



Internal Audit

FINAL

Dacorum Borough Council

Summary Internal Controls Assurance (SICA) Report

2022/23

September 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 2nd September 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
2022/23 Insurances	Sustainable	July 2022	August 2022	August 2022	0	0	2	0
2022/23 Communications	Reasonable	August 2022	August 2022	September 2022	0	3	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.

Frauds/Irregularities

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

Responsibility/Disclaimer

7. 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
2022/23 Insurances	Sustainable
2022/23 Communications	Reasonable

Insurances - Executive Summary

OVERALL ASSESSMENT



ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

Strategic Risk: Funding and income is not sufficient to deliver the Council's Corporate Objectives.

SCOPE

The review examined the Council's current insurance arrangements, to ensure that appropriate insurance cover is in place, and that processes are well defined and adhered to.

KEY STRATEGIC FINDINGS



The Council has a comprehensive suite of insurance policies in place covering all required insurable activities of the Council. These policies were last renewed in December 2021 after an extensive market testing exercise.



A sample review of amendments to the Motor Vehicle Policy noted a small number of delays in the Service notifying the Insurance Department of the required changes.



There is currently no routine reporting in relation to insurance related activity, some ad-hoc reporting has been undertaken, for instance a report was recently submitted to the Residents Board summarising Motor and Public Liability claims, however, there is no routine reporting of, for instance, claim volumes/values and the age of ongoing claims.

GOOD PRACTICE IDENTIFIED



The Council has Claims Procedures in place to support members of the Insurance Team in processing claims made against the Council. The Procedures set out the approach to be taken in respect of the different categories of claims and acknowledge that different approaches may need to be taken/necessitated due to the nature and complexity of a claim.



A sample review of open claims across all insurance categories, including some old outstanding items, established that there was ongoing work in each case. Claims had been recorded and processed correctly (allocated to the correct policy and claims handlers allocated) and there was evidence of ongoing work to resolve the claims and/or awaiting information to support the claim.

ACTION POINTS

Urgent	Important	Routine	Operational
0	0	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	<p>A sample review of 15 amendments to the Motor Vehicle Policy noted that, in all cases, the details had been updated on the insurer's portal on a timely basis, once received by the Insurance Department.</p> <p>However, in 3 cases there were delays in the Service notifying the Insurance Department of the required changes (in 2 cases delays of two weeks and in 1 case a delay of 5 months).</p>	Service Areas be reminded of the requirement to notify the Insurance Department of any additional/removed vehicles in a timely manner.	3	<i>Recommendation accepted. A reminder will be sent to the relevant service as per the recommendation</i>	31/08/22	<i>Lead Officer, Risk and Insurance</i>
2	Delivery	There is currently no routine reporting in relation to insurance related activity. Some ad-hoc reporting has been undertaken, for instance a report was recently submitted to the Residents Board summarising Motor and Public Liability claims, however, there is no routine reporting of, for instance, claim volumes/values and the age of ongoing claims.	Reporting of insurance related activity, for example, number of ongoing claims, forecast uninsured values, time to resolve claims, be introduced.		<i>Recommendation accepted. An insurance activity reporting process will be developed and implemented.</i>	31/12/22	<i>Head of Financial Services</i>

Communications - Executive Summary

OVERALL ASSESSMENT



ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

The delivery of an effective communication and engagement strategy is relevant across all of the Council's corporate priorities as set out in the Corporate Plan.

SCOPE

The review focused on Communications arrangements following the Leadership restructure; the strategy and policy for communications; roles and responsibilities as supported by Job Descriptions; awareness and training and monitoring and reporting of communications related activity.

KEY STRATEGIC FINDINGS



The Council has developed a comprehensive and clear strategy for communication and engagement. The strategy sets out the Council's vision for effective communication and links clearly to the Council's corporate priorities. It is important that the strategy is now formally reviewed and ratified by the Strategic Leadership Team (SLT) and rolled out across the organisation.



The strategy outlines actions in relation to delivering media training to Cabinet and SLT and the development of 'Working with Communications Guides' for both staff and members. Actions are scheduled in relation to both of these areas and it is important that these are now completed.



Performance reporting in relation to communication and engagement activity improved in the most recent report to the Finance and Resources Overview and Scrutiny Committee. However, this should be expanded further to include performance against the Annual Communications Programme to allow appropriate review and scrutiny to be undertaken.



Review of job descriptions in place for members of the Communications and Engagement Team established that, in some cases, these require update to reflect the new structure and roles and responsibilities.

GOOD PRACTICE IDENTIFIED



The Council has a clear and comprehensive structure in place for the Communications and Engagement Team ensuring that all communication related activity is contained within one focused team. The Head of Communication and Engagement is supported by two lead officers who are responsible for two distinct communication streams (Corporate Projects and Events and Digital Communication and Engagement).

ACTION POINTS

Urgent	Important	Routine	Operational
0	3	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)
1	Directed	<p>Review of the Communications and Engagement Strategy 2022 – 2025 (the 'Strategy'), established that it is clear and comprehensive, clearly setting the Council's vision for Communications and Engagement and linking directly to the Council's Corporate Plan Priorities.</p> <p>At the time of this review, the Strategy had not been formally approved, however, this is scheduled for a Strategic Leadership Team (SLT) meeting in August 2022.</p>	The Strategy be submitted to the Strategic Leadership Team for formal review and approval as scheduled.	2	<i>The Communications and Engagement strategy will be formally approved by SLT on 31 August 2022.</i>	31/08/22	<i>Kelvin Soley, Head of Communications</i>
2	Directed	<p>The Strategy includes a 'Strategy Delivery Plan' (the 'Plan'), which lists four key actions, to support delivery of the Strategy. Two actions, Strategy Action Plan and Annual Communications Programme, are scheduled for delivery in Q1 2022/23.</p> <p>At the time of this review, the Plan was still being developed, although it was anticipated that this would be completed prior to the submission to the SLT in August 2022.</p>	The Strategy Action Plan, as set out in the Strategy Delivery Plan, be completed and submitted to SLT together with the overarching Strategy.	2	<p><i>The corresponding action plan has been developed, and has been shared with SLT ahead of the SLT meeting scheduled for 31 August 2022.</i></p> <p><i>A copy of the updated communications programme 2022-23 has been shared with SLT.</i></p>	31/08/22	<i>Kelvin Soley, Head of Communications</i>

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
5	Delivery	<p>Review of performance reports submitted to the Finance and Resources Overview and Scrutiny Committee, established that Communications related activity was included in the People, Transformation, Digital & ICT and Communications Performance report for Q4 2021/22.</p> <p>Prior to this there has been no reporting of Communications related activity.</p> <p>The Performance report contained a summary of activity for the quarter along with social media activity. It is important going forward that the report is expanded to include performance against the 'Annual Communications Programme' to allow appropriate review and scrutiny to be undertaken.</p>	The Performance reports, presented to the Finance and Resources Overview and Scrutiny Committee, be expanded to include progress/performance against the deliverables set out in the Annual Communications Programme.	2	<i>Performance reports for the Finance and Resources Overview and Scrutiny Committee will be reviewed for Q2 2022/23, to report against deliverables in the communications programme.</i>	30/09/22	<i>Kelvin Soley, Head of Communications</i>
6	Delivery	<p>A review of job descriptions for staff within the Communication and Engagement Team, established that whilst job descriptions were in place for all team members. However, these were not up to date.</p> <p>For example, the supervisory responsibilities were not in accordance with the new structure and there were instances where role responsibilities did not necessarily fit with the vision of the Communication and Engagement Strategy.</p>	Job descriptions be reviewed and aligned with the new Team structure and the Communication and Engagement Strategy.	3	<i>All job description in the service will be updated with the new corporate template and to reflect the change in line management and structure.</i>	30/09/22	<i>Kelvin Soley, Head of Communications</i>

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
7	Delivery	Discussions with the Head of Communication and Engagement, established that performance reviews had now been completed for all members of the team and that the training needs identified, were being compiled into an overall departmental training plan for rollout across 2022/23.	The departmental 2022/23 training plan be compiled rolled out for the year.	3	<i>A training grid has been compiled and subject to budget commitments will be rolled out by the end of September 2022.</i>	30/09/22	<i>Kelvin Soley, Head of Communications</i>
3	Directed	The Strategy states that media training will be delivered to the Cabinet/Senior team. Discussions with the Head of Communication and Engagement, established that media training has been paused pending the arrival of the Deputy Chief Executive and the Strategic Director of Corporate and Commercial, who will be joining the Council on 1st August 2022.	Media training be delivered to the Strategic Leadership Team and Cabinet, once the new Strategic Leadership Team is all in place.	3	<i>Training will now be booked following the permanent appointment of new SLT colleagues.</i>	30/09/22	<i>Kelvin Soley, Head of Communications</i>
4	Directed	The Strategy Delivery Plan includes the development of 'Working with Communications Guides', for staff and members. These are scheduled in the Strategy to be delivered in Q2 2022/23. Discussions with the Head of Communication and Engagement established that these are practical guides that will bring the strategy to life for both staff and members, and provide the required framework for working with communications.	The planned communication guides be developed and rolled out across the Council in line with the schedule set out in the Strategy.	3	<i>Following approval of the Communications Strategy on 31 August 2022, work will commence on the staff and members guides. This work is expected to be completed in month one of Q3 2022/23.</i>	31/10/22	<i>Kelvin Soley, Head of Communications</i>

Progress against Annual Plan

System	Planned Quarter	Current Status	Comments
Corporate H&S	1	Fieldwork completed	Revised draft issued in August 2022 – awaiting response
Communications	1	Fieldwork completed	Final issued September 2022
Housing Allocations & Homelessness	1	Fieldwork completed	Revised draft issued August 2022 – awaiting response
Insurances	1	Fieldwork completed	Final issued September 2022
Document Management Systems	2	Fieldwork completed	Draft in the process of being compiled
Payroll	2	Fieldwork completed	Draft issued September 2022
Housing Benefit	2	Fieldwork completed	Draft issued August 2022
Commercial Asset Management	2	Fieldwork completed	Draft in the process of being written
Key Financial Controls	3		Audit Brief issued 2 Sept 2022
Council Tax	3		Audit Brief issued 2 Sept 2022
NNDR	3		Audit Brief issued 2 Sept 2022
Planning	3		Audit Brief issued 2 Sept 2022
Housing Rents	3		Audit Brief issued 2 Sept 2022
Housing Repairs & Maintenance	2 (4)		Audit Brief issued 10 June 2022 - <i>S151 officer requested review to be moved to Q4</i>
Procurement/ Contract Management	4		
Empty Homes	4		
Governance & Risk Management	4		
Follow Up	3-4	Work in progress	August 2022 updates under review

KEY:

 To be commenced	 Site work commenced	 Draft report issued	 Final report issued	 Review deferred
---	---	--	---	---