



Summary of Internal Audit Reports Issued to Date

REPORT OF DAP Audit Partnership
To: Audit & Governance Committee
Subject: Audit Reports Issued to Date
Date: 26 September 2023

PURPOSE OF REPORT: To provide a summary of the internal audit reports issued since the last Audit and Governance Committee to enable members to discuss any matters they wish to raise.

In addition, we present the DAP Charter and Strategy for approval.

1. INTRODUCTION

The Audit & Governance Committee receives a regular summary of internal audit reports. This is to provide an opportunity for discussion and to raise queries related to the reports.

As members receive a full copy of the internal audit report upon release, they are encouraged to raise any significant concerns they may have with the Auditor at that time. This summary report gives an added opportunity for Members as a group to discuss related matters.

This report includes all final internal audit reports issued to date that have not been previously reported to the Committee.

We also include as an attachment, the DAP Internal Audit Charter and Strategy. These documents are requirements under the Public Sector Internal Audit Standards.

2. REPORT

A summary of final reports issued to date and not included in previous committee reports is at **Appendix A**.

There are three audit reports to note:

- Waste and Recycling.
- Communications and social media.
- Register of member interests.

Members should also be aware of the following:

Recruitment of Independent members

DAP is to undertake a campaign to recruit “Independent” members to partner Audit Committees. These would be non-voting members and have local authority and finance experience and knowledge to help improve scrutiny and insight.

DAP Member event

DAP is sponsoring a free half day training and awareness event for Audit Committee members on 16 Nov 23. This will be a morning session at Buckfast Abbey, with a buffet lunch.

3. IMPLICATIONS

Legal Implications

None.

Financial Implications

None.

Human Resources Implications

None.

Sustainability Implications

None.

Equality/Diversity

None.

Risk Management

The Risk Based Internal Audit Plan is designed to provide robust coverage of the key risks faced by the Council each year. It is developed in consultation with management and approved by members.

Each internal audit report provides the following key information:

Assurance level – providing an overall opinion on the audit area.

Action plan – including audit recommendations (where applicable) and management responses.

Reported issues are assigned a priority rating of high, medium, or low, based on the perceived impact and likelihood as established within the corporate risk matrix.

The report may also include ‘opportunity’ findings, which are suggested courses of action perceived to add value and included for consideration.

Low priority or housekeeping matters are reported separately to operational management during the draft audit stage.

Reporting of progress to implement internal audit actions to the Audit & Governance Committee is the responsibility of the Finance Director / S151.

Compliance with Policies and Strategies

This report complies with the Audit Committee terms of reference and the Audit Procedures Manual.

Ward Member and Leader Member Views

Councillor Philip Hackett, Chair of Audit & Governance, commented “*The Internal Audits Reports contribute to the Council’s robust governance arrangements.*”

4. CONCLUSIONS

The following is a summary of the four assurance levels currently used, along with the audits that have been awarded each level:

Opinion	Audit
Substantial Assurance 'A sound system of Governance'	Register of members interest
Reasonable Assurance 'Some scope for improvement'	Waste and Recycling Social Media and Communications
Limited Assurance 'Improvement is required'	NA
No Assurance 'Immediate action required'	NA

5. RECOMMENDATIONS

The Committee is asked to note the reports issued in this reporting period and raise any queries, suggestions or proposals relating to the internal audits in this report.

It is also asked to note the Audit Charter and Strategy.

SUPPORTING INFORMATION

Consultations: Reports were agreed with:
 Waste and Recycling: Operational Services Manager.
 Communications and social media: HR and Communications Manager.
 Members Interests: Senior Accountant Collection Fund.

Contact Officer: Gordon Bryant, Finance Manager & S151 Officer.
 Tony Rose – Head of Devon Audit Partnership.
 Paul Middlemass – DAP Audit Manager.

Background Papers: Audit Reports issued to members.

Summary of Reports not previously reported to Committee

Waste and Recycling

Overall Assurance Level – REASONABLE ASSURANCE

No of management actions made / agreed: 1 Medium, 3 Low priority.

Summary

The Resource and Waste Management Strategy for Devon and Torbay sets out council targets including increasing household recycling to more than 60% by 2030 (it currently sits at 53%). Food waste should also be reduced by 20% by 2025 (using 2015 baseline figures) and overall waste collected per head reduced to 400Kg per annum by 2030. Assuming that infrastructure changes and other improvements such as wheelie bins are implemented, we understand targets are achievable.

The waste service is working close to capacity, and risk remains on obtaining sufficient staff. Some rounds are busier than others with a need for reorganisation and optimisation. The current site in Bideford is too small and geographically inappropriate for the work and volume of vehicles used in a residential area. The 2020 Strategic Plan includes relocation of the four Waste and Recycling depots and resources to one modern Centre. Planning permission has been granted on a site to the east of the river in Bideford. However, there has been public resistance to the proposed site. The current Appledore depot must be relocated due to its lease expiry, therefore a temporary site will be used pending the new Operations Centre.

Failure to progress to the new centre will have a significant impact on meeting targets. The increased capacity for waste transfer and efficiency gained from working on one site at the new Operations Centre should enable a change from fortnightly to three-weekly collections. We have observed that this arrangement in neighbouring authorities resulted in significant progress to achieving the 2030 and beyond targets for recycling levels. We suggest a study of the potential benefits be undertaken.

Residual household waste is still collected in black bin bags, which is the best short-term solution. Pleasingly the residual waste is below the 2030 target already at 334Kg per head in 2022/23, as part of a reducing trend (it was 349 Kg in 2021/22 and 360Kg in 2020/21). When the new Operations Centre is built, it may be beneficial to move to wheelie bin collections for residual waste and recycling. This should enable significantly more recyclable waste to be collected but will require substantial investment in the actual bins, and machinery on the vehicles. The existing fleet will age-off in the next few years and their replacements will need this functionality.

Fleet maintenance is an ongoing issue for concern given the state of many of the roads. Parts for the vehicles are sometimes being difficult and expensive to source, therefore having a spare vehicle should enable greater fleet rotation.

Safe systems of work training were last provided in 2020. It is best practice to refresh it every two years.

There are good arrangements for the public to report a missed collection, and collection dates are easy to locate on the website. Public engagement and opinion is sought at shows, and other events, and feedback is considered. However, this is not a systematic approach; it may be beneficial to seek public views by periodic surveys.

Communications and Social-Media

Overall Assurance Level – REASONABLE ASSURANCE

No of management actions made / agreed: One Medium, one Low priority.

Summary

The Torridge Communications Strategy covers 2021-24 and outlines its framework to communicate with internal and external clients in the most convenient way. The authority currently uses its public website, Facebook, Instagram, Twitter, YouTube, and email distributions to communicate digitally with public. It has stopped using TikTok following the UK Government banning its use due to security concerns. Many targeted press releases and posts are made every month. The public can sign up to receive news posts and social media / twitter updates on a wide range of different operations.

The Strategy was updated to reflect the findings and recommendations of an external review on the use of social media in 2020/21. There is also a Social Media Code of Conduct and guidelines for staff and training for Members which has been very recently delivered to them following the local elections. The Social-Media Policy covers most areas we would expect but was last reviewed in August 2017 and needs review. The council has considered the Accessibility Regulations related to its website and it meets the requirement, with exceptions noted on the Accessibility Statement.

Return of officers to Riverbank House has been beneficial for the Communications Team, particularly in expediting decision making when communication posts are being created or for monitoring / screening of public commentary / escalation where it has been appropriate. The team coordinate the communications issued for the council and ensure that content is appropriate with the policy and code of conduct. They clear most (circa 95%) of posts proposed by officers and they also monitor posts made on channels through the day. The team work closely together and have a strong desire to learn, develop and improve communications across the district.

There are residents in the area who do not have access to digital communication. Review of the Communications Strategy indicates that there is mention of how to achieve “*Contact with hard-to-reach groups*”. We were told that those 'hard to reach' groups in society are valued. Corporate communications go to the North Devon Gazette free paper, and A5 flyers go out via warm spaces/rooms, libraries and voluntary service community groups. Further work is planned; there is an Action in the HR & Comms Business Plan to “*Review Customer Services offer to customers (Internal and External) ensuring accessibility to all*”.

Performance monitoring of communications is good (i.e., number of posts raised and followers) with above-average delivery and opening engagement data from Gov Delivery statistics. E-bulletins also go to the parish clerks via eight parish newsletters.

Specialist training from an external consultant was comprehensive and resulted in many changes. A training programme is planned, and there is a cycle of continuous learning from successful posts and content.

Complaints reporting processes are strong, aided in part by the communications officer also being the complaints co-ordinator. Statistics past and present are easily accessible for analysis or comparison. This has aided in understanding the longer than normal response times in the 2022-23 year, accounted for by staff changes / leavers. Recent figures show that this has now returned to normal. Reporting of these to Members is happening every quarter via bulletin alongside Internal Scrutiny Committee and a monthly summary report is also provided to the leader of the council.

Register of members interests

Overall Assurance Level – SUBSTANTIAL

There were no management actions.

Summary

The council complies with the requirement to maintain a Register of Interests for Officers and undertakes basic checks to reduce the risk of conflicts of interest. Every year the Senior Accountant - Collection Fund, issues Register of Interest Declaration forms to the twelve senior officers of the Strategic Management Team, or the Operational Management Team. Along with details in the Register of Interests forms completed by the thirty-six councillors, the information is then placed in an Excel spreadsheet and cross-referenced to data held within the various financial systems of the authority. On completion of this exercise the results are placed in a folder entitled 'Related Party Transactions' and made available to External Audit.

We found the Senior Accountant - Collection Fund was unaware that specific key NFI reports could greatly assist in this exercise (and possibly highlight undeclared issues). Use of these reports has now been added to the annual procedure. Checking the NFI reports the Senior Accountant - Collection Fund stated that: *'It did not flag up anything of concern but did show that a number of members were directors of the new Company that council has set up to run the leisure centres, which had not been updated on their declarations so that was useful'*.

A review of all councillors' webpages upon the Torridge DC website found most had current Register of Electors links detailing their interests. We identified two recently elected councillors did not have a link. Seven councillors who served upon Torridge DC prior to the May 2023 elections were found not to have submitted Register of Interest declarations since their recent re-election. It is a requirement in the TDC Constitution for members to have completed their declaration within 28 days of election or appointment. By the time this report was finalised, declarations had been published for all councillors upon their respective webpages.

A Code of Conducts for Officers, and one for Members, provided guidance on rules related to behaving with integrity, and advice on what should be declared.