



Borough of Tamworth

Marmion House,
Lichfield Street, Tamworth,
Staffordshire B79 7BZ.

Enquiries: 01827 709 709
Facsimile: 01827 709 271

AUDIT AND GOVERNANCE COMMITTEE

21 October 2015

Dear Councillor

A meeting of the Audit and Governance Committee will be held in **Committee Room 1 - Marmion House on Thursday, 29th October, 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. D. ...', written over a circular stamp.

A G E N D A

NON CONFIDENTIAL

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

- 4 Fraud and Corruption Update Report** (Pages 5 - 66)
(The Report of the Head of Internal Audit Services)
- 5 Internal Audit Quarterly Report** (Pages 67 - 84)
(The Report of the Head of Internal Audit Services)
- 6 Risk Management Update 2015/16** (Pages 85 - 134)
(The Report of the Head of Internal Audit Services)
- 7 Audit and Governance Committee Timetable** (Pages 135 - 138)
(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



**MINUTES OF A MEETING OF THE
AUDIT AND GOVERNANCE COMMITTEE
HELD ON 24th SEPTEMBER 2015**

PRESENT: Councillor J Chesworth (Chair), Councillors J Oates (Vice-Chair), J Faulkner, J Goodall, S Goodall, K Norchi and T Peale

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 Lynne Pugh (Directorate Accountant)

Visitors John Gregory

23 APOLOGIES FOR ABSENCE

None

24 MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 25 June 2015 were approved and signed as a correct record.

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

25 DECLARATIONS OF INTEREST

There were no declarations of Interest.

26 THE AUDIT FINDINGS FOR TAMWORTH BOROUGH COUNCIL

The Audit Findings for Tamworth Borough Council was presented to the Committee by Grant Thornton and a discussion followed. Thanks recorded to all others involved in the preparation of the Accounts

27 MANAGEMENT REPRESENTATION LETTER

A Management Representation Letter was presented to the Committee by John Gregory of Grant Thornton

RESOLVED: That the letter of representation was approved by the

Committee

*(Moved by Councillor S Goodall and seconded by
Councillor J Chesworth)*

28 ANNUAL STATEMENT OF ACCOUNTS & REPORT 2014/15

The Report of the Executive Director of Corporate Services seeking the approval of the Statement of Accounts (the Statement) for the financial year ended 31st March 2015 following completion of the external audit.

RESOLVED: That the Committee approved the Annual Statement of Accounts 2014/15

*(Moved by Councillor T Peaple and seconded by
Councillor J Oates)*

29 REVIEW OF THE ANNUAL REPORT ON THE TREASURY MANAGEMENT SERVICE AND ACTUAL PRUDENTIAL INDICATORS 2014/15

The Report of the Executive Director of Corporate Services detailing the Annual Treasury report as a requirement of the Council's reporting procedures. It covers the Treasury activity for 2014/15, and the actual Prudential Indicators for 2014/15. The report meets the requirements of both the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities. The Council is required to comply with both Codes in accordance with Regulations issued under the Local Government Act 2003. It also provides an opportunity to review the approved Treasury Management Strategy for the current year and enables Members to consider and approve any issues identified, that require amendment.

RESOLVED: That the Committee considered the Annual Report on the Treasury Management Service and Actual Prudential Indicators 2014/15 as detailed in Annexe 1 of the report and had no changes of the report to recommend to Cabinet

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

30 REGULATION OF INVESTIGATORY POWERS ACT 2000

The Report of the Solicitor of the Council and Monitoring Officer detailing the Council's Code of Practice for carrying out surveillance under the Regulation of

Investigatory Powers Act 2000 (RIPA) specifying that quarterly reports will be taken to Audit and Governance Committee to demonstrate to elected members that the Council is complying with its own Code of Practice when using RIPA. On 13 December 2012, the Council re-adopted the RIPA policy and agreed that quarterly reports on the use of RIPA powers be submitted to Audit and Governance Committee.

RESOLVED: That Audit and Governance Committee endorsed the quarterly RIPA monitoring report.

(Moved by Councillor S Goodall and seconded by Councillor J Faulkner)

31 LOCAL GOVERNMENT OMBUDSMAN ANNUAL REVIEW LETTER 2014-15

The Report of the Solicitor and Monitoring Officer advising the Committee of the views of the Local Government Ombudsman in relation to complaints against the Borough Council and provided an opportunity for the members of the Committee to raise any issues they considered appropriate and the effectiveness of investigations relating to Tamworth Borough Council.

RESOLVED: That the Committee endorsed the Annual Review Letter as attached at Appendix 1.

(Moved by Councillor J Oates and seconded by Councillor J Goodall)

32 INTERNAL AUDIT ANNUAL REPORT/QUARTERLY REPORT 2015/16 QUARTER 1

The Report of the Head of Internal Audit Services reporting on the outcome of Internal Audit's review of the internal control, risk management and governance framework in the 1st Quarter of 2015/16 – and providing 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

RESOLVED: That the Committee considered the quarterly report and had no issues to raise

33 INTERNAL AUDIT CUSTOMER SATISFACTION SURVEY 2015

The Report of the Head of Internal Audit Services reported on the outcome of Internal Audit's customer satisfaction survey.

RESOLVED: That the Committee considered this report and raised any issue it deems appropriate.

34 AUDIT AND GOVERNANCE COMMITTEE TIMETABLE

The Committee reviewed and agreed the timetable.

Chair

DRAFT

AUDIT & GOVERNANCE COMMITTEE

29th October 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 2015/16.

RECOMMENDATIONS

That the Committee:

- 1 Endorses the Checklist for those Responsible for Combating Fraud & Corruption.(Appendix 1)
- 2 Approves the Counter Fraud and Corruption Policy Statement, Strategy & Guidance Notes. (Appendix 2)
- 3 Approves the Whistleblowing Policy. (Appendix 3)
- 4 Endorses the Fraud Risk Register Summary. (Appendix 4)

EXECUTIVE SUMMARY

The abolition of the National Fraud Authority in 2014 and the closure of the Audit Commission in 2015 saw professional counter fraud bodies, institutes and other concerned stakeholders from across the public and private sector including the former Counter Fraud Team of the Audit Commission come together to form 'The European Institute for Combating Corruption And Fraud' (TEICCAF). TEICCAF have carried on from the Audit Commission in the Protecting the Public Purse annual publications. Protecting the Public Purse considers the key fraud risks and pressures facing councils and related bodies. As part of this report, a "Checklist for those Responsible for Combating Fraud & Corruption" has been produced. The checklist has been updated with the current status and is attached at **Appendix 1** for information.

The Counter Fraud and Corruption Policy Statement, Strategy & Guidance Notes has been reviewed and updated in line with best practice – **Appendix**

2. There have been no significant changes to the Policy. Within the Strategy, there is the Counter Fraud Work Plan which has been updated to reflect the appointment of the Corporate Anti Fraud Investigation Officer as from the 1st September 2015. This post will ensure that the Authority is taking a more proactive role in countering fraud whilst fulfilling the requirement to investigate the residual Benefits and Council Tax Reduction Scheme Fraud that has not been transferred to the DWP.

In addition, and in line with best practice, the Whistleblowing Policy has been reviewed and updated and is attached as **Appendix 3**. The review has not identified any significant changes. The Policy has been updated to move the Policy Statement to the beginning of the document. It also includes the list of Prescribed Regulators as identified in the Public Interest Disclosure (Prescribed Persons) Order 2014.

In line with good practice, a Fraud Risk Register is maintained and reviewed on a quarterly basis. The latest Fraud Risk Register Summary is attached as **Appendix 4**.

Work has progressed on the data matches identified through the National Fraud Initiative (NFI) in the 2014/15 run which was released in February 2015. In total, 1089 matches were identified with 240 of these being recommended for investigation. So far, 724 of the matches have been processed with 1 error identified with a total error cost of £733.

RESOURCES IMPLICATIONS

None

LEGAL/RISK IMPLICATIONS BACKGROUND

There is a risk that the Authority will not have sound governance processes in place.

SUSTAINABILITY IMPLICATIONS

None

BACKGROUND INFORMATION

None

REPORT AUTHOR

Angela Struthers ex 234

LIST OF BACKGROUND PAPERS

None

APPENDICES

Appendix 1	Checklist for those Responsible for Combating Fraud & Corruption
Appendix 2	Counter Fraud and Corruption Policy Statement, Strategy & Guidance Notes
Appendix 3	Whistleblowing Policy
Appendix 4	Fraud Risk Register Summary

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Appendix 1

Protecting the English Public Purse 2015

Checklist for those Responsible for Combating Fraud & Corruption

	Y/N	Comments
Do we have a zero tolerance policy towards fraud?	Y	Zero tolerance towards fraud is identified within the Counter Fraud & Corruption Policy Statement, Strategy & Guidance Notes.
Does our fraud and corruption detection results demonstrate that commitment to zero tolerance?	Y	The Authority has a zero tolerance approach to fraudulent activity. Prior to transfer to the Single Fraud Investigation Service, the Investigations Manager and Benefits Investigations Officer both liaised closely with the Department for Work and Pensions, who undertook all court / prosecution actions for Benefit fraud. All successful prosecutions were actively published as an anti fraud measure. The majority of non Benefit fraud has been undertaken by Internal Audit but these are normally reactive in nature – where fraud is identified cases are referred to the Police for further investigation as internal resource is limited. The Council recognised the need for resource to investigate Council Tax Reduction fraud, Tenancy fraud and Council Tax Discount/Business Rates fraud.

		Therefore, following transfer of the Benefits Investigations Officer to the Single Fraud Investigation Service to the DWP on the 1 st September 2015, the Authority proactively retained the Investigations Manager, after successful interview, and created an Corporate Anti Fraud Investigations Officer post as a further proactive measure to detect Corporate Fraud over a range of Council activities.
Do we have a corporate fraud team?	Y	As from the 1 st September 2015, we will have a Corporate Anti Fraud Investigations Officer reporting to Internal Audit.
Does a councillor have portfolio responsibility for fighting fraud across the Council?	Y	The portfolio holder for operations and assets has the responsibility for fighting fraud across the authority.
Have we assessed our council against the TEICCAF fraud detection benchmark analysis (available autumn 2015).	N	The fraud detection benchmark analysis tool will be completed once it is released..
Does that benchmark analysis of fraud detection identify any fraud types which we should give greater attention to?	N/A	Fraud detection benchmark analysis will be used to identify any trends / fraud types once it is released
Are we confident we have sufficient counter-fraud capacity and capability to detect and prevent non-benefit (corporate) fraud, once SFIS has been fully implemented?	Y	As from the 1 st September 2015, we will have a Corporate Anti Fraud Investigations Officer.

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COUNTER FRAUD AND CORRUPTION POLICY STATEMENT, STRATEGY & GUIDANCE NOTES

Document Status: Revised

Originator: A Struthers

Updated: A Struthers

Owner: Executive Director – Corporate Services

Version: 01.01.03

Date: 15/08/15

Approved by

Document Location

This document is held by Tamworth Borough Council, and the document owner is John Wheatley, Executive Director – Corporate Services.

Printed documents may be obsolete. An electronic copy will be available on Tamworth Borough Councils Intranet. Please check for current version before using.

Revision History

Revision Date	Version Control	Summary of changes
1/3/12	1.01.01	Scheduled review
30/07/13	1.01.02	Scheduled review
15/08/15	1.01.03	Scheduled review

Approvals

Name	Title	Approved
Audit & Governance Committee	Committee Approval	
CMT	Group Approval	Yes
TULG	Trade Union Consultation	Yes
John Wheatley	Executive Director – Corporate Services	Yes
Angela Struthers	Head of Internal Audit Services	Yes

Document Review Plans

This document is subject to a scheduled annual review. Updates shall be made in accordance with business requirements and changes and will be with agreement with the document owner.

Distribution

The document will be available on the Intranet and the website.

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TAMWORTH BOROUGH COUNCIL

COUNTER FRAUD AND CORRUPTION POLICY STATEMENT

- 1.0 Tamworth Borough Council fully recognises its responsibility in relation to the spending of public money (Protecting the Public Purse) and is committed to the fullest support for Councillors and Employees in upholding the reputation of the Council and maintaining public confidence in its integrity. It also recognises its responsibilities under the Proceeds of Crime Act 2002, Money Laundering Regulations 2007 and the Bribery Act 2010.
- 2.0 The Council acknowledges the threats of fraud and corruption and the harm that they can cause. The Council is committed to maintaining an ethical culture which does not and will not tolerate any form of fraud and corruption. Any such issues will be thoroughly investigated and, if confirmed, dealt with rapidly in the strongest possible way. We will seek the strongest possible sanctions against those who seek to defraud the Council. This includes taking appropriate action against employees, Councillors, contractors, external individuals and organisations.
- 3.0 To deliver the Council's corporate priorities, aims and strategic objectives we need to maximise the financial resources available to us. In order to do this we must reduce the risk of fraud to an absolute minimum.
- 4.0 This Policy Statement, together with the Counter Fraud & Corruption Strategy and Guidance Notes, is intended to provide advice and information to Employees and Councillors but suppliers, contractors and the general public are also encouraged to use this advice and guidance.

Chief Executive

Leader of the Council

COUNTER FRAUD AND CORRUPTION STRATEGY

1.0 Introduction

1.1 This strategy is a key element of the Council's overall corporate governance arrangements which aim to ensure the Council is well managed and does the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable way. The Council has a range of other interrelated policies and procedures that provide a corporate framework to counter fraud activity. These have been formulated in line with appropriate legislative requirements and include:

- Standing Orders & Financial Regulations,
- National Code of Local Government Conduct,
- Whistleblowing Policy,
- Accounting procedures and records,
- Sound internal control systems,
- Effective Internal Audit,
- Effective recruitment & selection procedures,
- Disciplinary Procedures,
- Fraud Response Plan,
- Benefits Prosecution Policy,
- Data Protection Policy,
- IT Security Policy,
- Personnel Security Policy,
- Physical Security Policy,
- Constitution,
- Scheme of Delegation,
- Members Handbook,
- Code of Corporate Governance,
- Gifts & Hospitality Policy & Register,
- Anti-money Laundering Policy and Guidance,
- Conflict of Interests Policy,
- Other council procedures as appropriate,
- Any relevant professional Codes of Ethics or obligations.

1.2 All references to fraud within this document include any type of fraud-related offence. Fraud, theft, bribery and corruption are defined as follows:

Fraud – “an intentional false representation, including failure to declare information or abuse of position that is carried out to make gain, cause loss or expose another to the risk of loss.” The Audit Commission

Theft – “ a person shall be guilty of theft if he/she dishonestly appropriates property belonging to another with the intention of permanently depriving the other of it”. The Theft Act 1968.

Bribery – “A person (“P”) is guilty of an offence if either of the following cases applies.

Case 1 is where—

(a)P offers, promises or gives a financial or other advantage to another person, and

(b)P intends the advantage—

(i)to induce a person to perform improperly a relevant function or activity, or

(ii)to reward a person for the improper performance of such a function or activity.

(3)Case 2 is where—

(a)P offers, promises or gives a financial or other advantage to another person, and

(b)P knows or believes that the acceptance of the advantage would itself constitute the improper performance of a relevant function or activity. (The Bribery Act 2010)

Corruption - “the offering, giving, soliciting or acceptance of an inducement or reward which may influence the action of any person.” (Fraud Audit Manual, the Audit Commission)

- 1.3 A dishonest act or fraudulent activity may be, but is not limited to, an act or activity that is unethical, improper, or illegal such as:

theft of an asset including, but not limited to, money, tangible property, intellectual property etc;

misappropriation, misapplication, destruction, removal, or concealment of property;

false claims and/or misrepresentation of facts;

alteration or falsification of paper or electronic documents, including the inappropriate destruction of paper or electronic documents;

inappropriate use of computer systems including hacking and software piracy;

embezzlement;

bribery, or corruption of any kind;

unlawful or undeclared conflict of interest;

unauthorised use or misuse of Council property, equipment, materials or records.

- 1.4 Although a dishonest or fraudulent act may have criminal and/or civil law consequences, the Council is not required to use a determination by a criminal or civil body as the basis for determining whether an act is dishonest or fraudulent, nor must the act rise to the level of a crime or violation of civil law in order to constitute a violation of the Council's Conduct and Capability Policy.
- 1.5 The Council also expects that individuals and organisations (e.g. partners, suppliers/contractors and service users) which it comes into contact with, will act towards the Council with integrity and without actions involving fraud or corruption. The Council in turn will endeavour to ensure that all of its dealings will be on the same basis.
- 1.6 In administering its aims and responsibilities the Council is totally committed to deterring fraud and corruption, whether it is attempted on or from within the Council, and is committed to an effective counter fraud and corruption strategy designed to:
 - limit, as far as possible, the opportunities to commit fraudulent acts - **prevention**,
 - enable any such acts to be **detected** at an early stage, and
 - deal with any subsequent **investigations** in a prompt, thorough and professional manner.
- 1.7 Overall responsibility for dealing with fraud and corruption rests with the Executive Director Corporate Services, who is the nominated Section 151 Officer having a statutory duty under Section 151 of the Local Government Act 1972 to ensure that there are proper arrangements in place to administer the Council's financial affairs. He is therefore the principal contact for all Councillors and employees.
- 1.8 Internal scrutiny of the Council's various activities occurs as a result of:-
 - the Executive Director Corporate Services Section 151 responsibilities and Section 114 Local Government Finance Act 1988 responsibilities,

- the establishment of sound Internal Audit arrangements in accordance with the Accounts and Audit Regulations 2011, and
- the responsibilities placed on the Monitoring Officer under Section 5 of the Local Government and Housing Act 1989.

1.9 External scrutiny of the Council's various activities occurs as a result of involvement by:-

- Local Government Ombudsman,
- External Auditor,
- Central Government Departments and Parliamentary Committees,
- HM Revenues and Customs,
- The Department for Work and Pensions,
- The general public.

1.10 This Counter Fraud and Corruption Strategy is based on a series of comprehensive and inter-related procedures designed to deter any attempted fraudulent or corrupt act. These cover:-

- Culture,
- Prevention,
- Detection and Investigation,
- Recovery, Sanction and Redress,
- Training and Awareness,
- Sharing Information,
- Implementing the Strategy.

2.0 Objectives

2.1 The key objectives of this Counter Fraud and Corruption Strategy are to:

Increase awareness of the counter-fraud responsibilities at all levels within and outside the Council;

Further embed and support the effective management of fraud risk within the Council;

Set specific goals for improving the resilience against fraud and corruption through the support of counter-fraud activities across the Council;

Minimise the likelihood and extent of loss through fraud and corruption.

2.2 All of the above will directly support the achievement of the Council priorities whilst ensuring that statutory responsibilities are met.

3.0 Roles and Responsibilities

- 3.1 Roles and responsibilities for identifying and mitigating against the risk of fraud must be clearly understood and embraced effectively.
- 3.2 The risk of fraud and corruption is considered in the Council's corporate risk management arrangements. Chief Officers must therefore ensure that:

Their risk registers accurately reflect the risk of fraud and corruption including any emerging risks;

Controls, including those in a computerised environment and for new systems and procedures, are effective and are properly maintained and documented;

There is compliance with the Council's Financial Regulations and associated guidance, Standing Orders and any other relevant codes of practice;

Those engaged in countering fraud and corruption, have the appropriate authority, skills and knowledge to undertake this work effectively;

That the necessary framework agreements to counter fraud are in place where the Council is working with other organisations either by way of contract or partnership. The Council will not knowingly enter into any contractual agreement with an organisation that fails to comply with its Code of Practice and/or other related procedures.

Findings from fraud investigations lead to relevant system changes.

4.0 Culture

- 4.1 The Council has determined that the culture and ethics of the Authority is one of honesty and openness in all its dealings, with opposition to fraud and corruption. This strategy forms part of the governance arrangements for the authority.
- 4.2 The Council's Councillors and employees play an important part in creating and maintaining this culture. They are encouraged to raise any matters that concern them relating to the Council's methods of operation in accordance with this Counter Fraud & Corruption Strategy or the Council's Whistleblowing Policy.
- 4.3 The Council is committed to driving down Benefit Fraud. Both public perception and organisational culture play key roles in achieving this aim. All Councillors and Employees are therefore required to report

any known material changes affecting Benefit claims to the Benefits Office. This specifically includes your own entitlement and of any tenants or sub-tenants that you may have. Failure to do so will result in the Councillor or Employee being subject to the Benefits Prosecution Policy and Conduct and Capability Procedures. In addition, it is also a requirement that the timely transfer of information you receive in your normal business activities relating to any other customer who has alerted you to a fact that affects Benefit awards is completed

- 4.4 The Council's Whistleblowing Policy ensures that those raising concerns know they will be treated seriously and properly investigated in a confidential and impartial manner. In raising concerns employees can be assured that they will be protected if the disclosure is made in the public interest and will not affect their employment situation or future prospects with the Council.
- 4.5 Employees can raise their concerns in the first instance with their line manager but where employees feel unable to raise concerns with their immediate line manager/ supervisor they can deal direct with any of the following:-
- the Section 151 Officer (Executive Director Corporate Services),
 - Internal Audit,
 - the Chief Executive,
 - the Monitoring Officer,
 - any member of Corporate Management Team,
 - the External Auditor, or
 - any Trade Union Representative.
- 4.6 Elected Councillors, suppliers, contractors, and the general public are also encouraged to report concerns through any of the above routes.
- 4.7 Unless there are good reasons to the contrary, any allegations received by way of confidential letters or telephone calls will be taken seriously and investigated in an appropriate manner. All concerns will be treated in confidence and every effort will be made not to reveal your identity if you so wish. At the appropriate time, however, you may need to come forward as a witness, but this will be discussed with you, as to whether and how the matter can be proceeded with.
- 4.8 The Nolan Committee set out the seven guiding principles that apply to people who serve the public. The Council will develop our working behaviour around these principles, which are attached as Appendix 1.

5.0 Prevention

5.1 Employees

- 5.1.1 The Council recognises that a key preventative measure in the fight against fraud and corruption is to take effective steps at the recruitment stage to establish, as far as possible, the previous record of potential employees, in terms of their propriety and integrity. In this regard temporary, agency and contract employees should be treated in the same manner as permanent employees. Chief Officers are responsible for ensuring agencies engaged for the supply of temporary employees have rigorous vetting processes and that references are sought direct from previous clients with regard to the suitability and integrity of the candidate.
- 5.1.2 Employee recruitment is required to be in accordance with procedures laid down by the Council. Written references covering the known honesty and integrity of potential employees and where required, evidence of a licence to practice must always be obtained. All qualifications will be verified. There will be an open and fair policy of recruitment with no 'canvassing' or 'favouritism'.
- 5.1.3 Employees of the Council are expected to follow any Code of Conduct relating to their personal Professional Body and also abide by the terms and conditions of employment as set out in the Contract of Employment and the National Scheme of Conditions. The Council will report any known impropriety to the relevant Institution for them to consider appropriate disciplinary action.
- 5.1.4 Employees are reminded that they must comply with Section 117 of the Local Government Act 1972 which requires any interests in contracts that have been or are proposed to be entered into by the Council to be declared. The legislation also prohibits the acceptance of fees or rewards other than by means of proper remuneration. Details are described within the Code of Conduct.
- 5.1.5 Managers are required to observe the formal Conduct and Capability Procedures.
- 5.1.6 All employees are required to declare in a public register (held by the Monitoring Officer) any offers of gifts or hospitality which are in any way related to the performance of their duties in relation to the Authority. Employees should also declare private work (paid or unpaid) etc., which if permitted must be carried out during hours when not employed on Council work, and should not be conducted from Council premises or use any Council equipment/assets.
- 5.1.7 The above matters are brought to the attention of employees via induction training and subsequently by internal communications.

5.1.8 Management at all levels are responsible for ensuring that employees are aware of the Authority's Financial Regulations and Standing Orders, and that the requirements of each are being met. They are also responsible for ensuring that appropriate procedures are in place to safeguard the resources for which they are responsible, which include accounting control procedures, working manuals and operating procedures. Management must ensure that all employees have access to these rules and regulations and that employees receive suitable training.

5.1.9 Managers should strive to create an environment in which employees feel able to approach them with concerns they may have about suspected irregularities. If managers and employees are unsure of the appropriate action they should consult with the Internal Audit Section.

5.2 Councillors

5.2.1 Councillors are required to operate within: -

- Sections 49 - 52 of the Local Government Act 2000,
- Local Authorities (Members' Interest) Regulations 1992 (S.I. 618)
- The National Code of Local Government Conduct
- Any local code or amendments agreed and
- The Council's Standing Orders and Financial Regulations.

5.2.2 These matters are specifically brought to the attention of elected Councillors at their induction and subsequent training. Councillors are required to provide the Monitoring Officer with specific information concerning their disclosable pecuniary interests and to keep that information up to date, as required by sections 29-34 of the Localism Act 2011. The Members Interests Register is held by the Monitoring Officer.

5.3 Systems

5.3.1 The Council's Scheme of Delegation, Standing Orders and Financial Regulations place a duty on all Councillors and employees to act in accordance with best practice when dealing with the affairs of the Council.

5.3.2 The Executive Director Corporate Services has a statutory responsibility under Section 151 of the Local Government Act 1972 to ensure proper administration of financial affairs. Various Codes of Practice outlining systems, procedures and responsibilities are widely distributed to employees.

- 5.3.3 The Internal Audit Section assesses regularly the level of risk within the Council with a view to preventing fraud and corruption. Such assessments are discussed with Chief Officers and, where appropriate, incorporated into work plans.
- 5.3.4 Significant emphasis has been placed on thorough documentation of financial systems, and every effort is made to continually review and develop these systems in line with best practice to ensure efficient and effective internal controls and to include adequate separation of duties. The adequacy and appropriateness of the Council's financial systems are independently monitored by both the Internal Audit Section and External Audit. Any weaknesses identified in internal control will be reported to management whose duty it will be to ensure that corrective action is taken. The Section 151 Officer will use his statutory power to enforce the required changes if necessary.
- 5.3.5 Chief Officers will ensure that internal controls, including those in a computerised environment, are effectively maintained and documented and will investigate any potential weaknesses.
- 5.3.6 Chief Officers must ensure that proportionate counter fraud measures are applied to new systems/procedures.
- 5.3.7 It is evident across the country that an increasingly wide variety of frauds are being perpetrated. The larger frauds may involve the creation of multiple identities and false addresses, and involve different agencies. Employees are therefore encouraged to liaise with those other agencies, exchanging information, where possible and appropriate to help prevent and detect such fraud. It is important that arrangements exist, and are developed, to encourage the exchange of information with other agencies including:-
- other local and statutory authorities,
 - Chief Financial Officer Group,
 - local, regional and national Auditor networks,
 - government departments,
 - police forces,
 - the Audit Commission,
 - the National Anti-Fraud Network, and
 - any other Fraud Networks/Forums.
- 5.3.8 The Council has established formal procedures to respond to complaints received about any aspect of service delivery. Issues relating to fraud and corruption will be passed directly to the Executive Director Corporate Services. Specific guidance has also been issued to all employees in relation to Proceeds of Crime and Money Laundering. The Monitoring Officer acts as the Council's Money Laundering Reporting Officer.

5.3.9 The Council will involve the police to prosecute offenders where fraudulent or corrupt acts are discovered. This will be a matter for the Executive Director Corporate Services, Monitoring Officer and the Chief Executive to decide, in consultation with the relevant Chief Officer.

6.0 Detection and Investigation

6.1 The Council's preventative systems, particularly internal control systems, provide indicators of fraudulent activity and are designed to deter any fraudulent activity.

6.2 It is often the alertness of elected Councillors, council employees, and the general public to the possibility of fraud and corruption, that enables detection to occur and appropriate action to take place.

6.3 Many frauds are discovered by chance, 'tip-off' or general audit work and arrangements are in place to enable such information to be properly dealt with.

6.4 Chief Officers are required by Financial Regulations to report all suspected instances of fraud and corruption to the Executive Director Corporate Services. Early reporting is essential to the success of this strategy, and;

- ensures the consistent treatment of information regarding fraud and corruption,
- facilitates a thorough investigation of any allegation received by an independent unit (Internal Audit), and
- ensures maximum protection of the Council's interests.

Suspicious that any transaction or dealing may involve the proceeds of crime should be reported to the Monitoring Officer, who will ensure such suspicions are reported to the appropriate authorities as required by the relevant Act.

6.5 The investigating officer will be appointed by the Executive Director Corporate Services. The investigating officer will usually be an Internal Audit Officer. The investigating officer will;-

- deal promptly and confidentially with the matter,
- have unhindered access to employees, information and other resources as required for investigation purposes
- record all evidence received,
- ensure that evidence is sound and adequately supported,
- ensure security of all evidence collected,
- liaise as necessary and appropriate with the relevant Chief Officer,

- liaise as necessary with external agencies e.g. Police,
 - notify the Council's insurers if appropriate.
- 6.6 The Council can be expected to deal swiftly and thoroughly with any employee who attempts to defraud the Council or who is corrupt. The Council will deal positively with fraud and corruption or suspicions thereof. Where appropriate, the Council's disciplinary procedures will be implemented.
- 6.7 There is a need to ensure that any investigation process is not misused and, therefore, any abuse such as raising unfounded malicious allegations may be dealt with as a disciplinary matter.
- 6.8 When it is found that fraud or corruption has occurred due to a break down in the Council's systems or procedures, Chief Officers will ensure that appropriate improvements in systems of control are promptly implemented in order to prevent a reoccurrence.
- 6.9 Depending on the nature and anticipated extent of the allegations, the Internal Audit section will normally work closely with management and other agencies such as the police to ensure that all allegations and evidence is properly investigated and reported upon.
- 6.10 The Council's disciplinary process will be used where the outcome of the Audit Investigation indicates improper behaviour.
- 6.11 The Council will normally wish the police to independently prosecute offenders where financial impropriety is discovered.
- 6.12 Any Councillor who is the subject of allegations of wrong doing can be referred to the Monitoring Officer to the authority (details on the website), who will determine what action should be taken.
- 6.13 All contractors, consultants and organisations receiving funding from the Council who are accused of wrong doing will be the subject of an investigation and where appropriate an independent decision may be taken to terminate the agreement/grant.
- 6.14 The Council's External Auditor has a responsibility to review the Council's arrangements for the prevention, detection and investigation of fraud and corruption and report accordingly.

7.0 Recovery, Sanctions & Redress

- 7.1 Where the Council identifies fraud then it will:
- Recover, prosecute or apply other sanctions to perpetrators, where appropriate.
- 7.2 Where fraud or corruption by employees is indicated, then action will be taken in accordance with the Council's Conduct and Capability

Policy. This may be in addition to any civil recovery action or sanctions.

- 7.3 The Council aims to be effective in recovering any losses incurred to fraud using, as appropriate, criminal and/or civil law. Success rates will be monitored routinely as an indicator and part of the quality process.
- 7.4 Wherever possible, redress should be applied. This ensures that the Council is seen as recovering money lost to fraud.

8.0 Training & Awareness

- 8.1 The Council recognises the importance of training in the delivery of high quality services. The Council supports the concept of fraud awareness training for managers and for employees involved in internal control systems to ensure that their responsibilities and duties in this respect are regularly highlighted and reinforced. Chief Officers are responsible for training employees and promoting awareness of fraud issues.
- 8.2 Investigation of fraud and corruption centres around the Council's Internal Audit section. Employees engaged in these sections, for the detection and prevention of fraud, are properly and regularly trained in all aspects of it. The training plans of the sections will reflect this requirement.
- 8.3 Employees who ignore such training and guidance may face the possibility of disciplinary action.
- 8.4 Regular training seminars will be provided for Councillors on a wide range of topics including declarations of interest and the Code of Conduct as detailed in the Constitution.
- 8.5 The Council will maintain an up to date awareness of the types of fraud that it may be exposed to, especially given the ongoing financial situation and the resourcefulness of potential fraudsters. It will review national developments and strengthen systems and procedures accordingly using the following key sources of information:

National Fraud Reports

National Anti-Fraud Network

Midlands Fraud Forum

Local Networking through Staffordshire and the Midlands

Any other sources of fraud awareness/updates etc.

9.0 Sharing Information

- 9.1 The Council is committed to working with other agencies in the detection and prevention of fraud.
- 9.2 Information will be shared internally and with other government departments and other agencies eg insurance companies for the purposes of fraud prevention and detection. This information will be shared in accordance with the principles of the Data Protection Act 1998 and other appropriate legislation.
- 9.3 The Council participates in national data sharing exercises, i.e. the National Fraud Initiative to enable the proactive detection of fraud.

10.0 Implementing the Strategy

- 10.1 Internal Audit will undertake an annual assessment of the effectiveness of existing counter-fraud and corruption arrangements against:

CIPFA's Red Book 2 Fraud Standards

Other best practice/statutory guidance as required

The roles and responsibilities as set out in Appendix 2 of this strategy.

- 10.2 Internal Audit will complete the Counter Fraud Work Plan as detailed in Appendix 5.
- 10.3 Internal Audit will report its findings to the Audit and Governance Committee who will consider the effectiveness of the counter-fraud risk management arrangements.

11.0 Conclusions

- 11.1 The Council's systems, procedures, instructions and guidelines are designed to limit, as far as is practicable, acts of fraud and corruption. All such measures will be kept under constant review to ensure that they keep pace with developments in prevention and detection techniques regarding fraudulent or corrupt activity.
- 11.2 The Council will maintain a continuous review of all its systems and procedures through the Executive Director Corporate Services and Internal Audit, in consultation with the Monitoring Officer where required.

COUNTER FRAUD AND CORRUPTION GUIDANCE NOTES

1.0 Why Do We Need a Counter Fraud And Corruption Strategy?

1.1 Even though the vast majority of people working for the Council are honest and diligent, the Council cannot be complacent. Fraudulent or corrupt acts may include:

System issues	i.e. where a process/system exists which can be abused by either employees or members of the public (eg Housing Allocations)
Financial issues	i.e. where individuals or companies have fraudulently obtained money from the Council (eg invalid invoices/work not done, Housing Benefit fraud)
Equipment issues	i.e. where Council equipment is used for personal use (eg personal use of council telephones)
Resource issues	i.e. where there is misuse of resources (eg theft of building materials/cash)
Other issues	i.e. activities undertaken by officers of the Council which may be: unlawful; fall below established standards or practices; or amount to improper conduct (eg receiving unapproved hospitality)

(This is not an exhaustive list.)

1.2 The prevention of fraud, and the protection of the public purse is **EVERYONE'S BUSINESS**. It is important that all employees know:

- how to recognise a fraud,
- how to prevent it, and
- what to do if they suspect that they have come upon a fraud.

1.3 This guidance has been drawn up to provide information to employees at all levels. The strategy and guidance attempt to assist employees and others with suspicions of any malpractice. The overriding concern is that it is in the public interest for the malpractice to be corrected and, if appropriate, sanctions and redress applied.

1.4 It is important that employees should be able to use any mechanism without fear of victimisation, and fully know that their concerns will be addressed seriously, quickly and discreetly.

1.5 It is important that the whole Council works together to reduce Benefit Fraud. All employees are therefore required to transfer relevant

information gathered in their normal day to day activities about possible Benefit irregularities to the Benefits Office, at Marmion House. So, for example, if during a routine visit/interview you become aware that a customer is working and “signing on” which they may be entitled to do so but you must tell the Benefits office this information. The Benefits office will assess the matter and investigate where appropriate. You are not expected to and must not delve any further.

1.6 The Council has determined that it should have a culture of honesty and openness in all its dealings, with opposition to fraud and corruption. The Council’s Whistleblowing Policy does this by :-

- making it clear that vigilance is part of the job. Knowingly not raising concerns may be a serious disciplinary offence,
- recognising that early action may well prevent more worry or more serious loss/damage,
- making it safe and simple to convey critical information ensuring that any concern in this area is seen as a concern and not a grievance,
- encouraging information exchange, remembering that there are two sides to every story,
- providing a way in which concerns can be raised in confidence and not necessarily via the nominated line manager or supervisor,
- recognising the need for discretion,
- ensuring the anonymity of the individual, where possible, should this be preferred by the employee, and by protecting employers from reprisals.

1.7 Under the Enterprise and Regulatory Reform Act 2013, any disclosure made using the Whistleblowing Policy, within reasonable belief of the worker making the disclosure will only be protected if it is made in the public interest. More detail is found in the Whistleblowing Policy.

1.8 There is a need to ensure that any investigation process is not misused and, therefore, any abuse such as raising unfounded malicious allegations may be dealt with as a disciplinary matter.

2.0 Why Do We Need This Advice?

2.1 It is important that you follow the advice given and do not try to handle the problem yourself, without expert advice and assistance. A badly managed investigation may do more harm than good. There are a number of internal and external processes which have to be followed to yield a satisfactory conclusion.

3.0 How To Recognise A Fraud

3.1 Each employee must be aware of fraud and the areas within their responsibility where fraud may occur.

3.2 Fraud can happen wherever employees or independent contractors complete official documentation and can take financial advantage of the Council. The risk of fraud is enhanced where employees or contractors are in positions of trust or responsibility and are not checked or subjected to effective monitoring or validation. Consequently the following areas are susceptible to fraud:-

- claims for work done by independent contractors,
- travel and expense claims,
- cash receipts/ petty cash,
- payroll,
- ordering, and
- stocks and assets.

3.3 Fraud involves the falsification of records, failing to disclose information or abuse of position. Managers need to be aware of the possibility of fraud when presented with claims/forms/documentation etc. Issues which may give rise to suspicions are:-

- documents that have been altered, "Tippex" used thereon, or different pens and different hand writing,
- claims that cannot be checked, particularly if prior authorisation was not given,
- strange trends (use comparisons and reasonableness),
- confused, illegible text and missing details,
- delays in documentation, completion or submission, and
- no vouchers or receipts to support claims.

3.4 There are a number of indications of an employee being in a situation whereby they could be acting fraudulently. Common indicators could be:-

- living beyond their means,
- under financial pressure ,
- not taking annual leave, and
- solely responsible for a "risk" area and/or possibly refusing to allow another officer to be involved in their duties and/or have minimal supervision.

4.0 How To Prevent It

4.1 By establishing an adverse culture to fraud and corruption the Council can help to prevent its occurrence.

4.2 Managers need to :-

- Minimise the opportunity for fraud – this can be achieved by putting in place robust systems of internal controls and checks.
- Reduce the “Pay – Off” – this is achieved by increasing the chances of detection and increasing the penalty for the perpetrator so risks outweigh the benefits of getting “away with it”

4.3 There are 8 basic control types which management should concern themselves with: -

Supervision

Supervisory checks should be completed and recorded by the line manager on the work completed by his/her team.

Organisation

Within each system, there should be policies/procedures setting out how functions should be carried out. There should be clear structures/rules which employees should work within.

Authorisation

Within a system there should be authorisation controls e.g. controls to authorise a payment (electronic/physical signature), and the correct level of authority is used in decision making.

Personnel

There should be clear roles and responsibilities and appropriate level of delegation. The right person should be doing the right job.

Segregation of Duties

Seek to avoid the sole ownership for the processing and control functions of any activity, by one employee.

Physical

This relates to physical controls e.g. access to monies, documents, security of premises etc should be appropriate and restricted where necessary. Where restricted access is necessary, access to keys/door

numbers etc should be retained by the person granted access rights. They should not be left on the premises. Inventory checks ensure that assets are controlled.

Arithmetical Accuracy

Checks completed by another person to confirm the accuracy of data input/independent reconciliations of cash floats etc.

Management Functions

Within the system there should be controls for monitoring and reporting upon activity e.g. the production of audit trail reports from systems etc. Monitoring to highlight irregularity/non-compliance with rules and procedures and reporting – being accountable for actions.

- 4.4. Employees need to be aware of the possibility of fraud when presented with claims/forms/ documentation, etc. They should also have an awareness of internal rules and procedures; i.e. financial regulations, standing orders, declarations of outside work, hospitality etc.
- 4.5 Deterrence and prevention is the primary aim and if managers implement and control areas as mentioned in 4.3, any deviation from the set procedure should be highlighted in a timely manner.

5.0 What To Do On Suspecting A Fraud

5.1 Action By Employees

- 5.1.1 The Council is committed to the highest possible standards of openness, probity and accountability. Any employee who believes such standards are being breached should report their suspicions. This can be done via the Council's Whistleblowing Policy or you can contact the Executive Director Corporate Services, Internal Audit or a Chief Officer.
- 5.1.2 You should report the matter immediately, make a note of your suspicions and provide as much factual information to support your concerns. Concerns are better raised in writing.
- 5.1.3 The background and the history of the concern, giving names, dates and places where possible, should be set out and the reason why the individual is particularly concerned about the situation. Those who do not feel able to put their concern in writing can telephone or meet the appropriate officer. The earlier the concern is expressed, the easier it

is to take action. Individuals may invite their trade union or professional association to raise a matter on their behalf.

5.1.4 Do not try to carry out an investigation yourself. This may damage any investigation carried out by the Internal Audit section or an appointed investigator. Help the official investigators by providing information as and when requested and by giving a written statement when required.

5.2 Action By Managers

5.2.1 If managers become suspicious of any action by an employee or supplier or such suspicions are reported to them they should follow these simple rules.

- if possible establish if the irregularity (potential fraud, corruption or error) is a genuine error or possible fraud.
- contact their Chief Officer or any other officer as identified in the Counter Fraud and Corruption Strategy, who will contact the Executive Director Corporate Services or the Internal Audit section.
- contact the Director Transformation & Corporate Performance, where there may be implications under the disciplinary procedures for officers.
- do nothing else, except remain vigilant and await further instructions from the investigating team.

5.2.2 The Council is required to report any cases in which it is suspected that transactions involve the proceeds of crime. If employees or managers have any such suspicion, this should be reported immediately to the Monitoring Officer, who shall advise on the necessary action and ensure the matter is reported to the appropriate authorities.

5.2.3 Details of the relevant contacts can be found in Appendix 4.

6.0 What Happens To The Allegation

6.1 The Executive Director Corporate Services or his investigating officer, will normally carry out a full enquiry even where there is clear evidence of an offence following the Fraud Response Plan (Appendix 3). A full report will be copied and sent to:-

- the relevant Chief Officer, and
- the Chief Executive to consider if there needs to be any police involvement.

6.2 It is essential that the Executive Director Corporate Services investigation should be a complete one and the investigating officer to whom it is delegated is entitled to expect the fullest co-operation from

all employees.

- 6.3 A full detailed report on any system control failures and recommended actions to address the failures will be issued to the relevant manager in the format of an internal audit report.

The Seven Principles of Public Life (Nolan Committee)

Selflessness

Holders of public office take decisions 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.

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.

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.

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.

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.

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.

Leadership

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

Statement of Expected Responsibilities

Stakeholder	Expected Responsibilities
Chief Executive	Ultimately accountable as Head of Paid Service for the effectiveness of the Council's arrangements for countering fraud and corruption as well as corporate governance.
Executive Director Corporate Services (Section 151 Officer)	The Executive Director Corporate Services has a statutory duty, under Section 151 of the Local Government Act 1972, Sections 114 and 116 of the Local Government Finance Act 1988 and Accounts and Audit Regulations 2011 to ensure the proper administration of the Council's financial affairs. This includes Internal Audit and Benefit Fraud.
Solicitor to the Council (Monitoring Officer)	To advise Councillors and officers on ethical issues, standards and powers to ensure that the Council operates within the Law and Statutory Codes of Practice. The operation of the Council's Money Laundering Policy And Regulation of Investigatory Powers Act (RIPA) 2000 Policies and Procedures. Maintain a Register of Disclosable Pecuniary Interests.
Director Transformation & Corporate Performance	To put in place a corporate recruitment and selection policy and monitor compliance against it.
Chief Officers	To ensure that fraud and corruption risks are considered as part of the Council's corporate risk management arrangements. To ensure that actions to mitigate risks in this area are effective. To notify the Executive Director Corporate Services of any fraud arising in a timely manner.
Corporate Management Team	Challenge new policies and strategies to ensure that fraud and corruption risks have been taken into account. Review the corporate framework designed to promote an over-riding counter-fraud culture on a regular basis. This will include monitoring and evaluating arrangements to ensure effectiveness and

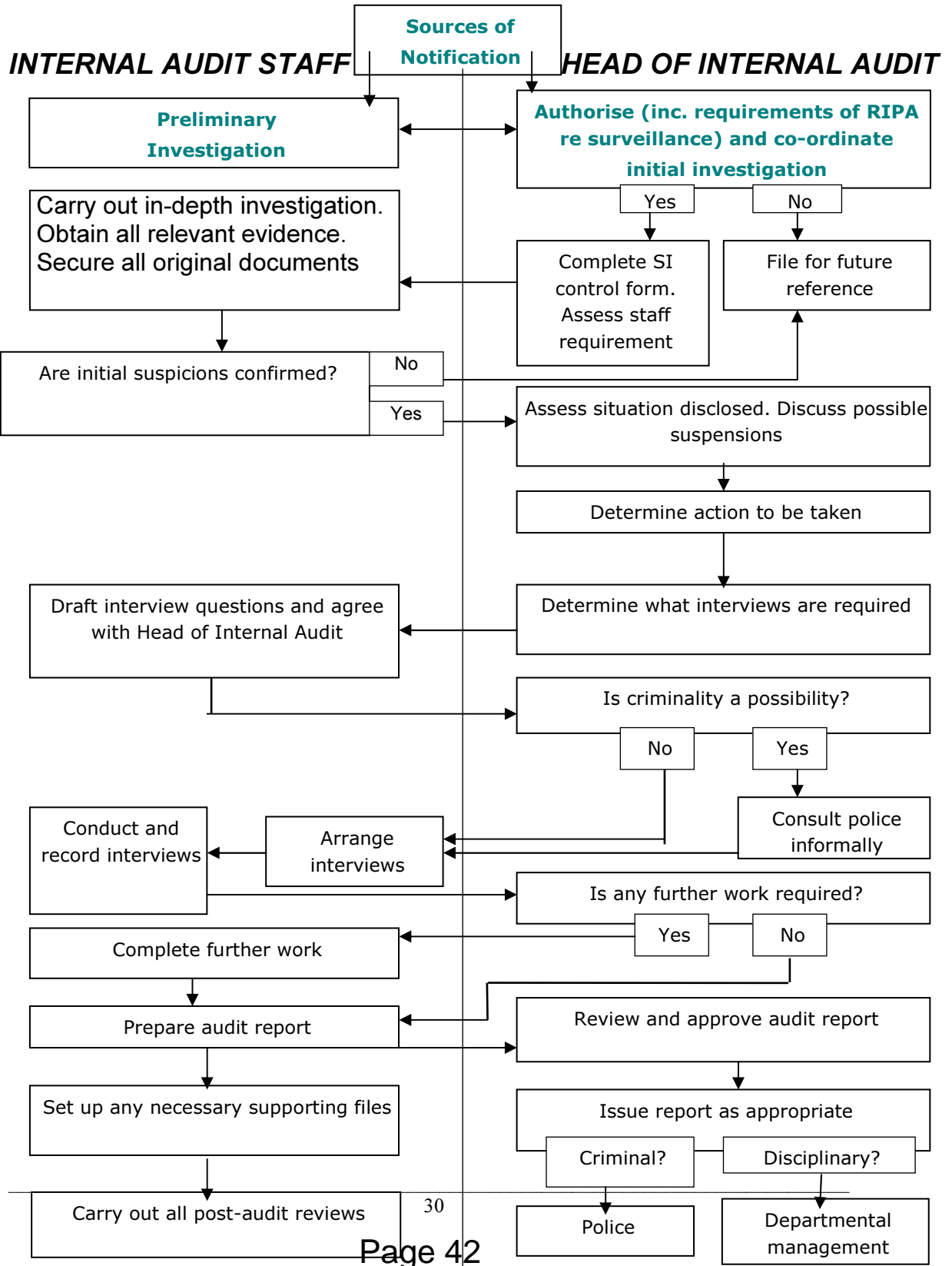
	compliance with best practice.
Audit and Governance Committee	To monitor the Council's policies and consider the effectiveness of the arrangements for Counter Fraud and Whistleblowing. To exercise all the functions of the Council relating to Codes of Conduct as provided in the Localism Act 2011 except for those functions which under Chapter 7 of the Localism Act 2011 may only be exercised by the full Council.
Deputy leader & Portfolio holder – Operations and Assets	To champion the Council's Counter Fraud & Corruption arrangements and promote them at every opportunity.
Elected Councillors	To support and promote the development of a strong counter fraud culture.
External Audit	Statutory duty to ensure that the Council has in place adequate arrangements for the prevention and detection of fraud, corruption and theft.
Internal Audit	Responsible for developing and implementing the Counter Fraud and Corruption Policy Statement, Strategy and Guidance Notes and investigating any issues reported under this policy. Reporting on the effectiveness of controls to the Audit and Governance Committee. To ensure that all suspected or reported irregularities are dealt with promptly and in accordance with this Strategy and that action is identified to improve controls and reduce the risk of recurrence.
Senior Managers	To promote employee awareness and ensure that all suspected or reported irregularities are immediately referred to Executive Director Corporate Services. To ensure that there are mechanisms in place within their service areas to assess the risk of fraud, corruption and theft and to reduce these risks by implementing robust internal controls.
Employees	To comply with Council policies and procedures, to be aware of the possibility of fraud, corruption and theft, and to report any genuine concerns to the appropriate management, the Chief Executive, the Executive Director Corporate Services or Internal Audit.

Public, Partners, Suppliers, Contractors and Consultants	To be aware of the possibility of fraud and corruption against the Council and report any genuine concerns or suspicions. To ensure that effective controls are in place to mitigate risks to the Council.
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Tamworth Borough Council

Fraud Response Plan

OPERATIONAL CONTROL



**HOW TO REPORT ANY SUSPECTED FRAUDS, CORRUPTION, OTHER
IRREGULARITIES OR CONCERNS**

To contact Internal Audit Services

Contact: Angela Struthers, Head of Internal Audit Services

Tel: 01827 709234 email: angela-struthers@tamworth.gov.uk

Write to Head of Internal Audit Services (Confidential)
Tamworth Borough Council
Marmion House,
Lichfield Street
Tamworth
B79 7BZ

Or: Andrea Duke, Corporate Anti-Fraud Investigations Officer

Tel: 01827 709541 email: andrea-duke@tamworth.gov.uk

Alternatively you can contact:

John Wheatley, Executive Director Corporate Services

Tel: 01827 709252 email: john-wheatley@tamworth.gov.uk

Jane Hackett, Solicitor to the Council and Monitoring Officer

Tel: 01827 709258 email: jane-hackett@tamworth.gov.uk

Tony Goodwin, Chief Executive

Tel: 01827 709220 email: tony-goodwin@tamworth.gov.uk

To contact the Council's external auditor

Write to:

Grant Thornton UK LLP
Colmore Plaza
20 Colmore Circus
Birmingham
West Midlands
B4 6AT

Tel: 0121 212 4000

To report Housing and Council Tax Benefit Fraud contact;

National Benefit Fraud Hotline 0800 854 440 or

text phone number 0800 320 0512 or

Write to NBFH, PO Box No. 224, Preston, PR1 1GP

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 due to new upgrade to system. E-learning package to be redesigned for new system</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)		10

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)		10

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 National Fraud Initiative and the Housing Benefit Matching Service	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
Review and evaluate the potential for the use of computer aided and other innovative techniques for the detection of fraud.	If not undertaken, there is a risk that fraud could go undetected	
Resources (Days)		40

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)
		28

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
<p>Maintain comprehensive records of time spent on each investigation so that this can be included in any compensation claim.</p> <p>Identify and maintain a record of the actual proven amount of loss so that appropriate recovery procedures can be actioned.</p>	<p>Fraudsters may not realise that any and all measures will be taken to recover any money lost to fraud. (Low risk)</p>	<p>As required</p>
Resources (Days)		10

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)
		10
		TOTAL RESOURCES (Days)
		123

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WHISTLEBLOWING POLICY

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Originator: A Struthers

Updated: A Struthers

Owner: Solicitor to the Council & Monitoring Officer

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Date: 03/08/15

Approved by

Document Location

This document is held by Tamworth Borough Council, and the document owner is Jane Hackett, Solicitor to the Council & Monitoring Officer.

Printed documents may be obsolete. An electronic copy will be available on Tamworth Borough Councils Intranet. Please check for current version before using.

Revision History

Revision Date	Version Control	Summary of changes
01/03/12	1.01.01	Scheduled review
29/07/13	1.01.02	Changes under the Enterprise and Regulatory Reform Act 2013
03/08/15	1.01.03	Scheduled review plus changes under The Public Interest Disclosure (Prescribed Persons) Order 2014.

Approvals

Name	Title	Approved
Audit & Governance Committee	Committee Approval	
CMT	Group Approval	Yes
TULG	Trade Union Consultation	Yes
Jane Hackett	Solicitor to the Council & Monitoring Officer	Yes
Angela Struthers	Head of Internal Audit Services	Yes

Document Review Plans

This document is subject to a scheduled annual review. Updates shall be made in accordance with business requirements and changes and will be with agreement with the document owner.

Distribution

The document will be available on the Intranet .

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WHISTLEBLOWING POLICY

1. Policy Statement

- 1.1 Tamworth Borough Council believes it is important to encourage a climate of openness and dialogue within the Council, where the free expression by staff of their concerns is welcomed by managers as a contribution towards improving services.
- 1.2 Employees are often the first to realise that there may be something seriously wrong within the Council. However, they may not express their concerns because they feel that speaking up would be disloyal to their colleagues or to the Council. They may also fear harassment or victimisation. In these circumstances it may be easier to ignore the concern rather than report what may just be a suspicion of malpractice.
- 1.3 The Council is committed to the highest possible standards of openness, probity and accountability. In line with that commitment it expects employees, and others that it deals with, who have serious concerns about any aspect of the Council's work to come forward and voice those concerns. It is recognised that most cases will have to proceed on a confidential basis.
- 1.4 This policy document makes it clear that you can do so without fear of victimisation, subsequent discrimination or disadvantage. *This Whistleblowing Policy is intended to encourage and enable anyone to raise concerns in the public interest, in good faith within the Council rather than overlooking a problem or 'blowing the whistle' outside.*

Chief Executive

Leader of the Council

2. Introduction

2.1 The Public Interest Disclosure Act 1998 became law in July 1999. This Act introduced the protection of whistleblowers and removes the limits of financial liability to which an organisation is exposed should a whistleblower receive unfair treatment. This policy document sets out the Council's response to the requirements of the Act.

2.2 Under the Enterprise and Regulatory Reform Act 2013, any disclosure made using the Whistleblowing Policy, within reasonable belief of the worker making the disclosure will only be protected if it is made in the public interest. It must also show one or more of the following:

(a) that a criminal offence has been committed, is being committed or is likely to be committed,

(b) that a person has failed, is failing or is likely to fail to comply with any legal obligation to which he is subject,

(c) that a miscarriage of justice has occurred, is occurring or is likely to occur,

(d) that the health or safety of any individual has been, is being or is likely to be endangered,

(e) that the environment has been, is being or is likely to be damaged, or

(f) that information tending to show any matter falling within any one of the preceding paragraphs has been, is being or is likely to be deliberately concealed.

2.3 This policy is designed for workers. Workers include:

employees;
agency workers;
people that are training with an employer but not employed; and
self-employed workers, if supervised or working off-site.

2.4 Local Government employees have an individual and collective responsibility regarding their conduct and practices, which are always subject to scrutiny. As individuals, employees are required to work within

the Code of Conduct for Tamworth Borough Council Employees and the relevant codes of conduct including the standards appropriate to their professional organisations or associations. The Council's regulatory framework also includes Financial Regulations and Contract Standing Orders that must be met.

- 2.5 All employees have a duty to bring to the attention of management any deficiency in the provision of service and any impropriety or breach of procedure, in accordance with Financial Regulations.”
- 2.6 These procedures are in addition to the Council's complaints procedures including the Grievance Procedure and the Dignity and Respect at Work Policy, and other statutory reporting procedures applying to some Services.
- 2.7 This policy has been discussed with the relevant trade unions and professional organisations and has their support.

3 Aims and Scope of this Policy

- 3.1 This policy aims to:
- encourage you to feel confident in raising concerns that are in the public interest
 - provide avenues for you to raise those concerns and receive feedback on any action taken
 - ensure that you receive a response to your concerns and that you are aware of how to pursue them if you are not satisfied
 - reassure you that you will be protected from possible reprisals or victimisation if you have a reasonable belief that you have made any disclosure in good faith.
- 3.2 There are existing procedures in place to enable you to disclose particular concerns. These are:
- The Authority's Grievance Procedure which enables you to lodge a grievance relating to your own employment;
 - The Authority's Counter Fraud and Corruption Policy Statement, Strategy & Guidance Notes, which outlines how you can disclose potential fraud, bribery, corruption and theft;
 - The Authority's Dignity and Respect at Work Policy, which enables you to disclose cases of potential harassment and bullying;
 - The Authority's Children & Vulnerable Adult Protection Policy (which has its own Whistleblowing Policy in place), for disclosures regarding suspected mistreatment of children and vulnerable adults.

3.3 This policy does **not** replace the corporate complaints procedure or other existing policies for raising issues regarding your employment.

4 Safeguards

4.1 The Council is committed to good practice and high standards and shall be supportive of employees.

4.2 The Council recognises that the decision to report a concern can be a difficult one to make. If what you are saying is within reasonable belief, you should have nothing to fear because you will be doing your duty to your employer and those for whom you are providing a service.

4.3 The Council will not tolerate any harassment or victimisation (including informal pressures) and will take appropriate action to protect you when you raise a concern in good faith. It is a disciplinary matter to victimise a bone fide whistleblower.

5 Confidentiality

5.1 All concerns will be treated in confidence and every effort will be made not to reveal your identity if you so wish. At the appropriate time, however, you may need to come forward as a witness, but this will be discussed with you, as to whether and how the matter can be proceeded with .

6 Anonymous Allegations

6.1 This policy encourages you to put your name to your allegation whenever possible.

6.2 Concerns expressed anonymously are much less powerful but will be considered at the discretion of the Council.

6.3 In exercising this discretion the factors to be taken into account would include:

- the seriousness of the issues raised
- the credibility of the concern; and
- the likelihood of confirming the allegation from attributable sources.

7 Untrue Allegations

- 7.1 If you make an allegation in good faith, but it is not confirmed by the investigation, no action will be taken against you. If, however, you make an allegation frivolously, maliciously or for personal gain, disciplinary action will be taken against you.

8 How to Raise a Concern

- 8.1 As a first step, you should normally raise concerns with your immediate manager or their superior. This depends, however, on the seriousness and sensitivity of the issues involved and who is suspected of the malpractice. For example, if you believe that management is involved, you should approach the Chief Executive, Executive Director Corporate Services, Solicitor to the Council or Head of Internal Audit Services. Where you feel unable to raise the concerns internally due to the nature of the disclosure you should contact a Prescribed Regulator (see 9.7) The Commission will then ensure that the disclosure is properly investigated.
- 8.2 To raise a concern in respect of Benefits Fraud, you can contact the National Benefit Fraud Hotline - telephone number 0800 854 440 or text phone number 0800 320 0512 or online www.gov.uk/report-benefit-fraud or write to them at NBFH, PO Box No. 224, Preston, PR1 1GP.

9 External contacts

- 9.1 While it is hoped that this policy gives you the reassurance you need to raise such matters internally, it is recognised that there may be circumstances where you can properly report matters to outside bodies, such as prescribed regulators, some of which are outlined at 9.7. If a worker chooses to go to the media, they can expect in most cases to lose their whistleblowing law rights. It is only in exceptional circumstances that a worker can go to the media without losing their rights. The Public Interest Disclosure Act 1998 gives more detail on this.
- 9.2 Concerns may be raised verbally or in writing. Staff who wish to make a written report are invited to use the following format:
- the background and history of the concern (giving relevant dates);
 - the reason why you are particularly concerned about the situation.

- 9.3 The earlier you express the concern the easier it is to take action and you will need to be able to demonstrate to the person contacted that there are reasonable grounds for your concern.
- 9.4 Contact points for advice/guidance on how to pursue matters of concern can be obtained from:
- Chief Executive – 709220
 - Executive Director Corporate Services – 709252
 - Solicitor to the Council & Monitoring Officer – 709258
 - Head of Internal Audit Services – 709234
- 9.5 You may wish to consider discussing your concern with a colleague first and you may find it easier to raise the matter if there are two (or more) of you who have had the same experience or concerns.
- 9.6 You may invite your trade union or professional association representative or a member of staff to be present during any meetings or interviews in connection with the concerns you have raised.
- 9.7 Examples of relevant Prescribed Regulators are as follows:

Proper conduct of public business, value for money fraud and corruption relating to provision of public services	Comptroller and Auditor General
Serious or complex fraud	Director of the Serious Fraud Office
Environmental issues	Environment Agency
Accounting, auditing and actuarial issues	Financial Reporting Council Limited
Health & Safety issues	Health & Safety Executive
Social Housing	Homes & Communities Agency
Data Protection & Freedom of Information	Information Commissioner
Corruption & Bribery	National Crime Agency
Child Welfare & Protection	Children's Commissioner NSPCC

The full list of prescribed regulators can be found in [The Public Interest Disclosure \(Prescribed Persons\) Order 2014](#).

10 How the Council Will Respond

10.1 The Council will always respond to your concerns. Do not forget that testing out your concerns is not the same as either accepting or rejecting them.

10.2 Where appropriate, the matters raised may:

- be investigated by management, internal audit, or through the disciplinary process
- be referred to the police
- be referred to the external auditor
- form the subject of an independent inquiry.

10.3 In order to protect individuals and those accused of misdeeds or possible malpractice, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. The overriding principle which the Council will have in mind is the public interest. Concerns or allegations which fall within the scope of specific procedures (for example, child protection or discrimination issues) will normally be referred for consideration under those procedures.

10.4 Some concerns may be resolved by agreed action without the need for investigation. If urgent action is required this will be taken before any investigation is conducted.

10.5 Within ten working days of a concern being raised, the Solicitor to the Council will write to you:

- acknowledging that the concern has been received
- indicating how the Council propose to deal with the matter
- giving an estimate of how long it will take to provide a final response
- telling you whether any initial enquiries have been made
- supplying you with information on how the Council will support you if you think this is necessary, whilst the matter is under consideration, and
- telling you whether further investigations will take place and if not, why not.

10.6 The amount of contact between the officers considering the issues and you will depend on the nature of the matter raised, the potential

difficulties involved and the clarity of the information provided. If necessary, the Council will seek further information from you.

- 10.7 Where any meeting is arranged, off-site if you so wish, you can be accompanied by a trade union officer or professional association representative or a member of staff.
- 10.8 The Council accepts that you need to be assured that the matter has been properly addressed. Thus, subject to legal constraints, we will inform you of the outcome of any investigation.

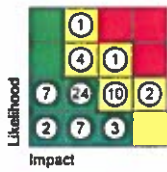
11 The Responsible Officer

- 11.1 The Solicitor to the Council & Monitoring Officer has overall responsibility for the maintenance and operation of this policy. That officer maintains a record of concerns raised and the outcomes (but in a form which does not endanger your confidentiality) and will report as necessary to the Council.

12 How the Matter can be Taken Further

- 12.1 If you feel that the Council has not responded correctly at any stage, remember you can go to the other levels and bodies mentioned at paragraph 9.7. While it cannot be guaranteed that all matters will be addressed in the way that you might wish, it will always be the Council's intention to handle the matter fairly and properly. By using this policy, you will help achieve this
- 12.2 If you do take the matter outside the Council, you should ensure that you do not disclose confidential information. Check with the contact point about that.

▲ RR RDIAFC Fraud & Corruption Risk Assessment-



Sub-Risks 18 / 61
 Management Risk Matrix Controlled
 DEFAULT Default Matrix

Parent

Code & Title	Current Assessment	Date Revi...	Sc...	Impact	Likelihood
⊕ ▲ Internal Audit Head of Internal Audit	21 70				

Sub-Risks ▾

Code & Title	Current Assessment	Date Revi...	Sc...	Impact	Likelihood
⊕ ▲ RR RDIAFC01 Staffing (internal)	8 20				
✓ RR RDIAFC01.1 Credit income	2 significant-very unlikely	02 Sep 2015	2		
▲ RR RDIAFC01.2 Treasury management	6 serious-unlikely	02 Sep 2015	6		
▲ RR RDIAFC01.3 Benefits fraud - internal	6 serious-unlikely	02 Sep 2015	6		
✓ RR RDIAFC01.4 Cash theft	2 significant-very unlikely	02 Sep 2015	2		
✓ RR RDIAFC01.5 Cash theft	1 minor - very unlikely	02 Sep 2015	1		
✓ RR RDIAFC01.6 Payroll	3 serious-very unlikely	02 Sep 2015	3		
✓ RR RDIAFC01.7 Payroll	2 minor-unlikely	02 Sep 2015	2		
✓ RR RDIAFC01.8 Payroll	2 significant-very unlikely	02 Sep 2015	2		
✓ RR RDIAFC01.9 Assets	4 significant-unlikely	02 Sep 2015	4		
✓ RR RDIAFC01.10 Assets	4 significant-unlikely	02 Sep 2015	4		
▲ RR RDIAFC01.11 Assets	8 major - unlikely	02 Sep 2015	8		
▲ RR RDIAFC01.12 Assets	6 significant-likely	02 Sep 2015	6		
✓ RR RDIAFC01.13 Petty cash/imprest accounts	2 minor-unlikely	02 Sep 2015	2		
✓ RR RDIAFC01.15 Expenses claims	4 significant-unlikely	02 Sep 2015	4		
✓ RR RDIAFC01.16 Corruption	3 serious-very unlikely	02 Sep 2015	3		
✓ RR RDIAFC01.17 Corruption	3 serious-very unlikely	02 Sep 2015	3		
✓ RR RDIAFC01.18 Corruption	4 significant-unlikely	02 Sep 2015	4		
▲ RR RDIAFC01.19 Car parking	6 serious-unlikely	02 Sep 2015	6		
✓ RR RDIAFC01.20 Money laundering	4 significant-unlikely	02 Sep 2015	4		
▲ RR RDIAFC01.21 ICT fraud	9 serious-likely	02 Sep 2015	9		
✓ RR RDIAFC01.22 Employee - general	4 significant-unlikely	02 Sep 2015	4		
▲ RR RDIAFC01.23 Payment of grants to the public	6 serious-unlikely	02 Sep 2015	6		
✓ RR RDIAFC01.24 Loans & Investments	4 significant-unlikely	02 Sep 2015	4		
▲ RR RDIAFC01.25 Regeneration development corruption	6 serious-unlikely	02 Sep 2015	6		
✓ RR RDIAFC01.26 Financial statements	4 significant-unlikely	02 Sep 2015	4		
✓ RR RDIAFC01.27 New starter	4 significant-unlikely	02 Sep 2015	4		
✓ RR RDIAFC01.28 ICT abuse	4 significant-unlikely	02 Sep 2015	4		
✓ RR RDIAFC01.14 Sheltered schemes	2 significant-very unlikely	02 Sep 2015	2		
⊕ ▲ RR RDIAFC02 Procurement & Contract Management	7 11				
✓ RR RDIAFC02.1 Selection process	4 significant-unlikely	02 Sep 2015	4		
▲ RR RDIAFC02.2 Initial commercial consultations	6 serious-unlikely	02 Sep 2015	6		
▲ RR RDIAFC02.3 Contract signing	6 serious-unlikely	02 Sep 2015	6		
▲ RR RDIAFC02.4 Diversion of funds	6 serious-unlikely	02 Sep 2015	6		
▲ RR RDIAFC02.5 Bogus vendor	8 major - unlikely	02 Sep 2015	8		
▲ RR RDIAFC02.6 Sale of confidential information	6 serious-unlikely	02 Sep 2015	6		
✓ RR RDIAFC02.7 Creditor payments	4 significant-unlikely	02 Sep 2015	4		

Code & Title	Current Assessment	Date Revi...	Sc...	Impact	Likelihood
✔ RR RDIAFC02.8 Fraudulent use fo one off payment	✔ 2 significant-very unlikely	02 Sep 2015	2		
✔ RR RDIAFC02.9 Declaration of interests	✔ 4 significant-unlikely	02 Sep 2015	4		
✔ RR RDIAFC02.10 Lack of awareness of the procurement process	✔ 4 significant-unlikely	02 Sep 2015	4		
✔ RR RDIAFC02.11 Lack of anti fraud culture	✔ 2 significant-very unlikely	02 Sep 2015	2		
✔ RR RDIAFC02.12 Contract awarded prior to specification being a...	✔ 4 significant-unlikely	02 Sep 2015	4		
✔ RR RDIAFC02.13 Manipulation of preferred bidders list	✔ 2 significant-very unlikely	02 Sep 2015	2		
⚠ RR RDIAFC02.14 No formal contract in place	⚠ 6 significant-likely	02 Sep 2015	6		
✔ RR RDIAFC02.15 Prices reworked	✔ 4 significant-unlikely	02 Sep 2015	4		
⚠ RR RDIAFC02.16 Value of contract disaggregated	⚠ 6 significant-likely	02 Sep 2015	6		
✔ RR RDIAFC02.17 Inappropriate high value purchase	✔ 4 significant-unlikely	02 Sep 2015	4		
✔ RR RDIAFC02.18 Inappropriate use of single tender acceptance	✔ 4 significant-unlikely	02 Sep 2015	4		
⊖ ✔ RR RDIAFC03 Housing tenancy/homelessness			3		
✔ RR RDIAFC03.1 Housing allocations	✔ 4 significant-unlikely	02 Sep 2015	4		
✔ RR RDIAFC03.2 Illegal sub letting	✔ 2 minor-unlikely	02 Sep 2015	2		
✔ RR RDIAFC03.3 Homelessness	✔ 2 minor-unlikely	02 Sep 2015	2		
⊖ ⚠ RR RDIAFC04 Council Tax			1 3		
⚠ RR RDIAFC04.1 Single Persons Discount	⚠ 6 significant-likely	02 Sep 2015	6		
✔ RR RDIAFC04.2 Discounts/exemptions	✔ 2 minor-unlikely	02 Sep 2015	2		
✔ RR RDIAFC04.3 Refund fraud	✔ 2 minor-unlikely	02 Sep 2015	2		
✔ RR RDIAFC04.4 Suppressed recovery action	✔ 2 minor-unlikely	02 Sep 2015	2		
⊖ ✔ RR RDIAFC05 NDR			3		
✔ RR RDIAFC05.1 Void exemption	✔ 4 significant-unlikely	02 Sep 2015	4		
✔ RR RDIAFC05.2 Occupation dates	✔ 4 significant-unlikely	02 Sep 2015	4		
✔ RR RDIAFC05.3 Changes to property	✔ 4 significant-unlikely	02 Sep 2015	4		
⊖ ✔ RR RDIAFC06 Insurance			1		
✔ RR RDIAFC06.1 Insurance claims	✔ 4 significant-unlikely	02 Sep 2015	4		
⊖ ⚠ RR RDIAFC07 Other			1 1		
⚠ RR RDIAFC07.1 Elections	⚠ 6 serious-unlikely	02 Sep 2015	6		
✔ RR RDIAFC07.2 External funding	✔ 1 minor - very unlikely	02 Sep 2015	1		
⊖ ⚠ RR RDIAFC08 Housing Benefits/Council Tax Reduction Scheme			1 1		
⚠ RR RDIAFC08.1 Benefits fraud - claimant	⚠ 8 significant - very likely	02 Sep 2015	8		
✔ RR RDIAFC08.2 Benefits fraud - third party eg landlord	✔ 4 significant-unlikely	02 Sep 2015	4		

AUDIT & GOVERNANCE COMMITTEE

29th October 2015

Report of the Head of Internal Audit Services

INTERNAL AUDIT ANNUAL REPORT/QUARTERLY REPORT 2015/16 QUARTER 2

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 2nd Quarter of 2015/16 – 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 2015 (applicable 2015 / 16 onwards) 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 Jul – Sept 2015 (Qtr 2) 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 governance, risk and 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 2015/16.

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 2015/16 Quarter 2

**Appendix 2 Percentage of Management Actions Agreed 2015/16
Quarter 2**

Appendix 3 Implementation Reviews Completed Quarter 2 2015/16

Appendix 4 Progress of Agreed Management Actions Quarter 1

INTERNAL AUDIT ANNUAL REPORT/QUARTERLY REPORT – Q2 - 2015/16

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 2 of the work completed against the plan and highlights the work completed in the second quarter. At the end of the second quarter, internal audit have started/completed 26 areas of work from the 2015/16 audit plan which equates to 45% of the total annual plan.

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 1 2015/16

Appendix 2 details the number of recommendations made. A total of 47 recommendations were made in the second quarter with 45 (96%) of the recommendations being accepted by management.

The two recommendations not accepted related to potential efficiencies for Housing Repairs as they are recording information on a spreadsheet or word document rather than using the Orchard system to produce the necessary reports. Management have recognised that whilst there are potential efficiencies, the requirements for the extra documents are necessary.

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. Five implementation reviews were completed during the 2nd Quarter of 2015/16. **Appendix 3** details the implementation reviews completed showing the revised assurance levels. **Appendix 4** details the progress of the implementation of the agreed management actions and shows that 47% (35/74) of the agreed management actions have been implemented or 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. As there are still some high priority actions requiring completion, additional implementation reviews will be carried out to ensure the implementation of the actions is completed.

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 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 governance, risk and 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.

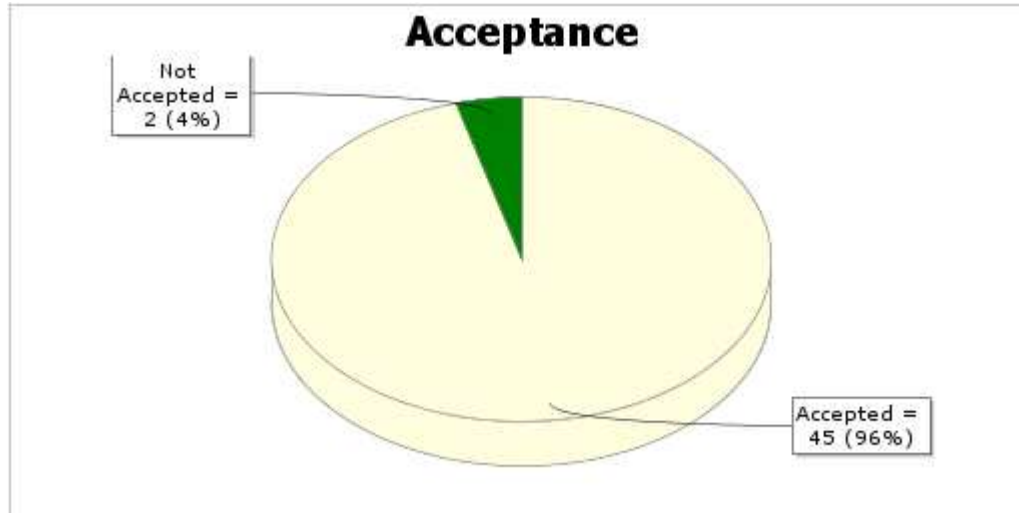
Specific issues:

There were no specific issues highlighted through the work of Internal Audit in the second quarter of the 2015/16 financial year

Angela Struthers,
Head of Internal Audit Services



Percentage of Management Actions Agreed 2015/16 Qtr 2



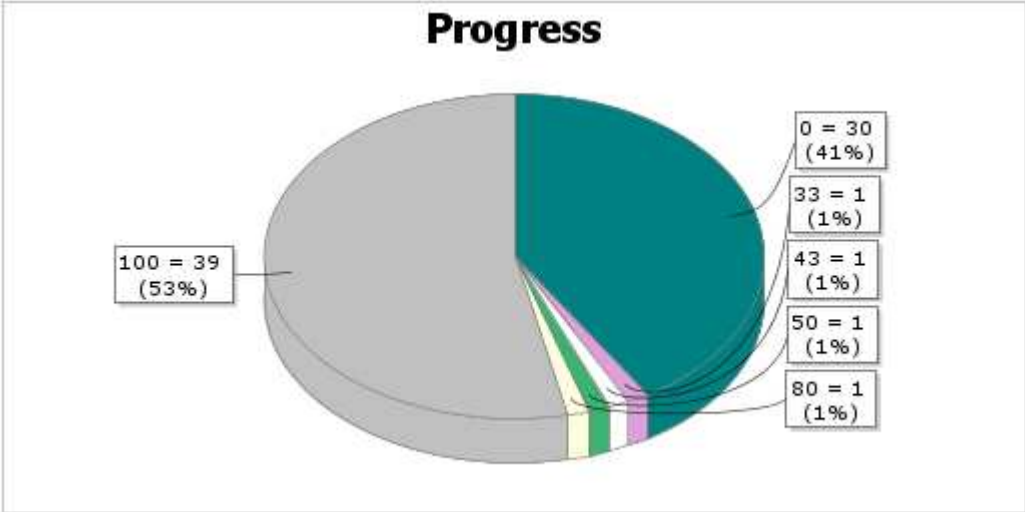
Page 71

Audit Recommendation Code & Title	Audit Recommendation Priority	Audit Recommendation Acceptance
1516 HoRe/M 1.01 Efficiencies	High Priority	Not Accepted
1516 HoRe/M 1.06 Gas Installs: Efficiencies	High Priority	Not Accepted















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Implementation of Agreed Management Actions 2015/16

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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
1415 DP 02 Data Protection Training	✓	High Priority	0%	Reliance on 3rd Party – Internal
1415 DP 03 Confidential Waste Disposal Contract	✓	High Priority	0%	Reliance on 3rd Party – Internal
1415 DP 06 Data Sharing Policy	✓	High Priority	0%	Other Higher Priorities
1415 web1.2 Procurement evaluation	✗	High Priority	0%	Staffing Resources – Temporary
1415 web2.1b Roles and	✓	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
responsibilities				
1415 web2.2 Roles and responsibilities		High Priority	<input type="text" value="0%"/>	Other Higher Priorities
1415 web2.3 Service level agreement		High Priority	<input type="text" value="0%"/>	Staffing Resources – Temporary
1415 web2.4 URL's		High Priority	<input type="text" value="0%"/>	Staffing Resources – Temporary
1415 web3.2 Security		High Priority	<input type="text" value="0%"/>	Staffing Resources – Temporary
1415 web3.4 Incident management		High Priority	<input type="text" value="0%"/>	Staffing Resources – Temporary
1415 web4.1 Content management policy		High Priority	<input type="text" value="0%"/>	Staffing Resources – Temporary
1415 DP 01 Data Protection Risk Register		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1415 DP 01 Policy Issue		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1415 DP 01 Policy Versions		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1415 DP 02 Guidance & Information		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1415 DP 03 Business Continuity Arrangements		Medium Priority	<input type="text" value="0%"/>	Reliance on 3rd Party – Internal
1415 DP 03 Confidential Waste Bins		Medium Priority	<input type="text" value="0%"/>	Reliance on 3rd Party – Internal
1415 DP 03 Records Management Training		Medium Priority	<input type="text" value="0%"/>	Reliance on 3rd Party – Internal
1415 DP 03 Records of Off Site Storage Facilities		Medium Priority	<input type="text" value="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
1415 DP 04 Clear screen		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1415 DP 04 Security Policies		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1415 DP 05 Requests for Personal Data		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1415 DP 07 Data Protection Notification		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1415 DP 08 Privacy Notices		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1415 DP 10 ICO Complaints		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1415 Licence 05 Visits		Medium Priority	<input type="text" value="0%"/>	
1415 web2.1a Roles and Responsibilities		Medium Priority	<input type="text" value="0%"/>	Other Higher Priorities
1415 web3.3 Webmaster		Medium Priority	<input type="text" value="0%"/>	Staffing Resources – Temporary
1415 web4.3 Change management		Medium Priority	<input type="text" value="0%"/>	Staffing Resources – Temporary
1415 web5.1 Documentation		Medium Priority	<input type="text" value="0%"/>	Staffing Resources – Temporary

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Implementation Reviews Completed Quarter 2 2015/16

Audit File	Audit File Progress Icon	Audit Assurance Type	Audit File Overall Opinion	Revised Audit Opinion	Audit Assurance Level
1516.CON.S.02IR Legal Spend Review 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 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.	  
1516.TECH.05IR Website 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 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.	  
1516.AE.05IR Licences 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	The revised audit opinion is that reasonable assurance can be given that the system, process or activity	  

Page 77

Audit File	Audit File Progress Icon	Audit Assurance Type	Audit File Overall Opinion	Revised Audit Opinion	Audit Assurance Level
			there are some control weaknesses but most key controls are in place and operating effectively.	should achieve its objectives safely and effectively however there are some control weaknesses but most key controls are in place and operating effectively.	
1516.HH.04IR Estate Caretakers 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.	   
1516.TECH.09IR Data Protection 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 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.	  

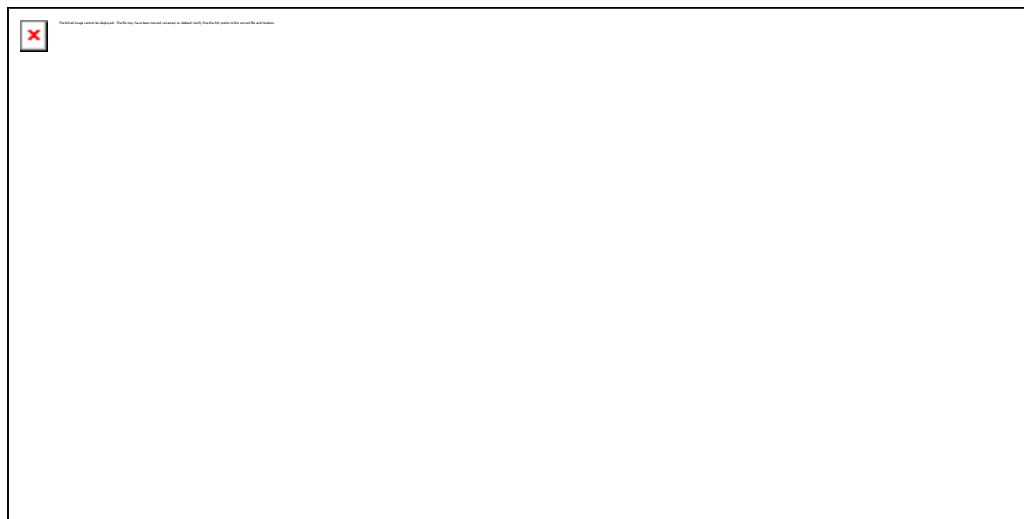


Internal Audit Performance Report 2015/16 Quarter 2








Report Type: Audit File Report



Report Author: Angela Struthers





Generated on: 01 October 2015









Title	Directorate Description	Audit Status Icon	Audit Status Description
Treasury Management Qtr3 2015/16	Finance		
Council Tax	Finance		
NNDR	Finance		
Bank Reconciliation & Cash Collection	Finance		







Housing Rents	Housing & Health		
Debtors	Finance		
Main Accounting & Budgetary Control	Finance		
Capital Strategy & Programme Management	Finance		
Section 106 Agreements Implementation Review	Communities, Planning & Partnerships		Completed
Housing Anti-Social Behaviour	Housing & Health		Completed
Creditors & Procurement	Finance		
Housing & Council Tax Benefits	Finance		
Payroll	Transformation & Corporate Performance		
Housing Repairs QTR 2	Housing & Health		Completed
Housing Repairs QTR 4	Housing & Health		
Property Contracts QTR 2	Assets & Environment		Completed
Property Contracts QTR 3	Assets & Environment		
Municipal Charities	Corporate		Completed
I Trent	Technology & Corporate Programmes		Started
Pension Contributions	Transformation & Corporate Performance		Completed
Housing Repairs QTR 1	Housing & Health		Completed
Housing Repairs QTR 3	Housing & Health		
Property Contracts QTR 1	Assets & Environment		Completed
Property Contracts QTR 4	Assets & Environment		
Treasury Management Qtr4 2014/15	Finance		Completed
Treasury Management Qtr1 2015/16	Finance		Completed
Treasury Management Qtr2 2015/16	Finance		
Transparency Code	Corporate		Completed
Safeguarding Children & Vulnerable Adults	Solicitor & Monitoring Officer		Completed

Assembly Rooms Bar	Communities, Planning & Partnerships		Started
Housing Voids & Lettings	Housing & Health		Completed
IT Governance	Technology & Corporate Programmes		
Performance Framework	Transformation & Corporate Performance		
Alternative Delivery Models	Corporate		Started
Assembly Rooms Project	Communities, Planning & Partnerships		
Electoral Process	Solicitor & Monitoring Officer		
Asbestos & Legionella	Assets & Environment		Started
Recruitment Process	Transformation & Corporate Performance		Started
Planning Enforcement	Communities, Planning & Partnerships		Started
Community Safety/ Development	Communities, Planning & Partnerships		
Transformation process/ Corporate Change	Corporate		
Review of Culture/ Ethics	Corporate		
RIPA	Solicitor & Monitoring Officer		
Customer Services	Transformation & Corporate Performance		
Corporate Complaints/ Service Feedback	Transformation & Corporate Performance		Started
Corporate Business Continuity	Technology & Corporate Programmes		
Car Parking	Assets & Environment		
Taxi/PHV Licences	Assets & Environment		Started
Private Sector Housing Leasing Scheme	Housing & Health		
Telephony Project Implementation Review	Technology & Corporate Programmes		
IT Disaster Recovery	Technology & Corporate Programmes		
DIP Application Review	Technology & Corporate Programmes		
IT Governance Review	Technology & Corporate Programmes		
Organisational Development	Transformation & Corporate Performance		Completed

Homelessness	Housing & Health		Started
Commercial & Industrial Properties	Assets & Environment		Started
Electoral Registration/Canvassing Process	Solicitor & Monitoring Officer		Started
M3 Application Review	Technology & Corporate Programmes		Started

Audits Finalised 2015/16 Quarter 2

Audit File	Audit File Progress Icon	Audit Assurance Type	Audit File Overall Opinion	Revised Audit Opinion	Audit Assurance Level
1516.HH.04 Housing Voids & Lettings		System based review	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.		
1516.FIN.02.2 Treasury Management Qtr1 2015/16		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.		
1516.STTC.03 Safeguarding Children & Vulnerable Adults		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.		

Audit File	Audit File Progress Icon	Audit Assurance Type	Audit File Overall Opinion	Revised Audit Opinion	Audit Assurance Level
1516.AE.01.2 Property Contracts QTR 2		Main financial system – interim	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.		
1516.HH.02.2 Housing Repairs QTR 2		Main financial system – interim	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.		
1516.HH.02 Housing Anti-Social Behaviour		Risk based review	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.		

AUDIT AND GOVERNANCE COMMITTEE

29th October 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:

- 1 Approves the revised Risk Management Policy & Strategy**
- 2 Endorses the Corporate Risk Register**
- 3 Endorses the Risk Management Action Plan**

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

The Risk Management Policy & Strategy has been reviewed and updated in line with best practice. The main changes are:

- The risk appetite has been included in the Policy & Strategy;
- Roles and responsibilities have been updated to reflect current practice and are shown in a user friendly format;
- The Risk Management process has been added into the Policy & Strategy;
- A section on performance management has been included.

The revised Risk Management Policy & Strategy is attached as **Appendix 2**.

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 Risk Management Action Plan for 2015/16 is attached as **Appendix 3** and shows status to date.

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 Policy & Strategy

Appendix 3 - Risk Management Action Plan 2015/16

APPENDIX 2



RISK MANAGEMENT POLICY AND STRATEGY

Document Status: Revised

Originator: A Struthers

Updated: A Struthers

Owner: Executive Director Corporate Services

Version: 01.01.04

Date: 03/09/15

Approved by Audit & Governance Committee

Date 3 September 2015

Document Location

This document is held by Tamworth Borough Council, and the document owner is John Wheatley, Corporate Director - Resources.

Printed documents may be obsolete. An electronic copy will be available on Tamworth Borough Councils Intranet. Please check for current version before using.

Revision History

Revision Date	Version Control	Summary of changes
April 2010	1.01.01	
18/09/12	1.01.02	Scheduled review
30/3/14	1.01.03	Scheduled review
03/09/15	1.01.04	Scheduled review

Approvals

Name	Title	Approved
Audit & Governance Committee	Committee Approval	
CMT	Group Approval	Yes
John Wheatley	Executive Director Corporate Services	Yes
Angela Struthers	Head of Internal Audit Services	Yes

Document Review Plans

This document is subject to a scheduled annual review. Updates shall be made in accordance with business requirements and changes and will be with agreement with the document owner.

Distribution

The document will be available on the Intranet and the website.

Date 3 September 2015

Contents

	Page Number
Risk Management Policy Statement	1
Protocol Objectives	3
Risk Management Strategy	3
Risk Appetite	4
Risk Management Roles and Responsibilities	5
Arrangements	6
Risk Management Process	6
Performance Management	7

Risk Management Policy Statement

Statement by the Leader of the Council and Chief Executive

The Authority is committed to the culture of Risk Management ensuring that its reputation is not tarnished by an unforeseen event nor is it financially or operationally affected by the occurrence.

It recognises that: -

- Management has the responsibility to plan and systematically approach, the identification, evaluation, and control of risk;
- In order for the Authority to improve risks need to be taken, but they need to be understood and appropriately managed ;
- All Managers and Team Leaders have responsibility for the effective control of risk utilising the support training and resources provided by the Authority;
- The responsibility for insurable losses is management's, not that of an insurance company. Insurance is not a substitute for the management of risk;
- The need to integrate Risk Management into the culture of the Authority.

Risk Management objectives for Tamworth Borough Council are:

- To safeguard the public, members and employees and to protect the Authority's reputation and assets;
- To manage risks in accordance with best practice and ensure risk management is integrated into the culture of Tamworth Borough Council and all those connected with it;
- To identify and take advantage of available opportunities to improve service delivery and/or the Authority's financial position;
- To ensure the Authority delivers its commitments to stakeholders and to demonstrate transparency, accountability and equity in its efforts to do so;
- To anticipate and respond positively to changing social, environmental and legislative requirements; and
- To identify and manage partnership risks.

The Audit & Governance Committee will regularly review the Risk Management Policy and Strategy to ensure their continued relevance to the Borough. They will also assess performance against the aims and objectives.

We attach great significance to Risk Management and it is essential that the Protocol is known and understood by all staff within the Authority. It will form part of the induction training and performance reviews for all staff and members and will be monitored as part of the performance review process utilising the corporate performance system Covalent. We will make adequate resources available to ensure that the commitments made in this statement are achieved.

Risk Management has our total support – it needs yours too for us to succeed.

(Signed)
Chief Executive

(Signed)
Leader of the Council

Protocol Objectives

In implementing this Protocol the Authority will: -

- Identify those assets and exposures which have or may give rise to loss producing events;
- Maintain detailed 'Risk Registers' of the risks identified as threatening the Authority's operation and document their control on the Authority's Corporate Performance system Covalent;
- Assess the impact of potential loss producing events;
- Take reasonable physical or financial steps to avoid or reduce the impact of potential losses;
- Endeavour to reduce all serious (RED) risks to an acceptable level either by controls or ceasing the activity;
- Ensure that all systems of work reflect the positive risk management culture of the Authority;
- Establish a comprehensive information base of insurable and uninsurable losses;
- Maintain a detailed understanding of insurance;
- Purchase insurance for those risks which cannot be avoided or reduced further, always retaining risks where this is economically attractive.

Risk Management Strategy

The Purpose of this Risk Management Strategy is to effectively manage potential opportunities and threats to the organisation achieving its objectives. The main objectives of the Authority's Risk Management Strategy are to: -

- Achieve continuous improvement in the management of risk;
- Develop a culture that integrates risk management into the day-to-day management process;
- Continue to develop robust systems to identify and evaluate risk;
- Develop reliable performance indicators for target-setting and for making appropriate comparisons;

- Develop systems for performance monitoring to bring about continuous improvements;
- Enabling the Organisation to anticipate and respond to changing social, environmental and legislative conditions;
- Reduce the total cost of risk and mitigate potential future increases in insurance premiums and self-insurance options.

To help achieve these objectives it will be necessary to: -

- Increase the profile of and commitment to Risk Management throughout the Authority;
- Ensure adequate resources (financial and time) are provided;
- To make all partners, providers and delivery agents aware of the Organisation's expectations on risk, both generally as set out in its Risk Management Policy, and where necessary in particular areas of service delivery;
- Develop arrangements to measure performance of RM activities against the aims and objectives;
- Establish clear accountabilities, roles and reporting lines across all services, departments, management and committees;
- Provide for risk assessment in all decision-making processes of the Authority;
- Develop training to build awareness across all levels of activity;
- Performance manage risk management across the Authority

Risk Appetite

The risk appetite is “the amount of risk that an organisation is prepared to accept, tolerate, or be exposed to at any point in time” (CIPFA). The Authority will manage the risks by reducing, preventing, transferring, eliminating or accepting the risk.

Whilst the Authority acknowledges that it will have “severe” (red) risks from time to time, it will endeavour to reduce those to an acceptable level either through controls or ceasing the activity (if applicable). Sometimes risks are identified and even though managed, may still remain “severe” (red risk).

Risk Registers must be maintained and managed in the following areas:

Strategic Risks,
Operational Risks,
Project Risks,

Partnership Risks,
Opportunity Risks

“Severe” risks can appear in any of the above risk registers.

Risk Management Roles and Responsibilities

The importance of establishing roles and responsibilities within the risk management framework is pivotal to successful delivery. Considering risks must be embedded into corporate policy approval and operational service delivery.

The agreed roles and responsibilities within the risk management framework are outlined in the table below:

Group /Individual	Role
Corporate Management Team	<ul style="list-style-type: none"> ▪ Provide leadership for the process to manage risks effectively. ▪ Review and revise the Risk Management Policy and Strategy in accordance with the review period. ▪ Monitor and review the Corporate Risk Register on a quarterly basis including the identification of trends, upcoming events and potential new corporate risks.
Audit & Governance Committee	<ul style="list-style-type: none"> ▪ 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. ▪ To monitor the actions being taken to mitigate the impact of potentially serious risks
Cabinet	<ul style="list-style-type: none"> ▪ To provide strategic direction with regard to risk management.
Directors	<ul style="list-style-type: none"> ▪ To provide leadership for the process of managing risks within their directorate. ▪ To ensure that risk management methodology is applied to all service plans, projects, partnerships and proposals within their directorate. ▪ To identify and manage business /operational risks. ▪ To ensure that the management of risk is monitored as part of the performance management process.
Heads of Service	<ul style="list-style-type: none"> ▪ To ensure that all risks are identified, recorded and effectively managed in their area or responsibility. ▪ To review and update their risk register on at least a quarterly basis. ▪ To determine the method of controlling the risk. ▪ To delegate responsibility if appropriate for the control of the risk.

	<ul style="list-style-type: none"> ▪ To notify the Director of new risks identified for consideration for inclusion on the corporate risk register.
All staff	<ul style="list-style-type: none"> ▪ To ensure that risk is effectively managed in their areas. ▪ To ensure that they notify their managers of new and emerging risks.
Head of Internal Audit Services	<ul style="list-style-type: none"> ▪ To ensure that the risk management strategy is regularly reviewed and updated. ▪ Promote and support the risk management process throughout the Authority. ▪ Advise and assist managers in the identification of risks.

Arrangements

- The Executive Director Corporate Services will ensure that all Managers are aware of their responsibility for Risk Management.
- The Head of Internal Audit Services will be responsible for ensuring that the risk strategy of the Authority is achieved.
- The Operations Accountant will be responsible for the administration of insurance and co-ordination of advice and support.

Risk Management Process

Risk Identification

The identification of risks is completed at various levels and primarily, risks (and opportunities) relate to the achievement of the Authority's objectives. The objectives can be Strategic, Operational, Project or Opportunity level. This stage can be repeated regularly to ensure that new risks arising are identified and recorded on the risk register as appropriate.

The Authority acknowledges that no one person is responsible for identifying key risks and that they are identified at various levels and various ways.

As a basis, the following risks must be identified:

Those that affect:

- 1 the delivery of the Strategic Plan;
- 2 the operational issues i.e. the delivery of a service;
- 3 the delivery of a project;
- 4 the delivery of a partnership.

Recording Risks

A Risk Register is the primary tool to administer the risks identified. The Covalent system **must** be used to record all corporate, directorate, service, project and partnership risk registers.

As part of business planning, risks are identified. Business plan actions are recorded on the Covalent system under Action Central. Managers should ensure that the associated risks are recorded on the risk register and linked to the appropriate business plan action.

All risks recorded on the risk register should identify the:

- Gross risk,
- Vulnerabilities/causes of the risk,
- Potential effect/consequences of the risk happening,
- Controls in place to reduce the risk,
- Net risk,
- Risk review period.

Reporting Risks

The Corporate Risk Register will be reviewed and updated by the Corporate Management Team on a quarterly basis and then reported to the Audit & Governance Committee.

All reports to any Committee of the Authority require that risks are identified. The Committee report template is set up so that this is completed. It is the duty of the report writer to ensure that the relevant risk register on Covalent is updated to take account of these risks.

Performance Management

The following key performance indicators for the risk management process will be completed.

- The Risk Management Policy and Strategy to be reviewed and updated on an annual basis;
- Corporate Management Team to review and update the corporate risk register taking into account emerging and changing risks on a quarterly basis;
- Risks to be reviewed appropriately to the severity /changing nature of the risk;
- Staff to be appropriately trained in Risk Management and the use of the Covalent system.

Risk Management Action Plan 2015/16

Report Type: Actions Report
Report Author: Angela Struthers
Generated on: 03 September 2015



Action Code	Action Title	Priority	Current Status	Progress Bar	Due Date	Completed Date	Assigned To
RM1	Risk Management Policy	1		<div style="width: 100%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 100%	30-Sep-2015	03-Sep-2015	Angela Struthers
Description	Risk Management Policy Review						
All Notes	Angela Struthers 03-Sep-2015 Risk Management Policy reviewed and presented to the Audit & Governance Committee October 2015 Policy review timetable set up on Covalent						
	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	Priority	Current Status	Progress Bar	Due Date	Completed Date	Assigned To
RM2	Risk Management Training	2		<div style="width: 40%;"><div style="background-color: #4f81bd; height: 10px; width: 40%;"></div></div> 40%	31-Mar-2016		Angela Struthers
Description	Roll out e-learning risk management module						
All Notes	Angela Struthers 03-Sep-2015 Roll out of e-learning delayed - revised date 31 March 2016						
	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	Priority	Current Status	Progress Bar	Due Date	Completed Date	Assigned To
RM3	E-learning module	2		<div style="width: 100%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></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
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RM4	Linking risks to corporate priorities	Priority 2		<input type="text" value="50%"/>	31-Mar-2016		Angela Struthers
Description	Linking risks to corporate priorities and statements of intent						
All Notes	Angela Struthers 03-Sep-2015 Completed through the audit/risk management process on a one to one basis						
	Angela Struthers 03-Sep-2015 The Covalent system has been adapted so that this is now possible to complete, however, due the to dealy in the role out of training , this facility has not been bought 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 03-Sep-2015 Still awaiting software development - the suppliers are currently developing a browser based version of the software so additional development areas have been put on hold					
	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 03-Sep-2015 Further review not yet due					
	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 03-Sep-2015 Promotion of the system still on going					

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			01-Apr-2016		Angela Struthers
Description	To promote the recording of other assurance sources on the Covalent system					
All Notes	Angela Struthers 03-Sep-2015 Promotion of the recording of other assurance sources still ongoing 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


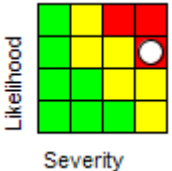
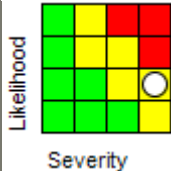
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Corporate Risk Register 2015/16

Generated on: 07 October 2015



Risk Code	CPR1516	Risk Title	Corporate Risk Register 2015/16	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	CPR1516_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	<p>Proposals that bring together the outcomes of the Sustainability Strategy Work Streams; Demand management techniques; collaborative working arrangements and emerging details on Combined Authorities will form the basis of a corporate review of the organisation. This will include our Vision & Strategic priorities; organisational structure and senior managements; skills and wider organisational development; the use of data and insight and how we measure success/performance.</p> <p>Budget planning and monitoring (1) Base Budget forecast updated November 2014 - Cabinet 27/11/14 Draft Medium term financial strategy prepared January 2015 for Joint Scrutiny Committee review (2) Budget & MTFS, Treasury Management Strategy, annual outturn & strategy approved by Council February 2015. Regular monitoring by Section 151 Officer, CMT and Cabinet of MTFS including the sustainability strategy – quarterly updates to Cabinet as part of the Healthcheck report(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 2015 / 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) Monitoring of governance announcements Attendance at West Midlands pay roadshows</p>	Current Risk Score	8	
Gross Severity	4		Current Severity	4	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date			Last Risk Review Date	07-Aug-2015	

On-going dialogue with TULG
 Proactive management & monitoring of corporate income levels i.e. council tax, business rates (monthly review of target achievement) & housing rent focussed on income generation (including regular meetings with Planning, Strategic Housing and Economic Development officers) (14)
 Regular meetings with GBSLEP re: NDR growth / performance
 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 (SOLACE)
 Peer Assessment identified clear recognition & communication of financial position to stakeholders
 Ongoing review of HRA Business Plan
 Review of Corporate Priorities and adoption of appropriate operating model
 Control Measures:
 a) Sensitivity modelling undertaken to assess the potential impact in the estimation of future grant levels; **(Medium / High)**
 b) Future levels included on a risk based approach in order to offset further grant reductions / uncertainty over additional property numbers; **(Medium)**
 c) Current indications are that increases of 2% and above risk 'capping' (confirmed as 2% for 2015/16); **(Low)**
 d) Regular update and review of impact on MTFS. **(Medium/High)**
 e) A robust & critical review of savings proposals will be required / undertaken before inclusion within the forecast;


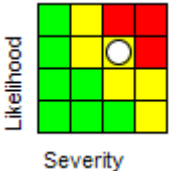
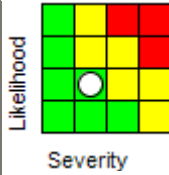
A minimum General Fund capital balance of £500k is a requirement – this has been financed in the past by revenue contributions (held in a revenue reserve). **(High/Medium)**
 f) Forecast assumes a 2% pay award increase p.a.; **(Medium / Low)**
 g) Regular update meetings with Actuary; Increases of c.2% p.a. with a new 'lump sum' element have been included with agreement made with Pension Fund following triennial review (during 2013 for 2014/15) for 3 years; **(Medium)**
 h) Robust estimates included to arrive at collection target. Ongoing proactive management & monitoring will continue;

Business Rates Collection Reserve - provision of reserve funding to mitigate impact of any changes in business rate income levels;

Monitoring of the situation / regular reporting; **(High / Medium)**
 i) Robust estimates included. Ongoing proactive management & monitoring


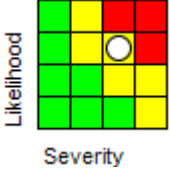
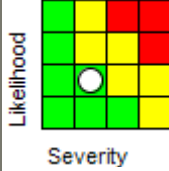
		<p>(including a quarterly healthcheck on the implications on the organisation – capacity / finance) will continue; (High / Medium)</p> <p>j) Robust estimates using a zero based budgeting approach have been included; (Medium)</p> <p>k) The tender will include options around excess levels and further use of self insurance. (Medium)</p> <p>l) Robust monitoring and evaluation – should funds not be available then schemes would not progress; (Medium)</p> <p>m) Memorandum of Understanding in place. (Medium)</p>		
<p>Consequences</p> <p>Page 104</p>	<p>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 Impact on staff morale</p>			
<p>Vulnerabilities/causes</p>	<p>Changes to political control (local/national) Budget shortfall / funding gap increasing through austerity cuts - 3 year MTFS in place from 2015/16 (longer term shortfalls identified from 2018/19) & identified further cuts after Summer Budget 2015 / CSR 2015 – expected 25 November 2015 (uncertainty – additional cuts to DEL) (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, void property (& continued Government support) together with the planned revaluation in 2017 (Northern districts face a reduction / Southern face an increase) pending confirmation of any baseline adjustments by DCLG 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 key contractor / partner (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 and Universal Credit with further austerity measures from Welfare Reform Act 2015) - 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 / Consultation underway August 2015 for 2016/17 Scheme (17)</p>			

	<p>Summer Budget 2015 implications / risks: Further £18bn cuts to public service spending by 2019/20, compared to the £41bn implied by the March Budget Working age benefits will be frozen for four years from 2016/17 to 2019/20 Social housing rents will be reduced by 1% a year for four years from 2016/17, requiring local authorities and housing associations to make savings; Social tenants with household incomes of at least £40k in London and at least £30k elsewhere, will have to pay a market or near market rent; There are a number of other changes to Housing Benefit and the housing element of Universal Credit. These include entitlement for larger families with children born after April 2017, limiting backdating and removing automatic entitlement for new claims by out-of-work 18- to 21-year olds; Other measures announced in the Budget include changes to tax credits, Employment Support Allowance and other elements of Universal Credit, and a reduction in the Welfare Cap from £26k to £23k; Public Sector Pay - pay rises for staff working in the public sector will be limited to 1% for four years from 2016/17; National Living Wage - From April 2016, a new compulsory National Living Wage for the over 25s will be introduced;</p> <p>Issues identified within Budget & MTFS report, February 2015:</p> <p>a) Major variances to the level of grant / subsidy from the Government (including specific grants e.g. Benefits administration, Business Rates Section 31 funding); (High) b) New Homes Bonus grant levels lower than estimated; Continuation of the scheme in its current form is uncertain – a further review is planned. (High/Medium) c) Potential 'capping' of council tax increases by the Government or local Council Tax veto / referendum; (Medium) d) Potential change in Political control – Locally and Nationally – impact on MTFS; (High) e) The achievement / delivery of substantial savings / efficiencies will be needed to ensure sufficient resources will be available to deliver the Council's objectives through years 4 to 5. Ongoing; (High) f) Pay awards greater than forecast; (Medium) g) Pension costs higher than planned / adverse performance of pension fund; (Medium) h) Assessment of business rates collection levels to inform the forecast / budget (NNDR1) and estimates of appeals, mandatory & discretionary reliefs, cost of collection, bad debts and collection levels;</p> <p>New burdens (Section 31) grant funding for Central Government policy changes – including impact on levy calculation;</p> <p>Potential changes to the Business Rates Retention system by the DCLG in support of Town Centre Regeneration / equalisation of the scheme; (High) i) Local Council Tax Reduction scheme implementation – potential yield changes and maintenance of collection levels; (High) j) Achievement of income streams in line with targets e.g. treasury management interest, car parking, planning, commercial & industrial rents etc.; (High / Medium) k) Insurance arrangements are due for re-tendering during 2015/16 – a hardening market may see significant premium increases above inflation; (High / Medium) l) Delivery of the capital programme (GF / HRA – including Regeneration schemes) dependent on funding through capital receipts and grants (including DFG funding through the Better Care Fund); (High / Medium) m) Dependency on partner organisation arrangements and contributions e.g. Waste Management (SCC/LDC). (High / Medium) Localism Act - Community Right to Challenge, Assets of Community Value</p>
Risk Notes	Possibility of Fire Service taking Industrial action - review risk on a more regular basis - review set to weekly


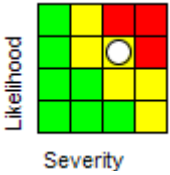
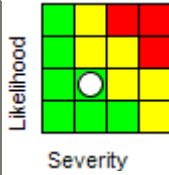
Risk Code	CPR1516_02	Risk Title	Reputation	Current Risk Status	
Description of Risk	Damage to Reputation			Assigned To	Anica Goodwin; Tony Goodwin; Jane Hackett
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	9	Monitoring Officer Increased use of multi media 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	29-Sep-2015	
Consequences	Erosion in trust and confidence Service failure Loss of income Increased cost of working Fall in satisfaction levels Loss of public support				

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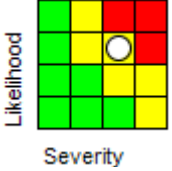
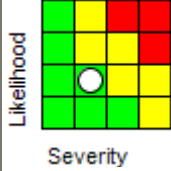
	<p>Claims in tribunal/personal liability Loss of peer group credibility Increased scrutiny by government and auditors</p>
Vulnerabilities/causes	<p>Failure to match social and political expectations Failure to act on feedback Crisis and major incident management failures Failure to deliver minimum standards 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</p>
Risk Notes	<p>the PR and comms team continue to run without a HoS. Interim arrangements are in place including a contractor to support the PR officer. Weekly meetings are held to ensure necessary support is in place etc</p>
	<p>amendments made by AG</p>

Risk Code	CPR1516_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 and update of Constitution</p> <p>Regular review & update of Financial guidance (1)</p> <p>Audit & Governance Committee in place (including Standards) (2)</p> <p>Scrutiny Committees in place, including call in & questions at Council (3)</p> <p>Annual Governance Statement process / prepared (4)</p> <p>Whistleblowing Policy and Counter Fraud and Corruption Strategy developed & communicated (5)</p> <p>Corporate Fraud Officer post created reporting to Head of Internal Audit</p> <p>Money Laundering Policy developed and communicated</p> <p>Section 151 functionality</p> <p>Monitoring Officer in place / Scheme of Delegation (6)</p> <p>Internal Audit function (7)</p> <p>External Audit assessment / reviews (8)</p> <p>Partnership Guidance Policy (9)</p> <p>Managers Assurance Statements prepared annually (10)</p> <p>Code of Conduct for members (12)</p> <p>Declarations of Interests for members and staff</p> <p>Policy/process for Member complaints</p> <p>Relevant policies and procedures / Net Consent for policy management and acceptance (13)</p> <p>Legislation training for officers and members / continual CPD and other training / regular legal updates (14)</p> <p>Development of member training plan / development of e learning solution (15)</p> <p>Insurance policies for regulatory failure - officials indemnity, fidelity guarantee & libel and slander(16)</p> <p>TULG - consultation, openness, accountability, probity (17)</p> <p>Obligations under Environmental Protection Act and Public Health Act (18)</p> <p>PDR process (19)</p> <p>Electoral Process & Registration(20)</p> <p>Forward Plan in place with key decisions highlighted, Committee meetings scheduled (21)</p> <p>The Local Authorities (Executive Arrangements) (Meetings and Access to</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	07-Aug-2015	


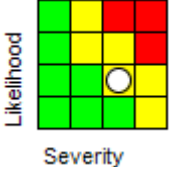
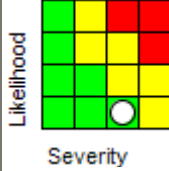
		Information) (England) Regulations 2012 (22) Regular RIPA training for staff and key officers Data Protection awareness for staff Close monitoring of government reforms and changes in statute Regular Statutory Officer meetings RIPA Policy		
Consequences	Non-compliance with legal requirements Fraud Poor 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 decisions Financial impact / exposure from poor decisions arising from uninformed decision making process Increased demand for resource support from Members			
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) Failure to understand legal requirements/governance requirements 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) Detection of Fraud following SFIS changes / transfer to DWP (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 Reform Act, Universal Credit			

Risk Code	CPR1516_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	29-Sep-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				


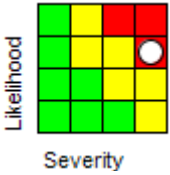
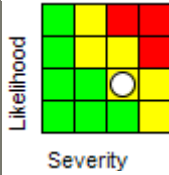
	Increase in accidents
Vulnerabilities/causes	<ul style="list-style-type: none"> Failure to meet service delivery expectations Partner has financial failure Supplier incident eg data loss, governance issue Service delivery collapses during wide spread major incident Third party supply chain failure Partner under performs Failure to assess and manage the risks arising from the use of thrid 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	CPR1516_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	29-Sep-2015	
Consequences	<p>Services not delivered</p> <p>Damage to reputation</p> <p>Civil Contingency Act requirements not met</p> <p>Death</p>				


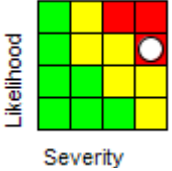
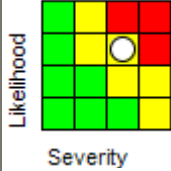
	<p>Destruction of property Damage to the environment Adverse affect on vulnerable groups Public expectations of service delivery not met Increased costs for alternative service delivery</p>
Vulnerabilities/causes	<p>Lack of integrated emergency arrangements making it difficult to react quickly to a disaster 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</p>
Risk Notes	<p>current risks and scoring matrix still accurate and fit for purpose</p>

Risk Code	CPR1516_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	Andrew Barratt; Stefan Garner; Rob Mitchell
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	6	<p>Link to CPR1516_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/Strategic Housing/Planning) to identify actions to promote growth & associated Business rate income;</p> <p>b) regeneration projects such as Town Centre regeneration, Cultural Quarter,</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	07-Aug-2015	


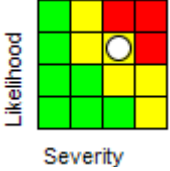
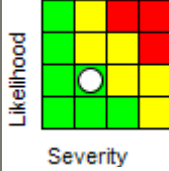
		Created in Tamworth etc. c) Planning & Strategic Housing for new homes building (to inform New Home Bonus & Council tax forecasts) d) use of Analyse local to generate additional business rates income		
Consequences	<p>Lack of Town Centre development / prosperity No external funding to aid economy and 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 Impact of Welfare Benefit reform measures</p>			
Risk Notes	<p>Unemployment decreased Regeneration projects progressing</p>			

Risk Code	CPR1516_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 Back ups Annual penetration tests Improved Business Continuity with reciprocal arrangements at Walsall Enhancements made to Data Retention, Storage Management and Proven Integrity of VMWare Infrastructure Currently drafting local IT governance arrangements which take the appropriate elements of the ISO standards and they will be applied accordingly.	Current Risk Score	6	
Gross Severity	4		Current Severity	3	
Gross Likelihood	3		Current Likelihood	2	
Gross Risk Review Date				Last Risk Review Date	29-Sep-2015
Consequences	Fine Reputational damage Potential imprisonment Physical harm to staff				


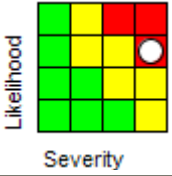
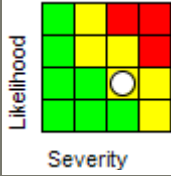
	<p>Consequence for members of the public if their personal data lost/stolen</p> <p>Loss of key management information</p> <p>Inability to deliver services</p> <p>Potential loss of income</p>
Vulnerabilities/causes	<p>Insecure IT equipment</p> <p>Human error / loss of personal data</p> <p>Loss of equipment/data</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	CPR1516_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	29-Sep-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				


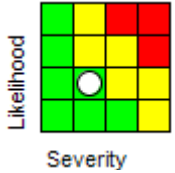
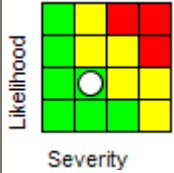
	Welfare reforms Services withdrawn Big Society does not take off Communities become fragmented Increase in ASB Increase in financial deprivation Lack of interest from the public Poor communication Poor engagement mechanisms at corporate and service level Limited understanding of good engagement process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


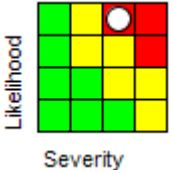
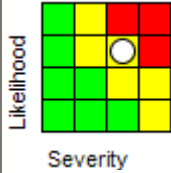
Risk Code	CPR1516_09	Risk Title	Workforce Planning Challenges	Current Risk Status	
Description of Risk	Failure to manage workforce planning challenges			Assigned To	Anica Goodwin; Tony Goodwin
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	9	Service reviews Regular communication Staff Pinboard Staff AGM PDR process being reviewed to develop skills appropriately 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 Updated Organisational Development plan with associated risks in place Workforce Plan updated Skills matrix being updated and will form part of the PDR process Organisational Development Plan to deliver Customer Services and Access Strategy	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	29-Sep-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				


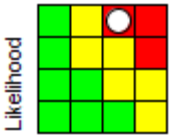
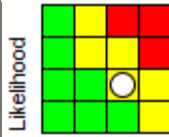
	<p>Inability to align skill levels to new working methods</p> <p>Unable to recruit staff</p> <p>Impact on reputation</p>
Vulnerabilities/causes	<p>Staff become overloaded</p> <p>Low morale has impact on service delivery</p> <p>Industrial unrest</p> <p>Redundancies lead to additional future costs</p>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

Risk Code	CPR1516_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	29-Sep-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				


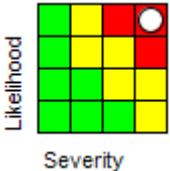
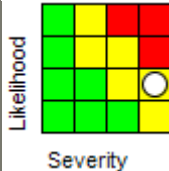
	Risk level still at reported score
	H&S audit carried out highlighting some high priority areas. support action plan to be implemented. Regular updates with SL/JH/AG
	regular updates by AG with JH and SL Updates to CMT

Risk Code	CPR1516_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	<p>Programme Plan</p> <p>Pool of trained resources</p> <p>Structured programme</p> <p>Dedicated Programme Manager</p> <p>Strong Governance</p> <p>Strong budget management</p> <p>Demonstrated benefit realisation</p> <p>Clear communications</p> <p>Dedicated Project Manager</p> <p>Active engagement of Corporate Change Board</p> <p>Reporting to CMT & Cabinet</p> <p>One of the active workstreams is to tackle financial deficits</p> <p>Inclusion of Sustainability Plan following Cabinet approval (22/08/2013)</p> <p>End of Tranche Report scheduled for CMT 15/12/14 to look at efficiencies etc in stage one and approve planning for subsequent stages</p> <p>Tranche 1 Corporate Change Programme report</p> <p>Post Implementation Reviews</p>	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	29-Sep-2015	
Consequences	<p>Return on investment not made</p> <p>Reputation</p> <p>Failure to implement agile working environment</p> <p>Savings are not made</p> <p>Budget not balanced</p> <p>Programme becomes overloaded</p> <p>Value for money not achieved</p>				
Vulnerabilities/causes	<p>Weak management/ leadership / direction</p> <p>Weak governance</p> <p>No executive management support</p> <p>Insufficient corporate skills and capacity</p> <p>Failure to retain staff</p>				
Risk Notes	reviewed by AG				


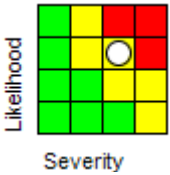
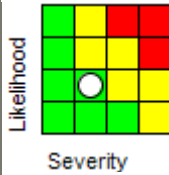
Risk Code	CPR1516_12	Risk Title	Safeguarding Children & Vulnerable Adults	Current Risk Status	
Description of Risk	Failure to safeguard children and vulnerable adults			Assigned To	Jane Hackett; Rob Mitchell
Gross Risk Matrix		Risk Treatment Measures Implemented		Current Risk Matrix	
Gross Risk Score	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	29-Sep-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	CPR1516_13	Risk Title	Sale of land for housing - Amington	Current Risk Status	
Description of Risk	Cabinet selected to redevelop the Golf Course for housing following the in-depth options appraisal. Prior 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. Outline planning permission approved 4 August 2015 – site to be marketed by September 2015.			Assigned To	Andrew Barratt; 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	6
Gross Severity	3			Current Severity	3
Gross Likelihood	4			Current Likelihood	2
Gross Risk Review Date				Last Risk Review Date	29-Sep-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 Receipt of noncompliant bids				
Risk Notes	Following the receipt of the Best and Final Offers from the interested parties invited to submit, officers have identified and selected the preferred bid. In accordance with the Council's Scheme of Delegation and the relevant Cabinet Resolution, officers will now progress to Contract Exchange via due process. The				

	outcome remains on track for completion by the due date'
	Outline Planning Permission granted August 2016
	Sale process now at best and final offer stage with final bid return in September 2015
	Initial bids for the sale of the land submitted Spring 2015
	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	CPR1516_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	29-Sep-2015	
Consequences	Unable to maintain rent income/increase in rent income Social housing becomes unaffordable Delivery of new housing Realistic housing waiting lists Social unrest - those unable to access social housing 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	CPR1516_16	Risk Title	Elections	Current Risk Status	
Description of Risk	Parliamentary & Local Elections 2016			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
Loss Risk Review Date	05-Dec-2014			Last Risk Review Date	07-Aug-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	Referendum election re: EU - complexity regarding shared boundary areas Not enough staffing resources 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 Canvass dates brought forward to December 2015 (from December 2016)				
Risk Notes					

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Planned Reports to Audit & Governance Committee (Draft)

	Report	Committee Date	Report of	Comments
1	Internal Audit annual & quarterly update	June	Head of Internal Audit	
2	Risk Management quarterly update	June	Head of Internal Audit	
3	Review of the effectiveness of Internal Control Environment	June	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	June	Head of Internal Audit	
5	Role of the Audit Committee	June	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