

AUDIT COMMITTEE

25th November 2016

MATTERS FOR INFORMATION

REPORT OF THE HEAD OF FINANCIAL SERVICES – DAVID REES

ALL WARDS

INTERNAL AUDIT SERVICE – Corporate Risk Register Update

Purpose of the Report

To receive the first six monthly (April to September) progress on the Council's Corporate Risk Register together with details of the work undertaken by Internal Audit.

Background

1. One of the roles of Audit Committee is to review and assess the Corporate Risk Management Arrangements and to report and make recommendations to the Cabinet on the adequacy and effectiveness of these arrangements.
2. This report will provide details of the latest report to Cabinet on the Corporate Risk Register and details of the work undertaken by Internal Audit as agreed at the September meeting.

Report to Cabinet

3. In line with the Council's Risk Management Policy a report on the position at the end of the first six months of 2016 was presented to Cabinet on 19th October 2016. Attached as Appendix 1 is the report and appendices presented to Cabinet.

Work Undertaken by Internal Audit

4. As requested at the meeting in September the risks on the Corporate Risk Register relating to the Social Services, Health & Housing and Finance and Corporate Services Directorates were examined.

Detailed below are the findings and recommendations of the audit work undertaken.

Social Services, Health & Housing

Risk SSHH15

Loss of senior staff leading to failure of service delivery

Mitigating Action

Interim manager put in place, training and development of replacement staff. Plan to secure replacement staff to be developed

Finding

The principal officer vacancy has recently been advertised, closing date 7th November, it is intended that a permanent appointment will be made as a result of this recruitment drive. Further interim staff have been engaged to provide assistance with the development of policies and procedures. The vacant Head of Service post is being covered by the Head of Children's Services and the Director of Social Services, Health & Housing.

Risk SSHH02

Improving Outcomes Improving Lives/Day Opportunities – remodelling of Day Opportunities – stakeholders resists proposals of changes to service delivery

Mitigating Action

Early and full stakeholder engagement plan to be established in support of each change project.

Finding

A comprehensive project plan was provided together with a number of reports and details of stakeholder consultations undertaken. Details of the new services now on offer was also sighted.

NPT 11

Safeguarding – despite the Council's safeguarding arrangements, policies and procedures, vulnerable adults and children may be at risk of significant harm.

Mitigating Action

Regular safeguarding meetings at Head of Service level close working with schools and Social Services, regularly training, continuous review of policies and procedures and designated safeguarding officers

Finding

Regular Safeguarding Group, comprising Chief Officers, meetings are held, copies of minutes sighted. A number of safeguarding audits are included in this year's Internal Audit Plan. Specific safeguarding roles assigned within both Social Services and Education. In the last 12 months 14 safeguarding training courses have been delivered and attended by 99 members of staff.

SSHH16

Performance of delivering Disabled Facilities Grants has deteriorated as a consequence of NPT Homes transferring cases back to the Council

Mitigating Action

Negotiate with NPT Homes to reduce these cases

Finding

There has been a series of meetings with senior management from NPT Homes. Alternative sources of funding have been sought and obtained to alleviate the pressures on the Disabled Facilities Grants Budget e.g. Planned Adaptations Grants, Rapid Adaptations Grants and funding in the region of £117k from Welsh Government to redesign how Disabled Facilities Grants.

Finance & Corporate Services

Risk CS02

Loss of personal/sensitive information and information commissioner penalties

Mitigating Action

Targeted training, provision of encryption technology; provision of secure emails.

Findings

500 staff authority wide now have secure emails and all staff who have this facility receive training on an annual basis, a series of data reviews have been carried out, to date 786 staff have attended data security training and an online training package has been utilised by around 300 staff, this system is currently being refined to make it more relevant to Council staff. There is an Information Security Breach

Group comprising Heads of Service who meet to agree the way forward whenever a breach is identified. All lap tops, mobile phones, iPads and pen drives are encrypted and in the event of loss or theft the devices can be remotely wiped.

Risk NPT07

EU – a ‘no’ vote in the referendum ballot taking place on 23rd June 2016 could lead to the inability to access European Funding

Mitigating Action

Contingency plan to be developed. UK Government to develop/negotiate new relationship with EU within 2 years

Finding

As the result of the referendum is now known this risk is superseded by new risk NPT 16 – Referendum Outcome increases uncertainty which affects the basis of forward planning and budget implications.

Recommendation for Officers

Director of Finance & Corporate Services to consider removing this risk at the next review and add to NPT16 the risk of being unable to access European Funding until the UK formally leaves the EU.

Risk NPT09

Financial settlement insufficient to meet statutory duties.

Mitigating Action

Continue to lobby Welsh Govt. to provide adequate funds for local government responsibilities

Finding

Members are being kept fully up to date with all budget developments and seminars have been held setting out the present position with regards to the 2017/18 settlement.

Risk NPT13

The Council does not optimise opportunities to raise and collect income, leading to unnecessary service cuts.

Mitigating Action

Review of income generating opportunities.

Finding

An income generation group has been established which is being chaired by the Director of Social Services, Health & Housing. Minutes of the group meetings have been sighted and a number of income generating opportunities have been discussed/explored.

Recommendation for Officers

As the income review generation group is being chaired by the Director of Social Service, Health & Housing it would be more appropriate that this risk was assigned to him and as such this should be considered at the next risk register review.

Overall Conclusion

From the work undertaken it is evident that the risks reviewed on this occasion are being appropriately addressed and the Corporate Risk Register managed in line with policy.

Financial Impact

5. There is no financial impact associated with this report.

Equality Impact Assessment

6. There are no equality impacts associated with this report.

Workforce Impacts

7. There are no workforce impacts associated with this report.

Legal Impacts

8. There are no legal impacts associated with this report.

9. Recommendations

That Members note the report.

Risk Management

10. This report supports the arrangements for good corporate governance and addresses the responsibility Audit Committee has in ensuring appropriate risk management arrangements are in place.

Consultation

11. There is no requirement under the Constitution for external consultation on this item.

12. Appendices

Appendix 1 – Corporate Risk Register Report to Cabinet 19th October 2016.

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