



**Borough of Tamworth**

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## **AUDIT AND GOVERNANCE COMMITTEE**

19 June 2023

Dear Councillor

A meeting of the Audit and Governance Committee will be held in **Town Hall, Market Street, Tamworth on Tuesday, 27th June, 2023 at 6.00 pm**. Members of the Committee are requested to attend.

Yours faithfully

A handwritten signature in black ink, appearing to be 'AJS', followed by a long horizontal line.

**CHIEF EXECUTIVE**

### **A G E N D A**

**NON CONFIDENTIAL**

- 1 Apologies for Absence**
- 2 Appointment of the Vice-Chair**
- 3 Minutes of the Previous Meeting (Pages 5 - 8)**
- 4 Declarations of Interest**

*To receive any declarations of Members' interests (pecuniary and non-pecuniary) in any matters which are to be considered at this meeting.*

*When Members are declaring a pecuniary or non-pecuniary interest in respect of which they have dispensation, they should specify the nature of such interest. Members should leave the room if they have a pecuniary or non-pecuniary interest in respect of which they do not have a dispensation.*

**5 Auditor's Annual Report (Pages 9 - 34)**

*(Report of the External Auditors)*

**6 External Audit Plan (Pages 35 - 58)**

*(Report of the External Auditors)*

**7 Internal Audit Annual Report and Quarterly Update (Pages 59 - 84)**

*(Report of the Audit Manager)*

**8 Annual Governance Statement and Code of Corporate Governance (Pages 85 - 160)**

*(Report of the Chief Executive)*

**9 Risk Management Quarterly Update Qt4 2022/23 (Pages 161 - 190)**

*(Report of the Assistant Director, Finance)*

**10 Audit and Governance Committee Timetable**

*(Discussion Item)*

**11 Exclusion of the Press and Public**

To consider excluding the Press and Public from the meeting by passing the following resolution:-

*“That in accordance with the provisions of the Local Authorities (Executive Arrangements) (Meeting and Access to Information) (England) Regulations 2012, and Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during the consideration of the following business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public”*

At the time this agenda is published no representations have been received that this part of the meeting should be open to the public.

## **12 FHSF Risk (Pages 191 - 202)**

*(Report of the Assistant Director, Growth and Regeneration)*

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### **Access arrangements**

*If you have any particular access requirements when attending the meeting, please contact Democratic Services on 01827 709267 or e-mail [democratic-services@tamworth.gov.uk](mailto:democratic-services@tamworth.gov.uk). We can then endeavour to ensure that any particular requirements you may have are catered for.*

### **Filming of Meetings**

*The public part of this meeting may be filmed and broadcast. Please refer to the Council's Protocol on Filming, Videoing, Photography and Audio Recording at Council meetings which can be found [here](#) for further information.*

*If a member of the public is particularly concerned about being filmed, please contact a member of Democratic Services before selecting a seat*

### **FAQs**

*For further information about the Council's Committee arrangements please see the FAQ page [here](#)*

To Councillors: D Maycock, B Clarke, S Daniels, S Doyle, B Price, R Pritchard and  
P Thurgood

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## **MINUTES OF A MEETING OF THE AUDIT AND GOVERNANCE COMMITTEE HELD ON 20th APRIL 2023**

**PRESENT:** Councillor P Turner (Chair), Councillors A Cooper (Vice-Chair), S Daniels and P Thompson

**Officers** Stefan Garner (Executive Director Finance), Joanne Goodfellow (Assistant Director Finance), Andrew Wood (Audit Manager), Jo Hutchison (Senior Scrutiny and Democratic Services Officer) and Leanne Costello (Democratic and Executive Support Officer)

### **71 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor J Jones.

### **72 DECLARATIONS OF INTEREST**

There were no declarations of Interest.

### **73 MINUTES OF THE PREVIOUS MEETING**

The minutes of the meeting held on 22<sup>nd</sup> March 2023 were approved and signed as a correct record.

*(Moved by Councillor A Cooper and seconded by Councillor S Daniels)*

### **74 REVIEW OF THE TREASURY MANAGEMENT STRATEGY STATEMENT, MINIMUM REVENUE PROVISION POLICY STATEMENT AND ANNUAL INVESTMENT STATEMENT 2023/24 AND THE TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY MID-YEAR REVIEW REPORT 2022/23**

Report of the Executive Director Finance to review the Treasury Management Strategy Statement, Minimum Revenue Provision Statement and Annual Investment Statement 2023/24 and the Treasury Management Strategy Statement and Annual Investment Strategy Mid-year Review Report 2022/23 approved by Council on 28th February 2023 and 13th December 2022 respectively and to endorse the CIPFA Effective Scrutiny of Treasury Management self assessment review.

The Executive Director, Finance reported that the most recent external treasury management training for all councillors was held in February 2023, and this was held annually. In addition training on specific topics was also held as required.

The Committee thanked Officers for the Report.

RESOLVED: That the Committee

1. considered the Treasury Management Reports, as detailed within the reports attached at Appendix A and Appendix B highlighting any changes for recommendation to Cabinet; and
2. endorsed the CIPFA Effective Scrutiny of Treasury Management self assessment at Appendix C, highlighting any further training requirements to inform the 2023/24 training plan.

*(Moved by Councillor P Turner and seconded by Councillor A Cooper)*

## **75 REVIEW AND UPDATE OF FINANCIAL GUIDANCE**

Report of the Assistant Director, Finance for the Audit & Governance Committee to endorse the proposed amendments to Financial Guidance.

The Assistant Director highlighted the proposed key changes which included changes in job titles, changes to the procurement section and requirements to advertise contract opportunities on the Council's In-Tend system.

RESOLVED: That the Committee

endorsed the proposed amendments to the Council's Financial Guidance, to take immediate effect.

*(Moved by Councillor A Cooper and seconded by Councillor P Thompson)*

## **76 PUBLIC SECTOR INTERNAL AUDIT STANDARDS/QUALITY ASSURANCE AND IMPROVEMENT PROGRAMME**

Report of the Audit Manager to report to the Audit & Governance Committee on Internal Audit's compliance with the Public Sector Internal Audit Standards (PSIAS) and the Quality Assurance and Improvement Programme (QAIP).

The Audit Manager highlighted that the Quality Assurance and Improvement Programme 2023/24 had been updated with the results of the recent external quality assessment. The Audit Manager reported that External Quality Action

Plan would be reported quarterly to this Committee and that 5 out of the 12 actions had been completed, and of the 6 enhancements to service, 2 had been completed. The priority of the external quality assessment actions were rated review and consider and the Audit Manager reported that the outstanding recommendations would be prioritised for future meetings.

The Committee recorded their thanks to the Audit Manager for his work in moving this work forward.

RESOLVED: That the Committee

1. Endorsed the Internal Audit's assessment of compliance with the Public Sector Internal Audit Standards;
2. Endorsed the Quality Assurance Improvement Programme; and
3. Endorsed the External Quality Assessment Action Plan

*(Moved by Councillor S Daniels and seconded by Councillor P Thompson)*

## **77 ANNUAL REPORT OF THE CHAIR OF AUDIT & GOVERNANCE COMMITTEE**

Report of the Audit Manager to present the proposed Annual Report of the Audit & Governance Committee 2022/23 for Council.

RESOLVED: That the Committee

Endorsed the Annual Report of the Audit & Governance Committee 2022/23.

*(Moved by Councillor A Cooper and seconded by Councillor P Thompson)*

## **78 AUDIT AND GOVERNANCE COMMITTEE TIMETABLE**

The Committee reviewed the timetable and agreed to ensure the scheduling of the items for the next meetings dates was balanced and distributed appropriately.

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Chair

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# Auditor's Annual Report on Tamworth Borough Council

2021/22

Page 9  
June 2023



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We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the National Audit Office (NAO) requires us to report to you our commentary relating to proper arrangements.

We report if significant matters have come to our attention. We are not required to consider, nor have we considered, whether all aspects of the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.



The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of completing our work under the NAO Code and related guidance. Our audit is not designed to test all arrangements in respect of value for money. However, where, as part of our testing, we identify significant weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all irregularities, or to include all possible improvements in arrangements that a more extensive special examination might identify. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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# Executive summary



## Value for money arrangements

Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to consider whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Auditors are required to report their commentary on the Council's arrangements under specified criteria and 2021/22 is the second year that we have reported our findings in this way. As part of our work, we considered whether there were any risks of significant weakness in the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources. Our conclusions are summarised in the table below.

Criteria	Risk assessment	2020/21 Auditor Judgment	2021/22 Auditor Judgment	Direction of travel
Financial sustainability	No risks of significant weakness identified	No significant weaknesses in arrangements identified, but improvement recommendations were made.	No significant weaknesses in arrangements identified, but two improvement recommendations have been made. See further commentary on pages 5-7 of this report.	↔
Governance	No risks of significant weakness identified	No significant weaknesses in arrangements identified, but improvement recommendations were made.	No significant weaknesses in arrangements identified, but an improvement recommendation has been made. See further commentary on pages 10-11 of this report.	↔
Improving economy, efficiency and effectiveness	No risks of significant weakness identified	No significant weaknesses in arrangements identified, but improvement recommendations were made.	No significant weaknesses in arrangements identified, but four improvement recommendations have been made. See further commentary on pages 13-15 of this report.	↔

- No significant weaknesses in arrangements identified or improvement recommendation made.
- No significant weaknesses in arrangements identified, but improvement recommendations made.
- Significant weaknesses in arrangements identified and key recommendations made.

# Securing economy, efficiency and effectiveness in the Council's use of resources

All Councils are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. The Council's responsibilities are set out in Appendix A.

Councils report on their arrangements, and the effectiveness of these arrangements as part of their annual governance statement.

Under the Local Audit and Accountability Act 2014, we are required to be satisfied whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

The National Audit Office's Auditor Guidance Note (AGN) 03, requires us to assess arrangements under three areas:



## Financial Sustainability

Arrangements for ensuring the Council can continue to deliver services. This includes planning resources to ensure adequate finances and maintain sustainable levels of spending over the medium term (3-5 years).



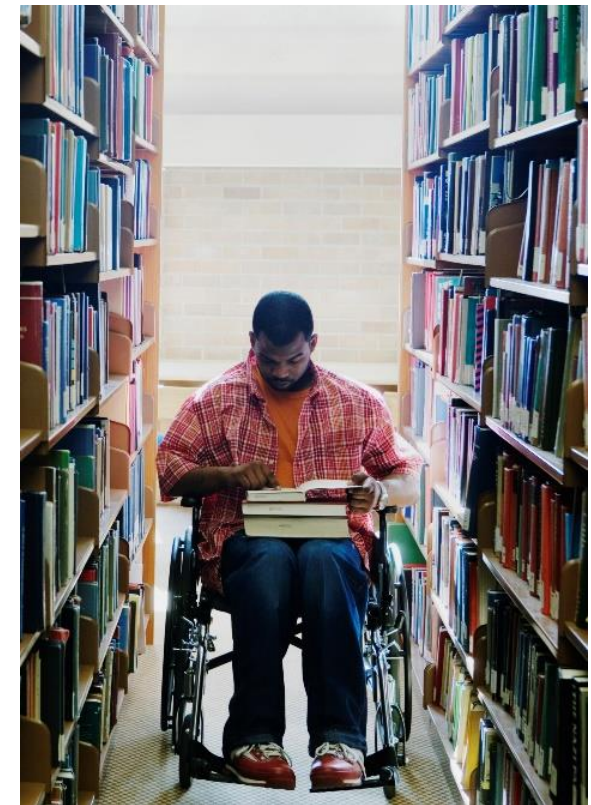
## Governance

Arrangements for ensuring that the Council makes appropriate decisions in the right way. This includes arrangements for budget setting and management, risk management, and ensuring the Council makes decisions based on appropriate information.



## Improving economy, efficiency and effectiveness

Arrangements for improving the way the Council delivers its services. This includes arrangements for understanding costs and delivering efficiencies and improving outcomes for service users.



Our commentary on the Council's arrangements in each of these three areas, is set out on pages 5 to 15.

# Financial sustainability



## We considered how the Council:

- identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds them into its plans
- plans to bridge its funding gaps and identify achievable savings
- plans its finances to support the sustainable delivery of services in accordance with strategic and statutory priorities
- ensures its financial plan is consistent with other plans such as workforce, capital, investment and other operational planning which may include working with other local public bodies as part of a wider system
- identifies and manages risk to financial resilience, such as unplanned changes in demand and assumptions underlying its plans.

## Financial outturn 2021/22

Tamworth Borough Council has historically performed well, with a track record of strong financial and budgetary management despite the challenging environment in which it is operating. The Council originally set a surplus budget for the General Fund of £0.6m for 2021/22. The Council achieved a favourable variance of £0.6m, the most significant reason for this is increased income from COVID-19 funding of £0.2m and other additional income from Marmion House. The Council originally set a deficit budget for the Housing Revenue Account of £0.3m. The Council subsequently reported a favourable variance of £0.9m which has led to a surplus being delivered at year end of £0.5m. The variance is largely due to the housing repairs contract and also that no planned maintenance was carried out in quarter four.

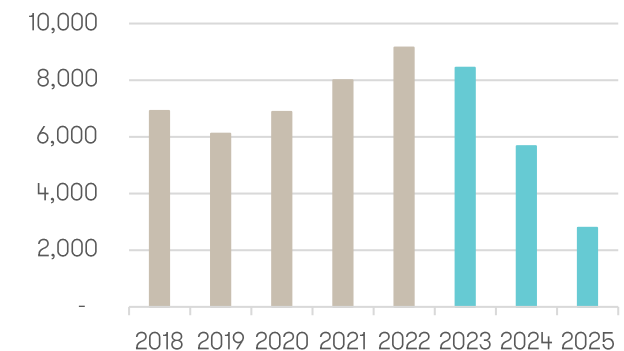
The Council had usable reserves of £57.1m at 31 March 2022 (£63.2m at 31 March 2021). This is made up of the General Fund (£9.1m), Housing Revenue Account (£5.7m), Earmarked reserves (£25.1m), and Capital reserves (£17.2m). Whilst the level of reserves remained strong at the end of 2021/22, there are significant challenges forecast within the Council's medium term financial strategy (MTFS).

## 2022/23 forecast outturn

The Council originally set a budget for 2022/23 of a net cost of £6.58m for the General Fund and a surplus of £2.51m for the Housing Revenue Account. The budget also identified the need for savings of £2.5m over the next 3 years. The quarter three performance report for 2022/23 has identified that the Council is currently reporting a favourable variance at

period 9 of £548k. This was largely due to treasury management and additional investment income generated. Also reported in the quarter three update is that the Council projects to have General Fund balances of £0.7m over the next 3 years. This would then enter a shortfall of £4.2m by 2026/27 and £8.8m over the 5 years to 2027/28, including the minimum approved level of £0.5m. Further savings of around £1.8m per annum will be required over next 5 years.

General Fund Balances  
at 31 March (£'000)



[Source: MTFS 2022-25]

## Medium term financial strategy

The MTFS was updated and presented to members in January 2022. This indicates that the Council is going to be required to make some challenging decisions in upcoming years given the level of savings which will be required in order to prevent the General Fund balances falling below the minimum approved level. The MTFS has subsequently been updated in January 2023 and reports that over the next 5 years, the Council will need to make savings of £1.8m per annum.

The headline figures for 2023-24 are:

- A General Fund net cost of services of £9.6m;
- A transfer of £1.7m from General Fund balances;
- A transfer of £1m from HRA balances;
- A General Fund capital programme of £10.8m over 5 years; and
- A Housing capital programme of £38m over 5 years.

## Savings plans

The Council monitors the delivery of planned savings, and mitigating actions where required, on a quarterly basis. These are reported to the Corporate Management Team on a monthly basis and to Cabinet on a quarterly basis.

The savings required by the Council are set out within the Medium Term Financial Strategy. These are updated within the quarterly updates which are reported to Cabinet. However, our review of available papers did not

identify clear reporting on the delivery of savings against plan. Discussions with officers indicate that savings are built into budgets and monitored by service departments. Savings are only reported to members on an exception basis where they are not delivered. We consider that the Council could improve its reporting in this area by reporting a summary setting out the achievement of savings.

In recent years, the Council has relied heavily on the Reset and Recovery programme to deliver the majority of its savings. The target for the Reset and Recovery programme had been set at £3.5m over 5 years to 31 March 2022. Discussions with management identified that the Reset and Recovery programme fell short of this target by c.£1m. Going forward, the Council has identified in its latest Medium Term Financial Strategy that savings of £1.8m per annum will be required over the next 5 years.

The Council has reported back to members quarterly on the progress of the Reset and Recovery programme with a conclusion to the programme due in March 2023. At present there does not appear to be a programme in place to continue the good work of the Reset and Recovery programme and therefore we have recommended that the Council considers implementing a stage two to the programme.

We have also recommended that management continue to regularly update members on the progress on the savings schemes with sufficient detail so that members can hold management accountable where the savings plans are not being delivered in the agreed timescales.

## Financial Planning

The Corporate Plan clearly sets out corporate strategic priorities, which are also referenced within the Council's financial planning. The plan provides a framework to invest in the Council's broader ambitions and long term priorities, as well as the recovery from COVID-19. We are satisfied there is a clear linkage between the Medium Term Financial Strategy and the priorities set out in the Corporate Plan.

The capital programme also supports the Council's corporate priorities. The capital programme is mainly focused on the development of the high street as part of the future high streets project. The two largest projects for the Council moving forward are the future high streets project (£11.8m) and the planned works to HRA dwellings (£21.75m). The Council has an ongoing capital programme of over £22.4m for 2022/23 and had an asset base of £272m as at 31 March 2022. There was slippage in capital spending due to COVID in 2020/2 and 2021/22, but the spending achieved does reflect the Council's priorities as set out in the Corporate Plan.

## Managing risks to financial resilience

The Council has identified risks to the capital and revenue forecasts as part of the medium term financial strategy. These risks are scored as high, medium or low and given a control measure in order to reduce the risk to the medium term financial strategy. The 2023/24 medium term financial strategy has identified a shortfall in the General Fund of £8.8m over 5 years.

The majority of this shortfall will be managed by planned savings and policy changes.

Generally, we find the Council to be well managed and there is a high level of understanding of its budgetary position, budgetary pressures and any savings required. There is an established process by which the budget is reviewed regularly, and issues are reported on a timely basis to those charged with governance.

## Page 15 Capital

The Council has a Capital Strategy in place which is clearly linked to the priorities in the Corporate Plan. The capital programme includes spending across the future high streets project, disabled facilities grants, castle grounds tennis courts, new build housing and housing maintenance and repairs. The MTFS takes into account the revenue costs of capital expenditure and we have not identified any inconsistencies between the capital strategy and other financial plans.

The Council's five-year capital programme reported to members February 2022 details the capital programme from 2022/23 to 2026/27. This shows a significant level of capital spend, in the General Fund of £18.8m and in the Housing Revenue Account of £46.4m across the five years. The quarter three 2022/23 report details that the Council has deferred £19.2m of the 2021/22 capital programme in to 2022/23 and will look to reprofile £25.1m of this programme to 2023/24. This clearly represents a significant challenge for the Council.

During the 2021/22 financial year, the Council began its

work on the Future High Streets Project. The Council has acquired a number of assets required for the project as well as appointing expert advisers to assist with the deliver and management of the project. Management report on the financial performance of this project to members quarterly and they are closely monitored by the Executive Director – Finance.

### Investments

During 2021/22 the Council maintained an average balance of £75.3m of internally managed funds. The internally managed funds earned an average rate of return of 0.28%. The comparable performance indicator is the average 7-day SONIA rate which was 0.139%. This compared with a budget assumption of £34.484m investment balances earning an average rate of 0.25%. The majority of the investments are with other Councils or Money Market Funds.

The Council also holds some more complex investments such as the Ankerside shopping centre, the risk profile of this investment has increased over the past year due to the change in ownership of the lessee. In recent years, the council have increased their investment into property funds. This has in turn increased the Council's exposure to the market. We have reviewed the Council's processes for determining which funds to invest in and are satisfied that the Council took appropriate advice. Property fund performance is reported quarterly to Cabinet (& Corporate Scrutiny Committee) and is also included as part of the three statutory Treasury reports during the year (Plan, Mid year and Outturn).

### Summary of findings

Overall, we are satisfied the Council has appropriate arrangements in place to ensure it manages risks to its financial sustainability. We have not identified any significant weaknesses and have not raised any key recommendations. We have raised 2 improvement recommendations as a result of our review.

# Improvement recommendations



## Financial sustainability

### Recommendation 1

The Council needs to identify what comes next now that the reset and recovery programme has ended. There are challenges in relation to the financial position in future years and a development of the Reset and Recovery programme will help to stabilise the financial position.

### Why/impact

The Council's 2022/23 budget identified the need for savings of £2.5m over the next 3 financial years, with the MTFS at the time (to 2025) showing a significant reduction in the Council's General Fund Balance (as shown on page 5).

### Auditor judgement

At present there does not appear to be a programme in place to continue the good work of the Reset and Recovery programme, which was a significant programme of savings.

### Management Comments

The Medium Term Financial Strategy projections are updated on a quarterly basis and reported to CMT and Corporate Scrutiny Committee, followed by approval at Cabinet, as part of the Quarterly Performance report. The development of savings plans to address the updated forecast financial position will be considered as part of the budget setting process for 2024/25.

The range of recommendations that external auditors can make is explained in Appendix C



# Improvement recommendations



## Financial sustainability

### Recommendation 2

The Council should make sure that savings plans are clearly broken down and communicated to members. This should include information explaining the saving plan, the amount it is expected to save, whether the planned savings are recurrent or not, progress to date and a completion timeline.

### Why/impact

Without sufficient detail, members will not be able to properly scrutinise savings plans and understand where there are risks or issues with delivery. This would impact on members' ability to appropriately challenge management.

### Auditor judgement

Management should continue to regularly update members on the progress on the savings schemes with sufficient detail so that members can hold management accountable where the savings plans are not being delivered in the agreed timescales.

### Management Comments

A summary of the progress in delivering the planned savings will be reported on a quarterly basis to CMT and Corporate Scrutiny Committee, followed by approval at Cabinet, as part of the Quarterly Performance report.

The range of recommendations that external auditors can make is explained in Appendix C

# Governance



## We considered how the Council:

- monitors and assesses risk and gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud
- approaches and carries out its annual budget setting process
- ensures effective processes and systems are in place to ensure budgetary control; communicate relevant, accurate and timely management information (including non-financial information); supports its statutory financial reporting; and ensures corrective action is taken where needed, including in relation to significant partnerships
- ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency. This includes arrangements for effective challenge from those charged with governance/audit committee
- monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of staff and board member behaviour (such as gifts and hospitality or declaration/conflicts of interests) and where it procures and commissions services.

## Leadership, decision making and committee effectiveness

Appropriate leadership is in place. The Council operates a Leader and Cabinet form of executive arrangements. In addition, there are four scrutiny committees which hold the Cabinet to account.

The work of the Council's committees is governed by the constitution. This constitution is regularly reviewed and updated, and was last reviewed in December 2020. Relevant information is provided to decision makers before major decisions are made to ensure there is appropriate challenge. Scrutiny is focussed on the Council's performance against the Council's vision and there is a link between performance and finance.

The Annual Governance Statement should be read alongside the Council's constitution, which sets out how the Council operates, how decisions are made and the policies which are followed to ensure that these are efficient, transparent and accountable to local people. The constitution is shared with all staff members on joining and is openly available on the Council's website.

## Monitoring and assessing risk

The Corporate Risk Register is presented to Cabinet as part of the medium term financial strategy. Cabinet also consider risk as part of their decision making role on corporate policies, including the annual budget setting processes, major policy decisions and major projects. The Corporate Management Team reviews corporate risks through quarterly monitoring reports.

Key operational risks are reported through to the Corporate Management Team. Risks are identified within individual Service Plans and are considered on a regular basis within departmental management teams. The risk register is maintained on the specialist Pentana system. The risk register contains a sufficient amount of detail covering areas such as the risk matrix, risk score, severity, likelihood, risk description, consequences of the risk, vulnerabilities and causes and who is responsible for managing the risk.

The Council's understanding of and planning for risks appears appropriate.

There is an internal audit function operating at the Council and we are satisfied with the standard of work being carried out by Internal Audit. Internal audit completed 80% of their planned 17 audits during the 2021/22 year, with a high level of recommendations accepted. At the end of 2021/22 there were 93 recommendations outstanding, 24 of these were high priority, 51 medium priority and 18 low priority actions. 16 of the 24 high priority recommendations were overdue at 31 March 2022, these have been followed up with management in quarter 1. It is recommended that a plan is implemented to clear these recommendations and the progress against this plan is monitored closely.

The effectiveness of the implementation of these processes and staff awareness of the requirements of the Code is regularly tested. The Council has continued to ensure its staff are aware of responsibilities in relation to fraud and bribery and has an Anti-bribery Policy to support staff. The Council takes its responsibility for countering these issues very seriously. The Counter Fraud

Service (LCFS) reports progress and plans quarterly to Audit and Governance Committee. Any identified cases of fraud are proactively investigated, and criminal cases pursued where the evidence supports it. LCFS provide a combination of fraud awareness newsletters and training, hold meetings with key managers and engage in active investigations.

### Budget Setting Process

The budget-setting process is multi-layered and thorough, with several stages. The draft budget is presented to Cabinet for review in December, with additional papers presented to Cabinet to approve the budget in February. There is also a quarterly review of budget to outturn position by Cabinet.

The budget and MTFS are considered concurrently. There is not a separate standalone MTFS, but the longer-term projections and any risks to the medium term are incorporated into the reports accompanying the budgetary information considered by Cabinet quarterly.

This high level of scrutiny together with the Council's track record of achieving its planned savings and balancing its budget confirm the strength and validity of the budget setting processes in place.

### Budgetary control

There are good systems in place for oversight of the budget. The finance department engages at least monthly with budget holders. As well as quarterly budget

reports to cabinet, budget holders have access to real time information through discussions with the finance team. There is stringent in-year oversight of the budget at a high level, with the Scrutiny Committees and Corporate Management Team reviewing and assessing the actual outturn and future risks to the budget. The quarterly budget monitoring reports detail variances by department (and service lines within departments) demonstrating a regular identification of in-year variances. Actions being taken or to be taken by departments in response to such variances are clearly set out.

### Monitoring and ensuring appropriate standards

The Council has arrangements in place to monitor compliance with legislation and regulatory standards. The arrangements include the oversight of the Monitoring Officer, and the work of internal audit.

The Annual Governance Statement is compliant with the CIPFA code. An appropriate level of care is taken to ensure the Council's policies and procedures comply with all relevant codes and legislative frameworks.

The Council has a Counter-Fraud and Counter Corruption Policy, as well as a Whistleblowing Policy, Code of Conduct and Anti-Money Laundering Guidance. These document the policies and procedures of the Council, as well as the ethical behaviours expected of staff.

A Register of Interests is maintained, and there is a standing item on all meetings of the boards and panels to disclose any interests relating to matters on the agenda.

There is a good suite of policies in place, covering anti-fraud and corruption, and the Council has an established anti-fraud culture. We identified in the previous year, that the Council could disclose gifts or hospitality which had been declined, this has not yet been introduced but will be considered when the policy is next reviewed.

We have not been made aware of any significant non-compliance with the Council's governance framework, other breaches of legislation or regulatory standards, or serious data breaches.

### Summary of findings

Overall, we are satisfied the Council has appropriate governance arrangements in place. We have not identified any significant weaknesses and have not raised any key recommendations. We have raised 1 improvement recommendation as a result of our review.

# Improvement recommendations



## Governance

### Recommendation 3

At March 2022, there were 93 recommendations from IA outstanding, of these, 24 were high priority. It is recommended that the Council work to action these recommendations and reduce the level outstanding.

### Why/impact

Recommendations from IA, especially high priority recommendations, should be an area of focus for officers and staff.

### Auditor judgement

The number of outstanding recommendations at the Council at March 2022 was much higher than we would normally expect to see at a Borough Council.

### Management Comments

Significant progress has been made in reducing the number of outstanding audit recommendations in recent years. As at 31st December 2022, there were 13 high priority recommendations outstanding. Progress in resolving outstanding audit recommendations is reviewed by the Audit Manager and respective Assistant Director on a quarterly basis to inform the Quarterly Internal Audit Progress report – as reported to CMT and Audit and Governance Committee on a quarterly basis.

The range of recommendations that external auditors can make is explained in Appendix C

# Improving economy, efficiency and effectiveness



## We considered how the Council:

- uses financial and performance information to assess performance to identify areas for improvement
- evaluates the services it provides to assess performance and identify areas for improvement
- ensures it delivers its role within significant partnerships and engages with stakeholders it has identified, in order to assess whether it is meeting its objectives
- where it commissions or procures services assesses whether it is realising the expected benefits.

## Working in partnership

The Council works in partnership with a relatively large number of organisations, contributing effectively to the arrangements and agenda for each partnership or group. For example, the Council's waste service is delivered as part of a joint operation with Lichfield District Council and has been successful.

The Council has good relationships with the Voluntary and Community Sector, and joint projects were delivered during the Covid-19 pandemic. The Council does not however have a partnership plan in place at present, though we are aware that one is being developed.

We are satisfied that the Council can demonstrate partnership working across a number of areas.

## Procurement

In 2019, The Council moved away from having a formal procurement strategy. We have discussed with the Council how they ensure they are following the recommendations set out in the LGA national procurement strategy and we are satisfied the Council has adequate processes and controls in place to meet these. The Council monitors the performance of procurement through monthly reports to the Corporate Management Team.

In our previous year's work, we identified that the Council had not updated its transparency code disclosures in a timely manner, however we have confirmed that this has now been updated and continues to be updated regularly.

The Council does not monitor its spend by supplier. This would be helpful to identify any unusual suppliers but also to aid with contract monitoring.

Those charged with governance are only made aware of the performance of contracts on an exception basis. This means that contracts are only reported to them where there are significant performance issues. We consider that those charged with governance should be informed of all significant contracts which could impact the Council.

We have reviewed the contract monitoring process for two of the significant contracts. It has been identified that the Council meet monthly with the contractor to monitor performance against KPIs. The report shared with us showed that the Council had KPI results significantly different to that of the contractor. We challenged management as to why this happened but did not receive a response.

Through our review of the procurement processes in place we have concluded that overall the procurement processes in place are appropriate, though we have raised some improvement recommendations as set out on subsequent pages of this report.

## Future High Street Fund

During 2021/22 the Council's Town Regeneration project progressed further. By the end of the year, the Council had acquired some of the key assets required as part of the project and during 2022/23, the Council appointed the contractor who will be undertaking the work. We have reviewed the arrangements the Council has in place with

regards to monitoring of the project and deem that the arrangements in place are adequate. The Council have also worked closely with the other stakeholders in the project which is demonstrated through the Future High Streets Management Board.

The Council have appointed McBaner as their advisors in relation to the project and to date have made use of the reports in the design stage of the project and also the tendering stage. In addition, the Council have a full time project manager assigned to the project, which will help to ensure the project is delivered on time and on budget.

There has been a lot of significant progress made on this project during the 2022/23 financial year, such as obtaining all of the key assets required and appointing the contractor who will be undertaking the work.

To date we have not identified any significant weaknesses in the Council's arrangements, but this will be an area of particular focus for us in our 2022/23 Value for Money work.

## Performance monitoring

Key Performance Indicators (KPIs) are reported on the performance page of the Council's website and included within the quarterly performance reports to Cabinet. The Council changed to this method of reporting in 2019 in order to streamline the level of KPIs reported to Cabinet. Cabinet reviews the performance reports on a quarterly basis. KPIs are also reported as part of the individual service plans.

We identified that at the time of our work, the performance page of the Council's website had not been updated since quarter four of the 2020/21 financial year. We have raised an improvement recommendation in relation to this, however, we do note that performance has been reported at least quarterly to members and the minutes of these meetings are available publicly on the Council's website.

## Service plans

It was reported in the previous year that although service plans are in place for most services, these are not always maintained and kept up to date. We have confirmed that the Council have service plans for each service, dated 2022-24, demonstrating that the Council has attempted to update these plans. We have noted that there remain issues with many of these plans, with key issues identified being:

- indicators which have not been updated recently;
- projects reporting zero progress but a due date in the near future;
- KPIs for which no data is reported, so users cannot determine whether the service is operating effectively; and
- KPIs for which no information was included to enable the user to assess performance against either previous periods or the current target, sometimes both.

Taking the customer services service plan as an example: the plan includes 28 indicators, but only three of these have a current value and none of them have any

information on targets. Of the three indicators with a value, only one has a trend chart which enables the user to see how the indicator has moved over time.

We therefore recommend that service plans include KPIs which are measurable, and enough information to allow the user to determine whether the service is operating effectively.

We also recommend that the service plans are updated regularly as the projects within them progress so that performance can be monitored more closely.

## Benchmarking

It was identified in the previous year that the Council does not consistently use external benchmarking as a tool to measure performance and identify improvement opportunities. We have previously raised an improvement recommendation in this area, the Council have purchased some external benchmarking from LG Futures. The Council are yet to receive this data.

Grant Thornton prepared benchmarking reports for each Council that we audit to help auditors identify risks of significant weaknesses in arrangements. Review of this report for Tamworth Borough Council does not indicate any such risks.

The report highlighted some areas of relatively low spending, such as environmental and regulatory spend, but also highlighted a number of services where the Council's spend is relatively high.

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These are:

- cultural and related services costs. This is due to the higher spend on; museums and galleries, open spaces, theatres and public entertainment, tourism and sports and recreation facilities.
- planning and development costs. This is due to community development spend.

High spend is not necessarily an indicator of poor or inefficient services. Rather it can be a decision to invest in appropriate local services. We have discussed this with the Executive Director - Finance, and he is satisfied that the areas of high spend are in line with the Council's priorities. The Council should reflect on this benchmarking and whether it is satisfied with service spend.

## Summary of findings

Overall, we are satisfied the Council has appropriate arrangements in place to secure economy, efficiency and effectiveness in its use of resources. We have not identified any significant weaknesses and have not raised any key recommendations. We have raised 3 improvement recommendations as a result of our review.

# Improvement recommendations



Improving economy, efficiency and effectiveness

## Recommendation 4

The Council should ensure they have a procurement pipeline in place which will allow them to proactively monitor their contracts.

## Why/impact

A pipeline would allow for forward planning, and better consideration of upcoming requirements from a value for money perspective. It would also mitigate the risk of last-minute issues and decision-making.

## Auditor judgement

The more information the Council can gather on its future procurement needs, the better its ability to make decisions not only in relation to individual contracts, but also with regards to resourcing the work required.

## Management Comments

This has already been recognised by the Council and is being developed to inform procurement resourcing requirements. The procurement team continue to develop new methods of working to enhance and manage the support they can provide and to improve the governance of the procurement process. A key element of this work is the establishment of the procurement pipeline. Progress is reported quarterly to CMT as part of the Quarterly Procurement Process Update report.

The range of recommendations that external auditors can make is explained in Appendix C



# Improvement recommendations



Improving economy, efficiency and effectiveness

## Recommendation 5

The Council's performance page of the website should be kept up to date with details of the Council's quarterly performance.

## Why/impact

Information made available to the public should be kept up to date wherever possible.

## Auditor judgement

Our work has enabled us to identify a weakness in arrangements which we do not consider to be significant, but have raised a recommendation to support management in making appropriate improvements.

## Management Comments

As soon as management were aware of the issue, the website was updated immediately with the latest quarterly performance information, which is also available with the relevant Committee agenda.

The range of recommendations that external auditors can make is explained in Appendix C

# Improvement recommendations



Improving economy, efficiency and effectiveness

## Recommendation 6

The service plans provided by the Council in many cases did not include KPIs which could be monitored and showed as nil values. In addition, some service plans did not provide updates on progress of the actions required identified in the report.

## Why/impact

Service plans with missing or out of date information are not a useful tool for their intended purpose, and could lead to important information or risks being obscured.

## Auditor judgement

It is important that the KPIs and progress updates included in these reports are clear, relevant and timely so that the plans can be utilised for their intended purpose.

## Management Comments

A comprehensive review of all service plans was carried out in 2022 in line with the new Corporate Plan and new service plans with associated key performance indicators being developed. These should be updated on a monthly basis and it is planned will be reported to members on a quarterly basis within the Quarterly Performance report (as reported to CMT, Corporate Scrutiny Committee and Cabinet quarterly). A number of service plans are clearly managed well and up to date but it has been recognised that a number of service plans require bringing up to date prior to the first quarterly report for 2023/24.

The range of recommendations that external auditors can make is explained in Appendix C

# Improvement recommendations



Improving economy, efficiency and effectiveness

## Recommendation 7

The Council should ensure that it understands why its KPIs differ from those of contractors where relevant.

## Why/impact

Differences in KPI reporting may result from different interpretations of data, the use of inconsistent data, or the use of differing KPI definitions. As KPIs are often contractual, it is important that these differences are understood and addressed.

## Auditor judgement

We reviewed the contract monitoring process for two of the Council's significant contracts and identified that the Council had KPI results significantly different to that of the contractor in places. We challenged management as to why this happened but did not receive a response. We therefore do not have assurance that management understand the reasons for these differences.

## Management Comments

The differences will be investigated and an update reported to the Audit and Governance Committee.

The range of recommendations that external auditors can make is explained in Appendix C

# Follow-up of previous recommendations

Recommendation	Type of recommendation	Date raised	Progress to date	Addressed?	Further action?
1 There is no requirement to register gifts or hospitality which have been declined. This could be helpful to report to other members as a matter of course, so they can be alert in case they are also approached and offered something which ought to be declined.	Improvement	March 2022	This has not yet been introduced.	No	To be considered when the policy is next reviewed.
2 Service plans should be kept up to date and contain sufficient detail to enable management to assess the performance of the service lines. This should also be included in reports to members. In addition, key performance indicators (KPIs) should be provided to members so that they can form a view of whether the service is performing well.	Improvement	March 2022	We have confirmed that the Council have service plans for each service, however there remain issues with many of these plans.	Yes	A further recommendation has been raised in this report – see Recommendation 6 on the previous pages.
3 The Council does not have a consistent approach to the use of external benchmarking (to measure performance and identify improvement opportunities).	Improvement	March 2022	The Council have purchased external benchmarking from LG Futures. The Council are yet to receive this data.	Yes	Consideration should be given to this information once received.
4 The transparency code disclosure should be kept up to date and published in line with the code guidelines.	Improvement	March 2022	We have confirmed that this has now been updated and continues to be updated regularly.	Yes	No
5 The Council should monitor spend with each supplier to identify any unexpected amounts. This will aide in identify whether contracts for the supply of goods are being used appropriately.	Improvement	March 2022	The Council does not monitor its spend by supplier.	No	Not yet addressed
6 Those charged with governance are only made aware of the performance of contracts on an exception basis. This means that they are only made aware of contract performance when a contract is not performing as it should. We consider that those charged with governance should be informed of all significant contracts which could impact the Council.	Improvement	March 2022	Those charged with governance are still only made aware of the performance of contracts on an exception basis.	No	Not yet addressed

# Opinion on the financial statements



## Audit opinion on the financial statements

We gave an unqualified opinion on the Council's financial statements on 29 November 2022.

## Audit Findings Report

More detailed findings can be found in our AFR, which was published and reported to the Council's Audit and Governance Committee on 15 November 2022.

## Whole of Government Accounts

To support the audit of the Whole of Government Accounts (WGA), we are required to review and report on the WGA return prepared by the Council. This work includes performing specified procedures under group audit instructions issued by the National Audit Office.

Our work did not identify any issues.

## Preparation of the accounts

The Council provided draft accounts in line with the national deadline and provided a good set of working papers to support it.

## Grant Thornton provides an independent opinion on whether the accounts are:

- True and fair
- Prepared in accordance with relevant accounting standards
- Prepared in accordance with relevant UK legislation



# Appendices

# Appendix A – Responsibilities of the Council

Public bodies spending taxpayers' money are accountable for their stewardship of the resources entrusted to them. They should account properly for their use of resources and manage themselves well so that the public can be confident.

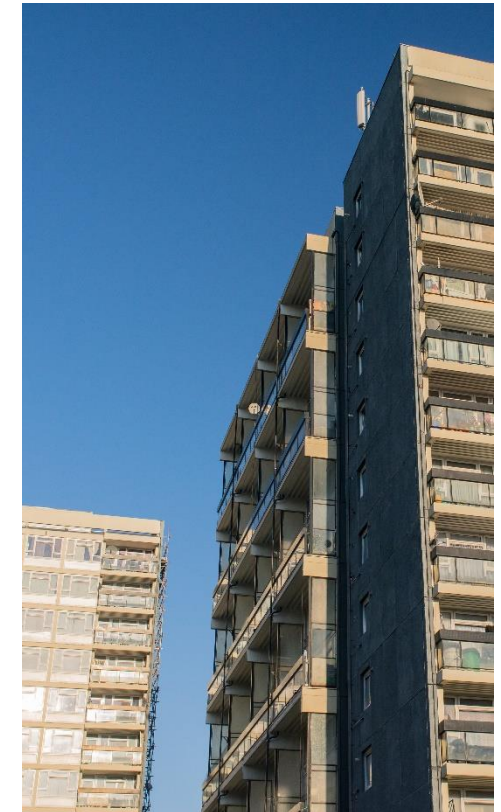
Financial statements are the main way in which local public bodies account for how they use their resources. Local public bodies are required to prepare and publish financial statements setting out their financial performance for the year. To do this, bodies need to maintain proper accounting records and ensure they have effective systems of internal control.

All local public bodies are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. Local public bodies report on their arrangements, and the effectiveness with which the arrangements are operating, as part of their annual governance statement

The Chief Financial Officer (or equivalent) is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Chief Financial Officer (or equivalent) determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Chief Financial Officer (or equivalent) or equivalent is required to prepare the financial statements in accordance with proper practices as set out in the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom. In preparing the financial statements, the Chief Financial Officer (or equivalent) is responsible for assessing the Council's ability to continue as a going concern and use the going concern basis of accounting unless there is an intention by government that the services provided by the Council will no longer be provided.

The Council is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.



# Appendix B – Opinion on the financial statements and use of auditor's powers

We bring the following matters to your attention:

## Opinion on the financial statements

Auditors are required to express an opinion on the financial statements that states whether they : (i) present a true and fair view of the Council's financial position, and (ii) have been prepared in accordance with the CIPFA/LASAAC Code of practice on local authority accounting in the United Kingdom 2021/22

We have completed our audit of your financial statements and issued an unqualified audit opinion on 29 November 2022, following the Audit Committee meeting on 15 November 2022. Our findings are set out in further detail on page 20.

## Statutory recommendations

Under Schedule 7 of the Local Audit and Accountability Act 2014, auditors can make written recommendations to the audited body which need to be considered by the body and responded to publicly

We did not issue any statutory recommendations.

## Public Interest Report

Under Schedule 7 of the Local Audit and Accountability Act 2014, auditors have the power to make a report if they consider a matter is sufficiently important to be brought to the attention of the audited body or the public as a matter of urgency, including matters which may already be known to the public, but where it is in the public interest for the auditor to publish their independent view.

We did not issue a Public Interest Report.

## Application to the Court

Under Section 28 of the Local Audit and Accountability Act 2014, if auditors think that an item of account is contrary to law, they may apply to the court for a declaration to that effect.

We did not apply to the Court.

## Advisory notice

Under Section 29 of the Local Audit and Accountability Act 2014, auditors may issue an advisory notice if the auditor thinks that the authority or an officer of the authority:

- is about to make or has made a decision which involves or would involve the authority incurring unlawful expenditure,
- is about to take or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency, or
- is about to enter an item of account, the entry of which is unlawful.

We did not issue an advisory notice.

## Judicial review

Under Section 31 of the Local Audit and Accountability Act 2014, auditors may make an application for judicial review of a decision of an authority, or of a failure by an authority to act, which it is reasonable to believe would have an effect on the accounts of that body.

We did not apply for a judicial review.



# Appendix C – An explanatory note on recommendations

A range of different recommendations can be raised by the Council’s auditors as follows:

Type of recommendation	Background	Raised within this report	Page reference
Statutory	Written recommendations to the Council under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014.	No	
Key	The NAO Code of Audit Practice requires that where auditors identify significant weaknesses as part of their arrangements to secure value for money they should make recommendations setting out the actions that should be taken by the Council. We have defined these recommendations as ‘key recommendations’.	No	
Improvement	These recommendations, if implemented should improve the arrangements in place at the Council, but are not a result of identifying significant weaknesses in the Council’s arrangements.	Yes	Pages 8, 9, 12, 16, 17, 18



# Tamworth Borough Council audit plan

Year ending 31 March 2023

Tamworth Borough Council  
7 June 2023  
Page 35

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The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit planning process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the Council or all weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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# Key matters



## National context

For the general population, rising inflation rates, in particular for critical commodities such as energy, food and fuel, is pushing many households into poverty and financial hardship, including those in employment. At a national government level, recent political changes have seen an emphasis on controls on spending, which in turn is placing pressure on public services to manage within limited budgets.

Local Government funding continues to be stretched with increasing cost pressures due to the cost of living crisis, including higher energy costs, increasing pay demands, higher agency costs and increases in supplies and services. Local authority front-line services play a vital role in protecting residents from rising costs; preventing the most vulnerable from falling into destitution and helping to build households long-term financial resilience. At a local level, councils are also essential in driving strong and inclusive local economies, through their economic development functions and measures like increasing the supply of affordable housing, integrating skills and employment provision, and prioritising vulnerable households to benefit from energy saving initiatives. Access to these services remains a key priority across the country, but there are also pressures on the quality of services. These could include further unplanned reductions to services and the cancellation or delays to major construction projects such as new roads, amenities and infrastructure upgrades to schools, as well as pothole filling.

Our recent value for money work has highlighted a number of governance and financial stability issues at a national level, which is a further indication of the mounting pressure on audited bodies to keep delivering services, whilst also managing transformation and making savings at the same time.

In planning our audit, we will take account of this context in designing a local audit programme which is tailored to your risks and circumstances.

## Audit Reporting Delays

In a report published in January 2023 the NAO have highlighted that since 2017-18 there has been a significant decline in the number of local government body accounts including an audit opinion published by the deadlines set by government. The NAO outline a number of reasons for this and proposed actions. In our view, it is critical to early sign off that draft local authority accounts are prepared to a high standard and supported by strong working papers.

# Key matters



## Our Responses

- As a firm, we are absolutely committed to audit quality and financial reporting in the local government sector. Our proposed work and fee, is set out later in this audit plan.
- We will consider your arrangements for managing and reporting your financial resources as part of our audit in completing our Value for Money work.
- Our value for money work will also consider your arrangements relating to governance and improving economy, efficiency and effectiveness.
- We will continue to provide you and your Audit Committee with sector updates providing our insight on issues from a range of sources and other sector commentators via our Audit Committee updates.
- We hold annual financial reporting workshops for our audited bodies to access the latest technical guidance and interpretation, discuss issues with our experts and create networking links with other audited bodies to support consistent and accurate financial reporting across the sector.

# Introduction and headlines

## Purpose

This document provides an overview of the planned scope and timing of the statutory audit of Tamworth Borough Council ('the Council') for those charged with governance.

## Respective responsibilities

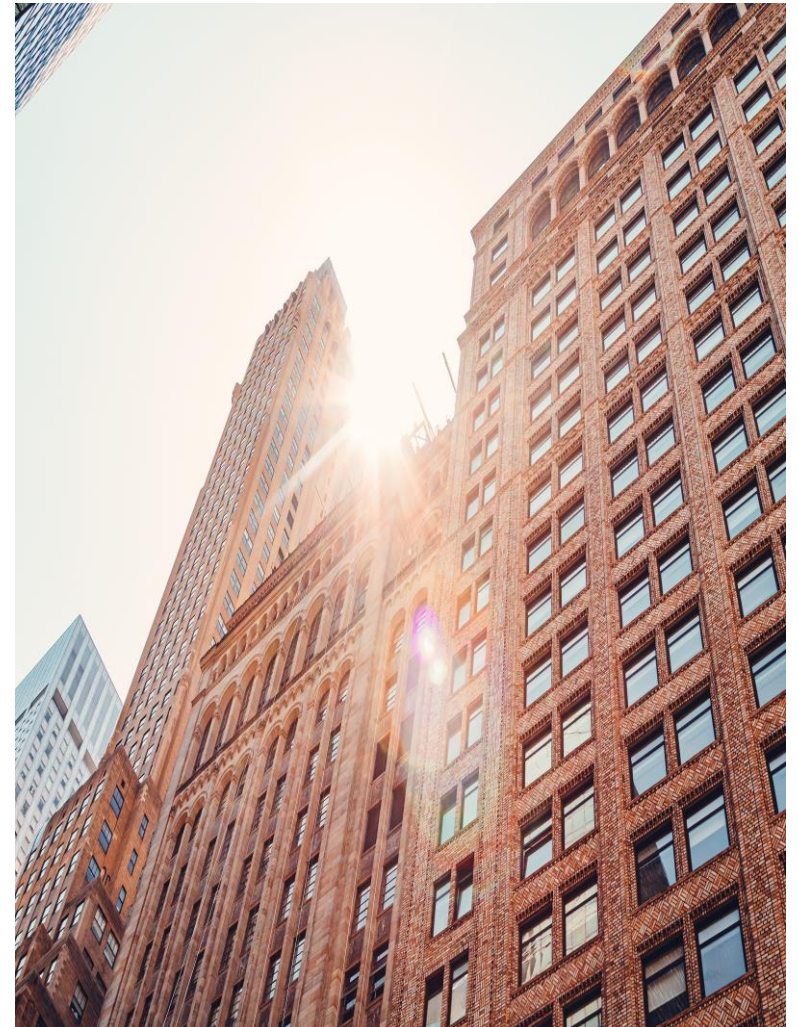
The National Audit Office ('the NAO') has issued a document entitled Code of Audit Practice ('the Code'). This summarises where the responsibilities of auditors begin and end and what is expected from the audited body. Our respective responsibilities are also set out in the Terms of Appointment and Statement of Responsibilities issued by Public Sector Audit Appointments (PSAA), the body responsible for appointing us as auditor of Tamworth Borough Council. We draw your attention to both of these documents.

## Scope of our audit

The scope of our audit is set in accordance with the Code and International Standards on Auditing (ISAs) (UK). We are responsible for forming and expressing an opinion on the Council's financial statements that have been prepared by management with the oversight of those charged with governance (the Audit and Governance committee); and we consider whether there are sufficient arrangements in place at the Council for securing economy, efficiency and effectiveness in your use of resources. Value for money relates to ensuring that resources are used efficiently in order to maximise the outcomes that can be achieved.

The audit of the financial statements does not relieve management or the Audit and Governance Committee of your responsibilities. It is the responsibility of the Council to ensure that proper arrangements are in place for the conduct of its business, and that public money is safeguarded and properly accounted for. We have considered how the Council is fulfilling these responsibilities.

Our audit approach is based on a thorough understanding of the Council's business and is risk based.



# Introduction and headlines

## Significant risks

Those risks requiring special audit consideration and procedures to address the likelihood of a material financial statement error have been identified as:

- Valuation of council dwellings, other land and buildings and investment property;
- Valuation of the net pension liability; and
- Management override of controls.

We will communicate significant findings on these areas as well as any other significant matters arising from the audit to you in our Audit Findings (ISA 260) Report.

## Materiality

We have determined planning materiality to be £1,000k (PY £1,000k) for the Council, which equates to 1.95% of your prior year gross operating costs for the year. We are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance. As part of our risk assessment, we have considered the impact of unadjusted prior period errors. Clearly trivial has been set at £50k (PY £50k).

We have also set a materiality of £10k (PY £10k) for the disclosures relating to senior officers remuneration.

## Value for Money arrangements

Our Value for Money risk assessment remains in progress. However, based on the assessment completed to date we do not anticipate any significant VFM audit risks that will impact the audit for 2022/23.

We will continue our review of your arrangements, including reviewing your Annual Governance Statement, before we issue our auditor's annual report.

## New Auditing Standards

There are two auditing standards which have been significantly updated this year. These are ISA 315 (Identifying and assessing the risks of material misstatement) and ISA 240 (the auditor's responsibilities relating to fraud in an audit of financial statements).

We provide more detail on the work required later in this plan.

## Audit logistics

Our interim visit has taken place in February and our final visit will begin in July. Our key deliverables are this Audit Plan, our Audit Findings Report and Auditor's Annual Report.

Our proposed fee for the audit will be £64,226 (PY: £71,975) for the Council, subject to the Council delivering a good set of financial statements and working papers.

We have complied with the Financial Reporting Council's Ethical Standard (revised 2019) and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements.



# Significant risks identified

Significant risks are defined by ISAs (UK) as risks that, in the judgement of the auditor, require special audit consideration. In identifying risks, audit teams consider the nature of the risk, the potential magnitude of misstatement, and its likelihood. Significant risks are those risks that have a higher risk of material misstatement.

Risk	Reason for risk identification	Key aspects of our proposed response to the risk
<p>Risk of fraud in revenue recognition and expenditure (Rebutted)</p>	<p>Under ISA (UK) 240 there is a rebuttable presumed risk that revenue may be misstated due to the improper recognition of revenue.</p> <p>This presumption can be rebutted if the auditor concludes that there is no risk of material misstatement due to fraud relating to revenue recognition.</p> <p>Having considered the risk factors set out in ISA240 and the nature of the revenue streams at the Council, we have determined that the risk of fraud arising from revenue recognition can be rebutted, because:</p> <ul style="list-style-type: none"> <li>• There is little incentive to manipulate revenue recognition</li> <li>• Opportunities to manipulate revenue recognition are very limited</li> <li>• The culture and ethical frameworks of local authorities, including Tamworth Borough Council mean that all forms of fraud are seen as unacceptable.</li> </ul> <p>Whilst not a presumed significant risk, we have had regard to Practice Note 10, which comments that for certain public bodies, the risk of manipulating expenditure may well be greater than that of income.</p> <p>Having considered the risk of improper recognition of expenditure at Tamworth Borough Council we are satisfied that this is not a significant risk for the same reasons set out above.</p>	<p>Notwithstanding that we have rebutted this risk, we will still undertake a significant level of work on the Council's revenue streams, as they are material. We will:</p> <p><u>Accounting policies and systems</u></p> <ul style="list-style-type: none"> <li>• Evaluate the Council's accounting policies for recognition of income and expenditure for its various income streams and compliance with the CIPFA Code</li> <li>• Update our understanding of the Council's business processes associated with accounting for income</li> </ul> <p><u>Fees, charges and other service income</u></p> <ul style="list-style-type: none"> <li>• Agree, on a sample basis, income and year end receivables from other income to invoices and cash payment or other supporting evidence.</li> </ul> <p><u>Taxation and non-specific grant income</u></p> <ul style="list-style-type: none"> <li>• Income for national non-domestic rates and council tax is predictable and therefore we will conduct substantive analytical procedures</li> <li>• For other grants we will sample test items back to supporting information and subsequent receipt, considering accounting treatment where appropriate.</li> </ul> <p><u>Expenditure</u></p> <ul style="list-style-type: none"> <li>• Update our understanding of the Council's business processes associated with accounting for expenditure</li> <li>• Agree, on a sample basis, expenditure and year end creditors to invoices and cash payment or other supporting evidence</li> </ul> <p>We will also design tests to address the risk that income and expenditure have been misstated by not being recognised in the correct financial year.</p>

'Significant risks often relate to significant non-routine transactions and judgmental matters. Non-routine transactions are transactions that are unusual, due to either size or nature, and that therefore occur infrequently. Judgmental matters may include the development of accounting estimates for which there is significant measurement uncertainty.' (ISA (UK) 315)

# Significant risks identified

Risk	Reason for risk identification	Key aspects of our proposed response to the risk
Management over-ride of controls	<p>Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management over-ride of controls is present in all entities. The Council faces external scrutiny of its spending and this could potentially place management under undue pressure in terms of how they report performance.</p> <p>We therefore identified management override of control, in particular journals, management estimates and transactions outside the course of business as a significant risk, which was one of the most significant assessed risks of material misstatement.</p>	<p>We will:</p> <ul style="list-style-type: none"> <li>• evaluate the design effectiveness of management controls over journals;</li> <li>• analyse the journals listing and determine the criteria for selecting high risk unusual journals;</li> <li>• test high risk unusual journals recorded during the year and after the draft accounts stage for appropriateness and corroboration;</li> <li>• gain an understanding of the accounting estimates and critical judgements applied made by management and consider their reasonableness with regard to corroborative evidence; and</li> <li>• evaluate the rationale for any changes in accounting policies, estimates or significant unusual transactions.</li> </ul>
Valuation of council dwellings, other land and buildings and investment property	<p>Revaluation of council dwellings, other land and buildings and investment property should be performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. The Council revalues its land and buildings on a rolling basis to ensure that the carrying value is not materially different from the current value or fair value (for surplus assets) at the financial statements date.</p> <p>This valuation represents a significant estimate by management in the financial statements due to the size of the numbers involved and the sensitivity of this estimate to changes in key assumptions.</p> <p>The risk will be pinpointed as part of our final accounts work, once we have understood the population of assets revalued. We will report an updated risk assessment for valuation of land and buildings in our Audit Findings Report.</p>	<p>We will:</p> <ul style="list-style-type: none"> <li>• evaluate management's processes and assumptions for the calculation of the estimate, the instructions issued to valuation experts and the scope of their work;</li> <li>• evaluate the competence, capabilities and objectivity of the valuation expert;</li> <li>• write to the valuer to confirm the basis on which the valuation was carried out to ensure that the requirements of the CIPFA code are met;</li> <li>• challenge the information and assumptions used by the valuer to assess completeness and consistency with our understanding;</li> <li>• test, on a sample basis, revaluations made during the year to see if they had been input correctly into the Council's asset register and accounted for correctly; and</li> <li>• evaluating the assumptions made by management for those assets not revalued during the year and how management has satisfied themselves that these are not materially different to current value at year end.</li> </ul>

Management should expect engagement teams to challenge management in areas that are complex, significant or highly judgmental which may be the case for accounting estimates and similar areas. Management should also expect to provide to engagement teams with sufficient evidence to support their judgments and the approach they have adopted for key accounting policies referenced to accounting standards or changes thereto.

Where estimates are used in the preparation of the financial statements management should expect teams to challenge management's assumptions and request evidence to support those assumptions.

# Significant risks identified

Risk	Reason for risk identification	Key aspects of our proposed response to the risk
Valuation of the pension fund net liability	<p>The pension fund net liability, as reflected in the balance sheet as the net defined benefit liability, represents a significant estimate in the financial statements.</p> <p>The pension fund net liability is considered a significant estate due to the size of the numbers involved and the sensitivity of the estimate to changes in key assumptions.</p> <p>The methods applied in the calculation of the IAS 19 estimates are routine and commonly applied by all actuarial firms in line with the requirements set out in the Code of practice for local government accounting (the applicable financial reporting framework). We have therefore concluded that there is not a significant risk of material misstatement in the IAS 19 estimate due to the methods and models used in their calculation.</p> <p>The source data used by the actuaries to produce the IAS 19 estimates is provided by administering authorities and employers. We do not consider this to be a significant risk as this is easily verifiable.</p> <p>The actuarial assumptions used are the responsibility of the entity but should be set on the advice given by the actuary. A small change in the key assumptions (discount rate, inflation rate, salary increase and life expectancy) can have a significant impact on the estimated IAS 19 liability. In particular the inflation rates and life expectancy, where, in the prior year, it was disclosed that Variations in the key assumptions will have the following impact on the net liability:</p> <ul style="list-style-type: none"> <li>- A 0.5% decrease in the real discount rate will increase the net pension liability by £15.0m (9%);</li> <li>- A 0.5% increase in the assumed level of salary increases will increase the net pension liability by £1.2m (1%); and</li> <li>- A 0.5% increase in the assumed level of pension increases will increase the net pension liability by £13.5m (8%).</li> </ul> <p>We have therefore concluded that there is a significant risk of material misstatement in the IAS 19 estimate due to the assumptions used in their calculation. With regard to these assumptions we have therefore identified valuation of the Authority's pension fund net liability as a significant risk.</p>	<p>We will:</p> <ul style="list-style-type: none"> <li>• update our understanding of the processes and controls put in place by management to ensure that the Council's pension fund net liability is not materially misstated and evaluate the design of the associated controls;</li> <li>• evaluate the instructions issued by management to their management expert (an actuary) for this estimate and the scope of the actuary's work;</li> <li>• assess the competence, capabilities and objectivity of the actuary who carried out the Council's pension fund valuation;</li> <li>• assess the accuracy and completeness of the information provided by the Council to the actuary to estimate the liability;</li> <li>• test the consistency of the pension fund asset and liability and disclosures in the notes to the core financial statements with the actuarial report from the actuary;</li> <li>• undertake procedures to confirm the reasonableness of the actuarial assumptions made by reviewing the report of the consulting actuary (as auditor's expert) and performing any additional procedures suggested within the report; and</li> <li>• obtain assurances from the auditor of Staffordshire Pension Fund as to the controls surrounding the validity and accuracy of membership data, contributions data and benefits data sent to the actuary by the pension fund and the fund assets valuation in the pension fund financial statements.</li> </ul>

# Other matters

## Other work

In addition to our responsibilities under the Code of Practice, we have a number of other audit responsibilities, as follows:

- We read your Narrative Report and Annual Governance Statement to check that they are consistent with the financial statements on which we give an opinion and our knowledge of the Council.
- We carry out work to satisfy ourselves that disclosures made in your Annual Governance Statement are in line with requirements set by CIPFA.
- We carry out work on your consolidation schedules for the Whole of Government Accounts process in accordance with NAO group audit instructions.
- We consider our other duties under legislation and the Code, as and when required, including:
  - giving electors the opportunity to raise questions about your 2022/23 financial statements, consider and decide upon any objections received in relation to the 2022/23 financial statements;
  - issuing a report in the public interest or written recommendations to the Council under section 24 of the Local Audit and Accountability Act 2014 (the Act).
  - application to the court for a declaration that an item of account is contrary to law under section 28 or a judicial review under section 31 of the Act
  - issuing an advisory notice under section 29 of the Act
- We certify completion of our audit.

## Other material balances and transactions

Under International Standards on Auditing, 'irrespective of the assessed risks of material misstatement, the auditor shall design and perform substantive procedures for each material class of transactions, account balance and disclosure'. All other material balances and transaction streams will therefore be audited. However, the procedures will not be as extensive as the procedures adopted for the risks identified in this report.

# Progress against prior year audit recommendations

We identified the following issues in our 2021/22 audit of the Council's financial statements, which resulted in 3 recommendations being reported in our 2021/22 Audit Findings Report. We have followed up on the implementation of our recommendations and 3 are still to be addressed.

Assessment	Issue and risk previously communicated	Update on actions taken to address the issue
X	<p>We have identified a deficiency regarding the review of security logs. The Council do not review security logs on all of their systems due to the number and size of the logs.</p> <p>The Council received updates regarding potential threats from their various cyber security information sources such as NCSC and West Midlands Police and where relevant would review specific logs in response, but they do not review generally on a periodic basis.</p> <p>The Council should review security logs on a periodic basis.</p>	<p>Due to the number of threats, it is not currently practical or possible to resource a manual review of all security logs unless there's a specific reason i.e., in response to a known threat or alert from our cyber security information sources. In mitigation we have various services which alert us to known cyber threats, we also proactively scan our network for vulnerabilities and patch our systems regularly.</p> <p>However, this issue has been recognised and an assessment carried out on the options for a cost-effective Security Incident and Event Management system (SIEM) which automates reviewing of security logs for key infrastructure, but our conclusion was that the costs were not sustainable.</p> <p>We also looked again at using a 3<sup>rd</sup> party SIEM solution and managing it within the ICT team, but we don't have the resource to do this effectively. We do however recognise that security event log management and threat detection is important so we're now looking at another NCSC recommended open-source tool for managing and archiving security event logs and looking at more cost-effective options focused on improving threat prevention.</p> <p>We continue to perform regular vulnerability scans of our internal and external network with follow-up mitigation work and monitor the latest threat information from our cyber security information sources.</p>

# Progress against prior year audit recommendations (continued)

Assessment	Issue and risk previously communicated	Update on actions taken to address the issue
TBC – as part of this year's audit procedures.	<p>We have identified that the Council have several assets within their asset register which are held at a nil net book value. The gross book value of these assets is £3.6m and whilst there is no impact on the balance sheet, this does inflate the gross book value and accumulated depreciation in note 14.</p> <p>From the work that we have performed we have assurance that these assets are not materially misstating the financial statements. However, a significant balance of assets being held at nil net book value may indicate that these assets were depreciated prematurely.</p> <p>The Council should consider whether their depreciation policy remains appropriate.</p>	<p>The assets within the asset register with a nil net book value were reviewed during 2022/23 and disposal confirmed for the ICT NBV nil assets purchased prior to 2018/19, amounting to £2.35m from the £3.6m identified during the audit.</p> <p>The depreciation policy has been confirmed meaning that ICT assets will continue to be written down over 3 years as the assets will have no material value at that point.</p>
X	<p>Tamworth Borough Council are part of a joint waste service with Lichfield District Council. The Council's share of the assets and liabilities is 41.7% however management have previously assessed that these do not need to be included within the Council's financial position.</p> <p>Our view is that, in line with the Council's accounting policy for 'Joint Operations', the Council should be recognising its share of these assets and liabilities, as it does with its share of the income and expenditure.</p> <p>The total net book value of the assets in question is £nil and the total lease liability is immaterial, so we are satisfied that this does not lead to a material misstatement in the Council's balance sheet.</p>	<p>It has been agreed that as the impact on the balance sheet is not material that the Council would not adjust for this error.</p> <p>When the arrangement is renewed it is expected to be material to the financial statements, and the Council's assessment of the appropriate accounting treatment will need to be revisited at this point.</p>

# Our approach to materiality

The concept of materiality is fundamental to the preparation of the financial statements and the audit process and applies not only to the monetary misstatements but also to disclosure requirements and adherence to acceptable accounting practice and applicable law.

## Determination

We have determined financial statement materiality based on a proportion of the gross expenditure of the Council for the financial year. Materiality at the planning stage of our audit is £1m, which equates to 1.95% of your gross expenditure for the prior period.

We determine planning materiality in order to:

- establish what level of misstatement could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements
- assist in establishing the scope of our audit engagement and audit tests
- determine sample sizes and
- assist in evaluating the effect of known and likely misstatements in the financial statements

## Other factors

An item does not necessarily have to be large to be considered to have a material effect on the financial statements.

We have identified senior officer remuneration as a balance where we will apply a lower materiality level, as these are considered sensitive disclosures. We have set a materiality of £0.01m.

## Reassessment of materiality

Our assessment of materiality is kept under review throughout the audit process.

We reconsider planning materiality if, during the course of our audit engagement, we become aware of facts and circumstances that would have caused us to make a different determination of planning materiality.

## Other communications relating to materiality we will report to the Audit and Governance Committee

Whilst our audit procedures are designed to identify misstatements which are material to our opinion on the financial statements as a whole, we nevertheless report to the Audit and Governance Committee any unadjusted misstatements of lesser amounts to the extent that these are identified by our audit work. Under ISA 260 (UK) 'Communication with those charged with governance', we are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance. ISA 260 (UK) defines 'clearly trivial' as matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria.

We report to the Audit and Governance Committee any unadjusted misstatements of lesser amounts to the extent that these are identified by our audit work.

In the context of the Council, we propose that an individual difference could normally be considered to be clearly trivial if it is less than £0.05m (PY £0.05m). If management have corrected material misstatements identified during the course of the audit, we will consider whether those corrections should be communicated to the Audit and Governance Committee to assist it in fulfilling its governance responsibilities.

# Our approach to materiality

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	Amount (£)
Materiality for the financial statements	1,000,000
Performance Materiality	700,000
Trivial Matters	50,000
Materiality for specific transactions, balances or disclosures:	
- senior officer remuneration	10,000



# IT audit strategy

In accordance with ISA (UK) 315 Revised, we are required to obtain an understanding of the relevant IT and technical infrastructure and details of the processes that operate within the IT environment. We are also required to consider the information captured to identify any audit relevant risks and design appropriate audit procedures in response. As part of this we obtain an understanding of the controls operating over relevant Information Technology (IT) systems i.e., IT general controls (ITGCs). Our audit will include completing an assessment of the design and implementation of relevant ITGCs. We say more about ISA 315 Revised on page 17.

The following IT systems have been judged to be in scope for our audit and based on the planned financial statement audit approach we will perform the indicated level of assessment:

IT system	Audit area	Planned level IT audit assessment
E-financials	Financial reporting	<ul style="list-style-type: none"> <li>Detailed ITGC assessment (design effectiveness only)</li> </ul>
Trent	Payroll	<ul style="list-style-type: none"> <li>Detailed ITGC assessment (design effectiveness only)</li> </ul>
Academy	Housing Benefits, Council Tax and Business Rates	<ul style="list-style-type: none"> <li>Detailed ITGC assessment (design effectiveness only)</li> </ul>

# Value for Money arrangements

## Approach to Value for Money work for the period ended 31 March 2023

The National Audit Office issued its latest Value for Money guidance to auditors in January 2023. The Code expects auditors to consider whether a body has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. Auditors are expected to report any significant weaknesses in the body's arrangements, should they come to their attention. In undertaking their work, auditors are expected to have regard to three specified reporting criteria. These are as set out below:

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### Improving economy, efficiency and effectiveness

How the body uses information about its costs and performance to improve the way it manages and delivers its services.



### Financial Sustainability

How the body plans and manages its resources to ensure it can continue to deliver its services.

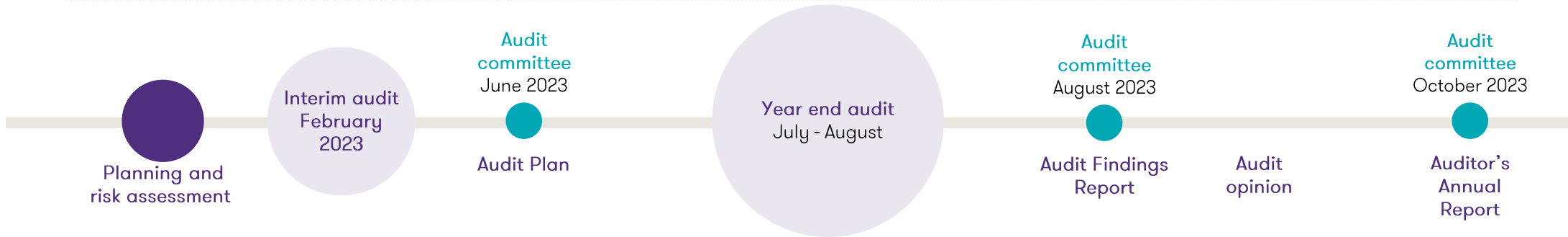


### Governance

How the body ensures that it makes informed decisions and properly manages its risks.

We have not identified any risks of significant weaknesses from our initial planning work. We will continue our review of your arrangements, including reviewing your Annual Governance Statement, before we issue our auditor's annual report.

# Audit logistics and team



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## Laurelin Griffiths, Key Audit Partner

Laurelin's role will be to lead our relationship with you and be a key contact for the s151 Officer and the Audit and Governance Committee. Laurelin will take overall responsibility for the delivery of a high quality audit, meeting the highest professional standards and adding value to the Authority.



## William Guest, Audit Manager

William's role will be to manage the delivery of a high quality audit, meeting the highest professional standards and adding value to the Authority. He will oversee the team undertaking the audit, and will be the main point of contact for members of the finance team during the audit.

## Audited Entity responsibilities

Where audited bodies do not deliver to the timetable agreed, we need to ensure that this does not impact on audit quality or absorb a disproportionate amount of time, thereby disadvantaging other audited bodies. Where the elapsed time to complete an audit exceeds that agreed due to an entity not meeting its obligations we will not be able to maintain a team on site. Similarly, where additional resources are needed to complete the audit due to an entity not meeting their obligations we are not able to guarantee the delivery of the audit to the agreed timescales. In addition, delayed audits will incur additional audit fees.

## Our requirements

To minimise the risk of a delayed audit, you need to :

- ensure that you produce draft financial statements of good quality by the deadline you have agreed with us, including all notes, the Annual Report and the Annual Governance Statement
- ensure that good quality working papers are available at the start of the audit, in accordance with the working paper requirements schedule that we have shared with you
- ensure that the agreed data reports are available to us at the start of the audit and are reconciled to the values in the accounts, in order to facilitate our selection of samples for testing
- ensure that all appropriate staff are available on site throughout (or as otherwise agreed) the planned period of the audit
- respond promptly and adequately to audit queries.

# Audit fees and updated Auditing Standards including ISA 315 Revised

In 2017, PSAA awarded a contract of audit for Tamworth Borough Council to begin with effect from 2018/19. The fee agreed in the contract was £x. Since that time, there have been a number of developments, particularly in relation to the revised Code and ISA's which are relevant for the 2022/23 audit. For details of the changes which impacted on years up to 2021/22 please see our prior year Audit Plans.

The major change impacting on our audit for 2022/23 is the introduction of ISA (UK) 315 (Revised) - Identifying and assessing the risks of material misstatement ('ISA 315'). There are a number of significant changes that will impact the nature and extent of our risk assessment procedures and the work we perform to respond to these identified risks. Key changes include:

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Enhanced requirements around understanding the Council's IT Infrastructure, IT environment. From this we will then identify any risks arising from the use of IT. We are then required to identify the IT General Controls ('ITGCs') that address those risks and test the design and implementation of ITGCs that address the risks arising from the use of IT.

Additional documentation of our understanding of the Council's business model, which may result in us needing to perform additional inquiries to understand the Council's end-to-end processes over more classes of transactions, balances and disclosures.

- We are required to identify controls within a business process and identify which of those controls are controls relevant to the audit. These include, but are not limited to, controls over significant risks and journal entries. We will need to identify the risks arising from the use of IT and the general IT controls (ITGCs) as part of obtaining an understanding of relevant controls.
- Where we do not test the operating effectiveness of controls, the assessment of risk will be the inherent risk, this means that our sample sizes may be larger than in previous years.

These are significant changes which will require us to increase the scope, nature and extent of our audit documentation, particularly in respect of your business processes, and your IT controls. We will be unable to determine the full fee impact until we have undertaken further work in respect of the above areas. However, for an authority of your size, we estimate an initial increase of £3,000. We will let you know if our work in respect of business processes and IT controls identifies any issues requiring further audit testing. There is likely to be an ongoing requirement for a fee increase in future years, although we are unable yet to quantify that.

The other major change to Auditing Standards in 2022/23 is in respect of ISA 240 which deals with the auditor's responsibilities relating to fraud in an audit of financial statements. This Standard gives more prominence to the risk of fraud in the audit planning process. We will let you know during the course of the audit should we be required to undertake any additional work in this area which will impact on your fee.

Taking into account the above, our proposed work and fee for 2022/23, as set out below, is detailed overleaf.

# Audit fees

	Actual Fee 2020/21	Actual Fee 2021/22	Proposed fee 2022/23
Tamworth Borough Council Audit	£61,375	£71,975	£64,226
<b>Total audit fees (excluding VAT)</b>	<b>£61,375</b>	<b>£71,975</b>	<b>£64,226</b>

## Assumptions

In setting the above fees, we have assumed that the Council will:

- prepare a good quality set of accounts, supported by comprehensive and well-presented working papers which are ready at the start of the audit
- provide appropriate analysis, support and evidence to support all critical judgements and significant judgements made during the course of preparing the financial statements
- provide early notice of proposed complex or unusual transactions which could have a material impact on the financial statements.

## Relevant professional standards

In preparing our fee estimate, we have had regard to all relevant professional standards, including paragraphs 4.1 and 4.2 of the FRC's [Ethical Standard \(revised 2019\)](#) which stipulate that the Engagement Lead (Key Audit Partner) must set a fee sufficient to enable the resourcing of the audit with partners and staff with appropriate time and skill to deliver an audit to the required professional and Ethical standards.

# Audit fees – detailed analysis

Scale fee 2022/23	£45,876
<b><i>New issues since the scale fee was set</i></b>	
Additional work on Value for Money (VfM) under new NAO Code	£9,000
Increased audit requirements of revised ISAs 540 / 240 / 700	£2,100
Enhanced audit procedures on journals testing (not included in the Scale Fee)	£3,000
Additional testing in relation payroll – change in circumstances	£500
Additional testing in relation to collection fund reliefs	£750
Increased audit requirements of revised ISA 315	£3,000
<b>Total audit fees 2022/23 (excluding VAT)</b>	<b>£64,226</b>

All variations to the scale fee will need to be approved by PSAA

# Independence and non-audit services

## Auditor independence

Ethical Standards and ISA (UK) 260 require us to give you timely disclosure of all significant facts and matters that may bear upon the integrity, objectivity and independence of the firm or covered persons. relating to our independence. We encourage you to contact us to discuss these or any other independence issues with us. We will also discuss with you if we make additional significant judgements surrounding independence matters.

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention. We have complied with the Financial Reporting Council's Ethical Standard (Revised 2019) and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements. Further, we have complied with the requirements of the National Audit Office's Auditor Guidance Note 01 issued in May 2020 which sets out supplementary guidance on ethical requirements for auditors of local public bodies.

We confirm that we have implemented policies and procedures to meet the requirements of the Ethical Standard. For the purposes of our audit we have made enquiries of all Grant Thornton UK LLP teams providing services to the Council.

## Other services

The following other services provided by Grant Thornton were identified

The amounts detailed are fees agreed to-date for audit related and non-audit related services to be undertaken by Grant Thornton UK LLP in the current financial year. These services are consistent with the Council's policy on the allotment of non-audit work to your auditors. Any changes and full details of all fees charged for audit related and non-audit related services by Grant Thornton UK LLP and by Grant Thornton International Limited network member Firms will be included in our Audit Findings report at the conclusion of the audit.

None of the services provided are subject to contingent fees.

Service	Fees £	Threats	Safeguards
Audit related			
Housing Benefit subsidy certification 2021/22 (May 2022 – January 2023)	16,000	For these audit-related services, we consider that the following perceived threats may apply:	The level of recurring fees taken on their own is not significant in comparison to the confirmed scale fee for the audit of £64,225 and in particular relative to Grant Thornton UK LLP's turnover overall. Further, each is a fixed fee and there is no contingent element to any of them. These factors all mitigate the perceived self-interest threat to an acceptable level.
Certification of Pooling of Housing Capital Receipts 2021/22 (January 2023)	6,000	<ul style="list-style-type: none"> <li>Self Interest (because these are recurring fees)</li> </ul>	Our team has no involvement in the preparation of the form which is certified, and do not expect material misstatements in the financial statement to arise from the performance of the certification work. Although related income and expenditure is included within the financial statements, the work required in respect of certification is separate from the work required to the audit of the financial statements, and is performed after the audit of the financial statements has been completed.
Housing Benefit subsidy certification 2022/23 (May 2023 – January 2024)	18,800	<ul style="list-style-type: none"> <li>Self Review</li> <li>Management</li> </ul>	The scope of work does not include making decisions on behalf of management or recommending or suggesting a particular course of action for management to follow. Our team perform these engagements in line with set instructions and reporting frameworks. Any amendments made as a result of our work are the responsibility of informed management.

There were no non-audit related services

# Communication of audit matters with those charged with governance

Our communication plan	Audit Plan	Audit Findings	
Respective responsibilities of auditor and management/those charged with governance	•		ISA (UK) 260, as well as other ISAs (UK), prescribe matters which we are required to communicate with those charged with governance, and which we set out in the table here.
Overview of the planned scope and timing of the audit, form, timing and expected general content of communications including significant risks and Key Audit Matters	•		
Confirmation of independence and objectivity of the firm, the engagement team members and all other indirectly covered persons	•	•	This document, the Audit Plan, outlines our audit strategy and plan to deliver the audit, while the Audit Findings will be issued prior to approval of the financial statements and will present key issues, findings and other matters arising from the audit, together with an explanation as to how these have been resolved.
A statement that we have complied with relevant ethical requirements regarding independence. Relationships and other matters which might be thought to bear on independence. Details of non-audit work performed by Grant Thornton UK LLP and network firms, together with fees charged. Details of safeguards applied to threats to independence	•	•	
Significant matters in relation to going concern	•	•	We will communicate any adverse or unexpected findings affecting the audit on a timely basis, either informally or via an audit progress memorandum.
Significant findings from the audit		•	
Significant matters and issue arising during the audit and written representations that have been sought		•	<p><b>Respective responsibilities</b></p> <p>As auditor we are responsible for performing the audit in accordance with ISAs (UK), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance.</p>
Significant difficulties encountered during the audit		•	
Significant deficiencies in internal control identified during the audit		•	The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.
Significant matters arising in connection with related parties		•	
Identification or suspicion of fraud[ deliberate manipulation] involving management and/or which results in material misstatement of the financial statements [ not typically council tax fraud]		•	
Non-compliance with laws and regulations		•	
Unadjusted misstatements and material disclosure omissions		•	
Expected modifications to the auditor's report, or emphasis of matter		•	





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Tuesday, 27 June 2023

**Report of the Audit Manager**

**Internal Audit Annual Report and Quarterly Update**

**Exempt Information**

None.

**Purpose**

This report comprises Internal Audit's Annual Report (**Appendix 1**), which includes results for quarter 4 to 31<sup>st</sup> March 2023.

**Recommendations**

**It is recommended that the Committee endorse the Internal Audit's Annual Report (Appendix 1), which includes the results for the quarter 4 to 31 March 2023.**

**Executive Summary**

The Accounts and Audit Regulations 2015 require councils to undertake an effective internal audit to evaluate the effectiveness of their risk management, control and governance process, taking into account both Public Sector Internal Auditing Standards or guidance.

This opinion forms part of the framework of assurances that is received by the council and should be used to help inform the annual governance statement. Internal Audit also has an independent and objective consultancy role to help managers improve risk management, governance and control.

In giving the annual audit opinion 2022/23, it should be noted that assurance can never be absolute. The most that the internal audit service can provide the council is a reasonable assurance that there are no major weaknesses in risk management, governance and control processes.

Despite resourcing issues during the year and the procurement of BDO to provide general auditor services the section still achieved 89% delivery of the audit plan for 2022/23. A number of performance indicators were missed during the year and these are outlined in **Appendix 1** of this report.

Annual Internal Audit Opinion

On the basis of audit work completed, Internal Audit's opinion on the council's framework of governance, risk management and internal control is reasonable in its overall design and effectiveness. Certain weaknesses and exceptions were highlighted by audit work. These matters have been discussed with management, to whom recommendations have been made. All these have been, or are in the process of being addressed.

Specific Issues

No specific issues have been highlighted through the work undertaken by internal audit during the year.

### **Options Considered**

None.

### **Resource Implications**

None.

### **Legal/Risk Implications Background**

Failure to report would lead to non-compliance with the requirements of the Annual Governance Statement and the Public Sector Internal Audit Standards.

### **Equalities Implications**

None.

### **Environment and Sustainability Implications (including climate change)**

None.

### **Background Information**

None.

### **Report Author**

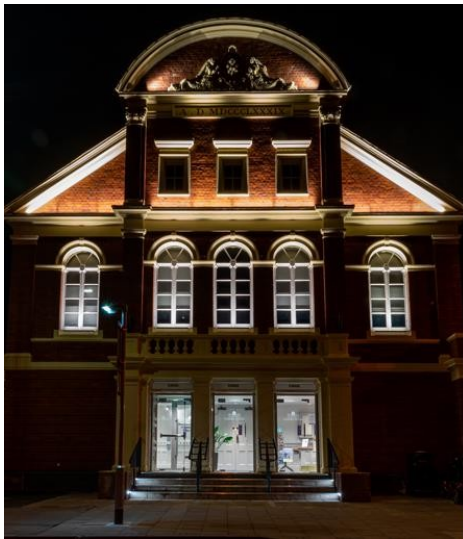
Andrew Wood – Audit Manager  
Andrew-wood@tamworth.gov.uk

### **List of Background Papers**

### **Appendices**

**Appendix 1 – Internal Audit Annual Report (including Quarter 4 2022/23 Progress Results)**

Internal Audit Progress Report (Quarter 4)  
April 2023



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- 01 Introduction**
- 02 Internal Audit Work Undertaken**
- 03 Opinion**
- 04 Follow Up**
- 05 Performance of Internal Audit**

### Appendices

- 01 Summary of Internal Audit Work Undertaken**
- 02 Assurance and Recommendation Classifications**

In the event of any questions arising from this report please contact Andrew Wood, Audit Manager [andrew-wood@tamworth.gov.uk](mailto:andrew-wood@tamworth.gov.uk)

The matters raised in this report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently no complete guarantee can be given that this report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required. This report was produced solely for the use and benefit of Tamworth Borough Council. The Council accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification.

## 01 INTRODUCTIO

### NBACKGROUND

This report summarises internal audit activity and performance for the period to 31 March 2023.

### SCOPE AND PURPOSE OF INTERNAL AUDIT

The Accounts and Audit Regulations require councils to undertake an effective internal audit to evaluate the effectiveness of their risk management, control and governance processes, taking into account Public Sector Internal Auditing Standards or guidance.

This progress report and opinion forms part of the framework of assurances that is received by the Council and is used to help inform the annual governance statement. Internal audit also has an independent and objective consultancy role to help managers improve risk management, governance and control.

Internal Audit's professional responsibilities as auditors are set out within Public Sector Internal Audit Standards (PSIAS) produced by the Internal Audit Standards Advisory Board produced by the Internal Audit Standards Advisory Board.

### ACKNOWLEDGEMENTS

Internal audit is grateful to the directors, heads of service, service managers and other staff throughout the council for their help during the period.

## 02 INTERNAL AUDIT WORK UNDERTAKEN

The internal audit plan for 2022/23 was approved by the Audit & Governance Committee at its meeting in March 2022. The plan was for a total of 18 audits. To the end of quarter 4 2022/2023 we have completed 89% of the audit plan. An analysis of audit plan completion and indicatively planned audits is shown in the table below;

	Q1	Q2	Q3	Q4
Number of audits allocated per quarter	3	4	8	3
% of plan	17	22	44	17
Cumulative audit plan %	6	28	35	89

Planned work initially envisaged that by 31 March 2023 we would have completed 100% of the Audit Plan, actual out turn figures show that we have completed 89% of the expected plan, compared to the 90% target.

Quarter four work has continued, completing annual reports, compliance statements and supporting counter fraud checks on Coronavirus Business Grants and Energy Rebates.

Both the general auditor support and BDO were completing their reviews in accordance with the planned work.

The audit findings of each review, together with recommendations for action and the management response are set out in our detailed reports. A summary of the reports we have issued and the progress made this year is included at **Appendix 01**.

## 03 OPINION

### SCOPE OF THE OPINION

In giving an opinion, it should be noted that assurance can never be absolute. The most that the internal audit service can provide to the Council is a reasonable assurance that there are no major weaknesses in risk management, governance and control processes.

The matters raised in this report are only those which came to our attention during our internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

In arriving at an opinion, the following matters have been taken into account:

- The outcomes of all audit activity undertaken during the period.
- The effects of any material changes in the organisation's objectives or activities.
- Whether or not any limitations have been placed on the scope of internal audit.
- Whether there have been any resource constraints imposed upon us which may have impinged on our ability to meet the full internal audit needs of the

- organisation.
- What proportion of the organisation’s internal audit needs have been covered to date.

## INTERNAL AUDIT OPINION

**On the basis of audit work completed, the Audit Manager’s opinion on the council’s framework of governance, risk management and internal control is reasonable in its overall design and effectiveness. Certain weaknesses and exceptions were highlighted by audit work. These matters have been discussed with management, to whom recommendations have been made. All of these have been, or are in the process of being addressed.**

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### Specific Issues

No specific issues have been highlighted through the work undertaken by internal audit during the period.

### Fraud & Irregularity

No matters of fraud or irregularity have been reported during the period. Also see the fraud update on this Committee’s agenda.

### Consultancy & Advice

The audit team may be requested by managers to undertake consultancy and advice on governance, risk management and internal control matters from time to time. During the period to 31 December 2022, the following was undertaken:

- Attending disabled facilities grant working group;
- Test and Trace assurance statement; and
- Protect and Vaccinate assurance statement.

## 04 Follow Up

As previously agreed by the Committee, all high priority actions and those arising from no and limited overall assurance reports are followed up by audit, managers confirmation applies to the rest.

The total outstanding actions at the end of Quarter 3 are 66 (12 high, 34 medium, 20 low) of which 51 are overdue (7 high, 28 medium, 16 low). During 2022/23 the Audit Manager continued to hold quarterly meetings with all Assistant Directors to review all outstanding recommendations. This has shown a specific improvement in the implementation and the number of recommendations, over time, has been shown within **Appendix 3**. It should be noted that currently there are no repeat recommendations on the system for addressing by management. This shows in tabular graph form the progress regarding the number of outstanding audit recommendations over time.

The Audit Manager is currently holding meetings with all Assistant Directors to review outstanding recommendations as at 31 March 2023 and will complete this work by end of June 2023.

Priority of Recs	Number of O/S recs – 31 Dec 2022	Number of recs closed during the period Dec 2022 – Mar 2023	Number of additional recs made during Q4	Number of current O/S recs as at 31 Mar 2023	Overall movement of rec numbers during the quarter 3
High	13	5	4	12	-1
Medium	48	14	0	34	-14
Low	21	4	3	20	-1

As at 31 March 2023 there were 12 high priority recommendations outstanding however of these 7 were overdue and these are being followed up during May/June 2023 as part of the Quarter 4 review with Assistant Directors.

The current high priority recommendations which are overdue relate Housing Repairs (1), PCI DSS (3), Data Protection (1) Landlord H&S (1), Procurement (1), Climate Change (4) and GDPR (1). In all cases progress is being made on these recommendations and implementation will be reported to this committee.



**Compliance with professional standards**

We employ a risk-based approach in planning and conducting our audit assignments. Internal audit work has been performed in accordance with PSIAS.

**Conflicts of interest**

There have been no instances during the year which have impacted on internal audit's independence that have led to any declarations of interest.

**Performance of Internal Audit**

**Internal audit quality assurance**



To ensure the quality of the work internal audit performs, there is a programme of quality measures which includes:


- Supervision of staff conducting audit work.
- Review of files of working papers and reports by managers.
- Regular meetings of our networking groups, which issue technical and sector updates.

**Performance Measures**

- Complete 90% of the audit plan - 89% relates to assurance work completed.
- 100% Draft reports issued within 6 weeks of start date – 31%
- 100% Closure meetings conducted within 5 days of completion of audit work – 77%
- 100% draft reports to be issued within 10 working days of closure meeting – 69%
- 100% of all high priority actions are implemented at follow up – 100%
- All no and limited assurance reports have a revised assurance rating of substantial or reasonable on follow up – 100%
- Achieve an average customer satisfaction score of 4 or more – 100% (6 out of 10 returned)


**Appendix 01: Summary of Internal Audit Work Undertaken**


Assurance	Audit	Scope	Indicative Planned Quarter	Assurance Summary	Assurance Opinion
Core Financial Systems	Council Tax	Risk based review covering the adequacy and effectiveness of controls around the maintenance of systems, billing, discounts and reliefs, collection, refunds and write offs.	Q2	<p>We have reached the overall opinion that the Council have substantial controls in place for the management of Council Tax, including charging customers accurately, applying discounts and recovering invoices. Refunds were also processed correctly and in line with the Council’s financial policies, with refunds approved appropriately.</p> <p>Some issues were identified around the lack of segregation of duties for preparing and reviewing reconciliations between the VOA records and Academy account data, driven by staff resourcing issues. However, it does aim to rectify this as soon as possible. The Corporate Credit Policy was also out of date and processes to review single person discounts on an ongoing basis through the NFI scheme.</p>	 <p>H-0 M-0 L-3</p> <p>Substantial Assurance</p>
	Payroll	Risk based review to ensure controls in place for the timely and accurate payment of salaries and subsistence allowances to staff and members. To include, new starters, leavers, accounting for tax and deductions.	Q3	<p>The Council have substantial controls for its management of its payroll function.</p> <p>There are automatic controls for calculating employee’s pay based on the salary that is input into i-Trent by the Payroll Team. Our review of new starters, leavers and changes to the payroll identified that these were input accurately, resulting in staff being paid the correct amount.</p> <p>Similarly, automatic workflows are embedded in i-Trent for expense claims to be authorised. The Payroll Team also undertake a check of 10% of claims to confirm that they were for allowable items.</p> <p>The payroll reports were checked by separate officers in the Payroll Team and the Finance team reconciled i-Trent to e-Financials.</p> <p>Overall, there were robust controls in place for managing payroll and our review identified that these were administered accurately.</p>	 <p>H-0 M-0 L-0</p> <p>Substantial Assurance</p>



	Housing Rents	Risk based review of housing rents system to ensure correct rent charged, payments recorded, rent accounting systems are accurate. Controls in place for the setting up of rent debit.	Q3	<p>The system has some good controls in place to mitigate against key risks. New tenancies tested confirmed that rental charges had been set up correctly to the rent stated in the tenancy agreement. Rent had been correctly increased in April and in-year rent changes had been calculated and correctly updated based on the affordable rent requirements. Changes to properties including acquisitions and disposals had been updated on the Orchard system. There is a detailed process for calculation of service charges for leaseholders and rents, based on actual costs and recharges of resource time. Calculated charges had been correctly raised either through the Orchard system or the E-fins invoicing system. Income received through AIM had been correctly and promptly posted to the tenancy.</p> <p>An affordability checklist is completed on all new tenancies and it was evident through arrears testing that support is provided to the tenant through internal advice or referral to external agencies. Arrears are regularly monitored and reported as is rental income. Write offs are processed quarterly and had been approved according to financial guidance. Reconciliations to ensure financial information is correctly stated are completed regularly, including E-financials, Orchard and AIM.</p> <p>The weaknesses found within the rents system include an update of the rent collection prevention and recovery procedures and the procedure monitoring spreadsheet. Prompt return of signed tenancy agreements and clearing of the rent suspense account. Arrears action to be undertaken consistently and former arrears from flexible fixed tenancies to also be actioned.</p>	 <p>H-0 M-7 L-2</p> <p>Reasonable Assurance</p>
	Business Grants	Risk based review grants allocated to businesses to ensure compliance with award criteria and accurate/robust payment systems in place and operating. Proactive assessment processes in place prior to grant award. Robust processes in place for the repayment and recovery of grants.	Q1-Q4	Audit deleted from plan and replaced with review of Agency Staffing arrangements	

	Agency Staff	Risk based review of the arrangements for appointment and monitoring of Agency Staff.	Q4	<p>The system has some good controls in place to mitigate against key risks.</p> <p>A business case is completed and approved. These were seen for all the agency staff tested. The recruitment for temporary agency staff form was completed for all staff. Agency staff personal details are obtained, and staff had undertaken an induction which included reference to the Council's code of conduct and corporate training of policies/ procedures. Training was provided either in person or through Astute. Performance was monitored by the Manager who agrees workload and hours worked prior to approval for the payment of the invoices.</p> <p>Some weaknesses were identified which included the recruitment of temporary agency staff form not being fully completed, particularly the clearance checks required to be completed by the agency. A DBS check had not been evidenced by the agency for any of the sample tested. Declaration of interest/ secondary employment forms are referred to in the code of conduct which staff are made aware of at induction. Two induction forms did not provide evidence that the code of conduct had been discussed. In addition, two booking forms/ contract for agency staff could not be located.</p> <p>Implementation of the recommendations in the action plan will enhance arrangements and address these risks.</p>	 <p>H-1 M-3 L-0</p> <p>Reasonable Assurance</p>
Strategic & Operational Risks	Cemeteries	Risk based review of the cemetery operations to ensure compliance with Health & Safety requirements, together with overall management controls of the service.	Q1-Q4	<p>The system has some good controls in place to mitigate against key risks.</p> <p>Training has been provided to staff via an external provider and is regularly refreshed. Risk assessments are completed annually for cemetery related tasks and use of equipment. Equipment is certified as in good working order each year, with equipment rotated to prevent wear and tear. Testing confirmed that all income due has been received and at the correct fee. Documentation in relation to burials, cremations, pre-selects and memorials was in place. Grave maintenance records are completed which include the grave size to be dug; sizes agreed to those provided by the funeral directors. Grave sizes are independently checked for size prior to the burial/ cremation. Cemetery maps were updated with both burials and preselects details. A 6-month check of the grave is completed. Memorial applications are required to use accredited stonemasons and approval</p>	 <p>H-0 M-7 L-2</p> <p>Reasonable Assurance</p>

				<p>is received through a permit issued by the cemetery officer.</p> <p>The weaknesses found within the cemeteries system included the requirement to document a workflow for all processes, staff cover for absences to be addressed, retention of documentation in one location and recording receipt for all income, restricted access to amending records, consider enforcement action/ revision of regulations for non-compliance with the cemetery rules and documenting memorial safety testing policy/ procedure.</p> <p>Implementation of the recommendations in the action plan will enhance arrangements and address these risks.</p>	
	Recovery and Reset	Programme assurance based review of Recovery and Reset programme. Programme assurance includes programme planning, governance structure and controls, delivery,	Q3	Audit fieldwork completed and draft report issued to management for comment to recommendations made.	


Assurance	Audit	Scope	Planned Quarter	Assurance Summary	Assurance Opinion
		change management, RAIDD management (Risk, Action, Issue, Decision, Dependency), testing and reporting.			
	Future High Street Fund	Programme assurance review (as recovery and rest above) of progression towards transformation of the town centre following the £21.65m allocation of Future High Street Funding.	Q3	Reviewed as part of Major Projects Review/Project Management Review.  See Project Management Review below.	
	Housing White Paper – follow up	Risk based review of organisation implementation for new regulatory inspection regime.	Q3	<p>While the Council at this stage cannot demonstrate that it meets the requirements of the White Paper, assurance can be given that the design of controls is adequate and demonstrates that preparations are in progress to ensure that the requirements of the paper will be considered, evaluated, monitored and actioned. There is an awareness of the White Paper and revised inspection regime. Staff, Members, and tenants have been updated on the preparedness for meeting requirements in the Social Housing (regulation) Bill. Audit noted that agenda items for the Cabinet, Corporate Scrutiny and Homeless Prevention and Social Housing Sub-Committee included self-assessment compliance, improvement plan and resourcing requirements.</p> <p>The chair and vice chair of the Tenant Consultation Group have been nominated to attend the Homeless Prevention and Social Housing Sub Committee.</p> <p>YD Consultants were appointed to complete the self-assessment work. The work undertaken by the consultants consisted of an initial desktop document review and meetings with Councillors, senior management, officers and tenants. The self - assessment against the five consumer standards, was undertaken.</p> <p>Home Standard Tenancy Standard Neighbourhood and Community Standard and Tenant Involvement and Empowerment Standard Rent Standard.</p> <p>For each of the consumer standards a set of actions required has been identified. The improvement plan includes actions prioritised into</p>	 <p>H-0 M-0 L-0</p> <p>Substantial Assurance</p>


			<p>red, amber and green. The plan does not include a target date or owner. The improvement plan was reported to Cabinet in November 2022.</p> <p>A budget allocation of £100k to resource the self-assessment program and its implementation has been approved by Cabinet and included as a proposed policy change to Council as part of the Budget 2023/24 approval. It is anticipated that the co-ordination of the Assistant Director Neighbourhoods as a Project lead, Tenant &amp; Leaseholder Regulatory Manager and dedicated ICT resource requirement be required for up to two years.</p> <p>At this stage in the project, there are no weaknesses identified in the operation of the controls that need to be addressed. However, whilst an improvement plan has been developed there is no target date or owner for the actions. A financial allocation has been approved by Cabinet, however the resource has not been decided, whether it be through internal staff or the use of external consultants. Until the action plan has measurable timescales, a Project Initiation Document and plan cannot be finalised. Governance arrangements are still to be decided.</p> <p>We understand from key staff and note from a review of the Cabinet Forward Plan that these matters will be addressed and reported to Cabinet in April 2023. Once a defined plan with resource allocations and governance arrangements are in place, the Council should progress to ensure the White Paper requirements are implemented. This should be the forward focus during 2023/24. A further audit will be undertaken during 2023/24 to assess the progress of the preparations.</p>	
	<p>Climate Change</p>	<p>Risk based review looking at the Council's preparation to de-carbonisation / climate change agenda.</p>	<p>Q1 We have reached the overall opinion that the Council's controls to support climate change management were limited, with no strategies or action plans in place to meet its net zero carbon target by 2030, or its legally binding target of 2050. A policy change has been submitted to provide additional resourcing for managing climate change, but this has not yet been finalised. It should also be noted that the Council only published a baseline report in September 2022 quantifying the existing impact that the Council's activities have on the climate. However, key performance indicators (KPIs) have not been developed to monitor the Council's performance on</p>	 <p>H-4 M-0 L-0</p> <p>Limited Assurance</p>


				reducing its emissions. Similarly, cross-departmental working groups have not been established to support a Council-wide approach towards reducing carbon emissions through its selection of suppliers and services it provides.	
	Income Management	Risk based review of the Council's controls around the management of income throughout the Council is ensure that this collected in a robust manner that accounts for monies received.	Q4	Audit in progress, fieldwork completed during April to May 2023.	
	Project Management	Programme assurance based review of Council's Project Management systems. Programme assurance includes programme planning, governance structure and controls, delivery, change management, RAIDD management (Risk, Action, Issue, Decision, Dependency), testing and reporting.	Q3	Overall, the Council have reasonable controls in place to support project management. While the lack of a project management framework and project documentation templates could cause inconsistent approaches, our review of three transformational projects identified that they were managed reasonably. Furthermore, the Council do not have a central project management/support team to guide and advise project managers, which has led to resource challenges and some delays in projects. However, there were robust arrangements in place to support financial monitoring and risk management of projects, including with external third party specialists for the Future High Streets Fund, which is a key strategic project. Furthermore, governance of projects was adequate and proportionate to the project value in all three projects that we reviewed.	 H-0 M-2 L-0  Reasonable Assurance
	Landlord Health & Safety	Compliance review to ensure that the Council maintains compliance	Q1	<p>The landlord health and safety system is designed with controls in place to mitigate the major risks. Compliance activities are recorded and scheduling facilities act as a prompt for regular inspection. The Orchard Housing Management system is updated with additions and disposals of properties. Task scheduling and documents such as risk assessments are held on the Zetasafe system.</p> <p>Assurance is provided by Morgan Lambert who inspect gas and electric certificates and Zurich who inspect lift maintenance. The contractor, Graham is accredited for fire risk assessment, surveying of asbestos and holds registration with legionella control association.</p> <p>Testing noted that fire risk assessments were completed annually, completed gas and electric inspections were</p>	 H-1 M-8 L-2  Reasonable Assurance




			<p>confirmed by the relevant certificates and legionella risk assessments have been completed. Firefighting equipment checks are completed annually, and jobs raised to rectify any remedial action. Lifts and stairlifts have been serviced in accordance with the schedule.</p> <p>Meetings are held with the contractors regularly, compliance meetings with EQUANs fortnightly and Graham, monthly. Agenda items include servicing programme, remedial actions, action monitoring tracker status.</p> <p>The weaknesses found within the landlord health and safety system included obtaining confirmation that remedial action has been undertaken following on from fire and legionella risk assessments and EICR's (requesting new certificates). Information was requested in relation to the systems in place for empty properties to confirm compliance with the legionella policy. Although some documents and an overview were provided, more detail and clarification was requested but not provided during the course of the audit.</p> <p>Additional areas of control weakness were also identified. There were two void properties that had not had an asbestos survey completed during the void period. The asbestos policy needs reviewing to align to current practice. Legionella required actions should be updated on the Zetasafe tracking system. There is a performance indicator for gas and electric only, with key performance indicators (KPI's) for lift inspections, fire assessments, asbestos surveys or legionella risk assessment/ sampling not in place. New tenants would benefit from documented responsibilities in relation to asbestos, gas and electric management. Relevant staff would benefit from refresher training. Implementation of the recommendations in the action plan will enhance arrangements.</p>	
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Assurance	Audit	Scope	Planned Quarter	Assurance Summary	Assurance Opinion
		with relevant H&S legislation as it affects; asbestos, lifts, fire assessments and general H&S within housing stock – electrical/gas.			
	Events Management	Risk based review looking at key aspects of the council's operations in relation to the management of events, to include; bidding for external events, management of internal events.	Q2	Deferred through to 2023/24.	
ICT	Web Portals	ICT review of the development and management of web portals to ensure that this is developed and rolled out in a consistent and managed manner. To ensure that web portals do not place Council systems at risk. Web Portal management is maintained and regularly updated.	Q2-Q4	<p>The MyHousing and MyTamworth web portals are accessible from the "Do it online" area of the corporate website. Users who want to access their housing or council tax records have to create an account on the relevant portal and the process for doing this is clear. All new users have to provide certain information in order for their accounts to be validated and all accounts are password protected. We identified some weaknesses over password security and user authentication which need to be addressed.</p> <p>The default access provided to new users is limited on both portals, until their accounts are validated. The MyHousing portal has a report which shows when users have logged in but it does not report on failed logins or on what activity the user has performed. The MyTamworth portal has a report on user activity but it does not report on logins or failed logins. The lack of available reports on failed logins on both portals could lead to security incidents going undetected.</p> <p>Both portals validate all data input for completeness and accuracy. There are also processes for ensuring all reports/tasks generated on each portal go to the right team for actioning.</p> <p>The two portals are accessed over a secure and encrypted network connection. The MyTamworth portal is managed by ICT Services and has a level of security to protect against cyber-attacks, although we have identified areas where this can be further strengthened. A new hardware platform is being implemented for the MyHousing portal, soon to be managed by ICT Services, and it should be security hardened during the build</p>	 <p>H-0 M-7 L-10</p> <p>Reasonable Assurance</p>

				<p>process.</p> <p>There is an accessibility statement on the main corporate website but we found that the two web portals are not tested for compliance with accessibility standards. There is a privacy and cookies policy on both portals.</p>	
GDPR	A risk based review to ensure compliance with GDPR legislation across the authority.	Q2-Q4	<p>There is a documented and approved Data Protection Policy in place, which is generally comprehensive although we found that it is not published. The corporate data retention schedule is still in draft and there are no procedures for ensuring it is adhered to in service areas.</p> <p>The Information Governance Manager is the council's designated Data Protection Officer (DPO) and the responsibilities of the DPO are documented in accordance with GDPR Article 39. The UK GDPR states that the DPO should report to the highest level of management and this is met via a reporting line to the Assistant Director – People, although this is not formally defined and thus should be included in the Data Protection Policy for transparency. All staff are required to undergo mandatory training on GDPR and our testing found that the majority of staff completed it in 2018. The training is not refreshed and hence there is a risk that staff are unaware of their data protection responsibilities.</p> <p>The biggest risk identified is that the council do not have a formal Record of Processing Activities (ROPA), which is a mandatory requirement and underpins the data protection compliance regime. The ROPA logs what personal data is held, why it is processed, the lawful basis for processing and other key information. Copies of contracts used with data processors were not available for us to review and confirm they include the required GDPR clauses.</p> <p>Privacy notices, or fair processing notices as they are sometimes known, are included on the corporate website. A review of a sample of notices confirmed they include the relevant information but we found they have not been reviewed since May 2018. The main privacy notice still refers to the Data Protection Act 1998. A sample test of online forms on the website found they do not have a privacy notice and paper forms that collect personal data</p>	 <p>H-1 M-6 L-3</p> <p>Limited Assurance</p>	

				<p>have also not been reviewed to ensure they have a suitable privacy notice.</p> <p>There are procedures in place for dealing with subject access requests (SAR's), however, they are not documented. A review of a sample of recent SAR's confirmed they had been responded to within the one month deadline imposed by UK GDPR.</p> <p>There are documented procedures for dealing with data breaches, which include reporting serious breaches to the ICO within 72hrs. There have been two such reports in 2022. We have identified minor control weaknesses that should be addressed to improve breach reporting procedures.</p> <p>There is a documented procedure for performing a Data Protection Impact Assessment (DPIA). Roles and responsibilities for completing DPIA's are not defined, which could lead to them not being completed for all projects involving the processing of personal data.</p>	
	Disabled Facilities Grant	Assurance Statement	Q3	Assurance work required for certification sign off	
	Municipal Charities	Preparation of municipal charities accounts	Q3	Accounts produced for 202- and 2021. 2022 accounts being currently completed.	No assurance required.
	Pensions	Assurance Statement	Q4	<p>We have reached the overall opinion that the Council's controls for its management of pensions was Substantial. The Council have clear policies and procedures which outline the pensionable elements of pay and the employee contribution rates, which are set by the Pension Fund. These were administered correctly, with staff being added and removed from i-Trent and deductions from the payroll were made accurately. Similarly, temporary changes to pay, including overtime, absences or maternity pay were treated correctly for pensions, resulting in either deductions or increases in the contribution rates. We identified one instance where a new starter's pension contribution for back-pay in their first month was charged at the incorrect band.</p> <p>However, the Payroll Team had adequate processes in place to support the pension payments process.</p>	 <p>H-0 M-0 L-1</p> <p>Substantial Assurance</p>

	Counter Fraud	Work to support the mitigation of fraud risk, the provision of fraud awareness training, pro-active fraud exercises and reactive investigations.	Q1-Q4	On-going	
	Annual Governance Statement	Production of the AGS	Q1-Q2	AGS fully completed and reported to Audit & Governance Committee for 2021/22.	

Assurance	Audit	Scope	Planned Quarter	Assurance Summary	Assurance Opinion
	Annual Audit Opinion	Production of the Annual Audit Opinion	Q1-Q2	Complete	
	Management and Planning	Management, planning and assurance reporting to CMT and Audit & Governance Committee	Q1-Q4	On-going	
	Ad-hoc / Consultancy / Contingency	Contingency allocation to be utilised upon agreement of the Chief Finance Officer	Q1-Q4	On-going	
	IA QAIP and PSIAS	Review of PSIAS standards and review	Q3	Complete	
Additional Assurance Reviews requested by management	Protect and Vaccinate	Assurance review to enable sign off by the Chief Executive and S151 Officer		Complete	
	Test and Trace	Assurance review to enable sign off by the Chief Executive		Complete	
21/22 Planned Audits finalised	NNDR	Risk based review of NNDR including assurance over the adequacy of controls around the maintenance of systems recording taxable properties and liable persons, billing, discounts and reliefs, collection, refunds and write offs.		<p>Controls were in place to mitigate against key risks. The Academy System maintains a record for each account of the total amount of income due to be received based on the rateable value of the property and any discounts/exemption if applicable. In addition it maintains a record of all transactions relating to bills issued, refunds made and income received, including if any reminder letters have been sent or summons issued. Sample testing relating to discounts/exemptions, refunds and arrears was conducted. In all cases appropriate documentation had been maintained to support the transactions and, where appropriate, action relating to arrears had occurred.</p> <p>A reconciliation of daily NDR income received is conducted between the Academy System and the Aims System. A sample of 10 daily reconciliations were reviewed. In all cases any discrepancy had been investigated and the reason for the discrepancy noted. In addition a monthly reconciliation of NDR Income received is carried out between the Academy system and the General Ledger. Four reconciliations were reviewed and in all cases no differences had been noted and all the reconciliations had been appropriately completed and authorised.</p>	 <p>H-0 M-0 L-2</p> <p>Substantial Assurance</p>

Assurance	Audit	Scope	Planned Quarter	Assurance Summary	Assurance Opinion
				<p>In addition, reconciliations of the total Rateable Value are carried out between the Academy system and Valuation Office listings and reconciliation details are appropriately maintained. For a sample of 5 VO lists there were no discrepancies identified. A secondary check had also been conducted for all cases where there had been a change in the Rateable Value compared to the previous list.</p> <p>As per the previous audit report five recommendations had been made, out of which two were not agreed. For the three that had been agreed, it was confirmed that two had been actioned. However, one relating to periodic reviews of discounts applied had not been actioned and therefore the recommendation has been reiterated.</p> <p>It was also noted that no current year write offs had been processed and an appropriate recommendation has been made.</p>	
	Assets and Inventory	Risk based review covering the adequacy and effectiveness of controls regarding the Council's assets and inventory.		<p>The audit was completed on five service areas (Sheltered Housing, Marmion House/Town Hall, TEC, Castle and IT). Information was not provided to the auditor for the Assembly Rooms, Street Scene and Leisure.</p> <p>The asset and inventory system is designed well with controls in place to mitigate against the risks. Assurance can be given that the design of controls is adequate and the controls were found to be operating effectively.</p>	 <p>H-0 M-4 L-2</p> <p>Reasonable Assurance</p>

Assurance	Audit	Scope	Planned Quarter	Assurance Summary	Assurance Opinion
				<p>The requirements of managing assets and inventory is noted in the Council's Financial Guidance Section C 11.</p> <p>Service areas maintain records of equipment required to carry out their functions. The Council Asset Register is maintained in the Asset Manager system and access is restricted to Finance. The Asset Register is updated annually, service areas update their inventories at the time of any additions or disposals.</p> <p>The Council Asset Register is maintained by the Assistant Director – Finance and is updated once a year as part of the Final accounts process although other registers such as Insurance Register are updated as and when necessary throughout the year. Again, as part of final accounts process asset users are asked to verify that they still have and use the assets allocated to them. All responses from managers are collated by the Assistant Director Finance</p> <p>Property is secured when not in use as appropriate, locked rooms, CCTV, alarm systems, keys locked in secure cabinets. IT equipment is tagged with pre-printed numbered tags that cannot be easily removed.</p> <p>Some areas for improvement were identified. Inventory records are not fully completed and lack detail as required in the Financial Guidance. The IT Asset Register did not include detail of the employee allocated the equipment. The replacement of equipment is not reflected as a disposal / addition to the record. There was no evidence to confirm that an annual verification of inventory had been completed. Inventories are not consistently security marked.</p> <p>Implementation of the recommendations in the action plan will enhance arrangements and address these risks.</p>	



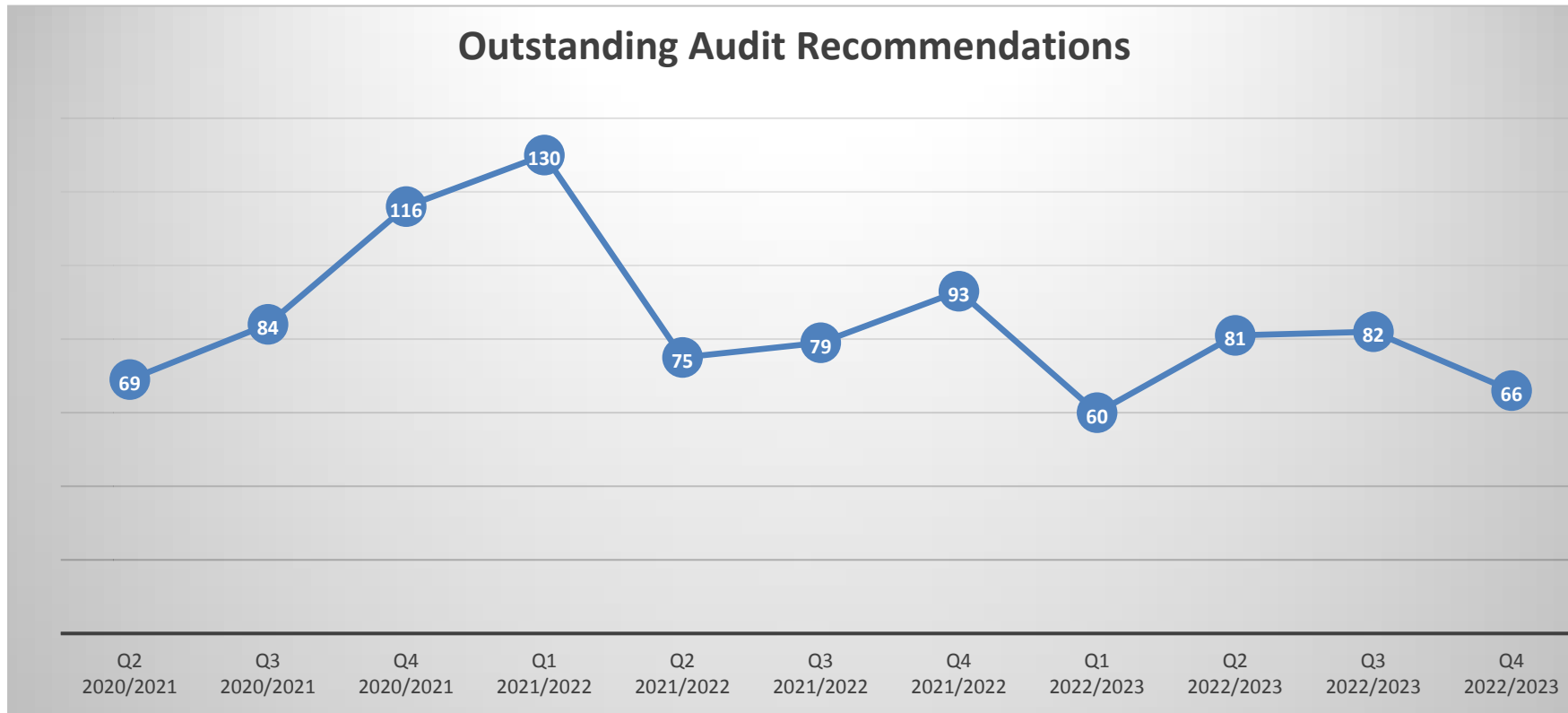
## Appendix 02: Assurance and Recommendation Classifications

Overall Assurance Opinion	Definition
<b>Substantial</b>	There is a sound system of internal control designed to achieve the organisation's objectives. The control processes tested are being consistently applied.
<b>Reasonable</b>	While there is a basically sound system of internal control, there are some weaknesses which may put the organisation's objectives in this area at risk. There is a low level of non-compliance with some of the control processes applied.
<b>Limited</b>	Weaknesses in the system of internal controls are such as to put the organisation's objectives in this area at risk. There is a moderate level of non-compliance with some of the control processes applied.
<b>No</b>	Significant weakness in the design and application of controls mean that no assurance can be given that the organisation will meet its objectives in this area.

Recommendation Priority	Definition
<b>High</b>	High priority recommendation representing a fundamental control weakness which exposes the organisation to a high degree of unnecessary risk.
<b>Medium</b>	Medium priority recommendation representing a significant control weakness which exposes the organisation to a moderate degree of unnecessary risk.
<b>Low (Housekeeping)</b>	Low priority (housekeeping) recommendation highlighted opportunities to implement a good or better practice, to add value, improve efficiency of further reduce the organisation's exposure to risk.

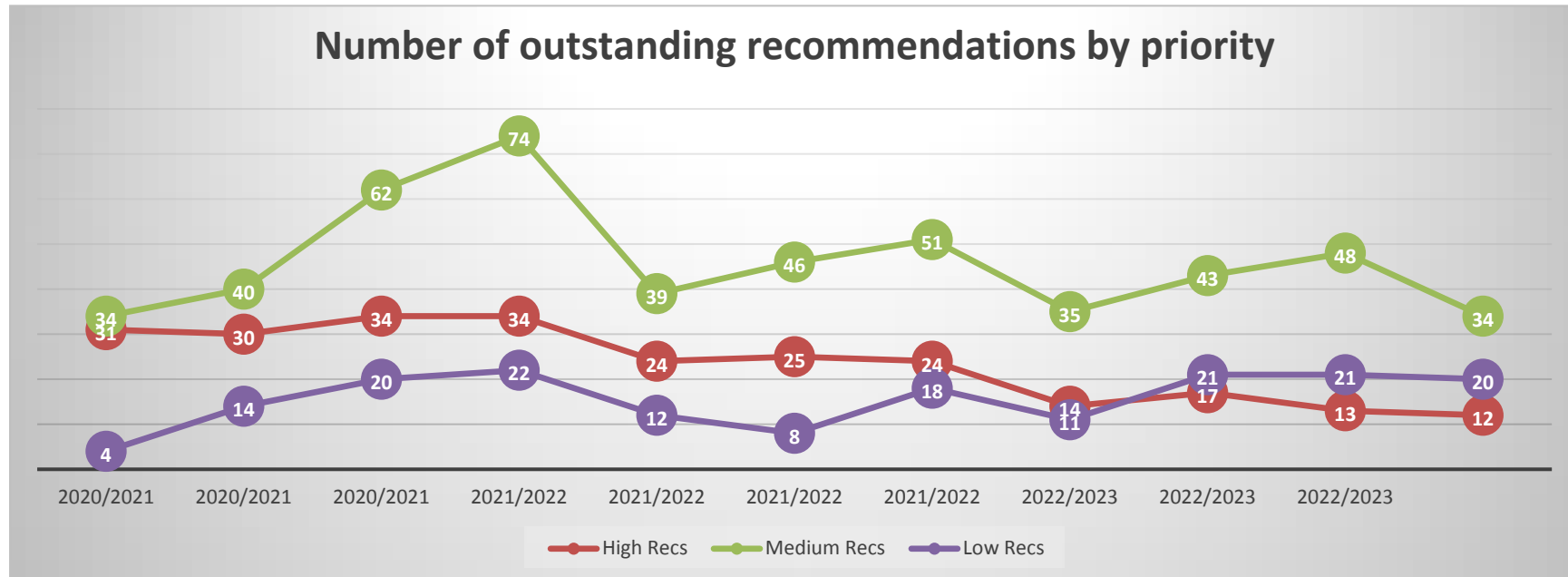
### Appendix 03: Outstanding Audit Recommendations

The graph below shows the number of outstanding audit recommendations over time.



To inform the process I have included a table below outlining the number of outstanding actions whether High, Medium or Low Priority.

Below is a table showing the number of recommendations in each assurance level.



Financial Year	Quarter	No of Outstanding Recommendations	No of High Recs	No of Medium Recs	No of Low recs
2019/2020	Q2	375			
	Q3	199	101	98	NIL
	Q4				
2020/2021	Q1				
	Q2	69	31	34	4
	Q3	84	30	40	14
	Q4	116	34	62	20
2021/2022	Q1	130	34	74	22
	Q2	75	24	39	12
	Q3	79	25	46	8
	Q4	93	24	51	18
2022/2023	Q1	60	14	35	11
	Q2	81	17	43	21
	Q3	82	13	48	21
	Q4	66	12	34	20

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Tuesday, 27 June 2023

**Report of the Chief Executive**

**Annual Governance Statement and Code of Corporate Governance**

**Exempt Information**

None.

**Purpose**

To submit the refreshed Annual Governance Statement and Code of Corporate Governance for Audit & Governance Committee's approval.

**Recommendations**

That the proposed be approved:

1. The Annual Governance Statement (for inclusion in the annual statement of accounts) at **Appendix 1**; and
2. Code of Corporate Governance at **Appendix 2**.

**Executive Summary**

The Accounts and Audit Regulations require local authorities conduct an annual review of the effectiveness of their system of internal control and include a statement (Annual Governance Statement) with their published statement of accounts.

The Account & Audit Regulations stipulate that the Annual Governance Statement (AGS) be prepared in accordance with 'proper practices'. As has been the case in previous years, the CIPFA/SOLACE 'Delivering Good Governance in Local Government Framework (2016)' has been used as the framework to fulfil this requirement.

No additional guidance has been provided by CIPFA for 2022/23, therefore the format of the AGS and Code of Corporate Governance remains similar to that produced for 2021/22. Both the proposed AGS and Code of Corporate Governance have been circulated to Chief Executive, Executive Management Team and Assistant Directors for their review and update. These comments have been incorporated into the AGS and Code of Corporate Governance.

The proposed Annual Governance Statement for 2022/23 is attached at **Appendix 1**. It should be noted that the Annual Governance Statement only includes significant governance issues, the detail is contained within the Code of Corporate Governance.

The Code of Corporate Governance for 2022/23 has been refreshed and is attached as **Appendix 2**. The Code indicates what is expected as per the Framework (what assurance do we want) and what we have in place (what assurance do we get) to ensure that the principles of good governance are met.

This year's review has identified that the Council's governance arrangements largely comply with best practice. No areas for improvement were identified.

## **Options Considered**

Not Applicable

## **Resource Implications**

None.

## **Legal/Risk Implications Background**

Failure to produce an AGS would result in non-compliance with the Accounts and Audit Regulations and a risk that failures in governance would not be identified and therefore addressed.

## **Equalities Implications**

None.

## **Environment and Sustainability Implications (including climate change)**

None.

## **Background Information**

None.

## **Report Author**

Andrew Wood – Audit Manager  
Andrew-wood-tamwoprth.gov.uk

## **List of Background Papers**

None.

## **Appendices**

**Appendix 1 – Annual Governance Statement 2022/23**  
**Appendix 2 – Code of Corporate Governance 2022/23**

Annual Governance Statement 2022/23

**What is Governance?**

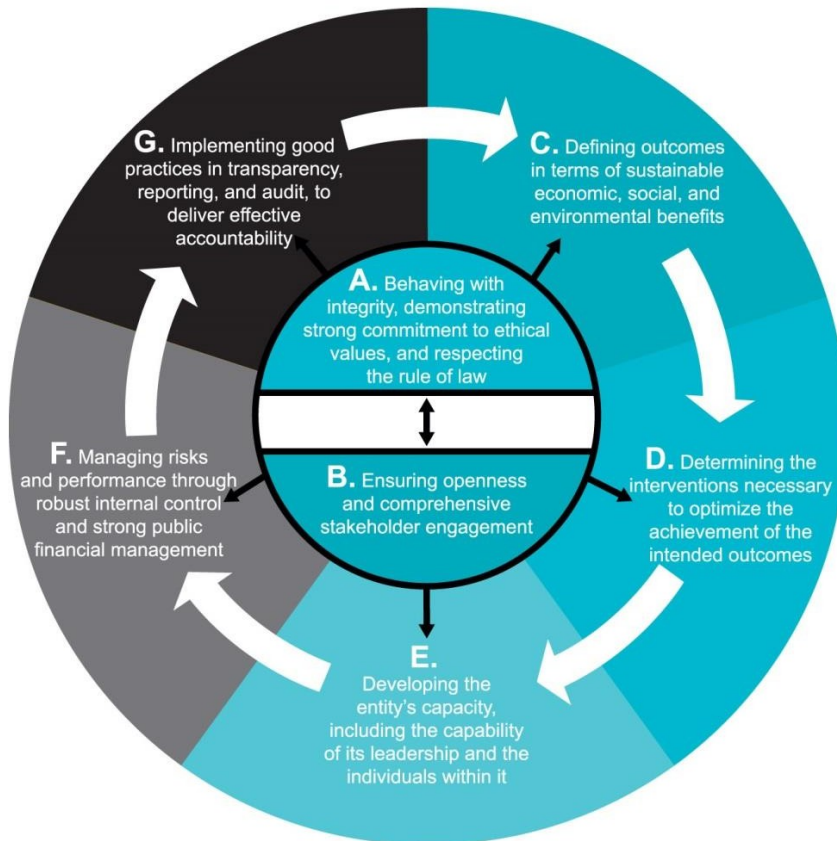
Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved.

To deliver good governance in the Authority, both governing bodies (Members) and individuals working for the Authority must try to achieve the Authority’s objectives whilst acting in the public interest at all times.

Acting in the public interest implies primary consideration of the benefits for society, which should result in positive outcomes for service users and other stakeholders.

**The Core Principles of Good Governance**

The diagram below, taken from the International Framework: Good Governance in the Public Sector, illustrates the various principles of good governance in the public sector and how they relate to each other.



## **Responsibility**

The Authority is responsible for ensuring that its business is completed in line with the law and statutory legislation, and that public money is spent wisely and properly accounted for. We will ensure that we continually improve the way we provide our services whilst taking into account value for money.

We will ensure that we put in place proper arrangements to ensure our risks are managed, and that controls and the governance process are in place.

We have approved and adopted a Code of Corporate Governance which is consistent with principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. The Code demonstrates the supporting principles which underpin the core principles and identifies the assurance as outlined in the Framework. It also demonstrates what level of assurance we get and thus, identifies any areas for improvement. This forms the assurance framework for good governance and demonstrates that we know our governance arrangements are working. Links to all supporting evidence identified in the assurance framework are contained within the Code of Corporate Governance and are not repeated in this statement. The Code of Corporate Governance document is available on the Council's website.

## **Our Outcomes**

Our desired outcomes for 2022-25 are detailed in the Corporate Plan and Council Vision. The Corporate Plan details our Vision and sets out our Thematic Priorities. Under each thematic priority, we detail our ambitions and how we are going to realise these. All outcomes we aim to achieve, along with changes we want to see and supporting information are detailed in the Corporate Plan.

For each activity or process we complete, we ensure that the appropriate governance arrangements are in place.

For 2022/23, we together with the rest of the UK, have faced an unprecedented global crisis through both recovery from the Coronavirus pandemic and other geopolitical situations. This has been and will remain, a significant factor affecting our operations in 2023/24 and beyond. This was further supported by the Council's Recovery & Reset programme designed to build resilience and maximise opportunities arising from the Pandemic which completed during 2022/23.

While the Corporate Plan remains relevant to our future outcomes, these will no doubt be affected by both the ongoing effects of Covid-19 and other geopolitical situations. As part of our AGS this year, we have included the measures we have taken to ensure our governance effectiveness has not been impacted or compromised by the pandemic, this mirrors the approach taken during 2020/21 and 2021/22..

The Corporate Plan was revised during 2021/22 and a new plan for the period



from 2022 to 2025 was approved at Cabinet on 17 March 2022.

This work has all been brought together by councillors, during a number of councillor-led workshops and seminars, into a new refocused vision to reflect new priorities. Again, this year collaborative budget setting workshops were held to ensure all councillors were able to have involvement in what is important to them and their residents.

Our new vision is 'Tamworth – celebrating our heritage, creating a better future'

In order to achieve that vision, we have developed this new Corporate Plan which will be delivered with a workforce and organisation that has adapted to an unprecedented national challenge, working hand in hand with our partners and communities.

This new vision, together with our new Corporate Plan, details five areas of focus for the borough; including the key outcomes we are seeking to achieve and how we will work to achieve them.

Our primary areas of focus will be:

- The Environment
- The Economy
- Infrastructure
- Living in Tamworth
- The Town Centre

Each priority has a number of supporting areas of focus and progress will be achieved through the delivery of corporate and transformational projects; each having clearly defined objectives and outcomes.

# CORPORATE PLAN SUMMARY

## TAMWORTH BOROUGH COUNCIL VISION

'Tamworth – celebrating our heritage, creating a better future'

### 1. THE ENVIRONMENT

- ▶ Enforcement and education with regard to litter and fly-tipping
- ▶ Development of infrastructure for acting on Climate Change
- ▶ Support more people to recycle and to reduce waste
- ▶ Working with partners to protect, maintain and improve the green space offer

### 3. INFRASTRUCTURE

- ▶ Review Local Plan to improve the transport links within Tamworth
- ▶ Improve existing walkways and cycling routes
- ▶ Ensure more people can access council services digitally/digital enhancement with partners and within Council housing stock

### 2. THE ECONOMY

- ▶ Development of business initiatives to promote start up and growth
- ▶ Support business growth to generate employment opportunities by working with businesses
- ▶ Provision of good quality and affordable housing
- ▶ Improve tourism in terms of good access to information for visitors to help local businesses and Tamworth as a destination as a whole, maximise and improve the quality of the visitor experience

### 4. LIVING IN TAMWORTH

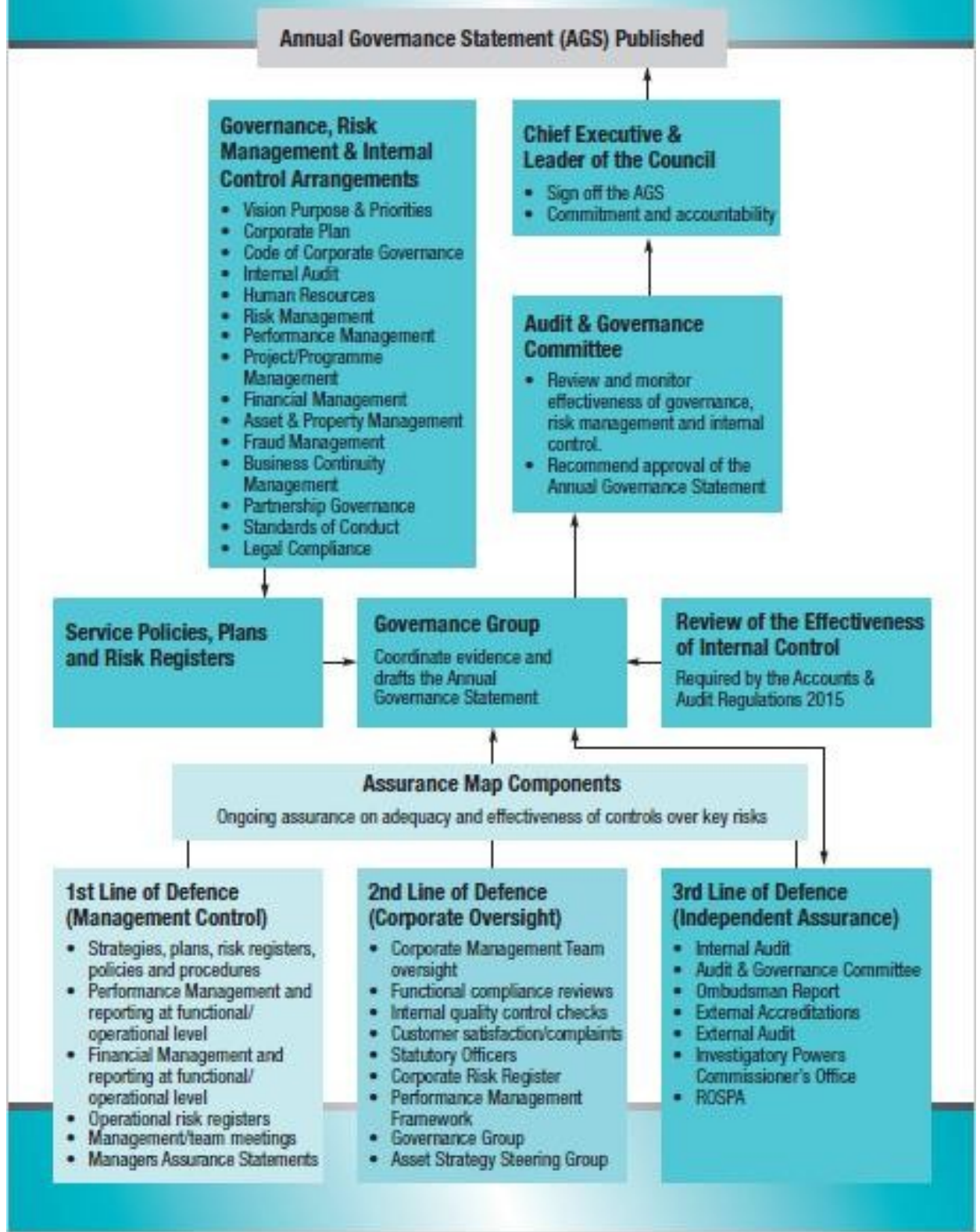
- ▶ Ensure adequate supply of affordable housing through the Local Plan review
- ▶ Investment in Neighbourhood and Place environment
- ▶ Through our Economic Development team, we will support job creation and business retention and expansion through interventions and advice, and seek to protect the local economy where we can influence this.
- ▶ Improve and promote Tamworth's historic and cultural assets and events
- ▶ Community Safety focus on neighbourhoods and place
- ▶ Working with partners to ensure the fear of crime within Tamworth is reduced

### 5. TOWN CENTRE

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>▶ Continue to develop street market and extend supporting events around the market to add vibrancy within the town centre</li> <li>▶ Create a branding scheme for "Created in Tamworth"</li> <li>▶ Provide the infrastructure to improve evening and night time economy</li> <li>▶ Embrace Tamworth's history and culture so as to build a sense of local pride and support our children's education and understanding of the significant part Tamworth played in British history</li> </ul> | <ul style="list-style-type: none"> <li>▶ Continue to promote all outdoor events</li> <li>▶ Development of a new Tamworth Enterprise Centre as part of the structural transformation of the town centre</li> <li>▶ Make the town centre more accessible</li> <li>▶ Provide the environment where the leisure and food offer can grow and flourish</li> <li>▶ Working with others seek to improve the night-time transport offer to support the overall night-time economy</li> </ul> |
|---|---|

# The Assurance Framework

The diagram below shows how the Assurance Framework is made up



## **What have we done to monitor and evaluate the effectiveness of our governance arrangements during 2022/23 including ensuring that those arrangements have not been compromised by the impact of the pandemic**

The Authority has the responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of the effectiveness of the system of internal control is informed by:

- The work of Internal Audit which is detailed in the Internal Audit's Annual Report.
- Responsibility of Corporate Management Team for the development and maintenance of the internal control environment.
- Reports received from our External Auditors and any other review agencies or inspectorates.

During 2022/23, our operations were impacted by the global pandemic and its subsequent recovery. The Council continued to support vulnerable people, deliver critical front line services and continued response to the effects of the COVID19 pandemic during the year including the payment of significant levels of support to local businesses and individuals (through the council tax energy rebate scheme) and expanded businesses rates relief to retail, hospitality and leisure businesses. Importantly, the COVID-19 emergency tested the Council's ability to move at pace, prioritise its service delivery and demonstrate its core values & purpose. To ensure our governance arrangements remained effective, the following actions have contributed to the evaluation of the effectiveness of the arrangements:

- The Council has continued to respond rapidly and effectively to the pandemic related restrictions as they have been announced by Government. Most staff switched to virtual working and establishments, such as the Castle and Assembly Rooms were initially closed, however have now re-opened. Public health and safety became a priority for a number of teams working collaboratively to manage Covid outbreaks within our communities and to ensure the safe return of people to the town centre as Covid restrictions were eased. Resilience plans were activated in partnership with the Civil Contingencies Unit and businesses were supported by the authority with the distribution of c.£30m in Government grants since the start of the pandemic, through a variety of different schemes – together with expanded Business Rates Relief totalling over £25million to retail, hospitality and leisure businesses, including a further 50% relief in 2022/23. The Council's aim was to ensure public service delivery could continue safely where permitted.
- The Council's Recovery & Reset Programme was formally closed on 31 March 2023, agreed at Cabinet on 6 April 2023 ([Link here](#)). The programme was subject to post implementation review by BDO (internal audit) and recognized as giving substantial assurance with significant success factors reported.
- Increased residents' resilience and access to information through empowering and working with 'anchor' and third sector organisations to support our most vulnerable
- Support our most vulnerable through preventing homelessness and helping people access suitable housing amidst major Government initiatives including the "everyone" in campaign, whilst also pausing non-essential moves
- Following meetings being held remotely the Council recommenced its meeting programme through face to face meetings which were additionally streamed
- The internal audit programme included provision of days for Covid-19 flash assurance audits to ensure that those charged with governance were able to get dynamic assurance over risks affecting the Council from the pandemic, for example in terms of productivity and governance. The internal audit programme included remote working to gain further assurance with most staff transitioning to working from home in relation to

## ICT Back Ups.

In addition to the above, the Council's 'business as usual' governance arrangements have continued to operate, for example:

- The Code of Corporate Governance, set out in line with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*, has been reviewed and updated.
- Internal audit have reported to the Audit & Governance Committee on a quarterly basis and provided an opinion on the overall effectiveness of the system of internal control based upon the work completed. The statement for the 2022/23 financial year is as follows:  
'On the basis of audit work completed, Internal Audit's opinion on the council's framework of governance, risk management and internal control is reasonable in its overall design and effectiveness. Certain weaknesses and exceptions were highlighted by audit work. These matters have been discussed with management, to whom recommendations have been made. All of these have been, or are in the process of being addressed'.
- Our External Auditors report to each Audit & Governance Committee. In their Auditors Annual Report (2021/22), they gave an unqualified opinion on the Statement of Accounts and an unqualified conclusion in respect of the Authority securing economy, efficiency and effectiveness.
- The Corporate Risk Register is owned and reviewed on a quarterly basis by the Corporate Management Team and reported in the Quarterly Health Check to Cabinet. It is also reported in the risk management update to the Audit & Governance Committee..
- Managers Assurance Statements have been completed by Executive Directors and Assistant Directors and have not identified any significant control issues.
- Financial Guidance and Financial and Contract Procedure Rules are reviewed on a regular basis, the latest review being approved by the Audit & Governance Committee in April 2023. A full review of the constitution took place and was approved by Council in December 2020, this has been updated and will be presented to Council during 2023/24.
- The Chief Finance Officer and Audit Manager are suitably experienced and qualified and comply with the CIPFA Statements on their respective roles.
- No issues were raised through the Counter Fraud and Corruption and Whistleblowing Policies.
- There were 20 data security breaches reported to the Data Protection Officer during the financial year, 3 of which were reported to the Information Commissioners Officer.
- Internal Audit are required to comply with the Public Sector Internal Audit Standards. As part of this requirement, Internal Audit are required to complete an annual self-assessment against the Standards and produce a Quality Assurance & Improvement Programme(QAIP) which identifies areas for improvement both to ensure compliance with the Standards and other quality areas. The self-assessment against the standards and the QAIP are reported to the Audit & Governance Committee. The five yearly External Quality Assessment was completed during 2022/23 and the service achieved the highest level of compliance 'generally conforms'. An action plan for actions identified during the review has been agreed and will be implemented during 2023/24.
- The Performance Management Framework ensures that the Financial Health Check is reported to Cabinet on a quarterly basis and made readily available on the Authority's website.

- The Authority is currently compliant with the PSN Code of Connection. The compliance process includes assessments against governance, service management, information assurance conditions and technical controls and assures access to the Public Services Network. Our current compliance certificate expires in May 2024, the renewal process will be started prior to that to ensure continuity of PSN services.
- An annual update report is presented to the Audit & Governance Committee on the use of RIPA powers. During 2022/23, no RIPA authorisations were made.
- To assist in a more co-ordinated approach to managing projects, a Corporate Project Management template and process is now in place.
- A self-assessment of the Audit & Governance Committee's effectiveness was completed in February 2023.
- The Chairs of the Audit & Governance and Scrutiny Committees submitted their Annual Reports to Full Council.
- The Authority complies with the Financial Management Transparency Code.
- Counter fraud work continues to be completed with the retained expertise of in-house staff to investigate corporate fraud.
- Internal Audit completes an annual assessment of the risk of fraud which is reported to the Audit & Governance Committee annually. The counter fraud plan and risk assessment were reported to the Committee in October 2022 and it was concluded that the Authority has adopted a response that is appropriate for its fraud and corruption risks and commits to maintain its vigilance to tackle fraud.
- In compliance with the Localism Act 2011, a report was presented to Full Council in October 2020 advising them of the number of complaints received regarding Members Conduct. A report was not submitted during 2022/23.
- The Local Government and Social Care Ombudsman annual report letter was reported to Audit & Governance Committee in October 2022.
- The review of the Constitution and Scheme of Delegation was approved by Council in December 2020. It will be due to be refreshed in the Summer 2023
- The Anti-Money Laundering Policy was reviewed and refreshed by the Audit & Governance Committee in October 2022 and a new Prevention of Tax Evasion Policy was approved by the Audit & Governance Committee in October 2020.
- A new Diversity and Equality Scheme (2020-24) was formally approved by full council in October 2020 with supporting action plan.
- The annual Pay Policy was approved by Council in December 2022
- The authority has continued to progress implementations of the organisation's response to the General Data Protection Regulations (GDPR). The Data Protection Officer continues to raise its awareness of GDPR across the authority. As part of wider IT Governance work, policies and procedures have been reviewed or are being developed to meet our obligations under the GDPR and to ensure a robust governance framework is in place for our ICT systems and information assets. The Information Security Policy and Data Protection Policy is being rolled out across the authority and is a mandatory requirement for new starters. The authority's Corporate Privacy Notice along with Departmental Fair Processing Notices have been developed with reviews being undertaken when necessary. Information on our website has been reviewed and updated with guidance to support our customer's rights of access to their data. Work is progressing with suppliers to ensure the security and compliance of personal data held within our software systems. An ongoing programme of cyber security awareness and training is undertaken across the authority with regular

signposted updates on Infozone.

- As part of the remit of the Audit & Governance Committee during 2022/23 they reviewed the risks around the Future High Street Fund. The sub-committee meets quarterly and reports directly to the Audit & Governance Committee.
- Partnership working arrangements continued to strengthen and further develop with both our statutory and community and voluntary sector partners. The response to the pandemic was unprecedented and has created a good foundation for closer links and partnership work as we move into recovery.
- The Tamworth Advice Centre commissioned through the partnership team continues to provide valuable generalist debt and specialist advice to our most vulnerable citizens and will be re-commissioned in 2021/22. This tender was successfully procured and awarded in April 2022 to Mid Mercia CAB.
- We value our community and voluntary sector and the work they do within our community. In 2020/21, despite lockdown we awarded grants through our Community Grants and Councillor Grants Programme to aid community response to the pandemic. Full details can be found on our website:  
[https://www.tamworth.gov.uk/sites/default/files/misc\\_docs/2021-22\\_Grants.pdf](https://www.tamworth.gov.uk/sites/default/files/misc_docs/2021-22_Grants.pdf)
- The Place Based Approach continues to grow and further develop; this is a collaborative partnership approach through the County Council Building Resilient Families programme that uses multi skilled teams, universal services, voluntary sector organisations, and communities at the right time to improve outcomes for children, young people, vulnerable people and our community. As part of this Place Based Approach we have been working in partnership to identify community and voluntary sector organisations that can offer children, families and vulnerable people help and support at the earliest opportunity.
- Financial resilience is and has been the key requirement for local authorities at any time, but in the current crisis it has assumed unprecedented importance. Cabinet Recovery and Reset programme which ran from Sept 2020 to April 2023 – its aims to consider and respond to the financial challenges facing the council as a result of the coronavirus pandemic. A service review project within the programme, aimed at reducing waste demand on services (basically this is any action or step in a process that does not add value to the customer), exploring opportunities for income generation and identifying any further savings – all of which resulted in £6.9m of service efficiencies contributing to a balanced MTF5 2023
- The Authority has both a moral and legal obligation to ensure a duty of care for children and adults with care and support needs across its services. We are committed to ensuring that all children and adults with care and support needs are protected and kept safe from harm whilst engaged in services organised and/or provided by the Council. We do this by:
  - Having a Safeguarding Children & Adults at Risk of Abuse & Neglect Policy and procedures in place  
[https://www.tamworth.gov.uk/sites/default/files/community\\_docs/Safeguarding-children-and-adults-at-risk-of-abuse-and-neglect.pdf](https://www.tamworth.gov.uk/sites/default/files/community_docs/Safeguarding-children-and-adults-at-risk-of-abuse-and-neglect.pdf) ;
  - Having Safeguarding Children & Adults Processes which give clear, step-by-step guidance if abuse is identified;
  - Safeguarding training programme in place for staff and members;
  - Carrying out of the appropriate level of Disclosure and Barring Service (DBS) checks on staff and volunteers;
  - Working closely with Staffordshire Safeguarding Children's Board &

Staffordshire & Stoke-on-Trent Adult Safeguarding Partnership; and Staffordshire Police.

- The Authority recognises that it has a responsibility to take a robust approach to slavery and human trafficking. In addition to the Authority's responsibility as an employer, it also acknowledges its duty as a Borough Council to notify the Secretary of State of suspected victims of slavery or human trafficking as introduced by section 52 of the Modern Slavery Act 2015. The Authority is committed to preventing slavery and human trafficking in its corporate activities and to ensuring that its supply chains are free from slavery and human trafficking. The Authority has included modern slavery and human trafficking information within the corporate safeguarding policy and training.

A Modern Slavery statement is prepared each year and endorsed by Corporate Management Team and Audit and Governance Committee.

<https://www.tamworth.gov.uk/safeguarding>

The Council will continue to develop and strengthen its approach to modern slavery trafficking in 2022/23 and updated statement prepared by September 2023..

- The Tamworth Vulnerability Partnership continues to meet each week and the Council is also committed to the Multi Agency Risk Assessment Conference (MARAC) to ensure that partner organisations are working together to coordinate efforts to support high risk victims of domestic abuse, children, young people, families and vulnerable people across Tamworth.
- Tamworth launched a Social Housing Regulatory Programme in April 2023, building on a commissioned self assessment of its regulatory compliance with the consumer standards for its stock retained services in 2021/2022. This assessment resulted in a risk based improvement plan , areas of which will be built into service plans form 2022-2025. The Programme oversight is championed by tenants and forms part of the Councils reporting on performance.

## Declaration

We have been advised on the implications of the result of the review of the effectiveness of the Governance Framework by the Audit & Governance Committee and that the arrangements continue to be regarded as fit for purpose. The issues which remain outstanding from previous years' Annual Governance Statements are detailed at **Annex 1** with actions to address them. No additional governance issues were highlighted during 2022/23. Other minor issues highlighted through the assurance gathering process have been noted with planned actions to address these issues. Monitoring of the completion of all these issues will be completed through reporting to the Audit & Governance Committee.

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



Signed

P Turner

A Barratt

Leader

Chief Executive

Date

On behalf of the Authority

## Significant Governance Issues

The significant governance issues identified in relation to previous iterations of our Annual Governance Statement, which remained significant issues for us during 2022/23 and are detailed below:

No	Issue	Previous Action	Update 2022/23
1	<p><b>Medium Term Financial Strategy (MTFS)</b></p> <p>Whilst actions have been taken to ensure that the MTFS remains balanced, this is still a significant risk to the Authority. Revenue Support grant will be removed around 2020. Opportunities and risks associated with the 100% Business Rates Retention will need to be identified. The increasing demands of our customers also need to be considered.</p>	<p>The Medium Term Financial Planning process is being challenged by the ongoing uncertain economic conditions. The attached forecast is based on a 5 year period, but does contain a number of uncertainties.</p> <p>For two years, the government has only held single-year Spending Reviews, with 2019 being a single year due to the political turbulence around Brexit, and 2020 being a single year, given the COVID-19 pandemic. However, on 7th September 2021, the Chancellor wrote to Secretaries of State to confirm the government's intention to complete a multi-year Spending Review (SR2021), setting revenue and capital budgets for 2022/23 to</p>	<p>On 12th December 2022, the Secretary of State for Levelling Up, Communities and Local Government published a written ministerial statement which was accompanied by a policy statement on the 2023/24 local government finance settlement and assumptions about the 2024/25 local government finance settlement.</p> <p>This statement came ahead of the 2023/24 provisional local government finance settlement announcement, which was published in December 2022, detailing local authority-level figures for 2023/24.</p> <p>The Government has set out some planning assumptions for the 2024/25 local government finance settlement as follows:</p> <ul style="list-style-type: none"> <li>• The Review of Relative Needs and Resources ('Fair Funding Review') and a reset of Business Rates growth will not be implemented in the next two years.</li> <li>• The council tax referendum principles will continue the same as 2023/24.</li> </ul>

		<p>2024/25.</p> <p>As part of the recent Spending Review, no announcement was made about the government’s plans for funding reform or a reset of the Business Rates Retention (BRR) system, both of which were originally expected to be implemented in 2019/20, but which have been delayed a number of times.</p> <p>The 2022/23 local government finance settlement has now been published, for one year only and is based on the Spending Review 2021 (SR21) funding levels. This is the first time since 2015 that, in the context of a multi-year Spending Review, the government has only provided local authorities with a single-year settlement.</p> <p>No detailed announcements were made on funding reform, though Government confirmed that it is committed to ensuring that funding allocations for councils are based on an up-to-date assessment of their needs and resources.</p> <p>While this means the Council will be able to retain its business rate growth for 2022/23, it also means that the</p>	<ul style="list-style-type: none"> <li>• Revenue support grant will continue and be uplifted in line with baseline funding levels (assumed now to be now based on September 2023 CPI), while social care grants will increase as set out in the table above.</li> <li>• Business rates pooling will continue.</li> <li>• The Government will set out the future position of New Homes Bonus ahead of the 2024/25 local government finance settlement.</li> </ul> <p>This settlement represents a ‘holding position’ until the next Parliament, aiming at stability. The ruling out of a business rates reset, or a fair funding review, means that the funding distribution will stay fairly stable (with the exception of Extended Provider Responsibility funding). But this means that the big questions about the future of the funding system remain unaddressed one way or another.</p> <p>While this means the Council will be able to retain its business rate growth for 2023/24 and 2024/25, it also means that the uncertainty continues and potentially the Council still faces losing this growth from 2025/26.</p> <p>There are also further uncertainties arising from current cost pressure and inflationary increases which have compounded the likely price increases for supplies that are required for building or construction/maintenance works.</p> <p>The Recovery &amp; Reset Programme package of savings originally reported in July 2022 estimated savings to be in the region of c£3.5m over 5 years; £2.8m of which was unbudgeted capital costs for continuing to occupy Marmion House.</p>
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		<p>uncertainty continues and potentially the Council still faces losing this growth from 2023/24 as, over the coming months, the Government have stated that they will work with the sector before consulting on funding reform.</p>	<p>As part of the update report to Cabinet on 10th November 2022, including those already built into the medium-term financial plan, the revised programme potentially delivers efficiencies of c£5.1m over the next 5-year medium term. This includes the c£3.5m already identified; plus, an additional £1.6m already delivered through the service re-design project within the programme.</p> <p>In light of the base budget and MTF5 forecast considered by Cabinet on 1st December 2022, following the Leaders Budget Workshop on 30th November 2022, Managers were asked to identify further areas for potential savings – which have now been included in the policy changes, amounting to c.£1.8m over 5 years.</p>
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No	Issue	Previous Action	Update 2022/23
2	<p><b>Regeneration/Capital Projects</b></p> <p>The Authority needs to ensure that capital projects are managed effectively to ensure that they are delivered and grant monies are spent appropriately and timely.</p> <p>There is a risk that developers will not develop timely in accordance with the Local Plan need.</p>	<p>Re-profiling of capital scheme spend from 2021/22 into 2022/23 is forecast at c. £30.4m relating mainly to new affordable Housing development, housing capital works, Disabled Facilities Grants, Acquisitions and Commercial Investments.</p> <p>It is anticipated that this spend will now occur during 2022/23 but the situation will be closely monitored. As part of the MTFs, Council in February 2021 approved the updated Capital Strategy which sets out the Council's approach to capital investment and the approach that will be followed in making decisions in respect of the Council's Capital assets.</p> <p>Capital investment is an important ingredient in ensuring the Council's vision is achieved and given that capital resources are limited it is</p>	<p>Re-profiling of capital scheme spend from 2022/23 into 2023/24 is forecast at c. £29.2m relating mainly to the Future High Street Fund Regeneration schemes of c.£17m together with Disabled Facilities Grants (£1.3m). There is also lower levels of re-profiling for new affordable Housing development (£3.4m) and housing capital works (£4.4m) including a Decarbonisation scheme (£1.1m).</p> <p>It is anticipated that this spend will now occur during 2023/24 but the situation will be closely monitored. As part of the MTFs, Council in February 2022 approved the updated Capital Strategy which sets out the Council's approach to capital investment and the approach that will be followed in making decisions in respect of the Council's Capital assets.</p> <p>Capital investment is an important ingredient in ensuring the Council's vision is achieved and given that capital resources are limited it is critical that the Council makes best use of these</p>

		<p>critical that the Council makes best use of these resources – including the development of a long term strategic plan to address the identified maintenance and repairs backlog for corporate assets.</p> <p>It is recognised that significant further work is required in this area in order to deliver a robust capital strategy, and the updated Asset Management Plan is nearing completion, with an upto date stock condition survey (with appropriate budget provision approved within the MTFS) planned. This should set out the detailed capital resources /expenditure required to maintain assets, together with the associated timeframe, to inform options appraisal and feed into the capital strategy for ASSG/CMT review of potential schemes.</p>	<p>resources – including the development of a long term strategic plan to address the identified maintenance and repairs backlog for corporate assets.</p> <p>It is recognised that significant further work is required in this area in order to deliver a robust capital strategy, and the updated Asset Management Plan has been completed in draft following Scrutiny Committee consideration during the year, with an upto date stock condition survey. This sets out the detailed capital resources /expenditure required to maintain assets, together with the associated timeframe, to inform options appraisal and feed into the capital strategy for ASSG/CMT review of potential schemes.</p>
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No	Issue	Previous Action	Update 2022/23
3	<p><b>Welfare &amp; Benefit Reform</b></p> <p>There is a risk of reduced income corporately due to welfare reform changes (including council tax support scheme and Universal Credit with further austerity measures from the Welfare reform Act 2015). As well as the potential for reduced income and an increase in bad debts, there are additional impacts arising from increased needs in services – eg., homelessness, requirement for additional support to vulnerable people, increased issues of ASB etc. meaning an increase in demand on 3<sup>rd</sup> sector and statutory agency services.</p>	<p>Income levels have been largely maintained in 2021/22 (due to the mitigations put in place) despite the Covid-19 crisis.</p> <p>The Corporate Working Group has continued to meet to take forward an organisation wide approach including preparations for implementation of the Debt Respite Scheme (Breathing Space). Following a tender process in 2021, further work was being commissioned around corporate debt to secure a one council approach focusing on not only the management of multiple debt households but seeking to understand how resources are better aligned to secure VFM.</p> <p>Third Sector Support and Vulnerability Strategy is one of the Recovery and Reset Programme projects – recognising that one of the most positive outcomes to the Pandemic is the overwhelming</p>	<p>Income levels have been largely maintained in 2022/23 (due to the mitigations put in place) despite the effects of the Covid-19 crisis and recent geopolitical issues.</p> <p>The Corporate Working Group has continued to meet to take forward an organisation wide approach including preparations for implementation of the Debt Respite Scheme (Breathing Space). Following a tender process in 2021, further work was being commissioned around corporate debt to secure a one council approach focusing on not only the management of multiple debt households but seeking to understand how resources are better aligned to secure VFM.</p> <p>The work with the Voluntary Sector continues to thrive and baseline statistics have been produced through UK Share Prosperity Fund to understand the Council's approach and underpin projects around identified priority vulnerability areas:</p> <ul style="list-style-type: none"> <li>• Social Exclusion</li> </ul>

		<p>ability of 'anchor organisations and communities' to mobilise and support each other, this project will explore how the Council's commissioning framework can be aligned to build on these foundations going forward and how we define and develop our vulnerability strategy, building on the baseline assessment commissioned</p>	<ul style="list-style-type: none"><li>• Financial Exclusion</li><li>• Mental Health</li><li>• Digital Exclusion</li><li>• Housing and Homelessness</li></ul> <p>The work also includes baseline to produce a Borough Wellbeing Strategy</p>
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# TAMWORTH BOROUGH COUNCIL

## CODE OF CORPORATE GOVERNANCE 2022/2023

### Introduction

Good Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved.

The International Framework: Good Governance in the Public Sector (CIPFA/IFAC, 2014) (the “International Framework”), states that:

*To deliver good governance in the public sector, both governing bodies and individuals working for public sector entities must try to achieve their entity’s objectives while acting in the public interest at all times.*

*Acting in the public interest implies primary consideration of the benefits for society, which should result in positive outcomes for service users and other stakeholders.*

### Our Commitment

The Authority is committed to upholding the highest possible standards of good corporate governance, as good governance leads to high standards of management, strong performance, effective use of resources, increased public involvement and trust in the Council and ultimately good results.

Good governance flows from shared values, culture and behaviour and from sound systems and structures. This Code of Corporate Governance is a public statement which sets out the framework through which the Council meets its commitment to good corporate governance and is based on the following principles;

- Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of the law.
- Ensuring openness and comprehensive stakeholder engagement.
- Defining outcomes in terms of sustainable economic, social, and environmental benefits.
- Determining the interventions necessary to optimise the achievement of the intended outcomes.
- Developing the entity’s capacity of its leadership and the individuals within it.
- Managing risks and performance through robust internal control and strong public financial management.
- Implementing good practices in transparency, reporting, and audit, to deliver effective accountability.

This Code describes how the Council demonstrates its commitment to these seven principles and indicates what the Council has completed to achieve the commitment. It shows our own governance structure underpinned by the principles and demonstrated how we operate effectively.

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

Supporting Principle	Ensuring members and officers behave with integrity and lead culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation.
What Assurance Do We Want	<p>Codes of Conduct            Individual sign off with regard to compliance with code            Induction for new members and staff on standard of behaviours expected            Performance appraisals</p>
<p>What Assurance Do We Get</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 108</p>	<p>There is a Members' Code of Conduct which forms part of the <a href="#">Constitution</a> and is approved on an annual basis. Each member is required to sign two copies of the Code, retain one for themselves and one is held by Democratic Services. The Code of Conduct for employees is also in the <a href="#">Constitution</a>. Members' are required to sign up to the Code of Conduct at the time they are elected to office. The Code of Conduct for officers is issued to employees on an annual basis.</p> <p>There is a protocol for Member/Officer relations detailed in the Constitution.</p> <p>The <a href="#">Constitution</a> details Rules of Procedures for Committee meetings. Codes and protocols are also included in the Gifts &amp; Hospitality Policy and Register of Interests.</p> <p>Key Officers and Members are required to complete an annual disclosure regarding any related party interests as part of the annual statement of accounts process.</p> <p>There are a set of mandatory training requirements for all officers, which are delivered by either e-learning or face to face sessions.</p> <p>Members have at least one training event each year which relates to Conduct. They have access to the Monitoring Officer at all times.</p> <p>Other protocols included in the Constitution relate to Pre-Election, Member involvement in Commercial Transactions, use of Council facilities, printing and postage, Dealing with Planning Matters and Monitoring Officer Protocol.</p> <p>The Audit and Governance Committee remit includes review of Standards of Conduct for Members as required by the Localism Act 2011 – reports are produced to the Audit and Governance Committee.</p> <p>There is a Chief Officer conduct committee and a Statutory Officer conduct committee.</p> <p>Following endorsement at A&amp;G a review of the Code of Conduct is planned for 2023.</p> <p>There is an E-induction programme in place which all new members of staff must complete.</p> <p>A members' induction programme is in place for newly elected members.</p>

	A new personal development review process commenced in May 2023, which incorporates an assessment of employees core values and behaviours.
What is missing	Nothing identified
Supporting Principle	Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles).
What Assurance Do We Want	Communicating shared values with members, staff, the community and partners.
What Assurance Do We Get	<p>The Members Code of Conduct is built upon the Seven Principles of Public Life. The Code of Conduct is included in the <a href="#">Constitution</a>. Following endorsement at A&amp;G a review of the Code of Conduct is planned for 2023.</p> <p>The Corporate Plan was revised during 2021/22 and a new plan for the period from 2022 to 2025 was approved at Cabinet on 17 March 2022.</p> <p>This work has all been brought together by councillors, during a number of councillor-led workshops and seminars, into a new refocused vision to reflect new priorities. Again, this year collaborative budget setting workshops were held to ensure all councillors were able to have involvement in what is important to them and their residents. Our desired outcomes for 2022-25 are detailed in the Corporate Plan and Council Vision. The Corporate Plan details our Vision and sets out our Thematic Priorities. Under each thematic priority, we detail our ambitions and how we are going to realise these. All outcomes we aim to achieve, along with changes we want to see and supporting information are detailed in the Corporate Plan. It is through the Corporate Plan that these aspirations and expectations will be achieved. The scale, scope and timescale relating to these outcomes presents the Council with a challenging yet achievable task over the forthcoming years. While the Corporate Plan remains relevant to our future outcomes, these will no doubt be affected by both the ongoing effects of Covid-19 and other geopolitical situations.</p> <p>It is important to note that whilst the plan focuses upon delivering against the Thematic Priorities, the Council must also ensure that the wide range of day-to-day operational and support services continue to be delivered to a consistent and efficient standard. In doing so, it demonstrates how the organisation underpins our Thematic Priorities.</p> <p>The <a href="#">Corporate Plan</a> identifies that we will prioritise the development of clear standards of service across the organisation and will further develop our approaches to measure and respond quickly to customer intelligence and levels of satisfaction together with the revision of the Organisational and People Strategy that ensures the organisation is focused on the future.</p> <p>To help elected members set the council budget and priorities, every year we consult residents, businesses and the voluntary sector on spending and savings options in line with the council priorities. We also conduct a survey to hear what people think about Tamworth as a place to live. Usually these are</p>

	<p>separate consultations, however, to avoid duplication and make an efficient use of resources, this year we've combined these into one annual survey.</p> <p>In the survey we asked questions about:</p> <ul style="list-style-type: none"> <li>• What Tamworth is like as a place to live.</li> <li>• Satisfaction with council services.</li> <li>• How people are informed about the work of the council and contacting the council.</li> <li>• Thoughts on council priorities.</li> <li>• Council income and spending options.</li> <li>• How we handle complaints.</li> </ul>
What is missing	Nothing identified
Supporting Principle	Leading by example and using these standard operating principles or values as a framework for decision making and other actions.
What Assurance Do We Want	<p>Decision making practices</p> <p>Declaration of interests made at meetings</p> <p>Conduct at meetings</p> <p>Shared values guide decision making</p> <p>Develop and maintain an effective standards committee</p>
What Assurance Do We Get	<p>Rules of procedure for Committee meetings detailed in the <a href="#">Constitution</a>. Report format set out to ensure key information is provided to Members to inform decision making.</p> <p>Declarations of interests completed at all <a href="#">Committee meetings</a> and recorded on the website. <a href="#">Annual declarations</a> made by members – register of Interests. Nolan principles (values) detailed with the Code of Conduct.</p> <p>The <a href="#">Audit &amp; Governance Committee</a> takes on the role of Standards Committee and independent members sit on the Committee for Standards matters.</p> <p>Monitoring Officer dedicated to member issues with early intervention and resolution practised leading to good Member/Officer relationships.</p> <p>The Council's commitment to equality and diversity is demonstrated in its policy and plan (2020-24).</p>
What is missing	Nothing identified

Supporting Principle	Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively.
What Assurance Do We Want	<p>Anti-fraud and corruption policies are working effectively</p> <p>Up-to-date register of interests (members and staff)</p> <p>Up-to-date register of gifts and hospitality</p> <p>Whistleblowing policies are in place and protect individuals raising concerns</p> <p>Whistleblowing policy has been made available to members of the public, employees, partners and contractors</p> <p>Complaints policy and examples of responding to complaints about behaviour</p> <p>Changes/improvements as a result of complaints received and acted upon</p> <p>Members and officers code of conduct refers to a requirement to declare interests</p> <p>Minutes show declarations of interest were sought and appropriate declarations made.</p> <p>As part of our approach to service delivery we will:</p> <ul style="list-style-type: none"> <li>• Improve our use of ‘insight’ in shaping services and directing investment;</li> <li>• Better align service delivery to ensure we act with purpose and are accountable;</li> <li>• Support the Demand Management model with prevention approaches which seek to tackle causes and reduce costs;</li> <li>• Develop approaches which genuinely ‘empower’ individuals and communities;</li> <li>• Support a transformed dialogue with residents - recognising that our financial capacity will be less than in previous years which means educating and supporting communities to focus resources on ‘needs’ and being clear on what we are able to do and equally what we can’t.</li> </ul>

<p>What Assurance Do We Get</p>	<p><a href="#">The Counter Fraud and Corruption Policy Statement, Strategy &amp; Guidance Notes</a> are reviewed and updated on a regular basis. They are approved by the <a href="#">Audit &amp; Governance Committee</a>. The Policy is made available on the intranet and promoted to all staff via annual fraud awareness campaigns. One was held in November 2021.</p> <p>All staff and members are required to register their interests.</p> <p><a href="#">Members interests</a> are made public on the website.</p> <p>Gifts and hospitality register is maintained by the Monitoring Officer. Regular reminders are sent to Members and Officers on the requirement to Register Gifts &amp; Hospitality, the last one being sent in December 2019.</p> <p>The <a href="#">Whistleblowing Policy</a> is reviewed and updated on a regular basis and made available on the intranet.</p> <p>The Comments, Compliments and Complaints policy was approved by Cabinet in February 2023 and is available on the website. The policy provides a framework that enables customers to give feedback about the council’s services and to ensure fairness and consistency when acting on this feedback.</p> <p>Codes of Conduct require members and officer to declare interests.</p> <p><a href="#">Committee meeting minutes</a> detail declarations made.</p> <p>Ombudsman Investigations are reported to Audit &amp; Governance Committee.</p> <p>There is an Anti-Money Laundering Policy in place that was reviewed and approved in November 2019 by the Audit &amp; Governance Committee.</p>
<p>What is missing</p>	<p>Nothing identified</p>
<p>Supporting Principle</p>	<p>Seeking to establish, monitor and maintain the organisation’s ethical standards and performance</p>
<p>What Assurance Do We Want</p>	<p>Scrutiny of ethical decision making Championing ethical compliance at governing body level</p>
<p>What Assurance Do We Get</p>	<p>The Council has in place three <a href="#">Scrutiny Committees</a> – Corporate, Health &amp; Wellbeing and Infrastructure, Safety &amp; Growth which provide effective scrutiny to the achievement of the strategic priorities. The <a href="#">Scrutiny Committees</a> join together to scrutinise the Budget.</p> <p>The Scrutiny Committees have the right to “call in” decisions made by the Executive. The Scrutiny Committees make use of the Forward Plan to shape projects and improve accountability and decision making. The Scrutiny Committee function is currently being reviewed for effectiveness by the Constitution Working Group.</p> <p>Agendas and minutes for the <a href="#">Scrutiny Committees</a> are made available on the Council’s website and reported to the <a href="#">Full Council</a>.</p> <p>Each Chair of the Scrutiny Committee reports annually to Full Council.</p> <p>The role of scrutiny has been enhanced with their monitoring and scrutiny of organisational performance on a regular basis. Training will continue as required for members to improve effectiveness</p> <p>There is an Audit and Governance Committee with the roles as required by the CIPFA/Solace framework (as well as the Standards function).</p>



	<p>The Constitution Working Group, made up of cross party representatives, meets to review the Constitution. The Deputy leader of the Council and Portfolio Holder for Assets &amp; Finance is the Governance lead in the Authority.</p> <p>Corporate Values and Behaviours have been rolled out to staff.</p>
What is missing	Nothing identified
Supporting Principle	Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation
What Assurance Do We Want	Provision of ethical awareness training
What Assurance Do We Get	<p>Members receive induction training which covers expected behaviours and ethics. Complaints received about Members Conduct are administered by the Monitoring Officer. Following the Localism Act, the Standards Committee has been abolished. Issues in relation to Members Standards of Conduct are now operated in terms of the Localism Act 2011. A procedure approved by Council is in place which outlines the process to be followed in relation to complaints of members conduct. It also provides the procedure for complaints that are to be dealt with by the <a href="#">Audit &amp; Governance Committee</a>. A recruitment process is planned shortly to recruit further Independent Members.</p> <p>Training is provided on a regular basis for:</p> <ul style="list-style-type: none"> <li>• Diversity and Equalities (MERIT);</li> <li>• Safeguarding;</li> </ul> <p>Data Protection Freedom of Information Health and Safety.</p>
What is missing	Nothing identified
Supporting Principle	Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values.
What Assurance Do We Want	<p>Appraisal processes take account of values and ethical behaviour</p> <p>Staff appointments policy</p> <p>Procurement policy</p>

What Assurance Do We Get	<p>PDR's take into account corporate priorities. The PDR process identifies training needs required by the officer for continued professional development and in order to deliver the vision and priorities of the Authority. New and vacant post procedure in place.</p> <p>Recruitment processes are carried out by trained officers.</p> <p>Procurement Policy in place which requires compliance standards that apply to procurement, including:</p> <ul style="list-style-type: none"> <li>• Compliance with National legislation; all procurement will be undertaken in accordance with UK statutes and regulations;</li> <li>• Financial regulations external and internal; all procurement will be undertaken in accordance with the Council's Standing Orders and Financial Regulations;</li> <li>• Health &amp; Safety standards;</li> <li>• Environmental Impact and Sustainability; the Council will aim to procure from suppliers and to use goods and services which have the least impact on the environment and minimise energy consumption whilst maintaining quality and value for money;</li> <li>• Equality and Diversity – the Council is committed to eliminating inequalities in all areas of activity including procurement, and the procurement process will not discriminate on the grounds of age, disability, gender, race, religion or sexuality;</li> <li>• Safeguarding Children &amp; Adults at Risk of Abuse &amp; Neglect standards.</li> <li>• Under the provisions of the Social Value Act, officers are required to consider social value issues in the procurement of major works or services i.e. impact on local labour, local economy/businesses, apprenticeships etc.</li> </ul> <p>Under the requirements of the Modern Slavery Act 2015, suitability questionnaires for tenderers need to be completed to ensure that the commercial organisations confirm that they are compliant with the annual reporting requirements contained with Section 54 (transparency in supply chains etc.) of the Act.</p>
What is missing	PDR's to be fully implemented in April 2023 and completed by June 2023.
Supporting Principle	Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards expected by the organisation.
What Assurance Do We Want	<p>Agreed values in partnership working:</p> <ul style="list-style-type: none"> <li>- Statement of business ethics communicates commitment to ethical values to external suppliers</li> </ul> <p>Ethical values feature in contracts with external service providers. Protocols for partnership working</p>

What Assurance Do We Get	<a href="#">Conditions of contract</a> for provision of service details bribery and corruption. This is available on the website Partnership arrangements in place, designed to help the Council work with its partners to ensure that all partnerships have good systems of governance. The Seven Principles of Public Life are detailed within the <a href="#">Counter Fraud &amp; Corruption Policy Statement, Strategy &amp; Guidance Notes</a> . They are also detailed in the Members Code of Conduct.
What is missing	Nothing identified
Supporting Principle	Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations.
What Assurance Do We Want	Statutory provisions Statutory guidance is followed Constitution
What Assurance Do We Get	The Authority receives legal advice via the shared Legal Service of Lichfield District, South Staffordshire District and Tamworth Borough Councils. This shared arrangement was implemented during 2019/20. Monitoring Officer and Section 151 Officer roles in place – review key decisions for legal and financial compliance. Legal updates from officers regarding changes to legislation, regulations, codes of practice, etc. are provided. Statutory guidance is followed by all services. The <a href="#">Constitution</a> , which includes the Scheme of Delegation to Officers is reviewed and approved annually by Full Council. Any substantial amendments required are approved by the Full Council. Quarterly ‘statutory officers’ meetings are held with the Chief Executive.
What is missing	Nothing identified
Supporting Principle	Creating the conditions to ensure that the statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements.
What Assurance Do We Want	Job descriptions/specifications Compliance with the CIPFA Statement on the Role of the Chief Finance Officer in Local Government (2015) Terms of reference Committee support
What Assurance Do We Get	Job descriptions, job profiles and personal specifications in place Compliance with the CIPFA Statement on the Role of the Chief Finance Officer in Local Government Statutory officers terms of reference detailed with the <a href="#">Constitution</a> Democratic support provided for Committee including a Scrutiny Officer to support Members.
What is missing	Nothing identified
Supporting Principle	Striving to optimise the use of the full powers available for the benefit of citizens, communities and other Stakeholders
What Assurance Do	Record of legal advice provided by officers

We Want	
What Assurance Do We get	<p>Details of legal advice provided to officers is maintained where appropriate and an electronic file created.</p> <p>Officers have the relevant training in their service sector appropriate to their position to ensure advice provided to citizens is correct, relevant and accurate.</p> <p>Committee reports require legal implications to be identified as part of the decision making process. All Cabinet Reports are approved by the Monitoring Officer and the S151 Officer.</p>
What is missing	Nothing identified
Supporting Principle	Dealing with breaches of legal and regulatory provisions effectively
What Assurance Do We Want	<p>Monitoring officer provisions</p> <p>Record of legal advice provided by officers</p> <p>Statutory provisions</p>
What Assurance Do We Get	<p>Officers receive legal advice as required from the shared legal services arrangement. There is a designated Monitoring Officer for member issues. Committee reports require legal implications to be identified as part of the decision making process.</p> <p>Statutory provisions are followed and preserved.</p>
What is missing	Nothing identified
Supporting Principle	Ensuring corruption and misuse of power are dealt with effectively.
What Assurance Do We Want	Effective anti-fraud and corruption policies and procedures
What Assurance Do We Get	<p><a href="#">The Counter Fraud and Corruption Policy Statement, Strategy and &amp; Guidance Notes</a> are reviewed and updated on a regular basis and approved by the <a href="#">Audit &amp; Governance Committee</a>. The document is made available on the Authority's website and the Intranet and is promoted to staff.</p> <p>The <a href="#">Whistleblowing Policy</a> is approved on an annual basis by the <a href="#">Audit &amp; Governance Committee</a> and made available on the Authority's website and the intranet.</p> <p>Assistant Directors are required to complete annual assurance statements to confirm compliance or otherwise with laid down expected principles and policy.</p>
What is missing	Nothing identified

## Core Principle B: Ensuring openness and comprehensive stakeholder engagement

Supporting Principle	Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness
What Assurance Do We Want	Annual report Freedom of Information Act publication scheme Online council tax information Authority's goals and values Authority website
What Assurance Do We Get	The Corporate Plan is published on the website There is a <a href="#">publication scheme</a> in place. FOI disclosures are recorded on the website. On-line <a href="#">Council Tax information</a> is made available – as well as published financial information in line with the Transparency Code of Practice (Accounts, budget, pay Policy etc.) The Authority's goals and values are detailed in the <a href="#">performance information</a> and <a href="#">Corporate Plan</a> . The Vision and associated priorities was driven by Members and based upon the collection, collation and analysis of a range of information; an understanding of local issues and an awareness of key influences. Each service area develops a business plan with outcomes, and performance indicators linked to the vision and priorities. The website is fully functional and has available information to aid citizens.
What is missing	Nothing identified
Supporting Principle	Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided.
What Assurance Do We Want	Record of decision making and supporting materials

What Assurance Do We Get	<p>The Forward Plan is maintained for all key decisions and follows the access to information rules and regulations regarding publication and notice.</p> <p>All <a href="#">agenda items</a> (reports) are made available on the website 5 working days prior to the meeting. Minutes are published on the website.</p> <p>All reports identify restrictions on publication.</p> <p>An Annual Report from the Leader of the Council detailing any reports that have not met the required notice is made in accordance with the Access to Information Regulations.</p> <p>The budget process aims to be open and transparent with an initial Process Plan approved in July, detailed base budget in November and Policy changes to arrive at the following year's budget approved in February. Appropriate action is taken and relevant Notices published in terms of the access to information rules and regulations when urgent items and private items are considered.</p>
What is missing	Nothing identified
Supporting Principle	<p>Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rational and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear.</p>
What Assurance Do We Want Page 118	<p>Decision making protocols</p> <p>Report pro-formas</p> <p>Record of professional advice in reaching decisions</p> <p>Meeting reports show detail of advice given</p> <p>Discussions between members and officers on the information needs of members to support decision making</p> <p>Agreement on the information that will be provided and timescales</p> <p>Calendar of dates for submitting, publishing and distributing timely reports is adhered to</p>
What Assurance Do We Get	<p><a href="#">All decisions</a> are made in accordance with the protocol as per the Constitution.</p> <p>Report formats are set on ModGov including key information to make informed decisions.</p> <p>The report author is noted on the report.</p> <p>Cabinet reports require Monitoring Officer and Section 151 Officer sign off.</p> <p>Portfolio holders / Cabinet are required to sign off the reports before publication / consideration – following discussions / agreement.</p> <p>A <a href="#">Forward Plan</a> is produced detailing the key decisions that will be made over the following one to four months. The forward plan is published on a regular basis and at least monthly.</p> <p>A calendar of meetings is published annually.</p> <p>All Agendas and Minutes of meetings are published in accordance with statutory requirements.</p>

What is missing	Nothing identified
Supporting Principle	Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/course of action.
What Assurance Do We Want	Use of consultation feedback
What Assurance Do We Get	<p>The Council has invested strongly in the development of innovative and proactive collaboration across agencies and sectors and has a well-earned reputation for placing partnership at the heart of our approach. The approved Corporate Plan 2022-2025 contains a commitment that we consider that our ability to deliver positive outcomes for residents is enhanced by working with others and as a result we will continue to invest in the development of purposeful and meaningful partnerships, based on identified priority need. In particular we will focus on enhancing the work that we do with others to protect vulnerable people and enhance neighbourhoods.</p> <p>Various <a href="#">consultations</a> exercises are completed throughout the year. Details of the consultations are made available on the website and the results are published.</p> <p>To help elected members set the council budget and priorities, every year we consult residents, businesses and the voluntary sector on spending and savings options in line with the council priorities. We also conduct a survey to hear what people think about Tamworth as a place to live. Usually these are separate consultations, however, to avoid duplication and make an efficient use of resources, this year we've combined these into one annual survey.</p> <p>In the survey we asked questions about:</p> <ul style="list-style-type: none"> <li>• What Tamworth is like as a place to live.</li> <li>• Satisfaction with council services.</li> <li>• How people are informed about the work of the council and contacting the council.</li> <li>• Thoughts on council priorities.</li> <li>• Council income and spending options.</li> <li>• How we handle complaints.</li> </ul> <p>The <a href="#">Tenant Involvement Strategy</a> (2020-24) remains in place and various forms of tenant involvement takes place throughout the year. This is currently subject to review as part of the Social Housing Regulatory Programme to review all council stock retained services for its council housing.</p> <p><a href="#">Statement of Community Involvement</a> in place for the Local Plan.</p> <p>There is a <a href="#">Community Safety Website</a> for the Community Safety Partnership.</p>

What is missing	Nothing identified
Supporting Principle	Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably
What Assurance Do We Want	Communication strategy
What Assurance Do We Get	<p><a href="#">Tenant Involvement Strategy</a> (2020-24) in place in Housing.</p> <p>The approved Corporate Plan 2022-2024 contains a commitment for the development of a Communication Strategy that will set out how we communicate with our local residents and other audiences. The principle purpose of this strategy is to support the Corporate Plan and to set out how, when and by which mechanism we communicate with our residents.</p> <p>Partnership Policy and Guidance</p> <p>The Council has invested strongly in the development of innovative and proactive collaboration across agencies and sectors and has a well-earned reputation for placing partnership at the heart of our approach. A revised Partnership Policy and Guidance has been prepared. We consider that our ability to deliver positive outcomes for residents is enhanced by working with others and as a result we will continue to invest in the development of purposeful and meaningful partnerships identifying priority need. In particular we will focus on enhancing the work that we do with others to protect vulnerable people and enhance neighbourhoods.</p>
What is missing	Communication Strategy
Supporting Principle	Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively.
What Assurance Do We Want	Database of stakeholders with whom the authority should engage and for what purpose and a record of an assessment of the effectiveness of any changes.



What Assurance Do We Get	Partnership Policy and Guidance has recently been updated to allow staff and Members to understand partnerships, formal and informal and to record them to identify robust terms of reference, outcomes, risks and exit strategies
What is missing	Nothing identified
Supporting Principle	Ensuring that partnerships are based on: <ul style="list-style-type: none"> <li>- Trust</li> <li>- A shared commitment to change</li> <li>- A culture that promotes and accepts challenge among partners</li> <li>- And that the added value of partnership working is explicit</li> </ul>
What Assurance Do We Want	Partnership framework Partnership protocols
What Assurance Do We Get	Memorandum of Understanding in place with Lichfield District Council for the provision of shared services. Local Enterprise Partnership. Combined Authority.  Partnership Policy and Guidance has recently been updated to allow staff and Members to understand partnerships, formal and informal and to record them to identify robust terms of reference, outcomes, risks and exit strategies

What is missing	Nothing identified
Supporting Principle	Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes
What Assurance Do We Want	Record of public consultations Partnership framework
What Assurance Do We Get	Results of Public consultations are made available on the website. Partnership Policy and guidance is in place and the Council has invested strongly in the development of innovative and proactive collaboration across agencies and sectors and has a well-earned reputation for placing partnership at the heart of our approach. We consider that our ability to deliver positive outcomes for residents is enhanced by working with others and as a result we will continue to invest in the development of purposeful and meaningful partnerships. In particular we will focus on enhancing the work that we do with others to protect vulnerable people and enhance neighbourhoods. A Community Safety Plan 2023-2026 is in place
What is missing	Nothing identified
Supporting Principle	Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement
What Assurance Do We Want	Communications strategy
What Assurance Do We Get	Various consultations exercises are completed throughout the year. Details of the consultations are made available on the website and the results are published. One of the approved Corporate Priorities is to work collaboratively and flexible to meet the needs of our communities.  Partnership Policy and guidance in place.

	<p>To help elected members set the council budget and priorities, every year we consult residents, businesses and the voluntary sector on spending and savings options in line with the council priorities. We also conduct a survey to hear what people think about Tamworth as a place to live. Usually these are separate consultations, however, to avoid duplication and make an efficient use of resources, this year we've combined these into one annual survey.</p> <p>In the survey we asked questions about:</p> <ul style="list-style-type: none"> <li>• What Tamworth is like as a place to live.</li> <li>• Satisfaction with council services.</li> <li>• How people are informed about the work of the council and contacting the council.</li> <li>• Thoughts on council priorities.</li> <li>• Council income and spending options.</li> <li>• How we handle complaints.</li> </ul> <p>A new Customer Service strategy is being developed to support the move to more efficient ways of working and a more accelerated move to digitalisation. The strategy will set out our vision to achieve the best possible experience for our customers. Socialmedia channels are being used to encourage more participation. There is a Tenant Involvement Strategy in place and various forms of tenant involvement takes place throughout the year. Statement of Community Involvement in place for the Local Plan.</p>
What is missing	Nothing identified
Supporting Principle	Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs.
What Assurance Do We Want	Communications strategy Joint strategic needs assessment
What Assurance Do We Get	<p>Various consultations exercises are completed throughout the year. Details of the consultations are made available on the website and the results are published.</p> <p>Citizens panel in place.</p> <p>The Council has invested strongly in the development of innovative and proactive collaboration across agencies and sectors and has a well-earned reputation for placing partnership at the heart of our approach. The approved Corporate Plan 2022-2025 contains a commitment that we consider that our ability to deliver positive outcomes for residents is enhanced by working with others and as a result we will continue to invest in the development of purposeful and meaningful partnerships. In particular we will focus on enhancing the</p>

work that we do with others to protect vulnerable people and enhance neighbourhoods.

To help elected members set the council budget and priorities, every year we consult residents, businesses and the voluntary sector on spending and savings options in line with the council priorities. We also conduct a survey to hear what people think about Tamworth as a place to live. Usually these are separate consultations, however, to avoid duplication and make an efficient use of resources, this year we've combined these into one annual survey.

In the survey we asked questions about:

- What Tamworth is like as a place to live.
- Satisfaction with council services.
- How people are informed about the work of the council and contacting the council.
- Thoughts on council priorities.
- Council income and spending options.
- How we handle complaints.

In the survey we asked questions about:

- What Tamworth is like as a place to live.
- Satisfaction with council services.
- How people are informed about the work of the council and contacting the council.
- Thoughts on council priorities.
- Council income and spending options.
- How we handle complaints.

For council housing, the landlord regulatory framework, has a constituted tenant consultative group which seeks to inform, scrutinise and support performance across all of the councils housing services. This is subject to review as part of the Councils Social housing regulatory programme, Statement of Community Involvement in place for the Local Plan

What is missing	Nothing identified
Supporting Principle	Implementing effective feedback mechanisms in order to demonstrate how their views have been taken into account
What Assurance Do We Want	Communications strategy
What Assurance Do We Get	<p>The Council has invested strongly in the development of innovative and proactive collaboration across agencies and sectors and has a well-earned reputation for placing partnership at the heart of our approach. The approved Corporate Plan 2022-2025 contains a commitment that we consider that our ability to deliver positive outcomes for residents is enhanced by working with others and as a result we will continue to invest in the development of purposeful and meaningful partnerships. In particular we will focus on enhancing the work that we do with others to protect vulnerable people and enhance neighbourhoods. Various consultations exercises are completed throughout the year. Details of the consultations are made available on the website and the results are published.</p> <p>Citizens panel in place.</p> <p>To help elected members set the council budget and priorities, every year we consult residents, businesses and the voluntary sector on spending and savings options in line with the council priorities. We also conduct a survey to hear what people think about Tamworth as a place to live. Usually these are separate consultations, however, to avoid duplication and make an efficient use of resources, this year we've combined these into one annual survey.</p> <p>In the survey we asked questions about:</p> <ul style="list-style-type: none"> <li>• What Tamworth is like as a place to live.</li> <li>• Satisfaction with council services.</li> <li>• How people are informed about the work of the council and contacting the council.</li> <li>• Thoughts on council priorities.</li> <li>• Council income and spending options.</li> <li>• How we handle complaints.</li> </ul> <p>The results of this survey are reported to Cabinet and feed into the State of Tamworth Debate. A new Customer Service strategy is being developed to support the move to more efficient ways of working and a more accelerated move to digitisation. The strategy will set our vision to achieve the best possible experience for our customers. Social media channels as well as e-enabled services are being used to encourage more participation. There is a Tenant Involvement Strategy in place and various forms of tenant involvement takes place throughout the year.</p> <p>Statement of Community Involvement in place for the Local Plan.</p>

What is missing	Nothing identified
Supporting Principle	Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity
What Assurance Do We Want	Processes for dealing with competing demands within the community, for example a consultation
What Assurance Do We Get	Promotion of the consultation exercise is completed through press releases, active promotion on the website, and through social media. In addition an annual residents survey is carried out and feeds in to the State of Tamworth debate.
What is missing	Nothing identified
Supporting Principle	Taking accounts of the interests of future generations of tax payers and service users
What Assurance Do We Want	Reports Joint strategic needs assessment
What Assurance Do We Get	<p>Citizens panel in place.</p> <p>To help elected members set the council budget and priorities, every year we consult residents, businesses and the voluntary sector on spending and savings options in line with the council priorities. We also conduct a survey to hear what people think about Tamworth as a place to live. Usually these are separate consultations, however, to avoid duplication and make an efficient use of resources, this year we've combined these into one annual survey.</p> <p>In the survey we asked questions about:</p> <ul style="list-style-type: none"> <li>• What Tamworth is like as a place to live.</li> <li>• Satisfaction with council services.</li> <li>• How people are informed about the work of the council and contacting the council.</li> <li>• Thoughts on council priorities.</li> <li>• Council income and spending options.</li> <li>• How we handle complaints.</li> </ul> <p>A new Customer Service strategy is being developed to support the move to more efficient ways of working and a more accelerated move to digitisation. The strategy will set our vision to achieve the best possible experience for our customers.</p> <p>The Council is working closely with partners as part of the Children, Families and Vulnerable People review to share and analyse key data with the aim to develop shared priorities for the development of Early Help approaches.</p>

What is missing

Nothing identified

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

Supporting Principle	Having a clear vision which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators which provides the basis for the organisation's overall strategy, planning and other decisions
What Assurance Do We Want	Vision used as a basis for corporate and service planning
<p data-bbox="96 675 136 863">Page 128</p> <p data-bbox="96 451 383 515">What Assurance Do We Get</p>	<p data-bbox="416 451 1948 930">The Corporate Plan was revised during 2021/22 and a new plan for the period from 2022 to 2025 was approved at Cabinet on 17 March 2022. This work has all been brought together by councillors, during a number of councillor-led workshops and seminars, into a new refocused vision to reflect new priorities. Again, this year collaborative budget setting workshops were held to ensure all councillors were able to have involvement in what is important to them and their residents. Our desired outcomes for 2022-25 are detailed in the Corporate Plan and Council Vision. The Corporate Plan details our Vision and sets out our Thematic Priorities. Under each thematic priority, we detail our ambitions and how we are going to realise these. All outcomes we aim to achieve, along with changes we want to see and supporting information are detailed in the Corporate Plan, it is through the Corporate Plan 2022-2025 that these aspirations and expectations are being achieved. The scale, scope and timescale relating to these outcomes presents the Council with a challenging yet achievable task over the forthcoming years, particularly now in light of the challenges posed by Covid-19.</p> <p data-bbox="416 962 1948 1106">It is important to note that whilst the plan focuses upon delivering against the Thematic Priorities, the Council must also ensure that the wide range of day-to-day operational and support services continue to be delivered to a consistent and efficient standard. In doing so, it demonstrates how the organisation both connects and underpins the Thematic Priorities.</p> <p data-bbox="416 1114 1948 1217">The Authority continues to work with others by using alternative delivery models for service provision. A Memorandum of Understanding has been adopted with Lichfield District Council to replace an existing informal arrangement for options of pursuing shared service arrangement with each other.</p> <p data-bbox="416 1257 1948 1401">To help elected members set the council budget and priorities, every year we consult residents, businesses and the voluntary sector on spending and savings options in line with the council priorities. We also conduct a survey to hear what people think about Tamworth as a place to live. Usually these are separate consultations, however, to avoid duplication and make an efficient use of resources, this year</p>



we've combined these into one annual survey.

In the survey we asked questions about:

- What Tamworth is like as a place to live.
- Satisfaction with council services.
- How people are informed about the work of the council and contacting the council.
- Thoughts on council priorities.
- Council income and spending options.
- How we handle complaints.

There are dedicated [Business Advice](#) and [Visit Tamworth](#) websites.

In terms of the Councils own housing stock and in compliance with the regulatory framework members have endorsed a Social Housing Regulatory Programme which is informed by a self-assessment against the RSH standards. Tenant involvement and engagement is crucial to this and will be updated. The landlord regulatory framework sets out how tenants inform, scrutinise and develop services. The tenant Consultative group are constituted and their views are incorporated in to the Council's decision making through references in reports. The Council presents an annual report for tenants to Cabinet detailing compliance with consumer standards and reference to benchmarked HRA activity. This is evidenced through the Tenant Involvement and Consultation Strategy which gives examples of where tenants' have been consulted regarding the decisions which affect the management and maintenance of their homes, for example, Tenants were consulted as part of the development of the new Housing Allocations Policy. As part of the Tenant participation, there are formal groups for [Tenant Consultation](#) and Tenant Involvement and several informal groups in place. [Open House](#) is now communicated by way of an e-newsletter on a bi-monthly basis. It is still advertised on our website and will be available on request as a hard copy. A small number of hard copies will be made available in prominent places i.e. reception/TIC etc. and a small number delivered to the 11 Housing Sheltered schemes around the Borough.

The [Tamworth Strategic Partnership](#) (TSP) is an umbrella partnership that brings together key local agencies from the public, private, voluntary and community sectors. The TSP has terms of reference, vision and priorities, work streams, a commissioning framework. Agenda and minutes are made available on the Authority's website.

The Authority produces an Annual Review and [Corporate Plan](#). Performance against the Corporate Plan is reported on a quarterly basis. The [Statement of Accounts](#) and the [Auditors Annual Report](#) are made available on the website.

Council, on 28<sup>th</sup> February 2023, approved a 3 year Medium Term Financial Strategy for the General Fund with a Council Tax increase of £5 for the year – in order to continue to deliver those services essential to the Local Community.

With regard to the Housing Revenue Account, a 5 year MTFS was approved by Council including significant investment in housing development projects to meet future housing needs and sustain the HRA in the longer term.

On 12th December 2022, the Secretary of State for Levelling Up, Communities and Local Government published a written ministerial statement which was accompanied by a policy statement on the 2023/24 local government finance settlement and assumptions about the 2024/25 local government finance settlement.

This statement came ahead of the 2023/24 provisional local government finance settlement announcement, which was published in December 2022, detailing local authority-level figures for 2023/24.

This settlement represents a 'holding position' until the next Parliament, aiming at stability. The ruling out of a business rates reset, or a fair funding review, means that the funding distribution will stay fairly stable (with the exception of Extended Provider Responsibility funding). But this means that the big questions about the future of the funding system remain unaddressed one way or another.

While this means the Council will be able to retain its business rate growth for 2023/24 and 2024/25, it also means that the uncertainty continues and potentially the Council still faces losing this growth from 2025/26. There is a high risk that these reforms will have a significant effect on the Council's funding level from 2025/26. Members will face difficult decisions around prioritising services, when faced with significant reductions in funding.

There are also further uncertainties arising from current cost pressure and inflationary increases which have compounded the likely price increases for supplies that are required for building or construction/maintenance works.

The Council remains committed to promoting and stimulating economic growth and regeneration; meeting our housing needs; creating a vibrant town centre economy and protecting those most vulnerable in our communities. The Council is responding to these challenges by considering the opportunities to make further savings and /or grow our income. We are ambitious with our commercial view and will continue to work hard to identify income streams that enable us to continue to meet the needs of our residents.

More than ever, we recognise that our financial capacity will be less than in previous years which means that we will need to maintain our approach to innovation, collaboration and transformation. So, not only will the Council seek investment from businesses and developers, but the Council itself will explore viable and sustainable investment opportunities using all returns to support public services.

We continue to invest in our teams, transform our processes and ensure our technology infrastructure is fit for purpose. We have identified a number of opportunities to improve customer access to information and services as well as our engagement with our citizens and the way in which we manage our data and information.

Our Digital Development Plan project continues to review processes and demand, with the aim of re-

	<p>designing processes to meet changing customer expectations and making the best use of technology to deliver efficient and effective services to the customer, including self-service and increased digital functionality.</p> <p>This approach will change the organisation and how it works; will require Members to put evidence and insight at the heart of our decision making to ensure that we are transparent about the rationale for our decisions and plans; will involve managed risks and will sustain essential services critical in supporting the most vulnerable in our communities at a time when demand is increasing and resources reducing.</p> <p>Corporate Management Team (CMT) and Cabinet review the most up-to-date budget forecasts on a quarterly basis, and discuss the delivery of the planned savings to support our Medium Term Financial Strategy (MTFS).</p>
What is missing	Nothing identified
Supporting Principle	Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer
What Assurance Do We Want	<p>Community engagement and involvement</p> <p>Corporate and service plans</p> <p>Community strategy</p>
What Assurance Do We Get	The Authority produces a <a href="#">Corporate Plan</a> . Performance against the Corporate Plan is reported on a quarterly basis. The <a href="#">Statement of Accounts</a> and the <a href="#">Auditors Annual Report</a> are made available on the website. Corporate and service plans are reviewed and updated annually. They include actions to be completed
What is missing	Nothing identified
Supporting Principle	Delivering defined outcomes on a sustainable basis within the resources that will be available
What Assurance Do We Want	Regular reports on progress

What Assurance Do We Get	<p>The quarterly performance report details performance indicators, collections rates, an update on the sustainability strategy, progress against the corporate plan and the corporate risk register. The performance report is reported quarterly to <a href="#">Cabinet</a>.</p> <p>The Authority has in place a Comments, Compliments and Complaints policy which provides a framework that enables customers to give feedback about the Council's services and to ensure consistency and fairness when acting on this feedback. This can either be in the form of comments, compliments or complaints.</p> <p>The policy and complaint responses give guidance on referrals to the Ombudsman. Guidance is made available to members of the public if they wish to make a complaint against a member of the Council. Complaints against members of the Council are dealt with by the Monitoring Officer in the first instance and ultimately reported to the <a href="#">Audit &amp; Governance Committee</a>.</p>
What is missing	Nothing identified
Supporting Principle	Identifying and managing risks to the achievement of outcomes
What Assurance Do We Want	<p>Performance trends are established and reported upon</p> <p>Risk management protocols</p>
What Assurance Do We Get	<p>Performance trends are reported in the quarterly performance report.</p> <p>Risks are identified at a corporate and operational level and are monitored on a regular basis in line with the Risk Management Policy. The Corporate Risk Register is reported to the <a href="#">Audit &amp; Governance Committee</a> on a quarterly basis.</p> <p>A review of the approach to risk management has been completed and implementation is underway.</p> <p>The annual audit plan is developed around the audit risk assessment and through consultation with members of the Corporate Management Team who identify emerging risks within their service areas.</p>
What is missing	Nothing identified
Supporting Principle	Managing service users expectations effectively with regard to determining priorities and making the best use of the resources available
What Assurance Do We Want	<p>An agreed set of quality standard measures for each service element and included in service plans</p> <p>Processes for dealing with competing demands within the community</p>
What Assurance Do We Get	<p>Each service plan has actions plans and performance indicators.</p> <p><a href="#">Corporate plan actions</a> aligned to the strategic priorities have action plans in place which are updated on a</p>

	<p>quarterly basis.</p> <p>The council has implemented a Demand Management model which aims to eliminate waste in processes. The Quarterly Performance Report is reviewed by Corporate Scrutiny each quarter prior to being approved by Cabinet.</p> <p>Ensuring that residents are able to easily access clear information about the standards of service they can expect from us will greatly help to reduce waste demand and promote confidence in the Council. Of equal importance is ensuring that the right tools are in place to deliver consistently to the expected standard.</p> <p>The Corporate Plan 2022-2025 identifies that we will prioritise the development of clear standards of service across the organisation and will further develop our approaches to measure and respond quickly to customer intelligence and levels of satisfaction.</p>
What is missing	Nothing identified
Supporting Principle	Considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision
What Assurance Do We Want	<p>Capital investment is structured to achieve appropriate life spans an adaptability for future use or that resources (eg land) are spent on optimising social, economic and environmental wellbeing:</p> <ul style="list-style-type: none"> <li>- Capital programme</li> <li>- Capital investment strategy</li> </ul>
What Assurance Do We Get	<p>There is a 3 year <a href="#">capital programme</a> in place (as detailed in the MTFS and budget book) which identifies capital spend and financing. The Capital Investment Strategy, Capital process guidance, full capital appraisal forms and outline capital bid forms are available on the intranet.</p> <p>Business plans are informed by Corporate Plan and take into account PEST impacts.</p> <p>A longer term Capital Strategy has been prepared which sets out the Council's approach to capital investment and the approach that will be followed in making decisions in respect of the Council's Capital assets including an action plan for the development of a longer term approach to capital and asset management.</p>
What is missing	Nothing identified
Supporting Principle	Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints.
What Assurance Do We Want	<p>Discussion between members and officers on the information needs of members to support decision making</p> <p>Record of decision making and support materials</p>
What Assurance Do We Get	<p>Full reports are prepared by officers and members. Portfolio Holders can discuss any issues prior to the committee meeting with the relevant officer.</p> <p>The Council publishes a Forward Plan which provides detail of all upcoming key decisions. Scrutiny Committees are encouraged to utilise the Forward Plan to inform their decision making process and can Call</p>

	<p>In any decisions for further scrutiny.</p> <p>All <a href="#">agenda items and minutes</a> are available on the website with the exception of restricted agenda items. The Local Authorities (Executive Arrangements) (Meeting and Access to Information) Regulations 2012 requires that the Leader of the Council makes one report annually to the authority to include particulars of each urgent executive decisions made and a summary of matters in respect of which each decision was made.</p> <p>Resource and Legal/Risk implications are identified in Committee reports</p>
What is missing	Nothing identified
Supporting Principle	Determining the wider public interest associated with balance conflicting interests between achieving the various economic. Social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs.
What Assurance Do We Want	Record of decision making and supporting materials Protocols for consultation
What Assurance Do We Get	<p>All <a href="#">Committee decisions</a> are recorded in the minutes. Minutes and agendas are made available on the website. Where Officers have made <a href="#">decisions</a> which require approval by Portfolio holders, these are made available on the website.</p> <p>All consultation undertaken is made available on the website so that citizens can participate.</p> <p>Annual Survey including budget consultation approved annually by Cabinet.</p> <p>Community Impact Assessments completed for all strategies, policies and procedures</p> <p>Equality and Diversity Scheme and supporting action plan.</p>
What is missing	Nothing identified
Supporting Principle	Ensuring fair access to services
What Assurance Do We Want	Protocols ensure fair access and statutory guidance is followed.
What Assurance Do We Get	<p>Equalities assessments are undertaken at each policy review</p> <p><a href="#">Website accessibility</a> – is W3C1.0 compliance (standard) with the ability to change font sizes, or use alternative formats and languages.</p> <p>Hard copies of Committee agendas are made available on request. A hardcopy of each agenda was taken to each Committee meeting for public use. In 2020/21, for meetings held remotely due to Covid-19 restrictions, papers are clearly signposted on the website.</p>
What is missing	Nothing identified

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

Supporting Principle	Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore ensuring best value is achieved however services are provided.
What Assurance Do We Want	Discussion between member and officers on the information needs of members to support decision making Decision making protocols Options appraisals Agreement of information that will be provided and timescales
What Assurance Do We Get	Leadership team meetings between members and officers are in place. Regular update meetings are held between the Leader of the Council and the Chief Executive, and relevant Chief officers and their Portfolio holders. The <a href="#">Constitution</a> details the decision making protocols and format of reports. Various options are required to be detailed in the <a href="#">Committee</a> reports so that members can make informed decisions. There is a set timetable in place for the production of agendas prior to the meeting taking place. Scrutiny Officer in place to support the Scrutiny function.
What is missing	Nothing identified
Supporting Principle	Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts.
What Assurance Do We Want	Financial strategy
What Assurance Do We Get	Annual Survey including budget consultation is completed on an annual basis with citizen input which informs the financial strategy. To help elected members set the council budget and priorities, every year we consult residents, businesses and the voluntary sector on spending and savings options in line with the council priorities. We also conduct a survey to hear what people think about Tamworth as a place to live. Usually these are separate consultations, however, to avoid duplication and make an efficient use of resources, this year we've combined these into one annual survey.  In the survey we asked questions about: <ul style="list-style-type: none"> <li>• What Tamworth is like as a place to live.</li> <li>• Satisfaction with council services.</li> <li>• How people are informed about the work of the council and contacting the council.</li> <li>• Thoughts on council priorities.</li> <li>• Council income and spending options.</li> <li>• How we handle complaints.</li> </ul>

	<p>MTFS approved annually takes into account budget consultation feedback – reported annually to Cabinet.</p> <p>In addition the Tenant Consultative Group are regularly consulted on service improvements for council tenants and voluntary sector organisations were able to ask questions of the Leader.</p>
What is missing	Nothing identified
Supporting Principle	Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets
What Assurance Do We Want	Calendar of dates for developing and submitting plans and reports that are adhered to
What Assurance Do We Get	<p>There is a performance management reporting cycle in place which timetables the performance reporting cycle.</p> <p>The <a href="#">Forward Plan</a> is published on the website detailing the expected agenda items for the following four months.</p>
What is missing	Nothing identified



Supporting Principle	Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered
What Assurance Do We Want	Communication strategy
What Assurance Do We Get	<p>To help elected members set the council budget and priorities, every year we consult residents, businesses and the voluntary sector on spending and savings options in line with the council priorities. We also conduct a survey to hear what people think about Tamworth as a place to live. Usually these are separate consultations, however, to avoid duplication and make an efficient use of resources, this year we've combined these into one annual survey.</p> <p>In the survey we asked questions about:</p> <ul style="list-style-type: none"> <li>• What Tamworth is like as a place to live.</li> <li>• Satisfaction with council services.</li> <li>• How people are informed about the work of the council and contacting the council.</li> <li>• Thoughts on council priorities.</li> <li>• Council income and spending options.</li> <li>• How we handle complaints.</li> </ul> <p>The survey results are fed into the State of Tamworth debate.</p> <p>Joint Scrutiny Committee (Budget) held annually to feedback Member concerns from residents.</p> <p>The Corporate Plan 2022-2024 contains a commitment for the development of a Communication Strategy that will set out how we communicate with our local residents and other audiences. The principal purpose of this strategy is to support the Corporate Plan by ensuring communications are at the heart of all council activity. The Council has invested strongly in the development of innovative and proactive collaboration across agencies and sectors and has a well-earned reputation for placing partnership at the heart of our approach. We consider that our ability to deliver positive outcomes for residents is enhanced by working with others and as a result we will continue to invest in the development of purposeful and meaningful partnerships. In particular we will focus on enhancing the work that we do with others to protect vulnerable people and enhance neighbourhoods.</p>

What is missing	Nothing identified
Supporting Principle	Considering and monitoring risks facing each partner when working collaboratively including shared risks
What Assurance Do We Want	Partnership framework Risk management protocol
What Assurance Do We Get	Partnerships risks are identified and monitored through the Partnership Policy and guidance – risk registers are in place and being reviewed. Partnership arrangements in place designed to help the Council work with its partners to ensure that all partnerships have good systems of governance. Risks are identified at a corporate and operational level and are monitored on a regular basis in line with the Risk Management Policy. The Corporate Risk Register is reported to the <a href="#">Audit &amp; Governance Committee</a> on a quarterly basis.
What is missing	Nothing identified
Supporting Principle	Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances
What Assurance Do We Want	Planning protocols
What Assurance Do We Get	<p>Protocols in place (constitution) to ensure annual delivery of:</p> <ol style="list-style-type: none"> <li>1) MTFS;</li> <li>2) Annual Survey including Budget Consultation;</li> <li>3) Tamworth Listens events;</li> <li>4) State of Tamworth debate;</li> <li>5) KPIs / Service Plans;</li> <li>6) Corporate Plan.</li> </ol> <p>The Quarterly Performance Report is reviewed by Corporate Scrutiny each quarter prior to being approved by Cabinet.</p>
What is missing	Nothing identified

Supporting Principle	Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured
What Assurance Do We Want	KPIs have been established and approved for each service element and included in the service plan and are reported upon regularly
What Assurance Do We Get	Key performance indicators are in place within Service Plans and the Corporate Plan and monitored and reported on a regular basis through quarterly reports to Cabinet.
What is missing	Nothing identified
Supporting Principle	Ensuring capacity exists to generate the information required to review service quality regularly
What Assurance Do We Want	Reports include detailed performance results and highlights areas where corrective action is necessary
What Assurance Do We Get	A quarterly performance report is reported to <a href="#">Cabinet</a> . The report details progress against performance indicators with a red, amber, green traffic light scenario to prompt remedial actions.
What is missing	Nothing identified
Supporting Principle	Preparing budgets in accordance with organisational objectives, strategies and the Medium Term Financial Strategy
What Assurance Do We Want	Evidence that budgets, plans and objectives are aligned
What Assurance Do We Get	Budgets are set following <a href="#">budget consultation</a> with citizens which is now carried out as part of the annual residents survey. Budgets are aligned to the corporate objectives. A joint report is approved annually by Council which approves the Vision, Corporate Priorities and Medium Term Financial Strategy aligning resource demands in support of the corporate priorities.
What is missing	Nothing identified
Supporting Principle	Informing medium and long term resource planning by drawing up realistic estimates of revenues and capital expenditure aimed at developing a sustainable funding strategy.
What Assurance Do We Want	Budget guidance and protocols Medium term financial plan Corporate plans
What Assurance Do We Get	Council, on 28 <sup>th</sup> February 2023, approved a 3 year Medium Term Financial Strategy for the General Fund with a Council Tax increase of £5 for the year – in order to continue to deliver those services essential to the Local Community. With regard to the Housing Revenue Account, a 5 year MTFs was approved by Council including significant investment in housing development projects to meet future housing needs and sustain the HRA in the longer term. On 12 <sup>th</sup> December 2022, the Secretary of State for Levelling Up, Communities and Local Government published a written ministerial statement which was accompanied by a policy statement on the 2023/24

local government finance settlement and assumptions about the 2024/25 local government finance settlement.

This statement came ahead of the 2023/24 provisional local government finance settlement announcement, which was published in December 2022, detailing local authority-level figures for 2023/24.

This settlement represents a 'holding position' until the next Parliament, aiming at stability. The ruling out of a business rates reset, or a fair funding review, means that the funding distribution will stay fairly stable (with the exception of Extended Provider Responsibility funding). But this means that the big questions about the future of the funding system remain unaddressed one way or another.

While this means the Council will be able to retain its business rate growth for 2023/24 and 2024/25, it also means that the uncertainty continues and potentially the Council still faces losing this growth from 2025/26.

There is a high risk that these reforms will have a significant effect on the Council's funding level from 2025/26. Members will face difficult decisions around prioritising services, when faced with significant reductions in funding.

There are also further uncertainties arising from current cost pressure and inflationary increases which have compounded the likely price increases for supplies that are required for building or construction/maintenance works.

The Council remains committed to promoting and stimulating economic growth and regeneration; meeting our housing needs; creating a vibrant town centre economy and protecting those most vulnerable in our communities. The Council is responding to these challenges by considering the opportunities to make further savings and /or grow our income. We are ambitious with our commercial view and will continue to work hard to identify income streams that enable us to continue to meet the needs of our residents.

More than ever, we recognise that our financial capacity will be less than in previous years which means that we will need to maintain our approach to innovation, collaboration and transformation. So, not only will the Council seek investment from businesses and developers, but the Council itself will explore viable and sustainable investment opportunities using all returns to support public services. We continue to invest in our teams, transform our processes and ensure our technology infrastructure is fit for purpose. We have identified a number of opportunities to improve customer access to information and services as well as our engagement with our citizens and the way in which we manage our data and information.

Our Digital Development Plan project continues to review processes and demand, with the aim of re-designing processes to meet changing customer expectations and making the best use of technology to deliver efficient and effective services to the customer, including self-service and increased digital functionality.

This approach will change the organisation and how it works; will require Members to put evidence and insight at the heart of our decision making to ensure that we are transparent about the rationale for our decisions and plans; will involve managed risks and will sustain essential services critical in supporting the most vulnerable in our communities at a time when demand is increasing and resources reducing.

Corporate Management Team (CMT) and Cabinet review the most up-to-date budget forecasts on a quarterly basis, and discuss the delivery of the planned savings to support our Medium Term Financial Strategy (MTFS).

What is missing	Nothing identified
Supporting Principle	Ensuring the medium term financial strategy integrates and balance service priorities, affordability and other resource constraints.
What Assurance Do We Want	Feedback surveys and exit/decommissioning strategies Changes as a result
What Assurance Do We Get	<p><a href="#">Annual Survey including budget consultation</a> completed on an annual basis. To help elected members set the council budget and priorities, every year we consult residents, businesses and the voluntary sector on spending and savings options in line with the council priorities. We also conduct a survey to hear what people think about Tamworth as a place to live. Usually these are separate consultations, however, to avoid duplication and make an efficient use of resources, this year we've combined these into one annual survey.</p> <p>In the survey we asked questions about:</p> <ul style="list-style-type: none"> <li>• What Tamworth is like as a place to live.</li> <li>• Satisfaction with council services.</li> <li>• How people are informed about the work of the council and contacting the council.</li> <li>• Thoughts on council priorities.</li> <li>• Council income and spending options.</li> <li>• How we handle complaints.</li> </ul> <p><a href="#">Joint Scrutiny Committee</a> (Budget) held annually to feedback Member concerns from residents.</p>
What is missing	Nothing identified
Supporting Principle	Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term.

What Assurance Do We Want	Budgeting guidance and protocols
What Assurance Do We Get	<p><a href="#">Medium Term Financial Strategy</a> Budget setting process approved by Cabinet in July each year – including a robust process for capital investment and policy changes which requires business cases to be prepared for consideration by Executive Management Team.</p> <p>To help elected members set the council budget and priorities, every year we consult residents, businesses and the voluntary sector on spending and savings options in line with the council priorities. We also conduct a survey to hear what people think about Tamworth as a place to live. Usually these are separate consultations, however, to avoid duplication and make an efficient use of resources, this year we've combined these into one annual survey.</p> <p>In the survey we asked questions about:</p> <ul style="list-style-type: none"> <li>• What Tamworth is like as a place to live.</li> <li>• Satisfaction with council services.</li> <li>• How people are informed about the work of the council and contacting the council.</li> <li>• Thoughts on council priorities.</li> <li>• Council income and spending options.</li> <li>• How we handle complaints</li> </ul> <p>Joint Scrutiny Committee (Budget) held annually to feedback Member concerns from residents.</p>
What is missing	Nothing identified
Supporting Principle	Ensuring the medium term financial strategy sets the context for ongoing decisions on significantly delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved whilst optimising resource usage
What Assurance Do We Want	Financial Strategy
What Assurance Do We Get	<a href="#">Medium Term Financial Strategy</a> and associated forecasts are considered by CMT, EMT and <a href="#">Cabinet</a> prior to review/scrutiny by Members at the <a href="#">Joint Scrutiny Committee</a> (Budget). It is then approved by Full <a href="#">Council</a> . These consider the need for any ongoing decisions on significant issues and appropriate budget changes made through the policy changes process or capital programming process.

	In year changes can be made using virements procedures (for both Officers and Cabinet) outlined within financial guidance (as well as use of contingencies). Financial impact assessment are included in reports to Committees.
What is missing	Nothing identified
Supporting Principle	Ensuring the achievement of “social value” through service planning and commissioning. The Public Services (Social Value) Act 2012 states that this is “the additional benefit to the community...over and above the direct purchasing of goods, services and outcomes”
What Assurance Do We Want	Service plans demonstrate consideration of “social value” Achievement of “social value” is monitored and reported upon New contracts for the delivery of repairs and investment of the Council's property portfolio have been procured. Both contracts include a suite Social Value measures which have defined and measurable outcomes with financial penalties for non-compliance. Social Value measures range from formal training and apprenticeship schemes through to more local skills training for residents including DIY and IT with a view to reducing demand. Other local environmental improvement measures are also included. Social Value aspects have to be considered before the procurement process starts. Also, although we do not have to include social value aspects in our procurement, we do have to demonstrate that we have considered them, which means documenting this and evidencing that due consideration has been given. It is important that sufficient time is allowed to undertake procurements where social value is going to be included to allow for the required consideration and consultation before the process starts. The Corporate Procurement Officer must be involved at the earliest stages of the process, to ensure that proper consideration is given to what is required, and that this is adequately reflected in tender and evaluation documents and processes.
What Assurance Do We Get	The Procurement process includes the requirements of the Social Value Act. The requirements of the Social Value Act have been covered in staff training sessions, and the provisions of the Act have been utilised in voluntary sector commissioning projects. It requires Officers to consider social value issues in the procurement of major works or services i.e. impact on local labour, local economy/businesses, apprenticeships etc.
What is missing	Nothing identified

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**Core Principle E: Developing the entity’s capacity, including the capability of its leadership and the individuals within it**

Supporting Principle	Reviewing operations, performance use of assets on a regular basis to ensure their continuing effectiveness.
What Assurance Do We Want	Regular reviews of activities, outputs and planned outcomes



What Assurance Do We Get	Quarterly reviews of operational business plans are in place which have performance indicators. As part of the capital programme, annual consideration of need for asset maintenance e.g. use of office space, regular stock condition surveys, asset management plan
What is missing	Nothing identified
Supporting Principle	Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how the authority's resources are allocated so that outcomes are achieved effectively and efficiently.
What Assurance Do We Want	Utilisation of research and benchmarking exercise
What Assurance Do We Get	Research and benchmarking exercises are completed in appropriate areas. Housing Benchmarking undertaken through Housemark and accreditation via the Housing Quality Net work Review of assets use through the One Public Estate programme and liaison with Staffordshire County Council.
What is missing	Nothing identified
Supporting Principle	Recognising the benefits of partnerships and collaborative working where added value can be achieved.
What Assurance Do We Want	Effective operation of partnerships which deliver agreed outcomes
What Assurance Do We Get	Partnerships are in place for the delivery of some services. There is a Memorandum of Understanding in place with Lichfield District Council for the sharing of services Partnership arrangements in place, designed to help the Council work with its partners to ensure that all partnerships have good systems of governance.
What is missing	Nothing identified
Supporting Principle	Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources.
What Assurance Do We Want	Workforce plan Organisational development Strategy
What Assurance Do We Get	There are training and development plans in place for members and officers. Officers training and development is identified through the Personal Development Review (PDR). The recruitment process ensures that skills and knowledge are measured and tested appropriately. There is an E-Induction programme in place which is available to both officers and members. Job descriptions and personal specifications are in place for all posts and reviewed as required. All Statutory Officers are members of CMT. Job descriptions for members are included in the <a href="#">Constitution</a> . They detail the purpose, duties & responsibilities and skills required for all Councillors, Leader & Deputy Leader, Members of the

	Executive, Chairs of Committees and the Leader and Deputy Leader of the Opposition. Service reviews are informed by the Delivering Quality Services process.
What is missing	Nothing identified.
Supporting Principle	Developing protocols to ensure that elected and appointed leaders negotiate their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained.
What Assurance Do We Want	Job descriptions Chief Executive and Leader pairings have considered how best to establish and maintain effective communication.
What Assurance Do We Get	Job descriptions are in place for both members and officers. The Chief Executive, the Head of Paid Service and the Leader hold regular meetings. Executive Leadership Team and the Cabinet form together to form the Executive Management Team. There is a training and development plan which is developed through the PDR process. This process is in place for all officers Members' training is provided on induction and in specialist areas. Regular training is provided for the Regulatory Committees.
What is missing	Nothing identified
Supporting Principle	Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body.
What Assurance Do We Want	Scheme of delegation reviewed at least annually in the light of legal and organisational changes. Standing orders and financial regulations which are reviewed on a regular basis.
What Assurance Do We Get	The scheme of delegation and scheme of delegation log is reviewed at least annually. Financial Guidance, Contract and Financial Procedure Rules are reviewed and updated on an annual basis
What is missing	Nothing identified
Supporting Principle	Ensuring the Leader and the Chief Executive have clearly defined and distinctive leadership roles within a structure whereby the Chief Executive leads the authority in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other's authority.
What Assurance Do We Want	Clear statement of respective roles and responsibilities and how they will be put into practice.
What Assurance Do We Get	The <a href="#">Constitution</a> details the roles and responsibilities of the Leader and the Statutory Officers. Job Descriptions for members including the Leader are in the Constitution,
What is missing	Nothing identified
Supporting Principle	Developing the capabilities of members and senior management to achieve effective shared leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by:

	<ul style="list-style-type: none"> <li>- ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirement is available and encouraged</li> <li>- Ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis.</li> <li>- Ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external.</li> </ul>
What Assurance Do We Want	<p>Access to update courses/information briefing on new legislation  Induction programme  Personal development plans for members and officers  For example, for members this may include the ability to:</p> <ul style="list-style-type: none"> <li>- Scrutinise and challenge</li> <li>- Recognise when outside expert advice is required</li> <li>- Promote trust</li> <li>- Work in partnership</li> <li>- Lead the organisation</li> <li>- Act as a community leader</li> </ul> <p>Efficient systems and technology used for effective support  Arrangements for succession planning</p>
What Assurance Do We Get	<p>The PDR process identifies training needs for both Members and Officers  CPD/membership of professional bodies for up to date information/changes to legislation  Networking and membership of professional bodies encouraged  Members' induction and training programme in place (e.g. finance, treasury management, planning, licensing, governance).  Astute provide an E-learning and policy management tool which covers a number of training areas such as GDPR, FOI, Modern Slavery, Health and safety.</p>
What is missing	Nothing identified
Supporting Principle	Ensuring that there are structures in place to encourage public participation.
What Assurance Do We Want	<p>Resident's panels  Stakeholder forum terms of reference  Strategic partnership frameworks</p>
What Assurance Do We Get	Tenant participation is actively encouraged and completed in various formats. They provide training to tenants on a variety of day to day skills and confidence, as well as estate inspections, other events and

	<p>meetings and customer satisfaction, feedback and consultation.</p> <p>The Citizens Panel is made up of local residents who are asked about local services.</p> <p>A Community Safety Partnership exist which has its own webpage <a href="https://www.tamworth.gov.uk/community-safety">https://www.tamworth.gov.uk/community-safety</a>. The partnership brings together a number of organisations who work together to make the borough a safer place to work, live and socialise. The CSP Plan 2023-2026 is in place</p> <p>Partnership frameworks in place for joint working.</p> <p>Partnership arrangements in place designed to help the Council work with its partners to ensure that all partnerships have good systems of governance.</p>
What is missing	Nothing identified
Supporting Principle	Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer reviews and inspections.
What Assurance Do We Want	<p>Reviewing individual member performance on a regular basis taking account of their attendance and considering any training or development needs.</p> <p>Peer reviews.</p>
What Assurance Do We Get	<p>PDR process and job descriptions are in place for members.</p> <p>Peer reviews have been completed previously and any recommendations have been acted upon.</p> <p>Members attendance is recorded and monitored.</p>
What is missing	Nothing identified
Supporting Principle	Holding staff to account through regular performance reviews which take account of training or development needs.
What Assurance Do We Want	<p>Training and development plan</p> <p>Staff development plans linked to appraisals</p> <p>Implementing appropriate human resource policies and ensuring that they are working effectively</p>
What Assurance Do We Get	<p>Training identified as part of the PDR process as part of continued professional development. One to one meetings are completed on a regular basis. Performance indicators are recorded on the Pentana and assigned to the relevant managers to monitor and update.</p> <p>Conduct and Capability Procedures are in place.</p> <p>Training for managers in strategic skills as well as soft skills.</p> <p>HR policies in place and updated as required.</p>
What is missing	Nothing identified
Supporting Principle	Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing.
What Assurance Do We Want	Human resource policies

What Assurance Do We Get	<p>Health and safety policies are in place.          'Health shield' benefits for staff.          On-site and virtual Counselling service available to staff on a confidential basis.          HR policies are in place.          Well-being policy developed.          TBC signed up to national initiative 'Thrive at Work'.          Mental Health First Aiders have been trained.          Robust management of attendance with support from Occupational Health .          Regular updates with Trade unions and / or representatives.          Weekly internal communications</p>
What is missing	Nothing identified

## Core Principle F: Managing risks and performance through robust internal control and strong public financial management

Supporting Principle	Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making
What Assurance Do We Want	Risk management protocol
What Assurance Do We Get	<p>Risk Management Policy – reviewed and updated annually and approved by <a href="#">Audit &amp; Governance Committee</a>. There is a Corporate Risk Register which is owned by Corporate Management Team which is updated on a quarterly basis and reported to the <a href="#">Audit &amp; Governance Committee</a>. Operational risk register are owned by managers and recorded on the Pentana system and linked to performance and service plans. The Finance section work with managers to help them identify their risks and record them on the Pentana system. The Internal Audit plan takes into account the identified risks on the risk registers.          All decisions made by Members have risks identified in the report.          A review of the approach to risk management has been commissioned and is underway.</p>
What is missing	Nothing identified
Supporting Principle	Implementing robust and integral risk management arrangements and ensuring that they are working effectively.
What Assurance Do We Want	Risk management strategy/policy formally approved and adopted and reviewed and updated on a regular basis.
What Assurance Do We Get	Risk Management Policy – reviewed and updated annually and approved by <a href="#">Audit &amp; Governance Committee</a> .

	All decisions made by Members have the risks identified. A review of the approach to risk management has been commissioned and is underway.
What is missing	Nothing identified
Supporting Principle	Ensuring that responsibilities for managing individual risks are clearly allocated.
What Assurance Do We Want	Risk management protocol
What Assurance Do We Get	Risk registers are in place for service areas as well as having a corporate risk register in place. Owners of the risks are assigned to owners to manage and review. The Risk Management Policy details responsibilities for managing individual risks.
What is missing	Nothing identified
Supporting Principle	Monitoring service delivery effectively including planning, specification, execution and independent post implementation review.
What Assurance Do We Want	Performance map showing all key activities have performance measures Benchmarking information Cost performance (using inputs and outputs) Calendar of dates for submitting, publishing and distributing timely reports that are adhered to.
Page 150 What Assurance Do We Get	The <a href="#">corporate plan</a> identifies key performance indicators aligned to the strategic priorities Benchmarking information is used for some services where appropriate/available Performance management cycle identifies the timetable for the submission of performance reports There is a Forward Plan in place which identifies key decisions to be made in the following four months The Asset Strategy Group identifies Post Implementation Reviews required for Capital Schemes on an annual basis.
What is missing	Nothing identified
Supporting Principle	Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook.
What Assurance Do We Want	Discussion between members and officers on the information needs of members to support decision making Publication of agendas and minutes of meetings Agreement on the information that will be needed and timescales
What Assurance Do We Get	Portfolio holders hold meetings with relevant staff. All <a href="#">agenda and minutes</a> are published on the website. Agendas are published 5 working days prior to the committee meeting date. The <a href="#">forward plan</a> is a list of the council's key decisions that will be made over the next one to four months. These decisions will be made by either the Cabinet or by officers who have been delegated authority by the Cabinet. The <a href="#">forward plans</a> are published on the first working day of the month.

	The forward plan includes a short description of the decision to be made; who will make it; when the decision will be taken; details of the planned consultation with local people and other stakeholders; and contact details for further information (including reports and background papers).
What is missing	Nothing identified
Supporting Principle	Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible. (OR, for a committee system) Encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making.
What Assurance Do We Want	The role and responsibility for scrutiny has been established and is clear. Agenda and minutes of scrutiny meetings. Evidence of improvements as a result of scrutiny. Planned work items identified at beginning of municipal year, Performance reporting reviewed, members now sit on tenant's consultative group. Terms of reference. Training for members. Membership.
What Assurance Do We Get	The roles and responsibilities, terms of reference for Scrutiny Committees are detailed in The <a href="#">Constitution Agendas and minutes</a> are made available on the website. Scrutiny chairs report annually to full Council on their workplan. Training is provided for members on the role of Scrutiny. There is a Scrutiny Officer in post to provide support to the Scrutiny Committees. When required to assist task and finish groups the Committees can co-opt external expertise Under the remit of the <a href="#">Scrutiny Committees</a> , they can call in decisions made by the Cabinet.
What is missing	Nothing identified
Supporting Principle	Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement.
What Assurance Do We Want	Calendar of dates for submitting, publishing and distributing timely reports that are adhered to
What Assurance Do We Get	There is a calendar of dates for the submission and publishing reports which is adhered to
What is missing	Nothing identified
Supporting Principle	Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (eg financial statements)
What Assurance Do We Want	Financial standards, guidance. Financial and contract procedure rules.

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What Assurance Do We Get	Financial and contract procedure rules and financial guidance are in place and reviewed and updated regularly. There is a robust project management process in place with post implementation reviews completed at the end of the project.
What is missing	Nothing identified
Supporting Principle	Aligning the risk management strategy and policies on internal control with achieving the objectives
What Assurance Do We Want	Risk management strategy. Audit plan. Audit reports.
What Assurance Do We Get	The risk management strategy is reviewed, updated and approved annually by the <a href="#">Audit &amp; Governance Committee</a> . The Audit plan is based on an internal audit risk assessment which takes into account risks identified by Heads of Service and endorsed by the <a href="#">Audit &amp; Governance Committee</a> . Quarterly reports of progress against the audit plan are submitted to the Audit & Governance Committee Audit reports are concise and reported in a timely manner. All high priority recommendations and those arising from no and limited assurance overall opinion reports are followed up, the results of which are reported to the Audit & Governance Committee. All recommendations are assigned to the relevant officers for actioning.
What is missing	Nothing identified
Supporting Principle	Evaluating and monitoring the authority's risk management and internal control on a regular basis
What Assurance Do We Want	Risk management strategy/policy has been formally approved and adopted and is reviewed and updated on a regular basis
What Assurance Do We Get	The Risk Management Policy/Strategy is reviewed, updated and then approved by the <a href="#">Audit &amp; Governance Committee</a> on an annual basis. Quarter updates of the risk management action plan are also submitted to the Committee.
What is missing	Nothing identified
Supporting Principle	Ensuring effective counter fraud and anti-corruption arrangements are in place
What Assurance Do We Want	Compliance with the relevant codes of practice, best practice. Counter fraud policies and strategies. Participation in data matching (e.g. NFI)
What Assurance Do We Get	Routine reports on counter fraud to the Audit & Governance Committee. Dedicated resource in the Corporate Anti Fraud Officer. Regularly reviewed counter fraud policies and strategies including anti money laundering, whistleblowing.
What is missing	Nothing identified
Supporting Principle	Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance,



	risk management and control is provided by the internal auditor.
What Assurance Do We Want	Annual Governance Statement. Effective internal audit resource and maintained.
What Assurance Do We Get	The <a href="#">Annual Governance Statement</a> is produced in accordance with the guideline alongside the Code of Corporate Governance. The Annual Governance Statement is signed by the Leader and the Chief Executive. Internal Audit is adequately resourced and complies with the Public Sector Internal Audit Standards (PSIAS). An annual self-assessment against the PSIAS is completed and in line with the Standards and External Quality Assessment (EQA) is completed every five years. The EQA was completed in 2017 and confirmed compliance with the Standards. It is next due in 2022.
What is missing	Nothing identified
Supporting Principle	Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body: <ul style="list-style-type: none"> <li>- Provides further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment</li> <li>- That its recommendations are listened to and acted upon</li> </ul>
What Assurance Do We Want	Audit committee complies with best practice. See Audit Committees: Practical Guidance for Local Authorities and Police Terms of reference Membership Training
What Assurance Do We Get	The terms of reference for the Audit & Governance Committee are detailed within the <a href="#">Constitution</a> . Members of the Committee are independent of the Cabinet and the Chair reports annually to Full Council. The <a href="#">Audit &amp; Governance Committee</a> receive quarterly update reports on Risk Management which include a review of the Corporate Risk Register, an update of the risk management action plan and they approve the Risk Management Policy on an annual basis. Any recommendations made by the <a href="#">Audit &amp; Governance Committee</a> are recorded in the minutes and acted upon. The Audit & Governance Committee complete an annual self-assessment against Audit Committee guidance issued by CIPFA and any areas for improvement are acted upon.
What is missing	Nothing identified
Supporting Principle	Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to Safeguard personal data
What Assurance Do We Want	Data management framework and procedures Designated data protection officer

	Data protection policies and procedures
What Assurance Do We Get	<p>The Council has a designated Data Protection Officer, with the Information Governance Manager assigned to this role.</p> <p>The Council has reviewed a framework of Information Governance policies and procedures, these include but are not limited to an Information Security Policy, Data Protection Policy, Data Protection Impact Assessment Procedure, Cyber Security Policy and Business Continuity Plan.</p> <p>Cyber Security awareness rolled out to staff across the Authority.</p> <p>Mandatory GDPR/FOI training for all staff.</p> <p>Work continues to progress in relation to ongoing compliance to the new General Data Protection Regulations (GDPR) requirements.</p> <p>PSN compliance.</p>
What is missing	Nothing identified
Supporting Principle	Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies
What Assurance Do We Want	<p>Information Sharing subject to defined Information Sharing protocols.</p> <p>A register of Information Sharing Agreements held centrally.</p>
What Assurance Do We Get	<p>The Council has signed up to Staffordshire One Information Sharing Protocol.</p> <p>Individual Information Sharing Agreements are in place within various area (EG, Benefits, Environmental Health, Housing) with details of such agreements available on the Council's Intranet.</p> <p>A register of Information Sharing agreements is held by the Councils Data Protection Officer.</p>
What is missing	Nothing identified
Supporting Principle	Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring
What Assurance Do We Want	<p>Data quality procedures and reports</p> <p>Data validation procedures</p>
What Assurance Do We Get	<p>Auditing of data is completed in accordance with the risk based internal audit plan.</p> <p>Data is validated as part of the internal controls in place within the various systems.</p> <p>Knowledge, Performance and Insight service providing information to aid accurate and informed decision making and performance monitoring.</p>
What is missing	Nothing identified
Supporting Principle	Ensuring financial management supports both long term achievement of outcomes and short-term financial and operational performance
What Assurance Do We Want	Financial management supports the delivery of services and transformational change as well as securing good stewardship
What Assurance Do	Council, on 28 <sup>th</sup> February 2023, approved a 3 year Medium Term Financial Strategy for the General Fund

We Get

with a Council Tax increase of £5 for the year – in order to continue to deliver those services essential to the Local Community.

With regard to the Housing Revenue Account, a 5 year MTF5 was approved by Council including significant investment in new housing development projects to meet future housing needs and sustain the HRA in the longer term.

On 12th December 2022, the Secretary of State for Levelling Up, Communities and Local Government published a written ministerial statement which was accompanied by a policy statement on the 2023/24 local government finance settlement and assumptions about the 2024/25 local government finance settlement. This statement came ahead of the 2023/24 provisional local government finance settlement announcement, which was published in December 2022, detailing local authority-level figures for 2023/24. This settlement represents a ‘holding position’ until the next Parliament, aiming at stability. The ruling out of a business rates reset, or a fair funding review, means that the funding distribution will stay fairly stable (with the exception of Extended Provider Responsibility funding). But this means that the big questions about the future of the funding system remain unaddressed one way or another.

While this means the Council will be able to retain its business rate growth for 2023/24 and 2024/25, it also means that the uncertainty continues and potentially the Council still faces losing this growth from 2025/26. There is a high risk that these reforms will have a significant effect on the Council’s funding level from 2025/26. Members will face difficult decisions around prioritising services, when faced with significant reductions in funding.

There are also further uncertainties arising from current cost pressure and inflationary increases which have compounded the likely price increases for supplies that are required for building or construction/maintenance works.

The Council remains committed to promoting and stimulating economic growth and regeneration; meeting

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Page 156	<p>our housing needs; creating a vibrant town centre economy and protecting those most vulnerable in our communities. The Council is responding to these challenges by considering the opportunities to make further savings and /or grow our income. We are ambitious with our commercial view and will continue to work hard to identify income streams that enable us to continue to meet the needs of our residents.</p> <p>More than ever, we recognise that our financial capacity will be less than in previous years which means that we will need to maintain our approach to innovation, collaboration and transformation. So, not only will the Council seek investment from businesses and developers, but the Council itself will explore viable and sustainable investment opportunities using all returns to support public services.</p> <p>We continue to invest in our teams, transform our processes and ensure our technology infrastructure is fit for purpose. We have identified a number of opportunities to improve customer access to information and services as well as our engagement with our citizens and the way in which we manage our data and information.</p> <p>Our Digital Development Plan project continues to review processes and demand, with the aim of re-designing processes to meet changing customer expectations and making the best use of technology to deliver efficient and effective services to the customer, including self-service and increased digital functionality.</p> <p>This approach will change the organisation and how it works; will require Members to put evidence and insight at the heart of our decision making to ensure that we are transparent about the rationale for our decisions and plans; will involve managed risks and will sustain essential services critical in supporting the most vulnerable in our communities at a time when demand is increasing and resources reducing.</p> <p>Corporate Management Team (CMT) and Cabinet review the most up-to-date budget forecasts on a quarterly basis, and discuss the delivery of the planned savings to support our Medium Term Financial Strategy (MTFS).</p>
What is missing	Nothing identified
Supporting Principle	Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls
What Assurance Do We Want	Budget monitoring reports
What Assurance Do We Get	Budget monitoring reports are available monthly and ad hoc as required. Accountants complete regular budget monitoring reports with budget managers.
What is missing	Nothing identified

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

Supporting Principle	Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate. Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand.
What Assurance Do We Want	Website Annual report Continual development of Modgov
What Assurance Do We Get	All reports are made available on the website for the public to access apart from anything confidential as laid down by the Local Government Act 1972 and subsequent enabling legislation and guidance The <a href="#">Corporate Plan</a> is published on an annual basis and made available on the website. All information is made available in accordance with the Transparency Agenda. Where Freedom of Information requests are made and it is beneficial to publish the data on the website, this is completed to ensure that the Authority is transparent and it also reduces the number of information requests received.
What is missing	Nothing identified
Supporting Principle	Reporting at least annually on performance, value for money and the stewardship of its resources.
What Assurance Do We Want	Formal annual report which includes key points raised by external scrutineers and service users' feedback on service delivery. Annual financial statements
What Assurance Do We Get	The <a href="#">Corporate Plan</a> is refreshed on an annual basis. The financial statements are produced in accordance with the laid down timetable and presented to the Audit & Governance Committee for approval. The External Auditors produce the Annual Audit Letter and the Audit Findings Report which is presented to the Audit & Governance Committee.
What is missing	Nothing identified
Supporting Principle	Ensuring members and senior management own the results.
What Assurance Do We Want	Appropriate approvals
What Assurance Do We Get	Decisions approved by <a href="#">Cabinet</a> and <a href="#">Full Council</a> as detailed within the Constitution Accounts (including AGS) approved by Audit & Governance Committee. Minutes of the meetings are made available on the website.
What is missing	Nothing identified
Supporting Principle	Ensuring robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (Annual Governance Statement).
What Assurance Do	Annual Governance Statement

We Want	
What Assurance Do We Get	Results and actions arising from this assessment will go in the Annual Governance Statement for approval by Audit & Governance Committee
What is missing	Nothing identified
Supporting Principle	Ensuring that the Framework is applied to jointly managed or shared service organisations as appropriate.
What Assurance Do We Want	Annual Governance Statement
What Assurance Do We Get	The Annual Governance Statement is prepared by the Governance Group which is made up of lead officers within the Authority. The revised Personal Development Review document will include reference to the core principles of Corporate Governance.
What is missing	Nothing identified
Supporting Principle	Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar organisations.
What Assurance Do We Want	Format follows best practice
What Assurance Do We Get	High level corporate plan projects/programmes and corporate risk register included in the <a href="#">Statement of Accounts</a> Financial statements prepared in line with the CIPFA Code of Practice (as all Councils should) including relevant performance information from the Corporate Plan.
What is missing	Nothing identified
Supporting Principle	Ensuring that recommendations for corrective action made by external audit are acted upon Ensuring an effective internal audit service with direct access to members is in place which provides assurance with regard to governance arrangements and recommendations are acted upon
What Assurance Do We Want	Recommendations have informed positive improvement Compliance with CIPFA's Statement on the Role of the Head of Internal Audit Compliance with Public Sector Internal Audit Standards
What Assurance Do We Get	All recommendations made by the External Auditors are acted upon. Compliant and supporting evidence in the review of arrangements in relation to compliance with the CIPFA Statement on the Role of the Head of Internal Audit and compliance to the Public Sector Internal Audit Standards which has been further demonstrated following and external assessment completed in 2017.
What is missing	Nothing identified
Supporting Principle	Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations.
What Assurance Do	Recommendations have informed positive improvement

We Want	
What Assurance Do We Get	A Peer Assessment is planned for 2021/22.
What is missing	Nothing identified
Supporting Principle	Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement.
What Assurance Do We Want	Annual Governance Statement
What Assurance Do We Get	Partnership arrangements in place designed to help the Council work with its partners to ensure that all partnerships have good systems of governance. Informed by Corporate Risk Register.
What is missing	Nothing identified
Supporting Principle	Ensuring that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised and met.
What Assurance Do We Want	Community Strategy
What Assurance Do We Get	Partnership arrangements in place designed to help the Council work with its partners to ensure that all partnerships have good systems of governance.
What is missing	Nothing identified

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## AUDIT AND GOVERNANCE COMMITTEE

Tuesday 27<sup>th</sup> June 2023

### REPORT OF THE ASSISTANT DIRECTOR FINANCE

#### RISK MANAGEMENT QUARTERLY UPDATE

##### **Purpose**

To report on the Risk Management process and progress for Quarter 4 of the 2022/23 financial year.

##### **Recommendations**

- **That the Committee endorses the Corporate Risk Register.**

##### **Executive Summary**

One of the functions of the Audit & Governance Committee is to monitor the effectiveness of the Authority's Strategic risk management arrangements. This report includes the actions taken to manage those risks and raises issues of concern that may impact the Authority. Corporate risks are identified, managed, and monitored by the Corporate Management Team (CMT) on a quarterly basis.

A copy of the current Corporate Risk Register is attached, as **Appendix 1**. The control measures contained have been developed to reflect the actions in the 3-year corporate plan. The revised Risk control measures will ensure the delivery of the strategic objectives, as detailed in the 2022-25 Corporate Plan, and minimise the risk of strategic drift. The corporate risk register has been updated by CMT and several notes and risk control measure due dates have been revised where they are ongoing or part of a project that finishes in the next financial year. There has been no change to the overall risk profile since the quarter 3 report was presented as summarised in **Appendix 2**.

The operational risk champions group did not meet during quarter 4 instead Heads of Service and their managers were invited to attend Risk Management training which was provided by Zurich. The training was well attended with 17 officers joining us in March 2023 and 21 officers in April 2023. Head of Service and Managers attending were tasked with reviewing the risks within their own department's risk registers and ensuring that descriptions of risks were specific, meaningful, and that any risk controls measures are clear and "smart" based on what they learnt during the training session.

As a follow-up from the training sessions risk management workshops have been organised in June 2023 for each directorate. The information obtained from these workshops regarding directorates' current and emerging risks will enable Zurich to independently appraise the current Corporate Risk Register and make recommendations and suggest updates for the Corporate Risk Register for 2023/24.

The World Economic Forum have published “The Global Risks Report 2023 18th Edition” and reported that the current manifesting risks for 2023 are still as follows:

- Energy supply Crisis
- Cost of Living Crisis
- Rising Inflation
- Food supply crisis
- Cyberattacks on critical infrastructure.

These risks will continue to have an upward pressure on supply and costs. At the same time as rising supply costs there is also the potential for a fall in income as the disposable income of the public reduces due to the pressures on the household purse. This has the potential to affect collection rates for Council Tax and Housing rents and it is also possible that income to attractions and events will reduce. The situation will continue to be monitored through the monthly budget monitoring process.

The World Economic Forum Global Risk Report 2023 also provides predictions of global risks for the next 2 and 5 years (See **Appendix 3**), the top five risks for the UK (see **Appendix 4**) and the risks from a public sector perspective (see **Appendix 5**). Cost of living dominates all the reports over the next two years while climate action failure dominates the next decade. The heightened risk of cyber-attacks remains due in part to the continuing conflict in Ukraine. The Technology and Information team continue to take steps to mitigate our exposure to these and any other Cyber threats.

### **Options Considered**

None.

### **Resource Implications**

None.

### **Legal / Risk Implications**

There are no direct legal implications from this report but failure to manage strategic risks could lead to issues in delivering strategic priorities.

### **SUSTAINABILITY IMPLICATIONS**

None

### **BACKGROUND INFORMATION**

None

### **REPORT AUTHOR**

Emma Dyer, Operations Accountant, ext. 239

**LIST OF BACKGROUND PAPERS**

None

**APPENDICES**

**Appendix 1 Corporate Risk Register Qtr. 4**

**Appendix 2 Corporate Risk Profile summary**

**Appendix 3 Global risks for the next 2 and 5 years**

**Appendix 4 UK Top 5 risks**


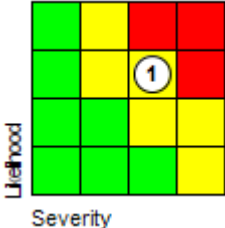

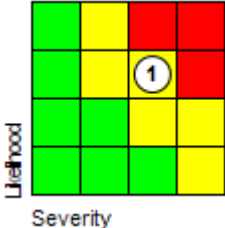
**Appendix 5 Public Sector risk connections**

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# Corporate Risks Summary 2022/2023

Generated on: 08 June 2023

Corporate Risk Heading	Status	Status	Current Risk Matrix	Executive Leadership Team
Finance/Financial stability 2022		Warning		Stefan Garner
Modernisation and commercial agenda 2022		Warning		Anica Goodwin
Governance 2022		Warning		Anica Goodwin
Community Focus 2022		Warning		Rob Barnes

Corporate Risk Heading	Status	Status	Current Risk Matrix	Executive Leadership Team
Economic Growth and Sustainability 2022		Warning	 <p>4x4 Risk Matrix with columns for Severity and rows for Likelihood. A '1' is in the cell corresponding to High Severity and Medium Likelihood.</p>	Stefan Garner
Organisational Resilience 2022		Warning	 <p>4x4 Risk Matrix with columns for Severity and rows for Likelihood. A '1' is in the cell corresponding to High Severity and Medium Likelihood.</p>	Rob Barnes

# 1. Finance/Financial Viability 2022

Generated on: 08 June 2023

<b>Corporate Risk Heading</b>	<b>Finance/Financial stability 2022</b>
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<b>Corporate Risk</b>	<b>To ensure that the Council is financially sustainable as an organisation</b>
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Original Matrix		Current Risk Matrix		Target Risk Matrix	
Severity	4	Severity	2	Severity	2
Likelihood	3	Likelihood	3	Likelihood	2
Risk Score	12	Risk Score	6	Risk Score	4
		Date Reviewed	15-May-2023	Target Date	

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<b>Causes</b>	<ul style="list-style-type: none"> <li>* Risk of Austerity cuts/Major variances to the level of grant/subsidy</li> <li>* Uncertainty risk and potential financial disruption from External economic influences - mainly on income levels and current cost / inflationary pressures (and potential contractual cost increases)</li> <li>* Risk potential for poor Procurement practices and weak or ineffective Contract Management meaning VFM not maximised and TBC exposed to unnecessary liabilities.</li> <li>* Ongoing cost of living crisis and inflationary pressures risk having an impact on the Council's income if households struggle to pay council tax, housing rent payments, etc. If families find themselves in financial</li> </ul>	<b>Consequences</b>	<ul style="list-style-type: none"> <li>* Inability to plan long term due to uncertainty over future Local Government funding. The planned funding reforms, Fair Funding Review, business rates reset and the revised business rates retention scheme has been deferred again. The LGFS published in December 2022 outlined funding for 2023/24 with indications for 2024/25.</li> <li>While this means the Council will be able to retain its business rate growth for 2023/24 and 2024/25, it also means that the uncertainty continues and potentially the Council still faces losing this growth from 2025/26.</li> <li>* Unplanned cost reductions / savings requirements</li> <li>* Financial issues leading to the Authority being taken over by Government appointed officers</li> </ul>
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difficulty it could also increase the demand for our services putting pressure on resources, for example increase in homelessness.

Risk Control Measure	Risk Control Measure Due Date	Risk Control Measure Status	Risk Control Measure Note	Assistant Director
Monthly Budget Monitoring	31-Jul-2023		Monthly Financial Healthcheck reports to CMT and quarterly to Cabinet	Joanne Goodfellow
Recovery and Reset Programme	31-Jul-2023			Tina Mustafa
Robust monitoring process for MTFs in place and Quarterly Healthcheck update to Members	31-Jul-2023			Joanne Goodfellow

Latest Note

The planned funding reforms, Fair Funding Review, business rates reset and the revised business rates retention scheme has been deferred again. The LGFS published in December 2022 outlined funding for 2023/24 with indications for 2024/25. This settlement represents a 'holding position' until the next Parliament, aiming at stability. The ruling out of a business rates reset, or a fair funding review, means that the funding distribution will stay fairly stable (with the exception of Extended Provider Responsibility funding). But this means that the big questions about the future of the funding system remain unaddressed one way or another. While this means the Council will be able to retain its business rate growth for 2023/24 and 2024/25, it also means that the uncertainty continues and potentially the Council still faces losing this growth from 2025/26.

The ongoing cost of living crisis and inflationary pressures continue to have an impact on the Council's finances. At the same time as rising supply costs there is also the potential for a fall in income as the disposable income of the public reduces due to the pressures on the household purse. This has the potential to affect collection rates for Council Tax and Housing Rents and it is also possible that income to attractions and events will reduce. If families find themselves in financial difficulty it could also increase the demand for our services putting additional pressure on resources, for example increased homelessness, exacerbated by the potential for increased numbers of asylum seekers or Ukrainian refugees who may also present as homeless. The situation will continue to be monitored, including through the monthly budget monitoring process. A planned review of the LCTR scheme is underway as a potential mitigation to reduce the pressure on lowest income households



Corporate Priority affected

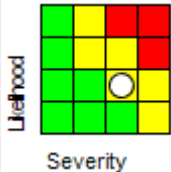
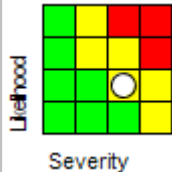
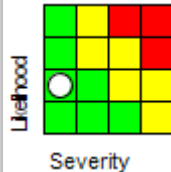
Priority2: The Economy

Priority4: Living in Tamworth

Priority5: Town Centre

## 2. Modernisation and Commercialisation Agenda 2022

Generated on: 08 June 2023

<b>Corporate Risk Heading</b>		<b>Modernisation and commercial agenda 2022</b>				
<b>Corporate Risk</b>		<b>Failure to Develop and implement Continuous Service improvement and develop employees to perform the right work</b>				
Page 170	Original Matrix		Current Risk Matrix		Target Risk Matrix	
	Severity	3	Severity	3	Severity	1
	Likelihood	2	Likelihood	2	Likelihood	2
	Risk Score	6	Risk Score	6	Risk Score	2
			Date Reviewed	17-May-2023	Target Date	
<b>Causes</b>	<ul style="list-style-type: none"> <li>* Slow or no progress on commercial investment strategy</li> <li>* Under utilisation of Assets</li> <li>* The uncertainty and financial disruption from External Economic influences and current cost / inflationary pressures (and potential contractual cost increases.</li> <li>* Failure to have the organisational structure and a skilled and motivated workforce</li> <li>* Changes in Job market</li> <li>* Ineffective project management and governance</li> <li>* Ineffective performance management</li> <li>* Inadequate business continuity plans</li> </ul>		<b>Consequences</b>	<ul style="list-style-type: none"> <li>* Unable to deliver organisational strategies</li> <li>* Increased turnover/absenteeism</li> <li>* Unable to recruit key/essential skills</li> <li>* Failure to deliver project outcomes</li> <li>* Failure to deliver corporate plan</li> <li>* Government intervention</li> <li>* Service failure leading to ombudsman intervention and increased compensation claims</li> <li>* Increased customer dissatisfaction</li> <li>* Unrealised benefits</li> <li>* Decreased staff engagement and satisfaction resulting in poor performance.</li> </ul>		

Risk Control Measure	Risk Control Measure Due Date	Risk Control Measure Status	Risk Control Measure Note	Assistant Director
Delivery of People and Organisational Strategy	31-Jul-2023			Zoe Wolicki
Delivery of Planned Commercialisation Strategy	31-Jul-2023		2023/24 MTFS included review and update of fees and charges and new charges introduced. Other targeted savings built into budget via policy changes. Procurement training provided to staff.	Joanne Goodfellow
Develop Project management skills for key staff	31-Jul-2023			Zoe Wolicki
Management of Assets - deliver Corporate Capital Strategy and Asset Management Strategy actions	31-Jul-2023		Linked to updated Asset Management Strategy. Draft document produced and reviewed. Amendments being made following scrutiny comments.	Paul Weston

Latest Note	Changes to political leadership may impact on training budgets and turnover,
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Corporate Priority affected	Priority2: The Economy Priority: Organisation Priority5: Town Centre
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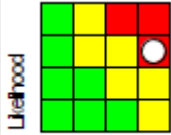
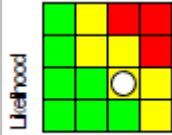
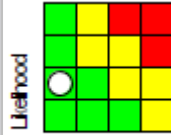
### 3. Governance 2022

Generated on: 08 June 2023





<b>Corporate Risk Heading</b>	<b>Governance 2022</b>
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<b>Corporate Risk</b>	<b>To ensure the Council is fully compliant in all legislative requirements</b>
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Original Matrix		Current Risk Matrix		Target Risk Matrix	
Severity	4	Severity	3	Severity	1
Likelihood	3	Likelihood	2	Likelihood	2
Risk Score	12	Risk Score	6	Risk Score	2
		Date Reviewed	17-May-2023	Target Date	

<b>Causes</b>	<ul style="list-style-type: none"> <li>* Failure of democratic process</li> <li>* Failure to understand or respond adequately to new or changing legislation or regulation</li> <li>* Cyber Attack due to lack of preparedness</li> <li>* No horizon scanning of legislative changes</li> <li>* Data Protection principles not adhered to</li> <li>* Out of date policies and procedures</li> </ul>	<b>Consequences</b>	<ul style="list-style-type: none"> <li>* Prosecution of individuals</li> <li>* Loss of reputation</li> <li>* Adverse impact on Tamworth residents</li> <li>* Authority taken over by Government appointed officers</li> <li>* Increase in costs, Legal and settlement</li> <li>* Potential harm to vulnerable persons, employees and commercial relationships</li> <li>* Legal action</li> <li>* Financial penalties</li> <li>* Reputational damage</li> </ul>
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Risk Control Measure	Risk Control Measure Due Date	Risk Control Measure Status	Risk Control Measure Note	Assistant Director
Audit and Scrutiny Committees	31-Jul-2023			Joanne Goodfellow
Cyber Security	31-Jul-2023			Zoe Wolicki
Data Protection	31-Jul-2023			Zoe Wolicki
Policies and Procedures	31-Jul-2023			Zoe Wolicki

**Latest Note** Changes to political leadership and new members will require additional training to be targeted asap.

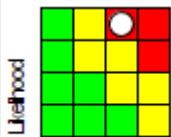
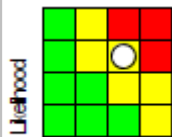

**Corporate Priority affected** Priority2: The Economy  
Priority: Organisation

## 4. Community Focus 2022


Generated on: 08 June 2023

Corporate Risk Heading	Community Focus 2022
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Corporate Risk	Safety, health and wellbeing of the citizens of the borough
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Original Matrix		Current Risk Matrix		Target Risk Matrix	
Severity	3	Severity	3	Severity	2
Likelihood	4	Likelihood	3	Likelihood	2
Risk Score	12	Risk Score	9	Risk Score	4
		Date Reviewed	8-Jun-2023	Target Date	

<b>Causes</b>	<ul style="list-style-type: none"> <li>* Lack of Community cohesion and engagement</li> <li>* Children &amp; Adults at Risk of Abuse &amp; Neglect</li> <li>* Modern Slavery</li> <li>* Lack of Affordable homes</li> <li>* Council working in isolation</li> </ul>	<b>Consequences</b>	<ul style="list-style-type: none"> <li>* Increase in crime and disorder</li> <li>* Increased tensions in the community</li> <li>* Death or serious injury</li> <li>* Poor and overcrowded housing</li> <li>* Increased demand for social housing</li> <li>* Increase of liability claims</li> <li>* Reputational damage</li> </ul>
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Risk Control Measure	Risk Control Measure Due Date	Risk Control Measure Status	Risk Control Measure Note	Assistant Director
1a - Education with regard to litter and fly-tipping	31-Jul-2023		Fly tipping grant of £26,000 received. 6 deployable cameras to be purchased and hotspots	Joanne Sands

			identified. Littercam 2 week trial in September	
1D - Working with partners to protect people and open spaces	31-Jul-2023			S M; Sarah McGrandle
2C - Local plan to ensure affordable housing and infrastructure	31-Jul-2023		Issues and Options consultation has been completed.	Anna Miller

Latest Note	No change
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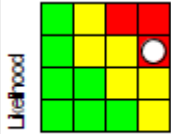
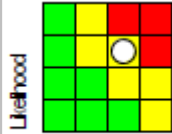
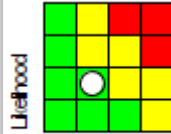
Corporate Priority affected	Priority1: The Environment Priority4: Living in Tamworth Priority5: Town Centre
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## 5. Economic Growth and Sustainability 2022


Generated on: 08 June 2023

<b>Corporate Risk Heading</b>	<b>Economic Growth and Sustainability 2022</b>
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<b>Corporate Risk</b>	<b>Lack of economic growth and sustainability in the Borough at the levels required</b>
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Original Matrix		Current Risk Matrix		Target Risk Matrix	
Severity	4	Severity	3	Severity	2
Likelihood	3	Likelihood	3	Likelihood	2
Risk Score	12	Risk Score	9	Risk Score	4
		Date Reviewed	26-May-2023	Target Date	

<b>Causes</b>	<ul style="list-style-type: none"> <li>* Lack of investment in the Borough</li> <li>* General downturn in the economy due to factors beyond our control</li> <li>* Failure to recognise economic changes</li> </ul>	<b>Consequences</b>	<ul style="list-style-type: none"> <li>* Economic prosperity declines</li> <li>* Deprivation</li> <li>* Reduced Business Rates income</li> <li>* Tamworth not seen as a positive place to live or invest in</li> <li>* Lack of economic and commercial growth</li> </ul>
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Risk Control Measure	Risk Control Measure Due Date	Risk Control Measure Status	Risk Control Measure Note	Assistant Director
2A - Development of business initiatives to promote start up and growth	31-Jul-2023		The Borough Council has awarded £25,000 grant funding to Tamworth town centre businesses to	Anna Miller



			<p>support local businesses in the current economic climate.</p> <p>The money will help town centre businesses establish or improve their physical or digital presence, gain new customers, increase turnover and increase opportunities for survival, through effective brand image and an improved service or product.</p> <p>This grant funding is available for a total of 3 years.</p> <p>The FHSF is delivering a project called the FLEX which will be entrepreneurial space/pop up space that can be flexibly managed, creating conditions for new businesses to try and establish themselves in the town.</p>	
3A - Local plan to improve infrastructure , evening economy and transport links	31-Jul-2023		Issues and options consultation completed	Anna Miller

Latest Note	<i>The project for the town centre regeneration financed by the Future High street fund and being undertaken in conjunction with the Tamworth College represents a major contribution to the town centre programme and therefore a high profile risk area</i>
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Corporate Priority affected

Priority2: The Economy

Priority1: The Environment

Priority3: Infrastructure

Priority4: Living in Tamworth

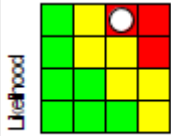
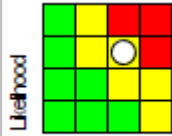
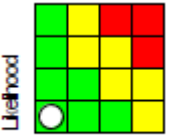
Priority5: Town Centre

## 6. Organisational Resilience 2022


Generated on: 08 June 2023

Corporate Risk Heading	Organisational Resilience 2022
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Corporate Risk	Failure to provide services or maintain the continued wellbeing and operations within the Borough
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Original Matrix		Current Risk Matrix		Target Risk Matrix	
Severity	3	Severity	3	Severity	1
Likelihood	4	Likelihood	3	Likelihood	1
Risk Score	12	Risk Score	9	Risk Score	1
		Date Reviewed	8-Jun-2023	Target Date	

<b>Causes</b>	<ul style="list-style-type: none"> <li>* Significant event outside of our control e.g. major disaster, pandemic etc.</li> <li>* Staff not aware of action to be taken in the event of an emergency/disaster</li> <li>* Lack of sufficient agile operational options</li> <li>* Global warming/climate change</li> </ul>	<b>Consequences</b>	<ul style="list-style-type: none"> <li>* Services not delivered</li> <li>* Life and property put in harms way</li> <li>* Reduced 'economic attractiveness'</li> <li>* Loss of reputation</li> <li>* Extreme weather conditions/impact on business's &amp; communities</li> </ul>
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Risk Control Measure	Risk Control Measure Due Date	Risk Control Measure Status	Risk Control Measure Note	Assistant Director
1B - Development of infrastructure for acting on Climate Change	31-Jul-2023		Ongoing discussions with BP Pulse over the delivery of an EV charging hub on Riverdrive.	Anna Miller

Business Continuity Planning	31-Jul-2023		Detailed work plan in place for EP & BC; work plan has been agreed by CMT and has been conveyed to Heads of Service.	Paul Weston
Emergency Planning	31-Jul-2023			Tina Mustafa

Latest Note	No change
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Corporate Priority affected	Priority2: The Economy Priority4: Living in Tamworth Priority: Organisation
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**Key to Corporate Risk Headings**

- R1 Finance/Financial stability 2022
- R2 Modernisation and commercial agenda 2022
- R3 Governance 2022
- R4 Community Focus 2022
- R5 Economic Growth and Sustainability 2022
- R6 Organisational Resilience 2022

**Quarter 1 summary**

		R1 R4 R5 R6	
		R2 R3	

**Risk profile**

High risk	0%
Medium risk	67%
Medium/Low Risk	33%
Low Risk	0%

**Quarter 2 summary**

		R1 R4 R5 R6	
		R2 R3	

**Risk profile**

High risk	0%
Medium risk	67%
Medium/Low Risk	33%
Low Risk	0%

**Quarter 3 summary**

	R1	R4 R5 R6	
		R2 R3	

**Risk profile**

High risk	0%
Medium risk	50%
Medium/Low Risk	50%
Low Risk	0%

**Quarter 4 summary**

	R1	R4 R5 R6	
		R2 R3	

**Risk profile**

High risk	0%
Medium risk	50%
Medium/Low Risk	50%
Low Risk	0%

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# Top 10 Risks – 2 years and 10 years

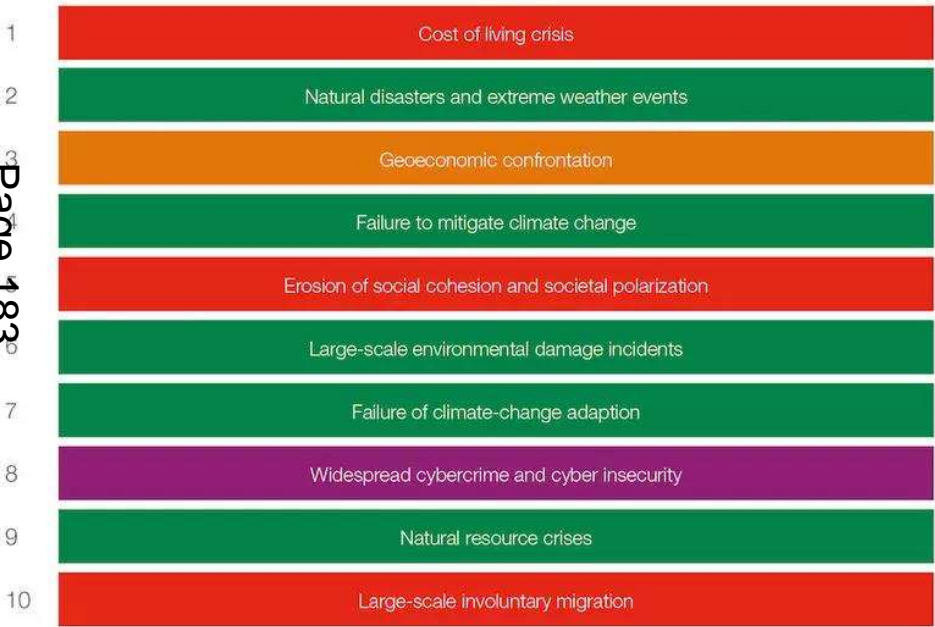
Global Risks Report 2023

## Top 10 Risks

“Please estimate the likely impact (severity) of the following risks over a 2-year period”



2 years



Risk categories

- Economic
- Environmental
- Geopolitical
- Societal
- Technological

Source: World Economic Forum, Global Risks Perception Survey 2022-2023



Global Risks Report 2023

## Top 10 Risks

“Please estimate the likely impact (severity) of the following risks over a 10-year period”



10 years



Risk categories

- Economic
- Environmental
- Geopolitical
- Societal
- Technological

Source: World Economic Forum, Global Risks Perception Survey 2022-2023

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# Top Five Risks for United Kingdom Identified by the Executive Opinion Survey – National Risk Perceptions



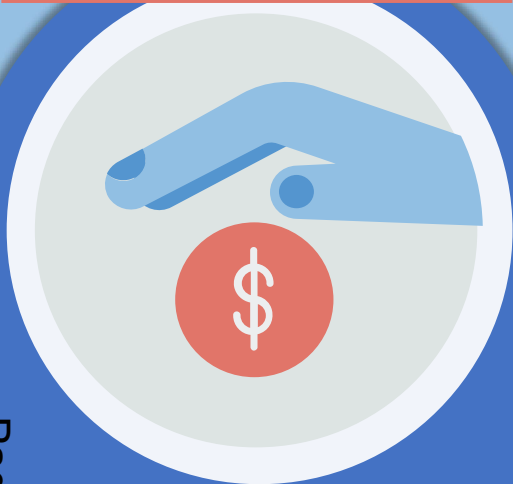
Which five risks are the most likely to pose the biggest threat to your country in the next two years?



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## Cost of Living Crisis



- Financial planning
- Impending national / global economic downturn
- Social unrest
- Lack of funds to complete capital / infrastructure projects

## Economic Fragility



- Funding Shortfalls
- Increased public borrowing levels
- Personal debt levels rising
- Failure to invest in new technology and innovate

## Climate Change



- Net Zero deadlines
- Climate Emergency ambitions feasibility
- Changing sustainable infrastructure
- Lack of resiliency planning for future climate related events

## Public Sector Perspective

## Public Sector Infrastructure Collapse



- Reserve depletion
- Organisational asset bubbles / increased borrowing levels
- Lack of liquidity from reduced central government funding
- Ability to deal with continued human health challenges : perma-pandemic threats

## Social Cohesion Erosion



- Fracturing of local communities
- Declining social stability, individual and collective wellbeing
- Widening gaps in social values and equalities
- Widespread civil unrest

## IT Architecture Vulnerabilities



- Continued hybrid home based working solutions
- Increased threat of loss of data
- Business interruption – IT architecture failure or increases investment
- Widening digital divide

# Public Sector Risk Connections

Short-term 0-2 years

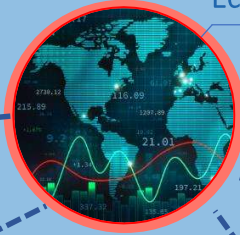
Medium-term 2-5 years

Long-term 5-10 years

Cost of Living Crisis



Economic Fragility



Climate Action Failure



Social Cohesion



Public Infrastructure Collapse

IT Vulnerability



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● ● ● Impact RAG rating  
--- Interconnection

Source: Global Risks Report 2023, World Economic Forum

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