

## Risk Services Quarter Three Report 1<sup>st</sup> October to 31<sup>st</sup> December 2018

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**Third Quarter Summary****Service Developments****1.1 Internal Audit**

Internal audits that have been scoped in the quarter and/or fieldwork underway include:

- Early Years Financial Systems
- Compliance with Mandatory Arrangements
- Volunteering
- Performance Management
- SEN Transport
- Executive Decision Making – Community and Environmental Services
- Business Loan Fund
- Budgetary Control
- ICT Security
- Housing Benefit Overpayments
- Community Engagement
- Children’s Social Care Placements

Details of the scope and final outcome for each of the above audits will be reported to Audit Committee in the Risk Services quarterly report once the fieldwork has been completed and draft report agreed.

**1.2 Corporate Fraud**

Progress is being made in implementing the actions identified in the Fraud Prevention Charter with the following actions now addressed:

- Refresher training has been received by the Money Laundering Reporting Officer and their Deputy.
- The roles and responsibilities of the corporate fraud team have been reviewed to ensure that all members of the team can respond to all types of fraud.
- Improved links with the Communications Team have been put in place to proactively publish success stories.
- A process for undertaking proactive anti-fraud work in social care has been piloted using real-time data provided from the National Fraud Initiative. In 8 of the 10 data matches, it was clear from a combination of Council Tax/Benefits and Mosaic information, that the data subjects in receipt of financial care were still alive. In one instance, the data subject had died, although the Social Care Team already knew of the death, albeit sometime after the event and recovery of overpaid sums had already been made. In the final match, the Social Care Team were unaware of the data subject’s death some 6 months ago, although Council Tax and Benefit Teams had been notified. Further enquiries have revealed that the care provider has not invoiced for the data subject since the date of death.
- In conjunction with the Civil Enforcement Officers, the Corporate Fraud Team undertook a Blue Badge exercise around the town in November 2018. A total of 60 vehicles displaying Blue Badges were checked. From this exercise, a total of 5 Penalty Charge Notices and 3 misuse letters were issued. A further 2 Blackpool issue badges were confiscated, and a misuse reported to the issuing authority in 1 other instance.
- It has been confirmed that the Council will be undertaking joint working with the DWP on council tax / benefit fraud investigation with the go-live date scheduled for April 2019.

Other actions are being progressed and further updates will be provided in future Risk Services Quarterly reports however the progress in terms of proactive work has been somewhat hindered by ongoing staff absence in the team.

### 1.3 ***Risk and Resilience***

The Risk and Resilience Officer achieved the award of Certificate in Insurance from the Chartered Institute of Insurers following the completion of a number of exams.

The key focus of the team has been the project to procure insurance for the Council and three of its wholly owned companies (Blackpool Coastal Housing, Blackpool Housing Company and Blackpool Entertainment Company). The tender submissions have been evaluated and the decision making process and award of contracts will take place early in 2019. Overall, savings in the region of £320k per annum have been identified through the process.

The team have contributed to a recent internal audit of the risk management process across the Council and are making arrangements to implement the recommendations made in the report through the Corporate Risk Management Group.

Risk workshops have been arranged for the following directorates in order to update their service level risk registers:

- Children's Services
- Adult Services
- Public Health
- Communication and Regeneration

As part of the revised Risk Management Framework it was agreed to report to Audit Committee the progress in terms of the use of SharePoint and the Risk Management Groups which were held in the quarter. All risk management groups were held in the quarter as per the agreed schedule. There are still some risk management groups not using SharePoint for the circulation of documents including Adult Services, Children's Services, Communication and Regeneration, Community and Environmental, Equality and Diversity and Property Services.

### 1.4 ***Health and Safety***

A number of employee briefing notes have been issued in the quarter to help ensure that health and safety remains on the agenda for all teams.

Work is underway to review the health and safety training available across the Council and a training needs analysis is being undertaken to help inform future training provision and further enhance the current offer.

A Senior Health and Safety Advisor has been appointed and will take on operational management of the team in April 2019 when the Health and Safety Manager retires. A key focus on work has been implementing plans to continue to develop the health and safety service whilst being mindful of the reduction in resource in the team.

### 1.5 ***Equality and Diversity***

The Equality and Diversity self-assessment process is currently underway with the Public Health and Community and Environmental Directorates.

A report has been produced for consideration by the wholly owned companies Shareholder Panel to explore how the Council's companies can demonstrate how they adhere to the public sector duty as defined in the Equality Act. The aim is to look at the potential of implementing a consistent approach across all Council companies.

An analysis of the feedback received from the Diversity Awareness Training Course which is being rolled out to managers this year has been undertaken. Eight sessions were held between April and December

2018 and in total 66 completed feedback forms have been received. In terms of scores between 1 (poor) to 10 (good) the key data is as follows:

- Program met the aims 8.8
- Well-presented 8.8
- Positive learning experience 8.8
- Relevance 8.9
- Well-organised 9.0

It is intended to continue providing the training to managers across the Council and the scope to extend the training to elected members and wholly owned companies is currently being considered.

### **Performance**

#### **Risk Services performance indicators**

<b>Performance Indicator (Description of measure)</b>	<b>2018/19 Target</b>	<b>2018/19 Actual</b>
Professional and technical qualification as a percentage of the total.	85%	84%

#### **Internal Audit Team performance indicators**

<b>Performance Indicator (Description of measure)</b>	<b>2018/19 Target</b>	<b>2018/19 Actual</b>
Percentage audit plan completed (annual target).	90%	59%
Percentage draft reports issued within deadline.	96%	94%
Percentage audit work within resource budget.	92%	93%
Percentage of positive satisfaction surveys.	85%	88%
Percentage compliance with quality standards for audit reviews.	85%	90%

#### **Risk and Resilience Team performance indicators**

<b>Performance Indicator (Description of measure)</b>	<b>2018/19 Target</b>	<b>2018/19 Actual</b>
Percentage of Council service business continuity plans up to date.	100%	57%*
Percentage of risk registers revised and up to date at the end of the quarter.	100%	100%
Number of risk and resilience training and exercise sessions held (annual target).	6	4
Number of trained Emergency Response Group Volunteers. (for monitoring purposes only – responsibility lies with Adult Social Care)	50	45

Performance Indicator (Description of measure)	2018/19 Target	2018/19 Actual
Percentage of property risk audit programme completed.	100%	100%

\*In line with the Corporate Compliance Calendar which was introduced in 2018 all Business Continuity Plans should be updated in October each year. However, our data shows that whilst 90% of Business Continuity Plans are in place across the Council only 57% of these were updated in October as required.

The following services updated 100% of their plans in line with the timescales:

- Adult Services
- Chief Executives
- Public Health
- Resources
- Governance and Partnerships

The position in the other directorates is as follows:

#### Children's Services

Updated	Not Updated	Not Received
Overarching School Standards & Effectiveness	Permanence	Blackpool Young People's Service
Overarching SEND & Education	Contact Centre	
Overarching Children's Social Care & Early Help	331 Bispham Road	
Business Support & Resources	Duty, MASH, Awaken	
Headstart	167 Hornby Road	
	Adoption	
	Children with Complex Needs	
	Fostering	
	EDT	
	Family Group Conference	
	SQR	
	Grange Park	
	TAB	
	Safeguarding 1-6	
	The Link	
	Families In Need	

#### Communications & Regeneration

Updated	Not Updated	Not Received
Visit Blackpool	Libraries	Leisure Assets
Corporate Print Services	Adult Learning	Communications
Beach Patrol		Museum Project
Arts & Heritage		
Positive Steps		
Business Support		
Managed Workspaces		
Growing Places		

**Community & Environmental Services**

Updated	Not Updated	Not Received
Track Services	Waste	PE and School Sport
Leisure	Street Cleansing	Security
Catering	Environmental Protection	Civil Enforcement
Illuminations	Licensing	
	Housing Enforcement	
	Trading Standards	
	Health & Safety Enforcement	
	Community Safety	
	Parks	
	Building Cleaning	
	Integrated Transport	
	CVMU	
	Highways & Traffic Management	
	Coastal and Environmental Services	

**Health and Safety performance indicators**

Performance Indicator (Description of measure)	2018/19 Target	2018/19 Actual
RIDDOR Reportable Accidents for Employees	0	7
Training Delivered to quarterly plan	100%	100%

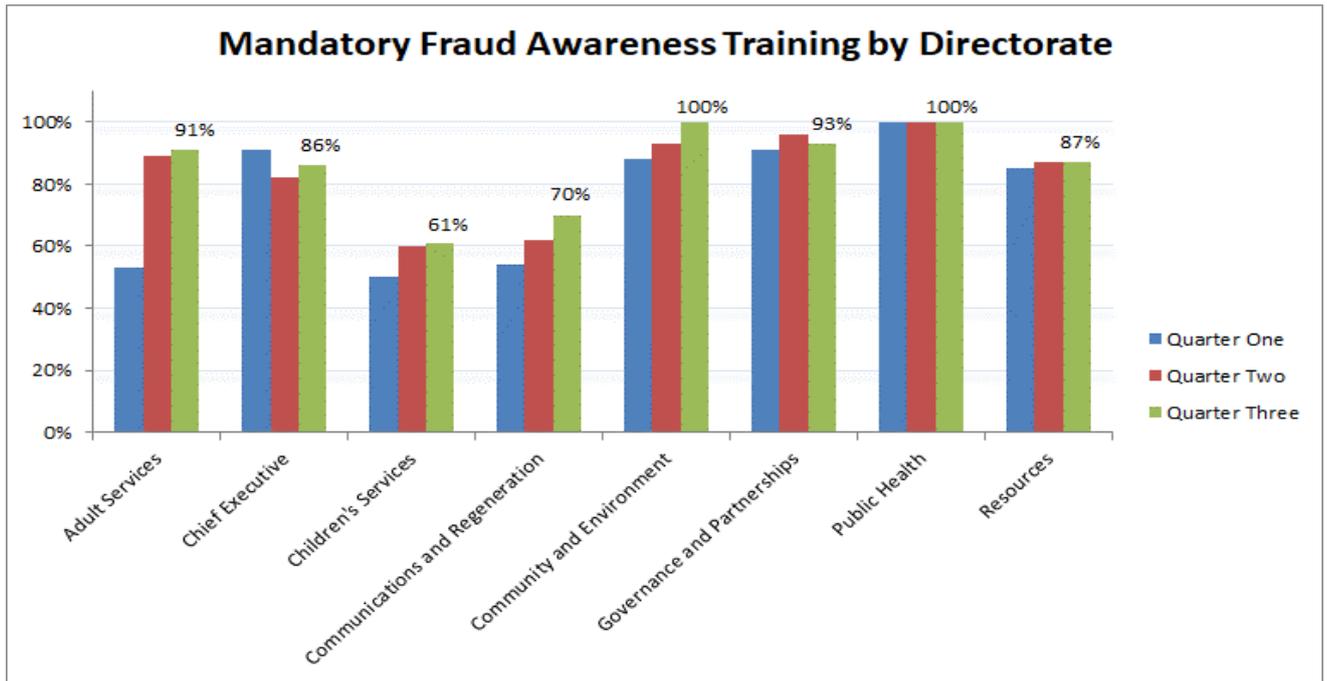
Four new RIDDOR cases relating to employees were reported in the quarter. All related to slip, trip or fall incidents two of which occurred in Children's Services, one in Adult Services and one in Community and Environmental Service.

**Equality and Diversity performance indicators**

Performance Indicator (Description of measure)	2018/19 Target	2018/19 Actual
Percentage of Executive Decisions made with evidence of Equality Impact Assessments or due regard.	100%	100%
Percentage take up of Equality i-Pool course.	100%	82%

**Corporate Fraud Team performance indicators**

Performance Indicator (Description of measure)	2018/19 Target	2018/19 Actual
% of agreed Council employees completed i-Pool fraud awareness course.	100%	82%



<b>CORPORATE FRAUD STATISTICS - 2018/2019</b>	<b>Number of Cases Brought Forward from 2017/18</b>	<b>Total Number of Referrals Received</b>	<b>Case Closures</b>		<b>Total Value of Fraud Proven / Error Identified</b>	<b>Action Taken on Closed Cases</b>					<b>Number of Cases Currently Under Investigation</b>
			<b>Fraud/Error Proven</b>	<b>No Fraud/Error Identified</b>		<b>No Further Action</b>	<b>Recommendation</b>	<b>Disciplinary</b>	<b>Administrative Penalty</b>	<b>Prosecution</b>	
<b>Type of Fraud</b>		<b>ANNUAL SUMMARY 2018-19</b>									
Council Tax - Single Person Discount	25	29	14	32	£4,624.26	45	1	0	0	0	8
Council Tax Reduction (CTR)	36	19	5	38	£5,320.02	42	0	1	0	0	12
Business Rates	0	0	0	0	-	0	0	0	0	0	0
Procurement	1	2	0	2	-	2	0	0	0	0	1
Fraudulent Insurance Claims	10	11	0	14	-	14	0	0	0	0	7
Social Care	2	1	0	0	-	0	0	0	0	0	3
Economic & Third Sector Support	0	0	0	0	-	0	0	0	0	0	0
Gross Misconduct (Disciplinary Code)	0	1	1	0	-	0	0	1	0	0	0
Pension	0	0	0	0	-	0	0	0	0	0	0
Investment	0	0	0	0	-	0	0	0	0	0	0
Payroll & Employee Contract Fulfilment	0	0	0	0	-	0	0	0	0	0	0
Expenses	0	0	0	0	-	0	0	0	0	0	0
Abuse of Position - Financial Gain	1	2	0	2	-	2	0	0	0	0	1
Abuse of Position - Manipulation of Financial or Non-Financial Data	0	1	0	1	-	1	0	0	0	0	0
Fraudulent Cashing of Housing Benefit Cheque	1	0	0	1	-	1	0	0	0	0	0
Disabled parking concessions	1	3	0	3	-	3	0	0	0	0	1
NFI 2017	557	0	0	475	-	475	0	0	0	0	82
<b>Totals:</b>	<b>634</b>	<b>69</b>	<b>20</b>	<b>568</b>	<b>£9,944.28</b>	<b>585</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>115</b>

## 2. Appendix A: Performance & Summary Tables for Quarter Three

### *Internal Audit reports issued in period*

Directorate	Review Title	Assurance Statement								
Adult Services	Safeguarding Enquiries	<p><b><u>Scope</u></b></p> <p>The scope of the audit was to review:</p> <ul style="list-style-type: none"> <li>• Whether there is a full audit trail for safeguarding enquiries, and to ensure that decisions are appropriate and supported by evidence;</li> <li>• How the Council assesses whether it is appropriate for the Council or provider to primarily respond when a Safeguarding Enquiry is received; and</li> <li>• Whether outcomes are appropriately communicated to providers, the individual and family members.</li> </ul> <p><b><u>Overall Opinion and Assurance Statement</u></b></p> <table border="1" data-bbox="746 880 1465 920"> <tr> <td colspan="2" style="text-align: center;"><b>Adequate</b></td> </tr> </table> <p>We consider that the controls in place are currently adequate overall, with the recent enhancements to Mosaic providing noticeable improvements to the effectiveness of the safeguarding enquiry process. However, our sample testing revealed weaknesses around the recording of the rationale for decisions and the communication of conclusions with interested parties and these elements need to be strengthened.</p> <p><b><u>Number of Recommendations Made</u></b></p> <table border="1" data-bbox="746 1272 1465 1384"> <tr> <td>Priority 1</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Priority 2</td> <td style="text-align: center;">2</td> </tr> <tr> <td>Priority 3</td> <td style="text-align: center;">3</td> </tr> </table> <p><b><u>Management Response</u></b></p> <p>Management agreed that Adult Services should determine how the recording of the rationale for decisions and risk assessment outcomes can be improved. This is now included as part of the peer audit programme, and the Head of Safeguarding will commence additional Management audits.</p> <p>Management agreed that Adult Services should determine how the communication of conclusions to interested parties can be improved. This should include prompts within the system to remind users to consider whether a formal communication is required; and the recording of the rationale for not issuing a formal letter to interested parties.</p>	<b>Adequate</b>		Priority 1	0	Priority 2	2	Priority 3	3
<b>Adequate</b>										
Priority 1	0									
Priority 2	2									
Priority 3	3									

Directorate	Review Title	Assurance Statement								
Adult Services	Improved Better Care Fund	<p><b><u>Scope</u></b></p> <p>The scope of our audit was to review evidence regarding the impact of Improved Better Care Fund Schemes.</p> <p><b><u>Overall Opinion and Assurance Statement</u></b></p> <table border="1" data-bbox="746 461 1465 499"> <tr> <td colspan="2" style="text-align: center;"><b>Adequate</b></td> </tr> </table> <p>We consider the controls in place provide adequate evidence of a positive impact of the Improved Better Care Fund, but with several further changes necessary. The services should ensure that any care improvements brought about by the iBCF funding are built upon and sustained and that alternative funding is sought via liaison with the CCG to support the enhanced services that are demonstrated to be having a positive impact should funding not continue.</p> <p><b><u>Number of Recommendations Made</u></b></p> <table border="1" data-bbox="746 887 1465 999"> <tr> <td>Priority 1</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Priority 2</td> <td style="text-align: center;">7</td> </tr> <tr> <td>Priority 3</td> <td style="text-align: center;">0</td> </tr> </table> <p><b><u>Management Response</u></b></p> <p>Management agreed that further discussion should take place with CCG representatives on contingency plans for future funding.</p> <p>Management agreed that discussions should take place with CCG representatives concerning agreeing ongoing performance measures for iBCF schemes.</p> <p>Management agreed that capacity should be identified to ensure improved accuracy in DToC reporting.</p> <p>Management agreed that individual case studies should be identified and reviewed on a regular basis in order to continue to identify the impacts and outcomes of different iBCF funded social care interventions, linked to quality assurance processes.</p> <p>Management agreed that a performance framework should be developed to clearly demonstrate the impact of the work of the Accident and Emergency social workers, including involving health staff in the framework and identifying impact on hospital admittance avoidance.</p> <p>Management agreed that an approach should be identified as to how the impact of any future planned increases in provider rates should be assessed and managed.</p> <p>Management agreed that the BCF quality and performance monitoring framework should be developed and agreed with partners to include iBCF schemes.</p>	<b>Adequate</b>		Priority 1	0	Priority 2	7	Priority 3	0
<b>Adequate</b>										
Priority 1	0									
Priority 2	7									
Priority 3	0									

Directorate	Review Title	Assurance Statement								
Children's Services	School Improvement Board and Processes	<p><b><u>Scope</u></b></p> <p>The scope of the audit was to review how well the new system for the Blackpool School Improvement Board (BSIB) and associated processes was achieving its objectives and to determine whether there are any further improvements which could be made.</p> <p><b><u>Overall Opinion and Assurance Statement</u></b></p> <table border="1" data-bbox="746 566 1465 607"> <tr> <td colspan="2" style="text-align: center;"><b>Adequate</b></td> </tr> </table> <p>The recently reported 2018 GCSE results for Blackpool schools showed little or no improvement in Blackpool's aggregate figures and gaps between Blackpool schools and the regional and national averages remain substantial in all measures. A decline in most measures was reported for one Blackpool school, in all measures for another school and a very substantial decline in performance for a further school. However there were improvements noted in all measures for two Blackpool schools, and most measures for a further two schools.</p> <p>The approach being taken by the BSIB is well established and we consider that the controls in place around the School Improvement Board and processes are adequate, with some risks identified and assessed, and some changes required to further improve the approach.</p> <p><b><u>Number of Recommendations Made</u></b></p> <table border="1" data-bbox="746 1223 1465 1335"> <tr> <td>Priority 1</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Priority 2</td> <td style="text-align: center;">2</td> </tr> <tr> <td>Priority 3</td> <td style="text-align: center;">3</td> </tr> </table> <p><b><u>Management Response</u></b></p> <p>Management agreed that the membership of both the BSIB and the Strategy Group should be reviewed to minimise overlap between the two groups and provide a more balanced representation.</p> <p>Management agreed that a formal communication strategy and plan should be developed to help clarify and improve communication channels.</p>	<b>Adequate</b>		Priority 1	0	Priority 2	2	Priority 3	3
<b>Adequate</b>										
Priority 1	0									
Priority 2	2									
Priority 3	3									

Directorate	Review Title	Assurance Statement								
Corporate	HR and Financial Management Systems	<p><b><u>Scope</u></b></p> <p>The scope of the audit included:</p> <ul style="list-style-type: none"> <li>• The services' future plans for HR and Finance systems changes, to inform senior management of risks, timescales, resources and skills requirements; and</li> <li>• Exploration and assessment of options, including assessing the advantages and disadvantages of combined HR and Financial Systems, through researching the experiences of other organisations;</li> </ul> <p><b><u>Overall Opinion and Assurance Statement</u></b></p> <table border="1" data-bbox="746 712 1465 750"> <tr> <td colspan="2" style="text-align: center;"><b>Adequate</b></td> </tr> </table> <p>We consider that the controls in place are currently adequate given that sufficient time to allow for a well-defined solution to be purchased and implemented has been identified prior to the end date of the HR and Finance system contracts.</p> <p>We have outlined a number of recommendations in the report that will provide a clear structure to proceed with the change to the new HR and Finance systems.</p> <p><b><u>Number of Recommendations Made</u></b></p> <table border="1" data-bbox="746 1120 1465 1232"> <tr> <td>Priority 1</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Priority 2</td> <td style="text-align: center;">13</td> </tr> <tr> <td>Priority 3</td> <td style="text-align: center;">2</td> </tr> </table> <p><b><u>Management Response</u></b></p> <p>Management agreed that a report will be taken to the Corporate Leadership Team signally the need to review resource implications of all of the recommendations in the report which were all agreed in principle by the Director of Resources, Head of Organisation and Workforce Development and Chief Accountant.</p>	<b>Adequate</b>		Priority 1	0	Priority 2	13	Priority 3	2
<b>Adequate</b>										
Priority 1	0									
Priority 2	13									
Priority 3	2									

Directorate	Review Title	Assurance Statement										
Corporate	Purchase Cards Financial Control Assurance Testing	<p><b><u>Scope</u></b></p> <p>The scope of the audit was to ensure that adequate and effective controls are in place to minimise financial risk in relation to the purchase card system.</p> <p><b><u>Overall Opinion and Assurance Statement</u></b></p> <table border="1" data-bbox="746 495 1465 568"> <tr> <td colspan="2" style="text-align: center;"><b>System of Control: Good</b></td> </tr> <tr> <td colspan="2" style="text-align: center;"><b>Compliance: Inadequate</b></td> </tr> </table> <p>Overall we have assessed that there is a good system of controls over the Purchase Cards system.</p> <p>However where we sought evidence of compliance with the key financial controls it was found that evidence was incomplete or demonstrated that there was an inadequate level of compliance with some of the controls.</p> <p><b><u>Number of Recommendations Made</u></b></p> <table border="1" data-bbox="746 869 1465 976"> <tr> <td>Priority 1</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Priority 2</td> <td style="text-align: center;">5</td> </tr> <tr> <td>Priority 3</td> <td style="text-align: center;">0</td> </tr> </table> <p><b><u>Management Response</u></b></p> <p>Management agreed that cardholder agreements should be re-issued and re-signed every two years to ensure that card holders are reminded of the need to comply with guidance. Furthermore cards will be cancelled if the signed cardholder agreements are not returned.</p> <p>Management agreed that purchase card request forms or other evidence of application for and approval of card issue should be retained on file in all cases. Evidence is to be retained on a specific folder in Office 365 going forward.</p> <p>Management agreed that appropriate documentation supporting purchases made should be uploaded to the purchase card system. This is made clear in the guidance and will be reaffirmed as part of the re-signing of cardholder agreements.</p> <p>Management agreed that all transactions should be approved by the relevant authoriser. A system report now goes to the Director of Resources who will contact approvers who are not complying and emphasise that cards can be cancelled for non-compliance.</p> <p>Management agreed that VAT should only be claimed where there is a valid VAT receipt uploaded to the system. This is made clear in the guidance and will be reaffirmed as part of the re-signing of cardholder agreements.</p>	<b>System of Control: Good</b>		<b>Compliance: Inadequate</b>		Priority 1	0	Priority 2	5	Priority 3	0
<b>System of Control: Good</b>												
<b>Compliance: Inadequate</b>												
Priority 1	0											
Priority 2	5											
Priority 3	0											

Directorate	Review Title	Assurance Statement										
Corporate	Debtors Financial Control Assurance Testing	<p><b><u>Scope</u></b></p> <p>The scope of the audit was to ensure that adequate and effective controls are in place to minimise financial risk in relation to the sundry debtors system.</p> <p><b><u>Overall Opinion and Assurance Statement</u></b></p> <table border="1" data-bbox="746 495 1468 568"> <tr> <td colspan="2" style="text-align: center;"><b>System of Control: Adequate</b></td> </tr> <tr> <td colspan="2" style="text-align: center;"><b>Compliance: Inadequate</b></td> </tr> </table> <p>Overall we have assessed that there is an adequate system of controls over the Debtors system. However there is scope to further enhance controls in the areas around credit limits, credit checks and other general checks on customers to mitigate against the possibility of bad debts arising. Also the potential change of financial system provides an opportunity to enhance analysis and reporting of debt.</p> <p>Furthermore where we sought evidence of compliance with the key financial controls it was found that evidence was either incomplete or demonstrated that there was an inadequate level of compliance in some areas.</p> <p><b><u>Number of Recommendations Made</u></b></p> <table border="1" data-bbox="746 1099 1468 1211"> <tr> <td>Priority 1</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Priority 2</td> <td style="text-align: center;">5</td> </tr> <tr> <td>Priority 3</td> <td style="text-align: center;">2</td> </tr> </table> <p><b><u>Management Response</u></b></p> <p>Management agreed that the facility to generate debtors' statements and the introduction of a module which enhances analysis and reporting of debt should be considered as part of the plans to move to a different financial system.</p> <p>Management agreed that initiating departments should ensure that there is suitable evidence in place to support the raising of an invoice and that this is retained in line with the Corporate Retention Policy.</p> <p>Management agreed that, where it has been agreed by Senior Management / Members that there will be no charge for traffic management services for events this should be communicated to Highways staff with responsibility for raising invoices. Where it has been agreed that a fee is payable then this should be evidenced by means of a signed contract / agreement.</p> <p>Management agreed that credit notes should be authorised by an appropriate person prior to being raised in Cedar.</p> <p>Copies of the debtors delete form should be retained by the initiating department in line with the Corporate Retention Policy.</p>	<b>System of Control: Adequate</b>		<b>Compliance: Inadequate</b>		Priority 1	0	Priority 2	5	Priority 3	2
<b>System of Control: Adequate</b>												
<b>Compliance: Inadequate</b>												
Priority 1	0											
Priority 2	5											
Priority 3	2											

Directorate	Review Title	Assurance Statement								
Corporate	Risk Management	<p><b><u>Scope</u></b></p> <p>The scope of our audit was to review the arrangements for embedding the Council's Risk Management Framework.</p> <p><b><u>Overall Opinion and Assurance Statement</u></b></p> <table border="1" data-bbox="746 461 1465 499"> <tr> <td colspan="2" style="text-align: center;"><b>Good</b></td> </tr> </table> <p>We consider the arrangements for embedding the Council's Risk Management Framework to be good, including the robustness of the Risk Management Framework and the central support from Risk Services. There are opportunities for the further embedding of risk management within the organisation. A corporate assurance mechanism to ensure that appropriate risk management arrangements are in place for major projects and partnerships would be beneficial. Furthermore, Risk Management groups would benefit from evaluating themselves against a good practice model of effectiveness.</p> <p><b><u>Number of Recommendations Made</u></b></p> <table border="1" data-bbox="746 958 1465 1070"> <tr> <td>Priority 1</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Priority 2</td> <td style="text-align: center;">4</td> </tr> <tr> <td>Priority 3</td> <td style="text-align: center;">4</td> </tr> </table> <p><b><u>Management Response</u></b></p> <p>Management agreed that further risk register reviews, risk workshops and additional training should be considered for those cases where the approval process indicates that there is an ongoing need.</p> <p>Management agreed that maintaining of risk registers on SharePoint sites should be considered and agreed with Corporate Leadership Team for defined major projects and partnerships in order to provide a corporate assurance mechanism that relevant risk management arrangements are in place.</p> <p>Management agreed that a good practice model of Risk Management group effectiveness should be developed as an improvement tool. Risk Management groups should evaluate themselves against the model, with assistance from Risk Services as required.</p> <p>Management agreed that a survey should be carried out amongst key participants of risk management awareness and communications, how risk management is being embedded in service delivery and any further training and support requirements should be identified.</p>	<b>Good</b>		Priority 1	0	Priority 2	4	Priority 3	4
<b>Good</b>										
Priority 1	0									
Priority 2	4									
Priority 3	4									

Directorate	Review Title	Assurance Statement							
Resources	Carbon Reduction Commitment Scheme	<p><b><u>Scope</u></b></p> <p>This compliance based review of the Council’s carbon reduction commitment submission for 2017/2018 was based on guidance provided by the Chartered Institute of Public Finance and Accountancy (CIPFA). The audit focused on a number of control objectives including that:</p> <ul style="list-style-type: none"> <li>• Registration details are correct and subject to regular review,</li> <li>• Data is secure and accurately recorded in the Council's management information systems,</li> <li>• Information contained in the Annual Report is accurate and timely,</li> <li>• All fuel consumption is accurately reported using correct conversion rates and includes core, residual and other fuel types,</li> <li>• Estimated bills are monitored to ensure at least two meter reads are taken in a six month period (to avoid uplifts in carbon allowance purchases associated with estimated bills),</li> <li>• Issues are logged and updated with outcomes to support the evidence pack,</li> <li>• The cost of carbon allowances is budgeted for and accounted for correctly in the Council's financial system.</li> </ul> <p><b><u>Overall Opinion and Assurance Statement</u></b></p> <table border="1" data-bbox="746 1218 1465 1256"> <tr> <td style="text-align: center;"><b>Good</b></td> </tr> </table> <p>We consider that the controls in place for the Carbon Reduction Commitment Scheme are good. Most risks have been identified and assessed and we consider that only minor control improvements are required. Our testing revealed a satisfactory level of compliance with the controls.</p> <p><b><u>Number of Recommendations Made</u></b></p> <table border="1" data-bbox="746 1547 1465 1659"> <tr> <td>Priority 1</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Priority 2</td> <td style="text-align: center;">1</td> </tr> <tr> <td>Priority 3</td> <td style="text-align: center;">0</td> </tr> </table> <p><b><u>Management Response</u></b></p> <p>Management agreed that steps should be taken to ensure that the Energy Management folder is restricted to authorised personnel only.</p>	<b>Good</b>	Priority 1	0	Priority 2	1	Priority 3	0
<b>Good</b>									
Priority 1	0								
Priority 2	1								
Priority 3	0								

Directorate	Review Title	Assurance Statement								
Resources	Business Rates	<p><b><u>Scope</u></b></p> <p>The scope of the audit was to review:</p> <ul style="list-style-type: none"> <li>• The preparedness of the service as the government plans to increase business rates retention;</li> <li>• The effectiveness of policies and decisions in relation to empty properties, recovery action and the funding of the enterprise zone; and</li> <li>• Relationships with the VOA and the appeals process.</li> </ul> <p><b><u>Overall Opinion and Assurance Statement</u></b></p> <table border="1" data-bbox="748 678 1465 719"> <tr> <td colspan="2" style="text-align: center;"><b>Adequate</b></td> </tr> </table> <p>We consider that the controls in place are adequate with some risks identified and assessed and some changes necessary. The revenues service and the wider Council need to keep in view the changing scene regarding business rates retention and ensure that it continues to be considered in all relevant future undertakings.</p> <p><b><u>Number of Recommendations Made</u></b></p> <table border="1" data-bbox="748 999 1465 1111"> <tr> <td>Priority 1</td> <td style="text-align: center;">0</td> </tr> <tr> <td>Priority 2</td> <td style="text-align: center;">1</td> </tr> <tr> <td>Priority 3</td> <td style="text-align: center;">0</td> </tr> </table> <p><b><u>Management Response</u></b></p> <p>Management agreed that a formal invest to save proposal for additional resourcing of business rates collection should be presented to senior management for approval.</p>	<b>Adequate</b>		Priority 1	0	Priority 2	1	Priority 3	0
<b>Adequate</b>										
Priority 1	0									
Priority 2	1									
Priority 3	0									

### ***Progress with Priority 1 audit recommendations***

A review of priority one recommendations was undertaken in the quarter. Progress has been made in implementing the required controls in a number of cases including:

- Head Start x 1 recommendations
- Business Planning and Performance Management x 2 recommendations
- Property Services Inspection Contracts x 5 recommendations
- Oversight of Shared Services x 1 recommendation
- Transition from Children's Services to Adults x 1 recommendation
- Placement Orders and Legal Costs x 1 recommendation
- Public Health Funding x 1 recommendation
- E-Invoicing x 1 recommendation
- Events Risk Management x 3 recommendations

Some priority one recommendations had not been fully addressed by the agreed target date however reasons have been provided for the delays and new completion dates agreed. These include:

- Rideability x 1 recommendation
- Public Health Outcomes x 1 recommendation
- Estates and Investment Portfolio x 1 recommendation

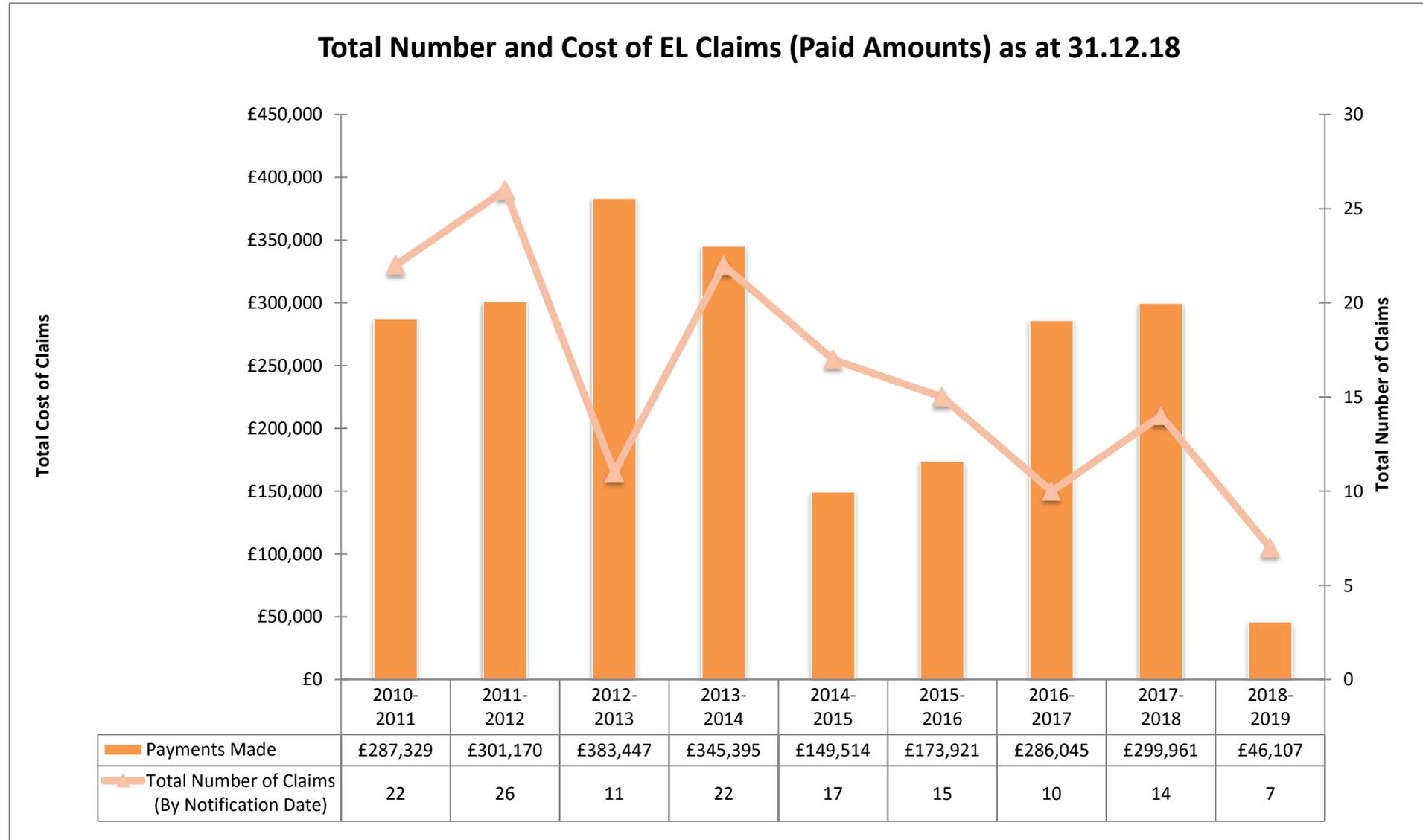
***The Regulation of Investigatory Powers Act 2000***

In line with best practice it has been agreed that the Council will report to the Audit Committee the number of RIPA authorisations undertaken each quarter, which enables the Council to undertake directed and covert surveillance. Between October and December 2018 the Council authorised no RIPAs.

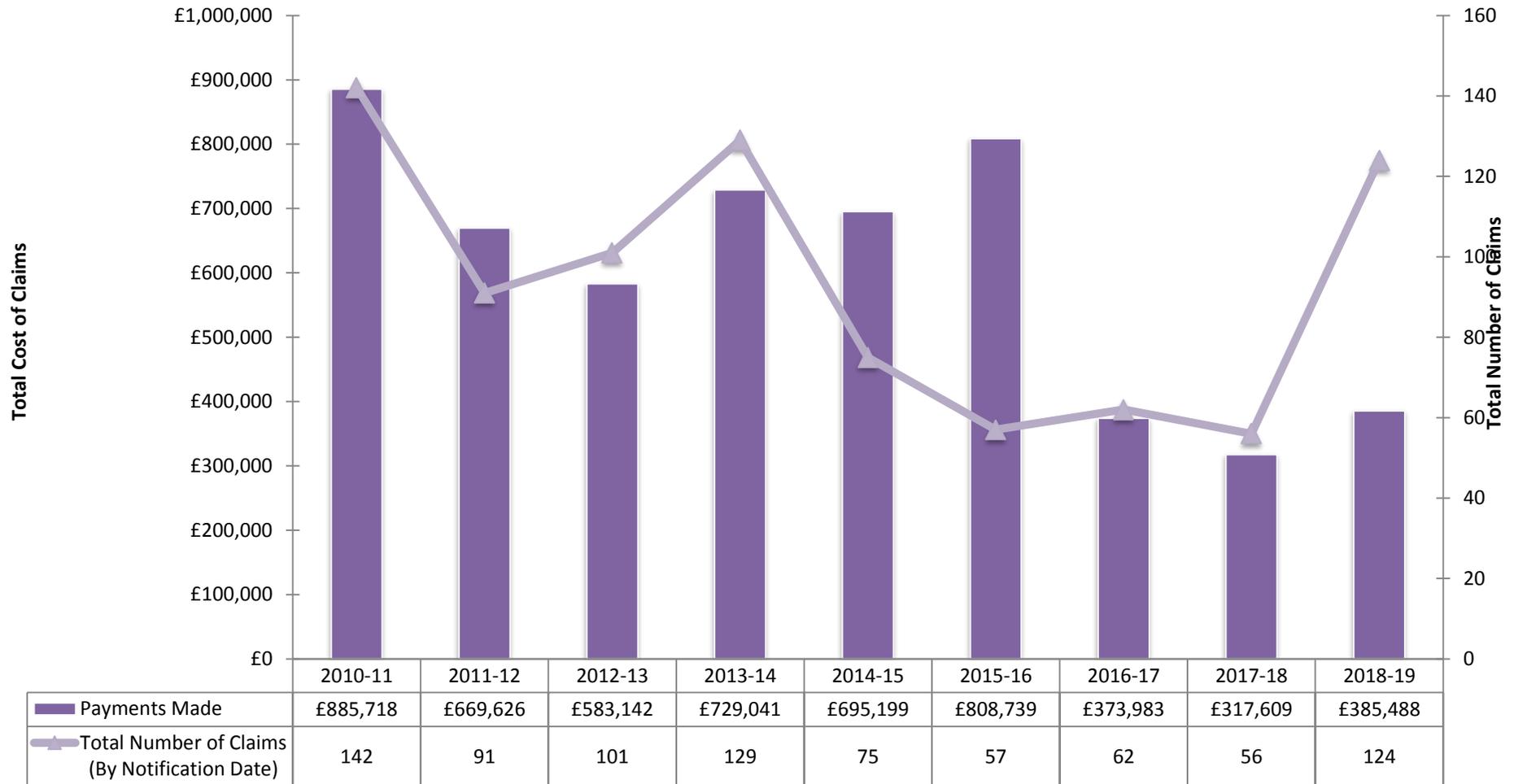
***Insurance claims data***

The graphs at Appendix B show the cost of liability insurance claims paid to date each financial year by the Council.

3. Appendix B – Insurance Claim Payments by Financial Year



**Total Number and Cost of PL Claims (Paid) as at 31.12.18**



**Total Number and Cost of PLH Claims (Paid) as at 31.12.18**

