

AUDIT AND GOVERNANCE COMMITTEE

28 April 2023

RISK AND ASSURANCE MAP 2023/2024

Report of the Assistant Director of Assurance and Property Services

1. Purpose of Report

1.1 To enable the Audit and Governance Committee to consider:

- The proposed Risk and Assurance Map and the supporting plans of work for Internal Audit and Risk and Assurance for 2023/24;
- Internal Audit's key performance measures and targets for 2023/24.

1.2 The report covers work undertaken for the Council and Council owned companies.

2. Current Position

2.1 In February 2023, the Audit and Governance Committee was asked for its comments in relation to a range of potential areas of work to support the Risk and Assurance Map for the coming year.

2.2 This report presents the Risk and Assurance Map for 2023/24 and sets out where assurance will be obtained from, including the plans of work for Internal Audit and Risk and Assurance, and the performance measures for Internal Audit. Regular update reports will continue to be provided to Members throughout the rest of the year.

3. Recommendation

3.1 The Audit and Governance Committee is invited to note and consider the report.

Risk and Assurance Map 2023/24

1. Introduction

- 1.1 In order for the Council to ensure that it has robust arrangements for delivering its priorities, managing its affairs and completing its Annual Governance Statement with some certainty, it must have in place three key elements: good Governance, Risk Management and Assurance. The Council's Integrated Assurance Framework provides a comprehensive view on the arrangements in place within the Council.
- 1.2 This Framework enables assurances to be sourced from service management, corporate functions with an oversight role, internal audit and external sources (e.g. external audit / inspectorates) in relation to key risk areas

2. Risk and Assurance Map

- 2.1 The proposed Risk and Assurance Map for 2023/24 is shown at Appendix 1. This highlights those areas for which assurance will be provided, where the assurance is expected to be obtained from and the current assurance level based on work undertaken previously.
- 2.2 As previously, the Map is split into three parts, Strategic Risk Areas which align with the City Plan priorities, Corporate Risk Areas which represent the risk areas that need to be managed for the Council to maintain a strong system of internal control, and companies owned by the Council.
- 2.3 Where assurance is expected to be provided from a particular source this is marked with an X. As in previous years the level of assurance provided will be updated based on the results of the work undertaken within the area and the assurance gathered from the various sources.
- 2.4 The Map has been prepared based on the work undertaken and reported previously and the planned activity has been developed in consultation with the Chief Executive, all Executive Directors/Directors and key senior officers across the Council. The current assurance position in relation to all key risk areas is either Amber or Green.
- 2.5 The work to be undertaken by Internal Audit and Risk and Assurance in support of the Map is shown at Appendix 2. The appendix shows all of the work that contributes to providing assurance against each risk area (some work provides assurance to more than one risk area).

3. Key Areas of Activity

- 3.1 As in previous years the level of change ongoing within the Council continues to be significant and the pressure to deliver the Council's Strategic Priorities and budget savings. The Strategic Risk Profile is driven by the City Plan.

- 3.2 The work of Risk and Assurance includes obtaining assurance on the progress in relation to the actions identified to manage risks in the Strategic Risk Profile and providing risk management support to senior managers as required.
- 3.3 The planned internal audit work for the year is shown in Appendix 2. The plan includes work on the following key areas:
- Continuing audit work in relation to the Council's Housing Service.
 - Contract Management arrangements in relation to the Council's PFI contracts and other significant contracts in place.
 - Port: Delivery of the Business Plan and Resilience to continue to service the Port's business commitments.
 - Adult Social Care assessment and support arrangements.
 - Corporate Asset Management Strategy and Compliance.
 - Protection of vulnerable adults' property.
 - Programme Management Arrangements in relation to regeneration activity.
 - Compliance with Caldicott Arrangements.
 - Audits of maintained schools are scheduled over a three-year cycle.
 - Completion of audit certificates where grant funders require verification that monies have been spent in line with grant conditions.
 - A range of audits of the Council's financial systems will be undertaken in line with an agreed 5 year rolling plan.
 - Each of the Council's companies has their own audit plan, the results of which feed into the Risk and Assurance Map.
- 3.4 Counter Fraud work will continue, including participation in the National Fraud Initiative.

4. Internal Audit

- 4.1 The Key Performance Indicators and targets that Internal Audit aim to achieve are attached at Appendix 3. The targets remain the same as the previous year.
- 4.2. It is confirmed that the internal auditors undertaking the work continue to remain independent of the areas audited.

5. Reporting Protocols

- 5.1 Progress reports will be presented to the Committee during the year. The reports will indicate the level of assurance provided, and significant findings arising from the work undertaken.
- 5.2 An Annual Report (including the year end Risk and Assurance Map) will be prepared for the Chief Officers and Audit and Governance Committee in order to provide assurance or otherwise and enable the Annual Governance Statement to be completed.

