



**GREAT YARMOUTH**  
BOROUGH COUNCIL

# Audit and Risk Committee

**Date:** Monday, 15 February 2021

**Time:** 11:00

**Venue:** Virtually

**Address:** [Venue Address]

## AGENDA

Open to Public and Press

### 1 APOLOGIES FOR ABSENCE

To receive any apologies for absence.

### 2 DECLARATIONS OF INTEREST

You have a Disclosable Pecuniary Interest in a matter to be discussed if it relates to something on your Register of Interests form. You must declare the interest and leave the room while the matter is dealt with.

You have a Personal Interest in a matter to be discussed if it affects

- your well being or financial position
- that of your family or close friends
- that of a club or society in which you have a management role
- that of another public body of which you are a member to a greater extent than others in your ward.

You must declare a personal interest but can speak and vote on the matter.

Whenever you declare an interest you must say why the interest arises, so that it can be included in the minutes.

<b>3</b>	<b><u>MINUTES</u></b>	<b>3 - 7</b>
	To confirm the minutes of the meeting held on the 14 December 2020.	
<b>4</b>	<b><u>PROGRESS REPORT ON INTERNAL AUDIT ACTIVITY</u></b>	<b>8 - 21</b>
	Report attached.	
<b>5</b>	<b><u>REPORT ON THE STATUS OF AUDIT RECOMMENDATIONS</u></b>	<b>22 - 32</b>
	Report attached.	
<b>6</b>	<b><u>REPORT ON AUDIT AND RISK COMMITTEE SELF ASSESSMENT</u></b>	<b>33 - 41</b>
	Report attached.	
<b>7</b>	<b><u>FOLLOW UP ON ANNUAL GOVERNANCE STATEMENT 2019-2020</u></b>	<b>42 - 45</b>
	Report attached.	
<b>8</b>	<b><u>CORPORATE RISK REGISTER</u></b>	<b>46 - 61</b>
	Report attached.	
<b>9</b>	<b><u>WORK PROGRAMME</u></b>	<b>62 - 62</b>
	Report attached.	
<b>10</b>	<b><u>ANY OTHER BUSINESS</u></b>	
	To consider any other business as may be determined by the Chairman of the meeting as being of sufficient urgency to warrant consideration.	



# Audit and Risk Committee

## Minutes

Monday, 14 December 2020 at 11:00

PRESENT:-

Councillor Flaxman-Taylor (in the Chair); Councillors Freeman, D Hammond & Wainwright.

Ms K Sly (Finance Director), Ms F Dodimead (Audit Director), Ms K Bate (Corporate Governance Officer) & Mrs S Wintle (Corporate Services Manager).

### **1 APOLOGIES FOR ABSENCE**

There were no apologies for absence.

## **2 DECLARATIONS OF INTEREST**

There were no declarations of interest declared at the meeting.

## **3 MINUTES**

The minutes of the meeting were confirmed by assent.

Councillor Wainwright asked for further updates regarding minute numbers 4, 9 & 11 which were provided by the Finance Director.

## **4 REPORT ON THE STATUS OF AUDIT RECOMMENDATIONS**

The Committee received and considered the report from the Internal Audit Manager.

The Internal Audit Manager reported that in 2017/18, internal; audit had raised 119 recommendations, 117 of which had now been implemented. However, two important recommendations remain outstanding, one from the Corporate Health & Safety report and from from the Accounts Receivable.

In 2018/19, internal audit raised 113 recommendations. In total, 90 had been implemented. Of those remaining, one requiring attention recommendation was rejected by management and 22 were overdue (6 important & 16 required attention).

In 2019/20 a total of 100 recommendations had been agreed, of which 66 have been implemented. A total of 19 recommendations are outstanding (9 important and 10 requiring attention) and 15 are within the deadline.

The Internal Audit Manager reported that it was encouraging that 66 recommendations from 2019/20 had already been implemented. However, management was urged to work on completing the high number of important recommendations that remain outstanding from 2018/19 and the two historical recommendations from 2017/18. All recommendations were assigned at senior management level, with the position in implementing urgent audit recommendations being regularly discussed at Executive Leadership Team meetings.

The Internal Audit Manager reported that internal audit continued to highlight to the Committee where recommendation deadlines had been extended more than once.

Councillor Wainwright highlighted recommendation GY 1801 which had been outstanding for 4 years which he deemed to be unacceptable.

Councillor Wainwright also asked for clarification regarding recommendation GY 1909 and asked whether this encompassed hygiene inspections on the steadily rising number of pop-ups and take-away food premises across the Borough. The Finance Director agreed to raise this matter with the Head of Environmental Services and that this had been flagged at the Management Team meeting this morning. Councillor Wainwright reported that the continued work of the Corporate Environmental Enforcement Team was vital and important to Members and that shortcomings should not be continually blamed on the pandemic.

The Chairman reported that this had been highlighted at the agenda pre-meeting and that this matter would be addressed by the Committee if matters did not improve. The Internal Audit Manager reported that this was one of the key areas which had been identified and would be tackled when Faye Haywood returned from maternity leave.

RESOLVED:

That the Committee be informed on the latest progress made in relation to management implementation of agreed audit recommendations falling due by 14 December 2020.

## **6 PARTNERSHIP GOVERNANCE FRAMEWORK**

The Committee received and considered the report from the Corporate Risk Officer.

The Corporate Risk Officer reported that the Partnership Governance Framework aimed to clarify responsibilities for identifying, reporting and to increase awareness of good governance and risk management. The Framework was required to be reviewed every 3 years and submitted to the Committee for approval. On an annual basis, details of the responsible officers were reviewed to ensure that the details remained relevant and up to date. In support of the partnership Governance Framework, a Partnership Register was maintained which listed all the partnerships were involved in or lead on.

RESOLVED:-

That the Committee approve the revised Partnership Governance Framework as set out in the attached report.

## **5 PARTNERSHIP REGISTER**

The Committee received and considered the report from the Corporate Risk Officer.

The Corporate Risk Officer reported that the Committee was responsible for monitoring the arrangements in place for the identification and management of partnerships and to assess and challenge continued involvement in partnerships. The Partnership Register was maintained by the Corporate Risk Officer and reviewed on a quarterly basis and the register had been reviewed by Management Team in November 2020.

Since presenting the Partnership Register to Committee in June 2019, four partnerships had been removed from the register:

- Safe at Home
- Older peoples partnership
- EnterpriseGY Board
- Economic Reference Group

The following partnerships had been added to the register:

- Norfolk Youth Offending Board
- Locality Board
- Great Yarmouth & Waveney LDG
- Gt Yarmouth Housing Options Lettings Partnership
- PCN
- equinox Property Holdings Ltd
- SALS
- Community Lead Housing
- East Coast Community Health Care.

The Corporate Risk Officer reported that she would present the Partnership Register after its next review by Management Team in six months time.

The Chairman requested that this information be included in the information pack given to all new members when they were elected to the Council.

RESOLVED:-

That the Committee have reviewed the Partnership Register and have determined that the register correctly identifies the Partnership arrangements for the Authority and approved the revised layout of the Partnership Register.

## **7 WORK PROGRAMME**

The Committee received and considered the Work Programme.

Councillor Wainwright asked that report on s106 agreements be added to the January 2021 meeting agenda. The Finance Director reported that the Final Statement of Accounts 2019/20 would now be reported at the March 2021

meeting.

RESOLVED:-

That the Committee note the Forward Plan.

## **8 ANY OTHER BUSINESS**

The Chairman reported that there was no other business being of sufficient urgency to warrant consideration at the meeting apart from thanking Members and Officers for their support over the past year and to wish everyone a very Happy Christmas.

The meeting ended at: 13:00

Subject: PROGRESS REPORT ON INTERNAL AUDIT ACTIVITY

Report to: Audit and Risk Committee, 15 February 2021

Report by: Faye Haywood, Internal Audit Manager for Great Yarmouth Borough Council

## **SUBJECT MATTER**

This report examines progress made between 24 November 2020 to 5 February 2021 in relation to the delivery of the revised Annual Internal Audit Plan for 2020/21 and includes executive summaries in respect of the reviews which have been completed during this period.

### **1. INTRODUCTION/BACKGROUND**

- 1.1 This report reflects the completion of the audit reviews which are part of the annual internal audit plan of work for 2020/21.

### **2. CURRENT COMPOSITION OF THE ANNUAL INTERNAL AUDIT PLAN 2020/21**

- 2.1 The current position in relation to the delivery of the Internal Audit Plan for 220/21 is shown within the attached report.

### **3. FINANCIAL IMPLICATIONS**

- 3.1 The Internal Audit Plan will be delivered within the agreed budget for 2020/21.

### **4. RISK IMPLICATIONS**

- 4.1 Internal Audit planning starts with the Council's key risks, which then directs the audit plan for the financial year. Internal Audit reports then identify risk and control weaknesses within the Council, which are highlighted in this report, with appropriate management action being agreed to mitigate these risks within agreed timeframes.

### **5. CONCLUSIONS**

- 5.1 The report contains the results of reports finalised within this period.

### **6. RECOMMENDATIONS**

- 6.1 It is recommended that the Committee receive and note the outcome of the audits completed during this period and the progress to date.

### **7. BACKGROUND PAPERS**

Appendix – Progress Report on Internal Audit Activity



<b>Area for consideration</b>	<b>Comment</b>
Monitoring Officer Consultation:	No
Section 151 Officer Consultation:	Yes
Existing Council Policies:	No
Financial Implications:	Covered within the report
Legal Implications (including human rights):	No
Risk Implications:	Covered within the report
Equality Issues/EQIA assessment:	No
Crime & Disorder:	No
Every Child Matters:	No

# Eastern Internal Audit Services



**Great Yarmouth Borough Council**

**Progress Report on Internal Audit Activity**

**Period Covered: 24 November 2020 to 5 February 2021**

**Responsible Officer: Emma Hodds – Head of Internal Audit for Great Yarmouth Borough Council**

## **CONTENTS**

<i>1. INTRODUCTION.....</i>	<i>2</i>
<i>2. SIGNIFICANT CHANGES TO THE APPROVED INTERNAL AUDIT PLAN .....</i>	<i>2</i>
<i>3. PROGRESS MADE IN DELIVERING THE AGREED AUDIT WORK .....</i>	<i>2</i>
<i>4. THE OUTCOMES ARISING FROM OUR WORK .....</i>	<i>2</i>
<i>5. PERFORMANCE MEASURES .....</i>	<i>3</i>
<i>APPENDIX 1 – PROGRESS IN COMPLETING THE AGREED AUDIT WORK.....</i>	<i>4</i>
<i>APPENDIX 2 – AUDIT REPORT EXECUTIVE SUMMARIES .....</i>	<i>5</i>

## 1. INTRODUCTION

- 1.1 This report is issued to assist the Authority in discharging its responsibilities in relation to the internal audit activity.
- 1.2 The Public Sector Internal Audit Standards also require the Chief Audit Executive to report to the Audit Committee on the performance of internal audit relative to its plan, including any significant risk exposures and control issues. The frequency of reporting and the specific content are for the Authority to determine.
- 1.3 To comply with the above this report includes:
- Any significant changes to the approved Audit Plan;
  - Progress made in delivering the agreed audits for the year;
  - Any significant outcomes arising from those audits; and
  - Performance Indicator outcomes to date.

## 2. SIGNIFICANT CHANGES TO THE APPROVED INTERNAL AUDIT PLAN

- 2.1 There are no changes to the approved internal audit plan.

## 3. PROGRESS MADE IN DELIVERING THE AGREED AUDIT WORK

- 3.1 The current position in completing audits to date within the financial year is shown in **Appendix 1**.
- 3.2 In summary 55 days of programmed work has been completed, equating to 47% of the Internal Audit Plan for 2020/21.

## 4. THE OUTCOMES ARISING FROM OUR WORK

- 4.1 On completion of each individual audit an assurance level is awarded using the following definitions:

**Substantial Assurance:** Based upon the issues identified there is a robust series of suitably designed internal controls in place upon which the organisation relies to manage the risks to the continuous and effective achievement of the objectives of the process, and which at the time of our review were being consistently applied.

**Reasonable Assurance:** Based upon the issues identified there is a series of internal controls in place, however these could be strengthened to facilitate the organisation's management of risks to the continuous and effective achievement of the objectives of the process. Improvements are required to enhance the controls to mitigate these risks.

**Limited Assurance:** Based upon the issues identified the controls in place are insufficient to ensure that the organisation can rely upon them to manage the risks to the continuous and effective achievement of the objectives of the process. Significant improvements are required to improve the adequacy and effectiveness of the controls to mitigate these risks.

**No Assurance:** Based upon the issues identified there is a fundamental breakdown or absence of core internal controls such that the organisation cannot rely upon them to manage risk to the continuous and effective achievement of the objectives of the process. Immediate action is required to improve the controls required to mitigate these risks.

- 4.2 Recommendations made on completion of audit work are prioritised using the following definitions:

**Urgent (priority one):** Fundamental control issue on which action to implement should be taken within 1 month.

**Important (priority two):** Control issue on which action to implement should be taken within 3 months.

**Needs attention (priority three):** Control issue on which action to implement should be taken within 6 months.

- 4.3 In addition, on completion of audit work “Operational Effectiveness Matters” are proposed, these set out matters identified during the assignment where there may be opportunities for service enhancements to be made to increase both the operational efficiency and enhance the delivery of value for money services. These are for management to consider and are not part of the follow up process.
- 4.4 During the period covered by the report Internal Audit Services has issued two final reports:

Audit	Assurance	P1	P2	P3
GY2102 Corporate Governance	Reasonable	0	1	2
GY2105 Housing Rents	Reasonable	0	1	5

The Executive Summary of these reports are attached at **Appendix 2**, full copies of these reports can be requested by Members.

- 4.5 As can be seen in the table above as a result of these audits nine recommendations have been raised by Internal Audit. In addition, one Operational Effectiveness Matter has been proposed to management for consideration.

## 5. PERFORMANCE MEASURES

- 5.1 The Internal Audit Services contract includes a suite of key performance measures against which TIAA will be reviewed on a quarterly basis. There is a total of 11 indicators, over four areas, the results of which are reported at financial year end, with any issues raised with the Committee in progress reports.
- 5.2 There are individual requirements for performance in relation to each measure; however performance will be assessed on an overall basis as follows:
- 9-11 KPIs have met target = Green Status.
  - 5-8 KPIs have met target = Amber Status.
  - 4 or below have met target = Red Status.

Where performance is amber or red a Performance Improvement Plan will be developed by TIAA and agreed with the Head of Internal Audit to ensure that appropriate action is taken.

- 5.3 The fourth quarter's work is underway having received confirmation of agreement to the annual plan on 8<sup>th</sup> September 2020. A report on performance has been provided to the Head of Internal Audit from the Contractor, performance is currently at green status, however one report HR and Payroll is overdue for finalisation. This report is in draft and has been issued to management.
- 5.4 In addition to these quarterly reports from the Contractors Audit Director, ongoing weekly updates are provided to ensure that issues in relation to delivery of the audit plan for the current financial year are resolved.

## APPENDIX 1 – PROGRESS IN COMPLETING THE AGREED AUDIT WORK

Audit Area	Audit Ref	No. of days	Revised Days	Days Delivered	Status	Assurance Level	Recommendations				Date to Committee
							Urgent	Important	Needs Attention	Op	
Quarter 1											
TOTAL		0	0	0							
Quarter 2											
Assurance Mapping	GY2101	8	8	7	Report in draft						
TOTAL		8	8	7							
Quarter 3											
Corporate Governance	GY2102	6	6	6	Final report issued 15 December 2020	Reasonable	0	1	2	0	Jan-21
Housing Rents	GY2105	16	16	16	Final report issued 8 December 2020	Reasonable	0	1	5	1	Jan-21
HR & Payroll	GY2106	15	15	14	Draft report issued 21 January 2021						
TOTAL		37	37	36							
Quarter 4											
Accounts Payable	GY2104	12	12	9	Fieldwork stage						
Procurement and Contract Management	GY2103	12	12	1	APM issued						
Key Controls and Assurance	GY2107	16	16	1	APM issued						
Coronavirus Response and Recovery	GY2108	15	15	1	APM issued						
Housing Needs and Allocations and Homelessness	GY2109	10	10	1	APM issued						
TOTAL		53	53	4							
IT Audits											
Remote Access	GY2110	10	10	0	Scheduled						
TOTAL		10	10	0							
Follow Up											
Follow Up	NA	10	10	8	In progress						
TOTAL		10	10	8							
TOTAL		118	118	55			0	2	7	1	
Percentage of plan completed				47%							

## APPENDIX 2 – AUDIT REPORT EXECUTIVE SUMMARIES

### Assurance Review of Corporate Governance

#### Executive Summary

##### OVERALL ASSURANCE ASSESSMENT



##### ACTION POINTS

Control Area	Urgent	Important	Needs Attention	Operational
Changes to committee meetings	0	0	0	0
Decision making during the pandemic including adherence to the constitution	0	0	1	0
Use of emergency powers	0	0	0	0
Inclusion of pandemic risk within the corporate risk management process	0	1	1	0
Total	0	1	2	0

##### SCOPE

A review of Corporate Governance has been completed, in particular covering the Council's response to Covid-19 in the administration of committee meetings, including virtual meetings and the decision making process. This review also covered the council's corporate risk management process and how the Covid-19 risk has been incorporated into this.

The review of Corporate Governance is carried out annually to support the Head of Internal Audit Opinion.

## RATIONALE

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- The systems and processes of internal control are, overall, deemed 'Reasonable Assurance' in managing the risks associated with the audit. The assurance opinion has been derived as a result of one 'important' and two 'needs attention' recommendations being raised upon the conclusion of our work.
- A direction of travel is not provided since the scope of the previous review focused on General Data Protection Regulations (GDPR) and Freedom of Information (FOI).

## POSITIVE FINDINGS

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It is acknowledged there are areas where sound controls are in place and operating consistently:

### Changes to committee meetings

- A Remote Meetings protocol has been produced to account for the changes made in the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority Police and Crime Panel Meetings) (England and Wales) Regulations 2020. This is in effect, mandatory standing orders for those authorities that wish to hold meetings remotely, either wholly or partially. This therefore provides the means and guidance for the conduct of any remote meeting of the Council, and its various Committees and Sub-Committees.
- Whilst the March Policy and Resources (P&R) committee was cancelled due to the pandemic, this was re-arranged for 19th May 2020 with all deferred P&R decisions now being made. This means that a relatively small gap of two months occurred within which no committees were convened. The most urgent items were reported to P&R first. The P&R committee is now meeting every 4 weeks whereas before the pandemic, was meeting every 6 weeks. This facilitates more frequent meetings to allow for anything urgent to be reported on/decided upon.

### Decision making

The main operational body set up to respond to the pandemic is the Emergency Response Silver Team with the responsibilities of this team outlined in the council's Emergency Response Plan. Furthermore, the 'Pathway to Recovery' report, refers to the council's vision for normalisation and recovery which is split into three stages, i.e. respond, adapt and innovate. The normalisation and recovery plans are split into 3 work streams which each have aims and outcomes. This facilitates clear direction and goals in relation to the pandemic.

- All members have been given the tools required to access and participate in virtual meetings through provision of IT packs and 'ThinkPads' (small laptops designed for business use) at which point IT provided training on how to operate these. Furthermore, a number of 'test committees' were set up to trial the new ways of working with members and IT support is always available at each committee meeting. In addition, the Corporate Services Manager held training sessions for members together with a member of ELT and the IT Team, these covering both the use of teams and Zoom. This provided members with the necessary skills and tools to transfer from face to face meetings, to virtual meetings.

## **ISSUES TO BE ADDRESSED**

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The audit has highlighted the following area where one 'important' recommendation has been made.

### **Inclusion of pandemic risk within the corporate risk management process**

- In relation to the Corporate Risk Group (CRG), a future meeting date is agreed; the notes and updates issued by the Corporate Risk Officer; and all the risks on the corporate risk register, including the covid -19 related risk, are reviewed.

The audit has also highlighted the following areas where two 'needs attention' recommendations have been made.

### **Decision making during the pandemic including adherence to the constitution**

- All members are contacted annually to ask them to confirm that their declaration of Interests is complete, up to date and accurate.

### **Inclusion of pandemic risk within the corporate risk management process**

- The corporate risk register and accompanying report is reported to Executive Leadership Team (ELT) and the Audit and Risk Committee for approval.

### **Operational Effectiveness Matters**

There are no operational effectiveness matters for management to consider.

### **Previous audit recommendations**

The audit reviewed the previous internal audit recommendations, of which three remain outstanding. These were discussed with management and revised deadline dates agreed.



# Assurance Review of Housing Rents

## Executive Summary

### OVERALL ASSURANCE ASSESSMENT



### ACTION POINTS

Control Area	Urgent	Important	Needs Attention	Operational
Setting the annual rent charge	0	0	0	0
Housing rent income	0	0	0	0
Rent arrears	0	0	2	1
Amendments to housing rent accounts	0	1	3	0
Reconciliation with other key financial systems	0	0	0	0
Total	0	1	5	1

### SCOPE

The objective of the audit is to review the systems and controls in place over Housing Rents to help confirm that these are operating adequately, effectively and efficiently.

## RATIONALE

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- The systems and processes of internal control are, overall, deemed 'Reasonable Assurance' in managing the risks associated with the audit. The assurance opinion has been derived as a result of one 'important' and five 'needs attention' recommendations being raised upon the conclusion of our work.
- The audit has also raised one 'operational effectiveness matter', which sets out matters identified during the assignment where there may be opportunities for service enhancements to be made to increase both the operational efficiency and enhance the delivery of value for money services.
- The previous audit report for Housing Rents (GY1913) was issued in January 2019. It concluded in a 'Reasonable Assurance' opinion with two 'important' and five 'needs attention' recommendations being raised. This indicates a positive direction of travel for the area of Housing Rents.

## POSITIVE FINDINGS

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It is acknowledged there are areas where sound controls are in place and operating consistently:

### Housing Rent Income

- Housing rent income testing concluded that the income received is allocated to the relevant account via the individual housing rent account reference number. This provides assurance that income received is receipted and posted to the relevant account in a timely manner and the receipts are accurate and valid.
- Rejected direct debit payments testing established that the account was updated in a timely manner, including letters to the tenant to advise them of the rejection. This demonstrates that timely follow up and action is taken to recover any outstanding income.

### Rent arrears

- The service monitors quarterly performance indicators which includes a number of Key Performance Indicators (KPIs) which form part of the Council's corporate performance monitoring reports. These include '% collection of rent and arrears' and 'arrears as a percentage of rent debit'.
- Throughout the pandemic, the HRA Income Service Manager has been providing updates on service performance, including arrears collection rates and the impact of covid-19 on the service as a whole, to the Housing Director, Finance Director and HRA service accountant. This facilitates ongoing communication to senior management to keep them up to date with key information to make informed decisions.

### Reconciliations

- All sampled weekly reconciliations between the housing rent system and cash receipting and housing benefit systems, performed by the Senior Rents Officer, reconciled and were signed and dated by both preparer and reviewer. This provides assurance that total balances within these key systems are accurate and any discrepancies should be detected and investigated in a timely manner.

## ISSUES TO BE ADDRESSED

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The audit has highlighted the following areas where one 'important' recommendation has been made.

### Amendments to Housing Rent Accounts

- In relation to the Housing Management System user access, the following is undertaken quarterly: an audit of user access levels; review of the starters, movers and leavers list against the list of users; and to contact managers to ensure they inform the system administrator when staff change job or leave the team/Council.

The audit has also highlighted the following areas where five 'needs attention' recommendations have been made.

### Rent Arrears

- A report of current arrears, where action has not been taken within the last month, is reviewed and action taken where necessary taking into account the second lockdown and the financial circumstances of tenants.
- Staff are reminded of the requirement to calculate expected payments against payments actually made and to take action if payments are less than expected.

### Amendments to Rent Accounts

- Signing off of the amendments reports be brought up to date by the Senior Rents Officer.
- In respect of the OHMS suspense account, the following is undertaken: reminder to staff to add explanatory notes to the account to which the amount has been transferred to; folders be set up for each financial year to which supporting evidence can be filed; and monthly emails to staff be undertaken asking if items can be identified. Suspense procedures to be updated to take the above issues into account.
- Ceased accounts are deactivated within the same rental week, or within five working days as a maximum.

### Operational Effectiveness Matters

The operational effectiveness matter, for management to consider relates to the following:

### Rent Arrears

- Quarterly targets for the '% collection of rent and arrears' KPI are revisited to be both realistic and challenging, based on previous year's performance.

### Previous audit recommendations

The audit reviewed the previous internal audit recommendations, of which none remain outstanding.

### Other points noted

- Monthly reconciliations of rent refunds and income are undertaken in Finance for the rents system, along with housing benefit, to the general ledger. It was noted that the reconciliations are held electronically, however they are not signed or dated by the person completing or reviewing them. However, a sign off sheet has since been added to the reconciliation, the September 2020 reconciliation now being provided with these details. Therefore a recommendation has not been raised due to this issue being rectified.

The following points outline the issues/changes in working conditions and processes which have occurred as a result of the impact of the covid-19 pandemic:

- Management agreed, during lockdown, that former tenant arrears (FTA) would not be actioned due to the impact of covid-19 on the service and its resources and other work being prioritised. Due to this, normal sample testing of FTA was not undertaken. Instead, a review has been undertaken of a report of all outstanding FTA as of October 2020. This identified the following:
  - There are a total of 848 FTA accounts, which total £475,351. To put this into context, collection of income and arrears (both current and former tenants) for quarters 1 and 2, for 2020/21, were 91.34% and 95.51% respectively, against the 2019/20 quarters 1 and 2 of 93.47% and 99.15%, a noticeable reduction as a result of the impact of covid-19.
  - The largest debt is for £4,464.04 for an account which was ceased on 23/03/2017 (having started in December 2016) with no payments received on the account.
  - A number of accounts (717) have received payments although the oldest payments date back to 2003. The most recent payment was received on 09/10/2020. Therefore, 131 accounts have not received any payments.

The HRA Income Service Manager has confirmed that there is now a plan in place to re-commence action on FTA which involves updating the letters to tenants to ensure they take into account the covid-19 situation. The date for re-commencement of action is planned for the New Year, taking into account the 2<sup>nd</sup> lockdown.

- The emphasis and priority of the team during the pandemic has been to focus on assisting tenants in sustaining their tenancies and offering support. Example of this support includes referrals to DIAL (organisation that provides financial and personal advice and guidance with expertise in disability matters) and promotion of the NAS (Norfolk Assistance Scheme) scheme which tenants can apply for, which includes obtaining financial support to address rent arrears.
- A further change to how the team operates is the suspension of home visits to tenants during the pandemic. The team have now started to move towards essential visits being undertaken in specific cases where tenants are at risk of a warrant for eviction of rent arrears. For such home visits, a risk assessment has been completed for this situation and a pre-visit checklist is completed before the visit is undertaken. However, due to the particular criteria for home visits, the amount of visits made is very low.
- Government intervention in the form of possession/eviction notices being ceased. However, this prohibition has now been lifted and the period of notice given is now six months as opposed to the original four weeks. The notice of seeking possessions letters have now been reviewed by NPLaw to take into account

the new notice period and the first ones are planned to be served in the New Year. These will be overseen by the HRA Income Service Manager who will take into account if arrears are due to the impact of Covid-19 and if payments are being made. Re-commencement is delayed further due to the second lockdown and the Council making a local decision to not serve any notices until the lockdown is over.

- Working from home has seen a decrease in the teams productivity due to the computer systems running slower, which the councils Information and Management Team are aware of, having put in a remote Desktop Services (RDS) connection. Although this has made an improvement, productivity is still down by 10%. A new upgraded version of this, or a new system is looking to be implemented in the near future.
- The Rent Income and Arrears Policy was due to be reviewed in March 2020. Whilst the review of this has started, the new policy is in its first draft stages, and is due to be finalised soon.

Subject: REPORT ON THE STATUS OF AUDIT RECOMMENDATIONS

Report to: Audit and Risk Committee, 15 February 2021

Report by: Faye Haywood, Internal Audit Manager for Gt Yarmouth BC

## **SUBJECT MATTER**

This report seeks to inform members on the latest progress made in relation to management implementation of agreed audit recommendations falling due by 5 February 2021.

### **1. INTRODUCTION/BACKGROUND**

- 1.1 The Audit and Risk Committee receives regular updates on management implementation of agreed audit recommendations. This report forms part of the overall reporting requirements to assist the Council in discharging the responsibilities in relation to its Internal Audit Service.
- 1.2 The Public Sector Internal Audit Standards require that a process is in place to ensure that sufficient action is being taken by management to implement recommendations.

### **2. MAIN BODY**

- 2.1 The current position and issues in relation to the implementation of internal audit recommendation is shown in the report attached.

### **3. FINANCIAL IMPLICATIONS**

- 3.1 None.

### **4. RISK IMPLICATIONS**

- 4.1 Failure to implement or improve internal controls may lead to risks associated with those controls materialising.

### **6.0 RECOMMENDATIONS**

- 6.1 That the Committee receives and notes the current position in relation to the implementation of agreed audit recommendations.

## BACKGROUND PAPERS

### *Appendix – Follow Up Report on Internal Audit Recommendations*

<b>Area for consideration</b>	<b>Comment</b>
Monitoring Officer Consultation:	No
Section 151 Officer Consultation:	Yes
Existing Council Policies:	No
Financial Implications:	No
Legal Implications (including human rights):	No
Risk Implications:	Yes
Equality Issues/EQIA assessment:	No
Crime & Disorder:	No
Every Child Matters:	No

# Eastern Internal Audit Services



**Gt Yarmouth Borough Council**

**Follow Up Report on Internal Audit Recommendations**

**Period Covered: 2 December 2020 – 5 February 2021**

**Responsible Officer: Faye Haywood – Internal Audit Manager**

## **CONTENTS**

<i>1. INTRODUCTION</i>	<i>2</i>
<i>2. STATUS OF AGREED ACTIONS</i>	<i>2</i>
<i>APPENDIX 1 – SUMMARY STATUS OF AGREED INTERNAL AUDIT RECOMMENDATIONS</i>	<i>4</i>
<i>APPENDIX 2 – OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS – 2017/18</i>	<i>5</i>
<i>APPENDIX 3 – OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS – 2018/19</i>	<i>6</i>
<i>APPENDIX 4 - OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS - 2019/20</i>	<i>10</i>



## 1. INTRODUCTION

- 1.1 This report is being issued to assist the Authority in discharging its responsibilities in relation to the internal audit activity.
- 1.2 The Public Sector Internal Audit Standards also require the Chief Auditor Executive to establish a process to monitor and follow up management actions to ensure that they have been effectively implemented or that senior management have accepted the risk of not taking action. The frequency of reporting and the specific content are for the Authority to determine.
- 1.3 To comply with the above this report includes:
- The status of agreed actions.

## 2. STATUS OF AGREED ACTIONS

- 2.1 As a result of audit recommendations, management agree action to ensure implementation within a specific timeframe and by a responsible officer. The management action subsequently taken is monitored by the Internal Audit Contractor on a regular basis and reported through to this Committee. Verification work is also undertaken for those recommendations that are reported as closed.
- 2.2 **Appendix 1** to this report shows the details of the progress made to date in relation to the implementation of the agreed recommendations. This appendix also reflects the year in which the audit was undertaken to enable the Committee to easily identify outstanding recommendations from previous financial years. The table also distinguishes between outstanding recommendations that have previously been reported to this Committee and then those which have become outstanding this time round.
- 2.3 In 2017/18 internal audit raised 119 recommendations, 117 of which have now been implemented. Two important recommendations remain outstanding, one from the Corporate Health and Safety report and one from the Accounts Receivable.

The management response in relation to the outstanding important recommendation can be seen at **Appendix 2** of the report.

Number raised	119	
Complete	117	98%
Outstanding	2	2%

- 2.4 In 2018/19 internal audit raised 113 recommendations. In total, 90 have been implemented. Of those remaining, one needs attention recommendation was rejected by management, and 22 are overdue (6 important, 16 needs attention).

The June 2019 year end follow up report provided details of the important recommendation rejected by Management.

The management response in relation to the outstanding important recommendations can be seen at **Appendix 3** of the report.

Number raised	113	
Complete	90	80%
Outstanding	22	19%
Rejected	1	1%

- 2.5 In 2019/20 a total of 100 recommendations have been agreed; of these, 75 have now been implemented. A total of 14 recommendations are outstanding (7 important and 7 needs attention) and 11 are within deadline.

Number raised	100	
Complete	75	75%
Outstanding	14	14%
Within Deadline	11	11%

- 2.6 In 2020/21 a total of nine recommendations have been agreed so far and are within deadline.

Number raised	9	
Complete	0	0%
Outstanding	0	0%
Within Deadline	9	100%

- 2.7 All recommendations are assigned at senior management level, with the position in implementing urgent audit recommendations being discussed at Executive Leadership Team meetings. We do however recommend that senior management monitor the position of implementing important recommendations as the number of outstanding has increased and a large number of historical recommendations remain overdue. In some cases, updates have not been provided to Internal Audit when requested. The management response in relation to the outstanding important recommendations can be seen at **Appendix 4** of the report.

## APPENDIX 1 – SUMMARY STATUS OF AGREED INTERNAL AUDIT RECOMMENDATIONS

			Completed between 2 December 2020 and 5 February 2021			Previously reported to Committee as outstanding			(New) Outstanding			Total Outstanding	Not Yet Due for implementation		
			Priority 1	Priority 2	Priority 3	Priority 1	Priority 2	Priority 3	Priority 1	Priority 2	Priority 3		Priority 1	Priority 2	Priority 3
Audit Ref	Audit Area	Assurance Level													
<b>2017/18 Audits</b>															
GY1801	Corporate Health & Safety	Limited					1					1			
GY1811	Accounts Receivable	Reasonable					1					1			
<b>2018/19 Audits</b>															
GY1901	Corporate Governance	Limited					1					1			
GY1908	Capital Programme	Reasonable			1		1					1			
GY1909	Environmental Services	Reasonable					1	5				6			
GY1914	Procurement	Limited			1		3	4				7			
GY1916	Property & Asset Mgt	Reasonable						4				4			
GY1922	ICT Contract Review & IT	Reasonable			1							0			
<b>2019/20 Audits</b>															
GY2001	GYB Services	Reasonable					1	2				3			
GY2005	Council Tax and NNDR	Reasonable						1				1			
GY2007	S106 Agreements	Reasonable					1					1		1	
GY2008	Housing Strategy and Affordable Housing	Reasonable						1				1			
GY2010	Corporate Governance	Reasonable		1			1	1				2			
GY2014	Key Controls & Assurance	Reasonable		2								0		1	2
GY2016	Corporate Enforcement	Reasonable					1			2		3		2	2
GY2018	Data Centre and Back Up	Reasonable					1					1			
GY2019	Cyber Crime	Reasonable		2	1			2				2			
GY2020	Starters, Movers, Leavers	Reasonable			1							0			3
<b>2020/21 Audits</b>															
GY2102	Corporate Governance	Reasonable										0		1	2
GY2105	Housing Rents	Reasonable										0		1	5
<b>Total</b>			<b>0</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>13</b>	<b>20</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>35</b>	<b>0</b>	<b>5</b>	<b>9</b>

## APPENDIX 2 – OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS – 2017/18

Report	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
GY1801 Corporate Health and Safety	Recommendation 6: A variation to the GY Norse contract is raised in line with the GYBS and SLT H&S contract clauses. This is agreed by the board. Sufficient H&S clauses in the contract should clearly outline the H&S responsibilities of the GY Norse and mitigate the risk that any H&S liabilities created by GY Norse are passed onto the Council.	2	Head of Property and Asset Management	31/10/2017	31/04/2021	Outstanding	We are now in the process of varying the contract to return elements of the Asset Management Service to GYBC which will require a complete review of the Joint Venture Agreement these changes will be incorporated with the new agreement due to be in place for April 2021.
GY1811 Accounts Receivable	Recommendation 2: Service Level Agreements (SLA) to be documented/formalised for all service areas, in line with the collection and recovery processes documented in the Sundry Income and Debt Policy. These are to be signed by the Head of Customer Services and the respective head of service. These should include responsibilities of both parties and key timescales required from the debtors' team and service area.	2	Head of Customer Services	31/03/2019	31/12/2020	Outstanding	Revised date provided.  The proposal for this recommendation is to amend this to produce a programme of required SLAs between the Sundry Debt Service and other Relevant Service where we can timetable each required SLA together with the relevant Head of Service and to allow time for the SLA to perform 'in practice' with an opportunity to refine/further adjust the SLA as may be required. This is based on our current experience with the development of the SLAs so far. Production of the programme signed off and relevant Heads of Service should complete this recommendation with progress being monitored in relation to the completion of SLAs through further Audits which is undertaken on an annual basis anyway. This change has been agreed.

### APPENDIX 3 – OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS – 2018/19

Report	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
GY1901 Corporate Governance	Recommendation 8: A review of off-site paper storage arrangements is undertaken to ensure they are GDPR compliant.	2	Head of Property and Asset Management	31/01/2019	31/03/2021	Outstanding	Work in this area has had to be paused due to the COVID-19 pandemic, which has led to a 1/3 of the Council's staff including the Data Protection Officer being redeployed to work as part of a coordinated response assisting the most vulnerable residents of the Borough. It was hoped that work could recommence from September 2020 however with current social distancing guidelines and protecting the health of Council staff being paramount this will not be possible. Please could an extension be agreed until 31st March 2021 to allow time for social distancing measures to be relaxed or a vaccine to be developed.
GY1908 Capital Programme Contracts (General Fund and Housing Revenues Account)	Recommendation 6: In respect of the Norfolk County Council (NCC) Norfolk Infrastructure Fund (NIF) for the energy park, the following is undertaken Confirmation that the NCC Policy & Resources committee has formally approved the NIF budget of £2.75m; and- Agreement of how payment of the funding is processed, e.g. expenditure is invoiced on a regular basis such as annually. This process to be formally agreed and documented.	2	Finance Director	30/06/2019	31/05/2021	Outstanding	Due to other priorities in the service this work has not yet been completed. This is due to be updated in time for the year end.

Report	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
GY1909 Environmental Services	Recommendation 1: The review of the prioritisation site list is concluded as follows: completion of the review of medium scored sites; - finalising the further work needed in respect of the high scored sites to assess the possibility of significant harm and addition of the date when the review work for each site has been completed and officer/reviewer name.	2	Head of Environmental Services	31/05/2019	30/04/2020	Update required	This is programmed for when a new resource is available. Further update required.
GY1914 Procurement	Recommendation 5: The procurement and future delivery of the Kerbside Green Waste Collection service to be finalised, including how the new contract is sourced and by whom, i.e. whether this is the council or GYB Services	2	Senior Environmental Ranger	30/06/2019	31/12/2020	Outstanding	The MOU has been rewritten and is to be sent to NEWS shortly. Assuming they are agreeable to the contents this should then be signed. Taking onto account any potential amendments they wish to make I would expect this to be completed by Christmas.
GY1914 Procurement	Recommendation 1: The procurement strategy (PS) be reviewed and updated including an update of the accompanying action plan to be taken forward as a new action plan. This should include a review against the other council PSs and the National Procurement Strategy for any key gaps, and also GDPR requirements. In addition, the PS to be updated to include consideration is given to the requirement for more bespoke terms and conditions (T&CS) and service review points, in addition to the standard T&Cs which should be included. The PS should also be reviewed to ensure it refers to the requirements of GDPR.	2	Finance Director	30/09/2019	31/05/2021	Outstanding	Discussions have been held with the Procurement Support Officer and the update will be informed by the wider PS work and the CSO work.

Report	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
GY1914 Procurement	Recommendation 2: Contract standing orders (CSO) be reviewed and updated as necessary, version controlled and placed on the council's intranet. The review should cover the following:- Up to date senior management titles;- The inclusion of performance bonds for contracts with a value of £1,000,000 and over;- A Parent Company Guarantee is considered, in consultation with the S151 officer, when a supplier is a subsidiary of a parent company and where the total value exceeds £75,000.00; and- Inclusion of review points for larger and longer contracts	2	Finance Director	30/11/2019	31/03/2021	Outstanding	These will be incorporated in the revised CSO's which are due to be considered by the Constitution Working Group in Feb 2021.

#### APPENDIX 4 – OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS – 2019/20

Report	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
GY2001 GYB Services	A programme of KPI spot checks is completed to sample check KPIs on a rolling basis. This is to verify that there is supporting evidence in place to confirm the outturn figures presented. Furthermore, a definition for each KPI be recorded and centrally kept by the Council against which KPIs can be checked.	2	Head of Environmental Services	31/12/2019	31/03/2020	Update needed	
GY2010 Corporate Governance	Recommendation 2: The publication scheme be reviewed, updated as necessary and version control details added	2	Senior Democratic Services Officer	31/05/2020	30/04/2021	Update needed	The final version is ready to be published, we are taking this to Management Team once again on the 18 <sup>th</sup> March to ensure all are aware of the updated version and policies are all correct.
GY2016 Corporate Enforcement	Recommendation 3: Performance standards be agreed between the Council and NPLaw to ensure that appropriate level of service is received from NPLaw and to help ensure that prosecutions are undertaken timely.	2	Head of Environmental Services	31/12/2020		Update needed	

Report	Recommendation	Priority	Responsible Officer	Due Date	Revised Due Date	Status	Latest Response
GY2016 Corporate Enforcement	Recommendation 4: Regular meetings to be held with service team leaders to discuss problematic businesses/individuals so that enforcement action is undertaken as appropriate.	2	Head of Environmental Services	30/09/2020		Update needed	
GY2016 Corporate Enforcement	Recommendation 5: An action plan be developed on how the Anti-Social Behaviour strategy is to be delivered. Once approved the Anti-Social Behaviour action plan should be presented to the Council's Housing and Neighbourhood Committee.	2	Community Protection Manager	31/12/2020	31/06/2021	Outstanding	'Work has commenced on the development of the plan although this continues to be hampered by our wider work around the pandemic. Meetings have been held with stakeholders with a view to standardising the GYBC response to ASB matters and how we can maximise multi-agency working. Regarding a revised implementation date, it is difficult to be specific as we are not sure as to the level of assistance we will be required to provide once lockdown ends. The ASB Co-ordinator is on the redeployment list (18.5 hours/week) so completion of the plan may well be some way off.
GY2018 Data Centre, Back Up and Disaster Recovery	Recommendation 3: A test of the links between GYBC and NCC be included as part of future test plans.	2	IMT Manager	30/09/2019	31/03/2021	Outstanding	The network upgrade has been completed for both Town Hall and Greyfriars.  We are now just awaiting confirmation from NCC that the tests can be undertaken and a date set



Subject: REPORT ON AUDIT AND RISK COMMITTEE SELF ASSESSMENT

Report to: Audit and Risk Committee, 15 February 2021

Report by: Faye Haywood, Internal Audit Manager for Gt Yarmouth BC

## **SUBJECT MATTER**

This report provides the results from the 2020 Audit and Risk Committee self-assessment exercise. We recommend that the previous year's self-assessment exercise is reviewed and updated considering any progress made against agreed improvement actions.

### **1. INTRODUCTION/BACKGROUND**

- 1.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) document on "audit committees – practical guidance for local authorities and police" sets out the guidance on the function and operation of Audit Committees. It represents CIPFA's view of best practice, and states "the purpose of an audit committee is to provide those charged with governance independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance processes".
- 1.2.1 The Section 151 Officer has overarching responsibility for discharging the requirement for sound financial management, and to be truly effective requires an audit committee to provide support and challenge.
- 1.3 Good audit committees are characterised by; balanced, objective, independent, knowledgeable and properly trained Members, a membership that is supportive of good governance principles, a strong independently minded chair, an unbiased attitude and the ability to challenge when required.
- 1.4 It is therefore good practice for audit committees to complete a regular self-assessment exercise against a checklist, to be satisfied that the Committee is performing effectively.
- 1.5 In addition, the Public Sector Internal Audit Standards (PSIAS) also call for the audit committee to assess their remit and effectiveness, in relation to Purpose, Authority and Responsibility, to facilitate the work of this Committee.
- 1.6 The updated guidance provides two tools against which the Committee can assess itself, the first (self-assessment of good practice) supports an assessment against recommended practice to inform and support the Committee. The second assessment tool (evaluating the effectiveness of the audit committee) helps audit committee members to consider where it is more effective and where there may be scope to do more. To be effective the Committee should be able to identify evidence of its impact or influence linked to specific improvements.

## 2. RESULTS OF THE SELF ASSESSMENT AND AGREED IMPROVEMENTS

2.1 The results of the 2020 assessment are attached in full at **Appendix 1** to this report. The following sections were scored **partial** or **no** by the Audit and Risk Committee last year. The improvement actions agreed at the January 2020 meeting are provided below:

2.2 The following questions were scored by the Audit and Risk Committee as partial compliance:

- Is the role and purpose of the audit committee understood and accepted across the authority?
- Are the arrangements to hold the committee to account for its performance operating satisfactorily?

The following question was scored by the Audit and Risk Committee as not in conformance:

- Is an annual evaluation undertaken to assess whether the committee is fulfilling its terms of reference and that adequate consideration has been given to all core areas?

Whilst it was discussed that there is a general understanding of the importance of the role of the of the Audit and Risk Committee, the Committee felt that more could be done to raise awareness and inform the Council of its performance in fulfilling its terms of reference.

It was agreed that this would be achieved by producing an Annual Report of the Audit and Risk Committee and presenting this to Full Council. Typically, this report provides details of work carried out throughout the year and any significant relevant information regarding the risk, control and governance framework. The report can be used to seek feedback from members of the Council on the performance of the Audit and Risk Committee. It was agreed that advice would be taken from the Monitoring Officer on how to proceed with this action. However due to the impact of the Coronavirus Pandemic on re-prioritising workloads this was not actioned.

2.3 The following questions were scored by the Audit and Risk Committee as not in conformance:

- Has the audit committee considered the wider areas identified in CIPFA's position statement and whether it would be appropriate for the committee to undertake them?
- Has the membership of the committee been assessed against the core knowledge and skills framework and found to be satisfactory?

The Audit and Risk Committee had not carried out a self-assessment exercise before 2020. Therefore, as a result, the above has not been completed. Both the CIPFA Position Statement and the Core Knowledge and Skills Framework were circulated to members for discussion. No requests for additional training were received.

2.4 The following questions were scored by the Audit and Risk Committee as partial compliance:

- Has the committee obtained feedback on its performance from those interacting with the committee or relying on its work?
- Has the committee evaluated whether and how it is adding value to the Organisation?

Both of the above points will be addressed by the action described in 2.2 i.e. An Annual Report of the Audit and Risk Committee. In addition, a self-assessment will now be carried out by the Audit and Risk Committee on an annual basis.

### 3. **FINANCIAL IMPLICATIONS**

3.1 None.

### 4. **RISK IMPLICATIONS**

4.1 Regular self-assessment of the Audit and Risk Committee allows appropriate support and challenge of the Council's Governance, Risk and Control Framework.

### 5. **CONCLUSIONS**

5.1 The 2020 Audit and Risk Committee self-assessment exercise resulted in most areas being scored as in conformance with CIPFA recommended best practice in relation to the role and effectiveness of an Audit Committee. For those areas where partial or non-compliance have been identified, actions to address gaps in best practice were identified and agreed by the Audit and Risk Committee. Progress against completing these actions will be discussed and the self-assessment checklist updated.

### 6.0 **RECOMMENDATIONS**

6.1 That the Committee reviews the 2020 self-assessment exercise and related improvement actions and through discussion, updates the assessment with progress and outline if new actions if required.

## BACKGROUND PAPERS

*Appendix 1 – CIPFA Audit and Risk Committee Self-Assessment Results 2020.*

<b>Area for consideration</b>	<b>Comment</b>
Monitoring Officer Consultation:	No
Section 151 Officer Consultation:	Yes
Existing Council Policies:	No
Financial Implications:	No
Legal Implications (including human rights):	No
Risk Implications:	Yes
Equality Issues/EQIA assessment:	No
Crime & Disorder:	No
Every Child Matters:	No

### Self-assessment of good practice

This evaluation will support an assessment against recommended practice to inform and support the Audit Committee. This is a high-level review that incorporates the key principles set out in CIPFA's Position Statement: Audit Committees in Local Authorities and Police. Where an Audit Committee has a high degree of performance against the good practice principle's then it is an indicator that the committee is soundly based and has in place knowledgeable membership. These are essential factors in developing an effective Audit Committee.

	<b>Good Practice Questions</b>	<b>Yes</b>	<b>Partly</b>	<b>No</b>
	<b>Audit Committee purpose and governance</b>			
1	Does the authority have a dedicated audit committee?	Yes		
2	Does the audit committee report directly to full authority?	Yes		
3	Do the terms of reference clearly set out the purpose of the committee in accordance with CIPFA's position statement?	Yes		
4	Is the role and purpose of the audit committee understood and accepted across the authority?		Partly	
5	Does the audit committee provide support to the authority in meeting the requirements of good governance?	Yes		
6	Are the arrangements to hold the committee to account for its performance operating satisfactorily?		Partly	
	<b>Functions of the committee</b>			
7	Do the committee's terms of reference explicitly address all the core area identified in CIPFA's position statement? <ul style="list-style-type: none"> <li>- Good governance</li> <li>- Assurance framework</li> <li>- Internal audit</li> <li>- External audit</li> <li>- Financial reporting</li> <li>- Risk management</li> <li>- Value for money or best value</li> <li>- Counter fraud and corruption</li> </ul>	Yes		
8	Is an annual evaluation undertaken to assess whether the committee is fulfilling its terms of reference and that adequate consideration has been given to all core areas?			No
9	Has the audit committee considered the wider areas identified in CIPFA's position statement and whether it would be appropriate for the committee to undertake them?			No
10	Where coverage of core areas has been found to be limited, are plans in place to address this?	n/a		

## Appendix 1

11	Has the committee maintained its non-advisory role by not taking on any decision-making powers that are not in line with its core purpose?	Yes		
	<b>Membership and support</b>			
12	Has an effective audit committee structure and composition of the board been selected? This should include: - Separation from the executive - An appropriate mix of knowledge and skills among the membership - A size of committee that is not unwieldy - Where independent members are used, that they have been appointed using appropriate process	Yes		
13	Does the chair of the committee have appropriate knowledge and skills?	Yes		
14	Are arrangements in place to support the committee with briefings and training?	Yes		
15	Has the membership of the committee been assessed against the core knowledge and skills framework and found to be satisfactory?			No
16	Does the committee have good working relationships with key people and organisations, including external audit, internal audit and the chief finance officer?	Yes		
17	Is adequate secretariat and administrative support to the committee provided?	Yes		
	<b>Effectiveness of the committee</b>			
18	Has the committee obtained feedback on its performance from those interacting with the committee or relying on its work?		Partly	
19	Has the committee evaluated whether and how it is adding value to the organisation?		Partly	
20	Does the committee have an action plan to improve any areas of weakness?	Yes		

4) It is felt that the Council has limited awareness of the importance of the role of the audit committee. More could be done to raise awareness i.e. annual report on work of committee.

6) The Council is not made aware of the work undertaken by the Audit Committee through an annual report.

8) An annual evaluation on effectiveness has not been carried out recently. This will be completed as part of the annual report to demonstrate how the Audit Committee is fulfilling its terms of reference.

9) Further areas of involvement have not been discussed. CIPFA guidance provided to members of the Audit Committee.

15) Core areas of skills will be provided to committee for consideration and if further areas of training are required these will be requested.

18) No feedback has been obtained, this can also be done through the annual report or by the Chair requesting feedback from Leader.

19) Adding value – A self-assessment of the Audit Committee has not been carried out prior to this but will be carried out annually in the future.

## Evaluating the Effectiveness of the Audit Committee

This assessment tool helps Audit Committee members to consider where it is most effective and where there may be scope to do more. To be considered effective, the Audit Committee should be able to identify evidence of its impact or influence linked to specific improvements.

Assessment Key:

- 5 Clear evidence is available from a number of sources that the committee is actively supporting the improvement across all aspects of this area. The improvements made are clearly identifiable.
- 4 Clear evidence from some sources that the committee is actively and effectively supporting improvement across some aspects of this area.
- 3 The committee has had mixed experience in supporting improvement in this area. There is some evidence that demonstrates their impact but there are also significant gaps.
- 2 There is some evidence that the committee has supported improvements, but the impact of this support is limited.
- 1 no evidence can be found that the audit committee has supported improvements in this area.

Areas where the audit committee can add value by supporting improvement	Self-evaluation examples, areas of strength & weakness	Assessment 1-5
Promoting the principles of good governance and their application to decision making	The Committee meets regularly. Questions and challenges as appropriate, as shown through the minutes. The Committee seeks to gain assurance as needed on the reports received. The Committee provides robust review of the Annual Governance Statement and the assurances underpinning it. Through the reports received & the questions raised, the Committee supports reviews / audits of governance arrangements.	4

## Appendix 1

Contributing to the development of an effective control environment	<p>The Committee monitors the implementation of recommendations made by the auditors, and regularly challenges those that are overdue. Committee has taken a proactive role in asking officers to attend where historical recommendations remain open to challenge responses provided.</p> <p>The Committee encourages ownership of the internal control framework by appropriate managers and calls managers to account as necessary / required.</p> <p>The Committee raises significant concerns over controls with appropriate senior managers through those presenting the reports and by calling Managers to attend the meeting.</p>	4
Supporting the establishment of arrangements for the governance of risk and for effective arrangements to manage risks	<p>The Committee reviews risk management arrangements and their effectiveness. It monitors improvements and holds risk owners to account for corporate risks. The Committee also feed into the development and sign off of the risk management framework policy.</p>	4
Advising on the adequacy of the assurance framework and considering whether assurance is deployed efficiently and effectively	<p>The Committee seeks to streamline assurance gathering and reporting where appropriate.</p> <p>The Committee reviews and assesses the effectiveness of assurance providers e.g. internal audit, risk management, external audit through its questioning and challenging of the reports received. Committee has taken an active role in supporting officers during the delay of the external audit. Actively challenging responses from EY on reasons for delays.</p> <p>The Committee makes suggestions for areas of inclusion in the annual audit plan based on significant risks they become aware of.</p>	4



## Appendix 1

Supporting the quality of the internal audit activity, particularly by underpinning its organisational independence	<p>The Committee reviews the audit charter and functional reporting arrangements as part of the annual internal audit plans report brought to the Committee by the Head of Internal Audit.</p> <p>The Committee assesses the effectiveness of internal audit arrangements and supporting improvements through the annual report provided to the Committee by the Head of Internal Audit. The Committee recognises that internal audit is a key source of information for them to consider.</p>	5
Aiding the achievement of the authority's goals and objectives through helping to ensure appropriate governance, risk, control and assurance arrangements	<p>The Committee reviews major projects and programmes to ensure that governance and assurance arrangements are in place through the reports received from internal audit and other management reports as requested.</p> <p>The Committee reviews the effectiveness of performance management arrangements through the specific internal audit reviews as appropriate. The Committee also looks at the corporate risks which are often impacted on by major projects.</p>	4
Supporting the development of robust arrangements for ensuring value for money	The Committee ensures that assurances on value for money arrangements is included in the assurances received by the Committee. The Committee considers how performance in value for money is evaluated as part of the AGS.	4
Helping the authority to implement the values of good governance, including effective arrangements for countering fraud and corruption risks	The Committee reviews the arrangements in place for countering fraud and corruption through regular review of the relevant policies. The Committee recognises that fraud risks and the effectiveness of the organisations strategy to address those risks are highlighted through the reports received from internal audit as necessary and through the Annual Governance Statement.	4

Subject: Follow up on Annual Governance Statement 2019 /2020

Report to: Audit and Risk Committee – 15 February 2021

Report by: Kaye Bate, Corporate Risk Officer

#### **SUBJECT MATTER/RECOMMENDATIONS**

This report seeks to inform members of the progress made in relation to further work identified / action required to address issues identified in the Annual Governance Statement 2019/2020.

It is recommended that the Committee:

Receives and note the action taken to address the issues identified.

## **1 INTRODUCTION/BACKGROUND**

- 1.1 The Annual Governance Statement was approved by Audit and Risk Committee on 21 September 2020.
- 1.2 The review process highlighted areas where further work was required to strengthen the governance and internal control environment. Detailed below is action taken to address the issues raised or proposed action to be taken.

## **2 ANNUAL GOVERNANCE STATEMENT – ACTION PLAN**

- 2.1 The COVID 19 pandemic has had an impact on the delivery of the action plan for 2020/2021. Work is continuing to ensure that there are robust governance arrangements, risk management and internal control measures in place within the Council. Policies and procedures have been reviewed and implemented throughout the Council to ensure the safety and wellbeing of officers, members and customers during the pandemic and preparation for returning to the office environment. Systems of internal control were required to be reviewed which resulted in revised working practices and processes at the start of the lockdown and the requirement to introduce alternative / additional control measures. Officers have been re-deployed to assist with the delivery of the service offered by the new Community Team and COVID 19 business grant.
- 2.2 The table below illustrates action taken to address the 7 key issues / actions raised in the action plan for 2020/2021.

	<b>Further work / areas to be addressed</b>	<b>Progress update</b>	<b>Responsible Officer</b>	<b>Due Date</b>
1	Internal Audit recommendations should be implemented within the agreed timeframe and adequately actioned by management to ensure we have robust internal controls environment to	Work continuing to implement audit recommendations by the due date and progress is being made for those recommendations with future dates. Progress being made to implement outstanding recommendations. ELT and Audit and Risk Committee receive regular update reports. To ensure responsibility and accountability all recommendations are assigned	<b>Management Team</b>	31/03/2021

	safeguard the council's assets in all service areas. COVID 19 may impact on the delivery of recommendations by the agreed implementation date.	to Heads of Service or Directors to ensure that the appropriate action is taken and where there are resource issues these will be discussed at ELT. COVID-19 has had an impact on the delivery of some recommendations by the due date. <b>Work in Progress</b>		
2	Further work will be undertaken to raise the profile to ensure compliance with Partnership Governance Framework and so all applicable governance and risk management arrangements are applied and consistently used across the organisation.	Partnership Governance Framework and Partnership Register has been approved by ELT and Audit & Risk. The Corporate Risk Officer will update in accordance with the review process documented in the Partnership Governance Framework. <b>Action Completed</b>	<b>Corporate Risk Officer</b>	31/03/2021
3	The Officer Register of Gifts and Hospitality process is to be reviewed during 2020/2021 and further work is to be undertaken to raise awareness and ensure compliance.	Work on the review of Gifts and Hospitality has not yet commenced due to staff within Corporate Services being redeployed to help during the COVID-19 pandemic. Staff are now back within Corporate Services so work on this can now be progressed. <b>Work in Progress</b>	<b>Corporate &amp; Democratic Services Manager</b>	31/03/2021
4	Procurement and Contract Management Audit Report 2018/2019 – The four outstanding important recommendations relating to updating the Procurement Strategy and Standing Orders, regular review of the Contracts Register and analysis of spend and finalising the arrangements for the Kerbside Green Waste Collection Service are to be implemented.	The updated Contract Standing Orders (CSOs) are due to be presented to the constitution working group in February 2021 ahead of presenting for approval by Council. Review of the associated procurement templates and guidance are underway and will be refreshed once the CSOs have been updated. <b>Work in Progress</b>	<b>Finance Director</b>	31/03/2020 <b>Revised Date: 31 May 2021</b>
5	Corporate Governance Internal Audit Report 2018/19 – The outstanding recommendation for site paper storage arrangements to be reviewed to ensure	A Methodical review of offsite records has commenced, this is being carried out in a controlled manner with the support and oversight of the Data Protection Officer. Work in this area has had to be paused due to the COVID-19 pandemic, which has led to a 1/3 of the Council's staff including the Data Protection Officer being redeployed to work as part of a	<b>Corporate &amp; Democratic Services Manager</b>	31/08/2020 <b>Revised Date: 31 March 2021</b>

	compliance with GDPR regulations is to be implemented.	coordinated response assisting the most vulnerable residents of the Borough. It was hoped that work could recommence from September 2020 however with current social distancing guidelines and protecting the health of Council staff being paramount this will not be possible. A review of the situation will be undertaken in March 2021 when it is hoped the situation will have improved to allow this work to recommence. <b>Work in Progress</b>		
6	Corporate Health and Safety Review - Recommendations made in the Internal Audit report regarding a variation to the GY Norse Contract to reflect Health and Safety contract responsibilities to be implemented.	GY1902 – Corporate health and Safety – all recommendations implemented. <b>Action Completed</b>	<b>Head of Environmental Services</b>	31/03/2020
7	A review of the impact of the coronavirus will be undertaken to ensure that applicable governance and control measures were in place and the impact on the delivery of the usual services and to assess the longer term disruption and consequences arising from the pandemic in particular the impact on the Medium term Financial Strategy.	Internal Audit requested to undertake a review to ensure that applicable governance and control measures were in place during the COVID 19 pandemic. GY2102 – Corporate Governance - 3 recommendation made (1 – Important and 2 Needs Attention). All recommendations to be actioned by 31 May 2021. <b>Action completed</b>	<b>Finance Director</b>	31/12/2020

### 3. FINANCIAL IMPLICAITIONS

3.1 None

### 4. RISK IMPLICATIONS

4.1 None

### 5. CONCLUSIONS

5.1 The report shows that action has been taken or progress is being made to address the issues where further work had been identified or action was proposed / being taken.

*Areas of consideration: e.g. does this report raise any of the following issues and if so how have these been considered/mitigated against?*

<b>Area for consideration</b>	<b>Comment</b>
Monitoring Officer Consultation:	No
Section 151 Officer Consultation:	No
Existing Council Policies:	No
Financial Implications:	No
Legal Implications (including human rights):	No
Risk Implications:	No
Equality Issues/EQIA assessment:	No
Crime & Disorder:	No
Every Child Matters:	No

**Subject:** Corporate Risk Register

**Report to:** Audit and Risk Committee, 15 February 2021

**Report by:** Kaye Bate, Corporate Risk Officer



## **SUBJECT MATTER/RECOMMENDATIONS**

This report asks the Audit and Risk Committee to review the Corporate Risk Register to determine whether the register correctly reflect the risks affecting the Authority and to approve the revised layout of the Corporate Risk Register.

### **1. INTRODUCTION / BACKGROUND**

- 1.1 The Audit and Risk Committee is responsible for monitoring the arrangements in place for the identification, monitoring and management of strategic and operational risk.
- 1.2 The Audit and Risk Committee last reviewed the register on 2 March 2020.
- 1.3 This report informs the Audit and Risk Committee of the current corporate risk position.

### **2. Corporate Risk Register**

- 2.1 The Corporate Risk Register was last reviewed by Management Team in December 2020.
- 2.2 The Corporate Risk Register was due for review by the Audit and Risk Committee in June 2020 and December 2020. However due to the current COVID 19 pandemic the review was postponed due to the national lockdown and the requirement for officers to be re-deployed to assist with the national emergency and community response.
- 2.3 The risk matrix below shows how the risks identified in the Corporate Risk Register are distributed. There are currently 23 risks included on the Corporate Risk Register. The risks considered to be outside the Councils risk appetite have action plans in place to mitigate or reduce the risk. The risks that fall within the risk appetite or acceptable have action plans in place to reduce the risk further.
- 2.4 Since presenting the Corporate Risk Register to the Audit and Risk Committee in March 2020 there has been:

2 new risk added to the register:

12b - Resilience and capacity of staff

23 – COVID 19 - Impact of response and recovery actions on the residents and businesses of the Borough

The risk rating for six risks have reduced due to the implementation of the action plan and further control measures in place:

6b – GDPR impact on Payment Card Industry data security standards PCIDSS

8a – Data Quality

9 - Event Management - for large scale events held in the borough by a third party

10a – Business Continuity

17 - 5 Year Housing Land Supply and timescale Local Plan can be delivered

20 – Tree and Land Management

#### RISK MATRIX

Likelihood	5		10b Business Continuity – Brexit – Impact of a failure to conclude a post Brexit EU trade deal	1 – Reduction in financial resources 2 – Reduced spending in Great Yarmouth	23 - COVID 19 - Impact of response and recovery actions on the residents and businesses of the Borough
	4	19 – Change Management	18b – Sufficient resources and resilience to ensure effective contract management 20 – Tree and Land Management	5 - Local/National Economy 8b – Cyber Security 22 – IT systems capability and interaction	3 - Flooding 4 – Flood defence and coastal protection
	3		6a – Compliance with General Data Protection Regulations (GDPR) 7 - Information Security 8a - Data quality 11 – Management of Major Projects 16 - Infrastructure not being able to meet demand 17 - No 5-year Local Plan and timescale Local Plan can be delivered 18a – Sufficient resources and resilience to ensure effective procurement	12a – Reliance on key individuals and capacity of teams 12b - Resilience and capacity of staff 13 – Unforeseen changes in government policies 14 - Delivery of long term strategic objectives 21 – Loss of Reputation	
	2		17 - Business improvement in the major leisure facilities under delivers	6b – GDPR impact on Payment Card Industry data security standards PCIDSS 9 - Event Management – for large scale events held in the Borough 10a - Business Continuity 15 - Lack of community cohesion / community tensions	
	1				
	1	2	3	4	5

Impact

Likelihood – 5 Very Likely, 4 Likely, 3 Fairly Likely, 2 Unlikely, 1 Very unlikely

Impact – 5 Severe, 4 Significant, 3 Moderate, 2 Minor, 1 Negligible

<b>Risk Rating Actions:</b>	
<b>Very High</b> 20 - 25	Risk outside risk appetite. Action required to reduce rating to an acceptable level
<b>High</b> 10 - 16	Risk outside risk appetite. Action required to maintain or reduce rating.
<b>Medium</b> 5 - 9	Acceptable with some mitigating and contingency planning. Routine reviews should be carried out to ensure there is no change which makes them more severe
<b>Very Low</b> 1 - 4	Within risk appetite but kept under review. No further action required unless risk become more severe

2.5 The Corporate Risk Officer will present the Corporate Risk Register after its next review by Management Team in six months.

### 3. FINANCIAL IMPLCATIONS

3.1 See attached Corporate Risk Register.

### 4. RISK IMPLICATIONS

4.1 See attached Corporate Risk Register.

### 5. CONCLUSIONS

5.1 The Corporate Risk Register currently reflects the risks affecting the Authority and where applicable action plans have been put in place to reduce the current scores and risk affecting the Authority.

<b>Area for consideration</b>	<b>Comment</b>
Monitoring Officer Consultation	No
Section 151 Officer Consultation	No
Existing Council Policies	No
Financial Implications within existing budgets	No
Legal Implications (including human rights)	No
Risk Implications	See attached report
Equality Issues/EQIA assessment	No
Details contained in strategy	
Crime & Disorder	No
Every Child Matters	No



## CORPORATE RISK REGISTER

Last Review:	ELT Dec 2020	A & R March 2020
Review Date:	Feb-21	
Review By:	A & R	

Impact and Likelihood Matrix Explanation	
Risks are rated by two factors:	
<b>IMPACT</b>	- the impact to the business of the identified risk should it be realised
<b>LIKELIHOOD</b>	- the likelihood that a risk will become a business issue

### Risk Rating Actions:

Very High 20 - 25	Risk outside risk appetite. Action required to reduce rating to an acceptable level
High 10 - 16	Risk outside risk appetite. Action required to maintain or reduce rating.
Medium 5 - 9	Acceptable with some mitigating and contingency planning. Routine reviews should be carried out to ensure there is no change which makes them more severe
Very Low 1 - 4	Within risk appetite but kept under review. No further action required unless risk become more severe

		IMPACT OF RISK				
		1	2	3	4	5
		Negligible	Minor	Moderate	Significant	Severe
LIKELIHOOD OF RISK	5	Very Likely	Medium 5	High 10	High 15	Very High 20
	4	Likely	Very Low 4	Medium 8	High 12	Very High 20
	3	Fairly Likely	Very Low 3	Medium 6	Medium 9	High 15
	2	Unlikely	Very Low 2	Very Low 4	Medium 6	High 10
	1	Very Unlikely	Very Low 1	Very Low 2	Very Low 3	Medium 5

DIRECTION OF TRAVEL	
↔	No change to current risk rating
←	Current risk rating has reduced
→	Current risk rating has increased

Risk ID No	Risk	Risk Owner	Description of Risk	Impacts	Action Plan	Current Rating			
						Likelihood	Impact	Risk Rating	Direction of Travel
1	Reduction in financial resources	ELT	Major unplanned financial liability Loss of external funding Significant reduction in Central Government funding Reduced income from Joint Ventures Reduced income from recycling credits Business Rates Retention	Unfunded activity / funding opportunities Changes to existing income streams Resources diverted from services Services have to be reduced Recyclable tonnage income / fail to get good rates for product Lack of market for recyclates Removal or changes to recycling credits Increased funding to support NEWS and MRF Alternative market if Norse pull out Inability to deliver strategic objective	Medium Term Financial Strategy Business Strategy Monitoring and scrutiny of all JV operations Working with Partners to maintain arrangements Flexible Working Member of the Norfolk Waste Partnership (NWP) Profit and material share agreement Four year financial settlement Member workshops as part of budget preparations	5	4	20	Very High ↔

2	Reduced spending in Great Yarmouth	ELT	Reduction in spending / budget decisions of partner organisations  Consultation around spending reduction Housing related support cuts Devolution	Unfunded activity / funding opportunities  Resources diverted from services Services have to be reduced / withdrawn Inability to deliver strategic objectives Increased demand placed on borough council services Unmet demand	Working with partners to redesign and streamline service delivery / share resources  Working together to build capacity of communities Understanding and responding to proposals	5	4	20	Very High
									↔
3	Flooding	Head of Environmental Services & Head of Property & Asset Management &  Director of Planning & Growth	Flood event  Failure of flood barriers Surface water flooding	Disruption of commercial activity  Health and safety issues  Inability to deliver services	Emergency Response Plan / Recovery Plan  Business Continuity Plan  Surface Water Management Plan Local Plan Part 2 - emerging policy re: new development and flood risk	4	5	20	Very High
									↔
4	Flood defence and coastal protection	Head of Environmental Services & Head of Property & Asset Management & Director of Planning & Growth	Failure of flood and coastal defences  Sea Level Rise   Extending the length of river frontage for which the Council have responsibility – current proposal of de-maining by the Environment Agency   Significant erosion of cliffs during storm	Impact on economy and increased business development for the Borough Reducing economic potential for the area  Impact on infrastructure across the borough  Health and Safety Loss of property  Loss of environmental asset  Lack of resources to fund maintenance on watercourses transferred from EA control Resources and financial implications to council for clear up	Working with businesses to improve awareness  Long term plan to review, repair and renew flood defences  Facilitation of community groups to work with coastal areas in relation to adaptations  Tidal Defences Business Partnership established and econmic business case developed Local Plan Part 2 - addresses relocation schemes & future development   Long term plan to review, repair and renew flood defences – engaging with Coastal Partnership East and the Environment Agency	4	5	20	Very High
									↔
5	Local/National Economy	CEO	Downturn in national / local economy  Issue of Welfare Reform National Policy - changes on benefit	Increased workload for Council staff (Benefits/Economic development/ homelessness) Increase in bad debts Major projects put on hold Downturn in housing market Inability to meet requirements of capital programme Uncertainty lead to a downturn in economy	Strong local economy  Corporate planning Monitoring basket of key indicators  Communications Strategy Great Yarmouth Economic Growth Strategy review	4	4	16	High
									↔
6a	Compliance with UK General Data Protection Regulations (UK GDPR)	HoS / Senior Performance & Data Protection Officer /  Corporate Services Manager	Data breaches of personal information  Staff not completing their Data Protection training Some computer systems are not compliant with the new regulations regarding data deletion	All staff must comply with the new regulations from 25th May 2018. Data Protection Policy, Data Protection Impact Assessment Policy & Record Management Policy must be reviewed annually and updated where necessary. All requests for information must contain a Privacy Notice or a link to a Privacy Notice on our website  Fines and costs Reputational damage / bad publicity resulting from Data Breaches	Publication Data Protection Policy and creation of Records Management Policy, Data Impact Assessment Policy and Breach Notification Procedure   GDPR training provided to all staff and will be repeated annually. GDPR training also forms part of new starter induction Procurement process has begun to replace or upgrade the non compliant computer systems. As part of this data records will be reviewed and those outside of their retention securely deleted	3	3	9	Medium
									↔

			Records outside of their retention are retained at various offsite locations	Insurance claims	A Methodical review of offsite records has commenced, this is being carried out in a controlled manner with the support and oversight of the Data Protection Officer. Work in this area has had to be paused due to the COVID-19 pandemic, which has led to a 1/3 of the Council's staff including the Data Protection Officer being redeployed to work as part of a coordinated response assisting the most vulnerable residents of the Borough. It was hoped that work could recommence from September 2020 however with current social distancing guidelines and protecting the health of Council staff being paramount this will not be possible. A review of the situation will be undertaken in March 2021 when it is hoped the situation will have improved to allow this work to recommence.				
			Capacity to undertake data cleansing and deletion.						
6b	UK GDPR impact on Payment Card Industry data security standards - PCIDSS	Head of Customer Services	Non compliance with regulations and security breaches		Cash Management provider fully compliant	2	4	8	Medium
			Non compliance with payment card transactions		Implementation of Chip and Pin and call secure go live week 16-11-20				←
7	Information Security	HoS, Corporate Services Manager & IMT Manager	Good management, protection of information Number of cases of lost information by public and private bodies Need to attain criteria set by government to retain information flow with DWP (Department Works Pensions)	DWP refuse to correspond with GYBC electronically Loss of capability to handle Housing Benefits and other issues Information lost/mislaid therefore loss of reputation and potential legal claim	Security Policy and Information Security manager in post PSN Compliant / Accepted by DWP computer security (PSN) – Annual renewal Realisation that information includes paper, people and computer Monthly Governance Board meetings	3	3	9	Medium
									↔
8a	Data quality	HoS, IMT Manager & Corporate Services Manager	Records not maintained accurately or securely	Inaccurate data used for decision making	IT security procedures and IT Security Policy Data management & Data quality action plan	3	3	9	Medium
									←
8b	Cyber Security	HoS, IMT Manager & Corporate Services Manager	Data / systems hacked	Data not held securely Loss of IT Systems and Loss of Information	IT security procedures and IT security policy LGA Grant for Cyber Security and Cyber training Information Technology Investment Group / Risk is a standing item Annual Cyber Security Health check undertaken by NCC Cyber Insurance	4	4	16	High
									↔
9	Event Management - for large scale events held in the borough by a third party	Head Marketing & Communications Head of Environmental Services	Failure of event / duty of care	Cancellation / suspension of event Major incident Reputational damage / bad publicity	ESAG Group, ESAG website and ESAG email address Event Management Plan, Event Guidance and Guide to Councillors Member & Officer Groups Involvement / consultation of key officers Engagement of stakeholders Online Event Notification form and centralised mailbox	2	4	8	Medium
									←
10a	Business Continuity	Head Marketing & Communications, Head of Environmental Services & IMT Manager	Loss of facilities (flooding, fire etc) Loss of IT systems Loss of reputation	Service delivery impaired Inability to pay creditors/benefits Relocation of services	Capability exists for staff to work from home and support key services Business Impact Assessments / 3rd Party Service Agreement The Loop - web-based programme and external provider	2	4	8	Medium
									←

			Loss of staff time and system functionality Loss of staff (fuel strike, industrial action etc) Loss of temporary accommodation provider	Range of providers	Insurance Information Technology Investment Group Additional resource from NCC and monthly meetings with NCC to discuss SLA				
10b	Business Continuity - Brexit - failure to conclude a post Brexit EU trade deal	Head of Environmental Services &  Heads of Services	Travel disruption  Disruption / increased demand of services	Increased costs, increased demand for services, scarcity of labour, scarcity of goods and supplies or other operational impacts which impair the Councils ability to deliver services for people within the borough  Localised freight disruption and increased usage of Peel Ports Information sharing and data sharing Community unrest Ability to recruit and retain key staff	Working closely with the local resilience forum, who are the lead agency, in respect of planning for consequences of trade deal negotiations	5	3	15	High  ↔
11	Management of Major Projects	Head of Inward Investment	Failure of project or project overspend / over running	Cancellation / suspension of project  Reputational damage / bad publicity	Involvement / consultation of key officers  Project and Programme Manager and Project Team. All PMO staff Prince 2 trained  Business Case and Risk Register Suite of documents created for setting up &, delivering and monitoring projects  Guidance on how to access assistance from Project Team and relevant service areas consulted at the outset Dedicated officer to manage the risk / issue and governance of all projects going forward, which can be followed / implemented by other team members.	3	3	9	Medium  ↔
12a	Reliance on key individuals and capacity of teams	CEO	Departure of key individual  Difficulty of recruitment  Skills shortage Lack of resource to deliver Health & Safety Failure to comply with Health & Safety legislation and corporate approach not consistently applied	Skills lost  Negative impact on capacity of other staff Lack of delivery of service objectives Buying in of consultancy/temporary staff Fines and costs  Increased demand for services and scarcity of labour	BC Plan for single points of failure  Organisational Development Plan Personal reviews Succession Planning Business Strategy OD programme  New sharing and partnership arrangements for health and safety, emergency planning and coastal management to improve resilience in these key areas. Creation of Health & Safety Co-Ordinators and H & S hours provided by NCC increased	3	4	12	High  ↔
12b	Resilience and capacity of staff	Heads of Services	Staff workload levels increased due to impact of responding to Covid pandemic and maintaining business as usual.	Increased sickness absence  Reduced productivity Delays in delivery of services	Monitoring of workload of staff at service, team and individual level  Employee Support Scheme and other wellbeing support Maximisation of external funding to support service delivery Additional short term staff resource (where possible) Prioritisation of tasks Risk based approach	3	4	12	High
13	Unforeseen changes in Government policies	CEO	Insufficient focus of organisation on "bigger" picture	Loss of funding / funding opportunities  Insufficient preparation for policy changes/ new responsibilities	Business Strategy	3	4	12	High  ↔
14	Delivery of long term strategic objectives	ELT	Council focuses on the issues of the day rather than a vision for the future	Short term thinking  Difficulty in taking hard decisions	Medium Term Financial Strategy  Service Planning	3	4	12	High

			Lack of political direction for strategic objectives	Non delivery of strategic objectives	Corporate plan & Annual Action Plan  Pathway to Recovery Plan (COVID 19)  Great Yarmouth Economic Growth Strategy Local Plan Core Strategy adopted and Local Plan Part 2 emerging (to 2030)  Investment Business Strategy				↔
15	Lack of community cohesion / community tensions	Strategic Director – P Boyce	Social changes / immigration / increase in unemployment	Increased reliance on benefits  Increased homelessness  Pressure on welfare services  Issues with equality of access to services  Increased crime rates and an increase in hate crime	Reviews of and better alignment of front-line services to ensure residents get the help and support they need  Neighbourhood Managers in priority neighbourhoods involving residents and helping to find solutions and diffuse tensions Support for those with multiple and complex needs commissioned through the Neighbourhoods that Work programme & transitioning of the learning from NtW into a 'Community Hub' operating model. Targeted work with the police and other partners to address new and emerging issues relating to housing enforcement, domestic abuse, community tensions and ASB Early help HUB and evolution to a 'Community Hub' operating model with partner organisations.	2	4	8	Medium  ↔
16	Infrastructure not being able to meet demand	Director of Planning & Growth & CEO	New development (commercial and housing)	Increased traffic congestion  Lack of services (education/health/social)  Stalling of further investment	Local Plan / Infrastructure Plan  Ongoing engagement with partner organisations for funding e.g. New Anglia LEP, Highways England, Clinical Commissioning Group, Anglian Water, Environment Agency, Norfolk CC etc Local Plan Core Strategy adopted  GY Transport & Infrastructure Steering Group established and meet regularly  Part of Norfolk Growth Group to discuss infrastructure issues across county & strategic planning framework	3	3	9	Medium  ↔
17	5 Year Housing Land Supply and timescale Local Plan can be delivered	Director of Planning & Growth	Inability to complete Local Plan process due to lack of financial/professional staff resource and involvement in other corporate projects	Failure to adopt new statutory planning policy guidance to inform planning applications and Development Control Committee  Susceptible to unplanned housing development	Additional resource in terms of professional input and/or Projects Team  Housing Growth Group established with clear Action Plan  Strategic Planning Team fully resourced	2	3	6	Medium  ←
18a	Sufficient resources and resilience to ensure effective procurement.	Finance Director	Corporate procurement approach not consistently adopted	Benefits of procurement strategy not realised  Efficiency savings not made or contract fail  Procured service not value for money  Procured service is poor	Corporate Policy Statement adopted  Engagement of Procurement Specialist and Procurement Working Group  Review of Standing Orders  Procurement Strategy Staff training  ER-procurement system live  Procurement targets built into the MTFS & new strand of work	3	3	9	Medium  ↔

18b	Sufficient resources and resilience to ensure effective contract management	Finance Director	Failure to managed contract performance and corporate approach not consistently adopted	<p>Breach of EU legislation</p> <p>Increase budgets</p> <p>Contract disputes</p> <p>Fines and costs</p>	<p>Staff training to dedicate contract management roles and guidance on Intranet</p> <p>Consistent management and publication of Contract Register</p> <p>Contract Management Strategy and standing orders</p> <p>Performance monitoring and reporting to ensure good service quality and better value for money</p> <p>VfM Confidence assessments</p> <p>Appropriate governance principals and risk management in place - Risk Register</p> <p>Dedicated contract management roles within services to improve accountability &amp; capacity for managing major contracts</p> <p>Role of contract manager defined</p> <p>Ensure compliance with legislation / regulations and Councils processes and procedures</p>	4	3	12	High	↔
19	Change Management	Head of Organisational Development	Key changes managed ineffectively	<p>Service delivery is affected during implementation</p> <p>Staff resource needed to undertake review</p> <p>Council fails to capitalise on opportunity</p> <p>Targets not achieved</p> <p>Funding is missed</p> <p>Resources wasted</p> <p>Loss of key staff &amp; staff morale</p>	<p>Business Strategy and Change Management Policy</p> <p>Application of a formal programme management framework</p> <p>Monitoring of project plan</p> <p>Ongoing assessment of the project risks</p> <p>Organisation Development Plan</p> <p>Departmental Managers Meetings</p> <p>Staff Engagement Group and programme</p>	4	2	8	Medium	↔
20	Tree and Land management	Head of Property & Asset Management & Head of Environmental Services	Failure to managed tree inspection and land management	<p>Insurance claims and increased insurance premiums</p> <p>Clarity on ownership of land across the Borough</p>	<p>A review of current inspection policy to ensure compliance with best practice</p> <p>To include all amenity land within the Concerto Asset Database to provide a comprehensive database of ownership.</p>	4	3	12	High	←
21	Loss of Reputation	ELT / Head of Marketing & Communications	<p>Lack of transparency in decision-making process</p> <p>Factually incorrect or negative media reporting</p> <p>Inability to attract investment</p>	<p>Lack of trust from residents</p> <p>Loss of confidence from investors and key partners</p> <p>Lack of sense of pride in the Place</p>	<p>Clear &amp; accurate committee reports with recorded decisions available in the public domain.</p> <p>Maintenance of a timely and effective relationship with representatives of the media/press.</p> <p>Clear communications plans in place to promote the council's Corporate Priorities &amp; also for projects.</p> <p>Transparent stakeholder engagement incl. planning and evidence-gathering.</p>	3	4	12	High	↔
22	IT systems capability and interaction	Heads of Services	Current system will no longer be supported / maintained by the IT provider. Therefore has become unfit for purpose and causing service interruptions and issues	<p>System costs are disproportionally costly based on functionality of system</p> <p>Upgrades costly</p> <p>Week in arrears - loss of possession cases due to the way information is held</p> <p>Service interruptions and issues - resource implications</p> <p>No document management - required to use two systems - increased risk of error</p> <p>Increase functionality</p> <p>Systems don't talk together</p>	<p>Aware of limitations of systems</p> <p>Procurement of new systems</p> <p>Internal processes to manage</p> <p>Using as effectively as can and aware of weaknesses</p> <p>Sub marketing testing</p>	4	4	16	High	↔

			Reduced productivity for homeworking for some IT systems.	Reduced productivity, increased timescales for completing tasks.	Flexibility within home/office arrangements to minimise impact on productivity				
23	COVID 19 - Impact of response and recovery actions on the residents and businesses of the Borough	ELT	Continued support of vulnerable residents (food, medication)  Supporting local businesses and Tourism industry.  Complex housing needs  Delivery of key services remotely or by emergency support only  Social cohesion/well-being  Social distancing  Continuity of services delivered by partners.	High level of business failure and unemployment  Increased homelessness and housing needs  Financial and staff required for long term support of vulnerable residents  Revised operating model for GYBC driven by prolonged social distancing.  Reduced social cohesion  Impact of responding to the pandemic and the re-allocation of resources internally  Longer term impact to the local economy and the Council's financial position	Working as part of the Norfolk Resilience Forum, and countywide Delivery Groups/Cells and their workstreams, to manage response and recovery actions.  Collaborative working in the locality with VCSE and other commissioned community-facing organisations to support residents with low level (welfare and housing) needs.	5	5	25	Very High
POSSIBLE NEW CORPORATE RISK									
CORPORATE RISKS RECOMMENDED FOR REMOVAL									
CONFIDENTIAL RISKS									

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## AUDIT AND RISK COMMITTEE – WORK PROGRAMME 2020/21

December 2020	January 2021	March 2021	June 2021
	Progress Report on Internal Audit Activity 2020/21	Progress Report on Internal Audit Activity 2020/21	
Follow Up Report on Internal Audit Recommendations - Update	Follow Up Report on Internal Audit Recommendations	Follow Up Report on Internal Audit Recommendations	
	Audit Committee Self-Assessment		Strategic and Annual Internal Audit Plan 2021/22
		Audit Results Report 2019/20**	
		Final Statement of Accounts 2019/20 **	
	Corporate Risk Register	Corporate Risk Register	
Partnerships Register		Partnerships Register	
Partnerships Governance Framework			
	Annual Governance Statement – Progress Update	Final Annual Governance Statement 2019/20**	

\*Includes items previously scheduled for June/July Audit and Risk Committee – moved to September or November

\*\* For reporting on conclusion of the annual accounts audit for 2019/20.