

Rutland County Council

Catmose, Oakham, Rutland, LE15 6HP

Telephone 01572 722577

Email democraticservices@rutland.gov.uk

Ladies and Gentlemen,

A meeting of the **AUDIT AND RISK COMMITTEE** will be held in the Council Chamber, Catmose, Oakham, LE15 6HP on **Tuesday, 5th December, 2023** commencing at 7.00 pm when it is hoped you will be able to attend.

Yours faithfully

Mark Andrews
Chief Executive

Recording of Council Meetings: Any member of the public may film, audio-record, take photographs and use social media to report the proceedings of any meeting that is open to the public. A protocol on this facility is available at www.rutland.gov.uk/my-council/have-your-say/

Although social distancing requirements have been lifted there is still limited available seating for members of the public. If you would like to reserve a seat, please contact Democratic Services at democraticservices@rutland.gov.uk.

A G E N D A

1. WELCOME & APOLOGIES

2. MINUTES

To confirm the minutes of the Audit and Risk Committee held on 26th September and 31st October 2023 and to receive an update on actions agreed in the minutes of the previous meeting.
(Pages 5 - 14)

3. DECLARATIONS OF INTEREST

In accordance with the Regulations, Members are invited to declare any disclosable interests under the Code of Conduct and the nature of those interests in respect of items on this Agenda and/or indicate if Section 106 of the Local Government Finance Act 1992 applies to them.

4. PETITIONS, DEPUTATIONS AND QUESTIONS

To receive any petitions, deputations and questions received from Members of the Public in accordance with the provisions of Procedure Rules 93 and 94.

The total time allowed for this item shall be 30 minutes. Petitions, declarations and questions shall be dealt with in the order in which they are received. Questions may also be submitted at short notice by giving a written copy to the Committee Administrator 15 minutes before the start of the meeting.

The total time allowed for questions at short notice is 15 minutes of the total time of 30 minutes. Any petitions, deputations and questions that have been submitted with prior formal notice will take precedence over questions submitted at short notice. Any questions that are not considered within the time limit shall receive a written response after the meeting and be the subject of a report to the next meeting.

5. QUESTIONS WITH NOTICE FROM MEMBERS

To consider any questions received from Members of the Council in accordance with the provisions of Procedure Rule 95.

6. NOTICES OF MOTION

To consider any Notices of Motion from Members submitted under Procedure Rule 97.

7. INTERNAL AUDIT PROGRESS REPORT

To receive Report No.174/2023 from the Chief Internal Auditor.
(Pages 15 - 40)

8. INTERNAL AUDIT PLAN DEVELOPMENT 2024/25

To receive Report No.175/2023 from the Chief Internal Auditor.
(Pages 41 - 44)

9. STATEMENT OF ACCOUNTS 2021/22 AND 2022/23

To receive a verbal update from the Head of Finance.

10. STRATEGIC RISK REGISTER

To receive Report No.176/2023 from the Strategic Director for Resources.
(Pages 45 - 66)

11. REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA)

To receive a verbal update from the Strategic Director for Resources.

12. COMMITTEE TRAINING

To discuss future training opportunities for Committee Members.

13. ANY OTHER URGENT BUSINESS

To receive items of urgent business which have previously been notified to the person presiding.

14. DATE OF NEXT MEETING

Tuesday, 5th March 2024.

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DISTRIBUTION

MEMBERS OF THE AUDIT AND RISK COMMITTEE:

Councillor K Payne (Chair)

Councillor R Ross (Vice-Chair)

Councillor S Lambert

Councillor R Payne

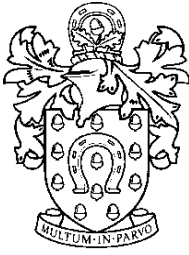
Councillor R Powell

Councillor L Stephenson

Councillor A West

Quorum: 2

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Minutes of the **MEETING of the AUDIT AND RISK COMMITTEE** held in the Council Chamber, Catmose, Oakham, LE15 6HP on Tuesday, 26th September, 2023 at 7.00 pm

PRESENT: Councillor K Payne (Chair) Councillor R Ross (Vice-Chair)
Councillor R Payne Councillor R Powell
Councillor L Stephenson Councillor A West

ABSENT: Councillor S Lambert

OFFICERS PRESENT: Kirsty Nutton Strategic Director for Resources
Rachel Ashley-Caunt Chief Internal Auditor
Andrew Merry Head of Finance
Penny Sharp Strategic Director of Places
Angela Wakefield Strategic Director of Law and Governance (Monitoring Officer)
David Ebbage Democratic Services Officer
Paul Harvey Grant Thorntons

IN ATTENDANCE: Councillor A Johnson Portfolio Holder

1 WELCOME AND APOLOGIES

Apologies were received from Councillor S Lambert.

2 MINUTES

Consideration was given to the minutes of the meetings held on 27 June 2023.

It was moved by Councillor K Payne and seconded that the minutes of the 27 June meeting be approved.

RESOLVED

- a) That the minutes of the meetings held on 27 June 2023 be **APPROVED**.

3 DECLARATIONS OF INTEREST

There were no declarations of interest.

4 PETITIONS, DEPUTATIONS AND QUESTIONS

No petitions deputations or questions had been received.

5 QUESTIONS WITH NOTICE FROM MEMBERS

No questions with notice from Members had been received.

6 NOTICES OF MOTION

No notices of motion had been received.

7 HIGHWAYS PROGRESS

Penny Sharp, Strategic Director for Places provided a verbal update to Members on the issues currently being faced within the Highways Department around resourcing and capacity.

Members then had the opportunity to ask questions to the Strategic Director for Places.

8 LEVELLING UP FUND - GOVERNANCE FRAMEWORK

Report No.143/2023 was introduced by Penny Sharp, Strategic Director for Places and Kirsty Nutton, Strategic Director for Resources.

The report was presented to the Audit and Risk Committee following from the Committee to consider the governance arrangements put in place for the management of the Rutland Melton Levelling Up Fund administration and delivery of the programme.

The report brought the governance approach developed by Officers in accordance with the Council’s project management framework.

It was proposed by Councillor Stephenson, and this was seconded to move into an exempt session to ask a question which was not deemed to be appropriate in the public meeting. Upon being put to the vote, with six votes in favour, the motion was unanimously carried.

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At 7.40pm the meeting entered into an exempt session.

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At 7.43pm, the meeting returned into a public session.

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A question was asked to officer’s on whether the Council had a total cost on temporary staff in any year. Officers agreed that they would respond to the question separately outside of the meeting.

RESOLVED

That Committee:

- a) **CONSIDERED** the governance arrangements for the Levelling Up Fund (LUF) and that the arrangements provided the Committee with assurance for the management of the LUF Programme.

9 INFORMATION GOVERNANCE ANNUAL REPORT 2022/23

Report No.142/2023 was introduced by Angela Wakefield, Strategic Director of Law and Governance.

The annual report provided an overview of the Council's activity in respect of how it had discharged its responsibilities in matters relating to Information Governance, including information regarding Compliments, Comments and Complaints over the last financial year from 1 April 2022 to 31 March 2023.

RESOLVED

That Committee:

- a) **NOTED** the information contained in this report.

10 INTERNAL AUDIT UPDATE

Report No.141/2023 was introduced by Rachel Ashley Caunt, Chief Internal Auditor.

The report updated the Committee on the progress made in delivering the 2023/24 Internal Audit plan. The progress made to date in delivering the 2023/24 audit plan was set out in Appendix A to the report. At the time of reporting, 32% of the planned assignments were underway. The outcomes of completed audits would be reported to the Audit and Risk Committee throughout the financial year.

The Internal Audit plan for 2023/24 did not currently include any allowance for Internal Audit work relating to the Levelling Up Fund (LUF). Given the values and risks associated with this programme, there would be value in engaging Internal Audit as part of the assurance framework.

It was highlighted to Members that given the recent Ofsted inspection on Special Educational Needs and Disabilities (SEND), it was considered that this provided a source of independent assurance over SEND in 2023/24 and reduced the value of an Internal Audit review. As such, it was recommended that the 15 days allocated within the Internal Audit Plan for an audit on SEND be postponed to 2024/25 and the days in 2023/24 be re-allocated to assurance on the LUF project – including joint assurance work with Melton Borough Council.

Members were concerned to hear that there were currently two high priority audit recommendations overdue by more than three months related to Asset Management.

It was proposed by Councillor R Powell that an additional recommendation expressing the Committees concerns to be raised to Cabinet. This was seconded and upon being put to the vote, with 6 votes in favour, the motion was unanimously carried.

It was moved by Councillor A West and seconded that the recommendations be approved. Upon being put to the vote, the motion was unanimously carried.

RESOLVED

That Committee:

- a) **NOTED** the Internal Audit update report (Appendix A).
- b) **APPROVED** an amendment to the Internal Audit Plan 2023/24, to postpone the planned audit of Special Educational Needs and Disabilities (SEND) and reallocates the 15 days to assurance work on the Levelling Up Fund programme.
- c) Noted the important work carried out by Internal Audit and **RECOMMENDED** to Cabinet that realistic delivery dates are set for all agreed actions arising from Internal Audit recommendations and that these actions were delivered by the due deadlines.

11 STATEMENT OF ACCOUNTS

Kirsty Nutton, Strategic Director for Resources provided the Committee with a verbal update on the 2021/22 Statement of Accounts which had now been completed. An additional meeting in October had been confirmed for them to come to the Committee for sign off.

In terms of the 2022/23 Statement of Accounts, the public inspection of the accounts which took place over the summer had been completed. Next steps were for the Audit to commence and to be finished by the end of the year.

12 2022/23 EXTERNAL AUDIT PLAN

Report No.145/2023 was introduced by Kirsty Nutton, Strategic Director for Resources and Paul Harvey from Grant Thorntons.

Paul Harvey went through the audit plan with Members who then were able to ask questions on the audit plan.

RESOLVED

That Committee:

- a) **NOTED** the External Audit 2022/23 Audit Plan.

13 REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA)

Kirsty Nutton, Strategic Director for Resources verbally confirmed to the Committee that there had been no use of the provisions of the Regulation of Investigatory Powers Act since the last update.

14 ANY OTHER URGENT BUSINESS

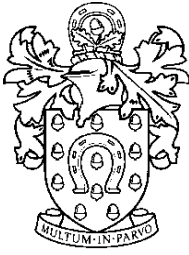
There were no items of urgent business.

15 DATE OF NEXT MEETING

Tuesday, 31st October 2023.

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The Chair declared the meeting closed at 8.36pm.
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Minutes of the **MEETING of the AUDIT AND RISK COMMITTEE** held in the Council Chamber, Catmose, Oakham, LE15 6HP on Tuesday, 31st October, 2023 at 7.00 pm

PRESENT: Councillor K Payne (Chair) Councillor R Ross (Vice-Chair)
Councillor S Lambert Councillor R Payne
Councillor R Powell Councillor L Stephenson
Councillor A West

OFFICERS PRESENT: Kirsty Nutton Strategic Director for Resources
Andrew Merry Head of Finance
Paul Harvey Grant Thorntons
Rachel Ashley-Caunt Chief Internal Auditor
David Ebbage Democratic Services Officer

IN ATTENDANCE: Councillor A Johnson Portfolio Holder

1 APOLOGIES

There were no apologies for absence.

2 DECLARATIONS OF INTEREST

Councillors K Payne and L Stephenson declared other registrable interests in Item 6 – Statement of Accounts 2021/22, having been Members of the Cabinet for the time period covered by the accounts, it was noted Councillor Payne was also the Portfolio Holder with responsibility for Finance at this time.

3 PETITIONS, DEPUTATIONS AND QUESTIONS

No petitions, deputations or questions had been received.

4 QUESTIONS WITH NOTICE FROM MEMBERS

No questions had been received from Members.

5 NOTICES OF MOTION

No notices of motion had been received.

6 STATEMENT OF ACCOUNTS 2021/22

Report No. 163/2023 was introduced by Kirsty Nutton, Strategic Director for Resources. The report presented the Annual Governance Statement and Draft Audit Findings Report from Grant Thornton LLP for 2021/22, and sought delegated approval for the audited Statement of Accounts 2021/22. It was explained that following previous updates to the Committee, a change made in 2022-23 to recording of certain Section 106 funds held by the Council had been requested by the auditors to also be retrospectively made to the 2021-22 accounts. It was explained this amendment had meant the final accounts had not been ready in time for the publication of the report and therefore it delegated approval for the Chair to sign the final Statement of Accounts.

Following questions from Members it was confirmed that the transfer of Section 106 monies from reserves to creditors was intended to reflect the intention of the Council to spend that money, particularly for agreements where there was a specific project or timescale for spending of the funds.

It was also explained that several minor amendments had been suggested to the Statement by Councillor R Powell outside of the meeting which would be appended to / included in the minutes.

With regard to the External Auditor's draft report at Appendix 3 it was confirmed that the Auditors expected to issue an unqualified opinion with four recommendations agreed by management. Following questions, it was confirmed less than 100 journals were issued a year and the majority of entries were issued by Finance relating to small technical adjustments in accounts, with significant changes expected to be addressed by budget-holders.

It was moved by Councillor L Stephenson and seconded that the recommendations of Report No. 163/2023 be approved with the inclusion of the amendments suggested by Councillor Powell. Upon being put to the vote, with seven votes in favour the motion was unanimously carried.

RESOLVED

That the Committee:

- a) **DELEGATED** approval the Statement of Accounts for 2021/22 in Appendix 1 to the Chair of the Audit and risk committee in line with section 3, subject to the inclusion of minor amendments suggested by Councillor Powell before the meeting.
- b) **APPROVED** the Annual Governance Statement for 2021/22 in Appendix 2.
- c) **NOTED** the Draft Audit Findings Report in Appendix 3.

7 ANY OTHER URGENT BUSINESS

There were no items of urgent business for consideration.

8 DATE OF NEXT MEETING

Tuesday, 5 December 2023.

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The Chair declared the meeting closed at 7.27 pm.
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AUDIT AND RISK COMMITTEE

5 December 2023

INTERNAL AUDIT UPDATE

Report of the Chief Internal Auditor

Strategic Aim:	All	
Exempt Information	No	
Cabinet Member(s) Responsible:	Cllr A Johnson, Portfolio Holder for Resources	
Contact Officer(s):	Rachel Ashley-Caunt, Chief Internal Auditor	Tel: 07799 217378 rashley-caunt@rutland.gov.uk
Ward Councillors	N/A	

DECISION RECOMMENDATIONS

1. That the Committee notes the Internal Audit update report (Appendix A).

1 PURPOSE OF THE REPORT

- 1.1 To provide an update on the progress made in delivering the 2023/24 Internal Audit plan.

2 BACKGROUND AND MAIN CONSIDERATIONS

2.1 Delivery of Internal Audit plan

- 2.1.1 The 2023/24 Internal Audit plan was approved by the Audit and Risk Committee in March 2023, in line with the Public Sector Internal Audit Standards. The development of the plan was informed by consultation with the Committee and senior management and was designed to provide risk based coverage.
- 2.1.2 The progress made to date in delivering the 2023/24 audit plan is set out in Appendix A. At the time of reporting, 59% of the planned assignments are underway or complete. The outcomes of completed audits will be reported to the Audit and Risk Committee throughout the financial year.

2.2 Implementation of Recommendations

2.2.1 Internal Audit request that officers provide updates on all open audit actions on a monthly basis.

2.2.2 There are 18 actions which are overdue for completion. There is currently two action rated as 'High' priority which have been overdue for implementation by more than three months – as such, full details of these actions are provided in Appendix C.

3 CONSULTATION

3.1 No formal consultation required.

4 ALTERNATIVE OPTIONS

4.1 The Committee is asked to note the report. No alternative options are proposed.

5 FINANCIAL IMPLICATIONS

5.1 There are no financial implications directly arising from this report.

6 LEGAL AND GOVERNANCE CONSIDERATIONS

6.1 The Audit and Risk Committee is responsible for oversight of the work of Internal Audit including approving the annual Audit Plan and satisfying itself that the plan provides assurance over the Council's control framework and key risks. It is also responsible for gaining assurance that internal audit is complying with internal audit standards.

6.2 There are no legal implications arising from this report.

7 DATA

7.1 A Data Protection Impact Assessment (DPIA) has not been completed because there are no risks/issues to the rights and freedoms of natural persons.

8 EQUALITY IMPACT ASSESSMENT

8.1 There are no equality implications

9 COMMUNITY SAFETY IMPLICATIONS

9.1 There are no community safety implications

10 HEALTH AND WELLBEING IMPLICATIONS

10.1 There are no health and wellbeing implications.

11 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

11.1 The latest update report, provided in Appendix A, includes the 2023/24 Internal Audit plan and progress made to date. The Committee plays an important role in the oversight of Internal Audit work.

12 BACKGROUND PAPERS

12.1 There are no additional background papers to the report.

13 APPENDICES

13.1 Appendix A: Internal Audit Update Report

13.2 Appendix B: Rolling risk review findings

13.3 Appendix C: Implementation of Audit Recommendations

13.4 Appendix D: 'High' priority recommendations overdue by more than three months

13.5 Appendix E: Customer satisfaction

13.6 Appendix F: Limitations and responsibilities

Large Print or Braille Version of this Report is available upon request – Contact 01572 72257

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Rutland County Council

Internal Audit Update

December 2023

Introduction

- 1.1 Internal audit has been commissioned to provide 360 audit days to deliver the 2023/24 annual audit plan and undertake other work commissioned by the client.
- 1.2 The Public Sector Internal Audit Standards (the Standards) require the Audit and Risk Committee to scrutinise the performance of the internal audit team and – of equal significance – to satisfy itself that it is receiving appropriate assurance about the controls put in place by management to address identified risks to the Council. This report aims to provide the committee with the information, on progress in delivering planned work and on performance of the Internal Audit service, which it requires to engage in effective scrutiny.

Performance

2.1 Will the Internal Audit Plan for 2023/24 be delivered?

Internal Audit is set the objective of delivering at least 90% of the plan to draft report stage by the end of March 2024. At the time of reporting, work is underway or complete on 59% of planned assignments. A further 9% is in planning stages.

2.2 Are audits being delivered to budget?

Internal Audit is on target to deliver the Audit Plan within the 360 days budget. Any overruns on individual assignments are typically managed within the overall budget.

2.3 Are clients satisfied with the quality of the Internal Audit assignments?

Customer satisfaction questionnaires are issued on completion of audits. Three feedback forms have been received during the year to date and these are summarised in Appendix E.

2.4 Based upon recent Internal Audit work, are there any emerging issues that impact on the Internal Audit opinion of the Council's Control Framework?

Since the last meeting of the Audit and Risk Committee, final reports have been issued in relation to the following audits from the 2023/24 Audit Plan: **Commissioning of Leisure Services**; and verification of **Disabled Facilities Grant** and **Bus Subsidy Grants for 2022/23**. None of the audit reviews have resulted in assurance opinions of less than Moderate Assurance and none have been assessed a 'High' organisational risk.

The latest rolling risk review has also been completed and is summarised in Appendix B.

2.5 Are clients progressing audit recommendations with appropriate urgency?

Since the last Audit and Risk Committee meeting, 22 audit actions have been closed as implemented. At the date of reporting, there are 18 audit actions which remain

overdue for implementation – two of the overdue actions are of a 'high priority' rating and over three months overdue. See Appendix C and Appendix D for further details.

Table 1: Progressing the annual audit plan

KEY
Current status of assignments is shown by ●

Assignment	Budget	Actual	Not Started	Planning	Field Work Underway	Field Work Complete	Draft Report	Final Report	Control Environment	Compliance	Org Impact	Comment
Financial systems												
Creditors	15	-	●									Q4
Payroll	15	-	●									Q4
Local taxation	15	-	●									Q4
Corporate governance and counter fraud												
Risk management (consultancy support and real time assurances)	18	5			●							All year
Ethical governance – advisory support	10	-	●						Advisory			As required
Contract Procedure Rules compliance	8	-	●									Q4
Key corporate controls and policies												
Information governance	15	15					●					Q2
Cyber security	15	5			●							Q3
Budgetary control	10	-	●									Q3
Grant claim verification	17	15						●				DFG and BSOG

Assignment	Budget	Actual	Not Started	Planning	Field Work Underway	Field Work Complete	Draft Report	Final Report	Control Environment	Compliance	Org Impact	Comment
												2022/23 completed
Corporate Objective: Protecting the vulnerable												
Quality assurance in Children's Social Care	12	11						●	Moderate	Moderate	Low	Q1
Early years providers	15	14					●					Q2
Continuing healthcare funding	15	6				●						Q3
Home to school transport	12	3			●							Q3
Fostering	12	3			●							Q3
Adult safeguarding	12	12						●	Good	Moderate	Low	Q1
Corporate Objective: Vibrant communities												
Private sector housing enforcement	12	2		●								Q3
Levelling Up Fund (LUF)	12	6			●							Q3
Corporate Objective: Delivering sustainable development												
Local plan development	15	2			●							Q3
Highways maintenance contract procurement	12	1		●								Q3
Corporate Objective: Customer focused services												




Assignment	Budget	Actual	Not Started	Planning	Field Work Underway	Field Work Complete	Draft Report	Final Report	Control Environment	Compliance	Org Impact	Comment
Transformation – advisory support	15	-	●						Advisory			As required
Commissioning of leisure services	12	10						●	Good	Good	Low	Q1
Other Assurances												
Client Support (Committee support, training, client liaison, advice/assistance, follow ups)	35	18										
Internal Audit Management & Development	31	17										
TOTAL	360	145										

Notes

At the completion of each assignment the Auditor will report on the level of assurance that can be taken from the work undertaken and the findings of that work. The table below provides an explanation of the various assurance statements that Members might expect to receive.




Compliance Assurances		
Level	Control environment assurance	Compliance assurance
Substantial ●	There is a sound system of internal control to support delivery of the objectives.	The control environment is operating as intended with no exceptions noted which pose risk to delivery of the objectives.
Good ●	There is generally a sound system of internal control, with some gaps which pose a low risk to delivery of the objectives.	The control environment is generally operating as intended with some exceptions which pose a low risk to delivery of the objectives.
Moderate ●	There are gaps in the internal control framework which pose a medium risk to delivery of the objectives.	Controls are not consistently operating as intended, which poses a medium risk to the delivery of the objectives.
Limited ●	There are gaps in the internal control framework which pose a high risk to delivery of the objectives.	Key controls are not consistently operating as intended, which poses a high risk to the delivery of the objectives.
No ●	Internal Audit is unable to provide any assurance that a suitable internal control framework has been designed.	Internal Audit is unable to provide any assurance that controls have been effectively applied in practice.

Organisational Impact

Level		Definition
High		The weaknesses identified during the review have left the Council open to a high level of risk. If the risk materialises it would have a high impact upon the organisation as a whole.
Medium		The weaknesses identified during the review have left the Council open to medium risk. If the risk materialises it would have a medium impact upon the organisation as a whole.
Low		The weaknesses identified during the review have left the Council open to low risk. This may have a low impact on the organisation as a whole.


Category of Recommendations



The Auditor prioritises recommendations to give management an indication of their importance and how urgent it is that they be implemented. By implementing recommendations made managers can mitigate risks to the achievement of service objectives for the area(s) covered by the assignment.



Priority		Impact & Timescale
High		Requires actions to avoid exposure to substantial risks in achieving objectives for the area.
Medium		Requires actions to avoid exposure to significant risks in achieving objectives for the area.
Low		Action recommended to enhance control or improve operational efficiency.

Appendix B: Rolling risk review findings


Risk for Review		
Risk Register Ref.	Risk	Owner
74	There is a risk that the Council is not financially stable in the medium term (as evidenced by the gap in MTFP) Medium Term Financial Plan (MTFP) in place	Director - Resources

Key Control Reference	Key Control	RAG Rating (Red, Amber, Green)	Auditor Comment & Opinion
74.1	Medium Term Financial Plan (MTFP) in place.	 Green	<p>Findings:</p> <p>The Council produces a Medium-Term Financial Plan (MTFP) which covers a five-year period. It is a forward-looking document which provides a financial picture over the next five years (in this case 2023/24 to 2027/28). The MTFP sets out the forecast spending profile of the Council and estimates the level of resources it will have available over the next five years. This enables the Council to forecast an annual surplus/deficit and assess whether its spending plans are affordable.</p> <p>The MTFP is refreshed annually to respond to changes in the local financial environment, government announcements and the results of budget monitoring but it is formally updated to fit in with the annual budget cycle.</p> <p>The 2023 MTFP was approved by Council in February 2023.</p> <p>Recommendation: None</p>

Key Control Reference	Key Control	RAG Rating (Red, Amber, Green)	Auditor Comment & Opinion
74.2	Members adhering to minimum General Fund balances in budget setting.	 Green	<p>Findings: As part of budget report, the Chief Financial Officer / Section 151 Officer (CFO) must report to Members the general fund balances that are needed and the budget reports comment on whether it has been achieved or not.</p> <p>Training has been provided to new Members and the minimum reserve levels are set out by the CFO as part of the budget setting report annually. See section 3.2, 3.3 & 7.2.</p> <p>The Council implemented a new Reserve Strategy and Policy in August 2023. The Policy provides the context of use of the reserve balances to support the delivery of a sustainable financial position for the Council. Balances have been identified in order to mitigate risk and provide investment opportunities for future savings proposals and/or enhanced service delivery.</p> <p>Recommendation: None</p>
74.3	Members understand the need to raise Council Tax.	 Green	<p>Findings: Recommendations are put forward as part of budget setting report with Members either approving the recommendations or recommending an alternative.</p> <p>It has been noted that, if the Council Tax rate was not raised, Rutland County Council would lose £1.5 million in the year 2023/24 and every year thereafter which would threaten the Council's financial independence.</p> <p>In the following report to Members, Members have increased Council Tax by the maximum amount, in all but one year, recognising the Council's high dependency on Council Tax under the current funding methodology.</p>

Key Control Reference	Key Control	RAG Rating (Red, Amber, Green)	Auditor Comment & Opinion
			<p>It is Cabinet's proposal, based on current information, that: The Council pursues a policy of maximum council tax rises (current maximum allowable) reinvesting part of any additional yield to support the cost of living crisis and those on low incomes.</p> <p>Council Tax rates are assumed to be at 3% for 2023/24 onwards. No further work has been undertaken on the tax base and this will be revisited when the Council have a clearer picture on collection rate and how they may be impacted by the cost of living crisis.</p> <p>The Strategy went to Council and was approved in October 2023.</p> <p>Recommendation: None</p>
74.4	All increases in budget scrutinised to ensure they are legitimate.	 Green	<p>Findings: As part of annual budget setting process all increases go through the Council's Scrutiny Panel to ensure the process is reviewed and checked that is a legitimate increase.</p> <p>The MTFP went to the Council's Strategic Overview and Scrutiny Committee in January 2023. With reports and minutes published on the Council's website.</p> <p>Recommendation: None</p>
74.5	Lobbying for additional funding ongoing including meeting with Minister and MP.	 Green	<p>Findings: Usually the Leader of the Council and Portfolio Holder for Finance carry out this activity. Meetings are informal and minutes are not taken.</p>

Key Control Reference	Key Control	RAG Rating (Red, Amber, Green)	Auditor Comment & Opinion
			<p>It is understood that the Leader of the Council has regular meetings with the MP where this takes place. The Council also encourages other organisations to lobby the MP directly e.g. Early Year Education Providers.</p> <p>Recommendation: None</p>
74.6	Various controls strengthened in-light of action opposite (e.g. review of recruitment, agency staff etc).	<p>● Amber</p>	<p>Findings: This control would be exercised if an overspend was forecast and management needed to take immediate steps to mitigate escalating costs. The most recent financial performance report (Qtr 2 to Cabinet) indicates a forecast underspend position. Therefore, this control is not being exercised as expenditure remains within budget, and alternative mitigating actions are being undertaken where budget pressures emerge.</p> <p>An enhanced budget setting approach as been adopted for the medium term financial strategy (MTFS) with a focus on medium to longer term financial planning, rather than short term immediate next financial year plan. This should reduce the need for short term control measures such as this. However, it will be kept under review.</p> <p>Recommendation: Risk Register to be updated to reflect a range of controls that can be adopted to mitigate in year expenditure pressures as part of sound financial management activities. These controls will vary in severity and be adopted depending on the level of overspend being forecast.</p>
74.7	Strong management of the ongoing Revenue Budget.	<p>● Green</p>	<p>Findings: Corporate Leadership Team (CLT) receive Finance updates monthly. These are provided by the Head of Finance on the latest position.</p> <p>Recommendation: None</p>

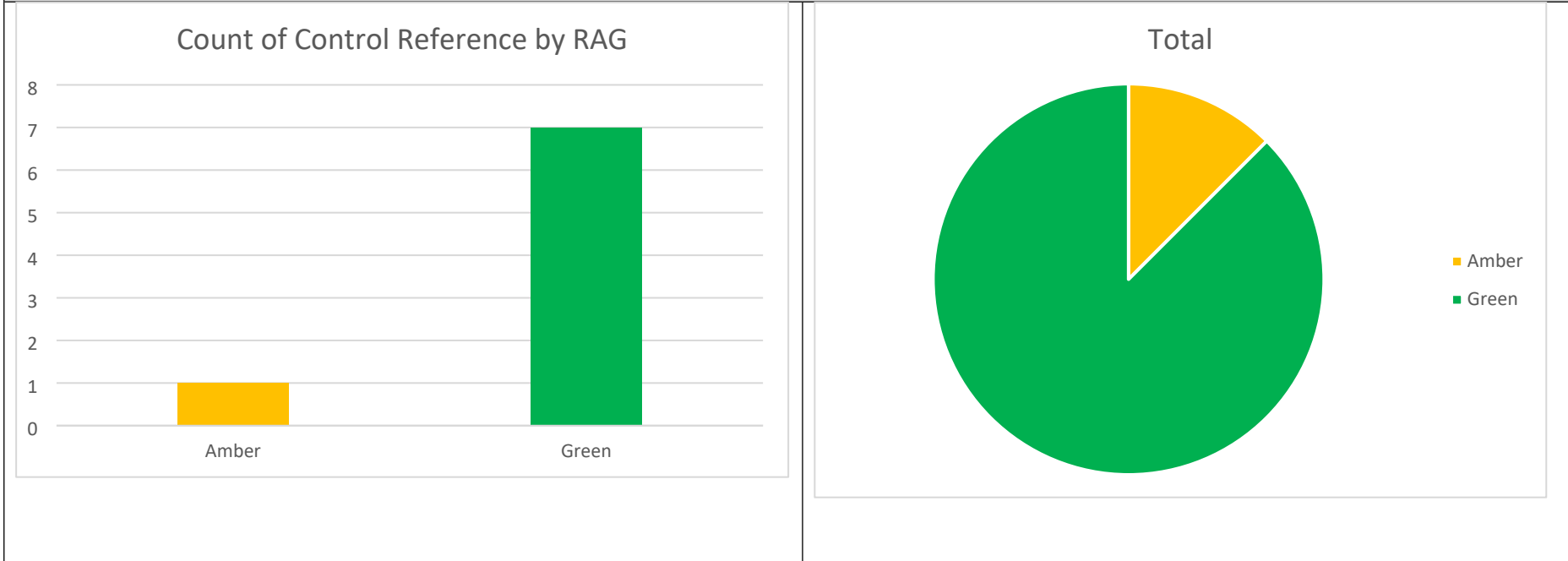
Key Control Reference	Key Control	RAG Rating (Red, Amber, Green)	Auditor Comment & Opinion
74.8	Ongoing project work to assess financial impact of reforms.	 Green	<p>Findings: On 7 September 2021 the Government set out its new plan for adult social care reform in England. This included a lifetime cap on the amount anyone in England will need to spend on their personal care, alongside a more generous means-test for local authority financial support.</p> <p>From October 2023, the government will introduce a new £86,000 cap on the amount anyone in England will need to spend on their personal care over their lifetime.</p> <p>In addition, the upper capital limit (UCL), the point at which people become eligible to receive some financial support from their local authority, will rise to £100,000 from the current £23,250. As a result, people with less than £100,000 of chargeable assets will never contribute more than 20% of these assets per year. The UCL of £100,000 will apply universally, irrespective of the circumstances or setting in which an individual receives care, making it a much more generous offer than a previous proposal in 2015. The lower capital limit (LCL), the threshold below which people will not have to pay anything for their care from their assets will increase to £20,000 from £14,250.</p> <p>Current project work is specifically around adult social care reports; however, Central Government have put this on hold and have delayed the reform around care cap.</p> <p>The Head of Finance is planning how the Council manages the position going forward.</p> <p>Recommendation: None</p>

Mitigating Actions Status

Action	Owner	Timescale	Latest Status
<p>Agree financial objectives and priorities and implications as part of budget setting.</p> <ul style="list-style-type: none"> • Added October 2021 • Due for completion – February 2022 <p>Update - financial objectives re dates for reducing deficits need to be revisited in light of the impact of cost of living crisis. Cabinet paper due in October 2022</p>	Director - Resources	February 2022	<p><u>Update on latest status:</u></p> <p>The latest MTFP has been agreed by Members which builds on the plan in the Financial Sustainably Strategy.</p>
<p>Agree plan for Budget Savings (including a decision to proceed re Transformation) including how it can be resourced.</p> <ul style="list-style-type: none"> • Added March 2022 • Due for completion – End Autumn 2022 <p>Update – this is work in progress and goes beyond savings programme in light of change in context. Budget Strategy needed for Autumn. Cabinet paper due in October 2022</p>	Director - Resources	Autumn 2022	<p><u>Update on latest status:</u></p> <p>The Council is currently going through a new budget process for 2024/25 with the aim of financial stability in the long term.</p>

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Assurance & Findings



RAG Rating Indicator Values & Assurances

● Red	Control is not present or not currently operating.
● Amber	Control is not operating fully or consistently in line with risk register entry.
● Green	Control in place and evidenced as operating as stated.

Appendix C: Implementation of Audit Recommendations

	High priority recommendations		Medium priority recommendations		Low priority recommendations		Total	
	Number	% of total	Number	% of total	Number	% of total	Number	% of total
Actions due and implemented since last Committee meeting	2	50%	15	54%	5	63%	22	55%
Actions due within last 3 months, but <u>not implemented</u>	-	-	5	18%	1	12%	6	15%
Actions due <u>over 3 months</u> ago, but <u>not implemented</u>	2	50%	8	28%	2	25%	12	30%
Totals	4	100%	28	100%	8	100%	40	100%

Appendix D: High priority audit recommendations overdue by more than three months

Audit Title and Year	Service Area	Outstanding Action	Status Update	Officer	Original Date	Revised Date (if provided)
Asset Management 2021/22	Places	<p>Tenancy schedule</p> <p>An up to date record of all properties, current tenants and terms should be consistently maintained. This should enable:</p> <ul style="list-style-type: none"> • Forward planning for tenancies reaching the end of their term; • Budget forecasting of expected income reflecting exact details of current leases/licences and income due; • Consistent information in the case of changes in personnel or planned absence of key officers. <p>It is acknowledged that manual spreadsheet records introduce an element of risk and a bespoke system for maintained all property records may assist in this, subject to a cost benefit analysis.</p>	<p>Due to staff vacancies and other work priorities this work has had to be delayed. Currently reviewing options as to how to progress the database population which include staff overtime/external temp support.</p> <p>Will discuss with new Interim Head of Service once they have started in November 2023.</p>	Head of Property Services	30/09/2022	December 2023
Asset Management 2021/22	Places	<p>Remedial actions</p> <p>The central record (above) should link to a clear action tracker for all remedial</p>	<p>Due to staff vacancies and other work priorities this work has had to be delayed. Currently reviewing options as to how to progress the database population which</p>	Head of Property Services	31/03/2023	December 2023

Audit Title and Year	Service Area	Outstanding Action	Status Update	Officer	Original Date	Revised Date (if provided)
		actions arising from inspections. This should be subject to monitoring and review as part of staff supervisions/team meetings, as appropriate, or automate the generation of works orders.	include staff overtime/external temp support. Will discuss with new Interim Head of Service once they have started in November 2023.			

Appendix E: Customer Satisfaction

At the completion of each assignment, the Auditor issues a Customer Satisfaction Questionnaire to each client with whom there was a significant engagement during the assignment. The Head of Service and the Line Manager receive a CSQ for all assignments within their areas of responsibility. The standard CSQ asks for the client's opinion of four key aspects of the assignment. The three responses received during the year to date are set out below.

Aspects of Audit Assignments	N/A	Outstanding	Good	Satisfactory	Poor
Design of Assignment	-	2	1	-	-
Communication during Assignments	-	3	-	-	-
Quality of Reporting	-	2	1	-	-
Quality of Recommendations	-	2	1	-	-
Total	-	9	3	-	-

Appendix F: Limitations and responsibilities

Limitations inherent to the internal auditor's work

Internal Audit undertakes a programme of work agreed by the Council's senior managers and approved by the Audit and Risk Committee subject to the limitations outlined below.

Opinion

Each audit assignment undertaken addresses the control objectives agreed with the relevant, responsible managers. There might be weaknesses in the system of internal control that Internal Audit are not aware of because they did not form part of the programme of work; were excluded from the scope of individual internal assignments; or were not brought to the consortium's attention. As a consequence, the Audit and Risk Committee should be aware that the audit opinion for each assignment might have differed if the scope of individual assignments was extended or other relevant matters were brought to Internal Audit's attention.

Internal control

Internal control systems identified during audit assignments, no matter how well designed and operated, are affected by inherent limitations. These include the possibility of poor judgement in decision making; human error; control processes being deliberately circumvented by employees and others; management overriding controls; and unforeseeable circumstances.

Future periods

The assessment of each audit area is relevant to the time that the audit was completed in. In other words, it is a snapshot of the control environment at that time. This evaluation of effectiveness may not be relevant to future periods due to the risk that:

- the design of controls may become inadequate because of changes in operating environment, law, regulatory requirements or other factors; or
- the degree of compliance with policies and procedures may deteriorate.

Responsibilities of management and internal auditors

It is management's responsibility to develop and maintain sound systems of risk management; internal control and governance; and for the prevention or detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems.

Internal Audit endeavours to plan its work so that there is a reasonable expectation that significant control weaknesses will be detected. If weaknesses are detected additional work is undertaken to identify any consequent fraud or irregularities. However, Internal Audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected, and its work should not be relied upon to disclose all fraud or other irregularities that might exist.

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AUDIT AND RISK COMMITTEE

5 December 2023

INTERNAL AUDIT PLAN DEVELOPMENT 2024/25

Report of the Chief Internal Auditor

Strategic Aim:	All	
Exempt Information	No	
Cabinet Member(s) Responsible:	Cllr A Johnson, Portfolio Holder for Resources	
Contact Officer(s):	Rachel Ashley-Caunt, Chief Internal Auditor	Tel: 07799 217378 rashley-caunt@rutland.gov.uk
Ward Councillors	N/A	

DECISION RECOMMENDATIONS

That Committee:

1. Notes the process to be followed to develop the risk based Audit Plan for 2024/25.
2. Highlights areas for consideration for the 2024/25 for the Audit Plan to the Chair of the Audit and Risk Committee and the Chief Internal Auditor by 31st January 2024.

1 PURPOSE OF THE REPORT

- 1.1 To inform the Committee on the process to be followed in developing the Internal Audit Plan for 2024/25. To also invite the Committee to highlight any areas where assurance is required from the Internal Audit team during the next financial year.

2 BACKGROUND AND MAIN CONSIDERATIONS

Internal Audit Plan

- 2.1 The Internal Audit Plan sets out the assignments that will be delivered by the Internal Audit team during the financial year. In accordance with the Public Sector Internal Audit Standards (PSIAS), the Audit Plan should be risk based and developed with input from senior management and the Audit Committee.

2.2 In order to ensure that the Audit Plan for 2024/25 addresses the Council's key risks and adds value, the Chief Internal Auditor intends to identify and prioritise the areas for coverage by:

- Reviewing the Council's Risk Registers and Corporate Plan;
- Identifying any other sources of assurance for each of the Council's key risks, which may reduce the added value of an Internal Audit review;
- Analysing coverage of Internal Audit reviews over the last four years and the assurance opinions provided following each review, to identify any gaps or areas where follow up work would be of value;
- Reflecting upon outcomes of audit work, risk reviews and Council performance in the last year;
- Identifying any areas of the Audit Universe which have not been subject to Internal Audit review during the last four years; and
- Seeking input from Senior Management on key risks and emerging risk areas for the year ahead and also any areas where Internal Audit support would be beneficial either in an assurance or consultancy role.

2.3 Members of the Audit and Risk Committee are invited to raise any areas where assurance from Internal Audit is sought during 2024/25 for risk assessment and prioritisation in the development of the Audit Plan.

2.4 The draft Audit Plan will be presented to the Audit and Risk Committee in March 2024 for final refinement and formal approval. The Plan will then remain open to ongoing review and amendment throughout the financial year to respond to any changes in risk and emerging issues.

3 CONSULTATION

3.1 No formal consultation required.

4 ALTERNATIVE OPTIONS

4.1 The Committee is asked to note the report. No alternative options are proposed.

5 FINANCIAL IMPLICATIONS

5.1 There are no financial implications directly arising from this report.

6 LEGAL AND GOVERNANCE CONSIDERATIONS

6.1 The Audit and Risk Committee is responsible for oversight of the work of Internal Audit including approving the annual Audit Plan and satisfying itself that the plan provides assurance over the Council's control framework and key risks. It is also responsible for gaining assurance that internal audit is complying with internal audit standards.

6.2 There are no legal implications arising from this report.

7 DATA

7.1 A Data Protection Impact Assessment (DPIA) has not been completed because there are no risks/issues to the rights and freedoms of natural persons.

8 EQUALITY IMPACT ASSESSMENT

8.1 There are no equality implications

9 COMMUNITY SAFETY IMPLICATIONS

9.1 There are no community safety implications

10 HEALTH AND WELLBEING IMPLICATIONS

10.1 There are no health and wellbeing implications.

11 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

11.1 The report sets out the process to be applied in developing the Internal Audit Plan for 2024/25. The Committee plays an important role in the oversight of Internal Audit work.

12 BACKGROUND PAPERS

12.1 There are no additional background papers to the report

13 APPENDICES

13.1 None

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AUDIT AND RISK COMMITTEE

5 December 2023

STRATEGIC RISK REGISTER

Report of the Strategic Director for Resources

Strategic Aim:	All	
Exempt Information	No	
Cabinet Member(s) Responsible:	Cllr A Johnson, Deputy Leader and Portfolio Holder for Resources	
Contact Officer(s):	Kirsty Nutton, Strategic Director for Resources (s.151 Officer)	01572 758159 KNutton@rutland.gov.uk
Ward Councillors	N/A	

DECISION RECOMMENDATIONS

That the Committee:

- 1) Considers the content of the updated Strategic Risk Register (Appendix A) and the actions underway to address the risks.

1 PURPOSE OF THE REPORT

- 1.1 To present the Strategic Risk Register to the Committee and provide assurance that strategic risks are being adequately managed.

2 CONTEXT

- 2.1 Risk is unavoidable, and it forms an important part of life that allows us all to move forward and develop. As an organisation it can impact in many ways, whether financially, politically, on our reputation, environmentally or to our service delivery. Effective risk management optimises the balance between risk and control, providing sufficient protection from harm, without stifling the Council's development.
- 2.2 The Council's overriding attitude to risk is to operate in a culture of creativity and innovation, in which risks are identified in all areas of the business, are understood and proactively managed, rather than avoided. Risk management therefore needs to be at the core of the Council and our key partners. As such

the Council needs 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. This will enable the Council to not only to meet the needs of the community today, but also be prepared to meet future challenges.

- 2.3 The Council's main aims in relation to risk management are to:
- i. Ensure that appropriate systems are in place to help identify, evaluate and make a conscious choice about how to deal with the risks that it faces
 - ii. Ensure that mechanisms exist to track and report business risks on an ongoing basis
 - iii. Embed risk management into the culture of the organisation in terms of how it operates and makes decisions
 - iv. Adopt a systematic approach to risk management as an integral element of business planning and performance management
 - v. Raise awareness of the need for risk management by all those connected with delivery of the Council's services (including partners and contractors)

3 STRATEGIC RISK REGISTER

3.1 The Risk Register has been reviewed and updated as at November 2023. The dashboard at Appendix A summarises the key movements since it was last presented at Audit and Risk in June 2023. The full register is included in Appendix B.

3.2 Directorate Risk Registers are in place and the Internal Audit work plan for the year includes completing assurance reviews for this area, as approved by this Committee 21 March 2023:

Corporate governance and counter fraud

Risk management: To provide support on maintenance of the Council's risk registers and quarterly testing on a sample of controls within the registers to inform real time assurances to the committee on the assumptions underpinning the risk scoring.

3.3 In September 2023 the Audit and Risk Committee considered the governance arrangements put in place for the management of the Rutland Melton Levelling Up Fund administration and delivery of the programme to gain assurances of the governance processes and risk management from this project.

3.4 The Audit and Risk Committee undertook further training in September 2023 through attendance at a training session run by Zurich Resilience Solutions. Members were briefed on the management of risk in Council activities and considered what information is required to evaluate and ensure effective risk management is adopted.

4 CONSULTATION

4.1 None required.

5 ALTERNATIVE OPTIONS

- 5.1 This report provides an opportunity for the Audit and Risk Committee to review the Register therefore there are no alternative options for this recommendation.

6 FINANCIAL IMPLICATIONS

- 6.1 There are no direct financial implications arising from this report, but the Committee should note that the failure to manage risks effectively could have a financial impact on the Council.

- 6.2 Financial risks are reported to Cabinet, and considered by Scrutiny as part of the regular reporting of financial performance.

- 6.3 In September 2023 the Council approve a new Reserves Strategy and Policy. As part of this Strategy an assessment was undertaken as to the possible risk exposure for the Council alongside the likelihood of occurrence. The assessment by the S151 has enabled the Council to identify balances to mitigate risk and provide investment opportunities for future savings proposals and / or enhanced service. This assessment will be reviewed as part of the budget setting process and will form part of the S151 / Chief Finance Officers 'Section 25 Robustness of Estimates' assessment on the adequacy of reserves as part of the Medium-Term Financial Strategy.

- 6.4 In November 2023 Cabinet considered and approved the approach to use the forecast underspend with 50% to be used to mitigate in year risk pressures and for the remainder to be used to fund activity which supports financial sustainability. This approach supports the strategic risk management identified in this report given the three themes of investment activity to be based on:

- Investment to aid the recruitment and retention of staff to reduce vacancy rates
- Investment in IT and digital platforms to deliver the modern Council vision and create efficiencies in the way work is undertaken across the business, improve customer service interactions, which in turn will support staff wellbeing initiatives
- Investment in specific support for service delivery, whereby in year investment can be used to implement transformational change in service delivery methods e.g. social care prevention including CQC readiness and stabilisation plans for services where vacancy rates are particularly high and impacting on service delivery

7 LEGAL AND GOVERNANCE CONSIDERATIONS

- 7.1 As set out in the terms of reference within the constitution, this Committee has responsibility to provide assurance of the adequacy of the Risk Management framework and control environment.

- 7.2 There are no legal implications arising from this report.

8 DATA PROTECTION IMPLICATIONS

- 8.1 A Data Protection Impact Assessments (DPIA) has not been completed because there are no service, policy or organisational changes being proposed.

9 EQUALITY IMPACT ASSESSMENT

- 9.1 An Equality Impact Assessment (EqIA) has not been completed because there are no service, policy or organisational changes being proposed.

10 COMMUNITY SAFETY IMPLICATIONS

- 10.1 There are no community safety implications.

11 HEALTH AND WELLBEING IMPLICATIONS

- 11.1 There are no health and wellbeing implications.

12 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 12.1 The Committee's role is to monitor the effective development and operation of risk management and corporate governance. The Risk Register sets out the strategic risks facing the Council and demonstrates how they are being managed.
- 12.2 The Internal Audit plan includes an allocation of time throughout the year to review the controls and actions outlined in this report as part of mitigating the risks.

13 BACKGROUND PAPERS

- 13.1 The following are links to the relevant Risk Management papers:
- [Risk Management Policy, as agreed at Audit & Risk Committee, 5 April 2022, Item 9.](#)
 - [Strategic Risk Register report, as considered at Audit & Risk Committee, 27 June 2023, Item 12.](#)
 - [Internal Audit work plan, as agreed at Audit & Risk Committee, 21 March 2023, Item 9.](#)
 - [Levelling Up Fund Governance Arrangements, as considered at 26 September 2023, Item 8.](#)
 - [Reserves Strategy & Policy, as approved at Council 4 September 2023, Item 10.](#)
 - [2023/24 Quarter 2 - Revenue And Capital Forecast Report , as considered and approved at Cabinet 14 November 2023, Item 6](#)

- [Performance Report 2023/24, as considered and approved at Cabinet 14 November 2023, Item 7](#)

14 APPENDICES

14.1 Appendix A: Strategic Risk Register

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Appendix A. Strategic Risk Register

Key to symbols/terms used within the report.


Risk Score:

Inherent Risk – the likelihood / impact of the risk without taking any controls and actions in place into consideration.

Residual Risk – the likelihood / impact of the risk taking the controls and actions RCC have put in place into consideration.

Summary of risks – (for risk matrices see final page of this report)

Risk ID:	Risk Title:		Corporate Strategy Priority	Inherent Risk Cat.	Residual Risk Cat.	Movement since last review
3	Failure to deliver key services should a significant business interruption occur		A modern & effective Council	High	Medium	No change
4	Failure to Safeguard (Children) and a child is significantly abused, hurt, or dies.		A county for everyone	High	Medium	No change
5	Failure to Safeguard (Adults) and an adult is significantly abused, badly hurt or dies.		Healthy & well	High	Medium	No change
76	Failure to address increasing SEND costs and provide an inclusive learning offer		A county for everyone	High	Medium	Increase
7	Failure to put in place plans to support growth with appropriate infrastructure		A special place	Medium	Low	No change
78	Failure to achieve expectations of customers across key service areas.		A modern & effective Council	Low	Low	No change
10	Failure to protect the health and safety of employees and members of the public		A modern & effective Council	High	Low	No change
73	There is a risk we cannot deliver key/new priorities due to a lack of resources caused by retention / recruitment issues, budget or too big a corporate workload (including additional requirements from Government).		A modern & effective Council	High	High	No change
74	There is a risk that the Council is not financially stable in the medium term (as evidenced by the gap in MTFP)		A modern & effective Council	High	Medium	Reduction
79	Risk that the Council does not have procurement and commissioning capacity and capability to secure the best possible financial and other outcomes		A modern & effective Council	Medium	Low	Reduction

Risk ID: 3	Risk Title: Failure to deliver key services should a significant business interruption occur	
 A modern & effective Council	Actions (on-going to support mitigation of risk) <ul style="list-style-type: none"> • Regular testing of Business Continuity Plans (BCPs) to continue (every 6 months). • Embed Business Continuity Officer into RCC services. • Continue engagement in LRF management boards to support best practice and learning. • Regular engagement in appropriate emergency planning exercises to support strategic and tactical responses in the event of an emergency that would impact on business delivery and the wider community. • Delivery of local emergency centre training and preparation – scheduled for early 2024. 	Controls <ul style="list-style-type: none"> • A Major Incident Plan is in place • A local emergency plan has been developed. • Business Continuity and recovery plans in place - documents have been uploaded to a secure website (Resilience Direct) • Contract procedure rules include the requirement for managers to consider the impact of contractor failure and mitigate the risks appropriately. • Periodically test the Plan through LRF based exercise
Owner: Strategic Director for Law and Governance		
Inherent Score: 16		
Residual Score: 12 ↔		
Date Risk Added: September 2016		
Last Review Date: November 2023		
PREVIOUS ACTIONS (REMOVED OR CLOSED)		
Comments: <p>Business continuity plans are in place for all critical services within the Council and we have begun a regular programme of testing with the first testing session in September at CLT. This resulted in amendments to plan structure with the next test scheduled in 3 months. We have made a commitment to a new business continuity officer who will employed by the Resilience Partnership however this is delayed due to contractual discussions with other Councils – it is expected to go ahead this financial year. This new officer will be responsible for overseeing the Councils BCPs and monitoring updates, leading on the testing with services to make BCP business as usual.</p> <p>Our emergency planning preparation has continued - this year RCC has taken part in 2 exercises – Operation Mighty Oak and Operation Voltornus – both designed to support strategic and tactical responses to emergencies. Working closely with the resilience officer we are identifying the right training for the Council to manage emergency response in doing so we have developed a local emergency plan to support rapid response with training scheduled in January. Further training for emergency centre managers and staff is now also in train and likely delivered early 2024.</p>		

[IMP] – An action that will improve the likelihood/impact of the risk once the action is completed.


[PRE] – A preventative action, which will not improve the risk but will prevent it from getting worse.

Risk ID: 4	Risk Title: Failure to Safeguard (Children) and a child is significantly abused, hurt, or dies.	
<div style="background-color: #003366; color: white; padding: 2px;">A county for everyone</div>	Actions <ul style="list-style-type: none"> • [IMP] Implement the Independent Review of Social Care recommendations following Government response and Pathfinder initiatives. <ul style="list-style-type: none"> ○ Added September 2022 ○ Pathfinders have begun in October 2023 	Controls <ul style="list-style-type: none"> • Processes and procedures in place to protect the most vulnerable • Ensuring we have sufficient competent, trained staff to safeguard children and there is no unallocated work • Clear practice standards in place so staff know what is expected of them and effective training to allow them to deliver high quality practice. • Children's services improvement plan in place and subject to scrutiny by the Improvement Board. • High quality management oversight of all Children's Social Care practice. • Comprehensive Performance Management and Quality Assurance framework in place. • Sign of Safety model in place
Owner: Strategic Director for Children & Families		
Inherent Score: 20		
Residual Score: 12 ↔		
Date Risk Added: September 2016		
Last Review Date: November 2023		
PREVIOUS ACTIONS (REMOVED OR CLOSED)		
Comments: The results of the consultation and the Government's response was published in September 2023 the response is on the link below: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1185931/Children_s_Social_Care_Stable_Homes_Built_on_Love_consultation_response.pdf <ul style="list-style-type: none"> • As a result of this we are currently in a period of testing on the part of Pathfinder Local Authorities to test the changes that the government wants to implement nationally- we are waiting for results and findings from these Local Authorities to further shape the direction of the changes we are implementing within children's services. • Within Rutland we are undertaking a period of restructure in children's services in preparation for the changes that will become national requirements following the Pathfinder programmes. 		

[IMP] – An action that will improve the likelihood/impact of the risk once the action is completed.

[PRE] – A preventative action, which will not improve the risk but will prevent it from getting worse.

Risk ID: 4	Risk Title: Failure to Safeguard (Children) and a child is significantly abused, hurt, or dies.
<p>Our full ILACS inspection will take place in 2024- this is an opportunity to display the progress we have made since our 2020 inspection. The areas of social work practice to improve are:</p> <ul style="list-style-type: none"> • The robustness of management oversight so that shortfalls in visits to children and social work supervision are prevented. • The effectiveness of the quality assurance measures in informing improvements. • The quality of assessments. In response we have updated our development plan for children’s services with a particular focus on achieving consistent good quality practice in assessments and planning and strengthened our frontline management and supervision of child in need and child protection work 	

Risk ID: 5	Risk Title: Failure to Safeguard (Adults) and an adult is significantly abused, badly hurt or dies.		
 Healthy & well	<p>Actions</p> <ul style="list-style-type: none"> • [PRE] Preparing for Care Quality Commission assessment of Local Authority Social Care. Completion of Self-Assessment tool when available. <ul style="list-style-type: none"> ○ Preparation is ongoing and from October 2022 a CQC readiness team will oversee action. ○ Ongoing work as of November 23 to look at safeguard alerts, demand management. <p>Deprivation of Liberty Safeguards</p> <ul style="list-style-type: none"> ○ Currently in place whilst the Liberty Protection Safeguards are postponed (date unknown for change in law at this time) ○ Stable contract in place for LCC to undertake the DoLS work. 	<p>Controls</p> <ul style="list-style-type: none"> • Processes and procedures in place to protect the most vulnerable. • Scrutiny and overview from the Safeguarding Boards and Internal Boards such as CQC Regulation Board • Monthly performance and financial monitoring by senior offices and updates to Cabinet. • High quality, timely information contained within case files. • Clear practice standards in place so staff know what is expected of them. • Management oversight recorded on file alongside regular supervision. • Effective training of staff. • Comprehensive Performance Management and Quality Assurance framework in place. • Annual audits now in place on an ongoing basis to ensure quality and effectiveness of service is maintained. • Workforce and workflow changes/redesign providing further resilience and professionalism to safeguarding and manage demand • Extra social worker added to P&S to support increased safeguarding referrals/duty work, on a fixed one-year contract 	
Owner: Strategic Director for Adult Services & Health		Inherent Score: 15	Residual Score: 9 ↔
Date Risk Added: September 2016		Last Review Date: November 2023	
<p>PREVIOUS ACTIONS (REMOVED OR CLOSED)</p> <ul style="list-style-type: none"> ○ CLOSED - [PRE] Implement changes to Liberty Protection Safeguards (issued in March) for implementation in 2023 - awaiting confirmation of a revised implementation date unlikely to happen within this current Government 			

[IMP] – An action that will improve the likelihood/impact of the risk once the action is completed.

[PRE] – A preventative action, which will not improve the risk but will prevent it from getting worse.



Risk ID: 5	Risk Title: Failure to Safeguard (Adults) and an adult is significantly abused, badly hurt or dies.
<p>Comments: *The Care Act 2014 (Section 42) requires that each local authority must make enquiries, or cause others to do so, if it believes an adult is experiencing, or is at risk of, abuse or neglect. An enquiry should establish whether any action needs to be taken to prevent or stop abuse or neglect and if so, by whom.</p> <p>There will be Care Quality Commission (CQC) oversight of Local Authorities' delivery of its Care Act duties across adult social care, which will be introduced through the Health and Care Bill.</p> <p>The Liberty Protection Safeguards will provide protection for people aged 16 and above who are or who need to be deprived of their liberty in order to enable their care or treatment and lack the mental capacity to consent to their arrangements. The Liberty Protection Safeguards were introduced in the Mental Capacity (Amendment) Act 2019 and will replace the Deprivation of Liberty Safeguards (DoLS) system.</p>	

Risk ID: 76	Risk Title: Failure to address increasing SEND costs and provide an inclusive learning offer		
A county for everyone	Actions <ul style="list-style-type: none"> • [IMP] Delivering Better Value programme grant application and high-level implementation plan is completed <ul style="list-style-type: none"> ○ Funding agreed in principle and due to be received to support implementation plan – November 2023 ○ Programme capacity in place and local Area Strategic Governance arrangements in place • [IMP] Development of new early years pathway for those with additional needs <ul style="list-style-type: none"> ○ Collaboration and input via the EY inclusion offer and SSP in place for EY providers and settings with positive outcomes ○ Consultation on the future of the Parks Special Nursery School is live and due for completion December 2023, decision January 2024. • [IMP] Strengthen strategic partnership governance of SEND system in Rutland. <ul style="list-style-type: none"> ○ In place October 2023. • [IMP] Rutland Lead partner in SEND and AP Change programme <ul style="list-style-type: none"> ○ Programme capacity in place ○ Grant in place ○ Key priority testing areas determined 	Controls <ul style="list-style-type: none"> • SEND recovery plan in place and actioned. • Monitoring by officers – regular scrutiny of performance data, finance and outcomes. • SEND area Strategic Board scrutinises progress of Delivering Better Value (DBV) Implementation plan. • Continue to expand our In-County special education provision for children with SEND so more children are educated in mainstream settings closer to home. • Increased capacity in the UCC mainstream plus facility, and 4 places in the primary DSP • Support and enable our Early Years Settings to meet the needs of all children and families so all Rutland families have access to early education which meets identified needs. • Inclusion partnerships across Early years, primary and secondary phases • External scrutiny through the CQC and Ofsted area SEND inspection process 	
Owner: Strategic Director for Children & Families		Inherent Score: 15	Residual Score: 12 ▲
		Date Risk Added: November 2023	Last Review Date: November 2023
PREVIOUS ACTIONS (REMOVED OR CLOSED)			
CLOSED: New secondary mainstream plus provision now in place (10, plus 10 places targeted at children with additional needs) from September 2022.			
CLOSED: Preparation for Delivering Better Value Programme and Phase 1 completed			
Comments: The increased demand and rising costs for supporting children with SEND is still a national issue and the Department for Education has published its SEND/AP improvement plan: https://www.gov.uk/government/publications/send-and-alternative-provision-improvement-plan There is a 2-year national change programme associated with this which RCC will be fully engaged in to ensure reforms are implemented well.			

[IMP] – An action that will improve the likelihood/impact of the risk once the action is completed.

[PRE] – A preventative action, which will not improve the risk but will prevent it from getting worse.

Risk ID: 76	Risk Title: Failure to address increasing SEND costs and provide an inclusive learning offer
<p>The Council is also part of the Delivering Better Value in SEND programme which provides dedicated support and funding to help local authorities with substantial, but less severe, deficit issues to reform their high needs systems; we fit this profile. A grant submission and implementation plan have been completed which secured a £1m grant to enable us to implement the necessary changes and development to address the growth of the deficit on the high needs block.</p> <p>A joint OFSTED/CQC Area SEND Inspection took place in May 2023 which was positive about the outcomes we are achieving for our children with SEN/D in Rutland. Published in July 2023.</p>	

Risk ID: 7	Risk Title: Failure to put in place plans to support growth with appropriate infrastructure	
 A special place	<p>Actions</p> <ul style="list-style-type: none"> • [IMP] New IDP to be developed alongside new Local Plan <ul style="list-style-type: none"> ○ Due for completion December 2024 ○ Working group is overseeing all Local Plan work • [IMP] Governance framework for CIL embedded. <ul style="list-style-type: none"> ○ Funding be included as part of the Capital Strategy and Capital Programme as part of the MTFS in February 2024 • [IMP] Infrastructure priorities to be agreed <ul style="list-style-type: none"> ○ Cabinet approved indicative allocations and spending framework in December 2022 ○ To be included as part of the Capital Strategy and Capital Programme as part of the MTFS in February 2024 	<p>Controls</p> <ul style="list-style-type: none"> • Existing plan in place – Infrastructure Delivery Plan • Infrastructure requirements identified linked to CIL. • Key infrastructure requirements are monitored on a regular basis e.g. School Places. • Specific projects in place to meet specific need • Balances of s106 and CIL used to fund activity • Infrastructure funding statement published annually as part of the Medium Term Financial Plan • Projects managed in accordance with the Council’s project management policy
Owner: Strategic Director for Places		
Inherent Score: 12		
Residual Score: 6 ↔		
Date Risk Added: November 2016		
Last Review Date:  November 2023		
PREVIOUS ACTIONS (REMOVED OR CLOSED) None		
Comments: The Council were successful in its bid submission for Levelling up Bid funds (jointly with Melton) for c£23m.		



[IMP] – An action that will improve the likelihood/impact of the risk once the action is completed.

[PRE] – A preventative action, which will not improve the risk but will prevent it from getting worse.

Risk ID: 78	Risk Title: Failure to achieve expectations of customers across key service areas.	
A modern & effective Council	<p>Actions</p> <ul style="list-style-type: none"> • [IMP] Customer Services strategy to be refreshed as part of Corporate Plan work <ul style="list-style-type: none"> ○ Review of opportunities available for customer service arrangements as part of the transformation project ○ Work on service standards progressed ○ Opportunities developed as part of the budget setting process • [IMP] External website continues to be used as a platform to transform the customer experience as identified in the Transformation project review. <ul style="list-style-type: none"> ○ Opportunities developed as part of the budget setting process such as increased digital functionality to increase accessibility to Council services. 	<p>Controls</p> <ul style="list-style-type: none"> • Customer KPIs in place across key service areas. • External feedback in areas like Better Care Fund/Social Care. • Customer Service Standards in place. • Complaints, compliments and comments recorded and analysed. • Access to Council services available through various channels. • Enhanced website • MyAccount further embedding and roll out of functionality across services.
Owner: Leadership Team		
Inherent Score: 6		
Residual Score: 6 ↔		
Date Risk Added: October 2019		
Last Review Date: November 2023		
<p>PREVIOUS ACTIONS (REMOVED OR CLOSED) None</p>		
<p>Comments: The use of MyAccount continues to be well received with 2,357 new registrations from 1st April 2023 to 30th September 2023. Enhanced reception facilities to Catmose House incorporated in September 2023 through floor walker model to aid customers using the area.</p>		

[IMP] – An action that will improve the likelihood/impact of the risk once the action is completed.

[PRE] – A preventative action, which will not improve the risk but will prevent it from getting worse.

Risk ID: 10	Risk Title: Failure to protect the health and safety of employees and members of the public	
 A modern & effective Council	Actions <ul style="list-style-type: none"> • [IMP] H&S Corporate framework to be implemented. <ul style="list-style-type: none"> ○ Corporate H&S Group to assess implementation status – this work is ongoing. ○ Internal Audit have completed a health check review. ○ Health and Safety risk assessment process launched with Extended Leadership Team • [IMP] Review of H&S Strategy and Plan – adopt ISO45001 as a framework for assessment and planning purposes. • [IMP] Enhancement of the strategic approach with H&S reports taken to CLT on quarterly basis • [IMP] Enhancement of H&S advice and reporting through use of the new Intranet • [IMP] Review and enhancement of access to first aiders given the hybrid nature of office locations. Lead Officer proposal considered with training to be undertaken • [IMP] Revised membership of the Joint Safety Committee facilitating timely review of the Terms of Reference for the group and ensure appropriate representation in attendance from services across the Council 	Controls <ul style="list-style-type: none"> • Joint safety committee in place that reviews internal risk reports. • Contract procedure rules require contract managers to take due regard of health and safety when procuring contracts. • Managers complete risk assessments for service activities and review annually – monitoring process in place. • Mandatory health and safety training for all staff • Rolling programme of audits ongoing. • Internal H&S group • Annual report to Council on Health and Safety • Safety Management System in Place (follows ISO45001)
Owner: Strategic Director for Resources		
Inherent Score: 20		
Residual Score: 6 ↔		
Date Risk Added: September 2016		
 Past Review Date: November 2023		
PREVIOUS ACTIONS (REMOVED OR CLOSED) None		
Comments: H&S framework includes various aspects such as training, performance reporting, risk assessments, display screen equipment (DSE) assessments. Various elements have been completed such as DSE assessments, reporting to Joint Safety Committee. Internal Audit undertook a review of H&S framework (Satisfactory opinion).		

[IMP] – An action that will improve the likelihood/impact of the risk once the action is completed.

[PRE] – A preventative action, which will not improve the risk but will prevent it from getting worse.

Risk ID: 73	Risk Title: There is a risk we cannot deliver key / new priorities due to a lack of resources caused by retention / recruitment issues, budget or too big a corporate workload (including additional requirements from Government).	
A modern & effective Council	<p>Actions</p> <ul style="list-style-type: none"> • [IMP] Refresh of salary benchmarking for Heads of Service and Director posts – Q2 of 2023/24 - complete • [IMP] A model of Service Workplans to be introduced in 2023-24 as part of our financial management strategy – will assist prioritisation aligned to Corporate Strategy and workload management. • [IMP] Framework agreement in place with a Managed Service Provider to facilitate sourcing of Agency/interim workers where needed to cover urgent gaps/capacity. • [IMP] People Strategy being developed in 2024-5 to include focus on recruitment and retention – help to reduce turnover and retain capacity. • [IMP] Deliver Leadership and Management skills development – Leadership modules delivered in 2023; short management programme in Q4 2023-24; CLT programme in place for Q3/Q4. • [IMP] Quarterly reporting to CLT on key workforce issues and pressures to track and monitor risks and pressures points; identify actions. • [IMP] Corporate Performance management framework in place to track delivery of corporate priorities and service level standards and expectations. • [IMP] Trial of application process based on CV's and specific questions to demonstrate relevant skill sets • [IMP] Revision to Head of HR role to specifically include Organisation Development responsibilities • [IMP] Proactive use of in year forecast underspend position to fund enhanced activity to mitigate this risk • [IMP] Review of Portfolio Holders responsibilities is being undertaken to ensure a balance workloads across members • [IMP] Review of Directors service responsibilities undertaken to ensure a balance workloads across the leadership team 	<p>Controls</p> <ul style="list-style-type: none"> • Specific recruitment plans in place. • Provision for market supplements in place. • Use of external agencies/partners as approved by CLT • Applicant Tracking System in use, allowing Human Resources to manage the recruitment process better. • Awareness of where there are issues across Directorates • Review of Retention and Recruitment completed by HR • Business Continuity arrangements • Request for Resources from Cabinet/Council • Using grant funding received to bring in dedicated support • Delivered training/workshops for recruiting managers. • Monitoring of corporate and key performance indicators to track any risk to service delivery. • Regular review of capacity across Directorates and Portfolio Holders to ensure resource to to deliver Corporate Strategy
Owner: Leadership Team		
Inherent Score: 20		
Residual Score: 15 ↔		
Date Risk Added: September 2019		
Last Review Date: November 2023		

[IMP] – An action that will improve the likelihood/impact of the risk once the action is completed.

[PRE] – A preventative action, which will not improve the risk but will prevent it from getting worse.



PREVIOUS ACTIONS (CLOSED OR REMOVED)

None

Comments: The Council is continuing to experience resource pressures with on average 25 vacancies at any time. With additional funding, support has been secured from external firms for some projects. But we are still experiencing challenges in bringing in extra support. The position is fluid.


There is a national shortage of health and care workers at all levels and this is particularly acute in care settings. This is impacting local services e.g., both Council and private sector have gaps resulting in care packages being handed back and care providers stopping their contracts with us. We are working with HR to try and be creative, make roles as attractive as possible but we are not confident that this will solve the problem.

Progress on the implementation of projects and performance levels including any potential impact on delivery times arising from staffing issues is shared in the Performance Report.

Risk ID: 74	Risk Title: There is a risk that the Council is not financially stable in the medium term (as evidenced by the gap in MTFP)	
 A modern & effective Council	Actions <ul style="list-style-type: none"> • [IMP] enhanced budget setting process based on Cash Limit allocations on which to design an affordable service over the medium-term budget setting period. Design to include: <ul style="list-style-type: none"> ○ Transformational solutions ○ Key performance indicators aligned to the Corporate Strategy ○ Identified investment opportunities to help deliver long term financial sustainability. ○ Opportunities for efficiencies, enhanced service delivery which lead to ongoing savings identified ○ Due diligence on proposals by finance • [IMP] review the Reserve Strategy as part of the Medium Term Financial Plan (MTFP) to ensure suitable balance allocations between risk management and investment • [IMP] develop a series of Financial Health Indicators for the MTFP to provide warnings where agreed financial strategy is at risk of delivery. • [PRE] to manage in year financial performance managing demand, and mitigating budget pressure risks. • [IMP] deliver the saving initiatives identified in the MTFP and report on achievement as part of the regular financial performance reports to CLT and Cabinet. • [PRE] identify further saving and income generating, additional grant receipt opportunities during the year. 	Controls <ul style="list-style-type: none"> • Medium Term Financial Plan (MTFP) in place • Members adhering to minimum General Fund balances in budget setting • Members understand the need to raise Council Tax • All increases in budget scrutinised to ensure they meet policy objectives and performance standards. • Lobbying for additional funding ongoing including meeting with Minister and MP • Various controls reviewed and continued where appropriate to bring actual expenditure in line with budget where overspends are forecast (e.g. review of recruitment, agency staff etc) • Robust financial performance management of the ongoing Revenue budget throughout the year • Enhanced monitoring and reporting of financial performance with management action taken and risk mitigations for emerging budget pressures • Ongoing project work to assess financial impact of future financial reforms feeding into the funding strategy and changes to service delivery where necessary • Enhanced budget setting process where service provision is designed within the affordability envelope (adoption of Cash Limits) • Involvement in national schemes to develop alternative service delivery models where funding is available such as Delivering Better Value, SEND AP, Levelling Up Funding
Owner: Strategic Director for Resources		
Inherent Score: 24		
Residual Score: 12 ▼		
 Date Risk Added: September 2019		
Last Review Date: November 2023		
PREVIOUS ACTIONS (CLOSED OR REMOVED)		
<ul style="list-style-type: none"> • CLOSED - Direction of travel regarding transformational opportunities for service delivery to achieve financial sustainability to be presented to Cabinet in Summer 2023 - completed • CLOSED - develop a Reserve Strategy as part of the MTFP to provide clear indication of how reserves will be used. – completed • CLOSED – directorate budgets drafted and being built on Cash Limit allocations – completed. Due diligence on proposals being undertaken – ongoing. 		
Comments: Regular review of this risk and the changing economic climate is incorporated into the monthly budgetary control process and reported to the Leadership Team and Cabinet on a regular basis to ensure timely management action.		

[IMP] – An action that will improve the likelihood/impact of the risk once the action is completed.

[PRE] – A preventative action, which will not improve the risk but will prevent it from getting worse.

Risk ID: 79	Risk Title: Risk that the Council does not have procurement and commissioning capacity and capability to secure the best possible financial and other outcomes	
 A modern & effective Council	Actions <ul style="list-style-type: none"> • [IMP] Upskill internal team capacity to support more effective commissioning, alongside Service Level Agreement with Welland Procurement Unit for tender procurement support • [IMP] Develop tools to support the commissioning process prior to embarking on any procurements • [PRE] Continue to develop and implement streamlined processes for procurement to create efficiencies in process • [IMP] Update training for all staff on commissioning support and procurement processes to enable self-serve for low value, low risk procurements. This will follow clarity on the new Procurement Act which will come into force in October 2024. 	Controls <ul style="list-style-type: none"> • Council has access and support from Welland Procurement • Commissioning team in place covering all Directorates • Other external support is being brought in to supplement in house resource on key procurements e.g. waste management • Project Teams are in place with all key procurement activity e.g. Leisure, Waste Management, Highways • Lessons learnt include investing in understanding needs and therefore commissioning intentions rather than the process of contracting / procurement
Owner: Strategic Director for Law & Governance		
Inherent Score: 12		
Residual Score: 6 ▼		
Date Risk Added: January 2021		
Last Review Date: November 2023		
PREVIOUS ACTIONS (CLOSED OR REMOVED) None		
Comments: Actions updated and amended to reflect current position and take into account challenges identified within the Transformation workstream. The new Procurement Act has been passed and will come into force in October 2024. It significantly changes a number of processes and requirements relating to procurement. Training is expected to be rolled out nationally from March 2024.		

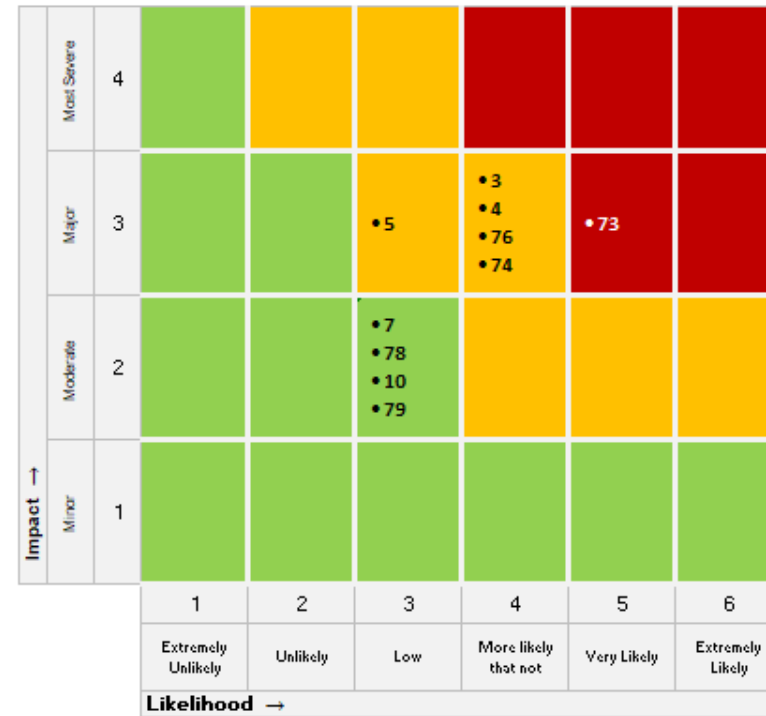
[IMP] – An action that will improve the likelihood/impact of the risk once the action is completed.

[PRE] – A preventative action, which will not improve the risk but will prevent it from getting worse.

Inherent Risk Score plotted on the Risk Matrix



Residual Risk Score plotted on the Risk Matrix



Risk ID:	Risk Title:
3	Failure to deliver key services should a significant business interruption occur
4	Failure to Safeguard (Children) and a child is significantly abused, hurt, or dies.
5	Failure to Safeguard (Adults) and an adult is significantly abused, badly hurt or dies.
76	Failure to address increasing SEND costs and provide an inclusive learning offer
7	Failure to put in place plans to support growth with appropriate infrastructure
78	Failure to achieve expectations of customers across key service areas.
10	Failure to protect the health and safety of employees and members of the public
73	There is a risk we cannot deliver key/new priorities due to a lack of resources caused by retention / recruitment issues, budget or too big a corporate workload (including additional requirements from Government).
74	There is a risk that the Council is not financially stable in the medium term (as evidenced by the gap in MTFP)
79	Risk that the Council does not have procurement and commissioning capacity and capability to secure the best possible financial and other outcomes

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