisations and neighbouring authorities.</p> | | <p>required and is reviewed as part of consideration of the new LGA model Code earlier in this report. An annual review can be scheduled if thought appropriate.</p> |
| <p>4. An authority's code should be readily accessible to both councillors and the public, in a prominent position on a council's website and available in council premises.</p> | <p>Implemented</p> | <p>The current code is readily accessible on SBC's website, but at present visitors are not encouraged to visit council premises, but they will be made available when they are</p> |
| <p>5. Local authorities should update their gifts and hospitality register at least once per quarter, and publish it in an accessible format, such as CSV.</p> | <p>Part implemented</p> | <p>Councillors' Gifts & Hospitality are currently registered in paper form, but subject to Councillors' views can be published online for the new Municipal Year.</p> |
| <p>6. Councils should publish a clear and straightforward public interest test against which allegations are filtered.</p> | <p>Implemented</p> | <p>The Assessment Criteria are in Appendix 9 to the Code</p> |
| <p>7. Local authorities should have access to at least two Independent Persons.</p> | <p>Not implemented</p> | <p>It is not considered necessary, given the volume of complaints, to have 2 independent persons, but councillors' views are sought</p> |
| <p>8. An Independent Person should be consulted as to whether to undertake a formal investigation on an allegation and should be given the option to review and comment on allegations which the responsible officer is minded</p> | <p>Implemented</p> | <p>SBC's Independent Person is consulted at each stage of the investigation of a complaint, including where it is</p> |

| | | |
|--|------------------|---|
| to dismiss as being without merit, vexatious, or trivial. | | dismissed. |
| <p>9. Where a local authority makes a decision on an allegation of misconduct following a formal investigation, a decision notice should be published as soon as possible on its website, including a brief statement of facts, the provisions of the code engaged by the allegations, the view of the Independent Person, the reasoning of the decision-maker, and any sanction applied.</p> | Not implemented | Subject to Councillors' views the Code can be amended to reflect this |
| <p>10. A local authority should have straightforward and accessible guidance on its website on how to make a complaint under the code of conduct, the process for handling complaints, and estimated timescales for investigations and outcomes.</p> | Implemented | This guidance is in place on the website |
| <p>11. Formal standards complaints about the conduct of a parish councillor towards a clerk should be made by the chair or by the parish council as a whole, rather than the clerk in all but exceptional circumstances.</p> | Part Implemented | All the Parishes in Slough have been advised of this, but it is up to each whether to adopt this provision. |
| <p>12. Monitoring Officers' roles should include providing advice, support and management of investigations and adjudications on alleged breaches to parish councils within the remit of the principal authority. They should be provided with adequate training, corporate support and resources to undertake this work.</p> | Part Implemented | The Constitution contains a Monitoring Officer Protocol but this does not currently reflect responsibility to parish councils and it is recommended the protocol be amended to reflect this |
| <p>13. A local authority should have procedures in place to address any conflicts of interest when undertaking a standards investigation. Possible steps should include asking the Monitoring</p> | Implemented | If the Monitoring Officer has of a conflict of interest, another Monitoring Officer from HB |

| | | |
|--|-----------------|--|
| Officer from a different authority to undertake the investigation. | | Public Law would undertake the investigation. |
| <p>14. Councils should report on separate bodies they have set up or which they own as part of their annual governance statement, and give a full picture of their relationship with those bodies. Separate bodies created by local authorities should abide by the Nolan principle of openness, and publish their board agendas and minutes and annual reports in an accessible place.</p> | Not Implemented | The Governance of Slough's companies is being reviewed by Internal Audit, who are supportive of these recommendations, which will be picked up as part of that work. |
| <p>15. Senior officers should meet regularly with political group leaders or group whips to discuss standards issues.</p> | Implemented | Senior Officers meet regularly with both Group Leaders |

14. Background Papers

None

SLOUGH BOROUGH COUNCIL

REPORT TO: Audit & Corporate Governance Committee

DATE: 4th March 2021

CONTACT OFFICER: Hugh Peart Monitoring Officer

WARDS: All

PART I
FOR INFORMATION**SCHEDULE OF ACTIVITY – COUNCILLORS’ CODE OF CONDUCT**1. **Purpose of Report**

The purpose of this report is to update the Committee on the activity undertaken by the Council’s Monitoring Officer in relation to the Councillors’ Code of Conduct since the last report to the Committee on this subject in December 2020.

2. **Recommendation**

The Committee is requested to consider and note this report.

3. **The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**

The delivery of all these strategic priorities is dependent on the highest possible standards of openness, honesty and accountability. This is underpinned by the Confidential Whistleblowing Code, the Councillors’ Code of Conduct and good governance arrangements being in place.

4. **Other Implications**(a) **Financial**

There are no financial implications arising specifically from this report. The cost of administering and enforcing the Councillors’ Code of Conduct is a cost to be considered as appropriate.

(b) **Human Rights Act and Other Legal Implications**

The law relating to Councillors’ conduct is contained in the Localism Act 2011. Under Section 27 of that Act the Council must promote and maintain high standards of conduct by members of the Council and, in discharging this duty, the Council must adopt a code dealing with the conduct that is expected of members of the Council when they are acting in that capacity. The Council must secure, by virtue of Section 28 of that Act, that such code adopted by it is, when viewed as a whole, consistent with the principles of selflessness, integrity, objectivity, accountability, openness, honesty and leadership (the “Nolan Principles”). The Council must also have in place arrangements under which allegations can be investigated and arrangements under which decisions on allegations can be made, and if the Council find that a member of the Council (or a Parish Councillor)

has failed to comply with its code of conduct, it may have regard to the failure in deciding whether to take action in relation to the member and what action to take.

(c) Equalities Impact Assessment

There is no identified need for an EIA arising from this Report.

5. **Supporting Information**

| Complainant & date received | Subject member | Allegation | Outcome | Lessons learnt/advice |
|--------------------------------|---|---------------------------|---|--|
| Parish Councillors 24/11/20 | Colnbrook with Poyle Parish Councillor | Bullying | No formal investigation as no provision in Parish code proscribing bullying 17/12/20 | Parish advised to review its code against new LGA model and recommendations of Committee on Standards in Public Life, to include proscription of bullying. Also advised on use of e-mails & need for training on governance, staff appointment & data protection |
| Parish Councillor 25/01/21 | Colnbrook with Poyle Parish Councillors | Inappropriate behaviour | No formal investigation as insufficient evidence of breach of code 22/02/21 | Parish advised to remind all Councillors about Standing Orders & facilitate training on meeting governance & staff appointment |
| Parish Councillor 10/02/21 | Colnbrook with Poyle Parish Councillors | Bullying and intimidation | No formal investigation as no provision in Parish code proscribing bullying 22/02/2021 | Parish advised to facilitate training on the roles & responsibilities of councillors, chairs, and full council |

6. **Background Papers**

None

SLOUGH BOROUGH COUNCIL**REPORT TO:** Audit & Corporate Governance Committee**DATE:** 4th March 2021**CONTACT OFFICER:** Hugh Peart, Monitoring Officer
(For all Enquiries) (01753) 875013**WARD(S):** All**PART I**
FOR INFORMATION**MEMBERS PERFORMANCE REPORT - MAY 2020 TO FEBRUARY 2021****1. Purpose of Report**

To submit for information details of Members meeting and training attendance and number of casework submitted for the period May 2020 to February 2021.

2. Recommendation(s)/Proposed Action

The Committee is requested to resolve that Members' attendance details at meetings and casework submitted for the period May 2020 to February 2021 be noted.

3. The Joint Wellbeing Strategy, the JSNA and the Five Year Plan.

By putting in place the means for effectively monitoring Members' performance the Council will help ensure that governance of the highest order is maintained which will contribute to achieving the Council's priorities.

4. Other Implications

- (a) **Financial** – None
- (b) **Risk Management** – There are no specific risks arising from this report.
- (c) **Human Rights Act and Other Legal Implications** - None

5. Supporting Information

- 5.1 In accordance with the Audit and Corporate Governance Committee's Terms of Reference, details of Members attendance at meetings for the period May 2020 to February 2021 are attached at Appendix 1. Following discussion at it's meeting in December 2019, the Committee also requested that statistics relating to Members casework and attendance at training sessions be provided.
- 5.2 Appendix 1 details the number of formal committee meetings each Member was called to attend, the number of meetings actually attended and in respect of meetings not attended whether or not apologies were tendered. These figures do not include Group meetings, internal meetings, outside bodies or briefings so Councillors workload is higher than stated.

- 5.3 Details of Member casework submitted between May 2020 and February 2021 are as attached at Appendix 2. 54% of Members have accessed their cases on the Intelx casework system since May 2020. However, it should be noted that these figures do not represent all casework dealt with as Councillors can and do use other methods to deal with casework, for example going directly to departments or dealing with casework at their ward surgeries. The figures included in Appendix 2 are only those on the Council's casework monitoring system.
- 5.4 In relation to attendance at Members' training, the Development Programme was reviewed and a number of training sessions have been held since December 2020. Mandatory training has continued during the year and all Members who were required to be trained have attended the following sessions:
- Planning – the role of Members in Development Management
 - Licensing – the importance of decision making
- 5.5 It is recognised that attendance at meetings forms only part of the duties of an elected Member. A significant proportion of a Member's time may be spent in dealing with constituents' enquiries and requests for help; representing the views, opinions and interests of their constituents in respect of ward issues/matters; representing the views and policies of the Council within their Ward which may require attendance at local tenants'/residents' meetings. Accordingly, the indicators now reported are only partially representative of a Member's overall performance.
- 5.6 Members may also be aware that agendas for meetings include a brief report setting out Member attendance for that Committee/ Panel, for that municipal year. This allows ongoing monitoring of Members attendance at that Committee/Panel meeting.
- 5.7 Meeting statistics have been compiled using data obtained from the Committee system, 'Modern.gov' which has the facility to collate Member attendance, thereby reducing the need to compile and maintain manual records. Information produced using Modern.Gov details the number of meetings a Member was expected at, those who attended and whether apologies were submitted.

6. **Conclusion**

The Committee is requested to note Members attendance details and casework submitted for the period May 2020 to February 2021.

7. **Appendices**

Appendix 1 - Members Attendance Record Statistics May 2020 to February 2021.
Appendix 2 - Members Casework May 2020 to February 2021

21st May, 2020 to 22nd February, 2021

Explanation of the statistics columns

Expected

The number of meetings that the Councillor was expected to attend in their capacity as member of that committee.

Present

The number of meetings that the Councillor attended in their capacity as member of that committee.

In attendance

The number of meetings that the Councillor attended in a capacity other than committee member, for example a voluntary attendance out of personal interest for a topic being discussed.

| Statistics | | | | | |
|---------------------------------|----------|-------------------------------|------------------|-------------------------------|--|
| Councillor | Expected | Present (% of expected) | In attendance | Absent (inc. Apologies) | Apologies received (of absences) |
| Councillor Zaffar Ajaib | 24 | 24 (100%) | 2 | 0 | 0 |
| Councillor Sabia Akram | 19 | 18 (95%) | 3 | 1 | 1 |
| Councillor Safdar Ali | 17 | 17 (100%) | 3 | 0 | 0 |
| Councillor Robert Anderson | 20 | 20 (100%) | 1 | 0 | 0 |
| Councillor Balvinder S. Bains | 17 | 17 (100%) | 2 | 0 | 0 |
| Councillor Jina Basra | 19 | 15 (79%) | 1 | 4 | 3 |
| Councillor Madhuri Bedi | 7 | 7 (100%) | 1 | 0 | 0 |
| Councillor Ruqayah Begum | 19 | 18 (95%) | 0 | 1 | 0 |
| Councillor Preston Brooker | 5 | 5 (100%) | 2 | 0 | 0 |
| Councillor Martin F. Carter | 16 | 16 (100%) | 0 | 0 | 0 |
| Councillor Shafiq A. Chaudhry | 9 | 7 (78%) | 0 | 2 | 1 |
| Councillor Avtar Kaur Cheema | 11 | 11 (100%) | 0 | 0 | 0 |
| Councillor Harpreet Kaur Cheema | 9 | 9 (100%) | 0 | 0 | 0 |
| Councillor Haqeeq Dar | 16 | 16 (100%) | 3 | 0 | 0 |
| Councillor Roger Davis | 17 | 11 (65%) | 0 | 6 | 6 |
| Councillor Arvind Dhaliwal | 14 | 14 (100%) | 6 | 0 | 0 |
| Councillor Harjinder Gahir | 33 | 33 (100%) | 9 | 0 | 0 |
| Councillor Michael Holledge | 23 | 14 (61%) | 0 | 9 | 4 |
| Councillor Nora Holledge | 9 | 3 (33%) | 1 | 6 | 4 |
| Councillor Christine Hulme | 22 | 22 (100%) | 8 | 0 | 0 |
| Councillor Paul Kelly | 16 | 15 (94%) | 1 | 1 | 0 |
| Councillor Pavitar K. Mann | 25 | 25 (100%) | 0 | 0 | 0 |
| Councillor Fiza A. Matloob | 22 | 22 (100%) | 0 | 0 | 0 |
| Councillor Harjinder K. Minhas | 23 | 22 (96%) | 0 | 1 | 1 |

| Statistics | | | | | |
|-------------------------------|-----------------|--|--------------------------|--|---|
| Councillor | Expected | Present (% of expected) | In attendance | Absent (inc. Apologies) | Apologies received (of absences) |
| Councillor Maroof Mohammad | 16 | 15 (94%) | 1 | 1 | 1 |
| Councillor Mohammed Nazir | 21 | 21 (100%) | 5 | 0 | 0 |
| Councillor Natasa Pantelic | 18 | 17 (94%) | 0 | 1 | 1 |
| Councillor Dilbagh S. Parmar | 17 | 17 (100%) | 0 | 0 | 0 |
| Councillor Satpal S. Parmar | 22 | 22 (100%) | 0 | 0 | 0 |
| Councillor Ted Plenty | 17 | 17 (100%) | 0 | 0 | 0 |
| Councillor Naveeda Qaseem | 16 | 13 (81%) | 0 | 3 | 1 |
| Councillor Mohammed Rasib | 10 | 5 (50%) | 1 | 5 | 4 |
| Councillor Waqas Sabah | 22 | 22 (100%) | 2 | 0 | 0 |
| Councillor Atiq Sandhu | 15 | 11 (73%) | 0 | 4 | 4 |
| Councillor Rajinder S. Sandhu | 13 | 12 (92%) | 1 | 1 | 0 |
| Councillor Sunyia Sarfraz* | 8 | 5 (62%) | 0 | 3 | 3 |
| Councillor Mohammed Sharif | 6 | 5 (83%) | 1 | 1 | 0 |
| Councillor Dexter J. Smith | 25 | 23 (92%) | 2 | 2 | 2 |
| Councillor Wayne Strutton | 9 | 9 (100%) | 16 | 0 | 0 |
| Councillor James Swindlehurst | 16 | 16 (100%) | 3 | 0 | 0 |
| Councillor Anna Wright | 8 | 7 (88%) | 1 | 1 | 1 |

* Councillor Sarfraz was on maternity leave between 13th May to 12th November 2020.

Appendix 2

Councillor Casework 06/05/20 - 17/02/2021*

| Councillor | Record No. |
|----------------------|------------|
| Anna Wright | 53 |
| Arvind Dhaliwal | 24 |
| Atiq Sandhu | 47 |
| Avtar Cheema | 12 |
| Balvinder Bains | 113 |
| Christine Hulme | 72 |
| Dexter Smith | 37 |
| Dilbagh Singh Parmar | 32 |
| Fiza Matloob | 476 |
| Haqeeq Dar | 128 |
| Harjinder Gahir | 38 |
| Harjinder Minhas | 29 |
| Harpreet Cheema | 12 |
| James Swindlehurst | 44 |
| Jina Basra | 35 |
| Madhuri Bedi | 148 |
| Maroof Mohammad | 144 |
| Martin Carter | 39 |
| Michael Holledge | 1 |
| Mohammed Nazir | 32 |
| Mohammed Sharif | 21 |
| Natasa Pantelic | 32 |
| Naveeda Qaseem | 2 |
| Pavitar Mann | 12 |
| Preston Brooker | 496 |
| Rajinder Sandhu | 13 |
| Rob Anderson | 48 |
| Roger F Davis | 8 |
| Ruqayah Begum | 39 |
| Sabia Akram | 49 |
| Safdar Ali | 42 |
| Satpal Parmar | 3 |
| Shafiq A Chaudhry | 17 |
| Ted Plenty | 49 |
| Waqas Sabah | 27 |
| Wayne Strutton | 92 |
| Zaffar Ajaib | 58 |

***These figures do not represent all casework dealt with as Councillors can and do use other methods to deal with casework, for example going directly to departments or dealing with casework at their ward surgeries.**

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SLOUGH BOROUGH COUNCIL

Internal Audit Progress Report

For the Audit and Corporate Governance
Committee meeting on 4 March 2021

This report is solely for the use of the persons to whom it is addressed.
To the fullest extent permitted by law, RSM Risk Assurance Services LLP
will accept no responsibility or liability in respect of this report to any other party.

1 KEY MESSAGES

The internal audit plan for 2020/21 was approved by the Audit and Corporate Governance Committee at the March 2020 meeting. This section provides an update on the key messages relating to the progress of the 2019/20 plan and 20/21 plan.



2019/20 Internal Audit Plan

Since the previous audit committee held in December 2020 **one** report (Business Rates) remains in draft from the 2019/20 plan and this is detailed in Section 2 below. We continue to work with the Council to get this report finalised. [\[To note\]](#)



2020/21 Internal Audit Plan

As part of the 2020/21 Internal Audit plan, a further 7 reports have been finalised since the meeting held in December 2020. Of these, 6 were assurance reviews and one was advisory. Of the assurance reviews, three reviews concluded with reasonable (positive) assurance opinions, with three partial assurance (negative) opinions in relation to Council Tax, Leaseholder Service Charges and Rent Arrears Recovery.

Please see **Appendix A** for the executive summary details of the three negative assurance reviews issued since the last meeting. For details of all audits finalised to date, please see **Appendix B**. [\[To note\]](#)



In addition, we have issued a further two draft reports from the 2020/21 plan and these are documented below in Section 2. [\[To note\]](#)



2020/21 Year end Opinion

The Committee should note that any negative assurance opinions ('No Assurance' or 'Partial Assurance' opinions, or poor or little progress in relation to follow up reviews) will need to be noted in the annual report and may result in a qualified / negative annual opinion. Where we have issued any negative opinions, these will impact our 2020/21 Head of Internal Audit Opinion for the Council. To date, we have issued **five** final reports (Cippenham Nursery School, Business Continuity, Council Tax, Leaseholder Service Charges, Rent Arrears Recovery) with a negative opinion. We have also issued an advisory review of Cyber Essentials (Cyber Security) arrangements which identified a number of weaknesses that need to be addressed, resulting in three high and 10 medium priority actions being agreed.

Please see **Appendix A** for details of any negative assurance opinions presented to this meeting. [\[To note\]](#)



2 INTRODUCTION

This report provides a summary update on progress against the remaining audits from the 2019/20 internal audit plan and progress against the 2020/21 plan. The report is based on the position as at the 22nd February 2021.

2019/20 Internal Audit Plan - Since the last audit committee in December 2020 one report relating to the 2019/20 audit plan remains in draft:

- Business Rates – Issued 13th May 2020 – we are working with the Council and hope to have this finalised prior to the committee

2020/21 Internal Audit Plan - The Internal Audit Plan for 2020/21 was approved by the Audit and Corporate Governance Committee on 5th March 2020. Since the last update provided in December 2020, **7** reports have been finalised:

- Council Tax – **Partial Assurance**
- Leaseholder Service Charges – **Partial Assurance**
- Rent Arrears Recovery – **Partial Assurance**
- Schools Audit – Khalsa Primary School – **Reasonable Assurance**
- James Elliman Homes – **Reasonable Assurance**
- Housing Benefits – **Reasonable Assurance**
- Cyber Essentials – **Advisory**

In addition, we have issued the following **two** reports in draft from the Internal Audit Plan for 2020/21:

- Whistleblowing – Issued 14th July 2020 – we are working with the Council and hope to have this finalised imminently
- Asset Management – issued 2nd February 2021.

3 OTHER MATTERS

3.1 Client briefings

We have not issued any relevant client briefings since the last Audit and Corporate Governance Committee meeting in December 2020.

3.2 Changes to the plan

We have made the following changes to the plan since the last meeting:

| Note | Auditable area | Reason for change |
|------|-----------------------|---|
| 4 | Cash Collection | Since the Council has moved to being cashless, we have replaced this review following discussion with the Executive Director, Corporate Operations with work undertaken in relation to the Council's Subsidiary Companies. |
| 5 | Continuing Healthcare | Following the request of the Executive Director, People (Adults) to postpone a review of Continuing Healthcare until the 2021/22 Internal Audit Plan, we have agreed to replace this review with a further grant funding review. A new scheme from central government in relation to the Test and Trace Scheme funding provided to the Council requires sign off from the Council's Chief Internal Auditor and Chief Executive. This work is ongoing. |

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The changes below have been previously reported to the Committee:

| Note | Auditable area | Reason for change |
|------|-----------------------------|--|
| 1 | Parish Council Governance | At the request of the Director of Finance and Resources, we have cancelled the Parish Council Governance review, and this is being replaced with a review of Leasehold Service Charges. |
| 2 | Discretionary Grant Funding | At the request of the Director of Finance and Resources, we have replaced the review of Mental Health Provision with a review of the processes and governance in place surrounding the funding provided to the Council for businesses that do not fall inside the main COVID-19 funding schemes. |

3 Grant Funding

Initially we were informed of the Local Transport Revenue Block Funding grant was the only grant which required sign off in the current financial year. We have undertaken a review on the above to confirm the appropriateness of the grant spending in line with the conditions. Subsequently we were also informed of a further grant for the Bus Service Operators Grant, which we also delivered as part of the agreed Grant audit budget. However, we have been notified of two further grants (Dedicated Home to School Transport and Test and Trace Support Payment Scheme) which as part of the Grant conditions require sign off from the Chief Executive and Chief Internal Auditor, and we are in discussion with the Director of Finance and Resources about the best way to deliver these.

3.3 Sector Update

[Funding boost provides councils with certainty to plan for year ahead](#)

The Ministry of Housing, Communities and Local Government (MHCLG) has announced that councils will receive a share of £51.3bn next year to provide them with the resources they need to continue to deliver services and support their communities during the pandemic, while protecting council taxpayers from excessive increases. Final allocations for the £670m fund to enable councils to continue reducing council tax bills for those least able to pay, have also been confirmed, helping households impacted financially by the pandemic.

[Community Champions to give Covid-19 vaccine advice and boost take up](#)

60 councils and voluntary groups are set to receive a share of over £23m of funding to expand work to support those most at risk from Covid-19 and boost vaccine take up as part of the Community Champions scheme. Each of the 60 councils have developed their own plan to improve communications with these groups including helplines, school programmes, workplace engagement as well as training sessions to help people provide information and advice. The funding forms part of over £7.9bn government funding provided to councils to help them support their communities during the pandemic.

[Councils urged to ensure local plans are up to date](#)

Christopher Pincher, Housing Minister, has urged all councils to ensure they have an up to date local plan in place by the government deadline of December 2023 in order to ensure they can deliver the homes needed. Figures show that nine in ten local planning authorities have now adopted a local plan, but it has been made aware that many of them are not being kept up to date. The Housing Delivery Test measurement shows that 55 authorities delivered less than three-quarters of their housing need. Of these, 40 have a local plan that is more than five years old.

[New funding boost for councils](#)

Councils across England will receive £51.2bn next year, an increase of £2.2bn from last year. This financial package provides councils with additional resources to deliver effective local services and continue to support their communities during the pandemic, while protecting council taxpayers from excessive increases.

[Government response to the Redmond review](#)

The government has published its response to the independent review into the effectiveness of local audit which was carried out by Sir Tony Redmond. The response sets out how the government will implement many of the recommendations made by Sir Tony Redmond, including swift action to ensure the ongoing effectiveness of the local audit system and improvements to make financial information more transparent.



Spending Review 2020


Key points from Rishi Sunak's, Chancellor of the Exchequer, Spending Review includes:

- £3bn in extra funding for local authorities, representing a 4.5 per cent increase in spending power
- £151m of new local government funding for rough sleeping to help end rough sleeping in England, taking total funding for 2021/22 to £250m.

The government is also providing a range of other funding sources to support councils, improve services, and develop local economies

APPENDIX A - KEY FINDINGS FROM FINALISED 2020/21 INTERNAL AUDIT REPORTS

Detailed below are the High and Medium Priority Management Actions from **Partial or No Assurance reports** (in the exception format previously agreed by the Committee):

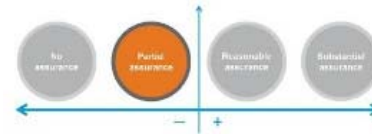
| | | |
|---|---|---|
| <p>Council Tax 17.20/21</p> |  | <p>1 High 1 Medium 2 Low</p> |
| <p>We identified the following weaknesses, which resulted in one High and one Medium priority management action:</p> <p>Reconciliations</p> <p>A variance of approximately £2.5m was identified between the Academy (CT system) and Agresso (finance system) in relation to Direct Debit payments received which hadn't been posted to Agresso, as part of the 2019/20 review of Council Tax. The Reconciliations Manager and the Accountancy Assistant advised that they are currently in the process of redesigning the Council Tax reconciliations method to simplify the work completed where previously the process had proved complex (and we are advised were a contributory factor in the £2.5m variance). However, whilst the methodology has been redesigned, we were advised that monthly reconciliations between Agresso and Capita have not been completed for the 2020/21 financial year.</p> <p>With regards to the initial variance identified between the two systems, we were advised by the Reconciliations Manager that the Accountancy Assistant would be reviewing historic data (last three years) to reconcile the two systems, with this due to be completed by March 2021. The Reconciliation Manager also advised that going forward, they would be responsible for completing the reconciliations from April 2021 onwards.</p> <p>If variances from reconciliations are not investigated, resolved and subsequently signed-off in a timely manner, there is an increased likelihood that incorrect financial information will be presented to senior officers and/or members which may affect decision making or errors in Agresso and/or Capita will remain unaddressed. (High)</p> <p>Debt Management – Council Tax Arrears</p> <p>As part of the 2019/20 Council Tax review, an action had been agreed in relation to the review of outstanding historic Council Tax arrears cases to identify cases where debts cannot be chased, with these written off as appropriate.</p> <p>We were advised by the Service Lead – Customer and Communications that the implementation date of the action has since been deferred, owing to delays caused by the COVID-19 pandemic. We obtained a copy of an email trail evidencing that the delay had been communicated to the Director of Finance and</p> | | |

Resources where an updated implementation date of 31 March 2021 had been agreed. Further review of the trail confirmed that this had been forwarded to the Risk and Insurance Officer to update the action tracking software system. Given the above, the implementation of the action is still outstanding with the revised implementation not yet due, however the risk still remains.

Whilst this action remains incomplete, there is a risk that CT arrears cases are not being reviewed and chased as appropriate. This reduces the likelihood of the funds being recovered, which could result in financial losses for the Council. **(Medium)**

| | | | | |
|---|---|--------|-----------------------------|--|
| 1 | The Revenues Manager will undertake a review of current Council Tax arrears cases in order to identify cases where debts cannot be chased. These cases will be recommended for write off. | Medium | 31 st March 2021 | Vijay McGuire Service Lead – Customer and Communications |
| 2 | The Council will undertake an investigation into the £2,516,195 unreconciled difference identified via the Council Tax Direct Debit reconciliations, in order to identify reasoning for this. The Council will also ensure that all variances are completed and investigated within a timely manner and completed reconciliations are shared with Finance. | High | 31 st March 2021 | Neil Wilcox – Executive Director, Corporate Operations |

Leaseholder Service Charges 16.20/21



0 High

5 Medium

1 Low

We identified the following weakness, resulting in five medium priority action:

Allocation Methodology

Our review identified that the Council does not hold a clear allocation methodology to ensure the fair and equitable allocation of service charges to leaseholders.

From a sample 10 leasehold properties (as at September 2020), we identified a number of different methodologies had been utilised with one property apportioned on the basis of square footage, two apportioned on a unit basis (for example, if there were eight flats in a block, these would be evenly apportioned across the eight) and four apportioned on the basis of rateable value. Supporting data for the allocation method of the remaining three properties had not been retained.

As per guidance published by the Royal Institution of Chartered Surveyors (RICS) Service Charge Code working group, using rateable values as an apportionment method is longer recommended and should be changed to other recognised methods including floor area, flats per block.

If the Council continues to allocate service charges using dated rateable values, there is a risk that they are not applying a universal apportionment method for all properties, given that flats per block and number of bedrooms are also used for service charge calculations. **(Medium)**

Source Data – Ground Maintenance

In relation to costs associated with ground maintenance, our review of the working papers identified that the allocation for 2019/20 appears to be based on block costs allocated in 2015/16, which have been uplifted in 2017/18 by 3.4% and then rolled over for subsequent years. As such, actual costs relating to ground maintenance have not been allocated, rather estimates.

Discussion with the Project Manager – Housing (People) identified that a project is currently underway to re-map all HRA blocks and land to ensure the accurate allocation of rates for various levels of service, however this project is still ongoing with completion due by the end of the financial year.

Whilst the Council have identified the above issue, if service charges are not supported by actual costs incurred, there is a risk that the Council are unable to supply tenants with justifiable reasoning to support their calculation of service charges. **(Medium)**

Reconciliation

During discussions with the Leasehold Service Charges and Right to Buy Officer we were advised that there is currently no reconciliation performed between total costs incurred relating to leaseholders and the total amount billed. As such, the Leasehold Services and the Right to Buy Team are unable to assure themselves that all costs incurred are expected to be recovered.

In the absence of any reconciliation performed, there is a risk that omitted costs incurred which can be recharged to the leaseholder may not be identified resulting in financial loss to the Council. **(Medium)**

Capital Cost Recharges

Through our review, we established that there is a lack of awareness around whether costs associated with major works and long-term agreements are recharged to the respective leaseholder(s). During the course of our review, no evidence was provided to substantiate that costs relating to major works of leasehold properties had been allocated to leaseholders (despite a number of requests for the information).

Given the lack of evidence provided, we are unable to confirm that processes are in place to ensure that capital costs to leasehold properties are recharged to leaseholders.

If costs associated with major works are not recharged to the leaseholder, there is a risk that the Council are suffering financial losses where costs incurred are not recouped. **(Medium)**


Reporting

During discussions with the Interim Head of Financial Management, Interim Group Accountant and Head of Transactional Finance we were advised there is currently no specific reporting around levels of recovery in relation to service charges.

Whilst there is no specific reporting, discussion with the Head of Transactional Finance advised that they are monitored as part of monthly 'outstanding debt' reports. We obtained a copy of the latest report (dated September 2020), identifying that level of debt outstanding in relation to service charges is £1,016,785.

However, whilst the report does cite the level of outstanding debt, there is no consideration of relative levels of recovery, for example, in percentage terms. Failure to report and monitor recovery levels of service charges increases the risk that issues in relation to recovery are not identified and remedied in a timely manner. **(Medium)**

| | | | | |
|---|--|--------|------------------------------|--|
| 1 | A formal policy with regards to the apportionment of service charges will be developed. This will include a clear methodology for the apportionment methods to be utilised and when they should be used. | Medium | 31 st August 2021 | Richard West, Executive Director of Customer & Community |
| 2 | The Council will establish an accurate and reliable means of identifying costs associated with grounds maintenance. | Medium | 31 st August 2021 | Richard West, Executive Director of Customer & Community |
| 3 | As part of the annual billing process (September 20), an exercise will be performed to ensure that all costs incurred relating to leaseholders are billed through service charges. | Medium | 31 st August 2021 | Richard West, Executive Director of Customer & Community |
| 4 | The Council will complete an exercise to ascertain whether costs associated with major works to leasehold properties are recharged to leaseholders. | Medium | 31 st August 2021 | Richard West, Executive Director of Customer & Community |
| 5 | The Council will agree a means of monitoring levels of service charge recovery. This will include periodic review of recovery levels, with action taken as appropriate to rectify any issues identified. | Medium | 31 st August 2021 | Richard West, Executive Director of Customer & Community |

| | | |
|--|---|--|
| Rent Arrears Recovery 14.20/21 |  | <p>0 High</p> <p>4 Medium</p> <p>2 Low</p> |
| <p>We noted the following issues, resulting in four medium priority management actions:</p> <p>Rent and Arrears KPI Reporting and Monitoring</p> <p>A set of KPIs relating to rent arrears recovery are reported and discussed as part of the Housing Services Performance meetings. Through review of the KPI information presented at the latest meeting (August 2020) we found that despite the reporting of significant adverse performance, no explanations nor remedial action plans were documented.</p> <p>An action had been agreed as part of the 2019/20 audit in relation to the quality of performance reports discussed at Housing Services Meetings, with this followed up on as part of our Q1 follow up 2020/21. Our follow up (fieldwork - April 2020) identified the issues regarding the quality of KPI reports to still be present, where performance reports did not detail reasoning for any adverse performance. As per the above, these issues are still relevant.</p> <p>If the reasons for failing to achieve targets are not identified, preventative action cannot be agreed and implemented. There is therefore an increased likelihood that adverse performance is not addressed and KPI targets continue to be missed. (Medium)</p> <p>Reporting and Oversight</p> <p>Through our data analysis, we identified that current tenant arrears have increased from £1,440,999 as at 16 August 2019 to £1,944,424 as at 15 September 2020. Review of the meeting minutes / papers of the Neighbourhood and Community Services Scrutiny Panel and CMT identified that these forums have not received updates relating to rent recovery and arrears levels since January and March 2020, respectively.</p> <p>Given that arrears levels for 'current' rent arrears have increased significantly over the past year (in light of the pandemic), there is an increased need to report performance and for this to be scrutinised.</p> <p>The absence of regular reporting to the NCSSP or CMT around rent arrears levels means that members/ Directors do not have oversight of such information. As such, there is a risk that inadequate scrutiny around levels of arrears takes place. (Medium)</p> <p>Former Tenant Arrears Recovery</p> <p>Our analysis of the debt profile of former tenant arrears as at 15 September 2020 identified that individual accounts with outstanding arrears of below £3k now accounts for 74 per cent of total arrears (£1,253k). This is significant when compared to the debt profile observed on 16 August 2019, where accounts with balances below £3k accounted for 58.7 per cent of total former tenant arrears, equating to £884k.</p> <p>Further discussion with the Tenant Arrears Officer identified that arrears recovery has recently been focused on larger debts due to operational capacity, meaning only debts of above £3k in value are reviewed, however we were also advised that there are plans now to focus on lower levels of debt.</p> | | |

In absence of a systematic approach to periodically reviewing accounts in former tenant arrears of less than £3,000, there is an increased risk that amounts owed to the Council will not be recovered, resulting in financial loss to the Council. **(Medium)**

Debt Collection Agencies

As part of the 2019/20 review, we identified that a number of Debt Collection Agencies are being engaged by the Council, without a formal contract in place thus breaching financial procedure rules. During discussions with the Workstream Lead – Revenue and Benefits we were advised that the Council were in the process of tendering debt collection services across the Council, however this was delayed owing to the impact of COVID-19.

We were subsequently advised that either two or three agencies would be engaged with, with these determined by their skill set in relation to different types of outstanding debt that the Council face (for example, parking debts and former tenant arrears etc).

If debt collection agencies are not subject to competitive tendering exercises, there is a risk that the Council is not engaging with the most effective debt collection agency. Additionally, the Council may not be taking advantage of economies of scale via the use of a single agency, leading to the Council suffering financial losses. **(Medium)**

| | | | | |
|---|--|--------|------------------------------|--|
| 1 | The narrative section of the Housing Services KPI report will be used to provide explanation for adverse performance of KPIs. | Medium | 31 st August 2021 | Richard West, Executive Director of Customer & Community |
| 2 | Periodic updates will be made to both CMT and the Neighbourhoods and Community Services Scrutiny Panel with these outlining levels of current and former arrears, supporting narrative as well as relevant KPIs. | Medium | 31 st August 2021 | Richard West, Executive Director of Customer & Community |
| 3 | The Council will develop an approach to monitoring and managing former tenant arrears case which are below £3,000 in value. | Medium | 31 st August 2021 | Richard West, Executive Director of Customer & Community |
| 4 | The Council will complete a tendering exercise to ensure that Debt Collection Agencies (DCAs) used for Former Tenant Arrears (FTAs) represent sufficient value for money. | Medium | 31 st August 2021 | Richard West, Executive Director of Customer & Community |



| | | |
|---------------------------|----------|---|
| Cyber Essentials 18.20/21 | Advisory | <p>3 High</p> <p>10 Medium</p> <p>4 Low</p> |
|---------------------------|----------|---|

We have identified the following weaknesses resulting in the agreement of **three 'High', ten 'Medium' priority management actions** with regards to the following Cyber Essentials control themes:

High Priority Issues

Boundary Firewalls and Internet Gateways - Passwords

Despite requests for the information, we were not provided with evidence confirming that passwords on all boundary firewalls have been changed to a strong password. This increases the risk of access to boundary firewalls being compromised. **(High)**

Access Controls: Leaver Accounts



Sample testing of the process to remove accounts for staff leaving the employment of the Council found both a lack of evidence of account removal and an absence of a control to review the status of access accounts for staff who are no longer Council employees. **(High)**

Access Control - Administrator Access

We were advised by the IT Infrastructure Manager that network administrators have the same access as general users with regards to internet/external email access, as internet access is required for certain administrative duties. Access to external email accounts and the Internet increases the risk of account compromise through phishing or access to malicious websites. The fact that these accounts have administrator privileges means that if they are compromised the impact is much higher than compared with a 'normal' user account with no administrator rights. **(High)**

Medium Priority Issues

Boundary Firewalls and Internet Gateways - Firewall Rules

We were advised by the IT Infrastructure Manager that a policy/procedure had not been documented covering firewalls and changes to rules. In terms of changes to rules, we noted that these are recorded in the Service Desk system and include a justification, however, we noted that there was no formal authorisation recorded. Without an appropriately documented and comprehensive process for making changes to firewall rules, this can result in open ports and services not being subject to appropriate justification and approval.

Boundary Firewalls and Internet Gateways - Firewall Rules

The Council's firewall rules had been documented along with comments being stated to justify why each rule was required. However, we found that numerous rules did not have justification comments recorded. As a result, the Council cannot be fully assured that all firewall rules are appropriate in order to prevent a cyber-attack.



Secure Configuration - Passwords

We were advised by the IT Infrastructure Manager that there is no documented password policy in place. Without a password policy that details all minimum requirements, there is a risk that inappropriate password settings are in place that do not adequately protect the Council's systems against unauthorised access.

Secure Configuration – Default Passwords

Whilst a range of controls are in place to reduce the risk of default passwords, the process for managing default accounts had not been documented/agreed.

Secure Configuration - Backups

We noted that the Council does not have a formal backup policy documented. This can lead to an inconsistent approach to backups of systems and data, thereby increasing the impact of a potential cyber-attack. In partial mitigation of this, we confirmed that a backup system was in place and daily checks were being carried out by the Council to review the success of these backups.

Malware Protection

We were advised by the IT Infrastructure Manager that there is no documented policy covering endpoint security/monitoring systems. This can lead to malware protection practices not following an agreed process and scans not taking place as required by the organisation, which could lead to threats such as malware and viruses going undetected. Despite this, we confirmed that security/monitoring systems were in place which were being regularly updated.

Patch Management - Software Licences

We were advised by the Council that a central record of licensing information with respect to software is not in place. This may result in the mismanagement of software, leading to the Council utilising software that is unlicensed and not patched with new security settings. There are also potential value for money considerations.

Patch Management - Applications



We were advised by the Council that application patches usually depend on the support schedule of the system supplier as to when some patches to major software are installed. We however noted that the Council did not have a policy covering the application patch management process.

This may lead to an inconsistent approach to patching, potentially leaving the Council vulnerable to security flaws that have not been addressed in a timely manner. Despite requests, we were not provided with evidence of actual patching compliance. We have therefore not provided any further assurance in this respect.

Patch Management - Mobile Working

We noted that the Council's Mobile Working Policy was due for review in September 2013 and was therefore out of date. For instance, it did not cover the Council's current Mobile Device Management system (XenMobile). We also noted that it did not cover enforcement of keeping

mobile devices up to date with vendor updates and security patches. This may lead to staff not taking the necessary precautions to ensure security of devices or devices not being appropriately managed to deter risk.

Patch Management – Operating Systems

An IT Patch Management Process for Windows is in place, however we found that the policy was out of date. Moreover, despite requests, we were not provided with evidence of actual patching compliance.

| | | | | |
|---|--|--------|-------------------------------|--|
| 1 | The Council will ensure that passwords on all boundary firewalls have been changed to a strong password (enforced via policy). | High | 31 st January 2021 | Andy Finch - IT Infrastructure Manager |
| 2 | Management will ensure that administrator access to email and the Internet is restricted as appropriate. | High | 31 st January 2021 | Andy Finch - IT Infrastructure Manager |
| 3 | The Council will implement a post-leaver review process to ensure that user accounts relating to leavers are disabled/removed, for instance, reviewing a monthly HR list of leavers against user accounts. | High | 28 February 2021 | Andy Finch - IT Infrastructure Manager |
| 4 | The Council will ensure that all boundary firewall rules are subject to appropriate justification and that this is appropriately documented. | Medium | 31 st January 2021 | Andy Finch - IT Infrastructure Manager |
| 5 | <p>The Council will document a boundary firewall policy covering areas such as:</p> <ul style="list-style-type: none"> • securing firewalls • access control • documenting justifications for firewall rules • process for managing changes to firewall rules, including approval • process for promptly decommissioning rules that are no longer required • periodic review of firewall rules • review of logs • physical security • managing remote administration of firewalls <p>In addition, the Council will ensure that evidence is retained of approval for changes to rules.</p> | Medium | 31 st January 2021 | Andy Finch - IT Infrastructure Manager / Alexander Cowen - IT Business Development Manager and Interim Data Protection Officer |

| | | | | |
|---|--|--------|-----------------------------|--|
| 6 | <p>The Council will document within a policy its approach to how default accounts in computers and network devices should be securely configured.</p> <p>This will include the renaming and disabling of default accounts. This policy will then be applied in practice.</p> | Medium | 31 st March 2021 | Andy Finch - IT Infrastructure Manager / Alexander Cowen - IT Business Development Manager and Interim Data Protection Officer |
| 7 | <p>The Council will document a password policy covering areas such as:</p> <ul style="list-style-type: none"> • version control, including last reviewed and next review date, and details of approval • roles and responsibilities • minimum length • password expiry • password complexity • password history • account lockout (number of attempts (threshold), lockout duration and counter reset time) • dealing with the configuration of passwords within software/applications, such as firewalls • disciplinary <p>Following this, the Council will ensure that the this matches the actual configuration in practice.</p> | Medium | 31 st March 2021 | Andy Finch - IT Infrastructure Manager / Alexander Cowen - IT Business Development Manager and Interim Data Protection Officer |
| 8 | <p>A Backup Policy/Procedure will be documented covering areas such as:</p> <ul style="list-style-type: none"> • version control, including last reviewed and next review date, and details of approval • purpose • roles and responsibilities • approach to backups (including the use of incremental and full backups) • transporting and storage of physical media • review of backup logs to ensure successful completion • retention of backups • retrieval of backups • disposal of media • backup software in use | Medium | 31 st March 2021 | Andy Finch - IT Infrastructure Manager / Alexander Cowen - IT Business Development Manager and Interim Data Protection Officer |

| | | | | |
|----|--|--------|--------------------------------|--|
| | <ul style="list-style-type: none"> • security considerations • periodic testing of backups • disciplinary | | | |
| 9 | <p>The Council will document a security/monitoring systems policy covering areas such as:</p> <ul style="list-style-type: none"> • version control, including last reviewed and next review date, and details of approval • roles and responsibilities • anti-virus/firewall software in use • engine updates (including how often updates are to be checked for) | Medium | 31 st March 2021 | Andy Finch - IT Infrastructure Manager / Alexander Cowen - IT Business Development Manager and Interim Data Protection Officer |
| 10 | The Council will implement a process for central tracking of software licensing. | Medium | 30 th April 2021 | Andy Finch - IT Infrastructure Manager |
| 11 | The Council will review, update and approve the IT Patch Management Process. Following this, the Process will be communicated to relevant staff. | Medium | 28 th February 2021 | Andy Finch - IT Infrastructure Manager / Alexander Cowen - IT Business Development Manager and Interim Data Protection Officer |
| 12 | <p>The Council will document a Patch Management Policy covering application patches, recording information such as:</p> <ul style="list-style-type: none"> • version control for the policy, including last reviewed and next review date, and details of approval • purpose of the policy • roles and responsibilities • scope of application, including key IT infrastructure and associated components • obtaining patches | Medium | 31 st March 2021 | Andy Finch - IT Infrastructure Manager / Alexander Cowen - IT Business Development Manager and Interim Data Protection Officer |













| | | | | |
|----|--|--------|----------------------------|--|
| | <ul style="list-style-type: none">• prioritisation of patches (including target timeframes for each type)• testing of patches | | | |
| 13 | <p>The Mobile Working Policy will be reviewed and updated to include the requirement for mobile devices to be kept up to date with vendor updates and patches (reference will be made to the minimum software requirements a device has to have before it connects to the network).</p> <p>Following this, minimum software requirements will be enforced in practice.</p> | Medium | 30 th June 2021 | Andy Finch - IT Infrastructure Manager / Alexander Cowen - IT Business Development Manager and Interim Data Protection Officer |

APPENDIX B - SUMMARY OF PROGRESS TO DATE

The tables below provides a status update on the summary of progress with the 2020/21 internal audit plan to date.

2020/21 Internal Audit Plan

| Assignment area | Fieldwork date/status | Draft report | Final report | Opinion | Actions | | |
|--|-----------------------|--------------------------------|---------------------------------|---|---------|---|---|
| | | | | | L | M | H |
| Cippenham Nursery School | Final Report | 13 th July 2020 | 19 th August 2020 |  | 10 | 4 | 0 |
| Business Continuity and Emergency Planning | Final Report | 11 th August 2020 | 17 th September 2020 |  | 2 | 9 | 0 |
| Leasehold Service Charges | Final Report | 11 th November 2020 | 19 th February 2021 |  | 1 | 5 | 0 |
| Council Tax | Final Report | 11 th November 2020 | 14 th December 2020 |  | 2 | 1 | 1 |
| Rent Arrears Recovery | Final Report | 5 th November 2020 | 19 th February 2021 |  | 2 | 4 | 0 |
| Conflicts of Interest | Final Report | 9 th July 2020 | 28 th July 2020 |  | 1 | 4 | 0 |

| | | | | | | | |
|---|--------------|---------------------------------|---------------------------------|---|---|---|---|
| Risk Management | Final Report | 27 th July 2020 | 20 th August 2020 |  | 5 | 5 | 0 |
| Safety Advisory Group | Final Report | 12 th August 2020 | 24 th August 2020 |  | 5 | 2 | 0 |
| Council Buy Backs | Final Report | 15 th September 2020 | 21 st September 2020 |  | 2 | 3 | 0 |
| Our Lady of Peace Catholic Primary School | Final Report | 3 rd November 2020 | 17 th November 2020 |  | 7 | 3 | 0 |
| Khalsa Primary School | Final Report | 28 th July 2020 | 4 th January 2021 |  | 3 | 1 | 0 |
| James Elliman Homes | Final Report | 6 th October 2020 | 19 th February 2021 |  | 1 | 3 | 0 |
| Housing Benefits | Final Report | 5 th November 2020 | 19 th February 2021 |  | 5 | 0 | 0 |
| Follow Up Q1 | Final Report | 9 th July 2020 | 23 rd July 2020 | Reasonable Progress | 0 | 5 | 0 |



| Follow Up Q2 | Final Report | 3 rd November 2020 | 12 th November 2020 | Reasonable Progress | 1 | 2 | 0 |
|---|----------------------------|--------------------------------------|------------------------------------|---------------------|----------|-----------|----------|
| Grants – Local Transport Revenue Block Funding | Final Report | 24th July 2020 | 28th July 2020 | Advisory | 0 | 0 | 0 |
| Cyber Security | Final Report | 31st November 2020 | 4th January 2021 | Advisory | 4 | 10 | 3 |
| Whistleblowing | Draft Report | 14 th July 2020 | | | | | |
| Section 106 Funds | Fieldwork complete - In QA | | | | | | |
| Planning Application Response Times | Fieldwork complete - In QA | | | | | | |
| Capital Expenditure | Fieldwork complete - In QA | | | | | | |
| Business Rates | Fieldwork complete - In QA | | | | | | |
| Assets | Fieldwork complete - In QA | | | | | | |
| Rent Accounts | Fieldwork complete - In QA | | | | | | |
| Planning Performance Agreements | Fieldwork complete - In QA | | | | | | |
| Debtors | Fieldwork complete - In QA | | | | | | |
| Creditors | Fieldwork complete - In QA | | | | | | |
| Payroll | Fieldwork complete - In QA | | | | | | |



| | |
|---------------|----------------------------|
| Rent Accounts | Fieldwork complete - In QA |
|---------------|----------------------------|

| | |
|--------------|-----------------------|
| Follow Up Q3 | Fieldwork in progress |
|--------------|-----------------------|

| | |
|-------------------------|-----------------------|
| Temporary Accommodation | Fieldwork in progress |
|-------------------------|-----------------------|

| | |
|---------------------|-----------------------|
| Treasury Management | Fieldwork in progress |
|---------------------|-----------------------|

| | |
|---------------------------------|-----------------------|
| Grants – Test and Trace Funding | Fieldwork in progress |
|---------------------------------|-----------------------|

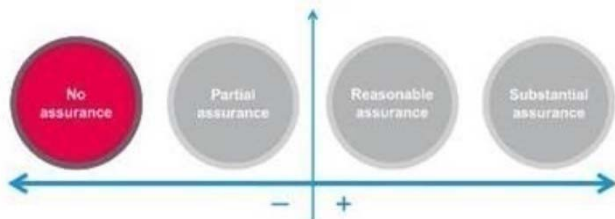
| | |
|--------------------------------------|--|
| Transformation Programme – Follow Up | Commencing 17 th March 2021 |
|--------------------------------------|--|

| | |
|------------|--|
| Governance | Commencing 22 nd March 2021 |
|------------|--|

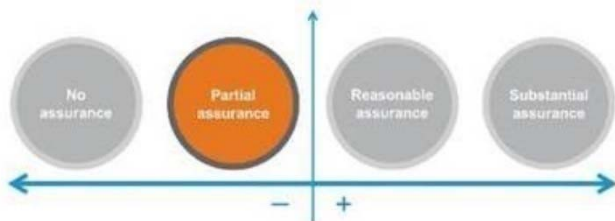
APPENDIX C: 2020/21 ASSURANCE OPINIONS

We are constantly developing and evolving the methods used to provide assurance to our clients. As part of this, we have refreshed our opinion levels in line with the graphics below.

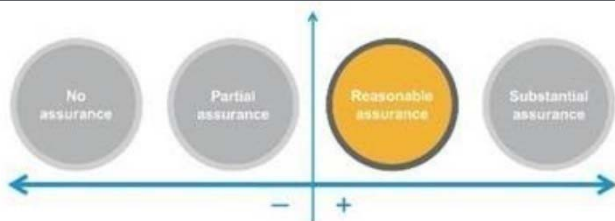
We use the following levels of opinion classification within our internal audit reports, reflecting the level of assurance the Council can take:



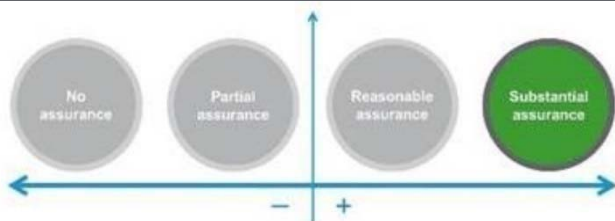
Taking account of the issues identified, the Council **cannot take assurance** that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied or effective. Urgent action is needed to strengthen the control framework to manage the identified risk(s).



Taking account of the issues identified, the Council can take **partial assurance** that the controls to manage this risk are suitably designed and consistently applied. Action is needed to strengthen the control framework to manage the identified risk(s).



Taking account of the issues identified, the Council can take **reasonable assurance** that the controls in place to manage this risk are suitably designed and consistently applied. However, we have identified issues that need to be addressed in order to ensure that the control framework is effective in managing the identified risk(s).



Taking account of the issues identified, the Council can take **substantial assurance** that the controls upon which the organisation relies to manage the identified risk(s) are suitably designed, consistently applied and operating effectively.

FOR FURTHER INFORMATION CONTACT

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SLOUGH BOROUGH COUNCIL

Internal Audit Strategy 2021/2022

Presented at the Audit and Corporate Governance Committee meeting of: 4th March 2021

This report is solely for the use of the persons to whom it is addressed.
To the fullest extent permitted by law, RSM Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party.

EXECUTIVE SUMMARY

In preparing our Internal Audit Plan for 2021/22 we have worked closely with management to produce an audit plan which remains mindful of the continuing developments and challenges around Covid-19. Whilst this plan is presented for consideration by the Audit and Corporate Governance Committee, we will continue to hold regular meetings with management, during the year, to deliver an internal audit programme which remains flexible and 'agile' to ensure it meets your needs in these ever changing circumstances.

The key points to note from our plan are:



2021/22 Internal Audit priorities: Internal audit activity for 2021/22 is based on analysing your corporate objectives, risk profile and Corporate Risk Register as well as other factors affecting you in the year ahead, including changes within the sector. Our detailed plan for 2021/22 is included at Section 1.

Risk based reviews, designed to provide assurance over risks which are linked to your Corporate Risk Register and department risks include: Capital Projects – reviewing key projects - Tower and Ashbourne and Stoke Wharf, Planned and Responsive Maintenance, Contract Management of the Osborne Contract and the Everyone Active Contract, Business Continuity, the Medium Term Financial Strategy, Budget Setting and Control and Temporary Accommodation.

Of the above audits linked to Strategic risks, 3 of these audits were areas where we provided partial assurance (negative) opinions as part of the 2020/21 plan and as a result, we will undertake a further review of these areas to identify whether sufficient improvements have been made.



Level of Resource: We will continue to utilise our core internal audit team to deliver our plan of work and they will continue to be supported by the use of specialists where appropriate, for example Contract Management, Cyber etc. We will continue using technology when undertaking operational audits in 2021/22. This will strengthen our sampling, increasing the level of assurance provided. Please refer to Appendix A.



Assurance: The core assurance reviews for the 2021/22 audit plan includes reviews of; Risk Management and Governance frameworks, the Key Financial Systems (such as Accounts Payable / Accounts Receivable / Payroll / Rent Accounts / Treasury Management / General Ledger), Key Revenues and Benefits systems (Council Tax, Business Rates and Housing Benefits) and the programme of Schools reviews.



'Agile' approach: Our approach to working with you has always been one where we will respond to your changing assurance needs. By employing 'agile' or a 'flexible' approach to our service delivery, we are able to change the focus of audits / audit delivery; keeping you informed of these changes in our progress papers to the Audit and Corporate Governance Committee during the year.



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1. YOUR INTERNAL AUDIT PLAN 2021/22

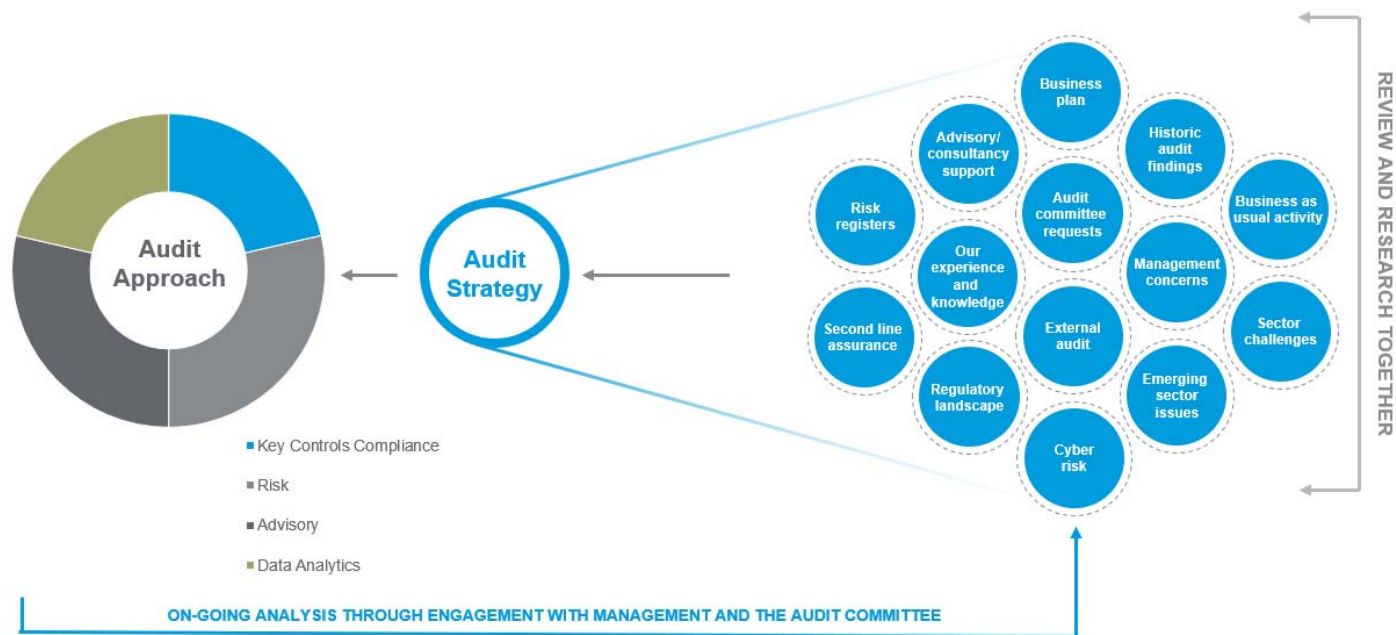
Our approach to developing your internal audit plan is based on analysing your corporate objectives, risk profile and assurance framework as well as other, factors affecting Slough Borough Council in the year ahead, including changes within the sector.

Risk management processes

We have evaluated your risk management processes and consider that we can place reliance on your corporate risk register to inform the internal audit strategy. We have used various sources of information (see Figure A below) and discussed priorities for internal audit coverage with the following stakeholders:

- The CMT, including all Directors and the Chief Executive
- Audit and Corporate Governance Committee
- Director of Finance and Resources (S151 officer)
- Senior Leadership Team

Figure A: Audit considerations – sources considered when developing the Internal Audit Strategy.



Based on our understanding of the organisation, the information provided to us by stakeholders, and the regulatory requirements, we have developed an annual internal plan for the coming year and a high-level strategic plan (see Section 2 and Appendix B for full details).

2. INTERNAL AUDIT PLAN 2021/22

The table below shows each of the reviews that we propose to undertake as part of the internal audit plan for 2021/22. The table details the strategic and departmental risks (either by risk title or risk consequence depending on clarity of these) which may warrant internal audit coverage. This review of your risks allows us to ensure that the proposed plan will meet the organisation's assurance needs for the forthcoming and future years. As well as assignments designed to provide assurance or advisory input around specific risks, the strategy also includes; time for tracking the implementation of actions and an audit management allocation.

| Audit Title | Proposed Coverage (including link to risk title / consequence where appropriate) | Proposed timing | Proposed AGC |
|----------------------------------|--|-----------------|----------------|
| Risk Based Coverage | | | |
| IT Business Continuity | <p>Risk Consequence - There is an inherent risk of security breach and data loss. This could lead to ICO fines for GDPR breach and reputational damage (CRR 240)</p> <p>At the request of the Council's IT Business Development Manager we are proposing to undertake a review of the Council's Business Continuity Arrangements from an IT perspective.</p> <p>Prior to their exit in November 2019, arvato were responsible for the Council's IT provision however now this service has been brought back in house and in light of recent IT incidents within the Council we will review the plans in place and whether the effectiveness and robustness has been tested. (Advisory)</p> | Q1 | September 2021 |
| GDPR Post Implementation | <p>Risk Consequence - If there is not an adequate response to GDPR there is a chance that there may fines, criticism from the information Commissioner, damage to reputation or civil claims for damages (CRR 38)</p> <p>With the introduction of the General Data Protection Regulations in May 2018 and GDPR being a long-standing risk on the Council's Corporate Risk Register the review will consider the extent to which the Council is complying with the GDPR requirements. The scope of the review will be confirmed closer to the time. (Advisory)</p> | Q2 | September 2021 |
| Slough Children's Services Trust | <p>Risk Consequence - Poor outcomes for vulnerable children include risks to safeguarding. Reputational damage to the council. (CR33)</p> <p>Following the Children's Trust becoming a wholly owned subsidiary of the Council, we have included a provision within the plan to allow the Council to take assurance over the arrangements within the Trust. The exact nature of any work will be scoped and agreed with the Interim Director of People (Children). (Assurance)</p> | TBC | TBC |
| Temporary Accommodation | <p>Risk: Failure to ensure that the council meets its statutory service requirements in homelessness, re-housing and emergency housing as well as compliance with health and safety regulations (CR3)</p> | Q3 | December 2021 |

| Audit Title | Proposed Coverage (including link to risk title / consequence where appropriate) | Proposed timing | Proposed AGC |
|---|--|-----------------|----------------|
| | <p>Following a 'partial' assurance opinions in 2018/2019, 2019/20 and 2020/21 we will undertake a full review of the area to provide assurance that actions have been implemented to improve the robustness of the control framework in place including the monitoring of Health and Safety requirements over B&B accommodation, undertaking periodic visits to TA properties, issuing of notices to quit and procedures for breaches of licenses. (Assurance)</p> | | |
| Cyber Essentials | <p>Risk Consequence - There is an inherent risk of security breach and data loss. This could lead to ICO fines for GDPR breach and reputational damage (CRR 240)</p> <p>Following an advisory review in 2020/21 and a number of significant actions (3 high, 10 medium and 4 low actions in total) being raised, we propose to undertake a further review of this area to confirm that actions have been addressed. Our audit would allow the Council to take assurance that good practice in cyber security is being implemented. We would utilise our Technology Risk Assurance team to undertake this review, and the exact nature of the scope will be agreed with the Director of Finance and Resources. (Advisory)</p> | Q3 | March 2022 |
| Business Continuity and Disaster Recovery | <p>Risk Consequence - Failure to have an up to date BCP places the Council at risk of being unable to continue its business should a serious event cause disruption. (CR8)</p> <p>Having been a constant risk on the Council's Risk Register over the previous four years, three negative opinions (Partial Assurance in 2020/21) on the controls in place to manage this area we will undertake a review to allow the Council to take assurance that effective arrangements have been implemented.</p> | Q1 | June 2021 |
| Budget Setting and Budgetary Control | <p>Risk: Failure to ensure financial sustainability (F&A27)</p> <p>Continued reduction to the Council's budget and the COVID-19 pandemic, leading to increased levels of service reductions and organisational wide transformation. The requirement for balanced corporate strategy that seeks to address the needs of vulnerable individuals whilst ensuring appropriate levels of service provision for the universal services.</p> <p>The audit will review the effectiveness of arrangements in place for financial planning and budgetary control to ensure that a realistic budget is set and that performance against this is rigorously monitored. (Assurance)</p> | Q2 | September 2021 |
| Medium Term Financial Strategy | <p>Risk: Failure to ensure financial sustainability (F&A27)</p> <p>The Council must:</p> <ul style="list-style-type: none"> Set a balanced budget each year; | Q2 | September 2021 |

| Audit Title | Proposed Coverage (including link to risk title / consequence where appropriate) | Proposed timing | Proposed AGC |
|-----------------------|---|---------------------|----------------------|
| | <ul style="list-style-type: none"> Ensure it is financially sustainable in the medium term; and Maintain adequate reserves. <p>The MTFS brings together all known factors affecting the Council's financial position and its financial sustainability into one process. We will undertake a review of the Council's MTFS to understand whether the underlying assumptions are based on robust plans. (Assurance)</p> | | |
| Core Assurance | | | |
| Business Rates | | Q3 | December 2021 |
| Council Tax | | Q3 | December 2021 |
| Housing Benefits | | Q3 | December 2021 |
| Treasury Management | | Q3 | December 2021 |
| General Ledger | | Q3 | December 2021 |
| Debtors | Coverage to provide assurance to the S151 Officer that robust systems of financial control are in place and being complied with. Coverage will also meet External Audit / Regulatory requirements and any management concerns. | Q3 | December 2021 |
| Payroll | | Q4 | March 2022 |
| Capital Expenditure | | Q4 | March 2022 |
| Rent Accounts | | Q4 | March 2022 |
| Assets | | Q4 | March 2022 |
| Creditors | | Q4 | March 2022 |
| Rent Arrears Recovery | Following a 'partial' assurance opinion provided as part of both the 2019/20 and 2020/21 plans, we propose to undertake a further review to identify whether improvements identified have been undertaken to strengthen the control framework. (Assurance) | Q1 | June 2021 |
| Grants | Following the completion of a number of grant returns in 2020/21 (including for example, the Bus Service Operators Grant) which require the sign of both the Chief Executive and the Head of Internal Audit we have included a provision to undertake reviews in our capacity of the Council's Chief Internal Auditor on the use of grant funding received, which will include review of evidence to substantiate claims. (Advisory) | Throughout the year | Each Audit Committee |

| Audit Title | Proposed Coverage (including link to risk title / consequence where appropriate) | Proposed timing | Proposed AGC |
|--|---|-----------------|----------------|
| Risk Management | To allow the Council to take assurance over the effectiveness of risk management arrangements within the Council. This will include the use and management of both the Corporate and Service-level risk registers. | Q3 | March 2022 |
| Governance | To allow the Council to take assurance that key governance processes are operating effectively within the Council. The specific area for coverage will be agreed through discussion with Council Senior management. | Q1 | September 2021 |
| Other Internal Audit Activity / IT Coverage | | | |
| IT Education and Awareness | <p>At the request of the Council's IT Business Development Manager we are proposing to undertake a review in to cover the following:</p> <p>Users have a critical role to play in their organisation's security and so it's important that security rules and the technology provided enable users to do their job as well as help keep the organisation secure. This can be supported by a systematic delivery of awareness programs and training that deliver security expertise as well helping to establish a security-conscious culture.</p> <p>Using the National Cyber Security Centre's 10 Steps to Cyber Security Guidance, we will review the area of User Education and Awareness. This include whether the organisation has:</p> <ul style="list-style-type: none"> • Developed a user security policy, as part of the overarching corporate security policy • Established a staff induction process which covers corporate security policies • Maintained user awareness of the security risks faced by the organisation, through regular refresher training on the security risks to the organisation • Supported the formal assessment of security skills, such as requiring staff to formally validate their security skills through enrolment on a recognised certification scheme • Established mechanisms to test the effectiveness and value of the security training provided to all users • Promoted an incident reporting culture, without fear of recrimination • Established a formal disciplinary process <p>(Advisory)</p> | Q2 | December 2021 |
| Local Plan | The Council's new Local Plan will set out how to guide development in Slough through to 2036. The plan will contain policies to guide business and residential development to meet the needs of Slough's expanding population. The new Local Plan will update the existing Core Strategy, Site | Q2 | September 2021 |

| Audit Title | Proposed Coverage (including link to risk title / consequence where appropriate) | Proposed timing | Proposed AGC |
|--|--|-----------------|----------------|
| | Allocations, and Local Plan Saved Policies. The emerging Local Plan aims to address some of the key challenges facing Slough and the plan could be escalated to a Gold Project. At the request of the Associate Director - Place Strategy and Infrastructure will undertake a review of the development of the Local Plan, including the governance around approvals and the implementation process including the consultation process. (Assurance) | | |
| Adult Social Care (ASC) - Financial Assessments and Charging | At the request of the Director of People (Adults), we propose to undertake a review to allow the Council to take assurance over the processes in place for conducting financial assessments and whether these are done in a timely manner and in line with policies and procedures, and as part of this, we will also review the charging process in Adult Social Care and how this is monitored and managed to ensure income is collected to contribute towards the Adult Social Care Income Targets (Assurance) | Q3 | December 2021 |
| ASC - Care Practice and Quality Assurance | At the request of the Director of People (Adults), we will undertake an advisory review to review whether all practitioners within Adult Social Care are following practice laid out in the Council's policies and procedures and whether there are robust quality assurance processes provide sufficient information. (Advisory) | Q4 | March 2022 |
| ASC - Practice and CMHT | At the request of the Director of People (Adults), we propose to undertake a review to give a view on whether social care staff working in CMHT are appropriately discharging their care act responsibilities. (Advisory) | Q3 | September 2021 |
| Grip and Governance | At the request of the Chief Executive, we will review the robustness of plans to obtain a grip over the governance within the Council, which will include reviewing the mechanisms of how assurance is provided to CMT in relation to key functions within the Council. (Assurance) | Q3 | September 2021 |
| Whistleblowing | Following an advisory review in 2018/19, a 'partial assurance' opinion in 2020/21 and a need to ensure that the whistleblowing processes in place are working, we propose to review the effectiveness of processes for the management of whistleblowing and grievances raised within and to the Council, with a view to enabling the Council to take assurance over the processes in place. We will also cover the actions raised as part of the previous review. (Assurance) | Q2 | September 2021 |
| Attendance Service – Children Missing Education (CME) | At the request of the Associate Director, Children and Families, we will review the effectiveness of the Attendance Service for CME. Slough Borough Council have a legal duty to identify children who are missing education (CME), taking action where necessary and ensuring children are receiving suitable education. This duty applies to all maintained schools, academies, free schools and independent schools. (Assurance) | Q1 | June 2021 |

| Audit Title | Proposed Coverage (including link to risk title / consequence where appropriate) | Proposed timing | Proposed AGC |
|------------------------------------|--|---------------------|----------------------|
| School Audits (maintained schools) | To allow the Council to take assurance over the effectiveness of governance and financial management arrangements within schools. As with previous years we will visit a sample of schools, based on outcomes from prior reviews, to review the effectiveness of governance and financial management arrangements on site. The reviews this year will include a follow up of Claycots school where a 'partial' assurance opinion was issued in 2018/19 and Pippins School amongst the other reviews which will be agreed with the Council. (Assurance) | Q1 + Q2 | Each Audit Committee |
| Follow Up | We will conduct Follow Up audits on a quarterly basis to provide assurance that agreed actions have been implemented and that there is sufficient evidence to demonstrate their implementation. | Throughout the Year | Each Audit Committee |
| Management Meeting Attendance | This will include attendance at all meetings (Department meetings, CMT, Risk Board, Governance meetings, ad-hoc meetings) | Ongoing | Ongoing |
| Management | This will include: <ul style="list-style-type: none"> • Annual Planning meetings and draft strategy • Preparation for, and attendance at, Audit and Corporate Governance Committee • Attending LG Chief Auditors Network • Administration of action tracking database (4action) used by the Council to track actions • Regular liaison and progress updates • Meetings with Chief Executive, S151 Officer, Monitoring Officer, Chair of Audit and Corporate Governance • Liaison with external audit and other assurance providers • Preparation of the annual Head of Internal Audit opinion and IA Charter | Ongoing | Ongoing |

Additional Reviews to be scoped and undertaken under the Direction of the Executive Director: Corporate Operations (Section 151) in 2021/22

| Audit Title | Proposed Coverage (including link to risk title / consequence where appropriate) |
|--|--|
| Capital Projects – Tower and Ashbourne | Risk: Failure to ensure financial sustainability. (F&A27) |

| Audit Title | Proposed Coverage (including link to risk title / consequence where appropriate) |
|--|--|
| | <p>Tower and Ashbourne House is located within the centre of Slough and the Council have awarded a contract for the redevelopment of the building, to be undertaken by HTA Design LLP. At the request of the Director of Corporate Resources, we will review the following significant projects within the Council's portfolio with a particular focus on:</p> <ul style="list-style-type: none"> • The delegation of powers between SBC and partners • The timeliness of the process • Whether the projects have a sufficient level of governance in place, particularly in relation to the approval process • The process for the development and approval of business cases, including the funding / capital budgets • Benefits Realisation / monitoring of performance; • Risk Management arrangements; • The reporting of progress, including both financial and non-financial information. <p>(Assurance)</p> |
| Capital Projects – Stoke Wharf | <p>Risk: Failure to ensure financial sustainability. (F&A27)</p> <p>Stoke Wharf is a joint venture between SBC and Morgan Sindall, with Lovells as the developers. At the request of the Director of Corporate Resources, we will review the following significant projects within the Council's portfolio with a particular focus on:</p> <ul style="list-style-type: none"> • The delegation of powers between SBC and partners • The timeliness of the process • Whether the projects have a sufficient level of governance in place, particularly in relation to the approval process • The process for the development and approval of business cases, including the funding / capital budgets • Benefits Realisation / monitoring of performance; • Risk Management arrangements; • The reporting of progress, including both financial and non-financial information. <p>(Assurance)</p> |
| Continuing Health Care Commissioning and Procurement | <p>At the request of the Director of People (Adults), we will look to review the processes for Continuing Healthcare within the Council to allow the Council to take assurance over the processes in place since SBC took over the responsibilities of CHC commissioning and procurement on behalf of East Berks CCG in 2019/20. (Assurance)</p> |
| Local Government Transparency Code | <p>The Ministry for Housing, Communities and Local Government (MHCLG) published a revised Local Government Transparency Code on 27 February 2015 which includes new requirements to publish social housing assets. The revised Code came into effect on 1 April 2015. The LGA has produced a set of revised practical guidance documents to support local authorities in understanding and implementing the Transparency Code 2015 and to help them publish the data in a meaningful and consistent way. This area has not been covered by Internal Audit since 2017/18 where we issued a 'partial' assurance opinion and at the request of Strategic</p> |

| Audit Title | Proposed Coverage (including link to risk title / consequence where appropriate) |
|--|---|
| | Programme Management Office (PMO) Manager as part of the Council's Grip and Governance Project, we are proposing to review compliance with the code. (Assurance) |
| Governance of the Housing Delivery Action Plan | <p>The Housing Delivery Test (HDT) measures net additional dwellings provided in a local authority area against the homes required. The methodology for calculating the Housing Delivery Test measurement is set out in the Housing Delivery Test Measurement Rule Book, and the Ministry of Housing, Communities and Local Government (MHCLG) will publish the HDT result for each local planning authority in England annually in November.</p> <p>Where delivery is below 95% of the Local Planning Authorities requirement it has to prepare an Action Plan in line with national guidance. At the request of the Associate Director - Place Strategy and Infrastructure we will look the governance around the delivery of actions to address shortfalls in housing need in Slough. (Assurance)</p> |
| Planned and Responsive Maintenance | <p>Risk Consequence: If the RMI contract is not managed appropriately, there is a risk to the Council's reputation (PP82)</p> <p>The repairs and maintenance of the Council's housing stock is currently outsourced to Osbornes and at the request of the Director of Place and following a number of complaints to the Council regarding the performance of Osbornes, we will undertake a review to allow the Council to take assurance over the processes for maintaining the Councils Housing Stock and meeting the needs of its residents. (Assurance)</p> |
| RMI Contract Management - Osbornes | <p>Risk Consequence: If the RMI contract is not managed appropriately, there is a risk to the Council's reputation (PP82)</p> <p>At the request of the Director of Place and also the Neighbourhood and Community Services Scrutiny panel, we will undertake a review of the contract management arrangements with Osborne to evaluate how the objectives and performance measures were being met and reported. Councillors and residents will be engaged in the review. (Assurance)</p> |

Audits requested by Officers but deferred to 2022/23 due to other priorities:

| Audit Title | Proposed Coverage (including link to risk title / consequence where appropriate) | Proposed timing | Proposed AGC |
|---------------------|--|-----------------|----------------|
| Housing White Paper | <p>As part of the Government's plans to ensure that residents in social housing are safe, are listened to, live in good quality homes, and have access to redress when things go wrong, a Social Housing Charter is being introduced, and at the request of the Director of Customer and Community, we propose to undertake a review to assess how the Council has implemented the requirements of the white paper. (Assurance)</p> | Q2 | September 2021 |
| HR – Appraisals | <p>At the request of the Deputy S151 officer we propose to undertake a review to enable the Council to take assurance around the processes in place to ensure appraisals are being carried out on a consistent basis. As part of the audit, we will review whether appropriate guidance around the appraisal process is in place, whether Line Managers are sufficiently trained to</p> | Q1 | June 2021 |

| Audit Title | Proposed Coverage (including link to risk title / consequence where appropriate) | Proposed timing | Proposed AGC |
|---|---|-----------------|----------------|
| | conduct appraisals, whether appraisals are completed in a consistent manner and whether sufficient controls are in place to identify members of staff who have not had their appraisals completed. (Assurance) | | |
| Agresso Utilisation | At the request of the Director of Corporate Resources, we propose to undertake a review around how staff are utilising Agresso. The review will consider whether staff are both aware and fully utilising the reporting functionality available within the ERP platform. The scope of the review will focus on systems-based functionality available with respect to financial information (for example, budget reporting) as well as HR related information. (Assurance) | Q3 | September 2021 |
| Contract Management - Everyone Active | <p>Risk: Failure of the Leisure Strategy to have an impact on the health of the local community (C&L5)</p> <p>Following the appointment of new contractors to manage the Council's Leisure Services, and a 'partial assurance' opinion in 2019/20, we will review the management of the contract with a view to providing assurance of the contract management arrangements in place and whether the actions raised as part of the previous review has been implemented. This work would be led by our contract management specialists. (Assurance)</p> | Q2 | September 2021 |
| ASC - Data and performance information | At the request of the Director of People (Adults), we propose to undertake a review of the information generated from the Adult Social Care system following concerns raised over the timeliness and accuracy of management data reports and performance information data (Advisory) | Q3 | September 2021 |
| Data Security and Protection Toolkit (DSPT) | <p>At the request of the Council's IT Business Development Manager we will undertake a review to assess the Council's compliance with the DSPT.</p> <p>The Council has access to a secure N3 connection which is being transitioned to The Health and Social Care Network (HSCN), which is a new data network for health and care organisations. It provides the underlying network arrangements to help integrate and transform health and social care services by enabling them to access and share information more reliably, flexibly and efficiently while benefitting from improved network and bandwidth capacity, financial savings and easier and smoother access to clinical systems.</p> <p>Currently to maintain access to this connection, the Council has to submit an annual self-assessment demonstrating how it complies with the requirements of the toolkit. Our review will confirm that sufficient evidence exists to demonstrate that processes are in place to comply with the minimum requirements of the toolkit (Advisory)</p> | Q2 | September 2021 |

2.1 Working with other assurance providers

The Audit and Corporate Governance Committee is reminded that internal audit is only one source of assurance and through the delivery of our plan we will not, and do not, seek to cover all risks and processes within the organisation.

We will however continue to work closely with other assurance providers, such as external audit to ensure that duplication is minimised, and a suitable breadth of assurance obtained.

APPENDIX A: YOUR INTERNAL AUDIT SERVICE

Your internal audit service is provided by RSM Risk Assurance Services LLP. The team will be led by Daniel Harris as your Head of Internal Audit, supported by Amir Kapasi as your Manager.

Core team

The delivery of the 2021/22 audit plan will be based around a core team. However, we will complement the team with additional specialist skills where required. This will include the use of our IT Specialists within the Technology Risk Assurance (TRA) team, Programme and Project Management Specialists and wider consulting specialists.

Conformance with internal auditing standards

RSM affirms that our internal audit services are designed to conform to the Public Sector Internal Audit Standards (PSIAS).

Under PSIAS, internal audit services are required to have an external quality assessment every five years. Our risk assurance service line commissioned an external independent review of our internal audit services in 2016 to provide assurance whether our approach meets the requirements of the International Professional Practices Framework (IPPF) published by the Global Institute of Internal Auditors (IIA) on which PSIAS is based.

The external review concluded that “there is a robust approach to the annual and assignment planning processes and the documentation reviewed was thorough in both terms of reports provided to audit committee and the supporting working papers.” RSM was found to have an excellent level of conformance with the IIA’s professional standards.

The risk assurance service line has in place a quality assurance and improvement programme to ensure continuous improvement of our internal audit services. Resulting from the programme, there are no areas which we believe warrant flagging to your attention as impacting on the quality of the service we provide to you.

Our next external review will be conducted during 2021 and we will inform the Audit and Corporate Governance Committee of its findings.

Conflicts of interest

We continue to deliver support to the Council in relation to the Procurement Function, which is likely to run into 2021/22. We also supply a range of software solutions to help the Council manage their action tracking, policy management and risk capture. All of this work was undertaken via separate engagements, led by independent engagement partners and delivered by specialist staff separate from the core Internal Audit Team. We have considered as part of all of these additional engagements the safeguards required to be in place and are satisfied that these have been met. We continue to keep the Executive Director: Corporate Operations (Section 151) sighted and informed throughout the year of potential conflicts and how these have been considered and managed.

APPENDIX B: INTERNAL AUDIT STRATEGY 2019 – 2022

The table below shows an overview of the audit coverage to be provided through RSM's delivery of the internal audit strategy. This has been derived from the process outlined in Section 1 above, as well as our own view of the risks facing the sector as a whole.

| Assurance Provided | | Internal Audit - Third Line of Assurance | | | | | |
|--|--|--|---------|---------|---------|---------|---------|
| | | Risk Register Ref | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
| | Red - Minimal Assurance / Poor Progress | | | | | | |
| | Amber/red - Partial Assurance / Little Progress | | | | | | |
| | Amber/green - Reasonable Assurance / Reasonable Progress | | | | | | |
| | Green - Substantial Assurance / Good Progress | | | | | | |
| | Advisory / AUP | | | | | | |
| Audit Area | | | | | | | |
| Risk based assurance | | | | | | | |
| Capital Projects – Tower and Ashbourne | F&A27 | | | | | | ✓ |
| Slough Children's Services Trust | CR33 | | | | | | ✓ |
| Planned and Responsive Maintenance | PP82 | | | | | | ✓ |
| Contract Management - Osbornes | PP82 | | | | | | |
| Capital Projects – Stoke Wharf | F&A27 | | | | | | ✓ |
| Contract Management – Everyone Active (Leisure Contract) | C&L5 | | | | | | ✓ |
| Continuing Healthcare | ACPH 3 | | | | | | ✓ |

| | | | | | | |
|---|----------|--|--|--|---|---|
| Governance - James Elliman Homes | RD 11 | | | | | |
| Direct Services Organisation* (being covered by RSM Specialists) | CR6 | | | | ✓ | |
| Contract Management – Osborne | CR15 | | | | | ✓ |
| Business Continuity and Emergency Planning | CR8 | | | | | ✓ |
| Contract Management – Buoygues | CR15 | | | | | |
| Slough Urban Renewal | CR4 | | | | | |
| Adult Social Care - Management of Income / Financial Assessments and Charging | F&A 27 | | | | | ✓ |
| Corporate Health and Safety | 78 | | | | ✓ | |
| Temporary Accommodation Strategy | 78 | | | | ✓ | ✓ |
| Budget Setting and Budgetary Control (including forecasting) | F&A 27 | | | | | ✓ |
| Medium Term Financial Strategy (MTFS) | F&A 27 | | | | | ✓ |
| Governance - Overview and Scrutiny - Committee Effectiveness | Gov 2 | | | | | |
| Conflicts of Interest | F&A 27 | | | | | |
| Safety Advisory Group (SAG) | C&C 9 | | | | | |
| GDPR (previously Information Governance) | D&S IT 1 | | | | | ✓ |
| Cyber Security and Cyber Risk | D&S IT 2 | | | | | ✓ |
| Planning Performance Agreements (PPAs) | NWQ 1 | | | | ✓ | |
| Planning Applications Response Times | P&T 7 | | | | ✓ | |
| Accounts Preparation Process | F&A 1 | | | | | |
| Savings Plan | F&A 27 | | | | | |
| Special Educational Needs Funding | SD 2 | | | | | |

| | | | | | | |
|--|-------|--|--|--|---|---|
| Major Infrastructure Projects (Local Enterprise Partnership) | RD11 | | | | | |
| Fire Safety | 78 | | | | | |
| Gas Servicing | 78 | | | | | |
| 4Policies | Gov 2 | | | | | |
| Policies and Procedures | Gov 2 | | | | | |
| Procurement | CR9 | | | | | |
| Transformation Plan | | | | | ✓ | |
| Core Assurance | | | | | | |
| Business Rates | CR2 | | | | ✓ | ✓ |
| Council Tax | CR2 | | | | | ✓ |
| Housing Benefits | CR2 | | | | | ✓ |
| Treasury Management | CR2 | | | | ✓ | ✓ |
| General Ledger | CR2 | | | | ✓ | ✓ |
| Debtors | CR2 | | | | ✓ | ✓ |
| Payroll | CR2 | | | | ✓ | ✓ |
| Capital Expenditure | CR2 | | | | ✓ | ✓ |
| Rent Accounts | CR2 | | | | ✓ | ✓ |
| Assets | CR2 | | | | ✓ | ✓ |
| Creditors | CR2 | | | | ✓ | ✓ |
| Rent Arrears Recovery | CR2 | | | | | ✓ |
| Risk Management | Gov 2 | | | | | ✓ |

| | | | | | | |
|--|-------|--|--|--|--|---|
| Governance – Sub Committee Effectiveness | Gov 2 | | | | | |
| Cash Collection + Management | CR2 | | | | | |
| Data Security and Protection Toolkit | | | | | | |
| IT Education and Awareness | | | | | | ✓ |
| Whistleblowing | | | | | | ✓ |

APPENDIX C: INTERNAL AUDIT CHARTER

Need for the charter

This charter establishes the purpose, authority and responsibilities for the internal audit service for Slough Borough Council. The establishment of a charter is a requirement of the Public Sector Internal Audit Standards (PSIAS) and approval of the charter is the responsibility of the audit committee.

The internal audit service is provided by RSM Risk Assurance Services LLP (“RSM”).

We plan and perform our internal audit work with a view to reviewing and evaluating the risk management, control and governance arrangements that the organisation has in place, focusing in particular on how these arrangements help you to achieve its objectives. The PSIAS encompass the mandatory elements of the Institute of Internal Auditors (IIA) International Professional Practices Framework (IPPF) as follows:

- Core principles for the professional practice of internal auditing;
- Definition of internal auditing;
- Code of ethics; and
- The Standards.

Mission of internal audit

As set out in the PSIAS, the mission articulates what internal audit aspires to accomplish within an organisation. Its place in the IPPF is deliberate, demonstrating how practitioners should leverage the entire framework to facilitate their ability to achieve the mission.

“To enhance and protect organisational value by providing risk-based and objective assurance, advice and insight”.

Independence and ethics

To provide for the independence of internal audit, its personnel report directly to the Partner Daniel Harris (acting as your head of internal audit). The independence of RSM is assured by the internal audit service reporting to the Chief Executive, with further reporting lines to the Director of Finance and Resources.

The head of internal audit has unrestricted access to the chair of audit and corporate governance committee to whom all significant concerns relating to the adequacy and effectiveness of risk management activities, internal control and governance are reported.

Conflicts of interest may arise where RSM provides services other than internal audit to Slough Borough Council. Steps will be taken to avoid or manage transparently and openly such conflicts of interest so that there is no real or perceived threat or impairment to independence in providing the internal audit service. If a potential conflict arises through the provision of other services, disclosure will be reported to the audit committee. The nature of the disclosure will depend upon the potential impairment and it is important that our role does not appear to be compromised in reporting the matter to the audit and corporate governance committee. Equally we do not want the organisation to be deprived of wider RSM expertise and will therefore raise awareness without compromising our independence.

Responsibilities

In providing your outsourced internal audit service, RSM has a responsibility to:

- Develop a flexible and risk based internal audit strategy with more detailed annual audit plans. The plan will be submitted to the audit committee for review and approval each year before work commences on delivery of that plan.
- Implement the internal audit plan as approved, including any additional tasks requested by management and the audit committee.
- Ensure the internal audit team consists of professional audit staff with sufficient knowledge, skills, and experience.
- Establish a quality assurance and improvement program to ensure the quality and effective operation of internal audit activities.
- Perform advisory activities where appropriate, beyond internal audit's assurance services, to assist management in meeting its objectives.
- Bring a systematic disciplined approach to evaluate and report on the effectiveness of risk management, internal control and governance processes.
- Highlight control weaknesses and required associated improvements together with corrective action recommended to management based on an acceptable and practicable timeframe.
- Undertake follow up reviews to ensure management has implemented agreed internal control improvements within specified and agreed timeframes.
- Report regularly to the audit committee to demonstrate the performance of the internal audit service.

For clarity, we have included the definition of 'internal audit', 'senior management' and 'board'.

- Internal audit – a department, division, team of consultant, or other practitioner (s) that provides independent, objective assurance and consulting services designed to add value and improve an organisation's operations. The internal audit activity helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management and control processes.
- Council senior management who are the team of individuals at the highest level of organisational management who have the day-to-day responsibilities for managing the organisation.

- Executive (Cabinet) - The highest level governing body charged with the responsibility to direct and/or oversee the organisation's activities and hold organisational management accountable. Furthermore, "board" may refer to a committee or another body to which the governing body has delegated certain functions (eg an audit and corporate governance committee).

Client care standards

In delivering our services we require full cooperation from key stakeholders and relevant business areas to ensure a smooth delivery of the plan. We proposed the following KPIs for monitoring the delivery of the internal audit service:

- Discussions with senior staff at the client take place to confirm the scope six weeks before the agreed audit start date.
- Key information such as: the draft assignment planning sheet are issued by RSM to the key auditee six weeks before the agreed start date.
- The lead auditor to contact the client to confirm logistical arrangements at least 15 working days before the commencement of the audit fieldwork to confirm practical arrangements, appointments, debrief date etc.
- Fieldwork takes place on agreed dates with key issues flagged up immediately.
- A debrief meeting will be held with audit sponsor at the end of fieldwork or within a reasonable time frame.
- Draft reports will be issued within 10 working days of the debrief meeting and will be issued by RSM to the agreed distribution list / Huddle.
- Management responses to the draft report should be submitted to RSM.
- Within three working days of receipt of client responses the final report will be issued by RSM to the assignment sponsor and any other agreed recipients of the report.



We continue to closely monitor and implement official guidelines from the Government and health organisations in respect of Covid-19. All our staff must adhere to the relevant RSM Policies, including limiting time on site and completing the relevant approvals prior to any site visit.

Authority

The internal audit team is authorised to:

- Have unrestricted access to all functions, records, property and personnel which it considers necessary to fulfil its function.
- Have full and free access to the audit committee.
- Allocate resources, set timeframes, define review areas, develop scopes of work and apply techniques to accomplish the overall internal audit objectives.

- Obtain the required assistance from personnel within the organisation where audits will be performed, including other specialised services from within or outside the organisation.

The head of internal audit and internal audit staff are not authorised to:

- Perform any operational duties associated with the organisation.
- Initiate or approve accounting transactions on behalf of the organisation.
- Direct the activities of any employee not employed by RSM unless specifically seconded to internal audit.

Reporting

An assignment report will be issued following each internal audit assignment. The report will be issued in draft for comment by management, and then issued as a final report to management, with the executive summary being provided to the audit and corporate governance committee. The final report will contain an action plan agreed with management to address any weaknesses identified by internal audit.

The internal audit service will issue progress reports to the audit and corporate governance committee and management summarising outcomes of audit activities, including follow up reviews.

As your internal audit provider, the assignment opinions that RSM provides the organisation during the year are part of the framework of assurances that assist the board in taking decisions and managing its risks.

As the provider of the internal audit service we are required to provide an annual opinion on the adequacy and effectiveness of the organisation's governance, risk management and control arrangements. In giving our opinion it should be noted that assurance can never be absolute. The most that the internal audit service can provide to the board is a reasonable assurance that there are no major weaknesses in risk management, governance and control processes. The annual opinion will be provided to the organisation by RSM Risk Assurance Services LLP at the financial year end. The results of internal audit reviews, and the annual opinion, should be used by management and the Cabinet to inform the organisation's annual governance statement.

Data protection

Internal audit files need to include sufficient, reliable, relevant and useful evidence in order to support our findings and conclusions. Personal data is not shared with unauthorised persons unless there is a valid and lawful requirement to do so. We are authorised as providers of internal audit services to our clients (through the firm's terms of business and our engagement letter) to have access to all necessary documentation from our clients needed to carry out our duties.

Quality Assurance and Improvement

As your external service provider of internal audit services, we have the responsibility for maintaining an effective internal audit activity. Under the standards, internal audit services are required to have an external quality assessment every five years. In addition to this, we also have in place an internal quality assurance and improvement programme, led by a dedicated team who undertake these reviews. This ensures continuous improvement of our internal audit services.

Any areas which we believe warrant bringing to your attention, which may have the potential to have an impact on the quality of the service we provide to you, will be raised in our progress reports to the audit committee.

Fraud

The audit committee recognises that management is responsible for controls to reasonably prevent and detect fraud. Furthermore, the audit committee recognises that internal audit is not responsible for identifying fraud; however internal audit will be aware of the risk of fraud when planning and undertaking any assignments.

Approval of the internal audit charter

By approving this document, the internal audit strategy, the audit committee is also approving the internal audit charter.

FOR FURTHER INFORMATION CONTACT

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The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Actions for improvements should be assessed by you for their full impact. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

Our report is prepared solely for the confidential use of Slough Borough Council, and solely for the purposes set out herein. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights from RSM Risk Assurance Services LLP for any purpose or in any context. Any third party which obtains access to this report or a copy and chooses to rely on it (or any part of it) will do so at its own risk. To the fullest extent permitted by law, RSM Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

This report is released to you on the basis that it shall not be copied, referred to or disclosed, in whole or in part (save as otherwise permitted by agreed written terms), without our prior written consent.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

RSM Risk Assurance Services LLP is a limited liability partnership registered in England and Wales no. OC389499 at 6th floor, 25 Farringdon Street, London EC4A 4AB.

SLOUGH BOROUGH COUNCIL

REPORT TO: Audit & Corporate Governance Committee

DATE: 4 March 2021

CONTACT OFFICER: Neil Wilcox; Executive Director: Corporate Services
(Section 151 Officer)

(For all Enquiries) (01753) 875358

WARD(S): All

PART I
FOR COMMENT & CONSIDERATION**Going Concern Statement – in relation to the 2018/19 Accounts****1. Purpose of the Report**

To inform the Audit and Governance Committee of the S151 Officer's assessment of Slough Borough Council as a "going concern" for the purposes of producing the Council's Statement of Accounts for 2018/19.

2. Recommendation

Members review and approve the assessment made of the Council's status as a "going concern" as a basis for preparing its 2018/19 Statement of Accounts.

3. Background

- 3.1 The Council's Statement of Accounts are prepared on a going concern basis: i.e. on the assumption that the functions of the Council will continue in operational existence for the foreseeable future from the date that the accounts are authorised for issue.
- 3.2 The concept of a going concern assumes that an authority's functions and services will continue in operational existence for the foreseeable future. These provisions confirm that, as authorities cannot be created or dissolved without statutory prescription, they must prepare their financial statements on a going concern basis of accounting.
- 3.3 Local authorities carry out functions essential to the local community and are themselves revenue-raising bodies (with limits on their revenue-raising powers arising only at the discretion of central government). If an authority were in financial difficulty, the prospects are that alternative arrangements might be made by central government either for the continuation of the services it provides or for assistance with the recovery of a deficit over more than one financial year. As a result of this, it would not therefore be appropriate for local authority financial statements to be provided on anything other than a going concern basis. Accounts drawn up under the CIPFA Code

of Practice on Local Authority Accounting therefore assume that a local authority's services will continue to operate for the foreseeable future.

COVID-19

- 3.4 The current restrictions in place within the United Kingdom in response to COVID-19 have created significant issues for many businesses and residents and as a result, from April 2020, the Council has experienced financial pressures in terms of lost income lost and additional expenditure incurred. The government has provided some financial support for Local Authorities to help mitigate some of the pressures being experienced due to the crisis. The Council has received a total, to date, of £20.955 million in general support funding from central government in this regard.
- 3.5 The Council has carried out a detailed assessment of the likely impact of COVID-19 on its financial position and performance during 2019/20, 2020/21 and beyond. This included consideration of the following:
- Loss of income on a service by service basis, due to temporary closures, reduction in demand, and increased collection losses.
 - Additional expenditure on a service by service basis, e.g. provision of new and expanded services in response to the crisis (such as additional costs relating to temporary accommodation for the homeless), and additional costs associated with changes to working practices (such as remote working).
 - Changes to government policy, e.g. changes to business rate reliefs, guidance on supplier relief, additional funding for local authorities, and additional responsibilities which sit alongside this.
 - The impact on the Council's capital programme, e.g. delays caused by government restrictions, and whether there is a need to rephase work for other reasons.
 - The impact on the Council's subsidiaries and joint ventures.
 - The impact of all of the above on the Council's cash flow and treasury management, including availability of liquid cash, impact on investment returns, and availability of external borrowing if required.
 - The estimated overall impact on the Council's General Fund and Housing Revenue Account reserves.

2021/22 Financial Position

- 3.6 Cabinet have proposed a revenue budget of £133.574m for 2021/22; the latest Quarter 3 revenue monitoring report for 2020/21 indicates a forecast in-year underspend of £2.874m.
- 3.7 The 2021/22 proposals include savings of £15.576m and funding for growth and pressures of £12.593m. The proposals also contain a general COVID contingency amount of £6.025m and a further provision, for 2021/22, of £0.375m.

- 3.8 Like other local authorities, Slough BC took the opportunity to hold discussions with MHCLG about seeking permission for a Capitalisation Directive to help balance the budget in 2021/22. Other councils that have been harder hit by Covid-19 have also requested support using this means in 2020/21.
- 3.9 The Council required flexibility due to two unique one-off funding pressures arising in 2021/22:
- A 2019/20 Business Rates rebate (of £5.3m) following a Valuation Office Agency Tribunal decision; and
 - The Department for Education (DfE) seeking Slough Borough Council to write-off the Slough Children's Services Trust's (SCST's) historic deficit of approximately £5.5m when a new Local Authority Company, Slough Children First, is created from 1 April 2021.
- 3.10 A capitalisation directive permits a Council to capitalise revenue expenditure if it is unable to set a balanced budget and has considered all other options, has limited reserves, and is increasing its Council Tax by the maximum permitted. The direction will only be granted in exceptional circumstances. Only the Secretary of State can permit this action legally.
- 3.11 MHCLG officials have indicated that Ministers are minded to agree to Slough's request. Their external advisor concluded, following a detailed review of SBC's financial position:
- "The Council has limited resources in terms of revenue reserves to balance the 21/22 revenue budget. Without the two unexpected items in terms of business rates and the children's trust the budget would have been balanced"*
- 3.12 MHCLG are therefore expected to permit the capitalisation of £12.200m of revenue spend in 2021/22 to balance the budget; and the revenue budget proposals have been prepared on that basis. The capitalisation direction will be funded by future capital receipts over a five year period and this assumption has been included in the Capital Strategy and proposed Capital Programme 2021/22 to 23/24.
- 3.13 A general fund capital programme of £100.439m has been proposed for 2021/22, inclusive of £46.154m of investment funded via Council borrowing.
- 3.14 Full Council will debate and agree the budget proposals at its meeting on 8 March 2021.

Medium Term Financial Strategy – 2021/22 to 2023/24

- 3.15 The Medium-Term Financial Strategy (MTFS) integrates strategic and financial planning over a three-year period. It translates the Strategic Plan priorities into a financial framework that enables members and officers to ensure policy initiatives can be delivered within available resources and can be aligned to priority outcomes.
- 3.16 The drivers for the Council's financial strategy are:
- To set a balanced budget over the life of the MTFS whilst protecting residents from excessive Council tax increases, as defined by the

government, through the legislative framework covering Council Tax referenda.

- To fund priorities agreed within the period, ensuring that service and financial planning delivers these priorities.
- To deliver a programme of planned reviews and savings initiatives designed to keep reductions to service outcomes for residents to a minimum.
- To maintain and strengthen the Council's financial position so that it has sufficient contingency sums, reserves and balances to address any future risks and unforeseen events without jeopardising key services and delivery of service outcomes for residents.
- Ensuring the Council maximises the impact of its spend to deliver priority outcomes in the context of reducing resources.

3.17 The MTFs indicates a balanced budget for 2021/22 and a current funding gap of £13.025m for 2022/23 and £19.260m for 2023/24. The political and officer leadership of the Council is committed to ensuring robust proposals are developed, in year, to ensure these funding gaps are closed by the time the revenue budget is due to be agreed,

3.18 The MTFs assumes future Council Tax increases, at 1.99%, the maximum currently allowed without a referendum by central government. It also assumes central government's Adult Social Care precept (3% in 2021/22) will be passed on to residents in full.

3.19 The financial landscape for the Council is likely to remain challenging for the foreseeable future. The delay to the Comprehensive Spending Review until the Autumn of 2020 means that there will be little certainty over the council's longer term funding outlook and this will need to be carefully managed as the council considers the recovery actions it needs to take and commit to. In addition, the Fair Funding Review and move to 75% Business Rate Retention have been delayed again with an earliest implementation date of 2022/23.

3.20 The outcome of these reviews will determine the quantum of funding available to local government and the share available to the Council. The added uncertainty brought about by the exit from the European Union will serve to compound these issues. There is a risk that funding reductions may continue beyond this point placing further pressure on the MTFs.

3.21 The Council has continued to effectively manage its resources during a period of increasing cost pressures and a backdrop of many years of government funding reductions. The future funding outlook for the public sector and local government is extremely uncertain and the impact of Covid 19 and the recovery from it will undoubtedly impact on the council and its communities for a number of years.

3.22 The Council continues to have a robust financial standing with sound and continuously improving financial management procedures and processes in place.

- 3.23 The Council continues to face a range of significant budget pressures including general inflation, cost pressures in the care sector, increases in the number of adults and children needing support and rising levels of need, increases in demand for everyday services as the population grows, and increases in core costs such as wage increases, the national living wage and pension contribution.
- 3.24 The MTFS sets out the Council's approach to achieving a sustainable budget over the medium term whilst ensuring that all revenue resources are directed towards corporate priorities. The MTFS describes the financial direction of the council over the planning period and outlines the financial pressures it will face.

The Council's Projected Financial Position – Capital

- 3.25 The provisional outturn for the 2020/21 capital programme is a £86.555million underspend against a revised capital budget of £163.341million. £25million of the underspend is attributable to schemes within the Regeneration Directorate, and £18.495m from within the Place and Development Directorate, that have been delayed due to the COVID-19 pandemic, which has not been utilised during 2019/20. In December 2020 the Government announced that PWLB rates could no longer be accessed to fund assets used primarily to generate yield. In February 2021 the Strategic Acquisition Board (SAB) agreed to cease all future commercial property acquisitions.
- 3.26 The three year general fund capital programme from 2021/22 to 2023/24 allocates £147.557m of funding sourced through a combination of grants, Section 106, borrowing and Council capital resources. £40.608m of Council capital receipts have been allocated to the programme and overall borrowing funds 45% of the total general fund programme, Annual increases in interest payments of £1.821m have been built into the revenue capital financing budget and MTFS from 2021/22 to service the expected borrowing arising from implementing this capital programme.
- 3.27 As at 31 March 2019 the Council held usable capital reserves of £23.986million.

The Council's Balance Sheet at 31st March 2019

- 3.28 The robustness of the Council's balance sheet for 2019/20 and 2020/21 will be reassessed on completion of the draft financial statements and reported to the Audit and Governance Committee during 2021/22.
- 3.29 The authority's net assets amounted to £344.424m at 31 March 2019 (£388.251m as at March 2018). In reality the Council had net usable reserves of £78.811million, (£108.141million, March 2018). The reduction in reserves was primarily due to the Council utilising its own funds for investments in Property, Plant and Equipment and Investment Property. This section will be updated on completion of the 31st March 2019 and 2020 Balance Sheets.

The Council's Cash Flow

- 3.30 The Council maintains short and long term cash flow projections. The Council maintains long term borrowing commitments to support the capital programme and the Property Investment Strategy. Borrowing is predominately undertaken via short-term loans from other local authorities and from the Public Works and Loans Board (PWLB).
- 3.31 As at 31 March 2019 the Council held £48.545m of short-term investments (£18.808m, March 2018). This section will be updated on completion of the 31st March 2020 balance Sheet.
- 3.32 On 31st January 2021, the Authority held £702.7m of borrowing and £39.7m of treasury investments. Of the £702.7m borrowed £349.5m is borrowed short term (with less than a year to maturity) from other local authorities. The Council, with its Treasury management advisors, Arlingclose, monitor the Council's exposure to interest rate fluctuations on a regular basis.
- 3.33 The current operational boundary for long term debt is set at £909m for 2021/22. The authorised limits have been increased to £952m for 2021/22, £984m for 2022/23 and £997m for 2023/24 to support increased spending on the Council's capital programme. The Council will be undertaking a root and branch review of its entire Capital Programme during 2021/22 and therefore these boundaries will be subject to review and potential revision during 2021/22 as part of the future setting of the capital strategy and supporting programme.

The Council's Governance Arrangements

- 3,34 The Council has approved and adopted a code of corporate governance in its Annual Governance Statement, which is consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government.
- 3.35 The governance framework comprises the systems and processes, and culture and values, by the Council is directed and controlled and its activities through which it engages with, leads and accounts to the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.
- 3.36 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

- 3.37 The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of all managers within Slough Borough Council who have responsibility for the development and maintenance of the governance environment.

The External and Regulatory Framework

- 3.38 The Council is required to set a balanced budget each year, taking into account the robustness of budget estimates and the adequacy of its reserves. In addition to the legal framework and central government control there are other factors such as the role undertaken by External Audit as well as the statutory requirement in some cases for compliance with best practice and guidance published by CIPFA and other relevant bodies.

Commercial Investment and Income Generation

- 3.39 The Council has a number of local authority owned companies that it uses for the efficient delivery of housing services and regeneration initiatives within Slough:

- DISH RP
- DISH
- James Elliman Homes
- Slough Urban Renewal

- 3.40 The Council does not include any 'surpluses' derived from these companies to fund its Medium Term Financial Strategy to ensure that any future funding risks are minimised. Any surpluses, as they materialise, are used to increase the Council's general and earmarked reserves.

- 3.41 The Council's Director of Transformation and Director of Regeneration sit on the Boards of all Slough's local authority companies. They have provided, in writing, to the Section 151 Officer that they *"confirm to the best of my knowledge the SBC companies on which I am board member for are adequately funded and financially sustainable for the foreseeable future"*.

Reserves

- 3.42 In recent years the Council's general reserves have remained, although relatively low, at a consistent amount to ensure financial robustness and sustainability. Our most recent reported balances are as follows:

| Date | General Fund Balance | Earmarked Reserves | Housing Revenue Account Balance |
|-------------------------------------|-----------------------------|---------------------------|--|
| | (£m) | (£m) | (£m) |
| 31 March 2018 | (8.123) | (6.318) | (17.838) |
| 31 March 2019 | (8.123) | (4.780) | (16.265) |
| 31 March 2020 (provisional outturn) | (8.173) | (7.575) | (13.149) |

3.43 The Council manages its cashflow to ensure that it has a reasonable amount of liquid cash that can be accessed readily, and typically has between £15m - £20m invested in overnight money market funds and short-term deposit accounts in this respect. The Council was allocated a total of £33.380m of additional section 31 grants in respect of additional business rate reliefs applied as a result of COVID-19. These grant payments along the announcement by government that central share payments of Business Rates can be deferred significantly reduced any liquidity risk that the Council may otherwise have faced. The Council is able to borrow short term from other Local authorities if required and has access to longer term borrowing from the PWLB within two working days if required. The Council has sufficient headroom compared to its Capital Financing Requirement and would therefore be able to borrow should any cashflow issues arise.

4. Section 151 Officer Opinion

4.1 Having regard to the Council's arrangements and such factors as highlighted in this report, the Section 151 Officer concludes that Slough Borough Council remains a going concern and that it is appropriate that the Council's Statement of Accounts for 2018/19 have been prepared on this basis.

SLOUGH BOROUGH COUNCIL

REPORT TO: Audit and Corporate Governance Committee

DATE: 4th March 2021

CONTACT OFFICER: Neil Wilcox; Executive Director, Corporate Operations (Section 151 Officer)

(For all Enquiries) (01753) 875368

WARD(S): All

PART I
FOR COMMENT & CONSIDERATION

PROGRESS UPDATE ON IMPLEMENTATION OF INTERNAL AUDIT ACTIONS – QUARTER 4 2020/21

1. **Purpose of Report**

The purpose of this report is to report to Members on the progress of the implementation of agreed Internal Audit management actions.

2. **Recommendation(s)/Proposed Action**

The Committee is requested to comment on and note the attached reports.

3. **The Slough Joint Wellbeing Strategy (SJWS), the Joint Strategic Needs Assessment (JSNA) and the Five Year Plan**

The SJWS is the document that details the priorities agreed for Slough with partner organisations. The SJWS has been developed using a comprehensive evidence base that includes the JSNA. Both are clearly linked and must be used in conjunction when preparing your report. They have been combined in the Slough Wellbeing Board report template to enable you to provide supporting information highlighting the link between the SJWS and JSNA priorities.

3a. **Slough Joint Wellbeing Strategy Priorities –**

The actions contained within the attached reports are designed to improve the governance of the organisation and will contribute to all of the emerging Community Strategy Priorities

Priorities:

- *Economy and Skills*
- *Health and Wellbeing*
- *Regeneration and Environment*
- *Housing*
- *Safer Communities*

3b. **Five Year Plan Outcomes**

The actions contained within this report will assist the Council in achieving all of the five year plan outcomes

4. **Other Implications**

(a) Financial

There are no financial implications of proposed recommendation below

(b) Risk Management

| <i>Recommendation</i> | <i>Risk/Threat/Opportunity</i> | <i>Mitigation(s)</i> |
|---|--|--|
| <i>That Audit & Corporate Governance Committee is requested to comment on and note the attached reports</i> | <i>This report concerns risk management across the Council</i> | <i>All of the actions agreed in the attached reports are additional mitigations to reduce risk</i> |

(c) Human Rights Act and Other Legal Implications

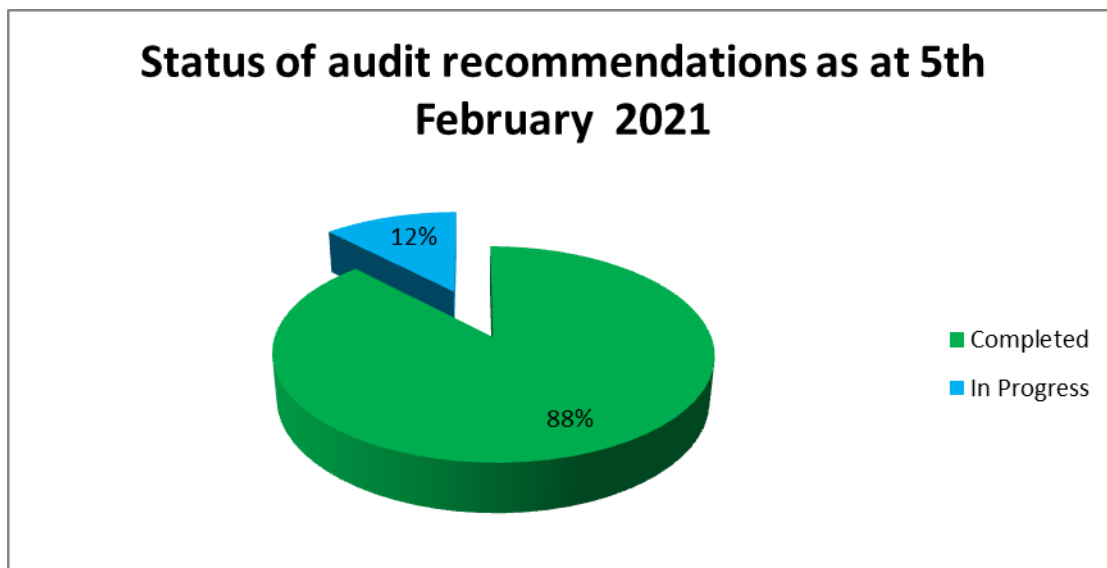
There are no Human Rights Act or other legal implications in this report

(d) Equalities Impact Assessment, (EIA)

There is no identified need for an EIA

5. **Supporting Information**

5.1 **Monitoring Management Actions**



5.1.1 The Risk and Insurance Officer regularly monitors the progress of the implementation of the medium and high priority Management Actions agreed from Internal Audit reports. The graph above shows the percentage of High and Medium priority management actions, from the current and two preceding financial years, that have either been implemented, are in progress, or where action has been taken by officers. Note that low priority actions are not tracked

The information presented above is based on action owners confirming the status of their actions, and a number of these will be validated by RSM as part of their follow up reviews.

- 5.1.2 The percentage of actions as reported as complete remains static at 88%
- 5.1.3 On a quarterly basis RSM our Internal Auditors conduct a follow up audit to review progress made by the Council to implement the previously agreed management actions. RSM only follow-up the actions where Council staff have confirmed that the actions have been implemented and the RSM work involves obtaining supporting evidence to confirm implementation.
- 5.1.4 The Quarter 1 and 2 follow up audits from RSM showed that the Council has made “**reasonable progress**” in implementing the agreed management actions..
- 5.1.5 Attached at Appendix 1 is a list of the ‘Medium’ Priority Actions that are classified as still open and remain outstanding past the target date. While the ‘target date’ column reflects the updated/revised date for implementing the action, the ‘update detail’ column shows the audit trail containing the original date of implementation where applicable so any slippage can be monitored and challenged

| Current Position | |
|-------------------------|--------------------|
| No Action | Partially Complete |
| 5 | 12 |

The table above refers to Appendix 1.

6. **Comments of Other Committees**

There are no comments from other Committees

7. **Conclusion**

Members are requested to consider and note the details of the report.

8. **Appendices Attached**

Appendix 1 – Details of outstanding Medium priority agreed management actions.

9. **Background Papers**

None

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| Audit Title | Person Responsible | Agreed Management Action | Revised Target Date | Update Date Detail |
|--|--------------------|---|---------------------|---|
| Asset Register (16.19/20) | Stuart Aislabie | <p>The Principle Asset Manager will undertake a review of the current Asset Management Procedure to determine the responsibilities of all involved departments and staff. The procedure will be updated to outline:</p> <ul style="list-style-type: none"> •How to identify assets; •Responsibility of staff in reporting new assets and disposals to the Finance team, the Legal team and the Asset Management team; •Documentation to be held for assets owned by the Council; •Timeliness and responsibility of reconciliations between the asset values in the asset register and the general ledger; •Timeliness and responsibilities for all involved teams within the asset revaluation process and updating of results; •The process for disposals and acquisitions of assets; and •The requirement for the Principal Asset Manager to oversee the preparation and implementation of a physical asset inspection process which will allow the Council to take assurances on the integrity of asset details maintained in asset managed records. <p>Once reviewed, the procedure will be approved by the Capital Strategy Board and communicated across all service lines</p> | 30/07/21 | Ongoing. Updating of procedures not yet finalized. Subject to input and review by Finance/Legal Team whose procedures form part of this action. Highlighted by RSM at Asset Audit Sept 2020. Original Target Date : 31/5/2020 |
| Budget Setting and Budgetary Control (including Forecasting) (27.19/20) | Jo Knight | <p>The Council will communicate the availability of the Agresso training module to budget holders. Further, the Council will also ensure that all new budget holders complete training available, including the Corporate Induction and the Budget Holder e-learning module.</p> | 30/07/21 | Started conversation with Agresso project team regarding training Original Target Date: 28/9/20 |

| Audit Title | Person Responsible | Agreed Management Action | Revised Target Date | Update Date Detail |
|--|--------------------|--|---------------------|---|
| Business Continuity and Emergency Planning (8.20/21) | Sing Wai-Yu | The Emergency Planning Team will ensure that a Flood Risk Assessment is completed and integrated into the ERP. The assessments will be subject to update at least every two years. | 30/07/21 | We have completed the SFRA, the document is currently with our planners for their perusal to make sure that the wording is consistent with the SBC Local Plan to be published. Original Target Date 30/11/2020 |
| Business Continuity and Emergency Planning (8.20/21) | Robin Pringle | An overview of resources expected to be required in the event of specific incidents will be prepared and added to the major incident plan. This will be used by the Council to determine whether it has access to/can access these as part of training exercises. Where resources are physically held by the Council, the frequencies of inventory checks will be agreed. Checks will cover the number of resources and condition. | 01/04/21 | A new emergency plan is being prepared to take into account the changes in management structure and resources. The Plan will be in place on 1/4/21 Original Target Date 31/12/2020 |
| Cippenham Nursery School (3.20/21) | Christina Vecchio | The Headteacher will amend the Safeguarding and Child Protection Policy to state that new members of staff that work directly with children will not commence employment until an enhanced DBS check has been received (Instead of all staff) The Policy will also include that a risk assessment will be undertaken for any new members of staff who do not work directly with children until an enhanced DBS check has been received, which will determine what additional safeguards are put in place. | 30/07/21 | No update provided Original target date: 11/06/2020 Target date changed to: 31/12/2020 |
| Cippenham Nursery School (3.20/21) | Christina Vecchio | The Headteacher will amend the starter process to require the line manager to sign the form as well as the Headteacher. Where the line manager and the Headteacher are the same person, an alternative appropriate signature will be obtained, such as the Deputy Headteacher. | 30/07/21 | No Update provided Original target date: 31/05/2020 Target date changed to: 31/12/2020 |

| Audit Title | Person Responsible | Agreed Management Action | Revised Target Date | Update Date Detail |
|---------------------------------|--------------------|--|---------------------|--|
| Conflicts of Interest (2.20/21) | Monitoring Officer | We will ensure that the code of confidential Whistleblowing is reviewed and updated to include specific guidance on the process for identifying and raising concerns relating to conflicts of interest and the anonymised publication of the detail of breaches. | 31/07/21 | Action had not progressed under previous deputy Monitoring Officer. Revised target date agreed under new action owner. Original Target Date 30/07/2020 |
| Creditors (24.19/20) | Jo Knight | The Council will complete an exercise to review user accounts with expenditure permissions on Agresso, ensuring authorising capabilities match job positions. Where it is believed that a user should have increased permissions, evidence from the relevant director will be obtained to confirm this. | 30/07/21 | This will be implemented as part of the transformation exercise, hence a new target date agreed. Original Target Date 31/7/2020 |
| Debtors Management (28.19/20) | Jo Knight | All finance-based training, including the 'Customer and Sales' and 'Requisitioner' modules, will be reviewed and updated prior to transitioning onto the Cornerstone platform to reflect current practice and expectations. Following this, the Council will ensure that all staff using the Agresso self-service finance functions undertake relevant training, with completion rates reported at an appropriate forum. Exception reports of staff who have not completed the training will be forwarded onto managers with an instruction for relevant staff to complete the trainings. This action will supersede management action six of the Creditors 19/20 review. | 30/07/21 | Management action re-assigned to user: Jo Knight. On re-assignment a new target date was agreed to allow new action owner to discuss specific finding with Internal Audit. Original Date 31/12/2020 |

| Audit Title | Person Responsible | Agreed Management Action | Revised Target Date | Update Date Detail |
|-------------------------------|--------------------|--|---------------------|--|
| Debtors Management (28.19/20) | Eugene Spellman | <p>The Council will produce an Accounts Receivable Debt Recovery Policy, covering the following:</p> <ul style="list-style-type: none"> •Systematic recovery actions; •Timeframes for actions; and •Exceptions to the policy, including social care cases and how these are approached. <p>The policy will be subject to formal review and disseminated to relevant staff, including the Accounts Receivable team.</p> <p>The Council will explore the feasibility of inputting the recovery actions and timeframes as agreed in the policy onto the Agresso system to allow for invoice flagging and automatic alerts.</p> | 30/07/21 | <p>Shabana started and will lead on this - will be part of the transformation exercise</p> <p>Original Target Date 31/10/2020</p> |
| General Ledger (15.19/20) | Alexander Cowen | <p>The Council will review the password functions within Agresso to ensure the following prior to end of the 2019/20 financial year:</p> <ul style="list-style-type: none"> •Passwords automatically expire and require changing on a periodic basis; and •Acceptable passwords will be subject to rules (certain lengths and unique characters to strengthen them and minimise the possibility of a security breach. | 30/07/21 | <p>This is tied in with the single sign on functionality, which would enable us to link with the corporate password requirements, I am chasing to see when this will be achieved and whether we need to resolve in the interim.</p> <p>Original Target Date 31/3/2020</p> |
| Rent Accounts (17.19/20) | Liz Jones | <p>The Tenancy Commencement and Sign Up Policy will be updated to reflect any amendments made to the 'Fact Sheets' which are linked to it (as per finding two).</p> <p>The updated policy will then be approved by the Service Lead (People) Services. Following this, the policy will be disseminated to all relevant staff, including the Rent Accounts team.</p> | 30/07/21 | <p>This action has been postponed due to Coronavirus halting all ISO work but these will be reviewed and amended for accuracy by September 2020. A new set of fact sheets will be produced by March 2021 to take the new housing management system (Northgate) being introduced which has led to a system redesign.</p> <p>Original Target Date 30/06/2020</p> |

| Audit Title | Person Responsible | Agreed Management Action | Revised Target Date | Update Date Detail |
|---------------------------------|--------------------|---|---------------------|--|
| Rent Arrears Recovery (9.19/20) | Jo Knight | <p>The Council will investigate the reason behind using multiple debt collection agencies (DCA) and ascertain whether it is necessary to use multiple agencies.</p> <p>The Council will also complete a tendering exercise to ensure that DCAs used for Former Tenant Arrears represent sufficient value for money.</p> <p>Additionally, the Council will agree a contract in place with the awarded DCA to ensure that the collection methods used by the agency are agreed.</p> <p>Collection success rates will be agreed and monitored through the Rent Recovery Team Meetings.</p> | 30/07/21 | <p>Management action re-assigned to user: Jo Knight (Jo.knight@slough.gov.uk). Debt collection agencies have not been operating during Covid pandemic, therefore new target date agreed.</p> <p>No update provided</p> <p>Original Target Date 31/3/2020</p> |
| Rent Arrears Recovery (9.19/20) | Richard West | <p>The narrative section of the Housing Services KPI report will be used to provide explanation for adverse performance of KPIs</p> <p>Additionally, where poor performance is observed, actions to address this will be introduced. The outcome of each action will be measurable, have an action owner and a desired implementation date.</p> | 30/07/21 | <p>Due to a restructure and re-assignment of responsibilities, this action implementation was on hold. New target date now agreed.</p> <p>Management action re-assigned to user: Colin Moone</p> <p>Original Target Date 31/12/2020</p> |
| Risk Management (6.20/21) | Neil Wilcox | The COVID-19 Risk Register will be presented and discussed by the Silver group every four weeks. | 30/07/21 | <p>This action is being addressed via the Risk Board and a new action date agreed.</p> <p>Original Target Date 31/12/2020</p> |
| Risk Management (6.20/21) | Josie Wragg | <p>Training sessions will be provided to SMT (made up of Directors and Service Leads) periodically. The sessions will focus on the following areas:</p> <ul style="list-style-type: none"> •Risk descriptions and consequences; and •Residual and target risk scoring. | 30/09/21 | <p>Council Officers are in discussion with RSM regarding the appropriate content and coverage for this training. A new target date has therefore been agreed. Josie Wragg Original Target Date 31/12/2020</p> |

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SLOUGH BOROUGH COUNCIL

REPORT TO: Audit and Corporate Governance Committee

DATE: 4th March 2021

CONTACT OFFICER: Neil Wilcox; Executive Director, Corporate Operations
(Section 151 Officer)

(For all Enquiries) (01753) 875368

WARD(S): All

PART I
FOR COMMENT & CONSIDERATION

General Data Protection Regulation Update**1. Purpose of Report**

The purpose of this report is to provide Members with details on the number of breaches of General Data Protection Regulation (GDPR) / DPA2018 and any subject to legal action and to set out responsibility for GDPR / DPA2018 in the new organisational structure.

2. Recommendation(s)/Proposed Action

The Committee is requested to comment on and note details of the report.

3. The Slough Joint Wellbeing Strategy (SJWS), the Joint Strategic Needs Assessment (JSNA) and the Five Year Plan

The SJWS is the document that details the priorities agreed for Slough with partner organisations. The SJWS has been developed using a comprehensive evidence base that includes the JSNA. Both are clearly linked and must be used in conjunction when preparing your report. They have been combined in the Slough Wellbeing Board report template to enable you to provide supporting information highlighting the link between the SJWS and JSNA priorities.

3.1 Slough Joint Wellbeing Strategy Priorities –

The actions contained within the attached reports are designed to improve the governance of the organisation and will contribute to all of the emerging Community Strategy Priorities

Priorities:

- *Economy and Skills*
- *Health and Wellbeing*
- *Regeneration and Environment*
- *Housing*
- *Safer Communities*

3.2 Five Year Plan Outcomes

The actions contained within this report will assist the Council in achieving all of the five year plan outcomes

4. Other Implications

(a) Financial

There are no financial implications.

(b) Risk Management

As detailed in supporting information.

(c) Human Rights Act and Other Legal Implications

There are no Human Rights Act or other legal implications in this report

(d) Equalities Impact Assessment, (EIA)

There is no identified need for an EIA

5. Supporting Information

GDPR

5.1 The EU's General Data Protection Regulation (GDPR) applied from 25 May 2018, when it superseded the UK Data Protection Act 1998. Significant and wide-reaching in scope, the new law elevated Council responsibilities to data protection. It expanded the rights of individuals to control how their personal information is collected and processed, and placed a range of new obligations on organisations to be more accountable for data protection.

GDPR compliance involves taking a risk-based approach to data protection, ensuring appropriate policies and procedures are in place to deal with the transparency, accountability and individuals' rights provisions, as well as building a workplace culture of data privacy and security.

UK organisations handling personal data will still need to comply with the GDPR, regardless of Brexit.

A breach could cause significant impact on SBC finances.

GDPR applies to all – this means that any company that works with information relating to EU citizens will have to comply with the requirements of the GDPR.

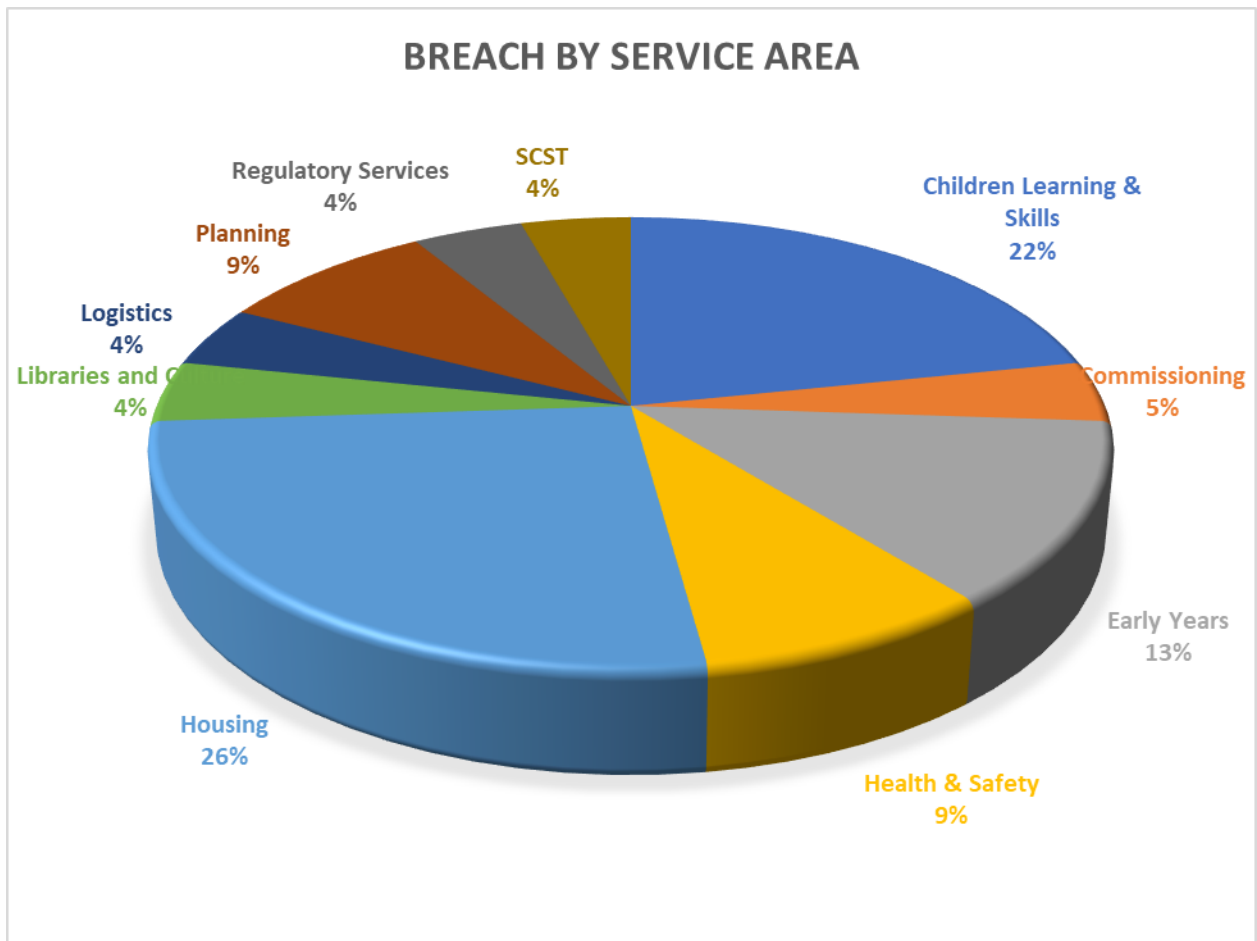
GDPR introduces a common data breach notification requirement – Data controllers must notify the Data Protection Authorities as quickly as possible, where applicable within 72 hours, of the data breach discovery.

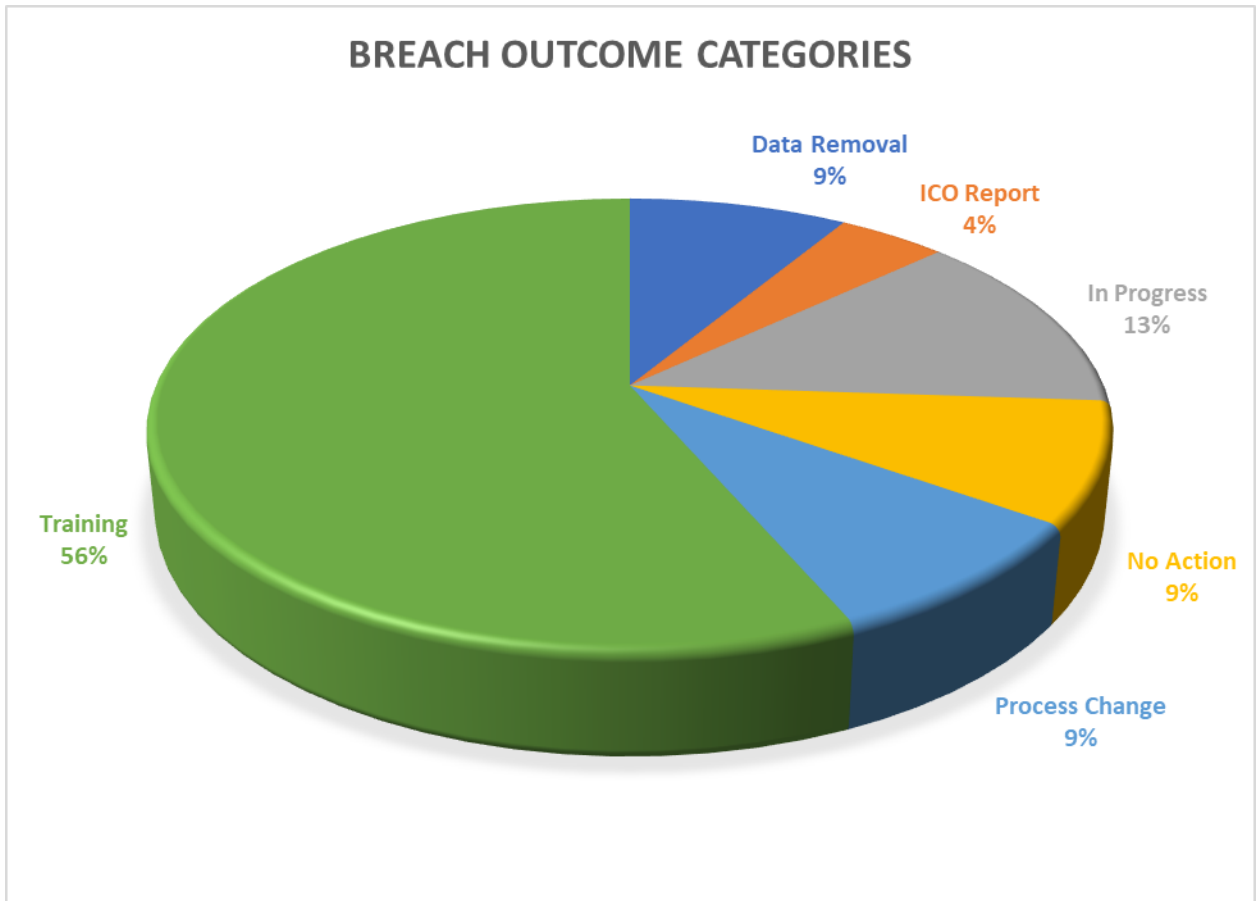
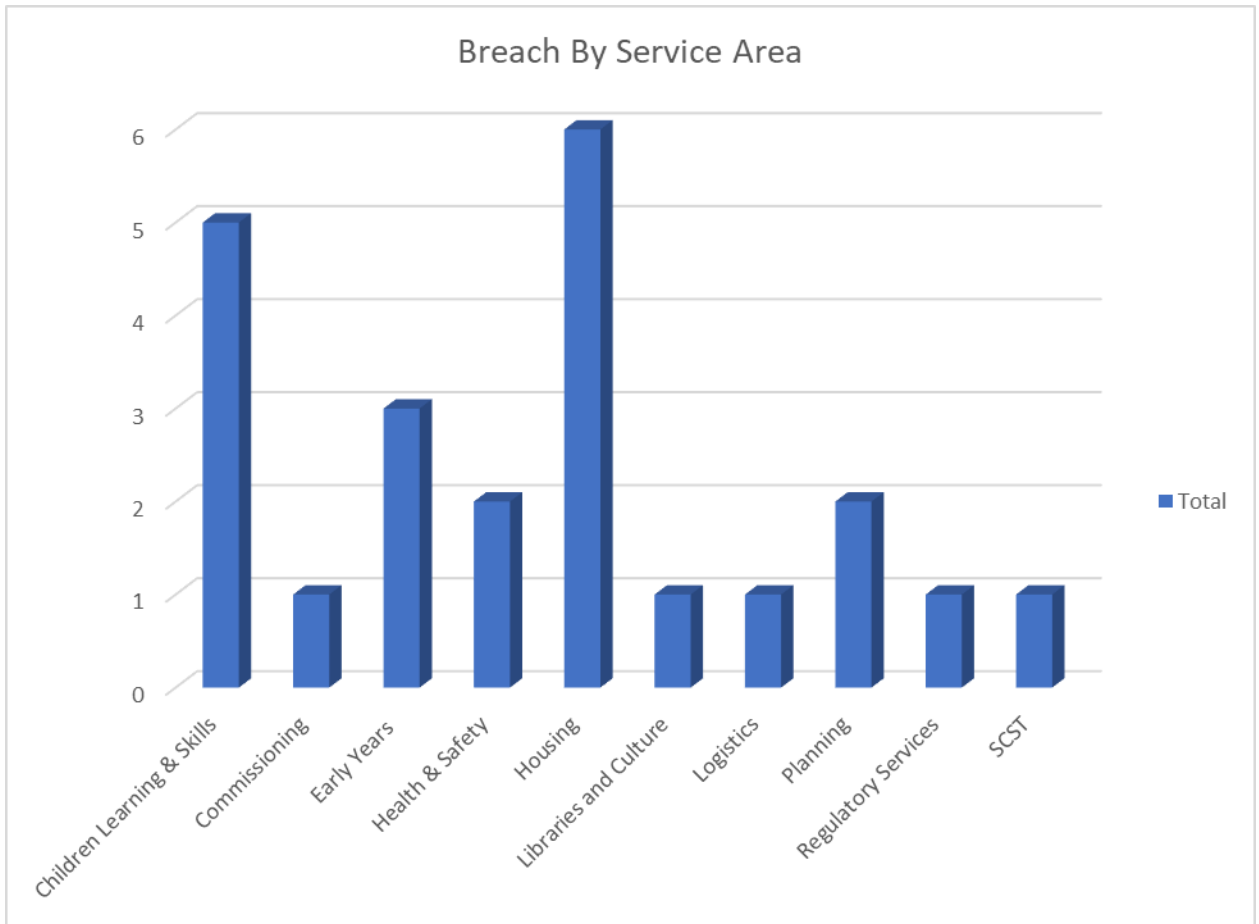
5.2 Monitoring of incidents / breaches is performed by the Information Governance team, instances are assessed, recorded and reported to the Information Commissioners Office if required where a significant breach.

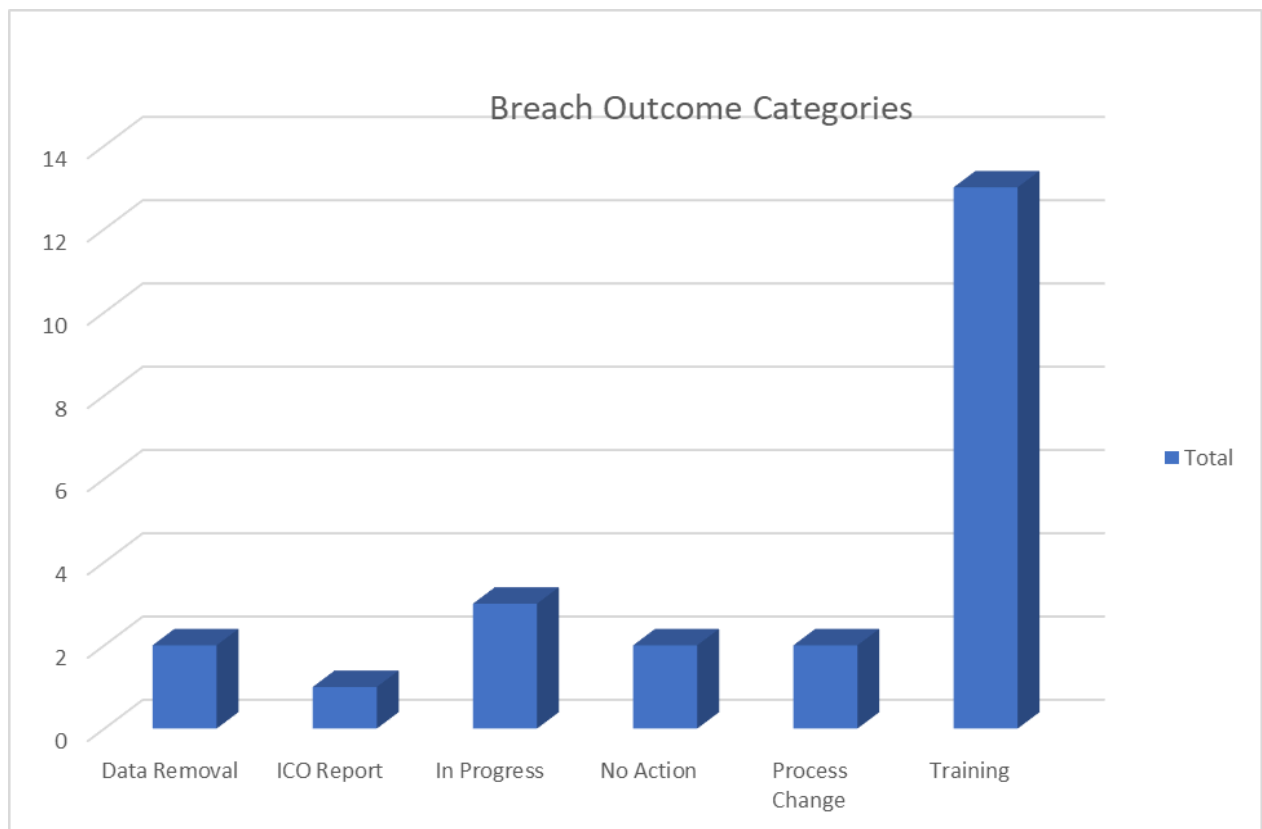
For the financial year 1/4/20 to date, there were a total of 23 incidents recorded, of these 1 was reported to the ICO, in this instance the ICO deemed no further action necessary and there was no fine applied to SBC.

There were 1 technical breaches / system compromised of a hosted system and the remaining 22 incidents were data disclosed in error by staff action. All these incidents were reviewed, controlled and mitigated to avoid the need of any further action.

The breaches occurred across multiple council departments. The risk of re-occurrence was removed in most instances by enhanced training and in two of the instances a change in process was implemented to improve compliance.







5.3 Ongoing monitoring - The Councils information governance board receives monthly reports and reviews lessons learnt. Any significant breaches are also reported to CMT by the Councils Senior Information Risk Officer (SIRO).

5.4 DPO Role - Since May 2018 the councils DPO role has been covered internally with an Interim appointment, the recruitment has been delayed previously but more recently due to the council's wider reorganisation.

The UK GDPR introduced a duty to appoint a data protection officer (DPO) if you are a public authority or body, or if you carry out certain types of processing activities.

This role assists in the monitoring of internal compliance and to inform and advise on data protection obligations, provide advice regarding Data Protection Impact Assessments (DPIAs) and act as a contact point for data subjects and the Information Commissioner's Office (ICO).

The DPO must be independent, an expert in data protection, adequately resourced, and report to the highest management level, a DPO can be an existing employee or externally appointed and can help you demonstrate compliance and are part of the enhanced focus on accountability.

The DPO's tasks are defined in Article 39 as:

- to inform and advise about our obligations to comply with the UK GDPR and other data protection laws;
- to monitor compliance with the UK GDPR and other data protection laws, and with our data protection policies, including managing internal data protection activities; raising awareness of data protection issues, training staff and conducting internal audits;
- to advise on, and to monitor, data protection impact assessments;
- to cooperate with the ICO; and

- to be the first point of contact for the ICO and for individuals whose data is processed (employees, customers etc).

The DPO's tasks cover all personal data processing activities, not just those that require their appointment under Article 37(1).

- When carrying out their tasks the DPO is required to take into account the risk associated with the processing that is being undertaken. They must have regard to the nature, scope, context and purposes of the processing.
- The DPO should prioritise and focus on the more risky activities, for example where special category data is being processed, or where the potential impact on individuals could be damaging. Therefore, DPOs should provide risk-based advice to the organisation.
- Decision not to follow the advice given by the DPO, should be documented with reasons to help demonstrate accountability.

5.5 The DPO role has been identified in the initial proposed structure for IT with a direct line of reporting to the lead on Information Governance, although as the structure has been withdrawn a decision on revised structure is pending further consultation.

6. Comments of Other Committees

There are no comments from other Committees

7. Conclusion

Members are requested to consider and note details of the report.

8. Appendices Attached

N/A

9. Background Papers

None

SLOUGH BOROUGH COUNCIL

REPORT TO: Audit & Corporate Governance Committee

DATE: 4th March 2021

CONTACT OFFICER: Neil Wilcox; Executive Director, Corporate Operations
(Section 151 Officer)

(For all Enquiries) (01753) 875368

WARD(S): All

PART I
FOR COMMENT & CONSIDERATION

RISK MANAGEMENT UPDATE – QUARTER 4 – 2020/211. **Purpose of Report**

The purpose of this report is to:

- Provide the Committee with the opportunity to review and comment on the Corporate Risk Register
- Allow the Committee to take assurance on the adequacy of the risk management framework

2. **Recommendation(s)/Proposed Action**

The Committee is requested to note details of the Risk Management Update Quarter 4 2020/21.

3. **The Slough Joint Wellbeing Strategy, (SJWS) the JSNA and the Five Year Plan**

The SJWS is the document that details the priorities agreed for Slough with partner organisations. The SJWS has been developed using a comprehensive evidence base that includes the Joint Strategic Needs Assessment (JSNA). Both are clearly linked and must be used in conjunction when preparing your report. They have been combined in the Slough Wellbeing Board report template to enable you to provide supporting information highlighting the link between the SJWS and JSNA priorities.

3a. **Slough Joint Wellbeing Strategy Priorities –**

The actions contained within the attached reports are designed to improve the risk management and governance of the organisation and will contribute to all of the emerging Community Strategy Priorities

Priorities:

- *Economy and Skills*
- *Health and Wellbeing*
- *Regeneration and Environment*
- *Housing*

- *Safer Communities*

3b. **Five Year Plan Outcomes**

The actions contained within this report will assist in achieving all of the five year plan outcomes

4. **Other Implications**

(a) Financial

There are no financial implications of proposed action

(b) Risk Management

| <i>Recommendation</i> | <i>Risk/Threat/Opportunity</i> | <i>Mitigation(s)</i> |
|---|--|----------------------|
| <i>That Audit & Corporate Governance Committee is requested to comment on and note the attached reports</i> | <i>This report concerns risk management across the Council</i> | |

(c) Human Rights Act and Other Legal Implications

There are no Human Rights Act or other legal implications in this report

(d) Equalities Impact Assessment (EIA)

There is no identified need for an EIA

5. **Supporting Information**

5.1 **Corporate Risk Register**

5.1.1 The Corporate Risk Register, (attached at Appendix 1) was reviewed and updated by the Risk Management Board on 11th February 2021, and CMT on the 17th February 202.

6. **Comments of Other Committees**

There are no comments from other Committees

7. **Conclusion**

Members are requested to consider the details of the Corporate Risk Register and to note the report.

8. **Appendices Attached**

Appendix 1 – Corporate Risk Register

9. **Background Papers**

None

SBC Corporate Risk Register

| All 5 year plan outcomes | | | | | | | |
|--------------------------|--|---|------------------------|---|------------------------|--|----------------------|
| Risk Ref | Risk Title | Description & Consequence | Inherent Risk Priority | Risk Control | Residual Risk Priority | Action Required | Target Risk Priority |
| CR 8 | <p>Ensuring the effectiveness of resilience plans/continuity plans for key locations and services.</p> <p>Risk Owner: Dean Trussler</p> <p>Last Updated: 19 Feb 2021</p> | <p>Description The Council's business continuity plan was last reviewed in 2013. The internal audit report in 2016 provided no assurance that adequate controls are in place. The internal Audit review in 2021 has provided partial assurance. The BCP has not been tested through desk-top or simulation exercises.</p> <p>Consequence Failure to have an up to date BCP places the Council at risk of being unable to continue its business should a serious event cause disruption.</p> | I = 4 L = 6 24 | Dedicated Business Continuity Officer | I = 4 L = 3 12 | <p>To conclude the delivery programme for implementing Business Continuity Management throughout the authority</p> <p>Person Responsible: Dean Trussler</p> <p>To be implemented by: 30 Jun 2021</p> | I = 2 L = 3 6 |
| | | | | <p>Emergency Planning and Business Continuity awareness programme delivered to managers</p> <p>External assistance to help develop the plan</p> <p>There is a documented process for undertaking business impact analysis and risk assessments at Service, Directorate and Council-wide level</p> | | | |

SBC Corporate Risk Register

| All 5 year plan outcomes | | | | | | | |
|--------------------------|--|---|------------------------|---|------------------------|---|----------------------|
| Risk Ref | Risk Title | Description & Consequence | Inherent Risk Priority | Risk Control | Residual Risk Priority | Action Required | Target Risk Priority |
| 240 | Cyber Security Risk Owner: Alexander Cowen Last Updated: 19 Feb 2021 | Description Cyber attacks are increasing globally with increasing levels of success. The IT infrastructure inherited back from arvato is known to be neglected and potentially vulnerable. No dedicated cyber security staff were transferred to SBC and there is limited skill set Consequence There is an inherent risk of security breach and data loss. A successful ransomware attack could leave Council data inaccessible unless a ransom was paid. There is a potential for network downtime and major service disruptions | I = 4 L = 5 20 | Contract with external cyber security resilient service to strengthen response with Softcat security service. | I = 3 L = 3 9 | Implement a cyber security plan and programme of work to increase security and reduce vulnerabilities | I = 3 L = 2 6 |
| | | | | Security Improvement with Programme Leadership | | Person Responsible: Alexander Cowen | |
| | | | | Quarterly Security Controls Assessment | | To be implemented by: 31 Mar 2021 | |
| | | | | Breach Assessment for 3 Vectors annually | | Ensure annual internal and external penetration testing for independent verification of potential weaknesses. | |
| | | | | Core Security Policies | | Person Responsible: Alexander Cowen | |
| | To be implemented by: 31 Mar 2021 | | | | | | |
| | Review network boundary perimeter protection software (malware protection) | Person Responsible: Alexander Cowen | | | | | |
| | To be implemented by: 31 Mar 2021 | | | | | | |

SBC Corporate Risk Register

| All 5 year plan outcomes | | | | | | | |
|--------------------------|------------|---------------------------|------------------------|--------------|------------------------|---|----------------------|
| Risk Ref | Risk Title | Description & Consequence | Inherent Risk Priority | Risk Control | Residual Risk Priority | Action Required | Target Risk Priority |
| | | | | | | <p>Increase Comms to staff to raise awareness of best practice and increase awareness (phishing attacks etc)</p> <p>Person Responsible: Alexander Cowen</p> <p>To be implemented by: 31 Mar 2021</p> <hr/> <p>Work to achieving PSN compliance</p> <p>Person Responsible: Alexander Cowen</p> <p>To be implemented by: 31 Mar 2021</p> <hr/> <p>Ensure security patching is up to date</p> <p>Person Responsible: Alexander Cowen</p> <p>To be implemented by: 31 Mar 2021</p> <hr/> <p>Ensure membership of SEGWARP and other government alert</p> <p>Person Responsible: Alexander Cowen</p> <p>To be implemented by: 31 Mar 2021</p> | |

SBC Corporate Risk Register

| All 5 year plan outcomes | | | | | | | |
|--------------------------|---|--|------------------------|---|------------------------|---|----------------------|
| Risk Ref | Risk Title | Description & Consequence | Inherent Risk Priority | Risk Control | Residual Risk Priority | Action Required | Target Risk Priority |
| F&A 27 | Failure to ensure financial sustainability. Risk Owner: Jo Knight Last Updated: 19 Feb 2021 | <p>Description Unable to deliver a balanced budget if identified and agreed savings are not made The General fund reserve needs to be kept at the recommended level of £8m Ensuring we provide for all outcomes of legal disputes and update on a regular basis Contract Management needs to be much improved The Our Futures programme design needs to ensure that services are produced that are effective and efficient We need to ensure that the Governance of the organisation is at the forefront of everything we do Slough Children's Services Trust have recently published 2018-19 accounts indicating that there is a material uncertainty to its going concern status due to there being no agreed plan to repay the £4m initial start-up liabilities owed to the Council from July 2021. There is a risk that directors may need to declare insolvency in the next 12 months.</p> <p>Consequence Failures or delays in the Council delivering its savings targets for the forthcoming financial year; or increased in-year demands on its services, over and above those anticipated during the budget setting process, would result in the Council needing to make in-year savings which will in turn impact the quality of services that can be delivered and result in a failure to meet the corporate objectives.</p> <p>If SCST were to be deemed insolvent, or no realistic plan from SCST for repaying its liabilities is forthcoming, the Council may be unable to recover its debts. This would require the Council to utilise 34% of its estimated general reserves (at the end of 2020/21) and would leave the Council's reserves at only £1.3m more than the Section 151 Officer has deemed the absolute minimum in the 2020/21 Revenue Budget report to address any other, as yet, unknown negative financial scenarios (eg unrealised savings targets, increased service demand etc.).</p> | I = 4 L = 5 20 | Budget Monitoring Reports to Members, Corporate Management Team, Departmental Management | I = 4 L = 4 16 | Consider the financial implications of Covid 19 Person Responsible: Jo Knight To be implemented by: 31 Mar 2021 | I = 4 L = 2 8 |
| | | | | External experts used to carry out financial analysis. 5 Year Plan in place | | Agree future of SCST with DfE and treatment of liabilities Person Responsible: Neil Wilcox To be implemented by: 31 Mar 2021 | |
| | | | | Legal advice obtained on historic SCST liabilities | | On-going system of budget monitoring by accountants with DMT's and take immediate action to mitigate any overspends if identified in year Person Responsible: Jo Knight To be implemented by: 31 Mar 2021 | |
| | | | | SBC Finance working closely with SCST Finance to agree transparent financial reporting mechanisms | | | |
| | | | | SCST financial position included in Quarterly Cabinet Monitoring Reports | | | |

SBC Corporate Risk Register

Slough children will grow up to be happy, healthy and successful.

| Risk Ref | Risk Title | Description & Consequence | Inherent Risk Priority | Risk Control | Residual Risk Priority | Action Required | Target Risk Priority |
|----------|--|--|------------------------|---|------------------------|---|----------------------|
| 33 | <p>Failure of Children's Social Care</p> <p>Risk Owner: Josie Wragg</p> <p>Last Updated: 19 Feb 2021</p> | <p>Description Children's social care services are currently judged as RI having improved from Inadequate. It is important that the improvement journey continues. Slough Children's Services Trust have recently published 2018-19 accounts indicating that there is a material uncertainty to going concern status due to there being no agreed plan to repay liabilities to the Council. There is a risk that directors may need to declare insolvency in the next 12 months. The publication of these accounts may lead to reputational damage to SCST and potentially to a lack of confidence from providers and staff. This in turn may impact negatively on outcomes for children. The Covid emergency has placed additional pressures on children's social care and higher caseloads have exacerbated issues with the recruitment of social workers.</p> <p>Consequence Poor outcomes for vulnerable children include risks to safeguarding.</p> <p>If SCST were to be deemed insolvent, or no realistic plan from SCST for repaying its liabilities is forthcoming, the Council may be unable to recover its debts. This would require the Council to utilise 34% of its estimated general reserves (at the end of 2020/21) and would leave the Council's reserves at only £1.3m more than the Section 151 Officer has deemed the absolute minimum in the 2020/21 Revenue Budget report to address any other, as yet, unknown negative financial scenarios (eg unrealised savings targets, increased service demand etc.).</p> | I = 4 L = 5 20 | <p>Interim DCS/Chief Executive appointed and recruitment process in place to recruit to permanent post.</p> <p>Contract Monitoring Monthly Review and Quarterly partnership Board - SBC receive regular budget monitoring reports including updates on savings and on progress with implementation of additional financial controls by SBC. Finance directors from SBC and SCST meet regularly. Regular Transition Steering Group meetings with Trust representatives, DfE, Commissioner and SBC senior officers in attendance. Review of improvement plan.</p> <p>Joint Parenting Panel i.e. through the Corporate Parenting Strategy and related Action Plan, that JPP ensures the effective discharge of the corporate parenting role.</p> <p>Regular Transition Steering Group meetings with Trust representatives, DfE, Commissioner and SBC senior officers in attendance. People Too have been commissioned to conduct business analysis work. Transition Project Group to ensure individual workstreams are progressed to enable "go live" for new arrangements by 1 April 2021.</p> | I = 3 L = 4 12 | <p>Person Responsible:</p> <p>To be implemented by:</p> | I = 3 L = 4 12 |

SBC Corporate Risk Register

| Slough children will grow up to be happy, healthy and successful. | | | | | | | |
|---|--|---|------------------------|--|------------------------|---|----------------------|
| Risk Ref | Risk Title | Description & Consequence | Inherent Risk Priority | Risk Control | Residual Risk Priority | Action Required | Target Risk Priority |
| | | | | Review of model for delivery of children's services undertaken in partnership with SCST, DfE and external partners | | | |
| A&I 5 | <p>SALT Services</p> <p>Risk Owner: Johnny Kyriacou</p> <p>Last Updated: 19 Feb 2021</p> | <p>Description</p> <p>Speech and language therapy services constitutes as special educational provision outlined by the Children's Act 2014 and SEND Reforms.</p> <p>Where SALT needs are identified in an Education and Health Care Plan, the Council is duty bound to meet the needs. The current investment in SALT service is inadequate, with increasing demand and numbers of SALT needs identified, current estimates place the investment with meeting approximately 30 % of needs and a 3 year waiting list.</p> <p>Consequence</p> <p>The lack of investment in SALT provision has led to increased wait times and insufficient supply. This may lead to a growing number of tribunal complaints, and non compliance with the statutory framework.</p> <ul style="list-style-type: none"> • Damage to reputation • Risk of Non-compliance with statutory framework • Risk of failure to meet strategic objectives of the Council | I = 3 L = 4 12 | <p>Actions are in the process of being completed</p> | I = 3 L = 3 9 | <p>Meet with current provider to reconfigure and prioritise cases</p> <p>Person Responsible: Johnny Kyriacou</p> <p>To be implemented by: 31 Mar 2021</p> <p>Investment in preventative tools to help with early identification and response in schools, thereby delay and reduce the need for specialist intervention need</p> <p>Person Responsible: Johnny Kyriacou</p> <p>To be implemented by: 31 Mar 2021</p> <p>Work with East Berks CYPIT group to establish a new service to meet needs of local children. Bid for additional resources to be made</p> <p>Person Responsible: Johnny Kyriacou</p> <p>To be implemented by: 31 Mar 2021</p> | I = 3 L = 3 9 |

SBC Corporate Risk Register

| Slough will attract, retain and grow businesses and investment to provide jobs and opportunities for our residents | | | | | | | |
|--|--|---|------------------------|---|------------------------|---|----------------------|
| Risk Ref | Risk Title | Description & Consequence | Inherent Risk Priority | Risk Control | Residual Risk Priority | Action Required | Target Risk Priority |
| 38 | Information Governance and GDPR Risk Owner: Alexander Cowen Last Updated: 19 Feb 2021 | <p>Description GDPR came in May 2018. There needs to be a corporate and local response to the implementation of GDPR. The section that deal with Information Governance lacks resource.</p> <p>GDPR has meant that workers who understand GDPR and how to mitigate the effects are becoming more valuable to all sectors, making it harder to fill posts with responsibility for GDPR</p> <p>Consequence If there is not an adequate response to GDPR there is a chance that there may fines, criticism from the information Commissioner / Damage to reputation / Civil Claims for damages</p> | I = 3 L = 4 12 | <p>Data Protection Impact Assessments undertaken(DPIAs)</p> <p>External review of compliance by RSM scheduled for 21/22</p> <p>Initial data mapping completed by RSM</p> <p>Interim Data Protection Officer appointed</p> | I = 3 L = 2 6 | <p>Person Responsible:</p> <p>To be implemented by:</p> | I = 3 L = 2 6 |

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MEMBERS' ATTENDANCE RECORD 2020/21
AUDIT AND CORPORATE GOVERNANCE COMMITTEE

| COUNCILLOR | 03/08/20 | 10/12/20 | 04/03/21 |
|-------------------------------------|------------------|-----------------|-----------------|
| Akram | P | P | |
| Ali | P* (from 6.37pm) | P | |
| D Parmar | P | P | |
| S Parmar | P | P | |
| Plenty | P | P | |
| Sabah | P | P | |
| Wright | P | Ap | |
| CO-OPTED INDEPENDENT MEMBERS | | | |
| Iqbal Zafar | P | P | |
| Alan Sunderland | P | P | |

P = Present for whole meeting
 Ap = Apologies given

P* = Present for part of meeting
 Ab = Absent, no apologies given

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