

AUDIT AND GOVERNANCE COMMITTEE

22 September 2023

RISK AND ASSURANCE MAP UPDATE – 2023/24

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 updated Risk and Assurance Map and supporting Strategic and Corporate Risk Profiles based on assurances gathered from a range of sources;
 - work undertaken by the audit, risk and assurance service during the year to date; and
 - the performance of Internal Audit.
- 1.2 The report covers work undertaken for the Council and Council owned companies.

2. Description of Decision

- 2.1 The Audit and Governance Committee are asked to note and consider the report.

3. Background/Introduction

- 3.1 In April 2023 the Committee agreed the Risk and Assurance Map and Strategic and Corporate Risk Profiles for 2023/24. Both the Strategic and Corporate Risk Profiles have been updated as well as the Risk and Assurance Map following consultation with Chief Officers and relevant key officers. The 'X's in the assurance columns show where assurance is expected to be received from in the current financial year.

4. Risk and Assurance Map

- 4.1 The Risk and Assurance Map at Appendix 1 has been updated to reflect any changes to both the Strategic and Corporate Risk Profiles and these are described in more detail in paragraphs 4.2 and 4.3 below.

Strategic Risk Areas

- 4.2 The top section of the Map relates to the strategic risks identified in the Strategic Risk Profile, attached at Appendix 2. All changes to the Strategic Risk Profile are shown in red text for ease of reference. There have been no changes to the risk scores but updates to the wording have been made in relation to:
- R06 - *Unable to maximise the opportunities created by the Smart City Infrastructure.*

- R08 - *The Council is not able to fulfil its statutory responsibility for Children and Young People and also ensure families are supported to enable them to achieve their desired outcomes.* It is considered that risk R08 has an overlap with risk R09 *Families are not sufficiently resilient and resourceful to respond to challenges and achieve the best possible outcomes for their children.*

Risk R09 has therefore been closed and the relevant elements have been included in risk R08. The new risk description for R08 is now *The Council is not able to fulfil its statutory responsibility for Children and Young People and also ensure families are resilient to enable them to achieve their desired outcomes.*

- R013 - *Current model of social care cannot be sustained in the future, due to increasing pressures within the social care environment.*
- R014 - *Council resources and the input of residents are not fully optimised to tackle environmental issues in neighbourhoods.*
- R022 - *Aspirations to deliver the City Plan may be restricted by financial pressures.*
- Due to a number of pieces of Internal Audit work the level of assurance provided by Internal Audit has changed as follows:
 - *More and Better Housing* – assurance level has moved from Amber to Green due an audit of the Housing Regulatory Framework.
 - *A lower carbon city with greater digital connectivity for all* – assurance level from Internal Audit is new and is Green.

Corporate Risk Areas

4.3 The middle section of the Map shows the cumulative risk assessments and the assurance levels relating to the risks identified in the Corporate Risk Profile, attached at Appendix 3. The changes to the Corporate Risk Profile are as follows:

- The risk scores for the risks in relation to Health and Safety have all been updated as follows:
 - R36 - *Council officers do not fully understand H&S roles and responsibilities.* The score has been reduced from 8 (Amber) to 6 (Amber) due to an updated Health and Safety Policy and Strategy being agreed and improved access to documents on the Hub and Sharepoint site. The target score has also been reduced to 3 (Green).
 - R37 - *The council's key H&S risks are not identified, understood or agreed.* The score has been reduced from 8 (Amber) to 6 (Amber) due to

increased training received by senior officers and reporting to COG which has improved performance. The target score has also been reduced to 3 (Green).

- R38 - *Appropriate action plans are not developed and agreed to manage the council's key H&S risks.* The score has been reduced from 8 (Amber) to 6 (Amber) due to the introduction and progress with the rollout of the Health and Safety Management System across the Council. The target score has also been reduced to 3 (Green).
 - R39 - *Strategic approach to incident management does not adequately inform decision making.* The score has reduced from 6 (Amber) to 3 (Green) and reached its target score due to the improved reporting to senior managers on a monthly basis and reporting to the Health and Safety Executive Forum.
- Due to a number of pieces of internal audit work the level of assurance provided by Internal Audit has changed as follows:
 - Procurement – assurance level changed from Amber to Green due to positive results from a recent audit.
 - Information Governance/Security – assurance changed from Amber to Green due to positive results of recent audit work. This has changed the overall assurance rating on the Risk and Assurance Map to Green.

Council Owned Companies

- 4.4 The bottom section of the Map shows the Assurance position in relation to Companies that are wholly owned by the Council and are part of the group for the financial statements. The only change to the Risk and Assurance Map is in relation to assurance regarding Business Continuity Management for Together for Children Ltd. This has moved from Green to Amber due to recent changes to the arrangements for business continuity coordination still being finalised, but individual team plans are still in place should there be an incident. This will be reviewed and updated when appropriate.

Assurance from Internal Audit

- 4.5 The audits to be carried out this year and the detailed results of completed Internal Audit work is shown at Appendix 4, with the summary outcomes shown on the Map. Changes to assurance levels are set out in paragraphs 4.2 and 4.3 above.
- 4.6 Appendix 4 shows all of the opinions, including those from previous years, which have been considered in determining the overall assurance level for the Strategic and Corporate Risk Areas and Council Owned Companies. Those audits shown in grey are those in previous years where it became not appropriate to complete the audit at that time.

Assurance from Risk and Assurance function

- 4.7 There is one post within this function. The post has been vacant for the last year however a recent recruitment exercise has resulted in the post being filled with the postholder starting in October. Risk and assurance activity has therefore been limited to updating the Strategic and Corporate Risk Profiles and providing high level risk advice as requested.

Assurance from others within the Council

- 4.8 Assurance provided from others within the Council is shown in the Risk and Assurance Map. The only change relates to Business Continuity Management in Together for Children, as already mentioned.

Assurance from Management

- 4.9 Arrangements are in place to obtain assurance from senior managers for all service areas within the Council through an annual governance questionnaire which has been completed for 2022/23.

Assurance from External Sources

- 4.10 The Map includes assurance from relevant external sources.

Overall

- 4.11 The overall assurance levels are either green or amber. The Risk and Assurance Map, Strategic and Corporate Risk Profiles were recently considered by Chief Officers.

5. Internal Audit Performance

- 5.1 The performance in relation to targets set for Internal Audit is shown at Appendix 5. All KPIs are on target.

6. Conclusion

- 6.1 Results of the work undertaken so far during the year have not highlighted any issues which affect the overall opinion that the Council continues to have in place an adequate system of internal control.

7. Recommendation

- 7.1 The Audit and Governance Committee are asked to note and consider the report.