

Governance Committee

Tuesday, 7th March, 2023, 6.00 pm

Shield Room, Civic Centre, West Paddock, Leyland PR25 1DH

Agenda

1 Apologies for absence

2 Declarations of Interest

Members are requested to indicate at this stage in the proceedings any items on the agenda in which they intend to declare an interest. Members are reminded that if the interest is a Disclosable Pecuniary Interest (as defined in the Members' Code of Conduct) they must leave the room for the whole of that item. If the interest is not a Disclosable Pecuniary Interest, but is such that a member of the public could reasonably regard it as being so significant that it is likely that it would prejudice their judgment of the public interest (as explained in the Code of Conduct) then they may make representations, but then must leave the meeting for the remainder of the item.

3 Minutes of the Last Meeting

(Pages 3 - 6)

Minutes of the meeting held on Tuesday, 10 January 2023, to be signed as a correct record.

4 Audit Progress Report and Sector Update

(Pages 7 - 18)

Report of the External Auditor, Grant Thornton attached.

5 Final Audit Findings Report 2021-22

Report of the External Auditor, Grant Thornton to follow.

6 Internal Audit Plan and progress update

(Pages 19 - 40)

Report of the Head of Audit and Risk attached.

Chris Sinnott
Chief Executive

Electronic agendas sent to Members of the Governance Committee Councillors Ian Watkinson (Chair), Colin Sharples (Vice-Chair), Damian Bretherton, Alan Ogilvie, David Shaw, Margaret Smith and Kath Unsworth

The minutes of this meeting will be available on the internet at www.southribble.gov.uk

Forthcoming Meetings

6.00 pm Tuesday, 23 May 2023 - Shield Room, Civic Centre, West Paddock,
Leyland PR25 1DH

Minutes of	Governance Committee
Meeting date	Tuesday, 10 January 2023
Members present:	Councillors Ian Watkinson (Chair), Colin Sharples (Vice-Chair), Damian Bretherton, Alan Ogilvie, David Shaw, Margaret Smith and Kath Unsworth
Other members attending in person:	Councillors Matthew Tomlinson, Phil Smith and Gareth Watson
Officers present:	Chris Moister (Director of Governance), Georgia Jones, Louise Mattinson (Director of Finance and Section 151 Officer), Darren Cranshaw (Head of Democratic Services), Chris Moister (Director of Governance), Dawn Highton (Head of Audit & Risk) and Clare Gornall (Democratic and Member Services Officer)
Other virtual attendees:	Georgia Jones, External Auditor, Grant Thornton; Councillors Harold Hancock, Mick Titherington, and Karen Walton
Public:	0

32 Apologies for absence

There were none.

33 Declarations of Interest

There were none.

34 Minutes of the Last Meeting

The minutes of 29 November 2022 were presented for approval.

A update was requested further to Minute 29 regarding the provisional Government Settlement. The Director of Finance, Louise Mattinson indicated that the one year provisional settlement was received in 19 December 2022 and officers were currently working through the details. She indicated that it included provision for local authorities to increase council tax up to 3% (rather than 2% previously).

Arising from the Minute 28 a query was raised as to the current position in relation to the financial statements audit. Georgia Jones of Grant Thornton, the Council's External Auditors informed members that there had been a few issues creating a delay, including a change to CIPFA guidance just before Christmas which generated further work. It was anticipated that everything would be signed off by the end of next

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week. Grant Thornton would be issuing its final report but there were no substantial changes.

A progress update was requested in relation Minute 31 regarding the convening of a Constitution Working Group. The Director of Governance, Chris Moister informed the Committee that a scoping document should be produced by the end of this week and the first meeting would be scheduled in due course.

Resolved (unanimously):

That the minutes of the meeting held 29 November 2022 be agreed and signed as a correct record.

35 Homes England Compliance Audit - McKenzie Arms

The Director of Finance presented a report giving details of the need to acknowledge receipt of the Homes England Compliance Audit report as required by Homes England.

Arising from the report, whilst appreciating that the audit is confidential, members requested additional information regarding the questions on the audit and where possible further details in relation to the Council's "green" status confirming that it had met all the requirements.

Resolved (unanimously):

1. To acknowledge receipt of the report as required by Homes England.
2. To note that there are no breaches recorded and the report is green meeting all requirements.

36 Annual Governance Statement: Actions - update

The Director of Governance presented a report giving details of the need to update members of the Committee as to progress on the implementation of the improvement actions in the Annual Governance Statement.

Arising from a query in relation to the expected completion of all the 9 categories, the Director of Governance indicated that the progress delays were stated in the report and it may not be possible to have all actions completed by the end of the financial year. He stressed that none of the improvement actions have an impact on the Annual Governance Statement.

Resolved (unanimously):

That the report be noted.

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37 Exclusion of the Press and Public

Resolved (unanimously):

That the press and public for the following items of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 1 of Part 1 of Schedule 12A to the Local Government Act 1972.

38 Audit and Risk Interim Report as at 31st December 2022

The Head of Audit and Risk presented a report informing members of the work undertaken in respect of the Internal Audit Plan from September 2022 to December 2022 and to give an appraisal of the Internal Audit Service's performance to date. The report also provided information for members regarding wider work of the Audit and Risk Service.

The Head of Audit and Risk confirmed that the remaining report at draft stage was for the waste collection service and will be presented to the Committee in March 2023.

Several queries were raised and concerns expressed in relation to the Commercial Services Directorate Procurement Review, which gave details of a number of process failures. The Director of Governance explained that the failures by individuals to follow the processes already in place had been dealt with and a management action plan had been agreed to provide assurance that the issues identified in the report were not replicated elsewhere. The Director of Governance also agreed that he would discuss with the Chief Executive undertaking further investigations into the identified issues, but which are separate to the issues relating to the Governance Framework.

Resolved (unanimously):-

1. That the position with regard to the Internal Audit Plan and the work of the wider Service be noted;
2. That with regard to the Commercial Services Directorate Review, the Chair be requested to write to the Chief Executive seeking assurance that he is satisfied that all the risks were realised and that adequate steps have been taken;
3. That members of the Committee be provided with a copy of the above letter; and
4. That an update on the Management Action Plan be provided to a future meeting of the Committee.

Chair

Date

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South Ribble Borough Council Audit Progress Report and Sector Update

Year ending 31 March 2022

March 2023



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The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit planning process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the Authority or all weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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Introduction

Your key Grant Thornton team members are:

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This paper provides the Governance Committee with a report on progress in delivering our responsibilities as your external auditors.

The paper also includes:

- a summary of emerging national issues and developments that may be relevant to you as a local authority; and
- includes a number of challenge questions in respect of these emerging issues which the Committee may wish to consider (these are a tool to use, if helpful, rather than formal questions requiring responses for audit purposes)

Members of the Governance Committee can find further useful material on our website, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications <https://www.grantthornton.co.uk/en/services/public-sector-services/>

If you would like further information on any items in this briefing, or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Engagement Manager.

Progress at March 2023

Financial Statements Audit

We undertook our initial planning for the 2021/22 audit in March and April 2022.

In May we issued a detailed audit plan, setting out our proposed approach to the audit of the Authority's 2021/22 financial statements.

The draft Statement of Accounts was published 4 August 2022 and we begun our year-end audit work including substantive testing of transactions and balances and our audit procedures in response to the significant risks identified in our Audit Plan.

Management has undertaken an assessment of the transactions and balances arising in South Ribble Leisure Ltd for the year ending 31 March 2022, and determined that the subsidiary company is material to the financial performance and position of the Council.

Management prepared an amended version of the Statement of Accounts including consolidated financial statements which incorporate the transactions and balances of the subsidiary company in accordance with the CIPFA Code.

In September 2022, we issued an update to our Audit Plan previously published in May 2022 which includes our risk assessment and audit procedures required to support our audit opinion on the Council's consolidated financial statements.

We will reported our work in the draft Audit Findings Report issued in November 2022.

Since we issued our report, the [CIPFA Bulletin 12 Accounting for Infrastructure Assets Temporary Solution](#) was released on 11 January 2023.

Accounting for Infrastructure

The Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 requires infrastructure to be reported in the Balance Sheet at historic cost less accumulated depreciation and impairment and that where there is 'enhancement' to the assets, that the replaced components are derecognised. Where authorities are not fully compliant with these requirements, there may be a risk of material misstatement.

Most local government (LG) entities, excluding police bodies, will own infrastructure assets. The balances for highways authorities will be particularly significant and are likely to be material. For LG entities with material infrastructure assets there is therefore a potential risk of material misstatement related to this balance.

The inherent risks which we identified this year in relation to infrastructure assets were:

- An elevated risk of the overstatement of gross book value and accumulated depreciation figures, due to lack of derecognition of replaced components
- A normal risk of understatement of accumulated depreciation and impairment as a result of failure to identify and account for impairments of infrastructure assets, and an over or understatement of cumulative depreciation as a result of the use of inappropriate useful economic lives (UEls) in calculating depreciation charges.

Progress at March 2023

How these issues have been addressed?

Since these issues were first identified we have been working with CIPFA and the English and Scottish Governments to find both long-term and short-term solutions which recognise the information deficits and permit full compliance with the CIPFA Code. It has been recognised that longer-term solutions, by way of a Code update, will take several years to put into place and so short-term solutions have been put in place in the interim. These short-term solutions include the issue of Statutory Instruments (SIs) by government and an update to the CIPFA Code.

The CIPFA Code update was issued on 29 November 2022. The English SI was laid before Parliament on 30 November 2022 and came into force on 25 December 2022 – see [The Local Authorities \(Capital Finance and Accounting\) \(England\) \(Amendment\) Regulations 2022 \(legislation.gov.uk\)](#). CIPFA issued [CIPFA Bulletin 12 Accounting for Infrastructure Assets Temporary Solution](#) on 11 January 2023, which includes further guidance and illustrative examples on the depreciation of infrastructure assets and the associated useful economic lives (UELs).

The Authority has applied the SI and Code updates to the 2021-22 draft Statement of Accounts and disclosures. We have carried out further audit procedures to assess the material accuracy of in year movements for including infrastructure asset additions, impairments and depreciation charges.

Value for Money

The new Code of Audit Practice (the “Code”) came into force on 1 April 2020 for audit years 2020/21 and onwards. The most significant change under the new Code was the introduction of an Auditor’s Annual Report, containing a commentary on arrangements to secure value for money and any associated recommendations, if required.

The new approach is more complex, more involved and is planned to make more impact.

Under the 2020 Code of Audit Practice, for relevant authorities other than local NHS bodies auditors are required to issue our Auditor’s Annual Report no later than 30 September or, where this is not possible, issue an audit letter setting out the reasons for delay.

The extended deadline for the issue of the Auditor’s Annual Report is now no more than three months after the date of the opinion on the financial statements. We anticipate issuing our Auditor’s Annual Report in May 2023

Audit Deliverables

2021/22 Deliverables	Planned Date	Status
<p>Audit Plan</p> <p>We are required to issue a detailed audit plan to the Governance Committee setting out our proposed approach in order to give an opinion on the Authority's 2021/22 financial statements and to report on the Authority's value for money arrangements in the Auditor's Annual Report</p>	May 2022	Completed
<p>Audit Findings Report</p> <p>The Audit Findings Report will be reported to the November Audit Committee.</p>	November 2022	Completed (draft)
<p>Auditors Report</p> <p>This includes the opinion on your financial statements.</p>	November 2022	Completed (draft)
<p>Auditor's Annual Report</p> <p>This report communicates the key outputs of the audit, including our commentary on the Authority's value for money arrangements.</p>	November 2022	Expected May 2023

Sector Update

Authorities continue to try to achieve greater efficiency in the delivery of public services, whilst facing the challenges to address rising demand, ongoing budget pressures and social inequality.

Our sector update provides you with an up to date summary of emerging national issues and developments to support you. We cover areas which may have an impact on your organisation, the wider local government sector and the public sector as a whole. Links are provided to the detailed report/briefing to allow you to delve further and find out more.

Our public sector team at Grant Thornton also undertake research on service and technical issues. We will bring you the latest research publications in this update. We also include areas of potential interest to start conversations within the organisation and with audit committee members, as well as any accounting and regulatory updates.

- [Grant Thornton Publications](#)
- [Insights from local government sector specialists](#)
- [Reports of interest](#)
- [Accounting and regulatory updates](#)

More information can be found on our dedicated public sector and local government sections on the Grant Thornton website by clicking on the logos below:

Public Sector

Local
government

Audit Market Developments

Financial Reporting Council Report On The Quality Of Local Audit

In late October 2022 the Financial Reporting Council (FRC) published its inspection findings into the quality of major local body audits in England, which includes large health and local government bodies.

The Quality Assurance Department (QAD) of the Institute of Chartered Accountants in England and Wales (ICAEW) inspects a sample of local audits that do not meet the definition of a ‘major’ local audit and the FRC’s report also includes a summary of their findings.

The FRC reported that 71% of Grant Thornton audits inspected (7 in total) were assessed as either good or limited improvements required.

This is a pleasing result and reflects on our significant investment in audit quality over recent years. The positive direction of travel over the past five years is illustrated below:

The FRC also inspected our work on VfM arrangements at four bodies.

It is pleasing to note that all of these inspections were assessed as requiring no more than limited improvements (which is the same as the previous year).

As far as the ICAEW are concerned, overall, the audit work reviewed was found to be of a good standard.

Seven of the eight files reviewed (88%) were either ‘good’ or ‘generally acceptable’, but one file ‘required improvement’.

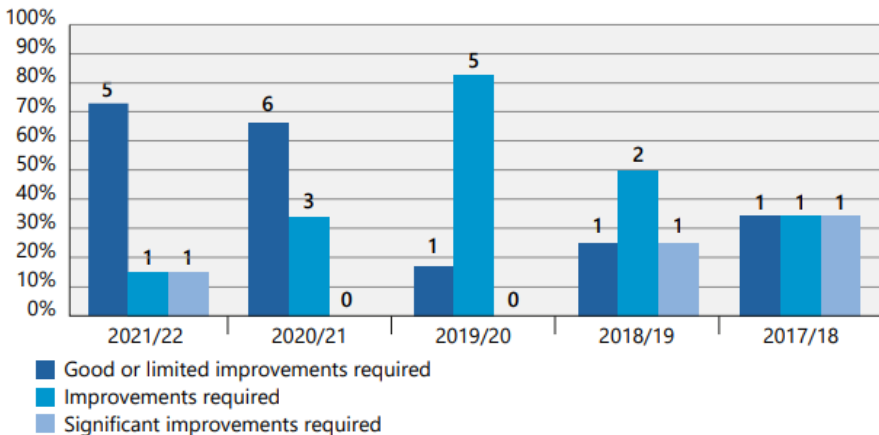
The ICAEW identified one of our files as requiring ‘Improvement’ – but it should be noted that this was a 2019-20 file and therefore the learnings from prior years’ review could not have been taken into account, an issue recognised by the ICAEW in their report to us.

The ICAEW found that our VfM work was good on each of the files reviewed, and they did not identify any issues with this aspect of the audit teams’ work.

Whilst are pleased with our continuing improvement journey, we continue to invest in audit quality to ensure that the required standards are met.

The full report can be found [here](#).

Our assessment of the quality of financial statement audits reviewed



Financial Reporting Council



Audit Market Developments (continued)

Local Government External Audit Procurement

Public Sector Audit Appointments Ltd (PSAA) has recently announced the outcome of its national procurement of audit services across the Local Government sector.

This exercise covers the audits from 2023/24 to 2027/28 and covers the 470 local government, police and fire bodies (99% of eligible local bodies) that opted into the national scheme.

We are delighted to have been reappointed as the largest supplier of local government audit. The public sector has played a significant role within the firm for over 30 years and we remain committed to the success of the sector.

Our UK Public Sector Assurance (PSA) team employs 440 people, including 29 Key Audit Partners and specialists in financial reporting, audit quality, and value for money.

The team is dedicated to public audit work in local government and the NHS, with contracts with PSAA, Audit Scotland and over 100 health bodies. The Public Sector Assurance team is a regular commentator on issues facing the sector and oversees the firm's thought leadership, such as its series of publications on grants and public interest reports.

Mark Stocks, lead Partner for PSA at Grant Thornton, said 'This is a very welcome outcome and reflects our previous delivery as well as our ongoing commitment to invest in the public sector.'

Further information can be found [here](#)



Grant Thornton – Nearly 60 councils at risk of ‘running out of money’ next year

Grant Thornton has warned that the soaring cost of living combined with a decade of austerity could see up to a sixth of English councils fully deplete their reserves in 2023-24 without substantial spending cuts.

Research found that, as a result of higher inflation, councils are expected to have a cumulative budget deficit of £7.3bn by 2025-26 – an increase of £4.6bn since forecasts made at the beginning of this year.

Grant Thornton said that although reserves were bolstered by more than £5bn in 2020-21 due to higher government funding, these balances will “continue to unwind through the long tail of Covid-19” with close to 60 councils forecast to use all earmarked and unallocated reserves next year.

Without additional income, authorities would need to make savings of over £125 per person by 2025-26, equal to the average yearly spend on homelessness, sports and leisure, parks and open spaces, libraries and waste services.

Phillip Woolley, Head of Public Services Consulting at Grant Thornton, said: “Local government has faced unprecedented demands and pressures over the last decade and without action from both central government and councils, in the face of these inflationary pressures, the list of authorities in need of exceptional support looks set to grow quickly.

“Our research shows the additional Covid-19 funding, while critical to support immediate challenges, has not addressed underlying systemic issues or the precariousness of councils’ financial sustainability in the face of economic instability.

“Local authorities are also now facing the risk of interest rate rises, increasing debt financing costs and the real risk of reduced funding from central government, in response to the current economic turmoil facing the country. Without committed intervention from all sides, there is a risk that the sector levels down instead of up.”

Grant Thornton estimated unitary authorities would have the largest budget gap (£1.8bn) by 2025-26, but district councils would have the largest gap compared to net spending at 10.2%.

The firm added that austerity and changing policy demands have left councils struggling to innovate in their services and prevented investment in finance and procurement, diminishing the sector’s ability to tackle medium-term challenges.

Grant Thornton said additional government funding alone will not lead to improvements, and that councils should focus on improving governance and developing financial stability plans.

Joanne Pitt, local government policy manager at CIPFA, said: “With no spending review and no fair funding review, CIPFA shares Grant Thornton’s concerns about the financial sustainability of some in the sector.

“While there are actions local authorities can take to strengthen their own financial resilience, they are facing significant inflationary pressures and rising demand which makes this hugely challenging for the sector.”



Audit Committees: Practical Guidance For Local Authorities And Police – CIPFA

In October CIPFA published this guide, stating “This fully revised and updated edition takes into account recent legislative changes and professional developments and supports the 2022 CIPFA Position Statement. It includes additional guidance and resources to support audit committee members, and those working with and supporting the committee’s development.”

CIPFA go on to state “Audit committees are a key component of governance. Their purpose is to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements. They play an important role in supporting leadership teams, elected representatives, police and crime commissioners and chief constables.

This edition updates CIPFA’s 2018 publication to complement the 2022 edition of the CIPFA Position Statement on audit committees.

The suite of publications has separate guidance resources for audit committee members in authorities, members of police audit committees, and a supplement for those responsible for guiding the committee.

New aspects include legislation changes in Wales and new expectations in England following the Redmond Review. All authorities and police bodies are encouraged to use the publication to review and develop their arrangements in accordance with the Position Statement.

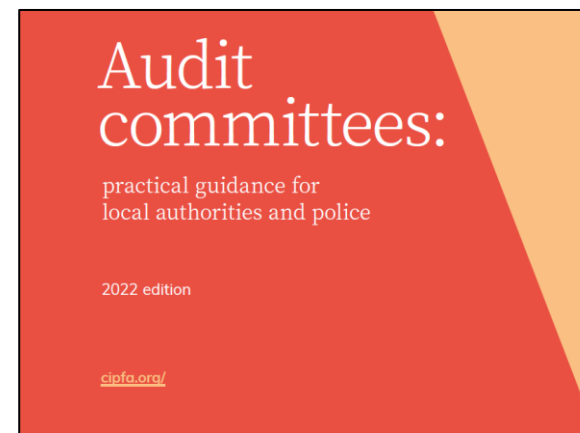
The appendices include suggested terms of reference, a knowledge and skills framework and effectiveness improvement tools.”

The guide covers a number of key areas for Audit Committees, including:

- Purpose
- Core functions:
 - Governance, Risk and Control
 - Accountability and Public Reporting
 - Assurance and Audit arrangements
 - Ensuring focus
- Independence and accountability
- Membership and effectiveness

The guide can be purchased via the CIPFA website:

[Audit Committee Guidance: 2022 update | CIPFA](#)





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Report of	Meeting	Date
Head of Audit and Risk	Governance Committee	Tuesday, 7 March 2023

Internal Audit Plan and progress update

Is this report confidential?	No
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Purpose of the Report

1. This report sets out the programme of work to be undertaken by the Internal Audit Service. The Internal Audit Plan is the vehicle by which audit workload is identified and prioritised.

The main purposes of the report are to:

- Remind members of the respective roles of managers and Internal Audit to maintain a sound system of governance and internal control within the Council;
- Provide details of the Internal Audit Plan and associated performance indicators;
- Seek the Committee's approval of the Audit Plan.

Recommendations

2. That the Committee approve the Internal Audit Plan and associated indicators.

Reasons for recommendations

3. Governance Committee approval of the Internal Audit Plan is a requirement of the Public Sector Internal Audit Standards.

Other options considered and rejected

4. Not applicable.

Corporate priorities

5. The report relates to the following corporate priorities: (Please bold one)

An exemplary council	Thriving communities
A fair local economy that works for everyone	Good homes, green spaces, healthy places

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The Role of Management and Internal Audit

6. The responsibility for implementing a strong system of governance and internal control within the Council lies primarily with the Shared Senior Management Team. Directors and Heads of Service need to ensure that they maintain effective control procedures not least because services and business systems are subject to on-going change.
7. Internal Audit is an independent appraisal function whose core objective is to evaluate and report on the adequacy of the Council's system of governance, risk management and internal control. In the main this is achieved through an annual programme of reviews, following a detailed risk assessment of audit need.

Development of the Internal Audit Plan

8. Professional standards for Internal Audit in local government specify that "the Chief Audit Executive must establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organisation's goals."
9. To enable Internal Audit to be flexible and responsive to ongoing changes in priorities, strategy, operational arrangements, external factors that may increase the Council's exposure to risk and keep pace with to emerging risks across the organisation, it has been previously agreed with the Governance Committee that Internal Audit Plan is only developed for April to September. The process is then to revisit the audit needs analysis and to liaise with key stakeholders to consider any new and emerging risks to identify the work plan for October to March 24.

Compilation of the Audit Plan

10. The Internal Audit Plan April – September has been constructed after taking into consideration the following:
 - The Council's priorities / strategic plan;
 - A review of corporate strategies;
 - The corporate risk register;
 - Information taken from other assurance processes within, and external to, the Council, including External Audit and inspection reports;
 - Direct engagement with Directors;
 - The skills, knowledge and experience of audit staff;
 - Professional judgement on the risk of fraud and error;
 - Annual Governance Statement and Service Assurance Statements.
11. The Internal Audit Plan contains the programme of reviews for the period of April 23 to September 23 and is shown at **Appendix A**. This clearly shows the link between the work of Internal Audit, strategic and operational risks and corporate objectives. The reviews are clearly highlighted with the quarter for completion. The plan also details our involvement with key project teams assisting with advice and guidance on risk management, internal control and governance.

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Internal Audit Reviews of South Ribble Leisure Limited

12. It has again been agreed that the Internal Audit Service will provide 105 audit days to South Ribble Leisure Limited (SRLL). Whilst the outcome of each audit review will be reported to the Board of the Directors, the Governance Committee will receive an annual opinion on the adequacy and effectiveness of the internal control, risk management and governance arrangements for SRLL.

Audit Resource

13. The plans for both the Council and SRLL will be completed solely by the in-house team with external support procured for the specialist ICT reviews. Over the past 12 months, the Service has increased its capacity with the introduction of a Trainee Auditor post. The current level of resource is detailed in the table below:

Service Lead Audit and Risk	0.6 FTE
Senior Auditor	0.8 FTE
Auditor	2 x FTE
Trainee Auditor	1 x FTE
Bought in resource	30 days

Internal Audit Performance Indicators

14. For the forthcoming period of April 23 to March 24, there is no change to the performance indicators or targets. Progress will be monitored throughout the period and reported to the Governance Committee three times per year.

Performance Indicator	Target
% of Planned time used	90%
% of Audit Plan completed	90%
% satisfaction rating (assignment level)	90%
% of agreed actions implemented by management	90%

Progress against the 22-23 Internal Audit Plan

15. Since our last progress report to the Committee in January 2023, one further review has been completed. This received a limited assurance rating and a full copy of the report is attached at Appendix B. Given the significance of some of the findings, we agreed action dates with a short timescale, and we can confirm that all actions due to be implemented by the end of January 2023 have been fully implemented or are nearing full implementation.

Climate change and air quality

16. The work noted in this report does not impact the climate change and sustainability targets of the Councils Green Agenda and all environmental considerations are in place.

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Equality and diversity

17. The material presented and discussed in this report has no direct implications on equality and diversity.

Risk

18. Risks are outlined through the body of the report.

Comments of the Statutory Finance Officer

19. No comments.

Comments of the Monitoring Officer

20. No comments.

Background documents

Appendices

Appendix A – Internal Audit Plan April to September 2023

Appendix B – Internal Audit Review of Waste Management

Report Author:	Email:	Telephone:	Date:
Dawn Highton (Head of Audit & Risk)	dawn.highton@southribble.gov.uk	01772 625625	24/2/22

Internal Audit Plan - April 2023 to September 2023	QTR	No of days	Detailed Rationale	Links to Risk Registers (strategic & operational) / Corporate Plan Projects / Business plans / Annual Governance Statement (AGS)
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CORPORATE AREAS				
Annual Governance Statement	1	15	To support the Annual Governance Statement	AGS
Anti-Fraud & Corruption	ALL	1	Review and update of probity policies	AGS
NFI	1&2	2.5	Review / Investigation of 2022 matches	AGS
CUSTOMER & DIGITAL				
Customer Services				
Revenues and Benefit project support	1&2	2.5	Proactive support to assist with the aligning of processes.	Business plans / transformation
Council Tax	2	5	Review of new shared policies	Operational risk
Debtors	1	5	In depth review of the aged debt process	Operational risk
CAPITA migration	1	10	Review of system implementation	Operational risk
ICT				
Review - TBD	2	15	Reviews to be determined with SCC	
Neighbourhoods				
Closed Graveyards	2	15	To review the management of operational risks	Operational risk
PLANNING & DEVELOPMENT				
Building Control	1	15	To review the management of operational risks	Operational risk
COMMERCIAL & PROPERTY				
Commercial Directorate Development Group	1&2	2.5	Pro-active support	Operational risk registers

Internal Audit Plan - April 2023 to September 2023	QTR	No of days	Detailed Rationale	Links to Risk Registers (strategic & operational) / Corporate Plan Projects / Business plans / Annual Governance Statement (AGS)
Project support	1&2	2.5	Proactive support to assist corporate plan projects (Town Deal / SRBC extra care scheme)	Corporate Plan projects
CHANGE AND DELIVERY				
Performance Management / Data Quality	1	10	Review of PIs based on risk profile.	AGS / Corporate Plan
Driver checks	2	5	Review to ascertain level of compliance with insurers expectations	Operational risk
GOVERNANCE				
General Data Protection Regulations	2	10	Risk based review. In depth review on aspect of legislative requirements	AGS / operational risk
GENERAL AREAS				
Post Audit Reviews	ALL	5	Follow up of agreed actions	To ensure actions are implemented as intended
Contingency / Irregularities	ALL	2.5	Unplanned reviews / contingency	To undertaken unplanned work
PSIAS – Peer Review	ALL	2.5	Peer Review process	To ensure compliance with PSIAS
Residual Work from 2022-2023	1	10	Finalise 22/23 reviews	
Committee Reporting / Effectiveness Review	All	5	Preparation of reports and attendance at Governance Committee	
TOTALS		141		

South Ribble Council

Final
Internal Audit Report

Waste Management 2022/2023

Audit Assurance: Limited
Auditor: David Holgate/Jacqui Murray
Date Issued: 3rd January 2023



Cert No: 20128
ISO 9001



WORKING TOGETHER

Reason for the Audit & Scope	
1	<p>The Council's Waste Collection Service is now delivered by an in-house team after the contract with FCC Environment Services, who had provided this service on behalf of the Council for many years, ended in June 2022. The in-house Waste Management Service offers household waste removal and recycling services to all homes in South Ribble with additional costs levied for garden waste, bulky waste collections and new container requests.</p> <p>The review will evaluate the processes and procedures that have been adopted since transition, assessing ongoing adherence to UK waste regulations and any associated governmental guidance.</p> <p>The review is included in the 2022/23 Annual Audit Plan approved by the Governance Committee on the 27th September 2022.</p>
2	<p>The review considered progress made with the Mobilisation Action Plan effected to facilitate the smooth transition of the service from the previous waste provider to an in-house service. Trade Waste was not included within the scope of this review.</p>

Audit Objectives	
3	<p>The overall objective of the audit was to provide an opinion of the adequacy, application and reliability of the key internal controls put in place by management to ensure that the identified risks are being sufficiently managed.</p>
4	<p>The audit also assessed the effectiveness of the various other sources of assurances using the three lines of defence methodology.</p>
5	<p>The audit will focus on specific risks where the controls in place mitigate a gross red / amber risks to a residual green risk. In addition, all fraud risks and performance management data will be included within our work.</p>

Audit Assurance	
6	<p>This is the first scheduled review for the South Ribble Waste Management Service since it was brought in house on the 11th June 2022.</p>
7	<p>The Head of Internal Audit is required to provide the Governance Committee with an annual audit opinion on the effectiveness of the overall control environment operating within the Council and to facilitate this each individual audit is awarded a controls assurance rating. This is based upon the work undertaken during the review and considers the reliance we can place on the other sources of assurance.</p>
8	<p>Appendix A shows the risks recorded on GRACE for Waste Management and the assurance opinion awarded to each. A risk workshop was held with the Waste Services team to aid with the formation of the service risk register.</p> <p>Due to the number of high level risks inherent within the Waste Management Service and the process changes that may occur as the in-house service is embedding, ownership of the risk register needs to be clearly assigned and reviewed frequently to ensure all emerging risks are captured and the mitigating controls fully documented.</p> <p>Our evaluation of the reliance we can place on the three lines of defence is also shown.</p>
9	<p>The Council is now undertaking the collection of residential household waste using an in-house team; this came into effect on 11th June 2022.</p> <p>A Mobilisation Plan was put in place to ensure the smooth transition of the service from the previous waste provider. Our review established that although a good proportion of the key tasks outlined in the</p>

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Mobilisation Plan are completed, the momentum for delivering the plan appears to have waned with actions still in progress or outstanding with no indication of an anticipated date for completion. Furthermore, several tasks marked as complete on the mobilisation plan still have elements outstanding and supporting evidence could not be obtained.

Operationally many aspects of the service are continuing in line with the well-established processes in place under the previous waste provider and to provide direction for future service delivery, a Waste Collection Strategy is currently being drafted.

Given Waste Services is considered by the Health and Safety Executive to be high risk, the Council is currently unable to evidence that all aspects of Health and Safety is effectively embedded with a lack of up to date documentation and training/training records. Further, operatives need to be reminded about the requirement to report near misses, accidents and incidents and management to ensure a good health and safety culture is maintained.

Roles and responsibilities of supervisors and waste officers need to be clearly defined, and a robust regime of formally documented checks should be introduced to ensure that a quality service can be delivered and that concerns / breaches of policy are appropriately escalated. Key roles regarding implementing areas of compliance and application of technical competence are not reflected in the current structure that were integral when the service was contracted to FCC.

The procurement of CCTV equipment for the Council's fleet be prioritised to safeguard assets, aid with insurance claims and help protect staff and the public.

Acknowledgement has been given during our review to the legacy issues that the Council has inherited from the previous waste contract and to the fact that the Service is realigning and taking steps to entrench itself into Council culture and corporate requirements since June 2022; our findings aim to strengthen this further. However, due to the significance of the Health and Safety risks highlighted and the potential repercussions this may have for the Council a **Limited** assurance rating has been awarded for this review. The action plan at Appendix B provides further details of the findings and risks identified.

Control Rating Key

Full – the Authority can place complete reliance on the controls. No control weaknesses exist.

Substantial – the Authority can place sufficient reliance on the controls. Only minor control weaknesses exist.

Adequate – the Authority can place only partial reliance on the controls. Some control issues need to be resolved.

Limited – the Authority cannot place sufficient reliance on the controls. Substantive control weaknesses exist

Risk and Controls	Control Evaluation
Risk 1 – Unable to maintain appropriate level of resource (staffing levels/vehicles)	
Waste Collection Strategy provides direction for the service	Action 1
*Mobilisation action plan in place to facilitate change	Action 2
*Roles and responsibilities are clearly outlined	Action 4
*Business Plan 2022/23 setting out the key projects and programs for the year	Working as intended
Capacity planning in place to ensure service operates effectively	Action 5
Supervisors undertake operational checks on waste crews	Action 10
Performance indicators monitored to ensure targets are being met	Action 14
Risk 2 – Health & Safety responsibilities and practices are not clearly assigned, documented and undertaken	
Corporate Induction	Action 6
Health and safety training provided	Action 6 & 8
Health and safety safe working practices procedures completed and reviewed annually	Action 7
Insurance in place and considered in the annual renewal	Working as intended
Safe Driving Practices implemented and reinforced	Working as intended
Confrontational register communicated with waste crews	Action 7
Route planning procedures in place including risk assessments	Action 7
Risk Assessments undertaken for all tasks in the service	Action 7
Supervisors undertake operational checks on waste crews	Action 7
Clinical Household Waste regulations followed	Action 8
Accident forms are completed in line with incident reporting procedures	Action 9
PPE issued correctly and reordering process in place	Working as intended
Supervisors undertake operational checks on waste crews	Action 10
CCTV on waste vehicles	Action 11
Risk 3 - Breach of waste management regulations/guidance	
Waste Collection Strategy provides direction for the service	Action 1
Documented Working Practices to ensure performance is consistent and in line with legislation	Action 4
Officer knowledge of waste industry kept up to date	Working as intended
Clinical Household Waste regulations followed	Action 8
Risk 4 – Poor awareness of Council’s Waste Management Services leading to dissatisfaction and complaints	
Resident Surveys conducted too assess whether the Waste Management service meets residents needs	Action 3
Publication of Waste Service information	Action 12
All customer contacts dealt with by Customer Services (Gateway)	Action 13
Project Campaigns to raise awareness Waste related subjects	Working as intended
Penalties/Fines - Repeat Offenders Monitored	Action 16
Proactive Environmental Education Programme run in schools	Working as intended
Dealing with complaints in line with corporate procedures	Working as intended
Risk 5 - Bin collections are missed due to ineffective policies and procedures	
Waste Collection Strategy provides direction for the service	Action 1
Documented working practices to ensure practices are consistent and legislation is adhered too	Action 4
Route Planning procedures in place including risk assessments	Action 7
Supervisors undertake operational checks on waste crews	Action 10
Dealing with complaints in line with corporate procedures	Working as intended
Alternative provision for uncollectable roads	Working as intended
CCTV on waste vehicles	Action 11
Publication of Waste Management Service information	Action 12
All customer contacts dealt with by Customer Services (Gateway)	Action 13

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Performance indicators monitored to ensure targets are being met	Action 14
Risk 6 – Lack of consideration for vulnerable residents	
Resident surveys conducted to assess whether the Waste Management service meets residents needs	Action 3
Publication of Waste Management Service information	Action 12
All customer contacts dealt with by Customer Services (Gateway)	Action 13
Assisted Collections Register for residents managed and communicated to operatives	Working as intended
Risk 7 - Procedures for income management are not robust (bulky collections/green waste collection)	
Charges reviewed at regular intervals	Action 17
Receipting system for payments	Working as intended
Garden Waste Subscription Service	Action 17
Container Requests (Existing Properties)	Working as intended
Container Requests (New Developments)	Working as intended
Bulky Waste income monitored	Working as intended
Risk 8 - Inadequate budget allocation and monitoring arrangements	
Performance indicators monitored to ensure targets are being met	Action 6
Budget Monitoring Procedures in place to keep track of cost variations	Working as intended
Allocated Budget set out for the service	Working as intended
Risk 9 – Robust business continuity arrangements are not formalised	
Adverse Weather Policy	Action 15
Business Continuity arrangements in place for the service	Action 15
Risk 10 - Failure to implement processes and procedures to deter bribery/theft/fraud	
Corporate mandatory training	Action 6
Dealing with complaints in line with corporate procedures	Working as intended
Supervisors undertake operational checks on waste crews	Action 7
CCTV on waste vehicles	Action 11
All customer contacts dealt with by Customer Services (Gateway)	Action 13

*Additional risks and controls identified by Internal Audit to be added to GRACE

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AUDIT ASSURANCE

Three Lines of Defence

Audit Area	1 st Line	2 nd Line	3 rd Line	Internal Audit opinion
Review of Waste Management	Senior Management		Internal Audit	Reliance cannot be placed on the first line of defence whilst overall responsibilities for the service remains unclear and significant issues have been identified.

Risk and Control Evaluation

Risks Examined	Full	Substantial	Adequate	Limited
Risk 1 – Unable to maintain appropriate level of resource (staffing levels/vehicles)				✓
Risk 2 – Health & Safety responsibilities and practices are not clearly assigned, documented and undertaken				✓
Risk 3 - Breach of waste management regulations/guidance			✓	
Risk 4 – Poor awareness of Council’s Waste Management Services leading to dissatisfaction and complaints		✓		
Risk 5 - Bin collections are missed due to ineffective policies and procedures			✓	
Risk 6 - Lack of consideration for vulnerable residents		✓		
Risk 7 - Procedures for income management are not robust (bulky collections/green waste collection)		✓		
Risk 8 - Inadequate budget allocation and monitoring arrangements		✓		
Risk 9 – Robust business continuity arrangements are not formalised				✓
Risk 10 - Failure to implement processes and procedures to deter bribery/theft/fraud			✓	
OVERALL AUDIT OPINION				✓

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MANAGEMENT ACTION PLAN

NO.	FINDING	AGREED ACTION	OFFICER & DATE
	Strategic Direction of Waste Service & Resources		
1	<p>The need for a Waste Collection Strategy has been identified and acknowledged by the Waste Management Service and this is currently being drafted.</p> <p>Completion and approval of this will outline how household waste will be collected in a timely and economical manner whilst meeting Government targets for recycling, landfill and the promotion of waste prevention.</p>	The draft joint Waste Collection Strategy with Chorley Council is currently being considered by SLT for committee approval in quarter 4 2022/23. The Waste Operations Manager will complete the South Ribble specific action plan by the end of January to ensure that it is included within the final version of the Strategy.	Asim Khan/Russell Hutchinson March 2023
2	<p>A review of the mobilisation action plan identified that a number of the tasks have not commenced or are still in progress. Furthermore, some tasks have been deemed as completed however, on further investigation we were unable to evidence completion. As such, many of the original tasks have been identified as a control weakness during the course of our review and are subsequently detailed below.</p> <p>Continued focus is required to ensure that the Mobilisation Plan is completed as soon as possible to ensure successful transition and delivery of the in-house service.</p>	The Waste Operations Manager will revisit the mobilisation action plan and appraise the outstanding actions to ensure suitable completion timescales are in place. This will be shared with the Director of Customer & Digital for approval and ongoing progress monitored monthly thereafter.	Asim Khan/Russell Hutchinson Jan 2023
3	A resident's survey was set out as a service priority for the year on the Service Business Plan however the delivery of this has now been postponed until the Government's National Waste Strategy has been released.	Work will commence on the resident's survey during 2023 in collaboration with the Communications Team. The results of the survey will help inform the Council's local waste collection objectives.	Asim Khan/Russell Hutchinson Dec 2023

	<p>Consideration should be given to undertaking the residents survey as soon as possible as it provides an opportunity to understand what the community thinks about the service currently provided and will help provide direction for effective quality improvements going forward.</p>		
4	<p>There is a need to ensure that roles and responsibilities of the Supervisors and the Waste Officers that support the management of the service need to be clarified and formalised.</p> <p>There is currently a lack of clarity regarding the roles Officers are undertaking. Job descriptions provided by HR were from the previous waste provider supplied to the Council during the TUPE process and it is unclear if these have been adopted by the Council.</p> <p>This was particularly evident around responsibilities for health and safety compliance and application of technical competence. These were integral when the service was contracted to FCC but are not equally reflected within the current structure.</p> <p>Furthermore, when clarity of roles is firmly established, it is essential that the administrative processes and procedures that support the delivery of the service are formalised, outlined and documented as soon as possible and shared with all depot staff to ensure:</p> <ul style="list-style-type: none"> • Roles and responsibilities are clearly defined; • Concise and accurate instructions are provided; • Clarity to the standard expected; • A uniform approach is adopted throughout the service. 	<p>A review of resourcing requirements for the Waste Management Service will be undertaken during the course of 2023 to ensure that that service has the correct level of resource in place to continue to provide a good quality service to the residents of South Ribble, and help alleviate capacity problems facing the service due to legacy issues inherited from the previous waste provider.</p> <p>Recruitment is currently being undertaken to fill the vacant Head of Service position that will be key to leading the implementation of the review.</p> <p>Once the resourcing report has been approved for implementation, clarity of roles and responsibility will be clearly outlined within the new service structure and updated job descriptions.</p> <p>When a new service structure has been established it is essential that the administrative processes and procedures that support the delivery of the service are formalised, outlined and documented as soon as possible and shared with all depot staff.</p>	<p>Asim Khan/Head of Service/Russell Hutchinson</p> <p>Dec 2023</p>

5	<p>It has previously been identified that the Service is struggling to maintain the correct level of staff to deliver the current rounds/routes due to the increase in households built within the borough and legacy capacity issues inherited from the previous waste provider. Operatives are currently working overtime to ensure that rounds are completed as scheduled and if this is maintained over a prolonged period of time there is a risk that regularly working long hours adversely affecting employees work and health with fatigue potentially increasing in absence levels and unsafe working practices.</p> <p>A service resourcing report has been drafted setting out the possible options to address capacity levels this should be progressed and agreed as soon as possible to alleviate the current pressures facing the service.</p>	<p>Agency staff have been utilised as a temporary measure to alleviate staff capacity issues however, this is not sustainable for a prolonged period due to budget constraints.</p> <p>The review of resourcing requirements for the Service outlined in Action 4 aims to address this issue and ensure that a fully resourced and experienced core operational team can be maintained.</p>	
6	<p>There was evidence of an induction process operating within the Waste Service with an induction pack provided to new starters.</p> <p>Our work however identified the following issues:</p> <ul style="list-style-type: none"> • No service specific training records were available for new starters to ascertain what training has been undertaken; • The induction refers to a driver's handbook which is not currently in existence. <p>In addition, the current induction process does not align with the Council's corporate induction process outlined within Learning Hub and there is no record of mandatory training being completed within the agreed timescales (either online or face to face).</p>	<p>The Waste Operations Manager will ensure that a training needs analysis is undertaken for operational staff, and a comprehensive induction training programme is developed and agreed/approved with assistance from Human Resources, the Learning and Development Team and the Health and Safety Team. This will ensure operational staff are provided with suitable induction training in an appropriate format that meets the needs of officers and the service.</p> <p>See Action 8 for additional record keeping requirements for staff induction.</p>	<p>Russell Hutchinson</p> <p>Jan 2023</p>
	Health and Safety		

7	<p>During the insourcing phase, a considerable amount of work was undertaken to ensure risk assessments and safe systems of work were reviewed and updated.</p> <p>It was however identified that this work was not fully completed. The review of risk assessments, Safe Working Practices and Control of Substances Hazardous to Health Inventories (COSHH) identified that a number of documents are missing or have passed their scheduled date for review. This included 1 route risk assessment which has not been completed and 7 routes overdue for review.</p> <p>All documentation and processes should be reviewed to ensure a comprehensive suite of risk assessments and Safe Working Practices are in place and renewed on a regular basis. Additionally, these documents need to be readily accessible and understood by the teams routinely undertaking the tasks outlined.</p> <p>It was also identified that there is a need to implement a process of monitoring the information held within the confrontational register and effectively communicating this to drivers and waste officers undertaking collections.</p>	<p>Since testing was undertaken additional risk assessments and Safe Working Practices have been completed/reviewed. The Waste Operations Manager will ensure that the remaining risk assessments, Safe Working Practices and COSHH Inventories are completed/reviewed imminently and that hard copies of this information in placed in an area that is accessible to the operational staff to whom the procedures apply.</p> <p>Waste Operations Manager will assess the current position in relation to the collection route risk assessments, evaluate the process required to review the routes, ensure a timetable for review is established and completed as soon as possible by an appropriately experienced member of staff. On completion crews will be alerted to any updates that have been made to their respective route risk assessments.</p> <p>The Waste Operations Manager will make further enquiries regarding the functionality of the in-cab system to ascertain if it could be used to alert to crews to risks identified on the confrontational register.</p>	<p>Russell Hutchinson</p> <p>Jan 2023</p> <p>Jan 2023</p> <p>March 2023</p>
8	<p>Due to nature of the work undertaken within the Waste Service health and safety training is essential to safeguard staff and members of the public. Our review was unable to establish what health and safety training had been provided to Waste Officers as up to date training records were not available for review.</p> <p>It was also identified that since the in-sourcing no 'Toolbox Talks' have been delivered to operational staff.</p>	<p>The Waste Operations Manager will confirm that all Waste Officers have been set up with a Council Learning Hub account and ensure that they complete the Council mandatory e-learning; and can access the additional learning resources appropriate to their role. Site specific training identified as essential to their role will be timetabled for completion and a record of this will be</p>	<p>Russell Hutchinson</p> <p>Jan 2023 (Training Needs Analysis)</p>

	<p>A programme of health and safety training should be established and timetabled for delivery to include the following areas as a minimum:</p> <ul style="list-style-type: none"> • Hazardous Materials; • Manual Handling; • First Aid Training; • Hazard and near miss identification/reporting. 	<p>maintained within Learning Hub with the associated evidence.</p> <p>The Waste Operations Manager will ensure that a training needs analysis is undertaken for operational staff, and a comprehensive training programme is developed and agreed/approved with assistance from Human Resources, the Learning and Development Team and the Health and Safety Team. This will ensure operational staff are provided with suitable training in an appropriate format that meets the needs of officers and the service.</p> <p>Furthermore, a comprehensive central training record will be developed and maintained for all operational staff.</p> <p>This record will include:</p> <ul style="list-style-type: none"> • Corporate Induction and site-specific induction training; • Corporate mandatory training; • Site-specific training – i.e. risk assessments/Safe Working Practices/COSHH/Toolbox Talks; • Health and Safety Training; • Any other role specific training undertaken. <p>Furthermore, the record will be able to quickly identify training gaps that exist for any individual and all training undertaken will be evidenced by the retention of an attendance record and/or training certificate.</p>	<p>March 2023 (Training Programme)</p> <p>March 2023 (Training Records)</p>
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9	<p>Information on near misses, accidents and incidents can be used to develop solutions to potential risks and as such these figures are regularly reported to the Council's Health and Safety Officer.</p> <p>Testing highlighted that there has been a dramatic decrease in the number of near misses reported since the Waste Service was brought in house with average figures of 20 events reported monthly by the previous providers in the 12 months prior to contract end decreasing to only 2 events over the period June to November 2022.</p> <p>Furthermore, there is evidence that a RIDDOR reportable accident was not reported to the Health and Safety Officer until a month after the event.</p> <p>Depot staff need to be briefed as soon as possible to ensure that all staff are aware of the requirement to report all near misses, accidents and incidents as soon as possible after an event has occurred.</p>	<p>The Waste Operation Manager will liaise with the Health and Safety Team to identify and clarify the level and standard of reporting expected for near misses, accidents and incidents. Once established this information should be shared across the whole service to ensure all staff are aware of their responsibility to report incidents and know how to do so.</p> <p>Furthermore, the Waste Operations Manager will ensure that all RIDDOR reportable accidents are reported to the Health and Safety Team as soon as possible after the incident has occurred.</p>	<p>Russell Hutchinson</p> <p>Jan 2023</p>
10	<p>Testing identified that a level of supervisory check is being undertaken however, there is no formal approach to how checks are conducted or how issues are escalated.</p> <p>To ensure high standards of service are achieved and ongoing monitoring is evidenced, a review of supervisory checks should be undertaken to ensure that all essential high-risk areas i.e. correct use of PPE, correct operational procedures evidenced, health and safety considerations are incorporated.</p>	<p>A robust Health and Safety check will be undertaken by the Waste Officers on a quarterly basis. A checklist is currently being developed for implementation in quarter 4 that will supplement the frequent supervisory checks currently in place conducted by the Operational Supervisors.</p> <p>Additionally, written procedures will be developed to support the checks undertaken and will outline:</p> <ul style="list-style-type: none"> • The level of checks to be conducted • The frequency of checks 	<p>Russell Hutchinson</p> <p>March 2023</p>

	Furthermore, checks should be conducted on a regular basis, evidence of checks retained, and any serious issues escalated for remedial action.	<ul style="list-style-type: none"> • The need to retain evidence of checks undertaken • The escalation process for any breaches identified. 	
11	<p>The service utilises 360° cameras to investigate issues that arise during waste collection rounds, however only 6 of the current fleet of 17 vehicles have CCTV installed.</p> <p>The need to extend CCTV coverage was acknowledged by the Waste Operations Manager and is included in the Mobilisation Action Plan and the service are preparing to procure new equipment for the fleet. This should be undertaken as soon as possible to ensure the Council's assets are protected from theft/damage and help reduce insurance costs and prevent fraudulent claims.</p> <p>Furthermore, the Council needs to adopt a CCTV usage policy to make it clear what the cameras will be utilised for so as not to risk a breach of the Data Protection Act.</p>	<p>The procurement of CCTV for the waste fleet forms part of a larger CCTV procurement exercise across the organisation and it is anticipated that the method of award will be formally approved in quarter 4 2022/23 which should facilitate this finding.</p> <p>The timetable for implementation will be outlined in the Mobilisation Action Plan as per Action 2.</p> <p>Additionally, the Waste Operations Manager should outline what the cameras on the waste fleet will be utilised for so that this can be included within the Council's CCTV usage policy once developed.</p>	<p>Asim Khan</p> <p>March 2023</p> <p>Russell Hutchinson</p> <p>March 2023</p>
	Service Delivery / Performance Monitoring		
12	<p>A good level of information was provided on the Council's website for waste collection and recycling services however, several hyperlinks were found to be not working and references to the previous waste contractor were still available.</p> <p>If residents are unable to access accurate and up to date information on the website this may lead to an increased burden placed on Gateway Services to obtain and clarify collection information.</p>	<p>The Internal Audit Team will share the results of the website testing with the Waste Operations Manager to enable further investigation and liaison with the ICT team to amend the issues identified.</p>	<p>Russell Hutchinson</p> <p>Feb 2023</p>

13	<p>All contacts with residents are documented by Gateway using the Firmstep customer relationship management system however, there are known instances of service requests processed via Firmstep not being transferred to the Waste Management Team for action. All missing requests that have come to light have been passed to ICT for further investigation however this issue is still outstanding, and the risk of missing service requests and customer complaints remain.</p>	<p>Waste Operations Manager will liaise with the Head of ICT to ascertain for certain if the ongoing issue with Firmstep service request issues can be resolved.</p>	<p>Russell Hutchinson Jan 2023</p>
14	<p>It is essential that reported performance information is accurately presented as it is used to aid decision making.</p> <p>Performance Indicators (PI's) have been established for the Service as set out in the Business Plan 2022/23. However only 2 of the 3 corporately established PI's have established written procedures in place and a service level performance indicator relating to missed bins also lacks clarity with no written procedure available on request.</p> <p>Furthermore, the designated Responsible Officer for the calculation and input of PI's need to be formalised.</p> <p>Consideration should be given to reviewing the existing PI's to ensure that they are relevant and meaningful for the Service. Once reviewed procedures need to be documented as set out in the Council's Corporate Performance Framework.</p>	<p>Waste Operations Manager will contact the Policy and Performance Team to ensure that written procedures to support current PI's are present and an appropriate inputter and authoriser has been assigned for the Service.</p> <p>Furthermore, PI's for the Service will be reviewed and aligned with the Waste Management Strategy once this has been approved.</p>	<p>Russell Hutchinson Jan 2023</p> <p>Asim Khan/Head of Service/Russell Hutchinson March 2023</p>
15	<p>A Business Continuity Plan for the in-house Waste Management Service has not been developed to ensure the most critical service functions are clearly defined and prioritised, and corrective actions/processes are set out with responsibilities assigned.</p>	<p>Work to formalise contingency arrangements within a robust Business Continuity Plan for the Service has commenced. The Waste Operations Manager will</p>	<p>Russell Hutchinson May 2023</p>

	<p>It is essential that the plan is completed as soon as possible, and regularly tested, to ensure that all officers know their roles and responsibilities in the event of an unexpected incident/adverse weather conditions and will respond following the agreed procedures as set out to ensure that the most important functions and systems are up and running in the shortest possible time frame.</p>	<p>complete this exercise with assistance from the Senior Risk and Insurance Officer where required.</p> <p>The final version of the Business Continuity Plan will be shared with all relevant members of the team to ensure that they are aware of their roles and responsibilities; and tested on a regular basis so that it remains fit for purpose.</p>	
16	<p>Crews have the ability to report contaminated bins on the in-cab devices and fix contamination labels on bin handles to alert residents to why their bins was not collected however, the Council does not have a formal policy or process in place to sanction/fine residents who continually fail to follow recycling guidelines and as such testing identified no cases where repeat offenders had suffered sanctions.</p> <p>Consideration should be given to formalising policy and procedures for breaching recycling guidelines to act as a deterrent and ensure a consistent approach is taken for each case identified.</p>	<p>Current arrangements in place for identifying and dealing with contaminated bins will be outlined within written procedure notes to ensure a consistent approach is taken with each case identified.</p> <p>The Service has a historical approach of promoting recycling habits through education and awareness campaigns and this approach will be outlined within the new pending Waste Collection Strategy.</p> <p>Consideration may be given to adopting fines and penalties in the future in line with Government guidance if there is an escalation in non-compliance with the Council's waste collection rules. The Waste Collection Strategy would be updated to reflect this.</p>	<p>Russell Hutchinson</p> <p>April 2023</p>
17	<p>The Council's bulky waste collection service fees and garden waste subscription have not been subject to review for a number of years. A regular review of the services provided will ensure that the amount charged covers the of the cost of providing the service whilst remaining value for money for customers.</p>	<p>Changes to bulky waste collection fees and garden waste subscriptions will be considered by Cabinet in January 2023 as part of the 2023/24 Fees and Charges Report of the Director of Finance.</p>	<p>Cabinet</p> <p>January 2023</p>

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