# **Public Document Pack**



# RUSHMOOR BOROUGH COUNCIL

# CORPORATE GOVERNANCE, AUDIT AND STANDARDS COMMITTEE

at the Council Offices, Farnborough on Wednesday, 24th September, 2025 at 7.00 pm

To:

Cllr Bill O'Donovan (Chairman) Cllr Rhian Jones (Vice-Chairman)

> Cllr Gaynor Austin Cllr C.W. Card Cllr Sue Carter Cllr P.J. Cullum Cllr C.P. Grattan Cllr M.J. Roberts Cllr Sarah Spall Cllr P.G. Taylor Cllr Jacqui Vosper

# **Non-Voting Member:**

Mr. Tom Davies – Independent Member (Audit)

# **Standing Deputies:**

Cllr Leola Card, Cllr Thomas Day, Cllr A.H. Gani, Cllr S.J. Masterson, Cllr T.W. Mitchell, Cllr.Ivan Whitmee.

Enquiries regarding this agenda should be referred to the Committee Administrator, Lucy Bingham, Democratic Services, Tel. (01252 398128) or email lucy.bingham@rushmoor.gov.uk.

# AGENDA

# 1. **MINUTES –** (Pages 1 - 10)

To confirm the Minutes of the Meetings held on 2nd July and 23rd July, 2025 (copies attached).

# 2. **INTERNAL AUDIT - AUDIT UPDATE -** (Pages 11 - 52)

To receive the Southern Internal Audit Partnership's (SIAP) Reports, as detailed below:

- Report No. SIAP25/04 (copy attached), which outlines the internal audit progress report from the Council's internal auditors;
- Report No. SIAP25/05 (copy attached), which includes the internal audit external quality assessment; and
- Report No. SIAP25/06 (copy attached), which details the Internal Audit Strategy 2025-28.

# 3. CORPORATE POLICY AND GUIDANCE ON SURVEILLANCE AND THE USE OF THE REGULATION OF INVESTIGATORY POWERS ACT 2000 – (Pages 53 - 56)

To consider the Corporate Manager – Legal Services' Report No. LEG2503 (copy attached) updating the Committee on the Council's surveillance activities within and outside the scope of the Regulation of Investigatory Powers (RIPA) Act 2000.

# 4. **ANNUAL OMBUDSMAN COMPLAINT REVIEW LETTER 2025 –** (Pages 57 - 58)

To receive the Monitoring Officer's Report No. CS251908 (copy attached), which summarises the outcome and findings of the Annual Review Letter 2024/25 from the Local Government & Social Care Ombudsman.

# 5. UPDATE ON APPOINTMENT OF INTERIM MANAGING DIRECTOR AND HEAD OF PAID SERVICE –

To consider the Leader of the Council's Report No. DEM2507 (copy to follow), setting out an update on the Interim Managing Director role.

# **PUBLIC PARTICIPATION AT MEETINGS**

Members of the public may ask to speak at the meeting on any of the items on the agenda by writing to the Committee Administrator at the Council Offices, Farnborough by 5.00 pm two working days prior to the meeting.

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# CORPORATE GOVERNANCE, AUDIT AND STANDARDS COMMITTEE

Meeting held on Wednesday, 2nd July, 2025 at the Council Offices, Farnborough at 7.00 pm.

# **Voting Members**

Cllr Bill O'Donovan (Chairman) Cllr Rhian Jones (Vice-Chairman)

> Cllr P.J. Cullum Cllr C.P. Grattan Cllr M.J. Roberts Cllr Sarah Spall Cllr Jacqui Vosper

Apologies for absence were submitted on behalf of Cllr Gaynor Austin, Cllr C.W. Card, Cllr Sue Carter and Cllr P.G. Taylor.

Cllr Thomas Day and Cllr S.J. Masterson attended the meeting as Standing Deputies.

# **Non-Voting Member**

Mr. Tom Davies – Independent Member (Audit)

# 10. PROPOSAL TO START A COMMUNITY GOVERNANCE REVIEW

The Committee considered the Monitoring Officer's Report No. LEG2510, which set out a proposal to start a Community Governance Review in response to Local Government Reorganisation (LGR). The review aimed to ensure that community governance arrangements would continue to be effective, convenient, and work in the interests of local residents in the event of the establishment of a unitary council for North Hampshire.

The report and the attached proposed terms of reference described the process and schedule for a Community Governance Review to be completed by January 2026, to ensure there was sufficient time to set precepts and transfer any assets and/or services to any new Parish Councils that the Council may choose to establish.

During discussion, Members raised questions regarding potential costs of setting up Town or Parish Councils, the services provided by Town and Parish Councils and the differences between the two.

The Committee noted that residents would need to have clarity about the consultation in order to seek their views, as there were several consultations ongoing with regards to LGR.

It was noted by the Committee, that the Council would consider a final report and draft Community Governance Reorganisation Order by January 2026 in advance of potential Parish Council elections in May 2026. An alternative option for the Council, was the decision to not make any changes to community governance, having given regard to the consultation results.

The Committee **RECOMMENDED TO THE COUNCIL** that the terms of reference for a Community Governance Review, as set out in the Monitoring Officer's Report No. LEG2510, be approved.

# 11. CONSTITUTION AND COMMITTEE REVIEW UPDATE REPORT (2)

The Committee considered the Corporate Manager – Democracy Report No. DEM2506, which set out proposed updates to the Constitution in respect of:

- (1) All proposed new amendments to the Constitution as described in the schedule in Appendix 1;
- (2) Updates to the Standing Orders for the Regulation of Business and Scheme for Public Questions as set out in Appendix 2 and Appendix 3;
- (3) Updates to the Terms of Reference for Committees; 'Role and Responsibilities of Council Decision-Making Committees', 'Overview and Scrutiny Committee Terms of Reference' and 'Policy & Project Advisory Board Terms of Reference as set out in Appendix 4 to come into effect from October 2025;
- (4) An update to the Code of Conduct for Councillors as set out in Para 2.1 of the Report; and
- (5) All previously agreed amendments and updates to the Constitution since the last review in February 2023 as set out in the schedule in Appendix 5.

During discussion, Members raised questions regarding the necessity of splitting the Corporate Governance, Audit and Standards Committee (CGAS), considering the upcoming Local Government Reorganisation (LGR). The Committee noted that due to the CGAS Committee's numerous functions and responsibilities, reports from external bodies had strongly advised that focus was given to financial management and ensuring that Members felt they had the capacity to have the required specialism and in-depth knowledge. There was also the need for a strong pool of trained Members for licensing, with daytime availability, that had to be drawn from the CGAS Committee. Members could serve on both new Committees, if required.

Members also raised questions concerning the time allocated for questions at Council meetings. The Committee noted that the Mayor would have the ability to extend the time for public questions, if they considered it necessary.

(i) The Committee **RECOMMENDED TO THE COUNCIL** that the proposed updates to the Council's Constitution, following consideration by the Constitution Working Group, as set out in the Corporate Manager -

Democracy Report No. DEM2506, be approved subject to the inclusion of the following additional amendments:

- that the terms of reference for the Licensing and Corporate Business Committee include reference to the Committee having responsibility for matters regarding the renumeration of the Head of Paid Service; and
- that the 'Scheme for Public Questions at Full Council' be updated at para 1.8 to state that the Managing Director, in consultation with the Mayor, may reject a question for Council for inclusion on the agenda.

The meeting closed at 8.05 pm.

CLLR BILL O'DONOVAN (CHAIRMAN)

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# CORPORATE GOVERNANCE, AUDIT AND STANDARDS COMMITTEE

Meeting held on Wednesday, 23rd July, 2025 at the Council Offices, Farnborough at 7.00 pm.

# **Voting Members**

Cllr Bill O'Donovan (Chairman) Cllr Rhian Jones (Vice-Chairman)

> Cllr Gaynor Austin Cllr C.W. Card Cllr Sue Carter Cllr P.J. Cullum Cllr C.P. Grattan Cllr M.J. Roberts Cllr Sarah Spall Cllr P.G. Taylor

Apologies for absence were submitted on behalf of Cllr Jacqui Vosper.

# **Non-Voting Member**

Mr. Tom Davies – Independent Member (Audit)

# 12. MINUTES

The minutes of the meeting held on 22 May, 2025 were agreed and signed as a correct record of the proceedings.

# 13. INTERNAL AUDIT PROGRESS REPORT

The Chairman welcomed Neil Pitman, Head of Southern Internal Audit Partnership (SIAP), the Council's internal auditors, who joined the meeting remotely via Microsoft Teams.

The Committee received SIAP's Report No. SIAP25/03 which set out the Internal Audit Progress Report, for the June 2025 accounts, which provided the Corporate Governance, Audit and Standards Committee with an overview of internal audit activity against assurance work completed in accordance with the approved audit plan. The Report also provided an overview of key updates pertinent to the discharge of the Committee's role, in relation to internal audit.

It was noted by the Committee, that there was an error in the agenda pack. On Page 10, Para 1.4, Members were asked to disregard the first two sentences.

During discussions, questions were raised regarding IT contingency plans and Disabled Facilities Grants. Members noted that James Duggin, Executive Head of Operations, had not been available to attend the meeting to answer questions

relating to how the funds were spent in relation to the Disabled Facilities Grants. Members agreed to request an action plan from Mr Duggin, with dates and those responsible for actions, to be completed in time for the Committee meeting in November.

# ACTION:

What		By Whom	When
Action plan with	h dates	James Duggin, Executive	November
completed and	officer	Head of Operations	2025
responsibility in rela	ition to the	-	
Disabled Facilities Gr	ants.		

**RESOLVED**: That SIAP's Report No. SIAP25/03, be noted.

# 14. ANNUAL CORPORATE HEALTH AND SAFETY REPORT

The Committee received the Executive Director's Report No. ED2505, which provided an update on the ongoing development and maintenance of the Council's corporate health and safety arrangements in 2024/25 and the plans in place for 2025/26.

It was noted that, following the response to Covid and the significant changes made to working practices across the majority of the Council's services during that period, the health and safety risk profile of the Council's business activities had stabilised, with more employees routinely working from home and other remote locations. The overall health and safety risk profile of the Council remained low, with the majority of high-risk work activity contracted out, and only a few specific roles with an enhanced level of risk. Examples of these were technical staff working at Princes Hall and members of the Place Protection team.

It was noted that, the Corporate Health and Safety Advisor maintained a reporting regime on corporate health and safety matters that was taken quarterly to the Corporate Management Team (CMT). This related predominately to operational matters. The numbers of accidents/incidents and violence at work incidents, including trends and a summary of those reports, were also routinely reported to CMT and Cabinet via the quarterly performance management report. The number of accidents and incidents seen at the Council was low and had remained relatively stable for a number of years.

During discussions, Members raised questions regarding near misses, details of incidents and whether unions and officers were involved in discussions involving health and safety. Members noted that a Corporate Health, Safety and Welfare Group, which consisted of officers from all services and levels of management, along with a union representative, met regularly to discuss matters involving health and safety at work. It was also noted that, as verbal abuse and threats had lessened, the data could be used to re-evaluate the use of security considering the costs involved.

# ACTION:

What			By Whom	When
Incorporate	into	the	Roger Sanders, Service	September
Committee's	Work	Plan	Manager – Risk,	2025
quarterly repor	ting on the	Risk	Performance and	
Management P	rocess.		Procurement	

**RESOLVED**: That the Executive Director's Report No. ED2505, be noted.

# 15. FREEDOM OF INFORMATION - ANNUAL UPDATE REPORT 2025

The Committee received the Data Protection Officer's Report No. LEG2502 which set out information about Freedom of Information (FOI) requests received by the Council, and performance on responses to FOIs. The Freedom of Information Act 2000 (FOIA 2000) provided public access to information held by public authorities. Freedom of Information requests encouraged openness and scrutiny of the Council's decisions. Rushmoor Borough Council had a statutory duty to fulfil its obligations under FOIA 2000.

The Committee noted that the Council's performance on FOIs continued to steadily improve and was responding within the target response rate. There was further work planned, including training, and publishing more information online to continue improvements already made. A new Microsoft Lists system had been launched part way into Q2 to improve resilience, and increase oversight by senior management.

In response to a question, it was confirmed that the Council had not received any fines so far from the Information Commissioner's Office (ICO) for not complying with the FOIA 2000. During discussions, the Committee noted that the Council rarely received subject access requests (SARs). They were managed within the time frame and were slightly different to FOI requests, in that the Council were able to self-apply for an extension.

# **RESOLVED**: That officers:

- (i) continued their work on reducing the number of overdue FOIs within the system in 2025 and continued to ensure that 90% of requests were responded to within the statutory 20 working days, as per the ICO target;
- (ii) continued to raise FOI awareness and knowledge across employees, through regular training and guidance; and
- (iii) published as much information proactively to reduce the number of FOI requests.

# 16. ANNUAL STATEMENT OF ACCOUNTS REPORT

The Committee received the Executive Head of Finance's Report No. FIN2514, which provided an update to the Committee including the unaudited statement of accounts for 2024/25, which were published on 27th June 2025, in-line with statutory deadlines.

The Committee noted that the preparation of the Statement of Accounts and the audit scrutiny provided reassurance that the accounts gave a true and fair view of the financial position of the Council. The process of clearing down the backlog of the Annual Statements meant full audit sign off had not been achieved for the three years 2020-2023, therefore risks of the Council's financial accounts not showing a true and fair financial position, were increased.

During discussions, the Committee noted an error in the report on Page 41, Para 7.2, which stated 'Waverley' instead of 'Rushmoor'. Members raised questions regarding the Local Government Pension Scheme's (LGPS) longevity forecasting and the impact on the Council's budget from increases in employer National Insurance Contributions (NCIs).

# ACTION:

What	By Whom	When
Query with the Actuary the	Peter Vickers, Executive	September
discrepancy between the	Head of Finance.	2025
LGPS's longevity forecasting		
and the forecasting of the Office		
for National Statistics (ONS).		

**RESOLVED**: That the Executive Head of Finance's Report No. FIN2514, be noted.

# 17. 2024/25 TREASURY MANAGEMENT OUTTURN AND 2025/26 Q1 TREASURY PRUDENTIAL INDICATORS REPORT

The Committee received the Executive Head of Finance Report No. FIN2515 which set out the activities of the Treasury Management and non-Treasury Investment Operations for quarter one in the financial year 2025/26 and reported on compliance with Prudential Indicators along with 2024/25 outturn figures. The report was a statutory requirement under the CIPFA Code of Practice on Treasury Management.

The Committee noted that all treasury activity had been conducted within the approved Treasury Management Practices.

The Committee noted that the majority of the Council's borrowing was short-term Local Authority (LA), although the report showed that there had been a change, inline with the Strategy, to have more longer term borrowing with the Public Works Loan Board (PWLB) locking in rates at equivalent to, or lower than, the borrowing rate set within the MTFS (4.78%), which diversified the borrowing the Council held.

During discussions, Members raised questions regarding the frequency of treasury management reviews, the effect of Local Government Reorganisation (LGR) on the Council's debt and the accuracy of Arlingclose, the independent treasury advisor company used by the Council. The Committee noted that data from Royal London, Bank of England and Arlingclose was used by the Council.

The Committee **RECOMMENDED TO THE CABINET** that the contents of the Executive Head of Finance's Report No. FIN2515 report, in relation to the treasury management and non-treasury investment operations carried out, be approved.

The meeting closed at 8.25 pm.

CLLR BILL O'DONOVAN (CHAIRMAN)

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# CORPORATE GOVERNANCE AUDIT AND STANDARDS COMMITTEE

Head of Partnership REPORT NO. SIAP 25/04

24th September 2025

# **INTERNAL AUDIT PROGRESS REPORT AUGUST 2025**

# SUMMARY:

As required by the Global Internal Audit Standards in UK Public Sector this report presents the Internal Audit Progress Report August 2025.

 The Internal Audit Progress Report - August 2025 (Appendix A) provides the Corporate Governance, Audit and Standards Committee with an overview of internal audit activity against assurance work completed in accordance with the approved audit plan and to provide an overview of key updates pertinent to the discharge of the committee's role in relation to internal audit.

# **RECOMMENDATION:**

Members are requested:

o to **note** the Internal Audit Progress Report – August 2025 (Appendix A).

# 1 Introduction

- 1.1 The mandate for internal audit in local government is specified within the Accounts and Audit [England] Regulations 2015, which states:
  - 'A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.'
- 1.2 From 1 April 2025, the 'standards or guidance' in relation to internal audit are those laid down in the Global Internal Audit Standards (GIAS), Application Note: Global Internal Audit Standards in the UK Public Sector (Application Note) and the Code of Practice for the Governance of Internal Audit in UK Local Government. The collective requirements shall be referred to as the Global Internal Audit Standards in the UK Public Sector (the Standards).
- 1.3 The Southern Internal Audit Partnership have made all necessary adaptions to its processes, procedures and practices to ensure it is best placed to conform with these requirements with effect from 1 April 2025.

- 1.4 In accordance with proper internal audit practices (Global Internal Audit Standards in the UK Public Sector), the Chief Internal Auditor is required to provide a written status report to the Corporate Governance, Audit & Standards Committee, summarising:
  - ongoing confirmation or otherwise regarding independence, and impairment [Standard 7.1]
  - a summary of significant issues and escalation of matter of importance [Standard 8.1]
  - overview and sufficiency of resourcing [Standards 8.2, 10.1, 10.2, and 10.3]
  - communicating of unresolved issues that fall outside of the Council's risk tolerance [Standard 11.5]
  - update on progress and any changes to the annual audit plan [Standard 9.4]
  - o internal audit performance measures [Standard 12.2]
  - status of 'live' internal audit reports and status on the implementation of management actions [Standard 15.2]
- 1.5 Appendix A summarises the activities of internal audit for the period up to August 2025

# 2 Recommendation

2.1 Members are requested to note the Internal Audit Progress Report – August 2025 (Appendix A)

**AUTHOR:** Neil Pitman, Head of Southern Internal Audit Partnership Neil.pitman@hants.gov.uk

**HEAD OF SERVICE:** Peter Vickers, Executive Head of Financial Services and S151 Officer

# Southern Internal Audit Partnership

Assurance through excellence and innovation

# Internal Audit Progress Report Rushmoor Borough Council – August 2025

Prepared by: Neil Pitman, Head of Partnership

## 1. Internal Audit Mandate

The mandate for internal audit in local government is specified within the Accounts and Audit [England] Regulations 2015, which states:

- '5. (1) A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.
- (2) Any officer or member of a relevant authority must, if required to do so for the purposes of the internal audit—
  - (a) make available such documents and records; and
  - (b) supply such information and explanations

as are considered necessary by those conducting the internal audit.'

The role of internal audit is best summarised through its definition within the Standards, as an:

'An independent, objective assurance and advisory service designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.'

The Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising the Council that these arrangements are in place and operating effectively.

The Council's response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisation's objectives.

## 2. Internal Audit Standards

With effect from 1 April 2025, the 'Standards' against which internal audit within the public sector must conform are those laid down in the Global Internal Audit Standards, Application Note: Global Internal Audit Standards in the UK Public Sector and the Code of Practice for the Governance of Internal Audit in UK Local Government. The collective requirements are referred to as the Global Internal Audit Standards in the UK Public Sector.

# 3. Purpose of Report

In accordance with proper internal audit practices (Global Internal Audit Standards in the UK Public Sector), and the Internal Audit Charter the Chief Internal Auditor is required to provide a written status report to Senior Management and the Corporate Governance Audit & Standards Committee, summarising:

- o The monitoring of 'live' internal audit reports
- o an update on progress against the annual audit plan and any subsequent revisions
- o acknowledgement of any actual or perceived impairments to internal audit independence
- o internal audit performance, planning and resourcing issues
- o results of audit assignments and insights.

Internal audit reviews culminate in an opinion on the assurance that can be placed on the effectiveness of controls in place focusing on those designed to mitigate risks to the achievement of management objectives of the service area under review. Assurance opinions are categorised as follows:

Substantial	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
Reasonable	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Limited	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
No	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

# 4. Resourcing

As Chief Internal Auditor I maintain responsibility for ensuring that there is a sufficient level of resource available, supported by an appropriate range of knowledge, skills, qualifications and experience to deliver the internal audit plan (2025/26) and in the fulfilment of the audit mandate and delivery of the internal audit strategy.

- Human Resource the Southern Internal Audit Partnership has access to an appropriate range of knowledge, skills, qualifications and experience required to deliver the internal audit strategy and risk-based audit plan.
- o **Financial Resource** the Head of Southern Internal Audit Partnership will manage the internal audit budget to enable the successful implementation of the internal audit mandate and achievement of the plan. The budget includes the resources necessary for the function's operation, including training and relevant technologies and tools.
- Technological Resource the internal audit function has the technology to support the internal audit process and regularly evaluates technological resources in pursuit of opportunities to improve effectiveness and efficiency.

The Southern Internal Audit Partnership are currently experiencing a higher than average level of attrition resulting in vacancies at auditor, senior auditor and audit manager level.

With the time lapse between an individual leaving the organisation and the recruitment and onboarding of new staff there will be an inevitable impact on capacity over the short-term.

The Southern internal Audit Partnership have contingency arrangements in place to mitigate such eventualities with opportunity to attain additional support through peer Partnerships or established frameworks.

Whilst there will be no financial impact to Guildford Borough Council, there may be some minor slippage in delivery of the quarter 2 / 3 plan whilst contingency arrangements are put in place.

Recruitment across existing vacancies is well progressed and I remain confident as your chief internal auditor that the 2025/26 internal audit plan will be sufficiently delivered enabling me to provide a timely Annual Conclusion.

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# 5. Independence

As your chief internal auditor, I retain no roles or responsibilities that have the potential to impair my independence, either in fact or appearance. Internal auditors engaged in the delivery of the 2025-26 internal audit plan have had no direct operational responsibility or authority over any of the activities reviewed. I can confirm there has been no interference encountered relating to the scope, performance, or communication of internal audit work during the year to date in the delivery of the internal audit plan or the fulfilment of the internal audit mandate.

# 6. Impairments

There have been no impairments to internal audit activity during the year. The internal audit function has remained free from all conditions that threaten our ability to carry out responsibilities in an unbiased manner, including matters of engagement selection, scope, procedures, frequency, timing, and communication. The internal audit team have maintained an unbiased mental attitude allowing them to perform engagements objectively enabling them to believe in their work product, with no compromise to quality, and no subordination to their judgment on audit matters, either in fact or appearance.

# 7. Rolling Work Programme

The internal audit plan for 2025-26 was originally presented to Senior Management and approved by the Corporate Governance Audit & Standards Committee in April 2025. The audit plan remains fluid to provide a responsive service that reacts to the changing needs of the Council. Progress against the plan is detailed below.

					5 (:			
Audit Review	Sponsor	Scoping	ToR	Fieldwork	Draft	Final	Assurance	Comment
		Held	Issued	Start	Report	Report	Opinion	<u>.</u>
Disabled Facility Grants	EHO	01.05.24	03.06.24	17.06.24	11.10.24	13.06.25	Limited	2024/25
Capital Programme	EHF	22.07.24	03.09.24	18.09.24	23.04.25	04.09.25	Reasonable	<mark>2024/25</mark>
Effectiveness of Financial Rules	EHF	23.09.24	13.11.24	18.11.24	28.05.25	22.07.25	Limited	2024/25
NNDR	EHF	09.10.24	07.11.24	16.12.24	30.04.25	11.07.25	Reasonable	2024/25
FMS & Bank Reconciliations	EHF	07.11.24	16.01.25	04.03.25	27.05.25	21.07.25	Reasonable	2024/25
Sales Ledger	EHF	06.03.25	26.03.25	22.04.25	04.09.25			2024/25
Union Yard	EHF	27.01.25	07.07.25	28.07.25				Q1
Pay360	CM IT SD	12.02.25	21.07.25	20.08.25				Q1
Risk Management	SM RPP							Q3
Programme / Project Management	EHO	22.07.25	08.08.25					Q3
Contract Management	SM RPP							Q4
Procurement	EHF	20.05.25	10.06.25	30.06.25	13.08.25			Q1
Cyber – Training & Awareness	CM IT							Q3
IT Contingency	CM IT							Q4
Treasury Management	EHF							Q3
Financial Recovery Plan	EHF	15.05.25	28.05.25	25.06.25	26.08.25			Q1
Recruitment & Retention	CM P							Q3
LGA Peer Review – Action Plan	IMD	04.06.25	27.06.25	04.07.25	26.08.25			Q1
Temporary Accommodation	EHO							Q3
Asset Management & Disposal	EHPG							Q3
Agency Staff	EHF	26.06.25	07.07.25	28.07.25				Q2
Budget Management	EHF	28.07.25	11.08.25					Q2
Contingency – Devolution & LGR	IMD							Q2-Q4

# 8. Adjustment to the Internal Audit Plan 2025-26

Internal Audit focus continues to be proportionate and appropriately aligned. The plan remains fluid and subject to on-going review and amendment, in consultation with the relevant audit sponsors, Senior Management, and Corporate Governance Audit & Standards Committee, to ensure internal audit are able to react to new and emerging risks and the changing needs of the Council.

Such amendments to the 2025-26 internal audit plan are detailed below with explanations for the proposed amendments.

Additions	Audit Review	Reason for inclusion in the plan					
Additions	None	N/A					
Withdrawals	Audit Review	Reason for removal from the plan					
withdrawais	None	N/A					

# 9. Acceptance of Risk

Internal audit reporting protocols are in place to ensure that the scope of work and findings for all assignments are reported appropriately and that agreed management actions are approved by senior management.

Every effort will be made to resolve disagreements that may arise during the audit process. However, if, unresolved issues are considered by internal audit to fall outside of the Council's risk tolerance, these will be escalated to Senior Management and Corporate Governance Audit & Standards Committee as deemed necessary.

There are no such instances to report from our delivery of the 2025–26 internal audit plan to date.

# 10. Executive Summaries of reports published concluding a 'Limited' or 'No' assurance opinion

Title: Effectiveness of Financial Rules		
Audit Sponsor	Assurance opinion	Management Actions
Rosie Plaistowe-Melham, Financial Services Manager	Limited	2 High 5 Medium 1 Low

# **Summary of key observations:**

There is an established process in place to enable Cabinet to monitor budgetary information, performance and variations. Specifically, the Executive Leadership Team is supplied with a monthly report containing a breakdown of the budget, forecast and variances as well as summary headlines on movements. In addition, there is a quarterly report on budget management prepared for Cabinet with notes on the revenue and capital budget accounts, key service variations and virements.

The Financial Regulations set out the principles and key controls on how the Council should manage their finance, however, responsibilities and how these controls should be executed are not clearly documented. We understand that the Financial Services Manager is working on an internal guidance to address this concern, but this document has not yet been completed.

It is a requirement under the Constitution's Scheme of Delegation that any virements over £50k must be approved by Cabinet and those below this threshold should be approved by the Executive Directors, Head of Service and Service Managers. However, controls are not sufficiently robust to ensure all virements are reviewed and approved with proper justifications. Testing found virements above £50k that had not been reported to / approved by Cabinet. Moreover, no approval trails were retained on virements below the threshold to substantiate that they were approved in line with the Scheme of Delegation.

The Financial Regulations require that all works, goods or services to be supplied to the Council shall be ordered on the Council's approved electronic systems and any other electronic or paper-based forms to be approved by the Chief Finance Officer. Under the existing procedure, Executive Directors, Heads of Service, Corporate Managers and Service Managers are responsible for examining and certifying invoices, payment vouchers, or accounts arising from sources within their departments and to authorise payments electronically within Integra's PO and IAS modules. We understand that officers are granted authorities to authorise payments in these systems up to specific limits which are recorded in approval forms signed by Executive Directors / Heads of Service. Testing highlighted that not all authorities had been properly authorised.

It is a requirement under the Financial Regulations that expenditure should only be incurred if it is provided for in the revenue or capital budgets. Nonetheless, the existing purchase and payment process cannot ensure this requirement is fulfilled. Specifically, neither the PO nor IAS modules have the functionality to enforce this budgetary control when the authorised officers commit to purchases or approves payments.

We reviewed the list of authorised signatories of the bank account with Lloyds Bank and noted that they are all current employees of the council. While the Financial Regulations requires that dual signatories are needed for cheques drawn for an amount in excess of £25k, this control is not enforced.

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# 11. Analysis of 'Live Audit Reviews'

Audit Davieus	Assurance	Management Actions													
Audit Review	Date	Sponsor	Opinion	1	Agreed		F	endin	g	Complete			C	Overdu	ıe
				L	M	Н	L	M	Н	L	M	Н	L	М	Н
Payment Card Industry DSS	2019/20		Reasonable	-	2	1	-	-	-	-	-	-	-	2	1
Estate Management	2019/20		Limited	3	21	8	-	-	-	3	20	8	-	1	-
Financial Borrowing	2019/20		Substantial	1	2	-	-	-	-	-	2	-	1	-	-
Risk Management	2021/22		Substantial	-	1	-	-	-	-	-	-	-	-	1	-
Treasury Management	2022/23		Substantial	5	3	-	-	-	-	4	3	-	1		-
IT Software Development	2022/23		Reasonable	2	8	1	-	-	-	1	3	1	1	5	-
Cyber Security	2022/23		Reasonable	1	10	6	-	-	-		9	6	1	1	-
Information Governance	2022/23		Reasonable	1	9	-	-	-	-	1	6	-	-	3	-
Crematorium	2022/23		Reasonable	-	9	1	-	-	-		8	1	-	1	-
Purchase Ledger	2023/24		Reasonable	1	6	2	-	-	-	1	4	1	-	2	1
H&S of Council Buildings	2023/24		Substantial	1	7	-	-	-	-	-	7	-	1	-	-
Cyber Risk in Supply Chain	2023/24		Limited	3	5	2	-	-	-	-	1	-	3	4	2
Capital Programme – The Meads	2023/24		Reasonable	-	-	1	-	-	-	-	-	-	-	-	1
Homes for Ukraine	2023/24		Reasonable	1	9	2	-	-	-	-	-	1	1	9	1
Related Parties	2023/24		Reasonable		3	1	-	-	-	-	-	-	-	3	1
Cloud - CRM	2023/24		Reasonable	1	5	-	-	-	-	1	2	-	-	3	-
Biodiversity BNG	2024/25		Reasonable	-	6	2	-	3	1	-	-	1	-	3	-
Elections	2024/25		Reasonable	5	-	-	5	-	-	-	-	-	-	-	-
Disabled Facility Grants	2024/25		Limited	1	10	8	1	10	7	-	-	1	-	-	-
Effectiveness of Financial Rules	2024/25		Limited	1	5	2	1	3	1	-	-	-	-	2	1
FMS Bank Reconciliation	2024/25		Reasonable	-	4	-	-	-	-	-	1	-	-	3	-
NNDR Billing, Collection, Recovery	2024/25		Reasonable	-	1	-	-	-	-	-	1	-	-	-	-
Capital Programme	2024/25		Reasonable	-	3	-	-	3	-	-	-	-	-	-	-
Total				27	126	37	7	16	9	11	67	20	9	43	8

## Annexe 1

# **Overdue 'High Priority' Management Action**

# **Payment Card Industry DSS**

# **Observation:**

The Council are allegedly paying a fine as a result of not being fully compliant with PCI DSS standards. This is due to the card terminal within the Princes Hall Theatre not transferring Cardholder data securely to the in-house CAPITA 360 system. This could not be confirmed at the time of audit.

There is no management or oversight of the alleged fine within the Council, with no one being able to provide details i.e. start date, monthly amount, expiry date or whether this was still ongoing.

# Risk:

Financial / reputational risk and the Council's ability to accept card payments being revoked.

Management Action	Original	Revised	Latest Service Update
	Due Date	<b>Due Date</b>	
The Council has been making a monthly payment to CAPITA	October	TBC	The Council remains not fully compliant with PCI DSS standards -
since late-2018 in respect of "CAPITA PCI DSS ANNUAL	2020		Peter Vickers remains the contact on this but resolution hasn't
MGMT FEE". Whilst the charge is relatively low (£10 per			yet been found.
month). It is unclear what this fee covers.			
In the absence of any detailed knowledge or awareness			
across Finance and IT teams, the Executive Head of Finance			
will review			

# **Purchase Ledger**

# **Observation:**

Continue to raise awareness of the use of Purchase Orders and fully implement the 'No PO, No Payment' approach. This shift will improve timeliness of payments, reduce the chance of human error, ensure a clear audit trail and reduce the chance of duplicate payments.

Risk: Increased risk of fraud and error.

Management Action	Original	Revised	Latest Service Update
	Due Date	Due Date	
Continue to work on encouraging the use of PO and provide	April 2025	TBC	This project is underway - ELT reviewed w/c 28th July and agreed
assistance to staff where needed. A small number of			to progress project for go live.
services will be assisted to use PO in the first instant to			
identify what resource is required prior to council wide			
implementation.			

# **Cyber Risk in the Supply Chain**

## **Observation:**

Develop a framework (set of questions to be asked regarding proposed procurements), to identify cyber risk to the Council and controls which the Council needs to confirm potential providers have in place.

The National Cyber Security Centre (NCSC) has published a set of questions to ask of providers at: <a href="https://www.ncsc.gov.uk/guidance/supplier-assurance-questions">https://www.ncsc.gov.uk/guidance/supplier-assurance-questions</a>. Further links are provided from this page to more detailed guidance. This is a comprehensive list and, while it will not be applicable to all providers, should be used as a starting point, both to understand the risk posed by individual procurements (i.e. the assessment of the risk posed) and the types of questions which need to be asked.

# Risk:

Management Action	Original	Revised	Latest Service Update
	Due Date	<b>Due Date</b>	
The procurement process will be updated to include an	30.06.24	TBC	Awaiting update.
internal questionnaire that will require completion for all			
proposed procurement activity (PPA questionnaire - PPAQ).			
As well as satisfying the needs of this audit and cyber security, it will aim to identify all high risk matters as early as possible in the procurement process, such as:			
Cyber risk			
<ul> <li>Data management/sharing</li> </ul>			
IT requirements and dependencies			
Business continuity requirements			
Key contract management activity & KPIs			
In the meantime, we will work with our competent advisors at Portsmouth City Council to identify and review cyber risks on a case-by-case basis – involving key services as			
consultees.			

# **Cyber Risk in the Supply Chain**

## **Observation:**

Internal Audit was informed by the Portsmouth City Council lead for the procurement SLA that the Council's current contract register is MS Excel based, rather than utilising the contract management functionality in ProContract/Proactis.

ProContract/Proactis provides functionality to capture performance against KPIs and, while outside of the scope of this audit, does need to be progressed at the earliest opportunity by the Council. Any future cyber related performance expectations should be captured and managed as part of this process.

No specific cyber risk related controls are known to be in place regarding the wider contract portfolio.

Utilising the NCSC guidance risk assesses contracts, focussing on those where there is known to be data processing or other elements elevating risk first. For the contracts identified as presenting the highest risk seek assurances from providers, using NCSC guidance, progressing contract amendments where necessary.

## Risk:

Management Action	Original Due Date	Revised Due Date	Latest Service Update
Sign off/comments process to be included in PPAQ as above. Consultees will be IT, Finance, Legal and DPO. Process will allow early intervention/involvement of key corporate consultees – for identification of risk and implementation of key mitigation pre-procurement.	30.06.24	TBC	Awaiting update.

# **Capital Programme – The Meads**

# **Observation:**

Changes to the financing of the Meads and the reason should be specifically communicated to Cabinet for transparency.

# Risk:

Т	Original Due Date	Revised Due Date	Latest Service Update
To communicate as necessary to Cabinet	Ongoing.	TBC	Awaiting update.

# **Homes for Ukraine**

# **Observation:**

All aspects of financial obligation arising from capital purchases should be calculated and budgeted for.

### Risk

Management Action	Original Due Date	Revised Due Date	Latest Service Update
There is a risk that an ongoing financial burden will have resulted from the type of properties purchased through the scheme and no plan to meet that need has been forecast. Risk registers to be amended to reflect this position	TBC	TBC	Awaiting update.
In relation to the Knotweed specifically: North Lane (Aldershot) Management Company Ltd who manage the wider estate have confirmed to RBC that the recent treatment programme in place for the Knotweed which they have responsibility for managing. This is charged via the annual estate (service) charges. There is no need for the council to carry out further survey works going forward.			

# **Related Parties**

# **Observation:**

Figures published should be sent to accountable officers to verify accuracy before inclusion into the accounts to ensure accurate financial reporting.

# Risk:

Management Action	Original Due Date	Revised Due Date	Latest Service Update		
Yearend working practices have undergone some updates since the reported issues and strengthening of grants process is continuing. Officers will circulate grant information to the accountable officers during the	30.05.25	TBC	Awaiting update.		
closedown process for review and this will be added to the timetable and working papers for forthcoming years.					

# **Effectiveness of Financial Rules**

## **Observation:**

Under the existing procedure, Executive Directors, Heads of Service, Corporate Managers and Service Managers are responsible for examining and certifying invoices, payment vouchers, or accounts arising from sources within their departments and to authorise payments electronically within Integra's PO and IAS modules.

Officers are granted authorities to authorise payments in these systems up to specific limits recorded in approval forms signed by Executive Directors / Heads of Service. We performed a test check of 10 samples of these authorities configured in PO and IAS with the forms and noted that one of the officers has been granted an excessive authority limit since May 2019.

Risk: Fraudulent or erroneous payments.

Management Action	Original Due Date	Revised Due Date	Latest Service Update
Remove excessive authority limit.	31.07.25	TBC	Awaiting update

# Annexe 2

# **Southern Internal Audit Partnership - Performance Measures**

	Performance Measure	Regularity	Target	Actual 25/26	Status	Direction of Travel
1.	Percentage of the agreed audit plan completed (issue of draft / final report)	Ongoing	90%	20%		n/a
2.	Audits delivered within agreed timescales (% year to date)					
	o To issue of draft report	Ongoing	80%	33%		n/a
	o To issue of final report	Ongoing	80%	n/a	n/a	n/a
3.	Conformance with the Global Internal Audit Standards in the UK Public Sector	Annual	Conforms	Conforms*		$\Leftrightarrow$
4.	Audits conducted optimising the effective use of data analytics (% year to date)	Ongoing	60%	13%		n/a
5.	Stakeholder satisfaction (annual survey)	-1	1	1	ı	ı
	o Audit Committee		90%	99%**		n/a
	o Senior Management	Annual	90%	99%**		n/a
	o Key Contacts		90%	98%**		n/a
6.	Internal audit effectively communicates with key stakeholders		•	•		
	o Audit Committee		90%	99%**		n/a
	o Senior Management	Annual	90%	99%**		n/a
	o Key Contacts		90%	98%**		n/a
7.	Sufficiency of input to and discussion of the internal audit plan					
	o Audit Committee	Annual	90%	97%**		n/a
	o Senior Management		90%	98%**		n/a
8.	Appropriate focus on key risks				•	
	o Audit Committee		90%	97%**		n/a
	o Senior Management	Annual	90%	100%**		n/a
	o Key Contacts		90%	97%**		n/a

<sup>\*</sup> EQAs undertaken under the PSIAS remain valid for the successive five years (from the date of award). The SIAP will be commissioning an EQA against the GIAS in the UK Public Sector during 2025.

<sup>\*\*</sup>Due to Rushmoor BC only joining SIAP in April 2025 Council specific results are not available therefore the wider Partnership results are presented for information

24th September 2025

# **INTERNAL AUDIT – External Quality Assessment**

# SUMMARY:

As required by the Global Internal Audit Standards in UK Public Sector this report presents the proposed approach for the Southern Internal Audit Partnerships external quality assessment.

 The Chief Internal Auditor must develop a plan for an external quality assessment and discuss the plan with the Corporate Governance, Audit & Standards Committee. The external quality assessment must be performed at least once every five years by a qualified, independent assessor or assessment team.

# RECOMMENDATION:

Members are requested:

o to **note** the arrangements for the pending external assessment of the Southern Internal Audit Partnership against the Global Internal Audit Standards in the UK Public Sector.

# 1 Introduction

- 1.1 The mandate for internal audit in local government is specified within the Accounts and Audit [England] Regulations 2015, which states:
  - 'A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.'
- 1.2 From 1 April 2025, the 'standards or guidance' in relation to internal audit are those laid down in the Global Internal Audit Standards (GIAS), Application Note: Global Internal Audit Standards in the UK Public Sector (Application Note) and the Code of Practice for the Governance of Internal Audit in UK Local Government. The collective requirements are referred to as the Global Internal Audit Standards in the UK Public Sector (the Standards).

- 1.3 The Standards (8.3) require 'the Chief Internal Auditor to develop, implement and maintain a quality assurance and improvement programme that covers all aspects of the internal audit function. The programme includes two types of assessments:
  - External assessments
  - Internal assessments'
- 1.4 The Southern Internal Audit Partnership's Quality Assurance and Improvement Programme is provided at Appendix 1.
- 1.5 The Standards (8.4) require that 'the Chief Internal Auditor must develop a plan for an external quality assessment and discuss the plan with the Audit Committee. The external assessment must be performed at least once every five years by a qualified, independent assessor or assessment team. The requirement for an external assessment may also be met through a self-assessment with independent validation.'

# **Form of External Quality Assessment**

- 1.6 There are two approaches to meeting the requirement of an External Quality Assessment:
  - A Full-scope External Quality Assessment (EQA) involves an independent and qualified Assessment Team. This is a more expensive option, as there is less work required by the Southern Internal Audit Partnership. The EQA is conducted in accordance with the Quality Assessment Manual with most of the work conducted by the Independent Assessment Team.
  - A Self-assessment with Independent Validation (SAIV) is where the Southern Internal Audit Partnership performs the "self-assessment" portion and an external, independent qualified validators review the self-assessment portion and provides their "independent validation." The SAIV is conducted in accordance with the requirements of the Quality Assessment Manual, and the self-assessment team is responsible to execute all aspects of the requirements as defined therein. This is a more economical approach because the Southern Internal Audit Partnership compiles most of the work.
- 1.7 Both approaches include workpaper reviews, surveys, stakeholder interviews, and issuance of a report that provides a rating as identified by the Quality Assessment Manual, i.e., Full Achievement, General Achievement, Partial Achievement and Non-Achievement.

# **External Assessor**

- 1.8 GIAS 8.4 sets out a requirement that when selecting the independent assessor or assessment team, the chief internal auditor must ensure at least one person holds an active Certified Internal Auditor designation.
- 1.9 The Relevant Internal Audit Standard Setters (RIASS) in their Application Note have determined that the qualification requirement in GIAS 8.4 (External Quality Assessment) should be replaced by a more comprehensive qualification requirement within the public sector.
- 1.10 The enhanced expectation within the public sector is that at least one person has the characteristics outlined for qualification as a chief internal auditor. The RIASS consider that such a person would normally have an understanding of the GIAS commensurate with the Certified Internal Auditor designation, including internal audit relevant continuing professional development and an understanding of how the GIAS are applied in the UK public sector. These matters must be considered as part of the selection process.

# Independence

- 1.11 It is essential that there are no impairments to the independence of the external assessor or assessment team driven by past, present, or anticipated future relationships with the organisation, its personnel, or the Southern Internal Audit Partnership.
- 1.12 Appropriate due diligence has been carried out on the assessors and their assessments teams with which we have engaged to quote for the pending external quality assessment.

# Scope & Frequency

- 1.13 There is a requirement that all internal audit providers undergo an external quality assessment performed by an independent and qualified assessor or assessment team at least once every five years to ensure conformance with the Standards.
- 1.14 It is permissible that more frequent external quality assessments are undertaken should this be considered necessary. Given the requirement to supplement the external quality assessment with an annual self-assessment the outcomes of which will be fully and transparently reported to the Corporate Governance, Audit & Standards Committee, it is considered that an external quality assessment every five years remains a proportionate approach.

- 1.15 Should there be significant change to arrangements within the Southern Internal Audit Partnership including changes in leadership, operating model, methodologies or excessive staff turnover, the Head of the Southern Internal Audit Partnership will further engage with Senior Management and the Corporate Governance, Audit & Standards Committee to discuss whether an additional external assessment (within the 5-year timeframe) would be appropriate.
- 1.16 The scope of the external quality assessment will include a comprehensive review of the Southern Internal Audit Partnership's:
  - Conformance with the GIAS in the UK Public Sector.
  - Mandate, charter, strategy, methodologies, processes, risk assessment and internal audit planning.
  - Performance measures and outcomes.
  - Qualifications and competencies including those of the Chief Internal Auditor.
  - Integration into the organisation's governance processes.
  - Contribution towards the organisation governance, risk management, and control processes.
  - Contribution to the organisations operations and ability to attain its objectives.
  - Ability to meet the expectations of stakeholders.

# **External Quality Assessment Providers**

- 1.17 There are several organisations capable of providing external quality assessments, however, the requirement of public sector expertise does significantly limit the field. Consequently, the Head of Southern Internal Audit Partnership has engaged with the following providers to acquire details of approach and cost:
  - Chartered Institute of Public Finance and Accountancy (CIPFA).
  - JC Audit Training Ltd.
  - BHBi (in partnership with Littlejohn and Haley).

# **External Quality Assessment Providers Discounted**

1.18 A further credible source of assessment provider would be the Institute of Internal Auditors (IIA), however, due to the IIA having undertaken the Southern Internal Audit Partnership's external quality assessments in 2015 and 2020 this was not explored for our 2025 assessment as it is considered a fresh perspective on conformance and operating practices would be beneficial and mitigates any perceived impairment to independence.

- 1.19 The Global Internal Audit Standards do enable provision for reciprocal peer assessments rotated among three or more organisations within the same industry sector.
- 1.20 Due to their nature there would be no financial outlay in adopting this approach, however, there would be the opportunity costs of the Head of the Southern Internal Audit Partnerships time in reciprocating any peer review requested of the SIAP.
- 1.21 The independent status of the external assessment is paramount and there may be a perception that this is diminished as part of the peer review approach. As such the collaborative approach has not been explored further as part of this paper.

# **Implications for Multi Service Providers**

- 1.22 The benefits of an EQA go beyond conformance with the GIAS. An EQA provides independent and objective assurance to internal audit stakeholders that the governance, management, and services of internal audit are meeting best practice and the needs of the organisation.
- 1.23 However, the introduction of new requirements in GIAS, such as the essential conditions placed on the audit committee and senior management, introduce practical challenges for multi-client providers (MCPs) such as the Southern Internal Audit Partnership which need to be considered.
- 1.24 The involvement of the Corporate Governance, Audit & Standards Committee and senior management can now present challenge for MCPs who have historically arranged one EQA to cover all clients. MCPs now need to consult with every audit committee they provide services to and provide individual reports, increasing the workload and costs which have not been previously factored
- 1.25 There remains ongoing consultation, and we await further clarification later in the summer, however, engagement with each of the potential assessor has made clear our operating model, position as a multi-client provider and need to ensure a robust process to demonstrate conformance on which all of our partner organisations can place reliance.

# **Recommended Approach**

- 1.26 It is proposed that the Southern Internal Audit Partnership conduct their external assessment as a Self-Assessment with Independent Validation (SAIV) as outlined in paragraph 1.6.
- 1.27 The key drivers for the SAIV approach include:
  - It is a recognised approach within the Standards, meeting the requirements of an external quality assessment.
  - The approach requires external validation from an independent, qualified external assessor.
  - Provides a more economical approach as a majority of information gathering is completed by the Southern Internal Audit Partnership. This is particularly pertinent due to our multi-client provider status.
  - Minimises capacity implications for our Partners.

# **Next Steps**

- 1.28 Following receipt of quotations from the providers (detailed in paragraph 1.17) a full assessment of proposals will be undertaken with appointment based on:
  - Cost.
  - Experience (profession and industry).
  - Qualification.
  - Independence.
  - Approach.
- 1.29 The successful provider will be commissioned to undertake the SAIV with a requirement for completion by December 2025.
- 1.30 The Southern Internal Audit Partnership have already compiled a full self-assessment against the Global Internal Audit Standards in the UK Public Sector during July / August 2025 in preparedness for the external assessor.
- 1.31 A copy of the external assessor report will be presented to the first meeting of the Corporate Governance, Audit & Standards Committee in 2026. Additionally, an action plan for review and approval will be presented by the Chief Internal Auditor to address any identified deficiencies or opportunities for improvement, if applicable.

# Conclusion

- 1.32 To accord with the Global Internal Audit Standards in the UK Public Sector the Head of the Southern Internal Audit Partnership has put in place arrangements for a SAIV to be conducted during November / December 2025.
- 1.33 In accordance with the Standards and the Internal Audit Charter outcomes will be fully reported to the Corporate Governance, Audit & Standards Committee following receipt of the assessor's final report.

# 2 Recommendation

2.1 Members are requested to note the arrangements for the pending external assessment of the Southern Internal Audit Partnership against the Global Internal Audit Standards in the UK Public Sector.

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**HEAD OF SERVICE:** Peter Vickers, Executive Head of Financial Services and S151 Officer



Assurance through excellence and innovation

# SOUTHERN INTERNAL AUDIT PARTNERSHIP

Quality Assurance & Improvement Programme

Prepared By: Neil Pitman, Head of Southern Internal Audit Partnership

June 2025

#### 1. Introduction

The quality assurance and improvement programme [the QAIP] has been produced to evaluate the Southern Internal Audit Partnership [SIAP] conformance with the Global Internal Audit Standards in the UK Public Sector<sup>1</sup>, achieve established performance measures, and pursues continuous improvement.

The programme includes the requirement for both internal and external assessments.

#### 2. Relevant Standards

Standard 8.3 Quality - requires the Head of SIAP to develop, implement, and maintain a quality assurance and improvement programme that covers all aspects of the internal audit function. The program includes two types of assessments:

- External assessments.
- Internal assessments.

At least annually, the Head of SIAP must communicate the results of the internal quality assessment to the Audit Committee (or equivalent) and senior management.

The results of the external quality assessments must be reported when completed. In both cases, such communications should include:

- The internal audit function's conformance with the Standards and achievement of performance objectives / measures.
- o If applicable, compliance with laws and/or regulations relevant to internal auditing.
- If applicable, plans to address the internal audit function's deficiencies and opportunities for improvement.

The GIAS in the UK Public Sector includes 'Essential Conditions' that Audit Committees (or equivalent) and Senior Management should be aware of.

<sup>&</sup>lt;sup>1</sup> The global Internal Audit Standards in the UK Public Sector conforms of the Global Internal Audit Standards, the Application Note: Global Internal Audit Standards in the UK Public Sector and the CIPFA Code of Practice for the Governance of Internal Audit in UK Local Government (the Code)

Regarding the QAIP the essential conditions are as follows:

#### **Audit Committee (or equivalent)**

- Discuss with the chief internal auditor the quality assurance and improvement program.
- Approve the SIAPs performance measures at least annually.
- Assess the effectiveness and efficiency of the internal audit function. Such an assessment includes:
  - Reviewing SIAPs performance objectives / measures, including its conformance with the Standards, laws and regulations; ability to meet the internal audit mandate; and progress towards completion of the internal audit plan.
  - Considering the results of SIAPs quality assurance and improvement program.
  - Determining the extent to which SIAPs performance objectives / measures are being met.

#### **Senior Management**

- o Provide input on SIAPs performance objectives / measures.
- Participate with the Audit Committee (or equivalent) in an annual assessment of the chief internal auditor and internal audit function.

#### 3. External Quality Assessment [Standard 8.4]

The Head of SIAP must develop a plan for an external quality assessment and discuss the plan with the senior management and the Audit Committee (or equivalent).

The external assessment must be performed at least once every five years by a qualified, independent assessor or assessment team. The requirement for an external quality assessment may also be met through a self-assessment with independent validation.

The Relevant Internal Audit Standard Setters (RIASS) in their Application Note have determined that the qualification requirement in GIAS 8.4 should be replaced by a more comprehensive qualification requirement within the public sector.

The enhanced expectation within the public sector is that at least one person has the characteristics outlined for qualification as a chief internal auditor.

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The RIASS consider that such a person would normally understand the GIAS commensurate with the Certified Internal Auditor designation, including internal audit relevant continuing professional development and an understanding of how the GIAS are applied in the UK public sector. These matters must be considered as part of the selection process.

The essential conditions for the external quality assessment are as follows:

#### **Audit Committee (or equivalent)**

- Discuss with the chief internal auditor the plans to have an external quality assessment of the internal audit function conducted by an independent, qualified assessor or assessment team.
- Collaborate with senior management and the chief internal auditor to determine the scope and frequency of the external quality assessment.
   Consider the responsibilities and regulatory requirements of the internal audit function and the chief internal auditor, as described in the internal audit charter, when defining the scope of the external quality assessment.
- Review and approve the chief internal auditor's plan for the performance of an external quality assessment. Such approval should cover, at a minimum:
  - The scope and frequency of assessments.
  - The competencies and independence of the external assessor or assessment team.
  - The rationale for choosing to conduct a self-assessment with independent validation instead of an external quality assessment.
- Require receipt of the complete results of the external quality assessment or self-assessment with independent validation directly from the assessor.
- Review and approve the chief internal auditor's action plans to address identified deficiencies and opportunities for improvement, if applicable.
- Approve a timeline for completion of the action plans and monitor the chief internal auditor's progress.

#### **Senior Management**

- Collaborate with the Audit Committee (or equivalent) and the chief internal auditor to determine the scope and frequency of the external quality assessment.
- Review the results of the external quality assessment, collaborate with the chief internal auditor and Audit Committee (or equivalent) to agree on action plans that address identified deficiencies and opportunities for improvement, if applicable, and agree on a timeline for completion of the action plans.

#### 4. Internal Quality Assessment [Standard 12.1]

The Head of SIAP must develop and conduct internal assessments of the internal audit function's conformance with the Global Internal Audit Standards in the UK Public Sector and progress toward performance objectives / measures.

The Head of SIAP must establish a methodology for internal assessments that includes:

- Ongoing monitoring of SIAPs conformance with the Standards and progress toward performance objectives / measures.
- Periodic self-assessments or assessments by other persons within the organisation with sufficient knowledge of internal audit practices to evaluate conformance with the Standards.
- Communication with the Audit Committee (or equivalent) and senior management about the results of internal assessments.

Based on the results of periodic self-assessments, the Head of SIAP must develop action plans to address instances of nonconformance with the Standards and opportunities for improvement, including a proposed timeline for actions.

Internal assessments must be documented and included in the evaluation conducted by an independent third party as part of the external quality assessment.

If nonconformance with the Standards affects the overall scope or operation of the internal audit function, the Head of SIAP must disclose to the Audit Committee (or equivalent) and senior management the nonconformance and its impact

#### 5. On-going Monitoring

Whilst periodic internal self-assessments and external quality assessments are a key expectation of the GIAS in the UK Public Sector, the SIAP aim is to provide a service that remains responsive to the needs of the Council and maintains consistently high standards. This is achieved through a range of initiatives including:

- On-going liaison with management to ascertain the risk management, control and governance arrangements, key to corporate success
- On-going development of a constructive working relationship with other assurance providers to maintain a cooperative assurance approach.
- A tailored audit approach using a defined methodology and assignment documentation.

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- Review and quality control of all internal audit work through key review gateways within the audit process by professional qualified senior staff members.
- Regular one to one meetings between staff and line management to monitor performance
- On-going performance management (through the Valuing Performance Framework)
- Quarterly reporting to the Audit Committee (or equivalent) and senior management which includes progress against the internal audit plan, summaries of key issues, monitoring of the implementation of management actions and updates on internal audit performance measures.

#### 6. Communication of QAIP Progress and Outcomes

In accordance with the GIAS in the UK Public Sector the chief internal audit will communicate the outcomes of the quality assurance and improvement programme to the Audit Committee (or equivalent) and senior management and will include as a minimum:

- The outcome of internal quality assessments
- The outcome of external quality assessments
- Any non-conformance with the GIAS in the UK Public Sector
- Actions to address any potential areas of non-compliance with the GIAS in the UK Public Sector
- Quarterly updates (through the Internal Audit Progress Report) of the SIAPs performance measures

#### 7. QAIP Action Plan

The Quality Assurance & Improvement Programme - Action Plan at Appendix A presents SIAPs plans to address areas of non-compliance with the GIAS in the UK Public Sector and opportunities for improvement.

Updates on progress against the implementation and outcomes of actions will be presented periodically to the Audit Committee (or equivalent) and Senior Management.

## Quality Assurance & Improvement Programme – Action Plan

Ref.	Action	Action Owner	Target Date	Detail					
Non	Non-Conformance with the GIAS in the UK Public Sector								
N/A	N/A	N/A	N/A	N/A					
Орр	Opportunities for Improvement								
	Work with partners organisations to facilitate completion of action plans to implement the expectations of the Code of Practice for the Governance of Internal Audit in Local Government	SMT	Dec 25	CIPFA has developed the Code of Practice for the Governance of Internal Audit in UK Local Government (the Code) to support authorities in establishing their internal audit arrangements and providing oversight and support for internal audit. The Code is designed to work alongside new internal audit standards and is aimed at those responsible for ensuring effective governance arrangements for internal audit:  The body or individual charged with governance – this includes the police and crime commissioner and chief constable (corporations sole) in policing or full body of the authority.  The audit committee, the primary committee that may hold some delegated responsibilities towards internal audit.  Senior management of the authority, including the statutory officers, head of paid service, monitoring officer and section 151/section 95 officer that hold responsibilities for governance.  SIAP have developed an action plan to work with each of our Partners to both raise awareness of the CoP and to facilitate the implementation of key actions to enhance compliance at an organisational level					

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		Action	Target						
U Re	Action	Owner	Date	Detail					
Page 42	Further explore the 'should' and 'may' aspects of the GIAS to optimise good practice. Extend to review 'Topical Requirements' which are not considered mandatory within the public sector	Neil Pitman, Head of SIAP / SMT	Aug 26	The Standards use the words 'should' and 'may' to specify common and preferred practice (non-mandatory). Initial focus has been placed in ensuring SIAP have in place the mandatory requirements. Work to be undertaken to optimise the full potential of the GIAS to enhance the SIAP offer.					
3	Continue to develop K10 to optimise SIAP efficiencies and effectiveness.	Peny Knowles, Deputy Head of SIAP / Keith Phillips, Assistant Head of SIAP	Apr 26	A new internal audit software solution was implemented in April 2024. Significant progress has been made to configure the system to optimise efficiencies and user experience.  Work continues to enhance the software to complement the requirements of GIAS in the UK Public Sector and to streamline processes.  O Touch button report (assignment, progress, action tracking, monitoring etc.) O Automated action tracking (HCC as pilot) O Performance measure reporting O Al functionality					
4	Review and update the Partnership website	Neil Pitman, Head of SIAP	Apr 26	Coordinate a Task & Finish Group to review and update the SIAP website and organisational intranet sites to ensure they are reflective of existing practices and operate as an appropriate shop window for stakeholders (existing and potential).					
5	Explore the opportunities presented from the use of AI in the audit process	Neil Pitman, Head of SIAP	Aug 26	The evolution of AI presents a range of opportunities to enhance and breed efficiencies into internal audit processes. In particular:  O Report writing O Risk identification O Foresight O Identification of themes / trends					

## **Appendix B**

## **Southern Internal Audit Partnership – Performance Measures**

	Performance Measure	Regularity	Target
1.	Percentage of the agreed audit plan completed (issue of draft / final report)	Ongoing	90%
2.	Audits delivered within agreed timescales (% year to date)		
	o To issue of draft report	Ongoing	80%
	<ul> <li>To issue of final report</li> </ul>	Ongoing	80%
3.	Conformance with the Global Internal Audit Standards in the UK Public Sector	Annual	Conforms
4.	Audits conducted optimising the effective use of data analytics (% year to date)	Ongoing	60%
5.	Stakeholder satisfaction (annual survey)	•	
	o Audit Committee		90%
	Senior Management	Annual	90%
	o Key Contacts		90%
6.	Internal audit effectively communicates with key stakeholders	·	
	o Audit Committee		90%
	<ul> <li>Senior Management</li> </ul>	Annual	90%
	o Key Contacts		90%
7.	Sufficiency of input to and discussion of the internal audit plan		_
	o Audit Committee	Annual	90%
	o Senior Management	Allilual	90%
8.	Appropriate focus on key risks		_
	o Audit Committee		90%
	o Senior Management	Annual	90%
	o Key Contacts		90%

24th September 2025

#### **INTERNAL AUDIT STRATEGY 2025-28**

#### SUMMARY:

As required by the Global Internal Audit Standards in UK Public Sector this report presents the Internal Audit Strategy 2025-28.

 The Internal Audit Strategy 2025-28 (Appendix A) is a plan of action designed to achieve objectives over the medium term. The strategy includes a vision, strategic objectives, and supporting initiatives for the internal audit function to support the fulfilment of the internal audit mandate

#### RECOMMENDATION:

Members are requested:

o to **note** the Internal Audit Strategy 2025-28 (Appendix A).

#### 1 Introduction

- 1.1 The mandate for internal audit in local government is specified within the Accounts and Audit [England] Regulations 2015, which states:
  - '5. (1) A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.
  - (2) Any officer or member of a relevant authority must, if required to do so for the purposes of the internal audit—
    - (a) make available such documents and records; and
    - (b) supply such information and explanations

as are considered necessary by those conducting the internal audit.'

1.2 From 1 April 2025, the 'standards or guidance' in relation to internal audit are those laid down in the Global Internal Audit Standards (GIAS), Application Note: Global Internal Audit Standards in the UK Public Sector (Application Note) and the Code of Practice for the Governance of Internal Audit in UK Local Government. The collective requirements are referred to as the Global Internal Audit Standards in the UK Public Sector (the Standards).

1.3 The Standards (9.2) require all internal audit providers to develop and maintain an 'Internal Audit Strategy'. The internal audit strategy is defined as 'a plan of action designed to achieve a long-term or overall objective. The internal audit strategy must include a vision, strategic objectives, and supporting initiatives for the internal audit function. An internal audit strategy helps guide the internal audit function towards the fulfilment of the internal audit mandate'.

#### **Developing the Internal Audit Strategy**

- 1.4 Engagement with key stakeholders has been imperative in developing the internal audit strategy, to ensure the Southern Internal Audit Partnership's strategic objectives align with our Partners expectations.
- 1.5 It is not practical for the Southern Internal Audit Partnership to maintain more than 30 separate and potentially competing internal audit strategies specific to each of our partners. Consequently, in considering potential objectives, the Southern Internal Audit Partnership undertook a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis to focus on potential areas for development to further enhance our internal audit offering and to remain sustainable, innovative and future focused. The outcome of our analysis assisted in forming seven potential objectives for inclusion in the internal audit strategy.
- 1.6 A survey was then issued to all Audit Committee members (or equivalent) and senior officers across the wider Partnership to seek their views and prioritisation of the seven objectives to optimise internal audit provision over the medium term (3 to 5 years).
- 1.7 Feedback from the survey (Appendix B) was analysed with the top three objectives forming the basis of the internal audit strategy.

#### 2 Recommendation

2.1 Members are requested to note the Internal Audit Strategy 2025-28 (Appendix A)

**AUTHOR:** Neil Pitman, Head of Southern Internal Audit Partnership Neil.pitman@hants.gov.uk

**HEAD OF SERVICE:** Peter Vickers, Executive Head of Financial Services and S151 Officer



Assurance through excellence and innovation

# SOUTHERN INTERNAL AUDIT PARTNERSHIP

Internal Audit Strategy 2025 - 28

Prepared By: Neil Pitman, Head of Southern Internal Audit Partnership

**April 2025** 

#### 1. Introduction

The Global Internal Audit Standards in the UK Public Sector [Standard 9.2] requires the internal audit function to develop and maintain an internal audit strategy. This is contextualised within the Standards as:

'a plan of action designed to achieve a long-term or overall objective. The internal audit strategy must include a vision, strategic objectives, and supporting initiatives for the internal audit function. An internal audit strategy helps guide the internal audit function toward the fulfilment of the internal audit mandate.'

The Strategy aims to support the achievement of the organisations corporate priorities and align with the expectations of its key stakeholders.

#### 2. Internal Audit Purpose and Role

Internal audit strengthens the organisation's ability to create, protect, and sustain value by providing independent, risk-based, and objective assurance, advice, insight, and foresight.

The role of internal audit is best summarised through its definition within the Global Internal Audit Standards in the UK Public Sector, as:

'an independent, objective assurance and advisory service designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.'

#### 3. Vision

Our vision reflects the Southern Internal Audit Partnership's aspiration to deliver a quality internal audit service to our stakeholders and inspire our auditors and the service(s) we deliver to continuously improve.

'A collaborative Partnership delivering an innovative, customer focused, and value adding audit and advisory service aligned to organisational objectives and improved outcomes.'

#### 4. Strategic objectives and supporting initiatives

Our vision will be realised through delivery of key objectives that will help shape service provision and future proof the Southern Internal Audit Partnership through continued learning & development.

Following a process of engagement with the Partnership's key stakeholders, three objectives have been prioritised to help attain our vision over the mediumterm (2025 - 2028).

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These objectives are underpinned by a suite of supporting initiatives outlining the key steps to drive delivery.

The supporting initiatives provide opportunity for our auditors to develop their competencies, enhance the optimisation of technology, and provide continuous improvement to the Southern Internal Audit Partnerships internal audit offering.

They are premised on **engaging** with all appropriate stakeholders, **equipping** them to facilitate delivery, **empowering** them to deliver required outcomes, and **embedding** good practice into the fabric of the Partnership and the wider organisation.

Strategic Objective 1 – Agile Auditing: Innovate to explore a more agile approach to the audit process, building efficiencies and producing more timely feedback to the organisation.

#### **Supporting Initiatives:**

- **Engage** with internal audit staff and the organisation to understand expectations and importance of timely audit feedback & reporting.
- Equip internal auditors to deliver high quality internal audit services through a lean, efficient and effective operating model.
- Empower internal auditors to operate in an agile manner.
- **Embed** behaviours that support an agile methodology.

Strategic Objective 2 – Optimisation of Standards: Embrace and prioritise conformance and embedding of the Global Internal Audit Standards in the UK Public Sector and maximising their potential to benefit the organisation and the internal audit function.

#### Supporting Initiatives:

- **Engage** internal audit staff and key stakeholders to ensure a full knowledge and understanding of the GIAS in the UK Public Sector.
- Equip internal audit staff and key stakeholders with the tools and information to discharge their respective responsibilities within the GIAS in the UK Public Sector.
- **Empower** internal audit staff and key stakeholders to act on their respective responsibilities and accountabilities within the GIAS in the UK Public Sector.
- **Embed** the mandatory requirement of the GIAS in the UK Public Sector into all relevant policy, process and procedure.

Strategic Objective 3 – Data Analytics by Default: Further engage with the organisation to enhance and optimise the full potential of data analytics in the internal audit process.

#### Supporting Initiatives:

- **Engage** with internal audit staff and the organisation's management to relay the benefits offered through use of data analytics.
- Equip auditors to undertake data analytics with the appropriate technology and support.
- **Empower** internal auditors to use data analytics through dedicated training and support.
- **Embed** data analytics into the fabric of the Partnership, championed from the top and provide a clear articulation of intent.

#### 5. Review

The internal audit strategy will be periodically reviewed and as a minimum in response to significant organisational change, including but not limited to corporate objectives, key stakeholders, Chief Internal Auditor, or resultant of the outcomes of internal or external quality assessments.

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### **Strategy Overview**

Vision: 'A collaborative Partnership delivering an innovative, customer focused, and value adding audit and advisory service aligned to organisational objectives and improved outcomes.'

0	Strategic Objective	Supporting Initiative	Action(s) Priority Implement	
1.	Innovate to explore a more agile approach to	<b>Engage</b> with internal audit staff and the organisation to understand expectations and importance of timely audit feedback & reporting.	Confirm expectations of Partners regarding desired reporting timelines and methodology.  December	er 2025
	the audit process, building efficiencies and producing more timely feedback to the organisation.	Equip internal auditors to deliver high quality internal audit services through a lean, efficient and effective operating model.  Empower internal auditors to operate in an agile manner.  Embed behaviours that support an agile methodology.	Complete a detailed analysis of bottle necks in SIAP and external to the internal audit function.  April 20	.026
			Benchmark with peer audit services and explore opportunities to make the process 'leaner' through auditor working group.  December	er 2026
			Optimise the use of technology (including audit management software) to deliver efficiencies.  December	er 2027
2.	Embrace and prioritise conformance and embedding of the Global Internal Audit Standards in UK Local Government and maximising their potential to benefit the organisation and the internal audit function.	understanding of the GIAS in UK PS.  Equip internal audit staff and key stakeholders with the tools to discharge their respective responsibilities within the GIAS in UK PS.  Empower internal audit staff and key stakeholders to act on their respective responsibilities and accountabilities within the GIAS in UK PS.	Stakeholder, staff training & awareness and alignment of policies, procedures, practice and software to the GIAS in UK PS.  July 20	025
			Undertake a self-assessment of compliance with the  GIAS in the UK PS  July 20	025
			• Commission an early External Quality Assessment to assess compliance with the GIAS in UK PS.	er 2025
		process and procedure.	Explore supplemental elements of the GIAS in UK PS     Standards to fully assess value add.  April 20  April 20	:026
3.	Further engage with the organisation to enhance	<b>Engage</b> with internal audit staff and the organisation to relay the benefits offered through the use of data analytics	Implement a programme of training and awareness.     Additional support through Data Analytic Champions  July 20	025
	and optimise the full potential of data analytics in the internal audit process	<b>Empower</b> internal auditors to use data analytics through dedicated training and support	Acquire software to support the effective use of data analytics.  September 2.2.  Septemb	er 2025
		<b>Equip</b> internal auditors to undertake data analytics with the right tools and support <b>Embed</b> data analytics into the fabric of the Partnership, championed from the top	Refresh the existing data analytics strategy and promote a culture of data by default.  April 2	:026
		and provide a clear articulation of intent.	Be assessed as 'data analytics enabled'.  April 20	:028

Rank	2	Prioritisation	Respondents' choice						
	Objective	First choice • • • • • Last choice	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	5 <sup>th</sup>	6 <sup>th</sup>	7 <sup>th</sup>
1	Embrace and prioritise conformance and embedding of the Global Internal Audit Standards in the UK Local Government and maximising their potential to benefit the organisation and the internal audit function.		30	8	8	8	7	9	6
2	Innovate to explore a more agile approach to the audit process, building efficiencies and producing more timely feedback to the organisation.		14	19	14	11	14	3	1
3	Further engage with the organisation to enhance and optimise the full potential of data analytics in the internal audit process.		5	16	21	16	13	5	-
4	To bridge the nationally recognised talent gap in the internal audit profession through effective recruitment, retention and development of a workforce strategy.		11	13	6	7	12	12	15
5	Increase communication and awareness of internal audit within the organisation and the services it offers including the enhancement of a web presence on both internet and intranet platforms.		9	10	9	12	9	13	14
6	Optimise the use of internal audit software to further automate the internal audit process creating efficiencies and the real time management information available to stakeholders.		6	5	14	13	8	21	9
7	Optimise the potential of Artificial Intelligence in the delivery of the internal audit service to maximise efficiency, capacity and capability.		1	5	4	9	13	13	31

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# CORPORATE GOVERNANCE, AUDIT AND STANDARDS COMMITTEE

CORPORATE MANAGER – LEGAL SERVICES

8<sup>th</sup> September 2025

**REPORT NO. LEG2503** 

## CORPORATE POLICY AND GUIDANCE ON SURVEILLANCE AND THE USE OF THE REGULATION OF INVESTIGATORY POWERS ACT 2000

#### **SUMMARY AND RECOMMENDATION:**

#### SUMMARY:

To update Members of the Council's surveillance activities within and outside the scope of the Regulation of Investigatory Powers Act 2000 (RIPA).

**RECOMMENDATION:** For Members of the Corporate Governance, Audit and Standards Committee to note the contents of this report.

#### 1. INTRODUCTION

- 1.1 Most of the surveillance carried out by the Council will be done overtly, that is, that officers will be going about Council business openly.
- 1.2 The Council's corporate policy on the use of covert techniques under RIPA should be reviewed on a regular basis. The powers under RIPA are used infrequently, if at all some years.
- 1.3 The Investigatory Powers Commissioner's Office (IPCO) reviews Rushmoor Borough Council's policies and procedures relating to RIPA on a regular basis.
- 1.4 Most of the surveillance undertaken by the Council is outside of RIPA, for example, for planning enforcement purposes or under Licensing legislation. The IPCO have made clear in their guidance that robust processes and procedures need to be in place for any surveillance carried, whether under the RIPA provisions or under separate legislation.
- 1.5 CCTV surveillance across the Borough is carried out by Runnymede Borough Council, on behalf of Rushmoor Borough Council, with the appropriate General Data Protection Regulation (GDPR) and contractual arrangements in place. The CCTV surveillance is outside of RIPA.

#### 2. BACKGROUND

- 2.1 Council officers who carry out investigations as part of their duties sometimes need to consider using covert techniques, i.e., techniques that leave the subject of the investigation unaware that they are being observed or investigated.
- 2.2 RIPA provides a framework within which such techniques may be used. All RIPA authorisations must now be approved by the Magistrates' Court before any surveillance can take place.
- 2.3 It should be noted that surveillance outside of RIPA will be undertaken and it is important that this is lawful and takes account of human rights legislation.
- 2.4 Only trained and authorised Council officers may authorise and undertake covert surveillance, all of which is subject to detailed scrutiny by the Investigatory Powers Commissioner's Office (IPCO).
- 2.5 In June 2025, comprehensive training was provided to staff who are involved in surveillance activities. The training is given at least once every 12 months.

#### 3. UPDATE

- 3.1 There have been no requests for RIPA authorisation via Legal Services, since the last report in September 2024.
- 3.2 In May 2023, the Council completed a self-assessment of its RIPA activities at the request of the Investigatory Powers Commissioner's Office (IPCO).
- 3.3 On 26 June 2023, the IPCO confirmed that it was content with the Council's RIPA policies and related governance in place and requested that the Council continue with: ongoing training and awareness raising; internal compliance monitoring by Service Managers within their service areas; and the retention, review and destruction of any product obtained through the use of covert powers.
- 3.4 A further inspection by the IPCO is not expected until 2026.

#### 4. LEGAL IMPLICATIONS

4.1 There are no additional legal implications.

#### 5. FINANCIAL AND RESOURCE IMPLICATIONS

5.1 There are no additional financial implications.

#### 6. EQUALITIES IMPACT IMPLICATIONS

6.1 No equalities issues arise, however before undertaking any covert surveillance an equalities impact assessment should be undertaken.

#### 7. SUMMARY

- 7.1 No covert surveillance has been undertaken by the Council this year.
- 7.2 The Council's RIPA policy and procedure remains up-to-date and complies with current guidance.
- 7.3 In June 2023, the Investigatory Powers Commissioner's Office confirmed that it was content with the Council's policies and RIPA activities.

**RECOMMENDATION:** That the Corporate Governance, Audit and Standards Committee NOTE the contents of this report.

#### **CONTACT DETAILS:**

Report Author Amanda Bancroft – Corporate Manager – Legal Services (Interim) amanda.bancroft@rushmoor.gov.uk



# CORPORATE GOVERNANCE, AUDIT AND STANDARDS COMMITTEE

MONITORING OFFICER'S REPORT NO. CS251908

24TH SEPTEMBER, 2025

# ANNUAL OMBUDSMAN COMPLAINT REVIEW LETTER 2024 to 2025 (LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN)

#### **Summary and recommendations:**

Rushmoor Borough Council receives an annual summary from the Local Government and Social Care Ombudsman (LGSCO), which reviews how many complaints have been received by the Ombudsman. This year's review period covered 1 April 2024 to 31 March 2025. No complaints were received by LGSCO in that period which required investigation. It is recommended Committee notes the report and commends officers on the continued improvement in services demonstrated by the lack of LGSCO involvement.

#### 1. Background:

For the relevant period, LGSCO received two complaints in respect of Rushmoor Borough Council. Both complaints were closed on the Ombudsman's initial enquiry.

There are, therefore, no further recommendations for service improvement received from LGSCO.

#### 2. Conclusion:

It is recommended the Committee note the report and commend officers on their service offering to residents. Rushmoor Borough Council will continue to monitor and review the effectiveness of its policy and responses. This report provides committee with the evidence that the Council is responding well to complaints and has in effect a "clean bill of health" from a credible third party.

There are no legal, financial, or equality implications arising from this report.

Appendices:

LGSCO summary

Amanda Bancroft
INTERIM MONITORING OFFICER AND CORPORATE MANAGER LEGAL
SERVICES

Contact: <u>marybeth.quaintmere@rushmoor.gov.uk</u> Service Manger – Customer Services and Facilities



21 May 2025

By email

Mr Harrison Interim Managing Director Rushmoor Borough Council

Dear Mr Harrison

#### **Annual Review letter 2024-25**

I write to you with your annual summary of complaint statistics from the Local Government and Social Care Ombudsman for the year ending 31 March 2025. The information offers valuable insight about your organisation's approach to complaints, and I know you will consider it as part of your corporate governance processes. We have listened to your feedback, and I am pleased to be able to share your annual statistics earlier in the year to better fit with local reporting cycles. I hope this proves helpful to you.

#### Your annual statistics are available here.

In addition, you can find the detail of the decisions we have made about your Council, read the public reports we have issued, and view the service improvements your Council has agreed to make as a result of our investigations, as well as previous annual review letters.

In a change to our approach, we will write to organisations in July where there is exceptional practice or where we have concerns about an organisation's complaint handling. Not all organisations will get a letter. If you do receive a letter it will be sent in advance of its publication on our website on 16 July 2025, alongside our annual Review of Local Government Complaints.

#### Supporting complaint and service improvement

In February we published good practice guides to support councils to adopt our Complaint Handling Code. The guides were developed in consultation with councils that have been piloting the Code and are based on the real-life, front-line experience of people handling complaints day-to-day, including their experience of reporting to senior leaders and elected members. The guides were issued alongside free training resources organisations can use to make sure front-line staff understand what to do when someone raises a complaint. We will be applying the Code in our casework from April 2026 and we know a large number of councils have already adopted it into their local policies with positive results.

This year we relaunched our popular <u>complaint handling training</u> programme. The training is now more interactive than ever, providing delegates with an opportunity to consider a complaint from receipt to resolution. Early feedback has been extremely positive with delegates reporting an increase in confidence in handling complaints after completing the training. To find out more contact <u>training@lgo.org.uk</u>.

Yours sincerely,

Amerdeep Somal

pmc (-

Local Government and Social Care Ombudsman Chair, Commission for Local Administration in England