



Borough of Tamworth

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AUDIT AND GOVERNANCE COMMITTEE

27 May 2015

Dear Councillor

A meeting of the Audit and Governance Committee will be held in **Committee Room 1 - Marmion House on Wednesday, 3rd June, 2015 at 6.00 pm**. Members of the Committee are requested to attend.

Yours faithfully

A handwritten signature in black ink, appearing to be 'A. G. ...', written over a circular stamp.

A G E N D A

NON CONFIDENTIAL

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

- 6 Proposed Changes to the Constitution and Scheme of Delegation** (Pages 5 - 28)
(The Report of the Solicitor to the Council and Monitoring Officer)
- 7 Audit & Governance Committee Self Assessment** (Pages 29 - 32)
(The Report of the Head of Internal Audit Services)
- 8 Review of the Effectiveness of the System of Internal Control** (Pages 33 - 40)
(The Report of the Head of Internal Audit Services)
- 9 Quality Assurance & Improvement Programme** (Pages 41 - 48)
(The Report of the Head of Internal Audit Services)
- 10 Fraud & Corruption Update Report** (Pages 49 - 138)
(The Report of the Head of Internal Audit Services)
- 11 Internal Audit Annual Report/Quarterly Report 2014/15 Quarter 4** (Pages 139 - 160)
(The Report of the Head of Internal Audit Services)
- 12 Annual Governance Statement & Code of Corporate Governance** (Pages 161 - 212)
(The Report of the Head of Internal Audit Services)
- 13 Risk Management Update** (Pages 213 - 252)
(The Report of the Head of Internal Audit Services)
- 14 Audit and Governance Committee Timetable** (Pages 253 - 256)
(Discussion Item)

People who have a disability and who would like to attend the meeting should contact Democratic Services on 01827 709264 or e-mail committees@tamworth.gov.uk preferably 24 hours prior to the meeting. We can then endeavour to ensure that any particular requirements you may have are catered for.

To Councillors: J Chesworth, J Faulkner, J Goodall, S Goodall, K Norchi, J Oates and T
People

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**MINUTES OF A MEETING OF THE
AUDIT AND GOVERNANCE COMMITTEE
HELD ON 26th MARCH 2015**

PRESENT: Councillor M Gant (Chair), Councillors J Chesworth,
M Couchman, J Faulkner, R Kingstone, J Oates and P Seekings

Officers John Wheatley (Executive Director Corporate Services),
Jane Hackett (Solicitor to the Council and Monitoring
Officer), Stefan Garner (Director of Finance), Angela
Struthers (Head of Internal Audit Services) and Kerry
Beavis (Principal Auditor)

Visitors John Gregory – Grant Thornton (Left the meeting at
6.15pm)

49 APOLOGIES FOR ABSENCE

None

50 MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 29th January 2015 were approved and signed
as a correct record.

(Moved by Councillor J Chesworth and seconded by Councillor J Faulkner)

51 DECLARATIONS OF INTEREST

There were no declarations of Interest.

52 THE AUDIT PLAN

The Report of Grant Thornton (External Auditor) was considered.

RESOLVED: That the Report be received which informs the Audit Plan for
the Council.

53 INFORMING THE AUDIT RISK ASSESSMENT

The Report of Grant Thornton (External Auditor) was considered.

RESOLVED: That the Report be received which informs the Audit Risk Assessment.

54 REVIEW OF THE TREASURY MANAGEMENT STRATEGY STATEMENT, MINIMUM REVENUE PROVISION POLICY STATEMENT, ANNUAL INVESTMENT STATEMENT 2015/16, TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY MID-YEAR REVIEW REPORT 2014/15

The Report of the Executive Director Corporate Services review of the treasury management strategy statement, minimum revenue provision policy statement and annual investment statement 2015/16 and the treasury management strategy statement and annual investment strategy mid-year review report 2014/15 was considered.

RESOLVED: That the Committee endorsed the Treasury Management Statements as detailed within the annexed reports and highlighted changes for recommendation to Cabinet.

(Moved by Councillor J Chesworth and seconded by Councillor J Faulkner)

55 FINAL ACCOUNTS 2014/15 - ACTION PLAN

Report of the Director of Finance to provide an outline of the corporate requirements that will need to be achieved in order to produce the Council's Annual Statement of Accounts for 2014/15 (including deadlines but not including detailed responsibilities) and to obtain corporate commitment to the action plan was considered.

RESOLVED: That the Committee;

1. endorsed the target of 31 May 2015 for closure of the Final Accounts 2014/15 and production of a Draft Statement for 2014/15;
2. agreed that staffing resources be committed to the provision of appropriate information and support in order to meet the published timescales and the Committee receive progress updates (if required); and
3. agreed that the Statement be presented to the Audit & Governance Committee on 24 September 2015.

(Moved by Councillor J Faulkner and seconded by Councillor J Chesworth)

56 INTERNAL AUDIT CHARTER AND PLAN 2015/16

Report of the Head of Internal Audit Services to advise Members of the proposed Internal Audit Charter and Plan for 2015-2016, to provide Members with assurance on the appropriate operation of Internal Audit was considered.

RESOLVED: the Committee endorsed the Internal Audit Charter and Plan 2015-2016

(Moved by Councillor M Gant and seconded by Councillor M Couchman)

57 FINANCIAL GUIDANCE REVIEW 2015

Report of the Head of Internal Audit Services to seek Member endorsement of the recently reviewed Financial Guidance which forms an important part of the Council's Regulatory Framework, and to provide an opportunity for Members of the Committee to raise any issues they consider appropriate on the subject was considered.

RESOLVED: That the Committee endorsed the changes to Financial Guidance.

(Moved by Councillor P Seekings and seconded by Councillor M Couchman)

58 AUDIT & GOVERNANCE COMMITTEE SELF ASSESSMENT

Report of the Head of Internal Audit Services to complete a self assessment of the effectiveness of the Audit & Governance Committee and produce an improvement action plan if required was considered.

RESOLVED: That the Committee completed the self assessment checklist in order to formulate an improvement plan.

59 REGULATION OF INVESTIGATORY POWERS ACT 2000

The Report of the Solicitor to the Council and Monitoring Officer informing Members of the surveillance carried out under the Regulation of Investigatory Powers Act 2000 was considered.

RESOLVED: That the quarterly RIPA monitoring report be endorsed.

(Moved by Councillor M Gant and seconded by Councillor J Chesworth)

60 REVIEW OF MEMBER'S ALLOWANCES

Report of the Solicitor to the Council and Monitoring Officer to inform members of the Audit and Governance Committee of the report of the Independent Remuneration Panel and the recommendations adopted by Council on 17 March 2015 in relation thereto was considered.

RESOLVED: That

1. the Committee endorsed the report of the Independent Remuneration Panel (which was carried unanimously); and
2. the recommendations adopted by Council on 17 March 2015 (which was carried 4 votes M Gant, J Oates, J Chesworth and R Kingstone to 3 votes M Couchman, P Seekings and J Faulkner

(Moved by Councillor M Gant and seconded by Councillor M Couchman)

61 AUDIT AND GOVERNANCE COMMITTEE TIMETABLE

The Committee reviewed and agreed the timetable.

Chair

Audit and Governance Committee

03 June 2015

REPORT OF THE SOLICITOR TO THE COUNCIL AND MONITORING OFFICER

Proposed Changes to the Constitution and Scheme of Delegation

EXEMPT INFORMATION

None

PURPOSE

To consider the proposals put forward as amendments to the Constitution and Scheme of Delegation at Council on 26 May 2015 in terms of Article 16 paragraph 2.16.2.

RECOMMENDATIONS

It is recommended that the Committee consider the proposals put forward as amendments to the Constitution and endorse same.

EXECUTIVE SUMMARY

Article 9 of the Constitution provides *inter alia* that the Audit and Governance Committee maintain an overview of the Council's Constitution. Article 16 requires *inter alia* changes to the constitution to be approved by full Council subject to consideration of any proposals in relation thereto by the Solicitor to the Council and the Audit and Governance Committee.

Under the Localism Act the Authority remains under a duty to promote and maintain high standards of governance and exercise all its powers and duties in accordance with the law. The Constitution and Scheme of Delegation assist this process. Accordingly the Audit and Governance Committee has been asked to recommend endorse the amendments made as per the appendix attached to this report.

RESOURCE IMPLICATIONS

The Amendments as required to the Constitution and the Scheme of Delegation ensure that the authority operates *intra vires* and implementation will be carried out as part of the duties of the Council, the Solicitor to the Council and staff with no additional resource implications for the Authority.

LEGAL/RISK IMPLICATIONS BACKGROUND

To have a Constitution that is not fit for purpose could lead to the Council making decisions that would be *ultra vires*. In addition an effective Constitution and Scheme of Delegation provides the mitigating action necessary to ensure that the Council's legal obligations are met and further provides officers with the required functionality to ensure that the Council's obligations under statute are fully met.

EQUALITY IMPLICATIONS

An Equalities Impact Assessment is not required in this instance. In approving the recommendations it is envisaged that the citizens of Tamworth will benefit from robust governance which supports the active involvement of citizens in the process of local authority decision making and an open and transparent delegation regime for its officers.

BACKGROUND INFORMATION

Each year at the first business meeting of the Council the Constitution and Scheme of Delegation as reviewed require to be adopted to ensure probity and legal compliance. On 26 May 2015 it was agreed that the Constitution and Scheme of Delegation be adopted with the amendments proposed as attached to the Appendix to this report subject to endorsement by Audit and Governance Committee as required in Articles 9 and 16 of the Constitution.

REPORT AUTHOR

Jane M Hackett Solicitor to the Council and Monitoring Officer Tel 709258 if you would like further information or clarification prior to the meeting

LIST OF BACKGROUND PAPERS

Local Government Act 1972
Localism Act 2011

APPENDICES

Appendix 1: Proposed changes to the Constitution and Scheme of Delegation as tabled at the Council meeting on 26 May 2015.

CHANGES TO THE CONSTITUTION & SCHEME OF DELEGATION

Part 3 – Responsibility for Functions

In Page 38 add the following to the existing columns:

<u>Committee</u>	<u>Membership</u>	<u>Functions</u>	<u>Delegation of Functions</u>
<u>Statutory Officer Conduct Committee</u>	<u>Seven comprised of five elected members of whom one must be a member of the Cabinet and two (voting Independent Persons</u>	<u>To recommend to Council any disciplinary action etc. See paper part 1.</u>	

Part 3 – Scheme of Delegation

In Page 48 General Delegations Paragraph 3.5.1, delete the existing Paragraph (h) :

Compassionate Leave

Compassionate Leave may be granted in the following circumstances:

Death/illness of close relative ie., spouse, co-habitee (same or opposite sex), parent, parent-in-law, son, daughter, child of co-habitee, brother, sister, grandparent, grandchild.

Breakdown in partnerships (includes married couples and co-habitees).

Absence allowable as current policies (Consult Human Resources for advice)

and replace with:

“Paid Leave

Allowable as provided in current policies (contact Human Resources for advice)”.

In Page 65 at Paragraph 44 insert (a) at the beginning of the paragraph and add the following paragraph (b):

In respect of the Council’s employees to instruct them to cease work where it may constitute a risk to their or others health and safety or where there is a

breach of a statutory duty. Opposite Paragraph (b) in the Authorising Officer column insert: *Director of Transformation & Corporate Performance.*

In Page 65 at Paragraph 46 after “2012” add “*and Staffordshire County Council’s Charging for Residential Accommodation Guide*”.

In Part D – Housing and Health (pages 66-73) the authorised officer delegations have been amended to reflect the restructure and now include where appropriate delegations to the Director Housing and Health, Head of Land Lord Services and Head of Strategic Housing.

In Page 72, paragraph 15 after “offences” add “*including the instigation of legal proceedings and prosecutions*” delete “and” insert after “1977” “*and under the Protection of Harassment Act 1997*”.

In Page 78 insert into the left hand column of table at Number 22 the following: *Part II – General administration to include undertaking enforcement and amending and publishing the Regulation 123 List.*

In Page 83 add “33” to the delegation for the Local Government (Miscellaneous Provisions) Act 1982 insert the following statutes into the table:

<i>Protection from Eviction Act 1977</i>	<i>Parts I, II & III</i>
<i>Protection from Harassment Act 1997</i>	<i>Sections 1-7</i>
<i>Enterprise and Regulatory Reform Act 2013</i>	<i>Part 6 Miscellaneous Provisions</i>

Part 4 – Rules of Procedure

In Page 113 add a new Paragraph 4.2.12:

Receive Nominations to confer the title of honorary Alderman or Alderwoman on past members who have completed at least three consecutive terms as a councillor of the Borough of Tamworth.

In Page 168 in Schedule 7 delete in line one “relevant regulations relating to” and insert after “Contracts” in line 2 “Regulations 2015”.

Part 4, Schedule 8, Paragraph 4 – Page 169. Delete the existing paragraph “The appointment Committee appointed by the Council will appoint chief officers. That committee must include at least one member of the executive” and replace with:

“The Appointments & Staffing Committee will recommend the appointment of the Statutory Officers – Head of Paid Service, Monitoring Officer and S151 Officer to Council for confirmation.

Other changes that will be made will be to

In Page 170 delete the existing Paragraph 6 Disciplinary Action

Schedule 8

Disciplinary Action

6 Disciplinary action

Suspension. The head of paid service, monitoring officer and chief finance officer may be suspended whilst an investigation takes place into alleged misconduct. That suspension will be on full pay and last no longer than two months.

Independent person. No other disciplinary action may be taken in respect of any of those officers except in accordance with a recommendation in a report made by a designated independent person.

Councillors will not be involved in the disciplinary action against any officer below chief officer except where such involvement is necessary for any investigation or inquiry into alleged misconduct, though the Council's disciplinary, capability and related procedures, as adopted from time to time may allow a right of appeal to members in respect of disciplinary action.

7 Dismissal

Councillors will not be involved in the dismissal of any officer below chief officer except where such involvement is necessary for any investigation or inquiry into alleged misconduct, though the Council's disciplinary, capability and related procedures, as adopted from time to time may allow a right of appeal to members in respect of dismissals.

And replace with:

6. DISCIPLINARY ACTION

- 6.1** ***Suspension.** The Head of Paid Service, the Monitoring Officer or the Chief Finance Officer (a Relevant Officer) may be suspended whilst an investigation takes place into alleged misconduct. That suspension will be on full pay and will last no longer than two months.*
- 6.2** ***CHIEF OFFICERS CONDUCT COMMITTEE.** No other disciplinary action may be taken in respect of any Relevant Officer except in accordance with a recommendation in a report made by the Chief Officers Conduct Committee*
- 6.3** *Where it appears to the Council that an allegation of misconduct by a Relevant Officer requires to be investigated, the Chief Officers Conduct Committee will arrange for an investigation into the allegation to be carried out on its behalf*
- 6.4.** *In the course of the investigation the Chief Officers Conduct Committee may direct:*

- 6.4.1 *that the Council terminate any suspension of the relevant officer and that they are reinstated;*
- 6.4.2 *that any such suspension must continue beyond the two month period in 6.1;*
- 6.4.3 *that the terms on which any such suspension has taken place must be varied in accordance with the direction; or*
- 6.4.4 *that no steps (whether by the Council or any Committee, Subcommittee or officer acting on behalf of the Council) towards disciplinary action or further disciplinary action against the relevant officer are to be taken before a report is made under 6.8 below.*
- 6.5** *The Chief Officers Conduct Committee or a person acting on their behalf may inspect any documents relating to the conduct of the relevant officer which are in the possession of the Council or which the Council has the power to authorise them to inspect.*
- 6.6** *The Chief Officers Conduct Committee or a person acting on their behalf may require any member of the Council's staff to answer questions concerning the conduct of the relevant officer.*
- 6.7** *The Chief Officers Conduct Committee must make a report to the Council:*
- 6.7.1 *stating the committee's opinion as to whether (and if so, the extent to which) the evidence the committee has obtained supports any allegation of misconduct against the relevant officer; and*
- 6.7.2 *recommending any disciplinary action which appears to the committee to be appropriate for the Council to take against the relevant officer.*
- unless they have previously directed that the suspension be terminated and the officer reinstated.*
- 6.8** *The Chief Officers Conduct Committee must, no later than the time at which they make a report under 6.7 above to the Council, send a copy of the report to the relevant officer.*
- 6.9** *Before the taking of a vote at a meeting to consider whether or not to approve a proposal to dismiss a relevant officer the Council must take into account, in particular;*
- a) any advice, views or recommendations of the Chief Officers Conduct Committee*
 - b) the conclusions of any investigation into the proposed dismissal; and*
 - c) any representations from the relevant officer*

6.10 *Members of the Council will not be involved in disciplinary action against any officer below deputy chief officer except where such involvement is necessary for any investigation or inquiry into alleged misconduct, through the Council's disciplinary, capability and related procedures, as adopted from time to time which may allow a right of appeal to members in respect of disciplinary action.*

In Page 194 delete the existing Paragraph 3.4.1 and replace with "Public Contract Regulations 2015".

In Schedule 16 (pages 211 – 220) Local Protocol for Councillors and Officers dealing with Planning Matters insert the tracked changes as follows:

SCHEDULE 16 - LOCAL PROTOCOL FOR COUNCILLORS AND OFFICERS DEALING WITH PLANNING MATTERS

1 INTRODUCTION

1.1 This protocol has been prepared to guide members and officers in the discharge of the Borough Council's statutory planning functions. This protocol will also inform potential developers and the public generally of the high standards of ethical conduct adopted by the Council in the exercise of its planning powers.

1.2 For the avoidance of doubt, when an Executive Member attends and participates in the decision-making of the Planning Committee, s/he does so as a Member of the Committee and not as a Member of the Executive. Accordingly, s/he must, along with other Members of the Committee, exercise an independent mind on issues before the Committee.

1.3 The provisions of this protocol are designed to ensure that planning decisions are taken on proper planning grounds, are applied in a consistent and open manner and that Members and officers making such decisions are held accountable for those decisions. The protocol is also designed to assist Members and officers in dealing with approaches from property owners.

1.4 If you have any doubts about the application of this protocol, you should seek early advice, preferably well before any meeting takes place from the Head of Planning and Regeneration and/or the Solicitor to the Council & Monitoring Officer

1.5 Members should always appreciate that when the Council is dealing with planning matters (especially when determining a planning application at Planning Committee) it must act fairly because it is exercising the Council's discretion as local planning authority. As such, the Committee and each individual member of it should avoid the appearance (as well as the substance) of having pre determined an issue or having a fixed opinion about it, or being biased about the outcome.

1.6 Members should always appreciate that the appearance of what they do is just as important as the substance of it.

1.7 This advice applies, with necessary modification, to Officers as well as Members. In the case of delegated decisions there is a risk of accusations of impropriety because of the lack of any public meeting to discuss applications. If a Member would have to declare an interest and take no part in the processing of or decision on an application, then an Officer in the same position must take no part in it, either directly or in a management/supervisory capacity.

1.8 This advice does not prevent contact between applicant and case officer, nor does it rule out the case officer tendering advice to an applicant or officer, but it does mean that it must be clear on the appropriate file that the ultimate decision on an application was made or verified by another, unconnected officer. In rare circumstances it may be appropriate for the delegation to be declined and an otherwise delegated item put before Committee.

1.9 Make sure that you always comply with the statutory requirements in respect of Disclosable Pecuniary Interests, and apply the rules in the Members' Code of Conduct. Then apply the rules in this protocol.

2. CONTEXT

2.1 Planning is not an exact science. Rather it relies on informed judgement within a firm policy context. It is often highly contentious because its decisions affect the daily lives of everyone and the private lives of individuals, landowners and developers. This is heightened by the openness of the system (it actively invites public opinion before taking decisions). This is reinforced by the legal status of development plans and decision notices. It is essential, therefore, that the planning process is characterised by open and transparent decision-making.

2.2 One of the key purposes of the planning system is to ensure development takes place through a framework whereby the public interest is well represented at every point from the preparation of Development Plans and policies, the determination of planning applications and in undertaking enforcement action. In performing this role, planning necessarily affects land and property interests, particularly the financial value of landholdings and the quality of their settings. It is important, therefore, that planning authorities should make planning decisions affecting these interests openly, impartially, with sound judgement and for justifiable planning reasons. The process should leave no grounds for suggesting that a decision has been partial, biased or not well-founded in any way.

2.3 This protocol applies to both Councillors and planning officers who become involved in operating the planning system – it is not therefore restricted to professional town planners and Planning Committee members. The successful operation of the planning system relies on mutual trust and

understanding of each other's role. It also relies on both Members and Officers ensuring that they act in a way which is not only fair and impartial but is also clearly seen to be so.

2.4 The Human Rights Act provides additional safeguards for citizens, and encourages the application of best practice. Article 6 is concerned with guaranteeing a right to procedural fairness, transparency and accountability in the determination of civil rights and obligations.

3. GENERAL PLANNING CONSIDERATIONS

3.1 The Council's Cabinet is responsible for preparing and recommending to Council the adoption of the Statutory Development Plan, Development Briefs and other forms of Supplementary Planning Guidance. Members of the Planning Committee, when determining planning applications, must have regard to the Council's policies contained in the Development Plan and Supplementary Planning Guidance adopted by the Borough Council together with Government Guidance contained in the National Planning Policy Framework and other material considerations. Where this is relevant, applications must be determined in accordance with the Plan unless material considerations indicate otherwise.

3.2 Tamworth Borough Council's Code of Conduct for Members must be complied with throughout the decision making process, which includes mandatory requirements with regard to member interests.

3.3 The responsibility for declaring an interest rests with individual Members and Officers of the Council. This protocol outlines further rules applicable to the planning process in Tamworth.

3.4 Councillors and Officers have different but complementary roles. Both serve the public but Councillors are responsible to the electorate, whilst Officers are responsible to the Council as a whole. This applies equally to traditional forms of political management based on committees and to models based on forms of executives or elected mayors. Officers advise Councillors and the Council and carry out the Council's work. They are employed by the Council, not by individual Councillors, and it follows that instructions may only be given to Officers through a decision of the Council, the executive or a committee. A successful relationship between Councillors and officers can only be based upon mutual trust, respect, courtesy and understanding of each others positions. This relationship, and the trust which underpins it, should never be abused or compromised.

3.5 Both Councillors and Officers are guided by codes of conduct. Tamworth's Code of Conduct for Members, provides standards and guidance for Councillors. Employees are subject to the Employees' Code of Conduct. In addition to these codes, a Council's standing orders set down rules which govern the conduct of Council business.

3.6 Tamworth's Code of Conduct for Members sets out the requirements on Councillors in relation to their conduct. It covers issues central to the preservation of an ethical approach to Council business, including the need to register and declare interests, but also appropriate relationships with other Members, staff and the public, which will impact on the way in which Councillors participate in the planning process. Of particular relevance to Councillors serving on the Planning Committee or Executive, or who become involved in making a planning decision is the requirement that a Member should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.

3.7 The basis of the planning system is the consideration of private proposals against wider public interests. Much is often at stake in this process, and opposing views are often strongly held by those involved.

3.8 From time to time applicants may submit confidential information for example a financial appraisal in support of an application. Such appraisals will be taken into account in relation to determination of the application but such information due to its confidential nature should not be disclosed to third parties and members of the public.

4 LOBBYING AND ATTENDANCE AT PUBLIC MEETINGS

4.1 As a Member of the local planning authority (LPA), and particularly if you are a Member of TBC, you are likely to be approached by members of the public in connection with planning policies or individual planning applications which have been or are about to be made to the Council. The approach may come from an applicant (or his/her agents), or from an objector, or indeed from an amenity society or similar grouping. Ideally, such approaches should be discouraged, or redirected to planning officers, but realistically they cannot be avoided. You should deal with those approaches having careful regard to the advice in this guidance note.

4.2 Especially with the smaller applications, applicants will frequently wish to seek advice on making or promoting their proposals. If an applicant, or potential applicant, approaches you asking for such advice that person should immediately be directed to the appropriate planning officer in the Directorate of Communities, Planning and Partnerships. Officers will happily assist applicants who are unsure of what to do.

4.3 Approaches may be by way of letter, e-mail or personally either over the telephone or perhaps at a surgery. If the approach is by letter, or e-mail, the advice is that the letter should be copied to or handed to a planning officer. The views expressed can then be taken into account by the case officer. As a courtesy to the writer, the letter, or e-mail, can be simply acknowledged, together with confirmation that it has been passed to the Planning Officer and will be taken into account.

4.4 Personal approaches to Members are more difficult. You may feel that you are "put on the spot" by the person concerned and in such cases the response must be carefully considered.

4.5 In such cases, you may listen to the views being expressed, you may also ask questions by way of clarification. In some cases it might even be appropriate to identify aspects of the proposal which might cause you concern or to suggest possible contrary views to the person making the approach to assess their reaction or simply to make sure that the views they are expressing are in the full knowledge of all the arguments.

4.6 However, you should NEVER

4.6.1 state unequivocally that you are opposed to or in favour of a particular outcome to an application;

4.6.2 promise to or actually campaign for or lobby other Members for a particular result of an application;

4.6.3 promise to take a particular stand or vote in a particular way when an application is presented for decision.

4.7 You may express an understanding of, and sympathy with or opposition to particular aspects of the proposal, but you must (rarely) sympathy for a particular view. You may even express a preliminary view on an application, but you must make it clear that:

4.7.1 you are expressing a view before the meeting and you will only make a final decision at the meeting itself

4.7.2 that you are reaching your current view on the basis of the facts you know at that time and that it does not preclude you from reaching a different decision in the future if further or new circumstances come to light; and

4.7.3 when at the meeting making the decision you state that you are not bound by previous decisions or comments that you have made but that you are considering the application on the information before the meeting and with an open mind.

4.8 It would be most unwise to advise any applicant of the likely outcome of an application, even where you are fully aware that the planning policies for the particular area would be very likely to support or conflict with the proposal. You should also always tell a constituent that you can give no promises on how you will speak or vote at a meeting and that you will listen to all the arguments before coming to your own personal decision.

4.9 It should go without saying that it is highly inappropriate to negotiate in respect of a planning application directly with an applicant or with the planning officer on behalf of an applicant or objector. Although it may be tempting to suggest to an applicant that their scheme might be improved by their

addressing certain factors, such views should only be expressed via the case officer. That way, any promises made by the applicant can be properly noted and incorporated into planning conditions or any Section 106 agreement.

4.10 If you are unwittingly drawn into doing this, as unfortunate as it may be, you should consider whether you are compromised. If you are now effectively committed to vote for or against the application, can no longer consider the application purely on its merits, or are likely to be perceived as committed to acting as an advocate for either the applicant or the objectors, you should take no further part in its processing and absent yourself from the discussion at the meeting when it comes up for decision.

4.11 You must not put pressure on officers to put forward a particular recommendation. You may ask questions and submit written views, and provide the officers with any local knowledge which you consider to be material. However, outside a meeting, you should only discuss a matter with that officer who is authorised by the Director Communities, Planning & Partnerships or Head of Service to discuss such issues with Members. Officers must act in accordance with the Council's Code of Conduct for Officers and their own professional codes of conduct and their recommendations will be presented on the basis of professional expertise and independence. You must accept that, on occasions, this may be at odds with the views and opinions of individual Members and at times, the decision of the Planning Committee.

4.12 You may certainly help members of the public with procedural advice. Many members of the public come into contact with planning perhaps only once or twice in their lifetimes and so may not be familiar with such things as:

4.12.1 how to submit a planning application;

4.12.2 how to inspect a planning application and to make representations in support of to object to an application;

4.12.3 how to find out the relevant planning policies;

4.12.4 which planning applications are determined by officers under delegated powers and which come before the Planning Committee;

4.12.5 whether they can attend the meeting of the Planning Committee and make verbal representations.

You can happily help constituents with this sort of information, but it is a matter of judgement where simple help stops and 'professional advice' begins.

4.13 If you feel that despite having taken all the necessary precautions, you could reasonably be perceived as having pre-determined an application or to have been unduly influenced by your involvement, then you should explain at the meeting that you do not intend to speak and vote because of this and leave the meeting room. This can then be recorded in the minutes.

4.14 Whilst Members involved in making decisions on planning applications may begin to form a view as more information and opinions become available, a decision can only be taken by the Planning Committee after all available information is to hand and has been duly considered. In this regard, any political group meetings prior to the Committee meeting should not be used to determine how Councillors should vote. Decisions can only be taken after full consideration of the Director's report and any public speaking at the Planning Committee.

4.15 The Chair and vice Chair of the Planning Committee should attend a briefing with Officers prior to a Committee, to help give an effective lead in the Committee.

5 SITE VISITS

5.1 Except in accordance with the following provisions of this part of the protocol, you should avoid entering any premises which are the subject of a planning application.

5.2 Whilst the Council has right to enter property on notice to inspect, individual Councillors have no such rights of entry. You should not enter any neighbouring premises unless there is general public access to those premises or if, for instance, they are crossed by a public footpath. Even where the public normally have access to the premises, as in the case of a shop, that invitation is for the purpose of shopping and not for inspection. It may be appropriate for you to view the site from public vantage points, but you should be extremely wary of any situation where you need to gain permission to view a site.

5.3 Where you feel that you need to inspect the site before you can make up your mind on the application, the same is probably true for all members of the Planning Committee. If you genuinely feel that you cannot make up your mind about an application until you have seen the site then the correct course is to attend the appropriate deciding meeting and request or move a site visit stating the reasons. On an official site visit you will attend the site with other Members, with senior Planning Officers in attendance and therefore with professional advice to hand to assist you in interpreting the proposal and what you see, and ensure that any information gained in the site visit is reported back to all members of the Planning Committee.

5.4 Members and Officers are obligated not to waste Council resources and, as such, a site visit is only likely to be necessary if:

5.4.1 the impact of the proposed development is difficult to visualise from the plans and any supporting material, including photographs taken by officers (although if that is the case, additional illustrative material should have been requested in advance); or

5.4.2 there is good reason why the comments of the applicant and objectors cannot be expressed adequately in writing, or the proposal is particularly contentious.

5.5 The site visit shall take place in accordance with strict guidelines as follows:

5.5.1 Under the Chair's guidance the role of the Planning Officer attending the site visit will be to brief Members on the planning application(s) the subject of the visit and explain the reasons why the application was deferred for a visit.

5.5.2 The Chair (or Member chairing the visit) shall explain the purpose of the visit and how it will be conducted to all persons present at the site visit.

5.5.3 Members of the Planning Committee should inspect the site as a group. They must ensure that they see or inspect all relevant matters so they can fully assess the planning merits of the proposal.

5.5.4 Members may ask questions, through the Chair, of the applicant or any third parties on the site.

5.5.5 Members should not enter into discussions of the merits of the proposal with the applicant, third parties or other Councillors during the site visit.

5.5.6 Members shall be seen to be perfectly scrupulous and fair to both the applicant and third parties at all site visits.

5.5.7 Members should not leave the site visit until the Chair has indicated the meeting has ended.

5.5.8 Officers shall ensure, where practical, that applicants, Members and interested parties are invited to attend the visit and that they are able to view all key parts within or adjoining the site.

5.6 The purpose of a site visit conducted by Members and officers is to gain information relating to the land or buildings which are the subject of the planning application and which would not be apparent from the planning application to be considered by the Planning Committee. A site visit may also assist Members in matters relating to the context of the application in relation to the characteristics of the surrounding area. Discussions on site visits shall be confined to the application as currently submitted. A Member of Planning Committee who has a personal and prejudicial interest in a planning application, or who has acted in a way that amounts to predetermination, can not attend the site visit in his or her capacity as a Member of Planning Committee. However, the Member concerned would be entitled to attend the site visit in his or her personal capacity as a member of the public.

5.7 Results of the site visit will be reported to the next available meeting of the Planning Committee and should any new material considerations have been identified the application will be deferred for a further report.

5.8 Once the results of a site visit have been reported back to Planning Committee, Members of the Planning Committee who were not present at the site visit can ask questions, offer opinions, take part in discussions and vote in relation to that planning application.

5.9 If you do attend an official site visit, or otherwise visit a site, this should not be considered to be an opportunity to discuss the matter with either the applicant or any objectors. You may suggest questions to be put to the applicant or objectors, but any discussion of the merits of the application should be reserved to the Planning Committee meeting.

5.10 If you are invited onto land, either by a constituent or applicant, you should have careful regard to the advice in part 2 and (if appropriate) part 9. Remember that such activities are very much open to misinterpretation by the public at large. If you have been invited onto a site it would be as well to announce that when speaking on the application at the Planning Committee meeting.

5.11 Ward Councillors and MPs may attend and participate in site visits putting forward their point of view. However, the determination of planning applications rests solely with the Planning Committee and no indication should be given by Members of the Committee of the likely decision during the course of the site visit.

5.12 Prospective election candidates who are not already Members of the Council are welcome to attend a site visit on the same basis as members of the public.

6 MEETINGS OF THE PLANNING COMMITTEE

6.1 A clear distinction has to be drawn between a Member and an Officer attending a Public Meeting and their roles when they attend meetings of the Planning Committee.

6.2 No material revision to any planning application which might lead to a change in the recommendation of the Director shall be considered at Planning Committee unless it has been submitted at least 14 clear days before the relevant Planning Committee meeting, and has been the subject of a written report prepared by the Director of Communities Planning and Partnerships.

6.3 Chairship – The chair should ensure:

6.3.1 Members' comments at Committee only relate to the planning merits of the application before them;

6.3.2 Reference at Committee to non-planning issues by the public/Members are discouraged;

6.3.3 The cross-questioning of speakers should only take place if there is need for clarification of what a speaker has already outlined; and

6.3.4 Late evidence from public speakers – Members and the public should be made aware that the late submission of evidence will not be permitted at Committee as late submission can lead to allegations of unfairness.

6.4 Voting –

6.4.1 A decision is made by simple majority of those members voting and present in the meeting at the time the motion is put.

6.4.2 if there are equal numbers of votes for and against the Chair has a second or casting vote. There is no restriction on how the Chair of the meeting chooses to exercise this vote

6.5 Training

6.5.1 Members dealing with planning issues will be required to attend training sessions each year to receive guidance in relation to planning regulations and procedures and on declarations of personal or prejudicial interests. This training should include a balance of the following:-

- Organised visits to review permissions granted, with evaluation and lessons learned presented as a paper;
- Short (half day) sessions on special topics of interest or where overturns have indicated problems with planning policy;
- Special topic groups to consider difficult and challenging issues in depth;
- Formal training by internal and external speakers;
- Visits to other authorities who have received good inspection / audit feedback;
- Quick presentations by officers on hot topics, e.g. new legislation, white papers and their impact, followed by a brief question and answer session;
- Attendance at inquiries where officers have identified that there is something specific to learn which will benefit members.

6.5.2 The report of the Audit Commission 'Building in Quality' recommend that Councillors should revisit a sample of implemented planning permissions to assess the quality of the decisions. Such a review should improve the quality and consistency of decision making, thereby strengthening public confidence in the planning system, and can help with reviews of planning policies. Such reviews are best undertaken at least annually. They should include examples from a broad range of categories such as major and minor development; permitted departures; upheld appeals; listed building works and enforcement cases. Briefing notes should be prepared on each case. The Planning Committee should formally consider the review and decide whether it gives

rise to the need to reconsider any policies or practices. The Director Communities, Planning and Partnerships will take responsibility for organising the training and the reviews.

7 OUTSIDE BODIES

7.1 Many Members are also members of outside bodies. In some cases you may have been nominated for membership by the Council. In other cases you may simply have joined because of an empathy with that body's view or because of a feeling of civic duty to assist. In some cases you may have been invited to join by the body itself. The advice in this paragraph applies equally to Parish and County Council Members.

7.2 It may well be that the body on which you sit is called on to respond to a consultation on a planning application. There is no absolute bar on your attending that meeting, but if you do you may find it difficult to avoid the problems set out above. You might find it appropriate to avoid taking part in the discussion if you know you are likely to be part of the meeting which makes the ultimate decision on an application. If you do take part in the meeting of the consultative body, it would be advisable for you to declare at the start that you are going to listen to the views expressed by the body but that you cannot be bound by any decision of that body, neither are you bound to take the same line at the Borough Council meeting deciding the application.

7.3 If you are an employee of, hold paid office in, or have a significant shareholding in a body which has submitted a planning application, you will have a Disclosable Pecuniary Interest in the application and must not participate in the discussion or vote on the application unless you have obtained a dispensation from the Monitoring Officer. Unpaid directorships or membership of the Management Committee of an organisation is likely to amount to bias and so preclude your participation on this matter at Planning Committee. Ordinary membership of that organisation may not amount to bias, but you should still consider carefully whether an applicant or objectors might perceive you as being biased as a result of your membership, in which case you should not participate in this matter.

7.4 As a County Councillor, it may be appropriate for you to take part in a meeting even though that meeting is deciding an application made by the County or is considering a response to an application which is made to the County Council. However, if you took the decision within the County Council to submit the planning application, or if you are likely to be part of the County Council meeting that decides the application (as appropriate) you might consider it appropriate not to take part in the Borough Council meeting that considers the matter.

7.5 Similarly, if you took part in the decision within the Borough Council to submit the planning application, it would not be appropriate for you to take part in the planning meeting which considers planning consent for that scheme. A Member who feels obliged to support a Council scheme at the Borough Council because he or she supported the scheme when it was

initiated at the meeting prompting it might have difficulty demonstrating that all the proper planning considerations were taken into account when considering the grant of consent.

8 POLITICAL PARTIES

8.1 As a general rule, party politics should have no place in the consideration of individual planning applications. The views of your party may be a material consideration, but should never dictate the outcome or replace your personal judgement on an application.

9 DISCLOSABLE PECUNIARY INTERESTS

9.1 The Disclosable Pecuniary Interests which members are required to register are now defined by The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012, the list of definitions is appended to this Guidance Note.

9.2 Where you have a Disclosable Pecuniary interest in an item of business, you should disclose that interest to the meeting before or at the start of the consideration on that matter, or as soon as it is apparent and you should not participate in the discussion of, or vote on, the item of business. Failure to comply with these requirements may constitute a criminal offence. The Council's Standing Orders also require you to withdraw from the room in which the meeting is being held for the duration of consideration of the item of business.

9.3 Where you have not previously registered a Disclosable Pecuniary interest in a matter, you are now required to do so within 28 days of becoming aware of the interest, or of the date when the agenda for the meeting was sent out to members, whichever is the earlier.

10 OTHER MEMBERS' INTERESTS

10.1 The Council has adopted a Members' Code of Conduct which requires members to register and disclose 'Non-Disclosable Pecuniary Interests and Non-Pecuniary Interests' as defined in that Code (the full requirements of the Members' Code of Conduct are set out in Part 5 of the Council's Constitution). For ease of reference, these interests are referred to as "Other Interests" in this Guidance Note.

10.2 A member will have an "other interest" in an item of business where:

10.2.1 A decision in relation to that business might reasonably be regarded as affecting the well-being or financial standing of the member, or of a member of that member's family or a person with whom they have a close association to a greater extent than it would have on the majority if the Council Tax payers, ratepayers or inhabitants of the ward or electoral area for which the member has been elected or otherwise of the authority's administrative area; or

10.2.2 it relates to or is likely to affect any of the interests listed in the Appendix to the Code (appended to this Guidance Note), but in respect of a member of family or a person with whom the member has a close association, and that interest is not a Disclosable Pecuniary Interest.

10.3 Where you attend a meeting at which you have an "other interest" in an item of business, you must make a verbal declaration of the existence and nature of that interest at or before the consideration of the item of business or as soon as the interest becomes apparent.

10.4 The Ombudsman has previously advised that the Council is at risk of a finding of maladministration if a Member who has an interest in an application exercises any of the powers or privileges accorded to Members in respect of that application. There may be a general perception that calling-in a delegated item to Planning Committee ensures that the public will conclude that everything is 'above board'. The Ombudsman does not share that view, so a member who has a Disclosable Pecuniary Interest or an "other interest" in a planning application should not exercise powers of call-in in respect of that application.

10.5 In some cases you may not become aware of your potential interest until after you have submitted comments as local Member or taken some other action. If this happens, you should contact the case officer urgently as soon as you realise the situation so that Officers can take the appropriate action. You should also register this interest with the Monitoring Officer.

10.6 If you do find yourself having to disassociate yourself from an application, you may well feel that your constituents have been disenfranchised. This does not entitle you to set aside this advice. In these cases it is the Ombudsman's view that:

10.6.1 You should invite a Member from the same ward or from a neighbouring ward to take an interest in the matter

10.6.2 Constituents who approach you should be invited to contact that other Member or any other Member of the deciding body

10.6.3 You should avoid expressing any view about the application to other Members (save as set out below) and you must never communicate to other Members of the deciding meeting what you would have said had you been able to do so.

10.7 Having said this, in some circumstances it may be appropriate to comment on a planning application in your private capacity. If this is the case your comments can be reported simply, as third party comments rather than as local/ward Member comments, but to ensure that your comments are treated properly only write in on plain, notepaper, never headed Councillor notepaper, and try to avoid contact with the case officer. If you do need to contact the case officer, please remember to advise him/her that you do have an interest and are calling/visiting purely as an ordinary resident.

11 APPLICATIONS BY MEMBERS AND OFFICERS

11.1 Nothing in this Guidance Note should be taken to prevent a member or an officer of the Council from making an application for planning permission in their personal capacity. Where a member or an officer does make such a planning application, it will be dealt with in accordance with these provisions, which follow the recommendations of the Local Government Association.

11.2 If you are making an application, or if a close relative or business partner is making one, you or the agent should make this clear in a covering letter with the application. A copy of the letter will be lodged with the Monitoring Officer. Equally, if you act professionally as agent for an applicant or objector this should be declared in the same way.

11.3 If the application is one which would normally be dealt with under delegated powers the Director of Communities, Planning and Partnerships may decline the delegation and the matter submitted to Planning Committee for determination.

11.4 Prior to the matter being included on a Planning Committee agenda the file and draft report will be submitted to the Monitoring Officer. The Monitoring Officer will certify that the application has been properly dealt with and the report will show this. If it cannot be so certified, the matter will be the subject of a Monitoring Officer's report to full Council prior to any decision being made. You will be asked to consent to the eight week determination period being extended to allow for this extra procedure to take place.

11.5 This guidance applies equally to applications submitted through or which affect companies which are owned by a Councillor or Officer. This includes companies in which a Member or Officer has a controlling or significant interest. You are reminded of the rules regarding pecuniary interests as well. Nothing in this guidance overrides or alters that position.

11.6 Applications which affect an Officer (as opposed to a Member) will be dealt with in the usual manner. Any letter of representation should identify you as an Officer of the Council or, if submitted by a close family member or on behalf of a company in which you or your family are interested, identify that relationship. The file may be referred to the Monitoring Officer before a decision is made if there is a real potential for an allegation of improper influence. In such cases the Monitoring Officer will be asked to certify that the correct procedures have been followed and that all other matters have been dealt with properly. If the Monitoring Officer considers it appropriate, an otherwise delegated item may be submitted to Planning Committee for decision. This will be the norm when applications affect any Officer whose duties include direct involvement in the planning process. As set out above, this review procedure might result in a Monitoring Officer's report being submitted to Council depending on the application submitted.

11.7 It should go without saying that any attempt by an Officer to improperly influence the outcome of a planning application in which there is a personal interest, other than strictly in accordance with normal procedures and the above guidance, would be looked on as a matter of the gravest misconduct and is likely to result in immediate suspension and dismissal.

11.8 Applications by or which affect Directors or the Monitoring Officer may be the subject of external review if the Chief Executive (after consultation with the Mayor, Chair of Planning Committee and all Group Leaders) considers it appropriate.

12 PUBLIC SPEAKING

12.1 Public speaking as currently constituted allows an objector to an application which is recommended for approval the opportunity to address the Planning Committee. The Ombudsman has made it clear that if you have declared an interest as a Member it is highly inappropriate for you then to attempt to exercise your right as an objector to address the Committee. The Ombudsman has made it clear that his view is that this completely defeats the object of the declaration of interest.

12.2 Even more so, under no circumstances should you exercise a right of reply if you are an applicant or act (professionally or as a friend) on behalf of an applicant.

12.3 At no time during a meeting should you allow a member of the public to communicate with you (either orally or in writing) other than through the scheme for public speaking, as this may give the appearance of bias.

13 APPLICANT/OBJECTOR MEETINGS

13.1 For the larger applications it is not unusual for Members to be invited to "presentations" by both promoters and opposers of the scheme. You are advised to be extremely cautious about accepting such invitations. If, for instance, the invitation is to attend a presentation at a smart hotel where a lavish buffet is laid on for those attending it would be highly inappropriate for you to attend.

13.2 In some limited circumstances it may be appropriate for you to attend such presentations, but you should always seek advice from the Director of Communities, Planning and Partnerships or the Solicitor to the Council before attending. It would also be wise to check whether the invitation to attend has been extended to Planning Officers, and if it has not, or more importantly if the organiser has intimated that Planning Officers are definitely not welcome, then it would be less appropriate for you to attend.

13.3 If having weighed the above advice you decide that you do wish to attend, you should be careful not to express any views at the presentation, should decline to express a view if called on to do so, and should be careful in the way you phrase any questions that you ask. You should make it clear to

the organisers that their presentation material should be copied to the case officer so that he/she may take it into account and advise on it.

13.4 Any hospitality offered to a Member over the value of £25 (this excludes reasonable and normal meeting refreshments such as tea, coffee and light snacks), whether or not accepted, should be notified to the Monitoring Officer who will record it in accordance with paragraph 5 of the Members' Code of Conduct.

14 DECISIONS CONTRARY TO OFFICER RECOMMENDATION AND/OR THE DEVELOPMENT PLAN

14.1 Legislation requires that where the Development Plan is relevant, decisions should be taken in accordance with it unless material considerations indicate otherwise (Section 38 (6), Planning & Compulsory Purchase Act 2004). Local members may be well placed to identify circumstances in which it might be justified to determine a particular application as a departure from the policies set out in the Development Plan.

14.2 If the Council wants to approve an application which is not in accordance with the Development Plan, the material considerations which lead to this conclusion must be clearly identified by Members and they must also clearly justify why they are overriding the Development Plan. The personal circumstances of an applicant will rarely provide such grounds. The officer should be given opportunity to explain the implications of the contrary decision.

14.3 If the officer's report recommends approval of an application which conflicts with the Development Plan, the report will include full justification for this.

14.4 Where the Committee has concerns about the validity of reasons for approving or refusing an application, consideration should be given to deferring the application to the subsequent meeting to another meeting to have the putative reasons tested and an updated report produced for consideration at the next meeting at which a decision will be made.

14.5 When a planning application has been deferred following a resolution of "minded to approve" or "minded to refuse", contrary to the officer's recommendation, the Chair shall put to the meeting a proposed statement of why the Director of Communities Planning and Partnership's recommendation for refusal or approval is not considered acceptable to the Committee, which, when agreed by the Committee, will be formally recorded in the Minutes.

14.6 When a planning application has been deferred following a resolution of "minded to approve" "or minded to refuse", contrary to the officer's recommendation, then at the subsequent meeting the Director Communities, Planning & Partnerships shall have the opportunity to respond both in a further written report and orally to the reasons formulated by the Committee

for granting or refusing permission. If the Planning Committee is still of the same view, then it shall again consider its reasons for granting or refusing permission, and a minute of the Committee's reasons should be made. Such reasons should be clear and justified. Councillors should be prepared to explain in full their planning reasons for not agreeing with the officer's recommendation. Pressure should never be put on officers to 'go away and sort out the planning reasons'. The officer should also be given an opportunity to explain the implications of the contrary decision, including an assessment of a likely appeal outcome, and chances of a successful award of costs against the council, should one be made

14.7 If a councillor is concerned about an officer recommendation they should discuss their areas of difference and the reasons for that with officers in advance of the committee meeting.

If the Planning Committee makes a decision contrary to the Director of Communities Planning and Partnership's recommendation, the officer should be given an opportunity to explain the implications of the contrary decision. The Courts have expressed the view that reasons for the contrary decision should be clear and convincing. The personal circumstances of an applicant will rarely provide such grounds.

14.8 A senior legal officer should always attend meetings of the Planning Committee to ensure the probity and propriety of the planning and decision-making processes. Whilst authorities make extensive use of standard wordings for conditions, in the case of any conditions which Members may wish to add or amend, an officer should be asked to draft any such conditions and bring them back for approval at the subsequent meeting of the Planning Committee.

14.9 Where there is any doubt as to the voting or of the actual counting of votes in relation to any particular application, clarification should be immediately sought by the Chair prior to dealing with the next agenda item, by requesting from each member as to how they have voted, noting this and the member's name.

15 CONCLUSION

15.1 At all times you must appreciate that as a Member of the Council in general and as a Member of Planning Committee that you take on an onerous duty. As the Code of Conduct points out, your duty is to the whole community and not to any one section of it. By the same token, the whole community has a right to look to you and to the Council as a whole to consider matters dispassionately, having regard only to the relevant factors and disregarding irrelevant ones.

16 GUIDELINES ON PRE-DECISION DISCUSSIONS

16.1 It should always be made clear at the outset that the discussions will not bind the Council to making a particular decision and that any views expressed

are personal and provisional. By the very nature of such meetings not all relevant information will be to hand, neither will formal consultations with interested parties have taken place.

16.2 Advice should be consistent and based upon the Development Plan and material considerations. There should be no significant difference of interpretation of planning policies between planning officers.

16.3 A written note should be made of the meeting. If it is known beforehand that a meeting is likely to be contentious arrangements should be made for at least two officers to be present. What was discussed or concluded should be confirmed in a follow up letter, and the receipt of any written material also confirmed. If the other parties produce a meeting note it should always be carefully scrutinised, compared against the notes) taken by Council Officers and any discrepancies challenged in writing. Care must be taken to ensure that advice is not partial (nor seen to be) otherwise a subsequent report could appear to be advocacy.

16.4 To maintain impartiality, as well as the appearance of impartiality, it is preferable that Councillors do not take part in such discussions. However, should there be occasions when Councillors are involved they should always be advised by appropriate professional officers from the Council (which must always include a senior Planning Officer) and be authorised on a case by case basis..

16.5 The involvement of Councillors in such discussions should be recorded in the relevant Panel or Committee minutes.

16.6 A senior legal officer always attends the meeting to ensure that procedures have been properly followed. Whilst the Council makes extensive use of standard wording for conditions, in the case of any conditions which councillors may wish to add to or amend, officers have delegated powers to draft such conditions which need to be reasonable and relevant to the permission.

Audit & Governance Committee Self Assessment 2014/15

<p>Terms of Reference Have the Committee's terms of reference been approved by the full Council and do they follow the CIPFA model.</p>	<p>Yes</p>
<p>Internal Audit Process Does the Committee approve the strategic audit approach and the annual programme</p> <p>Is the work of Internal Audit reviewed regularly</p> <p>Are summaries of quality questionnaires from managers reviewed</p> <p>Is the annual report from the Head of Internal Audit presented to the Committee</p> <p>Does the Committee ensure that officers are acting on and monitoring action taken to implement recommendations</p>	<p>Yes</p> <p>Yes</p> <p>No – HIAS reviewing process to improve the quantity of managers questionnaires submitted</p> <p>Yes</p> <p>Yes</p>
<p>External Audit Process Are reports on the work of External Audit and other inspection agencies presented to the committee</p> <p>Does the Committee input into the external audit programme</p>	<p>Yes</p> <p>Yes</p>
<p>Regulatory Framework</p>	

<p>Does the Committee take a role in overseeing</p> <ul style="list-style-type: none"> • Risk management strategies • Annual Governance Statement • Anti-fraud arrangements • Confidential reporting policy • Financial regulations • Constitution • Complaints handling/ombudsman's report 	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>
<p>Accounts</p> <p>Does the Committee take a role in overseeing the annual statement of accounts</p>	<p>Yes</p>
<p>Membership</p> <p>Has the membership of the committee been formally agreed and a forum set</p> <p>Is the chair free from executive or scrutiny functions</p> <p>Are members sufficiently independent of the other key committees of the council</p> <p>Have all members' skills and experiences been assessed and training given for identifying gaps</p> <p>Can the committee access other committees as necessary</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>

Meetings	
Does the committee meet regularly	Yes
Are separate, private meetings held with the external auditor and internal auditor	Yes
Are meetings free and open without political influence being displayed	Yes
Are decisions reached promptly	Yes
Are agenda papers circulated in advance of meetings to allow adequate preparation by members	Yes
Does the committee have the benefit of attendance of appropriate officers at its meetings	Yes
Can special meetings be organised to allow a quick response to emergencies	Yes
Does External Audit regularly attend meetings and update members on their progress/external audit issues	Yes
Training	
Is induction training provided to members	Yes
Is more advanced training available as required	Yes
Is the committee made of members with a different mix of skills and experience	Yes

Administration	
Does the authority's s151 officer or deputy attend meetings	Yes
Are key officers available to support the committee	Yes
Do reports to the Committee communicate relevant information at the right frequency and in a format that is effective	Yes

AUDIT & GOVERNANCE COMMITTEE

2015

Report of the Head of Internal Audit Services

REVIEW OF THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL CONTROL

EXEMPT INFORMATION

None

PURPOSE

To report on the effectiveness of the Council's System of Internal Control for the 2014/15 financial year.

RECOMMENDATIONS

That the Committee endorses the annual review of the effectiveness of the System of Internal Control for the 2014/15 financial year.

EXECUTIVE SUMMARY

Under the requirements of the Accounts and Audit (England) Regulations 2011, the Council must, at least once a year, conduct a review of the effectiveness of system of internal control, and the findings of the review must be considered by the members of the body meeting as a whole or by a committee.

The following is suggested to be a reasonable approach to take for the annual review of the effectiveness of the system of internal control:

- Carry out a self assessment of compliance with the Public Sector Internal Audit Standards (PSIAS) and prepare an action plan to address any areas of non-conformance;
- Report upon performance indicators collected in respect of the Internal Audit Service;
- Undertake a self-assessment of the effectiveness of the Audit & Governance Committee;
- Undertake a self-assessment against the CIPFA's Roles of the Chief Finance Officer and the Head of Internal Audit;
- Undertake a self assessment against the International Framework: Good Governance in the Public Sector.

Performance against the annual review is as follows:

- The Public Sector Internal Audit Standards came into force on the 1st April 2013, and as such, the first assessment along with an action plan to ensure conformance with the PSIAS was reported to this Committee on the 26th June 2014. A complete review against the standards has recently been completed and the action plan updated to reflect the current practice. The action plan is detailed in **Appendix 1**. The only item outstanding is for the determination of the external assessment process which must be conducted at least every five years. The Staffordshire Chief Auditors Group is currently evaluating the options available to ensure that a consistent approach can be adopted whilst obtaining value for money. A report back to this Committee will be made once clear options are identified.
- Performance indicators collected in respect of the Internal Audit Service are reported to this Committee on a quarterly basis and as such are not replicated in this report.
- The self assessment of the effectiveness of the Audit & Governance Committee was completed at the meeting of the 26 March 2015, with the results appended to this meeting's agenda.
- The self assessment against the CIPFA's Roles of the Chief Finance Officer and the Head of Internal Audit have been completed and no actions are arising.
- The self assessment against the International Framework; Good Governance in the Public Sector did not identify any actions arising.

RESOURCE IMPLICATIONS

None

LEGAL/RISK IMPLICATIONS

There is a risk of non-compliance with the Public Sector Internal Audit Standards

SUSTAINABILITY IMPLICATIONS

None

BACKGROUND INFORMATION

None

REPORT AUTHOR

Angela Struthers, Head of Internal Audit Services

LIST OF BACKGROUND PAPERS

Assessment against the PSAIS

Assessment against the CIPFA Role of the Chief Finance Officer

Assessment against the Role of the Head of Internal Audit

Assessment against the International Framework: Good Governance in the Public Sector

APPENDICES

Appendix 1 PSIAS Action plan

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PSIAS Action Plan

Report Author: Angela Struthers
Generated on: 11 May 2015





Code	Risk	Observation	Recommended Action	Priority	Note	Status Icon	Assigned To	Implementation Date
PSIAS1	Definition of Internal Auditing	Definition of Internal Auditing is as PSIAS	All reference documents updated with new definition as per PSIAS	1	Intranet, financial guidance and IA manual updated with the new definition of internal audit		Angela Struthers	31-Mar-2014
PSIAS10	Improvements	Capture of improvement actions completed	Capture improvements	1	To be captured on this plan		Angela Struthers	31-Mar-2014
PSIAS10	Statement on compliance with standard	Ability to state that Internal Audit comply with the PSIAS	Ability to state that Internal Audit comply with the PSIAS at year end reporting and on each audit report	1	Completed To be completed at year end for year end reporting. To be included within audit reports once fully compliant		Angela Struthers	31-Mar-2014
PSIAS11	Annual internal audit opinion	Annual audit opinion to be given	The annual audit opinion should be completed in compliance with the standard	1	Completed To be completed at year end		Angela Struthers	31-Mar-2014
PSIAS2	PSIAS training plan	Develop training plan for staff to ensure compliance with	Training plan to be developed	1	All PDR's completed and training plan developed		Angela Struthers	31-Oct-2013


		PSIAS			PDR completed for Head of Internal Audit Service and Principal Auditor			
					PDR's delayed. to be completed May 2014			
					IIA competency framework used as basis for training plan. Staff to self assess against the framework for PDR. PDR set for 28 Nov 13			


Code	Risk	Observation	Recommended Action	Priority	Note	Status Icon	Assigned To	Implementation Date
PSIAS3	PSIAS training plan	Completion of training plan	Training to be completed	1	Angela Struthers - 26 February 2015 IIA Hot Topics		Angela Struthers	31-Dec-2013
					Kerry Beavis & Zara Steward - 26 February 2015 ACCA update			
					Kerry Beavis & Zara Steward - Midlands Fraud Forum 19 February 2015			
					Angela Struthers & Kerry Beavis RIPA Refresher training 14 January 2015			
					Kerry Beavis - Covalent Train the Trainer 18 November 2014			
					Kerry Beavis - NAFN event 12 November 2014			
					Kerry Beavis & Zara Steward - ACCA Tax update 7 October 2014			
					Angela Struthers & Kerry Beavis - Covalent user group and roadshow 12 August 2014			
					Kerry Beavis - ACCA Financial crime 2 hours 11 June 2014			
					Kerry Beavis & Zara Steward - Major contract risks - 2 hours 16 September 2014			
					Kerry Beavis - CIPFA Procurement 1 day 17 September 2014			
					Angela Struthers & Kerry Beavis - Prince 2 foundation 3 days 21 - 23 July 2014			
Kerry Beavis & Zara Steward Counter fraud/private prosecutions - Midlands								


					Fraud Forum Masterclass 1/2 day 24/6/14			
					12/6/14 Angela Struthers Bid writing 1 day			
					19/5/14 Angela Struthers Quality Assuring the Internal Audit Function 1 day			
					1/5/14 Zara Steward Local Government Tax Forum 1/2 day			


Code	Risk	Observation	Recommended Action	Priority	Note	Status Icon	Assigned To	Implementation Date
PSIAS4	Internal Audit Manual	Review and update internal audit manual	up to date internal audit manual which reflects PSIAS	1	Procedure notes updated Manual updated . Procedure notes to be reviewed to take into account changes in Covalent		Angela Struthers	31-Jan-2014






Code	Risk	Observation	Recommended Action	Priority	Note	Status Icon	Assigned To	Implementation Date
PSIAS5	External assessment	Frequency of external assessment	Frequency of external assessment to be determined by the Audit & Governance Committee	1	Options being investigated by the Staffordshire Chief Auditors Group		Angela Struthers	31-Mar-2016

Code	Risk	Observation	Recommended Action	Priority	Note	Status Icon	Assigned To	Implementation Date
PSIAS6	ISO Quality Standard	Assessment against the ISO Quality Standard	Conformance with the ISO Quality Standard	1	Initial review shows conformance. Felt that no further requirement to pursue		Angela Struthers	31-Jan-2014

Code	Risk	Observation	Recommended Action	Priority	Note	Status Icon	Assigned To	Implementation Date
PSIAS7	QAIP	Quality Assurance & Improvement Programme	QAIP to be reported to the Audit & Governance Committee	1	Completed To be completed at year end		Angela Struthers	31-Mar-2014

Code	Risk	Observation	Recommended Action	Priority	Note	Status Icon	Assigned To	Implementation Date
PSIAS8	Conformance with the IPPF	Conformance with the IPPF	The wording that is used to report conformance with the IPPF is consistent with the results of the quality	1	Completed To be completed at year end		Angela Struthers	31-Mar-2014

			assessment.					
Code	Risk	Observation	Recommended Action	Priority	Note	Status Icon	Assigned To	Implementation Date
PSIAS9	Assurance Mapping	Assurance mapping	Identify other areas of assurance and map them using the Covalent Audit Hub	1	Completed as part of the Annual Governance Statement Assurance form others identified through Managers Assurance Statements and Covalent updated. Other assurance sources need to be identified		Angela Struthers	30-Nov-2013

Action Status	
	Cancelled
	Overdue; Neglected
	Unassigned; Check Progress
	Not Started; In Progress; Assigned
	Completed

AUDIT & GOVERNANCE COMMITTEE

3rd June 2015

Report of the Head of Internal Audit Services

QUALITY ASSURANCE & IMPROVEMENT PROGRAMME

EXEMPT INFORMATION

None

PURPOSE

To report on the Quality Assurance & Improvement Programme in compliance with the Public Sector Internal Audit Standards.

RECOMMENDATIONS

That the Committee endorses the Quality Assurance & Improvement Programme.

EXECUTIVE SUMMARY

The Public Sector Internal Audit Standards (PSIAS) came into force on the 1st April 2013. The PSAIS replace the CIPFA Code of Practice for Internal Audit which had been in place since 2006. Both the standards/codes require that Internal Audit comply with professional best practice and assess themselves against the requirements.

As part of the requirement, the Head of Internal Audit Services is required to develop a Quality Assurance & Improvement Programme (QAIP) that includes both internal and external assessments. The requirement is that the external assessment should be completed at least every five years. In deciding the frequency of the external assessment, it is a requirement that the Head of Internal Audit Services consults with the Audit & Governance Committee. The qualifications and independence of the external reviewer or review team must be decided upon as well. An external assessment every five years would be deemed appropriate. The Staffordshire Chief Internal Auditors Group are currently exploring the various options available.

Under the QAIP, quality should be assessed at both an individual audit engagement level as well as at the broader internal audit activity level. A well developed QAIP will ensure that quality is built in to, rather than on to, the way the internal audit activity operates. In essence, Internal Audit should not need to assess whether each individual engagement conforms to the Standards, but that engagements should be undertaken in accordance with an established methodology that promotes quality and, by default, conforms with the Standards.

The QAIP should conclude on the quality of the internal audit activity and lead to recommendations for appropriate improvements. It enables an evaluation of:

- Conformance with the Definition of Internal Auditing, the Code of Ethics and the Standards. (ref PSIAS0, PSIAS1, PSIAS2, PSIAS3, PSIAS4)
- The adequacy of the internal audit activity's charter, goals, objectives, policies and procedures. (ref PSIAS1000, PSIAS2040)
- The contribution to the organisation's governance, risk management, and control processes. (ref PSIAS2000, PSIAS2100, PSIAS2110, PSIAS2120, PSIAS2130)
- Completeness of coverage of the entire audit universe. (ref PSIAS2010)
- Compliance with applicable laws, regulations, and government or industry standards to which the internal audit activity may be subject. (ref PSIAS1000, PSIAS2040)
- The risks affecting the operation of the internal audit activity itself. (ref PSIAS2010)
- The effectiveness of continuous improvement activities and adoption of best practices. (ref PSIAS1300, PSIAS1311)
- Whether the internal audit activity adds value, improves the organisation's operations, and contributes to the attainment of objectives. (ref PSIAS2410)

The references relate to the specific area within the PSIAS assessment.

To achieve comprehensive coverage of all aspects of the internal audit activity, a QAIP must effectively be applied at three fundamental levels:

- Internal Audit Engagement Level – self assessment at the audit engagement or operational level.
- Internal Audit Activity Level – self assessment at the internal audit activity or organisational level.
- External Perspective – independent external assessment of the entire internal audit activity including individual engagements.

Attached as **Appendix 1** is the Quality Assurance & Improvement Programme for the Authority's Internal Audit Service. This gives an overview of the QAIP in place.

RESOURCE IMPLICATIONS

None

LEGAL/RISK IMPLICATIONS

There is a risk that non-compliance with the PSIAS will mean that an effective system of internal control is not in place and therefore we are not complying with the Accounts and Audit (England) Regulations 2011.

SUSTAINABILITY IMPLICATIONS

None

BACKGROUND INFORMATION

None

REPORT AUTHOR

Angela Struthers, Head of Internal Audit Services

LIST OF BACKGROUND PAPERS

None

APPENDICES

Appendix 1 Quality Assurance & Improvement Programme (QAIP)

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Internal Audit Services Quality Assurance & Improvement Programme

1 Introduction

Internal Audit's Quality Assurance Improvement Programme (QAIP) is designed to provide reasonable assurance to the various stakeholders (the Board, Senior Management, the External Auditor and Operational Managers etc) that Internal Audit:

- Conforms with the Definition of Internal Auditing, the Code of Ethics and the Standards;
- Has an adequate Internal Audit Activity's Charter, Goals, Objectives, Policies and Procedures;
- Contributes to the organisation's governance, risk management and control processes
- Has complete coverage of the audit universe
- Complies with applicable laws, regulations and other standards that the internal audit activity may be subject to
- Has identified the risks affecting the operation of the internal audit activity itself
- Has an effective continuous improvement activity in place and adopts best practice
- Adds value to improve the organisation's operations and contributes the attainment of the organisation's objectives.

The Chief Audit Executive (CAE) is ultimately responsible for the QAIP, which covers all types of Internal Audit activities, including consultancy. The QAIP must include both internal and external assessments. Internal assessments are both ongoing and periodical and external assessments must be undertaken at least once every five years.

The QAIP is reviewed on an annual basis.

2 Internal Assessments

Internal Assessments are made up of both ongoing reviews and periodic reviews.

Ongoing reviews

Ongoing reviews provide assurance that the processes in place are working effectively to ensure that quality is delivered on an audit by audit basis. This includes continuous monitoring of:

- Engagement planning and supervision (preapproval of the audit scope, innovative best practices, budgeted hours, and assigned staff),
- Standard working practices (including working paper procedures, sign off, report review, checklists to ensure that the audit process has been followed)
- Feedback from other clients and stakeholders
- Analysing performance metrics to measure audit plan completion and stakeholder value.

Periodic reviews

Periodic assessments are designed to assess conformance with Internal Audit's Charter, the Standards, Definition of Internal Auditing, the Code of Ethics, the quality of the audit work and supervision, policies and procedures supporting the internal audit activity, the added value to the organisation and the achieve of performance standards.

Periodic assessments will be conducted through:

- Working paper reviews for conformance to the definition of Internal Auditing, the Code of Ethics, the Standards, and internal audit policies and procedures
- Self-assessment of the internal audit activity with objectives established as part of the QAIP components – Governance, Professional Practice and Communication
- Review of internal audit performance measure and benchmarking of best practices. Periodic activity and performance reporting to the board and other stakeholders as deemed necessary.
- Annual self-review of conformance to the PSIAS.

The periodic self assessment should identify the quality of ongoing performance and opportunities for improvement and to check and validate the objectives and criteria used in the QAIP. The self assessment will be completed on an annual basis and the results reported to the Board and Senior Management.

External Assessment

The External Assessment will consist of a broad scope of coverage that includes the following .

- Conformance with the Standards, Definition of Internal Auditing, the Code of Ethics, and internal audit's Charter, plans, policies, procedures, practices, and any applicable legislative and regulatory requirements
- Expectations of Internal Audit as expressed by the Board and Senior Management
- Integration of the Internal Audit activity into the governance process
- The mix of staff knowledge, experiences, and disciplines, including use of tools and techniques, and process improvements
- A determination whether Internal Audit adds value and improves the Council's operations.

An external assessment will be conducted every five years by a qualified, independent assessor from outside the Council. The assessment will be in the form of a full external assessment, or a self-assessment with independent external validation. The format of the external assessment will be agreed with the Board.

Assessment scale

The scale to assess the level of conformance of the Internal Audit activity with the standards is as follows:

Generally Conforms/Partially Conforms/Does Not Conform
(IIA Quality Assessment Manual Scale)

Reporting on the Quality Program

Internal Assessments – reported to the Board and Senior Management on an annual basis. The internal assessment report will be accompanied by a written action plan in response to significant findings and recommendation contained in the report.

External Assessments – reported to the Board and Senior Management. The external assessment report will be accompanied by a written action plan in response to significant findings and recommendations contained in the report.

Follow up – The CAE will implement appropriate follow up actions to ensure that recommendations made in the reports and action plans developed are implemented in a reasonable timeframe.

Quality Assurance & Improvement Programme			
Ongoing Monitoring of Performance			
Activity	Frequency	Responsibility	Reporting
Review of the audit universe	Annual	Head of Internal Audit Services	N/A
Identification of risks affecting the operation of the Internal Audit Service	Quarterly	Head of Internal Audit Services	
Review of audit engagements	Each engagement	Head of Internal Audit Services/Principal Auditor	N/A
Progress against the audit plan	Monthly	Head of Internal Audit Services/Principal Auditor	Quarterly report to Audit & Governance Committee
Progress against Key Performance Indicators	Quarterly	Head of Internal Audit Services	Quarterly report to Audit & Governance Committee
Discuss performance of internal audit activity	Monthly	Head of Internal Audit Services and Executive Director Corporate Services	Annual report to Audit & Governance Committee
Customer survey/questionnaire			Quarterly report to Audit & Governance Committee
Review of Internal Audit Charter, policies & procedures	Annual	Head of Internal Audit Services	Annual report to Audit & Governance Committee
Personal Development Review	Annual	Appropriate line manager	Documentation to HR
Continuous improvement activity and adoption of best practice	Continuous	Head of Internal Audit Services/Principal Auditor	Annual report to the Audit & Governance Committee
Identification of added value to the authority's operations	Continuous	Head of Internal Audit Services/Principal Auditor	Annual report to the Audit & Governance Committee
Periodic Self Assessments			
Self assessment against the Public Sector Internal Audit	Annual	Head of Internal Audit Services	Annual report to the Audit & Governance Committee

Standards (PSIAS)			
Benchmarking review of Internal Audit Services	Every 3 years	Head of Internal Audit Services	Report to Audit & Governance Committee
External Assessments			
Assessment against the PSIAS	Every 5 years	Head of Internal Audit Services and external reviewer	Report to the Audit & Governance Committee

AUDIT & GOVERNANCE COMMITTEE

3rd June 2015

REPORT OF THE HEAD OF INTERNAL AUDIT SERVICES

FRAUD AND CORRUPTION UPDATE REPORT

EXEMPT INFORMATION

None

PURPOSE

To provide Members with an update of Counter Fraud work completed to date during the financial year 2014/15.

RECOMMENDATIONS

That the Committee endorses:

1. The updated Fighting Fraud Checklist for Governance (**Appendix 1**)
2. The Counter Fraud Work Plan (**Appendix 2**)
3. The Fraud Risk Register (**Appendix 3**)

EXECUTIVE SUMMARY

The Audit Commission publishes a report "Protecting the Public Purse" on an annual basis which considers the key fraud risks and pressures facing councils and related bodies. It identifies good practice in fighting fraud. As part of the report, the Audit Commission has produced a checklist for those charged with governance to enable an assessment of the effectiveness of the Council's current counter-fraud arrangements to be made. The Fighting Fraud Checklist for Governance has been updated with the current status to date and is attached as **Appendix 1**.

The Counter Fraud Work Plan forms part of the Counter Fraud and Corruption Policy Statement, Strategy & Guidance Notes and has been updated to reflect progress to date and is attached as **Appendix 2** for Members' information.

In line with good practice, a Fraud Risk Register is maintained and reviewed on a quarterly basis. The latest Fraud Risk Register is attached as **Appendix 3**.

Work has progressed with the National Fraud Initiative (NFI) across the Council on the data matches identified in the 2014/15 run which were released in February 2015. In total, 1104 data matches were identified with 240 of these being recommended for investigation. So far, 562 data matches have been processed with 1 error identified with a total error cost of £733.

RESOURCE IMPLICATIONS

None

LEGAL/RISK IMPLICATIONS BACKGROUND

None

SUSTAINABILITY IMPLICATIONS

None

BACKGROUND INFORMATION

None

REPORT AUTHOR

Angela Struthers ex 234

LIST OF BACKGROUND PAPERS

None

APPENDICES

Appendix 1 – Fighting Fraud Checklist for Governance

Appendix 2 – Counter Fraud Work Plan

Appendix 3 – Fraud Risk Register

Fighting Fraud Checklist for Governance

Protecting the public purse 2014

October 2014

i) General	Yes	No
1. Do we have a zero tolerance policy towards fraud?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action Identified within the Counter Fraud & Corruption Policy Statement, Strategy & Guidance Notes		
2014 Update No amendment required		
2. Do we have the right approach, and effective counter-fraud strategies, policies and plans? Have we aligned our strategy with Fighting Fraud Locally?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action Measured against Fighting Fraud Locally and the NAFN Resilience Toolkit		
2014 Update Measured against the Code of Practice on Managing the Risk of Fraud & Corruption		
3. Do we have dedicated counter-fraud staff?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action Benefits fraud – yes. Internal Audit for other frauds		
2014 Update From September 2015, there will be a dedicated Corporate Fraud Officer to deal with all frauds		
4. Do counter-fraud staff review all the work of our organisation?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action Internal Audit will cover all other activities apart from Benefits fraud		
2014 Update From September 2015, there will be a dedicated Corporate Fraud Officer to deal with all frauds		
5. Does a councillor have portfolio responsibility for fighting fraud across the council?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action The Portfolio holder for Operations & Assets has responsibility for fighting fraud across the Council		
2014 Update No amendment required		
6. Do we receive regular reports on how well we are tackling fraud risks, carrying out plans and delivering outcomes?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action Regular reports reported to the Audit & Governance Committee		
2014 Update No amendment required		
7. Have we received the latest Audit Commission fraud briefing presentation from our external auditor?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action		
2014 Update		
8. Have we assessed our management of counter-fraud work against good practice?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action As detailed in various documents		
2014 Update Assessments made against all relevant guidance		
9. Do we raise awareness of fraud risks with:		
<ul style="list-style-type: none"> • new staff (including agency staff)? 	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Previous action Counter Fraud Policy part of the induction process.		
2014 Update No amendment required		
• existing staff?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action Policies available on the Intranet and website.		
2014 Update E-learning solution contains Counter Fraud Awareness		
• elected members?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action Policies available on the Intranet and website.		
2014 Update E-learning solution contains Counter Fraud Awareness		
• our contractors?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action Policies available on the website		
2014 Update No amendment required		
10. Do we work well with national, regional and local networks and partnerships to ensure we know about current fraud risks and issues?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action Take part in the National Fraud Initiative. Member of the National Anti Fraud Network, the Midlands Fraud Forum and Staffordshire and Midlands Internal Audit Groups		
2014 Update No amendment required		
11. Do we work well with other organisations to ensure we effectively share knowledge and data about fraud and fraudsters?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action Take part in the National Fraud Initiative. Member of the National Anti Fraud Network, the Midlands Fraud Forum and Staffordshire and Midlands Internal Audit Groups		
2014 Update No amendment required	<input checked="" type="checkbox"/>	<input type="checkbox"/>
12. Do we identify areas where our internal controls may not be performing as well as intended? How quickly do we then take action?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action Completed through Internal Audit plan and agreed management actions. Agreed management actions followed up within 6 months to ensure implemented.		
2014 Update No amendment required		
13. Do we maximise the benefit of our participation in the Audit Commission National Fraud Initiative and receive reports on our outcomes?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action At least all recommended matches are investigated. The results of the outcome are reported the Audit & Governance Committee		
2014 Update No amendment required		
14. Do we have arrangements in place that encourage our staff to raise their concerns about money laundering?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Previous action Money Laundering Policy in place		
2014 Update No amendment required		
15. Do we have effective arrangements for:		
• reporting fraud?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action Frauds to be reported annually to the Audit & Governance Committee Frauds reported in the Annual Fraud Survey		
2014 Update No amendment required		
• recording fraud?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action All frauds recorded		
2014 Update No amendment required		
16. Do we have effective whistle-blowing arrangements? In particular are staff:		
• aware of our whistle-blowing arrangements?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action The policy is available on the website and intranet and awareness part of the e learning solution		
2014 Update Delay in the roll out of the e learning solution but will be completed during 2015/16		
• confident in the confidentiality of those arrangements?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action The staff named as contact officers should give rise to the staff being confident that confidentiality will be maintained		
2014 Update No amendment required		
• confident that any concerns raised will be addressed?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action The staff named as contact officers should give rise to the staff being confident that their concerns will be addressed		
2014 Update No amendment required		
17. Do we have effective fidelity insurance arrangements?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Previous action Adequate insurance arrangements are in place		
2014 Update No amendment required		
ii) Fighting fraud with reduced resources		
18. Are we confident that we have sufficient counter-fraud capacity and capability to detect and prevent fraud, once SFIS has been fully implemented?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Previous action Fraud risks are assessed on a quarterly basis		
2014 Update On the implementation of SFIS, the authority will retain a benefits investigator who will then become the Corporate Investigations Officer so there will be sufficient capacity and capability		

19. Did we apply for a share of the £16 million challenge funding from DCLG to support councils in tackling non-benefit frauds after the SFIS is in place?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Previous action		
2014 Update A Staffordshire wide fraud hub was considered		
20. If successful, are we using the money effectively?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Previous action		
2014 Update		
iii) Current risks and issues		
Housing tenancy		
21. Do we take proper action to ensure that we only allocate social housing to those who are eligible?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Previous action Allocations Policy and procedures in place Internal audit of systems		
2014 Update No amendment required		
22. Do we take proper action to ensure that social housing is occupied by those to whom it is allocated?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Previous action Tenancy checks completed Illegal subletting initiative completed		
2014 Update The Corporate Investigation Officer will be working with the Housing department in these areas		
Procurement		
23. Are we satisfied our procurement controls are working as intended?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Previous action Regular audits are completed		
2014 Update No amendment required		
24. Have we reviewed our contract letting procedures in line with best practice?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Previous action Financial guidance, which contains Procurement procedures is updated on a regular basis		
2014 Update No amendment required		
Recruitment		
25. Are we satisfied our recruitment procedures that:		
• prevent us employing people working under false identities?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Previous action Recruitment procedures in place to ensure that identities are checked		
2014 Update No amendment required		
• confirm employment references effectively?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Previous action References are checked as part of the recruitment process		
2014 Update No amendment required		
• ensure applicants are eligible to work in the UK?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Previous action Eligibility checked as part of the recruitment process		
2014 Update No amendment required		
<ul style="list-style-type: none"> require agencies supplying us with staff to undertake the checks that we require? 	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action Agencies are required to complete recruitment checks to the same standard		
2014 Update No amendment required		
Personal budgets	N/A	
26. Where we are expanding the use of personal budgets for adult social care, in particular direct payments, have we introduced proper safeguarding proportionate to risk and in line with recommended good practice?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action		
2014 Update		
27. Have we updated our whistle-blowing arrangements, for both staff and citizens, so that they may raise concerns about the financial abuse of personal budgets?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action		
2014 Update		
Council tax discount		
28. Do we take proper action to ensure that we only award discounts and allowances to those who are eligible?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action Work completed on NFI SPD review as well as county initiative		
2014 Update No amendment required		
Housing benefit		
29. When we tackle housing benefit fraud do we make full use of:		
<ul style="list-style-type: none"> The National Fraud Initiative? 	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action Completed		
2014 Update No amendment required		
<ul style="list-style-type: none"> The Department for Work and Pensions Housing Benefit matching service? 	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action Completed		
2014 Update No amendment required		
<ul style="list-style-type: none"> internal data matching? 	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action Completed if required		
2014 Update No amendment required		
<ul style="list-style-type: none"> private sector data matching? 	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Previous action Completed if required		
2014 Update No amendment required		

iv) Other fraud risks		
30. Do we have appropriate and proportionate defences against the following fraud risks:		
• business rates?	<input checked="" type="checkbox"/>	Y
Previous action Emerging fraud risks are identified and controls tested		
2014 Update No amendment required		
• Right to Buy?	<input checked="" type="checkbox"/>	Y
Previous action Emerging fraud risks are identified and controls tested		
2014 Update No amendment required		
• council tax reduction?	<input checked="" type="checkbox"/>	Y
Previous action Emerging fraud risks are identified and controls tested		
2014 Update No amendment required		
• schools?	<input type="checkbox"/>	Y
Previous action N/A		
2014 Update		
• grants?	<input type="checkbox"/>	Y
Previous action Emerging fraud risks are identified and controls tested		
2014 Update No amendment required		

Source: Audit Commission (2014)

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TAMWORTH BOROUGH COUNCIL INTERNAL AUDIT COUNTER FRAUD WORK PLAN 2015/16

CREATING AN ANTI-FRAUD CULTURE		
OBJECTIVE	RISK	PROGRESS
<p>To build an anti-fraud culture through the adoption of various measures to promote counter fraud awareness by:</p> <ul style="list-style-type: none"> a) Roll out of the e learning package on governance (includes counter fraud & whistleblowing) b) Provide drop in sessions (if required) to staff and members c) Continue to make available counter fraud strategies/policies on the intranet/website 	<p>Failure to make staff, member and the public that their suspicions will be treated confidentially, objectively and professionally. (Medium risk)</p>	<p>Roll out delayed</p> <p>As required</p> <p>On website and intranet</p>
<p>To complete an annual assessment of whether the level of resource invested to counter fraud and corruption is proportionate for the level of risk.</p>	<p>Failure to make available enough resources for counter fraud work (Medium risk)</p>	<p>March 2016</p>
RESOURCE (DAYS)		5

DETECTING FRAUD

OBJECTIVE	RISK	PROGRESS
Review communications so that the most effective ways of communicating with staff are utilised.	A lack of robust strategic approach to deterring fraud can undermine actions to build an anti-fraud culture. (Medium risk)	Evaluation and adaptation of National Fraud Authority fraud campaign pack being completed for roll out with E Learning solution
Deter fraud attempts by publishing the organisation's counter fraud and corruption stance and the actions it takes against fraudsters.	A lack of understanding as to the stance the authority takes against fraud	Publish Strategy on the intranet and website
Resources (Days)		2

PREVENTING FRAUD

OBJECTIVE	RISK	PROGRESS
Review the existing Counter Fraud Policy Statement, Strategy and Guidance Notes and update and amend as appropriate.	Out of date policies and procedures which do not cover relevant legislation. (Medium risk)	Annual Review
Review financial guidance and update and amend as appropriate.	Out of date policies and procedures which do not cover relevant legislation. (Medium risk)	Annual Review
Review and update the fraud risk register in line with potential system weaknesses identified during audits or investigations.	Potential risks not identified. (Medium risk)	Completed quarterly
Implement effective Whistleblowing arrangements.	Out of date policies and procedures which do not cover relevant legislation. (Medium risk)	Annual Review
Adopt a Code of Practice for Data Sharing with local partners.	Potential data not identified.	March 2016
Resources (Days)		15

DETECTING FRAUD

OBJECTIVE	RISK	PROGRESS
Undertake enquiries as a result of the outcome of the Audit Commission's National Fraud Initiative	If not undertaken, there is a risk that the opportunity to abuse a system weakness may be heightened as the risk of being caught maybe deemed negligible by the perpetrator. (Medium risk)	On-going
Undertake local proactive exercises through data & intelligence analysis at the Authority as agreed with the Executive Director Corporate Services	If not undertaken, there is a risk that the opportunity to abuse a system weakness may be heightened as the risk of being caught maybe deemed negligible by the perpetrator. (Low risk)	As identified
Resources (Days)		6

INVESTIGATIONS

OBJECTIVE	RISK	PROGRESS
All referrals will be investigated in accordance with the Counter Fraud and Corruption Policy Statement and Strategy.	<p>The risk of not investigating is that fraud goes unpunished and there is no resulting deterrent effect thus increasing the prevalence of fraud further. (Medium risk)</p> <p>The staff (or others) making the allegation feel they are not taken seriously and referrals cease to be made. (Medium risk)</p>	On-going
Resources (Days)		20

SANCTIONS

SANCTIONS		
OBJECTIVE	RISK	PROGRESS
Ensure that the sanctions are applied correctly and consistently (including internal disciplinary, regulatory & criminal).	If sanctions are not imposed there is no deterrence of fraud. (Low risk)	As required
		Resources (Days)

REDRESS

OBJECTIVE	RISK	PROGRESS
Maintain comprehensive records of time spent on each investigation so that this can be included in any compensation claim. Identify and maintain a record of the actual proven amount of loss so that appropriate recovery procedures can be actioned.	Fraudsters may not realise that any and all measures will be taken to recover any money lost to fraud. (Low risk)	As required
Resources (Days)		

MANDATORY COUNTER FRAUD ARRANGEMENTS (STRATEGIC WORK)

OBJECTIVE	RISK	PROGRESS
Attendance at relevant fraud forums/meetings to ensure that professional knowledge and skills are maintained.	Failure to ensure the completion of mandatory strategic work may mean that the professional knowledge and skills are not maintained to a high standard.(Medium risk)	On-going
Completion and agreement of work plan.		On-going
Regular meetings with the Executive Director Corporate Services.		On-going
Quarterly report of counter fraud work.		On-going
Attendance at relevant training as required.		On-going
Resources (Days)		5
TOTAL RESOURCES (Days)		53


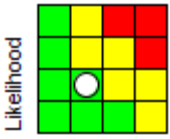
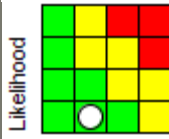
Fraud Risk Register


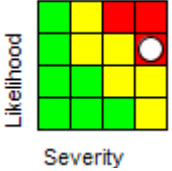
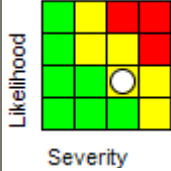
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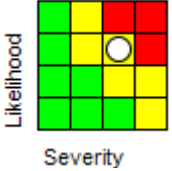
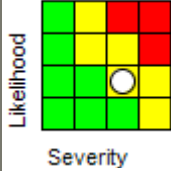


Risk Code	RR RDIAFC01	Risk Title	Staffing (internal)	Current Risk Status	
Description of Risk				Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score				Current Risk Score	
Gross Severity				Current Severity	
Gross Likelihood				Current Likelihood	
Gross Risk Review Date				Last Risk Review Date	
Consequences					
Vulnerabilities/causes					
Risk Notes					


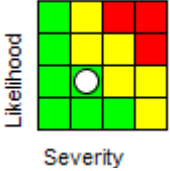
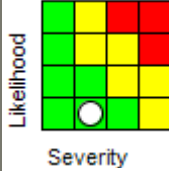
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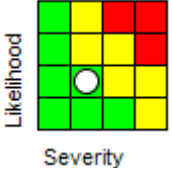
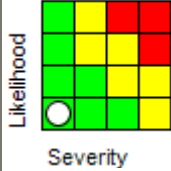
Risk Code	RR RDIAFC01.1	Risk Title	Credit Income	Current Risk Status	
Description of Risk	suppression of any notification of debt to be raised improper write-off failing to institute recovery proceedings switching/transferring arrears or manipulation of credit balances			Assigned To	
Gross Risk Matrix	 Likelihood Severity	Risk Treatment Measures Implemented		Current Risk Matrix	 Likelihood Severity
Gross Risk Score	4	reconciliations budgetary controls internal audit write off policy authorisation levels audit trail debt recovery procedures supervisory controls review of credit balances and suspense items		Current Risk Score	2
Gross Severity	2			Current Severity	2
Gross Likelihood	2			Current Likelihood	1
Gross Risk Review Date				Last Risk Review Date	30-Apr-2015
Consequences					
Vulnerabilities/causes					
Risk Notes					


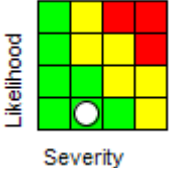
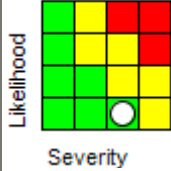
Risk Code	RR RDIAFC01.2	Risk Title	Treasury management	Current Risk Status	
Description of Risk	falsifying records to gain access to loan or investment monies			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	12	management controls segregation of duties internal audit authorised signatories budgetary controls preferred/approved borrowers audit trail documented procedures		Current Risk Score	6
Gross Severity	4			Current Severity	3
Gross Likelihood	3			Current Likelihood	2
Gross Risk Review Date				Last Risk Review Date	19-May-2015
Consequences					
Vulnerabilities/causes					
Risk Notes					


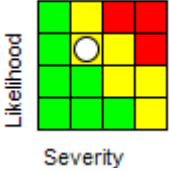
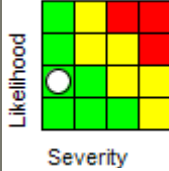
Risk Code	RR RDIAFC01.3	Risk Title	Benefits fraud - internal	Current Risk Status	
Description of Risk	Fraudulent claim by member of staff			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	9	recruitment checks data matching supervisory checks system controls audit trails internal audit		Current Risk Score	6
Gross Severity	3			Current Severity	3
Gross Likelihood	3			Current Likelihood	2
Gross Risk Review Date				Last Risk Review Date	19-May-2015
Consequences					
Vulnerabilities/causes					
Risk Notes					

07/05/15


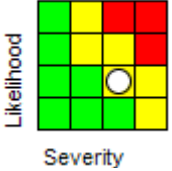
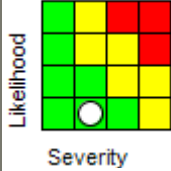
Risk Code	RR RDIAFC01.4	Risk Title	Cash theft	Current Risk Status	
Description of Risk	theft of takings disguised by manipulation of accounts			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	4	reconciliations supervisory checks policies and procedures financial regulations and guidance segregation of duties budgetary controls internal audit confidential reporting policy fraud & corruption strategy		Current Risk Score	2
Gross Severity	2			Current Severity	2
Gross Likelihood	2			Current Likelihood	1
Gross Risk Review Date				Last Risk Review Date	19-May-2015
Consequences					
Vulnerabilities/causes					
Risk Notes					


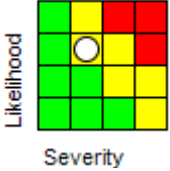
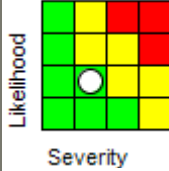
Risk Code	RR RDIAFC01.5	Risk Title	Cash theft	Current Risk Status	
Description of Risk	theft of cash without disguise			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	4	reconciliations supervisory checks policies and procedures financial regulations segregation of duties budgetary controls internal audit confidential reporting policy fraud & corruption strategy physical controls	Current Risk Score	1	
Gross Severity	2		Current Severity	1	
Gross Likelihood	2		Current Likelihood	1	
Gross Risk Review Date			Last Risk Review Date	19-May-2015	
Consequences	Reputational damage Financial implications				
Vulnerabilities/causes					
Risk Notes					

Risk Code	RR RDIAFC01.6	Risk Title	Payroll	Current Risk Status	
Description of Risk	payment to non existent employees			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	2	management checks establishment list budget monitoring segregation of duties data matching authorisation process		Current Risk Score	3
Gross Severity	2		Current Severity	3	
Gross Likelihood	1		Current Likelihood	1	
Gross Risk Review Date			Last Risk Review Date	19-May-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					


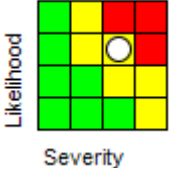
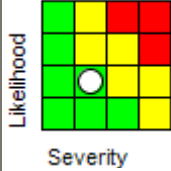
Risk Code	RR RDIAFC01.7	Risk Title	Payroll	Current Risk Status	
Description of Risk	over claiming hours worked			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	6	management checks budget monitoring authorisation process time records		Current Risk Score	2
Gross Severity	2		Current Severity	1	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date			Last Risk Review Date	19-May-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					


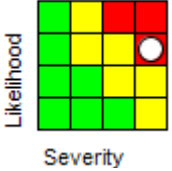
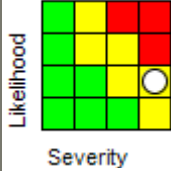
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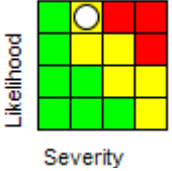
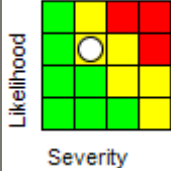
Risk Code	RR RDIAFC01.8	Risk Title	Payroll	Current Risk Status	
Description of Risk	manipulation of standing data			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	6	system access controls system administrator segregation of duties management controls internal audit		Current Risk Score	2
Gross Severity	3		Current Severity	2	
Gross Likelihood	2		Current Likelihood	1	
Gross Risk Review Date			Last Risk Review Date	19-May-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					


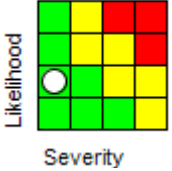
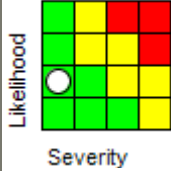
Risk Code	RR RDIAFC01.9	Risk Title	Assets	Current Risk Status	
Description of Risk	Theft of current assets			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	6	stock checks restricted access segregation of duties inventories		Current Risk Score	4
Gross Severity	2			Current Severity	2
Gross Likelihood	3			Current Likelihood	2
Gross Risk Review Date				Last Risk Review Date	19-May-2015
Consequences					
Vulnerabilities/causes					
Risk Notes					


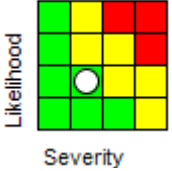
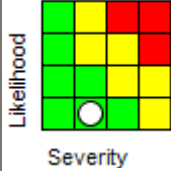
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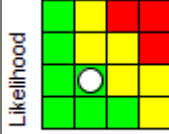
Risk Code	RR RDIAFC01.10	Risk Title	Assets	Current Risk Status	
Description of Risk	Theft of fixed assets			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	9	restricted access asset tagging inventories staff awareness		Current Risk Score	4
Gross Severity	3			Current Severity	2
Gross Likelihood	3			Current Likelihood	2
Gross Risk Review Date				Last Risk Review Date	30-Apr-2015
Consequences					
Vulnerabilities/causes					
Risk Notes					


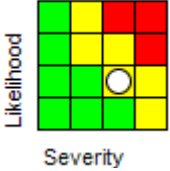
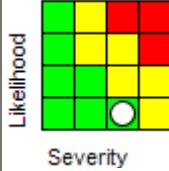
Risk Code	RR RDIAFC01.11	Risk Title	Assets	Current Risk Status	
Description of Risk	Theft of Council information/intellectual property			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	12	encryption staff awareness passwords access controls restricted access to building security policy ISO27001		Current Risk Score	8
Gross Severity	4			Current Severity	4
Gross Likelihood	3			Current Likelihood	2
Gross Risk Review Date				Last Risk Review Date	30-Apr-2015
Consequences					
Vulnerabilities/causes					
Risk Notes					

Risk Code	RR RDIAFC01.12	Risk Title	Assets	Current Risk Status	
Description of Risk	Inappropriate use of Council assets for private use			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	8	<ul style="list-style-type: none"> register of interests financial guidance management controls induction process security policy user reports eg internet, telephone 	Current Risk Score	6	
Gross Severity	2		Current Severity	2	
Gross Likelihood	4		Current Likelihood	3	
Gross Risk Review Date			Last Risk Review Date	19-May-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					


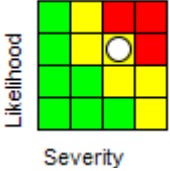
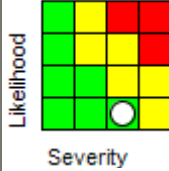
Risk Code	RR RDIAFC01.13	Risk Title	Petty cash/imprest accounts	Current Risk Status	
Description of Risk	Theft of takings disguised by manipulation of accounts			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	2	segregation of duties management checks reconciliations authorised signatories imprest values kept to a minimum annual certificate	Current Risk Score	2	
Gross Severity	1		Current Severity	1	
Gross Likelihood	2		Current Likelihood	2	
Gross Risk Review Date			Last Risk Review Date	19-May-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					

Risk Code	RR RDIAFCO1.14	Risk Title	Sheltered schemes	Current Risk Status	
Description of Risk	Theft of customer monies			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	4	segregation of duties reconciliations restricted access CRB checks		Current Risk Score	2
Gross Severity	2			Current Severity	2
Gross Likelihood	2			Current Likelihood	1
Gross Risk Review Date				Last Risk Review Date	19-May-2015
Consequences					
Vulnerabilities/causes					
Risk Notes					


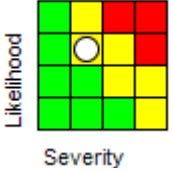
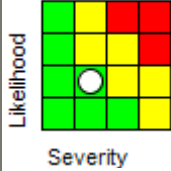
Risk Code	RR RDIAFC01.15	Risk Title	Expenses claims	Current Risk Status	
Description of Risk	claiming expenses for journeys not undertaken claiming for more miles than actually travelled			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	6			Current Risk Score	4
Gross Severity	2			Current Severity	2
Gross Likelihood	3			Current Likelihood	2
Gross Risk Review Date				Last Risk Review Date	19-May-2015
Consequences					
Vulnerabilities/causes					
Risk Notes					

Risk Code	RR RDIAFC01.16	Risk Title	Corruption	Current Risk Status	
Description of Risk	disposal of assets - land and property			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	6	constitution asset management plan asset disposal policy asset register segregation of duties		Current Risk Score	3
Gross Severity	3			Current Severity	3
Gross Likelihood	2			Current Likelihood	1
Gross Risk Review Date				Last Risk Review Date	19-May-2015
Consequences					
Vulnerabilities/causes					
Risk Notes					


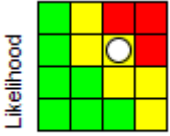
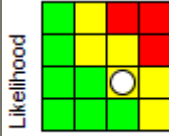
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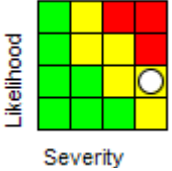
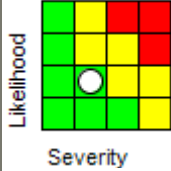
Risk Code	RR RDIAFC01.17	Risk Title	Corruption	Current Risk Status	
Description of Risk	Award of planning consents and licences			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	9	planning approval process segregation of duties delegated powers constitution legislation	Current Risk Score	3	
Gross Severity	3		Current Severity	3	
Gross Likelihood	3		Current Likelihood	1	
Gross Risk Review Date			Last Risk Review Date	19-May-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					


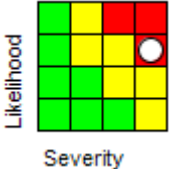
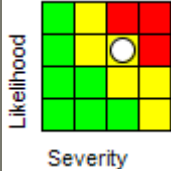
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Risk Code	RR RDIAFC01.18	Risk Title	Corruption	Current Risk Status	
Description of Risk	Acceptance of gifts, hospitality, secondary employment			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	6	gifts and hospitality policy gifts and hospitality register NFI constitution contract of employment		Current Risk Score	4
Gross Severity	2		Current Severity	2	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date			Last Risk Review Date	19-May-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					

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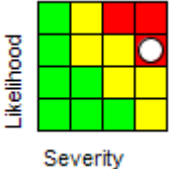
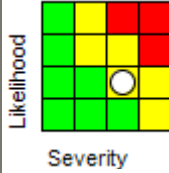
Risk Code	RR RDIAFC01.19	Risk Title	Car parking	Current Risk Status	
Description of Risk	theft of takings disguised by manipulation of accounts theft of taking without disguise recycling of tickets		Assigned To		
Gross Risk Matrix		Risk Treatment Measures Implemented	Current Risk Matrix		
Gross Risk Score	9	budget monitoring audit trail reconciliations	Current Risk Score	6	
Gross Severity	3		Current Severity	3	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date			Last Risk Review Date	19-May-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					


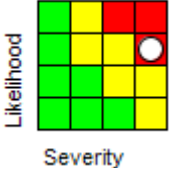
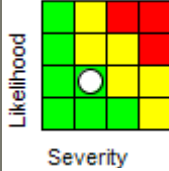
Risk Code	RR RDIAFC01.20	Risk Title	Money laundering	Current Risk Status	
Description of Risk	Using the council to hide improper transactions			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	8	raised awareness money laundering policy training of officers upper limit for cash transactions		Current Risk Score	4
Gross Severity	4			Current Severity	2
Gross Likelihood	2			Current Likelihood	2
Gross Risk Review Date				Last Risk Review Date	19-May-2015
Consequences					
Vulnerabilities/causes					
Risk Notes					




Risk Code	RR RDIAFC01.21	Risk Title	ICT fraud	Current Risk Status	
Description of Risk	Improper use of council ICT equipment			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	12	internet use policy surf control access controls ISO27001 standard		Current Risk Score	9
Gross Severity	4			Current Severity	3
Gross Likelihood	3			Current Likelihood	3
Gross Risk Review Date				Last Risk Review Date	19-May-2015
Consequences	Potential of no access to systems Data is incorrect Reputational damage				
Vulnerabilities/causes	Changes to systems and data Access to data by 3rd party				
Risk Notes					


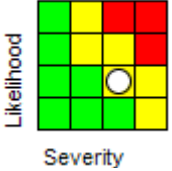
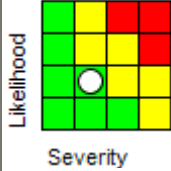
Risk Code	RR RDIAFC01.22	Risk Title	Employee - general	Current Risk Status	
Description of Risk	Abuse of flexi system falsification of car loans			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	6			Current Risk Score	4
Gross Severity	2			Current Severity	2
Gross Likelihood	3			Current Likelihood	2
Gross Risk Review Date				Last Risk Review Date	19-May-2015
Consequences					
Vulnerabilities/causes					
Risk Notes					

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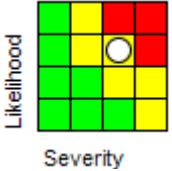
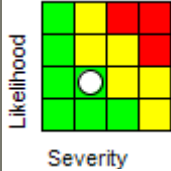
Risk Code	RR RDIAFC01.23	Risk Title	Payment of grants to the public	Current Risk Status	
Description of Risk	claiming for properties which are not owned claimants understating income over claiming the value of the work done			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	12	grant criteria grant assessments land registry checks quotes for work segregation of duties inspections management checks		Current Risk Score	6
Gross Severity	4		Current Severity	3	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date			Last Risk Review Date	19-May-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					


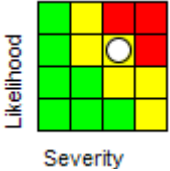
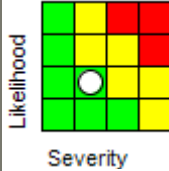
Risk Code	RR RDIAFC01.24	Risk Title	Loans & Investments	Current Risk Status	
Description of Risk	Misappropriation of funds Fraudulent payment or investment of funds			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	12	Written procedures segregation of duties authorisation process counterparty listing reconciliations treasury management policy treasury management strategy access controls internal audit		Current Risk Score	4
Gross Severity	4		Current Severity	2	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date			Last Risk Review Date	29-Jul-2014	
Consequences					
Vulnerabilities/causes					
Risk Notes					


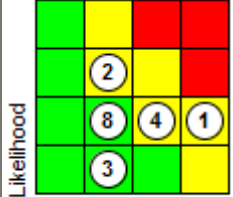
Risk Code	RR RDIAFC01.25	Risk Title	Regeneration development corruption	Current Risk Status	
Description of Risk	Developer awarded contracts for financial incentive Inducements for the granting of planning consents Contract granted to developer at a reduced price in exchange for cash payments to officers and members Backhanders to reduce restraints on developer			Assigned To	
Gross Risk Matrix	 Likelihood Severity	Risk Treatment Measures Implemented		Current Risk Matrix	 Likelihood Severity
Gross Risk Score	12	Business cases project teams declaration interests Officers present minutes of meetings		Current Risk Score	6
Gross Severity	4			Current Severity	3
Gross Likelihood	3			Current Likelihood	2
Gross Risk Review Date				Last Risk Review Date	19-May-2015
Consequences					
Vulnerabilities/causes					
Risk Notes					


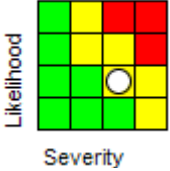
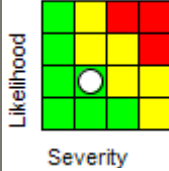
Risk Code	RR RDIAFC01.26	Risk Title	financial statements	Current Risk Status	
Description of Risk	the financial statements may be materially mis-stated due to fraud			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	6	Internal Audit financial guidance Final Account Process Review / Quality Check (Including journal transfers/ budgetary control) segregation of duties		Current Risk Score	4
Gross Severity	3		Current Severity	2	
Gross Likelihood	2		Current Likelihood	2	
Gross Risk Review Date	18-Jun-2010		Last Risk Review Date	19-May-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					




03


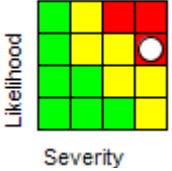
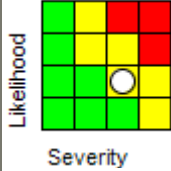
Risk Code	RR RDIAFC01.27	Risk Title	New starter	Current Risk Status	
Description of Risk	Fraudulent job application			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	9	Evidence obtained of qualifications References taken up from past employers Recruitment Policy and process Identity checks completed	Current Risk Score	4	
Gross Severity	3		Current Severity	2	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date			Last Risk Review Date	29-Jul-2014	
Page 64 Consequences	Inappropriate appointment security implications Insurance implications Reputational damage				
Vulnerabilities/causes					
Risk Notes					

Risk Code	RR RDIAFC01.28	Risk Title	ICT abuse	Current Risk Status	
Description of Risk	Improper use of IT equipment			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	9	internet use policy surf control access controls ISO27001 standard		Current Risk Score	4
Gross Severity	3		Current Severity	2	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date	18-Nov-2013		Last Risk Review Date	29-Jul-2014	
Consequences	Potential of no access to systems Data is incorrect Reputational damage				
Vulnerabilities/causes	Changes to systems and data Access to data by 3rd party				
Risk Notes					




Risk Code	RR RDIAFC02	Risk Title	Procurement	Current Risk Status	
Description of Risk				Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score				Current Risk Score	
Gross Severity				Current Severity	
Gross Likelihood				Current Likelihood	
Gross Risk Review Date				Last Risk Review Date	
Consequences					
Vulnerabilities/causes					
Risk Notes					


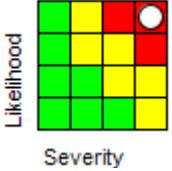
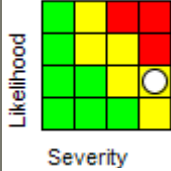
Risk Code	RR RDIAFC02.1	Risk Title	Selection process	Current Risk Status	
Description of Risk	Senior staff influencing junior staff involved in a selection process			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	6	<p>Established clear recruitment/tender process with competitive interviews, two or more interviewers rules on the composition of tender panels, scoring of bids, strict selection criteria against job description</p> <p>Recruitment and selection training for managers</p> <p>Recruitment evaluation templates with scoring returned to HR</p> <p>Tendering evaluation templates with scoring reviewed by procurement team prior to the award of the contract</p> <p>All communications provided through HR/Procurement as appropriate</p>	Current Risk Score	4	
Gross Severity	3		Current Severity	2	
Gross Likelihood	2		Current Likelihood	2	
Gross Risk Review Date			Last Risk Review Date	19-May-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					


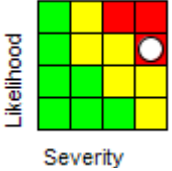
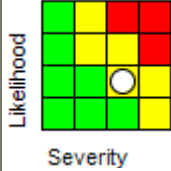
Risk Code	RR RDIAFC02.2	Risk Title	Initial commercial consultations	Current Risk Status	
Description of Risk	Procurement staff being sidelined during initial commercial consultations and subsequently being presented with a "done deal".			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	12	<p>All contracts subject to competitive tendering process</p> <p>The Procurement Team appropriately trained and remunerated, providing input and advice during consultation</p> <p>Contracts require joint appraisal so cannot be presented with a done deal</p> <p>All contracts awards to be ratified by Procurement team</p> <p>Standard procurement templates/tools for transparency and consistency</p>	Current Risk Score	6	
Gross Severity	4		Current Severity	3	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date			Last Risk Review Date	19-May-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					

Risk Code	RR RDIAFC02.3	Risk Title	Contract signing	Current Risk Status	
Description of Risk	Contracts signed by member of staff not authorised to do so			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	12	All contracts receive sign-off at agreed authorisation levels Financial guidance details contract sign off levels Large contracts required to be sealed by the Solicitor to the Council	Current Risk Score	6	
Gross Severity	4		Current Severity	3	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date			Last Risk Review Date	19-May-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					


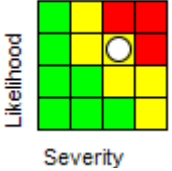
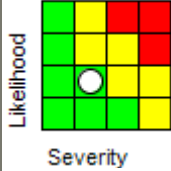
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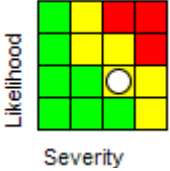
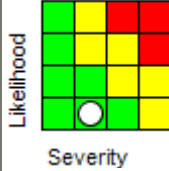
Risk Code	RR RDIAFC02.4	Risk Title	Diversion of funds	Current Risk Status	
Description of Risk	Diversion of funds: the risk that a member of staff diverts funds through the set up of non-existent supplier/freelancer			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	12	All potential suppliers required to be registered on the InTend system. Purchase permission levels to raise purchase orders Financial authority limits Controls over authority to set up new suppliers Internal audit review of creditors system Whistleblowing policy in place	Current Risk Score	6	
Gross Severity	4		Current Severity	3	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date			Last Risk Review Date	19-May-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					


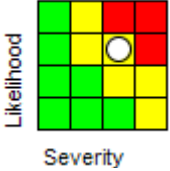
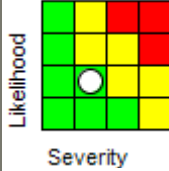
Risk Code	RR RDIAFC02.5	Risk Title	Bogus vendor	Current Risk Status	
Description of Risk	An individual could authorise the set up of a bogus vendor and raise and authorise a purchase order			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	16	Procedures are in place to ensure segregation of duties to raise and authorise a requisition - system access controlled Appropriate financial limits on purchase order authorisation Financial reviews of cost centres Internal Audit reviews Limited permissions to set up new suppliers NFI checks on creditor details	Current Risk Score	8	
Gross Severity	4		Current Severity	4	
Gross Likelihood	4		Current Likelihood	2	
Gross Risk Review Date			Last Risk Review Date	19-May-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					


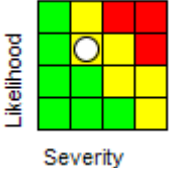
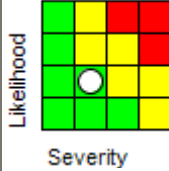
Risk Code	RR RDIAFC02.6	Risk Title	Sale of confidential information	Current Risk Status	
Description of Risk	A member of staff could disclose information on bids to other contract bidders			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	12	management checks register of interests constitution procurement unit legislation tendering system standing orders/financial regulations	Current Risk Score	6	
Gross Severity	4		Current Severity	3	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date			Last Risk Review Date	19-May-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					

02


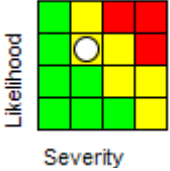
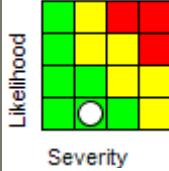
Risk Code	RR RDIAFC02.7	Risk Title	Creditor payments	Current Risk Status	
Description of Risk	Fraudulent requests for creditor payments to be paid to different bank accounts			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	9	Rigorous process to check authenticity of changes to creditor details		Current Risk Score	4
Gross Severity	3		Current Severity	2	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date	30-Nov-2011		Last Risk Review Date	19-May-2015	
Consequences	Payments made to fraudsters				
Vulnerabilities/causes	Payments to creditors available on website				
Risk Notes					


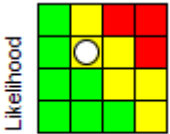
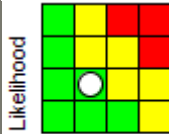
Risk Code	RR RDIAFC02.8	Risk Title	Fraudulent use of one off payment	Current Risk Status	
Description of Risk	Staff use the cheque payment process to send to a bogus vendor			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	6	Regular review of one off payments Purchase order authorised before payment is made Budget review process No ability to create new creditor without involving creditors department (segregation of duties) All payments authorised in accordance with set parameters for payments limits and cost centres	Current Risk Score	2	
Gross Severity	3		Current Severity	2	
Gross Likelihood	2		Current Likelihood	1	
Gross Risk Review Date	04-Mar-2015		Last Risk Review Date	04-Mar-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					


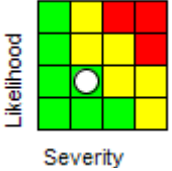
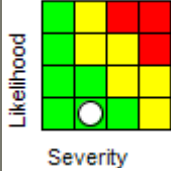
Risk Code	RR RDIAFC02.9	Risk Title	Declaration of interests	Current Risk Status	
Description of Risk	Lack of declarations of interests			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	9	Contract monitoring programme Risk registers and issue logs in place Gifts and hospitality register Declarations of interests - code of conduct	Current Risk Score	4	
Gross Severity	3		Current Severity	2	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date	04-Mar-2015		Last Risk Review Date	04-Mar-2015	
Consequences					
Weaknesses/ Vulnerabilities/ causes	No proper constraints, no monitoring, "Contract creep" - further contracts on the back of previously awarded contracts				
Risk Notes					


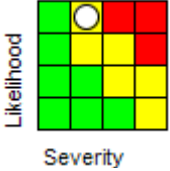
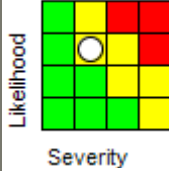
Risk Code	RR RDIAFC02.10	Risk Title	Lack of awareness	Current Risk Status	
Description of Risk	Lack of awareness of risks and issues from the all in the process			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	6	Targeted awareness training Risk registers in place and regularly reviewed Regular internal audit reviews		Current Risk Score	4
Gross Severity	2		Current Severity	2	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date			Last Risk Review Date	04-Mar-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					

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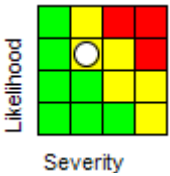
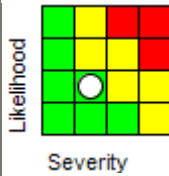
Risk Code	RR RDIAFC02.11	Risk Title	Lack of anti fraud culture	Current Risk Status	
Description of Risk	No antifraud culture - no due diligence/risk registers			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	6	Procurement section championing good practice Procurement Policy in place Counter fraud and corruption strategy and policy in place.		Current Risk Score	2
Gross Severity	2		Current Severity	2	
Gross Likelihood	3		Current Likelihood	1	
Gross Risk Review Date	04-Mar-2015		Last Risk Review Date	04-Mar-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					

Risk Code	RR RDIAFC02.12	Risk Title	Contract awarded prior to specification being agreed	Current Risk Status	
Description of Risk	Contract awarded prior to specifications being fully agreed and developed; meaning the organisation becomes responsible for additional development and training expenses			Assigned To	
Gross Risk Matrix	 <p>Likelihood</p> <p>Severity</p>	Risk Treatment Measures Implemented		Current Risk Matrix	 <p>Likelihood</p> <p>Severity</p>
Gross Risk Score	6	All projects subject to business case All contracts awarded in accordance with specification All contracts awarded to a formal authorisation process Contract specification defined Approved tendering procedures through InTend Contracts only awarded where funds are approved		Current Risk Score	4
Gross Severity	2		Current Severity	2	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date	04-Mar-2015		Last Risk Review Date	04-Mar-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					


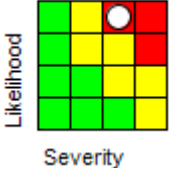
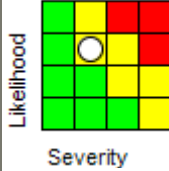
Risk Code	RR RDIAFC02.13	Risk Title	Manipulation of preferred bidders list	Current Risk Status	
Description of Risk	Manipulation of preferred bidders list			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	4	Suppliers apply to go on "List" - register on InTend Framework agreements Procurement policy Financial guidance		Current Risk Score	2
Gross Severity	2		Current Severity	2	
Gross Likelihood	2		Current Likelihood	1	
Gross Risk Review Date	04-Mar-2015		Last Risk Review Date	04-Mar-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					

Risk Code	RR RDIAFC02.14	Risk Title	No formal contract in place	Current Risk Status	
Description of Risk	No formal contract in place			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	8	Financial regulations and contract standing orders Internal audit review Monthly reports on spend		Current Risk Score	6
Gross Severity	2		Current Severity	2	
Gross Likelihood	4		Current Likelihood	3	
Gross Risk Review Date	04-Mar-2015		Last Risk Review Date	04-Mar-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					


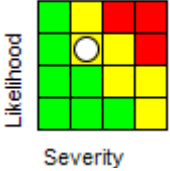
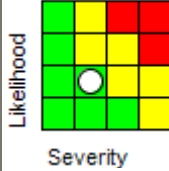
10

Risk Code	RR RDIAFC02.15	Risk Title	Prices reworked	Current Risk Status	
Description of Risk	Prices reworked to enable the successful bidder to move up the proposal list following initial bidding			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	6	Open tendering process No reworking of tenders allowed All evaluation criteria presented as part of the tendering process prior to the submission of the tender to maintain fairness and transparency in the tender process Suppliers have access to debriefs and tender feedback adequate segregation of duties InTend electronic tendering system	Current Risk Score	4	
Gross Severity	2		Current Severity	2	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date	04-Mar-2015		Last Risk Review Date	04-Mar-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					


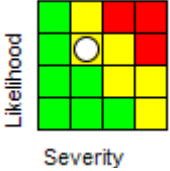
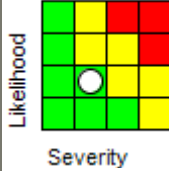
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Risk Code	RR RDIAFC02.16	Risk Title	Value of contract disaggregated	Current Risk Status	
Description of Risk	Value of contract disaggregated to circumvent organisation/EU regulations			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	12	Review of payments to suppliers Payments to suppliers published on website Financial guidance implicit that there should be no disaggregation of purchases to avoid the application of the EU rules	Current Risk Score	6	
Gross Severity	3		Current Severity	2	
Gross Likelihood	4		Current Likelihood	3	
Gross Risk Review Date	04-Mar-2015		Last Risk Review Date	04-Mar-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					


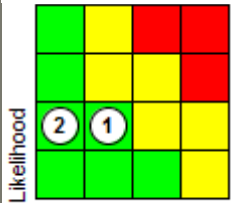
12

Risk Code	RR RDIAFC02.17	Risk Title	Inappropriate high value purchase	Current Risk Status	
Description of Risk	Inappropriate high value purchase for an unauthorised purpose			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	6	High value suppliers reviewed High value payments require additional authorisation Authorisation limits set in finance system Unable to authorise spend above budget limits Commitment accounting Segregation of duties set within finance system regular audit review Whistleblowing Policy	Current Risk Score	4	
Gross Severity	2		Current Severity	2	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date	04-Mar-2015		Last Risk Review Date	04-Mar-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					


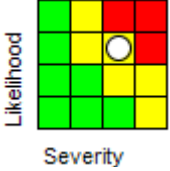
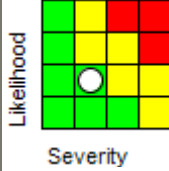
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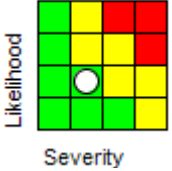
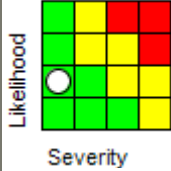
Risk Code	RR RDIAFC02.18	Risk Title	Inappropriate use of single tender acceptance	Current Risk Status	
Description of Risk				Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented			
Gross Risk Score	6	Financial guidance states that where only one tender is submitted, advice and guidance is sought from the solicitor to the Council and the director of Finance	Current Risk Matrix		
Gross Severity	2		Current Risk Score	4	
Gross Likelihood	3		Current Severity	2	
Gross Risk Review Date	04-Mar-2015		Current Likelihood	2	
Consequences					
Vulnerabilities/causes					
Risk Notes					

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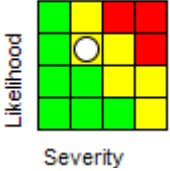
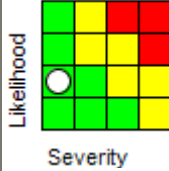
Risk Code	RR RDIAFC03	Risk Title	Housing tenancy/homelessness	Current Risk Status	
Description of Risk				Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	 <p>Likelihood</p> <p>Severity</p>
Gross Risk Score				Current Risk Score	
Gross Severity				Current Severity	
Gross Likelihood				Current Likelihood	
Gross Risk Review Date				Last Risk Review Date	
Consequences					
Vulnerabilities/causes					
Risk Notes					

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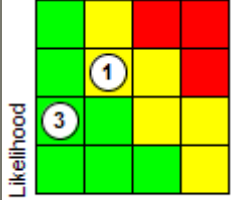
Risk Code	RR RDIAFC03.1	Risk Title	Housing allocations	Current Risk Status	
Description of Risk	Housing allocated for financial reward fraudulent allocation of property			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	9	separation of duties housing register management checks declaration of interests		Current Risk Score	4
Gross Severity	3		Current Severity	2	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date			Last Risk Review Date	19-May-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					

Risk Code	RR RDIAFC03.2	Risk Title	Illegal sub letting	Current Risk Status	
Description of Risk	Illegal sub letting of council property			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	4	Tenancy checks Illegal sub letting campaign		Current Risk Score	2
Gross Severity	2			Current Severity	1
Gross Likelihood	2			Current Likelihood	2
Gross Risk Review Date	29-Oct-2014			Last Risk Review Date	29-Oct-2014
Consequences	Housing needs not fulfilled Social housing not used for its intended purpose				
Vulnerabilities/causes	Tenant illegally sub lets a property				
Risk Notes					


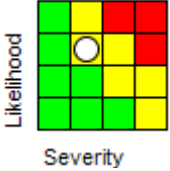
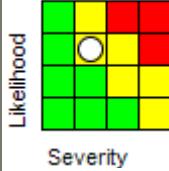
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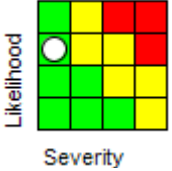
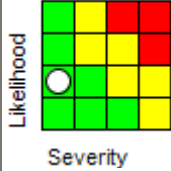
Risk Code	RR RDIAFC03.3	Risk Title	Homelessness	Current Risk Status	
Description of Risk	False claim of homelessness			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	6	Procedures in place Checks made on housing need		Current Risk Score	2
Gross Severity	2			Current Severity	1
Gross Likelihood	3			Current Likelihood	2
Gross Risk Review Date	27-Oct-2014			Last Risk Review Date	27-Oct-2014
Consequences	Housing needs not correctly identified				
Vulnerabilities/causes	False claim of homelessness to gain tenancy				
Risk Notes					


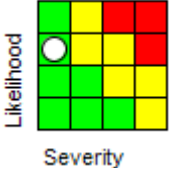
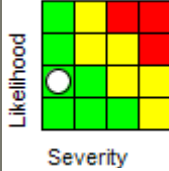
18

Risk Code	RR RDIAFC04	Risk Title	Council Tax	Current Risk Status	
Description of Risk				Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score				Current Risk Score	
Gross Severity				Current Severity	
Gross Likelihood				Current Likelihood	
Gross Risk Review Date				Last Risk Review Date	
Consequences					
Vulnerabilities/causes					
Risk Notes					


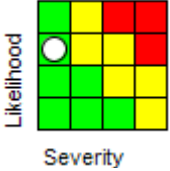
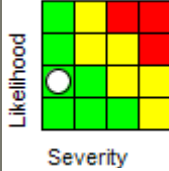
19



Risk Code	RR RDIAFC04.1	Risk Title	Single Persons Discount	Current Risk Status	
Description of Risk	Single persons discount fraudulently claimed			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	6	Review of SPD Data matching		Current Risk Score	6
Gross Severity	2		Current Severity	2	
Gross Likelihood	3		Current Likelihood	3	
Gross Risk Review Date	30-Oct-2014		Last Risk Review Date	30-Oct-2014	
Consequences	Loss of income				
Vulnerabilities/causes	Single persons discount fraudulently claimed				
Risk Notes					


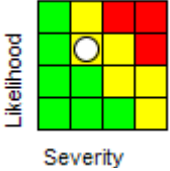
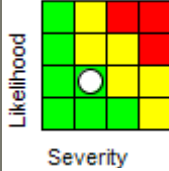
Risk Code	RR RDIAFC04.2	Risk Title	Discounts/exemptions	Current Risk Status	
Description of Risk	Discounts and exemptions falsely claimed			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	3	Review of discounts and exemptions		Current Risk Score	2
Gross Severity	1		Current Severity	1	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date	30-Oct-2014		Last Risk Review Date	30-Oct-2014	
Consequences	Loss of income				
Vulnerabilities/causes	Discounts and exemptions falsely claimed				
Risk Notes					


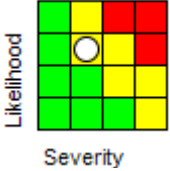
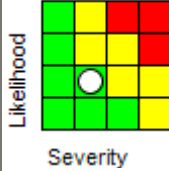
Risk Code	RR RDIAFC04.3	Risk Title	Refund fraud	Current Risk Status	
Description of Risk				Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	3	Staff awareness and training Procedures in place to ensure that refunds only made to account where payment was made		Current Risk Score	2
Gross Severity	1		Current Severity	1	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date	30-Oct-2014		Last Risk Review Date	30-Oct-2014	
Consequences	Loss of income				
Vulnerabilities/causes	Person falsely claims liability, pays in full with stolen credit card and attempts refund to bank account				
Risk Notes					


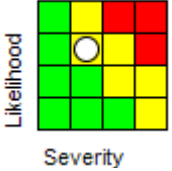
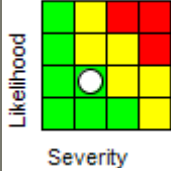
22



Risk Code	RR RDIAFC04.4	Risk Title	Suppressed recovery action	Current Risk Status	
Description of Risk	Suppressed recovery action			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	3	Management/supervisory checks Review of suppressed recovery action Interrogation reports		Current Risk Score	2
Gross Severity	1		Current Severity	1	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date	30-Oct-2014		Last Risk Review Date	30-Oct-2014	
Consequences	Loss of income				
Vulnerabilities/causes	Recovery action is suppressed				
Risk Notes					


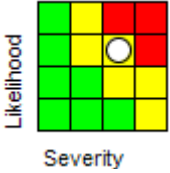
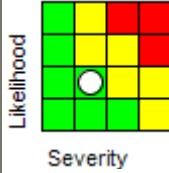
Risk Code	RR RDIAFC05	Risk Title	NNDR	Current Risk Status	
Description of Risk				Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score				Current Risk Score	
Gross Severity				Current Severity	
Gross Likelihood				Current Likelihood	
Gross Risk Review Date				Last Risk Review Date	
Consequences					
Vulnerabilities/causes					
Risk Notes					


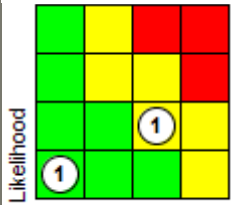
Risk Code	RR RDIAFC05.1	Risk Title	Void exemption	Current Risk Status	
Description of Risk	Void exemption falsely claimed			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	6	Property inspections completed		Current Risk Score	4
Gross Severity	2		Current Severity	2	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date	30-Oct-2014		Last Risk Review Date	30-Oct-2014	
Consequences	Loss of income				
Vulnerabilities/causes	Void exemption falsely claimed				
Risk Notes					


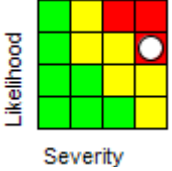
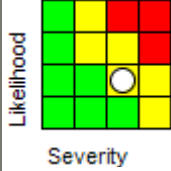
Risk Code	RR RDIAFC05.2	Risk Title	Occupation dates	Current Risk Status	
Description of Risk	Occupation dates incorrectly notified			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	6	Property inspections completed		Current Risk Score	4
Gross Severity	2		Current Severity	2	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date	30-Oct-2014		Last Risk Review Date	30-Oct-2014	
Consequences	Loss of income				
Vulnerabilities/causes	Occupation dates incorrectly identified				
Risk Notes					

Risk Code	RR RDIAFC05.3	Risk Title	Changes to property	Current Risk Status	
Description of Risk	Changes to property increase the rateable value			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	6	Property inspections		Current Risk Score	4
Gross Severity	2		Current Severity	2	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date	30-Oct-2014		Last Risk Review Date	30-Oct-2014	
Consequences	Loss of income				
Vulnerabilities/causes	Changes to the the property that change the rateable value are not notified				
Risk Notes					


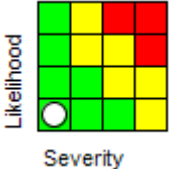
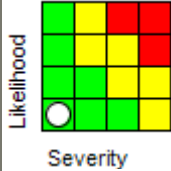
Risk Code	RR RDIAFC06	Risk Title	Insurance	Current Risk Status	
Description of Risk				Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	 <p>Likelihood</p> <p>Severity</p>
Gross Risk Score				Current Risk Score	
Gross Severity				Current Severity	
Gross Likelihood				Current Likelihood	
Gross Risk Review Date				Last Risk Review Date	
Consequences					
Vulnerabilities/causes					
Risk Notes					


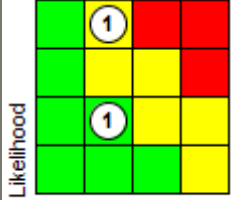
Risk Code	RR RDIAFC06.1	Risk Title	Insurance claims	Current Risk Status	
Description of Risk	Claiming for non existent injuries Claiming at another establishment for the same injury overclaiming			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	9	Insurance brokers claim forms NFI		Current Risk Score	4
Gross Severity	3		Current Severity	2	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date			Last Risk Review Date	19-May-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					

Risk Code	RR RDIAFC07	Risk Title	Other	Current Risk Status	
Description of Risk				Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	 <p>Likelihood</p> <p>Severity</p>
Gross Risk Score				Current Risk Score	
Gross Severity				Current Severity	
Gross Likelihood				Current Likelihood	
Gross Risk Review Date				Last Risk Review Date	
Consequences					
Vulnerabilities/causes					
Risk Notes					


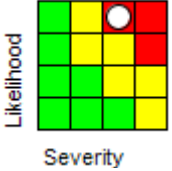
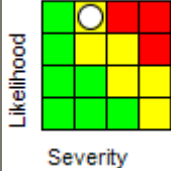
Risk Code	RR RDIAFC07.1	Risk Title	Elections	Current Risk Status	
Description of Risk	Fraudulent voting Fraudulent acts by canvassers			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	12	supervisory roles at counts postal votes counts supervised access controls ballot box controls ballot paper account insurance pre employment checks supervisory checks	Current Risk Score	6	
Gross Severity	4		Current Severity	3	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date			Last Risk Review Date	19-May-2015	
Consequences	Elections become null and void Financial implications Reputational damage Resource issues				
Vulnerabilities/causes					
Risk Notes					

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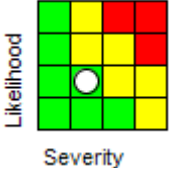
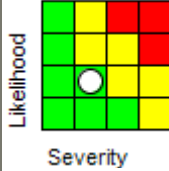
Risk Code	RR RDIAFC07.2	Risk Title	External funding	Current Risk Status	
Description of Risk	Fraudulently using external funding			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	1	Budget monitoring Management checks Financial regulations Independent verification Internal Audit		Current Risk Score	1
Gross Severity	1		Current Severity	1	
Gross Likelihood	1		Current Likelihood	1	
Gross Risk Review Date	12-Nov-2012		Last Risk Review Date	29-Jul-2014	
Consequences	Reputational damage Cuts to financial assistance Failure to deliver projects service delivery reduced				
Vulnerabilities/causes					
Risk Notes					

Risk Code	RR RDIAFC08	Risk Title	Housing Benefits/Council Tax Reduction Scheme	Current Risk Status	
Description of Risk				Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score				Current Risk Score	
Gross Severity				Current Severity	
Gross Likelihood				Current Likelihood	
Gross Risk Review Date				Last Risk Review Date	
Consequences					
Vulnerabilities/causes					
Risk Notes					

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Risk Code	RR RDIAFC08.1	Risk Title	Benefits fraud - claimant	Current Risk Status	
Description of Risk	Claimant fraudulently claims benefits			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	12	trained staff media coverage - forms, TV radio data matching internal audit documentary evidence		Current Risk Score	8
Gross Severity	3		Current Severity	2	
Gross Likelihood	4		Current Likelihood	4	
Gross Risk Review Date			Last Risk Review Date	19-May-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					

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Risk Code	RR RDIAFC08.2	Risk Title	Benefits fraud - third party eg landlord	Current Risk Status	
Description of Risk	fraudulent claim by third party			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	4	trained staff media coverage - forms, TV radio Data matching Internal Audit Supervisory checks Documentary evidence		Current Risk Score	4
Gross Severity	2		Current Severity	2	
Gross Likelihood	2		Current Likelihood	2	
Gross Risk Review Date			Last Risk Review Date	19-May-2015	
Consequences					
Vulnerabilities/causes					
Risk Notes					

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AUDIT & GOVERNANCE COMMITTEE

3rd June 2015

Report of the Head of Internal Audit Services

INTERNAL AUDIT ANNUAL REPORT/QUARTERLY REPORT 2014/15 QUARTER 4

EXEMPT INFORMATION

None

PURPOSE

To report on the outcome of Internal Audit's review of the Internal Control, Risk Management and Governance Framework in the 4th quarter of 2014/15 – to provide Members with assurance of the ongoing effective operation of an internal audit function and enable any particularly significant issues to be brought to the Committee's attention.

RECOMMENDATION

That the Committee considers the attached quarterly report and raises any issue it deems appropriate.

EXECUTIVE SUMMARY

The Accounts and Audit Regulations 2011 (as amended) require each local authority to publish an Annual Governance Statement (AGS) with its Annual Statement of Accounts. The AGS is required to reflect the various arrangements within the Authority for providing assurance on the Internal Control, Risk Management and Governance Framework within the organisation, and their outcomes.

One of the sources of assurance featured in the AGS is the professional opinion of the Head of Internal Audit Services on the outcome of service reviews. Professional good practice recommends that this opinion be given periodically throughout the year to inform the Annual Governance Statement. This opinion is given on a quarterly basis to the Audit & Governance Committee.

The Head of Internal Audit Services' quarterly opinion statement for Jan - Mar 2015 (Qtr 4) is set out in the attached document, and the opinion is summarised below.

Based on the ongoing work carried out by and on behalf of Internal Audit and other sources of information and assurance, my overall opinion of the control environment for this quarter is that "reasonable assurance" can be given.

Where significant deficiencies in internal control have been formally identified by management, Internal Audit or by external audit or other agencies, management have given assurances that these have been or will be resolved in an appropriate manner. Such cases will continue to be monitored. Internal Audit's opinion is one of the sources of assurance for the Annual Governance Statement which is statutorily required to be presented with the annual Statement of Accounts.

Specific Issues

No specific issues have been highlighted through the work undertaken by Internal Audit during 2014/15.

RESOURCE IMPLICATIONS

None

LEGAL/RISK IMPLICATIONS

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

SUSTAINABILITY IMPLICATIONS

None

BACKGROUND INFORMATION

None

REPORT AUTHOR

Angela Struthers, Head of Internal Audit Services

LIST OF BACKGROUND PAPERS

None

APPENDICES

Appendix 1 Internal Audit Performance Report 2014/15 Quarter 4

**Appendix 2 Percentage of Management Actions Agreed 2014/15
Quarter 4**

Appendix 3 Implementation of Agreed Management Actions 2014/15

INTERNAL AUDIT ANNUAL REPORT/QUARTERLY REPORT – Q4 - 2014/15

1. INTRODUCTION

Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. (Public Sector Internal Audit Standards)

Internal Audit's role is to provide independent assurance to the Council that systems are in place and are operating effectively.

Every local authority is statutorily required to provide for an adequate and effective internal audit function. The Internal Audit service provides this function at this Authority.

This brief report aims to ensure that Committee members are kept aware of the arrangements operated by the Internal Audit service to monitor the control environment within the services and functions of the authority, and the outcome of that monitoring. This is to contribute to corporate governance and assurance arrangements and ensure compliance with statutory and professional duties, as Internal Audit is required to provide periodic reports to "those charged with governance".

2. PERFORMANCE AND PROGRESSION AGAINST AUDIT PLAN

The Internal Audit service aims as one of its main Performance Indicators (PI's) to complete work on at least 90% of applicable planned audits by the end of the financial year, producing draft reports on these where possible/necessary. **Appendix 1** shows the progress at the end of quarter 4 of the work completed against the plan and highlights the work completed in the fourth quarter. At the end of the fourth quarter, internal audit have commenced/completed 36 audits. The original plan identified 40 audits to be completed, due to service requirements, 9 were cancelled/postponed and an additional 5 audits were completed in other areas. This equates to 90% of the total annual plan (specific reviews). 33 implementation reviews were identified in the original audit plan, the service has completed 39 in total for the financial year.

The service also reports quarterly on the percentage of draft reports issued within 15 working days of the completion of fieldwork. All (100%) of the draft reports issued in this quarter of the year were issued within this deadline.

3. AUDIT REVIEWS COMPLETED QUARTER 4 2014/15

Appendix 2 details the number of recommendations made. A total of 98 recommendations were made in the fourth quarter with 95 (97%) of the recommendations being accepted by management. The total number of recommendations made during 2014/15 was 284 with 276 (97%) being accepted by management.

The service revisits areas it has audited around 6 months after agreeing a final report on the audit, to test and report to management on the extent to which agreed actions have been taken. Twelve Implementation reviews were completed during the 4th quarter of 2014/15. **Appendix 3** details the implementation progress to date for quarter 4 with 72% of the agreed management actions implemented or partially implemented. 13 recommendations not implemented were high priority and management have agreed revised implementation dates for all outstanding recommendations. For the 2014/15 financial year, 39 implementation reviews were completed with a total of 77% of the recommendations made being fully/partially implemented. Internal Audit is fairly satisfied with the progress made by management to reduce the level of risk and its commitment to progress the outstanding issues. Only one recommendation had no progress to date and was medium priority.

Year end summary information 2014/15		Target
Percentage of Audit Plan completed	90%	90%
Draft reports issued within 15 working days	100%	100%
Percentage of recommendation accepted by management	97%	97%
Percentage of recommendations due implemented	77%	-

4. INDEPENDENCE OF THE INTERNAL AUDIT ACTIVITY

Attribute Standards 1110 to 1130 in the Public Sector Internal Audit Standards require that Internal Audit have organisational and individual independence and specifically states that the head of Internal Audit Services must confirm this to the Audit & Governance Committee at least annually. As performance is reported quarterly, this confirmation will be provided quarterly.

The Head of Internal Audit Services confirms that Internal Audit is operating independently of management and is objective in the performance of Internal Audit work.

5 DEVELOPMENTS DURING 2014/15

During 2014/15, Internal Audit has carried out the following:

- Completed the annual risk based audit plan in accordance with the Public Sector Internal Audit Standards;
- Produced a Quality Assurance and Improvement Programme;
- Given an assurance opinion for each audit completed, and a revised opinion on the completion of implementation reviews based upon Internal Audit's assessment of the control environment;
- Reported quarterly to the Audit & Governance Committee on progress against the audit plan;
- Continued to work with management to develop risk management;
- Provided an opinion on the internal control environment for the Annual Governance Statement;

- Provided support and consultancy to develop the contracts register, tendering processes, and grants monitoring on the Covalent system (additional work to the audit plan);
- Continued to complete service enhancements mainly through the use of the Covalent Audit Module;
- Provided Audit Management Services to Lichfield District Council from the 1st October 2014.

6 DEVELOPMENTS FOR 2015/16

The work of the Internal Audit Service will continue to be driven by the regulatory requirements of local government finance and the corporate and operational risks facing the Council. The Service is always looking to continuously improve its service and add value to management through regular audit to improve internal controls and identify efficiencies in their services. During 2015/16 we will complete the following:

- Comply with the Public Sector Internal Audit Standards;
- Complete the internal audit plan in accordance with the performance indicators;
- Continue to work with management to improve risk management;
- Continue to complete service enhancements to provide an efficient service;
- Continue to provide Internal Audit Management service to Lichfield District Council.

OVERALL CURRENT INTERNAL AUDIT OPINION

Based on the ongoing work carried out by and on behalf of Internal Audit and other sources of information and assurance, my overall opinion of the control environment at this time is that “reasonable assurance” can be given. Where significant deficiencies in internal control have been formally identified by management, Internal Audit or by external audit or other agencies, management have given assurances that these have been or will be resolved in an appropriate manner. Such cases will continue to be monitored. Internal Audit’s opinion is one of the sources of assurance for the Annual Governance Statement which is statutorily required to be presented with the annual Statement of Accounts.

Specific issues:



There were no specific issues highlighted through the work of Internal Audit in the third quarter of the 2014/15 financial year.

Angela Struthers,
Head of Internal Audit Services




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Internal Audit Performance Report 1415 Qtr 4



Audits Finalised Qtr 4

Audit File	Audit File Directorate Code	Audit Assurance Type	Audit File Overall Opinion	Revised Audit Opinion	Audit Assurance Level
1415.AE.07 Property Contracts		Main financial system – full	It is with some concern that Audit have to report only limited assurance can be given that the system, process or activity will achieve its objectives safely and effectively as controls are in place but operating poorly, or controls in place are inadequate.		
1415.TECH.05 Website		Information Technology	It is with some concern that audit have to report that only limited assurance can be given that the system, process or activity will achieve its objectives safely and effectively as controls are in place but operating poorly, or controls in place are inadequate.		








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Audit File	Audit File Directorate Code	Audit Assurance Type	Audit File Overall Opinion	Revised Audit Opinion	Audit Assurance Level
1415.FIN.04 Treasury management Qtr 3		Main financial system – interim	Audit are pleased to be able to report substantial assurance can be given that the system, process or activity should achieve its objectives safely and effectively and that controls are in place and operating satisfactorily.		
1415.CPP.07 Commissioning		System based review	Audit are pleased to be able to report reasonable assurance can be given that the system, process or activity should achieve its objectives safely and effectively however there are some control weaknesses but most key controls are in place and operating effectively.		
1415.CON.S.02 Legal Spend review		Consultancy	It is with some concern that Audit have to report only limited assurance can be given that the system, process or activity will achieve its objectives safely and effectively as controls are in place but operating poorly, or controls in place		

Audit File	Audit File Directorate Code	Audit Assurance Type	Audit File Overall Opinion	Revised Audit Opinion	Audit Assurance Level
1415.TCP.01 Payroll		Main financial system – interim	are inadequate. It is with some concern that Audit have to report only limited assurance can be given that the system, process or activity will achieve its objectives safely and effectively as controls are in place but operating poorly, or controls in place are inadequate.		
1415.HH.04RBR Estate Caretaking		Risk based review	Audit are pleased to be able to report reasonable assurance can be given that the system, process or activity should achieve its objectives safely and effectively however there are some control weaknesses but most key controls are in place and operating effectively.		
1415.HH.07 Housing Responsive Repairs		Main financial system – full	It is with some concern that Audit have to report only limited assurance can be given that the system, process or activity will achieve its objectives safely and effectively as controls are in place but operating		

Audit File	Audit File Directorate Code	Audit Assurance Type	Audit File Overall Opinion	Revised Audit Opinion	Audit Assurance Level
1415.FIN.07 Debtors		Main financial system – full	<p data-bbox="1099 256 1435 320">poorly, or controls in place are inadequate.</p> <p data-bbox="1099 336 1435 735">Audit are pleased to be able to report reasonable assurance can be given that the system, process or activity should achieve its objectives safely and effectively however there are some control weaknesses but most key controls are in place and operating effectively.</p>		
1415.TCP.12 Equalities		System based review	<p data-bbox="1099 751 1435 1118">It is with some concern that Audit have to report only limited assurance can be given that the system, process or activity will achieve its objectives safely and effectively as controls are in place but operating poorly, or controls in place are inadequate.</p>		

Implementation Reviews Completed Qtr 4

Audit File	Audit File Directorate Code	Audit Assurance Type	Audit File Overall Opinion	Revised Audit Opinion	Audit Assurance Level
1415.TechCPI 5FIR Mobile Device 3rd Implementation Review		Additional Implementation Review	The initial audit opinion was that limited assurance can be given that the system, process or activity will achieve its objectives safely and effectively as controls are in place but operating poorly, or controls in place are inadequate. The assurance did not change during either of the 2 implementation reviews.	The revised audit opinion is that limited assurance can be given that the system, process or activity will achieve its objectives safely and effectively as controls are in place but operating poorly, or controls in place are inadequate.	 ⇒ 
1415.FIN.14IR VAT Implementation Review		Implementation Review	The initial audit opinion was that reasonable assurance can be given that the system, process or activity should achieve its objectives safely and effectively however there are some control weaknesses but most key controls are in place and operating effectively.	The revised audit opinion is that substantial assurance can be given that the system, process or activity should achieve its objectives safely and effectively and that controls are in place and operating satisfactorily.	 ⇒  
1415.TECH.18IR Software Asset Management		Implementation Review	The initial audit opinion was that limited assurance can be given that the system, process or activity will achieve its objectives safely	Due to the number of outstanding recommendations the audit opinion has not changed and only limited assurance	 ⇒ 

		<p>and effectively as controls are in place but operating poorly, or controls in place are inadequate.</p>	<p>can be given that the system, process or activity will achieve its objectives safely and effectively as controls are in place but operating poorly, or controls in place are inadequate.</p>
<p>1415.HH03IR Sheltered Housing Implementation Review</p>	<p>Implementation Review</p>	<p>The initial audit opinion was that reasonable assurance can be given that the system, process or activity should achieve its objectives safely and effectively however there are some control weaknesses but most key controls are in place and operating effectively.</p>	<p>The revised audit opinion is that substantial assurance can be given that the system, process or activity should achieve its objectives safely and effectively and that controls are in place and operating satisfactorily.</p> <p> ⇒ </p>
<p>1415.TECH.14FIR Corporate Business Continuity</p>	<p>Additional Implementation Review</p>	<p>The initial audit opinion was that limited assurance can be given that the system, process or activity will achieve its objectives safely and effectively as controls are in place but operating poorly, or controls in place are inadequate.</p>	<p>The revised audit opinion is that reasonable assurance can be given that the system, process or activity should achieve its objectives safely and effectively however there are some control weaknesses but most key controls are in place and operating effectively.</p> <p> ⇒ </p>

1415.TECH.11IR Xpress
Application Implementation
Review

Implementation Review

The initial audit opinion was that limited assurance can be given that the system, process or activity will achieve its objectives safely and effectively as controls are in place but operating poorly, or controls in place are inadequate.

The revised audit opinion is that reasonable assurance can be given that the system, process or activity should achieve its objectives safely and effectively however there are some control weaknesses but most key controls are in place and operating effectively.

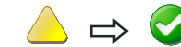


1415.STTC02FIR Legal
Compliance Further
Implementation Review

Additional Implementation
Review

The initial audit opinion was that limited assurance can be given that the system, process or activity will achieve its objectives safely and effectively as controls are in place but operating poorly, or controls in place are inadequate. This did not alter at the implementation review.

The revised audit opinion is that reasonable assurance can be given that the system, process or activity should achieve its objectives safely and effectively however there are some control weaknesses but most key controls are in place and operating effectively.



1415.FIN.11IR Income
Management Further
Implementation Review

Additional Implementation
Review

The initial audit opinion was that limited assurance can be given that the system, process or activity will achieve its objectives safely and effectively as controls are in place but operating poorly, or controls in place

The revised audit opinion is that limited assurance can be given that the system, process or activity will achieve its objectives safely and effectively as controls are in place but operating poorly, or controls in place



1415.TECH.06IR IT Change
Control Implementation
Review

Implementation Review

are inadequate.

The initial audit opinion was that limited assurance can be given that the system, process or activity will achieve its objectives safely and effectively as controls are in place but operating poorly, or controls in place are inadequate.

are inadequate.

The revised audit opinion is that reasonable assurance can be given that the system, process or activity should achieve its objectives safely and effectively however there are some control weaknesses but most key controls are in place and operating effectively.



1415.CPP.06IR Castle
Grounds/ Parks and Open
Spaces

Implementation Review

The initial opinion was that reasonable assurance can be given that the system, process or activity should achieve its objectives safely and effectively however there are some control weaknesses but most key controls are in place and operating effectively.

The revised opinion is that reasonable assurance can be given that the system, process or activity should achieve its objectives safely and effectively however there are some control weaknesses but most key controls are in place and operating effectively.



1415.AE.07IR Street
Wardens Implementation
Review

Implementation Review

The initial audit opinion was that reasonable assurance can be given that the system, process or activity should achieve its objectives safely and effectively however there are some control weaknesses but most key

The revised audit opinion is that reasonable assurance can be given that the system, process or activity should achieve its objectives safely and effectively however there are some control weaknesses but most key



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1415.AE.01IR Cemeteries
Implementation Review

Implementation Review

controls are in place and operating effectively.

The initial audit opinion was that limited assurance can be given that the system, process or activity will achieve its objectives safely and effectively as controls are in place but operating poorly, or controls in place are inadequate.

controls are in place and operating effectively.

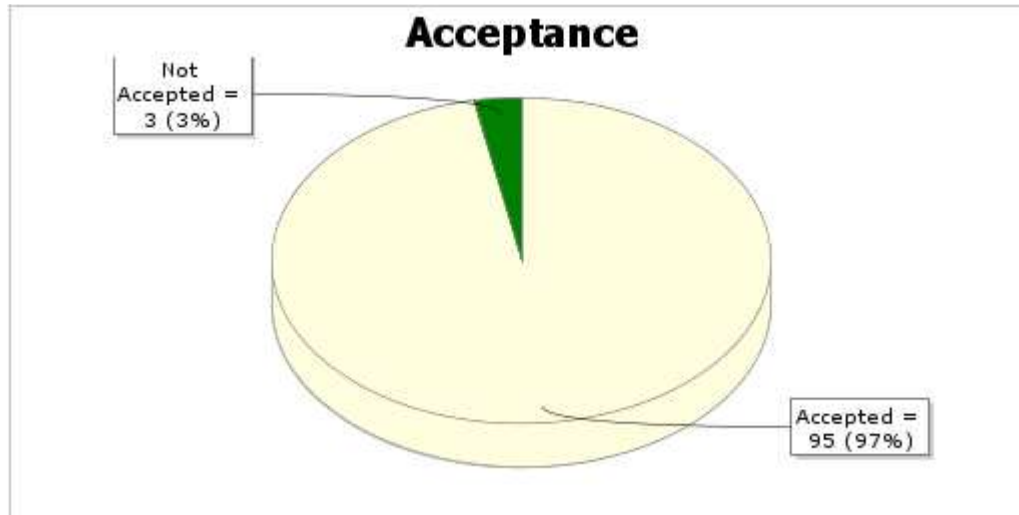
The revised audit opinion is that reasonable assurance can be given that the system, process or activity should achieve its objectives safely and effectively however there are some control weaknesses but most key controls are in place and operating effectively.



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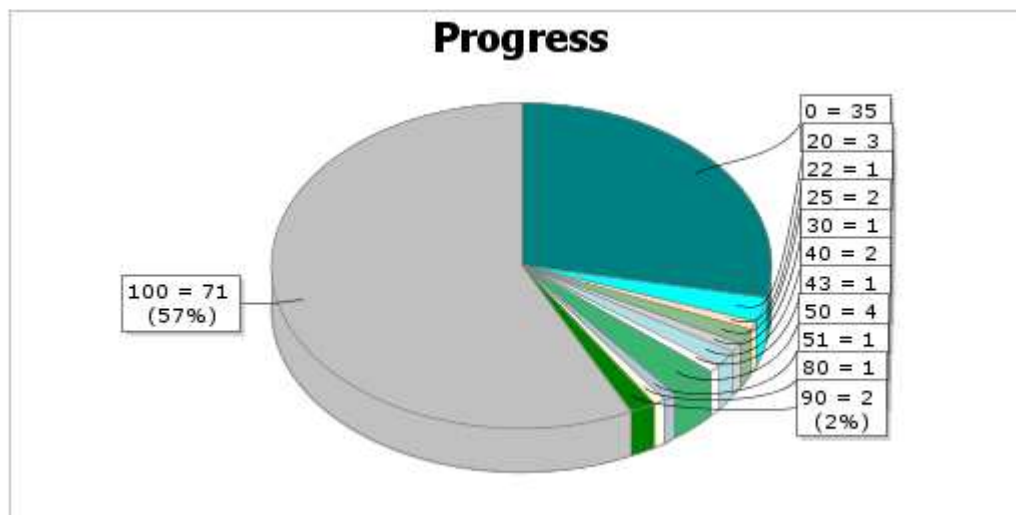
Percentage of Management Actions Agreed Qtr 4


















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Implementation Reviews Quarter 4 2014/15

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Audit Recommendation Code & Title	Audit Recommendation Status Icon	Audit Recommendation Priority	Audit Recommendation Progress Bar	Audit Recommendation Reasons Not Implemented Description
1213MobDevice1.1 Mobile Device Policy	✓	High Priority	0%	Other Higher Priorities
1314 IM 02 Inventory	✓	High Priority	0%	Other Higher Priorities
1314 IM 03 Testing for PCI compliance	✓	High Priority	0%	Other Higher Priorities
1314 IM 04 Quarterly Testing	✓	High Priority	0%	Other Higher Priorities
1314 IM 07 Paye.net administrator	✓	High Priority	0%	Other Higher Priorities

Audit Recommendation Code & Title	Audit Recommendation Status Icon	Audit Recommendation Priority	Audit Recommendation Progress Bar	Audit Recommendation Reasons Not Implemented Description
1314 IM 08 Users and Access		High Priority	<input type="text" value="0%"/>	Other Higher Priorities
1314 SAM 02 ISO 19770 Standard Requirements		High Priority	<input type="text" value="0%"/>	Other Higher Priorities
1314 SAM 02 SAM Responsibilities		High Priority	<input type="text" value="0%"/>	Financial
1314 SAM 06 Software Asset Management Tools		High Priority	<input type="text" value="0%"/>	Financial
1314 SAM 10 Licence Inventory		High Priority	<input type="text" value="0%"/>	Other Higher Priorities
1314 SAM 10 Software Inventory		High Priority	<input type="text" value="0%"/>	Staffing Resources – Temporary
1314 SAM 13 Licence reconciliations		High Priority	<input type="text" value="0%"/>	Financial
1215 CGP&OS 02.5 Raising Motor Invoices		High Priority	<input type="text" value="0%"/>	
1213 BC 6.2 Lessons Learned		Medium Priority	<input type="text" value="0%"/>	Staffing Resources – Temporary
1213MobDevice2.1 Mobile equipment security standards		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1213MobDevice2.2 Mobile equipment business case		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1314 IM 11 Money Laundering Training		Medium Priority	<input type="text" value="0%"/>	Reliance on 3rd Party – Internal
1314 SAM 01 Document Approval		Medium Priority	<input type="text" value="0%"/>	Financial
1314 SAM 01 Review of Policies, Procedures & Plans		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1314 SAM 01 Risk Register		Medium Priority	<input type="text" value="0%"/>	Financial

Audit Recommendation Code & Title	Audit Recommendation Status Icon	Audit Recommendation Priority	Audit Recommendation Progress Bar	Audit Recommendation Reasons Not Implemented Description
1314 SAM 02 Software Asset Manager		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1314 SAM 03 Policy Issue		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1314 SAM 03 Policy Versions		Medium Priority	<input type="text" value="0%"/>	
1314 SAM 04 Training		Medium Priority	<input type="text" value="0%"/>	Financial
1314 SAM 07 Cost Effectiveness		Medium Priority	<input type="text" value="0%"/>	Financial
1314 SAM 09 Records of Software Disposals		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1314 SAM 10 Inventory Reports		Medium Priority	<input type="text" value="0%"/>	Financial
1314 SAM 10 Software CD Log		Medium Priority	<input type="text" value="0%"/>	Staffing Resources – Temporary
1314 SAM 12 Hardware Asset Management Procedures		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1314 SAM 19 Security & Access Restrictions		Medium Priority	<input type="text" value="0%"/>	Financial
1314 SW 04 PDR		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1415 CGP&OS 02.2 Annual Fishing Rights Fees & Charges		Medium Priority	<input type="text" value="0%"/>	
1415 CGP&OS 02.3 Annual Fishing Rights VAT		Medium Priority	<input type="text" value="0%"/>	
1415 Change RR IT Change Control Risk Register		Medium Priority	<input type="text" value="0%"/>	
1415 Xpress 2.01 Change Management & Development Plan		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities

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AUDIT & GOVERNANCE COMMITTEE

3rd JUNE 2015

REPORT OF THE HEAD OF INTERNAL AUDIT SERVICES

ANNUAL GOVERNANCE STATEMENT & CODE OF CORPORATE GOVERNANCE

EXEMPT INFORMATION

None

PURPOSE

To inform Members of the Committee of the process followed in producing an Annual Governance Statement and revised Code of Corporate Governance in accordance with statutory requirements, and to approve the proposed draft Annual Governance Statement and Code of Corporate Governance.

RECOMMENDATIONS

That the proposed

- a) Annual Governance Statement be agreed by the Committee as appropriate for presentation to the External Auditor and for inclusion in the Annual Statement of Accounts; and
- b) Code of Corporate Governance be agreed.

EXECUTIVE SUMMARY

The Authority is required to produce a public Annual Governance Statement (AGS) in accordance with the Accounts and Audit Regulations 2009 (as amended). The AGS must be published with the Authority's Annual Statement of Accounts. The AGS is a document which sets out the arrangements within the Authority for ensuring:

1. That there is a sound and robust governance framework, that the framework is regularly reviewed; and
2. It is expected that any instances of significant shortfalls in governance issues/arrangements are referred to within the AGS.

The Accounts and Audit (Amendment) (England) Regulations 2011 require that the Statement should be considered by a Committee of the Council – the Audit and Governance Committee is charged with this function.

Guidance from the Chartered Institute of Public Finance and Accountancy (CIPFA) sets out the process by which the outcomes of the various arrangements within the Authority forming part of the governance framework should be brought together to inform the AGS. The guidance provides a

model “Assurance Gathering Process” setting out the typical expected control arrangements and gives examples of the sorts of evidence which may be available within an authority to show that these controls are in place.

Relevant officers responsible for/involved in the main assurance processes have followed a process in accordance with CIPFA’s guidance to enable the model “Assurance Gathering Process” document to be completed. Members should also note that the AGS is informed by other processes such as the annual accounts closedown process, managers’ assurance statements, external audit reviews and inspections and the Head of Internal Audit Services Annual Audit Report.

The proposed Annual Governance Statement 2014/15 arising from these processes is attached as Appendix 1 for Members’ consideration. It should be noted that the Annual Governance Statement only includes significant governance issues.

To achieve good governance, the Authority should be able to demonstrate that it is complying with the core and supporting principles contained in the guidance and should therefore develop and maintain a local code of governance appropriate to its circumstances and comprising the requirements for best practice as set out in the CIPFA/SOLACE guidance. As such the Code of Corporate Governance 2015/16 has been reviewed and is attached as Appendix 2. The Code indicates what is expected as per the CIPFA/SOLACE guidance and what we have completed to ensure that the principles of good governance are met. The Authority can demonstrate that it complies with the core and supporting principles and complies with best practice.

RESOURCE IMPLICATIONS

None

LEGAL/RISK IMPLICATIONS

Failure to produce an Annual Governance Statement would result in non-compliance with the Accounts and Audit (Amendment) (England) Regulations 2011. There is a risk that failures in Governance would not be identified.

SUSTAINABILITY IMPLICATIONS

None

BACKGROUND INFORMATION

None

REPORT AUTHOR

Angela Struthers, Head of Internal Audit Services

LIST OF BACKGROUND PAPERS

Managers Assurance Statements

APPENDICES

Appendix 1 Annual Governance Statement 2014/15

Appendix 2 Code of Corporate Governance 2015/16

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Annual Governance Statement 2014/15

Scope of Responsibility

The Authority is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Authority also has a duty under the Local Government Act 1999 (as amended) to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Authority is responsible for putting in place proper arrangements for the governance of its affairs, and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

The Authority has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. A copy of the Authority's code is on our website at http://www.tamworth.gov.uk/council_and_democracy/governance.aspx. This statement explains how the Authority has complied with the code and also meets the requirements of Accounts and Audit (England) Regulations 2011, regulation 4(3), which requires all relevant bodies to prepare an annual governance statement.

The Purpose of the Governance Framework

The Governance Framework comprises the systems and processes, culture and values by which the Authority is directed and controlled and its activities through which it is accountable to, engages with and leads its communities. It enables the Authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Authority's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.

The Governance Framework has been in place at the Authority for the year ended 31 March 2015 and up to the date of approval of the statement of accounts.

The Governance Framework

Our vision “One Tamworth, Perfectly Placed” was endorsed in 2011/12 as a single vision by this Authority along with our partners – County Council, Police, Health Service, Fire & Rescue Services, Voluntary Sector and others. The intended outcomes (corporate priorities) and actions to fulfil these are identified in the Corporate Plan. The Corporate Priorities are “To Aspire & Prosper” and “To be Healthier & Safer”. These priorities are supported by the Corporate Governance Principles of being “Approachable, Accountable and Visible” - value for money and accountability will underpin the delivery of all corporate priorities. By working with others, we will deliver services that are well-governed, ethical, effective, efficient and economically viable. To align with the corporate priorities, the Authority has “Statements of Intent” for **People, Place & Organisation**.

Some of the key elements of the systems, processes and controls that comprise the Authority’s governance arrangements are set out below in line with our statements of intent. Further details of the systems, processes and controls in place can be found in the Code of Corporate Governance therefore are not replicated in this statement.

The 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:

- Focusing on the purpose of the Authority and on outcomes for the community and creating and implementing a vision for the local area;
- Members and Officers working together to achieve a common purpose with clearly defined functions and roles;
- Promoting values for the Authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour;
- Taking informed and transparent decisions which are subject to effective scrutiny and managing risk;
- Developing the capacity and capability of Members and Officers to be effective;
- Engaging with local people and other stakeholders to ensure robust public accountability.

These principles have supporting principles identified in the Code. The Code also identifies what assurance we want and what assurance we get to ensure that these principles are in place. Links to the various supporting assurance documents are included in the Code.

People

Every year, the Authority undertakes consultation with local people on a wide range of issues. Further details can be found in the Code of Corporate Governance. In August 2013, Cabinet endorsed “Planning for a Sustainable Future” as the overarching strategy for meeting the challenges forecast for the Council’s Medium Term Financial

Strategy and a series of workstreams designed to deliver savings & efficiencies to mitigate grant & income reductions in the coming years. This includes exploring new and innovative ideas and being more commercial in our approach to business. The Council has adopted a Demand Management operating model which was developed and informed by both the current and forecast fiscal positions, the economic backdrop and potential changes to local and central government relationships arising from the national Growth & Prosperity agenda; devolution/decentralisation; local developments around integrated and locality commissioning and the needs and aspirations of local people, in particular, those most vulnerable.

The Authority's website is used to ensure that survey and consultation results and feedback is made available to stakeholders. Communication and feedback is also completed through several publications which are made available on the website including the Annual Review & Corporate Plan.

During 2014/15 the Tamworth Listens initiative was a question time event held at the Assembly Rooms on the evening of 3rd November 2014. This gave residents of Tamworth the opportunity to ask a panel of public sector representatives questions about Tamworth. The event was split into 3 themes; Healthier Communities, Safer Communities and Regeneration & Growth. The event was well attended.

The Authority has adopted a Statement of Community Involvement which sets out the Vision & Strategy for community involvement in planning. It is the Council's code of practice on how people can be expected to be involved in the planning process. It covers the production of different types of planning policy documents, and the different stages for each one.

There is a "Tell Us Scheme" in place which captures comments, compliments and complaints.

The Authority has both a moral and legal obligation to ensure a duty of care for children and vulnerable adults across its services. We are committed to ensuring that all children and vulnerable adults are protected and kept safe from harm whilst engaged in services organised and/ or provided by the Council. We do this by:

- Having a Child & Adult Protection Policy and procedures in place;
- Having child & adult protection processes which give clear, step-by-step guidance if abuse is identified;
- Safeguarding training programme in place for staff and members;
- Carrying out the appropriate level of DBS checks on staff and volunteers;
- Working closely with Staffordshire Safeguarding Children's Board & Staffordshire & Stoke-on-Trent Adult Safeguarding Partnership.

The Council has continued to develop its partnerships and joint working with health partners and has been a key player in the development of the countywide Health and Wellbeing Board. Tony Goodwin, our Chief Executive, represents all Staffordshire Chief Executives on the Board. The Health and Wellbeing Board has produced a

countywide strategy for improving health across the county and the Council is developing its approaches to deliver the aims of the strategy in Tamworth.

The Council has led on developing and implementing Locality Based Commissioning and established a fully functioning Locality Based Commissioning Board, with a dedicated governance and performance management structure.

Place

The Tamworth Strategic Partnership (TSP) is an umbrella partnership that brings together key local agencies from the public, private, voluntary and community sectors with the vision and priorities aligned to the Authority's. The TSP has in place a strategic plan, terms of reference, workstreams with lead officers and champions. Partnership Governance guidance has been developed for use in all partnerships.

Organisation

The Authority ensures accountability and openness through the publishing of the Corporate Plan and the Annual Review which detail proposed plans for the coming year and achievement of objectives for the previous year. The Annual Review also details the summary accounts for the financial year. The Statement of Accounts is made available to the public on the website both at draft and final stage. The Authority has a balanced three year medium term financial strategy. The delivery of a balanced Medium Term Financial Strategy (three years for the General Fund and five years for the Housing Revenue Account (HRA)) is a major achievement for the Council in light of the adverse economic conditions and increased financial demands from central government for service improvements in areas such as local democracy and transparency – as well as substantial reductions in Government grant support in the future.

We have a Performance Management Framework in place which brings together all of our performance information and ensures that our performance against our intended outcomes as identified in the Corporate Plan, making the best use of resources available whilst obtaining value for money, is measured, monitored and reported on a quarterly basis. Details of performance against target are made available on the Authority's website.

The Constitution and Scheme of Delegation is reviewed and approved annually at Full Council. They detail roles and responsibilities of members and the Statutory Officers and the protocol on Member/Officer relations. All new members are given induction training which covers conduct and standards of behaviour. Members and Officers are required to declare gifts and hospitality and to register their interests. A Code of Conduct for officers has been included in the revised Constitution. There is an E-Induction programme in place which includes a section on conduct. All new staff and members are required to complete an induction programme. On-going development of Members and Officers is identified through the Performance Development Review (PDR) process which is completed annually.

All members and officers are responsible for ensuring that risks are identified and appropriately managed. The authority has in place a Risk Management Strategy, which was reviewed and adopted by the Audit & Governance Committee in June 2014.

Corporate risks have been identified and are reviewed and updated on a quarterly basis. The corporate risks are owned and managed by Corporate Management Team and reported to the Audit & Governance Committee as part of the assurance process.

The Authority has in place a Counter Fraud & Corruption Policy Statement, Strategy and Guidance Notes and a Whistleblowing Policy which are available on the website. These are reviewed and revised on a regular basis.

The Authority has been undertaking a change management programme over the last three years. The corporate approach to project management has been strengthened by the strategic overview provided by a Corporate Change Board – set up in 2012/13. Given the nature and overarching significance of the “Planning for a Sustainable Future” strategic route map the Corporate Change Board provide the project management and governance arrangements to ensure the effective and timely delivery of the wide ranging actions and associated outcomes and that all necessary authorities and approvals are in place. Several members of staff have been trained in PRINCE2.

The Authority has seen an incremental shift away from the “command and control” top down management style and culture to one of a fully empowered organisation with clear lines of responsibility and accountability leading to a more outcome focused, customer driven and efficient way of working.

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 formal arrangement for options of pursuing shared service arrangements with each other.

In accordance with Section 38 of the Localism Act 2011, the Authority has updated and published a Pay Policy Statement setting out the Authority’s approach to pay for all its officers.

The Authority’s financial management arrangements conform to the governance requirements of the *CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010)*. The Executive Director Corporate Services (the Chief Financial Officer) reports directly to the Chief Executive and is a member of the Corporate Management Team (CMT). The Chief Finance Officer is professionally qualified and his main responsibilities include those set out in the CIPFA Statement on the role of the Chief Finance Officer in Local Government and also as detailed in the Constitution.

The Authority’s Assurance Arrangements conform to the governance requirements of the *CIPFA Statement on the Role of the Head of Internal Audit (2010)*. The Head of Internal Audit Services fulfils this role and is professionally qualified and reports

directly to the Executive Director Corporate Services who is a member of the Corporate Management Team.

The Solicitor to the Council fulfils the role of the Monitoring Officer, the functions of which are detailed in the Constitution and include the responsibility for ensuring that the Authority follows agreed procedures and that all applicable statutes, regulations and other relevant statements of good practice are complied with, for example, changes that have been required regarding the Localism Act 2011 and the Local Authority (Executive Arrangements) (Access to Information) Regulations 2013.

The Chief Executive fulfils the role of the Head of Paid Service, the functions of which are detailed in the Constitution.

The Audit & Governance Committee has been in place since 2006 and its role and function are laid down in the Constitution. The core functions are as identified in *CIPFA's Audit Committees: Practical Guidance for Local Authorities*. Each year, the Committee completes a self assessment against CIPFA guidance to ensure compliance. The Chair reports to the Full Council on an annual basis on the actions taken by the Committee during the year.

An Independent Remuneration Panel was established to review Member Allowances.

The Leader of the Council reported to Full Council in compliance with the Local Authorities Executive Arrangements) (Meetings & Access to Information) Regulations 2012, that no urgent executive decisions had been made for the period to 30 April 2015.

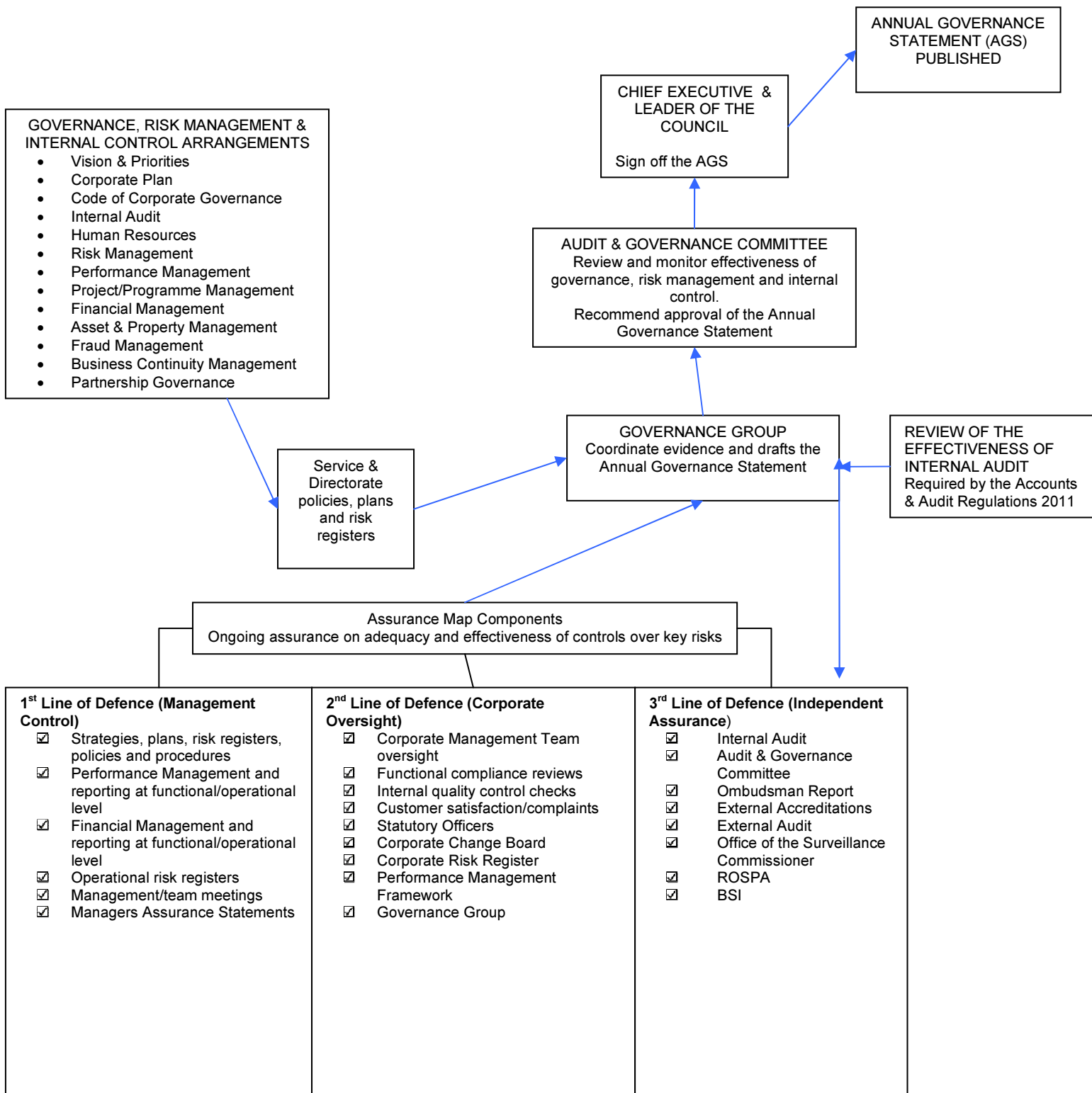
In compliance with the Localism Act 2011, two Independent persons have been appointed to join the Audit & Governance Committee when required to deal with Members Code of Conduct issues.

Procedures have been adopted for making complaints against a Councillor for an alleged breach of the Code of Conduct.

In compliance with the Openness of Local Government Bodies Regulations 2014, the Authority revised the Constitution to meet the requirements of the legislation to allow reporting at meetings and taking into account Freedom of Information Legislation changes.

The Assurance Framework

The diagram below shows how the Assurance Framework is made up.



Review of Effectiveness

The Authority has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the executive managers within the Authority who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, and also by comments made by the External Auditor's and other review agencies and inspectorates as detailed below:

- During 2014/15, the Governance Group has reviewed and updated against the principles of the CIPFA/IFAC International Framework: Good Governance in the Public Sector;
- Both the CIPFA Statement on the Role of the Chief Finance Officer and the CIPFA Statement on the Role of the Head of Internal Audit were reviewed and updated and reported to the Audit & Governance Committee;
- The Head of Internal Audit Services reports to the Audit & Governance Committee on a quarterly basis and provides an opinion on the overall effectiveness of the system of internal control based upon the work completed. For the 2014/15 financial year and 2015/16 to date, the Head of Internal Audit Services' overall opinion of the control environment at this time is that "reasonable assurance" can be given;
- From the 1st April 2013, Internal Audit are required to comply with the Public Sector Internal Audit Standards. As part of the requirement of compliance, Internal Audit are required to complete an annual self assessment against the Standards and produced 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;
- Our External Auditors report to each Audit & Governance Committee. In their Annual Audit Letter, they gave an unqualified opinion on the Statement of Account, an unqualified conclusion in respect of the Authority securing economy, efficiency and effectiveness, and an unqualified opinion on the production of the Whole of Government Accounts;
- The Ombudsman report (July 2014) on the enquiries and complaints they received in 2013/14. In total, they received 26 enquiries/complaints of which 5 required detailed investigation with 3 being upheld;
- Managers Assurance Statements have been completed and have not identified any significant control issues;

- The Corporate Risk Register is owned and reviewed on a quarterly basis by the Corporate Management Team and reported in the Quarterly Healthcheck;
- The Performance Management Framework ensures that the financial healthcheck is reported to Cabinet on a quarterly basis and made readily available on the Authority's website;
- The Authority retained The Code of Connection Certificate after completing an annual assessment against the Code which included assessments against governance, service management and information assurance conditions. Compliance with the Code of Connection ensures access to the Public Services Network;
- In July 2014, the Office of the Surveillance Commissioner completed an assessment of the Authority's RIPA policy and procedures, the results of which were reported to Council;
- Internal Audit completes an annual assessment of the risk of fraud. An assessment against the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption has been completed. Having considered all of the principles, we are satisfied that, subject to the action identified (the adoption of a Cyber Security Policy), the authority has adopted a response that is appropriate for its fraud and corruption risks and commits to maintain its vigilance to tackle fraud.

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 in accordance with the governance framework. The significant governance issues already addressed and those to be specifically addressed with new actions planned are outlined in the attached **Annex 1**. Other minor issues highlighted through the assurance gathering process have been noted with planned actions to address these issues. Monitoring of the completion of 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

D Cook

A E Goodwin

Leader

Chief Executive

Date

On behalf of the Authority

This information can be produced on request in other formats and languages. Please contact Internal Audit Services on 01827 709234 or email enquiries@tamworth.gov.uk

This is an electronic copy without an electronic signature. The original was signed as dated above and a copy can be obtained from the Executive Director Corporate Services.

Significant Governance Issues 2014/15

The significant governance issues identified in relation to the Authority achieving its vision in 2014/15 are:

No	Issue	Action	Update
1	<p>Medium Term Financial Strategy (MTFS)</p> <p>Whilst actions have been taken to ensure that the MTFS remains balanced, this is still a significant risk to the Authority.</p>	<p>Review on a regular basis the plans in place to deliver the MTFS to ensure that plans remain realistic and achievable including development of the Sustainability Strategy to address future financial constraints.</p>	<p>Quarterly updates are provided to Cabinet as part of the Performance Management Framework and include the delivery of planned savings, additional NDDR income and government grants.</p>
2	<p>Town Centre Redevelopment</p> <p>The Authority is progressing plans for the redevelopment of the Town Centre.</p>	<p>Maintain and review plans on a regular basis to ensure that they can be delivered in accordance with the MTFS.</p>	

3	<p>Housing Regeneration</p> <p>An in-depth study of council housing in Tamworth has identified that some housing in Tinkers Green in Wilnecote and the Kerria Centre in Amington was unpopular with residents, outdated and unsuitable for current housing needs.</p>	<p>The regeneration of Tinkers Green and Kerria areas are progressing well with Development Consultants appointed and currently developing master planning proposals. These will be submitted for approval by the Council's Planning Committee later this year. It is anticipated that the project will move to detailed design stages during 2015 and a developer procured during this period.</p>	
4	<p><u>Golf Course redevelopment</u></p> <p>Following Cabinet approval a project has been established to investigate and implement the redevelopment of the site for housing including the provision of significant open space. A project team has been established and external support procured to instigate the site constraints and prepare for an outline planning application prior to a sale of the site. Note some land will be withheld by the Council for public open space.</p>	<p>Work continues to deliver the high level project plan as approved by Cabinet.</p>	

5	Cyber Security Policy A Cyber Security Policy should be adopted.	Work is progressing on the development and future adoption of a Cyber Security Policy.	
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TAMWORTH BOROUGH COUNCIL

CODE OF CORPORATE GOVERNANCE 2015/16

Introduction

Good Governance is about how the Authority ensures that it is doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.

It comprises the systems and processes, and culture and values, by which local government bodies are directed and controlled and through which they account to, engage with and, where appropriate, lead their communities.

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 which build on the Seven Principles of Public Life (see **Annex 1**). It is also underpinned by the Council's shared values – Approachable, Accountable and Visible.

- Focusing on the purpose of the Authority and on outcomes for the community and creating and implementing a vision for the local area;
- Members and Officers working together to achieve a common purpose with clearly defined functions and roles;
- Promoting values for the Authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour;
- Taking informed and transparent decisions which are subject to effective scrutiny and managing risk;
- Developing the capacity and capability of Members and Officers to be effective;
- Engaging with local people and other stakeholders to ensure robust public accountability.
- Compliance and continuous improvement with the relevant regulatory codes such as the landlord co-regulatory framework for the Councils own housing stock

This Code describes how the Council demonstrates its commitment to these six principles and indicates what the Council has completed to achieve the commitment.

Core Principle 1: Focusing on the purpose of the Authority and on outcomes for the community and creating and implementing a vision for the local area.

Supporting Principles	What Assurance Do We Want	What Assurance Do We Get
<p>1.1 Exercising strategic leadership by developing and clearly communicating the Authority's purpose and vision and its intended outcome for citizens and service users.</p>	<p>Develop and promote the Authority's purpose and vision</p> <p>Review on a regular basis the Authority's vision for the local area and its implications for the Authority's governance arrangements.</p> <p>Ensure that partnerships are underpinned by a common vision of their work that is understood and agreed by all partners.</p> <p>Publish an annual report on a timely basis to communicate the Authority's activities and achievements, its financial position and performance.</p>	<p>The shared vision "One Tamworth, Perfectly Placed" and corporate priorities have been developed with our partner organisations so that the strategic priorities of all organisations are more closely aligned to the needs of the community based upon the most recent data and intelligence provided by each organisation. In addition, the view of Tamworth residents helped shape the priorities.</p> <p>The Authority has seen an incremental shift away from the "command and control" top down management style and culture to one of a fully empowered organisation with clear lines of responsibility and accountability leading to a more outcome focused, customer driven and efficient way of working.</p> <p>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 formal arrangement for options of pursuing shared service arrangement with each other.</p> <p>Every year, the Authority undertakes consultation with local people on a wide range of issues. The consultations undertaken during 2014/15 included budget consultation .</p>

Supporting Principles	What Assurance Do We Want	What Assurance Do We Get
		<p>“Tamworth Listens” is another consultation exercise of which the results feed into the “State of Tamworth Debate”. A consultation exercise for the 2015/16 budget process was completed to gauge residents’, business and other core stakeholders’ views on the Council’s priorities to achieve the “Vision” considering areas of spending or where savings could be potentially be made. As part of this consultation exercise, a question time event was held for residents to attend and ask questions.</p> <p>Other surveys completed include the Local Council Tax Reduction Scheme and the Draft Local Plan. There is a dedicated Economic Development website for business advice.</p> <p>In terms of the councils own housing stock and in compliance with the regulatory framework members have approved a regulatory framework ensuring tenants are plugged into the democratic process and have the opportunity to inform, share and influence key strategic decisions</p> <p>There is a Tenant Involvement and Consultation Strategy in place. A Tenants Conference also took place in March 2014 and will take place bi-annually. 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</p>

Supporting Principles	What Assurance Do We Want	What Assurance Do We Get
		<p>small number delivered to the 11 Housing Sheltered schemes around the Borough.</p> <p>The Vision is used as a basis for the Corporate Plan and service delivery plans which are reviewed on an annual basis.</p> <p>There is a Communication Strategy which details the way that the Authority communicates with the local community to better informed regarding their needs and aspirations.</p> <p>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, workstreams, a commissioning framework. Agenda and minutes are made available on the Authority's website.</p> <p>The Authority produces an Annual Review and Corporate Plan. Performance against the Corporate Plan is reported on a quarterly basis. During 2014/15, this included reporting upon the impact of Welfare Benefit Report. Going forward, we will reporting on Sustainability Strategy and the LGA Peer Challenge High Level Action Plan. The Statement of Accounts and the Annual Audit Report are made available on the website.</p> <p>The Medium Term Financial Strategy outlines how finances will be used over the coming three years. It has been recognised</p>

Supporting Principles	What Assurance Do We Want	What Assurance Do We Get
		<p>that there is a need to focus on strategic decisions relating to high level financial issues as flexibility within future budgets will be extremely limited following significant constraints in public spending (post grant reductions and the Comprehensive Spending Review) and the uncertainty arising from the Business rate retention, changes in Support for Council Tax and technical reforms to Council Tax and other changes arising from the Government's Welfare Reform agenda. In August 2013, Cabinet endorsed "Planning for a Sustainable Future" as the overarching strategy for meeting the challenges forecast for the Council's Medium Term Financial Strategy and a series of workstreams designed to deliver savings & efficiencies to mitigate grant & income reductions in the coming years. This includes exploring new and innovative ideas and to be more commercial in our approach to business.</p> <p>By following a robust recovery process, the Council has recovered the vast majority of the money invested in the Icelandic Banks.</p> <p>A quarterly performance report is presented to Cabinet which provides information on:</p> <ul style="list-style-type: none"> ● Corporate Plan scorecard of performance indicators ● High level corporate plan actions ● Performance Management Framework ● Corporate risks

Supporting Principles	What Assurance Do We Want	What Assurance Do We Get
		<ul style="list-style-type: none"> • Financial matters. • Live performance data via the customer dashboard on the Councils website
<p>1.2 Ensuring that users receive a high quality of service whether directly, or in partnership, or by commissioning.</p>	<p>Decide how the quality of service for users is to be measured and make sure that the information needed to review service quality effectively and regularly is available.</p> <p>Put in place effective arrangements to identify and deal with failure in service delivery.</p>	<p>Corporate plan actions and performance indicators are in place and available on the website. Performance is reported on a quarterly basis.</p> <p>Consultation with the local community to identify their priorities is completed through Budget Consultation and Tamworth Listens as well as other on-going consultation activities such as tenant forums, place surveys etc.</p> <p>The Authority has in place a Tell Us Scheme which provides an avenue for services users to provide feedback on the services provided. This can either be in the form of comments, compliments or complaints. Guidance available about complaints refers to 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 Audit & Governance Committee.</p>

Supporting Principles	What Assurance Do We Want	What Assurance Do We Get
<p>1.3 Ensuring that the Authority makes best use of resources and that tax payers and service users receive excellent value for money.</p>	<p>Decide how value for money is to be measured and make sure that the Authority or partnership has the information needed to review value for money and performance effectively.</p> <p>Measure the environmental impact of policies, plans and decisions.</p>	<p>The Authority has approved a Procurement Strategy for 2013/14 to 2015/16 which is supported by an improvement and action plan.</p> <p>Various departments within the Authority complete benchmarking exercises.</p> <p>The Authority has been undertaking a change management programme over the last three years. The corporate approach to project management has been strengthened by the strategic overview provided by a Corporate Change Board – set up in 2012/13. Given the nature and overarching significance of the “Planning for a Sustainable Future” initiative, the Corporate Change Board provide the project management and governance arrangements to ensure the effective and timely delivery of the wide ranging actions and associated outcomes and that all necessary authorities and approvals are in place.</p> <p>All implications relating to the decisions to be made are identified in the report so that members are aware of the implications of taking that decision.</p>

2. Members and officers working together to achieve a common purpose with clearly defined functions and roles

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
<p>2.1 Ensuring effective leadership throughout the Authority and being clear about executive and non-executive functions and of the roles and responsibilities of the scrutiny function.</p>	<p>Set out a clear statement of the respective roles and responsibilities of the executive and of the executive's members individually and the Authority's approach towards putting this into practice.</p> <p>Set out a clear statement of the respective roles and responsibilities of other Authority members, members generally and senior officers.</p>	<p>The Constitution defines and documents the roles and responsibilities of the Executive (the Cabinet) and other non-executive committees. The Constitution details delegation arrangements, codes of conduct and protocols for member/officer relations. The Constitution also contains procedural rules, standing orders and financial regulations as well as the statutory roles of Head of Paid Service, Chief Finance Officer and Monitoring Officer. All Statutory officers are members of the Corporate Management Team.</p> <p>The Forward Plan is produced monthly and contains details of all reports going to Cabinet that are key decisions of the Authority.</p>
<p>2.2 Ensuring that a constructive working relationship exists between Authority members and officers and that the responsibilities of members and officers are carried out to a high standard.</p>	<p>Determine a scheme of delegation and reserve powers within the Constitution, including a formal schedule of those matters specifically reserved for collective decision of the Authority taking account of relevant legislation and ensure that it is monitored and updated when required.</p>	<p>The Scheme of Delegation is included in the Constitution and is reviewed annually and approved by Full Council.</p> <p>Standing Orders, Financial Regulations and Financial Guidance are reviewed on a regular basis. The last review was approved by the Audit & Governance Committee in June 2014.</p> <p>The functions of the Chief Executive are detailed within the Constitution. The Chief Executive has a Performance Development Review with Cabinet.</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
	<p>Make a Chief Executive or equivalent responsible and accountable to the Authority for all aspects of operational management.</p> <p>Develop protocols to ensure that the leader and chief executive (or equivalent) negotiate their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained.</p> <p>Make a senior officer (the Section 151 officer) responsible to the Authority for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control.</p> <p>Make a senior officer (usually the monitoring officer) responsible to the Authority for</p>	<p>The Authority's Financial Management Arrangements conform with the governance requirements of the <i>CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010)</i>. The Executive Director Corporate Services (the Chief Financial Officer) reports directly to the Chief Executive and is a member of the Corporate Management Team (CMT). The Executive Director Corporate Services is professionally qualified (FCCA) and his main responsibilities include those set out in the CIPFA Statement on the role of the Chief Finance Officer in Local Government. The functions of the Chief Finance Officer are detailed in the Constitution.</p> <p>The Authority's Assurance Arrangements conform with the governance requirements of the <i>CIPFA Statement on the Role of the Head of Internal Audit (2010)</i>. The Head of Internal Audit Services fulfils this role. She is professionally qualified (CMIIA) and reports directly to the Executive Director Corporate Services who is a member of the Corporate Management Team. Internal Audit comply with the Public Sector Internal Audit Standards (PSIAS) and complete an annual Quality Assurance and Improvement Programme (QAIP)</p> <p>The Solicitor to the Council fulfils the role of the Monitoring</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
	ensuring that agreed procedures are followed and that all applicable statutes and regulations are complied with.	Officer. The functions of the Monitoring Officer are detailed in the Constitution and include the responsibility for ensuring that the Council follows agreed procedures and that all applicable statutes, regulations and other relevant statements of good practice are complied with for example changes that have been required regarding the Localism Act 2011 and the Local Authority (Executive Arrangements) (Access to Information) Regulations 2013.
2.3 Ensuring relationships between the Authority, its partners and the public are clear so that each knows what to expect of the other.	<p>Develop protocols to ensure effective communication between members and officers in their respective roles.</p> <p>Set out the terms and conditions for remuneration of members and officers and an effective structure for managing the process including an effective remuneration panel.</p> <p>Ensuring that effective mechanisms exist to monitor service delivery.</p> <p>Ensure that the organisation's</p>	<p>The Protocol on Members/Officers Relations is detailed within the Constitution which is reviewed and approved annually. Members are required to abide by the Code of Conduct which is laid down in the Constitution and to abide by the Principles of Public Life.</p> <p>There is a Members Remuneration Scheme in place which is reviewed on a regular basis by an Independent Panel. The last review was completed in 2013.</p> <p>All officers are subject to a job evaluation process. There is a Pay Policy Statement in place which is reviewed on a regular basis.</p> <p>The shared vision "One Tamworth, Perfectly Placed" and corporate priorities have been developed with our partner organisations so that the strategic priorities of all organisations are more closely aligned to the needs of the community based</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
	<p>vision, strategic plans, priorities and targets are developed through robust mechanisms, and in consultation with the local community and other key stakeholders, and that they are clearly articulated and disseminated.</p> <p>When working in partnership, ensure that members are clear about their roles and responsibilities both individually and collectively in relation to the partnership and to the Authority.</p> <p>Ensure that there is clarity about the legal status of the partnership.</p> <p>Ensure that representatives or organisations both understand and make clear to all other partners the extent of their authority to bind their organisation to partner decisions.</p>	<p>upon the most recent data and intelligence provided by each organisation. In addition, the view of Tamworth residents helped shape the priorities.</p> <p>Every year, the Authority undertakes consultation with local people on a wide range of issues. The consultation undertaken during 2014/15 included Budget Consultation, Local Council Tax Reduction Scheme and the Draft Local Plan .</p> <p>“Tamworth Listens” is another consultation exercise of which the results feed into the “State of Tamworth Debate”.</p> <p>.</p> <p>The Vision is used as a basis for the Corporate Plan and service delivery plans which are reviewed on an annual basis.</p> <p>There is a Communication Strategy which details the way that the Authority communicates with the local community to learn more about their needs and aspirations.</p> <p>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, workstreams, a commissioning framework. Agenda and minutes are made available on the Authority’s website.</p> <p>The Greater Birmingham and Solihull Local Enterprise Partnership has governance arrangements in place in relation to</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
		<p>the management of the Single Local Growth Fund.</p> <p>The Authority has in place a Partnership Guidance Policy and Toolkit which is designed to help the Council work with its partners to ensure that all partnerships have good systems of governance. This toolkit ensures that:</p> <ul style="list-style-type: none"> • The Council is clear about its purpose and can clearly define its expected outcomes for the people of Tamworth when entering into partnerships; • The Council's own agreed priorities and objectives are being met; • There is clarity about accountability and responsibility for outcomes; • Partnership activity and outcomes are monitored, reviewed and evaluated; • Risks for the Council and for the Partnership are assessed and agreed; • Each Partnership has a clear focus during its lifetime and has in place an effective exit strategy; • Partnerships are empowered and their legal status understood; • Reviews are undertaken to evaluate success and promote progression and improved effectiveness. <p>A Memorandum of Understanding relating to potential shared services with Lichfield District Council has been endorsed to</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
		<p>replace the existing, informal arrangement and shows commitment onto a more secure footing and thus provide each Authority with the initial option of pursuing a shared service arrangement with the other. This is neither a contractual agreement nor a legally binding arrangement but is viewed as a clear demonstration of trust and confidence and a commitment to build upon existing successes.</p> <p>In producing the Local Plan, we have worked in partnership with neighbouring authorities to discharge the duty to co-operate resulting in cross boundary issues to be addressed.</p>

3. Promoting values for the Authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
<p>3.1 Ensuring Authority members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance</p>	<p>Ensure that the Authority's leadership sets a tone for the organisation by creating a climate of openness, support and respect.</p> <p>Ensure that standards of conduct and personal behaviour expected of members and staff, of work between members and staff and between the Authority, its Partners and the Community are defined and communicated through codes of conduct and protocols.</p> <p>Put in place arrangements to ensure that members and employees of the Authority are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and put in place appropriate processes to ensure that they continue to operate in practice.</p>	<p>There is a Members Code of Conduct in place as well as a protocol on Member/Officer relations. The Officers Code of Conduct is detailed in the revised Constitution which was approved by Council in September 2014.</p> <p>The Constitution details Rules of Procedures for Committee meetings. Codes and protocols also include Gifts & Hospitality and Register of Interests.</p> <p>Complaints received about Members Conduct are administered by the Monitoring Officer. Following the Localism Act, the Standards Committee has been abolished and all the functions relating to standards of conduct as provided in the Localism Act are now dealt with by the Audit & Governance Committee. Two independent members have been appointed to sit on the Committee for Standards issues.</p> <p>There is a complaints procedure in place (the "Tell Us" Scheme) for comments, complaints and complements on service delivery.</p> <p>Personal Development Reviews are completed annually for staff.</p> <p>The Counter Fraud & Corruption Policy Statement, Strategy &</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
		<p>Guidance Notes and the Whistleblowing Policy are reviewed and updated on a regular basis. The last review was completed during 2013/14 and both were approved by the Audit & Governance Committee on the 31st October 2013 and by Full Council on the 17th December 2013. Both policies are available on the Council's website and the staff intranet. The E learning package has been used to develop governance awareness training which includes awareness around counter fraud arrangements and Whistleblowing. This package will be rolled out to staff and members in 2015/16. The Counter Fraud and Corruption Policy Statement & Strategy will be reissued to staff via the NetConsent Policy Management system as the E Learning is rolled out. Staff are required to accept the policy via NetConsent.</p> <p>Both Members and Officers complete induction training. Training in specialised areas is provided to Members and during.</p> <p>Officers complete an annual Personal Development Review (PDR). 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. A staff annual general meeting is held which is well attended.</p> <p>Standing Orders, Financial Regulations and Financial Guidance</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
		<p>are reviewed and updated on a regular basis.</p> <p>Staff are required to Register Interests, secondary employment and declare Gifts & Hospitality as per the Code of Conduct.</p> <p>All children and vulnerable adults have the right to live their lives to the fullest potential, to be protected, to have the opportunity to participate in and enjoy any activity, and to be treated with dignity and respect.</p> <p>The Authority has both a moral and legal obligation to ensure a duty of care for children and vulnerable adults across its services. We are committed to ensuring that all children and vulnerable adults are protected and kept safe from harm whilst engaged in services organised and provided by the Council. We do this by:</p> <p>Having a Child & Adult Protection Policy and procedures in place</p> <p>Having child & adult protection processes which give clear, step-by-step guidance if abuse is identified</p> <p>Safeguarding training programme in place for staff and members</p> <p>Carrying out the appropriate level of DBS checks on staff and</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
		<p>volunteers</p> <p>Working closely with Staffordshire Safeguarding Children Board & Staffordshire & Stoke-on-Trent Adult Safeguarding Partnership</p> <p>The Harassment, Assault & Threats Procedure was reviewed and updated in 2013/14.</p>
<p>3.2 Ensuring that organisational values are put into practice and are effective</p>	<p>Develop and maintain shared values including leadership values for both the organisation and staff reflecting public expectation, and communicate these with members, staff, the community and partners.</p> <p>Put in place arrangements to ensure that systems and processes are designed in conformity with appropriate ethical standards, and monitor their continuing effectiveness in practice.</p> <p>Develop and maintain an effective standards committee.</p>	<p>There is a Members Code of Conduct in place which they sign up to and update their interests annually as well as a protocol on Member/Officer relations. All members received training on the Code of Conduct. The Officers Code of Conduct was approved by the Staffing & Appointment Committee in May 2013 and issued to each member of staff through the NetConsent system for their acceptance.</p> <p>The Seven Principles of Public Life are detailed within the Counter Fraud & Corruption Policy Statement, Strategy & Guidance Notes which has been issued to staff through NetConsent. They are also detailed with the Members Code of Conduct.</p> <p>Under the Localism Act, the Standards Committee regime has been abolished with the duties relating to members conduct now being completed by the Monitoring Officer and the Audit & Governance Committee. Two independent members have</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
	<p>Use the organisation's shared values to act as a guide for decision making and as a basis for developing positive and trusting relationships within the Authority.</p> <p>In pursuing the vision of a partnership, agree a set of values against which decision making and actions can be judged. Such values must be demonstrated by partners' behaviour both individually and collectively.</p>	<p>been appointed to sit on the Committee for conduct issues. The Whistleblowing Policy is available on the Intranet and Website.</p> <p>The Chair of the Audit & Governance Committee reports to Full Council on an annual basis.</p> <p>The Annual Review & Corporate Plan details the Vision and Corporate Priorities. It details achievements and plans for the current financial year and looks back at the achievements of the previous year's plan. Performance against the Corporate Plan is reported on a quarterly basis.</p> <p>Partnership Governance guidance is in place.</p>

4. Taking informed and transparent decisions which are subject to effective scrutiny and managing risk

Supporting Principle	What Assurance Do We Want:	What Assurance Do We Get
<p>4.1 Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny</p>	<p>Develop and maintain an effective scrutiny function which encourages constructive challenge and enhances the Authority's performance overall and that of any organisations for which it is responsible.</p> <p>Develop and maintain open and effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based.</p> <p>Put in place arrangements to safeguard members and employees against conflicts of interest and put in place appropriate processes to ensure that they continue to operate in practice.</p> <p>Develop and maintain an effective audit committee (or</p>	<p>The Council has in place two Scrutiny Committees – Aspire and Prosper and Healthier and Safer which provide effective scrutiny to the achievement of the strategic priorities.</p> <p>Agendas and minutes for the Scrutiny Committees are made available on the Council's website and reported to the Full Council. Each Chair of the Scrutiny Committees reports annually to Full Council.</p> <p>An effective Internal Audit function is resourced and maintained with performance reported to the Audit & Governance Committee. Internal Audit work in accordance to the Public Sector Internal Audit Standards (PSIAS) and complete an annual Quality Assurance & Improvement Programme (QAIP).</p> <p>Article 13 of the Constitution details about Decision Making. All decisions made are recorded in the minutes of the meeting held. Agenda items are submitted providing advice on the reaching of the decisions.</p> <p>A Members Code of Conduct is in place. Members are required to declare interests at the start of meetings. Requests for, and any declarations received are recorded in the minutes of the meeting.</p> <p>There is an Audit & Governance Committee in place for which</p>

Supporting Principle	What Assurance Do We Want:	What Assurance Do We Get
	<p>equivalent) which is independent of the executive and scrutiny functions or make other appropriate arrangements for the discharge of the function of such a committee.</p> <p>Ensure that effective, transparent and accessible arrangements are in place for dealing with complaints.</p>	<p>the terms of reference and membership are detailed in the Constitution. Training is provided to the Members of the Committee.</p> <p>The Council's complaints system is the "Tell Us" scheme. Complaints are investigated internally. If the complainant is still not satisfied they can go to the Ombudsman. Details of this complaints procedure is contained on the website.</p>
<p>4.2 Having good-quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs</p>	<p>Ensure that those making decisions, whether for the Authority or the partnership, are provided with information that is fit for purpose – relevant, timely and gives clear explanations of technical and financial issues and their implications.</p> <p>Ensure that proper professional advice on matters that have legal or financial implications is available and recorded well in advance of decision making</p>	<p>Detailed agenda items are presented to the Committees. Legal and financial implications are noted on the agenda items. The Authority uses a computerised package "Mod Gov" for the production of Committee reports which requires implications of the report to be identified.</p> <p>Decisions made are published in the minutes of the meeting.</p> <p>Publications of agendas and reports are completed to a laid down timetable.</p> <p>The Forward Plan is published monthly and details the key decisions to be made over the next 4 months.</p>

Supporting Principle	What Assurance Do We Want:	What Assurance Do We Get
	and used appropriately.	<p>The Authority complies with the <i>CIPFA Statement on the Role of the Chief Financial Officer in Local Government</i> and this is reported in the Annual Governance Statement.</p> <p>Professional guidance is sourced through appropriate channels to support gaps in skills/resources.</p>
4.3 Ensuring that an effective risk management system is in place.	<p>Ensure that risk management is embedded into the culture of the Authority, with members and managers at all levels recognising that risk management is part of their jobs.</p> <p>Ensure that effective arrangements for Whistleblowing are in place to which officers, staff and all those contracting with or appointed by the Authority have access.</p>	<p>The Authority has in place a Risk Management Policy & Strategy. Regular reviews and updates are completed, with the last review approved by the Audit & Governance Committee in June 2014. Quarterly risk management reports are presented to the Audit & Governance Committee. There is a Corporate Risk Register which is owned by the Corporate Management Team and reviewed quarterly. Operational risk registers are owned by managers and recorded on the Covalent risk management system which are linked to the performance module and service business plans. Internal Audit work with managers to help them identify their risks and record them on the Covalent system. The Internal Audit plan takes into account the identified risks on the risk registers.</p> <p>The Authority retained The Code of Connection Certificate after completing an annual assessment against the Code which included assessments against governance, service management and information assurance conditions.</p>

Supporting Principle	What Assurance Do We Want:	What Assurance Do We Get
		<p>Compliance with the Code of Connection ensures access to the Public Services Network.</p> <p>Contract standing orders, financial regulations and financial guidance are in place and reviewed and updated on a regular basis. Counter fraud arrangements are in place and reviewed and updated on a regular basis. Counter fraud documents (including the Whistleblowing Policy) are made available to members of the public through the Authority's website.</p>
4.4 Using their legal powers to the full benefit of the citizens and communities in their area	<p>Actively recognise the limits of lawful activity placed on them by, for example, the ultra vires doctrine, but also strive to utilise their powers to the full benefit of their communities.</p> <p>Recognise the limits of lawful action and observe both the specific requirements of legislation and the general responsibilities placed on Local Authorities by public law.</p> <p>Observe all specific legislative requirements placed upon</p>	<p>There is a Constitution in place which is reviewed and approved annually by Full Council. The Constitution details the provision for The Monitoring Officer and the Statutory provision of the Council.</p> <p>There is a record of legal advice provided by officers.</p> <p>Details of the Monitoring Officer role is detailed within the Constitution.</p>

Supporting Principle	What Assurance Do We Want:	What Assurance Do We Get
	<p>them, as well as the requirements of general law, and in particular to integrate the key principles of good administrative law – rationality, legality and natural justice – into their procedures and decision-making processes.</p>	

5. Developing the capacity and capability of members and officers to be effective

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
<p>5.1 Making sure that members and officers have the skills, experience and resources they need to perform well in their roles</p>	<p>Provide induction programmes tailored to individual needs and opportunities for members and officers to update their knowledge on a regular basis.</p> <p>Ensure that the statutory officers have the skills, resources to perform effectively in their roles and that these roles are properly understood throughout the Authority.</p>	<p>There are training and development plans in place for members and officers. Officers training and development is identified through the Personal Development Review(PDR).</p> <p>The recruitment process ensures that skills, and knowledge are measured and tested appropriately.</p> <p>There is an E-Induction programme in place which is available to both officers and members.</p> <p>Job descriptions and personal specifications are in place for all posts and reviewed as required.</p> <p>All Statutory Officers are members of CMT.</p> <p>Job descriptions for members are included in the recently revised Constitution. 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.</p>
<p>5.2 Developing the capability of people with governance responsibilities and</p>	<p>Assess the skills required by members and officers and make a commitment to develop those skills to enable roles to</p>	<p>Training and development plan which is developed through the PDR process. This process is in place for all officers</p> <p>Members training is provided on induction and in specialist areas.</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
evaluating their performance, as individuals and as a group	<p>be carried out effectively.</p> <p>Developing skills on a continuing basis to improve performance, including the ability to scrutinise and challenge and to recognise when outside expert advice is needed.</p> <p>Ensure that arrangements are in place for reviewing the performance of the Executive as a whole and of individual members and agreeing an action plan, which might for example aim to address any training or development needs.</p>	Regular training is provided for the Regulatory Committees.
5.3 Encouraging new talent for membership of the Authority so that best use can be made of individual skills and resources in balancing	Ensure that effective arrangements are in place designed to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the Authority.	The shared vision " One Tamworth, Perfectly Placed " and corporate priorities have been developed with our partner organisations so that the strategic priorities of all organisations are more closely aligned to the needs of the community based upon the most recent data and intelligence provided by each organisation. In addition, the view of Tamworth residents helped shape the priorities.

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
continuity and renewal	Ensure that career structures are in place for members and officers to encourage participation and development.	<p>Every year, the Authority undertakes consultation with local people on a wide range of issues. The consultation undertaken during 2013/14 included budget consultation.</p> <p>“Tamworth Listens” is another consultation exercise of which the results feed into the “State of Tamworth Debate”. As part of this consultation exercise, a question time event was held for residents to attend and ask questions.</p> <p>Other consultations completed include, Local Council Tax Reduction Scheme and the Draft Local Plan.</p> <p>There is a Tenant Involvement and Consultation Strategy in place. A Tenants Conference also took place in March 2014 and will take place bi-annually. 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.</p> <p>There is a Communication Strategy which details the way that the Authority communicates with the local community to learn more about their needs and aspirations.</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
		<p>Social media channels are being used to encourage more participation.</p> <p>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, workstreams, a commissioning framework. Agenda and minutes are made available on the Authority's website.</p> <p>The Succession planning process will over the next few months be supported by the further development of the iTrent HR/Payroll system. Generic core competencies will be assigned to roles which will enable PDRs to be more focussed, co-ordinated and delivered.</p>

6. Engaging with local people and other stakeholders to ensure robust public accountability

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
<p>6.1 Exercising leadership through a robust scrutiny function which effectively engages local people and all local institutional stakeholders, including partnerships, and develops constructive accountability relationships</p>	<p>Make clear to themselves, all staff and the community to whom they are accountable and for what.</p> <p>Consider those institutional stakeholders to whom the Authority is accountable and assess the effectiveness of the relationships and any changes required.</p> <p>Produce an annual report on the activity of the scrutiny function.</p>	<p>The Tamworth Strategic Partnership is in place.</p> <p>There is a consultation strategy in place. Members of the public are able to comment on various consultation exercises completed(see 5.3) which are displayed on the website. In addition, members of the public are actively encourage to become members of various consultation groups. Consultation feedback is made available on the website.</p> <p>The Authority has two Scrutiny Committees – Aspire and Prosper and Healthier and Safer. The Committees join together to scrutinise the budget.</p> <p>The Aspire and Prosper Committee undertakes a strategic role in the review and scrutiny of the performance of the Council in relation to its policy objectives and performance targets. This will include the Council’s overall financial management and the overall performance of the Council.</p> <p>The Healthier and Safer Committee reviews and scrutinises the performance and functions of other public bodies, statutory undertakers or other such organisations, including voluntary and not for profit institutions, who provide or facilitate the provision of public services within the Borough</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
		An annual report on the work completed by the Scrutiny Committees is reported to Full Council.
6.2 Taking an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service delivery whether directly by the Authority, in partnership or by commissioning	<p>Ensure clear channels of communication are in place with all sections of the community and other stakeholders, including monitoring arrangements, and ensure that they operate effectively.</p> <p>Ensure that arrangements are in place to enable the Authority to engage with all sections of the community effectively. These arrangements should recognise that different sections of the community have different priorities and establish explicit processes for dealing with these competing demands.</p> <p>Establish a clear policy on the types of issues on which they will meaningfully consult on or engage with the public, and</p>	<p>The shared vision "One Tamworth, Perfectly Placed" and corporate priorities have been developed with our partner organisations so that the strategic priorities of all organisations are more closely aligned to the needs of the community based upon the most recent data and intelligence provided by each organisation. In addition, the view of Tamworth residents helped shape the priorities.</p> <p>Every year, the Authority undertakes consultation with local people on a wide range of issues. The consultations undertaken during 2014/15 included Budget Consultation, Local Council Tax Reduction Scheme and the Draft Local Plan.</p> <p>"Tamworth Listens" is another consultation exercise of which the results feed into the "State of Tamworth Debate".</p> <p>There is a Communication Strategy which details the way that the Authority communicates with the local community to learn more about their needs and aspirations.</p> <p>Social media channels are being used to encourage more participation.</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
	<p>service users, including a feedback mechanism for those consultees to demonstrate what has changed as a result.</p> <p>Publish an annual performance plan giving information on the Authority's Vision, Strategy, Plans and Financial Statements as well as information about its outcomes, achievements and the satisfaction of service users in the previous period.</p> <p>Ensure that the Authority as a whole is open and accessible to the community, service users and its staff and ensure that it has made a commitment to openness and transparency in all its dealings, including partnerships, subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so.</p>	<p>A record of public consultations and their outcomes are recorded on the Authority's website.</p> <p>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, workstreams, a commissioning framework. Agenda and minutes are made available on the Authority's website.</p> <p>The Annual Review & Corporate Plan is produced and made available on the website. This gives details on the Authority's Vision, Strategy and Plans and the financial statements. It gives details of outcomes and achievements. It is produced on an annual basis and details both a backward look at achievements and successes and a forward look to achievements for the forthcoming year. Performance against the Corporate Plan is reported on a quarterly basis.</p> <p>Each department develops a business plan with outcomes, and performance indicators linked to the vision and priorities.</p> <p>The Constitution is available on the Authority's website.</p> <p>The Freedom of Information Act publication scheme is made available on the Authority's website, along with the Council Tax</p>

Supporting Principle	What Assurance Do We Want	What Assurance Do We Get
		<p>Leaflet.</p> <p>A Disclosure Log is in place on the website. This details frequently asked Freedom of Information Requests.</p>
6.3 Making best use of human resources by taking an active and planned approach to meet responsibility to staff	Develop and maintain a clear policy on how staff and their representatives are consulted and involved in decision making.	<p>The Authority has in place a Trade Union Liaison Group (TULG). This group is made up of representatives from the trade unions and management and is led by the Director of Transformation and Corporate Performance. A facilities agreement is in place and is reviewed regularly. The Group meet on a regular basis to discuss both operation and strategic issues and both sides are encouraged to raise issues they feel necessary. The Chief Executive, Directors and Heads of Service attend the meetings as necessary to present changes to legislation, reorganisations, changes to processes and policies. The representatives are provided with assistance where applicable and an open style of communication is encouraged.</p> <p>An Organisational Development Strategy has been implemented with a supporting action plan.</p>

The Nolan Principles of Public Life

1. Selflessness :

Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

2. Integrity :

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

3. Objectivity

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

4. Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

5. Openness :

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

6. Honesty

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

7. Leadership

:

Holders of public office should promote and support these principles by leadership and example.

AUDIT AND GOVERNANCE COMMITTEE

3rd June 2015

REPORT OF THE HEAD OF INTERNAL AUDIT SERVICES

RISK MANAGEMENT UPDATE 2015/16

EXEMPT INFORMATION

None

PURPOSE

To report on the Risk Management process and progress to date for the current financial year.

RECOMMENDATIONS

That the Committee endorses this report and raises any issues it deems appropriate.

EXECUTIVE SUMMARY

One of the functions of the Audit & Governance Committee is to monitor the effectiveness of the authority's risk management arrangements, including the actions taken to manage risks and to receive regular reports on risk management. Corporate risks are identified and managed and monitored by the Corporate Management Team (CMT) on a quarterly basis. Corporate risks have been assigned to relevant members of the Corporate Management Team. Through regular review, risks may be added or removed from the Corporate Risk Register.

Work is continually completed by Internal Audit with Service Units to ensure that the operational risk register entries are aligned to the corporate risks. This will also identify areas where operational risk registers need to be updated to ensure that operationally, the corporate risks are managed.

The Corporate Risk Register is attached as **Appendix 1** for information.

The Risk Management Action Plan for 2014/15 is attached as **Appendix 2** and shows status to date. The outstanding actions will form the Risk Management Action Plan for 2015/16.

RESOURCE IMPLICATIONS

None

LEGAL/RISK IMPLICATIONS BACKGROUND

None

SUSTAINABILITY IMPLICATIONS

None

BACKGROUND INFORMATION

None

REPORT AUTHOR

Angela Struthers, Head of Internal Audit Services ex 234

LIST OF BACKGROUND PAPERS

None

APPENDICES

Appendix 1 – Corporate Risk Register

Appendix 2 – Risk Management Action Plan 2014/15


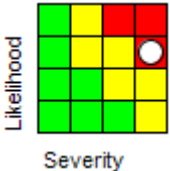
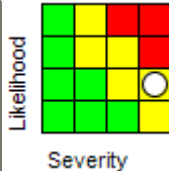
Corporate Risk Register 2015/16

Generated on: 22 May 2015




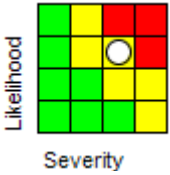
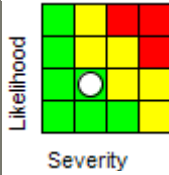
Risk Code	CPR1415	Risk Title	Corporate Risk Register 2014/15	Current Risk Status	
Description of Risk	-- enter risk details here --			Assigned To	
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score				Current Risk Score	
Gross Severity				Current Severity	
Gross Likelihood				Current Likelihood	
Gross Risk Review Date				Last Risk Review Date	
Consequences					
Vulnerabilities/causes					
Risk Notes					

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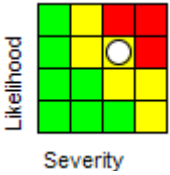
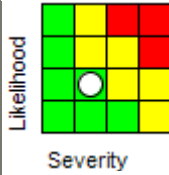
Risk Code	CPR1415_01	Risk Title	Medium Term Financial Planning & Sustainability Strategy	Current Risk Status	
Description of Risk	Loss of Funding and Financial Stability			Assigned To	Stefan Garner; John Wheatley
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	12	Sustainability Strategy developed to address longer term funding shortfall identified - detailed workstream deliverables including corporate change programme(3) Budget planning and monitoring (1) Base Budget forecast updated November 2014 - Cabinet 27/11/14 Draft Medium term financial strategy to be prepared January 2015 for Joint Scrutiny Committee review (2) Treasury Management Strategy, annual outturn & strategy approved by Council. regular monitoring (4) WRIEP support for efficiency / procurement (5) Grant income sourced where possible (6) Developing benchmarking process within the authority to evaluate and understand costs/performance/outputs including CIPFA benchmarking, reviewing high spend, annual internal audit review of audit commission benchmarking data (7) Performance setting (8) Procurement section, contracts register, quick quote process / Procurement guidance updated / intranet (9) Business case reviews (10) SCFOG/Networking / Active engagement in central government reform and change agenda (11) Effective use of assets eg Marmion House, agile working project (12) Attendance at professional & Government updates / workshops (13) Proactive management & monitoring of corporate income levels i.e. council tax, business rates & housing rent (14) Section 151 review of controls within key financial systems (15) Housing Regeneration Project Group established with key sub-groups for specific tasks (16) Council tax support scheme - legal advice, EIAs, sound consultation with public, claimants and other LAs to develop a local scheme based on an agreed Countywide framework (17) support provided for new/existing members from key officers and third parties		Current Risk Score	8
Gross Severity	4			Current Severity	4
Gross Likelihood	3			Current Likelihood	2
Gross Risk Review Date	Page 216			Last Risk Review Date	19-May-2015

		(SOLACE) Peer Assessment identified clear recognition & communication of financial position to stakeholders Updating of HRA Business Plan Review of Healthier Housing Strategy Review of SPV feasibility Review of Corporate Priorities and adoption of appropriate operating model		
Consequences		Cuts in front line service provision Quality of service decline Partnership relationships become strained Uncoordinated cuts/ reduction in service provision Financial savings not achieved Miss out on funding opportunities Inability to meet on-going costs Significant impact on the economic health of the local community Budget overspends Minimum reserves not maintained Budgets not balanced Potentially acting illegally Reputation issues Reduced income streams including car parks, golf course, planning, treasury, council tax & business rates		
Vulnerabilities/causes	Page 217	Changes to political control (local/national) Budget shortfall / funding gap increasing through austerity cuts - 3 year MTFs in place from 2014/15 (longer term shortfalls identified from 2018/19) & identified further cuts after General Election (1,2,3,9,10,12) Increased cost liabilities e.g. water course maintenance, land charges, legacy MMI claims, golf course (1,2,3,9,10,12) Failure to manage budgets (1) Failure to manage investments (4) Missing key business funding opportunities (5, 6) Business Rates retention - uncertainty over appeals, impact on collection levels, S31 grants (& continued Government support) Failure to maximise incentive funding (i.e. new homes bonus, council tax, benefits admin, RTB's one for one replacement) (6) Disabled Facilities Grants - increased demand / costs not in line with grant levels impacting on other funding sources, uncertainty over funding from 2016/17 (6) Recession increase impact on services required (i.e. capacity, finance, recovery levels) (7,8,14) Failure of an existing contractor (9) Technical reform of Council Tax and other welfare reform changes (Universal Credit, Housing Allowances etc) wef 1/4/13 and the potential impact on collection levels/write offs (14, 15) Business rates retention wef 1/4/13 - local collection levels will directly on the councils budget (14,15) Reduced income corporately due to welfare reform changes (including council tax support scheme) - impact on council tax, rent income etc (14, 15) HRA regeneration projects & impact on business plan / wider regeneration project including town centre, car parks etc (16) Council tax support scheme - legal challenge (17) Issues identified within Base Budget report, Cabinet 27/11/14: a) Potential changes to future New Homes bonus levels following the announcement that the Government will be reviewing the scheme again; b) Future Revenue Support Grant levels following indications as part of the <i>Local Government Finance Settlement 2014-15 and 2015-16</i> issued by the DCLG in January 2014 (which indicated a revenue support grant reduction of 32.8% in 2015/16) - the provisional grant proposals are expected in December 2014		


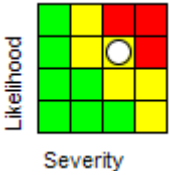
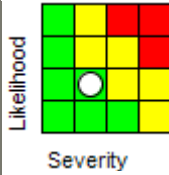
	<p>following the Chancellor's Autumn Statement on 3rd December 2014;</p> <p>c) The impact of Business Rate Reform from 1st April 2013 and the associated forecast business rates receivable in 2014/15 and future years – of which the Council's budget will receive 40% (subject to 20% levy reduction on 'excess' rates payable to the Greater Birmingham & Solihull Local Enterprise Partnership (GBSLEP) after deduction of the 50% central share, 9% County Council and 1% Fire & Rescue Authority share;</p> <p>d) The calculation of the level of business rate appeal costs – of which the Council has to fund 40% from its own budgets – a provision of £983k was set aside in 2013/14 (40% of which relates to the Council);</p> <p>e) Future Pension contribution levels - following the triennial review carried out by the Actuaries employed by the Pension Fund - indicative <i>ongoing</i> annual increases in employer's contributions of c.2% p.a. for the next 3 years have been included. This now includes an ongoing lump sum (with an annual increase) relating to past liabilities and a set rate for future employer contributions of 16.5% p.a.;</p> <p>f) The impact of Pension Auto-Enrolment and the single tier pension from 2016/17 – no additional cost associated with auto enrolment has been included as salary budgets are prepared on a full cost basis (and then reduced by the 5% vacancy allowance). An increase in Employer's National Insurance contributions of 3.4% p.a. have been included from 2016/17 when the single-tier pension starts as the State Second Pension scheme will close and contracting out will end;</p> <p>g) While the Government announced a pay cap for 2014/15 & 2015/16, there has been a recent consultation on a 2.2% increase (plus other changes) from 1st January 2015. The impact of inflation on pay settlements and other contractual arrangements for future years is less certain;</p> <p>h) Proposed changes set out in the Welfare Reform Act 2012 and the introduction of Universal Credit – impact on housing benefits and associated income receipts (including Housing Rents) of the council;</p> <p>i) The impact of any further uncertainty over future interest rate levels and their impact on investment income / treasury management;</p> <p>j) The severity of the recession and the impact it has had and still could have on the Council's income streams (including the impact of the Local Council Tax Scheme on council tax collection levels);</p> <p>k) Finalisation of the expected outcomes and impact on the Council's financial position from the programme of short-term and medium-term workstream reviews commissioned by Cabinet in August 2013 as part of the 'Plan for a Sustainable Future' overarching strategy to identify measures to help the Council cope with grant & income reductions in the coming years - potential savings arising from the Sustainability Plan workstreams (including agile working) have been included – it is anticipated that further review outcomes will be reported as policy changes in the next phase of the budget process;</p> <p>l) Review and finalisation of the revised budgets/policy changes and feedback from the Scrutiny process.</p>
Risk Notes	Possibility of Fire Service taking Industrial action - review risk on a more regular basis - review set to weekly

Risk Code	CPR1415_02	Risk Title	Reputation	Current Risk Status	
Description of Risk	Damage to Reputation			Assigned To	Anica Goodwin; Tony Goodwin; Jane Hackett
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	9	Monitoring Officer Increased use of multi media to consult/communicate Members surgeries Celebrating success State of Tamworth debate PR & Communications Tell Us Scheme Tamworth Listens Standards through Audit & Governance Committee Two Independent Persons and one independent member (Nominations Committee) Members declarations of Interest Ombudsmen report Monitoring of news stories Service delivery standards Contract monitoring Codes of conduct Policies and procedures Service Standards Training for all staff and members in media/press/use of social media Mystery shopper AGM Annual Corporate Plan Updates to all staff from CE Business continuity plan in place to cover vacancy Ongoing monitoring of social media		Current Risk Score	4
Gross Severity	3			Current Severity	2
Gross Likelihood	3			Current Likelihood	2
Gross Risk Review Date	20-Mar-2014			Last Risk Review Date	19-May-2015
Consequences	Erosion in trust and confidence Service failure Loss of income Increased cost of working Fall in satisfaction levels Loss of public support				


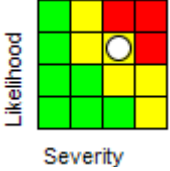
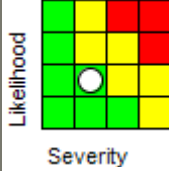
	Claims in tribunal/personal liability Loss of peer group credibility Increased scrutiny by government and auditors
Vulnerabilities/causes	Failure to match social and political expectations Failure to act on feedback Crisis and major incident management failures Failure to deliver minimum standards of service Third party supply chain failure Non-compliance with legislation Unethical practices by officers/members Security breaches by officers/members Personal actions by officers/members Misuse of social media by officers/members
Risk Notes	amendments made by AG

Risk Code	CPR1415_03	Risk Title	Governance & Regulatory Failure	Current Risk Status	
Description of Risk	Failure to achieve adequate Governance Standards and statutory responsibilities			Assigned To	Jane Hackett; John Wheatley
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	9	<p>Regular review & update of Financial guidance (1) Audit & Governance Committee in place (including Standards) (2) Scrutiny Committees in place, including call in & questions at Council (3) Annual Governance Statement process / prepared (4) Whistleblowing Policy and Counter Fraud and Corruption Strategy developed & communicated (5) Money Laundering Policy developed and communicated Section 151 functionality and Monitoring Officer in place / Scheme of Delegation (6) Internal Audit function (7) External Audit assessment / reviews (8) Partnership Guidance Policy (9) Managers Assurance Statements prepared annually (10) Constitution - regular review (11) Code of Conduct for members (12) Relevant policies and procedures / Net Consent for policy management and acceptance (13) Legislation training for officers and members / continual CPD and other training / regular legal updates (14) Development of member training plan / development of e learning solution (15) Insurance policies for regulatory failure - officials indemnity, fidelity guarantee & libel and slander(16) TULG - consultation, openness, accountability, probity (17) Obligations under Environmental Protection Act and Public Health Act (18) PDR process (19) Electoral Process (20) Forward Plan in place with key decisions highlighted, Committee meetings scheduled (21) The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 (22) Regular RIPA training for staff and key officers Data Protection awareness for staff</p>	Current Risk Score	4	
Gross Severity	3		Current Severity	2	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date			Last Risk Review Date	21-Jan-2015	


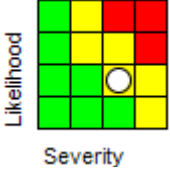
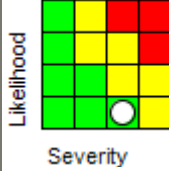
		Closer monitoring of government reforms and changes in statute Regular Statutory Officer meetings		
Consequences	Non-compliance with legal requirements Fraud Poor performance Damage to reputation Prosecution, fines Death or injury to public and/or staff Audit criticism within Annual Audit Letter / accounts qualified Poor inspection comments Legal challenge Ultra vires Financial impact / exposure from poor decisions arising from uninformed decision making process Increased demand for resource support from Members			
Page 222 Vulnerabilities/causes	Lack of training / knowledge - officers and member (14, 15) Lack of documented procedures (1) Lack of commitment from officers and members (6, 12) Failure to understand the importance of key decisions (14, 15) Inadequate governance process in place (1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21,22) Lack of accountability (5, 6 ,7, 8, 12, 19, 20) Non compliance with legislation (6 ,14 ,18) Fraud (1, 5, 6) Poor performance (19) Failure to manage or be aware of legal responsibilities/changes to legislation (6, 14, 15) Lack of resources/ funding legal challenge(3) Financial position affecting decision making Loss of key staff / members (20) Inappropriate decision making (6, 14, 15) Changes to political control (20) Failure to provide sufficient recording facilities			
Risk Notes	Localism Act, Welfare Benefit reform,			

Risk Code	CPR1415_04	Risk Title	Partnership Working and Supply Chain Challenges	Current Risk Status	
Description of Risk	Failure in partnership working, shared services or supply chain			Assigned To	Andrew Barratt; Rob Mitchell
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	9	Procurement section, contracts register, quick quote process / Procurement guidance updated / intranet Partnership Governance Policy and training on the policy in place - refreshed in 2012		Current Risk Score	4
Gross Severity	3			Current Severity	2
Gross Likelihood	3			Current Likelihood	2
Gross Risk Review Date		Partnership arrangements in place, eg contracts, shared service agreements Effective contract/partnership monitoring - revised TSP working well Business Continuity plans in place Comprehensive review of corporate business continuity with representation across all directorates. Policy, terms of reference and testing schedule drafted with expected sign off by Business Continuity Group 24/6/13 Risks identified and managed Constitutions in place for some partnerships TBC Business Continuity Group Adequate terms of reference Adherence to contracts register Increased use of Commissioning model Appropriate controls in place for provider/commissioner split Planned move to Public Sector Commissioning Procurement Strategy		Last Risk Review Date	19-May-2015
Consequences	Services not delivered Damage to reputation Loss of knowledge, intellectual property and other assets Loss of quality service Criticism from external auditors/assessors Customer dissatisfaction Lack of resources Workforce opposition High exit costs Costs not reduced Efficiencies not gained Waste not eliminated Regulations not met				

	Increase in accidents
Vulnerabilities/causes	<ul style="list-style-type: none"> Failure to meet service delivery expectations Partner has financial failure Supplier incident eg data loss, governance issue Service delivery collapses during wide spread major incident Third party supply chain failure Partner under performs Failure to assess and manage the risks arising from the use of third parties Failure to set and manage contractual conditions and performance targets Failure to get management support Staff turnover increases Poor, incomplete knowledge transfer Scope of change too narrow/too broad Benefits not realised Political change of policy
Risk Notes	Partnerships in place - waste, health & safety, Economic Development, Building Control, Strategic Partnership, Housing Repairs, IT service desk,


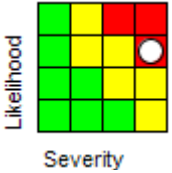
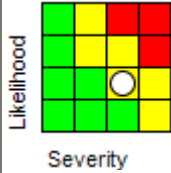
Risk Code	CPR1415_05	Risk Title	Emergency & Crisis Response Threats	Current Risk Status	
Description of Risk	Failure to manage an external or internal emergency/disaster situation			Assigned To	Andrew Barratt; Nicki Burton
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	9	<p>Emergency Plan in place</p> <p>Emergency planning training completed at various levels</p> <p>Business Continuity Plans in place</p> <p>Comprehensive review of corporate business continuity with representation across all directorates. Policy, terms of reference and testing schedule drafted with expected sign off by Business Continuity Group 24/6/13 (Actual 01/12/14)</p> <p>Active engagement in Exercise MERCURY</p> <p>Insurance cover in place to cover exposure to financial loss.</p> <p>Advice and guidance on Risk Management and Business Continuity on the intranet</p> <p>Emergencies advice available on website</p> <p>Building- fire prevention controls in place and tested on a regular basis</p> <p>Adequate physical security controls in place and reviewed on a regular basis.</p> <p>IT business continuity plan in place and tested on a regular basis</p> <p>Service impact analysis completed to rank priority of services</p> <p>Corporate business continuity plan in place</p> <p>All communication plans tested on a regular basis</p> <p>Emergency plan tested on a regular basis</p> <p>Business Continuity Group</p> <p>Membership of Staffordshire CCU & Resilience Forum</p> <p>Effective communication /ICT tools/ infrastructure eg mobile phones, laptops</p> <p>Representation at newly formed CCU Strategic Leaders Meeting</p> <p>Successful no notice test</p> <p>Learning from actual events i.e. corporate system failure Dec 12</p> <p>Comprehensive internal audit across BC and EP resulting in a number of agreed management actions</p> <p>Emergency Planning Admin all brought into ICT</p> <p>Actual ICT Disaster recovered from within appropriate timescales (04/12/14)</p>		Current Risk Score	4
Gross Severity	3			Current Severity	2
Gross Likelihood	3			Current Likelihood	2
Gross Risk Review Date				Last Risk Review Date	19-May-2015
Consequences	<p>Services not delivered</p> <p>Damage to reputation</p> <p>Civil Contingency Act requirements not met</p> <p>Death</p>				

	<ul style="list-style-type: none"> Destruction of property Damage to the environment Adverse affect on vulnerable groups Public expectations of service delivery not met Increased costs for alternative service delivery
Vulnerabilities/causes	<ul style="list-style-type: none"> Lack of integrated emergency arrangements making it difficult to react quickly to a disaster and provide the required support and essential service in line with the requirements of the Civil Contingencies Act. Failure to test plans Failure to undertake training Plans not activated plans do not accurately identify the staffing/resources required Implications of industrial action from other service providers ie Fire Service
Risk Notes	current risks and scoring matrix still accurate and fit for purpose


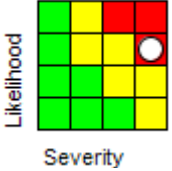
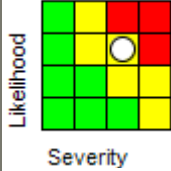
Risk Code	CPR1415_06	Risk Title	Economic Changes	Current Risk Status	
Description of Risk	Failure to plan and adapt services to economic changes within the community			Assigned To	Stefan Garner; Rob Mitchell
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	6	<p>Link to CPR1415_01 - financial control (1)</p> <p>Strategic Priority - Aspire & Prosper (performance monitored, addressed) (2)</p> <p>Keep up to date with central government communications (3)</p> <p>Adapt to downturn in economy - Tamworth Community Advice Network (TamworthCAN) (3)</p> <p>Economic Bulletin distributed to management - shows regional and local economic statistics (4)</p> <p>Management networks and leadership meetings (5)</p> <p>Support to local businesses - including through local Procurement (quick quote) (6)</p> <p>Think Local (7)</p> <p>Business and Economic Partnership (8)</p> <p>Place Group / Tamworth Strategic Partnership (9)</p> <p>Solutions for Business (10)</p> <p>External funding streams explored (GBSLEP) (11)</p> <p>Medium term financial plan (12)</p> <p>Zero based budgeting approach to Income targets (13)</p> <p>Regular review of business plans (14)</p> <p>Economic Strategy (15)</p> <p>GBSLEP including Business Rate reform / pooling (16)</p> <p>Local Plan (17)</p> <p>Local Investment Plan (18)</p> <p>Local Transport Board (GBSLEP) (19)</p> <p>Housing Regeneration projects / review including wider Town Centre regeneration (20)</p> <p>Plan for Welfare reform - discuss with partner agencies via the TSP (21)</p> <p>Joint working - Economic Development and Finance to develop financial business case (22) -</p> <p>a) Additional monitoring of empty properties (Revenues/Economic Development) to identify actions to promote growth & associated Business rate income;</p> <p>b) regeneration projects such as Town Centre regeneration, Cultural Quarter, Created in Tamworth etc.</p>	Current Risk Score	3	
Gross Severity	3		Current Severity	3	
Gross Likelihood	2		Current Likelihood	1	
Gross Risk Review Date			Last Risk Review Date	19-May-2015	

		c) Planning & Strategic Housing for new homes building (to inform New Home Bonus & Council tax forecasts)		
Consequences	<p>Lack of Town Centre development / prosperity No external funding to aid economy and growth Economic prosperity declines Detrimental effect on housing market People leave the borough Increased demand for social housing Impact on Council income Increased costs to Council services due to increased demand Reduced income corporately due to welfare reform changes (including council tax support scheme) - Impact on business rates, council tax, rent income, car parking, planning etc</p>			
Vulnerabilities/causes	<p>Failure to recognise economic changes (1, 2) Sudden economic downturn affecting businesses, jobs, housing etc (2, 3, 6, 8, 9, 15) Loss of major employer in the region (3) Failure to recognise opportunities (11, 15, 16) Rapid increase in inflation (1, 12) Changes in government funding/grants (3, 12) Collapse / decline of the property market (2, 8, 15, 16, 17, 18, 19, 20) Change of government (18, 19) Under achievement of development/investment (15, 16, 17, 18, 19, 20, 22) Low wage economy Physical space for growth in Tamworth is limited</p>			
Risk Notes	<p>Unemployment decreased Regeneration projects progressing</p>			

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Risk Code	CPR1415_07	Risk Title	Information Management & Information Technology	Current Risk Status	
Description of Risk	Failure to secure and manage data and IT infrastructure			Assigned To	Nicki Burton; John Wheatley
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	12	Network security Physical security Security Policy, Information Security Manual Data Protection compliance and training Single point of contact eliminated regarding Data Protection Storage limits being implemented (subject to CMT endorsement) - links to retention schedule & EDRMS, active management & archiving of data not regularly accessed (Report endorsed at CMT Nov 14 to archive not accessed within 5 years to clear disk space) GCSX PSN compliance Environmental controls Established protocols Security of data EDRMS implementation Data limits Business Continuity Plans Disaster Recovery Plan (Actual recovery 04/12/14) Virtual servers Web based systems Home working ISO27001 Back ups Annual penetration tests ISO20000 Improved Business Continuity with reciprocal arrangements at Walsall Enhancements made to Data Retention, Storage Management and Proven Integrity of VMWare Infrastructure	Current Risk Score	6	
Gross Severity	4		Current Severity	3	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date				Last Risk Review Date	19-May-2015
Consequences	Fine Reputational damage Potential imprisonment Physical harm to staff				


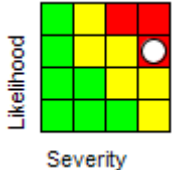
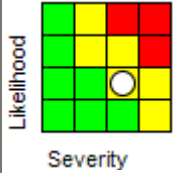
	<p>Consequence for members of the public if their personal data lost/stolen</p> <p>Loss of key management information</p> <p>Inability to deliver services</p> <p>Potential loss of income</p>
Vulnerabilities/causes	<p>Insecure IT equipment</p> <p>Human error / loss of personal data</p> <p>Loss of equipment/data</p> <p>Theft</p> <p>Equipment failure</p> <p>Hacking / Viruses</p> <p>Agile working trials / flexible working project</p> <p>Corporate Change Project</p>
Risk Notes	

Risk Code	CPR1415_08	Risk Title	Loss of Community Cohesion	Current Risk Status	
Description of Risk	Failure to achieve community cohesion			Assigned To	Rob Barnes; Rob Mitchell
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	12	No change to front line services Locality working ASB Policy Partnership working Financial Inclusion Policy Community Engagement- project related and inclusive Corporate consultation database Services proactive in engaging communities Data and intelligence used to inform service planning Community cohesion awareness Capacity building projects & initiatives Impact assessments used Horizon scanning Big Society/Localism impact Stronger Communities Partnership Responsible Authorities Group Development of ASB hub Links with Police Community Cohesion Audit Tamworth Strategic Partnership ASB working group to agree processes to go onto CRM Effective Council wide response to implications of WBR		Current Risk Score	9
Gross Severity	4			Current Severity	3
Gross Likelihood	3			Current Likelihood	3
Gross Risk Review Date				Last Risk Review Date	19-May-2015
Consequences	Long term costs Not meeting/understanding users needs Increase in crime and disorder Poor use of funding Increased tensions in the community No community commitment/ownership to the authorities vision Low level of community cohesion Fear of perception of crime Failure to meet demand				
Vulnerabilities/causes	Economic recession Poverty				


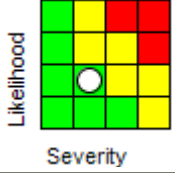
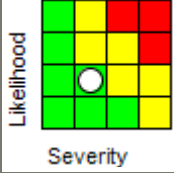
	<p>Welfare reforms Services withdrawn Big Society does not take off Communities become fragmented Increase in ASB Increase in financial deprivation Lack of interest from the public Poor communication Poor engagement mechanisms at corporate and service level Limited understanding of good engagement process Housing and regeneration projects- change mgt' Reduction in staff</p>
Risk Notes	


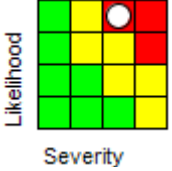
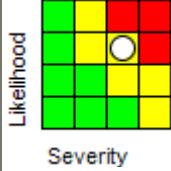
Risk Code	CPR1415_09	Risk Title	Workforce Planning Challenges	Current Risk Status	
Description of Risk	Failure to manage workforce planning challenges			Assigned To	Anica Goodwin; Tony Goodwin
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	9	Service reviews Regular communication Workforce and succession planning Core brief Staff AGM PDR process to ensure skill development requirements are being addressed HR policies and procedures in place Post entry training to qualify staff in key areas Absence management policy, healthshield and occupational health Market supplement policy for either retention or recruitment of necessary skills Managers review of resource capabilities/capacity for business continuity purposes Relationship with Trade Unions (TULG) Management awareness of risk impact of reduced staffing Corporate change programme Pre employment checks Business continuity plans Introduction of mandatory training		Current Risk Score	4
Gross Severity	3			Current Severity	2
Gross Likelihood	3			Current Likelihood	2
Next Risk Review Date	20-Mar-2014			Last Risk Review Date	19-May-2015
Consequences	Strain on remaining staff Risk to service delivery Industrial action Budget misalignment Increase in fraud Wrong messages sent out Potential increase in employment tribunal cases Increased number of grievances from staff Increase in absenteeism Inability to respond to change agenda Inability to align skill levels to new working methods Unable to recruit staff Impact on reputation				


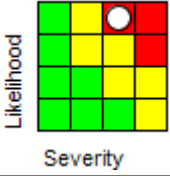
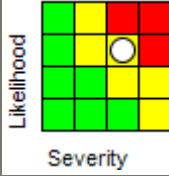
Vulnerabilities/causes	<p>Staff become overloaded Low morale has impact on service delivery Industrial unrest Redundancies lead to additional future costs Failure to communicate effectively Small authority with specialised staff Sickness levels remain too high leaving vulnerable skills gaps Pay and conditions below market conditions for skills required</p>
Risk Notes	<p>reviewed by AG</p>

Risk Code	CPR1415_10	Risk Title	Health & Safety	Current Risk Status	
Description of Risk	Failure to manage Health & Safety			Assigned To	Andrew Barratt; Anica Goodwin
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	12	Policies in place Training completed Health and Safety groups Risk assessments completed Inspections completed Personal safety equipment provided Lone working policy and practices PVP register Fire alarm tests and evacuation tests Regular update meetings with H&S officers and Director Transformation and Corporate Performance audits Landlord Health and Safety Audit and Action Plan Review of high rise fire risk following changes to regulation Mandatory training matrix and training records maintained for each employee Partnership working HAT Policy	Current Risk Score	6	
Gross Severity	4		Current Severity	3	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date	20-Mar-2014		Last Risk Review Date	19-May-2015	
Consequences	Corporate manslaughter Fines Negative publicity Insurance claims Death/injury				
Vulnerabilities/causes	Non-compliance with legislation Lack of health and safety awareness Short cuts/ poor working practices Personal safety equipment not used Risks not identified and or managed Inspections/tests not completed				
Risk Notes	Reviewed by AG H&S team to ensure they keep up to date with legislative changes etc				


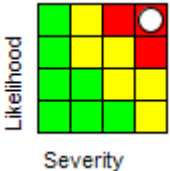
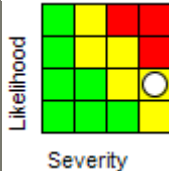
	Risk level still at reported score
	H&S audit carried out highlighting some high priority areas. support action plan to be implemented. Regular updates with SL/JH/AG
	regular updates by AG with JH and SL Updates to CMT

Risk Code	CPR1415_11	Risk Title	Corporate Change	Current Risk Status	
Description of Risk	Failure to manage corporate change			Assigned To	Nicki Burton; Anica Goodwin
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	4	Programme Plan Pool of trained resources Structured programme Dedicated Programme Manager Strong Governance Strong budget management Demonstrated benefit realisation Clear communications Dedicated Project Manager Active engagement of Corporate Change Board Reporting to CMT & Cabinet One of the active workstreams is to tackle financial deficits Inclusion of Sustainability Plan following Cabinet approval (22/08/2013) End of Tranche Report scheduled for CMT 15/12/14 to look at efficiencies etc in stage one and approve planning for subsequent stages Tranche 1 Corporate Change Programme report Post Implementation Reviews	Current Risk Score	4	
Gross Severity	2		Current Severity	2	
Gross Likelihood	2		Current Likelihood	2	
Gross Risk Review Date	20-Mar-2014		Last Risk Review Date	19-May-2015	
Consequences	Return on investment not made Reputation Failure to implement agile working environment Savings are not made Budget not balanced Programme becomes overloaded Value for money not achieved				
Vulnerabilities/causes	Weak management/ leadership / direction Weak governance No executive management support Insufficient corporate skills and capacity Failure to retain staff				
Risk Notes	reviewed by AG				


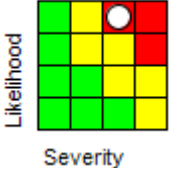
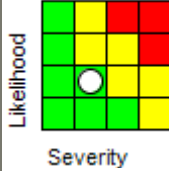
Risk Code	CPR1415_12	Risk Title	Safeguarding Children & Vulnerable Adults	Current Risk Status	
Description of Risk	Failure to safeguard children and vulnerable adults			Assigned To	Jane Hackett; Rob Mitchell
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	12	Safeguarding policy adopted Member training implemented Clear procedures for reporting and dealing with disclosure Annual section 11 audit - 2012 and 2013 completed Appropriate risk assessments to identify vulnerability in customers/residents Senior leadership commitment with designated officers - reviewed and updated Policy implemented with training for appropriate staff Safe recruitment process Supervision of staff, contractors and volunteers Included in tender process Tamworth Vulnerability Partnership HAT Policy CRM development	Current Risk Score	9	
Gross Severity	3		Current Severity	3	
Gross Likelihood	4		Current Likelihood	3	
Gross Risk Review Date	16-Jan-2012		Last Risk Review Date	19-May-2015	
Consequences	Death, serious injury Legal challenge for lack of compliance with legislation Loss of reputation Financial costs of review and insurance claims Prosecution Increase in inspection Increase in demand More severe cases				
Vulnerabilities/causes	Non-compliance with legislation Lack of appropriate policy and procedures Low awareness amongst staff and members Lack of joined up case management Case management systems unable to share data or support risk management Partner agencies not delivering services Lack of appropriate services Lack of reporting incidents considered trivial Other organisation's not delivering the service - gaps in service provision for adults in need Reduction in partners services to the vulnerable				


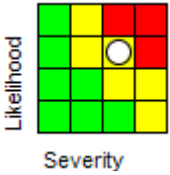
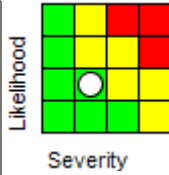
Risk Code	CPR1415_13	Risk Title	Golf Course project -stage 2 selection of a sustainable future option	Current Risk Status	
Description of Risk	Cabinet selected to redevelop the Golf Course for housing following the in-depth options appraisal. Further to this, Cabinet approved the closure of the course in October 2014. The project to redevelop the site is ongoing and a number of technical studies are being finalised. A draft masterplan will be out for preplanning consultation in late October 2014.			Assigned To	Tony Goodwin; Rob Mitchell; John Wheatley
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	12	Project group established External support/advice commissioned Project plan established with key milestones Regular reporting to Cabinet Technical and legal advice sought Regular communications to staff, customers, and with stakeholders Engagement with stakeholders, staff, residents and customers through specific consultation as part of the project Consultation and oversight from key TBC officers Engagement and consultation with Members Implementation plan to be taken to Cabinet post a decision on the preferred option Project management of consultants		Current Risk Score	9
Gross Severity	3			Current Severity	3
Gross Likelihood	4			Current Likelihood	3
Gross Risk Review Date				Last Risk Review Date	19-May-2015
Consequences	Revenue costs Capital costs Reputation				
Vulnerabilities/causes	Financial impact - for MTFS Lack of capital funds to invest Reputation / negative press Selection of a sustainable option required Opposition group A range of evidence and views have been gathered- some of which, when taken out of context can support options which are not viable if they are considered holistically alongside the other information For some customers and residents the potential preferred options are fundamentally unpopular despite the evidence which might support them Not securing planning permission Sale not agreed				
Risk Notes	Initial bids for the sale of the land submitted. Due diligence around the planning application The previous risk relating to the external service provider has been managed and the Council is now required to manage the service in house for two years until				

March 2015. An options appraisal is underway to determine what the Council will do with the Course post April 2015. A long list of options is being assessed and will be reduced to a short list in October 2013 subject to a Cabinet report. A final selection from the remaining shortlist is expected in February 2014.

Risk Code	CPR1415_14	Risk Title	Inability to manage the impact corporately of the Government Austerity measures and new legislative requirements	Current Risk Status	
Description of Risk				Assigned To	Tony Goodwin
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	16	Risk Treatment Measures Implemented Regular updates Monitoring Dedicated website for Housing benefit changes to inform customers Consultation with customers over CT changes Financial profiling Town centre redevelopment Economic development team	Current Risk Score	8	
Gross Severity	4		Current Severity	4	
Gross Likelihood	4		Current Likelihood	2	
Gross Risk Review Date	09-Nov-2012		Last Risk Review Date	19-May-2015	
Page 243 Consequences	Unable to maintain rent income/increase in rent income Social housing becomes unaffordable Delivery of new housing Realistic housing waiting lists <i>Social unrest - those unable to access social housing</i> Increase in benefit claimants Increase in fraud - Benefits, Business Rates, RTB, Council Tax, tenancy Increase in benefits overpayments Potential economic growth Maximise benefit entitlement & income generation Community run services - not provided, inappropriately run Processes lengthened through challenge CIL - investment in development areas Impact on staff				
Vulnerabilities/causes	Welfare reform - changes to social housing - flexibility in rent setting, short term fixed tenancies, pay to stay, Use of RTB receipts for new housing New Homes Bonus Social housing allocations reform Cap to benefit levels, reduction in local housing allowances, increase in non dependant charge, universal credit Changes to business rates Changes to Council Tax Welfare Rights Fairer Charging Community right to challenge Community right to bid				

	Changes to Planning system Community Infrastructure Levy National Home Swap Scheme
Risk Notes	

Risk Code	CPR1415_15	Risk Title	Impact of changes to political control	Current Risk Status	
Description of Risk				Assigned To	Tony Goodwin
Gross Risk Matrix		Risk Treatment Measures Implemented			
Gross Risk Score	12	Keep up to date with changes Officers politically neutral Appropriate key officer briefings (Executive Board) Member induction and training programme for new and existing members Use of SOLACE management support to develop awareness/understanding re new councillors etc. Policy underpinned by robust contractual arrangements	Current Risk Matrix		
Gross Severity	3		Current Risk Score	4	
Gross Likelihood	4		Current Severity	2	
Gross Risk Review Date			Current Likelihood	2	
			Last Risk Review Date	19-May-2015	
Consequences	Financing streams may change Services being delivered could change Decision making becomes lengthy/doesn't happen/changes				
Vulnerabilities/causes	Changes to political leadership - local/national Hung council/government Political balance on decision making committees				
Risk Notes					

Risk Code	CPR1415_16	Risk Title	Elections	Current Risk Status	
Description of Risk	Parliamentary & Local Elections 2015			Assigned To	Jane Hackett; John Wheatley
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	9	Management arrangements to share resources Resource planning Staff training Site visits Dedicated inspector Same IT system used Procedure notes to be reviewed and updated Protocols for count		Current Risk Score	4
Gross Severity	3			Current Severity	2
Gross Likelihood	3			Current Likelihood	2
Last Risk Review Date	05-Dec-2014			Last Risk Review Date	19-May-2015
Consequences	Loss of reputation The wrong person could be declared Potential judicial review Criticism Personal liability Potential court action Disenfranchising of voters				
Vulnerabilities/causes	Parliamentary elections - complexity regarding shared boundary areas Not enough staffing resources Ballot papers delivered to the wrong count IER last registration date closer to the Elections Postal vote forms closing date close to the Elections Printer software could be incompatible across cross boundaries Different dates set for close of nominations for parliamentary and local elections Postal votes forms not completed correctly Ballot paper contamination (includes postal votes) Ballot papers not delivered Staff illness Staff capacity				
Risk Notes					

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Risk Management Action Plan 2014/15

Report Type: Actions Report

Report Author: Angela Struthers

Generated on: 11 May 2015

Action Code	Action Title	Current Status	Progress Bar	Due Date	Completed Date	Assigned To
RM1	Risk Management Policy Priority 1		<div style="width: 50%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 50%	30-Sep-2015		Angela Struthers
Description	Risk Management Policy Review					
All Notes	Angela Struthers 11-May-2015 The Risk Management Policy has been reviewed and updated and is currently in draft stage. Due to other work commitments, the formal review/adoption process has been delayed. Revised date September 2015 Angela Struthers 07-Aug-2014 The Policy will be reviewed by the due date					

Action Code	Action Title	Current Status	Progress Bar	Due Date	Completed Date	Assigned To
RM2	Risk Management Training Priority 2		<div style="width: 40%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 40%	30-Sep-2015		Angela Struthers
Description	Roll out e-learning risk management module					
All Notes	Angela Struthers 11-May-2015 The risk management module has been developed and ready for issue. The software is in the process of being updated so this has delayed the issue of the module. Revised date September 2015					

Action Code	Action Title	Current Status	Progress Bar	Due Date	Completed Date	Assigned To
RM3	E-learning module Priority 2		<div style="width: 100%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 100%	01-Apr-2015	11-May-2015	Angela Struthers
Description	Review e-learning module to alarm toolkit					
All Notes	Angela Struthers 11-May-2015 Continuous review of the module is completed					

Action Code	Action Title	Current Status	Progress Bar	Due Date	Completed Date	Assigned To
RM4	Linking risks to corporate priorities Priority 2		<div style="width: 20%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 20%	30-Sep-2015		Angela Struthers
Description	Linking risks to corporate priorities and statements of intent					
All Notes	Angela Struthers 11-May-2015 The Covalent system has been adapted so that this is now possible to complete, however, due the to delay in the role out of training , this facility has not been bough to the attention of all users. Users are notified of this if they complete one to one training. Revised completion date September 2015					






Action Code	Action Title	Current Status	Progress Bar	Due Date	Completed Date	Assigned To
RM5	Opportunities Risk Register Priority 3		<input type="text" value="0%"/>	01-Apr-2016		Angela Struthers
Description	Introduce an opportunities risk register					
All Notes	Angela Struthers 11-May-2015 Still awaiting software development Angela Struthers 07-Aug-2014 This is a development area. A request to the software supplier has been made.					

Action Code	Action Title	Current Status	Progress Bar	Due Date	Completed Date	Assigned To
RM6	Internal Controls Priority 3		<input type="text" value="75%"/>	01-Apr-2016		Angela Struthers
Description	Evaluate the option to populate the Internal Controls tab within the Covalent Risk Management system					
All Notes	Angela Struthers 11-May-2015 This has been evaluated and will not be implemented at this time as there is no benefit at the moment. However, the situation will be reviewed in a further 12 months. Revised completion date April 2016					

Action Code	Action Title	Current Status	Progress Bar	Due Date	Completed Date	Assigned To
RM7	Risk Library Priority 2		<input type="text" value="100%"/>	01-Apr-2015	14-Oct-2014	Angela Struthers
Description	Increase the Risk Management Library					
All Notes	Angela Struthers 07-Aug-2014 The risk library held on the covalent system now contains project and partnerships risk libraries as these are the areas that will be used by several departments. Other risk libraries are more specific to the service area and will remain as word documents.					

Action Code	Action Title	Current Status	Progress Bar	Due Date	Completed Date	Assigned To
RM8	Health & Safety Risk Registers Priority 2		<input type="text" value="25%"/>	01-Apr-2016		Angela Struthers
Description	Promote the use of Covalent Risk Management system to record health & safety risk registers					
All Notes	Angela Struthers 11-May-2015 Promotion of the use of Covalent for the recording of health and safety risk registers has been completed and adopted in some areas in line with audits as they are completed. Further promotion will be completed as audits are completed. Revised completion date April 2016					

Action Code	Action Title	Current Status	Progress Bar	Due Date	Completed Date	Assigned To
RM9	Other Assurance Sources Priority 3		<input type="text" value="50%"/>	01-Apr-2016		Angela Struthers
Description	To promote the recording of other assurance sources on the Covalent system					
All Notes	Angela Struthers 11-May-2015 The Covalent system has been adapted so that this can be completed and as one to one training is completed it is highlighted. The facility will be highlighted during the training sessions. Revised completion date April 2016					

Action Status	
	Cancelled
	Overdue; Neglected
	Unassigned; Check Progress
	Not Started; In Progress; Assigned
	Completed

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Planned Reports to Audit & Governance Committee (Draft)

	Report	Committee Date	Report of	Comments
1	Internal Audit annual & quarterly update	May	Head of Internal Audit	
2	Risk Management quarterly update	May	Head of Internal Audit	
3	Review of the effectiveness of Internal Control Environment	May	Head of Internal Audit	To include the review of the effectiveness of internal audit, compliance with PSIAS, roles of the CFO and HIAS
4	Counter Fraud update	May	Head of Internal Audit	
5	Role of the Audit Committee	May	Grant Thornton	Presentation/training
1	Draft Annual Statement of Accounts	June	Executive Director Corporate Services	
2	Annual Governance Statement & Code of Corporate Governance	June	Head of Internal Audit	
3	Review of the Constitution & Scheme of Delegation for Officers	June	Solicitor to the Council and Monitoring Officer	
4	Audit & Governance Committee Update	June	Grant Thornton	
5	Fee Letter	June	Grant Thornton	
6	RIPA Quarterly Report	June	Solicitor to the Council and Monitoring Officer	

	Report	Committee Date	Report of	Comments
1	Annual Statement of Accounts	September	Executive Director Corporate Services	
2	Audit Findings Report	September	Grant Thornton	
3	Internal Audit quarterly update	September	Head of Internal Audit	
4	Risk Management quarterly update	September	Head of Internal Audit	
6	Treasury Management Strategy Statement and Annual Investment Strategy Mid-year Review Report 2013/14	September	Executive Director Corporate Services	
7	RIPA Quarterly Report	September	Solicitor to the Council and Monitoring Officer	
8	Local Government Ombudsman's Annual Review and Report 2013/14	September	Solicitor to the Council and Monitoring Officer	
1	Annual Audit Letter 2013/14	October	Grant Thornton	
2	Internal Audit quarterly update	October	Head of Internal Audit	
3	Risk Management quarterly update	October	Head of Internal Audit	
4	Annual Governance Statement update	October	Head of Internal Audit	

	Report	Committee Date	Report of	Comments
5	Members/Standards	October	Solicitor to the Council & Monitoring Officer	
6	Anti Money Laundering Policy	October	Solicitor to the Council & Monitoring Officer	
1	Audit Report on Certification Work 2013/14	January	Grant Thornton	
2	Audit Progress Report	January	Grant Thornton	
3	Internal Audit quarterly update	January	Head of Internal Audit	
4	Risk Management quarterly update	January	Head of Internal Audit	
5	Counter Fraud update	January	Head of Internal Audit	To include review of Counter Fraud Policy and Whistleblowing Policy
6	Review of Financial Guidance	January	Head of Internal Audit	
7	RIPA Quarterly Report	January	Solicitor to the Council and Monitoring Officer	
8	Treasury Management mid year monitoring report	January	Executive Director Corporate Services	
1	Final Accounts 2014/15 – Action Plan	March	Director of Finance	
2	Draft Audit Plan	March	Grant Thornton	
3	Draft Certification Work Plan	March	Grant Thornton	

	Report	Committee Date	Report of	Comments
4	Audit Committee Update	March	Grant Thornton	
5	Auditing Standards	March	Grant Thornton	
6	Internal Audit Charter and Audit Plan	March	Head of Internal Audit	
7	Audit & Governance Committee Self Assessment	March	Head of Internal Audit	
8	RIPA Quarterly Report	March	Solicitor to the Council and Monitoring Officer	
9	Treasury Management Strategy and Prudential Indicators	March	Executive Director Corporate Services	

Portfolio Holder CS - Portfolio Holder for Corporate Services & Assets