



Epping Forest District Council

AUDIT & GOVERNANCE COMMITTEE **Monday, 27th July, 2020**

You are invited to attend the next meeting of **Audit & Governance Committee**, which will be held at:

Virtual Meeting on Zoom
on **Monday, 27th July, 2020**
at **7.00 pm** .

Georgina Blakemore
Chief Executive

Democratic Services
Officer

Gary Woodhall
Tel: 01992 564243
Email: democraticservices@eppingforestdc.gov.uk

Members:

Councillors I Hadley, S Heap, R Jennings, B Vaz and P Keska

Independent -

1. WEBCASTING INTRODUCTION

This meeting is to be webcast. The Chairman will read the following announcement:

“Please note that this virtual meeting may be filmed for live or subsequent broadcast via the Council's internet site - at the start of the meeting the Chairman will confirm if all or part of the meeting is being filmed.

You should be aware that the Council is a Data Controller under the Data Protection Act. Data collected during this webcast will be retained in accordance with the Council's published policy.

Therefore by participating in this virtual meeting, you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes. If members of the public do not wish to have their image captured they should ensure that their video setting throughout the virtual meeting is turned off and set to audio only.

In the event that technical difficulties interrupt the virtual meeting that cannot be overcome, the Chairman may need to adjourn the meeting.

If you have any queries regarding this, please contact the Corporate Communications

Manager on 01992 564039.”

2. APOLOGIES FOR ABSENCE

(Democratic & Electoral Services Manager) To be announced at the meeting.

3. DECLARATIONS OF INTEREST

(Monitoring Officer) To declare interests in any item on the agenda for the meeting of the Committee.

4. MINUTES

(Democratic & Electoral Services Manager) To confirm the minutes of the meeting of the Committee held on 25 June 2020 (to follow).

5. MATTERS ARISING

(Democratic & Electoral Services Manager) To consider any matters arising from the minutes of the previous meeting of the Committee.

6. AUDIT & GOVERNANCE COMMITTEE - WORK PROGRAMME (Pages 5 - 6)

(Chief Internal Auditor) To consider the attached work programme for the Committee for 2020/21.

7. PLANNING SERVICES DIRECTORATE RISKS

(Service Director – Planning Services) To consider the risks involved with the stance of Natural England on planning applications affecting the Special Area of Conservation within Epping Forest, as well as the risks for other areas within the Directorate.

8. ANNUAL GOVERNANCE STATEMENT 2019/20 (Pages 7 - 26)

(Section 151 Officer) To consider and approve the Council’s Annual Governance Statement for 2019/20 (AGC-008-2020/21).

9. INTERNAL AUDIT MONITORING REPORT - JULY 2020 (Pages 27 - 48)

(Chief Internal Auditor) To review the work undertaken by the Internal Audit and Corporate Fraud Teams since the last meeting of the Committee in June 2020 (AGC-009-2020/21).

10. ANY OTHER BUSINESS

(Democratic & Electoral Services Manager) Section 100B(4)(b) of the Local Government Act 1972 requires that the permission of the Chairman be obtained, after prior notice to the Chief Executive, before urgent business not specified in the agenda (including a supplementary agenda of which the statutory period of notice has been given) may be transacted.

11. EXCLUSION OF PUBLIC AND PRESS

Exclusion:

(Democratic & Electoral Services Manager) To consider whether, under Section 100(A)(4) of the Local Government Act 1972, the public and press should be excluded from the meeting for the items of business set out below on grounds that they will involve the likely disclosure of exempt information as defined in the following paragraph(s) of Part 1 of Schedule 12A of the Act (as amended) or are confidential under Section 100(A)(2):

Agenda Item No	Subject	Exempt Information Paragraph Number
Nil	Nil	Nil

The Local Government (Access to Information) (Variation) Order 2006, which came into effect on 1 March 2006, requires the Council to consider whether maintaining the exemption listed above outweighs the potential public interest in disclosing the information. Any member who considers that this test should be applied to any currently exempted matter on this agenda should contact the proper officer at least 24 hours prior to the meeting.

Background Papers:

(Democratic & Electoral Services Manager) Article 17 of the Constitution (Access to Information) define background papers as being documents relating to the subject matter of the report which in the Proper Officer's opinion:

- (a) disclose any facts or matters on which the report or an important part of the report is based; and
- (b) have been relied on to a material extent in preparing the report and does not include published works or those which disclose exempt or confidential information and in respect of executive reports, the advice of any political advisor.

The Council will make available for public inspection one copy of each of the documents on the list of background papers for four years after the date of the meeting. Inspection of background papers can be arranged by contacting either the Responsible Officer or the Democratic Services Officer for the particular item.

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Audit & Governance Committee Work Programme 2020/21

25 June 2020

- Annual Report of the Chief Internal Auditor 2019/20.
- Corporate Fraud Team Annual Summary 2019/20
- Audit and Governance Committee Annual Report 2019/20.
- Internal Audit Strategy and Plan 2020/21
- Corporate Fraud Team Strategy 2020/21
- Internal Audit Progress Report.
- Risk Management Report

27 July 2020

- Statutory Statement of Accounts 2019/20
 - Annual Governance Statement 2019/20
 - Internal Audit Progress Report
- ❖ Audit of Accounts Annual Governance Statement 2019/20

28 September 2020

- Treasury Management Annual Outturn Report.
- Internal Audit Progress Report.
- Risk Management Report

23 November 2020

- Treasury Management Mid-Year Report.
 - Internal Audit Progress Report.
 - Risk Management Report
 - Review of the Audit and Governance Committee Terms of Reference.
 - Review of the Audit and Governance Committee Effectiveness.
 - Review of the Anti-Fraud and Corruption Strategy
- ❖ Annual Audit Letter 2019/20

25 January 2021

- Treasury Management Investment & Strategy Statements.
- Internal Audit Progress Report.
- Risk Management Report
- Review of Code of Corporate Governance.
- Review of the Internal Audit Charter.

22 March 2021

- Risk Management Report
 - Internal Audit Progress Report
 - Internal Audit Strategy and Audit Plan 2020/21.
 - Corporate Fraud Team Strategy 2020/21.
- ❖ Planning Letter 2020/21.
- ❖ Audit Plan 2020/21

- ❖ Grant Claims Audit Report 2019/20

Key

- EFDC Officer Report.
- ❖ External Auditor Report.

N.B...In addition, the Committee's annual private meetings with the External (7pm) and Internal (7.15pm) Auditors are scheduled to take place prior to the 23 March 2020 meeting in the Conference Room.

Report to the Audit and Governance Committee



**Epping Forest
District Council**

Report reference: **AGC-008-2020/21**

Date of meeting: **27 July 2020**

Portfolio: **Leader of the Council**

Subject: **Annual Governance Statement 2019/20**

Responsible Officer: **Andrew Small (01992 564278).**

Democratic Services: **Gary Woodhall (01992 564470).**

Recommendations/Decisions Required:

- (1) That the Committee approves the Annual Governance Statement for 2019/20**

Executive Summary:

The Council's Statutory Statement of Accounts have to be prepared in accordance with the Accounts and Audit Regulations 2015. Within the Regulations, and in accordance with defined 'proper practice', there is a mandatory requirement to publish an Annual Governance Statement (AGS).

The production of an AGS enables the Council to use the review process positively and proactively to deliver assurance about governance arrangements within the Council to stakeholders, and to develop better arrangements where the review finds areas in need of improvement. The process involves a comparison of achievements against the principles set out in the Council's Local Code of Governance and supports an intention and commitment to provide good governance.

Reasons for Proposed Decision:

Although the AGS is not subject to audit by the external auditors, it is a public document and auditors form a view of governance arrangements by comparing statements with their accumulated knowledge of systems and controls. Any significant differences between the two are likely to raise questions about the Council's willingness to acknowledge and address problem areas.

Approval of the AGS should be at a corporate level and should be confirmed by the most senior Officer and Councillor signing the Statement on behalf of the Council. It is good practice for the Council to review and approve the AGS separately from the accounts, as proposed in this report, as this helps to ensure its robustness and reinforce its corporate standing. As the AGS is published, it is an opportunity to demonstrate that the Council is self-aware and has set a transparent agenda for improvement.

Other Options for Action:

No other options.

Report:

Background

1. The CIPFA/SOLACE document Delivering Good Governance in Local Government Framework (2016) defines the principles that should underpin the governance of each local government organisation and has been followed in preparing the AGS. In accordance with good practice the governance statement has included the following information:
 - (a) an acknowledgement of responsibility for ensuring there is a sound system of governance;
 - (b) an indication of the level of assurance that the systems and processes that comprise the Authority's governance can provide;
 - (c) a brief description of the key elements of the governance framework, including reference to group or partnership activities where those activities are significant;
 - (d) a brief description of the process that has been applied in maintaining and reviewing the effectiveness of the governance arrangements; and
 - (e) an outline of the actions taken, or proposed, to deal with significant governance Issues.
2. The Council must review its systems of internal control and governance annually and assure itself that its internal control environment is effective. Various sources of assurance are relied upon to enable the preparation of the AGS. These include:
 - work of the internal auditors
 - work carried out by the external auditors
 - reports from other review agencies and inspectorates (if applicable).
3. The AGS is derived partly from detailed reviews by all Service Directors of the effectiveness of the governance arrangements operating within their service areas, by reference to a detailed checklist incorporating the key elements within the Local Code of Governance. As part of this process Directors have considered available evidence to demonstrate that these governance systems and processes are working effectively and as intended. All Directors have provided assurance statements indicating the level of assurance that can be placed on the effectiveness of key controls operating at service level. These statements are intended to be a balanced representation of the arrangements in place during the year, and to highlight those areas where improvement is required. Significant issues are commented upon in the Governance Statement.
4. Internal Audit focuses its work on providing an independent and objective opinion on the Council's internal controls and submits an annual report and quarterly monitoring reports to this Committee, where significant audit findings and improvement areas are highlighted. The Chief Internal Auditor is required to include in the annual audit report an opinion on the overall adequacy and effectiveness of the Council's internal control environment, drawing attention to any issues that are relevant to the preparation of the Governance Statement. The annual audit report for 2019/20 was considered at the June meeting of the Audit and Governance Committee.

5. The AGS covers all significant corporate systems, processes and controls, spanning the whole range of the Council's services, including those designed to ensure that:
 - the Council's policies are implemented in practice
 - high quality services are delivered efficiently and effectively
 - the Council's values and ethical standards are met
 - laws and regulations are complied with
 - required processes are adhered to
 - financial statements and other published performance information is accurate and reliable
 - human, financial, environmental and other resources are managed efficiently and effectively
6. The AGS is required to disclose any governance issues which may impact on the Council being able to achieve its corporate objectives. These are set out towards the end of the AGS, together with proposed actions to address these concerns and improve performance.
7. Preparation of the AGS has been managed by the Council's Corporate Governance Group, and a draft of the AGS was considered by them. This Corporate Governance Group will continue to monitor the actions set out in the AGS, along with other work that is relevant to governance. This will include, but is not limited to, managing the audit recommendation tracker and reviewing progress with risk and performance management.

Changes due to Covid-19

8. The Annual Governance Statement (AGS) is required under the Accounts and Audit Regulations 2015. These regulations also determine the timetable for approval and publication. As a result of pressures on local government from the coronavirus pandemic a new timetable was announced for English authorities. Local authorities will need to sign off their draft accounts by 31 August 2020, instead of 31 May 2020. The draft AGS should be produced at the same time. The date for final publication of the accounts and AGS has also been put back to 30 November in England. This is also the target date for the accounts to be audited, although this is not a statutory requirement.
9. The AGS assesses governance arrangements in place during 2019/20. Therefore, the majority of the year was unaffected by coronavirus.

Resource Implications:

From existing resources.

Legal and Governance Implications:

Completion and approval of the Annual Governance Statement is required by the Accounts and Audit (England) Regulations 2015.

Safer, Cleaner and Greener Implications:

No specific implications.

Consultation Undertaken:

Corporate Governance Group and Directors.

Background Papers:

The following papers referred to in the preparation of the report are not attached as appendices but are available for public or Councillor study:

Accounts and Audit (England) Regulations 2015

Delivering Good Governance in Local Government (Framework and Guidance Note for English Authorities) CIPFA/SOLACE (2016 Edition)

Risk Management:

The risk management arrangements that the Council has in place are a fundamental element of the assurance framework and the AGS is based extensively on these. However, despite the work undertaken, the Council's review of its internal control and governance environment may not identify all of the internal control issues that exist.

Equality Analysis:

The Equality Act 2010 requires that the Public Sector Equality Duty is actively applied in decision-making. This means that the equality information provided to accompany this report is essential reading for all members involved in the consideration of this report. The equality information is provided at Appendix 2 to the report.

Equality Impact Assessment

1. Under s.149 of the Equality Act 2010, when making decisions, Epping District Council must have regard to the Public Sector Equality Duty, ie have due regard to:
 - eliminating unlawful discrimination, harassment and victimisation, and other conduct prohibited by the Act,
 - advancing equality of opportunity between people who share a protected characteristic and those who do not,
 - fostering good relations between people who share a protected characteristic and those who do not, including tackling prejudice and promoting understanding.
2. The characteristics protected by the Equality Act are:
 - age
 - disability
 - gender
 - gender reassignment
 - marriage/civil partnership
 - pregnancy/maternity
 - race
 - religion/belief
 - sexual orientation.
3. In addition to the above protected characteristics you should consider the cross-cutting elements of the proposed policy, namely the social, economic and environmental impact (including rurality) as part of this assessment. These cross-cutting elements are not a characteristic protected by law but are regarded as good practice to include.
4. The Equality Impact Assessment (EqIA) document should be used as a tool to test and analyse the nature and impact of either what we do or are planning to do in the future. It can be used flexibly for reviewing existing arrangements but in particular should enable identification where further consultation, engagement and data is required.
5. Use the questions in this document to record your findings. This should include the nature and extent of the impact on those likely to be affected by the proposed policy or change.
6. Where this EqIA relates to a continuing project, it must be reviewed and updated at each stage of the decision.
7. All **Cabinet, Council, and Portfolio Holder reports must be accompanied by an EqIA**. An EqIA should also be completed/reviewed at key stages of projects.
8. To assist you in completing this report, please ensure you read the guidance notes in the Equality Analysis Toolkit and refer to the following Factsheets:
 - Factsheet 1: Equality Profile of the Epping Forest District
 - Factsheet 2: Sources of information about equality protected characteristics
 - Factsheet 3: Glossary of equality related terms
 - Factsheet 4: Common misunderstandings about the Equality Duty
 - Factsheet 5: Frequently asked questions
 - Factsheet 6: Reporting equality analysis to a committee or other decision making body

Section 1: Identifying details

Your function, service area and team: **Internal Audit, Chief Executive**

If you are submitting this EqIA on behalf of another function, service area or team, specify the originating function, service area or team: **N/A**

Title of policy or decision: **Annual Governance Statement**

Officer completing the EqIA: Tel: **01992 564449** Email: **slinsley@eppingforestdc.gov.uk**

Date of completing the assessment: **09/07/19**

Section 2: Policy to be analysed

2.1	Is this a new policy (or decision) or a change to an existing policy, practice or project? N/A - report is approval of the Annual Governance Statement (AGS) by the Audit and Governance Committee
2.2	Describe the main aims, objectives and purpose of the policy (or decision): For Audit and Governance Committee to approve the Council's governance arrangements What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)? Approval of AGS
2.3	Does or will the policy or decision affect: <ul style="list-style-type: none">• service users• employees• the wider community or groups of people, particularly where there are areas of known inequalities? N/A Will the policy or decision influence how organisations operate? N/A
2.4	Will the policy or decision involve substantial changes in resources? N/A
2.5	Is this policy or decision associated with any of the Council's other policies and how, if applicable, does the proposed policy support corporate outcomes? N/A

Section 3: Evidence/data about the user population and consultation¹

As a minimum you must consider what is known about the population likely to be affected which will support your understanding of the impact of the policy, eg service uptake/usage, customer satisfaction surveys, staffing data, performance data, research information (national, regional and local data sources).

3.1	What does the information tell you about those groups identified? N/A
3.2	Have you consulted or involved those groups that are likely to be affected by the policy or decision you want to implement? If so, what were their views and how have their views influenced your decision? N/A
3.3	If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary: N/A

Section 4: Impact of policy or decision

Use this section to assess any potential impact on equality groups based on what you now know.

Description of impact	Nature of impact Positive, neutral, adverse (explain why)	Extent of impact Low, medium, high (use L, M or H)
Age	N/A	N/A
Disability	N/A	N/A
Gender	N/A	N/A
Gender reassignment	N/A	N/A
Marriage/civil partnership	N/A	N/A
Pregnancy/maternity	N/A	N/A
Race	N/A	N/A
Religion/belief	N/A	N/A
Sexual orientation	N/A	N/A

Section 5: Conclusion

		Tick Yes/No as appropriate	
5.1	Does the EqIA in Section 4 indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No <input checked="" type="checkbox"/>	
		Yes <input type="checkbox"/>	If ' YES ', use the action plan at Section 6 to describe the adverse impacts and what mitigating actions you could put in place.

Section 6: Action plan to address and monitor adverse impacts

What are the potential adverse impacts?	What are the mitigating actions?	Date they will be achieved.

Section 7: Sign off

**I confirm that this initial analysis has been completed appropriately.
(A typed signature is sufficient.)**

Signature of Head of Service: Sarah Marsh

Date: 01/07/19

Signature of person completing the EqlA: Sue Linsley

Date: 01/07/19

Advice

Keep your director informed of all equality & diversity issues. We recommend that you forward a copy of every EqlA you undertake to the director responsible for the service area. Retain a copy of this EqlA for your records. If this EqlA relates to a continuing project, ensure this document is kept under review and updated, eg after a consultation has been undertaken.

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EPPING FOREST DISTRICT COUNCIL

Annual Governance Statement 2019/20

1. Scope of responsibility

Epping Forest District Council (EFDC) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, including arrangements for the management of risk.

The Council has approved and adopted a Local Code of Governance (last updated January 2020), which is consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government and forms part of the Councils Constitution. A copy of the Code is on our website at www.eppingforestdc.gov.uk. The code is aligned to the 2016 edition of the CIPFA/SOLACE framework.

This statement explains how the Council has complied with the Code and also meets the requirements of Regulation 6(1) of the Accounts and Audit Regulations 2015, which requires all relevant bodies to prepare an annual governance statement (AGS).

2. The purpose of the governance framework

The governance framework comprises the systems and processes, culture and values for the direction and control of the Council and its activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.

The system of internal control is a significant part of the governance framework and is designed to manage risk to a reasonable level. It cannot eliminate all risks of failure to achieve policies, aims and objectives, and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives. It is also responsible for evaluating the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The Council's financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016).

The Council's Code of Governance recognises that effective governance is achieved through the following seven CIPFA/SOLACE principles.

- (i) Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

- (ii) Ensuring openness and comprehensive stakeholder engagement.
- (iii) Defining outcomes in terms of sustainable economic, social and environmental benefits.
- (iv) Determining the interventions necessary to optimise the achievement of intended outcomes.
- (v) Developing the Council's capacity, including the capability of its leadership and the individuals within it.
- (vi) Managing risks and performance through robust internal control and strong public financial management.
- (vii) Implementing good practices in transparency, reporting, and audit, to deliver effective accountability.

It is important the Council can demonstrate that its Annual Governance Statement is aligned with its Local Code and the seven CIPFA/SOLACE principles and this is set out in Appendix 1.

The table below summarises the Council's Governance Framework (which includes the system of internal control) for the year ending 31 March 2020 and up to the date of approval of this Statement and the Statement of Accounts.

The Governance Framework	
	The key elements of the Council's governance arrangements for 2019/20 were:
1	The corporate plan covering 2018-2023, setting out the Council's priorities and defining the goals to be achieved
2	The Constitution, which is revised each year: <ul style="list-style-type: none"> 2.1 sets out the Council's decision-making framework; 2.2 gives a clear definition of the roles and responsibilities of members, committees, and the statutory officers (Head of the Paid Service, Section 151 Officer and Monitoring Officer); 2.3 includes a scheme of delegation of responsibility, financial regulations and Procurement Rules; and 2.4 defines codes of conduct for members and officers, and a protocol for how the two work together.
3	The Council facilitates policy and decision making via a Cabinet Structure with Cabinet Member portfolios. The Council's Local Code of Governance was reviewed, updated and approved by the Audit and Governance Committee January 2020.
4	There are three Select Committees to cover the Council's corporate ambitions being Stronger Communities, Stronger Place and Stronger Council. In addition, Task and Finish Panels undertake specific reviews and there is a co-ordinating Overview and Scrutiny Committee.
5	A Standards Committee
6	An Audit and Governance Committee
7	A Leadership Team consisting of the Chief Executive, two Strategic Directors and a Chief Operating Officer. The Chief Executive as Head of Paid Service is supported by the Council's Monitoring Officer and Section 151 Officer
8	A Corporate Governance Group consisting of the Chief Executive, Section 151 Officer, Monitoring Officer, the Chief Internal Auditor and other senior officers as required depending on the agenda, meeting monthly

9	A Corporate Risk Strategy overseen by a Risk Management Group meeting quarterly
10	A standard committee report format that includes specific consideration of all legal, financial, professional, technical, risk management and equalities implications
11	A Medium Term Financial Strategy which informs service planning and budget setting, and a Finance and Performance Management Cabinet Committee that meets regularly
12	A comments, compliments and complaints procedure
13	A risk-based approach to internal audit, emphasising the need for sound control, governance and risk management arrangements
14	A robust whistle blowing policy and process (which is reviewed biennially and last updated January 2019) along with anti-fraud and corruption strategy (which was reviewed and approved by Council in December 2019) outlining the Council's zero tolerance approach to fraud and corruption and include anti-bribery and anti-money laundering policies.

3. Review of effectiveness

The Council is responsible for conducting, at least annually, a review of the effectiveness of its governance framework, including the system of internal control. The review of effectiveness is informed by the various sources noted below and concludes that the arrangements continue to be regarded as fit for purpose in accordance with the Council's governance framework:

The Chief Executive and Service Director governance statements, which provide appropriate management assurance that the key elements of the system of internal control are operating effectively;

Documentary evidence of processes, procedures and standards;

A Corporate Fraud Team, which supports the Council's counter fraud and corruption framework in taking action to prevent, detect and investigate fraud.

The Chief Internal Auditor's annual opinion on the Council's control environment, delivered to the Audit and Governance Committee, as the body charged with governance. Audit reports issued along with the assurance ratings of, substantial, moderate, limited or no assurance, on the adequacy and effectiveness of the Council's control environment, including key financial systems;

The work undertaken by the External Auditor reported in their annual audit and inspection letter and other review reports;

Significant governance issues from previous years and from 2019/20

4. Impact of coronavirus on the Council's governance arrangements for 2019/20

On 23 March 2020 the Prime Minister announced a national lockdown due to the coronavirus pandemic. The Council invoked its emergency powers under Article 7 (appendix 3) of the Council's Constitution. This has allowed the Chief Executive, in consultation with the Leader of the Council, to carry out the functions of the Council and Cabinet. This process was in place only until the Local Authorities in England were granted new powers to hold public meetings virtually by using video or telephone conferencing technology. Since April virtual meetings have been taking place for Epping Forest, which are open to the public.

Key Council services, including all statutory ones, continued during lockdown although some processes were amended to allow for remote working, for example allowing approval by email

instead of a wet signature and this process was discussed with Internal Audit prior to implementation.

5. Overall opinion of Epping Forest’s governance arrangements

The majority of 2019/20 was unaffected by coronavirus and this AGS demonstrates that the Council’s governance arrangements have remained fit for purpose, even when flexed, for example by invoking the Council’s emergency powers. There has been no significant detriment on the Council’s ability to deliver its services. The longer term impact of coronavirus and recovery from its effects on the governance framework for 2020/21 is included in table two.

6. Significant governance issues

This final part of the Annual Governance Statement (AGS) outlines the actions taken, or proposed, to deal with significant governance issues or risks. The Council’s Corporate Governance Group, who monitor and review the corporate governance framework, has ensured that the issues raised in the previous AGS have been addressed as detailed in Table one below.

Table One: Progress on significant governance issues identified in the 2019/20 AGS

No.	Significant issue identified in 2019/20 AGS	Action taken in 2019/20 to address the issue
1	Business continuity planning (BCP): An internal audit of BCP found that although there is a corporate Business Continuity plan it is not fit for purpose and contingency arrangements in place inadequate.	<p>An urgent project was initiated to address the concerns raised by Internal Audit which involved a dedicated Officer group working in conjunction with an external specialist. Progress against the project was closely monitored by the Corporate Governance Group, which is chaired by the Chief Executive.</p> <p>Prior to Covid-19 lockdown, most business continuity plans were in place (corporate and service level) and were used in the Leadership Team exercise that took place in February 2020. Lessons learnt from the exercise and from Covid-19 will help inform the plans and future exercises at a service level.</p>
2	Brexit: If there is a 'no deal' Brexit then this may impair the Council's strategic aims and objectives	<p>The economic climate has been reviewed as part of the 2020/21 budget and includes the general and more significant impact of international protectionism and economic uncertainties as well as the impact for a shorter period of time of Brexit uncertainties.</p> <p>Prior to Covid-19 the local growth and inflation levels were expected to remain low although inflation pressures were predicted to peak at around 3% next year.</p> <p>Economic conditions are reviewed across the Council and are discussed at Leadership Team and Cabinet level each month.</p>
3	Statutory posts: It is important the Council ensures that the role, responsibilities and standing of the Council’s Section 151 Officer and Monitoring Officer complies with legislation (in particular the Local Government and Housing Act 1989) and	<p>Since September 2019 there has been a period of stability regarding the Section 151 and Monitoring Officer posts.</p>

	good practice as the Council's restructure is completed	
4	Close down of Accounts: Delays were encountered in the closure of the Council's 2018/19 accounts due to a variety of internal and external factors and resulted in an increase in External Audit fees.	<p>The Council has been jointly working on improvements with its External Auditors, which includes a review of processes, working papers and electronic files.</p> <p>The aim is to improve efficiency and achieve a more effective closedown for 2019/20.</p> <p>The Audit and Governance Committee has received an action plan to improve account closure and updates of progress against this.</p>
Common theme from the Service Assurance Statements was:		
4	Restructure: As a result of the restructure many Officers have/or will be taking on new roles and responsibilities. The Council's scheme of delegation needs to remain robust and fit for purpose. In addition, support and guidance needs to be offered to these Officers	<p>Delegated authorities have been reviewed by the Service Director (Business Services) in conjunction with the Head of Legal and Internal Audit.</p> <p>Once finalised a staff awareness campaign will be undertaken to ensure Officers are aware of their responsibilities regarding corporate policies and training offered as appropriate.</p>

In preparing this statement and reviewing the effectiveness of the Council's governance arrangements, the following areas have been identified for improvement or require careful monitoring. These are set out in the table below, together with the steps to be taken to address them.

Table Two: Areas for improvement or monitoring during 2020/21

No.	Objective	Risk area/action plan for 2020/21
1	Risk Management and lessons learnt	It is important that the Council continues to monitor (and where required) mitigate risks to the Council's objectives, not only those relating to coronavirus. This will be undertaken in conjunction with a lessons learnt review of the Council's response to Covid-19. And will include the annual review of the Council's local code of governance
2	Financial resilience	<p>The Council's financial monitoring and reporting process is being reviewed and will be enhanced as an early priority for 2020/21; this is vital in the light of the financial pressure created by the Covid-19 pandemic.</p> <p>In addition, the financial planning process, and the Council's Medium-Term Financial Strategy in particular, is to be reviewed in detail as the Council seeks to restore financial stability and maintain sustainability in the longer term.</p>
3	Ensuring the health and safety of staff, partners and the public in the way it delivers its services	The Council will keep under constant review Health and Safety measures both within the Council and across the district to ensure government legislation and guidance is being followed regarding Covid-19, especially where the Council is delivering its services to the public

No.	Objective	Risk area/action plan for 2020/21
4	Qualis: It is important there are robust governance arrangements for the Qualis group of subsidiary companies being a significant new venture for the Council in delivering key services	<p>During 2019/20 formal transition governance and reporting lines were put in place which included an EFDC Group Steering Board.</p> <p>Legal advice will continue to be sought to ensure governance arrangements comply with legislation and the Qualis Group Board, which will be made up of a combination of Council officers, Council members and independent non-executives will ensure these arrangements are working in the best interest of the Council. The Section 151 Officer will act on behalf of EFDC as the main conduit with Qualis Group and other Qualis companies</p> <p>An audit of Qualis governance arrangements forms part of the 2020/21 Internal Audit Plan</p>
Common themes from the Service Assurance Statements were:		
5	Project management processes: Need for consistent approach	<p>Council wide training on project management took place in 2018/19 in conjunction with the implementation of Pentana (a performance and risk management tool)</p> <p>The capabilities and functionality of Pentana is to be assessed ahead of a review of project management processes. The Council's focus on recovery from Covid-19 may hamper the review.</p>
6	Documented procedures and guidance notes to support critical functions	Following implementation of the People Strategy and any subsequent changes to service delivery, there is a need to review and, where necessary, redraft procedures and guidance notes to ensure they reflect current processes. This issue was identified in several internal audits and many teams are in the process of completing this.
7	Mandatory training Mandatory training requirements are not fully, or clearly identified, and formal evidence of staff training undertaken is incomplete.	A fundamental review of mandatory training requirements in 2020/21 starting with Health and Safety. The review will also assess the functionality of the HR system (iTrent) to capture this information.

We propose over the coming year to continue to improve matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for any improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed

Georgina Blakemore
Chief Executive

Signed

Councillor Chris Whitbread
Leader of the Council

Appendix 1 Epping Forest Code of Governance

INTEGRITY	OPENNESS	VISION	OUTCOMES	CAPACITY & CAPABILITY	PERFORMANCE	ACCOUNTABILITY
Behave with integrity, demonstrating a strong commitment to ethical values and respect the rule of law.	Ensure openness and comprehensive stakeholder engagement	Define outcomes in terms of sustainable economic, social and environmental benefits	Determining the interventions necessary to optimise the achievement of intended outcomes	Develop the Council's capacity, including the capability of its leadership and the individuals within it.	Manage the Council's risk and performance through robust internal control and strong public financial management.	Implement good practice in transparency, reporting and audit to deliver effective accountability.
Examples supporting the Annual Governance Statement (AGS) 2019/20						
<p>Constitution sets out code of conduct for Members and staff.</p> <p>Regularly publicised whistleblowing policy. Zero tolerance to anti-fraud and corruption.</p> <p>Clear and transparent decision making process. Section 151/Monitoring Officer part of report clearing process.</p> <p>Standards Committee</p>	<p>Published Freedom of Information and complaints/complaints scheme.</p> <p>Publicly available agenda and minutes of meetings.</p> <p>Monitoring and maintaining a record of partnerships.</p> <p>Member appointment to community organisations.</p> <p>Active consultation through the Council's Consultation policy and plan</p> <p>'Critical friend' challenge through the Council's scrutiny process.</p> <p>Revised and updated Code of Governance</p>	<p>2018-2023 Corporate Plan which is supported by service/operational plans.</p> <p>Draft Local plan that supports the Council's vision.</p> <p>Decision making process that take into account these effects on its residents, paying due regard to the public sector equality duty.</p> <p>Providing fair access to Council services offered.</p> <p>Economic Development Strategy</p>	<p>Open and transparent reporting of Key Performance Indicators and action plans for indicators that are out of tolerance.</p> <p>Decision making processes that receive objective and rigorous involvement including involvement of the Monitoring and Section 151 Officers</p> <p>Anti-Fraud and Corruption strategy.</p>	<p>People Strategy</p> <p>Established induction and training programme for existing and new Councillors.</p> <p>Process includes mentoring and training events.</p> <p>Induction process for staff, access to personal development appropriate to their roles. Formal Personal Development Review (PDR) for staff and access to health and wellbeing opportunities.</p>	<p>Risk management is an integral part of the council's activities and decision making.</p> <p>Internal Audit function that provide assurance on governance, risk management and controls reporting to the Audit and Governance Committee</p> <p>Active corporate fraud team</p> <p>Medium Term Financial Strategy.</p>	<p>Defined process to ensure reports for the public/stakeholders are fair, balanced, easily accessible and understandable.</p> <p>Reporting regularly on performance and on the use of resources.</p> <p>Processes to ensure external/internal audit recommendations are acted upon.</p> <p>Requirement for Service Directors to produce annual assurance statements which feed into the AGS</p>
An active Corporate Governance Group which takes charge of the Annual Governance Statement						

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Report to the Audit and Governance Committee



**Epping Forest
District Council**

Report reference: AGC-009-2020/21

Date of meeting: 27 July 2020

Portfolio: Leader of the Council

Subject: Internal Audit Monitoring Report - July 2020

Responsible Officer: Sarah Marsh (01992 564446).

Democratic Services: Gary Woodhall (01992 564470).

Recommendations/Decisions Required:

- (1) That the Committee notes the summary of the work of Internal Audit and the Corporate Fraud Team for the period June to July 2020.**

Executive Summary:

This report updates Members on the work completed by Internal Audit and the Corporate Fraud Team since the June 2020 Audit and Governance Committee and provides the current position in relation to overdue recommendations.

Reasons for Proposed Decision:

Monitoring report as required by the Audit and Governance Committee Terms of Reference.

Other Options for Action:

No other options.

Report:

2020/21 Internal Audit Plan

1. Work on the 2020/21 Audit Plan had been stalled as a result of Covid-19. In the meantime, Internal Audit has been providing advice and guidance (see the other Internal Audit activities in paragraphs 8 and 9) as well as completing audits from the 2019/20 plan.

Internal Audit Reports

2. The following report has been issued since the Committee received its last update in June 2020:

Harlow Gilston Garden Town governance– substantial assurance

A Harlow Gilston Garden Town (HGGT) Member Board comprising representatives from all five councils provides high level oversight and direction for the HGGT project and progress is monitored through the Project Director's highlight report to the Board. Fortnightly meetings between the Chief Executive and HGGT Director ensure the

Council's interests are communicated at a strategic level. The Council's Lead Officer provides a link between the Council and the project team and plays a key role in representing the Council's interests at an operational level.

The HGGT Board has no formal decision-making powers and the current process whereby recommendations are presented to each Council for approval is slow, potentially hindering delivery of the project. Work is actively progressing with regards to establishing an alternative delivery model for the HGGT project which seeks to address this risk.

As lead authority for the project, Epping Forest District Council is responsible for the HGGT finances (and is the contracting entity) and the employer for the HGGT staff, representing a risk to the Council. Robust financial and procurement procedures are in place, but this risk will increase with the larger amounts involved as the project progresses. The delivery model referred to above will also mitigate this risk.

The councils work well together informally at both Member and officer level, but arrangements should be formalised to ensure responsibilities and accountabilities are clearly articulated and understood by all parties to the project; including those relating to additional responsibilities the Council has as lead authority for the project.

An established process is in place for identifying, capturing and monitoring project risks and issues and these are escalated to the Board as appropriate. Project risks will be communicated to the Council's Risk Management Group to ensure risks (where appropriate) are incorporated into the Council's risk management framework.

The process for declaring conflicts of interest will be extended to include the wider HGGT project team as the risk of challenges to decision-making will increase as the project moves to the delivery phase.

Recommendation Tracker

3. The Audit and Governance Committee continues to receive details of all overdue recommendations, plus any high priority recommendations from final reports regardless of whether they are overdue or not.
4. The current tracker is shown at Appendix 1 and contains 14 recommendations which have passed their due dates and two high priority recommendations which are not yet due as detailed in table 1.

Table 1. Summary of tracker as at July 2020.

Recommendation type	Number (July 2020)	Number (June 2020)	Number (March 2020)	Number (January 2020)	Number (November 2019)
High Priority not passed its due date	2	2	1	1	0
High Priority passed its due date	1	1	0	1	1
Medium Priority passed its due date	6	6	7	10	7
Low Priority passed its due date	7	7	4	5	5
Total	16	16	12	17	13

5. The two high priority recommendations (not overdue) concern data retention and disposals. Work is progressing these actions as part of the Strategic Information Governance Group work plan.
6. The overdue high priority recommendation concerns updating health and safety risk assessments at the Council's satellite offices. The risk in the relation to this recommendation was altered by the change in working arrangements due to Covid-19 as work from these locations has been either suspended or reduced, and the focus has been in ensuring that staff are working safely from home. The new Health and Safety Officer is addressing outstanding H&S recommendations as a priority, with oversight by the Corporate Health and Safety Group.
7. Internal Audit, with the assistance of the Corporate Governance Group, continues to actively monitor progress of all recommendations. It should be noted that Covid19 has delayed progress on the implementation of some of these Audit Recommendations.

Other Internal Audit activities

8. **Business Grant Funding Schemes:** Internal Audit and the Corporate Fraud Team are providing advice and assistance with regards to the Local Authority Discretionary Grants Fund introduced in response to Covid-19. These are aimed at small and micro businesses who were not eligible for the Small Business Grant Fund or the Retail, Hospitality and Leisure Grant Fund schemes.
9. **Decision Making Accountability (DMA):** Internal Audit is assisting with an exercise to develop a schedule of responsibilities for each layer of the management spine, reflecting the DMA principles used to design the Council's structure. This will ensure there is clarity and consistency of decision making at each management level and decision making is attached to the role and not the individual.

Corporate Fraud Team Update

10. The Corporate Fraud Team (CFT) has had to adapt their ways of working due to the Covid 19 situation, however, has continued to conduct investigations and projects. The team has continued to vet all Right to Buy applications which to date has resulted in five applications being withdrawn. A number of tenancy succession applications have also been investigated with at least three recommendations for the succession not to proceed. It is envisaged that action will be taken by Housing to recover the properties.
11. The CFT has also been assisting Internal Audit in the process of checking and verifying the issuing of all the Covid 19 Business Grants as well as finalising the last phase of a fraud resilience project being carried out on Council Tax Student Exemptions.

Legal and Governance Implications:

None

Safer, Cleaner and Greener Implications:

None

Consultation Undertaken:

Corporate Governance Group

Background Papers:

2020/21 Audit and Resource Plan

Risk Management:

Failure to achieve the audit plan and poor follow up of audit recommendations may lead to a lack of assurance that internal controls are effective and risks properly managed, which ultimately feeds into the Annual Governance Statement.

Equality Analysis:

The Equality Act 2010 requires that the Public Sector Equality Duty is actively applied in decision-making. This means that the equality information provided to accompany this report is essential reading for all members involved in the consideration of this report. The equality information is provided at Appendix 2 to the report.

Equality Impact Assessment

1. Under s.149 of the Equality Act 2010, when making decisions, Epping District Council must have regard to the Public Sector Equality Duty, ie have due regard to:
 - eliminating unlawful discrimination, harassment and victimisation, and other conduct prohibited by the Act,
 - advancing equality of opportunity between people who share a protected characteristic and those who do not,
 - fostering good relations between people who share a protected characteristic and those who do not, including tackling prejudice and promoting understanding.
2. The characteristics protected by the Equality Act are:
 - age
 - disability
 - gender
 - gender reassignment
 - marriage/civil partnership
 - pregnancy/maternity
 - race
 - religion/belief
 - sexual orientation.
3. In addition to the above protected characteristics you should consider the cross-cutting elements of the proposed policy, namely the social, economic and environmental impact (including rurality) as part of this assessment. These cross-cutting elements are not a characteristic protected by law but are regarded as good practice to include.
4. The Equality Impact Assessment (EqIA) document should be used as a tool to test and analyse the nature and impact of either what we do or are planning to do in the future. It can be used flexibly for reviewing existing arrangements but in particular should enable identification where further consultation, engagement and data is required.
5. Use the questions in this document to record your findings. This should include the nature and extent of the impact on those likely to be affected by the proposed policy or change.
6. Where this EqIA relates to a continuing project, it must be reviewed and updated at each stage of the decision.
7. All **Cabinet, Council, and Portfolio Holder reports must be accompanied by an EqIA**. An EqIA should also be completed/reviewed at key stages of projects.
8. To assist you in completing this report, please ensure you read the guidance notes in the Equality Analysis Toolkit and refer to the following Factsheets:
 - Factsheet 1: Equality Profile of the Epping Forest District
 - Factsheet 2: Sources of information about equality protected characteristics
 - Factsheet 3: Glossary of equality related terms
 - Factsheet 4: Common misunderstandings about the Equality Duty
 - Factsheet 5: Frequently asked questions
 - Factsheet 6: Reporting equality analysis to a committee or other decision making body

Section 1: Identifying details

Your function, service area and team: **Internal Audit, Chief Executive**

If you are submitting this EqIA on behalf of another function, service area or team, specify the originating function, service area or team: **N/A**

Title of policy or decision: **Internal Audit Monitoring Report June – July 2020**

Officer completing the EqIA: Tel: **01992 564449** Email: **slinsley@eppingforestdc.gov.uk**

Date of completing the assessment: **08 July 2020**

Section 2: Policy to be analysed

2.1	Is this a new policy (or decision) or a change to an existing policy, practice or project? N/A - report is an update to Audit and Governance Committee on the work of Internal Audit Service
2.2	Describe the main aims, objectives and purpose of the policy (or decision): For Audit and Governance Committee to note the work of Internal Audit Service between June and July 2020 What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)? N/A – Report is for noting only
2.3	Does or will the policy or decision affect: <ul style="list-style-type: none">• service users• employees• the wider community or groups of people, particularly where there are areas of known inequalities? N/A Will the policy or decision influence how organisations operate? N/A – report is not decision-based, it is for noting only.
2.4	Will the policy or decision involve substantial changes in resources? N/A – report is for noting only
2.5	Is this policy or decision associated with any of the Council's other policies and how, if applicable, does the proposed policy support corporate outcomes? N/A

Section 3: Evidence/data about the user population and consultation¹

As a minimum you must consider what is known about the population likely to be affected which will support your understanding of the impact of the policy, eg service uptake/usage, customer satisfaction surveys, staffing data, performance data, research information (national, regional and local data sources).

3.1	What does the information tell you about those groups identified? N/A – report is for noting only
3.2	Have you consulted or involved those groups that are likely to be affected by the policy or decision you want to implement? If so, what were their views and how have their views influenced your decision? N/A – as above
3.3	If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary: N/A – as above

Section 4: Impact of policy or decision

Use this section to assess any potential impact on equality groups based on what you now know.

Description of impact	Nature of impact Positive, neutral, adverse (explain why)	Extent of impact Low, medium, high (use L, M or H)
Age	N/A	N/A
Disability	N/A	N/A
Gender	N/A	N/A
Gender reassignment	N/A	N/A
Marriage/civil partnership	N/A	N/A
Pregnancy/maternity	N/A	N/A
Race	N/A	N/A
Religion/belief	N/A	N/A
Sexual orientation	N/A	N/A

Section 5: Conclusion

		Tick Yes/No as appropriate	
5.1	Does the EqlA in Section 4 indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No <input checked="" type="checkbox"/>	
		Yes <input type="checkbox"/>	If ' YES ', use the action plan at Section 6 to describe the adverse impacts and what mitigating actions you could put in place.

Section 7: Sign off

**I confirm that this initial analysis has been completed appropriately.
(A typed signature is sufficient.)**

Signature of Head of Service: Sarah Marsh

Date: 08 July 2020

Signature of person completing the EqlA: Sue Linsley

Date: 08 July 2020

Advice

Keep your director informed of all equality & diversity issues. We recommend that you forward a copy of every EqlA you undertake to the director responsible for the service area. Retain a copy of this EqlA for your records. If this EqlA relates to a continuing project, ensure this document is kept under review and updated, eg after a consultation has been undertaken.

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EFDC Internal Audit Recommendation Tracker (Overdue and High Priority)

Last updated: 13 July 2020

Audit Year (Date Report Issued)	Rec Ref	Original Recommendation	Priority	Managers Original Response	Responsible Officer / Service Director	Original Imp Date	Revised Imp Date	Status Update from Management	Status
<p>Software Licencing Report No. 06.18/19 (February 2019)</p>	3	<p>Reports should be produced on a regular basis to identify the number of users with Administrative access and access requirements questioned. In addition, software utilisation should be assessed on an annual basis with limited use being investigated by ICT and discussed with the relevant department/user.</p>	Med	Agreed	<p>Software Asset Licencing Officer/ Service Manager Business Support and ICT</p>	30/09/19	04/04/20 31/08/20	<p>Oct 19: Software utilisation assessments are already occurring for many products, both on a quarterly basis as a part of our SAM managed service compliance reviews and internally when licence or maintenance renewals become due.</p> <p>ICT is exploring the opportunities with the current system supplier (HOTH) regarding which elements it can deliver on, including software licences, asset inventory and supplier contracts.</p> <p>Dec 19: An initial meeting has been held with the system supplier and will be taken forward in conjunction with procurement.</p> <p>Feb 20: A project is underway to re-implement HOTH, which will include an ICT Asset Management/licensing module as standard, as well as reporting tools. ICT are also in the process of building a portfolio of our 90 plus applications, including user groups, licenses etc. Both of these pieces of work feature in the proposed revised ICT Strategy which is due to go to Cabinet in March 2020.</p> <p>Jun 20: A soft launch of the revised version of HOTH is due for the end of June; as per the timeline in the ICT Strategy.</p>	Overdue

EFDC Internal Audit Recommendation Tracker (Overdue and High Priority)

Last updated: 13 July 2020

Audit Year (Date Report Issued)	Rec Ref	Original Recommendation	Priority	Managers Original Response	Responsible Officer / Service Director	Original Imp Date	Revised Imp Date	Status Update from Management	Status
								<p>Further modules will then follow (such as assets), slightly behind course, as resources have been focused on the technology response to CV-19.</p> <p>Jul 20: The revised HOTH was launched 25 June 2020. Work is now progressing with regards to implementing the assets module.</p>	
<p>Personal Data shared by Email with Members Report No. 18/19 (March 2019)</p> <p>38</p>	1	<p>The Council should ensure that all Members are issued with an Epping Forest District Council email address and that all communication from Officers is sent via this corporate email address. Until the corporate email accounts have been introduced officers should use the Mimecast secure email facility when sending any personal/sensitive data to Members. As part of the wider review of IT provision, consideration should be given to issuing Members with a corporate device (phone, tablet etc) to access their corporate emails, similar to that in place at Broxbourne and Harlow Councils.</p>	Med	<p>Members will be issued with an EFDC password and a corporate device.</p>	Service Director- Customer Services	31/05/19	<p>30/09/19 04/12/19 31/03/20 30/09/20</p>	<p>Jun 19: The roll-out of 'locked-down' devices has commenced, and the vast majority of Members are now in receipt of and i-pad for this purpose. The work around e-mails has been paused. It is recognised that there needs to be more flexibility for Members to enable them to access e-mails on their personal phones so they can undertake their duties effectively. Officers are assessing options to allow this flexibility whilst retaining the necessary security. An update on the final position will be provided by September 2019.</p> <p>Oct /Dec 19: The solution has been installed and tested on a testbed of members and will be rolled out in January 2020.</p> <p>Feb 20: The solution for Members who wish to receive Council e-mails on their personal devices was rolled out in January and is continuing. The use of private emails will cease at the end of March, to</p>	Overdue

EFDC Internal Audit Recommendation Tracker (Overdue and High Priority)

Last updated: 13 July 2020

Audit Year (Date Report Issued)	Rec Ref	Original Recommendation	Priority	Managers Original Response	Responsible Officer / Service Director	Original Imp Date	Revised Imp Date	Status Update from Management	Status
								<p>afford the IT team sufficient time to resolve any outstanding issues with iPads and personal devices.</p> <p>Jun/Jul 20: There remain concerns over the solutions available in totality to Members. A new package is being brought together after discussions between Senior Management and the Portfolio Holder. It is anticipated that the new package will be developed by September 2020.</p>	
<p>Health and Safety Corporate Approach Report No. 14.18/19 (April 2019)</p>	2	H&S Corporate Strategy, Policy and supporting procedures should be reviewed at appropriate level and refreshed if necessary.	Low	There is in the Commercial and Regulatory Services Service Plan for 2019/20 a requirement for corporate risk assessments to be reviewed by March 2020. This requirement will be extended to include a review of the Corporate strategy.	Service Director Business Services	31/03/20	31/10/20	<p>Jun 20: The Council has recently appointed an additional H&S officer to provide the capacity to enable this and other outstanding actions to be progressed, alongside day to day activity.</p> <p>Jul 20: A review of the corporate H&S Strategy is being undertaken by the Strategic H&S Group</p>	Overdue
<p>Business Rates – Council Wide Approach Report No. 13.18/19 (April 2019)</p>	2	Representatives from the Local Gazetteer and Licensing teams should be invited to attend the information sharing working group to discuss the commercial property information they hold within the GeoPlace and M3 databases and how this might	Low	Due to long-term sickness the organiser will not be able to re-commence this working group until late summer.	Business Rates Specialist	30/09/19	<p>04/04/20 31/10/20</p>	<p>Oct 19/Feb 20: Due to long-term sickness it has not been possible to re-commence this working group.</p> <p>Jun /Jul 20: The Business Rates Specialist returned to work in April 2020 and the priority has been dealing with the Council's response to central government's grants initiatives for small businesses.</p>	Overdue

EFDC Internal Audit Recommendation Tracker (Overdue and High Priority)

Last updated: 13 July 2020

Audit Year (Date Report Issued)	Rec Ref	Original Recommendation	Priority	Managers Original Response	Responsible Officer / Service Director	Original Imp Date	Revised Imp Date	Status Update from Management	Status
		better be used to the benefit of the Council including but not limited to maximising business rates income. Data Protection Officers / Legal representatives should also be involved to help ensure that any actions recommended by the Forum are GDPR compliant.							
Business Rates – Council Wide Approach Report No. 13.18/19 (April 2019)	3	The Business Rates Team to request bespoke reports to be written from the M3 system used by the Planning Team that only identifies information in respect of commercial properties which would eliminate the need for the Business Rates Team spending their time sifting through lengthy reports.	Low	Accepted – officers will look at options information from M3 and adapt the reports accordingly	Revenues and Benefits Manager	30/06/19	01/10/19 01/04/20 31/10/20	Jun 19/Dec 19/Feb 20: There has been no progress with the Planning M3 system due to the lack of resources and the migration of staff into the Business Support Unit. Jun/Jul 20: The Business Rates Specialist returned to work in April 2020 and the priority has been dealing with the Council's response to central government's grants initiatives for small businesses.	Overdue
Business Rates – Council Wide Approach Report No. 13.18/19 (April 2019)	5	The format of the Planning Information Input Log should be amended so that it takes account of information received from other Council departments (such as Economic Development, Local Gazetteer, Licensing	Low	Accepted - officers will look at options for pulling this information together and adjust processes accordingly	Revenues and Benefits Manager	31/05/19	01/10/19 01/04/20 31/10/20	Jun 19: There has been little progress in developing the Planning Information Input Log, due to the lack of resources. The team has received a considerable amount of information from the Council's Licensing Team, which they are comparing to the information	Overdue

EFDC Internal Audit Recommendation Tracker (Overdue and High Priority)

Last updated: 13 July 2020

Audit Year (Date Report Issued)	Rec Ref	Original Recommendation	Priority	Managers Original Response	Responsible Officer / Service Director	Original Imp Date	Revised Imp Date	Status Update from Management	Status
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 4</p>		<p>and Legal for example). The Business Rates Manager should review the Information Input Log on a more regular basis so that he can encourage the business rates officers to keep up to date with processing tasks.</p>						<p>held by the Business Rates system.</p> <p>Oct /Dec19: Due to long-term sickness it has not been possible to progress this.</p> <p>Feb 20: There has been some progress on aspects of this work, although it has not been possible to complete it yet.</p> <p>Jun/Jul 20: The Business Rates Specialist returned to work in April 2020 and the priority has been dealing with the Council's response to central government's grants initiatives for small businesses.</p>	
	<p>Council Tax and Business Rates Report No. 11.18/19 (May 2019)</p>	4	<p>Similar to the control operated over Council Tax, the Business Rates Team should undertake a periodic review (ideally annually) of reliefs claimed to ensure that businesses remain eligible.</p>	Low	<p>A program of canvassing will be undertaken for 2019/20</p>	<p>Services Director (Customer Services)</p>	31/03/20	30/09/20	<p>Jun/Jul 20: The program was due to be introduced in December 2019, before annual billing, but was delayed due to the lack of resources. Ideally it would then have been introduced immediately after annual billing, but this has not been possible due to Covid-19 and the administration of Business Support Grants. The canvass will be carried out before 1 October, in time for the second half-year.</p>

EFDC Internal Audit Recommendation Tracker (Overdue and High Priority)

Last updated: 13 July 2020

Audit Year (Date Report Issued)	Rec Ref	Original Recommendation	Priority	Managers Original Response	Responsible Officer / Service Director	Original Imp Date	Revised Imp Date	Status Update from Management	Status
Review of FirstPort Property Services invoices 2018/19	3	There should be a Staff Communication from Business Support to include the following: <ul style="list-style-type: none"> the procedures for ordering, receipting and processing invoices new suppliers should be set up promptly and preferably in advance of invoices staff should not hold onto invoices staff should request that suppliers include a contact name or department on invoices. 	Low	A staff communication is being drafted.	Service Manager Business Support and ICT/ Service Director – Business Services	31/07/19	30/11/19 31/04/20 31/03/20 31/07/20	<p>Oct 19: The communication has been drafted. This will be shared with Internal Audit prior to issuing to ensure all issues identified during the current Invoice Payments audit are captured.</p> <p>Dec 19/Feb 20: The communication will be issued once the supporting firmstep form has been finalised with ICT so that instructions for completion of the form can be included in the communication.</p> <p>Jun/Jul 20: Development of the firmstep form is underway with the IT team. This has been delayed due to the ICT response to Covid-19.</p>	Overdue
North Weald Airfield 2018/19 Report No. 20.18/19 (April 2019)	4	Airfield Manager to liaise with Finance and IT to include facility to enable landing fees to be paid on the Council website or via card payments. A date should be agreed regarding when it is practical for the new arrangements to be publicised and enforced.	Med	A report addressing this issue will be made to Cabinet with a fee regime introduced following call in.	Airfield Manager	05/09/19	31/12/19 31/05/20 31/07/20	<p>Oct 19: The Airfield Manager is currently working with the Payment Solutions Team to identify the most appropriate methods of collecting fees. The report for Cabinet has been formulated and submitted.</p> <p>Feb 20: Work is still ongoing, and the aim is to implement a scheme in April/May 2020.</p> <p>Jun/Jul 20: It has not been possible to undertake the necessary training due to Covid-19 lockdown restrictions. The payment method requires some changes that are currently being looked at by the Payment Solutions Team.</p>	Overdue

EFDC Internal Audit Recommendation Tracker (Overdue and High Priority)

Last updated: 13 July 2020

Audit Year (Date Report Issued)	Rec Ref	Original Recommendation	Priority	Managers Original Response	Responsible Officer / Service Director	Original Imp Date	Revised Imp Date	Status Update from Management	Status
<p>North Weald Airfield 2018/19 Report No. 20.18/19 (April 2019)</p>	5	<p>Airfield Manager to liaise with IT regarding the fixing of the NWA webpage. This will enable instructions regarding payment of landing fees and a link to the Council website to enable prior payment or card payment to be included.</p>	Med	<p>The airfield manager will meet with IT to address this matter.</p>	Airfield Manager	30/07/19	<p>31/12/19 31/04/20 31/03/20 31/07/20</p>	<p>Oct 19: The content for the Airfield's microsite has been submitted to PR and we are awaiting feedback.</p> <p>Dec 19/ Feb 20: The basics of the website are complete, and the content is ready to be input. The Council is changing website host and meetings with potential new host are currently taking place.</p> <p>Jun 20: The website is currently in the test phase and due to go live once all changes to the microsite have been made.</p> <p>Jul 20: The website was transferred to the testing server 6 July 2020 and is currently in testing phase.</p>	Overdue
<p>Health and Safety – Satellite Offices 2019/20 Report No. 06.19/20 (February 2020)</p>	2	<p>Managers are formally reminded of the need to bring risk assessments up to date and for these to be reviewed and updated at least annually thereafter, or earlier if circumstances change.</p> <p>Centrally an officer is designated to carry out quarterly check that satellite office/depot risk assessments are up to date.</p>	High	<p>All team managers have been instructed with immediate effect to record all training and training needs, risk assessments and upload these onto a matrix based on that of Oakwood Hill. They will also be tasked with discussing H&S at each team meeting and all records will be required to be sent to their Level 2 Service Manager ahead of the quarterly Corporate Safety Team to be checked for compliance with HSAWA</p>	Contingency Planning and Corporate Safety Officer.	30/03/20	31/12/20	<p>Jun 20: The Council's immediate response to Covid19 has caused a significant shift in working arrangements which has altered the risk in relation to this recommendation. The current risks in satellite offices has reduced as work from these locations has been either suspended or reduced. The focus of H&S officers has been in ensuring that staff are working safely from home and all staff are being asked to complete a home safety assessment. An additional Health and Safety Officer has recently joined Epping Forest District Council and a priority task will be</p>	Overdue

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		A Lone Working Risk Assessment is undertaken at Norway House A fire risk assessment be undertaken at the Oakwood Hill Depot to assess whether there is an increased risk whilst the current building works are taking place.		Fire Risk assessment in the hands of Facilities Management.				addressing these outstanding recommendations, once work on ensuring staff are working safely at home has been completed. Jul 20: This is being prioritised by the Corporate Health and Safety Group	
Health and Safety – Satellite Offices 2019/20 Report No. 06.19/20 (February 2020)	6	At least quarterly, the Contingency Planning and Corporate Safety Officer to receive the training matrices referred to above, to ensure that the appropriate H&S training is being identified and delivered in a timely manner.	Med	All points above are relevant to this and will ensure all training needs are identified in a timely manner.	Contingency Planning and Corporate Safety Officer.	30/03/20	31/12/20	Jun/Jul 20: Linked to the action above. A corporate health & safety officer post has been created and they will implement the issues arising from this audit. The person commenced on 2 June 2020, and a complete review of the audit will be conducted as priority.	Overdue
Homelessness 2018/19 Report No. 23.18/19 (February 2020)	2	The Benefits team and Housing Options team to work together to increase the uptake of Discretionary Housing Payments through regular meetings and raising awareness of potential suitable DHP applicants.	Med	The Housing Options Team is coming to the end of a restructure consultation which will rebrand the team into the Housing Needs Service with 3 distinct teams: Homelessness, Rehousing & Temporary Accommodation. A Homelessness Team Manager is in the process of being recruited and the restructured Homelessness Team will include a Private	Service Manager Housing Needs and Older People's Services	01/04/20	30/09/20	May 20: The recruitment to a Private Sector Lettings Officer is currently on hold as a result of the current CV-19 crisis. However, discussion between the Revenues and Benefits and Housing Needs & Older People's Service Managers about how best Housing Needs and Benefits can work more effectively to increase the impact of DHPs for local residents are ongoing although it is worth mentioning that the DHP allocation has reduced from	Overdue

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Page 45				<p>Sector Lettings Officers tasked with establishing, branding & promoting a private rented sector access schemes to support & increase homelessness prevention activity. This will have a close link with colleagues administering DHPs as the quick assessment and payment of DHPs will be an integral part of increasing access to private rented accommodation for clients.</p> <p>Depending upon recruitment it is hoped to launch a new scheme wef 1st April 2020. In the meantime, Homelessness Officers have been reminded to apply for DHPs in all appropriate cases for clients.</p> <p>A relationship between homelessness and DHP colleagues already exists and consideration is being given to the colocation of a DHP Officer within the team once a week to strengthen relationships and encourage an increased uptake of DHP provision.</p>				<p>£250K to £143K in 2020-21 as a result of sustained underspending of full allocation in previous years.</p> <p>Homelessness recovery planning is underway as a result of the public health crisis & the impact this will have on varying cohorts of clients and I am still keen that the links between Housing Needs and Benefits are strengthened in order to provide a coherent, joined up approach to the prevention of homelessness.</p> <p>Jun/Jul 20: Work continues around understanding the payment of DHPs and challenging refusals where payment could prevent homelessness. HB Team Manager also providing training for homelessness officers in order to make more effective use of this resource.</p> <p>Homelessness recovery planning is underway as a result of the public health crisis & the impact this will have on varying cohorts of clients and I am still keen that the links between Housing Needs and Benefits are strengthened in order to provide a coherent, joined up approach to the prevention of homelessness.</p>	

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Change and Patch Management 2019/20 Report No. 07.19/20 (February 2020)	4	Further develop the reporting utilities in the service desk application (Hoth) to identify assets with 'audit' dates over a year old, with missing or empty data fields, when purchased, end of life approaching, and other useful management information.	Low	EFDC is currently re-implementing its IT Service Management system (HOTH) which includes the restructuring and categorisation of asset data. Asset data will be further validated through IT service management interactions and a full audit will be undertaken as described above, to validate data accuracy.	IT Management Consultant; Service Manager Business Support and ICT	31/03/20	31/08/20	<p>Jun 20: A soft launch of the revised version of HOTH is due for the end of June; as per the timeline in the ICT Strategy. Further modules will then follow (such as assets), slightly behind course, as resources have been focused on the technology response to CV-19.</p> <p>Jul 20: The revised HOTH was launched 25 June 2020. Work is now progressing with regards to implementing the assets module.</p>	Overdue
Data Retention and Disposals 2019/20 Report No. 09.19/20 (February 2020)	1	Corporate data retention and disposals policy and procedures should be produced, published on the intranet and communicated to staff. The policy should be developed with reference to the Information Commissioners Office (ICO) guidance, setting out the purpose, scope, roles and responsibilities relating to data retention, covering all data types, and be subject to annual review by the Information Governance Group (IGG).	High	The policy will be developed as part of the Information Governance Group.	Business Services Director (As Chair of IGG)	31/07/20		<p>Jul 20: A Strategic Information Governance Group (IGG) has been established whose role will include overseeing the Information Governance framework (including policies), setting standards and monitoring the work programme. An operational IGG will be responsible for day to day operations and providing management information to the Strategic Group.</p>	In progress

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<p>Data Retention and Disposals 2019/20 Report No. 09.19/20 (February 2020)</p>	2	<p>Services should review the bases for keeping all data types (manual, electronic and emails) in line with legislation and service requirements and formalise these in a service specific data retention schedule. Advice should be sought from ICT as necessary This should include a mechanism for checking compliance with the retention and disposals guidelines.</p>	High	<p>This will be overseen and monitored by the Information Governance Group.</p>	<p>Business Services Director (As Chair of IGG)</p>	30/09/20		<p>Jul 20: Services are in the process of updating their Register of Processing Activities (RoPAs) which includes a review of service specific data retention requirements. These will be monitored by the Strategic Information Governance Group.</p>	In progress
<p>Key Financial Controls – Housing Rents and Arrears 2019/20 Report No. 12.19/20 (March 2020)</p>	1	<p>The Service Manager – Housing Management and Homeownership to oversee the process to ensure that policies, together with related procedure notes for all aspects of rent setting, collection and arrears management are drafted/updated and maintained up to date. A formal deadline is set to complete the updating of all rent and arrears policies and procedures.</p>	Med	<p>Plans are in place to update policies relating to rent arrears and collection. Procedure notes around rent setting are in the process of being drafted. An action plan has been produced to ensure this happens within an appropriate timeframe</p>	<p>Service Manager, Housing Management and Homeownership</p>	01/07/20		<p>Jul 20: The Housing Rents Policy and the Tenancy Policy are to be presented to Cabinet 20 July 2020. Other policies are to be presented to Cabinet in September 2020.</p>	Complete (and will be removed after the Cabinet meeting)

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