



**TO COUNCILLOR:**

S S Athwal  
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 & Time:** Wednesday, 2 October 2024, 6.00 pm  
**Venue:** Civic Suite 2, Brocks Hill Council Offices, Washbrook Lane, Oadby, Leicester, LE2 5JJ  
**Contact:** Democratic Services  
**t:** (0116) 257 2775  
**e:** democratic.services@oadby-wigston.gov.uk

Yours faithfully

Council Offices  
Oadby  
**24 September 2024**

**Anne E Court**  
Chief Executive



**Meeting ID:** 2715

**ITEM NO.**

**AGENDA**

**PAGE NO'S**

**Meeting Live Broadcast | Information and Link**

**This meeting will be broadcast live.**

**Press & Public Access:**

A direct link to the live broadcast of the meeting's proceedings on the Council's Civico platform is below.

<https://civico.net/oadby-wigston/19352-Audit-Committee>

**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**

**3 - 5**

To read, confirm and approve 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 is 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. **Value For Money Delay Letter - OWBC 2023/24**

**6**

Letter of the Director of Grant Thornton

### 8. **Internal Audit Progress Report (October 2024)**

**7 - 29**

Report of the Chief Finance Officer / S151 Officer

### 9. **Strategic Risk Register Update (Q1 2024/25)**

**30 - 38**

Report of the Chief Finance Officer / S151 Officer

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# Agenda Item 4

**MINUTES OF THE MEETING OF THE AUDIT COMMITTEE HELD AT CIVIC SUITE 2,  
BROCKS HILL COUNCIL OFFICES, WASHBROOK LANE, OADBY, LEICESTER, LE2 5JJ ON  
TUESDAY, 9 JULY 2024 COMMENCING AT 6.00 PM**

## **PRESENT**

K J Loydall                      Chair



**Meeting ID: 2699**

## **COUNCILLORS**

G A Boulter  
C S Gore  
S Z Haq  
P Joshi  
J Kaufman

## **OFFICERS IN ATTENDANCE**

S Khan                              Interim Strategic Director  
C Warren                          Chief Finance Officer / Section 151 Officer  
S Wheeliker                        Senior Democratic & Electoral Services Officer

## **OTHERS IN ATTENDANCE**

R Anderson                        Grant Thornton UK LLP  
R Deo                                 360 Assurance

### **1. APOLOGIES FOR ABSENCE**

An apology for absence was received from Councillor I K Ridley.

### **2. APPOINTMENT OF SUBSTITUTES**

None.

### **3. DECLARATIONS OF INTEREST**

None.

### **4. MINUTES OF THE PREVIOUS MEETING**

It was moved by the Chair, seconded by Councillor S Z Haq, and

#### **UNANIMOUSLY RESOLVED THAT:**

**The minutes of the previous meeting held on 10 April 2024 be taken as read, confirmed and approved.**

### **5. ACTION LIST ARISING FROM THE PREVIOUS MEETING**

None.

**6. PETITIONS AND DEPUTATIONS**

None.

**7. STRATEGIC RISK UPDATE (2024/25)**

The Committee gave consideration to the report and appendix (as set out at pages 7-13 of the agenda reports pack), which presented the Strategic Risk Register (2024/25).

By affirmation of the meeting, it was

**UNANIMOUSLY RESOLVED THAT:**

**The content of the report and Strategic Risk register (as set out at Appendix 1) be considered and noted.**

**8. INTERNAL AUDIT PLAN (2024/25)**

The Committee gave consideration to the report and appendix (as set out at pages 14-39 of the agenda reports pack), which presented the Internal Audit Plan for 2024/25.

It was moved by the Chair, seconded by Councillor P Joshi, and

**UNANIMOUSLY RESOLVED THAT:**

**The Internal Audit Plan for 2024/25 be approved.**

**9. INTERNAL AUDIT ANNUAL REPORT AND OPINION (2023/24)**

The Committee gave consideration to the report and appendix (as set out at pages 40-54 of the agenda reports pack), which reported the key outcomes arising from the Internal Audit 2023/24 and provided an audit opinion on the adequacy and effectiveness of the Council's arrangements for governance, risk management and internal control.

By affirmation of the meeting, it was

**UNANIMOUSLY RESOLVED 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.**

**10. EXTERNAL AUDIT PLAN (2024/25)**

The Committee gave consideration to the report and appendices (as set out at pages 55-116 of the agenda reports pack), which presented the external auditor's 2023/24 Audit Plan and Risk Assessment.

By affirmation of the meeting, it was

**UNANIMOUSLY RESOLVED THAT:**

**The content of the report and appendices be noted.**

**11. ANTI-FRAUD & CORRUPTION REPORT**

The Committee gave consideration to the report and appendix (as set out at pages 117-149 of the agenda reports pack), which provided an update on the Council's anti-fraud arrangements and future plans.

By affirmation of the meeting, it was

**UNANIMOUSLY RESOLVED THAT:**

**The content of the report and appendix be noted.**

**12. ANNUAL GOVERNANCE STATEMENT (2023/24)**

The Committee gave consideration to the report and appendix (as set out at pages 150-191 of the agenda reports pack), which asked it to approve the draft Annual Governance Statement (2023/24).

It was moved by the Chair, seconded by Councillor J Kaufman, and

**UNANIMOUSLY RESOLVED THAT:**

**The Council's Annual Governance Statement for 2023/24 be approved.**

**THE MEETING CLOSED AT 7.12 pm**



Councillor Kevin Loydall  
Chair of Audit Committee  
Oadby & Wigston Borough Council  
Brocks Hill Council Offices  
Washbrook Lane  
Oadby  
Leicester

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Grant Thornton UK LLP  
17<sup>th</sup> Floor  
103 Colmore Row  
Birmingham  
B3 3AG  
T +44 (0)121 212 4000

20 September 2024

Dear Councillor Loydall,

The original expectation under the approach to Value For Money (VFM) arrangements work set out in the 2020 Code of Audit Practice was that auditors would follow an annual cycle of work, with more timely reporting on VFM arrangements, including issuing their commentary on VFM arrangements for local government by 30 September each year at the latest. Due to the ongoing challenges impacting on the local audit market, including the need to meet regulatory and other professional requirements, we have not yet completed our VFM Work.

As a result, we have not yet issued our Auditor's Annual Report, including our commentary on arrangements to secure value for money. We expect to publish our final report no later than 31 December 2024.

For the purposes of compliance with the 2020 Code, this letter constitutes the required audit letter explaining the reasons for delay.

Yours faithfully,

***Richard J J Anderson***

Richard Anderson  
Director

# Agenda Item 8



<b>Audit Committee</b>	<b>Wednesday, 02 October 2024</b>	<b>Matter for Information</b>
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**Report Title:** **Internal Audit Progress Update (October 2024)**

**Report Author(s):** **Colleen Warren (Chief Finance Officer / S151 Officer)**

<b>Purpose of Report:</b>	To give an update on Internal Audit's progress on delivering the 2024/25 Audit Plan.
<b>Report Summary:</b>	Seven final reports issued including, payroll, procurement, leisure services contract management, DFG contract management, accounts receivable, benefit and revenues. Six at significant assurance, one at moderate assurance, two draft reports and seven terms of reference agreed.
<b>Recommendation(s):</b>	<b>That the progress made in delivering the 2024/25 Audit Plan be noted.</b>
<b>Senior Leadership, Head of Service, Manager, Officer and Other Contact(s):</b>	<p>Colleen Warren (Chief Finance Officer / S151 Officer) (0116) 257 2759 <a href="mailto:colleen.warren@oadby-wigston.gov.uk">colleen.warren@oadby-wigston.gov.uk</a></p> <p>Laura Parsons (Finance Manager) (0116) 257 2694 <a href="mailto:laura.parsons@oadby-wigston.gov.uk">laura.parsons@oadby-wigston.gov.uk</a></p> <p>Tracey Barnard-Ghaut (Assistant Director) 07545 502397 <a href="mailto:tracey.barnard-ghaut1@nhs.net">tracey.barnard-ghaut1@nhs.net</a></p> <p>Ruby Deo (Client Lead / Audit Manager) 07545 502399 <a href="mailto:ruby.deo@nhs.net">ruby.deo@nhs.net</a></p>
<b>Strategic Objectives:</b>	Our Council (SO1)
<b>Vision and Values:</b>	"Our Borough - The Place To Be" (Vision) Resourceful & Resilient (V4)
<b>Report Implications:-</b>	
Legal:	There are no implications directly arising from this report.
Financial:	There are no implications directly arising from this report.
Corporate Risk Management:	<p>Decreasing Financial Resources / Increasing Financial Pressures (CR1) Key Supplier / Partnership Failure (CR2) Reputation Damage (CR4) Effective Utilisation of Assets / Buildings (CR5) Regulatory Governance (CR6) Organisational / Transformational Change (CR8) Increased Fraud (CR10)</p>

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.
<b>Statutory Officers' Comments:-</b>	
Head of Paid Service:	The report is satisfactory.
Chief Finance Officer:	As the author, the report is satisfactory.
Monitoring Officer:	The report is satisfactory.
<b>Consultees:</b>	None.
<b>Background Papers:</b>	None.
<b>Appendices:</b>	<b>1.</b> Internal Audit Progress Report (October 2024)

## **1. Information**

- 1.1 The Internal Audit Progress Report attached at Appendix 1 provides an overall summary of the work undertaken to date relating to the Audit Plan. The progress report covers the work carried out during the period April to September 2024.
- 1.2 The report identifies progress made in relation to the completion of work from the Councils 2024/25 Internal Audit Plan and brings to your attention matters relevant to your responsibilities as members of the Audit Committee.
- 1.3 Internal Audit progress reports are presented to every meeting of the Audit Committee so that Members are up to date with Internal Audit work and findings.
- 1.4 Under the Local Government Act 1972, Section 151 and the Accounts and Audit (England) Regulations 2011 (as amended), the Council has a responsibility to maintain an adequate and effective Internal Audit function. At Oadby and Wigston Borough Council this responsibility is currently being delivered by 360 Assurance.
- 1.5 In responding to this requirement, the Internal Audit service works to best practice as set out in the Public Sector Internal Audit Standards (2017), which is published by the Chartered Institute of Public Finance and Accountancy.
- 1.6 The current contract with 360 Assurance completes on the 31<sup>st</sup> March 2025. Negotiations are underway with alternative providers to ensure continuous delivery within the budget remit.





## Oadby and Wigston Borough Council

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*Internal Audit Progress Report*

*Audit Committee: 2<sup>nd</sup> October 2024*

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*Reports prepared by 360 Assurance and addressed to Oadby and Wigston Borough Council's directors or officers are prepared for the sole use of Oadby and Wigston Borough Council, and no responsibility is taken by 360 Assurance or the auditors to any director or officer in their individual capacity. No responsibility to any third party is accepted as the report has not been prepared for, and is not intended for, any other purpose and a person who is not a party to the agreement for the provision of Internal Audit between Oadby and Wigston Borough Council and 360 Assurance dated 1 April 2024 shall not have any rights under the Contracts (Rights of Third Parties) Act 1999.*

*The matters reported are only those which have come to our attention during the course of our work and that we believe need to be brought to the attention of Oadby and Wigston Borough Council. They are not a comprehensive record of all matters arising and 360 Assurance is not responsible for reporting all risks or all internal control weaknesses to Oadby and Wigston Borough Council.*

*The appointment of 360 Assurance does not replace or limit the Council's own responsibility for putting in place proper arrangements to ensure that its operations are conducted in accordance with the law, guidance, good governance and any applicable standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.*

*This report has been prepared solely for your use in accordance with the terms of the aforementioned agreement (including the limitations of liability set out therein) and must not be quoted in whole or in part without the prior written consent of 360 Assurance.*

This paper identifies progress made in relation to completion of work from the Council's 2024/25 Internal Audit Plan and brings to your attention matters relevant to your responsibilities as members of the Audit Committee.

This progress report provides a summary of Internal Audit activity in a format agreed with the Audit Committee and complies with the requirements of Public Sector Internal Audit Standards.

The Client Manager meet with the Chief Finance Officer / S151 Officer regularly to discuss progress against the plan and to monitor and evaluate the effectiveness of this work which informs the Council's plan.

This progress report covers the work carried out during the period 1<sup>st</sup> April to 30<sup>th</sup> September 2024.

## Action required

The Audit Committee is asked to:

**Note** the key messages and progress made against the Internal Audit Plan since the last meeting.

**Receive** the information and guidance papers produced by 360 Assurance and seek assurance from the Council that the issues raised are being considered and, where necessary, addressed by the Council.

Members are invited to raise any questions.

## Key contacts

### Leanne Hawkes, Director

M – 07545 423040

E – [leanne.hawkes@nhs.net](mailto:leanne.hawkes@nhs.net)

### Tracey Barnard-Ghaut, Assistant Director

M – 07545 502397

E- [Tracey.Barnard-Ghaut1@nhs.net](mailto:Tracey.Barnard-Ghaut1@nhs.net)

### Ruby Deo, Client Manager

M – 07545 502399

E – [Ruby.Deo@nhs.net](mailto:Ruby.Deo@nhs.net)

## Key messages

Since the last Audit Committee we have:

- Issued 5 final reports relating to 2023/24 plan and HOIA opinion:
  - Payroll and Expenses
  - Procurement
  - Leisure Services Contract Management
  - Disabled Facilities Grant Contract Management
  - Accounts Receivable
- Issued 2 final reports relating to the 2023/24 plan:
  - Benefits
  - Revenues
- Issued 2 draft reports:
  - Housing Allocations (relating to 2023/24)
  - Waste Management project assurance (relating to 2024/25)
- Agreed 7 terms of reference:
  - Business Continuity
  - Food Safety
  - Housing Rents
  - Waste Management (project assurance)
  - Cash Flow and Treasury Management
  - Strategic Risk Management
  - Head of Internal Audit work programme
- Held planning meetings and undertaken fieldwork to progress the audit plan.

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## Contract performance

2024/25 Planned audits	Audits completed to report stage	% complete
13	1	8%
	Audits in progress	
	3	23%

The Internal Audit Plan in Appendix A provides a detailed breakdown of delivery.

We have provided at Appendix D a summary of our performance in relation to Key Performance Indicators detailed in our Service Level Agreement with the Council.

## Service benefits and other matters



### Events

Papers from our events are available on our website <https://www.360assurance.co.uk/events/>



### Client briefing and other publications

We regularly publish articles and all of these are on our website.

Our publications and monthly briefings are available at: <https://www.360assurance.co.uk/news-publications/>

## Head of Internal Audit Opinion

### Internal Audit Outturn

The assurance levels provided for all reviews undertaken is summarised below:

Substantive Assurance	<ul style="list-style-type: none"> <li>None</li> </ul>
Significant Assurance	<ul style="list-style-type: none"> <li>Benefits (2023-24)</li> <li>Revenues (2023-24)</li> </ul>
Moderate Assurance	<ul style="list-style-type: none"> <li>None</li> </ul>
Limited Assurance	<ul style="list-style-type: none"> <li>None</li> </ul>
Weak Assurance	<ul style="list-style-type: none"> <li>None</li> </ul>
Other	<ul style="list-style-type: none"> <li>None</li> </ul>

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### Implementation of internal audit actions

The table below shows the current status of progress against internal audit actions:

2024/25 Implementation of internal audit actions	
High risks closed on time	(0/0)
First follow up rate – high and medium risks	67% (2/3)
First follow up rate – all risks	75% (3/4)
% of actions subject to revised due dates	11%
Overall implementation rate	75%
Historic Actions	
Historic actions (pre 1 April 2024) outstanding	10

Further details on action tracking are included in Appendix E.

The table below summarises progress against the 2024/25 Internal Audit Plan.

Ref.	Audit	Planned timing	Status	Assurance Level provided	Date reported to Audit Committee
<b>Head of Finance – S151 Officer</b>					
1	Head of Internal Audit Opinion (core)	Q1-4	ToR issued – ongoing during year	~	~
2	Strategic Risk Management (core)	Q3-4	ToR agreed	~	~
2	National Fraud Initiative	Q1-4	Ongoing	~	~
3	Financial Management and Reporting (core)	Q4	Planning	~	~
4	Financial Systems – Treasury Management (core)	Q4	ToR agreed	~	~
5	Procurement review	Q3	Planning	~	~
6	Grant Certifications	Q1-4	Ongoing throughout the year	Certifications	~
<b>Head of Customer Services and Transformation</b>					
7	Human Resources - Staff Lone Working (core)	Q3	Planning	~	~
8	Payroll and Expenses	Q3-4	ToR issued	~	~
9	IT Audit (IT governance health check)	Q3-4	Planning	~	~
10	Business Continuity	Q2	Fieldwork in progress	~	~
11	Waste Management (project assurance)	Q1-2	Draft report stage	~	~
12	Food Safety	Q2	Fieldwork in progress	~	~
<b>Head of Built Environment</b>					
13	Housing Rents	Q2	Fieldwork in progress	~	~
14	Homelessness	Q3	ToR issued	~	~
15	S106 Agreements	Q2-3	ToR issued	~	~

This section summarises the reports finalised relating to the 2023/24 internal audit plan.

2324/OWBC/08 Disabled Facilities Grant – Contract Management	
<b>Objectives and scope</b>	<p>The overall objective of our review was to ensure that Disabled Facilities Grants (DFG’S) are disbursed in a prompt, fair and transparent manner in accordance required terms and conditions. In order to achieve this objective, we have reviewed the following:</p> <p>The contract for delegating the delivery of the Disabled Facilities Grant scheme provides an effective service to end users and ensures that grants are disbursed in accordance with relevant terms and conditions.</p> <p><i>The scope of our work was limited to the areas identified in the agreed Terms of Reference. Where the services are provided externally by a third party, our review focused on those controls in operation within the Council’s internal boundary.</i></p>
<b>Audit opinion</b>	Significant Assurance
<b>Summary findings</b>	The audit confirmed that in overall terms, the Council has appropriate arrangements in place to deliver DFGs through the contract with Lightbulb. We did however note the need to improve the content of performance data provided to the Council.

2324/OWBC/11 Leisure Contract Monitoring	
<b>Objectives and scope</b>	<p>The overall objective of our review is to ensure that there are robust processes in place to ensure that the leisure service provider (SLM) delivers services at Parklands Leisure Centre and Wigston Pool &amp; Fitness Centre in accordance with the contract and specification. In order to achieve this objective, we have reviewed the following (controls):</p> <ul style="list-style-type: none"> <li>• There is a comprehensive contract document in place that was signed and sealed by both parties prior to the service delivery commencing.</li> <li>• Contract outcomes and objectives are clearly defined and effective governance and monitoring mechanisms are in place to report on and review contract performance.</li> <li>• Financial obligations and targets are laid down in the contract and these are monitored and reported upon.</li> </ul> <p><i>The scope of our work was limited to the areas identified in the agreed Terms of Reference. The formulation of the contract was not reviewed in detail during this review and was included in a review undertaken by CW Audit in 2016 which confirmed that the contract had been appropriately signed and sealed.</i></p>
<b>Audit opinion</b>	Moderate Assurance
<b>Summary findings</b>	<p>There is a fully documented, signed and sealed contract in place with SLM for the running of the Council’s two Leisure Centres. An auditable process has been followed to amend the terms of this contract following the impact that the Covid-19 pandemic over a prolonged period of time.</p> <p>This audit has identified a number of areas where improvements can be made to the arrangements in place to manage the performance of SLM, including the introduction of regular site visit ‘audits’ to the leisure centres, receipt of relevant documentation in support of dashboard reporting provided by SLM, more timely provision of dashboard reports and improved detail on complaints management.</p>



2324/OWBC/12 Procurement	
<b>Objectives and scope</b>	<p>The overall objective of our review was to ensure that the Council’s procurement activities are in accordance with legislation, contract procedure rules and best practice so that financial probity and value for money is achieved on the procurement of products and services. In order to achieve this objective, we have reviewed the following controls:</p> <ul style="list-style-type: none"> <li>• There is a formal framework in place that governs and regulates the Council's procurement activity.</li> <li>• Products and services are procured in accordance with legal requirements and Council Policy to ensure financial probity and value for money is achieved.</li> </ul> <p><i>The scope of our work was limited to the areas identified in the agreed Terms of Reference. The audit did not cover the ongoing contract management arrangements once procurement processes have been completed and contractors appointed. The procurement processes and services provided by Welland Procurement (hosted by Melton Borough Council) on behalf of the Council were outside the scope of this review.</i></p>
<b>Audit opinion</b>	Significant Assurance
<b>Summary findings</b>	<p>The Council has a Corporate Procurement Strategy in place which at the time of the audit was dated 2014 and required review and update. In December 2023 the Council formally approved a revised Corporate Procurement Strategy. The Council’s Contract Procedure rules are included in the Constitution and were last reviewed in June 2023.</p> <p>Expert procurement advice is obtained through a contract with Welland Procurement (hosted by Melton Borough Council). This is a 3-year contract running from March 2021 until March 2024. This contract was not renewed, and specialist procurement advice will be sought on a case by case basis. Our review of the Council’s published payment and order listings highlighted a large number of individual payments to one contractor where no formal contract was in place.</p>

2324/OWBC/13 Revenues	
<b>Objectives and scope</b>	<p>The objective of our review was to provide assurance that business rate and council tax income is collected promptly and in full. In order to achieve this objective, we considered the following areas:</p> <ul style="list-style-type: none"> <li>• Property records are accurately, comprehensively and efficiently maintained and updated.</li> <li>• Billing procedures are in accordance with statutory regulations and amounts due in respect of each chargeable property have been correctly calculated and promptly demanded from the person(s) liable.</li> <li>• The application of reliefs and exemptions is authorised in accordance with statute, the authority’s policy and is supported by documentary evidence.</li> <li>• Collection rates and other key performance indicators are regularly monitored and reported on.</li> <li>• Recovery and enforcement procedures are managed efficiently and in accordance with statutory requirements.</li> <li>• The security and integrity of the revenues system is properly maintained.</li> </ul>
<b>Audit opinion</b>	Significant Assurance

2324/OWBC/13 Revenues	
Summary findings	Our audit concluded that systems and processes are in place to ensure property records for both homes and businesses are maintained and that bills are accurate and timely. Arrangements are being put into place to ensure that ongoing eligibility of council tax exemptions and a formal work programme is being developed. Whilst council tax and business rate collection performance is monitored, KPI statistics indicate that collection rates have dropped. The Collection Improvement Plan has been updated for 2024/25.

2324/OWBC/14 Benefits	
Objectives and scope	<p>The objective of our review was to provide assurance that HB payments and CTS are accurate, timely and in accordance with regulations and procedures. To achieve this objective, our audit has considered the following areas:</p> <ul style="list-style-type: none"> <li>• HB and CTS claims are accurate, valid and processed promptly.</li> <li>• HB and CTS data is held securely and accurately recorded within relevant Council systems.</li> <li>• HB overpayments are identified and recovered promptly and effectively.</li> <li>• Processing times, accuracy, overpayment levels, and other key performance indicators are regularly monitored.</li> </ul>
Audit opinion	Significant Assurance
Summary findings	Sample testing confirmed that controls in place to ensure that housing benefit and council tax reduction claims were processed accurately were found to be working effectively. We noted that the ongoing quality assurance claim testing process that the Council has in place was not fully operational during the 2023/24 year due to sickness absence. Controls to ensure that annual uprates are accurately processed were also found to be effective. It was confirmed that quarterly reconciliations had been completed between the benefits system, general ledger and Civica income system but had not been subject to management review. Review of the overpayments identified that aged debt in excess of 366 days old is around £325k and action has been agreed to review the oldest overpayments to ensure that all possible recovery action has been taken.

2324/OWBC/15 Payroll and Expenses	
Objectives and scope	<p>The objective of our review was to provide assurance that salaries and expenses are paid in an accurate, timely and complete manner.</p> <ul style="list-style-type: none"> <li>• The purchase of payroll services is administered through a comprehensive and fully documented contract, which is used as an effective contract monitoring tool.</li> <li>• Individuals are employed within agreed establishment and where the post is either new or is a replacement for an existing member of staff.</li> <li>• All payroll data input locally is complete, accurate, timely, valid and authorised.</li> <li>• Output control procedures operate to ensure that all payments generated by the payroll provider are valid and accurate.</li> </ul> <p><i>The scope of our work was limited to the areas identified in the agreed Terms of Reference. Our review did not include pre-employment checks undertaken for new starters, payroll processes relating to non-substantive (bank/temporary) staff, salary deductions, procedures and pay advances.</i></p>

2324/OWBC/15 Payroll and Expenses	
Audit opinion	Significant Assurance
Summary findings	<p>A contract is in place with the service provider which has been signed by both parties. The Council maintains a performance log of any issues that need raising with the provider at monthly performance monitoring meetings. We have raised a recommendation regarding the quality of the third party assurance received from the provider in respect of internal audit coverage.</p> <p>Sample testing undertaken in respect of starters, leavers, permanent variations and temporary variations (overtime and expenses) confirmed that controls operated by the Council were largely found to be working effectively, although one instance was noted where no evidence of authorisation had been received by the auditor for a grade change permanent variation.</p>

2324/OWBC/17 Accounts Receivable	
Objectives and scope	The overall objective of our review was to determine whether an efficient, effective and robust control environment is in place in relation to accounts receivable and to provide an independent assurance opinion.
Audit opinion	Significant Assurance
Summary findings	<p>Our review of the controls in place in respect of accounts receivable identified the following low risk issues:</p> <ul style="list-style-type: none"> <li>• Invoice request forms should fully document the date of approval and approving officer.</li> <li>• Unallocated credits should be reviewed on a regular basis.</li> <li>• Actions to recover outstanding debts are undertaken and recorded appropriately.</li> <li>• An action plan to target long overdue debt should be developed and progress reported to senior management.</li> </ul>

The following terms of reference have been issued and agreed by the Council.

ToR 1 Business Continuity	
<b>Introduction</b>	<p>The Council needs to be able to plan for and respond to a wide range of incidents and emergencies that could affect Council services. These could be anything from severe weather to a major transport incident. The Council has recently moved offices to Brocks Hill Country Park.</p> <p>The Council has an overarching Business Continuity Plan in place with individual service level business plans in place.</p>
<b>Objectives and scope</b>	<p>The overall objective of our review is to ensure that the Council has arrangements in place which would allow for business continuity in the event of an emergency. In order to achieve this objective, we will review the following controls:</p> <ul style="list-style-type: none"> <li>• There is a governance structure in place setting out a clear framework for business continuity which allows for preparedness for emergency situations.</li> <li>• There are documented roles and responsibilities for committees, groups and key officers at corporate and service level in relation to business continuity.</li> <li>• There is a mechanism in place for confirming that service level plans are in place, with a systematic method for testing and updating plans.</li> <li>• Plans are communicated to staff, appropriately stored and can be accessed by staff. Staff are trained in how to enact plans where appropriate.</li> <li>• There is a mechanism for identifying learning from business continuity incidents and disseminating this learning across the Council as appropriate.</li> </ul> <p><i>Limitations of scope: The scope of our work will be limited to the areas identified in the agreed Terms of Reference. The focus of our review will be the arrangements for business continuity, we will not undertake detailed review of individual business continuity plans. The systems and controls operated externally to the Council are excluded from this review.</i></p>
<b>Methodology and approach</b>	<p>To deliver this audit we will:</p> <ul style="list-style-type: none"> <li>• interview key staff to determine and document the current controls and processes in operation.</li> <li>• undertake sample testing to confirm compliance with controls and processes as recorded.</li> </ul>

~ Page 20 ~

ToR 2 Food Safety	
<b>Introduction</b>	<p>The Council has a statutory duty to maintain prescribed standards of food safety within the Borough. Food businesses need to be registered with the Council 28 days before they start to trade. The Environmental Health Team (Enforcement Services) is responsible for inspecting all food premises within the Borough (existing and new registrations) and for providing information, advice and training on food hygiene matters. This team also deals with complaints relating to food premises and food purchased or manufactured within the Borough and may have to follow up food alerts issued by the Food Standards Agency (FSA). The Council provides annual returns to the Food Standards Agency giving details of number of premises, risk ratings and inspections carried out and complaints handled.</p> <p>Restaurants, takeaways, cafés, pubs, hotels, supermarkets and other retail food outlets are given a hygiene rating under the Food Standards Agencies National Food Hygiene Rating Scheme. Ratings for food businesses within Oadby and Wigston can be found on the Food Standards Agency Website.</p> <p>The Council records details of inspections on the Uniform system. During 2023-24, 110 inspections were completed, 61 food related complaints were received and 92 new businesses were triaged and assessed. Environmental Health activity including food safety are reported as part of the quarterly operational updates to the Service Delivery Committee.</p>

ToR 2 Food Safety	
	The Food Safety Plan for 2024-25 was presented to the Licensing and Regulatory Committee in June 2024. The plan identifies 417 Food businesses registered with the authority. The plan includes the service delivery action plan and categories of food premises and frequencies of required inspections.
<b>Objectives and scope</b>	<p>The overall objective of our review is to ensure that the Council has arrangements in place to ensure that food standards are maintained across the borough. In order to achieve this objective, we will review the following controls:</p> <ul style="list-style-type: none"> <li>• There are up to date policies and procedures in place and all food safety/enforcement officers have received appropriate training to enable them to carry out their duties.</li> <li>• There are processes in place to ensure that all food business operators are registered and approval is given prior to startup of the business for any approved premises.</li> <li>• Processes are in place to ensure all food businesses in the Borough are inspected on a regular basis and any issues are dealt with appropriately in line with the policies.</li> <li>• Advice and training is provided to business owners and any food alerts are issued promptly.</li> <li>• Any premises or food complaints are dealt with promptly by the Council and appropriate action is taken to protect public health.</li> <li>• A centralised system is used to record all food premises in the Borough, inspections undertaken and the results/actions taken.</li> </ul> <p><i>Limitations of scope: The scope of our work will be limited to the areas identified in the agreed Terms of Reference.</i></p>
<b>Methodology and approach</b>	<p>To deliver this audit we will:</p> <ul style="list-style-type: none"> <li>• interview key staff to determine and document the current controls and processes in operation.</li> <li>• undertake sample testing to confirm compliance with controls and processes as recorded.</li> </ul>

ToR 3 Housing Rents	
<b>Introduction</b>	The Council uses the Orchard system for recording all information regarding housing properties, and the system acts as a rent management and rent recovery system. The Council currently has 1191 housing dwellings and has budgeted for rent receipts of £5.086m in the 2024/25 year.
<b>Objectives and scope</b>	<p>The overall objective of our review is to ensure that the Council has arrangements in place to ensure that housing rents are managed effectively. In order to achieve this objective, we will review the following controls:</p> <ul style="list-style-type: none"> <li>• Rent is charged correctly on properties in accordance with the Housing Rents Policy, with documented calculations of gross/net rent for each property.</li> <li>• Arrangements are in place for timely and complete collection of rent payments and crediting these to the correct accounts.</li> <li>• Arrangements are in place to deal with arrears, comply with Debt Recovery Policies and ensure efficient recovery of outstanding sums.</li> <li>• Rent income, rent collection rates and arrears are reported to a nominated committee on a regular basis.</li> <li>• Access to system functions is restricted to authorised personnel and the security and integrity of the system is maintained.</li> </ul> <p><i>Limitations of scope: The scope of our work will be limited to the areas identified in the agreed Terms of Reference and will focus on the systems and processes in place at OWBC.</i></p>

ToR 3 Housing Rents	
<b>Methodology and approach</b>	<p>To deliver this audit we will:</p> <ul style="list-style-type: none"> <li>interview key staff to determine and document the current controls and processes in operation.</li> <li>undertake sample testing to confirm compliance with controls and processes as recorded.</li> </ul>

ToR 4 Waste Management Project Assurance	
<b>Introduction</b>	The Council is currently running a project to manage the transition from weekly to fortnightly collection of refuse and recycling bins throughout the borough from the first week of September 2024 onwards. Delivery of this project is targeted to save the Council £250k per annum, which are to be delivered through a combination of reduced fleet and staffing requirements, savings on fuel and improved route optimisation.
<b>Objectives and scope</b>	<p>The overall objective of our review is to ensure that the Council applies a robust project management process to the transition from weekly to fortnightly bin collections. In order to achieve this objective, we will review the following controls:</p> <ul style="list-style-type: none"> <li>Formal project management arrangements are in place, which have been designed to ensure that the project to move from weekly to fortnightly bin collections is delivered in a timely and cost effective manner that delivers the required outcomes/benefits in accordance with the Council’s Project Framework.</li> </ul> <p><i>Limitations of scope: The scope of our work will be limited to the areas identified in the agreed Terms of Reference. The arrangements for project planning, project initiation documents (PIDs), resource plan, project governance and risk management, outcomes/benefits review and reporting will be reviewed. The audit will not include detailed review of the delivery of the project or cover other projects currently being managed by the Council.</i></p>
<b>Methodology and approach</b>	<p>To deliver this audit we will:</p> <ul style="list-style-type: none"> <li>interview key staff to determine and document the current controls and processes in operation.</li> <li>undertake sample testing to confirm compliance with controls and processes as recorded.</li> <li>review of project documentation, project board agendas, minutes and papers.</li> </ul>

ToR 5 Cash Flow and Treasury Management	
<b>Introduction</b>	Efficient, effective and robust key financial systems are fundamental to an organisation’s delivery of its services. They are also at the heart of managing organisational and financial performance – it is essential that they provide accurate, complete and timely data to support financial management and reporting. Our 2024/25 agreed Internal Audit Plan includes a review of the organisation’s treasury management system as part of our cyclical programme of key financial system audits.
<b>Objectives and scope</b>	<p>The overall objective of our review is to determine whether an efficient, effective and robust control environment is in place in relation to cash flow and treasury management and to provide an independent assurance opinion. To achieve this objective, we will review the following controls:</p> <ul style="list-style-type: none"> <li>The organisation has an approved Treasury Management Policy</li> <li>The organisation has a cash flow forecast that is regularly reviewed/updated and subject to scrutiny</li> </ul>

ToR 5 Cash Flow and Treasury Management	
	<ul style="list-style-type: none"> <li>• The organisation monitors surplus funds and invests them in line with its Treasury Management Policy</li> <li>• Arrangements are in place to manage borrowing</li> <li>• The Council has arrangements in place to comply with the Prudential Code</li> <li>• Up-to-date bank mandates are in place with the organisation’s bankers</li> <li>• Cash/bank reconciliations are regularly and promptly prepared and reviewed with reconciling items cleared in a timely manner</li> <li>• There are effective processes in place to scrutinise treasury management activities.</li> </ul> <p><i>Limitations of scope:</i> The scope of our work will be limited to the areas identified in the agreed Terms of Reference. Our review of treasury management will not validate the organisation’s investment strategy or assess its effectiveness.</p>
<b>Methodology and approach</b>	<p>To deliver this audit we will:</p> <ul style="list-style-type: none"> <li>• document, via walk-through testing, our understanding of the system processes and controls</li> <li>• undertake risk-based sample testing to assess the effectiveness of the controls in place, identifying risks and any mitigating controls</li> <li>• supplement our sample testing with whole population testing using data analytics where possible</li> <li>• focus on 2024/25 transactions, ensuring a spread of coverage throughout the year up to the time of our audit.</li> </ul>

ToR 6 Strategic Risk Register	
<b>Introduction</b>	An efficient and effective Risk Register (RR) is a fundamental component of good governance, providing a tool for the Council to identify risks to the achievement of its objectives and ensure that there is sufficient and reliable assurance regarding the effective management of risk.
<b>Objectives and scope</b>	<p>The overall objective of our review is to provide an independent assurance opinion on how strategic and corporate risks are managed by the Council and its committees. In order to achieve this objective, we will review the following controls:</p> <ul style="list-style-type: none"> <li>• there is a fit for purpose Risk Register in place which has had been developed with appropriate engagement from the Council</li> <li>• there is a clear programme to report the Risk Register to the Council and its assurance committees during the year which is adhered to</li> <li>• the Risk Register is used as a live tool for managing risks and supports robust discussion at the Council and its assurance committees</li> <li>• the Audit Committee fulfils its responsibilities in relation to the Risk Register as set out within its Terms of Reference</li> <li>• risks in the Risk Register reflect those being faced by the organisation and are aligned to the organisation’s objectives</li> <li>• meaningful actions are taken to mitigate risks which impact on risk scores, controls and assurances.</li> </ul> <p><i>Limitations of scope:</i> The scope of our work will be limited to the areas identified in the agreed Terms of Reference. The review will focus on the Strategic and Corporate Risk Registers; where they are considered satisfactory, we will not review the arrangements in place for operational risk management.</p>
<b>Methodology and approach</b>	<p>To deliver this audit we will:</p> <ul style="list-style-type: none"> <li>• interview key staff</li> <li>• review agendas, papers and minutes of the Council, including its assurance committees</li> <li>• review the risk management framework (or equivalent) to confirm the expected arrangements for risk register reporting during the year</li> </ul>

- review recordings for assurance committee meetings to observe how risks are discussed and managed

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ToR 7		Head of Internal Audit work programme						
<b>Introduction</b>	<p>The Public Sector Internal Audit Standards (PSIAS) state that <i>‘The chief audit executive must deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement.’</i></p> <p>The annual internal audit opinion must conclude on the overall adequacy and effectiveness of an organisation’s framework of governance, risk management and control for the period for which it relates.</p> <p><b>Basis of our opinion</b></p> <p>The opinion will take the following into account:</p> <ul style="list-style-type: none"> <li>• Outcomes from internal audit work (including a review of Strategic Risk Management (SRM))</li> <li>• Implementation of internal audit actions</li> <li>• Third party/other assurances</li> </ul> <p>Head of Internal Audit opinions are provided using the assurance levels on <a href="#">our website</a>. We will provide regular updates throughout the year in progress reports to Audit Committees.</p>							
<b>Objectives and scope</b>	<p><b>Changes from prior year</b></p> <p>Having reflected on the methodology used to reach an internal audit opinion, we have made the following changes for 2024/25. We have considered feedback from clients, the new Global Internal Audit Standards effective from April 2025 and a review of approaches used by other providers.</p> <ul style="list-style-type: none"> <li>• We will deliver a separate review on the Strategic Risk Management (SRM) and how strategic risks are managed by the Council and its committees; this will be completed in late Q3. The assurance opinion will be reflected in the internal audit plan outturn position.</li> <li>• We will give more consideration to the context and culture of action tracking; focussing on implementation of high and medium risk actions.</li> <li>• We will give one opinion covering all elements.</li> </ul>							
<b>Methodology and approach</b>	<p>The table provides an outline of our assessment within each of the component areas and how we will report our findings to you.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;">Key component</th> <th style="width: 60%;">Focus of our assessment</th> <th style="width: 20%;">How we will report our findings to you?</th> </tr> </thead> <tbody> <tr> <td>Outcomes from internal audit work</td> <td> <p>We consider all work completed as part of your internal audit plan in our year-end opinion, including all consultancy and advisory work, in line with the Public Sector Internal Audit Standards (PSIAS).</p> <p>We will consider the reasons for any reviews which are deferred or removed from the audit plan. Where the scope of a review is changed from that agreed in the internal audit plan, Audit Committee approval will be sought.</p> <p>During the year we will review whether any themes have been identified from our work which need to be highlighted to the Audit Committee in our progress reports and reflected in our year-end opinion. We will</p> </td> <td>Through regular progress reports to Audit Committee.</td> </tr> </tbody> </table>		Key component	Focus of our assessment	How we will report our findings to you?	Outcomes from internal audit work	<p>We consider all work completed as part of your internal audit plan in our year-end opinion, including all consultancy and advisory work, in line with the Public Sector Internal Audit Standards (PSIAS).</p> <p>We will consider the reasons for any reviews which are deferred or removed from the audit plan. Where the scope of a review is changed from that agreed in the internal audit plan, Audit Committee approval will be sought.</p> <p>During the year we will review whether any themes have been identified from our work which need to be highlighted to the Audit Committee in our progress reports and reflected in our year-end opinion. We will</p>	Through regular progress reports to Audit Committee.
Key component	Focus of our assessment	How we will report our findings to you?						
Outcomes from internal audit work	<p>We consider all work completed as part of your internal audit plan in our year-end opinion, including all consultancy and advisory work, in line with the Public Sector Internal Audit Standards (PSIAS).</p> <p>We will consider the reasons for any reviews which are deferred or removed from the audit plan. Where the scope of a review is changed from that agreed in the internal audit plan, Audit Committee approval will be sought.</p> <p>During the year we will review whether any themes have been identified from our work which need to be highlighted to the Audit Committee in our progress reports and reflected in our year-end opinion. We will</p>	Through regular progress reports to Audit Committee.						



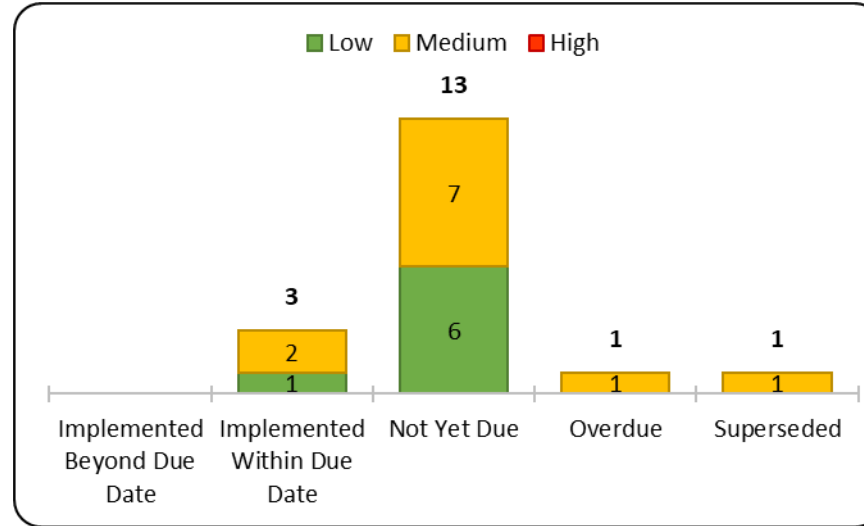
ToR 7		Head of Internal Audit work programme	
		<p>highlight reviews we deem as core; core reviews are specifically related to key areas of governance, risk and control and are indicated in your audit plan. We will also consider where audit outcomes are significantly different to what was anticipated by the organisation at the outset of the review.</p> <p>We will keep our internal audit plan under review throughout the year to reflect any changes in the risk environment.</p> <p>The Strategic and Corporate Risk Registers and how strategic risks are managed by the Council and its committees will be reviewed in a separate audit assignment.</p>	<p>Assurance review on the SRM will be completed in Q3.</p>
	Implementation of internal audit actions	<p>In forming an opinion, we will take into account:</p> <ul style="list-style-type: none"> <li>• how the organisation takes ownership to ensure that actions are being implemented within the dates agreed</li> <li>• whether there are any actions still open from previous years and how these are progressed in 2024/25</li> <li>• whether appropriate focus is given to high and medium risk actions so that they are closed at their original due date</li> <li>• what percentage of actions are implemented by their original due date – this is for all actions with an original due date 1 April 2024 to 31 March 2025.</li> </ul> <p>We expect to see a robust process and proactive culture in the organisation on internal audit actions and a focus on high risks. At least 75% of all high and medium risk actions should be closed by their original due date and progress to have been made on historic actions.</p> <p>The opinion will be informed by the follow-up rate as at 4 April 2025.</p>	<p>Through regular progress reports to Audit Committee. We will report on:</p> <ul style="list-style-type: none"> <li>• high risks closed on time</li> <li>• historic actions (pre 1 April 2024) outstanding</li> <li>• first follow-up rate (high and medium risks)</li> <li>• first follow-up rate (all risks)</li> </ul>
	Third party/other assurances	As part of the PSIAS, we are required to consider relevant third party/other assurances.	We expect to issue an opinion in May/June 2025.
<p>Any issues identified in year which may impact the opinion will be reported to you at the earliest opportunity.</p> <p><i>Limitations of scope:</i> The scope of our work will be limited to the areas identified above in the Terms of Reference. The work programme is not designed to give assurance on the entirety of the organisation’s governance and risk management arrangements.</p>			

As part of our contract with the Trust we agreed a number of Key Performance Indicators. Those that can be measured on a quarterly basis are included below; others will be reported in our Annual Report due in June 2025. Please note these are compiled on a cumulative basis.

So far in 2024/25 we have agreed seven Terms of Reference, issued one Terms of Reference and issued one draft report in respect of 2024/25 and 6 final reports in respect of 2023/24:

360 Assurance KPIs	Target	Q1	Q2	Q3	Q4
Issue a Client Satisfaction Questionnaire following completion of every audit.	100%	100%	Not yet applicable		
Terms of Reference issued before commencement of the audit.	100%	100%	100%		
Draft report issued within 10 working days of exit meeting.	100%	100%	Not yet applicable		
Final report issued within 5 working days of executive sign-off.	100%	100%	Not yet applicable		
Overall client satisfaction rating of satisfied or highly satisfied.	90%	No responses received in Q1	No responses received in Q2		
Client KPIs	Target	Q1	Q2	Q3	Q4
Terms of Reference to be agreed within 10 working days of being received.	100%	100%	100%		
Information has been provided and staff have been available to meet the timescales set out within the Terms of Reference.	100%	100%	100%		
Management response received within 10 working days of receiving the final draft report.	100%	100%	Not yet applicable		

The chart below summarises the progress against agreed actions (by risk rating) for Internal Audit for 2024/25:



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Table 1: below provides a summary of actions due on or by 1<sup>st</sup> September 2004 that have yet to be implemented (this includes actions where extensions to original implementation dates have been agreed).

**Table 1**

Audit reference/title by Executive Lead	Low	Medium	High	Total	Comments
<b>Head of Built Environment</b>	-	1	-	1	
Private Sector Housing – Enforcement	-	1	-	1	<p>Deadline for implementation has been moved to provide further capacity to explore viability of further Selective Licensing scheme, as a specific HMO policy is not a statutory requirement and there is already a process currently in place.</p> <p>Following the approval of consultation for a further Selective Licensing scheme within the Borough, amendments to HMO management and charges will be brought in to coincide with any new scheme with new policy and charging scheme to become live concurrently subject to relevant approvals.</p> <p><u>Original Due date:</u> 1<sup>st</sup> April 2024</p>

Audit reference/title by Executive Lead	Low	Medium	High	Total	Comments
					<u>Revised Implementation date:</u> 5 <sup>th</sup> December 2024
<b>TOTAL</b>	-	1	-	1	

Table 2 below provides details of all historic actions not yet fully implemented.

**Table 2**

Audit reference/title by Executive Lead	Low	Medium	High	Total	Comments
<b>Chief Finance Officer / S151</b>	1	-	-	1	
Financial Systems	1	-	-	1	Reports of aged debt levels being periodically provided to the PFD Committee. Updates have been received and are in the process of being validated. <u>Original Due Date:</u> 30 <sup>th</sup> September 2023 <u>Revised Due Date:</u> 30 <sup>th</sup> June 2024
<b>Head of Law and Democracy</b>	1	6	1	8	
Grounds Maintenance and Street Cleaning	1	6	1	8	Actions are currently in progress. Updates have been received and are in the process of being validated. Original Due Date: 3 due by 30 <sup>th</sup> June 2023 and 5 due by 30 <sup>th</sup> September 2023 <u>Revised Implementation date:</u> 31 <sup>st</sup> December 2024
<b>Head of Customer Services and Transformation</b>	1	-	-	1	
Payroll	1	-	-	1	Contract Documentation – decision on the provision of payroll services. Action Update: Due to organisational change priorities within 2023/24 it has only been possible to spend limited time on researching other payroll service options and this work will continue in 2024/25 with a view of a formal decision being made by the end of 2024/25 (target changed) We will review current contractual arrangements with EMSS during 2024/25 to more clearly set service delivery priorities.

Audit reference/title by Executive Lead	Low	Medium	High	Total	Comments
					<u>Original Due Date: 31<sup>st</sup> March 2024</u> <u>Revised implementation date: 31<sup>st</sup> March 2025</u>
TOTAL	3	6	1	10	

# Agenda Item 9



<b>Audit Committee</b>	<b>Wednesday, 02 October 2024</b>	<b>Matter for Information</b>
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**Report Title:** **Strategic Risk Update (Q1 2024/25)**

**Report Author(s):** **Colleen Warren (Chief Finance Officer / Section 151 Officer)**

<b>Purpose of Report:</b>	To present the Strategic Risk Register (2024/25) to Committee for information.
<b>Report Summary:</b>	In accordance with the requirements of the Council's 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.
<b>Recommendation(s):</b>	<b>That the content of the report and Strategic Risk Register (as set out at Appendix 1) be considered and noted.</b>
<b>Senior Leadership, Head of Service, Manager, Officer and Other Contact(s):</b>	Colleen Warren (Chief Finance Officer / Section 151 Officer) (0116) 257 2759 <a href="mailto:colleen.warren@oadby-wigston.gov.uk">colleen.warren@oadby-wigston.gov.uk</a>
<b>Strategic Objectives:</b>	Our Council (SO1)
<b>Vision and Values:</b>	"Our Borough - The Place To Be" (Vision) Resourceful & Resilient (V4)
<b>Report Implications:-</b>	
Legal:	There are no implications 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.

<b>Statutory Officers' Comments:-</b>	
Head of Paid Service:	The report is satisfactory.
Chief Finance Officer:	As the author, the report is satisfactory.
Monitoring Officer:	The report is satisfactory.
<b>Consultees:</b>	<ul style="list-style-type: none"> <li>• Risk Management Group</li> <li>• Senior Leadership Team</li> </ul>
<b>Background Papers:</b>	None.
<b>Appendices:</b>	<b>1.</b> Strategic Risk Register (Q1 2024/25)

## **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 (Q1 2024/25) 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).
- 1.2.1 This report presents a high-level summary of the risks contained within the register and highlights key movements in scores from the position reported in July 2024.

## **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 change in mitigated score is visually represented by the arrows shown in the far-right column "Direction of Travel of mitigated risk score".
- 2.3 There are no changes to the mitigated scores.
- 2.4 Changes have been made to existing controls, management actions and target dates, which are detailed in the 'Review Commentary' column of the Risk Register.

**Risk Register - risk level and scoring**



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

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






Strategic Risk Register																				
Ref	Risk Definition	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		
	What is the headline risk/issue?				Likelihood	Impact	Overall risk rating		Likelihood	Impact	Overall risk rating		Likelihood	Impact	Overall risk rating					
CR1	<b>Decreasing Financial resources / Increasing Financial Pressures</b>	Providing Excellent Services (CO3)	<ul style="list-style-type: none"> <li><input type="checkbox"/> Increase demand for services e.g. benefits</li> <li><input type="checkbox"/> Continuing Austerity</li> <li><input type="checkbox"/> Political promises</li> <li><input type="checkbox"/> Change in priorities</li> <li><input type="checkbox"/> Deflated housing market</li> <li><input type="checkbox"/> Lack of business growth</li> <li><input type="checkbox"/> Further changes in legislation</li> <li><input type="checkbox"/> Pooling/Unpooling of NNDR</li> <li><input type="checkbox"/> Universal Credit</li> <li><input type="checkbox"/> Political hesitancy in decision making for fundamental service reform.</li> <li><input type="checkbox"/> Cost-of-living crises</li> <li><input type="checkbox"/> Supplier price variations as a result of inflation</li> <li><input type="checkbox"/> Introduction of WRAP and ERP re Waste services</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Cuts in services</li> <li><input type="checkbox"/> Political and customer expectations not met</li> <li><input type="checkbox"/> Quality of service</li> <li><input type="checkbox"/> Reputation damage</li> <li><input type="checkbox"/> Knock on impact on the local community and economy e.g. spiral effect</li> <li><input type="checkbox"/> Legal challenge,</li> <li><input type="checkbox"/> Reduction in rent/monies owed to the council through the introduction of UC,</li> <li><input type="checkbox"/> Increased homelessness adding stresses to council finances and the local economy.</li> <li><input type="checkbox"/> Supplier price variations significant.</li> <li><input type="checkbox"/> Insufficient funding for WRAP and ERP from Government, potential for significant expenditure increase in his service area.</li> </ul>	5	4	20	<ul style="list-style-type: none"> <li><input type="checkbox"/> Budgetary Control processes and committee reporting</li> <li><input type="checkbox"/> Medium Term Financial Strategy and HRA Business Plan - including scenario planning</li> <li><input type="checkbox"/> Setting and monitoring of savings and efficiency targets</li> <li><input type="checkbox"/> Annual Fees and Charges review</li> <li><input type="checkbox"/> Disclosure of expenditure over £250</li> <li><input type="checkbox"/> Review of reserves and balances</li> <li><input type="checkbox"/> Treasury Management and Investment Strategy</li> <li><input type="checkbox"/> Prudential Indicators</li> <li><input type="checkbox"/> Revised Financial Regulations</li> <li><input type="checkbox"/> Business Rates Pooling</li> <li><input type="checkbox"/> Procurement Policy,</li> <li><input type="checkbox"/> Homelessness team increased</li> <li><input type="checkbox"/> Assessment of viability of capital projects.</li> <li><input type="checkbox"/> Financial Inclusion Officer assists vulnerable residents</li> <li><input type="checkbox"/> Service/Review Transformation Programme across the council to improve service delivery</li> <li><input type="checkbox"/> Ongoing impacts of inflation captured in medium term financial plan.</li> <li><input type="checkbox"/> New MTFS approved September 2022</li> <li><input type="checkbox"/> Engagement with MP, LGA and DLUHC about the council's unique financial Sustainably Programme now <input type="checkbox"/> 2024/25 Budget Approved at Full Council February 2024. This balanced by introduction of new charges, service changes including staffing reductions. The savings targets are constantly monitored by SLT and is a standing item on SLT agenda and opportunities for innovation are regularly sought such as winning an award to install solar panels at Wigston Pool, therefore reducing energy costs for the Council.</li> </ul>	4	4	16	<ul style="list-style-type: none"> <li><input type="checkbox"/> Delivery of Service Delivery Changes – Financial Sustainability Plan.</li> <li><input type="checkbox"/> Regular review of savings targets.</li> <li><input type="checkbox"/> New PID to be developed including all aspects linked to sustainability of the Councils finances, eg establishments, contracts etc</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Monthly reviews 2024</li> </ul>	4	4	16	Chief Financial Officer	Aug-24	Updated existing controls to remove historic / controls no longer relevant. The delivery of Service Delivery Changes – Financial Sustainability Plan, where activity is well under way. New PID to be completed.	
CR2	<b>Key Supplier Failure</b>	Providing Excellent Services (CO3)	<ul style="list-style-type: none"> <li><input type="checkbox"/> Cost implications</li> <li><input type="checkbox"/> Business Continuity</li> <li><input type="checkbox"/> Loss of revenue</li> <li><input type="checkbox"/> Service failure</li> <li><input type="checkbox"/> TUPE issues</li> <li><input type="checkbox"/> Potential court action</li> <li><input type="checkbox"/> Increased complaints</li> <li><input type="checkbox"/> Reputation issues</li> <li><input type="checkbox"/> Political damage</li> <li><input type="checkbox"/> Delays</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Formal contracts and agreements including realistic notice periods</li> <li><input type="checkbox"/> Tender arrangements and pre qualification financial assessments</li> <li><input type="checkbox"/> Qualified internal officers to provide legal advice</li> <li><input type="checkbox"/> Use of external counsel</li> <li><input type="checkbox"/> Performance management of contracts, Comprehensive Contract Register, Partnership working with Local Authority Partners</li> <li><input type="checkbox"/> Part of management Board to oversee delegated services such as Lightbulb and Building Control.</li> <li><input type="checkbox"/> Creation of Project and Procurement Team and Procurement Policy promotes use of established frameworks, thus reducing risk of supplier failure.</li> <li><input type="checkbox"/> Partnership and contract risk registers</li> <li><input type="checkbox"/> Contract term renegotiation with key providers as necessary</li> <li><input type="checkbox"/> Contract Management review is undertaken as part of the Sustainability Programme</li> <li><input type="checkbox"/> Contracts information has been incorporated into draft service plan template.</li> <li><input type="checkbox"/> Contracts an item on 1-2-1's.</li> <li><input type="checkbox"/> Specialists engaged where required i.e. Leisure Operator Contract (LOC) negotiations.</li> <li><input type="checkbox"/> LOC Contract renegotiation approved at Council 12 December 2023 and SLM has agreed to changes.</li> <li><input type="checkbox"/> Formal Contract management training has been rolled out via CMPP</li> </ul>	5	4	20	<ul style="list-style-type: none"> <li><input type="checkbox"/> Formal contracts and agreements including realistic notice periods</li> <li><input type="checkbox"/> Tender arrangements and pre qualification financial assessments</li> <li><input type="checkbox"/> Qualified internal officers to provide legal advice</li> <li><input type="checkbox"/> Use of external counsel</li> <li><input type="checkbox"/> Performance management of contracts, Comprehensive Contract Register, Partnership working with Local Authority Partners</li> <li><input type="checkbox"/> Part of management Board to oversee delegated services such as Lightbulb and Building Control.</li> <li><input type="checkbox"/> Creation of Project and Procurement Team and Procurement Policy promotes use of established frameworks, thus reducing risk of supplier failure.</li> <li><input type="checkbox"/> Partnership and contract risk registers</li> <li><input type="checkbox"/> Contract term renegotiation with key providers as necessary</li> <li><input type="checkbox"/> Contract Management review is undertaken as part of the Sustainability Programme</li> <li><input type="checkbox"/> Contracts information has been incorporated into draft service plan template.</li> <li><input type="checkbox"/> Contracts an item on 1-2-1's.</li> <li><input type="checkbox"/> Specialists engaged where required i.e. Leisure Operator Contract (LOC) negotiations.</li> <li><input type="checkbox"/> LOC Contract renegotiation approved at Council 12 December 2023 and SLM has agreed to changes.</li> <li><input type="checkbox"/> Formal Contract management training has been rolled out via CMPP</li> </ul>	4	3	12	<ul style="list-style-type: none"> <li><input type="checkbox"/> Contract review underway (Sustainability programme).</li> <li><input type="checkbox"/> Further external review of our contract management process and support with improvements (CMPP)</li> </ul>	Sep-24	2	2	4	Head of Law and Democracy/ Monitoring Officer	Aug-24	Commentary amended to reflect new position with SLM.	

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CR3	<b>Failure to work effectively with other public sector partner organisations (PSOs) and 3rd sector organisations</b>	Building, Protecting and Empowering Communities (CO1); Growing the Borough Economically (CO2)	<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 Failure of relationships at strategic level in County & across members	<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	<input type="checkbox"/> Formal agreements with public sector partners which clearly identify roles & responsibilities including H&WB, Lightbulb, Building Control and Local Land Charges. <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. <input type="checkbox"/> Member Advisory Group also in place 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. Cost of Living support programme has funded 3rd sector organisations and support for warm hubs.	2	3	6	Contract review underway (sustainability programme with some savings in contracts identified)	Sep-24	2	3	6	Head of Law and Democracy/ Monitoring Officer	Aug-24	Updated management control	
CR4	<b>Hard to reach demographics feel disenfranchised through lack of specific communication and engagement.</b>	Building, Protecting and Empowering Communities (CO1)	<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	<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	<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"/> Communications Strategy in place <input type="checkbox"/> Gov.Delivery digital e-mail system – targeted delivery on specific topics e.g. tenants newsletter in place <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 meet regularly <input type="checkbox"/> Sports and physical activity commission plan to target hard to reach <input type="checkbox"/> Customer Experience Strategy in place <input type="checkbox"/> Appointment hubs in operation as well as reception point open at Brockhill <input type="checkbox"/> Website offers the facility to change language. <input type="checkbox"/> Use language line for translation services. <input type="checkbox"/> Tenant & Leaseholder focus group established and meeting on a quarterly basis. <input type="checkbox"/> Language Translation Service incorporate. All households are to receive 2*letter communications regarding change to the bin collection regime. <input type="checkbox"/> Customer Experience Strategy Action Plan being monitored <input type="checkbox"/> Housing Regulators new Tenant Satisfaction collected Virtual Appointments to increase customer contact have commenced	2	2	4	An event is being held in November to celebrate the work of volunteers across the borough supporting vulnerable people.		1	2	3	Head of Customer Service and Transformation	Aug-24	Updated management control	
CR5	<b>Political Dynamics</b>	Providing Excellent Services (CO3)	<input type="checkbox"/> Change in political power <input type="checkbox"/> Change in leader <input type="checkbox"/> New members <input type="checkbox"/> Public perception changes	<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	<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 churning 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"/> Buddying system in place for Elected Members to use <input type="checkbox"/> Members bulletin <input type="checkbox"/> Customer Service training and Political awareness training has been undertaken <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. <input type="checkbox"/> Induction training delivered for new members during May to July 2023. <input type="checkbox"/> SLT/Member workshops July, Sept. Nov <input type="checkbox"/> CMT/Member training sept 'meet the teams'. <input type="checkbox"/> OFLOG Self Assessment presented to Full Council in April 2024. Member Working Group established to engage with the Alternate Weekly Waste Collection Project	3	3	9	<input type="checkbox"/> New Corporate Strategy to be presented to Members - presented 16/7/24 at f <input type="checkbox"/> Planning Member trFull Council ining externally facilitated	July 2024	2	3	6	Head of Law and Democracy/ Monitoring Officer	Aug-24	Updated management controls and updated further actions	

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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"/> 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 e.g. external communications regarding alternate weekly waste collection project. <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 <input type="checkbox"/> Safety Risk assessments always consider reputational damage as a risk. <input type="checkbox"/> Anti Fraud Policy in place. <input type="checkbox"/> Good relationships built with media i.e. cemetery <input type="checkbox"/> Consultations conducted i.e budget	2	2	4	<input type="checkbox"/> Recruitment pages being revamped on Corporate Website (in line with national campaign) <input type="checkbox"/> Corporate Strategy has now been published Aug 24	Oct-24	2	2	4	Chief Executive	Aug-24	Updated further controls			
CR7	Effective utilisation of Assets/Buildings (non-housing)	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"/> Move to Bushloe House to Brocks Hill complete <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. <input type="checkbox"/> Asset Review received end of November - Report to PFDC regarding disposal of assets.	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"/> Completion of the sale of Bushloe House and Oadby Pool site. <input type="checkbox"/> Marketing all of our assets for hire to generate additional income to support the sustainability plan	<input type="checkbox"/> Dec 2024 <input type="checkbox"/> Jan 2024 <input type="checkbox"/> December 2024 <input type="checkbox"/> Dec 2024	2	2	4	Head of Law and Democracy/ Monitoring Officer	Aug-24	Further Management controls updated.			
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"/> Purchased GDPR/DPA learning modules to be rolled out in the future. <input type="checkbox"/> Appraisal training and 1-2-1 training has been rolled out. to all managers. <input type="checkbox"/> New Social Housing Regulation Act 2023 strengthens the regulation regime associated with the Council as a social landlord. A full inspection by the regulator can be expected by end of 2026 - Housing Manager is preparing for mock-inspection during 2024. <input type="checkbox"/> Building Safety Act 2022 places increased compliance responsibilities and scrutiny on Building Control and the construction industry generally and the Leicestershire Building Control Partnership has put in place an action plan to manage this risk <input type="checkbox"/> Reviewed and improved HR induction approach.	1	1	1	<input type="checkbox"/> Refresher training on GDPR/DPA to be completed by all. <input type="checkbox"/> Resources in Housing Team to be focused around meeting the requirements of the new act.	<input type="checkbox"/> Summer 2024 <input type="checkbox"/> December 2024	1	1	1	Head of Law and Democracy/ Monitoring Officer	Aug-24	Existing Control and further actions have been updated			

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CR9	Failure to respond to a significant incident	Providing Excellent Services (CO3)	<ul style="list-style-type: none"> <li><input type="checkbox"/> Loss of staff</li> <li><input type="checkbox"/> Loss of ICT</li> <li><input type="checkbox"/> Loss of Building</li> <li><input type="checkbox"/> Loss of Key supplier</li> <li><input type="checkbox"/> Loss of facilities</li> <li><input type="checkbox"/> Loss of systems</li> <li><input type="checkbox"/> Act of God</li> <li><input type="checkbox"/> Adverse Weather</li> <li><input type="checkbox"/> Pandemic <input type="checkbox"/> Adverse staff impact as a result of cost of living</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Insurance – higher premiums</li> <li><input type="checkbox"/> Loss of essential services</li> <li><input type="checkbox"/> Adverse publicity</li> <li><input type="checkbox"/> Reputation damage</li> <li><input type="checkbox"/> Loss of public confidence</li> <li><input type="checkbox"/> Loss of income</li> <li><input type="checkbox"/> Financial damage</li> <li><input type="checkbox"/> Death and injury</li> <li><input type="checkbox"/> Litigation risks</li> <li><input type="checkbox"/> Insurance – higher premiums</li> <li><input type="checkbox"/> Loss of essential services</li> <li><input type="checkbox"/> Adverse publicity</li> <li><input type="checkbox"/> Loss of public confidence</li> <li><input type="checkbox"/> Financial damage</li> <li><input type="checkbox"/> Death and injury</li> <li><input type="checkbox"/> Litigation risks</li> <li><input type="checkbox"/> Staff unavailable after major incident</li> <li><input type="checkbox"/> Large proportion of staff becoming ill</li> </ul>	4	4	16	<ul style="list-style-type: none"> <li><input type="checkbox"/> Insurance policies and annual review - new insurers from 1 Jan 2024</li> <li><input type="checkbox"/> Risk Management policies and procedures</li> <li><input type="checkbox"/> Membership of Local Resilience Forum</li> <li><input type="checkbox"/> Standby rota</li> <li><input type="checkbox"/> IT backup, Business Continuity Plans in place</li> <li><input type="checkbox"/> Community Engagement with Health professionals</li> <li><input type="checkbox"/> Agile Working Policy</li> <li><input type="checkbox"/> Coordination of Out of Hours Service</li> <li><input type="checkbox"/> Additional training from Leicestershire Resilience Partnership underway (incl power lose scenario)</li> <li><input type="checkbox"/> Business Continuity training exercise and refresh undertaken December 2022</li> <li><input type="checkbox"/> BC Plans refresh and incorporated into service plans</li> <li><input type="checkbox"/> SLT and CMT additional training scheduled with LRF</li> <li><input type="checkbox"/> Mighty Oak national power outage LRF Training exercise</li> <li><input type="checkbox"/> Brockshill project has incorporated business continuity improvements inc generator if power outage.</li> <li><input type="checkbox"/> New accident investigation form <input type="checkbox"/> Refresher of Health and Safety Training</li> <li><input type="checkbox"/> Health and Safety face to face training for manual workers delivered.</li> <li><input type="checkbox"/> BCPs being reviewed; Implications from Martyn's Law have been considered.</li> <li><input type="checkbox"/> New insurance processes being rolled out to operational staff</li> </ul>	2	3	6	<ul style="list-style-type: none"> <li><input type="checkbox"/> LRF training course attendance to be reviewed by SLT</li> <li><input type="checkbox"/> Protect &amp; Prevent training to be rolled out by the end of the year.</li> </ul>	Sept 2024	2	3	6	Head of Law and Democracy/ Monitoring Officer	Aug-24	Existing controls uand further management actions are updated	
CR6	Organisational/ Transformational Change	Providing Excellent Services (CO3)	<ul style="list-style-type: none"> <li><input type="checkbox"/> Restructure</li> <li><input type="checkbox"/> Transformational change</li> <li><input type="checkbox"/> Transferable skills</li> <li><input type="checkbox"/> Reduction in funding</li> <li><input type="checkbox"/> Change in personnel</li> <li><input type="checkbox"/> Change in the way the council delivers services</li> <li><input type="checkbox"/> Redundancy</li> <li><input type="checkbox"/> Less controls in place due to limited resources</li> <li><input type="checkbox"/> Change in office location</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Redundancy</li> <li><input type="checkbox"/> Staff morale</li> <li><input type="checkbox"/> Staff retention</li> <li><input type="checkbox"/> Change in working practices</li> <li><input type="checkbox"/> Impact on quality of service</li> <li><input type="checkbox"/> Legal implications</li> <li><input type="checkbox"/> HR implications</li> <li><input type="checkbox"/> Reputation damage/perception</li> <li><input type="checkbox"/> Financial loss</li> <li><input type="checkbox"/> Possible litigation</li> <li><input type="checkbox"/> Increased fraud</li> </ul>	3	3	9	<ul style="list-style-type: none"> <li><input type="checkbox"/> Organisation review policy</li> <li><input type="checkbox"/> Recruitment and selection policies and procedures</li> <li><input type="checkbox"/> Union and staff consultation</li> <li><input type="checkbox"/> Staff Wellbeing Group and Wellbeing Teams</li> <li><input type="checkbox"/> Staff Health and Wellbeing Action Plan</li> <li><input type="checkbox"/> Internal Audit</li> <li><input type="checkbox"/> Staff newsletters</li> <li><input type="checkbox"/> Monitoring and supervision of management/1:1's</li> <li><input type="checkbox"/> Training and professional qualification support</li> <li><input type="checkbox"/> Performance appraisal process</li> <li><input type="checkbox"/> Formal induction programme</li> <li><input type="checkbox"/> Comms plans for key projects - includes PR, Public, Staff and member and other stakeholder comms plans</li> <li><input type="checkbox"/> Staff engagement on organisational culture and values as part of People Strategy undertaken</li> <li><input type="checkbox"/> Introduction of live vacancy management plan with SLT</li> <li><input type="checkbox"/> People Strategy approved by PFD 12/09/2023 <input type="checkbox"/></li> <li><input type="checkbox"/> Organisation Strategy update completed.</li> <li><input type="checkbox"/> Clean &amp; Green / Corporate Assets Service Review and Revs and Bens review underway /</li> <li><input type="checkbox"/> Service changes post budget approval are well underway . Project Management approach has been refined; Joint SLT/CMT Meetings are being programmed into diaries focusing on finance and performance/ Sustainability Plan is a standing item on SLT agenda</li> </ul>	3	2	6	<ul style="list-style-type: none"> <li><input type="checkbox"/> Organisation Strategy to be approved.</li> <li><input type="checkbox"/> Service Reviews being undertaken.</li> <li><input type="checkbox"/> Sustainability Plan Review /ongoing</li> <li><input type="checkbox"/> Management plan developed and implemented for Waste Transformation</li> </ul>	June 2024 <input type="checkbox"/> Ongoing	2	2	4	Strategic Director	Aug-24	Existing controls updated for progress against budget/service implications and revised PPM approach and senior management meetings. Further management controls updated for the Waste Project.	

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CR11	<b>Economy/Regeneration</b>	Growing the Borough Economically (CO2)	<ul style="list-style-type: none"> <li><input type="checkbox"/> Further decline in the economy BREXIT COVID Ukraine/Russia conflict and also energy costs crisis (uncertainty of cost impact)</li> <li><input type="checkbox"/> Pooling/Unpooling of NNDR</li> <li><input type="checkbox"/> Cost of living Crisis</li> <li><input type="checkbox"/> Economic Regeneration Manager and Economic Development posts removed from establishment to enable savings to Council budget</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Relocation (Business and Domestic)</li> <li><input type="checkbox"/> Lack of inward investment</li> <li><input type="checkbox"/> Increased demand for certain services e.g. benefits</li> <li><input type="checkbox"/> Loss of value in public assets</li> <li><input type="checkbox"/> Need to continually adapt/change</li> <li><input type="checkbox"/> Conflicting pressures - decreased funding – increased demand</li> <li><input type="checkbox"/> Spiral effect</li> <li><input type="checkbox"/> Short term decision making – uncertainty</li> <li><input type="checkbox"/> Increased autonomy leads to greater risk</li> <li><input type="checkbox"/> Decrease in collection levels</li> </ul>	5	4	20	<ul style="list-style-type: none"> <li><input type="checkbox"/> Demand management of services that come under pressure as a result of decline in economy</li> <li><input type="checkbox"/> Debt Recovery Policy in place</li> <li><input type="checkbox"/> Local Council Tax and Business Rate Retention scheme in place</li> <li><input type="checkbox"/> Contract monitoring of bailiffs</li> <li><input type="checkbox"/> Paying out business grants to support local businesses during pandemic</li> <li><input type="checkbox"/> Regular programme of business webinars to provide information and support to businesses</li> <li><input type="checkbox"/> Monthly newsletter issued to businesses</li> <li><input type="checkbox"/> Helping Hands - energy champion</li> <li><input type="checkbox"/> Business microsite live and accessible via Council's website.</li> <li><input type="checkbox"/> UKSPF Investment Plan 2022 to 2025 being implemented</li> <li><input type="checkbox"/> Levelling Up bid developed in partnership with The University of Leicester and ready to submit if an opportunity arises. Currently supporting University in investigating a Heritage Lottery Fund bid</li> <li><input type="checkbox"/> Capital Projects Sub-committee established</li> <li><input type="checkbox"/> Specialist support procured to advise on the deliverability of regeneration projects (Oadby Pool and Horsewell Lane)</li> <li><input type="checkbox"/> Cost of Living report to members sets our proposal to review discretionary rates relief which may provide additional relief to businesses.</li> <li><input type="checkbox"/> Business Networking Event held 14/09/2023 - 80 businesses attended.</li> <li><input type="checkbox"/> Business Improvement District - Phase feasibility completed and to be progressed during 2024</li> <li><input type="checkbox"/> Horsewell Lane Business Case agreed by Member</li> </ul>	4	4	16	<ul style="list-style-type: none"> <li><input type="checkbox"/> Monitor progress against ER Strategy &amp; UKSPF Programme.</li> <li><input type="checkbox"/> Project review meetings undertaken with all UKSPF funded projects to ensure outcomes and expenditure will be achieved. Proposals being developed for any underspends</li> </ul>	Ongoing	3	3	9	Head of Built Environment	Aug-24	<p>Economic Regeneration Manager and Economic Development Officer posts removed from establishment to enable savings to Council budget. Awaiting further information on what, if anything, will replace UKSPF after March 2025 as this is likely to determine the Council's economic development offer beyond that date.</p> <p>Further management controls update for latest project meetings.</p>			
CR12	<b>Increased Fraud</b>	Providing Excellent Services (CO3)	<ul style="list-style-type: none"> <li><input type="checkbox"/> Dilution of internal controls due to less staff</li> <li><input type="checkbox"/> Increase in unemployment</li> <li><input type="checkbox"/> Reduction in benefits</li> <li><input type="checkbox"/> Inflation</li> <li><input type="checkbox"/> Debt</li> <li><input type="checkbox"/> Opportunity</li> <li><input type="checkbox"/> Sub-letting of Council properties</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Homelessness, poverty and social deprivation</li> <li><input type="checkbox"/> Financial loss</li> <li><input type="checkbox"/> Resources of the authority to investigate fraud issues</li> <li><input type="checkbox"/> Reputation impact</li> <li><input type="checkbox"/> Litigation</li> </ul>	3	3	9	<ul style="list-style-type: none"> <li><input type="checkbox"/> Internal and External Audit</li> <li><input type="checkbox"/> Financial Regulations</li> <li><input type="checkbox"/> Segregation of Duties</li> <li><input type="checkbox"/> Supervision and Management</li> <li><input type="checkbox"/> Investigation and disciplinary procedures</li> <li><input type="checkbox"/> Litigation</li> <li><input type="checkbox"/> Anti Fraud and Corruption Policy</li> <li><input type="checkbox"/> Whistle blowing process</li> <li><input type="checkbox"/> Tone from the top - no tolerance</li> <li><input type="checkbox"/> Budgetary Control</li> <li><input type="checkbox"/> Participation in National Fraud Initiative</li> <li><input type="checkbox"/> Transaction review (e.g. invoices/mileage)</li> <li><input type="checkbox"/> All related Policies to be reviewed and an annual rolling training programme to be implemented.</li> <li><input type="checkbox"/> Anti Fraud Policy reviewed and approved PFD July 2023</li> <li><input type="checkbox"/> Fraud Awareness Training rolled out.</li> </ul>	2	3	6	<ul style="list-style-type: none"> <li><input type="checkbox"/> Update of anti-fraud activities to Audit Committee</li> </ul>	July 2024	2	2	4	Chief Financial Officer	Aug-24	Updated to include Audit Committee Report July 2024			

Strategic Risk Register																				
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CR13	<b>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.</b>	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"/> Cyber security is always the highest priority, and at all times. This is considered with any support ticket, change request or new digital implementation and must be approved through change . <input type="checkbox"/> The IT Team is reviewing its security policies to ensure they are in line with the latest cyber security guidance and ensuring the organisation operates in a safe yet effective way. This includes managing the IT infrastructure, but also with how staff function, use equipment and undertake regular security training within their respective roles. <input type="checkbox"/> The Council has now implemented a duplicate firewall, for added security and resilience to the Councils network. This further protects us, but also gives us dual connectivity so we are not restricted by a single point of failure in a key security component. <input type="checkbox"/> The Council has a BCP but this will continuously be checked and updated to ensure we are as prepared as possible for emergency situations (if it were to arise). <input type="checkbox"/> Member briefing completed to advise of current security features and their responsibility as stakeholders to the authority. <input type="checkbox"/> All Staff have undertaken their yearly security training (Q1 2024). <input type="checkbox"/> PSN compliance has been achieved and certification received in Q1 of 2024. The Council is currently submitting information for its 'Cyber essentials' certification as well – both giving assurance the organisation is as secure as reasonably possible.	2	3	6	<input type="checkbox"/> We are looking to use the cyber security attack on Leicester City Council as a 'lessons learnt' process to ensure we improve and stay ahead of the threats. This is looking to be initiated via the Resilience partnership <input type="checkbox"/> Member training organised for September 24 <input type="checkbox"/> Specific members training has been offered, however uptake has been limited.	October 2024	2	3	6	Head of Customer Service and Transformation	Aug-24	As part of cyber security review and changes in IT Team structure, all existing controls have been updated.	
CR14	<b>19. Staff lone working including out of hours</b>	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 <input type="checkbox"/> Contract ended for Solo Protect and moved to Pick Protect. <input type="checkbox"/> Risk Assessment for appointment hubs included consideration of lone working and guidance provided.	2	3	6	Head of CS&T and Corporate H&S Officer are reviewing the Customer Alert System including the monitoring of lone-working procedures Review response to alarms going off in the buildings during the night.	Sep-24	2	3	6	Head of Law and Democracy/Monitoring Officer	Aug-24	Further management controls updated	