

AGENDA



- Committee - **GOVERNANCE AND AUDIT COMMITTEE**
- Date & Time - Thursday, 18 January 2024 at 4.00 pm
- Venue - Meeting Room 1, Council Offices, Priory Road, Spalding

Membership of the Governance and Audit Committee:

Councillors: A C Beal (Chairman), C J T H Brewis, N Chapman, M Geaney, M Le Sage, I Sheard and S-A Slade (Vice-Chairman)

Quorum 3.

Persons attending the meeting are requested to turn off mobile telephones

Democratic Services
Council Offices, Priory Road
Spalding, Lincs PE11 2XE

Date: 10 January 2024

AGENDA

1. Apologies for absence.
2. Declaration of Interests –
(Where a Councillor has a Disclosable Pecuniary Interest the Councillor must declare the interest to the meeting and leave the room without participating in any discussion or making a statement on the item, except where a Councillor is permitted to remain as a result of a grant of dispensation).
3. Minutes – (Pages 5 - 18)
To sign as a correct record the minutes of the Governance and Audit Committee meeting held on 9 November 2023 (enclosed).
4. Actions – (Pages 19 - 22)
An update on actions which arose at the 9 November 2023 Governance and Audit Committee meeting and the tracking of previous outstanding actions (enclosed).
5. Information Governance Annual Update – (Pages 23 - 30)
To advise members in respect to the Council's activity and compliance with Data Protection, Environmental Information Regulation and Freedom of Information requirements (report of the Assistant Director – Governance (Monitoring Officer) enclosed).
6. Treasury Management Policy and Treasury management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2024/25 – (To Follow)
To provide pre-decision scrutiny to the strategy being proposed (report of the Deputy Chief Executive - Corporate Development (S151) to follow).
7. Risk Management Framework – (Pages 31 - 52)
To review a revised Risk Management Framework (report of the Assistant Director – Governance (Monitoring Officer) enclosed).
8. Co-opted Independent Member representation on the Governance and Audit Committee – (Pages 53 - 58)
To consider Co-opted Independent Member representation on the Governance and Audit Committee (report of the Assistant Director – Governance (Monitoring Officer) enclosed).
9. Governance and Audit Work Programme – (Pages 59 - 68)
To set out the Work Programme of the Governance and Audit Committee (report of the Democratic Services Manager enclosed).
10. Any other items which the Chairman decides are urgent. -

NOTE: No other business is permitted unless by reason of

special circumstances, which shall be specified in the minutes, the Chairman is of the opinion that the item(s) should be considered as a matter of urgency.

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Minutes of a meeting of the **GOVERNANCE AND AUDIT COMMITTEE** held in the Meeting Room 1, Council Offices, Priory Road, Spalding, on Thursday, 9 November 2023 at 6.30 pm.

PRESENT

A C Beal (Chairman)
S-A Slade (Vice-Chairman)

C J T H Brewis

N Chapman

M Geaney

Apologies for absence were received from or on behalf of Councillor M Le Sage

In Attendance: The Assistant Director – Governance , the Assistant Director – Regulatory, the Assistant Director – Housing, the Chief Finance Officer (PSPS), the Internal Audit Team Manager (Assurance Lincolnshire), the Business Intelligence and Change Manager and the Democratic Services Officer.

Action By

22. DECLARATION OF INTERESTS

There were none.

23. MINUTES

Members considered the minutes from the 19 September 2023 Governance and Audit Committee meeting and made the following comments:

- Members referred to the minutes of the ‘2021/2022 Audit Results Report – Updated’ item regarding the ‘Other Reporting Issues – Recommendation to Council’ and asked whether all Related Party Disclosures had been returned to the Finance Team.
 - The Chief Finance Officer (PSPS) responded that the audit commentary had applied to the 2021/2022 accounts and that action had been taken to ensure as full returns as possible for 2022/23.
- Members noted that the post titles of officers were included in the attendance section of the minutes. It was agreed that the names of attending officers would be emailed to members alongside the minutes.

AGREED:

That the minutes of the Governance and Audit Committee meeting held on 19 September be signed by the Chairman as a

GOVERNANCE AND AUDIT COMMITTEE -
9 November 2023

correct record.

24. ACTIONS

Updated responses to actions which arose at the 19 September 2023 Governance and Audit Committee meeting and the tracking of previous outstanding actions were presented to the committee.

Members considered the update and made the following comment:

- Members were satisfied with the responses and were pleased that progress was being monitored and documented and that actions were being completed.

AGREED:

That the actions from the Governance and Audit Committee meeting held on 19 September 2023 and the tracking of previous outstanding actions be noted.

25. Q2 RISK REPORT 2023/2024

Consideration was given to the report of the Assistant Director – Governance which provided an update on the Council's current strategic risks.

The Business Intelligence and Change Manager introduced the report by giving the following overview of the current status of the Council's strategic risks:

- All of the risks had been reviewed however there had not been any changes to risk scores for Q2;
- Two new risks had been identified, as follows:
 - The delivery of the Council's work programme and corporate objectives; this risk highlighted capacity issues with increased workloads within existing resources; and
 - The resilience and quality of service delivery arrangements with third parties, specifically the potential for failure of a major supplier of Council services or partners with whom the Council co-delivered/enabled provision of services and operations.
- Full details of identified risks were outlined in the SHDC Strategic Risk Register at Appendix A

Members considered the Q2 Risk Report 2023/2024 and made the following comments:

GOVERNANCE AND AUDIT COMMITTEE -
9 November 2023

- Members were pleased that the two new stated risks had been acknowledged as these had been identified during the investigations of the Joint Scrutiny of the S&ELCP Task Group.

AGREED:

That after consideration of the Q2 Risk Report 2023/2024 and Appendix A, which detailed the latest assessment of the Council's strategic risks, the report be noted by the Committee.

26. PROGRESS REPORT ON INTERNAL AUDIT ACTIVITY

Consideration was given to the report of the Internal Audit Team Manager – Assurance Lincolnshire which provided the Governance and Audit Committee with details of audit work carried out from 1 March 2023 to 31 October 2023.

In addition to the published papers within the agenda and agenda supplement, a further updated Internal Audit Progress Report for November 2023 was circulated to members at the meeting (and appended to the minutes).

The Internal Audit Team Manager – Assurance Lincolnshire introduced the Progress Report on Internal Audit Activity report and gave an overview of the following main areas of the report:

- The role of internal audit;
- The purpose of the report; it was noted that there had been a change to the assurance categorisation used since 2022/2023;
- Performance dashboard; delivery of the audit plan was on track and whilst engagement from officers had been forthcoming, auditors were aware that officers across the partnership and PSPS had heavy workloads;
- An update on Internal Audit Activity:
 - Two Limited Assurance ratings had been identified which applied to Housing Compliance; and Control Account Reconciliation (payroll). Both the Assistant Director – Housing and the Chief Finance Officer (PSPS) were in attendance to respond to the audit assessment and to answer member questions; and
 - Assurance levels had been granted for a further 12 audits which were summarised from page 93 of the agenda supplement.
- Executive summaries of the two Limited Assurance opinions (the full audits were appended to the agenda supplement from page 113); and
- Responses to overdue high priority actions; and overdue

GOVERNANCE AND AUDIT COMMITTEE -

9 November 2023

medium and low priority actions. The responses had evidenced that Managers had reacted to the findings of audits.

The Assistant Director – Housing was in attendance to present a briefing note to the committee regarding the Limited Assurance audit rating given by TIAA in respect of Housing Compliance. The briefing note had been included within the published agenda supplement and outlined the following information:

- Background/contextual information which included an explanation for the service's disagreement with the Limited Assurance rating;
- Inspection performance relating to gas safety; electrical safety; fire safety; asbestos management; and water safety; and
- Key considerations and next steps which included action relating to electrical safety and procurement; and governance in respect of policies and procedures, system improvements and compliance reporting.

The Assistant Director – Housing stated that a range of responsibilities endured in respect of electrical safety. SHDC had a legal requirement to:

- Maintain electrical installations 'in repair', which was carried out by the Housing Repairs Team; and
- Inspect electrical installations as part of tenancy changes, for example, due to a re-letting or mutual exchange.

These areas were not tested as part of the audit.

The Assistant Director – Housing acknowledged the view of the Department for Levelling Up, Housing and Communities (DLUHC) that a 'patchwork of legislation' governed electrical safety, the corollary of which meant that adherence to such legislation was open to interpretation. Whilst it was considered best practice to conduct electrical safety inspections every five years, this was not mandatory and therefore housing providers abided by their respective working models. SHDC's approach and action was as follows:

- SHDC had always issued an electrical safety annual programme at the start of every financial year;
- At the time of the audit, 700 inspections had been outstanding which represented the work programme for that year;
- The programme had been accelerated with 57 inspections outstanding at the time of the report;
- All of the 57 outstanding cases were being progressed through the 'no access' procedure; where standard access to a property was not obtained, a court injunction may be

GOVERNANCE AND AUDIT COMMITTEE -

9 November 2023

required to achieve forced access in order to complete the work; and

- Electrical safety checks required four hours of access to properties and therefore had a higher 'no access' rate than other areas of inspections. SHDC offered weekend appointments where weekday access was not possible. The issue of access was a challenge across the whole housing sector.

In conclusion, the Assistant Director – Housing confirmed that the service did not seek to dispute the audit findings in respect of required improvements to policy systems and statutory compliance controls, however assurance was given to the committee regarding the compliance of operational performance in respect of required inspections. Confidence was expressed that a follow-up audit would ratify this position.

Members considered the update and made the following comments:

- Members appreciated the update from the Assistant Director – Housing and acknowledged the difficulties in the scheduling of work at properties. Members acknowledged that improvements in this area had taken place.
- Members asked for confirmation of the number of safety inspections which would be programmed annually.
 - The Assistant Director – Housing responded that:
 - From a total of 3834 electrical installations, 770 would be programmed for inspection each year;
 - Tenancy changes occurred only after inspections had taken place; an additional 300 inspections were carried out per year due to tenancy changes;
 - Where access injunctions needed to be sought, these were requested as 'lifetime' injunctions. Court costs were always included within the injunction application and had been awarded in all cases thus far; and
 - SHDC awaited guidance from central government regarding an implementation timeline for a change to electrical safety legislation. The acceleration of SHDC's inspection programme ensured that the service was in a strong position and could react to any necessary adjustments in order to meet ongoing legislative requirements.

GOVERNANCE AND AUDIT COMMITTEE -

9 November 2023

- Members asked whether Internal Audit reports were seen by individual Portfolio Holders.
 - The Assistant Director - Housing responded in relation to the Housing Compliance audit that the Portfolio Holder had seen the briefing paper which covered the content of the audit report and the required recommended actions. The audit had taken place under the previous administration however the findings had been relayed to the current Portfolio Holder; and
 - The Internal Audit Team Manager would check whether audits undertaken in other service areas had been relayed to relevant Portfolio Holders.
- Members asked for an update regarding PSPS staffing.
 - The Chief Finance Officer (PSPS) responded that:
 - There had been significant recruitment activity during the preceding six-month period; and
 - All establishment posts had been filled with the exception of three junior positions where an entry level / apprenticeship approach to recruitment was being considered. If this avenue was to be followed, a structured plan would be in place to ensure that all critical elements were covered.

Members noted the Limited Assurance for payroll and asked whether reconciliations were carried out on a monthly basis.

- The Chief Finance Officer (PSPS) responded that:
 - Reconciliation was a monthly task which was carried out after the submission of the payroll;
 - The audit report referred to the payroll control account reconciliation which reconciled monies paid with the general ledger; and
 - The issues highlighted in the audit had resulted from capacity issues within the Finance team. Reconciliations had been updated for all four entities (SHDC, BBC, ELDC and PSPS) to the end of August 2023. It was anticipated that these would be brought up to date by the end of November 2023;
- The Internal Audit Team Leader – Assurance Lincolnshire stated that a follow-up audit of recommended actions in this area would be carried out and results presented to the committee in due course.
- Members referred to page 100 within the agenda supplement in connection with Risk Management and

GOVERNANCE AND AUDIT COMMITTEE -

9 November 2023

suggested that a level of risk could not be established if a risk appetite was not known/completed within the report. In addition, when would the risk system be migrated fully to the Pentana system.

- The Assistant Director – Governance stated that the risk appetite informed the level of risk that the Council was willing to take for any particular risk. Assessment of the risk would have been undertaken (impact and likelihood) by a scoring mechanism;
 - The Internal Audit Team Manager – Assurance Lincolnshire confirmed that Risk Management Control and Process had been reviewed. Well controlled processes were in place however some improvements had been highlighted. These were not considered high risk and therefore the assurance of this area was unaffected; and
 - The Business Intelligence and Change Manager responded that risk owners updated the status of their respective risks into either a spreadsheet system or the Pentana system. The dual system ensured that information could be reported by all officers and was not deterred by training or access issues during the introductory phase.
- Members requested a glossary of the different systems in use and how they related to each other.
 - Members referred to page 100 of the agenda supplement regarding the Leisure and Culture audit and requested clarification on the statement ‘that site issues are promptly addressed’ in relation to the Peele Leisure Centre.
 - The Internal Audit Team Manager – Assurance Lincolnshire responded that the report gave a summary of the findings but a response from management detailing how this would be addressed, which included a timeline, would be coming forward.
 - Members queried the level of tolerance for Key Controls Housing Rents as stated at page 102 of the agenda supplement.
 - The Assistant Director – Housing responded that the housing benefit system variances were dealt with in real-time. Rather than a tolerance for a variance to occur, the recommendation related to the noting of corrections of variances and this had been implemented.

AGREED:

GOVERNANCE AND AUDIT COMMITTEE -
9 November 2023

That the information detailed within the report be noted.

27. MID TERM TREASURY REPORT 2023/2024

Consideration was given to the report of the Deputy Chief Executive - Corporate Development (S151) which provided members with an update on Treasury Management performance and activity to ensure best practice was maintained.

The Chief Finance Officer (PSPS) introduced the report on behalf of the Interim Treasury and Investment Manager (PSPS) and the following main points were raised:

- The report detailed the treasury position as at 30 September 2023 and had been written in accordance with the requirements of the CIPFA Code of Practice on Treasury Management;
- The Treasury Management function was administered by PSPS on behalf of the Council;
- The regulatory environment placed responsibility on members for the review and scrutiny of treasury management policy and activities on a quarterly basis and the Council had delegated these duties to the Governance and Audit Committee;
- The Mid Term Report 2023/2024 at Appendix A included updates on the following areas:
 - Economics and Interest Rate Forecast;
 - Treasury Management Strategy Statement (TMSS);
 - The Council's capital position;
 - Borrowing;
 - Debt rescheduling;
 - Compliance with Treasury and Prudential Limits;
 - Annual Investment Strategy; and
 - Changes in Risk Appetite; and
- Appendix A1 detailed the following:
 - General Fund Capital Expenditure 2023/2024;
 - Financing of General Fund Capital Expenditure 2023/2024; and
 - Housing Revenue Account Capital Expenditure 2023/2024.

Members considered the report and made the following comments:

- Members thanked the Finance team for their work.
- Members queried the £67.456million HRA debt:
 - Was the interest rate of the loan fixed for the whole

GOVERNANCE AND AUDIT COMMITTEE -
9 November 2023

- period; and
- Had authorities with HRA loans collectively appealed to central government to cancel the debt;
 - The Chief Finance Officer (PSPS) confirmed that the rate was fixed until expiry of the loan period. Enquiries with external advisers were being made to ascertain whether a discount could be obtained if the debt was repaid early; and
 - No appeal had taken place to central government regarding the HRA debt.

AGREED:

- a) That after consideration by the Governance and Audit Committee, the report and treasury activity detailed at Appendix A be noted; and
- b) That the comments of the Governance and Audit Committee be noted and considered by Council at their meeting on 22 November 2023.

28. REGULATION OF INVESTIGATORY POWERS ACT (RIPA) 2000 UPDATE

Consideration was given to the report of the Assistant Director – Regulatory and Senior Responsible Officer (SRO) for RIPA which advised members of any RIPA regulatory activity in the last 12 months and any work needed to ensure arrangements remained up to date and provided assurance that our legal requirements were effectively managed.

The Assistant Director – Regulatory (SRO) presented a verbal summary of the context and main points of the report, which included that:

- RIPA governed the use of covert and directed surveillance by public authorities;
- RIPA also governed how surveillance was used to gather evidence that could be utilised in pursuit of enforcement action;
- No RIPA related activity had taken place in the last 12 months or since the last audit by the Investigatory Powers Commissioners Office (IPCO) in 2017;
- The last audit was undertaken when SHDC had a shared management arrangement with Breckland Council and with whom RIPA related policy and practice was also shared;
- A review of the SHDC RIPA Policy 2017 was now required and this presented an opportunity for the development of a

GOVERNANCE AND AUDIT COMMITTEE -

9 November 2023

single RIPA policy and the sharing of responsible named officers with designated policy roles across the S&ELCP; and

- The Commissioner's Office had been due to conduct a RIPA audit for SHDC in 2023 however this had been postponed to 2024 when a combined audit of all three Councils in the S&ELCP would be undertaken.

Members considered the report and made the following comments:

- Members asked when BBC and ELDC had most recently been audited in respect of RIPA and would any changes to sovereign constitutions be required for the creation of an aligned RIPA policy.
 - The Assistant Director – Regulatory (SRO) stated that a combined audit for BBC and ELDC had taken place in 2020;
 - Alignment of the policy across the partnership would not necessitate amendment to SHDC's constitution; and
 - The revision of the policy sought to ensure common and consistent practices across the partnership which fulfilled the councils' legal obligations and complied with Home Office guidance.
- Members queried the approval timescale should SHDC need to apply to the courts in order to conduct covert surveillance.
 - The Assistant Director – Regulatory (SRO) responded that the approval timescale was subject to an application process which included assessment by a designated officer and approval by the Magistrates Court. As such, the timescale could not be defined; and
 - Non-RIPA surveillance routes would be exhausted prior to any court application however the use of covert surveillance had largely diminished due to the high evidential burden necessary to satisfy judicial approval and the alternative overt surveillance technologies that had become available.
- Members asked for examples of when covert surveillance could/would be used.
 - The Assistant Director – Regulatory (SRO) gave the following examples:
 - Investigations related to fraud such as benefit claims whilst working or single property occupancy claims;

GOVERNANCE AND AUDIT COMMITTEE -

9 November 2023

- Investigation of early presentation of waste; and
- Councils also used non-RIPA governed 'overt' surveillance techniques to encourage changes in behaviours, for example the use of visible CCTV cameras to act as a deterrent at fly-tipping hotspots.

AGREED:

That after consideration by the Governance and Audit Committee, the RIPA 2000 update be noted.

29. GOVERNANCE AND AUDIT ANNUAL REPORT 2022/2023

Consideration was given to the report of the Assistant Director – Governance which asked the committee to note the Governance and Audit Annual Report 2022/2023 prior to its presentation at Council.

The Democratic Services Officer introduced the report and highlighted the following points:

- The Governance and Audit Committee was required to report annually to Council on its work activities undertaken during the previous municipal year;
- The Governance and Audit Annual Report 2022/2023 was at Appendix A and included the following aspects:
 - The role and function of the Governance and Audit Committee;
 - Committee membership for 2022/2023;
 - Meeting dates and summary of work undertaken;
 - Internal and external audit;
 - Governance;
 - Treasury and Accounts;
 - Risk Management; and
 - Training and Development;
- The emergence of the Covid-19 pandemic had seen a pause in the creation of the report over the last few years however this had been reinstated and would be produced annually.

The Assistant Director – Governance made the following comments:

- Thanks were expressed to the Democratic Services Officer who had led on the production of the revised report format. The report format had been rolled-out across the partnership and would be a template for the production of

GOVERNANCE AND AUDIT COMMITTEE -

9 November 2023

the report in future years; and

- The presentation of the Governance and Audit Annual Report 2022/2023 to Full Council sought to raise the profile of the committee's work with all members and enabled observations to be made.

Members considered the report and made the following comment:

- A member was keen to know whether the sign-off date for completed audited accounts had been fixed as this had slipped in the past. The member would seek assurance directly with the Deputy Leader.

AGREED:

That after consideration by the Governance and Audit Committee, the Governance and Audit Annual Report 2022/2023 be noted and recommended to Council.

30. GOVERNANCE AND AUDIT COMMITTEE WORK PROGRAMME

Consideration was given to the report of the Democratic Services Manager which set out the Work Programme of the Governance and Audit Committee.

The Democratic Services Officer introduced the report and updated the committee on the following changes to the Work Programme:

- The 'Audited Financial Statements including Annual Governance Statement 2022/23' and the 'Information Governance Annual Report' had been moved from the 9 November 2023 meeting to the 18 January 2024 meeting; and
- The 'External Audit Plan 2023/2024' item had been moved from the 9 November 2023 meeting to the 14 March 2024 meeting.

Members considered the report and made the following comments:

- Members requested to see advanced copies of draft reports as soon as these could be made available.
 - The Assistant Director – Governance advised the committee that the Risk Management Framework

GOVERNANCE AND AUDIT COMMITTEE -
9 November 2023

would be informally shared with members in advance of the 18 January 2024 Governance and Audit Committee meeting.

AGREED:

That the Work Programme of the Governance and Audit Committee be noted.

31. ANY OTHER ITEMS WHICH THE CHAIRMAN DECIDES ARE URGENT.

There were none.

(The meeting ended at 7.45 pm)

(End of minutes)

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ACTIONS

<u>ACTIONS FROM THE 9 NOVEMBER 2023 GOVERNANCE AND AUDIT COMMITTEE MEETING</u>			
MINUTE NO.		ITEM	RESPONSIBLE OFFICER
23. 23/24		<u>MINUTES</u>	
✓		<p>Members noted that the post titles of officers were included in the attendance section of the minutes and requested to be advised of officer names</p> <p>MINUTED MEETING RESPONSE: It was agreed that the names of attending officers would be emailed to members alongside the minutes.</p> <p>UPDATE: Noted for action</p>	Andrea Tait
26. 23/24		<u>PROGRESS REPORT ON INTERNAL AUDIT ACTIVITY</u>	
✓	(a)	<p>A further update to the Internal Audit Progress Report for November 2023 agenda papers was circulated to members at the meeting and would be appended to the minutes.</p> <p>UPDATE: Noted for action</p>	Andrea Tait
✓	(b)	<p>Members asked whether Internal Audit reports were seen by individual Portfolio Holders.</p> <p>MINUTED MEETING RESPONSE: The Internal Audit Team Manager would check whether audits undertaken in other service areas had been relayed to relevant Portfolio Holders.</p> <p>UPDATE: The updated list of Portfolio Holder responsibilities was forwarded to Internal Audit. Final reports would be circulated to relevant Portfolio Holders.</p>	Matthew Waller
✓	(c)	<p>Members asked when the risk system would be migrated fully to the Pentana system; and requested a glossary of the different systems in use and how they related to each other.</p> <p>MINUTED MEETING RESPONSE: The Business Intelligence and Change Manager responded that risk owners updated the status of their respective risks into either a spreadsheet system or the Pentana system. The dual system ensured that information could be reported by all officers and was not deterred by training or access issues during the introductory phase.</p>	Corey Gooch

ACTIONS

		<p>UPDATE: SHDC system list circulated to Governance and Audit Committee members on 5 December 2023</p>	
*	(d)	<p>Clarification was requested regarding the statement on the Leisure and Culture audit 'that site issues are promptly addressed' in relation to the Peele Leisure Centre.</p> <p>MINUTED MEETING RESPONSE: The Internal Audit Team Manager – Assurance Lincolnshire responded that the report gave a summary of the findings but a response from management detailing how this would be addressed, which included a timeline, would be coming forward.</p> <p>UPDATE: The Internal Audit Team Manager had invited the Assistant Director – Leisure and Culture to attend the 14 March 2024 Governance and Audit Committee meeting to discuss a further leisure highlight report and to answer member questions.</p>	<p>Matthew Waller Phil Perry</p>
30. 23/24		<u>GOVERNANCE AND AUDIT COMMITTEE WORK PROGRAMME</u>	
✓		<p>Members requested that advanced copies of draft reports be circulated to committee members as soon as these could be made available.</p> <p>UPDATE: Noted. The Assistant Director – Governance advised that the Risk Management Framework would be informally shared with the committee in advance of the 18 January 2024 Governance and Audit Committee meeting.</p>	<p>All G&A report authors</p>

		<u>OUTSTANDING ACTIONS FROM PREVIOUS GOVERNANCE & AUDIT COMMITTEE MEETINGS</u>	
34. 22/23		<u>19 JANUARY 2023 DRAFT TREASURY MANAGEMENT POLICY AND TREASURY MANAGEMENT STRATEGY STATEMENT, MINIMUM REVENUE PROVISION POLICY STATEMENT AND ANNUAL INVESTMENT STRATEGY 2023/24</u>	
*		<p>Members queried whether the value/performance of assets were assessed, and a discussion ensued which distinguished between assets, revenue and capital spend.</p>	<p>Sam Knowles</p>

ACTIONS

		<p>MINUTED MEETING RESPONSE:</p> <p>The Assistant Director – Finance stated that to support communication of the details, a budget book would be produced alongside the budget papers and circulated to all members, which presented the net operation cost for each asset function in a granular format.</p> <p>UPDATE:</p> <p>The 2023/24 Budget had been approved by Cabinet and Council and the finance team were in the process of producing a budget book for circulation.</p> <p>Due to capacity issues the booklet had not been produced for 2023/2024 but would be produced for 2024/2025.</p>	
41. 21/22		<p><u>17 MARCH 2022</u></p> <p><u>AUDIT COMMITTEE SELF-ASSESSMENT EXERCISE</u></p>	
*	(a)	<p>Question 4 - Is the role and purpose of the audit committee understood and accepted across the authority?</p> <p>UPDATE:</p> <p>To be considered as part of the training plan being developed.</p>	John Medler and Christine Marshall
*	(c)	<p>Question 18 – Has the Committee obtained feedback on its performance from those interacting with the committee or relying on its work? Feedback would be requested at year end</p> <p>UPDATE:</p> <p>It was noted that Internal Audit would survey: the Chairman of G&A to obtain feedback of the Internal Audit's work; and officers regarding interaction with the Committee.</p>	Matt Waller Internal Audit
*	(d)	<p>Question 15 – Has the membership of the committee been assessed against the core knowledge and skills framework and found to be satisfactory?</p> <p>UPDATE:</p> <p>To be incorporated as part of the Training Plan.</p>	John Medler and Christine Marshall

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REPORT TO:	Governance and Audit Committee
DATE:	18 th January 2024
SUBJECT:	Information Governance Annual Update
PURPOSE:	To advise members in respect to the Council's activity and compliance with Data Protection, Environmental Information Regulation and Freedom of Information requirements.
KEY DECISION:	No
PORTFOLIO HOLDER:	Portfolio Holder for Corporate, Governance and Communications
REPORT OF:	Assistant Director – Governance (Monitoring Officer)
REPORT AUTHOR:	Group Information Manager and Deputy Data Protection Officer
WARD(S) AFFECTED:	N/A
EXEMPT REPORT?	N/A

SUMMARY

The purpose of this report is to provide the Governance and Audit Committee with an update on the Council's activities and compliance in respect of the Data Protection Act 2018, Environmental Information Regulation and Freedom of Information requirements during the previous 12 months.

RECOMMENDATIONS

That the Audit and Governance Committee considers and notes the report.

REASONS FOR RECOMMENDATIONS

To ensure the Committee is informed about Information Governance activity and for members to take assurance that the Council has demonstrated good governance and an organisational commitment to comply with its statutory obligations.

OTHER OPTIONS CONSIDERED

N/A

1. BACKGROUND

- 1.1 The Council's Information Governance framework supports the Council to comply with the General Data Protection Regulations GDPR (UK GDPR), Data Protection Act (DPA) 2018, Freedom of Information Act 2000 (FOIA) and Environmental Information Regulations (EIR). The Council has a statutory obligation to comply with the Information Governance framework by responding appropriately to requests and managing personal data lawfully.
- 1.2 The Data Protection Officer and Information Governance Team provides guidance and support to the organisation by monitoring internal compliance, informing and advising on data protection obligations, providing advice and guidance and raising awareness on data protection matters.

2. REPORT

2.1 Freedom of Information and Environmental Information Regulation

- 2.1.1 During the year the Council's Freedom of Information and Environmental Information Regulation Policy has been redeveloped in alignment with Boston and East Lindsey District Councils. This is has now been signed off by each Council.
- 2.1.2 FOIA/EIR impose a statutory obligation on the Council to respond to requests for information within 20 working days, subject to relevant exemptions.
- 2.1.3 The Council's performance in response to the Freedom of Information Act and Environmental Information Regulation **is below** the ICO "adequate" target of 90% consistently throughout the period. Performance is reported corporately as part of the Council's quarterly performance management arrangements.
- 2.1.4 The Council implemented a section 113 arrangement to address the Freedom of Information Act backlog in December. Since the arrangement the Council response for Freedom of Information Requests is 100%.
- 2.1.5 There has been a **11% increase** in the number of Information Requests at South Holland between December 2021/2022 and December 2022/2023. This is consistent with both the other Councils in the South and East Lincolnshire Councils Partnership.
- 2.1.6 The total number of requests made between December 2022 and December 2023 was **569**. Of these, **15** were for information covered by the Environmental Information

Regulation and 9 requests were either withdrawn, or were requests that were not valid under the Act.

2.1.7 The **575** validated Freedom of Information Request within statutory deadline are displayed in the chart below:

	late	in time	number of requests (validated)	on time
January	16	37	53	70%
February	22	27	59	46%
March	15	27	42	64%
April	1	32	43	74%
May	9	32	43	74%
June	11	32	46	69%
July	20	31	58	53%
August	5	32	44	72%
September	8	31	48	65%
October	15	36	56	64%
November	6	28	38	74%
December	0	45	45	100%

2.1.8 The Council applied redactions and exemptions in accordance with the legislation to 38 requests, in some cases multiple exemptions were applied to a single request:

- 9 requests had elements redacted due to containing personal data.
- 7 requests were redacted for Law enforcement reasons.
- 2 EIR and 3 FOI requests were withheld due to being manifestly excessive in nature.
- 1 was redacted for the protection the environment.
- There was no instances of use of Section 36, which involves the Monitoring Officer exemption of Data in the public interest.
- 2 were withheld/redacted due to Health and Safety concerns.

2.1.9 There was 21 requests refused because the information requested was already published or due to publication of the information in the near future. In most cases the team provided links to the relevant information under its obligation to provide assistance under section 16 of the Freedom of Information Act.

2.1.10 The Code of Practice, issued by the Secretary of State for Constitutional Affairs under Section 45 of the FOIA, requires public authorities to have a procedure in place to deal with complaints in regard to how their requests have been handled. This process is handled by the Information Governance Team as an FOI/EIR internal review.

- The Council received no requests for internal reviews.

2.1.11 After an internal review has been completed an applicant has a right to complain to the Information Commissioner's Office (ICO) for an independent ruling on the outcome. Based on the findings of their investigations, the ICO may issue a Decision Notice. The ICO may also monitor public authorities that do not respond to at least 90% of FOI/EIR requests they receive within 20 working days.

2.1.12 No complaints were referred to the ICO.

2.1.13 The Council can demonstrate a good level of transparency and engagement with its citizens through the Access to Information regulations and our publications under the Transparency agenda by publishing on the website.

2.2 Data Protection

2.2.1 The Data Protection Policy is due for renewal in 2024. There is currently legislation passing through parliament called The Data Protection and Digital Information (No. 2) Bill – after which there will be a requirement to update the Council's Policy and this work will be co-ordinated across the Partnership.

2.2.2 Under the General Data Protection Regulations there is a requirement for the statutory Data Protection Officer to report to the highest level within the organisation. The Council's Leadership Team receives a monthly Information Governance report from its Data Protection Officer or deputy Data Protection Officer.

2.2.3 The Council's management of data protection security incidents is undertaken by the Data Protection Officer, who records, investigates and where necessary, recommends actions to be taken based on the impact risk level.

2.2.4 The level of data breach reporting shows a good understanding of roles/responsibilities in respect to the legal requirement to notify the Data Protection Officer.

2.2.5 There has been a total of 19 data incidents reported to the Data Protection Team since December 2022. Given the number of transactions that South Holland District Council undertake throughout all its services, this is a small incidence of issue. None have resulted in any claim, or harm to an individual. All breaches have been assessed for the impact on the data subject, the risk to the Council and for any learning opportunities.

2.2.6 The GDPR introduced requirements for personal data breaches that meet certain thresholds to be reported to the ICO. One self-reports was made to the ICO during the last year relating to the Community Lottery incident.

2.2.7 The DPA 2018 provides individuals with the right to ask for information that the Council holds about them. These are also known as Subject Access Requests (SARs). The Council should be satisfied about the individual's identity and have enough information about the request. The timescale for responding to these requests is one month, starting on the day of receipt. Authorities can extend the time taken to respond by a further two months if the request is complex or a number of requests have been received from the individual, e.g. other types of requests relating to individuals' rights.

- 2.2.8 There have been 3 completed SARs during the reporting period, the 5 other requests have not been valid. There was one further SAR referred to the ICO due the Council rejecting as unreasonable and vexatious. The ICO upheld our position. There is public confusion with some requests being submitted as a SAR when they are actually FOIs. Where SARs are for service related elements such as Council Tax detail they are dealt with as service requests.
- 2.2.9 There is no requirement for the Council to have an internal review process for SARs. However, it is considered good practice to do so and we offer an opportunity to review. Individuals may complain directly to the ICO if they feel their rights have not been upheld.
- 2.2.10 The Council also receives one-off requests for personal information from third parties including the police and other government agencies. The Information Governance Team maintains a central log that includes exemptions relied on when personal data is shared with third parties. They provide advice and assess whether the Council can lawfully disclose the information or not.
- 2.2.11 The Data Protection Officer supports the Council in understanding the impact of plans, projects and activities on data protection through a process of impact assessments to support decision-making. The Council also has arrangements in place to support the sharing of data where appropriate and the team provide support in the preparation and sign off of data sharing agreements.

3. CONCLUSION

- 3.1 It is essential that the Council continues to monitor and report on its performance in relation to its information governance statutory obligations in order to promote best practice and drive continuous improvement in the Council's ability to comply with the laws relating to information.

3.2 EXPECTED BENEFITS TO THE PARTNERSHIP

N/A

4. IMPLICATIONS

5.1 SOUTH AND EAST LINCOLNSHIRE COUNCILS PARTNERSHIP

- 5.1.1 Information governance requirements are based upon both statute and best practice. The similarities between each Council does allow consolidation of process, skill sharing and in some cases consistency of approach. Information forms a key part of the service delivery, and in some cases understanding of that information is paramount in driving efficiencies and improvement.

5.2 CORPORATE PRIORITIES

None

5.3 STAFFING

None

5.4 CONSTITUTIONAL AND LEGAL IMPLICATIONS

There are no specific legal implications arising out of the recommendations. However, the Council's performance is subject to external scrutiny by the ICO, who have the authority to impose sanctions upon the Council for non-compliance. The monitoring and reporting on the outcomes of ICO complaints represents good practice and promotes good governance and service improvement.

5.5 DATA PROTECTION

Details are included in the report.

5.6 FINANCIAL

No instances of liability have been incurred through non adherence to statutory requirements.

5.7 RISK MANAGEMENT

Identified risks through the Data Protection Impact Assessments are passed to operational risk registers.

5.8 STAKEHOLDER / CONSULTATION / TIMESCALES

None

5.9 REPUTATION

None

5.10 CONTRACTS

None

5.11 CRIME AND DISORDER

Assurance of our support for other lawful agencies in the sharing of information by managing the information effectively.

5.12 EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING

Data Protection legislation is intrinsically linked with the convention on Human Rights.

5.13 HEALTH AND WELL BEING

None

5.14 CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

Take assurance that the delivery of Environmental Information supports the transparency of this Council in respect of the wider climate change agenda.

5.15 LINKS TO 12 MISSIONS IN THE LEVELLING UP WHITE PAPER

None

5. ACRONYMS

ICO	Information Commissioners Office
DSAR or SAR,	(Data) Subject Access Request
DPA 2018	Data Protection Act 2018
EIR	Environmental Information Regulation 2004
GDPR	General Data Protection Regulations
FOI or FOIA	Freedom of Information Act 2000

APPENDICES

None

BACKGROUND PAPERS

No background papers as defined in Section 100D of the Local Government Act 1972 were used in the production of this report

CHRONOLOGICAL HISTORY OF THIS REPORT

This report has not previously been considered by a Council

REPORT APPROVAL

Report author:	Richard Steele: Richard.steele@boston.gov.uk
Signed off by:	John Medler, Assistant Director for Governance and Monitoring Officer
Approved for publication:	Councillor Astill

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REPORT TO:	Governance and Audit Committee
DATE:	18 January, 2024
SUBJECT:	Risk Management Framework
PURPOSE:	To review a revised Risk Management Framework
KEY DECISION:	No
PORTFOLIO HOLDER:	Councillor Jim Astill – Corporate, Governance and Communications
REPORT OF:	John Medler, Assistant Director – Governance
REPORT AUTHOR:	Corey Gooch – Business Intelligence and Change Manager
WARD(S) AFFECTED:	All
EXEMPT REPORT:	No

SUMMARY

This report brings forward a Risk Management Framework to ensure a consistent approach across the three Councils. This is based on good practice and feedback from internal audit.

RECOMMENDATIONS

That the Risk Management Framework at Appendix A be supported and recommended to the Cabinet for adoption.

REASONS FOR RECOMMENDATIONS

To provide an aligned and consistent approach to risk management at South Holland District Council focused on best practice across the Partnership.

OTHER OPTIONS CONSIDERED

Do nothing. It has already been agreed by Councillors, via the Annual Delivery Plan, that a Risk Management Framework for the Partnership should be developed for consideration. As such, this option was discounted.

1. INTRODUCTION

- 1.1. When the South & East Lincolnshire Councils Partnership formed in October 2021, the Partnership Business Case identified opportunities for collaboration between the Partnership Councils, including the alignment of policies where appropriate.
- 1.2. In the 2023/24 Annual Delivery Plan, approved by Council in March 2023, an action was identified to draft a Risk Management Framework which can be applied across the partnership for consideration. Aligning the format and reporting process for risks across the three sovereign Councils will ensure that risk management continues to be efficient and effective across the Partnership.
- 1.3. This report brings forward the Risk Management Framework for consideration.

2. REPORT

- 2.1. A Risk Management Framework has been drafted for the council at Appendix A.
- 2.2. The Framework aligns risk management good practice from all three Councils and across the sector.
- 2.3. As part of the recent internal audit of risk, our internal auditors reviewed the draft and suggested improvements to wording and formatting which have been incorporated into the final document.

3. CONCLUSION

Whilst there will always be sovereign risks and registers of these risks to each council, an aligned Risk Management approach is a natural next step for the Partnership to ensure a consistent approach and to incorporate good practice.

The Framework will support the Council to manage its services in an effective and efficient manner and to ensure good governance is in place.

EXPECTED BENEFITS TO THE PARTNERSHIP

A Partnership approach has been agreed for 2023/24.

IMPLICATIONS

SOUTH AND EAST LINCOLNSHIRE COUNCILS PARTNERSHIP

A Partnership approach has been agreed for 2023/24.

CORPORATE PRIORITIES

Whole report

STAFFING

None specific to this report.

CONSTITUTIONAL AND LEGAL IMPLICATIONS

None specific to this report.

DATA PROTECTION

None specific to this report.

FINANCIAL

None specific to this report.

RISK MANAGEMENT

Whole report

STAKEHOLDER / CONSULTATION / TIMESCALES

Consultation with SLT and Internal Audit.

REPUTATION

None specific to this report.

CONTRACTS

None specific to this report.

CRIME AND DISORDER

None specific to this report.

EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING

None specific to this report.

HEALTH AND WELL BEING

None specific to this report.

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

None specific to this report.

APPENDICES

Appendices are listed below and attached to the back of the report: -

APPENDIX A	Risk Management Framework
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BACKGROUND PAPERS

No background papers as defined in Section 100D of the Local Government Act 1972 were used in the production of this report.

CHRONOLOGICAL HISTORY OF THIS REPORT

Name of body	Date
Audit & Governance Committee	18 January, 2024
Cabinet	13 February, 2024

REPORT APPROVAL

Report author:	Corey Gooch – Business Intelligence and Change Manager
Signed off by:	John Medler – Assistant Director – Governance
Approved for publication:	Councillor Jim Astill – Corporate, Governance and Communications



DRAFT RISK MANAGEMENT FRAMEWORK

South Holland District Council

[Abstract](#)

This policy sets out the South Holland District Council's commitment to managing risk. It states the principles that will be followed for implementing effective risk management and provides an overview of the anticipated benefits in taking this approach to risk management.

SOUTH HOLLAND DISTRICT COUNCIL
Risk Management Policy

<i>Policy Review Date</i>	
<i>Review Cycle</i>	<i>4 Year</i>
<i>Next Policy Review Date</i>	
<i>Final Panel for Approval</i>	<i>Cabinet</i>

Introduction

A risk can be defined as **“An uncertain event or set of events that, should it occur, will have an effect on the achievement of objectives. A risk is measured by a combination of a perceived threat or opportunity and the magnitude of its impact on objectives¹”**.

Every aspect of Council work involves some risk, there is an increasing expectation that risk needs to be managed well, to cut waste and inefficiency, and reduce unanticipated problems. Successful organisations are not afraid to take risks; unsuccessful organisations take risks without understanding them. Making the most of opportunities to improve public services, involves some amount of risk taking.

This policy and the accompanying risk management process guide take account of the Management of Risk (M_o_R)¹ Best Management Practice Guide from the Cabinet Office and the principles of the international standard for risk management. Implementation of these principles and the risk management framework will ensure that the Council achieves excellence in the approach to the management of risk.

Risk is unavoidable. It is an important part of life that allows us all to move forward and develop. The Council’s overriding attitude to risk is to operate in a culture that is open to all potential options in which all risks are identified, understood and proportionately managed, rather than avoided. Risk management therefore needs to be taken into the heart of the Council with councillors and officers at all levels recognising that risk management is part of their role within the council. We need to have the structures and processes in place to ensure the risks and opportunities of daily Council activities are identified, assessed and addressed in a standard way. We do not shy away from risk but instead seek to proactively manage it. This will allow us not only to meet the needs of the community today, but also be prepared to meet future challenges.

¹ M_o_R is a Registered Trade Mark of the Cabinet Office.

The Principles and Objectives of Risk Management

The following general principles of risk management activities will be applied across the authority:

1. ALIGNS WITH OBJECTIVES

Risk management aligns continually with organisational and partnership focused objectives.

2. FITS THE CONTEXT

Risk management is designed to fit the current context.

3. ENGAGES STAKEHOLDERS

Risk management engages stakeholders and deals with differing perceptions of risk.

4. PROVIDES CLEAR GUIDANCE

Risk management provides clear and coherent guidance to stakeholders.

5. INFORMS DECISION MAKING

Risk management is linked to and informs decision-making across the organisation

6. FACILITATES CONTINUAL IMPROVEMENT

Risk management uses historical data and facilitates learning and continual improvement

7. CREATES A SUPPORTIVE CULTURE

Risk management creates a culture that recognises uncertainty and supports considered risk-taking.

8. ACHIEVES MEASURABLE VALUE

Risk management enables achievement of measurable organisational value.

Risk Management

In carrying out its objectives the Council faces internal and external factors that make the successful achievement of our objectives uncertain. Risk arises because our objectives are pursued against this uncertain background.

As risk is very much concerned with the achievement of our objectives, the management of risk is closely linked to the creation of our corporate, business, project and partnership plans and objectives. Risk is implicit in the decisions that the Council makes and how we make those decisions will affect how successful we are in achieving our objectives.

The risk management framework will be fully integrated with the normal business and performance management frameworks across the authority.

Risk Governance Levels

The Council manages risk at three governance levels – strategic, operational and programme/project management, each having their own risk management responsibilities.

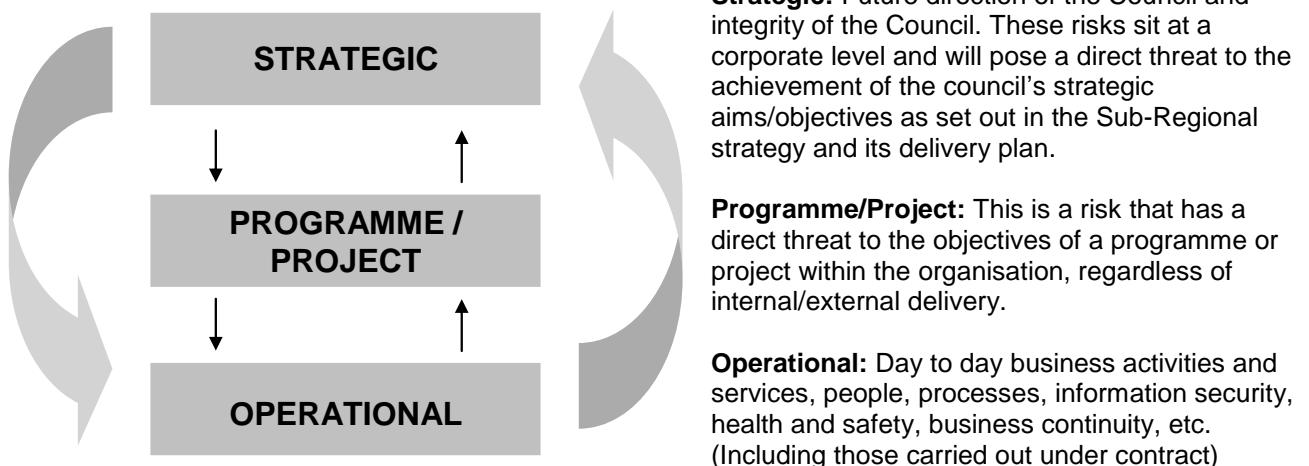


Figure 1 – The different governance levels of risk within the organisation

NB: Partnership governance arrangements will have their individual specific agreements that may involve the Council managing the performance and risk on behalf of the Partnership or may involve the Council participating in an externally managed process.

Benefits of Risk Management

Effective risk management and strategy delivers benefits to individual services and the Council as a whole. The key benefits include:

- A better, more informed, decision-making process.
- The ability to manage the process of achieving objectives.

By delivering enhanced risk management practice and adhering to the above principles, we expect the following benefits to be realised:

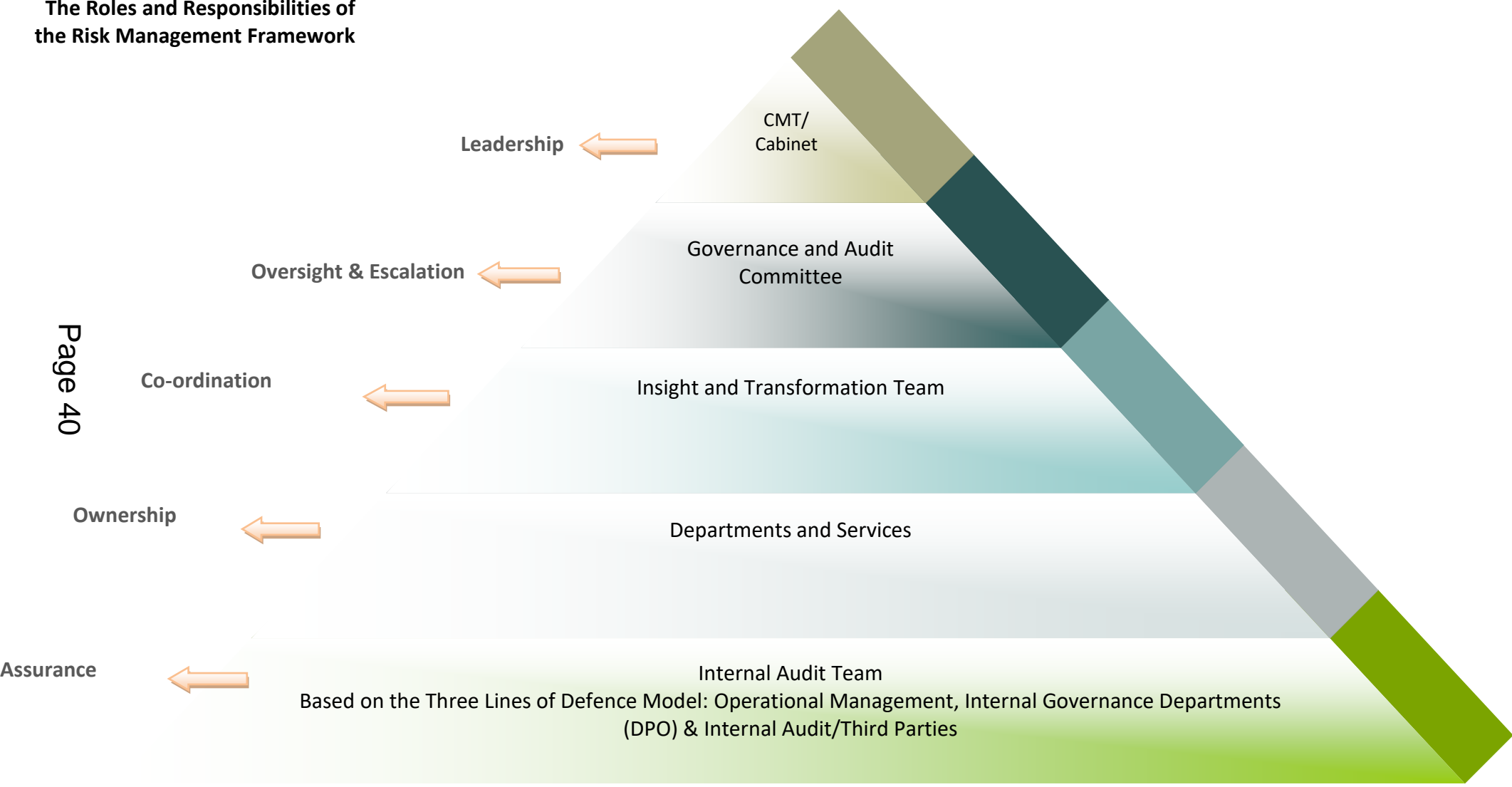
- Clear focus on objectives
- Established and reliable basis for decision making and planning.
- Increased likelihood of achieving our objectives
- More robust assessment of opportunities
- Improved business planning through risk-based decision making.
- Improved governance
- Improved controls
- Enhanced stakeholder confidence and trust
- Enhanced performance through an integrated approach
- Effective allocation and use of resources for risk treatment
- Improved organisational resilience.

Roles and Responsibilities

To implement the framework specific roles and responsibilities have been identified. All members, managers, officers, and partners must understand the nature of risk and accept responsibility for managing those risks associated with their area of activity. The key roles for the councils risk management framework is demonstrated in the table below.

The Roles and Responsibilities of the Risk Management Framework

Page 40



CMT/Cabinet

As the political and corporate leaders of the organisation both parties are responsible for driving and embedding risk as part of the organisations culture promoting and practicing risk management throughout the Council as part of usual activities and the sharing of best practice and experience between services. CMT/Cabinet key tasks are:

- to own and assure adherence to the risk management policy
- to validate the review of the risk management policy and associated documentation
- to agree a risk appetite score for the council
- to identify strategic risks which are likely to have a significant negative or positive impact on the achievement of the council's objectives and monitor and update these risks on a regular basis
- individual members of CMT will be responsible for developing action plans for the strategic risks identified and establishing measures of their performance
- to review the risk implications identified for all reports before going to Council, Cabinet or other relevant committees
- work with Cabinet members to identify the risk appetite for the Council.
- to prioritise the implementation of risk improvement measures for strategic risks in terms of significance to the council, against available resources
- to make recommendations for the treatment of strategic risks above the council's risk appetite
- to review proposed recommendations for the treatment of operational risks above the council's recognised risk appetite
- building a corporate culture of risk awareness within the council
- encouraging staff to be open and honest in identifying risks or opportunities
- to review risk management arrangements across the council ensuring the risk management process is part of all major projects, partnerships, contracts and change management initiatives

Governance and Audit Committee

The Governance and Audit Committee is responsible for reviewing the effectiveness of the systems and processes in place for managing risk. Governance and Audit Committee members have a responsibility to understand the strategic risks that the Council faces and will be made aware of how these risks are being managed through the annual strategic and service planning process.

The Governance and Audit Committee key tasks are:-

- reviewing the risk management policy and associated documentation in line
- review, support and monitor the implementation and ongoing processes for identifying and managing the Council's risks
- receive reports on a regular basis on the management of the risks identified in the strategic risk register and exceptions reported from the operational risk register
- review and comment on proposed recommendations for risk treatment measures for risks above the Council's recognised risk appetite (red status)
- make recommendations to Cabinet if changes are needed to improve risk management

Insights and Transformation Team

The Insights and Transformation team will work closely with the Designated Risk Officer supporting CMT and the managers in championing risk management and driving its implementation within the Council.

Key tasks are:

- ensuring the risk management policy is implemented.
- support and advise CMT and managers.
- review and update the risk management policy and framework and submit to CMT and Governance and Audit Committee for their review.
- co-ordinate the ongoing identification of strategic and operational risks with CMT and service managers
- report monitoring information including significant control failings or weaknesses and quality of management's ongoing monitoring of risks on a regular basis
- establish any links between operational and strategic risk registers and action plans and ensure consistency of approach.
- co-ordinate the monitoring of progress action plans (both strategic and operational) that have been put in place to manage risks.
- co-ordinate risk management training when required.
- to research, attend risk management conferences/seminars, identify best practice in risk management, to provide guidance and support on introducing risk management measures and techniques, and assist with promoting best practice.
- maintaining internal risk management information and material resources up-to-date with best practice
- working with the SIRO/DPO to review risks to data and information

Managers

(A manager is used here generically as someone who leads a service irrespective of formal title)

Managers will demonstrate their commitment to risk management within their services through: -

- identifying operational risks which are likely to have a significant negative or positive impact on service delivery and/or on the achievement of the Council's aims/priorities
- prioritising the implementation of risk improvement measures for operational risks in terms of significance to the service, against available resources
- individual managers will be responsible for developing action plans for service risks identified and establishing measures of their performance
- monitoring and updating owned risks on a regular basis
- encouraging staff to be open and honest in identifying risks or missed opportunities
- ensuring the risk management process is part of all major projects, partnerships, contracts and change management initiatives within their service areas
- producing reports to CMT with recommendations for the treatment of service risks above the council's approved risk appetite (red status)

- attend risk management training when required
- promoting risk awareness within own service area as key part of the council's culture and providing risk advice and support to staff within their service areas.

All Staff

All staff will need to understand their role in the risk management process and why they should be concerned with risk in order to achieve their aims/objectives. They need to know how to evaluate risks and when to accept the right risks in order to pursue an opportunity. To do this staff will need to have an understanding of the different risk management techniques available to use and when to use them.

It is important that all staff recognise that they share responsibility for embedding a risk management culture into the heart of the council by ensuring that risk management becomes an integral and natural part of the way they work. This involves staff incorporating risk management into core business processes such as service planning, project management, performance, decision making, policy making and partnership working within their service areas. By embedding an effective risk management culture, the council is able to demonstrate value for money gains, long term sustainability, effective decision making and leadership, and how it supports innovation. Therefore, all staff will need to recognise and understand the contribution they make and be proactive in supporting and driving a culture of well-managed risk taking.

Internal Audit

The role of internal audit is to provide independent assurance that an organisation's risk management, governance and internal control processes are operating effectively.

Key tasks are:

- Evaluate and improve the effectiveness of governance, risk management and control processes.
- Provides members and senior management with assurance that helps them fulfil their duties to the organisation/stakeholders and residents.

Key Components of Risk Management

Risk Management Process

The risk management process is set out in this policy and describes how risks are identified and assessed, resulting in each risk having a final risk rating.

Risk Appetite

This is the level of risk the council is willing to “tolerate” to meet its objectives. The Cabinet will work with the senior leadership team to define a risk appetite level. This will set a tolerance for any strategic or operational risks that are rated above a certain score to be viewed as unacceptable in the first instance and must be “treated” with Corporate Management Team involvement. At this stage some form of *cost / benefit analysis* may be needed to ensure that the cost of further risk mitigation action does not outweigh the cost of tolerating or accepting the risk. CMT will determine in the overall context of pursuing corporate objectives, the evidence as to the merits of any risk treatment, or ultimately to accept a “High” rated risk and keep it under continuous review.

Procedure for Escalation and Delegation

All operational, programme and project risks rated “Medium/Low” remain in the delegated responsibility of the relevant risk owner, e.g., manager, or programme/project sponsor.

All operational, programme and project risks rated “Critical” (red status) and/or where additional control measures need approval, or delegated authority is required in order to effectively manage risk, will be escalated to CMT. If it becomes appropriate, for example due to an increased impact affect on the Council, any risk may be escalated to strategic level to ensure it receives the relevant attention and support.

Risk Reporting

Risk reporting takes place at various governance levels across the Council. The Governance and Audit Committee has responsibility for overseeing the work of the internal and external audit functions of the Council and provides independent assurance of the effectiveness of governance arrangements, risk management and financial management processes. All strategic risks will be reported to the Governance and Audit Committee on a quarterly basis, in order that they can review the effectiveness of the management of the authority’s strategic risks. The Insights and Transformation Team will review risks on a regular basis with all risk owners to ensure that the identified control measures and mitigation plans continue to remain effective. Risk updates will be provided to the Governance and Audit Committee and Corporate Management Team as necessary.

The table below sets out the way in which the different governance levels of risk will be monitored and reviewed:

What	Why	Who	When
Partnership Risk Registers	To monitor progress of risk treatments and to add or remove risks from the register.	Partnership boards	As agreed by the Partnership boards.
Strategic Risk Registers	To monitor progress of risk treatments and to add or remove risks from the register	Corporate Management Team/ Cabinet	Quarterly
Programme / Project Risk Registers	To monitor progress of risk treatments and to add or remove risks from the register. To escalate existing risks if necessary.	Programme & Project Sponsors	As agreed by the relevant Programme / Project boards
Operational Risk Registers	To monitor progress of risk treatments and to add or remove risks from the register. To escalate existing risks if necessary.	Service Management	Monthly

Risk Training

It is important to provide Members and staff with the knowledge and skills necessary to enable them to carry out their duties competently.

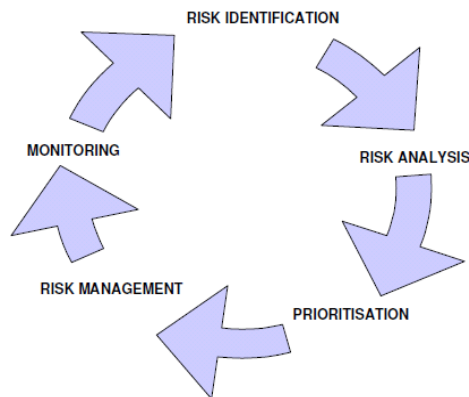
Training requirements fall into 3 broad categories:

1. **General Awareness** – all members and staff need a general awareness of what risk management is and how the Council aims to manage risk effectively.
2. **Corporate Responsibility** – those with corporate responsibility under the framework need to fully understand what those responsibilities are and how they should fulfil them.
3. **Actively Managing Risk** – Those responsible for actively managing risks need the appropriate skills and knowledge to use the tools at their disposal.

Performance Management

Risk management and performance are closely aligned, as risk management encompasses managing uncertainties and the impact this will have on the achievement of objectives. Risk reporting is an integral part of the council's governance system.

The risk management cycle



Risk identification

This stage involves identifying the risks that could have an impact on the achievement of objectives. Techniques which can be used to identify risks include:

- workshops with team members
- discussion/review sessions
- questionnaires/surveys
- process mapping
- comparisons with other organisations/internal departments
- discussions with peers

There are numerous different types of risks that the Council may face. To ensure that a holistic approach to risk identification is taken and that the risk process does not just concentrate on financial risks the following checklist of risk types/drivers should be considered when identifying risks.

• Political	• Customer / citizen	• Fraud
• Economic	• Managerial / professional	• Competitive
• Social	• Financial	• Reputational
• Technological	• Legal	• External changes
• Legislative / Regulatory	• Partnership / contractual	• Changes to internal arrangements
• Environmental	• Physical	• Global

Describing the risk fully is vital to ensuring that it is properly understood, and relevant actions are taken to manage it. To assist this the following are recorded on the risk register for each risk:

- Risk Description – A short description of the risk. Typical phrases include *Risk of... Failure to... Failure of... Lack of... Loss of... Uncertainty of... Delay in... Inability to... Inadequate... Partnership with... Development of... Opportunity to... Damage to...*
- Risk Causes - Why might the risk happen? There can be immediate causes of a risk and underlying causes. A typical “cause” sentence is: “Because we do not have ... because financial pressures mean ... because we have no expertise ... etc.” Describing this thoroughly will make it easier to identify current mitigations and future actions
- Risk Impact/Implications - What the consequences might be if the risk were to occur? In other words, answer the “so what?” question. Consider both immediate effects and future effects. This will give a better sense of the impact of the risk and whether or not action is required.

Once identified, the risk is recorded in a ‘Risk Register’. A risk owner must be allocated and recorded against each risk on the risk register. Such accountability helps to ensure ‘ownership’ of the risk is documented and recognised. A risk owner is defined as a person with the accountability and authority to effectively manage the risk. At this stage there may well be a long list of possible risks. The next step will help to assess these in order of importance.

Risk analysis

To ensure resources are focused on the most significant risks, the Council’s approach to risk management is to assess the risks identified in terms of both:

- Current risk likelihood - How likely is the risk to occur? and
- Current risk impact - What are the impacts of the risk?

To ensure that a consistent scoring mechanism is in place across the Council, risks are assessed using the agreed criteria for likelihood and impact detailed in Tables 2 and 3.

A risk may have multiple impacts; in these cases, the highest scoring impact should always be utilised to generate the risk score.

Existing actions, which are helping to minimise the likelihood and/or impact of the risk occurring, are identified for each risk and taken into account when scoring the risk. These actions are specifically those in place or completed.

Unless it is a new area of activity it is likely that some action will already be undertaken to manage identified risks. Details of mitigations that are in place to manage the risk should be recorded in the risk register with an owner.

The following is recommended when reviewing or considering a risk

- Consider whether the risks are still valid.
- Ensure the risks are the “live” issues facing the Organisation;
- Identify any new risks to propose for inclusion, either as a result of escalation from operational level or entirely new;
- Review the trigger indicators and whether any circumstances have materialised which impact on the risk rating;
- Ensure the Risk Owner is correctly identified;
- Ensure that the cause and effect of the risk are clearly identified;
- Assess the triggers and indicate whether each one is distant, imminent or has been reached;
- Provide likelihood and impact ratings for inherent risk if required;
- Review the mitigating actions to ensure that they are SMART, in particular, clearly identify a target date for each mitigating action;
- If the mitigating action is an ongoing control issue, consider rewording this to reflect any action you will be taking in relation to this;
- Only include key mitigating actions (ideally a maximum of 5);
- Provide probability and impact ratings for residual;
- Set direction of travel for each risk. This can either be increasing, static or reducing.
- Consider whether the risk remaining after mitigating actions is within the stated risk appetite and select any further management action;
- Complete a short narrative on the current status of the risk including off-track mitigating action, direction of travel of the risk over the following 3 months and proposed action if residual risk is beyond risk appetite in that area.

Risk Response

The risk appetite for an organisation will dictate the most appropriate response to control each risk. Risk appetites are defined by the Cabinet and the Corporate Management Team.

Each response to risk is categorised into one the 4Ts of risk control:

- Terminate – rarely, we may be able to stop doing the activity altogether and thereby remove the risk altogether
- Tolerate – accept the risk and live with it because it is within our risk appetite and the cost of mitigating action would outweigh the benefits
- Transfer – move all or part of the risk to a third party or through insurance; however, sometimes accountability remains, particularly with a Council, so caution is advised
- Treat - take action to control the likelihood and/or impact and set a target to move the risk to within the risk appetite once the action has been implemented

Those risks within the risk appetite are generally acceptable and require no further intervention. However, they should still be documented and monitored to ensure they do not move beyond the risk appetite in the future. Those risks beyond the risk appetite require mitigation.

Any existing mitigating actions should be challenged to see if they are appropriate and then any extra or alternative actions should be considered. Should the risk be avoided, eliminated, reduced, transferred or accepted?

It is important to make sure that any action taken is appropriate to the risk and not to take action for the sake of it. A cost benefit analysis may be needed to help to achieve the right balance.

It also helps to be clear about exactly what is being treated – cause, consequence, likelihood, impact or a combination.

Control actions should always be SMART – Specific, Measurable, Achievable, Realistic and Time-bound.

Review cycles will depend largely on the level of risk with high-risk areas being reviewed more frequently than lower risk areas. Reviews may also be triggered by changes in circumstance, as risks do not remain static.

Opportunity

Risk management is the process for effectively identifying, evaluating, prioritising and mitigating the risks. Effectively managing our risks means that we can maximise opportunities and minimise the costs and disruption to the Council caused by undesired events.

Table 2: Scoring risk likelihood

Likelihood score	1	2	3	4	5
Definition	Rare	Unlikely	Possible	Likely	Almost certain
Description	This risk would occur only in rare / particular circumstances	The risk is technically possible, but an occurrence is not foreseeable in the medium-long term	The risk is a real possibility but the likelihood of an occurrence in the short-medium term is small	The risk is probably going to occur at some point in the medium term, possibly sooner	The risk is expected to occur imminently / regularly
Timeframe	Will occur at some point in the next 10 or more years	Will occur at some point in the next 3-10 years	Will occur at some point in the next 1-3 years	Will occur at some point within the year	Will occur at some point in the next few months
Probability	10% or less	Between 10-30%	Between 30-50%	Between 50-85%	85% or more

Table 3: Scoring risk impact

Impact score	1	2	3	4	5
Title	Minimal	Low	Medium	High	Critical
Reputation risk	Individual complaint raised	Multiple complaints	Negative local press coverage for one day, increased complaints for more than one week	Negative national press coverage for one day, ongoing negative local coverage	Negative national press coverage over several days. Public criticism from MP, LGA, County Council or national service body
Financial risk	Up to £10,000	£10,000-£50,000	£50,000-£250,000	£250,000-£500,000	Over £500,000
Service Delivery/Operations risk	Individual members of staff having work disrupted	Multiple members of staff unable to work	Total service outage for one day or less	Total service outage for several days	Total service outage for more than a week
Environmental risk	Immediately remedied damage in an isolated area	Easily remedied damage in an isolated area	Short term damage in an isolated area requiring partners assistance	Damage requiring special budget provision to rectify	Major or widespread damage requiring central government assistance
Health and Safety risk	People engaging in hazardous activities without awareness	Individual receives minor injuries	Multiple people receive minor injuries	Individual serious injury	Multiple people seriously injured, individual loss of life

Risk prioritisation

The combination of risk likelihood and risk impact is then plotted onto a Risk Scoring Matrix to provide an overall Risk Score.

Risk Scoring Matrix

Risk Scoring Matrix						
Impact	Critical	5	10	15	20	25
	High	4	8	12	16	20
	Medium	3	6	9	12	15
	Low	2	4	6	6	10
	Minimal	1	2	3	4	5
	Rare	Unlikely	Possible	Likely	Almost certain	
	Likelihood					

The risk score indicates the action required to be taken by risk owners to manage the risk as indicated below:

Final Risk scoring	Colour
Minimal Risk	Green
Low Risk	Light Green
Medium Risk	Yellow
High Risk	Orange
Critical Risk	Red

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REPORT TO:	Governance and Audit Committee
DATE:	18 January 2024
SUBJECT:	Co-opted Independent Member representation on the Governance and Audit Committee
PURPOSE:	To consider Co-opted Independent Member representation on the Governance and Audit Committee
KEY DECISION:	N/A
PORTFOLIO HOLDER:	N/A
REPORT OF:	John Medler, Assistant Director for Governance and Monitoring Officer
REPORT AUTHOR:	John Medler, Assistant Director for Governance and Monitoring Officer
WARD(S) AFFECTED:	N/A
EXEMPT REPORT?	No

SUMMARY

This report details that CIPFA best practice recommends that Local Authority Audit Committees should contain at least 2 Co-opted Independent Members. Accordingly this report seeks the support of the Committee to recommend to Full Council that the Committee's membership be amended to include up to 2 Non-Voting Co-opted Independent Members.

RECOMMENDATIONS

That the Governance and Audit Committee considers the attached report and recommends to Full Council:

1. That the membership of the Governance and Audit Committee be amended to include up to two Non-Voting Co-opted Independent Members and that appointments to these positions be delegated to the Governance and Audit Committee, with each appointment (including any re-appointments) to be for a term of up to 4-years.

REASONS FOR RECOMMENDATIONS

The recommendation recognises best practice guidance and will assist the Governance and Audit Committee to co-opt Independent Members that bring independence, expertise and skills to support the important work of the Committee.

OTHER OPTIONS CONSIDERED

Retain the existing committee membership or recommend an alternative number of co-opted independent members for inclusion on the Committee.

1. BACKGROUND

1.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) Good Practice Guidance for Audit Committees in Local Government identifies that the co-option of independent members is beneficial to an Audit Committee.

1.2 The guidance highlights that the injection of an external view can often bring a new approach to committee discussions including:

- bringing additional knowledge and expertise to the committee
- reinforcing the political neutrality and independence of the committee
- maintaining continuity of committee membership where membership is affected by the electoral cycle.

1.3 A Local Government Association Peer Review undertaken in July 2023 also considered governance within the Authority following which it was supported that the Authority should consider whether the Governance and Audit Committee would benefit from increased Lay Member representation.

2. Report

2.1 Whilst there is no legislative requirement to include Co-opted Independent Members, CIPFA's Position Statement 2022 recommends that each local authority audit committee should include at least two Co-opted Independent Members to provide appropriate technical expertise. The CIPFA Position Statement is supported by The Department for Levelling Up, Housing and Communities and the Home Office.

2.2 The Council's Constitution currently doesn't provide for Co-opted Independent Member representation on the Governance and Audit Committee. Accordingly this report seeks the support of the Committee to recommend to the Full Council that the Committee's membership be amended to include up to two Non-Voting Co-opted Independent Members (in accordance with local government law, such co-opted members will not have voting rights).

2.3 Furthermore it is recommended that Full Council be asked to delegate the appointment of Co-opted Independent Members to the Committee, each appointment (including any re-

appointments) to be for a term of up to 4 years. This will support the Committee to make timely appointments.

2.4 If the recommendation is supported by the Committee and approved by the Full Council a further report will be presented to the Committee to initiate a recruitment process.

3. CONCLUSION

3.1 The recommendation within the report recognises national best practice and is aimed at further benefitting the work of the Committee.

EXPECTED BENEFITS TO THE PARTNERSHIP

None

IMPLICATIONS

SOUTH AND EAST LINCOLNSHIRE COUNCILS PARTNERSHIP

The Audit and Governance Committee Memberships at Boston Borough Council and East Lindsey District Council each include provision for the appointment of 2 Co-opted Independent Members (Lay Members). The recommendations within this report would align this Council's arrangements with those in the Partner Councils within the South and East Lincolnshire Councils Partnership.

CORPORATE PRIORITIES

None

STAFFING

None

CONSTITUTIONAL AND LEGAL IMPLICATIONS

As set out in the report.

DATA PROTECTION

None

FINANCIAL

Co-opted Independent Members would be able to claim travel and subsistence allowance in line with the Authority's agreed Members' Allowances Scheme. Some authorities provide a small allowance to Co-opted Independent Members to support them in their role, the Independent Remuneration Panel would be asked to provide a recommendation on whether a Co-optee Allowance should be paid for this role.

RISK MANAGEMENT

The recommendations reflect CIPFA good practice guidance for Governance and Audit Committees.

STAKEHOLDER / CONSULTATION / TIMESCALES

None

REPUTATION

The recommendations reflect CIPFA good practice guidance for Governance and Audit Committees.

CONTRACTS

None

CRIME AND DISORDER

None

EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING

None

HEALTH AND WELL BEING

None

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

None

LINKS TO 12 MISSIONS IN THE LEVELLING UP WHITE PAPER

None

ACRONYMS

CIPFA - Chartered Institute of Public Finance and Accountancy

APPENDICES

None

BACKGROUND PAPERS

Background papers used in the production of this report are listed below: -

1. CIPFA's Position Statement: Audit Committees in Local Authorities and Police 2022 – available via <https://www.cipfa.org/services/support-for-audit-committees>
2. CIPFA's Audit Committees: Practical Guidance For Local Authorities And Police (2022 Edition)

CHRONOLOGICAL HISTORY OF THIS REPORT

None

REPORT APPROVAL

Report author:	John Medler, Assistant Director – Governance & Monitoring Officer
Signed off by:	John Medler, Assistant Director – Governance & Monitoring Officer
Approved for publication:	Councillor Allan Beal, Chairman of the Governance and Audit Committee

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REPORT TO:	Governance and Audit Committee
DATE:	Thursday 18 January 2024
SUBJECT:	Governance and Audit Committee Work Programme
PURPOSE:	To set out the Work Programme of the Governance and Audit Committee
KEY DECISION:	N/A
PORTFOLIO HOLDER:	Portfolio Holder for Corporate, Governance and Communications, and Portfolio Holder for Finance, Commercialisation, UKSPF and Levelling Up
REPORT OF:	Democratic Services Manager
REPORT AUTHOR:	Andrea Tait – Democratic Services Officer
WARD(S) AFFECTED:	N/A
EXEMPT REPORT?	No

SUMMARY

This report sets out the Work Programme of the Governance and Audit Committee and recommends that the Committee considers the Work Programme and identifies any additional items to be added to the Programme.

RECOMMENDATIONS

That the Committee gives consideration to the content of this report and identifies any issues for discussion.

REASONS FOR RECOMMENDATIONS

To allow Committee members to feed into the Work Programme on a regular basis, to ensure that it stays relevant and up to date.

OTHER OPTIONS CONSIDERED

1. BACKGROUND

- 1.1 The Governance and Audit Committee regularly considers a variety of reports from Internal Audit, External Audit and the Section 151 Officer.
- 1.2 Many of these reports are considered at regular intervals, the majority being annually, half-yearly or quarterly.
- 1.3 In addition to these reports, the Committee also considers issues on an ad-hoc basis with some reports arising from consideration of items at previous meetings.

2. REPORT

- 2.1 Attached at Appendix A to this report is the Work Programme for the Governance and Audit Committee. It lays out the meeting dates for the 2023/24 municipal year. Alongside each of these meeting dates are issues considered by the Committee on a regular basis together with the author of the report, its purpose and whether it is mandatory, and the frequency with which it is considered.
- 2.2 It has been agreed that this Work Programme be a regular item for consideration on the Committee's agenda, thus creating a formal document laying out the work of the Committee in a clear, structured, and organised way.
- 2.3 The attached document contains items considered on a regular basis, and also any ad hoc issues as and when they arise, for example, issues raised at a meeting to be covered at a future meeting, and any one-off issues.
- 2.4 Attached at Appendix B is a schedule of training that has been undertaken since 2019, and a list of suggested future topics for training. This was considered at the meeting of the Committee on 17 March 2022, and will continue to be attached to this report for information, and to monitor progress.

3. CONCLUSION

- 3.1 It is hoped, that in presenting the information to the Committee, and by having the report as a standing item on the agenda, it will allow Committee members to feed into the Work Programme on a regular basis, to ensure that it stays relevant and up to date.

4. EXPECTED BENEFITS TO THE PARTNERSHIP

- 4.1 The Work Programme is a formal document laying out the work of the Committee in a clear, structured, and organised way, thus providing members with up to date and relevant information.

5. IMPLICATIONS

5.1 SOUTH AND EAST LINCOLNSHIRE COUNCILS PARTNERSHIP

5.1.1 None

5.2 CORPORATE PRIORITIES

5.2.1 None

5.3 STAFFING

5.3.1 None

5.4 CONSTITUTIONAL AND LEGAL IMPLICATIONS

5.4.1 Constitutional and Legal implications have been considered and in the opinion of the author, there are none arising from this report. However, the Work Programme should assist in providing a clear programme of work for the Governance and Audit Committee in line with the requirements laid out in the Council's Constitution.

5.5 DATA PROTECTION

5.5.1 None

5.6 FINANCIAL

5.6.1 None

5.7 RISK MANAGEMENT

5.7.1 Risk Management implications have been considered and in the opinion of the author there are none. However, one of the roles of the Governance and Audit Committee is to monitor the effective development and operation of risk management and corporate governance in the Council, and the Work Programme should assist in keeping track of risk issues.

5.8 STAKEHOLDER / CONSULTATION / TIMESCALES

5.8.1 None

5.9 REPUTATION

5.9.1 None

5.10 CONTRACTS

5.10.1 None

5.11 CRIME AND DISORDER

5.11.1 None

5.12 EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING

5.12.1 None

5.13 HEALTH AND WELL BEING

5.13.1 None

5.14 CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

5.14.1 None

6. ACRONYMS

6.1 None

APPENDICES	
Appendices are listed below and attached to the back of the report: -	
APPENDIX A	Work Programme for the Governance and Audit Committee
APPENDIX B	Governance and Audit Committee training information

BACKGROUND PAPERS
No background papers as defined in Section 100D of the Local Government Act 1972 were used in the production of this report

CHRONOLOGICAL HISTORY OF THIS REPORT
A report on this item has not been previously considered by a Council body

REPORT APPROVAL	
Report author:	Andrea Tait, Democratic Services Officer atait@sholland.gov.uk
Signed off by:	Christine Marshall, Deputy Chief Executive – Corporate Development (S151) christine.marshall@sholland.gov.uk
Approved for publication:	Christine Marshall, Deputy Chief Executive – Corporate Development (S151) christine.marshall@sholland.gov.uk



SHDC GOVERNANCE AND AUDIT COMMITTEE TERMS OF REFERENCE

COUNCIL BODY:	MEMBERSHIP:	FUNCTIONS / TERMS OF REFERENCE:
Governance and Audit Committee	7 non-Cabinet members, excluding the Chairman of the Council and the Chairman of the Performance Monitoring Panel and Policy Development Panel Quorum 3 (SO 38) Substitutions: see paragraphs 1.4 to 1.7 above	<p>The purpose of the Governance and Audit Committee is to monitor governance, risk management and internal control arrangements at the Council, to provide independent assurance that these are effective and efficient.</p> <p>This is achieved through key regular items received by the Committee in relation to, but not limited to; internal and external audit, key finance items, governance reviews and strategic risk management reporting.</p> <p>Internal Audit</p> <ol style="list-style-type: none"> 1. To consider and approve annually the Internal Audit plan of work, considering the scope and depth of the work in addressing the Council’s significant risks and issues. 2. To consider the outcomes of the internal audit plan of work and to monitor management’s progress in implementing agreed audit recommendations. 3. To consider and approve the Annual Report and Opinion of the Head of Internal Audit, ensuring that the systems of internal control, governance and risk management have been effective and efficient over the course of the year. 4. To consider the performance of the internal auditors in relation to the adherence to the Public Sector Internal Audit Standards. <p>External Audit</p> <ol style="list-style-type: none"> 5. To consider annually the External Audit plan of work. 6. To consider External Audit reports and letters. <p>Accounts / Finance</p> <ol style="list-style-type: none"> 7. To consider the extent of the Council’s

		<p>compliance with its own and other published financial statements and controls.</p> <p>8. To review and approve the annual Statement of Accounts and the Annual Governance Statement contained therein.</p> <p>9. To approve the Council's Treasury Management Strategy & Policy and subsequent performance against this.</p> <p>Risk Management</p> <p>10. To monitor and approve policies for the effective development and operation of risk management and corporate governance in the Council.</p> <p>Governance</p> <p>11. To review the Council's arrangements for governance, with particular regard to the Local Code of Corporate Governance.</p> <p>12. To review allegations from whistleblowers; and to review and approve all Council policies and strategies that relate to the prevention of fraud and corruption including (but not limited to) policies on counter fraud, whistleblowing and money laundering.</p> <p>13. To hold periodic private discussion with the Head of Internal Audit and the External Auditors to review working relationships and discuss any pertinent issues.</p> <p>14. To commission ad-hoc work from internal and external audit.</p> <p>15. To report annually to Full Council on the Committee's work and performance during the financial year.</p> <p>16. To assess the Committee's own effectiveness on an annual basis against best practice.</p>
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GOVERNANCE AND AUDIT – CALENDAR OF WORK PROGRAMME ITEMS 2023/2024

GOVERNANCE LEAD: JOHN MEDLER | FINANCE LEAD: SAMANTHA KNOWLES (PSPS)

Date of Meeting	Agenda item	Author	Purpose and whether mandatory	Frequency
18 January 2024	Draft Treasury Management Policy and Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2024/24	Deputy Chief Finance Officer / Treasury and Investment Manager PSPS	Mandatory requirement. To review Treasury Management Strategy and approve Prudential Indicators.	Annual
	Information Governance Annual Report	Information Manager / Data Protection Manager	To advise members in respect to the Council's activity and compliance with Data Protection, Environmental Information Regulation and Freedom of Information requirements.	Annual
	Risk Management Framework	Business Intelligence and Change Manager	To seek approval for the Risk Management Framework	Ad hoc
	Co-opted Independent Member representation on Governance and Audit Committee	Assistant Director - Governance	To consider Co-opted Independent Member representation on the Governance and Audit Committee	Ad hoc
14 March 2024	Strategic Risk Register	Business Intelligence and Change Manager	Part of Governance role – not mandatory	Quarterly
	Progress Report on Internal Audit Activity 2023/24	Internal Audit Manager	To update Committee on progress of the plan. Not mandatory, but part of Governance role.	Twice per year
	External Audit Results Report 2022/23	External Audit Manager	Mandatory report to those charged with Governance	Annual
	Q3 Treasury Management Update	Treasury and Investment Manager PSPS	To comply with Treasury Management Strategy reporting requirements	Quarterly
	Draft Internal Audit Plan 2024/25	Internal Audit Manager	Annual Internal Audit Workplan - Mandatory approval	Annual

Date of Meeting	Agenda item	Author	Purpose and whether mandatory	Frequency
	Financial Statements - Accounting Policies 2023/24	Deputy Chief Finance Officer PSPS	Not mandatory, but good practice.	Annual
	Internal Audit Progress Report	Internal Audit Manager	To update Committee on progress of the plan. Not mandatory, but part of Governance role.	
	External Audit Plan 2023/24	KPMG	External Audit Plan – Mandatory Approval	Annual
	Unaudited Financial Statements including Annual Governance Statement 2022/23	Deputy Chief Finance Officer PSPS	To approve financial statements prior to release to External Audit. Mandatory	Annual

The following item to be added to the Committee’s Work Programme on an ad hoc basis, where there is information to report:

- **March 2024 – Diarise to review the Counter Fraud, Corruption and Bribery Policy, and the Whistleblowing Policy (to be reviewed every three years, last reviewed March 2021 (Whistleblowing Policy) and 17 June 2021 (Counter Fraud, Corruption and Bribery Policy).**

South Holland Governance & Audit Committee - Training Undertaken and Suggested Future Topics

Title	Format / Provider	Date
Introduction to Local Government Finance (as part of Induction)	Chief Finance Officer/ external trainer	17 July 2023
Governance and Audit Committee training	Dems/Finance Officers/MO	12 June 2023
Governance, Code of Conduct, Committee Structure (as part of the Induction)	Monitoring Officer	16 May 2023
Unaudited Financial Statements	Sam Knowles & Ellie Stacey	9 March 2023
End of Year Accounts	Sam Knowles & Ellie Stacey	18 October 2021
Draft Accounts Training	Sam Knowles & Ellie Stacey	9 March 2023
Pensions	Section 151 Officer	L.C.C. training 6 Dec 22
Governance	Induction training: John Medler	16 May 2023
Ethics	Induction training: John Medler	16 May 2023
Standards	Induction training: John Medler	16 May 2023

Finance	External provider / Sam Knowles - all Member induction training	17 July 2023
Statement of Accounts	Chief Finance Officer PSPS Detailed session	11 September 2023
Treasury Management	1/ Induction training - Treasury and Investment Manager. 2/ Member Treasury Management Training - Link Group virtual	16 May 2023 Q4 2023/2024 tbc
Audit	Induction training - Internal Audit Manager	16 May 2023
Cyber Security	ICT	Online modules October 2023

Future Topics	Plans for Delivery	How and When
Risk Management	Monitoring Officer	New strategy
Regional Forum for Audit Committee Chairs – New Committee to be established by the end of March – North East Derbyshire will host for the East Midlands	Jane Dethick – Lead Officer for the East Midlands	tbc