



Internal Audit

FINAL

Dacorum Borough Council

Summary Internal Controls Assurance (SICA) Report

2022/23

June 2022

Summary Internal Controls Assurance

Introduction

1. This summary internal controls assurance report provides the Audit Committee with an update on the emerging Governance, Risk and Internal Control related issues and the progress of our work at Dacorum Borough Council as at 10th June 2022.

Audits completed since the last SICA report to the Audit Committee

2. The table below sets out details of audits finalised since the previous meeting of the Audit Committee.

Audits completed since previous SICA report

Review	Evaluation	Key Dates			Number of Recommendations			
		Draft issued	Responses Received	Final issued	1	2	3	OEM
2021/22 Safeguarding & Prevention	Reasonable	March 2022	April 2022	April 2022	0	3	2	0
2021/22 Business Continuity (incl Pandemic Response)	Reasonable	April 2022	April 2022	May 2022	0	4	6	1
2021/22 Governance & Risk Management	Reasonable	May 2022	June 2022	June 2022	0	4	3	1
2021/22 Recruitment	Reasonable	May 2022	June 2022	June 2022	0	1	4	0

3. The Executive Summaries and the Management Action Plans for each of the finalised reviews are included at Appendix A. There are no issues arising from these findings which would require the annual Head of Audit Opinion to be qualified.

Progress against the 2022/23 Annual Plan

4. Our progress against the Annual Plan for 2022/23 is set out in Appendix B.

Changes to the Annual Plan 2022/23

5. There a number of areas where internal audit work is recommended to enable an unqualified Head of Audit Opinion to be provided for 2022/23. These are summarised below.

COVID assurance review work

Review	Rationale
Governance Arrangements	This is a crucial area in order to be able to support that assurances are being received and evaluated fully in order to mitigate against risk and support the direction of the Council.
Business Continuity (incl Covid-19)	This is flagged as a high risk area on the risk evaluation and requires specific mitigation in order to provide day to day services.
Core Financial Controls	This is essential in providing assurances to support going concern.

Progress in actioning priority 1 & 2 recommendations

6. We have made no Priority 1 recommendations (i.e. fundamental control issue on which action should be taken immediately) since the previous SICA. Management are in the process of updating the Tracker for the recommendations noted in the table below, which will be reported to the next Audit Committee.

Mitigating risk exposures identified by internal audit reviews

Review	Date	Priority 1			Priority 2		
2020/21 GDPR	April 2021	0	0	0	1	0	1
2021/22 Customer Services	October 2021	0	0	0	0	0	1
2021/22 Freedom of Information	November 2021	0	0	0	0	0	1
2021/22 Procurement	January 2022	0	0	0	0	0	2
2021/22 Waste Management	January 2022	1	0	2	6	0	4
2021/22 Housing Rents	March 2022	0	0	0	1	1	2
2021/22 Planning Enforcement	March 2022	0	0	0	0	0	5

Frauds/Irregularities

7. We have not been advised of any frauds or irregularities in the period since the last SICA report was issued.

Responsibility/Disclaimer

8. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. The matters raised in this report not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Executive Summaries and Management Action Plans

The following Executive Summaries and Management Action Plans are included in this Appendix. Full copies of the reports are available to the Audit Committee on request. Where a review has a 'Limited' or 'No' Assurance assessment the full report has been presented to the Audit Committee and therefore is not included in this Appendix.

Review	Evaluation
2021/22 Safeguarding & Prevention	Reasonable
2021/22 Business Continuity (incl Pandemic Response)	Reasonable
2021/22 Governance & Risk Management	Reasonable
2021/22 Recruitment	Reasonable

Safeguarding & Prevention - Executive Summary

OVERALL ASSESSMENT



ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

Not identified as a direct Key Strategic Risk however in line with the organisational objectives and was raised as a risk by management at the time the 3 year plan was discussed.

SCOPE

The review has examined the Council's self-assessment and associated action plan required by the Hertfordshire Adult Safeguarding Board (HSAB), the adequacy of the Council's safeguarding related training and awareness (staff/members/contractors) and the Council's safeguarding related information systems.

KEY STRATEGIC FINDINGS



The Council has a comprehensive Safeguarding Policy which expires in March 2022. The Policy was being reviewed but was awaiting more significant updates linked to the Council's restructure and significantly a planned change in approach to the Designated Safeguarding Leads.



A sample review of training records identified 3/10 instances where safeguarding training had expired (one councillor and two managers), with expiry dates ranging back to 2019.



There is no clear approach to the safeguarding requirements expected of contractors working for the Council. The approach differs depending on the basis of the contract award and instances were identified where contractors would be public facing but no safeguarding requirements were put in place by the Council.

GOOD PRACTICE IDENTIFIED



The Council completed a comprehensive self-assessment against the standards and requirements of the Hertfordshire Safeguarding Adults Board (HSAB) criteria. The assessment, and associated presentation, was comprehensive and recognised as such by the HSAB.



The Council has developed an action plan to address issues arising from the self-assessment and additional comments raised by the HSAB. The action plan has been formally reviewed and approved by the Council's Senior Leadership Team.

ACTION POINTS

Urgent	Important	Routine	Operational
0	3	2	0

Assurance - Key Findings and Management Action Plan (MAP)

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
1	Directed	The Council has a comprehensive Safeguarding Policy and supporting Procedures. This was approved in March 2019 and is in date until March 2022. Whilst evidence of the Policy being reviewed and updated was seen during the course of the audit, it is currently awaiting key updates relating to the Council's restructure and significantly a planned change in approach to the Designated Safeguarding Leads.	The Policy be reviewed and updated in line with the proposed changes and communicated to staff at the earliest opportunity.	2	<i>Policy is in the process of being reviewed and updated following staff changes and changes to the designated safeguarding leads.</i>	31/07/22	Sue Warren, Lead Officer, Safeguarding
2	Directed	Review of a sample of 10 members of staff/councillors identified that in 3 cases, Safeguarding training was out of date (expiry dates ranging from July 2019 to December 2021). The 3 cases related to 1 Councillor (Sept 2020) and 2 Managers (July 2019 and December 2021). Whilst this will have been flagged up to more senior managers due to the automatic escalation nature of the training system, the training modules remained outstanding.	All Staff and Councillors be instructed to complete any outstanding Safeguarding related training.	2	<i>All training is on DORIS and if it is mandatory training then the individual will receive reminder emails to prompt them to book the specific course. Training is also reviewed by line managers who again can prompt individuals to book themselves on courses. Training Team to run a report to see who has completed the safeguarding training and for those outstanding, the training team will send out a reminder email. Report to be run every quarter to monitor.</i>	30/04/22 31/07/22	Priti Gohill, HR & OD Team Leader Priti Gohill, HR & OD Team Leader Priti Gohill, HR & OD Team Leader

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
3	Directed	<p>Review of the safeguarding requirements for contractors, noted a fragmented approach, as set out below:</p> <ul style="list-style-type: none"> • where tenders are let by the Council (>£75k), the tender process and resultant contract imposes Safeguarding requirements on the contractor; • where contracts are awarded through the Framework agreements, these will be let in accordance with the relevant Framework terms, which may or may not contain appropriate Safeguarding expectations; and • for lower value contracts it is less clear, with a mixture of the Council's standard terms and conditions forming the contract or the supplier's terms and conditions being adopted. <p>There is therefore no consistent obligation on contractors to comply with Safeguarding practices. A review of the 2021/22 procurement register identified contracts below the £75k tender threshold that would necessitate contractors interacting with the public.</p>	The Council introduce contractual terms, in line with those in place for tendered contracts, to apply to all procurements where contractors are likely to interact with the public.	2	<p><i>Safeguarding clauses to be included (generally stated in the agreement where relevant) introduce additional clauses into the agreements where safeguarding is required and not included in the standard agreement.</i></p> <p><i>For below threshold agreements (£75k and below) this is more difficult. Procurement in general will not have sight of these and on most occasions the officers will manage this, meaning the Council will sign up to the suppliers Terms and Conditions and it will be governed by the Council's T&Cs on our Purchase Order. T&Cs being reviewed by Legal and add a safeguarding clause which can be referred to on the Council's Purchase Orders. Raise awareness to the clause around the Council so any contract where there is interaction with the public should be included in any new agreements.</i></p>	<p>31/05/22</p> <p>31/08/22</p> <p>31/08/22</p>	<p>Andrew Linden, Procurement, Team Leader</p> <p>Andrew Linden, Procurement Team Leader</p> <p>Andrew Linden</p>

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
4	Delivery	<p>At the time of the audit review, the Council utilised the Community Safety mailbox and supporting spreadsheet records to record and monitor the receipt and actioning of safeguarding related referrals/requests.</p> <p>This is cumbersome and involves manual monitoring via a combination of the mailbox and the spreadsheet records. In April 2022, it is planned to trial moving to a more bespoke case management system which will allow all key information to be recorded and significantly will support enhanced data interaction with existing systems and also improved reporting and analysis.</p>	The planned trial and subsequent implementation of the Inform case management system be progressed as scheduled.	3	<i>InForm system is being trialled by the Community safety team to ensure it is fit for purpose.</i>	31/05/22	Joe Guiton, Team Leader, Community Safety & Children's Services
5	Delivery	<p>Review of reporting to the Housing and Community Overview and Scrutiny Committee established that the level of safeguarding referrals had been reported as part of the People and Communities Performance Report for quarters 1, 2 and 3.</p> <p>Whilst the level of activity had been reported it was noted that there were no specific KPIs in relation to dealing with safeguarding referrals and consequently reporting was limited to the number of referrals received only.</p>	Development of key performance indicators be developed relating to the receipt and actioning of safeguarding referrals. Performance against these KPIs be reported as part of the People and Communities quarterly performance report to the Housing and Community Overview and Scrutiny Committee.	3	<i>New KPI's have been proposed following the implementation of the InForm System. These KPI's will be included in the quarterly overview and scrutiny report once approved.</i>	31/08/22	Joe Guiton, Team Leader, Community Safety & Children's Services

Business Continuity - Executive Summary

OVERALL ASSESSMENT

The diagram shows a central yellow circle labeled 'REASONABLE ASSURANCE' surrounded by a blue ring with the text 'Adequate & effective governance, risk and control processes'. To the right is a legend with four colored circles: green for 'SUBSTANTIAL ASSURANCE', yellow for 'REASONABLE ASSURANCE', orange for 'LIMITED ASSURANCE', and red for 'NO ASSURANCE'.

ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

Loss of major hardware/data centre (failure / theft / flood)

SCOPE

The review considered the overarching response to the Covid-19 pandemic in terms of business continuity arrangements and considered the following: the Business Continuity Plan; business impact analysis; controls over the continuation of business critical functions and resources required for this; arrangements for remote working; arrangements for making changes to working practices/staff terms and conditions, if required; communication with staff and stakeholders during period of lockdown; arrangements for identifying and promoting good practice and for sharing this with staff; lessons learnt and any remedial action taken; and monitoring and reporting arrangements.

KEY STRATEGIC FINDINGS

- An exercise to review and update the Council's Business Continuity Plan and associated documentation was ongoing at the time of the audit.
- An exercise is currently ongoing to define specific RTOs and RPOs for key Council systems and services.
- There is a recognised need to complete a Disaster Recovery test exercise to assess/confirm the ability to recover key Council applications and systems.
- The Remote and Home Working Policy requires review and updating to reflect the current processes and controls.

GOOD PRACTICE IDENTIFIED

- The Council's BCP arrangements are documented as part of a Corporate Business Continuity Plan.
- Backups of all Council systems and services are made and replicated to secondary site.

ACTION POINTS

Urgent	Important	Routine	Operational
0	4	6	1

Assurance - Key Findings and Management Action Plan (MAP)

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
1	Directed	An exercise to review and update the Council's Business Continuity Plan and associated documentation was ongoing at the time of the audit, the last update having been completed in February 2021.	Management to complete the review and updating of Business Continuity Plan documentation and ensure it is made available to all relevant staff.	2	<p><i>Corporate BC plan taken to Apr 22 Cttee for yearly consultation and approval to go to SLT 11th May. Following SLT approval, BC plan will be updated on the Doc Centre/Grab bag/RD and communicated.</i></p> <p><i>Exercise paper going to 27th April SLT. Proposal to hold July BC exercise. Senior management to ensure all Service Level BC plans and Business Impact Assessments reviewed prior to July CHS&R Cttee and BC exercise.</i></p>	<p>27/05/22</p> <p>29/07/22</p>	<p><i>Corporate Health, Safety and Resilience Team Leader</i></p> <p><i>Corporate Health, Safety and Resilience Team Leader</i></p>
7	Delivery	There is a recognised need to complete a Disaster Recovery (DR) test exercise to assess/confirm the ability to recover key Council applications and systems. It was advised at the time of audit that management are planning to arrange a table top DR test exercise during 2022.	Disaster recovery arrangements be tested on an annual basis. Test results be documented as part of a formal test report which details test objectives, outcomes, and lessons learned. This can then be used in updating and improving the DR plan and supporting documents.	2	<p><i>A tabletop DR exercise is scheduled to take place in June.</i></p> <p><i>A test restoration of a key line-of-business system will take place in June 2022.</i></p>	30/06/22	<i>Head of Digital</i>

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
9	Delivery	There is a recognised need to develop and introduce a program of Disaster Recovery (DR) and Business Continuity Planning (BCP) tests and drills to test the ability of the Council to maintain service in the absence of the key Council systems and services. This will include testing of particular key applications and the ability of the system owners to follow business processes and maintain services in the absence of the applications.	ICT management to liaise with business following completion of the ongoing work on reviewing the BCP and DR plans to introduce a program of DR drills testing key Council systems and applications.	2	<i>ICT management will liaise with the Resilience Team to develop BCP testing simulating loss of access to key Council systems.</i>	29/07/22	<i>Head of Digital</i>
4	Directed	It was noted that management was in the process of developing a staff training exercise to address IT security for remote workers at the time of the audit.	Management to develop and implement training for remote workers to address risks and security implications arising from home working including risks around physical security, awareness of unauthorised people, and the importance of regular system patches.	2	<i>ICT Management will work with the Information Security Team Leader to ensure that Information Security Training includes emphasis on risks associated with working remotely.</i>	30/06/22	<i>Head of Digital / Information Security Team Leader</i>
2	Directed	There is a recognised need to update the ICT Disaster Recovery Plan and associated supporting documents to reflect recent changes including the recent datacentre relocation.	ICT management to update the IT Disaster Recovery Plan and associated documents to reflect current processes and procedures,	3	<i>ICT management will update the IT Disaster Recovery Plan and associated documents.</i>	30/06/22	<i>BT</i>

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
3	Directed	There is a Remote and Home Working Policy in place that describes the Council requirements of staff when working from home or remotely. It was noted however that this was last reviewed and updated in 2019, which was prior to start of the Covid-19 Pandemic.	Management to ensure that the Remote and Home Working Policy is reviewed and updated as necessary to reflect current home working controls.	3	<p><i>The policy has now been updated (3/5/22) and uploaded to the Council's intranet; a review of this document will take place in May 2023 or sooner as and when required.</i></p> <p><i>The Council has also recently launched a remote working guide which forms part of the new ways of working project, this guide supports and is aligned to the Remote and Home Working Policy.</i></p>	Complete	Information Security Team Leader
5	Directed	Though there are low level process documents used for reference/ training purposes it was noted that there is no documented backup policy/ process document in place to define the Council's approach to, and requirements for, backups of systems and data. A documented backup process would provide further assurance that standard practices are defined and adopted to ensure the integrity, availability, and confidentiality of Council backup data.	ICT management to ensure a backup policy is documented that reflects current backup requirements and controls. This policy should document requirements around the backup of key services, defining roles and responsibilities and required backup schedules.	3	<p><i>Documented back-up retention schedules, daily checks and over-arching system documentation are already in place.</i></p> <p><i>However, ICT Management will augment these with a back-up policy that includes roles and responsibilities.</i></p>	30/06/22	Head of Digital
8	Delivery	It was noted that, while offsite backups of data and systems are in place, the backup solution does not currently incorporate cold/ offline backups. NCSC guidance recommends the use of cold/ offline backups to improve the security of backup data and reduce the possibility of ransomware attacks.	ICT management to consider options around the implementation of cold/offline backups to provide increased backup security.	3	<p><i>ICT Management are in the process of reviewing options for offsite/immutable back-up and have provided SLT with an initial briefing.</i></p>	30/05/22	Head of Digital

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
6	Delivery	While interim high level recovery point objectives (RPOs) and recovery time objectives (RTOs) have been defined, an exercise is currently ongoing to define specific RTOs and RPOs for key Council systems and services and ensure that these are given the correct level of priority from a Business Continuity Plan/Disaster Recovery perspective. The lack of specific RTO's for particular key applications/ systems increases the risk that these systems may not be recoverable within an acceptable timescale in the event of a DR scenario and where backup arrangements have been determined based on the ICT team's assessment of criticality rather than having been based on the requirements of the operational teams.	ICT to liaise with key Council management and stakeholders within the business to complete the Business Impact Assessment (BIA) of key IT systems and applications in use at the Council. Documented recovery requirements for each system should be defined and agreed between the business and ICT as part of this process.	3	<p><i>The existing RTOs and RPOs were the product of consultation with the Council's Resilience team rather than "the ICT team's assessment" in isolation.</i></p> <p><i>However, ICT Management will liaise with the Resilience Team to review services' Business Impact Assessments and ensure that the RPOs and RTOs in place for key business systems are still appropriate.</i></p>	31/07/22	Head of Digital

Operational - Effectiveness Matter (OEM) Action Plan

Ref	Risk Area	Finding	Suggested Action	Management Comments
1	Delivery	It was noted that the Council does not currently hold Cyber Essentials certification. It is recommended that management consider working towards this to provide further assurance around Cyber Security in the light of increased risks around Cyber Security.	ICT management should consider seeking Cyber Essentials certification.	<i>ICT management will review Cyber Essentials to determine if it offers any added value in combination with current commitments to meet stringent Cabinet Office standards for PSN accreditation.</i>

Governance & Risk Management - Executive Summary

OVERALL ASSESSMENT



ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

Poor corporate governance, including risk management, weakens an organisation's potential and may lead to financial difficulties and the possibility of fraud.

SCOPE

The audit reviewed the Council's Governance arrangements; and Risk Management - arrangements for identifying and monitoring the mitigating controls with regards to the Council's business significant risk map. Two risks currently included in the Council's business significant risk map were selected and the effectiveness of the identified controls were reviewed.

KEY STRATEGIC FINDINGS



The Corporate Risk Register (CRR) and the Operational Risk Registers (ORRs) does not incorporate information pertaining to risk appetite, Strategic Objectives/ Priorities, inherent risk scores and target risk scores, which would provide more context to Members and staff.



Mitigating controls assigned to risks are not reviewed or assessed by Risk Owners, to confirm whether the controls are appropriate or adequate in reducing the risk occurring/ impact. Additionally, updates provided by Risk Owners are not aligned to the mitigating controls.



Review of the CRR and ORRs, it was noted that there are no linkages between both risk registers and are standalone risk registers.



The Council is going through staffing and governance structural changes, which has led to appointments at Senior Leadership Team (Tier 2) and possibly also at Corporate Leadership Team (Tier 3). It is essential that risk management training is rolled out to Tier 2 and Tier 3 posts, who are listed as Risk Owners on CRR and ORRs.

GOOD PRACTICE IDENTIFIED



The CRR is presented quarterly to Audit Committee and similarly, the ORR is presented quarterly to the respective Overview and Scrutiny Committees, throughout the year.

ACTION POINTS

Urgent	Important	Routine	Operational
0	4	3	1

Assurance - Key Findings and Management Action Plan (MAP)

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
2	Directed	<p>Review of the 2021/22 Quarter 2 and 3 Corporate Risk Register (CRR), it was noted that the CRR, presented to the Audit Committee, is at 'post mitigation', and includes updates and brief commentary against each risk listed.</p> <p>The CRR does not provide information relating to:</p> <ul style="list-style-type: none"> • The initial inherent risk score pertaining to the individual risk; • Cross reference of the Council's Strategic Objectives/ Priorities, where applicable, to each risk listed; • The risk appetite associated with the individual risk; and • The movement of the individual risk score from one quarter to the next; and • The Target risk to be attained by year end. 	Management to address the CRR gaps noted opposite in order to enhance and present a more informative risk register to both Members and staff.	2	<p><i>The role out of the In Phase system has meant a redevelopment of the reporting style and format, which led to reports in quarter 2 not being fully developed. A return to the previous reporting style will be made which will include;</i></p> <ul style="list-style-type: none"> - <i>Inherent risk scores, and</i> - <i>Reference to Strategic Objectives</i> <p><i>The quarter on quarter movement in risk scores is detailed in the Quarterly Strategic Risk Covering report but not detailed in the specific appendix. I can see benefits of simplicity of including the quarterly changes in the risk appendix and will implement this reporting change going forward.</i></p> <p><i>The Council is midway through undertaking a review of the Core strategic objectives and Strategic Risk Register, during this process a review of risk appetite associated with objectives and risks will be undertaken that will form part of future strategic risk reporting. The creation and inclusion of Target risk levels is also planned to be included after the current review is completed.</i></p>	Quarter 2 2022/23 reporting	Nigel Howcutt - CFO

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
5	Directed	<p>In addition to the CRR, the Council also has Operational Risk Registers (ORRs) in place, at Directorate/ Department level.</p> <p>Review of the 2021/22 Quarter 3 ORRs for Housing and Finance & Resources, which are presented to their respective Overview and Scrutiny Committee, it was noted that it does not contain nor make reference to any specific Corporate Risks, which may impact on the Directorate/ Department areas. For example, the Corporate risk relating to Recruitment & Retention.</p> <p>Similarly, as noted with the CRR, the ORR does not capture the information as noted in Recommendation 2.</p>	<p>The Directorate/ Department Operational Risk Registers (ORR) to list those Corporate Risks, which may impact on service delivery within their area. This will in turn demonstrate a connection between the Strategic and Operational risks.</p> <p>Furthermore, the ORR should capture the information listed under Recommendation 2, which will enhance the ORR.</p>	2	<i>A more defined link between the operational risks and the Specific Strategic Risk register will be included in future reports.</i>	<i>Quarter 2 2022/23 reporting</i>	<p><i>Hannah Peacock – Head of transformation and Performance</i></p> <p><i>Nigel Howcutt - CFO</i></p>


Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
6	Directed	<p>Two corporate risks were selected from the CRR, and the following was noted:</p> <p>(i) Failure to secure sufficient investment in essential infrastructure required.</p> <ul style="list-style-type: none"> Update to the risk was missing from the 2021/22 Quarter 3 CRR. The update noted in 2021/22 Quarter 2 stated 'no movement from Q1'. These updates were not linked to the 'Controls & Assurances' section. <p>(ii) The Council is unable to recruit and retain the staff required.</p> <ul style="list-style-type: none"> The update for Q3 referred to developing a People's Strategy, which is not listed in the 'Controls & Assurance' section. The Q2 update focused on a shortage of HGV drivers. However, this issue was not reflected in the 'Residual Risk' score, which remained at 6. There was no update provided in Q3, as to where the Council stood with the HGV situation. As with the previous risk, the updates are not linked to the mitigating controls listed for the risk. 	<p>It be ensured that the risk updates are aligned to the mitigating controls listed under 'Controls & Assurances', so that Members are aware and informed of the progress/position against the risk. Where potential issues may impact on the risk, the risk score must be revised to reflect this. Furthermore, updates be linked to the previous report, so that previous issues are not followed up and reported.</p>	2	<p><i>A more aligned link between risk updates and mitigating controls will be detailed in future narrative reports.</i></p> <p><i>The impact of change that affect the risk score will be better reflected in the narrative.</i></p> <p><i>Risk scoring though is subjective and with many variables affecting each risk score, there can often be new risk updates with additional mitigation and controls that lead to no risk score changes.</i></p>	<p>Quarter 2 2022/23 reporting.</p>	<p>Nigel Howcutt CFO</p>

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
7	Directed	<p>The Council is currently going through a staff and Committee structural change, which has seen appointments made to the Senior Leadership Team (Tier 2) and it is envisaged that this may also be the case for the Corporate Leadership Team (Tier 3).</p> <p>Discussions held with the two Executive Directors, it was stated that in light of these changes, it would be beneficial if risk management training is provided to Tier 2 and 3, especially for new post holders.</p>	<p>Once the Council has completed its staff and structural change, a risk management training programme be devised along with a timetable. To ensure key postholders are familiar with the Council's risk management process, reporting and monitoring requirements.</p>	2	<p><i>A new and improved risk management training programme will be rolled out for the Audit Committee, Senior Leadership team and the Corporate Leadership team. This programme will reflect the changing roles and changing strategic direction of the organisation.</i></p>	<p>Quarter 2 2022/23 reporting</p>	<p>Nigel Howcutt CFO</p>
1	Directed	<p>Review of the Risk Management Strategy and the Guide to Managing Risks, it was noted that both documents are dated November 2020.</p> <p>Discussions held with the Risk and Insurance Team leader, it was noted that both documents had not been reviewed, as per the annual review cycle, due to the staffing and governance changes taking place at the Council. No date had been set as to when both documents would be reviewed by,</p>	<p>A date be set as to when the Risk Management Strategy and the Guide to Managing Risk, is to be reviewed by, post the Council's changes.</p>	3	<p><i>The current Risk Management Strategy should have been refreshed by November 2021, given the changing Governance and Management structures taking place between September 2021 and April 2022 the review was delayed and is currently underway.</i></p> <p><i>A key output of the current strategic risk review is the delivery of a new Risk Management Strategy Policy, outlining clear roles and responsibilities.</i></p>	<p>Quarter 2 2022/23 reporting</p>	<p>Nigel Howcutt CFO</p>

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
3	Directed	<p>Discussions held with two Executive Directors (EDs), who are named 'Risk Owners' on the CRR, it was noted that quarterly updates are provided by the EDs to the Section 151 officer.</p> <p>However, in providing the updates, the EDs were unaware whether the mitigating controls listed for each risk, were appropriate in minimising the risk impact. As no review or assessment is performed of the mitigating controls listed against the risk.</p>	<p>CRR and ORR Risk owners to perform periodic review/assessment of the mitigating controls, to ensure that the controls listed, are aiding in reducing the impact of the risk in occurring.</p> <p>Where it is identified that this may not be the case, the Risk Owner must revise the mitigating controls and report to Management/ Members of the revision and why it was necessary to do so.</p>	3	<i>The role out of a wider organisational Risk Management Training programme will provide CRR and ORR owners with a greater understanding of their roles and responsibilities and how to fulfil the relevant reviews and assessments.</i>	<i>Quarter 2 2022/23 reporting</i>	<i>Nigel Howcutt CFO</i>
4	Directed	<p>Discussions held with the two EDs, it was stated that there is no sight of the CRR at the Senior Leadership Team or the ORR at Senior Management Team.</p> <p>They have sight of the risk registers when the quarterly updates are requested.</p>	<p>It be ensured that the CRR and ORR, is a standing item on the respective Senior Leadership/ Management Team agendas.</p>	3	<i>The CRR and ORR were previously presented to the COG on a quarterly basis with the change in governance arrangements these will now be presented to the SLT on a quarterly basis, along with the other performance reports.</i>	<i>30/09/22</i>	<i>Nigel Howcutt CFO</i>

Recruitment - Executive Summary

OVERALL ASSESSMENT



ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

SR5 -The Council is unable to recruit and retain the staff required

SCOPE

The audit reviewed the adequacy and effectiveness of controls over the new recruitment processes to ensure the adequacy and effectiveness of controls over the new recruitment processes in accordance with the recruitment and selection policy.

KEY STRATEGIC FINDINGS

- The Council's recruitment framework agreement with 'Pertemps' recruitment' was found to be out of date since March 2020.
- The Finance team approves all roles before jobs are advertised to ensure the recruitment is within the relevant service area's budgets, however, the job advertising cost is not incorporated or considered as part of the recruitment budget/ cost.
- Review and testing of a sample of 10 new appointments, it was identified that key documents were copied and retained with the exception of one. Additionally, there does not appear to be any guidance/ instructions in place for dealing with references not been received by HR.
- There is currently no KPI in relation to recruitment performance.

GOOD PRACTICE IDENTIFIED

- There is a Recruitment and Selection (Code of practice) in place. The document is up to date and reflects current practices.
- In a review of 10 newly recruited employees, a complete electronic application form was received on every occasion, DBS checks were performed, for those posts where positions interacted with vulnerable tenants, and documents for right to work in the UK were seen and certified as true copies.

ACTION POINTS

Urgent	Important	Routine	Operational
0	1	4	0

Assurance - Key Findings and Management Action Plan (MAP)

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
4	Directed	<p>The Council's recruitment framework agreement with 'Pertemps Recruitment' was found to be out of date since March 2020.</p> <p>It was noted that the framework agreement is currently under review and recommendations of future agency contracts is to be included in a paper to the Corporate and Commercial Board at the end of May 2022.</p>	It is vital to ensure that all contracts with the Council are kept up-to-date and renewed in a timely manner.	2	<i>The recruitment agency framework has expired. Priorities have now enabled a corporate wide project to assess the Council's approach to hiring agency workers, which commenced in January 2022 and the recommendations will be presented to the Council's Commercial Board. It is anticipated that a suggested recruitment agency framework will be in place in the summer of 2022.</i>	September 2022	Matt Rawdon (Assistant Director – People)
1	Directed	<p>Review and testing of a sample of 10 newly appointed staff, it was confirmed that in all cases, where the starters were required to drive as part of their role at the Council, driving licences were obtained prior to commencement of the role.</p> <p>However, in one instance, the new starter's driving licence had not been saved onto iTrent,</p>	All new starter's supporting documents/ evidence be saved on the individual's personnel file.	3	<i>Noted. The HR checklist will be updated and staff will be informed accordingly. In this case the HR Officer signed the checklist to claim they had seen prove of the driving licence but did not save onto the HR system (iTrent)</i>	June 2022	Priti Gohil (HR Team Leader)
2	Directed	There is no specific guidance or instructions on how to deal with situations where no candidate reference has been provided.	The Council's Recruitment and Selection Code of Practice, to include instructions on how to handle circumstances, where references have not been provided.	3	<i>This is accepted and can be updated immediately to provide clearer guidance to the HR team on this particular point.</i>	June 2022	Priti Gohil (HR Team Leader)

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
3	Directed	The Finance team approves all roles, prior to jobs being advertised. To ensure the recruitment cost is within the relevant service area's budgets. It was noted that the cost of the job advertising is currently not incorporated or considered in the overall recruitment budget.	Advertising costs be incorporated in the overall recruitment budget.	3	<i>There is no dedicated recruitment budget. The advertising costs are shared between the HR and individual service budgets depending on the role and choice of advertising</i>	<i>No further action required</i>	<i>Not applicable</i>
5	Delivery	<p>There is currently no KPI in relation to recruitment performance. The Council may wish to consider the following KPIs (This is not an exhaustive list):</p> <ul style="list-style-type: none"> • Time to Hire <p>This KPI measures the time between when a candidate is contacted for a job opening and when they accept a job offer.</p> <ul style="list-style-type: none"> • Sourcing Channel Efficiency <p>This KPI measures the usefulness of the Council's sourcing channels, or where jobs are advertised). It helps in understanding where the most qualified candidates and the ROI of different sourcing pipelines are found. Knowing the sourcing channel efficiency KPI can be helpful in developing effective sourcing strategies and improve the overall recruiting process.</p> <ul style="list-style-type: none"> • Cost Per Hire <p>This KPI takes into account all the associated costs, including things like how much the Council pays to post the job on different job boards, any referral fees, the cost of attending job fairs, etc..</p>	KPIs be introduced to measure and increase recruitment efficiency and success.	3	<i>Operational KPIs will be introduced to measure recruitment efficiency and success. Research will be undertaken to identify good practice KPIs in this area. It should be noted that KPIs will need to be automated as part of the system to avoid additional resource needed to collate these. If this is not possible consideration will be given on the value of KPIs versus time taken to manually produce this information.</i>	<i>September 2022</i>	<i>Matt Rawdon (Assistant Director – People) and Priti Gohil (HR Team Leader)</i>

Progress against Annual Plan

System	Planned Quarter	Current Status	Comments
Corporate H&S	1	Fieldwork in progress	
Communications	1		Review delayed due to Auditee not responding to emails.
Housing Allocations & Homelessness	1	Fieldwork completed	Draft to be issued June 2022
Insurances	1	Fieldwork in progress	
Document Management Systems	2		Audit Brief issued 10 June 2022
Payroll	2		Audit Brief issued 10 June 2022
Housing Benefit	2		Audit Brief issued 10 June 2022
Commercial Asset Management	2		Audit Brief issued 10 June 2022
Key Financial Controls	3		
Council Tax	3		
NNDR	3		
Planning	3		
Housing Rents	3		
Housing Repairs & Maintenance	2 (4)		Audit Brief issued 10 June 2022 - <i>S151 officer requested to be moved to Q4</i>
Procurement/ Contract Management	4		
Empty Homes	4		
Governance & Risk Management	4		
Follow Up	3-4		Completed in Q4

KEY:
To be commenced
Site work commenced
Draft report issued
Final report issued
Review deferred