



TO COUNCILLOR:

G A Boulter
C S Gore
S Z Haq

P Joshi
J Kaufman
K J Loydall (Chair)

I K Ridley

I summon you to attend the following meeting for the transaction of the business in the agenda below.

Meeting: Audit Committee
Date and Time: Tuesday, 4 July 2023, 6.00 pm
Venue: Council Offices, Bushloe House, Station Road, Wigston, Leicestershire, LE18 2DR
Contact: Democratic Services
t: (0116) 257 2775
e: democratic.services@oadby-wigston.gov.uk

Yours faithfully

Council Offices
Wigston
26 June 2023

Anne E Court
Chief Executive



Meeting ID: 2507

ITEM NO.

AGENDA

PAGE NO'S

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Press & Public Access:

YouTube Live Stream

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<https://youtube.com/live/79xftfhSDpQ?feature=share>

1. Apologies for Absence

To receive apologies for absence from Members to determine the quorum of the meeting in accordance with Rule 7 of Part 4 of the Constitution.

2. Appointment of Substitutes

To appoint substitute Members in accordance with Rule 26 of Part 4 of the Constitution and the Substitution Procedure Rules.

3. Declarations of Interest

Members are reminded that any declaration of interest should be made having regard to the Members' Code of Conduct. In particular, Members must make clear the nature of the interest and whether it is 'pecuniary' or 'non-pecuniary'.

4. Minutes of the Previous Meeting

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To read, confirm and sign the minutes of the previous meeting in accordance with Rule 19 of Part 4 of the Constitution.

5. Action List Arising from the Previous Meeting

There was no Action List arising from the previous meeting.

6. Petitions and Deputations

To receive any Petitions and, or, Deputations in accordance with Rule(s) 11 and 12 of Part 4 of the Constitution and the Petitions Procedure Rules respectively.

7. Internal Audit Annual Report & Opinion (2022/23)

6 - 17

Report of the Interim Strategic Director / Section 151 Officer

8. Annual Governance Statement (2022/23)

18 - 80

Report of the Interim Strategic Director / Section 151 Officer

9. Strategic Risk Update (2023/24)

91 - 90

Report of the Head of Finance / Deputy Section 151 Officer

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Agenda Item 4

**MINUTES OF THE MEETING OF THE AUDIT COMMITTEE HELD AT COUNCIL OFFICES,
BUSHLOE HOUSE, STATION ROAD, WIGSTON, LEICESTERSHIRE, LE18 2DR ON
WEDNESDAY, 19 APRIL 2023 COMMENCING AT 6.00 PM**

PRESENT

K J Loydall Chair

COUNCILLORS

G A Boulter
Miss P V Joshi
D W Loydall



Meeting ID: 2308

OFFICERS IN ATTENDANCE

T Bingham Strategic Director / Section 151 Officer
B Bull Head of Finance / Deputy Section 151 Officer
A Hunt Democratic & Electoral Services Officer
R Sohal Finance Manager

OTHERS IN ATTENDANCE

M Watkins 360 Assurance

47. APOLOGIES FOR ABSENCE

An apology for absence was received from Councillors J Kaufman, Mrs L Kaufman and Mrs S B Morris.

48. APPOINTMENT OF SUBSTITUTES

None.

49. DECLARATIONS OF INTEREST

None.

50. MINUTES OF THE PREVIOUS MEETING

By affirmation of the meeting, it was

UNANIMOUSLY RESOLVED THAT:

The minutes of the previous meeting held on 25 January 2023 be taken as read, confirmed and signed.

51. ACTION LIST ARISING FROM THE PREVIOUS MEETING

None.

52. PETITIONS AND DEPUTATIONS

Audit Committee
Wednesday, 19 April 2023, 6.00 pm

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and Wigston Borough Council, Council Offices, Station
Road, Wigston, Leicestershire, LE18 2DR
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None.

53. PROGRESS ON ACTIONS ARISING ON ANNUAL GOVERNANCE STATEMENT 2021/22

The Committee gave consideration to the report and appendix (as set at pages 8 - 15 of the agenda reports pack) which updated the Audit Committee on the progress of improvement actions identified through the annual review of the Annual Governance Statement for 2022/23.

By affirmation of the meeting, it was

UNANIMOUSLY RESOLVED THAT:

The content of the report be noted.

54. STRATEGIC RISK UPDATE (2022/23)

The Committee gave consideration to the report and appendix (as set out on pages 16 - 25 of the agenda pack) which presented the Strategic Risk Register to Committee for information.

By affirmation of the meeting, it was

UNANIMOUSLY RESOLVED THAT:

The report and Strategic Risk Register (as set out in Appendix 1) be considered.

55. ACCOUNTING POLICIES AND MATERIALITY

The Committee gave consideration to the report and appendices (as set at pages 26 – 48 of the agenda reports pack) which asked it to review and approve the draft accounting policies and materiality levels for the 2022/23 Financial Statements.

It was moved by the Chair, seconded by Councillor G A Boulter and

UNANIMOUSLY RESOLVED THAT:

- i) The Draft Accounting Policies for the 2022/23 Financial Statement as detailed in Appendix 1 be approved; and**
- ii) The materiality levels as out in Appendix 1 be approved; and**
- iii) Authority be delegated to the Section 151 Officer to make any necessary amendments be approved**

56. INTERNAL AUDIT PROGRESS REPORT (APRIL 2023)

The Committee gave consideration to the report and appendix (as set out on pages 49 - 56 of the agenda pack) which gave an update on Internal Audit's progress on delivering the 2022/23 Audit Plan.

By affirmation of the meeting, it was

UNANIMOUSLY RESOLVED THAT:

The progress made in delivering the 2022/23 Audit Plan be noted.

57. STRATEGIC INTERNAL AUDIT PLAN - 2023/24 TO 2025/26

The Committee gave consideration to the report and appendix (as set out in pages 57 - 92 in the agenda reports pack) which presented the Strategic Internal Audit Plan for 2023/24 to 2025/26.

It was moved by the Chair, seconded by Councillor D W Loydall and

UNANIMOUSLY RESOLVED THAT:

The Strategic Internal Audit Plan for 2023/24 to 2025/26 be approved.

THE MEETING CLOSED AT 7.01 pm

Agenda Item 7



Audit Committee	Tuesday, 04 July 2023	Matter for Information
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Report Title: **Internal Audit Annual Report and Opinion (2022/23)**

Report Author(s): **Sal Khan (Interim Strategic Director / Section 151 Officer)**

Purpose of Report:	To provide the Committee with the Internal Auditors Annual Report and Opinion for 2022/23.
Report Summary:	<p>As part of the Council's corporate governance arrangements, the Annual Internal Audit Report is submitted to the Audit Committee. The purpose of the report (at Appendix 1) is to report the key outcomes arising from the work of Internal Audit for 2022/23 and to provide an audit opinion on the adequacy and effectiveness of the Council's arrangements for governance, risk management and internal control.</p> <p>The report states that "significant assurance" can be given to the Council as there is a generally sound system of internal control. The report also states there are cost pressures which the Council needs to address.</p>
Recommendation(s):	That the report included on the audit opinion and the adequacy and effectiveness of the Council's arrangements for governance, risk management and internal control (as set out at Appendix 1) be noted.
Senior Leadership, Head of Service, Manager, Officer and Other Contact(s):	<p>Sal Khan (Interim Strategic Director / Section 151 Officer) (0116) 257 2635 sal.khan@oadby-wigston.gov.uk</p> <p>Bev Bull (Head of Finance / Deputy Section 151 Officer) (0116) 257 2649 bev.bull@oadby-wigston.gov.uk</p> <p>Mark Watkins (Head of Internal Audit) 07926 252619 m.watkins3@nhs.net www.360assurance.co.uk</p>
Strategic Objectives:	Our Council (SO1)
Vision and Values:	"Our Borough - The Place To Be" (Vision) Resourceful & Resilient (V4)
Report Implications:-	
Legal:	There are no implications directly arising from this report.
Financial:	There are no implications directly arising from this report.
Corporate Risk Management:	Decreasing Financial Resources / Increasing Financial Pressures (CR1) Reputation Damage (CR4) Regulatory Governance (CR6)

Equalities and Equalities Assessment (EA):	There are no implications directly arising from this report. EA not applicable
Human Rights:	There are no implications directly arising from this report.
Health and Safety:	There are no implications directly arising from this report.
Statutory Officers' Comments:-	
Head of Paid Service:	The report is satisfactory.
Chief Finance Officer:	The report is satisfactory.
Monitoring Officer:	The report is satisfactory.
Consultees:	Senior Leadership Team (26 th June 2023)
Background Information:	<ul style="list-style-type: none"> • Local Government Act (1972) • The Accounts and Audit (England) Regulations (2015) • Public Sector Internal Audit Standards (2017)
Appendices:	1. Internal Audit Annual Report & Opinion (2022/23)

1. Background

- 1.1 Under the Local Government Act 1972, section 151 and the Accounts and Audit (England) Regulations 2015 (as amended), the Council has a responsibility to maintain an adequate and effective Internal Audit function. At Oadby & Wigston Borough Council, during 2022/23 this responsibility was delivered by CW Audit Services (as at April 2023 CW Audit Services merged with 360 Assurance). In responding to this requirement, the Internal Audit service works to best practice as set out in the 2017 Public Sector Internal Audit Standards, which is published by the Chartered Institute of Public Finance and Accountancy (CIPFA).
- 1.2 The Internal Audit Annual Report & Opinion (2022/23) is attached at Appendix 1 and provides an overall summary of the work undertaken for the whole year in relation to the 2022/23 approved Annual Audit Plan.
- 1.3 Internal Audit progress reports are presented to every meeting of the Audit Committee so Members can be kept up-to-date with Internal Audit work and findings.
- 1.4 The Audit Opinion forms part of the Council's Annual Governance Statement. This report also meets requirements to report on the review of the effectiveness of Internal Audit and to feed results into the Annual Governance Statement.
- 1.5 Mark Watkins, Internal Auditor, 360 Assurance (previously CW Audit), will be present at the meeting to talk through the report.

Oadby & Wigston Borough Council

Internal Audit Annual Report & Opinion 2022/23

June 2023

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cw audit
audit and assurance services

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1 Introduction

This annual report provides my opinion (see section 2) as the Head of Internal Audit to Oadby & Wigston Borough Council. It also summarises the activities of Internal Audit for the period 1st April 2022 to 31st March 2023.

The Council is required by the Accounts & Audit Regulations 2015 to “to undertake an adequate and effective internal audit of its accounting records and of its system of internal control, taking into account public sector internal auditing standards or guidance”. The Public Sector Internal Audit Standards (PSIAS) require the Head of Internal Audit to provide a written report to those charged with governance, to support the Annual Governance Statement, AGS), setting out:

- an opinion on the overall adequacy and effectiveness of the organisation’s control environment.
- any qualifications to that opinion, together with the reasons for that qualification.
- a summary of the work carried out by Internal Audit during the year from which the opinion is derived, including any reliance that is being placed upon third party assurances.
- any issues the Head of Internal Audit deems particularly relevant to the Annual Governance Statement (AGS).
- delivery and performance of the Internal Audit function against that planned.
- comment on compliance with these Standards and the results of any quality assurance programme.

The Council should consider my opinion, together with management assurances, its own knowledge of the organisation and assurances received throughout the year from other review bodies (such as External Audit) when producing its AGS.

My opinion takes into account the range of individual opinions arising from risk-based audit assignments that have been reported throughout the year. An internal audit plan was developed to provide you with independent assurance on the adequacy and effectiveness of systems of control across a range of financial and organisational areas. **A summary of the work we have performed and delivery against the plan is provided in section 3.**

Alongside the delivery of the operational internal audit work, we have met regularly with Council management to ensure any issues regarding our performance can be highlighted and any necessary action taken to resolve these. Following each audit, management are also requested to provide feedback on the service received. No significant issues or concerns regarding the internal audit service have been raised to date.

I have discussed and agreed this Annual Report and Head of Internal Audit Opinion with management. Further detailed findings, conclusions and recommendations in the areas covered by our internal audit plan are detailed within the progress reports and individual assignment reports that have been issued to the Audit Committee during the year.

2 Annual Head of Internal Audit Opinion

Roles and responsibilities

The organisation is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements.

Internal Audit provides an independent and objective opinion to the organisation on the control environment and plays a vital part in advising the organisation whether these arrangements are in place and operating correctly.

The Annual Governance Statement (AGS) is an annual statement that recognises, records and publishes an authority's governance arrangements.

In accordance with PSIAS, the Head of Internal Audit (HoIA) is required to provide an annual opinion, based upon and limited to the work performed, on the overall adequacy and effectiveness of the organisation's risk management, control and governance processes (i.e. the organisation's system of internal control). This is achieved through a risk-based plan of work, agreed with management and approved by the Audit Committee, which should provide a reasonable level of assurance, subject to the inherent limitations described below.

The opinion does not imply that Internal Audit have reviewed all risks and assurances relating to the organisation. The opinion is substantially derived from the conduct of risk-based plans. As such, it is one component that the organisation takes into account in making its AGS.

The Head of Internal Audit Opinion

My opinion is set out as follows:

1. Overall opinion;
2. Basis for the opinion.

My **overall opinion** is that **significant** assurance can be given that there is a generally sound system of internal control designed to meet the organisation's objectives, and that controls are generally being applied consistently. However, there are cost pressures which the Council needs to address, which is referenced further in the report, and some weakness in the design and/or inconsistent application of controls put the achievement of particular objectives at risk.

The basis for forming my opinion is as follows:

1. An initial assessment of the design and operation of the underpinning risk management framework and supporting processes; and
2. An assessment of the range of individual opinions arising from risk-based audit assignments contained within internal audit risk-based plans that have been reported throughout the year. This assessment has taken account of the relative materiality of these areas and management's progress in respect of addressing control weaknesses.
3. Any reliance that is being placed upon third party assurances.

3 Work undertaken during the year

Summary of assurances provided

An internal audit plan for 2022/23 was developed to provide you with independent assurance on the adequacy and effectiveness of systems of control across a range of financial and organisational areas. To achieve this our internal audit plan was divided into two broad categories; work on the financial systems that underpin your financial processing and reporting and then broader risk focused work driven essentially by principal risk areas that had been identified in your risk register. A summary of work undertaken is included below:

- Reviews of your core financial systems (including payroll) resulted in significant assurance being given with regard to the overall management of risk in these areas, with the exception of the sundry debtors system, which was assessed as moderate assurance due to the need to improve debt recovery processes. Whilst our review of financial management & reporting confirmed that there were robust controls in place to monitor and report on budget performance, outturn reports submitted to the PFD Committee during the year indicate that there are some significant cost pressures that need to be addressed in the long term in order to achieve financial sustainability.
- The Council's risk management system was found to be operating effectively, with a significant assurance opinion provided.
- We have undertaken a number of pieces of work on areas of principal risk. Significant assurance opinions were provided on audits of safeguarding, homelessness, housing rents and development control.

We are pleased to report that our work has not highlighted any weaknesses that should be regarded as Significant Internal Control Issues that would require disclosure within your AGS, although we would recommend that reference be made to the cost pressures that the Council must address. We did however identify some weaknesses in control that caused us to limit the level of assurance we could give in for some of the broader risk focused work that we undertook during the year, summarised as follows:

Street Cleaning & Grounds Maintenance

- The 'Clean and Green' service is currently undergoing a period of significant change in terms of implementing a new structure, filling vacant posts and amending working practices. This audit confirmed that whilst some progress has been made in these areas, further action is required before the Council can achieve a fully robust framework for delivering the Clean and Green service.

Project Management

- This audit identified the requirement to:
 - revise and enhance procedure documentation describing and providing guidance on the Council's project management methodology.
 - ensure that the project management process is appropriately resourced, particularly for projects that would benefit from some external project management support.
 - re-introduce meetings of the Corporate Project Board to ensure that project delivery is being regularly monitored.

Premises Licensing

- Management have already identified the need for improvement and an action plan is already in place to address a number of issues in relation to the premises licensing function. A summary of the key areas for improvement noted during the audit is as follows:
 - cleanse information on key dates recorded on Uniform system.
 - record notes of complaints, inspections and enforcement action (including supporting correspondence) on Uniform.
 - utilise handheld devices to record actions taken on site visits to premises.
 - utilise system to generate reminders and invoices for annual fees.
 - undertake exercise to identify value of unpaid annual fees and raise invoices accordingly.
 - strengthen the level and quality of performance information reported to the Licensing & Regulatory Committee, to include development of KPIs and summary data on enforcement action.

Third party assurances

In arriving at our overall Annual Head of Internal Audit Opinion, we have not sought to place reliance on any third party assurances.

Following up of actions arising from our work

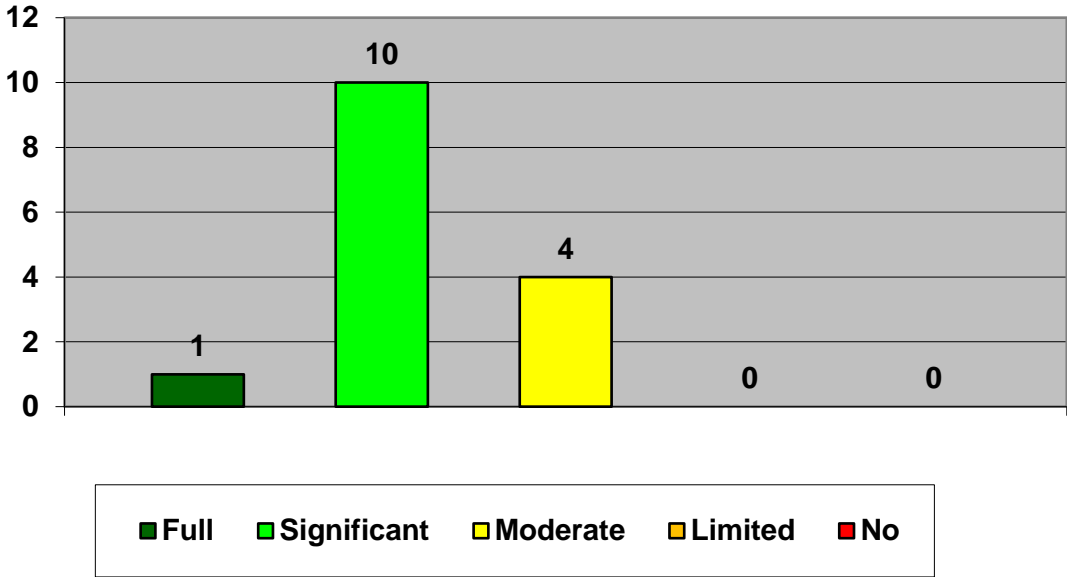
All agreed actions are subject to an ongoing self-assessment recommendation tracking process, which is supplemented by follow-up reviews where this is deemed necessary. In addition, elements of our work involve annual coverage of key areas of control for the organisation, such as in relation to key financial systems, and in such cases we also routinely follow up previously agreed actions. A summary of the recommendation tracking results has been included in every progress report submitted to the Audit Committee during the 2022/23 year. We are in the process of transferring to a new recommendation tracking system following CW Audit's merger with 360 Assurance, and a summary of the current position will be included in the first progress report for the 2023/24 year. Appendix 2 provides an analysis of recommendations raised during the 2022/23 year.

4 Quality Assurance

All audits have been conducted in accordance with the requirements of the Public Sector Internal Audit Standards (PSIAS), which includes evidenced review by senior management of all audit files and reports produced. I can confirm that there have been no issues of non-compliance with the PSIAS during the course of the year.

Levels of Assurance – Individual Audit Assignments

Description of audit	Assurance level
Risk Management	Significant
Counter Fraud & Corruption	Significant
National Fraud Initiative	N/A – advisory
Financial Management & Reporting	Significant
Creditors	Significant
Income & Debtors	Moderate
Treasury Management	Significant
Payroll & Expenses	Significant
Street Cleaning & Grounds Maintenance	Moderate
IT Governance Healthcheck	N/A – advisory
Project Management	Moderate
Premises Licensing	Moderate
Safeguarding	Significant
Car Park Income	Full
Housing Rents	Significant
Homelessness	Significant
Development Control	Significant
Test & Trace Grant	Certification provided
Contain Outbreak Management Fund	Certification provided
Homelessness & RSI Grants	Certification provided



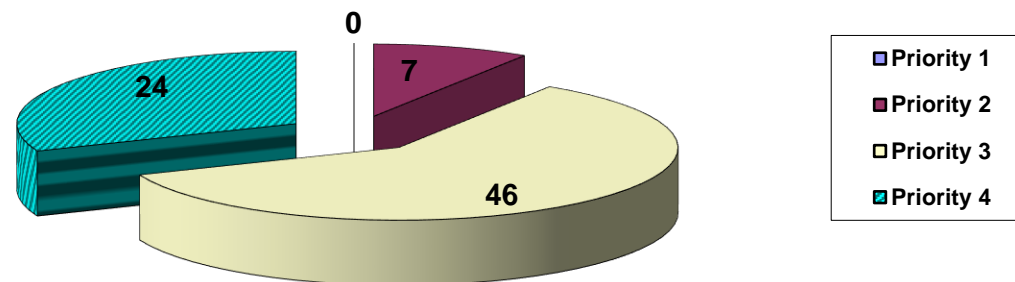
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Level of assurance	Criteria
Full	No significant risk issues identified.
Significant	Exposure to levels of risk that may only impair the effectiveness of the system or process under review.
Moderate	Exposure to levels of risk that render some elements of the system’s control environment undeliverable.
Limited	Exposure to unacceptable level of risk that could have a serious impact upon the system or process under review.
No	Exposure to unacceptable levels of risk that could have a serious impact upon the organisation as a whole.

Summary of Internal Audit Recommendations

Recommendations made in 2022/23

Priority	Number
1	0
2	7
3	46
4	24
Total	77



Definition of our risk rankings

Risk ranking	Assessment rationale
1	The system has been subject to high levels of risk that have, or could, prevent the system from meeting its objectives, and which may also impact on the delivery of one or more of the organisation's strategic objectives.
2	The system has been subject to high levels of risk that have, or could, prevent the system from meeting its objectives, but which are unlikely to impact on any of the organisation's strategic objectives.
3	The system has been subject to medium levels of risk that have, or could, impair the system from meeting its objectives.
4	The system has been subject to low levels of risk that have, or could, reduce its operational effectiveness.

Agenda Item 8



Audit Committee	Tuesday, 04 July 2023	Matter for Information and Decision
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Report Title:

Annual Governance Statement (2022/23)

Report Author(s):

Sal Khan (Interim Strategic Director / Section 151 Officer)

Purpose of Report:	To approve the draft Annual Governance Statement 2022/23.
Report Summary:	<p>Each year the Council is required to conduct a review of the effectiveness of its systems of internal control and approve an Annual Governance Statement (AGS).</p> <p>The Council's review is provided within the AGS and is appended to this report. It concludes that the Council is satisfied that appropriate governance arrangements are in place however it remains committed to maintaining and where possible improving these arrangements, by proactively addressing the cost pressures which have been identified and those issues identified in undertaking the annual review.</p> <p>The Council will continue to seek to enhance and strengthen governance arrangements within these areas for improvement and monitor progress made as part of our next annual review.</p>
Recommendation(s):	That Members approve the Council's Annual Governance Statement for 2022/23.
Senior Leadership, Head of Service, Manager, Officer and Other Contact(s):	<p>Sal Khan Interim Strategic Director / Section 151 Officer 0116 257 2635 sal.khan@oadby-wigston.gov.uk</p> <p>Bev Bull Head of Finance / Deputy Section 151 Officer (0116) 257 2649 bev.bull@oadby-wigston.gov.uk</p> <p>David Gill Head of Law and Democracy / Monitoring Officer (0116) 257 2626 david.gill@oadby-wigston.gov.uk</p>
Strategic Objectives:	Our Council (SO1)
Vision and Values:	Resourceful & Resilient (V4)
Report Implications:-	
Legal:	There are no implications arising from this report.

Financial:	There are no implications arising from this report.
Corporate Risk Management:	Other corporate risk(s) Failing to publish an AGS would breach accounts and audit regulations
Equalities and Equalities Assessment (EA):	There are no implications arising from this report. EA not applicable.
Human Rights:	There are no implications arising from this report.
Health and Safety:	There are no implications arising from this report.
Statutory Officers' Comments:-	
Head of Paid Service:	The report is satisfactory.
Chief Finance Officer:	As the author, the report is satisfactory.
Monitoring Officer:	The report is satisfactory.
Consultees:	<ul style="list-style-type: none"> • OWBC Senior Leadership Team
Background Papers:	None.
Appendices:	1. OWBC Annual Governance Statement (2022/23) (Final)

1. Background and Scope of Responsibility

- 1.1 The Council is responsible for ensuring its business is conducted in accordance with the law and proper standards and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement on the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.2 In discharging this overall responsibility, the Council must make proper arrangements for the governance of its affairs and for facilitating the effective exercise of its functions including the management of risk.
- 1.3 The Council has previously approved and adopted a Code of Corporate Governance which is consistent with the principles of the CIPFA/SOLACE framework 'Delivering Good Governance in Local Government'. This statement shows how the Council has complied with the code and also meets the requirements of The Accounts and Audit Regulations 2015, regulation 6(1)(b), which requires each English local authority to conduct a review, at least once a year, of the effectiveness of its systems of internal control and approve an annual governance statement (AGS).

2. Purpose of the Report

- 2.1 The AGS is included at **Appendix 1**. Section 3 of the AGS includes details on the Council's governance framework and a fundamental review of the effectiveness of

the governance framework including the system of internal control is provided within Section 4.

- 2.2 The AGS links with the Internal Audit opinion for the year and sets out areas that require attention following the detailed assessment.
- 2.3 The assessment is included within the AGS and the areas of improvement which were identified during 2022/23 are detailed in Table 2.
- 2.4 The Council goes further than just carrying out a review of its internal control system and has adopted the Chartered Institute of Public Finance & Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) joint annual guidance on corporate governance, which encourages Local Authorities in going beyond consideration of the internal control environment to look at wider arrangements for supporting sound corporate governance.
- 2.5 This further assessment is detailed within the Assurance Review of the AGS which is used to support the overall opinion and conclusion.
- 2.6 The overall conclusion is that the Council is satisfied that appropriate governance arrangements are in place however it remains committed to maintaining and where possible improving these arrangements, by proactively addressing the cost pressures which have been identified and those issues identified in undertaking the annual review. The Council will continue to seek to enhance and strengthen governance arrangements within these areas for improvement and monitor progress made as part of our next annual review.
- 2.7 Following approval, the AGS will eventually be published alongside the draft Statement of Accounts for 2022/23 on the Council's website.



Oadby & Wigston

BOROUGH COUNCIL

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Annual Governance Statement 2022/23

Appendix 1

Unaudited draft version
XX 2023

1. Background and Scope of Responsibility

Oadby & Wigston Council (the Council) is responsible for ensuring that its business is conducted in accordance with legislation, regulation, government guidance and that proper standards of stewardship, conduct, probity and professional competence are set and adhered to by all those representing, working for and working with the Council. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council must make proper arrangements for the governance of its affairs and for facilitating the effective exercise of its functions including the management of risk.

The Council has previously approved and adopted a Code of Corporate Governance which is consistent with the principles of the CIPFA/SOLACE framework 'Delivering Good Governance in Local Government'. This statement shows how the Council has complied with the code and also meets the requirements of The Accounts and Audit Regulations 2015, regulation 6(1)(b), which requires each English local authority to conduct a review, at least once a year, of the effectiveness of its systems of internal control and approve an annual governance statement (AGS).

2. The Purpose of the Governance Framework

The governance framework comprises the systems, processes, culture and values by which the Council is directed and controlled. It reflects activities through which the Council meets the needs of the community. It includes arrangements to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.

The system of internal control is a significant part of that framework and is designed to manage risk at a reasonable level. It cannot eliminate all risks of failure to achieve policies, aims and objectives and therefore can only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives. Evaluation of the likelihood and potential impact of those risks being realised and how to manage them efficiently, effectively and economically are key parts of the Council's Medium Term Financial Strategy and its Corporate Plan.

This AGS confirms that the governance framework has been in place for the financial year ended 31st March 2023 and up to the date of the approval of the Annual Report and the Statement of Accounts.

The AGS is a summary of how the Council's management arrangements are set up to meet the principles of good governance and how we as a Council assure ourselves that these are effective and appropriate. The main goal of an AGS is to provide the reader with confidence that the Council has an effective system of internal control that is able to manage risks to reasonable levels.

The CIPFA Delivering Good Governance publication (2016) defines the various principles of good governance in the public sector and how they relate to each other and are defined as:

- Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.
- Ensuring openness and comprehensive stakeholder engagement.

- Defining outcomes in terms of sustainable economic, social and environmental benefits.
- Determining the interventions necessary to optimise the achievement of the intended outcomes.
- Developing the Council's capacity, including its leadership and the individuals within it.
- Managing risks and performance through robust internal control and strong public financial management.
- Implementing good practices in transparency, reporting and audit, to deliver effective accountability.

The governance framework at Oadby and Wigston Borough Council comprises the systems and processes, culture and values which the Council has adopted in order to deliver on the above principles.

3. The Governance Framework

Current Governance Structure

Oadby & Wigston Borough Council has retained a committee system. The majority of UK local authorities now operate using a cabinet system where a group of members have been given the power to make the majority of decisions on behalf of their Council.

The benefits of retaining the committee system are that all members are able to sit on a range of decision making committees and every member has a vote that counts. This is the cornerstone of the Council's governance – members are not marginalised in decision making. All decisions are debated and made during open committee in full public view. Closed sessions, for instance where commercially sensitive matters need to be discussed, are kept to an absolute minimum. Only the most urgent decisions are delegated to the Chair/Vice Chair of committees, and these must be reported back to the main committee as soon as possible. In addition to the statutory committees that deal with development control and licensing, the Council has three main committees:

- The Policy, Finance and Development Committee, which has overall responsibility for setting the long term aims of the Council and moving it forward in line with these objectives.
- The Service Delivery Committee, which has direct responsibility for the day-to-day operation of all services.
- The Audit Committee, which is responsible for Internal and External Audit and Risk Management.

Vision and Priorities

In January 2022 the Local Government Association (LGA) conducted a Peer Review. Two of the key recommendations were for a new vision and corporate plan to be created by Members. The vision was signed off in September 2022 and the new corporate plan is in development.

The first draft of the Vision was created by all elected councillors after attending workshops with LGA representatives and officers of the Council. This then went out to consultation with local people.

The Vision was formally adopted at the Full Council meeting on 27 September, 2022 and will now be the driving force behind the organisations aims and ambitions.

The Vision, which can be viewed on our website: https://www.oadby-wigston.gov.uk/pages/our_vision has 5 Strategic Objectives:

1. Our council:

- To be the local voice of residents and businesses.
- To ensure that we provide high quality, value for money services that meet the needs of residents, businesses and visitors.
- To ensure high connectivity with residents and businesses

2. Our communities :

- To provide a clean and safe place for everyone.
- To support any activities or actions that enhance the health and wellbeing of our Borough.
- To provide good, affordable and efficient housing for everyone.

3. Our economy:

- To support economic growth that is focused on our town centres.
- To make our Borough an inviting place to visit.
- To help to provide good employment opportunities.

Our environment:

- To ensure that we are a carbon conscious Borough.
- To be seen to be 'Green'.

5. Our partners:

- To develop, maintain and enhance partnerships to help support delivery of our objectives.
- To ensure we are engaged and listening to all sections of the community.

Corporate Plan

The Council's current Corporate Plan was approved in March 2019, covering the period 2019 – 2024. The Plan continued in 2022/23. A new plan will be developed in 2023, in line with the Council's new adopted Vision.

Service plan targets and key performance indicators are set for each department within the annual service delivery and development plans. Progress against targets is monitored monthly by the management team and reported regularly to relevant committees.

The Council ensures that its key priorities determine the allocation of resources to deliver its agreed activities. A robust corporate business planning programme is used to identify projects against agreed criteria, including the Council's policies, its priorities, the outcome of public consultations, demonstration of continuous improvements, and responding to legislative change.

Achievement of the Council's priorities has been monitored throughout the financial year 2022/23 by the Council's Senior Leadership Team (SLT) and reports to the relevant committees. The monitoring of delivery against agreed priorities ensures the Council's capacity to deliver projects within agreed costs, time and resources.

Financial Management

The Council's financial position is reported against budget to every meeting of the Policy, Finance and Development Committee. Detailed budget information is provided to budget holders each month and dedicated project teams provide financial information for large projects or capital schemes.

The financial elements of the Council's corporate business planning process are included in the Medium Term Financial Strategy, which has a detailed one year budget and high levels for the forthcoming years given the complete lack of clarity from central government regarding future funding for local authorities. The Council has a good track record of financial management and internal control, but resources are necessarily limited and significant net savings year-on-year continue to be required, and are met without the need to identify significant in-year savings.

The Council continues to ensure that the accounts are compliant with the Local Authority Accounting Code of Practice. Performance against budget is reported at committee meetings and managed by SLT and through the corporate business planning process. The Council ensures that the levels of reserves it holds are sustainable over the medium term. The MTFs takes account of the current economic climate and changes to funding for local government.

The Council has a Treasury Management Strategy that is reviewed each year and monitored on a regular basis. This ensures the Council has sound processes and controls over its treasury function to minimise risk exposure.

Decision Making, Scrutiny and Governance

The Council, the Policy, Finance and Development Committee and the Service Delivery Committee take decisions on service and management matters in line with terms of reference set out in the constitution. The committees meet four times each municipal year. Financial performance is monitored and scrutinised by the Policy, Finance and Development Committee on a quarterly basis the Service Delivery Committee reviews non-financial performance. Scrutiny and challenge is managed within these core committees and further challenge is provided by elected members through meetings with Committee Chairmen, Resident Forums and Member Workshops.

The Council has a separate Audit Committee which receives reports from the Internal Audit service and can require service heads to attend to answer questions as required. Reports from the External Auditor are also received at these meetings.

The Audit Committee provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards. The Committee also meets quarterly and oversees internal audit and external audit arrangements, the annual accounts and ensures adequate internal controls are in place".

Elected members are responsible for ensuring that effective policy making, scrutiny and monitoring activities occur.

A clear committee structure assists such responsibilities to be effectively carried out. Member expertise and involvement is further enhanced by on-going training and development opportunities.

Internal Audit Arrangements

The Council's internal audit function is currently delivered by an external provider, CW Audit Services, who, from 1st April 2023, merged to become 360 Assurance Ltd. The annual risk-based audit plan contributes to the review of the Council's key internal control systems, risk management processes and corporate governance arrangements. 360 Assurance supports the design and effectiveness of the governance framework. Each internal audit review is given an assurance level. The definition of each of these assurance levels is provided in the table below.

Definition of Assurance Levels

- Full - No significant risk issues identified;
- Significant - Exposure to levels of risk that may only impair the effectiveness of the system or process under review;
- Moderate - Exposure to levels of risk that render some elements of the system's control environment undeliverable;
- Limited - Exposure to unacceptable level of risk that could have a serious impact upon the system or process under review;
- None - Exposure to unacceptable levels of risk that could have a serious impact upon the organisation as a whole.

Regular meetings are held between 360 Assurance and the Section 151 Officer. This ensures the high standard of internal audit support is maintained. The annual audit plan is reviewed on a frequent basis to identify any amendments needed to reflect changing priorities, emerging risks or resourcing challenges. Regular reports are taken on a quarterly basis to the Audit Committee on the progress of internal audits and an annual report is also provided each year.

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External Audit Arrangements

The Audit Committee receives regular reports from the Council's External Auditors Grant Thornton LLP and Internal Audit (360 Assurance). The Section 151 Officer has direct access to this committee as well as to the External Auditors. Likewise, Audit Committee members have direct access to the External Auditor.

All members of the Audit Committee receive training in risk management to allow them to appreciate the nature of risks presented to the Council through its activities and on the general function of the Audit Committee itself. The latest training session was held in June 2022.

Financial Management Arrangements

Underpinning the Council's financial management arrangements is a regularity framework comprising Financial Regulations, Contract Procedure Rules, annual audits of key financial systems and audits of other systems undertaken on a risk-based basis. Other processes and procedures such as the Procurement Strategy and Risk Management Strategy are monitored on a regular basis.

From April 2021, the Council adopted the CIPFA Financial Management Code. A self-assessment exercise undertaken in 2022 identified a number of areas where action is required in order to comply in full with the code and these were presented within the 2021/22 Annual Governance Statement. A full update on progress of these actions are included as part of this report.

Role of Statutory Officers

There are governance arrangements in place to ensure that members and officers work together to achieve a common purpose with clearly defined functions and roles. The Council's constitution includes a scheme of delegation and terms of reference for each committee. Responsibilities are set out to make clear how the Council and its committees operate within the organisation. The scheme of delegation also defines the powers granted to the Chief Executive (the Head of Paid Service) and other chief officers within the areas of their service responsibility.

The constitution reflects all relevant legislation impacting on decision making in local government and is published on the Council's website.

The Council has a statutory responsibility to have a Section 151 Officer and a Monitoring Officer. The Council's financial arrangements fully conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government. The Section 151 Officer is a key member of the Senior Leadership Team. The Section 151 Officer is responsible for the proper administration of the Council's financial arrangements and led a fully resourced and suitably qualified finance function. The Section 151 Officer was actively involved in and able to bring influence to bear on all material business decisions to ensure immediate and long term implications, opportunities and risks, were fully considered and in alignment with the Medium Term Financial Strategy.

The Monitoring Officer role is fulfilled by the Council's Head of Law and Democracy, who acts as guardian of the Council's constitution to ensure lawfulness, probity and fairness in Council decision making. The Monitoring Officer has processes for the review of legislative changes which feed into the annual review of the constitution.

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Page 27 Consultation meetings and other forms of communication between the Monitoring Officer and senior managers as appropriate ensures that managers can contribute to revisions to the constitution including the scheme of delegation.

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The annual review includes the constitution's terms of reference.

The Senior Leadership Team

Officer decision making at a strategic level is led by the Senior Leadership Team, comprising the Chief Executive, the Strategic Director and Section 151 Officer, Strategic Director, Head of Finance (Deputy S151 Officer) the Monitoring Officer, the Head of Built Environment and the Head of Customer Service and Transformation. The Team meets formally on a weekly basis and standing items of business include finance, policy, governance, human resources, performance management and the delivery of the Council's priorities.

Standards of Conduct

Officers of the Council are expected to maintain high standards of conduct. The Council has a staff code of conduct that is published on the intranet along with other policies and procedures.

There is an agreed protocol between members and officers to ensure that a constructive working relationship exists and this Annual Governance Statement also promotes and demonstrates the values of good governance through upholding high standards of conduct and behaviour. In addition, Policy, Finance and Development committee fulfils the functions of the Standards Committee and operates to ensure that councillors and any co-opted members of the Council behave in a way that exemplifies high standards of conduct and effective governance and has regard to the member code of conduct.

Regular records of advice and code issues are kept by the Monitoring Officer.

Declaring interests under the code of conduct is a standard item on the agenda at every committee meeting and Council and declarations are minuted by the clerk. A legal advisor attends all Council and committee meetings to advise on the application of the code and other issues where this is requested or otherwise considered appropriate. A planning code of conduct is in place and is adhered to by members who sit on the Development Control Committee.

Members and officers comply with the Council's gift and hospitality policy.

The Council's website explains how complaints can be made against elected members by either downloading a complaint form or making a complaint on-line. The web page also has links to the code of conduct and the constitution.

A register of the Council's contracts is published on the Council's website. In addition, details of the Council's spend on individual items over £250 is published on a quarterly basis.

Compliance

The Council's policies and procedures are drawn up and regularly reviewed to ensure compliance with current legislation and regulations. Legal Services assist with updating and amending policies and advise on legal implications including legislative impacts on recommendations included in committee reports. Equalities implications are also considered as part of committee reports.

Whistle Blowing

Concerns regarding non-compliance with policies, procedures, laws and regulations can be raised through the Council's anti-fraud and confidential reporting policies. Concerns raised are always investigated and acted upon following clearly defined guidelines.

The Whistle Blowing Policy is published on the Council's intranet and internet to raise awareness and outline procedures in place to staff, contractors and the public. It features in the induction of new staff.

The Monitoring Officer, after consultation with the Chief Executive and Section 151 Officer, has statutory powers to report to Council in relation to any function, proposal, decision or omission that s/he considers would give rise to unlawfulness or any decision or omission that might give rise to maladministration. Such a report would have the effect of stopping the proposal or decision being implemented until the report has been considered.

Officer and Member Development

The Council's staff appraisal process assesses performance and delivery of Council objectives and also identifies any skills gaps that need addressing. Each officer has an agreed annual personal development plan. Progress against these plans is reviewed regularly through one-to-one discussions with line managers. The process ensures that the Council continually keeps under review the levels of skills required to carry out functions with due regard to law, policy and regulation.

As part of the Council's business planning process each service plan includes learning and development needs linked to specific actions.

This ensures that the skills sets required delivering the key priorities and actions for the Council are identified and provided.

Training programmes and other development opportunities are circulated and shared more broadly using the Council's internal communication mechanisms. The Council also supports the training and development of members.

Consultation

Engaging with local people and other stakeholders to ensure robust public accountability is a key element of the governance framework. The Council takes every opportunity to consult with relevant stakeholders before taking any decisions likely to impact on the level and quality of services. In addition, the Council's business planning process includes an annual timetable of formal consultation events ensuring statutory, voluntary and business partners have the opportunity to comment on budget proposals under consideration.

The Council has given delegated authority on budget provision to three Resident Forums who can make recommendations to the Policy, Finance & Development Committee on how funds could be allocated to various projects within their geographic area. The Forums' membership is open to people who live in the three areas and this approach has been found to be a very good sources of two-way communication and consultation around the Council's policy initiatives.

The Council also implemented a "Citizens Panel" in 2019/20, comprised of a wider-representative group than would normally interact with the Council to improve our understanding of residents opinions.

Reviewing the Effectiveness of the Governance Framework

The Council has responsibility for conducting at least annually a review of the effectiveness of its governance framework including the system of internal control.

The review of effectiveness is informed by the work of senior managers within the Council who have responsibility for the development and maintenance of the governance environment. The annual report from the Council's Internal Audit service is a key document in assessing the effectiveness of the Council's governance arrangements. Comments from External Auditors Grant Thornton LLP and other agencies and inspectorates such as the Local Government Association are also important.

The Senior Leadership Team, chaired by the Chief Executive, reviews the Council's governance framework and control environment and is responsible for the preparation of the Annual Governance Statement. Appropriate managers are responsible for producing their own service assurance statements and developing an improvement plan to rectify any identified governance weaknesses within their service areas. The Policy, Finance & Development Committee reviews the Annual Governance Statement and evaluates the strength of the underlying assurance statements and evidence.

External Audit

The Council's external auditors are Grant Thornton. **Each year the external auditors review the Council's arrangements for:**

- Preparing accounts and compliance with statutory and other relevant requirements.
- Ensuring the proper conduct of financial affairs and monitoring their adequacy and effectiveness in practice.

- Managing performance to secure economy, efficiency and effectiveness in the use of resources.

In January 2023 Gant Thornton issued their Annual Audit Report, covering the audit of the Council's 2020/21 and 2021/22 financial statements and Value for Money conclusion. It concluded that in 2020/21, there were significant weaknesses with financial planning which included the 2021/22 approved capital programme, approved in that year. One key recommendation was made to remedy this weakness and the auditor has reported that the appropriate action was taken in 2021/22 and has continued to make further progress in 2022/23.

Internal Audit

The Council's Head of Internal Audit is required to provide an annual opinion, based upon and limited to the work performed, on the overall adequacy and effectiveness of the organisation's risk management, control and governance processes (i.e. the Council's system of internal control). This is achieved through a risk-based plan of work, agreed with management and approved by the Audit Committee, which should provide a reasonable level of assurance, subject to the inherent limitations described below.

The Head of Internal Audit's role reflects best practice as set out in the CIPFA Guidance on the Role of the Head of Internal Audit.

For 2022/23, the auditor's opinion was that significant assurance can be given that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently. The Head of Internal Audit presented their report to the Audit Committee on 4 July 2023.

However, there are cost pressures which the Council needs to address and some weakness in the design and/or inconsistent application of controls put the achievement of particular objectives at risk. No significant governance issues were identified by the auditor.

Basis of the Auditors opinion formed

- An initial assessment of the design and operation of the underpinning risk management framework and supporting processes;
- An assessment of the range of individual opinions arising from risk-based audit assignment contained within internal audit risk-based plans that have been reported throughout the year. This assessment has taken account of the relative materiality of these areas and management's progress in respect of addressing control weaknesses;
- Any reliance that is being placed upon third party assurances.

Risk Management

During 2022/23 the Council's Strategic Risk Register was monitored by the Risk Management Group – a small, cross-organisational group of officers, managers and Heads of Service who monitor risk on behalf of the Senior Leadership Team. SLT review and sign off risk updates which are then presented to the Policy, Finance & Development Committee on a quarterly basis.

The register identified major risks and commented on their likelihood and impact on the Council's objectives. Each risk is allocated a responsible officer for identifying an action plan and provides an update.

Risk management is embedded in processes such as project management, appraisal of new capital investment and service development plans.

The Role of the Chief Financial Officer (CFO)

The CFO conforms to the governance requirements and core responsibilities of two CIPFA Statements on the Role of the Chief Financial Officer; in Local Government (2016) and in the Local Government Pension Scheme (2014). The CFO is a key member of the Senior Leadership Team and is able to bring influence to bear on all material business decisions, ensuring that immediate and long-term implications, opportunities and risks, are fully considered and in alignment with the MTFs and other corporate strategies. The CFO is aware of, and committed to, the five key principles that underpin the role of the CFO, and has completed an assurance statement that provides evidence against core activities which strengthen governance and financial management across the Council.

The Role of the Monitoring Officer (MO)

The Monitoring Officer has responsibility for ensuring that decisions taken comply with all necessary statutory requirements and are lawful. Where in the opinion of the Monitoring Officer any decision or proposal is likely to be unlawful and lead to maladministration, he/she shall advise the Council.

The MO is also bound to ensure that decisions taken are in accordance with the Council's budget and its Policy Framework, and provides advice on the scope of powers and authority to take decisions.

In discharging this role the Monitoring Officer is supported by officers within the Legal and Democratic Services Teams.

Local Government Ombudsman

The number of references to the Local Government Ombudsman amounted to two complaints for the 2022/23 year and both have been resolved with no finding of maladministration

Constitutional Matters

The key roles and responsibilities of Council committees, elected members, the Chief Executive, Monitoring Officer and Section 151 Officer are set out in the Council's constitution scheme of delegation.

These three officers are responsible for ensuring that the Council acts within the law and in accordance with established policies and procedures. No report can be presented to Council or a committee for approval without first being reviewed by these officers or their delegated representative(s). These officers are also responsible for ensuring that legislation and policy relating to health and safety are implemented in practice.

The constitution includes the Contract Procedure Rules and Financial Regulations which detail the processes and improvements required for various levels of purchase and the internal control procedures required for managing the risk across the Council.

The Council adopted a revised Constitution on 16 April 2019 which came into force on 13 May 2019. The Constitution remains under continuous review and a further amendment was made in December 2021.

Code of Conduct

The standards of behaviour expected from members and officers are set out in the Member/Officer Codes of Conduct. The Council adopted the LGA Model Code of Conduct with local amends, in December 2021. A register of members' interests is maintained and the records of interest are declared at Council and committee meetings. All members are required to complete Related Party Declarations at the end of the financial year in support of the statutory financial statements. Members' allowances are examined on an annual basis and a review of the allowance scheme was last undertaken in 2018/19 by an independent remuneration panel and came into force on 13 May 2019 for the 2019/20 municipal year. Following the Borough Elections in May 2019

The Monitoring Officer received one complaint in 2022/23 which was resolved informally without the need to conduct an investigation.

4. Effectiveness

Review of Effectiveness

The Council has responsibility for conducting at least annually, a review of its governance framework including the system of internal control.

The review is informed by the Internal Audit Annual Report, the work of the Audit and Governance Committee, the comments of external auditors and other review agencies and inspectorates, and the work of the Senior Leadership Team who have responsibility for the development and maintenance of the internal control environment.

The review considers evidence identified to support where the Council meets the CIPFA/SOLACE guidance and sets out this in the Assurance Review and Evidence document. Governance areas are given an assessment scoring as follows:

- Good – Good governance exists and there are no improvements required
- Fair – Satisfactory governance exists but improvements are required to meet good governance
- Poor – Significant issues with governance exist which needs addressing.

Areas identified as fair or poor are reported within the annual governance statement and remedial actions are also outlined. The Audit Committee review on a quarterly basis the progress of remedial actions.

Prior Year – 2021/22

During the 2021/22 financial year, no significant governance issues were identified that would lead to internal control issues.

A total of 29 improvements were identified - 12 directly relating to the review of effectiveness and the remaining 17 through the assessment against the CIPFA Financial Management Code.

At the time of publishing this draft governance statement, 16 recommendations were implemented and the remaining 13 will be carried forward into the 2022/23 AGS for monitoring. Table 1 below shows the full update.

Prior Year – 2021/22

Table 1 – Areas of improvement identified during 2021/22 and status update

Improvement	Owner	Implementation status
AGS1 Develop approach to tenant engagement and establishment of Tenant Scrutiny Panel, in line with regulatory standards as per (e.g. Residents STAR survey).	Head of Built Environment	Complete
AGS2 Review and enhance participation at resident forums	Head of Law and Democracy	Complete
AGS3 Wider engagement on the budget consultation for forthcoming year to be captured	Head of Finance	Complete
AGS4 Implement Corporate Peer Review to develop new Medium Term Financial Strategy, including refresh of the 5 year Medium Term Financial Plan, ensuring protocol for reconciling with the Corporate Plan and projects established; and a Sustainability Plan for closing budget gaps	Strategic Director & S151 Officer	Complete
AGS5 Implement Corporate Peer Review Action to undertake comprehensive customer demographic profiling exercise and use results to inform desired service offering	Head of Customer Service and Transformation	Underway and improvement action carried forward into 2022/23 AGS
AGS6 Implement recommendations in the Corporate Peer Review Action Plan associated with the development of a standardised project appraisal and affordability approach	Strategic Director and S151 Officer	Complete
AGS7 Review service and financial planning timetable for 2023/24	Head of Finance	Underway and improvement action carried forward into 2022/23 AGS
AGS8 Organisational approach to benchmarking to be reviewed and requirements determined.	Strategic Director	Underway and improvement action carried forward into 2022/23 AGS
AGS9 Develop People Strategy	Strategic Director	Underway and improvement action carried forward into 2022/23 AGS
AGS10 Review staff performance appraisal approach	Strategic Director	Underway and improvement action carried forward into 2022/23 AGS
AGS11 Develop and implement anti-fraud awareness raising programme	Strategic Director/S151 Officer	Underway and improvement action carried forward into 2022/23 AGS
AGS12 Revise Asset Management Policy and Capital Expenditure Plan and Holistic Asset Management database/system purchased and timetabled for implementation.	Head of Law and Democracy	Underway and improvement action carried forward into 2022/23 AGS
FMC1 Progress the vision for finance at OWBC and progress all actions arising from the CIPFA Financial Management Code self-assessment exercise.	Strategic Director/S151 Officer Head of Finance	Underway and improvement action carried forward into 2022/23 AGS
FMC2 Skills and competency assessment and ongoing training programme for CMT and SLT to be developed and included in the Corporate Peer Challenge Action Plan Training and Development programme. To include training around capability for appraising and managing projects, as outline in the	Strategic Director & S151 Officer	Underway and improvement action carried forward into 2022/23 AGS

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Corporate Peer Challenge Action Plan. Member training to be captured as part of the Corporate Peer Challenge Action Plan		
FMC3 Undertake training needs analysis identify where skills gaps exist and find appropriate training solutions, in line with key competencies for local government finance teams.	Head of Finance and Deputy S151 Officer	Underway and improvement action carried forward into 2022/23 AGS
FMC4 Schedule additional report to Audit Committee to track the progress against recommendations made by the external auditor.	Head of Finance and Deputy S151 Officer	Complete
FMC5 Update Finance Procedure Rules and implement Internal Audit findings (from the Financial Systems audit. Set out actions in stand-alone document to draw together all actions relating to Financial Accountability framework improvements to ensure understanding and visibility and link with Vision for Finance (as above).	Strategic Director & S151 Officer	Underway and improvement action carried forward into 2022/23 AGS
FMC6 Extension of MTFP to include scenario assessments of service demand and costs.	Strategic Director & S151 Officer.	Complete
FMC7 Embed use of financial benchmarking via the CIPFA Financial Resilience Tool and other benchmarking services.	Strategic Director and S151 Officer.	Complete
FMC8 A single, consolidated living document that tracks and evidences saving plans currently in development. This will be monitored by SLT and will be presented to members in due course.	Head of Finance and S151 Officer	Complete
FMC9 Review stakeholder engagement approach in developing annual budget.	Head of Finance	Complete
FMC10 Determine the approach to reviewing accounting treatment of material decisions.	Head of Finance.	Complete
FMC11 Embed approach to analyse performance against plans of previous year as part of budget setting.	Finance Manager	Complete
FMC12 Review of profiled budgets. Scope and implement financial reporting improvements.	Finance Manager	Underway and improvement action carried forward into 2022/23 AGS
FMC13 Ensure the name of the budget holder responsible for the information presented.	Finance Manager	Complete
FMC14 Further developmental work required on Monthly management review.	Finance Manager	Complete
FMC15 Project Management arrangements require some refinement in respect of financial monitoring - review to be undertaken to identify improvements. Pattern of capital spend slippage present which also requires review and improvement. Link with action to review and reset the annual financial cycle including protocol for managing standard and project budgets, as set out in Corporate Peer Review Action Plan.	Finance Manager Strategic Director and Section 151 Officer	Complete
FMC16 Review and identification of appropriate improvements to management accounts to be undertaken.	Finance Manager	Complete
FMC17 Q4 outturn at service level to be reviewed with service areas as part of Q1 clinics with a view to capturing proposed changes for the forthcoming year.	Finance Manager	Underway and improvement action carried forward into 2022/23 AGS

Improvement	Owner	Implementation status
AGS1 Develop approach to tenant engagement and establishment of Tenant Scrutiny Panel, in line with regulatory standards as per (e.g. Residents STAR survey).	Head of Built Environment	Complete
AGS2 Review and enhance participation at resident forums	Head of Law and Democracy	Complete
AGS3 Wider engagement on the budget consultation for forthcoming year to be captured	Head of Finance	Complete
AGS4 Implement Corporate Peer Review to develop new Medium Term Financial Strategy, including refresh of the 5 year Medium Term Financial Plan, ensuring protocol for reconciling with the Corporate Plan and projects established; and a Sustainability Plan for closing budget gaps	Strategic Director & S151 Officer	Complete
AGS5 Implement Corporate Peer Review Action to undertake comprehensive customer demographic profiling exercise and use results to inform desired service offering	Head of Customer Service and Transformation	Underway and improvement action carried forward into 2022/23 AGS
AGS6 Implement recommendations in the Corporate Peer Review Action Plan associated with the development of a standardised project appraisal and affordability approach	Strategic Director & S151 Officer	Complete
AGS7 Review service and financial planning timetable for 2023/24	Head of Finance	Underway and improvement action carried forward into 2022/23 AGS
AGS8 Organisational approach to benchmarking to be reviewed and requirements determined.	Strategic Director	Underway and improvement action carried forward into 2022/23 AGS
AGS9 Develop People Strategy	Strategic Director	Underway and improvement action carried forward into 2022/23 AGS
AGS10 Review staff performance appraisal approach	Strategic Director	Underway and improvement action carried forward into 2022/23 AGS
AGS11 Develop and implement anti-fraud awareness raising programme	Strategic Director/S151 Officer	Underway and improvement action carried forward into 2022/23 AGS
AGS12 Revise Asset Management Policy and Capital Expenditure Plan and Holistic Asset Management database/system purchased and timetabled for implementation.	Head of Law and Democracy	Underway and improvement action carried forward into 2022/23 AGS
FMC1 Progress the vision for finance at OWBC and progress all actions arising from the CIPFA Financial Management Code self-assessment exercise.	Strategic Director/S151 Officer Head of Finance	Underway and improvement action carried forward into 2022/23 AGS
FMC2 Skills and competency assessment and ongoing training programme for CMT and SLT to be developed and included in the Corporate Peer Challenge Action Plan Training and Development programme. To include training around capability for appraising and managing projects, as outline in the Corporate Peer Challenge Action Plan. Member training to be captured as part of Corporate Peer Challenge Action Plan.	Strategic Director & S151 Officer	Underway and improvement action carried forward into 2022/23 AGS
FMC3 Undertake training needs analysis identify where skills gaps exist and find appropriate training solutions, in line with key competencies for local government finance teams.	Head of Finance and Deputy S151 Officer	Underway and improvement action carried forward into 2022/23 AGS
FMC4 Schedule additional report to Audit Committee to track the progress against recommendations made by the external auditor.	Head of Finance and Deputy S151 Officer	Complete
FMC5 Update Finance Procedure Rules and implement Internal Audit findings (from the Financial Systems audit. Set out actions in stand-alone document to draw together all actions relating to Financial Accountability framework improvements to ensure understanding and visibility and link with Vision for Finance (as above).	Strategic Director & S151 Officer	Underway and improvement action carried forward into 2022/23 AGS
FMC6 Extension of MTFP to include scenario assessments of service demand and costs.	Strategic Director & S151 Officer	Complete
FMC7 Embed use of financial benchmarking via the CIPFA Financial Resilience Tool and other benchmarking services.	Strategic Director & S151 Officer.	Complete

FMC8 A single, consolidated living document that tracks and evidences saving plans currently in development. This will be monitored by SLT and will be presented to members in due course.	Head of Finance a& S151 Officer	Complete
FMC9 Review stakeholder engagement approach in developing annual budget.	Head of Finance	Complete
FMC10 Determine the approach to reviewing accounting treatment of material decisions.	Head of Finance.	Complete
FMC11 Embed approach to analyse performance against plans of previous year as part of budget setting.	Finance Manager	Complete
FMC12 Review of profiled budgets. Scope and implement financial reporting improvements.	Finance Manager	Underway and improvement action carried forward into 2022/23 AGS
FMC13 Ensure the name of the budget holder responsible for the information presented.	Finance Manager	Complete
FMC14 Further developmental work required on Monthly management review.	Finance Manager	Complete
FMC15 Project Management arrangements require some refinement in respect of financial monitoring - review to be undertaken to identify improvements. Pattern of capital spend slippage present which also requires review and improvement.	Finance Manager	Complete
Link with action to review and reset the annual financial cycle including protocol for managing standard and project budgets, as set out in Corporate Peer Review Action Plan.	Strategic Director & S151 Officer	
FMC16 Review and identification of appropriate improvements to management accounts to be undertaken.	Finance Manager	Complete
FMC17 Q4 outturn at service level to be reviewed with service areas as part of Q1 clinics with a view to capturing proposed changes for the forthcoming year.	Finance Manager	Underway and improvement action carried forward into 2022/23 AGS

2022/23 Review of Effectiveness and Areas of improvement identified during 2022/23

No significant governance issues have been identified in the annual assurance review for 2022/23. There are 5 new improvements identified.

Full details of the review can be found in the Assurance Review document for 2022/23 which is published alongside this Annual Governance Statement and can be found later in this document.

Table 2 below is an extract summary from the Assurance Review and includes details of the improvement areas identified, along with likely timescale for implementation. The table also includes improvements that were underway from the 2020/21 AGS, as highlighted in table 1 above.

Table 2 – Areas of improvement identified during 2022/23

Improvement	Owner	Target date
AGS5 Implement Corporate Peer Review Action to undertake comprehensive customer demographic profiling exercise and use results to inform desired service offering	Head of Customer Service and Transformation	July 2023
AGS7 Review service and financial planning timetable for 2023/24	Head of Finance	October 2023
AGS8 Organisational approach to benchmarking to be reviewed and requirements determined.	Strategic Director	July 2023
AGS9 Develop People Strategy	Strategic Director	June 2023
AGS10 Review staff performance appraisal approach	Strategic Director	April 2023
AGS11 Develop and implement anti-fraud awareness raising programme	Strategic Director/S151 Officer	July 2023
AGS12 Revise Asset Management Policy and Capital Expenditure Plan and Holistic Asset Management database/system purchased and timetabled for implementation.	Head of Law and Democracy	June 2023
FMC1 Progress the vision for finance at OWBC and progress all actions arising from the CIPFA Financial Management Code self-assessment exercise.	Strategic Director/S151 Officer/Head of Finance	July 2023
FMC2 Skills and competency assessment and ongoing training programme for CMT and SLT to be developed and included in the Corporate Peer Challenge Action Plan Training and Development programme. To include training around capability for appraising and managing projects, as outline in the Corporate Peer Challenge Action Plan. Member training to be captured as part of Corporate Peer Challenge Action Plan.	Strategic Director & S151 Officer	July 2023
FMC3 Undertake training needs analysis identify where skills gaps exist and find appropriate training solutions, in line with key competencies for local government finance teams.	Head of Finance and Deputy S151 Officer	July 2023
FMC5 Update Finance Procedure Rules and implement Internal Audit findings (from the Financial Systems audit. Set out actions in stand-alone document to draw together all actions relating to Financial Accountability framework improvements to ensure understanding and visibility and link with Vision for Finance (as above).	Strategic Director & S151 Officer	December 2023
FMC12 Review of profiled budgets. Scope and implement financial reporting improvements.	Finance Manager	August 2023
FMC17 Q4 outturn at service level to be reviewed with service areas as part of Q1 clinics with a view to capturing proposed changes for the forthcoming year.	Finance Manager	July 2023
22AGS1 Align new corporate strategy with Vision	Strategic Director	April 2024
22AGS2 Review of committee report format to be undertaken to ensure report authors convey the economic, social and environmental impact of policies, plans and decisions	Head of Law and Democracy	April 2024
22AGS3 Take forward outcome based budgeting approach as part of Sustainability Programme and embed results	Strategic Director/S151 Officer/Head of Finance	April 2024
22AGS4 Undertake Self-Assessment with Audit Committee	Head of Finance	January 2024
22AGS5 Embed new values and positive indicators across organisation	Strategic Director	April 2024

5. Overall opinion and conclusion

Conclusion

The Council is satisfied that appropriate governance arrangements are in place however it remains committed to maintaining and where possible improving these arrangements, by proactively addressing the cost pressures which have been identified and those issues identified in undertaking the annual review. The Council will continue to seek to enhance and strengthen governance arrangements within these areas for improvement and monitor progress made as part of our next annual review.

6. Statement of Leader and Chief Executive

We have been advised on the implications of the result of the review of the effectiveness of the governance framework carried out by members of the Corporate Leadership Team and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

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Signed



Councillor Samia Haq

Leader of the Council

27 June 2023

Signed



Anne Court

Chief Executive

27 June 2023



Oadby & Wigston
BOROUGH COUNCIL

Annual Governance Statement Assurance Review

July 2023

Assurance and evidence in support of the Council's annual governance statement

Assessment Score:

Good – Good governance exists and there are no improvements required

Fair – Satisfactory governance exists but improvements are required to meet good governance

Poor – Significant issues with governance exist which needs addressing

Core Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

Supporting Principle 1: Behaving with Integrity

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation.	Good.	Constitution (incl. statutory officers, scheme of delegation, financial and procurement procedure rules) Council, Committee Chairs, Committees. Service policies Complaints procedure Head of Paid Service, Monitoring Officer and s151 Officer HR policies and procedures Fraud policy in place. Induction training for new members and staff. Codes of conduct Staff values - ARTIC Standards and Ethics report taken to Audit Committee quarterly Senior Leadership Team and extended Corporate management Team. External Audit reports. Internal Audit reports.	None.	None.	
2. Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should	Good.	Corporate Plan Council's values	None.	None.	

<p>build on the Seven Principles of Public Life (the Nolan Principles)</p>					
<p>3. Leading by example and using these standard operating principles or values as a framework for decision making and other actions</p>	<p>Good.</p>	<p>Council leadership (Leader of the Council, Committee Chairs and Vice Chairs, Mayor and Deputy Mayor) Declarations of interest noted. Up-to-date register of gifts and hospitality.</p>	<p>None.</p>	<p>None.</p>	
<p>4. Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively</p>	<p>Good.</p>	<p>Anti-fraud and corruption policy in place. Register of interests and annual declaration of related parties. Whistle blowing policy and Complaints policy well established and continually reviewed, improved and reported on. Members and officers code of conduct refers to a requirement to declare interests. Minutes show declarations of interest were sought and appropriate declarations made.</p>	<p>None.</p>	<p>None.</p>	

Supporting Principle 2: Demonstrating strong commitment to ethical values

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Seeking to establish, monitor and maintain the organisation's ethical standards and performance	Good.	Values developed with staff and embedded into induction process for officers and members and appraisals for staff. Standards and Ethics report taken to Audit Committee quarterly.	None.	None.	
2. Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation.	Good.	Values embedded into induction process for officers and members and appraisals for staff. New organisational values developed with staff, 2023.	None.	Embed new values across organisation	Strategic Director
3. Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values	Good.	Appraisal process built upon values of the Council. Equality and Diversity Policy in place. Equality impact assessments part of our standard approach and taken forward where appropriate or required.	None.	None.	
4. Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards expected by the organisation	Good.	Key partnerships have mechanisms in place to define role and scope of partners. Procurement exercises, where appropriate, include assessment criteria around social value which is incorporate into contracts and	None.	None.	

subsequently monitored. E.g., encouragement of real living wage.

Supporting Principle 3: Respecting the rule of law

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations	Good.	Constitution is adhered to and reviewed regularly. Statutory provisions are adhered to. Head of Paid Service, Monitoring Officer and s151 Officer in place.	None.	None.	
2. Creating the conditions to ensure that the statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements.	Good.	Job descriptions and roles of statutory officers are well defined and understood by the organisation. Structure of SLT ensures statutory officers are included in decision making. The Head of Finance and S151 role complies with CIPFA's Statement on the Role of the Chief Financial Officer in Local Government (CIPFA, 2016). Statutory Officers meet separately to the Senior Leadership Team on a monthly basis. Additional meetings coordinated by S151 Officer on financial sustainability matters, to ensure appropriate conditions in place for strategic focus in this area.	None.	None.	
3. Striving to optimise the use of the full powers available for the benefit of citizens,	Good.	Arrangements in place for legal advice and recording of advice.	None.	None.	

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communities and other stakeholders		All reports requiring a decision are considered by Finance and Legal before being considered by the relevant decision making committee/Council.			
4. Dealing with breaches of legal and regulatory provisions effectively	Good.	Proper arrangements in place for legal advice and recording of advice, Monitoring Officer referenced to give advice and ensure Council's operates within the law at all times. Monitoring Officer authorised to investigate all breaches and refer to appropriate regulatory bodies.	None.	None.	
5. Ensuring corruption and misuse of power are dealt with effectively	Good.	Whistleblowing policy, anti-fraud and corruption policy in place. Segregation of duties on key financial processes.	None.	None.	

Core Principle B: Ensuring openness and comprehensive stakeholder engagement

Supporting Principle 1: Openness

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness	Good.	Corporate Plan and Annual Report. FOI requests actively responded to, website, online publishing of expenditure.	None.	None.	
2. Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided	Good.	Record of decision making and supporting materials. Standard report format used. The Council's governance framework aims to ensure it sets and meets its objectives and responsibilities in a lawful, timely, open, inclusive and honest manner; and that its use of public money and resources are safeguarded, properly accounted for	None.	None.	

		and used economically, efficiently and effectively.			
3. Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear	Good.	Decisions well documented with supporting information and advice included. Forward Plan detailing report publication on a timely basis. Calendar of dates for submitting, publishing and distributing timely reports is adhered to Council and Committee meetings are normally open to the public unless information is of a commercially sensitive nature. The conduct of business is defined by formal procedures and rules that are set out in the Constitution.	None.	None.	
4. Using formal and informal consultation and engagement to determine the most appropriate and effective interventions / courses of action	Good	Customer and staff satisfaction surveys carried out regularly. Resident Forums in place for key towns in the borough (Oadby, Wigston and South Wigston). Work undertaken in 2022 sought to enhance participation levels from post-pandemic lows, which saw a 50% increase in Oadby and Wigston, with South Wigston remaining static. The publicity of the Forums has also been reviewed, with the new strategy consisting of a blend of personal emails, social media posts and posters. Community Engagement Forum in place. We follow statutory requirements for consultation and very often go above that in terms of community engagement. Ad-hoc approach to informal consultation in place and utilised.	None.		

Recently developed communications strategy post feedback received from the Corporate Peer Challenge in January 2022.

A Tenant and Leaseholder Forum established in Autumn 2022 and will play a key role ensuring that the Council meets its regulatory standards. The Forum, which meets quarterly, has been briefed as to the standards that the Council is required to meet and the members of the Forum will act as tenant ambassadors in helping the Council to meet its duty. The Forum is Chaired by a Strategic Director and attended by the Head of Service, Housing Manager, and key housing officers as well as a range of tenants and leaseholders representative of the Council's housing stock portfolio across the Borough

Comprehensive consultations undertaken in 2022/23 including 2023/24 budget consultation and Customer Experience Strategy.

Supporting Principle 2: Engaging comprehensively with institutional stakeholders

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably	Good.	Formal and informal partnerships in place. Regular diarised meetings with appropriate senior officers and partners (including SLM, Helping Hands). Strong example is relationship with University of Leicester and support from the Council to the Civic Agreement.	None.	None.	
2. Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively	Good.	Partnership working across the authority is strong for example the recently formed Building Control partnership. Approach to consideration of shared services embedded as part of alternative service delivery model reviews. Service Level Agreements. Partnership agreements exist. The organisation has a range of partnerships and collaborative relationships. They have appropriate legal agreements and governance commensurate with the nature of the partnership, depending on factors such as legal status, membership, risk, subject matter.	None.	None.	
3. Ensuring that partnerships are based on: trust, a shared commitment to change, a culture that promotes and accepts challenge among partners and that the added value of partnership working is explicit	Good.	As above.	None.	None.	

Core Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits

Supporting Principle 1: Defining outcomes

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Having a clear vision which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the organisation's overall strategy, planning and other decisions	Fair.	<p>The Corporate Plan defines the vision for the Council, including values and priorities.</p> <p>Service Plans are developed based on the Corporate Plan. The quarterly monitoring report and End of Year report details performance against the performance indicators.</p> <p>New Vision developed in 2022, following stakeholder consultation.</p> <p>New Corporate Plan in development – action recognises this is in progress.</p>	None.	Align new corporate strategy with Vision	Strategic Director
2. Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer	Good.	Intended impacts set out in Corporate Plan and Team Business Plans.	None.	None.	
3. Delivering defined outcomes on a sustainable basis within the resources that will be available	Good.	Team Business Plans developed for each service area. Monthly performance and finance reports monitored by SLT; Quarterly reports monitored by SLT, Service Delivery and	None.	None.	

		Performance, Finance and Development Committees.			
4. Identifying and managing risks to the achievement of outcomes	Good.	<p>Quarterly review of risk with SLT.</p> <p>Risk Management Group mobilised in 2022 involving a cross-organisational set of officers from all management levels who monitor risk.</p> <p>Audit Committee review of risk on a quarterly basis.</p>	None.	None.	
5. Managing service users expectations effectively with regard to determining priorities and making the best use of the resources available	Good.	Performance Indicators within Team Business Plans and Corporate Plan include agreed set of quality standard measures.	None.	None.	

Supporting Principle 2: Sustainable economic, social and environmental benefits

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision	Fair.	We actively consider the social and economic impact of policies in decisions. An example of this is social value considerations in procurement exercises. Risk management plays an active part in considering and balancing impacts.	None.	Review of committee report format to be undertaken to ensure report authors convey the economic, social and environmental impact of policies, plans and decisions.	Head of Law and Democracy
2. Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints	Good.	Record of decision making and supporting materials made available publicly on website. New Medium Term Financial Strategy adopted September 2022, which includes new affordability approach to assessing the financial implications of the corporate strategy and a Sustainability Plan for closing budget gaps. New approach sees MTFP updated and presented to members twice annually and to scenario model potential outcomes associated with key factors and impact of decisions.	None.		
3. Determining the wider public interest associated with balancing conflicting interests between achieving the various	Good.	We follow statutory requirements for consultation and as part of very often go above that in terms of community engagement. Ad-hoc approach to informal consultation in	None.		

<p>economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs</p>		<p>place and utilised. Elected members act in public interest. Record of decisions made available to public via website. Consultations on key projects with key groups. Members abide by the code of conduct and all committee reports are prepared to reflect all the relevant options, risks and benefits – so members have all the relevant information in front of them when they make a decision. The Council is transparent in decision making. We publish all our agendas and minutes.</p>			
<p>4. Ensuring fair access to services</p>	<p>Fair.</p>	<p>Nominated Equalities lead. All new policies presented for approval require Equalities Impact Assessment to be completed and regularly reviewed as part of ensuring fair access. Equality and Diversity Policy in place. Process in place for equalities impact assessments and action included in Equalities and Diversity Action Plan to assess current processes.</p> <p>Feedback from Corporate Peer Challenge around need to ensure all residents can access the services and information they need. The customer experience strategy consultation has allowed us to gather basic demographic information. Work continues to build upon this using census and other</p>	<p>None.</p>	<p>Implement Corporate Peer Review Action to undertake comprehensive customer demographic profiling exercise and use results to inform desired service offering.</p>	<p>Head of Customer Service and Transformation</p>

locally gathered information to produce a local insight document that can be shared with staff to better understand our customer groups.

Core Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes

Supporting Principle 1: Determining interventions

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
<p>1. Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore ensuring best value is achieved however services are provided</p>	Good.	<p>All reports details options appraisals and risks associated with decisions.</p> <p>New Medium Term Financial Strategy adopted September 2022, which includes new affordability approach to assessing the financial implications of the corporate strategy and a Sustainability Plan for closing budget gaps.</p> <p>New approach sees MTFP updated and presented to members twice annually and to scenario model potential outcomes associated with key factors and impact of decisions.</p>	None.		
<p>2. Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources</p>	Good.	<p>Statutory consultation on budget undertaken annually was expended for the 2023/24 budget to obtain views of service users, with 70 responses received. The responses were collated and presented to PFD and Council, with one change made</p>	None.		

<p>available including people, skills, land and assets and bearing in mind future impacts</p>		<p>to the budget as a result. A “your questions answered” article was published on the website in response to comments received. This new approach will be adopted for future years.</p> <p>The Customer Experience Strategy was another key consultation during 2022/23.</p> <p>For other areas, we follow statutory requirements for consultation and very often go above that in terms of community engagement. Ad-hoc approach to informal consultation in place and utilised.</p>			
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Supporting Principle 2: Planning interventions

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
<p>1. Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets</p>	<p>Good.</p>	<p>Calendar dates for all Council meetings agreed in advance, reports published in a timely manner ensuring a robust planning cycle.</p> <p>Quarterly performance and finance reports monitored by SLT and Service Delivery and Policy, Finance and Development Committees.</p>	<p>None.</p>	<p>None.</p>	

<p>2. Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered</p>	<p>Good.</p>	<p>Resident Forums in existence for each major town in the borough.</p> <p>We regularly consult where changes to policies are made, over and above statutory requirements.</p> <p>Tenant engagement approach for Housing now established and will develop further in 2023/24.</p>	<p>None.</p>		
<p>3. Considering and monitoring risks facing each partner when working collaboratively including shared risks</p>	<p>Good</p>	<p>Strong partnerships exist. Partnership agreements exist where necessary for financial/legal/governance/risk reasons (e.g. Shared Building Control) formal agreements are put in place.</p>	<p>None</p>	<p>None</p>	
<p>4. Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances</p>	<p>Good.</p>	<p>Delegated responsibility in some areas. Constitution is flexible. Delegated decision making can be amended to facilitate urgent decision making.</p>	<p>None.</p>	<p>None.</p>	
<p>5. Establishing appropriate key performance indicators (KPIs) as part of the planning process in</p>	<p>Good.</p>	<p>KPIs established and approved for each service and included in Service Plans.</p>	<p>None.</p>	<p>None.</p>	

<p>order to identify how the performance of services and projects is to be measured</p>		<p>Quarterly Performance Reports are considered by Service Delivery Committee.</p>			
<p>6. Ensuring capacity exists to generate the information required to review service quality regularly</p>	<p>Good.</p>	<p>Performance is included to give context for decisions to be made where necessary.</p> <p>Resource dedicated to Transformation which works across the organisation to make customer, process and financial improvements.</p> <p>Programme of service reviews underway in 2023 as part of the council's Sustainability Programme.</p>	<p>None.</p>	<p>None.</p>	
<p>7. Preparing budgets in accordance with organisational objectives, strategies and the medium-term financial plan</p>	<p>Fair.</p>	<p>Corporate Peer Review identified the need to Align and maintain MTFP to the Corporate Plan and projects to ensure resources are in place to deliver them.</p> <p>Strategic and Financial Planning timetable to be reviewed and aligned for 2023/24 planning, enabling a more integrated approach.</p> <p>Identified need to ensure effective alignment of team and council corporate planning with budget.</p> <p>Work underway as part of the Sustainability Programme will better align corporate</p>	<p>None.</p>	<p>Review service and financial planning timetable for 2023/24</p>	<p>Head of Finance</p>

		planning with resource allocation, during 2023/24.			
8. Informing medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy	Good.	<p>Corporate Peer Review identified the need to Align and maintain MTFP to the Corporate Plan and projects to ensure resources are in place to deliver them.</p> <p>New Medium Term Financial Strategy adopted September 2022, which includes new affordability approach to assessing the financial implications of the corporate strategy and a Sustainability Plan for closing budget gaps.</p> <p>New approach sees MTFP updated and presented to members twice annually and to scenario model potential outcomes associated with key factors and impact of decisions.</p> <p>Further work through the Sustainability Programme as outlined above will enhance this.</p>	None.		

Supporting Principle 3: Optimising achievement of intended outcomes

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints	Fair	<p>New Medium Term Financial Strategy adopted September 2022, which includes new affordability approach to assessing the financial implications of the corporate strategy and a Sustainability Plan for closing budget gaps.</p> <p>New approach sees MTFP updated and presented to members twice annually and to scenario model potential outcomes associated with key factors and impact of decisions.</p> <p>Further work through the Sustainability Programme as outlined above will enhance this.</p>	None.	Take forward outcome based budgeting approach as part of Sustainability Programme and embed results	Strategic Director – S151 Officer

<p>2. Ensuring the budgeting process is all inclusive, taking into account the full cost of operations over the medium and longer term</p>	<p>Good.</p>	<p>5 year Capital budget planning. Revenue currently only planned 1 year at a time. MTFP focuses on 5 year medium term.</p>	<p>None.</p>		
<p>3. Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage</p>	<p>Good</p>	<p>New Medium Term Financial Strategy adopted September 2022, which includes new affordability approach to assessing the financial implications of the corporate strategy and a Sustainability Plan for closing budget gaps.</p> <p>New approach sees MTFP updated and presented to members twice annually and to scenario model potential outcomes associated with key factors and impact of decisions.</p> <p>Further work through the Sustainability Programme as outlined above will enhance this.</p>	<p>None.</p>		

4. Ensuring the achievement of 'social value' through service planning and commissioning.	Good	Social value considered through procurement processes..	None	None	
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Core Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it

Supporting Principle 1: Developing the entity's capacity

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Reviewing operations, performance use of assets on a regular basis to ensure their continuing effectiveness	Fair.	<p>Reviews of structures, ways of working and performance carried out as necessary.</p> <p>Acquisitions and Disposals Policies.</p> <p>Existing mitigating risk action to revise Asset Management Policy and Capital Expenditure Plan and Holistic Asset Management database/system purchased and timetabled for implementation.</p> <p>Work is now underway as part of the council's Sustainability</p>	None.	Revise Asset Management Policy and Capital Expenditure Plan and Holistic Asset Management database/system purchased and timetabled for implementation.	Head of Law and Democracy

		Programme to close budget gaps to review its assets. This will inform a renewed Asset Management policy.			
2. Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how the authority's resources are allocated so that outcomes are achieved effectively and efficiently	Fair.	<p>Work is underway to determine organisational approach to benchmarking.</p> <p>Initial scoping work undertaken to start to identify benchmarking providers for different service areas.</p> <p>Finance benchmarking subscription in place via LG Inform. Further financial benchmarking for service areas will be addressed by adopting an outcome-based budgeting approach which incorporate data analysis and benchmarking.</p>	None.	Organisational approach to benchmarking to be reviewed and requirements determined.	Strategic Director

3. Recognising the benefits of partnerships and collaborative working where added value can be achieved	Good.	Strong partnership working across the Council.	None.	None.	
4. Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources	Good.	Existing Strategic Risk Register. People Strategy drafted and due for sign off July 2023.	None.	Develop People Strategy.	Strategic Director

Supporting Principle 2: Developing the capability of the entity's leadership and other individuals

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained	Good.	Regular meetings between Leader and Chief Executive. Committee Chairs supported by designated SLT leads. Robust member induction programme, with specific and significant training planned. Code of Conduct for all members.	None.	None.	
2. Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body	Good.	Regular review of delegation and financial regulations. Constitution.	None.	None.	

<p>3. Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads the authority in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other's authority</p>	<p>Good.</p>	<p>Clear roles and responsibilities with CE's objectives set and monitored by Members.</p>	<p>None.</p>	<p>None.</p>	
<p>4. Developing the capabilities of members and senior management to achieve effective shared leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by:</p> <ul style="list-style-type: none"> • Ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged • Ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and 	<p>Good.</p>	<p>Comprehensive timetable of member inductions. Members trained as and when required. Formal induction process for new administration and new members. Robust member induction programme, with specific and significant training planned. Code of Conduct for all members.</p>	<p>None.</p>	<p>None.</p>	

<p>ensuring that they are able to update their knowledge on a continuing basis</p> <ul style="list-style-type: none"> Ensuring personal, organisational and system- wide development through shared learning, including lessons learnt from governance weaknesses both internal and external 					
<p>5. Ensuring that there are structures in place to encourage public participation</p>	<p>Good.</p>	<p>Resident Forums, customer feedback.</p>	<p>None.</p>	<p>None.</p>	
<p>6. Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections</p>	<p>Good.</p>	<p>LGA Financial Health Check Summer 2021. LGA Corporate Peer Review January 2022.</p>	<p>None.</p>	<p>None.</p>	
<p>7. Holding staff to account through regular performance reviews which 8. take account of training or development needs</p>	<p>Fair.</p>	<p>Staff development plans linked to appraisals. Review of appraisal approach underway.</p>	<p>None.</p>	<p>Review staff performance appraisal approach.</p>	<p>Strategic Director</p>
<p>9. Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing</p>	<p>Good.</p>	<p>Discount on leisure facilities for staff. Employee advice line, 24 hours service providing advice and counselling service around family, personal, debt, workplace, home and health issues. Coaching and mentoring available.</p>	<p>None.</p>	<p>None.</p>	

		<p>Health and Wellbeing team to develop and implement the employer Workplace health and benefits offer. New Health and Wellbeing Hub on Teams for staff to access.</p> <p>Participation in Survey with Leicestershire and Rutland Sport Workplace Health Needs Assessment to determine health of workforce.</p> <p>Sickness management ongoing.</p>			
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Core Principle F: Managing risks and performance through robust internal control and strong public financial management

Supporting Principle 1: Managing risk

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
~ Page 67 ~ 1. Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making	Good.	Risk Management system in place with regular monitoring at Manager/HoS level and SLT and Audit Committee. New cross-service and role Risk Management Group established to monitor risk. Risk Management Policy updated and adopted by Audit Committee January 2023.	None.	None.	
2. Implementing robust and integrated risk management arrangements and ensuring that they are working effectively	Good.	Risk management policy formally approved and adopted.	None.	None.	

		Health and Safety Action Plan in place.			
3. Ensuring that responsibilities for managing individual risks are clearly allocated	Good.	Risk Management system in place with regular monitoring. Changes made in 2022 so that each risk has an owner responsible (rather than collective SLT).	None.		

Supporting Principle 2: Managing Performance

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Monitoring service delivery effectively including planning, specification, execution and independent post implementation review	Good.	Monitoring of service delivery currently completed through service plans. Agreed performance targets reported monthly. SLAs for all service areas, reviewed annually.	None.	None.	
2. Making decisions based on relevant, clear objective analysis and advice pointing out the implications and	Good.	Standardised project appraisal and affordability approach developed as part of	None.		

<p>risks inherent in the organisation's financial, social and environmental position and outlook</p>		<p>new MTFs, adopted in September 2022. This new approach was utilised on the funding allocation decision for the office relocation to Council in July 2022</p>			
<p>3. Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible (OR, for a committee system) Encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making</p>	<p>Good.</p>	<p>Committee system enables all members to contribute towards ensuring policies are effective and objectives are delivered.</p> <p>Support offered to opposition members e.g. as part of budget setting.</p>	<p>None.</p>	<p>None.</p>	
<p>4. Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement</p>	<p>Good.</p>	<p>Regular quarterly reports to SLT and Service Delivery Committee.</p>	<p>None.</p>	<p>None.</p>	

5. Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (eg financial statements)	Good.	Standing orders in place. Approval reports separate from financial updates.	None.	None.	
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Supporting Principle 3: Robust internal control

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Aligning the risk management strategy and policies on internal control with achieving the objectives	Good.	Risk management policy audit plan and regular audit reports.	None.		
2. Evaluating and monitoring the authority's risk management and internal control on a regular basis	Good.	Risk management policy with risks reviewed regularly by Risk Management Group, SLT and Audit Committee.	None.		
3. Ensuring effective counter fraud and anti- corruption arrangements are in place	Fair.	Compliance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA, 2014).	None.	Develop and implement anti-fraud awareness raising programme.	Strategic Director/S151 Officer

		<p>Anti-fraud policy updated April 2023. Anti-corruption policy in place.</p> <p>Existing action via Strategic Risk Register to develop and implement anti-fraud awareness raising programme.</p>			
4. Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor	Good.	Annual governance statement, internal audit arrangements adequate with internal audit actively involved in service improvement.	None.	None.	
5. Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body: provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment that its recommendations are listened to and acted upon.	Fair.	<p>Audit committee complies with best practice. See Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA, 2018). Terms of Reference in place for Committee. Training for committee members provided June 2022, included session to enable committee members to approve the financial statements undertaken in 2018.</p>	None.	Undertake self-assessment with Audit Committee	Head of Finance – Deputy S151 Officer

		In recognition of external auditors suggestion to undertake self-assessment, plans for this to be carried out in 2023.			
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Supporting Principle 4: Managing Data

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data.	Good.	Policies in place for data management and data protection. Designated data protection officer.	None.	None.	
2. Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies.	Good.	Data sharing agreements in place and data processing agreements where necessary.	None.	None.	
3. Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring.	Good.	Regular internal audits carried out.	None.	None.	

Supporting Principle 5: Strong public financial management

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
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<p>1. Ensuring financial management supports both long term achievement of outcomes and short-term financial and operational performance</p>	<p>Fair.</p>	<p>New Medium Term Financial Strategy adopted September 2022, which includes new affordability approach to assessing the financial implications of the corporate strategy and a Sustainability Plan for closing budget gaps.</p> <p>New approach sees MTFP updated and presented to members twice annually and to scenario model potential outcomes associated with key factors and impact of decisions.</p> <p>Further work through the Sustainability Programme as outlined above will enhance this.</p>	<p>None.</p>	<p>Progress all outstanding actions to meet the CIPFA Financial Management Code:</p> <ul style="list-style-type: none"> • Progress the vision for finance at OWBC • Undertake skills and competency assessment and develop ongoing training programme for CMT and SLT • Undertake training needs analysis of finance team and develop training and development plan • Update Financial Procedure Rules • Review of profiled budgets • Review outturn at Q1 budget monitoring sessions. 	<p>S/D and S151</p>
<p>~ Page 73 ~</p>		<p>Work undertaken to adopt the CIPFA Financial Management Code in 2022 identified a range of areas where the Council did not achieve the Code requirements and the majority of these have now been taken forward with 6 actions outstanding that will be implemented in 2023.</p>			
<p>2. Ensuring well-developed financial management is integrated at all levels of planning and control, including</p>	<p>Fair.</p>	<p>Budget monitoring reports and regular reviews, however greater engagement required between finance and services. Finance system upgrade required and more automation of reporting required.</p> <p>As above, areas where the Council does not currently meet the requirements of the CIPFA financial management code have been identified and actions scoped to progress improvements in these areas.</p>			<p>S/D and S151</p>

management of financial risks and controls

Core Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability

Supporting Principle 1: Implementing good practice in transparency

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate	Good.	Website user friendly, annual report, reports written in 'plain English'.	None.	None.	
2. Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand	Good.	Website user friendly, annual report, reports written in 'plain English'. Annual Report produced in accessible format, including translation tool.	None.	None.	

Supporting Principle 2: Implementing good practices in reporting

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Reporting at least annually on performance, value for money and the stewardship of its resources	Good.	Council Annual report, Statement of Accounts, End of Year report. Regular customer satisfaction surveys with results published in Annual reports.	None.	None.	
2. Ensuring members and senior management own the results	Good.	Members and SLT receive and approve reports.	None.	None.	
3. Ensuring robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (annual governance statement)	Good.	Annual governance statement.	None.	None.	
4. Ensuring that the Framework is applied to jointly managed or shared service organisations as appropriate	Good.	Annual governance statement.	None.	None.	
5. Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar organisations	Good.	Format follows best practice.	None.	None.	

Supporting Principle 3: Assurance and effective accountability

Requirement of local authorities to:	Assessment	Evidence	Significant Issues	Areas for Improvement	Lead
1. Ensuring that recommendations for corrective action made by external audit are acted upon	Good.	<p>Recommendations from external audit acted upon.</p> <p>Regular communication between S151 Officer and External Auditor.</p> <p>Progress made against external audit recommendations will be reported to Audit Committee alongside this AGS.</p>	None.	None.	
2. Ensuring an effective internal audit service with direct access to members is in place which provides assurance with regard to governance arrangements and recommendations are acted upon	Good.	<p>Internal Audit report directly to Audit Committee.</p> <p>Recommendations from internal audit acted upon.</p> <p>Compliance of Internal Audit arrangements with Public Sector Internal Audit Standards. Regular communication between S151 Officer and Internal Auditor.</p>	None.	None.	

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3. Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations	Good.	Corporate Peer Challenge undertaken January 2022. A number of recommendations were made and accepted by Council which were implemented.	None.	None.	
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Agenda Item 9



Audit Committee	Tuesday, 04 July 2023	Matter for Information
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Report Title: Strategic Risk Update (2023/24)

Report Author(s): Bev Bull (Head of Finance / Deputy Section 151 Officer)

Purpose of Report:	To present the Strategic Risk Register to Committee for information.
Report Summary:	In accordance with the requirements of the Council's Opportunity and Risk Management Policy, this report presents the Strategic Risk Register for the Committee's consideration. The register is updated on a regular basis through discussions with the internal Risk Management Group and members of the Senior Leadership Team.
Recommendation(s):	That the report and Strategic Risk Register (as set out at Appendix 1) be considered.
Senior Leadership, Head of Service, Manager, Officer and Other Contact(s):	Sal Khan (Interim Strategic Director / Section 151 Officer) (0116) 257 2635 sal.khan@oadby-wigston.gov.uk Bev Bull (Head of Finance / Deputy Section 151 Officer) (0116) 257 2649 bev.bull@oadby-wigston.gov.uk
Strategic Objectives:	Our Council (SO1)
Vision and Values:	"Our Borough - The Place To Be" (Vision) Resourceful & Resilient (V4)
Report Implications:-	
Legal:	There are no implications directly arising from this report.
Financial:	There are no implications directly arising from this report.
Corporate Risk Management:	Decreasing Financial Resources / Increasing Financial Pressures (CR1) Key Supplier / Partnership Failure (CR2) Political Dynamics (CR3) Reputation Damage (CR4) Effective Utilisation of Assets / Buildings (CR5) Regulatory Governance (CR6) Failure to Respond to a Significant Incident (CR7) Organisational / Transformational Change (CR8) Economy / Regeneration (CR9) Increased Fraud (CR10) Cyber Threat / Security (CR11)
Equalities and Equalities Assessment (EA):	There are no implications directly arising from this report. EA not applicable
Human Rights:	There are no implications directly arising from this report.

Health and Safety:	There are no implications directly arising from this report.
Statutory Officers' Comments:-	
Head of Paid Service:	The report is satisfactory.
Chief Finance Officer:	The report is satisfactory.
Monitoring Officer:	The report is satisfactory.
Consultees:	<ul style="list-style-type: none"> • Risk Management Group • Senior Leadership Team
Background Papers:	Risk Management Policy
Appendices:	Appendix 1 - Strategic Risk Register

1. Background

- 1.1 In line with the Risk Management Policy which was approved by the Audit Committee at its meeting in January 2023, this report presents the Strategic Risk Register at Appendix 1.
- 1.2 The 'Risk Management Group' has met, reviewed and updated the risk register which has then been reviewed and approved by the Senior Leadership Team (SLT).
- 1.3 Operational risks continue to be monitored and managed by the organisation, with the Operational Risk Registers managed within service areas, with Heads of Service maintaining ultimate responsibility.
- 1.4 This report presents a summary of the profile of risks contained within the register and highlights key movements in scores from the position reported in March 2023.

2. Strategic Risk Register

- 2.1 The Strategic Risk Register contains a total of 14 risks and there have been no additional risks added.
- 2.2 The mitigated scores for 3 out of 14 have been revised down due to completion of actions.
- 2.3 The change in mitigated score is visually represented by the arrows shown in the far-right column "Direction of Travel of mitigated risk score".
- 2.4 The target score with further management actions for CR1- Decreasing Financial Resources / Increasing Financial Pressures has been increased to remain at the current mitigated score, to recognise the completion of the further mitigating actions will not close the current budget gap and deliver a sustainable financial position. It is imperative that SLT and members focus urgently on addressing the financial challenge.
- 2.5 The target score with further management actions for CR13 - Cyber threats and security has been increased to remain at the current mitigated score to recognise that the risks in terms of cyber threat and security threats are ever evolving and therefore even with the completion of the further mitigating actions this level of risk will remain.
- 2.6 Changes have been made to existing controls, management actions and target dates, which are detailed in the 'Review Commentary' column of the Risk Register.

- CR1 (financial resources) –existing controls updated for final outturn position for 2022/23 and engagement of LG improve to support outcome-based budgeting approach. Further management controls to reflect progressing the sustainability programme.
- CR2 (key supplier failure) – further management controls updated to reflect contract management project.
- CR3 (partnership failure) – consequence /effect updated to remove poor IT services as IT service is now in house. Existing control updated to remove Southern Alliance as no longer in place. Updated further management controls for contract management Project.
- CR4 (demographic engagement) – existing control updated to reflect appointment hubs and reception at Brockshill. Further actions and target date agreed for exploring community engagement and language translation.
- CR5 (political dynamics) – political change training removed from further actions as not applicable following election.
- CR6 (reputational damage) – existing controls updated for the inclusion of reputational damage in safety risk assessments.
- CR7 (asset utilisation) – existing controls updated for approved health and safety action plan. Target dates for implementation updated to reflect timetable and officer capacity.
- CR8 (regulatory governance) – further actions updated for GDPR/DPA refresher training and HR induction review.
- CR9 (significant incident) – existing controls updated for national training exercise completed and business continuity improvements.
- CR10 (organisational/transformational change) – Target date for implementation updated to reflect timetable and officer capacity.
- CR11 (economy/regeneration) – Target date for implementation updated to reflect timetable and officer capacity.
- CR12 (fraud) – Target date for implementation updated to reflect timetable and officer capacity.
- CR13 (cyber threat/security) added LRF training to further management actions.
- CR14 (lone working) – Target date for implementation updated to reflect timetable and officer capacity.



IMPACT		
Level	Score	Description
Insignificant	1	<ul style="list-style-type: none"> no impact on service no impact on reputation complaint unlikely litigation risk remote
Minor	2	<ul style="list-style-type: none"> slight impact on service slight impact on reputation complaint possible litigation possible
Moderate	3	<ul style="list-style-type: none"> some service disruption potential for adverse publicity - avoidable with careful complaint probable litigation probable
Major	4	<ul style="list-style-type: none"> service disrupted adverse publicity not avoidable (local media) complaint probable litigation probable
Extreme / Catastrophic	5	<ul style="list-style-type: none"> service interrupted for significant time major adverse publicity not avoidable (national media) major litigation expected resignation of senior management and board loss of beneficiary confidence

		Impact				
		1	2	3	4	5
Likelihood	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5




Risks that are red require mitigating action to reduce to amber or white

LIKELIHOOD		
Level	Score	Description
Remote	1	<ul style="list-style-type: none"> may only occur in exceptional circumstances
Unlikely	2	<ul style="list-style-type: none"> expected to occur in a few circumstances
Possible	3	<ul style="list-style-type: none"> expected to occur in some circumstances
Probable	4	<ul style="list-style-type: none"> expected to occur in many circumstances
Highly probable	5	<ul style="list-style-type: none"> expected to occur frequently and in most circumstances

Strategic Risk Register

Ref	Risk Definition What is the headline risk/issue?	2019-2024	Root Cause: What is the root cause or problem? What could go wrong?	Consequence /effect: What could occur as a result, how much of a problem would it be?	Inherent Risk Score (no controls)			Existing Controls (sources of assurance)	Mitigated Risk Score (with controls)			Further management actions/controls	Target Implementation date for further mgt actions	Target Score with further management actions/			Risk Owner	Review Date	Review Commentary	Direction of Travel of mitigated risk score
					Likelihood	Impact	Overall risk rating		Likelihood	Impact	Overall risk rating			Likelihood	Impact	Overall risk rating				
CR1	Decreasing Financial resources / Increasing Financial Pressures	Providing Excellent Services (CO3)	<ul style="list-style-type: none"> <input type="checkbox"/> Increase demand for services e.g. benefits <input type="checkbox"/> Continuing Austerity <input type="checkbox"/> Political promises <input type="checkbox"/> Change in priorities <input type="checkbox"/> Reduction in recycling value <input type="checkbox"/> Deflated housing market <input type="checkbox"/> Lack of business growth <input type="checkbox"/> Further changes in legislation <input type="checkbox"/> Pooling/Unpooling of NNDR <input type="checkbox"/> Universal Credit <input type="checkbox"/> Inefficient running costs of Bushloe House <input type="checkbox"/> Political hesitancy in decision making for fundamental service reform. <input type="checkbox"/> Cost-of-living crises <input type="checkbox"/> Supplier price variations as a result of inflation 	<ul style="list-style-type: none"> <input type="checkbox"/> Cuts in services <input type="checkbox"/> Political and customer expectations not met <input type="checkbox"/> Quality of service <input type="checkbox"/> Reputation damage <input type="checkbox"/> Knock on impact on the local community and economy e.g. spiral effect <input type="checkbox"/> Legal challenge. <input type="checkbox"/> Reduction in rent/monies owed to the council through the introduction of UC, increased homelessness adding stresses to council finances and the local economy. <input type="checkbox"/> Supplier price variations significant. 	5	4	20	<ul style="list-style-type: none"> <input type="checkbox"/> Budgetary Control processes and committee reporting <input type="checkbox"/> Medium Term Financial Strategy and HRA Business Plan - including scenario planning <input type="checkbox"/> Setting and monitoring of savings and efficiency targets <input type="checkbox"/> Annual Fees and Charges review <input type="checkbox"/> Disclosure of expenditure over £250 <input type="checkbox"/> Review of reserves and balances <input type="checkbox"/> Treasury Management and Investment Strategy <input type="checkbox"/> Prudential Indicators <input type="checkbox"/> Revised Financial Regulations <input type="checkbox"/> Business Rates Pooling <input type="checkbox"/> New Procurement Policy <input type="checkbox"/> Homelessness team increased <input type="checkbox"/> Assessment of viability of capital projects. <input type="checkbox"/> Members have approved move out of Bushloe House to Brocks Hill. <input type="checkbox"/> Financial Inclusion Officer in post. <input type="checkbox"/> Scenario planning for budgets <input type="checkbox"/> Transformation Programme across the council to improve service <input type="checkbox"/> Cost of Living impact assessment undertaken and action plan now in place (presented to Service Delivery Committee 6 Sept). <input type="checkbox"/> Cost of Living focus group meeting fortnightly to monitor actions of action plan <input type="checkbox"/> Q1 financial assessment of inflationary impacts to in-year budget undertaken. <input type="checkbox"/> Ongoing impacts of inflation captured in medium term financial plan. <input type="checkbox"/> Updates to members on cost of living and inflation in members bulletin <input type="checkbox"/> New MTFS approved September 2022 <input type="checkbox"/> Provisional local government finance settlement received and consultation will be responded to. <input type="checkbox"/> Engagement with MP, LGA and DLUHC about the council's unique financial outlook <input type="checkbox"/> Project Initiation Documents (PIDS) completed for all projects in the sustainability programme. <input type="checkbox"/> Q2 and Q3 monitoring included repurposing of earmarked reserves. <input type="checkbox"/> Q3 included an update on Cost of Living crisis support actions. <input type="checkbox"/> The final local Government Settlement has been received <input type="checkbox"/> 23/24 budget Set and MTFP updated. <input type="checkbox"/> Finalised outturn report for 22/23. <input type="checkbox"/> LGimprove engaged to support the outcome based budgeting approach to all budgets and Corporate Plan 	4	4	16	<ul style="list-style-type: none"> <input type="checkbox"/> Review of Financial Regulations <input type="checkbox"/> Delivering and reporting on the sustainability programme 	<ul style="list-style-type: none"> <input type="checkbox"/> September 2023 <input type="checkbox"/> December 2023 	4	4	16	Chief Financial Officer	May-23	Updated existing controls to reflect current position with final outturn position for 2022/23 and engagement of LG improve to support Outcome based budgeting approach. Further management controls to reflect progressing the sustainability programme. Mitigated score increased due to current budget gap and need to find additional savings or reduction in costs.	
CR2	Key Supplier Failure	Providing Excellent Services (CO3)	<ul style="list-style-type: none"> <input type="checkbox"/> Change in circumstances <input type="checkbox"/> Capacity and competency <input type="checkbox"/> Further decline of the Economy <input type="checkbox"/> Relationship breakdown <input type="checkbox"/> Changes in legislation <input type="checkbox"/> Changes in personnel <input type="checkbox"/> Liability issues <input type="checkbox"/> Economic conditions - inflation and interest rates 	<ul style="list-style-type: none"> <input type="checkbox"/> Cost implications <input type="checkbox"/> Business Continuity <input type="checkbox"/> Loss of revenue <input type="checkbox"/> Service failure <input type="checkbox"/> TUPE issues <input type="checkbox"/> Potential court action <input type="checkbox"/> Increased complaints <input type="checkbox"/> Reputation issues <input type="checkbox"/> Political damage <input type="checkbox"/> Delays 	5	4	20	<ul style="list-style-type: none"> <input type="checkbox"/> Formal contracts and agreements including realistic notice periods <input type="checkbox"/> Tender arrangements and pre qualification financial assessments <input type="checkbox"/> provisional local government finance settlement received <input type="checkbox"/> Qualified internal officers to provide legal advice <input type="checkbox"/> Use of external counsel <input type="checkbox"/> Performance management of contracts, Comprehensive Contract Register, Partnership working with Local Authority Partners <input type="checkbox"/> Welland Procurement also providing support. <input type="checkbox"/> Part of management Board to oversee delegated services such as Lightbulb and Building Control. <input type="checkbox"/> Creation of Project and Procurement Team <input type="checkbox"/> Partnership and contract risk registers <input type="checkbox"/> Contract term renegotiation with key providers as necessary <input type="checkbox"/> Contract Management review will be undertaken as part of the Sustainability Programme <input type="checkbox"/> Contracts information has been incorporated into draft service plan template. 	4	3	12	<ul style="list-style-type: none"> <input type="checkbox"/> Incorporate service contract register and plans for managing contracts into Service Plans. <input type="checkbox"/> Improving contract management processes (sustainability programme). 	<ul style="list-style-type: none"> <input type="checkbox"/> June 2023 <input type="checkbox"/> March 2024 	2	2	4	Head of Law and Democracy /Monitoring Officer	May-23	Updated further management controls to reflect improvements to contract management practices as part of the sustainability programme	



Strategic Risk Register

Ref	Risk Definition What is the headline risk/issue?	2019-2024	Root Cause: What is the root cause or problem? What could go wrong?	Consequence /effect: What could occur as a result, how much of a problem would it be?	Inherent Risk Score (no controls)			Existing Controls (sources of assurance)	Mitigated Risk Score (with controls)			Further management actions/controls	Target Implementation date for further mgt actions	Target Score with further management actions/			Risk Owner	Review Date	Review Commentary	Direction of Travel of mitigated risk score
					Likelihood	Impact	Overall risk rating		Likelihood	Impact	Overall risk rating			Likelihood	Impact	Overall risk rating				
CR3	Failure to work effectively with other public sector partner organisations (PSOs) and 3rd sector organisations	Building, Protecting and Empowering Communities (CO1); Growing the Borough Economically (CO2)	<ul style="list-style-type: none"> <input type="checkbox"/> Poor service delivery from PSOs the Council has agreements with <input type="checkbox"/> Lack of engagement from partner PSOs <input type="checkbox"/> Governance arrangements which foster effective relationships may be inadequate leading to relationship breakdown <input type="checkbox"/> Failure of relationships at strategic level in County & across members 	<ul style="list-style-type: none"> <input type="checkbox"/> Loss of public confidence in Community Safety Partnership <input type="checkbox"/> Loss of funding for LLR Sports Alliance partnership <input type="checkbox"/> May not realise potential economies of scale <input type="checkbox"/> Impact on staff morale 	4	3	12	<ul style="list-style-type: none"> <input type="checkbox"/> Formal agreements with public sector partners which clearly identify roles & responsibilities <input type="checkbox"/> Governance arrangements which manage performance against agreements <input type="checkbox"/> Lead officer arrangements/contract manager <input type="checkbox"/> Financial controls ensuring payments are only authorised where service being delivered by partner organisation is received and is of appropriate quality <input type="checkbox"/> Strategic Planning Group - governance arrangements are in place for this. Member Advisory Group also in place <input type="checkbox"/> Performance of these arrangements is formally reviewed and changes are made if necessary. <input type="checkbox"/> Regular account meetings with contracted 3rd sector organisations. <input type="checkbox"/> Service Level Agreements in place where necessary. <input type="checkbox"/> Cost of Living support programme has funded 3rd sector organisations and support for warm hubs. 	2	3	6	<ul style="list-style-type: none"> <input type="checkbox"/> Sustainability Programme - Contract Management Project 		2	3	6	Chief Executive	May-23	Removed consequence /effect regarding poor IT services as IT service is now in house. Removed existing control re Southern Alliance as no longer in place. Updated further management controls for Contract Management Project.	
CR4	Hard to reach demographics feel disenfranchised through lack of specific communication and engagement.	Building, Protecting and Empowering Communities (CO1)	<ul style="list-style-type: none"> <input type="checkbox"/> Staff capacity could impact on engagement <input type="checkbox"/> hard to reach communities <input type="checkbox"/> some resident groups not digitally connected <input type="checkbox"/> change in political power could result in non-statutory service being stopped <input type="checkbox"/> Failure to consult when appropriate to do so <input type="checkbox"/> Funding changes impacting on roles <input type="checkbox"/> Digital exclusion as a result of cost of living crises 	<ul style="list-style-type: none"> <input type="checkbox"/> Reputational damage <input type="checkbox"/> lack of support for community initiatives <input type="checkbox"/> missed opportunity to impact on equalities agenda and HWB of residents <input type="checkbox"/> Citizens panel not representative of demographic. <input type="checkbox"/> Services may not meet the needs of this demographic 	4	4	16	<ul style="list-style-type: none"> <input type="checkbox"/> Public consultation surveys to obtain feedback for influencing strategy/policy through Citizens Panel and other communication channels, compliant with the Code of Practice on Consultations <input type="checkbox"/> Refreshed Communications Strategy launch due June 2022 <input type="checkbox"/> Gov Delivery digital e-mail system – targeted delivery on specific topics e.g. tenants newsletter – launch June 2022 <input type="checkbox"/> Financial Inclusion Officer <input type="checkbox"/> Volunteer community champion Digital Newsletter - specifically relating to health and wellbeing targeting socially vulnerable <input type="checkbox"/> Events programme run by Community Health Improvement Officers to target vulnerable and hard to reach residents/communities. <input type="checkbox"/> Statement of community involvement in place <input type="checkbox"/> Residents Forums reinstated <input type="checkbox"/> Sports and physical activity commission plan to target hard to reach <input type="checkbox"/> Customer Experience Strategy consultation outcome due to be reviewed by members in March includes an Action Plan to introduce Appointment Hubs. <input type="checkbox"/> Tenant Engagement Review taking place to support Tenant Satisfaction Review through gov legislation launched April 2023. <input type="checkbox"/> Appointment hubs going live 5th June 2023 <input type="checkbox"/> Reception point to open when relocate to Brockshill <input type="checkbox"/> Community events 	3	3	9	<ul style="list-style-type: none"> <input type="checkbox"/> Customer Experience Strategy Action Plan to be monitored against <input type="checkbox"/> Housing Regulators new Tenant Satisfaction measures to be collected throughout 2023/24. <input type="checkbox"/> Tenant Engagement Review <input type="checkbox"/> To explore Community engagement through the Community Wellbeing Partnership <input type="checkbox"/> Language Translation Service incorporated into Committee meetings 	<ul style="list-style-type: none"> <input type="checkbox"/> September 2023 <input type="checkbox"/> March 2024 <input type="checkbox"/> Sept 2023 <input type="checkbox"/> Oct 2023 <input type="checkbox"/> July 2023 	3	2	6	Head of Customer Service and Transformation	May-23	Update to existing control to reflect appointment hubs and reception at Brockshill. Likelihood score reduced to 3. Further actions and target date agreed for exploring community engagement through the Community and Wellbeing Partnership and Language Translation for committee minutes.	
CR5	Political Dynamics	Providing Excellent Services (CO3)	<ul style="list-style-type: none"> <input type="checkbox"/> Change in political power <input type="checkbox"/> Change in leader <input type="checkbox"/> New members <input type="checkbox"/> Public perception changes 	<ul style="list-style-type: none"> <input type="checkbox"/> Change in priorities <input type="checkbox"/> Change in member/officer engagement <input type="checkbox"/> Breakdown in communication <input type="checkbox"/> inability to meet expectations <input type="checkbox"/> Reputation issues (organisational and political) <input type="checkbox"/> Reactive decision making (rather than planned) <input type="checkbox"/> Failure to follow legislative requirements e.g. equalities <input type="checkbox"/> Further strain on council finances 	3	4	12	<ul style="list-style-type: none"> <input type="checkbox"/> Member development programmes <input type="checkbox"/> New Code of Conduct has been adopted which comes into force on 1/4/22, with training planned to familiarise members with its content <input type="checkbox"/> Policies e.g. Safeguarding/Equalities and DBS checks <input type="checkbox"/> Provision of chairing skills training <input type="checkbox"/> Constitution, which is in the process of being reviewed to reflect new management structure <input type="checkbox"/> Public consultation. <input type="checkbox"/> Development of member enquiry system <input type="checkbox"/> Training for members covering a range of areas including IT and Planning <input type="checkbox"/> Budding system <input type="checkbox"/> Members bulletin <input type="checkbox"/> Customer Service training - June 2022 <input type="checkbox"/> Political awareness training for officers June 2022 <input type="checkbox"/> Member and officer training undertaken with Centre for Governance and Scrutiny November 2022 <input type="checkbox"/> Full review of members induction programme has been completed. 	3	3	9	<ul style="list-style-type: none"> <input type="checkbox"/> Personal training/action plans for members elected May 2023 	Jul-23	2	3	6	Head of Law and Democracy /Monitoring Officer	May-23	Removed political change training as not applicable following election.	



Strategic Risk Register

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					Likelihood	Impact	Overall risk rating		Likelihood	Impact	Overall risk rating			Likelihood	Impact	Overall risk rating				
CR6	Reputation Damage	Providing Excellent Services (CO3)	<input type="checkbox"/> Litigation <input type="checkbox"/> Breakdown in a partnership <input type="checkbox"/> Failure to have regard to officers advice <input type="checkbox"/> Whistle blowing <input type="checkbox"/> Freedom of Information (FoI) <input type="checkbox"/> Inconsistent decision making <input type="checkbox"/> Poor Media Relations <input type="checkbox"/> Poor communication <input type="checkbox"/> Failure to provide or reduce services <input type="checkbox"/> Poor performance <input type="checkbox"/> Poor business planning and consideration of financial implications	<input type="checkbox"/> Intervention <input type="checkbox"/> Loss of public confidence <input type="checkbox"/> Ombudsman findings <input type="checkbox"/> Court costs <input type="checkbox"/> Quality of service affected <input type="checkbox"/> Breakdown in a partnership <input type="checkbox"/> Adverse publicity <input type="checkbox"/> Lower public satisfaction level <input type="checkbox"/> Poor communication <input type="checkbox"/> Time spent mitigating damage/rectifying the situation <input type="checkbox"/> Low Morale <input type="checkbox"/> Difficulties to recruit/staff retention <input type="checkbox"/> Inadequate budget provision, inappropriate financial decisions made	4	4	16	<input type="checkbox"/> Review of external communication by Heads of Service <input type="checkbox"/> Use of modern gov <input type="checkbox"/> Whistle blowing and Anti Fraud and Corruption policies <input type="checkbox"/> Freedom of Information log <input type="checkbox"/> Qualified in house legal team <input type="checkbox"/> Officer complaints training & new complaints process <input type="checkbox"/> Performance reporting and Key Performance Indicators <input type="checkbox"/> Public and media consultation <input type="checkbox"/> Achieved accreditation for customer service excellence award <input type="checkbox"/> Communications Policy and Communications Plan in place <input type="checkbox"/> Online customer care training in place for all new staff and a separate module also in place for managers. <input type="checkbox"/> Partnership working eg Lightbulb & Local Plan <input type="checkbox"/> Marketing & Communications Manager <input type="checkbox"/> Social Media Policy <input type="checkbox"/> Service Standards <input type="checkbox"/> Project Comms Plans <input type="checkbox"/> Performance Review Plans <input type="checkbox"/> Standardised project appraisal and affordability approach as per Corporate Peer Review Action Plan built into new MTFS <input type="checkbox"/> Complaints handling and investigation training for all managers undertaken November 2022 <input type="checkbox"/> Anti Fraud Policy to be reviewed and presented to SLT April 2023. <input type="checkbox"/> Safety Risk assessments always consider reputational damage as a risk.	2	2	4	<input type="checkbox"/> Anti Fraud Policy to be reviewed and presented to PFD	Jun-23	2	2	4	Chief Executive	May-23	Existing Controls updated for safety risk assessments including consideration of reputational damage.	
CR7	Effective utilisation of Assets/Buildings	Building, Protecting and Empowering Communities (CO1); Providing Excellent Services (CO3)	<input type="checkbox"/> Failure to follow Health and Safety <input type="checkbox"/> Insurance/Public Liability <input type="checkbox"/> Financial investment <input type="checkbox"/> Contractor going into liquidation <input type="checkbox"/> Political will <input type="checkbox"/> Facility Management <input type="checkbox"/> Depreciation	<input type="checkbox"/> Loss of investment opportunities <input type="checkbox"/> Loss of income <input type="checkbox"/> Loss of capital <input type="checkbox"/> Higher revenue costs <input type="checkbox"/> Costs <input type="checkbox"/> Death or injury <input type="checkbox"/> Higher insurance premiums <input type="checkbox"/> Reputation damage <input type="checkbox"/> Public liability <input type="checkbox"/> Personal liability for corporate team e.g. corporate manslaughter	4	3	12	<input type="checkbox"/> Physical controls (e.g. Door Codes, fire alarms) <input type="checkbox"/> Designated first aiders <input type="checkbox"/> Capital Programme and HRA Business Plan - annual reiteration and regular monitoring <input type="checkbox"/> Fixed Asset Register <input type="checkbox"/> Annual valuation of property by external valuer <input type="checkbox"/> Designated Health and Safety Officer <input type="checkbox"/> Implementation of controls within Health and Safety Executive review <input type="checkbox"/> Health and Safety risk assessments <input type="checkbox"/> Designated Facilities Manager <input type="checkbox"/> Accommodation Reviewed <input type="checkbox"/> Health and safety assessments carried out on all buildings <input type="checkbox"/> In the process of moving from Bushloe House to Brooks Hill <input type="checkbox"/> Repurposing of public toilets business case currently in development with member engagement underway via PFD. <input type="checkbox"/> Asset Management a theme as part of the Sustainability Programme <input type="checkbox"/> Health and Safety Action Plan approved by full Council April 2023.	3	3	9	<input type="checkbox"/> Revision of Asset Management Policy and Capital Expenditure Plan <input type="checkbox"/> Asset review <input type="checkbox"/> Holistic Asset Management database/system purchased and timetabled for implementation	<input type="checkbox"/> Dec 2023 <input type="checkbox"/> July 2023 <input type="checkbox"/> July 2023	2	2	4	Head of Law and Democracy /Monitoring Officer	May-23	Existing Controls updated for approved health and Safety action plan. Target dates revised.	
CR8	Regulatory Governance	Providing Excellent Services (CO3)	<input type="checkbox"/> New or changes to legislation <input type="checkbox"/> Resources (staff) <input type="checkbox"/> Failure to identify new legislation	<input type="checkbox"/> Substantial fines e.g. Data Protection <input type="checkbox"/> Judicial review <input type="checkbox"/> Reputation <input type="checkbox"/> Code of conduct <input type="checkbox"/> Financial loss <input type="checkbox"/> Cost orders <input type="checkbox"/> Personal liability	3	4	12	<input type="checkbox"/> Data Protection Policy and log <input type="checkbox"/> Freedom of Information log <input type="checkbox"/> Code of Conduct and training <input type="checkbox"/> HR Induction <input type="checkbox"/> Statutory Monitoring Officer <input type="checkbox"/> Subscriptions (e.g. legal journals and LGA) and CPD of legal officers <input type="checkbox"/> Prosecution Policy <input type="checkbox"/> Dedicated Policy, Compliance and Data Protection Officer <input type="checkbox"/> Purchased GDPR/DPA learning modules to be rolled out in the future.	1	1	1	<input type="checkbox"/> Refresher training on GDPR/DPA to be completed by all. <input type="checkbox"/> Review and improve HR induction	01/10/2023 31/12/2023	1	1	1	Head of Law and Democracy /Monitoring Officer	May-23	Further actions updated for date agreed for GDPR/DPA training refresher and HR induction review added.	


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					Likelihood	Impact	Overall risk rating		Likelihood	Impact	Overall risk rating			Likelihood	Impact	Overall risk rating				
CR9	Failure to respond to a significant incident	Providing Excellent Services (CO3)	<input type="checkbox"/> Loss of staff <input type="checkbox"/> Loss of ICT <input type="checkbox"/> Loss of Building <input type="checkbox"/> Loss of Key supplier <input type="checkbox"/> Loss of facilities <input type="checkbox"/> Loss of systems <input type="checkbox"/> Act of God <input type="checkbox"/> Adverse Weather <input type="checkbox"/> Pandemic <input type="checkbox"/> Adverse staff impact as a result of cost of living	<input type="checkbox"/> Insurance – higher premiums <input type="checkbox"/> Loss of essential services <input type="checkbox"/> Adverse publicity <input type="checkbox"/> Reputation damage <input type="checkbox"/> Loss of public confidence <input type="checkbox"/> Loss of income <input type="checkbox"/> Financial damage <input type="checkbox"/> Death and injury <input type="checkbox"/> Litigation risks <input type="checkbox"/> Insurance – higher premiums <input type="checkbox"/> Loss of essential services <input type="checkbox"/> Adverse publicity <input type="checkbox"/> Loss of public confidence <input type="checkbox"/> Financial damage <input type="checkbox"/> Death and injury <input type="checkbox"/> Litigation risks <input type="checkbox"/> Staff unavailable after major incident <input type="checkbox"/> Large proportion of staff becoming ill	4	4	16	<input type="checkbox"/> Insurance policies and annual review <input type="checkbox"/> Use of Zurich Risk Management Service <input type="checkbox"/> Risk Management policies and procedures <input type="checkbox"/> Membership of Local Resilience Forum <input type="checkbox"/> Standby rota <input type="checkbox"/> IT backup, Business Continuity Plans in place <input type="checkbox"/> Community Engagement with Health professionals <input type="checkbox"/> Agile Working Policy <input type="checkbox"/> Coordination of Out of Hours Service <input type="checkbox"/> Paperless office and increased scanning through ERDMS <input type="checkbox"/> Additional training from Leicestershire Resilience Partnership underway (incl power loss scenario) <input type="checkbox"/> Business Continuity training exercise and refresh undertaken December 2022 <input type="checkbox"/> BC Plans refresh and incorporation into service plans Dec 2022 <input type="checkbox"/> SLT and CMT additional training scheduled with LRF <input type="checkbox"/> Mighty Oak national power outage LRF Training exercise <input type="checkbox"/> Brocks Hill project has incorporated business continuity improvements inc generator if power outage	3	2	6			3	2	6	Head of Law and Democracy /Monitoring Officer	May-23	Existing controls updated to reflect national training exercise completed and business continuity improvements achieved.	
CR10	Organisational/Transformational Change	Providing Excellent Services (CO3)	<input type="checkbox"/> Restructure <input type="checkbox"/> Transformational change <input type="checkbox"/> Transferable skills <input type="checkbox"/> Reduction in funding <input type="checkbox"/> Change in personnel <input type="checkbox"/> Change in the way the council delivers services <input type="checkbox"/> Redundancy <input type="checkbox"/> Less controls in place due to limited resources <input type="checkbox"/> Change in office location	<input type="checkbox"/> Redundancy <input type="checkbox"/> Staff morale <input type="checkbox"/> Staff retention <input type="checkbox"/> Change in working practices <input type="checkbox"/> Impact on quality of service <input type="checkbox"/> Legal implications <input type="checkbox"/> HR implications <input type="checkbox"/> Reputation damage/perception <input type="checkbox"/> Financial loss <input type="checkbox"/> Possible litigation <input type="checkbox"/> Increased fraud	3	3	9	<input type="checkbox"/> Organisation review policy <input type="checkbox"/> Recruitment and selection policies and procedures <input type="checkbox"/> Union and staff consultation <input type="checkbox"/> Staff Wellbeing Group and Wellbeing Teams <input type="checkbox"/> Staff Health and Wellbeing Action Plan <input type="checkbox"/> Internal Audit <input type="checkbox"/> Staff newsletters <input type="checkbox"/> Monitoring and supervision of management/1:1's <input type="checkbox"/> Training and professional qualification support <input type="checkbox"/> Performance appraisal process <input type="checkbox"/> Formal induction programme <input type="checkbox"/> Staff engagement (Brocks Hill staff engagement day) <input type="checkbox"/> Comms plans for key projects - i.e. Brocks Hill, includes PR, Public, Staff and member and other stakeholder comms plans <input type="checkbox"/> Staff engagement on organisational culture and values as part of People Strategy underway <input type="checkbox"/> Introduction of live vacancy management plan with SLT	3	2	6	Developing a People Strategy - to include resilience and succession planning as a key consideration	Sept 2023	2	2	4	Strategic Director	May-23	Changed target date for further management control.	

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CR11	Economy/Regeneration	Growing the Borough Economically (CO2)	<ul style="list-style-type: none"> <input type="checkbox"/> Further decline in the economy <input type="checkbox"/> BREXIT COVID <input type="checkbox"/> Ukraine/Russia conflict and also energy costs crisis (uncertainty of cost impact) <input type="checkbox"/> Pooling/Unpooling of NDR <input type="checkbox"/> Cost of living 	<ul style="list-style-type: none"> <input type="checkbox"/> Relocation (Business and Domestic) <input type="checkbox"/> Lack of inward investment <input type="checkbox"/> Increased demand for certain services e.g. benefits <input type="checkbox"/> Loss of value in public assets <input type="checkbox"/> Need to continually adapt/change <input type="checkbox"/> Conflicting pressures - decreased funding – increased demand <input type="checkbox"/> Spiral effect <input type="checkbox"/> Short term decision making – uncertainty <input type="checkbox"/> Increased autonomy leads to greater risk <input type="checkbox"/> Decrease in collection levels 	5	4	20	<ul style="list-style-type: none"> <input type="checkbox"/> Demand management of services that come under pressure as a result of decline in economy <input type="checkbox"/> Debt Recovery Policy in place <input type="checkbox"/> Local Council Tax and Business Rate Retention scheme in place <input type="checkbox"/> Contract monitoring of bailiffs <input type="checkbox"/> Paying out business grants to support local businesses during pandemic <input type="checkbox"/> Regular programme of business webinars to provide information and support to businesses <input type="checkbox"/> Monthly newsletter issued to businesses <input type="checkbox"/> Economic Regeneration Team increased to include 2 Project Managers who have been recruited to focus on bringing forward some revenue generating projects. <input type="checkbox"/> Helping Hands - energy champion <input type="checkbox"/> Business microsite being developed with an aim to go live late summer 2022. <input type="checkbox"/> Economic Regeneration Team restructured to maximise opportunities to bring forward regeneration and revenue generating projects <input type="checkbox"/> UKSPF Investment Plan submitted. <input type="checkbox"/> Levelling Up bid submitted <input type="checkbox"/> Sub-committees established to provide a focus on key regeneration projects <input type="checkbox"/> Specialist support procured to advise on the deliverability of regeneration projects (Oadby Pool) <input type="checkbox"/> as per Corporate Peer Review Action Plan, approach to maximising funding set out <input type="checkbox"/> Cost of Living report to members sets our proposal to review discretionary rates relief which may provide additional relief to businesses. ¹<input type="checkbox"/> UKSPF funding announced <input type="checkbox"/> Next round of levelling up bidding announced. Economic Development Team designed 	4	3	12	<ul style="list-style-type: none"> <input type="checkbox"/> Starting develop tourism offer for the Borough <input type="checkbox"/> Permanent Recruitment to Economic Regeneration Manager and additional posts funded by UKSPF 	<ul style="list-style-type: none"> <input type="checkbox"/> Sept 2023 <input type="checkbox"/> Sept 2023 	4	2	8	Head of Built Environment	Mar-23	Target date for implementation for actions updated to reflect timetable and capacity of officers.	
CR12	Increased Fraud	Providing Excellent Services (CO3)	<ul style="list-style-type: none"> <input type="checkbox"/> Dilution of internal controls due to less staff <input type="checkbox"/> Increase in unemployment <input type="checkbox"/> Reduction in benefits <input type="checkbox"/> Inflation <input type="checkbox"/> Debt <input type="checkbox"/> Opportunity <input type="checkbox"/> March 16 <input type="checkbox"/> Sub-letting of Council properties 	<ul style="list-style-type: none"> <input type="checkbox"/> Homelessness, poverty and social deprivation <input type="checkbox"/> Financial loss <input type="checkbox"/> Resources of the authority to investigate fraud issues <input type="checkbox"/> Reputation impact <input type="checkbox"/> Litigation 	3	3	9	<ul style="list-style-type: none"> <input type="checkbox"/> Internal and External Audit <input type="checkbox"/> Financial Regulations <input type="checkbox"/> Segregation of Duties <input type="checkbox"/> Supervision and Management <input type="checkbox"/> Investigation and disciplinary procedures <input type="checkbox"/> Litigation <input type="checkbox"/> UPDATED Anti Fraud and Corruption Policy <input type="checkbox"/> Whistle blowing process <input type="checkbox"/> Tone from the top - no tolerance <input type="checkbox"/> Budgetary Control <input type="checkbox"/> Participation in National Fraud Initiative <input type="checkbox"/> Transaction review (e.g. invoices/mileage) <input type="checkbox"/> All related Policies to be reviewed and an annual rolling training programme to be implemented. 	2	3	6	<ul style="list-style-type: none"> <input type="checkbox"/> Bribery Act Risk Assessment <input type="checkbox"/> Fraud Awareness Training <input type="checkbox"/> Implement internal audit recommendations 	<ul style="list-style-type: none"> <input type="checkbox"/> July 2023 <input type="checkbox"/> July 2023 <input type="checkbox"/> July 2023 	2	2	4	Chief Financial Officer	May-23	Target date for implementation for first actions updated to reflect timetable and capacity of officers.	

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CR13	Cyber Threat/Security. Cyber security is seen as an ICT risk and not a corporate risk that needs to be managed and monitored by senior management.	Providing Excellent Services (CO3)	Cyber threats are increasing on a worldwide basis, with criminals known to target public sector organisations in an attempt to obtain personal data on a significant scale. The Council is thus at high risk of being attacked.	<input type="checkbox"/> Financial loss <input type="checkbox"/> Resources of the authority to investigate fraud issues <input type="checkbox"/> Reputation impact <input type="checkbox"/> Litigation, Loss of data, breaches of GDPR, SMT lack of oversight	4	5	20	<input type="checkbox"/> As part of the new ICT Team, there is a dedicated IT Security Manager and cyber threats and security fall within his remit. <input type="checkbox"/> A range of IT Security Policies are in place and will be reviewed and approved by SLT. <input type="checkbox"/> Also part of Leicestershire Resilience Forum and have access to their specialisation if a breach occurs. In addition as partner their role is to act as 'check and balance' on policies. They also provide training events on cyber security matters. <input type="checkbox"/> Increased cyber threat security technology implementation underway Cyber Training rolled out across the organisation BCP has been reviewed by IT Security Manager.	2	3	6	<input type="checkbox"/> Cyber Threat training for members <input type="checkbox"/> LRF exercise re cyber threats	30/09/2023 07/07/2023	2	3	6	Head of Customer Service and Transformation	May-23	Added LRF Cyber Threat training exercise to management actions	
CR14	19. Staff lone working including out of hours	Providing Excellent Services (CO3)	Increased risk of staff harm from violence & aggression from service users.	Staff could suffer physical and emotional harm, which could lead to long periods of sick leave.	4	5	20	<input type="checkbox"/> Council has Lone Worker Policy & Procedure <input type="checkbox"/> Equipment is available such as panic alarms & body cameras <input type="checkbox"/> Records are maintained of challenging residents which are reviewed prior to visits taking place <input type="checkbox"/> Relationship with local Police, who will attend visits where there is a potential for aggression & violence <input type="checkbox"/> DBS checks undertaken for relevant staff <input type="checkbox"/> Training session undertaken for lone working staff on (pick Protect) system	2	3	6	Include in induction and also carry out training awareness exercise for all current staff Need to review utilisation and cost of equipment	Sep-23	2	3	6	Head of Law and Democracy /Monitoring Officer	May-23	Target date for implementation for actions updated to reflect timetable and capacity of officers.	