

AGENDA FOR AUDIT COMMITTEE



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To: All Members of Audit Committee

Councillors : A Arif, S Arif, D Berry, I Gartside, S Haroon,
M Hayes, J Hook, E Moss (Chair) and M Rubinstein

Dear Member/Colleague

Audit Committee

You are invited to attend a meeting of the Audit Committee which will be held as follows:-

Date:	Thursday, 25 July 2024
Place:	Committee Room A&B, Town Hall
Time:	7.00 pm
Briefing Facilities:	If Opposition Members and Co-opted Members require briefing on any particular item on the Agenda, the appropriate Director/Senior Officer originating the related report should be contacted.
Notes:	

AGENDA

1 APOLOGIES FOR ABSENCE

2 DECLARATIONS OF INTEREST

Members of the Audit Committee are asked to consider whether they have an interest in any of the matters on the agenda and, if so, to formally declare that interest.

3 MINUTES OF THE LAST MEETING *(Pages 5 - 16)*

The Minutes of the last meeting of the Audit Committee held on

4 RISK MANAGEMENT UPDATE

a RISK MANAGEMENT STRATEGY *(Pages 17 - 50)*

Attached.

b RISK REGISTER *(Pages 51 - 124)*

Attached

5 INTERNAL AUDIT PROGRESS REPORT *(Pages 125 - 148)*

A report and appendices from the Council's Section 151 Officer is attached.

6 EXTERNAL AUDITORS PROGRESS REPORT *(Pages 149 - 164)*

7 INTERNAL AUDIT ANNUAL REPORT 2023/24 *(Pages 165 - 182)*

A report from the Head of Fraud, Audit, Insurance and Risk (FAIR) is attached.

8 INFORMATION GOVERNANCE UPDATE *(Pages 183 - 190)*

The Council's Solicitor will provide a verbal update at the meeting, report attached.

9 EXCLUSION OF PRESS AND PUBLIC

To consider passing the appropriate resolution under Section 100(A)(4) of the Local Government Act 1972 that the press and public be excluded from the meeting during consideration of the following items of business since they involve the likely disclosure of the exempt information stated.

10 INTERNAL AUDIT - SPECIAL INVESTIGATIONS *(Pages 191 - 194)*

A report from the Council's Section 151 Officer is attached.

11 DEEP DIVE - RISK *(Pages 195 - 198)*

12 LIMITED ASSURANCES REPORT *(Pages 199 - 206)*

13 INTERNAL AUDIT - AUDIT REPORTS *(Pages 207 - 216)*

A report from the Council's Section 151 Officer is attached.

14 PART B EXEMPT REPORT - COUNTER FRAUD TEAM ANNUAL REPORT 2023.24 *(Pages 217 - 232)*

A report from the Council's Section 151 Officer is attached.

15 PART B EXEMPT REPORT - COUNTER FRAUD TEAM Q1 PROGRESS REPORT 2024.25 *(Pages 233 - 244)*

A report from the Council's Section 151 Officer is attached.

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Minutes of: **AUDIT COMMITTEE**

Date of Meeting: 6 March 2024

Present: Councillor M Whitby (in the Chair)
Councillors A Arif, D Berry, I Gartside, M Hayes, E Moss and
M Rubinstein

Also in attendance: Paul McKevitt, Interim Section 151 Officer.
Adrain Crook, Director of Community Commissioning.
Rob Summerfield, Assistant Director of Regeneration Delivery.
Adrian Blackshaw, Internal Audit.
Judith Smith, Internal Audit.
Louise Kirkman, Risk Manager.
Karen Murray, Mazars
Julie Gallagher, Head of Democratic Services.

Public Attendance: No members of the public were present at the meeting.

Apologies for Absence: Councillor L McBriar

AU.25 DECLARATIONS OF INTEREST

There were no declarations of interest made at the meeting.

AU.26 MINUTES OF THE LAST MEETING

Minutes of the meeting held on 14th December 2024 be approved.

AU.27 MATTERS ARISING

With regards to Audit Committee meeting Au.17 Manchester Airport share value, Paul McKevitt, Interim Section 151 Officer reported that he has spoken separately to the Council Treasurers at both Oldham Council, as Lead authority and also Manchester City Council who have agreed to raise concerns with BDO.

AU.28 ADDRESSING THE LOCAL AUDIT BACKLOG - CONSULTATION

Mazars representatives present reported that the government have launched a consultation and Joint Statement, progressing the commitments made by the previous Minister for Local Government to work with the Financial Reporting Council (FRC), and other organisations in the local audit system on cross system proposals to clear the backlog and put the local audit system on a sustainable footing.

A significant number of local audits in England are outstanding. The issues facing local audit are widely recognised as multi-faceted and complex. It is widely recognised that many organisations in the local audit system have contributed to the delays experienced since 2017/2018 and that audits have become more challenging, with firms responding to a changing regulatory environment.

The consultation seeks views on proposed legislative changes to the Accounts and Audit Regulations 2015 (the 2015 Regulations).

Mazars are consultees as are the Council. Karan Murray, Mazars representative reported that the position regarding outstanding audits in Bury is not as bad as Council's elsewhere. It is proposed that future audits take a different form instead taking into account and giving more prominence to: value for money, financial sustainability and providing assurance. As yet there is no direction as to what will be reviewed and at what times.

It is imperative however that the workforce issues are addressed; nationally there are only 92 qualified staff to undertake all the Local Authority accounts activity and a number of which are over age of 50 years of age.

The interim Section 151 Officer reported that has impacted the Council's final accounts being signed off, which does not reflect well on the Council but is ultimately out of the Council's control.

It was agreed that:

The update be noted.

AU.29 EXTERNAL AUDIT UPDATE

Karen Murray Mazars representative provided Members with a verbal update on progress on delivering their responsibilities as external auditors.

A number of items previously reported as outstanding remain. Items currently in progress are:

- Confirmation and assessment of the existence of RAAC in Council buildings and the impact on the financial statements
- Mazars have commenced work on the Council's value for money arrangements. The Auditors plan to complete and report the Value for Money arrangements work alongside the remaining aspects of work on the financial statements.

Members expressed their concerns in further delays in the Council accounts receiving final sign off.

It was agreed that:

1. The Mazars representatives be thanked for their attendance.
2. The Draft Final Accounts would be shared with members of the audit committee prior to sign off. Members of the audit committee will forward comments to the Interim Section 151 Officer and the Chair prior to their consideration of the draft final accounts.
3. Once comments are received, the Chair of the Audit Committee has delegated authority to sign off the Final Accounts in consultation with the Interim Section 151 Officer.

AU.30 INTERNAL AUDIT STRATEGY AND PLAN 2024/25

In the absence of the Head of FAIR, the interim Section 151 Officer updated members on the Council's Internal Audit Annual Strategy and Plan for 2024/25.

The internal audit strategy aims to add value to the Council and stakeholders by providing objective and relevant assurance, and contributing to the effectiveness

and efficiency of governance, risk management and control processes. Audit reports will provide audit analyses, findings and recommendations.

Ac accompanying report circulated ahead of the meeting provided information in respect of:

- Role of internal audit
- Corporate processes
- Vision, purpose and values
- Service Areas
- Plan for 24/25 and delivery
- Other risk areas

The interim Section 151 Officer reported, Work undertaken as part of the Audit Plan will assist the Head of Fraud, Audit, Insurance and Risk to form an opinion on the Council's system of internal control, risk management and governance along with assisting the Council to achieve its stated objectives and informing the Annual Governance Statement.

It was agreed that

- Members note the contents of the report
- Members approve the annual audit plan for 2024/25
- Future housing audit reports will be considered at the Audit Committee.

AU.31 INTERNAL AUDIT PROGRESS REPORT

The Interim Section 151 Officer attended the meeting and provided an overview of the progress to date against the annual audit plan 2023/24.

The report enables Members to monitor the work of the Internal Audit service, raise any issues for further consideration and provide an opportunity to request further information or to suggest areas for additional or follow up work.

The conclusions drawn from the report are:

- The majority of work outstanding from the 2022/23 plan has now been completed and work on 2023/24 plan is progressing.
- Sixteen reviews have concluded, and reports have been issued to Members since the beginning of the financial year. Eight reports relate to the 2022/23 annual audit plan and were considered when formulating the annual audit opinion for 2022/23. Eight reports relate to the 2023/24 annual audit plan.
- Work on 2023/24 plan is progressing. Fourteen reviews are ongoing, five reviews are at draft report stage.
- Three follow up exercises and four second follow up exercises have been completed since Audit Committee met in December 2023.

It was agreed that

- Members note this report and the work undertaken by Internal Audit

AU.32 RISK REGISTER

The Council's Risk Manager presented the Audit Committee with an updated position with regards to the risks identified and assessed on the Council's Corporate Risk Register.

These risks have been considered by the Executive Team as those with the potential to disrupt the Council's strategic objectives and service delivery.

A total of 23 risks are present on the Corporate Risk Register and have been identified as those of a genuine corporate nature and are summarised as follows:

- 16 risks are currently rated as Significant (risk score 15-25)
- 7 risks are currently rated as High (risk score 8-12)
- 1 has increased in score
- 1 has decreased in score
- 15 have remained static
- 3 have not been reviewed in the last reporting period
- 3 have been newly introduced
- 1 risk on the Corporate Register is proposed for closure.

It was agreed that:

1. Members note this report and appended risk register and risk matrix.
2. Risks CR1 and CR19, receive a "Deep Dive" presented at the next meeting of the Audit Committee.
3. CR31 Staff Wellbeing & Absence deep dive will be considered at the next meeting.

AU.33 IG UPDATE

The Head of Democratic Services attended the meeting and provided members with an update in respect of Information Governance across the organisation.

The Head of Service reported that Information Governance (IG) is the strategy or framework for handling personal information in a confidential and secure manner to appropriate ethical and quality standards.

This report highlights improvements in training compliance, performance at responding to requests for information and dealing with data breaches.

- Subject Access Requests - From October 2023 to the end of January 2024 we received 80 SARs (across the Council).
- Data Breaches - From October 2023 to January 2024 we received a total of 35 breaches.
- Complaints upheld by the ICO - There are no complaints upheld by the ICO, and no issues reportable to the ICO.

The Head of Service reported that a spreadsheet of non-compliant officers is regularly considered by IG Officers, the Exec Team, and the Corporate Governance Group. The officers' names are highlighted to Executive Directors and Assistant Directors to ensure training is completed in the following two weeks where possible, and reasons why are fed back when not.

It was agreed that:

The update be noted and regular Information Governance updates will be considered at future Audit Committee meetings.

AU.34 DISCRETIONARY GRANT REPORT

The Head of Democratic Services attended the meeting and provided members with an update in respect of the Elected members discretionary grant scheme.

The head of service reported that An annual allocation of £1000 is made to each Elected Member in May of each year, this must be used to directly benefit their where projects are identified which have a wider benefit, contributions can be made to jointly fund schemes or borough wide organisations.

Each Elected Member in the Ward will have their own allocation, but at their request and following agreement with other ward Councillors, these funds can be combined to work on a Ward or borough basis.

In May 2023 all Councillors accounts were credited up to £1000 and Councillors were sent an email to confirm this had been done. There has been significant advances in Member take up and Member engagement in the scheme. All Councillors have spent their discretionary grant allocation for 2023/2024 as of 29 Feb 2024.

A by ward list of recipients benefiting from the scheme is attached at Appendix 1
Examples of schemes that have been supported is provided at Appendix 2.

It was agreed:

That the update be noted.

AU.35 EXCLUSION OF PRESS AND PUBLIC

That the press and public be excluded from the meeting under Section 100 (A)(4), Schedule 12(A) of the Local Government Act 1972, for the reason that the following business involves the disclosure of exempt information as detailed against the item.

AU.36 INTERNAL AUDIT REPORTS

Members note the content of the report.

AU.37 INTERNAL AUDIT SPECIAL INVESTIGATIONS

Members note the content of the report.

AU.38 FRAUD PLAN 23.24

Members note the content of the report.

AU.39 FRAUD 24.25

Members note the content of the report.

COUNCILLOR M WHITBY
Chair

(Note: The meeting started at Time Not Specified and ended at 9.20pm)

6/3/24 Audit Committee Questions

Raised by	Question	Response
Cllr Moss	<p>Internal Audit Strategy and Plan 2024/25</p> <p>Q1 1.4 refers to the Head of Audit Opinion and the Annual Governance Statement. I think in my 2 years on the Audit Committee we received a draft Annual Governance Statement for 2021/22 from Sam Evans. But nothing else in the way of a Head of Audit Opinion or Annual Governance Statement. When can we expect to receive them?</p> <p>Q2 In past years there have been a lot of Internal Audit Reports on Six Town Housing. Many were given Limited Level of Assurance. These, however, were not in the scope of this Committee at that time. Now that it has been taken in house, I was expecting a lot of Internal Audit Reports on Housing, which were likely to involve a lot of work for this Audit Committee. Why is there only one Report for Housing (on Housing Conditions) in the Plan for 2024/25?</p>	<p>Q1 The Head of Audit Opinion was presented to the Audit Committee at the 31 July 2023 and was entitled Internal Audit Annual Report 2022/23.</p> <p>The Head of Audit Opinion for 2023/24 will be produced at the end of the financial year and will be presented to the Audit Committee 25 July 2024 (provisional date).</p> <p>The Annual Governance Statement is a separate document and is connected to the annual accounts. We do not know if the 2022/23 Statement has been presented to the Audit Committee.</p> <p>Q2 The financial processes and procedures relating to STH will be incorporated into our existing Bury Council systems debtor and creditor audit identified on the 2024/25 audit plan.</p> <p>Housing Conditions audit was identified within the Corporate Risk Register and therefore has been included on the audit plan for 2024/25.</p> <p>We have also identified 8 days within the 2024/25 audit plan that can be allocated to audit work in relation to transfer and / or advice & guidance. At this moment in time, it is not clear exactly what audits are going to be required therefore any additional work will be taken from the 69 days contingency line from the audit plan for 2024/25 and the Audit Committee will be advised via the Internal Audit progress reports.</p>

Cllr Moss	<p>Internal Audit Progress Report</p> <p>Q3 We were told at the December Audit Committee meeting (in paragraphs 2.4.1 and 2.4.2) that there were 10 reviews ongoing and 3 were at draft report stage. Why have we only received 2 new Final Reports (2.2.2) at this March Meeting? Is January 31 the effective cut-off for this meeting?</p> <p>Q4 Follow Ups are described in 2.3. I hadn't realised that 2nd Follow Ups are a very recent introduction. What is the newly established Corporate Governance Group, and how will it address those Second Follow Ups where there remain recommendations that are not or only partially implemented?</p> <p>Q5 2.6 refers to a school audit plan to be delivered in 2023/24.</p>	<p>Q3 Yes, the 31 January 2024 was the cut off for the March meeting.</p> <p>The 3 reports identified at the December meeting were:</p> <ul style="list-style-type: none"> • STH – Debtor Invoice Processing • STH – Arrears Prevention • Persona – Creditors <p>Persona – Creditors is now a final report and has been included within the documentation for this meeting. The 2 STH reports are still at a draft stage due to delays in obtaining responses to the recommendations. If delays continue then the Interim Executive Director of Finance will be requesting that Business Managers attend the next Audit Committee meeting.</p> <p>Q4 Amended follow up process incorporating detailed testing and the introduction of the 2nd follow up was implemented in July 2023.</p> <p>Any recommendations that are not implemented or only partially implemented are reported to the CGG with a view from IA as to whether the CGG needs to escalate to the relevant Director as to lack of implementation.</p> <p>Where IA has given the view to the CGG not to escalate, this is usually because IA will be undertaking an audit on the area within financial year 2024/25 or the recommendation realistically will take longer than the 3/6 months follow up process. In these cases, a realistic revised implementation date is agreed and a further follow up on the recommendation will be undertaken to check on implementation.</p> <p>Q5 1 school audit has been undertaken. 1 school is due to be converting to Academy status in May and has been removed from the plan.</p>
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	<p>Given the slippage that is occurring in the 2023/24 Plan is it likely that many (or any) of the 10 school reviews will be undertaken?</p>	<p>Due to the slippage the further 8 schools will be reallocated into the 2024/25 audit plan. It is anticipated that audits will be started to be undertaken in Quarter 1 2024/25.</p>
	<p>Risk Register</p> <p>Q6 Looking at the Risks that have not been reviewed (4.5) why hasn't CR15 Regeneration & Development been reviewed for 6 months?</p> <p>Q7 Looking at the requested Deep Dives (6.2) why haven't CR1 Financial Sustainability and CR19 Financial Capacity been done?</p> <p>Q8 I thought the refreshed Risk Management Strategy (7.7) was going to be presented to the Audit Committee in March. Why has it been deferred until our next meeting?</p>	<p>Q6 An update to CR15 was provided by the Risk Owner after publication of the Risk Register. Once the queries to the update have been received by the Risk Manager, the updated risk will be circulated to members of the Audit Committee</p> <p>Q7 Unable to provide due to Risk Owner's capacity.</p> <p>Q8) At the Audit Committee in December, it was explained that a meeting was to take place as early as possible in the new year between the Risk Manager and the Executive Team, in order that steps could be taken to move forward with both the Corporate Risk Register and Risk Management Strategy, and that an updated position would be presented in March, with a view for the refreshed Strategy to be finalised by the July meeting at the latest (pending how soon the Executive meeting could take place). The Risk Manager is due to attend the Senior Leadership Group meeting on 27th March (the earliest date that this was able to be arranged) in order to discuss these areas further, and then work can continue on the Strategy. It is hoped that the Strategy will be finalised, with steps taken to implement some of these areas, well before the next meeting of the Audit Committee (dates for 2024/25 to be agreed) and that the Strategy can be presented for approval.</p>

	<p>Q9 In the Deep Dive on CR23 Adult Social Care Reforms Adrian Crook has provided us with a lot of detail for which we are very grateful Why is the entry on the Risk Register itself much more flimsy and refer primarily to the preparation for the CQC inspection?</p>	<p>Q9 Response provided from Director of Community Commissioning, who will be at the meeting on 6th March to talk through the paper and answer any further questions:</p> <p>The risk register is a live document that is updated regularly or as things change.</p> <p>The adult social care reforms comprised of 3 main parts; fair cost of care exercise, charging reforms and CQC inspection.</p> <p>The fair cost of care was completed so this element was removed as a risk.</p> <p>The charging reforms have been delayed by the government until after the next election, in addition they required a levy of 1.5% on national insurance to implement. As this has now been scrapped, and NI has been further reduced, the likelihood score of this risk has been downgraded, as the likelihood of the next government being able to implement them is being eroded. For this reason the total score drops below the threshold of consideration as this level of committee but now resides at the level that can be monitored by the department.</p> <p>This leaves only the CQC risk which is why it appears that this element is now the only risk reflected on the risk register.</p>
	<p>Information Governance Update</p> <p>Q10 This is the first report since July 2022. I know this is described now as “business as usual”, but will these updates return to being presented at each Audit Committee meeting?</p> <p>Q11 With respect to Training we used to get a report on the percentage of Members who were compliant and up to date on online GDPR Training. Are those figures available?</p>	<p>Q10 An Information governance report will be considered at each meeting of the Audit Committee in the next municipal year.</p> <p>Q11 33% of Cllrs have completed the Mandatory GDPR Training.</p> <p>All members are advised of the mandatory training requirements at the start of the Municipal year and in the Councillor Bulletin.</p> <p>Reminder emails specific to mandatory training are also sent with information on how to access the training.</p>

		<p>The Group Leaders/Whips are provided with information on their group members completed training.</p> <p>If mandatory training is not completed, weekly email reminders are sent from the automated Agresso system to remind them to complete as soon as possible.</p>
Cllr Berry	<p>Q12 I understand that some properties that are being fitted with solar panels may at some stage have batteries fitted in the lofts or may already have had batteries fitted. I would like to know if there have been risk assessments. Also, will the batteries be regularly monitored with regards to safety. Are there any insurance implications when batteries are fitted in such locations</p>	<p>Q12 Response provided from the Home Energy Manager:</p> <p>There have been no batteries fitted as part of the SHDF scheme on Chesham or any other PV installation of Council houses. The inverters are suitable for retrofitting batteries, however there are no plans at present to fit batteries. If they were to be fitted in the future a risk assessment would be undertaken and best practise guidance adhered to.</p> <p>A risk assessment was undertaken for the inverters and heat detectors have been installed where inverters are located in the loft space which is above requirements .</p> <p>Tenants receive advice on how to maximise use of the solar power generated and recommended to apply for an export tariff from energy suppliers in the event there is surplus electric to help reduce fuel poverty rather than use of batteries.</p>
Cllr Gartside	<p>Q13 CR1 Financial Sustainability - How did the DSG deficit arise and what does it currently stand at? What can we do to ensure this ring-fenced grant and budget does not go into deficit again in the future?</p>	<p>Q13 The deficit arose from increased demand on SEND and EHCP places. This is a national issue and two national projects called, Safety Valve and Delivering Best Value sponsored by the DFE are supporting Councils including Bury to reduce the deficit. The project itself is built around a number interventions on the preventative side which will see the budget balance. The current deficit is £19.9m.</p>

	<p>Q14 CR1 Financial Sustainability - Regarding the financial impact on the Council of implementing the real living wage is the S151 officer confident that the provision of 6.6 million pounds in the approved 2024/25 Council budget will be sufficient to cover the increased wage bill? How could any shortfall be covered?</p>	<p>Q14 This is an estimate based on the economic forecast provided to the Council and information from other Councils around their approach to setting budgets on the Real Living Wage. They come from the expectation that inflation will continue to fall to the end of the year, and interest rates will also fall. We will review the assumptions at q1 and when we refresh the Medium Term Financial Plan during the Summer. If there is a shortfall against budget to actual costs then we could various courses of action depending on the value of the gap. These range from short term smooth with reserves and see if this gap can be closed through looking at future years assumptions, to looking at replacement savings.</p>
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Risk Management Strategy

Document Control

Title	Risk Management Strategy
Document Type	
Author	FAIR Team
Owner	Corporate Core - Finance
Subject	Risk Management
Date Created	June 2024
Approval Date	
Review Date	June 2025

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1. Aim

- 1.1. The Council provides a diverse range of services and this work is guided by its core priorities from its Corporate Plan, which are defined as:
- **Sustainable Inclusive Growth**
 - **Improving Children's Lives**
 - **Tackling Inequalities**
- 1.2. Risk management is seen as a key element in the successful achievement of the Council's priorities and it is an essential dimension of the Council's Corporate Plan. Effective risk management has a number of benefits:
- It contributes to better decision making and to the process of achieving ambitions and priorities.
 - It provides assurance to Members and management on the adequacy of arrangements for the conduct of business and the use of resources.
 - It leads to greater risk awareness and an improved control environment, which should also lead to tangible and financial benefits, enhanced reputation and better outcomes for our residents.
- 1.3. In providing its services, the Council recognises that it has a statutory and moral duty of care towards its clients, its employees and visitors to the Borough, and for the assets that it owns. It also recognises the importance of protecting and preserving its ability to continue to provide the services.
- 1.4. The Council understands that some risks will always exist, but it will take all steps to ensure that it mitigates such risk, whilst at the same time ensuring that the services it provides are maintained. The Council will reduce the possibility of injury and loss or damage by anticipating and controlling the exposure to risk.
- 1.5. Losses are often measured in monetary terms but they can also occur in other areas. However, also understanding the breadth of hazards that the Council faces will help managers to identify the potential risks attached to providing a service and prevent the provision of an unsatisfactory service.
- 1.6. Such hazards and associated risks can be strategic or operational; the categories of risk as provided on page 12 are neither prescriptive nor exhaustive. However, they provide a framework for identifying and categorising a broad range of hazards and risks facing each service.
- 1.7. These various categories cannot be considered in isolation. For example, the *physical risks* associated with the security of a Council building can have *professional* consequences for staff fulfilling their day-to-day duties and *financial* consequences for the organisation as a whole. Therefore the Council will consider the risks associated with each of the sub-categories and their inter-relationships as part of the risk assessment process.

2. Scope

- 2.1. Managing risks is a core responsibility of every manager in close liaison with elected Members and executive directors. Corporate risk assessments (risk registers) will be undertaken as part of the community, corporate and service planning process and as a key element of service reviews.
- 2.2. The Council recognises the importance of developing the use of risk management in its dealings with 3rd parties such as partnerships, contracts and major procurements and it will use risk management to mitigate risks whilst exploring the opportunities that these arrangements can make to the achievement of ambitions and priorities.
- 2.3. Finally, the Council accepts that Insurance can only be a partial answer to reducing the financial impact of risk and that the Council may not be able to obtain Insurance cover for the majority of its exposure.

3. Risk Management Definition and Objective

3.1. The Council defines risk as:

RISK

The chance of something happening that will have an impact on the achievement of the Council's objectives, mission, ambition or priorities.

3.2. and risk management as:

RISK MANAGEMENT

A planned and systematic approach to the identification, measurement, analysis, assessment, control and subsequent monitoring of risks which could have an impact on the existence, the assets, the earnings or the personnel of the organisation and the services it provides.

- 3.3. Risk management is not simply a compliance issue, but rather it is a way of viewing its operations with a significant impact on its short or long-term viability and that risk management helps to demonstrate openness, integrity and accountability in all of the Council's activities.
- 3.4. In defining risk, a risk can also be the failure to take advantage of opportunities to optimise the achievement of its ambitions and/or priorities. The Council will also pro-actively consider positive risks (opportunities) as well as negative risks (threats).
- 3.5. In addressing risk and risk management the Council will:
- develop and maintain robust systems for identifying and evaluating all significant risks and in doing so will involve the proactive participation of all those associated with planning and delivering services.
 - put in place and maintain effective risk management systems, including systems of internal control and an internal audit function. These arrangements will aim to ensure compliance with all applicable statutes, regulations and relevant statements of best practice and to ensure that public funds are properly safeguarded and are used

economically, efficiently and effectively, and in accordance with the statutory and other authorities that govern their use.

- embed risk management into service and financial planning processes by taking account of risk assessments within the Corporate Plan, linking budgets to risk assessments of material items of income and expenditure, using risk management techniques to inform budget and performance monitoring, and basing its reserves policy on a thorough understanding of the risks that it faces.
- put in place effective arrangements for an objective review of the effectiveness of risk management and internal control.

3.6. Assurance mapping is an essential factor for effective risk management in Bury Council, focussing on three key lines of defence:



1st line of defence: management is responsible for maintaining effective internal controls for the identification, assessment and mitigation of risk. Clear lines of responsibility / ownership should be in place, along with clear and accessible risk reporting and communication lines, up to date policies, procedures, guidance and training material.

2nd line of defence: supports management to help ensure that risks and controls are effectively managed.

3rd line of defence: Internal Audit's main roles are to ensure that the first two lines of defence are operating effectively and advise how they could be improved. They develop and then deliver a programme of internal audits to provide independent reasonable assurance to senior management and members that significant risks are being addressed.

4. Roles and responsibilities

- 4.1. Risk management must be part of every manager's day to day work and they should be involved in the risk management process, applying it to the functions for which they are responsible.
- 4.2. All employees must understand their role in the process, why they should be concerned with risk, and how they can play a part in promoting risk management within the council.
- 4.3. With the support of the Risk Manager, managers should:
 - Ensure that risk management remains an effective and integral part of the Council's governance and decision-making arrangements.
 - Promote a positive risk management culture and reinforce the importance of effective risk management as part of everyone's role.
 - Implement the risk management framework and approach, and continue to develop an effective infrastructure for managing and reporting risk across the Council.
 - Clearly identify objectives, roles and responsibilities for managing risk.
 - Improve co-ordination of risk management activity throughout the Council.
 - Reduce duplication and enhance consistency between departments in managing overlapping risks.
 - Provide opportunities for shared learning on risk management across the Council.
 - Enhance the risk-taking attitude of all staff in a managed, transparent and coherent way.
 - Recognise the need to include "partnership working" and that partner organisations will have different aims, objectives and management of risk, therefore joint working and shared registers are essential.

Key Roles

- 4.4. Identifying and allocating the roles and responsibilities for risk management is essential if the Risk Management Strategy is to be developed, implemented and reviewed effectively.
- 4.5. It is recognised that the three lines of defence provide the most effective and robust assurance framework for risk management.
- 4.6. It is vital that involvement and responsibility is clear at operational level, that there are clear lines of communication to enable effective management oversight of risk activity across the Council and that there is independent scrutiny of working practices taking place with clear reporting lines through to management and governing bodies.

4.7. The allocation of key roles and responsibilities is as follows:

4.7.1. Executive Team

Role:

- to ensure that the Council manages risk effectively and achieves effective risk management through the development of an all-encompassing Risk Management Strategy
- to ensure that risk management and its implementation and effective delivery across the whole Council receives a high profile, is supported and driven from the top.

Responsibilities:

- to gain an understanding of risk management and its benefits.
- to support the corporate Risk Management Strategy.
- to promote and oversee its implementation across the Council.
- to monitor and review its effectiveness.
- to determine and allocate any inputs and resources required to support the work corporately.
- to promote a 'risk aware' culture throughout the Council.
- to make arrangements for embedding risk management into the Council's business processes and throughout individual Departments.
- to assess the wider/cross cutting implications of strategic Departmental risk assessments.
- to monitor the implementation and effectiveness of Corporate Risk Management Plans, with the specific duty to reduce the impact of the highest risks.
- to provide corporate risk assurance to elected Members at each Audit Committee meeting.

4.7.2. Senior Leadership Group

Role:

- to ensure that risk is managed effectively in each departmental and service area within the agreed Strategy.

Responsibilities:

- to identify any departmental and service specific issues relating to risk management which have not been explicitly addressed in the corporate Policy or Strategy.
- to ensure that the Strategy is implemented effectively across the relevant services.
- to undertake strategic Departmental risk assessments and prepare, and monitor the effectiveness and implementation of risk management plans.
- to oversee the preparation of operational risk assessments (risk registers) within individual service areas.
- to promote a 'risk aware' culture throughout the Department.
- to make arrangements for embedding risk management into the Department's business processes.
- to negotiate departmental budget requirements for risk control projects.
- to liaise as appropriate with external agencies in identifying and managing risk.

- to disseminate the detail of the Strategy and allocate responsibilities for implementation to service managers and staff.
- to establish the training requirements of managers and staff with responsibility for Strategy implementation, and communicate the needs to the Risk Manager who will ensure that adequate training and support is delivered.
- to work with the corporate Insurance Team in assessing departmental insurance requirements.

The Senior Leadership Group should identify a senior officer within the department to act as Risk Management Champion. With the support of the Risk Manager, this individual will co-ordinate the department's overall approach to risk management and ensure risks are effectively identified and documented.

4.7.3. Operational Managers

Role:

- to share experience on risk, risk management and strategy implementation across the Council.

Responsibilities:

- to identify areas of risk that impact on all services.
- to identify areas of risk that overlap various services.
- to share good practice on all aspects of risk management.
- to monitor the implementation and effectiveness of departmental and service risk management plans.
- to promote sound risk management practices within services.
- to assist in the promotion of a 'risk aware' culture and in embedding risk management within services.
- to support the development of the Risk Management Strategy.

4.7.4. Service Managers

Role:

- to manage risk effectively in their particular service areas.

Responsibilities:

- to implement the detail of the Risk Management Policy Strategy.
- to recommend the necessary training for employees in risk management and communicate this to the Risk Manager who will ensure adequate support is provided.
- to undertake operational risk assessments and to maintain a risk management portfolio (risk register) for their service area(s).
- to share relevant information with colleagues in other service areas.
- to feedback on their experience of strategy implementation and perceptions of strategy effectiveness to the departmental management team.

4.7.5. Risk Manager

Role:

- Shape and lead developments in Risk across the organisation, ensuring that risk management remains an effective and integral part of the Council's governance and decision-making arrangements.

Responsibilities:

- Promote a positive risk management culture within Bury, implementing the risk management framework and approach, and continuing to develop an effective infrastructure for managing and reporting risk across the Council.
- Ensure the effective implementation and development of the Risk Management Strategy, in agreement with the Head of, Fraud, Audit, Insurance and Risk, and monitor and review its effectiveness.
- Develop, implement and deliver the risk management training and development programme for the Council, both of which will be in accessible formats. Assess effectiveness of training and where appropriate and tailor the training to meet the needs of the organisation.
- Ensure the ongoing maintenance of the Corporate Risk Register, the processes underpinning it, and the promotion of a culture of risk awareness.
- Identify and communicate risk management issues to departments and services.
- Work with directorates to support the ongoing process of updating and maintaining risk registers.
- Support Services in implementing Service Risk Registers when appropriate.
- Work with Internal Audit, Fraud and the Insurance Team on any related risk management matters.

4.7.6. Internal Audit

Role:

- Undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.

Responsibilities:

- provide assurance on the effectiveness of the internal control framework through a risk based audit plan (derived through risk registers, and audit risk indices) covering all activities and fundamental systems of the Authority.
- challenge established risk management processes, risk identification and evaluation as part of the routine audit of activities and systems.
- undertake dedicated audits of the Risk Management Process to ensure Service Managers are using the Risk Management Toolkit and Risk Register to record, manage, and review risks, actively identifying new risks and reporting high risk upwards.

4.7.7. Corporate Governance Group

Role:

- Identify and manage risks associated with Corporate Governance and propose measures to mitigate those risks.

Responsibilities:

- Support the Council and its departments in the effective development, implementation and review of the Risk Management Strategy.
- Review and provide guidance on the Council's risk management framework, including the identification, assessment, and mitigation of risks.
- Support the Council in ensuring that appropriate systems of internal control are maintained within service areas.

4.7.8. Elected Members

Role:

- To oversee the effective management of risk by officers of the Council.

Responsibilities:

- gain an understanding of risk management and its benefits.
- require officers to develop and implement an all-encompassing approach to risk management.
- review and scrutinise risks where the impact has the potential to disrupt achievement of the Council's priorities. This is achieved by regular review and their seeking assurance that appropriate controls are implemented to manage these risks.
- approve and monitor the Risk Management Strategy.

4.7.9. Employees

Role:

- to manage risk effectively in their job.

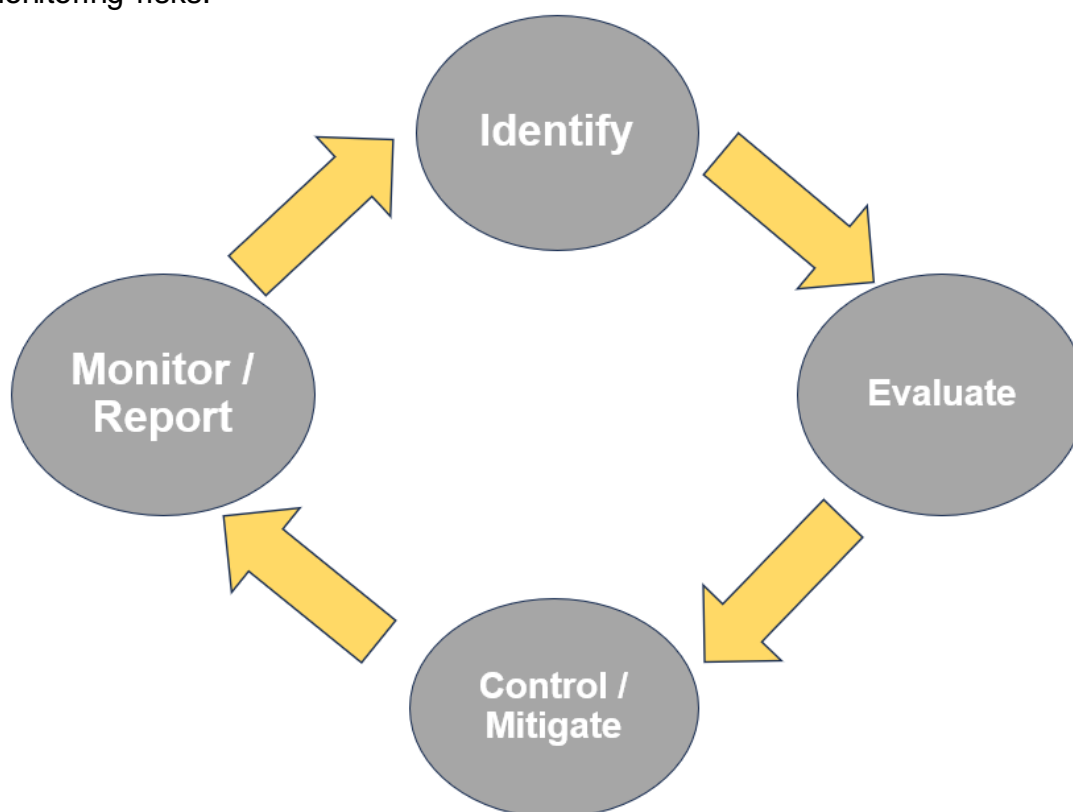
Responsibilities:

- to liaise with their line manager to assess areas of risk in their job.
- to identify new or changing risks in their job and feed these back to their line manager
- to undertake their job within the risk management guidelines set down for them by their manager.
- to ensure that the skills and knowledge passed to them are used effectively.

5. Risk Management Toolkit

The Risk Management Cycle

- 5.1. Implementing the strategy involves identifying, analysing, prioritising, managing and monitoring risks.



- 5.2. The methodology adopted by the Council is structured and systematic, and one that identifies, evaluates, prioritises and manages risk at corporate, strategic departmental and operational levels. It provides a consistent approach making best use of the risk management tools available and key aspects of the process are explained in detail below.

Engagement

- 5.3. To ensure that the Council's risk management strategy becomes a living reality, it is essential to begin its implementation by securing buy-in for the process before it starts.
- 5.4. This will be done through an on-going series of awareness sessions and engaging the Council's Members and Officers on the benefits of risk management to the organisation, to Services and to individuals.

Identification

- 5.5. An essential part of risk identification is linking them to your objectives and establish what you are trying to achieve first. Corporate, Departmental and Service Plans will cover those key objectives.
- 5.6. Once you have clear objectives, thought should be dedicated to any risks that will impact their achievement. Areas for consideration could include:
- What are the barriers in delivering Council services and objectives?
 - Consider past events and what you can learn from.
 - Look at the world around you and what's currently happening to impact objectives.
 - "Horizon scan" the immediate and long-term future; what could or might happen that will impact the Council, Department or Service?
 - Sources of risk:
 - Has anything been identified from an Internal Audit carried out?
 - Analyse complaint themes.
 - Check incident reporting themes.
 - Analyse financial and performance information.
 - Brainstorming with all stakeholders to ensure that all risks have been identified.
- 5.7. The following categories of possible risk areas can be used to act as a prompt and trigger for officers involved in the process. They ensure that a holistic approach to risk identification is taken and that the risk process does not just concentrate on operational, financial or legal risks:
- Political
 - Economic
 - Social
 - Technological
 - Legislative / Regulatory
 - Environmental
 - Competitive
 - Customer / Citizen
 - Managerial / Professional
 - Financial
 - Legal
 - Partnership / Contractual
 - Physical
- 5.8. Risks will be assessed at three distinct levels:
- **Corporate** – those risks that may prevent the Council from achieving its strategic ambitions and priorities.
 - **Departmental** - those risks that may prevent the individual Departments from meeting their objectives or from achieving their contribution to the corporate ambitions and priorities.
 - **Operational/Service** – those risks that may impact on the success of specific services.

Risk articulation

- 5.9. The information gathered from the processes above will be documented on a Risk Register template, assessed and analysed, and risk scenarios developed for the key concerns.
- 5.10. A consistent approach will be taken to assessing risks, examining for each risk identified a scenario involving a Risk (Event), Cause and Effect/Impact/Consequence. An effective risk scenario should illustrate the possible consequences of the risk if it occurs, so that its full impact can be assessed.
- 5.11. To take a holistic approach to the articulation of all risks and to ensure they are captured correctly, a key statement to use is:

➤ **“There is a risk of....as a result of....which could lead to.... “**

- 5.12. An example risk scenario is provided below:

Risk (There is a risk of)	Cause (As a result of)	Effect / Impact / Consequence (Which could lead to)
An under resourced project	Failing to assign sufficient resource to a project	<ul style="list-style-type: none"> • Project delays/failure • An inadequate outcome • Performance adversely impacted • Additional stress for staff • Member and user criticism • Adverse publicity • Other projects jeopardised

Scoring and assessment

- 5.13. The Council operates a 5 by 5 risk matrix, where the likelihood of the risk occurring is multiplied by the impact the risk will have, to reach its overall score. **Appendix A Risk Matrix** represents an essential risk measure to enable an accurate score that reflects the impact and likelihood of the risk occurring. 3 levels of scoring should be used:
- **Original score** – if no mitigating controls are in place (which usually remains static).
 - **Current score** – the score of the risk with all mitigating controls in place (this will/may fluctuate at each interval)
 - **Target score** – once all controls are in place and your desired level of risk (risk tolerance)

Management

- 5.14. This aspect of the risk management cycle involves:
- Deciding what level of risk is tolerable by determining the risk appetite and the acceptable risk score.
 - Assessing whether to accept, control, modify, transfer or eliminate the risk.

- Documenting the rationale behind the chosen appetite/approach (mitigating controls and planned actions).
- Implementing the decision.
- Assigning ownership to manage the risk.

5.15. In coming to a view on the appropriate action the following definitions will apply:

- Accepting risks means that they will be managed within existing management routines. This should normally apply only to tolerable risks.
- Controlling risks means that additional actions are identified that will reduce the likelihood and/or impact of the relevant risk. Controls can be preventative (e.g. physical access controls), detective (e.g. alarms) and/or directive (e.g. guidance notes).
- Modifying risks means that activities, and/or the way they are carried out, are changed, because additional controls would not have the required impact.
- Transferring risk means that a third party takes responsibility for the risk e.g. by taking insurance cover.
- Eliminating risk means ceasing to carry out the activity because modifying it or controlling it would not achieve the desired risk appetite.

5.16. The potential for controlling or modifying the risks identified will be documented through the addition of the risk to Risk Registers (Corporate, Departmental and Operational/Service). Details within the register will:

- describe the risk.
- set out the potential causes and impacts/effects/consequences.
- show the risk scores (original, current, target).
- describe current and proposed mitigation actions/controls.
- identify the resources required to deliver improvements, the officer(s) and Member(s) accountable for delivering the improvements and achieving the target risk, key dates, deadlines and critical success factors/KPIs.

Monitoring and Reporting

5.17. Risk management is an on-going process and requires review and monitoring. This process will examine:

- the implementation of agreed actions.
- the effectiveness of the controls that have been put in place.
- how the risk has changed.

5.18. Where changes have occurred, the cycle will be revisited taking into account the changes and their impact on the service. The effectiveness of any control action will be judged on the basis of its success in either reducing the frequency and/or the severity of an incident/event.

5.19. Risk should be reviewed at the stage of each planned action date and when there are any changes to the risk. This could be as often as daily, but it is recommended that risks are reviewed at least every quarter and added to Corporate/Departmental/Service meeting agendas to keep the culture and benefits of risk management flowing and ensure that new

risks are identified and documented.

- 5.20. Reporting of risks will vary, depending on requirements. Corporate, Departmental, and Service/Operational Risk Registers should be analysed, and reported appropriately to Service Managers, Head of Service, Directors, Exec Directors, Corporate Governance Group and the Audit Committee respectively. The latter two areas will be undertaken by the Risk Manager, and it is expected that Service and Departmental risks are effectively monitored and reported (with the support of the Risk Manager when needed) within their own Service and Departmental arrangements. When risks reach a particular level, consideration should be given to the escalation of the risk – see **Escalation of Risks**.
- 5.21. Any risks that impact the strategic objectives of the Council should be added to the Corporate Risk Register – see **Escalation of Risks**, where this is taken to each Audit Committee meeting. The Audit Committee are tasked with the responsibility of reviewing and scrutinising risks where the impact has the potential to disrupt achievement of the Council's priorities. This is achieved by regular review and their seeking assurance that appropriate controls are implemented to manage these risks.

Escalation of Risks

- 5.22. Consideration should be given to the escalation of risks from the Service/Operational Risk Registers to either the Departmental and/or Corporate Risk Register. The high-risk scores (15-25) should be discussed at Service/Operational and/or Departmental level first, before considering if they need to be present on the next tier of register:
- **Service/Operational to Departmental Risk Register:**
 - does the particular risk impact the whole of the Department and its objectives?
 - is the service risk crosscutting to other services within that department?
 - Although the score may be high, is it appropriate to be monitored/reviewed at a departmental level, or agreed that it should be left at service level, with the necessary arrangements in place for close monitoring?
 - discuss/agree at senior management level before any escalation.
 - **Departmental to Corporate Risk Register:**
 - does the particular risk impact the whole of the Council and its objectives?
 - is the departmental risk crosscutting to other departments within the Council?
 - will the risk stop the Council from achieving its priorities?
 - although the score may be high, is it appropriate to be monitored/reviewed at a corporate level, or agreed that it should be left at departmental level, with the necessary arrangements in place for close monitoring?
 - complete Corporate Risk Register addition document – see Appendix B
 - discuss/agree at executive level before any escalation.

Training

- 5.23. The Council recognises that it is essential that staff at all levels are aware of the importance of Risk Management and that all staff:

- Understand what risk management is and how the Council aims to manage risk effectively.
- Understand their responsibilities for managing risk.
- Have the necessary skills and knowledge to meet their responsibilities.
- Maintain a holistic approach to risk management.

5.24. Training will be provided on a structured and tailored basis by the Risk Manager and will be offered in accessible formats. It will recognise the roles and responsibilities that individuals play in the process, and for those who are directly responsible for or can influence the management of significant risk.

5.25. For any training needs and requirements, please contact the Risk Manager at riskmanagement@bury.gov.uk.

APPENDIX A – Risk Matrix

Quantitative Measure of Risk – Impact / Consequence Score

	Impact / Consequence score (severity levels) and examples of descriptors				
	1	2	3	4	5
AT RISK	Very Low	Minor	Moderate	High	Severe
EXAMPLES : NEW POLITICAL ARRANGEMENTS, POLITICAL PERSONALITIES, POLITICAL MAKE-UP					
POLITICAL Associated with the failure to deliver either local or central government policy or meet the local administrations manifest commitment	The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.
EXAMPLES : COST OF LIVING, CHANGES IN INTEREST RATES, INFLATION, POVERTY INDICATORS					
ECONOMICAL Affecting the ability to meet financial commitments. These include budgetary pressures, the failure to purchase adequate insurance cover, external macro level economic changes or proposed investment decisions	The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.
EXAMPLES : STAFF LEVELS FROM AVAILABLE WORKFORCE, AGEING POPULATION, HEALTH STATISTICS					
SOCIAL Relating to the effects of changes in demographic, residential or social economic trends on council's ability to meet its objectives	The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.

	Impact / Consequence score (severity levels) and examples of descriptors				
	1	2	3	4	5
AT RISK	Very Low	Minor	Moderate	High	Severe
TECHNOLOGICAL Associated with the capacity of the Council to deal with the pace/scale of technological change, or its ability to use technology to address changing demands. May also include consequences of internal technological failures on the Council's ability to deliver its objectives	The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.
EXAMPLES : HUMAN RIGHTS, TUPE REGULATIONS, DATA PROTECTION					
LEGISLATIVE/LEGAL Associated with current or potential changes in national or European law	The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.
EXAMPLES : LAND USE, RECYCLING, POLLUTION, WASTE MANAGEMENT					
ENVIRONMENTAL Relating to the environmental consequences of progressing the council's strategic objectives	The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.

Impact / Consequence score (severity levels) and examples of descriptors					
	1	2	3	4	5
AT RISK	Very Low	Minor	Moderate	High	Severe
EXAMPLES : STAFF RESTRUCTURE, CAPACITY, TRAINING, WORKFORCE NEEDS					
PROFESSIONAL / MANAGERIAL Associated with the particular nature of each profession, internal protocols	The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.
EXAMPLES : BUDGET OVERSPENDS, LEVEL OF COUNCIL TAX, LEVEL OF RESERVES					
FINANCIAL Associated with financial planning and control	Small Loss>£100 The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	Loss>£1,000 The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	Loss>£10,000 The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	Loss>£100,000 The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	Loss>£1,000,000 The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.
EXAMPLES : SECURITY, ACCIDENTS, HEALTH & SAFETY, HAZARDS, FIRE					
PHYSICAL Related to fire, security, accident prevention and health and safety	The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.

	Impact / Consequence score (severity levels) and examples of descriptors				
	1	2	3	4	5
AT RISK	Very Low	Minor	Moderate	High	Severe
EXAMPLES : CONTRACTOR FAILS TO DELIVER, PARTNERSHIP AGENCIES WITH CONFLICTING GOALS					
PARTNERSHIP/CONTACTUAL Associated with failure of contractors and partnership arrangements to deliver services or products to the agreed costs and specification	The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.
EXAMPLES : STANDARDS NOT MET, ACCREDITATION,					
COMPETITIVE Affecting the competitiveness of the service (in terms of cost or quality) and/or its ability to deliver best value	The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.
EXAMPLES : MANAGING EXPECTATIONS, COMPLAINTS, CONSULTATION, COMMUNICATION EXTERNALLY					
CUSTOMER/CITIZEN Associated with failure to meet the current and changing needs and expectations of customers and citizens	The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.

Qualitative measure of risk – Likelihood Score

Descriptor	1	2	3	4	5
	Rare	Unlikely	Possible	Likely	Almost certain
Frequency Time framed descriptors	Not expected to occur for years	Expected to occur annually	Expected to occur monthly	Expected to occur weekly	Expected to occur daily
Frequency Broad descriptors	Will only occur in exceptional circumstances	Unlikely to occur	Reasonable chance of occurring	Likely to occur	More likely to occur than not occur
Probability	1-9% chance	10-24% chance	25-50% chance	51-80% chance	81% or higher

Quantification of the Risk – Risk Rating Matrix

			Likelihood				
			1	2	3	4	5
			Rare	Unlikely	Possible	Likely	Almost certain
Impact / Consequence	5	Severe	5	10	15	20	25
	4	High	4	8	12	16	20
	3	Moderate	3	6	9	12	15
	2	Minor	2	4	6	8	10
	1	Very Low	1	2	3	4	5

APPENDIX B – Corporate Risk Register Addition

Corporate Risks are events and circumstances which have the potential to disrupt the Council's ability to meet its strategic and operational objectives.

New and emerging Risks should be identified through effective risk management processes, and this form has been prepared to escalate these risks to the Corporate Risk Register.

Please liaise with the Risk Manager for support and guidance and return the form to riskmanagement@bury.gov.uk.

Risk Title	
Risk Description	

Risk Owner	
Department	

Responsible Officer	Risk Action Status	Trend
		New

Original Score (no controls)			Current Score (with controls)			Target Score		
Likelihood	Impact	Score L x I	Likelihood	Impact	Score L x I	Likelihood	Impact	Score L x I

Key Potential Impacts	Current Controls	Planned Actions
•	•	•

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To be completed by the Risk Manager:

For SLG approval	To be presented to Audit Committee	Next Risk Review

Equality Impact Analysis

This equality impact analysis establishes the likely effects both positive and negative and potential unintended consequences that decisions, policies, projects and practices can have on people at risk of discrimination, harassment and victimisation. The analysis considers documentary evidence, data and information from stakeholder engagement/consultation to manage risk and to understand the actual or potential effect of activity, including both positive and adverse impacts, on those affected by the activity being considered.

To support completion of this analysis tool, please refer to the equality impact analysis guidance.

Section 1 – Analysis Details (Page 5 of the guidance document)

Name of Policy/Project/Decision	Risk Management Strategy
Lead Officer (SRO or Assistant Director/Director)	Louise Kirkman
Department/Team	Fraud, Audit, Insurance and Risk (FAIR)
Proposed Implementation Date	25/7/24
Author of the EqlA	Louise Kirkman
Date of the EqlA	24/5/24

<p>1.1 What is the main purpose of the proposed policy/project/decision and intended outcomes?</p> <p>Risk management is seen as a key element in the successful achievement of the Council's priorities and it is an essential dimension of the Council's Corporate Plan. Effective risk management has a number of benefits:</p> <ul style="list-style-type: none"> • It contributes to better decision making and to the process of achieving ambitions and priorities. • It provides assurance to Members and management on the adequacy of arrangements for the conduct of business and the use of resources. • It leads to greater risk awareness and an improved control environment, which should also lead to tangible and financial benefits, enhanced reputation and better outcomes for our residents. <p>In providing its services, the Council recognises that it has a statutory and moral duty of care towards its clients, its employees and visitors to the Borough, and for the assets that it owns. It also recognises the importance of protecting and preserving its ability to continue to provide the services.</p>

The purpose of the Risk Management Strategy is to ensure that the Council understands that some risks will always exist, but that controls are in place to mitigate the impact that any risk will pose. This will ensure that service provision is maintained, but the possibility of injury and loss or damage is reduced, by anticipating and controlling the exposure to risk.

Section 2 – Impact Assessment (Pages 6 to 10 of the guidance document)

2.1 Who could the proposed policy/project/decision likely have an impact on?

Employees: **Yes**

Community/Residents: **Yes**

Third parties such as suppliers, providers and voluntary organisations: **Yes**

If the answer to all three questions is 'no' there is no need to continue with this analysis.

2.2 Evidence to support the analysis. Include documentary evidence, data and stakeholder information/consultation

Documentary Evidence:

N/a

Data:

The report [Employment Equality Report 2023 \(bury.gov.uk\)](https://www.bury.gov.uk/media/1462822/employment-equality-report-2023.pdf) details our staff demographics and provides some insight into who would be using the Strategy

Stakeholder information/consultation:

Members of the AC supported the need for a new Strategy which was approved within their meeting, and members of the Executive Team have also been consulted and are in approval.

2.3 Consider the following questions in terms of who the policy/project/decision could potentially have an impact on. Detail these in the impact assessment table (2.4) and the potential impact this could have.

- Could the proposal prevent the promotion of equality of opportunity or good relations between different equality groups?
- Could the proposal create barriers to accessing a service or obtaining employment because of a protected characteristic?
- Could the proposal affect the usage or experience of a service because of a protected characteristic?
- Could a protected characteristic be disproportionately advantaged or disadvantaged by the proposal?
- Could the proposal make it more or less likely that a protected characteristic will be at risk of harassment or victimisation?
- Could the proposal affect public attitudes towards a protected characteristic (e.g. by increasing or reducing their presence in the community)?
- Could the proposal prevent or limit a protected characteristic contributing to the democratic running of the council?

2.4 Characteristic	Potential Impacts	Evidence (from 2.2) to demonstrate this impact	Mitigations to reduce negative impact	Impact level with mitigations Positive, Neutral, Negative
Age	Potential of reduced IT skills for staff members, in order to be able to access the Strategy and Toolkit, which could prevent the ability to engage with the Strategy and apply this within their role	N/a	The Risk Manager will deliver training sessions to fully explain the Strategy. Training and support can be provided in a	Positive

			<p>range of formats in order to make the Strategy accessible, which include:</p> <ul style="list-style-type: none"> -Paper format with speaker notes -In-person -Telephone <p>The Risk Manager can provide advice and support on all processes of Risk Management when required, in person or over the telephone</p>	
Disability	<p>Potential access to building/office issues for staff members, in order to attend meetings where the Strategy or Risk Management processes are discussed.</p> <p>Some disabled colleagues may find engaging with the</p>		<p>Meetings for Risk Management processes can be carried out over MS Teams</p> <p>The Risk Manager will provide online bite-sized training sessions to fully explain the Strategy.</p> <p>The Strategy and training can be</p>	Positive

	strategy and training challenging		<p>available in different accessible formats, which include:</p> <ul style="list-style-type: none"> -Recorded webinar -Paper format with speaker notes -In-person <p>A Translation service is available for non-verbal translations such as braille or British Sign Language.</p> <p>Risk Manager will deliver training sessions and workshops when required to fully explain Risk Management processes, in person, online or over the telephone.</p> <p>Alt text has been added to the diagrams and a text description immediately before or after the diagram</p>	
Gender Reassignment	Diagram images are being used in the Strategy document that screen readers might be unable to read	None		

Marriage and Civil Partnership	None			
Pregnancy and Maternity	None			
Race	Difficulty in understanding the Strategy for staff members, where English isn't their first language		When required, the Strategy is able to be converted to their main language using the Council's internal or external resource, and the Risk Manager can provide training sessions and workshops with an Interpreter.	Positive
Religion and Belief	None			
Sex	None			
Sexual Orientation	None			
Carers	None			
Looked After Children and Care Leavers	None			
Socio-economically vulnerable	None			
Veterans	None			

Actions required to mitigate/reduce/eliminate negative impacts or to complete the analysis

2.5 Characteristics	Action	Action Owner	Completion Date
Age	Training sessions in a range of formats	Louise Kirkman	October 2024 and ongoing

			when required for Risk Management processes
Age	Paper format with speaker notes	Louise Kirkman	October 2024
Disability	Bite-sized training sessions	Louise Kirkman	October 2024
Disability	Recorded webinar	Louise Kirkman	October 2024
	Paper format with speaker notes	Louise Kirkman	October 2024
	Training sessions in a range of formats	Louise Kirkman	October 2024 and ongoing when required for Risk Management processes

Section 3 - Impact Risk

Establish the level of risk to people and organisations arising from identified impacts, with additional actions completed to mitigate/reduce/eliminate negative impacts.

3.1 Identifying risk level (Pages 10 - 12 of the guidance document)

Impact x Likelihood = Score			Likelihood			
			1	2	3	4
			Unlikely	Possible	Likely	Very likely
Impact	4	Very High	4	8	12	16
	3	High	3	6	9	12
	2	Medium	2	4	6	8

1	Low	1	2	3	4
0	Positive / No impact	0	0	0	0

Risk Level	No Risk = 0	Low Risk = 1 - 4	Medium Risk = 5 – 7	High Risk = 8 - 16
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3.2 Level of risk identified	0
3.3 Reasons for risk level calculation	Although there's a possible impact of not understanding or being able to access the Strategy, as demonstrated within the characteristics above, the mitigating controls amends the impact to one that's positive.

Section 4 - Analysis Decision (Page 11 of the guidance document)

4.1 Analysis Decision	X	Reasons for This Decision
There is no negative impact therefore the activity will proceed	X	Whilst the Strategy could have an impact to those named above, the impact would be of a positive nature. It will protect the exposure of risk to both employees, and residents whom the Council provides a Service to, and provide a better understanding of Risk Management and the benefits that this will bring.
There are low impacts or risks identified which can be mitigated or managed to reduce the risks and activity will proceed		
There are medium to high risks identified which cannot be mitigated following careful and thorough consideration. The activity will proceed		

with caution and this risk recorded on the risk register, ensuring continual review		
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Section 5 – Sign Off and Revisions (Page 11 of the guidance document)

5.1 Sign Off	Name	Date	Comments
Lead Officer/SRO/Project Manager	Louise Kirkman	06/06/2024	
Responsible Asst. Director/Director	Clare Williams	18/06/2024	
EDI	Lee Cawley	07/06/2024	

EqlA Revision Log

5.2 Revision Date	Revision By	Revision Details

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Classification: Open	Decision Type: N/a
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Report to:	Audit Committee	Meeting Date: 25 July 2024
Subject:	Corporate Risk Register	
Report of	Section 151 Officer	

Summary

Risk Management is a key part of Bury Council's Code of Corporate Governance and underpins its system of internal control.

The Audit Committee are tasked with the responsibility of reviewing and scrutinising risks where the impact has the potential to disrupt achievement of the Council's priorities. This is achieved by regular review and their seeking assurance that appropriate controls are implemented to manage these risks.

This report provides an updated position with regards to the risks identified and assessed on the Council's Corporate Risk Register as at the end of Quarter 1. These risks have been considered by the Executive Team as those with the potential to disrupt the Council's strategic objectives and service delivery.

Furthermore, this report provides the Audit Committee with an analysis of the 2023/2024 Corporate Risk Register to support their annual review of strategic risks and the approach taken to their management.

A total of **23** risks are present on the Corporate Risk Register and have been identified as those of a genuine corporate nature and are summarised as follows:

14 risks are currently rated as Significant (risk score 15-25)

8 risks are currently rated as High (risk score 8-12)

1 risk is currently rated as Moderate (risk score 4-6)

- **0** have increased in score
- **3** have decreased in score
- **19** have remained static
- **1** has been newly introduced
- **2** of the static risks have not been reviewed in the last reporting period
- **1** of the decreased risks is proposed for closure

Recommendation(s)

1. Members note this report;
2. Receive the Corporate Risk Register at Appendix A;
3. Review the Risk Matrix presented at Appendix B;
4. Review the information presented;
5. Review, analyse and discuss the Deep Dive Report at Appendix C;
6. Determine whether the level of assurance provided against the risks is sufficient;
7. Approve the closure of CR25 – Housing Conditions (Damp, Mould and Condensation)
8. Select two risks to receive a “Deep Dive” review to be presented at the next meeting of the Audit Committee.
9. Note and approve the revised Risk Management Strategy

Report Author and Contact Details:

Name: Louise Kirkman
 Position: Risk Manager
 Department: Fraud, Audit, Insurance & Risk
 E-mail: l.kirkman@bury.gov.uk

Background

The Corporate Risk Register is routinely presented to Audit Committee. This report provides an update on the work progressed to date and demonstrates that efforts are ongoing to embed a culture of good risk management across the Council.

Key Considerations

The work progressed in the last quarter reflects progress toward providing the Audit Committee with adequate assurance of dynamic corporate risk management. The Corporate Risk Register represents a collation of risks identified and assessed as significant risks to Bury Council.

The following heat maps reflect the current and target risk profile in respect to those risks on the appended register:

Current

Impact	5		2	3	6	4
	4		2	4	1	
	3		1			
	2					
	1					
		1	2	3	4	5
		Likelihood				

Target

Impact	5	1	5	4		
	4		6	4		1
	3		1	1		
	2					
	1					
		1	2	3	4	5
		Likelihood				

Community impact / Contribution to the Bury 2030 Strategy

Ensuring compliance with Financial Procedures and Policies

Equality Impact and considerations:

24. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) *eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;*

- (b) *advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;*
- (c) *foster good relations between persons who share a relevant protected characteristic and persons who do not share it.*

25. *The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services.*

Assessment and Mitigation of Risk:

The following risks apply to the decision:

Risk / opportunity	Mitigation
<ul style="list-style-type: none"> • Failure to identify and own major risks that may prevent the Council from achieving one or more of its objectives. • Failure to ensure that the major risks are being managed. 	<ul style="list-style-type: none"> • Review of risk management arrangements at Corporate level. • Review of the Council's risk management strategy and arrangements for the maintenance of risk registers. • Review the associated information management system and reporting arrangements. • Regular review of a Corporate Risk Register in alignment with the revised risk management strategy.

Consultation:

N/a

Legal Implications:

The Council constitution sets out that the Audit Committee is responsible for providing assurance on the Council's audit, governance (including risk management and information governance) and financial processes in accordance with the functions scheme. Under the Account and Audit Regulations 2015, Authorities must undertake an effective internal audit to evaluate the effectiveness of their risk management, control and governance processes. Consideration must be given to the Public Sector Internal Audit Standards (PSIAS) and sector specific guidance.

Financial Implications:

Mitigating some of the risks may require financial resources and a number of risks are around organisational and services financial resilience.

Background papers:

- Corporate Risk Register at Appendix A;
- Risk Matrix at Appendix B;
- Deep Dive Reports at Appendix C;
- Risk Management Strategy June 2024
- Equality Impact Assessment June 2024

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
BGI	Business Growth and Infrastructure Department
CC	Corporate Core Department
CYP	Children and Young People’s Department
H&C	Health & Care Department
FIN	Corporate Core Finance Department
OPS	Operations Department

Risk Register Update

1. Introduction

- 1.1. This report provides an updated position in respect to those risks that have been identified and assessed as significant risks to Bury Council, collectively referred to as the Corporate Risk Register.
- 1.2. The report presents the risk position and status as at 30th June 2024, and is the first report for the current financial year.
- 1.3. Furthermore, the report provides an analysis of the 2023/2024 year in review with regard to strategic risks present on the Corporate Risk Register.

2. Background

- 2.1. Following revision to the Council's approach to Risk Management, the Executive Team were tasked with developing a risk register that would capture events and circumstances which had the potential to disrupt the Council's ability to meet its strategic and operational objectives.
- 2.2. The Corporate Risk Register is at Appendix A. This repository captures the Council's key strategic risks agreed by the Executive Team and categorised as warranting regular scrutiny to help the Council minimise future risks and adverse implications. Additionally, it details the existing controls that provide some level of assurance and identifies planned actions being undertaken to mitigate these risks.
- 2.3. Assessment of each risk has been performed in accordance with the Risk Matrix, introduced within the Council's Risk Management Strategy, attached at Appendix B for ease.

3. Corporate Risk Register

- 3.1. The Corporate Risk Register captures risks identified as significant to delivery of the Council's key objectives, irrespective of their current scoring.
- 3.2. There are currently **23** risks on the Corporate Risk Register. Of these 23, 19 have been reviewed by the Risk Owner during the last period and assessed to: update the progression of mitigating actions; consider the level of assurance provided by existing controls; and re-evaluate both the likelihood and impact, in order to determine whether the risk score should be increased, decreased or remain static.
- 3.3. Of the 23 risks, 14 (61%) are rated as significant:

No. Risks	Low (1-3)	Moderate (4-6)	High (8-12)	Significant (15-25)
23	0	1	8	14

3.4 The following table presents the risks as split across Council directorates:

Department	No. Risks	Low (1-3)	Moderate (4-6)	High (8-12)	Significant (15-25)
BGI	1	0	0	0	1
CC	9	0	0	4	5
CYP	3	0	0	1	2
Finance	2	0	0	0	2
H&C	3	0	0	2	1
OPS	4	0	1	1	2
Multi (CR29)	1	0	0	0	1
TOTAL	23	0	1	8	14

3.5 In exercising their duty to scrutinise those risks presented, the Audit Committee are requested to consider the points below in relation to the information detailed for each risk:

- Does the Key Potential Impact accurately describe the real risk to the Council?
- Are the risk scores (Current and Target) reflective of the current position?
- Are the Current Controls still operating effectively?
- Do the Current Controls articulate how they contribute to managing the risk?
- Have or will the Planned Actions achieve or go towards mitigating the risk further?
- Horizon scanning – Is the Committee aware of any significant changes that could affect the risk in the future?

4 Trend Analysis

4.1 This section of the report reflects the current position of each risk following review by the Risk Owner:

Risks that have increased in score

4.2 During this reporting period, **0** risk have increased in score

Risks that have decreased in score

4.3 During this reporting period, **3** risk have decreased in score:

1. **CR25 – Housing Conditions (Damp, Mould and Condensation)** (*propose to close*)
2. **CR28 – Asylum and Immigration**
3. **CR30 – Staff Safety**

Risks that have remained static

4.4 During this reporting period, **18** risks have remained static:

- **CR1 – Financial Sustainability**
- **CR3 – Security and Resilience**
- **CR4 – Digital Transformation**
- **CR5 – Increasing Demand Pressures**
- **CR6 – Climate Change**
- **CR7 – ICB Implementation and Establishment**

- **CR9 – Workforce Skills and Capability**
- **CR11 – Building Management (Operational Health and Safety)**
- **CR12 – Children’s Social Care Services**
- **CR13 – Regulatory Compliance**
- **CR15 – Regeneration and Development**
- **CR16 – SEND**
- **CR19 – Financial Capacity**
- **CR20 – Increasing Energy Prices**
- **CR21 – Project Safety Valve**
- **CR23 – Adult Social Care Reforms and CQC Inspection**
- **CR29 – RAAC**
- **CR31 – Staff Wellbeing and Absence**
- **CR32 – General Election**

Risks that have not been reviewed

- 4.5 During this reporting period **2** risks have not been reviewed by their assigned Risk Owners:
- **CR3 – Security and Resilience**
 - **CR4 – Digital Transformation**

Risks that have reached their target level

- 4.6 During this reporting period **4** risks have reached their target level:
- **CR12 – Children’s Social Care Services** *(to remain for oversight)*
 - **CR13 – Regulatory Compliance** *(to remain for oversight)*
 - **CR23 – ASC Reforms and CQC Inspection** *(to remain for oversight)*
 - **CR25 – Housing Conditions (Damp, Mould and Condensation)** *(propose to close)*

New risks

- 4.7 During this reporting period **1** new risk has been added to the Corporate Risk Register:
1. **CR33 – Housing Service Transition**

5 Risks Presented for Closure

- 5.1 Since the last meeting of the Audit Committee, **1** risk has been identified as recommended for closure:
1. **CR25 – Housing Conditions (Damp, Mould and Condensation)**
The risk has reduced following increased capacity and workload management. Although the proposal is to remove from the Corporate Risk Register, it will still remain on the Departmental Risk Register for ongoing monitoring and management.

6 Deep Dives

- 6.1 The purpose of the Deep Dive Report is to promote discussion and closer scrutiny of specific risks selected by the Audit Committee, to ensure appropriate controls are implemented and rationale adequately explained.
- 6.2 At the March meeting, the Audit Committee requested detailed reports in respect of the following risk:
- **CR31 – Staff Wellbeing and Absence**

- 6.3 The Deep Dive report is included within Appendix C for review, analysis and discussion.
- 6.4 In this regard, the Audit Committee are requested to select two further risks from the open risks captured on the Corporate Risk Register, for Deep Dive analysis at their subsequent meeting.

7 Risk Management Strategy

- 7.1 In November 2019, a revised Risk Management Strategy was introduced, which reinforced the use of a 5x5 matrix (see Appendix B) and provided some descriptors of risk to aid quantification of both impact and likelihood. However the advent of Covid-19 in March 2020 meant that the strategy was not fully rolled out, although this strategy is currently being followed.
- 7.2 Since June 2020, significant work has been undertaken to implement a robust approach to risk management across Bury Council, commencing with the introduction of a framework that has been rolled out across all directorates. This was later supplemented with information and guidance sessions department by department to further embed a culture of dynamic risk identification and proactive management.
- 7.3 Risk Owners moved toward a comfortable rhythm of analysing risks due for review in the relevant reporting month and including risk as a standing item on departmental team meetings.
- 7.4 In March 2023, a new Risk Manager was appointed, who's key role is to shape and lead developments in Risk across the organisation, ensuring that risk management remains an effective and integral part of the Council's governance and decision-making arrangements. They are responsible for promoting a positive risk management culture within Bury, implementing the risk management framework and approach, and continuing to develop an effective infrastructure for managing and reporting risk across the Council.
- 7.5 Workshops have been underway since their appointment and the ethos and intention of their objective is already being well embedded, as well as the attaining a risk management qualification in February of this year via the Institute of Risk Management, to ensure correct processes are followed.
- 7.6 The Council and Risk Manager are keen to further improve their approach to risk management in order to mitigate any potential factors that will affect the Council's objectives, and a factor to achieve this is via review of the Risk Management Strategy and ensuring appropriate roll out across the Council.
- 7.7 Approval for the revised Strategy was sought at the Senior Leadership Group meeting in June 2024, along with the supporting Equality Impact Assessment.
- 7.8 The key points of the Strategy are as follows:
1. The Aim, which sets out how risk management is seen as a key element in the successful achievement of Council's priorities and that it is also an essential dimension of the Corporate Plan
 2. How effective risk management has a number of benefits
 3. The roles and responsibilities of Officers
 4. Risk and risk management definitions
 5. A toolkit of identifying, analysing, prioritising, managing, monitoring and reporting of risk
- 7.9 An Equality Impact Analysis has been undertaken to support the Strategy. This explores the impact that the Strategy may have on protected characteristics and provides mitigating actions, to ensure that all staff members can fully engage with the Strategy
- 7.10 The documents of ***Risk Management Strategy June 2024*** and ***Equality Impact Analysis June***

2024 are contained within today's papers. Approval is sought for members to endorse the Strategy, whereby arrangements will then be made to circulate across the Council and ensure the same approach and ethos to risk management is embedded throughout.

8 Year in Review

- 8.1 This section of the report provides an analysis of the management of the risks present on the Corporate Risk Register during the financial year 2023/2024.

Risk scoring at each Audit Committee

- 8.2 During the course of 2023/2024, an average number of 22 risks have been recorded each quarter on the Corporate Risk Register. Each event has been identified by the Executive Team as having the potential to adversely impact the Council's strategic objectives.
- 8.3 Over this period, an average of 68% of these risks have been scored as Significant.
- 8.4 Qualitatively, this implies a likelihood of "likely to almost certain" and an impact of "high to severe".

Audit Committee Date	No. Risks	Low (1-3)	Moderate (4-6)	High (8-12)	Significant (15-25)	% of Risks scored (15-25)
31/7/23	22	0	0	7	15	68%
12/10/23	22	0	0	6	16	73%
14/12/23	22	1	0	6	15	68%
6/3/24	23	0	0	7	16	70%
Year End (as at 31/3/24)	22	0	0	8	14	64%
2023/24 average	22	0	0	7	15	68%

Risks closed during the financial year

- 8.5 The risks included in the table below were approved for closure by the Audit Committee as a result of successful execution of mitigating actions and implementation of robust controls, demonstrating adequate assurance that the risk no longer posed a threat to the Council's key objectives.

Risk	Key Potential Impact	Risk Score	Target Risk Score	Date Closed
CR24 Elections Act 2022	Failure to effectively implement the Elections Act 2022	12	8	July 2023
CR26 Increasing Fuel Costs & New Red Diesel Restriction	Tax relief on red diesel and high fuel prices	9	12	December 2023
CR27 General Contract/Tenders Inflation	Impacts to the construction industry regarding inflation, cost of materials and skilled labour	2	2	December 2023

Risks closed and redefined during the financial year

8.6

- **CR14 Staff Safety and Wellbeing**

At the meeting in March 2024, this risk was closed and two separate risks added, due to the differing key potential impacts of each: **CR30 Staff Safety** and **CR31 Staff Wellbeing and Absence**.















New Risks added during the financial year

















































8.7

- **CR29 Reinforced Autoclaved Aerated Concrete (RAAC)**
- **CR30 Staff Safety** (previously CR14)
- **CR31 Staff Wellbeing and Absence** (previously CR14)
- **CR32 Elections Act 2022** (previously CR24)

Risks monitored throughout the financial year

- 8.8 The table below provides an annual profile of each risks' score at every Audit Committee meeting review. However, March 2024 reflects the position of the risk as at the date of the 31st March (and not the date of the meeting), to reflect their scores and status as at the end of the financial year.

Risk	Year End Score	Risk Score				Target Risk Score	Annual Profile
		Jul '23	Oct '23	Dec '23	Mar '24		
CR1 Financial Sustainability	25	25	25	25	25	9	
CR3 Security and Resilience	20	20	20	20	20	10	
CR4 Digital Transformation	12	12	12	8	8	8	
CR5 Increasing Demand Pressures	20	20	20	20	15	8	
CR6 Climate Change	16	16	20	20	20	12	
CR7 ICS Implementation and Establishment	12	12	12	12	12	8	
CR9 Workforce Skills and Capability	20	20	20	20	20	12	
CR11 Building Management (Operational Health and Safety)	20	20	20	20	20	15	
CR12 Children's Social Care Services	15	10	10	10	10	10	
CR13 Regulatory Compliance	12	12	12	12	12	12	
CR14 Staff Safety and Wellbeing	16	16	16	16	-	8	
CR15 Regeneration and Development	20	20	20	20	25	15	
CR16 Special Educational Needs and Disabilities	20	25	25	25	25	10	
CR19 Financial Capacity	25	20	20	20	20	8	

CR20 Increasing Energy Prices	25	25	25	25	8	20	   
CR21 Project Safety Valve	20	25	25	25	25	10	   
CR23 Adult Social Care Reform	15	15	15	15	10	12	   
CR24 Elections Act	12	12	-	-	-	8	   
CR25 Housing Conditions (Damp, Mould and Condensation)	9	9	9	9	9	6	   
CR26 Increasing Fuel Costs and New Red Diesel Restrictions	16	12	12	9	-	-	   
CR27 General Contract/ Tenders Inflation	20	20	20	2	-	-	   
CR28 Asylum and Immigration	20	25	25	25	25	10	   
CR29 Reinforced Autoclaved Aerated Concrete (RAAC)	-	-	15	15	15	5	   
CR30 Staff Safety	-	-	-	-	16	8	   
CR31 Staff Wellbeing and Absence	-	-	-	-	16	12	   
CR32 Elections Act 2022	-	-	-	-	12	8	   

9 Recommendations

9.1 The Audit Committee is asked to:

1. Note this report
2. Receive the Corporate Risk Register at Appendix A;
3. Review the Risk Matrix presented at Appendix B;
4. Review the information presented;
5. Review, analyse and discuss the Deep Dive Report at Appendix C;
6. Determine whether the level of assurance provided against the risks is sufficient;
7. Approve the closure of CR25 – Housing Conditions (Damp, Mould and Condensation)
8. Select two risks to receive a “Deep Dive” review to be presented at the next meeting of the Audit Committee.
9. Note and approve the revised Risk Management Strategy

Corporate Risk Register 2024/25

Quarter 1

SUMMARY

Risk Ref	Risk Title	Likelihood	Impact	Score	Deep Dive last presented at the Audit Committee Meeting of
CR1	Financial Sustainability	5	5	25	12 th October 2023
CR3	Security & Resilience	4	5	20	
CR4	Digital Transformation	3	4	12	
CR5	Increasing Demand Pressures	3	5	15	12 th October 2022
CR6	Climate Change	5	4	20	31 st July 2023
CR7	ICS Implementation & Establishment	3	4	12	
CR9	Workforce Skills & Capability	4	5	20	
CR11	Building Management	4	5	20	12 th October 2022
CR12	Children's Social Care Services	2	5	10	
CR13	Regulatory Compliance	3	4	12	
CR15	Regeneration & Development	5	5	25	12 th October 2023
CR16	Special Educational Needs & Disabilities	5	5	25	12 th October 2023
CR19	Financial Capacity	4	5	20	
CR20	Increasing Energy Prices	2	4	8	14 th December 2023
CR21	Project Safety Valve	5	5	25	31 st July 2023
CR23	Adult Social Care Reforms	2	5	10	6 th March 2024
CR25	Housing Conditions	2	3	6	
CR28	Asylum & Immigration	4	5	20	31 st July 2023
CR29	Reinforced Autoclaved Aerated Concrete	3	5	15	
CR30	Staff Safety	3	4	12	
CR31	Staff Wellbeing & Absence	4	4	16	
CR32	Elections Act 2022	3	4	12	
CR33	Housing Services Transition	3	5	15	

Risk Ref.	Risk Title	Previous Score			Current Score			Target Score		
CR1	Financial Sustainability	Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)
		5	5	25	5	5	25	3	3	9

Risk Owner	C. Williams
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Responsible Officer	Risk Action Status	Trend	Next Risk Review Date
C. Williams	On target	Static	September 2024

Key Potential Impacts	Current Controls	Planned Actions
<ul style="list-style-type: none"> • Failure to eradicate deficit in Dedicated Schools Grant (DSG) or staying within High Needs Block allocation potentially resulting in Department of Education warning and intervention and budget restrictions. • Public sector spending/rising inflation/ recovery from the pandemic/ economic recession 	<ul style="list-style-type: none"> • Medium Term Financial Strategy and plan agreed by Council 21st February; monthly monitoring of general fund budgets and DSG, revised DfE 'Safety Valve' deficit recovery management plan being developed; close scrutiny and escalation to Executive Team and Members. 	<ul style="list-style-type: none"> • Scrutiny through externally chaired Financial Improvement Panel which will monitor delivery against the financial improvement plan and increased reporting to Cabinet - work plan is multi-faceted and includes increased financial rigour, rationalisation of reserves, increased training and accountability for financial management and control. MTFS now

impacting ability to continue to deliver effective services.

- Winter demands increasing pressure on ASC budgets.
- Brexit related pressures such as loss of EU funding, disruption to supply chains and increased inflation.
- Failure to deliver savings results in increased demand on services that are already being balanced by use of reserves
- Pressures within both childrens and adults social care which may in part be due to Brexit but are all part of the wider economic pressures facing the UK at the current time.
- Financial impact of National Pay Award and Real Living Wage, and demand on Social Care services
- Failure to keep spend within budget which exceeds the availability of reserves to support resulting in the need to issue a S114 notice as the Council may not be financially sustainable
- Economic recession will result in increased demand for public services.
- Rising inflation and interest rates has an impact on the affordability of all Council services

• Reserve Strategy and Financial Management completed as part of Medium Term Financial Plan.

- Budget Strategy Principles, complete review of all budgets as part of zero based budgeting approach and increased reporting to Departmental Management Teams.
- DfE Recovery Plan being updated; DfE engagement; Transformation plan priorities agreed with key stakeholders; review of expenditure and rebaselining being undertaken; additional capital funding secured for in-borough SEND provision.
- Rationalisation of admin buildings as part of transformation programme to reduce utilities expenditure and generate capital receipts which can be used for transformation under the flexible use of capital receipts policy.

complete and approved with updated revenue budget, capital programme and Treasury Management.

- Exec Delivery Board continues to monitor savings. Work being undertaken to ensure all 23/24 savings are completed.
- Monitoring of the spend moratorium which was put in place in July on all discretionary spend to bring budget overspends back in line and bring a clearer focus on what spend can cease on an ongoing basis. This has also identified areas for tightening of financial governance and training
- Lobbying of GMCA and Government for additional funding and support to LAs. A motion was passed at September Council on this and further discussions have been had at Treasurers.
- Use of apprentices and training of existing workforce to ensure a workforce which meets both current and future needs.
- Zero based budgeting of key services continuing.

Risk Ref.	Risk Title	Previous Score			Current Score			Target Score		
CR3	Security & Resilience	Likelihood	Impact	Total Score (LxI)	Likelihood	Impact	Total Score (LxI)	Likelihood	Impact	Total Score (LxI)
		4	5	20	4	5	20	2	5	10

Risk Owner	K. Waterhouse
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Responsible Officer	Risk Action Status	Trend	Next Risk Review Date
1) K. Waterhouse 2) J. Dennis	On target	Static	September 2024

Key Potential Impacts	Current Controls	Planned Actions
1)• National threat level remains at substantial (unchanged since Feb 2022) • Ongoing national threat from terrorism due to potential resurgence of terrorist activity and radicalisation of vulnerable members of community.	1)• Emergency response policies, Prevent initiative, GM Resilience Forum and Tension Monitoring Report. • Training and updated Cyber Essentials Toolkit in place for NHS GM; PCN accreditation renewed annually for the Council.	1)• Continued early intervention work and community engagement through the Community Safety Partnership. • Further training and investment in cyber security to be progressed against IG Action Plan timeframes.

<ul style="list-style-type: none"> • Monitoring national and local threat level due to conflict in the Middle East. • Crisis in Ukraine following the Russian invasion is also leading to increased risk of cyber-attack and community tensions. • External threat to data and systems potentially impacting system functionality/causing a data breach. <p>2)• General threat to safety and security of Councillors.</p>	<ul style="list-style-type: none"> • Member Safety Guidance recirculated in January 2024 and individual member risk assessment completed as required. • Government guidance shared with parties currently exposed to such attacks. Local Government Assessment Toolkit implemented. • Support from LGA and DLUHC now approved to develop Cyber Treatment Plan. All recommend actions have now been completed. • Managed Security contract in place from July 2022, for 24 months. • Security arrangements reviewed, following the recent cyber-attack against St Helen's Council <p>2)• Newly appointed Councillors received security awareness training during induction process, following May Elections.</p>	<ul style="list-style-type: none"> • Cyber Essentials accreditation for the Council to be achieved - Council has submitted its PSN Certification for another year as a precursor to achieving Cyber Essentials accreditation. <p>2) • No further actions - situation to remain under review.</p>
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Risk Ref.	Risk Title	Previous Score			Current Score			Target Score		
		Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)
CR4	Digital Transformation	3	4	12	3	4	12	2	4	8

Risk Owner	K. Waterhouse
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Responsible Officer	Risk Action Status	Trend	Next Risk Review Date
A. Carter	On target	Static	September 2024

Key Potential Impacts	Current Controls	Planned Actions
<ul style="list-style-type: none"> Inability to achieve ambition for new ways of working, improved customer and staff experience through delivery of the Digital Strategy. 	<ul style="list-style-type: none"> Recruitment underway to fill vacant posts following the implementation of the restructuring. Design sessions being held during Q4 2023/24 to support launch of new ways of working from 1st April 2024 	<ul style="list-style-type: none"> Training and Development Plan to be developed to support staff moving into new roles and ensure appropriate transitions plans are in place. Bid submitted to the Capital Board for Digital Strategy for 2024/27

Risk Ref.	Risk Title	Previous Score			Current Score			Target Score		
		Likelihood	Impact	Total Score (LxI)	Likelihood	Impact	Total Score (LxI)	Likelihood	Impact	Total Score (LxI)
CR5	Increasing Demand Pressures	3	5	15	3	5	15	2	4	8

Risk Owner	W. Blandamer
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Responsible Officer	Risk Action Status	Trend	Next Risk Review Date
W. Blandamer	On target	Static	September 2024

Key Potential Impacts	Current Controls	Planned Actions
<ul style="list-style-type: none"> • There are significant potential impacts - increasing waiting lists for assessments and intervention/treatment, increased and unsustainable pressures on workforce, potential harm to residents while waiting for treatment or assessment, financial cost of meeting extra demand, failure to deliver council and NHS statutory obligations, and pressures between partners in the health and care system. • In particular there is a risk of unsustainable demand for adult care services as a 	<ul style="list-style-type: none"> • Within the council ASC function controls are in place - Regular transformation programme review meetings, scrutiny of the Executive Committee and appropriate reporting to cabinet. Also the performance dashboard for ASC is now in regular production. • Regular finance and performance meetings are now in place monthly to monitor financial and performance position. Performance and budgetary control is being maintained despite rises in demand of 18% and costs of 	<ul style="list-style-type: none"> • Continued delivery of Adult Social Care Transformation plan , with a particular focus on transition, adults of working age, strengths based working, and market sustainability

consequence of the substantial demand pressures and workforce challenges in the NHS, particularly in relation to volume and acuity of patients requiring discharge. There is also a risk to the delivery of childrens services improvement and achievement of SEND priority action plan commitments as a consequence of significant demand pressures in childrens health services, including demand for mental health services, for speech and language therapy and for community paediatric services.

care by 16%. For this reason the likelihood score at this review has been reduced

- Real living wage agreed and funded through contracts for all social care packages.
- Further controls are in place recognising that NHS pressures impact on ASC and other council services cost and demand. In particular the Locality Board review system wide pressures on a monthly basis and co-ordinate the delivery of a comprehensive programme focused on prevention and demand management - in primary care, urgent care, mental health, childrens services, learning disabilities and other key programmes. A particular focus is demand and cost associated with urgent care processes within the hospital. Work is being done to improve flow within the hospital and maintaining independence of patients as far as possible via the national front runner discharge programme and also the continuous flow programme (April 2024)

Risk Ref.	Risk Title	Previous Score			Current Score			Target Score		
		Likelihood	Impact	Total Score (LxI)	Likelihood	Impact	Total Score (LxI)	Likelihood	Impact	Total Score (LxI)
CR6	Climate Change	5	4	20	5	4	20	3	4	12

Risk Owner	D. Ball
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Responsible Officer	Risk Action Status	Trend	Next Risk Review Date
B. Thomson	Some slippage	Static	September 2024

Key Potential Impacts	Current Controls	Planned Actions
<ul style="list-style-type: none"> Inability to meet Bury 2038 carbon neutral target due to lack of resources and engagement. <p>Main detailed risks described below:</p> <ul style="list-style-type: none"> Lack of funding and incentives provided by Government or private industry to secure the level of change necessary to achieve carbon neutrality. Lack of skills and supply chains in the business sector to provide carbon neutral solutions. 	<ul style="list-style-type: none"> Greenhouse Gas Emissions Report for 2022/23 produced and shows the Council has reduced greenhouse gas emissions by 68% since 2008/09. Climate Strategy and Action Plan approved and published in October 2021 following public consultation. Climate Action Board established and is part of the Team Bury Structure. 	<ul style="list-style-type: none"> Continued partnership work across GM. Climate Action Board will continue to meet quarterly. Continued delivery of Social Housing Decarbonisation bid. Intention to expand the current car club offer through a procurement exercise (GM/Bury).

- Local communities and businesses suffer financial hardship as a result of moving to electricity-based heating systems that could include higher running costs (electricity is much more costly than gas currently).

- Those most in need are not able to decarbonise due to lack of funds and support.

- Local communities do not embrace active travel and public transport due to lack of motivation, confidence and good safe reliable systems and infrastructure.

- Failure to protect our communities from the impacts of climate change.

- For council and other commercial buildings, the initial costs to install heat pump systems can be much higher than replacing with a gas boiler. This creates challenging business cases that can make it very difficult to justify the carbon neutral option.

- Regeneration schemes are not able to justify carbon neutral measures due to the restrictions placed on the available funding streams.

- Lack of carbon neutral solutions for larger vehicles.

- Successful bid from STH to the Social Housing Decarbonisation Fund (SHDF) Wave 2 funding for energy efficiency measures on a further 200 properties on the Chesham Estate.

- 70% of Council vehicles now replaced with lower emissions vehicles with the remaining 30% on order including, 19 small tippers, 5 small Luton vans, 2 RCV's, 1 Ranger pick up, HGV tipper and 11 electric vans (there will be 15 in total).

- E Car Club Pilot operating from Prestwich and Bury.

- Working with colleagues from BGI to ensure that regeneration projects take sustainability/decarbonisation into consideration.

- Procured an Electric Vehicle Charging Infrastructure provider to deliver charge points in a large number of our council car parks free of charge.

- Climate change e-learning course made mandatory for council employees and 52.4% staff have completed.

- 69.91% of streetlights are now LED lanterns.

- Working Group established for Climate Change Adaptation & Resilience.

- Intention to appoint an Electric Vehicle Charging Infrastructure (EVCI) supplier to install charging points for residents who do not have access to off-street parking using a potential £2m of combined CRSTS and Local Electric Vehicle Infrastructure (LEVI) funding.

- Continue street lighting column replacement and LED replacement programme to reduce the electricity use and carbon footprint of our streetlighting.

- Produce annual Greenhouse Gas Reports for the Council's emissions so that we can monitor our progress towards decarbonisation and highlight areas where more focussed action is required.

- Deliver energy efficiency measures to low-income households using ECO4 grants to reduce the carbon footprint of these houses and to help protect low-income occupants from rising energy prices.

- Produce an annual update of the Climate Action Plan to maintain a relevant document, monitor progress and highlight areas for more focussed action.

- Continue to look for opportunities to use Government PSDS (Public Sector Decar-

	<ul style="list-style-type: none"> • Funding approved to explore the feasibility of installing a heat network in Bury Town Centre. • Integration of 15 Electric Vehicles into the Council fleet to move towards the decarbonisation of council operations. • Published annual update of the Climate Action Plan for March 23. • Climate Action Officer made permanent. <div> <div>bonisation Scheme) funding to further progress the decarbonisation of council assets.</div> <ul style="list-style-type: none"> • Secure in-house Mechanical and Electrical Engineer resource to help generate and deliver decarbonisation projects for our assets. • Expand the existing number of Schools Streets to encourage walking and cycling to school and to reduce the number of car miles covered by the “school run”. This will improve air quality and reduce carbon emissions. • Exploring the feasibility of a heat network in Bury Town Centre. • Exploring the feasibility of Solar Farms on public owned (grazing land) </div>
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Risk Ref.	Risk Title	Previous Score			Current Score			Target Score		
		Likelihood	Impact	Total Score (LxI)	Likelihood	Impact	Total Score (LxI)	Likelihood	Impact	Total Score (LxI)
CR7	ICB Implementation & Establishment <i>(renamed from IBC Implementation & Establishment)</i>	3	4	12	3	4	12	2	4	8

Risk Owner	W. Blandamer
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Responsible Officer	Risk Action Status	Trend	Next Risk Review Date
W. Blandamer	On target	Static	September 2024

Key Potential Impacts	Current Controls	Planned Actions
<ul style="list-style-type: none"> The potential impact is a loss of locality focus and partnership working, the loss of more local autonomy in decision making relating to NHS spend, and the consequent loss of locally sensitive decision making relating to local priorities. There is also a risk to the quality of local partnership working that is important in driving transformation of the whole and interdependent Bury health and care system. 	<ul style="list-style-type: none"> Working with colleagues across the GM system to ensure the GM ICS operating model creates the conditions for our continued place based transformation, and NCA footprint partners to continue to advocate for the place based approach; building and starting to operate the new Bury Health and Care System Partnership arrangements (including the Locality Board) 	<ul style="list-style-type: none"> Continue to work with GM partners as GM operating model develops. Review of operating model to assure delivery of NHS GM obligations locally commenced November 2023 Transformation plans continue to be monitored monthly through IDC Board.

	<p>to provide confidence and assurance of our arrangements.</p> <ul style="list-style-type: none"> • Issues and risks escalated to Integration Delivery Collaborative Board and to Locality Board. • Conclusion of NHS GM staff transitional process in October 2023, although continued staffing restructures in some functions such as medicines management (on going as at July 2024). Particular focus on the effective operation of all parts of the urgent care system. <ul style="list-style-type: none"> • Transformation Board and Adult Social Care Savings and Transformation Programme also reported to Cabinet. • Bespoke communication approach to address this agenda. • Locality formalisation agreed at Cabinet and Council and Locality Board and submitted to NHS GM Board for final approval. • Receipt of locality budget allocation and reconciliation with largely 'as is' structure on NHS GM – intended to retain resilience to secure on going transformation delivery in Bury ICP programmes.
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Risk Ref.	Risk Title	Previous Score			Current Score			Target Score		
		Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)
CR9	Workforce Skills & Capability	4	5	20	4	5	20	3	5	15

Risk Owner	S. McVaigh
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Responsible Officer	Risk Action Status	Trend	Next Risk Review Date
S. McVaigh	On target	Static	September 2024

Key Potential Impacts	Current Controls	Planned Actions
<ul style="list-style-type: none"> Adverse impact on delivery of Council priorities should the workforce capability and capacity prove insufficient, as the result of a lack of investment in employee development and / or an inability to fill key roles or retain staff. Likelihood increased given current regional and national recruitment challenges across a range of roles. Increased costs through requirement to utilise more expensive agency or consultancy resources 	<ul style="list-style-type: none"> Prioritisation through the Corporate Plan and strengthened approach to Departmental Planning & Employee Reviews, including analysis of areas of cross-over and total capacity requirements Agreed recruitment and retention strategies for both Childrens and Adults Social Care. Strengthened external recruitment processes, social media presence and advertising, improved processes (including 	<ul style="list-style-type: none"> Continued focus on prioritisation; training and development to be considered in new People Strategy; development of a Talent Strategy. Alongside the above, a review of recruitment and attraction strategies a key HR priority fort 24/25 Resource planning for key new priorities e.g. LUF and Children's Improvement.

- National shortage of Social Workers, recent Children's department restructure sees the creation of a number of posts, however services continue to run with a high level of agency staff.

new Greater.Jobs website and ATS system) and new policy.

- Management development programme.
- Clear two-way staff engagement approach, including regular Pulse Surveys
- Skills and capacity development opportunities, including through Apprenticeship Strategy
- OD team in place following HR restructure
- Focus on values and behaviours through the LET'S Challenge
- Pulse Survey and corporate and departmental response plans

- Refresh and update core policies and procedures.

- Values and behaviours work and wider focus on engagement linked to Pulse Survey.

- Engagement in LGA work on local government recruitment

- Engagement of a specialist recruitment partner for Adults & Childrens Social Work

Risk Ref.	Risk Title	Previous Score			Current Score			Target Score		
		Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)
CR11	Building Management (Operational Health & Safety)	4	5	20	4	5	20	3	5	15

Risk Owner	D. Ball
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Responsible Officer	Risk Action Status	Trend	Next Risk Review Date
D. Ball	Some slippage	Static	September 2024

Key Potential Impacts	Current Controls	Planned Actions
<ul style="list-style-type: none"> • Breach of Health and Safety legislation leading to prosecution under the Corporate Manslaughter Act and other Health and Safety Regulations. • Council buildings, facilities and premises must provide safe and effective environments for all building occupants that use them. 	<ul style="list-style-type: none"> • Corporate Health and Safety independent audit undertaken with formal report, findings and recommendations. • Establishment of Estates Transformation Board (BGI) to manage and oversee the disposal of selected buildings. • Decant Manager in place to support the decanting of services from buildings (temporary post). 	<ul style="list-style-type: none"> • Develop the use of Concerto to improve information and processes in relation to the management of facilities across the Council's estate. • Produce an Asset Rationalisation Plan (Led by BGI). • Develop a proposal for a Facilities Management Service to act as a central point of expertise to provide support to

	<ul style="list-style-type: none"> • Work underway to look at the future needs of education and Council Housing. • Current working practices (Managers responsible for own buildings) remain in place. • Whittaker Street contracted for demolition. • Facilities Management Board established to have oversight of the individual departments' responses of asset management, including compliance monitoring. Whilst not responsible for the actual assets, the board will work alongside service building managers to ensure they have the information required in order to operate safely or report issues. • Head of FM embedded. • Spreadsheet produced to monitor compliance issues ('big 6') across the 35 council buildings and progress is reported fortnightly to Exec Team. • Project Officer (6-month secondment) extended to Aug 24. • Approval received to recruit to Fire Safety Officer and Procurement & Contracts Manager - recruitment underway. 	<p>services under a Business Partner arrangement.</p> <ul style="list-style-type: none"> • Approval received to recruit the following posts ahead of the FM restructure: Fire Safety Officer, Procurement & Contracts Officer. • Following recruitment gather compliance information for the remaining Council estate. • Procurement & Contracts post to centralise contracts for building related compliance/maintenance. • Expand the compliance spreadsheet to include additional Council buildings. • Carry out remedial works to the Town Hall (identified in structural and condition report). • Establishment of Council Master Buildings Portfolio list. • Continue to survey for RAACs across all affected sites. • Continue progress and implement FM restructure.
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	<ul style="list-style-type: none">• Health & Safety procedures in Architects and Admin Buildings reviewed and updated to meet current legislation.• Structural and condition survey carried out on the Town Hall.	
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Risk Ref.	Risk Title	Previous Score			Current Score			Target Score		
		Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)
CR12	Children's Social Care Services	2	5	10	2	5	10	2	5	10

Risk Owner	J. Richards
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Responsible Officer	Risk Action Status	Trend	Next Risk Review Date
J. Richards	On target	Static	September 2024

Key Potential Impacts	Current Controls	Planned Actions
<ul style="list-style-type: none"> Children left in harmful situations and risk. Following the inadequate ILACs judgement in October 2021 the improvement plan fails to deliver the pace of change needed which is reflected in poor monitoring visits from Ofsted and leaves the service and Council at risk to a greater level of intervention from the DFE. High caseloads continue to lead to social worker high turnover which then impacts on children, families and partners. We continue to 	<ul style="list-style-type: none"> Post Ofsted Improvement Plan which has been accepted by Ofsted and the DFE; reviewed with partners individually and via Children's Improvement Board quarterly. Independently Chaired Improvement Board with key partners to monitor impact of the improvement Plan. Regular DFE reviews. Regular Ofsted Monitoring visits 	<ul style="list-style-type: none"> Appointed a recruitment partner to support with recruitment, following the partnership with Frontier on international recruitment which has resulted in 15 social workers in post. We continue to focus on our QA Framework to ensure it is well embedded - we have additional capacity through our QA officers to ensure the scaffolding is in place to support the audit framework. We are also introducing additional elements to

be reliant on a higher proportion of agency workers and need to achieve a skilled and stable workforce.

- Following the inadequate judgement recruitment has become more challenging leading to high staff turnover from senior leaders through to frontline staff, making it difficult to do what is most important - turning around services for children, young people and families in need.

- Budget pressures associated with the escalating cost of commissioned placements, planned actions - meets fortnightly.

- Recruitment and Retention plan following full review aimed at attracting committed professionals to Bury.

- QA and audit processes in place.

- Placement Panel established is to gatekeep requests for high cost placements and review those in high cost provision - meets fortnightly.

- Restructure agreed bringing enhanced capacity and management oversight.

- Worked with Communications Team to develop online presence to support ongoing recruitment and retention.

our approach, starting with observations of practice by our senior leadership team which took place in March and will be scheduled quarterly.

- We appointed an Interim Head of Service Safeguarding Unit/PSW to provide leadership in this critical area, ensuring no vacancies in our Senior Leadership team. The HoS delivered an improved L&D Plan to support improved quality of practice.

- Senior management restructure will bring more leadership capacity including service managers in critical areas.

Risk Ref.	Risk Title	Previous Score			Current Score			Target Score		
		Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)
CR13	Regulatory Compliance	3	4	12	3	4	12	3	4	12

Risk Owner	J. Dennis
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Responsible Officer	Risk Action Status	Trend	Next Risk Review Date
J. Dennis J. Gallagher	On target	Static	September 2024

Key Potential Impacts	Current Controls	Planned Actions
<ul style="list-style-type: none"> • Failure to meet the requirements of data protection legislation and good information governance practice / serious data breach. • Lack of compliance with statutory response times for Subject Access Requests may lead to legal challenge or intervention from the ICO or local government ombudsman. 	<ul style="list-style-type: none"> • Review of the Councils Record of Processing Activity has commenced: led by colleagues in the newly established Policy and Compliance Team. • Work has commenced on a central repository for Council wide data sharing agreements; joint controller agreements. 	<ul style="list-style-type: none"> • Review capacity to support the Data Protection Officer. • Review communications and engagement with requesters whose claim is outstanding. • Convene working group to strengthen process, roles and responsibilities.

<ul style="list-style-type: none"> • Increased number of Childrens SEN complaints escalated to the Local Government Ombudsman 	<ul style="list-style-type: none"> • Data Breach monitoring reported into the Executive team monthly and the Corporate Governance Group quarterly. • IG risk management strategy implemented, including required completion of Data Protection Impact Assessments for any project involving the processing of personal data. • Staff induction process and system access implemented. • IG module included as part of the Management Development Programme. • 2023/24 DSPT submitted and Standards Met maintained. • Quarterly monthly reporting to Audit committee to ensure that the work is embedded across the Council. • Establishment of new Corporate Governance Board to cover all IG matters • Establishment of the Policy and Compliance Team 	<ul style="list-style-type: none"> • Network of IG Champions refreshed and re-established. • Escalate monthly reporting of LGO complaints to the CE and MO. • Regular meetings held with the Department and Complaints lead and additional staffing support to department • Restructure of complaints team to report to the Monitoring Officer • Regular meetings planned with the Assistant Ombudsman
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Risk Ref.	Risk Title	Previous Score			Current Score			Target Score		
		Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)
CR15	Regeneration & Development	4	5	20	5	5	25	3	5	15

Risk Owner	P. Lakin
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Responsible Officer	Risk Action Status	Trend	Next Risk Review Date
R. Summerfield C. Logue	Some slippage	Static <i>(Whilst the Previous Score is lower than the current score, these reflect the scores as at each Audit Committee meeting. A further year-end review was held in order to generate the Year in Review Report, where the risk increased here and therefore why the Trend reflects Static here.)</i>	September 2024

Key Potential Impacts	Current Controls	Planned Actions
<ul style="list-style-type: none"> • Northern Gateway - to deliver benefits it will require critical infrastructure to be developed, in particular road access via the Western Gateway and the commitment by JV partners to contribute towards the overall cost envelope. • Council unable to achieve Council Tax, and Business Rates (NNDR) revenue funding growth built into the Medium Term Financial Strategy (MTFS). • Budget pressures to deliver a Local Plan (existing reserves will need to be increased 24/25 -26/27). • Challenges faced in driving growth within the region, impacted by a slow housing market and meeting new planning policies (e.g. BNG). • Rising construction inflation and interest rate shifts increasing cost of delivering town centre regeneration and housing programmes. • Challenges in leveraging council assets due to macro economic environment. • Availability of Council / External funding. • Skills/resource availability for regeneration delivery. • 86% revenue funding reduction for regeneration delivery (puts at risk resource/capacity/training for implementation). 	<ul style="list-style-type: none"> • Detailed working with all partners, including the GMCA. Progressed a funding approval for a £10m contribution towards Western Access as well as further fees to support design and other preliminary items. Development Framework will help to programme delivery and development of the site. • Adoption of PFE will enable the progress of large residential sites which will help unblock housing supply constraints. Private house buying market has cooled off following series interest rate rises; this may impact build-out rates on live sites in Bury. Strategic sites need masterplans and infrastructure delivery plans, which help to pave the mechanisms for securing planning permissions and successful implementation. • Construction inflation appears to have eased, but it has left a legacy of structurally higher costs of development, whilst property values have been stunted. This means more forms of development require subsidy to make them viable. • The external funding environment remains challenging. Increasing devolution means more opportunities will come via the GMCA, and BGI has reconfigured a previous post to attempt to ensure the Council has early sight of funding opportunities and is able to respond. 	<ul style="list-style-type: none"> • Continue to explore funding opportunities - linked to various regeneration schemes: BGI will keep abreast of up-and-coming funding sources through regular contact with GMCA and other public bodies and will work with colleagues to ensure that opportunities are explored, and subsequent applications made for regeneration/development projects. Joint Bid being prepared to GM Growth Fund to further support project delivery and promotion. Bury have appointed an externally funded, dedicated PM to ensure internal capacity and skills in place. • Value engineering activity / scope reduction in design development for major regeneration projects. • Establish JV structures to leverage private sector capacity. • Increased use of capital funding to support activity. • Request for resource support from GMCA • Access free training courses from consultancy providers.

- Staff burnout due to workload pressure.
- Reduced operational capacity due to staff cost capitalisation.

National funding pots remain very limited, either through an opaque bidding process (DLUCH) and limited scope to intervene (Homes England). National funding agenda likely to change following general election - position TBC July 4th.

- Cost plans for the 'Levelling Up' bids show increased construction inflation, options have been worked through and implemented for value-engineering and review of overall specification.

- Use of Assistant Directors/Executive Directors to manage projects alongside existing duties to relieve pressure on Project Managers/Surveyors and reduce burnout.

- Land & Property restructure (implemented 1st April 2024)

- Additional work with Finance colleagues re: funding of the Local Plan (following PfE adoption).

- Grow our own talent through Graduate traineeship

- Additional capital receipt generation via FAP programme

Risk Ref.	Risk Title	Previous Score			Current Score			Target Score		
		Likelihood	Impact	Total Score (LxI)	Likelihood	Impact	Total Score (LxI)	Likelihood	Impact	Total Score (LxI)
CR16	Special Educational Needs & Disabilities	5	5	25	5	5	25	2	5	10

Risk Owner	J. Richards
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Responsible Officer	Risk Action Status	Trend	Next Risk Review Date
S. Holden	Some slippage	Static	September 2024

Key Potential Impacts	Current Controls	Planned Actions
<ul style="list-style-type: none"> • Further increase in LGO ombudsman complaints and general complaints. • Further loss of parental trust and further increase in parental complaints (400% increase of complaints since March 2023) • Current reduction in SEND tribunals is reversed. 	<ul style="list-style-type: none"> • SEND Improvement and Assurance Board (SIAB) established with clear governance and Independent Chair, risk register in place • Co-produced Priority Action Plan addresses areas identified in inspection (approved by Ofsted & CQC) • Subject to DfE Improvement Notice which includes monitoring arrangements, with DfE 	<ul style="list-style-type: none"> * Establish SEND Delivery Group to support the work of the workstream leads • Identify Project Management resource to support this area of transformation • Ensure SEND Strategy is communicated and understood • Develop and launch a new communication and engagement strategy

- Increase in EHCP assessments which is disproportionate to population increases sufficiency issues.
- Increase in EHCP referrals putting increased pressure on system
- Increased demand leading to difficulties in provision that meets children's needs
- Ofsted & CQC do not see improvements in the monitoring visits.deep dive thematics, leading to lack of faith in the Council to improve
- Workforce turnover could increase leading to lack of knowledge and changes in case workers

Advisers appointed to support Bury local area

- Following education restructure increased capacity in EHCP team - increased investment in data case surgeries and inclusion surgeries now in place.
- Graduated response co-produced and implemented
- Local Offer Newsletter continues to be well received.
- Regular operational meetings with Health partners and Education and SC.
- Redesigned EHCP processes bringing parents earlier in the process including the advice with EP service advising.

- Review QA framework and strengthen multi agency approach audits - introducing Invision to complement existing audit activity
- Develop a partnership Workforce Strategy and a partnership L&D Plan
- Develop Inclusion Strategy

Risk Ref.	Risk Title	Previous Score			Current Score			Target Score		
		Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)
CR19	Financial Capacity	4	5	20	4	5	20	2	4	8

Risk Owner	Clare Williams (Still in post when reviewed)
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Responsible Officer	Risk Action Status	Trend	Next Risk Review Date
Clare Williams	On target	Static	September 2024

Key Potential Impacts	Current Controls	Planned Actions
<ul style="list-style-type: none"> Lack of finance capacity leads to budget holders not receiving a quality service that supports them across a range of functions such as: <ul style="list-style-type: none"> to control costs, manage their budgets, identify and deliver savings, identify and maximise opportunities to generate additional income or external funding for projects, to submit government and funding returns, 	<ul style="list-style-type: none"> Reviewing current structure. Service gaps that have been identified are being filled short term whilst the structure is revised. Report approved by Council on 21st February on senior finance structure. The main post to be filled is the Director of Finance. An advert has gone out and recruitment takes place in March and April. 	<ul style="list-style-type: none"> Senior management finance structure now complete and out to recruitment. Series of sessions with finance team to identify gaps in key services in the structure. Short term placements being made to fill these gaps whilst structure is revised.

- be supported in financial business case development for project work.

- Senior members of the finance department undertaking pieces of work that should be completed by capable qualified staff - resulting in additional pressure on a few key individuals. Capacity is also being stretched due to the significant work that is required as part of the finance improvement plan, as a consequence of business partnering being a new concept for Bury, the financial position of Bury and the work needed to address the budget and demand pressures

- The interim market is becoming increasingly fierce with interims demanding inflated costs to do roles that require permanent placement. There is also a shortage of some specialist skills such as DSG and commercial investment which is making it extremely difficult to recruit permanent staff with these skills and harder to find interims and when they are available they are at premium costs.

Risk Ref.	Risk Title	Previous Score			Current Score			Target Score		
		Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)
CR20	Increasing Energy Prices	5	5	25	4	5	8	5	4	20

Risk Owner	D. Ball
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Responsible Officer	Risk Action Status	Trend	Next Risk Review Date
B. Thomson J. Kelly	On target	Static <i>(Whilst the Previous Score is higher than the current score, these reflect the scores as at each Audit Committee meeting. A further year-end review was held in order to generate the Year in Review Report, where the risk decreased, and therefore why the Trend reflects Static here.)</i>	September 2024

Key Potential Impacts	Current Controls	Planned Actions
<ul style="list-style-type: none"> • As a result of global increases in energy prices Bury Council has seen significant increases in energy costs since 2021 (approximately £3.5 million). • Projected energy prices in 24/25 currently showing reduced costs - impact on budgets currently being assessed. • A forecast has been produced that shows a reduction of £2.673m in 24/25. 	<ul style="list-style-type: none"> • Delivery of the following building decarbonisation measures using funding from the Public Sector Decarbonisation Scheme (PSDS): <ul style="list-style-type: none"> - 6 x solar PV - 2 x double glazing - 1 x new variable refrigerant flow (VRF) heating system. • Regular updates provided to Exec Team and to Schools in relation to costs. • Newly developed mandatory Carbon Literacy Training module available for staff and now mandatory. • Streetlighting LED replacement programme remains underway. • New water supply contract procured and commenced on 01/11/23. This includes schools, all corporate buildings and selected 3rd party organisations. • Work had commenced on a new Gas Supply Contract renewal which is due to go live in Apr 25. • Feasibility study being undertaken to identify potential solar farms across the borough. • A deep dive report was submitted for the Audit committee in December 23. 	<ul style="list-style-type: none"> • Street lighting LED replacement programme approved as a further savings option for delivery during 2023/24 and 2024/25. • Building/Estate Rationalisation Programme - reviews currently taking place. • Centralising energy budgets across the Council to be managed by the Energy Team going forward. • Further energy saving opportunities being investigated. • Feasibility studies being carried out on 23 corporate buildings for potential solar PV opportunities. • Exploring the feasibility of a heat network in Bury Town Centre to secure stable energy costs in the future. • Cabinet Report for solar photovoltaic project to be resubmitted. • In year actual and forecast modelling to provide accurate current projected reduction

Risk Ref.	Risk Title	Previous Score			Current Score			Target Score		
		Likelihood	Impact	Total Score (LxI)	Likelihood	Impact	Total Score (LxI)	Likelihood	Impact	Total Score (LxI)
CR21	Project Safety Valve	5	5	25	5	5	25	2	5	10

Risk Owner	J. Richards
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Responsible Officer	Risk Action Status	Trend	Next Risk Review Date
S. Holden	Some slippage	Static	September 2024

Key Potential Impacts	Current Controls	Planned Actions
<ul style="list-style-type: none"> • Risk of Bury Council being withdrawn from Project Safety Valve (PSV) due to increased activity and not being able to eradicate the deficit on the DSG (Dedicated Schools Grant) resulting in a loss of £6m of additional funding the need to use reserves to pay the remaining of the DSG deficit, when the national dispensation ends. • Increase in levels of need post Covid and 63% increase in new EHCP assessments mean that the eradication of the deficit will not be achieved 	<ul style="list-style-type: none"> • Since February 2023 there has been enhanced internal project management capacity and close working between finance and the service, with Project Management support from PPL • Clear Governance structure in place overseen by Project Safety Valve Board • Since March 2023 the existing finance panel and EHCP panel has been strengthened with increased multi-agency 	<ul style="list-style-type: none"> • Internet launch of Graduated Approach toolkit - this is underway using the GAT on the existing Bury Directory. Working with IT to move this to a Council micro-site, pending resource availability from IT. • Recruit a schools capital programme manager. • Review internal capacity around the PSV programme and begin the recruitment process.

within the agreed timescale due to the demand compounded by the continued lack of SEND sufficiency in Borough and the continued need for out of borough places.

- The latest PSV modelling is that despite £6.3m savings achieved in 2022/23, the closing deficit balance was £18.601m and currently the High Needs Block is projecting an in year overspend.
- There has been joint working across the Council, however modelling including reduced demand through the implementation of a number of strategies including the graduated approach still leaves a deficit on the DSG beyond the original timeframe of the end of 2024/25. Current modelling identifies that the historic deficit will be clear by 2028/29.
- Special educational needs and disabilities improvement adversely impacted by the challenges in regard to the safety valve agreement leading to escalation of complaints.

membership including commissioning and finance.

- An additional jointly commissioned fixed term senior post within children's commissioning has been created to enable a review of our commissioning approach to ensure joint partnership working and best value.
 - Education restructure has strengthened the SEN EHCP team and has also created a SEN support enhanced offer.
 - The Graduated Approach has been launched with a toolkit and the Senco networks have been revised.
 - Finance developed tracking and reporting mechanisms to report on progress against PSV.
 - Plan in place to create Resource Provision within primary and secondary mainstream schools.
 - Revised plans on the page to capture all the activity including the enabling workstreams
 - Revised management plan agreed by the DfE
- * Regular engagement with DfE adviser

Risk Ref.	Risk Title	Previous Score			Current Score			Target Score		
		Likelihood	Impact	Total Score (LxI)	Likelihood	Impact	Total Score (LxI)	Likelihood	Impact	Total Score (LxI)
CR23	Adult Social Care Reforms and CQC Inspection <i>(renamed from Adult Social Care Reforms)</i>	2	5	10	2	5	10	3	4	12

Risk Owner	W. Blandamer
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Responsible Officer	Risk Action Status	Trend	Next Risk Review Date
A. Crook	On target	Static	September 2024

Key Potential Impacts	Current Controls	Planned Actions
<ul style="list-style-type: none"> • Key potential impacts relate to reduced quality of services and service access for residents, failure to deliver financial balance and cost savings targets which are significant in the context of overall council financial position, and failure to deliver a satisfactory outcome from an impending CQC inspection. • In relation to the Preparation for the CQC inspection particularly: <ul style="list-style-type: none"> • There is insufficient workforce or time to prepare adequately for CQC assurance which risks the council not meeting the required standards 	<ul style="list-style-type: none"> • A large preparation programme is now in place preparing the required evidence for CQC assurance with project management support. Performance of the social work services and the care market in Bury is good and rates comparable with England and GM averages. A new governance system to monitor performance, quality, finance and workforce is now embedding across the department to monitor and deliver improvement where required, for this reason the likelihood score has been reduced at this review 	<ul style="list-style-type: none"> • Review of IMC capacity to ensure right capacity and balanced portfolio and further ongoing embedding of new governance structures

to achieve a rating of Good

- Further contribution to the Council's financial pressures.

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Risk Ref.	Risk Title	Previous Score			Current Score			Target Score		
CR25	Housing Conditions (Damp, Mould & Condensation)	Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)
		3	3	9	2	3	6	2	3	6

Risk Owner	D. Ball
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Responsible Officer	Risk Action Status	Trend	Next Risk Review Date
D. Ball	On target	Decreased	September 2024

Key Potential Impacts	Current Controls	Planned Actions
<ul style="list-style-type: none"> • Negative impact on resident health and wellbeing resulting from unsatisfactory housing conditions. • Poor management of disrepair claims in public and private sector housing and insufficiently robust processes during litigation. • Inability to deliver proactive support to landlords and tenants to address existing 	<ul style="list-style-type: none"> • Monthly performance reports from Council Housing Services on compliance on damp and mould - 100% stock condition survey in progress, 68% stock assessed 100% by April 2024. • Introduction of Tenant Satisfaction Measures April assessed monthly. 	<ul style="list-style-type: none"> • Develop a winter communication plan to tenants and residents. • Ongoing monitoring of Service Delivery within existing resource limitations and customer demand.

housing concerns as a result of limitations on current capacity.

- Risk of adverse publicity and reputational damage.

- Regular communication with tenants to encourage reporting.

- Service standards in place to address tenant reports and remedial works.

- Staff awareness "Eyes wide open" process reviewed to ensure all staff are reporting issues and concerns and communication and customer pathways for complaints and being heard.

- Safeguarding referrals where property condition is a factor, integrated into operating model.

- PSR enforcement team triage system in place.

- Participation in Good Landlord scheme commenced January 24 but manager seconded to Interim Head of Service post for 5-months.

- PRS Unit Manager return from Maternity Leave.

- Additional resources achieved – GMCA Pathfinder funding increased resources in PRS Enforcement Team and introduce civil penalties Commenced Jan 2024 (24 Months)

Risk Ref.	Risk Title	Previous Score			Current Score			Target Score		
		Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)
CR28	Asylum & Immigration	5	5	25	4	5	20	3	5	15

Risk Owner	K. Waterhouse
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Responsible Officer	Risk Action Status	Trend	Next Risk Review Date
P. Cole	No significant progress	Decreased	September 2024

Key Potential Impacts	Current Controls	Planned Actions
<ul style="list-style-type: none"> Increasing demands resulting from the two refugee crisis' in the last 12 to 18 months (Afghan & Ukrainian) plus the new Home office asylum dispersal and resettlement scheme the numbers placed into Bury are expected to significantly increase over the next 12 months. The Council's statutory and non-statutory homelessness provision will also be impacted by 	<ul style="list-style-type: none"> Partnership working with GMCA and NW RSMP to robustly and collectively feedback to the Home office on their new dispersal and resettlement scheme to help ensure numbers placed in GM and Bury are realistic and can be achieved over the next 12 months. HO still working to 1:200 ratio numbers - therefore 100% increase in projected numbers over the next 6 to 12 months. 	<ul style="list-style-type: none"> Home Office 'Dispersal and Resettlement Scheme' Consultation and feedback now provided collectively via GMCA / NW RSMP – awaiting response from the Home Office. Outcomes received - Home office to continue with 1:200 ratios in Bury and the rest of GM despite GMCA / RSMP collective response on existing numbers. Therefore, numbers could

the cost-of-living crisis as well as general homelessness increasing.

- The risk is capacity to meet immediate emergency / temporary provision and also having sufficient long term permanent affordable housing to meet demand.
- Additionally, the Council is at risk of not being able to meet demand and leave families and people vulnerable without appropriate housing.
- New impacts by the Home office - fast track system for asylum decisions to move people from HO dispersed accommodation into LA duty.
- Home office - Afghan bridging hotel closures - projected further cases and numbers with passed duty to LA's.
- Uncontrollable and unmanageable numbers via the Home office - Unable to meet statutory homelessness duty due to staffing capacity but also the lack of emergency temp and permanent accommodation options when factoring in other homelessness pressures such as the cost-of-living crisis.
- 100%+ projected increase in asylum dispersal numbers over the next 12 months
- Use of B&B provision to meet temp accommodation demands which has increase expenditure and further financial risk.

- Private Rented service has now been implemented and is achieving positive outcomes for refugees by sourcing Private rented properties with an incentive scheme. This eases pressure on our local emergency and supported accommodation as well as Hotel and Statutory placements.

Continuing to develop partnership work with supported accommodation providers who are not commissioned by the local authority, to increase provision for all our homeless customers

Lease and Repair scheme has now been developed and will increase our property portfolio.

- New DLUHC match funded PRS Development coordinator role (3 years) to create capacity to prevent evictions in the PRS with landlord support + develop better relationships with PRS landlords to create greater access to properties.

- New empty homes officer in post to help deliver the new empty homes strategy that has identified 1000+ long terms voids to target for homelessness & social housing applicants – incentivisation scheme for landlords.

- Maximising all opportunities with the 20+ registered social landlord providers in the Borough to ensure all new developments supported by the Council or wider that they provide either social or affordable housing

increase by 100% in the next 6 to 12 months - circa increase from 440 to 1000+. Due to challenging, expensive and small PRS - Serco have struggled to source properties to meet their targets.

- Progress delayed due to PRS Development coordinator leaving in June and internal HR blockage in obtaining approval to recruit permanently. Now recruited and re-commenced delivery of the PRS incentive scheme to increase access to PRS properties. Positive outcomes especially out of borough for permanent placements for migration due to affordability within the Borough.

- GM Housing First - Good Landlord Charter policy to move forward with - Attend the subgroup specialist meetings so Bury Council is involved

- New social housing strategy for the Borough to complement the Homelessness Strategy - process and approach to be agreed to evidence demands /needs. Ongoing. Recent GMCA paper that will support this element to increase social and affordable housing - 30,000 new social / affordable properties between 2024 to 2038.

- Explore all opportunities to increase emergency & permanent accommodation - Social, affordable & PRS. Need future

- Projected significant increase in rough sleeper numbers and street homeless via migration pathways and the Home office / serco – non statutory single males being the main co-hort, some with no recourse to public funds. Existing rough sleeper provision – i.e. ABEN is always at capacity / full.

- Significant lack of affordable and social housing to meet current and projected demands with limited solutions in the short to medium term. Longer term solutions dependant on future funding streams aligned with the general needs housing strategy and delivery. Similar to wider homelessness pressures.

- Further potential refugee crisis - Gaza / Israel conflict could increase refugee numbers further especially if escalates - recent Govt change to legislation to provide / access social housing and services.

- Significant increases in single male migrants via home office - evicted and made street homeless by the HO - no duty by the Council to accommodate but increases our risks.

- Migrant rough sleepers turned up at the TH expecting Council housing - intimidating but also reputational risk created for the Council due to actions of the Home Office out of our control.

- Non statutory provision full - ABEN & now a waiting list due to high increase in migration rough sleepers.

that's accessible for homelessness inc. asylum seekers / refugees within those new developments to assist with demand.

- Reviewing the allocations policy to include a common housing register with all RP's to gain greater access to all social housing across the Borough not just the Council. Now appointed HQN to carry out the independent review Legal Advice - will not need cabinet approval just 28 days formal consultation as no significant changes. This is ongoing

- Co-delivery of the new Homelessness Strategy with Bury Homeless partnership - ongoing - new report to the overview and scrutiny committee in March 24 - further highlighted demand and challenges.

- Existing pathways with Serco / Home Office emergency accommodation within the Borough and the Council homelessness team to meet statutory provision and accommodation.

- Migration operational partnership has been implemented with 26 participants from the local authority, external providers, health, probation, police, GMCA, Serco and VCFE.

- Existing pathways for non-statutory provision for asylum seekers evicted from Home office accommodation but provision is now full

strategy with timescales and outcomes to support operational delivery. e.g. - Former magistrates court site and close working with BGI colleagues to explore and progress all opportunities - capacity an issue.

- Change in Council policy - use of B&B to meet homelessness duty to meet demands until more appropriate emergency and permanent housing solutions found - this option is also limited considering B&B provision being used by other GM LAs within the Borough and expensive. Significant extra cost for TA and service budgets.

- Homelessness Hub – 35 bed complex needs provision - Continued development of the business case for Council consideration / approval in Q3/4 – 2023/24. •Draft Business case produced & feasibility study - Meeting BGI colleagues to agree approval process - Regeneration Board, Growth subgroup + Cabinet approval - align with governance timescales / dates. Aiming for Feb 24 Cabinet. Regeneration Board approved - Cabinet 14th Feb for final consideration / approval.

- To procure more provision for TA and rough sleepers, with Housing Services as the RP/Housing management and commission support on the provision to

- Increases in B&B use and cost putting extra stress on existing budgets, which may run out soon
- Increase in Family reunions applications which impact rough sleepers numbers as well as Statutory service
- New Government now in place which will have a significant impact on the Asylum Systems which will lead to increased number
- Discussion from the GMCA in relations to Local authorities taking lead on Asylum accommodation,.
- A bed Every night contract ends 31s March 2025, which provides 25 bed spaces for non stat rough sleepers.
- Rough Sleepers initiative funding ends on 31st March 2025, 1FTE Rough Sleepers Co-Ordinator, 2X FTE Outreach workers, who currently support 22 rough sleepers per month
- Rough Sleepers Accommodation Programme funding ends 31st March 2025, 10 dispersed units providing next step accommodation for rough sleepers

- Internal Ukrainian operational meetings to support refugees via the Homes for Ukraine and the Family Visa route. Now maximising funding since under homeless service control
- Commissioned service with Stepping Stones to support the ARAP and Afghan refugees with support and accommodation. Contract extended for 3rd year to Oct 24 - then self sufficient in affordable housing.
- New funding - Afghan Bridging hotel impact - Any Afghan persons that have entered the UK on the ARAP and ACRS Scheme and currently in bridging hotels – circa – 8000 nationally, 1500 people in 7 hotels across the NW with 880 in GM hotels across Manchester and Stockport can present to any LA in the UK and therefore will be difficult to project numbers or have a planned approached for Bury - Funding - £35m national funding package, £9500 per person who presents to a LA - £28 per day for 6 months for support provided - Additional £7100 per household. Signed up to National find your own home scheme in the PRS to avoid increasing demands on social housing.
- Home office fast track system - HO scheme to speed up asylum decisions in their serco dispersed accommodation and pass duty to LA's.
- Strategic migration meeting - monthly but lacking support and buy in by other services

- help reduce number of hotel placement and rough sleeping numbers.
- Continue to explore options out of borough that are more affordable - recent success but migrants are refusing all other options to be accommodated temporary or permanently as they only want council housing which is an unreasonable expectation.
- Be prepared and reactive to the new government changes and priorities
- To explore further funding opportunities to ensure the extension of the Rough Sleepers Outreach Service, Rsap programme and the A Bed Every Night provision.
- Policy ideas that are being shared from the new government which have acknowledge this is a key area that is in need of reform

	<p>and partners. Need to re-start meetings with new schedule and membership.</p> <ul style="list-style-type: none">• External migration funding budgets & reserves available to meet demands and now being appropriately managed and governed with finance.• Audit committee deep dive report 31/7/23 provided & presented to members for updates and feedback with further migration report to CEO for assurance to emphasis risks and mitigation of risks.• Always exploring new opportunities to increase affordable housing supply and temp emergency housing solutions / provision. ie Magistrates court - 38 1 & 2 bed flats for permanent affordable accommodation to free up capacity in Homeless TA.• Asylum and Immigration Service is now fully mobilised with on overview from 1 manager, 1xFTE Asylum and Immigration Coordinator, 2 FTE Migration Officers to ensure that better pathways to resettlement is available and prevention work into settled accommodation,• Homeless accommodation leasing project has now been implemented, contract sealed and agreed with Irwell Valley to provide 20 family properties.	
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Risk Ref.	Risk Title	Previous Score			Current Score			Target Score		
		Likelihood	Impact	Total Score (LxI)	Likelihood	Impact	Total Score (LxI)	Likelihood	Impact	Total Score (LxI)
CR29	Reinforced Autoclaved Aerated Concrete (RAAC)	3	5	15	3	5	15	1	5	5

Risk Owner	P. Lakin B. Thomson S. Holden
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Responsible Officer	Risk Action Status	Trend	Next Risk Review Date
M. Beswick P. Cooke R. Summerfield R. Frith	On target	Static	September 2024

Key Potential Impacts	Current Controls	Planned Actions
<ul style="list-style-type: none"> The limited durability of RAAC roofs and other RAAC structures has long been recognised; however recent experience (which includes two roof failures with little or no warning) suggests the problem may be more serious than previously appreciated and that many building 	<ul style="list-style-type: none"> All local authority-maintained schools, for which Bury is the Responsible Body, have been surveyed to identify the presence of RAACs and there are no outstanding issues. Assurances have been provided by all other 	<ul style="list-style-type: none"> BGI commissioned Building Condition Surveys of approximately 50x buildings and RAACs will be checked as part of these surveys. Any remaining buildings to be checked by Building Control/contracted out depending on capacity of the team.

owners are not aware that it is present in their property.

- Council needs to review all our buildings as a matter of urgency to understand if RAACs is present in any of them and the appropriate action can then be taken.

Responsible Bodies with schools in Bury, and there are no reported concerns.

- Identified all building leads for buildings in the master list.
- Email sent to all responsible leads for buildings to explain the issue and to ask them to complete spreadsheet and provide information (to include date building was constructed, any extensions and date and copies of any building condition surveys they may have commissioned). Initial exercise identified 3x potential buildings with RAACs present - 2x eliminated and RAACs confirmed at Bury Market.
- RAACs assessment sheet developed to document Building Control RAAC assessment visits.
- Of the remaining buildings (those not included in the BGI Building Condition Surveys (see planned actions)) on the spread sheet none of those listed have been identified by Building Control as a RAAC risk in that they have not been built using the methods considered where RAAC would be used, or they are not of a different type of construction or pre-date RAAC.
- RAACs is being overseen by the Facilities Management Board.

- BGI to identify what could be sent to Commercial Estate and consider responsibility in terms of the Commercial Estate.

- Follow up Housing Services to check how they are responding.

- Building Control to follow up visit to one building to confirm no RAACs present.

- BGI to provide FM with building inspection report following RAAC inspection(s)

- BGI to explore structural survey support to facilitate building checks

Risk Ref.	Risk Title	Previous Score			Current Score			Target Score		
		Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)	Likelihood	Impact	Total Score (Lxl)
CR30	Staff Safety	4	4	16	3	4	12	2	4	8

Risk Owner	S. McVaigh
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Responsible Officer	Risk Action Status	Trend	Next Risk Review Date
S. McVaigh	On target	Decreased	September 2024

Key Potential Impacts	Current Controls	Planned Actions
<ul style="list-style-type: none"> Harm to staff and potential legal, financial and reputational implications for the authority of failure to comply with health and safety legislation and embed a health and safety aware culture. 	<ul style="list-style-type: none"> Corporate Health & Safety Team expanded to take account of Housing transfer and need for focused work in Operations (but note current vacancies) Health & Safety Policy, Annual Plan, Quarterly Reporting and improved incident reporting mechanisms in place 	<ul style="list-style-type: none"> Delivery of annual Health and Safety plan including service level risk assessment assurance and targeted deep dive audits Targeted additional work within the Operations Department in response to external review

	<ul style="list-style-type: none"> • Mandatory health and safety training for all staff live and inclusion in management development programme • Regular health and safety communications as part of the Council's internal comms cycle • Robust governance arrangements, action planning and partnership working with the TUs now in place. • Quarterly cycle of targeted H&S audits • External review of Health and Safety in Operations Department completed. • Strengthened corporate assurance around risk assessments <ul style="list-style-type: none"> • Approval of 3 year Health and Safety Improvement Strategy • Review of essential health and safety training compliance and development of approach to corporate monitoring of compliance (initial focus in Operations and Housing) • Recruitment to additional Health and Safety Advisors
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Risk Ref.	Risk Title	Previous Score			Current Score			Target Score		
		Likelihood	Impact	Total Score (LxI)	Likelihood	Impact	Total Score (LxI)	Likelihood	Impact	Total Score (LxI)
CR31	Staff Wellbeing and Absence <i>(Deep Dive to be presented)</i>	4	4	16	4	4	16	3	4	12

Risk Owner	S. McVaigh
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Responsible Officer	Risk Action Status	Trend	Next Risk Review Date
S. McVaigh	On target	Static	September 2024

Key Potential Impacts	Current Controls	Planned Actions
<ul style="list-style-type: none"> Staff wellbeing, welfare and morale may potentially result in increased cases of stress, depression and general absence, thereby impacting service delivery. 	<ul style="list-style-type: none"> New improved Occupational Health provider in place Employee assistance programme and comprehensive health and wellbeing offer in place which incorporates mental wellbeing support. Targeted improvement plan for sickness absence levels, including focus on hotspot 	<ul style="list-style-type: none"> Delivery of targeted action plan related to staff sickness absence. Review of sickness absence policy and associated guidance Focused work on short-term sporadic sickness Review of wellbeing offer and strategy

	<p>services.</p> <ul style="list-style-type: none">• Strengthened emphasis on wellbeing in Employee Review process• Wider work on culture, engagement, planning and prioritisation to support a positive working environment	
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Risk Ref.	Risk Title	Previous Score			Current Score			Target Score		
		Likelihood	Impact	Total Score (LxI)	Likelihood	Impact	Total Score (LxI)	Likelihood	Impact	Total Score (LxI)
CR32	General Election <i>(renamed from Elections Act 2022)</i>	3	4	12	3	4	12	2	4	8

Risk Owner	J. Dennis
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Responsible Officer	Risk Action Status	Trend	Next Risk Review Date
J. Dennis R. Everitt	On target	Static	September 2024

Key Potential Impacts	Current Controls	Planned Actions
<ul style="list-style-type: none"> The democratic legitimacy of the Council could be undermined, increasing the risk of challenge by petition following the elections. There may be recruitment issues in attracting polling staff, as they will have greater responsibilities, including challenging voters in regard to ID verification. 	<ul style="list-style-type: none"> The democratic legitimacy of the Council could be undermined, increasing the risk of challenge by petition following the delivery of the 2024 Local and Mayoral elections within legislation and guidance Additional financing will be provided from the Government for implementation, but this will only cover the costs associated with processing overseas electors applications, 	<ul style="list-style-type: none"> Additional training to be provided to election staff. Funding from the Government is undergoing review by finance. Briefing for Candidates and agents on new legislation

- There may be issues with postal votes being rejected due to insufficient communications around the new requirements
- Issues with new portal meaning that postal and proxy votes can't be processed
- Overseas elector applications taking excessive amounts of time to process
- Candidates and agents now abiding by new legislation

postal and proxy votes

- Fees for election staff job roles have been agreed by the Elections Board.
- An implementation plan is in place with key deadlines.
- Provision of a training session to the Democratic Arrangement Forum, Senior Leaders Group and Corporate Core Management team.
- Each political group briefed
- An Officer from the Combined Authority is working with all 10 Local Authorities to see how best practice can be shared.
- There will be a Combined Authority Communications strategy to ensure that there are consistent messages across the GM footprint.
- Secondary legislation has been received and reviewed.
- Funding from the Government has been confirmed and received. More is expected in April.
- Ensure close working with GMP

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<ul style="list-style-type: none">• Lessons learnt from May election to be reviewed and built in to the General elections plan
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Risk Ref.	Risk Title	Previous Score			Current Score			Target Score		
		Likelihood	Impact	Total Score (LxI)	Likelihood	Impact	Total Score (LxI)	Likelihood	Impact	Total Score (LxI)
CR33	Housing Services Transition	-	-	-	3	5	15	2	5	10

Risk Owner	K. Waterhouse
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Responsible Officer	Risk Action Status	Trend	Next Risk Review Date
K. Waterhouse	On target	Static	September 2024

Key Potential Impacts	Current Controls	Planned Actions
<ul style="list-style-type: none"> • Performance delivery i.e. rent loss, noncompliant with the regulatory performance indicators and poor tenant satisfaction • Recruitment and interim leadership team • Ability to procure • Outcomes of a mock inspection • Review and embed new governance structure for both Bury Council and Six Town Housing Ltd 	<ul style="list-style-type: none"> • Improved reporting structure • Introduced IT software to monitor compliance • Weekly progress reporting on compliance • Benchmarking groups in place • Used self-assessments • Advisory Boards set up 	<ul style="list-style-type: none"> • Meeting arranged with IG regarding appropriate governance structure / escalation • IT software embedded across all areas • Implement recommendations from the mock inspection • Rebranding to be undertaken e.g. uniforms, vehicles etc.

- Interim structure in place and permanent structure approval has been delayed
- Potential inspection failure
- Homelessness and ability to maintain tenancies
- Reputational damage

- Horizon scanning regarding regulatory compliancy
- Essential recruitment being approved in order to provide a robust and compliant service
- Transfer has enabled to create robust relationships between Housing and the Homelessness teams
- Project Manager in place to oversee services
- Procuring for a change management team

Appendix B – Risk Matrix

Quantitative Measure of Risk – Impact / Consequence Score

	Impact / Consequence score (severity levels) and examples of descriptors				
	1	2	3	4	5
AT RISK	Very Low	Minor	Moderate	High	Severe
EXAMPLES : NEW POLITICAL ARRANGEMENTS, POLITICAL PERSONALITIES, POLITICAL MAKE-UP					
POLITICAL Associated with the failure to deliver either local or central government policy or meet the local administrations manifest commitment	The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.
EXAMPLES : COST OF LIVING, CHANGES IN INTEREST RATES, INFLATION, POVERTY INDICATORS					
ECONOMICAL Affecting the ability to meet financial commitments. These include budgetary pressures, the failure to purchase adequate insurance cover, external macro level economic changes or proposed investment decisions	The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.
EXAMPLES : STAFF LEVELS FROM AVAILABLE WORKFORCE, AGEING POPULATION, HEALTH STATISTICS					
SOCIAL Relating to the effects of changes in demographic, residential or social economic trends on council's ability to meet its objectives	The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.

	Impact / Consequence score (severity levels) and examples of descriptors				
	1	2	3	4	5
AT RISK	Very Low	Minor	Moderate	High	Severe
TECHNOLOGICAL Associated with the capacity of the Council to deal with the pace/scale of technological change, or its ability to use technology to address changing demands. May also include consequences of internal technological failures on the Council's ability to deliver its objectives	The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.
EXAMPLES : HUMAN RIGHTS, TUPE REGULATIONS, DATA PROTECTION					
LEGISLATIVE/LEGAL Associated with current or potential changes in national or European law	The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.
EXAMPLES : LAND USE, RECYCLING, POLLUTION, WASTE MANAGEMENT					
ENVIRONMENTAL Relating to the environmental consequences of progressing the council's strategic objectives	The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.

	Impact / Consequence score (severity levels) and examples of descriptors				
	1	2	3	4	5
AT RISK	Very Low	Minor	Moderate	High	Severe
EXAMPLES : STAFF RESTRUCTURE, CAPACITY, TRAINING, WORKFORCE NEEDS					
PROFESSIONAL / MANAGERIAL Associated with the particular nature of each profession, internal protocols and managerial abilities	The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.
EXAMPLES : BUDGET OVERSPENDS, LEVEL OF COUNCIL TAX, LEVEL OF RESERVES					
FINANCIAL Associated with financial planning and control	Small Loss>£100 The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	Loss>£1,000 The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	Loss>£10,000 The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	Loss>£100,000 The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	Loss>£1,000,000 The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.
EXAMPLES : SECURITY, ACCIDENTS, HEALTH & SAFETY, HAZARDS, FIRE					
PHYSICAL Related to fire, security, accident prevention and health and safety	The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.

	Impact / Consequence score (severity levels) and examples of descriptors				
	1	2	3	4	5
AT RISK	Very Low	Minor	Moderate	High	Severe
EXAMPLES : CONTRACTOR FAILS TO DELIVER, PARTNERSHIP AGENCIS WITH CONFLICTING GOALS					
PARTNERSHIP/CONTACTUAL Associated with failure of contractors and partnership arrangements to deliver services or products to the agreed costs and specification	The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.
EXAMPLES : STANDARDS NOT MET, ACCREDITATION,					
COMPETITIVE Affecting the competitiveness of the service (in terms of cost or quality) and/or its ability to deliver best value	The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.
EXAMPLES : MANAGING EXPECTATIONS, COMPLAINTS, CONSULTATION, COMMUNICATION EXTERNALLY					
CUSTOMER/CITIZEN Associated with failure to meet the current and changing needs and expectations of customers and citizens	The risk will result in a minor delay, inconvenience Can be managed no real impact upon service.	The risk will result in a minor loss, delay, inconvenience, interruption. Opportunity to innovate/make minor improvements missed. Short term effect.	The risk will result in a waste of time and resources. Good opportunity to innovate/improve missed. Moderate impact on efficiency, output, quality. Medium term effect which may be costly to recover from.	The risk will have a major impact on the achievement of ambitions/priorities, serious impact on costs, income, performance, reputation, substantial opportunities missed. Medium to long term effect and expensive to recover from	The risk will have a critical impact on the achievement of ambitions and priorities, huge impact on costs, income, performance, reputation, critical opportunities missed. Difficult to recover from and may require a long-term recovery plan/period.

Qualitative measure of risk – Likelihood Score

Descriptor	1	2	3	4	5
	Rare	Unlikely	Possible	Likely	Almost certain
Frequency Time framed descriptors	Not expected to occur for years	Expected to occur annually	Expected to occur monthly	Expected to occur weekly	Expected to occur daily
Frequency Broad descriptors	Will only occur in exceptional circumstances	Unlikely to occur	Reasonable chance of occurring	Likely to occur	More likely to occur than not occur
Probability	1-9% chance	10-24% chance	25-50% chance	51-80% chance	81% or higher

Quantification of the Risk – Risk Rating Matrix

			Likelihood				
			1	2	3	4	5
			Rare	Unlikely	Possible	Likely	Almost certain
Impact / Consequence	5	Severe	5	10	15	20	25
	4	High	4	8	12	16	20
	3	Moderate	3	6	9	12	15
	2	Minor	2	4	6	8	10
	1	Very Low	1	2	3	4	5

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Classification: Open	Decision Type: N/a
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Report to:	Audit Committee	Date: 25 July 2024
Subject:	Internal Audit Progress Report	
Report of:	Section 151 Officer	

Summary

1. This report outlines the work undertaken by Internal Audit from 1st February to 31st May 2024 which includes progress to date to complete the annual audit plan 2023/24 and to commence the work from the 2024/25 audit plan. The report enables Members to monitor the work of the Internal Audit service, raise any issues for further consideration and provide an opportunity to request further information or to suggest areas for additional or follow up work.

The conclusions drawn from the report are:

- The majority of work outstanding from the 2023/24 plan has now been completed and work on 2024/25 plan is progressing.
- Since the last Head of Fraud, Audit, Insurance & Risk's annual opinion report in 2022/23 twenty-two reviews have concluded, and reports have been issued to Members. Three reports relate to the 2022/23 audit plan and Nineteen reports relate to the 2023/24 audit plan; all have been considered when formulating the annual audit opinion for 2023/24.
- Work on 2023/24 plan is concluding with eight reviews ongoing and three reviews at draft report stage.
- Work on 2024/25 plan has commenced, eight new reviews have been allocated to auditors.
- Ten follow up exercises and nine second follow up exercises have been completed between 1st February and 31st May 2024. Five first follow up and eight second follow up exercises which were completed by the 31st March 2024 have been included in the annual audit report for 2023/24.

Recommendation(s)

- Members note this report and the work undertaken by Internal Audit.

Report Author and Contact Details:

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 Position: Head of Fraud, Audit Insurance and Risk
 Department: Corporate Core - Finance
 E-mail: j.spelzini@bury.gov.uk

Background

- 1.1 This report outlines the work undertaken by Internal Audit from 1st February to 31st May 2024.
- 1.2 Management is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements i.e., the control environment. Internal Audit plays a vital role in reviewing whether these arrangements are in place and operating properly and providing advice to managers. On behalf of the Council, Internal Audit review, appraise and report on the efficiency, effectiveness and economy of these arrangements and provide assurance to the organisation (Chief Executive, Executive Directors, and the Audit Committee) and ultimately the taxpayers, that the Council maintains an effective control environment that enables it to significantly manage its business risks. The service helps the Council achieve its objectives and provides assurance that effective and efficient operations are maintained.
- 1.3 The assurance work culminates in an annual opinion given by the Head of Fraud, Audit Insurance and Risk on the adequacy of the Council's control environment, based on the work undertaken, and this opinion feeds into the Annual Governance Statement.
- 1.4 The Internal Audit Plan for 2023/24 provided 898 days to be delivered across all Council Departments, and group companies i.e., Six Town Housing and Persona. The Internal Audit Plan for 2024/25 provides for 754 days to be delivered across all Council departments and Persona. The Audit plan covers a range of themes.
- 1.5 The 2024/25 plan was approved by Audit Committee at the meeting on 6th March 2024.
- 1.6 Work has been continuing, completing outstanding reviews from 2023/24 and starting Quarter 1 Audits from 2024/25 plan. Regular progress reports are produced, informing Members of audit activities, and this is the first report of the 2024/25 financial year covering the period from 1st February to 31st May 2024 which includes 17 completed weeks.

2.0 ISSUES

2.1 Annual Audit Plan

- 2.1.1 The annual plan for 2024/25 was presented and approved at Audit Committee in March 2024 and provided for 754 audit days to be delivered throughout the year.
- 2.1.2 The 2024/25 audit plan is shown at Appendix A and has been updated to show the position at the 31st May 2024. When the 2024/25 plan was approved it provided for 9 audits to be carried forward from the 2023/24 plan. Actual non-finalised audits as at 31st March 2024 carried forward were 21.

As at the 31st May 2024, 10 of the 21 audits from the 2023/24 audit plan have been finalised, and 8 were ongoing and 3 were in draft with client, and 93 days have been spent so far on all carried forwards. This means that we have overspent by 46 days against the planned allocation of 47 days. However, at this point in the year, there are no plans to amend the 2024/25 plan.
- 2.1.3 The Housing department have requested reviews on Data Quality for Gas Servicing and Fire Safety which were not included in the 2024/25 audit plan. The time for these reviews will be initially allocated to the 8 days contingency for transfer of Six Town

Housing to the Council and any additional time will be taken from contingency for unplanned works.

2.1.4 The 2024/25 audit plan provided for 36 audit days to be allocated to reviews to be undertaken for Persona. The reviews to be undertaken have now been agreed and are:-

- Supported Living - Client Finances
- Governance of Persona Board
- Supported Living - Payment of Supported Hours

2.2 Audit Plan Progress

This report details the outcome of reviews undertaken, including work reported to Audit Committee in this period, work currently ongoing and draft reports which have been issued to Audit clients.

Audits completed and Reports Issued

2.2.1 Twenty-two audits have been finalised and issued since the last Head of Fraud, Audit, Insurance & Risk's annual opinion report in 2022/23 and up to 31st May 2024. These reports have been considered in formulating the annual opinion and reflected in the Annual Governance Statement for 2023/24.

Full reports have been provided to Committee Members for each of these reviews.

2.2.2 The Table below summarises the fourteen audits that have been finalised and issued since Audit Committee last met in March 2024, and the corresponding number of agreed actions and overall level of assurance provided for each of those audits.

Table 1: Final Reports Issued during period 1st February to 31st May 2024.

Audit	Number of agreed actions and priority				Level of Assurance
	Fundamental	Significant	Merits Attention	Total	
Bury Council					
School & College Transport	1	4	0	5	Limited
Care Planning Permissions	1	0	0	1	Limited
Building Stores	4	7	1	12	Limited
Debtors Key Controls 2023/24	2	5	2	9	Limited
Car Parking Income	0	3	3	6	Moderate
Integrated Community Equipment Stores	0	5	8	13	Moderate

Creditor Key Controls 2023/24	0	5	0	5	Moderate
Independent Foster Agencies	0	1	2	3	Substantial
Substance Misuse Commissioning	0	0	0	0	Full
Members Delegated Funds	0	0	3	3	Full
Six Town Housing					
Right to Buy	3	4	1	8	Limited
Six Town Housing – Invoice Processing	0	5	2	7	Moderate
Six Town Housing – Arrears Prevention	0	2	2	4	Substantial
Persona					
Persona - Debtors	0	1	2	3	Substantial
Total	11	42	26	79	

Full versions of Limited Assurance reports and summary versions for other reports are also presented in Part B of the Audit Committee meeting. These include the overall opinion, the findings, recommendations, and action plans of these reviews. The reports are exempt from publication as they may contain information which is likely to reveal the identity of an individual or information relating to the financial or business affairs of any particular person (including the Authority).

- 2.2.3 Any level of assurance given to each audit is a balanced judgement based upon the established system of controls, the subject's approach to risk management and the nature of any recommendations and actions agreed. (See appendix B for explanations of the various levels of assurance).

Actions are classified over the categories of Fundamental, Significant and Merits Attention. See appendix B for explanations of the various levels of priority.

- 2.2.4 The agreed actions are designed to improve the control environment and / or improve "value for money" within the client's area of responsibility and we can report that the actions made in this period have been agreed by management.

Our audit reports include an action plan that records the detail of our findings, the agreed action that management intend to take in response to these findings and the timescale to undertake such action. This provides a record that progress can be measured against when we undertake our Post Implementation Reviews or follow up work.

2.3 Follow ups.

All audit reports are subjected to a follow up review. For those reports issued with limited assurance, a follow up review is undertaken three months after the report has been finalised, and for all other reports, a follow up is undertaken after six months. The

recommendations which had been graded fundamental or significant are subjected to follow up.

A second follow up is undertaken six weeks after the first follow up, to pick up on any recommendations that have not been implemented or only had partial implementation. Updates are provided to Audit Committee.

A recommendation tracker is in place and all fundamental and significant recommendations that are still either outstanding or partially implemented after the second follow up are reported to the Corporate Governance Group, which is headed by the Council Monitoring Officer.

There are no plans for a third follow-up process. Any reviews with recommendations which have not been implemented / only partially implemented are then passed to the Corporate Governance Group to progress.

Twenty-six first follow up exercises have taken place during 2023/24 and up to 31st May 2024, 10 of which, (shown in table 1 below) have been completed since reporting to the last Audit Committee in March 2024.

Sixteen second follow up exercises have been undertaken during 2023/24 and up to 31st May 2024, 9 of which (shown in table 2 below) have been completed since reporting to the last Audit Committee in March 2024.

Table 1: First Follow Ups Undertaken since 1st February to 31st May 2024

Audit	Number of agreed actions and priorities (fundamental and significant only)		
	Fundamental	Significant	Follow up number of recs fully implemented
Follow up to be included in the 2023/24 annual opinion report			
Adoption Services	0	2	2
Operations – Overtime & Additional Hours	0	4	4
Home Care Packages	0	2	1
Cash & Bank Key Controls 2021/22	3	5	2
Chesham Primary School	13	17	15
Follow up to be included in the 2024/25 annual opinion report			
Payroll Key Controls 2021/22	0	5	2
Housing Rents Key Controls 2021/22	0	3	3

Housing Benefits 2022/23	0	1	0
Fleet Management	3	0	1
Procurement of CBRE	1	2	2

Table 2: Second Follow Ups Undertaken since 1st February to 31st May 2024

Audit	Number of agreed actions and priorities (fundamental and significant only)		
	Fundamental	Significant	Follow up number of recs fully implemented
Second follow up included in the 2023/24 annual opinion report			
Bury Council			
Council Tax Key Controls 2021/22	0	2	0
Transport Stores	1	4	0
Main Accounting 2021/22	2	1	0
Estates Property Management	5	6	1
Highway & Footway Maintenance	0	1	0
Six Town Housing			
No Access	0	2	0
Hoarders	1	3	1
Antisocial Behaviour	0	1	1
Second follow up to be included in the 2024/25 annual opinion report			
Creditors Key Controls 2021/22	0	1	0

Further information about follow ups is shared in part B of the meeting on 25th July 2024.

Follow up matrices with details taken to address the recommendations are sent to Audit Committee Members each month.

2.4 Other work

This section details other work completed by the audit team.

2.4.1 Assurance work – Ongoing reviews

There are 8 audits still being progressed from the 2023/24 plan. Audits which are currently taking place are:-

- Department of Work and Pensions – Memorandum of Understanding
- Persona Building Property Maintenance
- Climate Change
- Council Tax Key Controls 2023/24
- Income & Banking Key Controls 2023/24
- Payroll Key Controls 2023/24
- Treasury Management Key Controls 2023/24
- Main Accounting Key Controls 2023/24

2.4.2 Assurance work – Draft reports

The following reviews from the 2023/24 plan have been completed and draft reports have been issued to client:-

- Rent Collection from Commercial Tenants
- Business Rates Billing, Collection & Reliefs
- GM – Supporting Families

2.4.3 Assurance work – Allocated

Work has also commenced to deliver the audits detailed in the audit plan for 2024/25. The following audits have been allocated to an Auditor and preparation work is being undertaken.

- Lowercroft Primary School
- The Derby High School
- Purchase Card Expenditure
- Emergency Duty Team
- Direct Payments
- Leisure Centres
- Section 106
- Gas Safety – Performance Data Quality

2.4.4 Grants

No grants have been reviewed during the current financial year so far.

2.4.5 Supporting Transformation and Change

The Internal Audit Plan 2024/25 includes a provision of 69 days to be made available to support services throughout the year by providing consultancy advice or independent assurance as / when our input is appropriate.

Advice since last Committee in March 2024:-

- Work is undertaken with Registrars on a quarterly basis to securely destroy any spoilt certificates.
- Insurance renewals – Support has been provided to the Insurance Team in relation to the renewal process.
- Data breach advice sought from School Governor Services.
- STH – Contract transfer analysis in conjunction with Legal Services.

2.5 Investigations / Fraud / Whistleblowing

The team continues to be available to support the business with internal investigations providing technical skills and advice when called upon and managing the whistleblowing hotline / online referrals.

Details of investigations are reported separately to Audit Committee in part B of the meeting.

2.6 National Fraud Initiative

An update on progress has been provided in the Fraud Team's latest update report to this committee. This has been reported in part b of the Audit Committee meeting 25th July 2024.

2.7 School Audits

For 2024/25 the annual plan includes 45 days to undertake individual school reviews. The audit team have consulted with colleagues from Childrens Services and have developed a school audit plan to be delivered. Requests have been made for 8 school reviews to be undertaken.

In addition, arrangements remain in place that Internal Audit will undertake School Audits on requests received, during the year, from the Executive Director of Children's Services and / or Director of Finance, where it is thought an audit review would be beneficial to the School and the Council.

A Schools Assurance Board has also been established within the Council and Internal Audit are represented on this group, providing advice to the group on specific issues which may arise at schools.

2.8 Collaboration

We have ongoing representation on sub-groups of the Northwest Heads of Internal Audit Group. The groups have been established to share good practice across the region.

- IT Audit Group
- Schools Audit Group.

Links with the Corporate Priorities:

Please summarise how this links to the Let's Do It Strategy.

- Internal Audit undertakes assurance work to all Departmental Directors and Statutory Officers regarding the systems in place, making recommendations for improvements to control and protect the assets and resources of the Council. The control and mitigation of the loss of funds gives the assurance that public money is used in an appropriate manner to deliver the Corporate Priorities.
-

Equality Impact and Considerations:

Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under this Act.
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services.

Internal Audit provide assurance to Committee Members and the public that the organisation is delivering services in line with agreed policies and procedures which have considered the requirements of the Equality Act 2010.

Environmental Impact and Considerations:

Please provide an explanation of the carbon impact of this decision.

- N/a – no decision required.
-

Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
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Risks are highlighted in Audit Plans and in the terms of reference for each Audit review.	Internal Controls are reviewed in each audit to mitigate identified risks. Actions are reported to managers and progress is monitored and reported on a regular basis.
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Legal Implications:

- The Council must have a sound system of internal control which facilitates the effective exercise of its functions, including risk management. This is both a legal requirement and a requirement of the Financial Regulations set out in the Council’s Constitution. This report provides information on the work of the Council’s Internal Audit Service, in ensuring compliance.

Financial Implications:

- There are no financial implications arising from this report. The work of the Internal Audit Service however supports the governance framework.

Background papers:

- Internal Audit Plan 2024/25
- Internal Audit Reports issued throughout the course of the year.

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning

Annex 1 Internal Audit Plan 2024/25

Updated to show position as at end of May 2024

CORPORATE GOVERNANCE AND RISK					
Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Comments
Corporate Core	FOI /Subject access	Failure to comply with Council policy and regulations, potential for reputational damage should a complaint be taken to the ICO.	Review of system for receiving and dealing with FOI / SAR requests. Specific request to focus testing on Childrens' Services.	12	Roll forward from 2023/24 Corporate Risk Register - Regulatory Compliance
Corporate Core	ROPA	Failure to comply with Council policy and GDPR regulations, potential for reputational damage should the Council be subjected to an ICO inspection.	Review of the processes in place to ensure that the Register of Processing Activities is collated, maintained and up to date.	12	Roll forward from 2023/24 Departmental Risk Register - Data Protection Legislation
Corporate Core	Complaints Procedures	Failure to comply with Council policy and regulations, potential for reputational damage should a complaint be taken to the Ombudsman.	Review of system for receiving and dealing with complaints.	12	Roll forward from 2023/24 Corporate Risk Register - Regulatory Compliance & Special Educational Needs and Disabilities

Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Comments
Corporate Core - Finance	Main Accounting – Key Controls 2024/25	Errors and omissions resulting in weaknesses in the integrity of financial data and statements	Routine annual review of high-level controls within the key finance systems, retrospective review looking at transactions in 2024/25, to support closure of accounts process.	10	Limited level of assurance on 2021/22 data Annual work required to support statement of accounts
Corporate Core - Finance	Income and Banking - Key Controls 2024/25	Errors and omissions resulting in weaknesses in the integrity of financial data and statements	Routine annual review of high-level controls within the key finance systems, retrospective review looking at transactions in 2024/25, to support closure of accounts process.	10	Limited level of assurance on 2021/22 data Annual work required to support statement of accounts
Corporate Core - Finance	Debtors	Failure to control collection of debtor invoices and the chasing of outstanding debts promptly which could result in an impact on cash flow and Council budgets	Systems review of the processes in place including the raising and approving of debtor invoices and actions taken to recover any outstanding debts.	17	Deep dive Previous limited assurance on 2021/22 data - key control audit
Corporate Core - Finance	Creditors	Failure to control payments to suppliers and customers effectively	Systems review of the processes in place including the raising and approving of requisition forms, authorising, and paying of white account forms, retrospective orders, AP orders and payments, change of bank account details.	17	Deep dive Previous limited assurance 2021/22 data - key control audit

Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Comments
Corporate Core - Finance	Purchase Card Expenditure	Failure to control payments to suppliers effectively	New process and system within Unit 4 introduced. Analysis of whole council expenditure and focus testing on Department most usage / expenditure.	12	New system and process not been examined previously. Audit has been allocated.
Corporate Core - Finance	Risk Management	Failure that Council risks are not being identified resulting in reputational damage and financial implications	Review the processes in place to ensure that Risk Management processes are embedded throughout the Council and high-level risks are captured within the Corporate Risk Register and ensure that all risks identified are being reviewed and where possible mitigating controls have been introduced.	12	New section that has not been examined previously
Corporate Core - Finance	Capital Programme	Failure to meet corporate objectives and ineffective use of resources	Identify capital schemes that have taken place. Review a scheme to ensure that best practice was followed, considering project initiation, procurement of works, ongoing monitoring, and administration of payments, record keeping and post project implementation review.	17	Roll forward from 2023/24

Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Comments
Corporate Core - Finance	Insurance	Failure to process insurance claims promptly and effectively which may result in claims being paid without appropriate challenge and financial implications.	Review the process in place for the administration of Insurance claims.	17	Roll forward from 2023/24 Request from Client
Corporate Core - Finance	Section 106	Failure to comply with statutory regulations.	Review compliance with how Section 106 monies is managed in line with statutory regulations.	12	Change in regulations 18 months ago, requirement to publish annual report on Section 106 monies Request from Section 151 Officer Audit has been allocated.
Financial / HR Systems					
Corporate Finance / HR	iTrent - Payroll – Additional hours / overtime payments	Inaccurate / fraudulent claims for additional hours / overtime payments may be made.	Review arrangements to manage and process timekeeping and overtime effectively as the self-serve module is introduced in iTrent. Audit to cover Health & Adult Care Department.	12	Roll forward from 2023/24 Focus on Health & Adult Care

Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Comments
Corporate Finance / HR	iTrent – Expenses Module	Inaccurate / fraudulent claims for expenses may be made.	Review the processes in place for the submission, authorisation, and payment of employee's expenses.	12	Roll forward from 2023/24 Request from Client
Corporate Finance / HR	Automated Absence Pay	Absence not identified and inaccurate calculations of absence pay.	Review the processes in place for the calculation of absence pay.	12	Roll forward from 2023/24 Request from Client
Corporate Finance / HR	Recruitment Process	Failure to undertake robust pre-employment checks (right to work in the UK etc.) which may result in reputational damage or financial penalties.	Review of recruitment process – including assurance over the design and operation of the recruitment process including: 1. completeness and timeliness of pre-employment checks 2. completeness, accuracy and timeliness of adding new employees to the payroll and ITrent 3. monitoring by HR of compliance with pre-employment and recruitment processes 4. an appropriate division of duties is enforced by the system.	17	Roll forward from 2023/24 Due to new on-boarding system

Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Comments
Grants and Verification					
Corporate Core – Finance	Grant Claims	Failure to comply with grant arrangements.	Certification of those grant claims required to be certified by the Council's Head of FAIR and/or Chief Executive during 2024/25.	15	Annual work
SERVICE AREAS					
Children and Young People	Childrens Care Packages	Failure to comply with Council policy and legislation when procuring goods / services / administering contracts with suppliers. Best value may not be achieved, and high-cost care packages may not be challenged.	Review of the process for the calculation and award of care packages for children and young people with disabilities and the billing and payment processes around care packages to provide assurance that financial risks are mitigated.	17	Roll forward from 2023/24 Corporate Risk Register - Children's Social Care Services
Children and Young People	Emergency Duty Team	Failure to control staffing budget appropriately.	Review of the staffing provision within the Emergency Duty Team.	12	Request from Client Audit has been allocated.

Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Comments
Children and Young People	Schools	Appropriate financial and operational control is not maintained over school funds.	Provision for undertaking reviews at schools.	45	<p>Request from client.</p> <p>Programme to be determined, suggest to look at schools forecasting a deficit outturn for the financial year.</p> <p>Lowercroft Primary School – audit visit arranged for June 2024. The Derby High School – audit visit arranged for June 2024.</p>
Corporate Core	CCTV	Failure to adhere to the agreement and follow the CCTV Code of Practice which could impact on the Council's reputation and reliance placed on the CCTV function in supporting other agencies and community safety.	Annual review as required by CCTV agreement.	7	Annual review

Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Comments
Health & Adult Care	Appointeeships / Court of Protection	Failure to protect the finances of vulnerable adults.	Review of processes and procedures to ensure transparency and compliance with legislation.	17	Last audited 2015
Health & Adult Care	Direct Payments	Misappropriation of public funds intended for vulnerable people.	Review the processes and procedures to ensure that Direct Payments are being managed effectively to reduce fraud and corruption and ensure transparency and accountability.	20	Last audited 2008 Audit has been allocated.
Health & Adult Care	Adults Financial Assessments	Failure to undertake robust and timely assessment which could lead to increased costs to the Council.	Review the processes and procedures to ensure that financial assessments are undertaken accurately and timely and that robust audit trails are in place for decisions taken.	12	Area never been audited Corporate Risk Register - Increasing demand pressures on ASC
Housing	Housing Conditions (Damp, mould and condensation)	Failure to establish good housing conditions which could lead to reputation damage and financial claims	Review the processes and procedures in place to mitigate the risk of disrepair claims.	12	Disrepair Claims audit undertaken 2018 Corporate Risk Register - Housing Conditions (Damp, Mould and Condensation)

Directorate	Topic	Potential Control / Governance Issue	Proposed Audit Coverage	Indicative Days	Comments
Operations	Leisure Centres	Failure to ensure all income received is correctly accounted for and promptly banked.	Review the new concierge system (Gladstone) that has been installed at Castle and Ramsbottom leisure centres.	12	Audit has been allocated.
Operations	Libraries	Failure to ensure all income received is correctly accounted for and promptly banked.	Review processes and procedures in relation to all income streams being received into Bury Library, Prestwich Library and Adult Learning Centre, Radcliffe Library and Ramsbottom Library and Adult Learning Centre.	10	Area last audited 2011
Operations	Waste Management	Inadequate arrangements in place for the provision of waste services which may result in reputational damage.	Review the processes and procedures in relation to the management and the delivery of the Waste Management Service.	17	Roll forward from 2023/24 Request from Monitoring Officer
			TOTAL	409	

OTHER COMMITMENTS		
Activity	Indicative Days	Comments
Completion of audits commenced in previous years: <u>2023/24</u> Persona – Property & Building Maintenance DWP – MOU Submission Climate Change Main Accounting – Key Controls 2023/24 Treasury Management – Key Controls 2023/24 Council Tax – Key Controls 2023/24 Payroll – Key Controls 2023/24 Income and Bank – Key Controls 2023/24 GM Supporting Families (TFG)	47	<p>9 carry forward audits from the 2023/24 plan were originally identified however, 21 draft audits were carried forward into the 2024/25 year.</p> <p>As at the end of May 2024, 10 audits had been finalised.</p>
Audit work for Persona (separate audit plans)	36	<p>Three 12-day audits have been agreed with Persona. These are:</p> <ul style="list-style-type: none"> • Supporting families – client finances • Governance of Persona Board • Supported Living - Payment of Supported Hours
Post Implementation Reviews and Action Tracking First and second follow ups	105	<p>Introduction during 2023/24 of first and second follow ups on all audits with more in-depth testing on all fundamental and significant recommendations.</p> <p>Increased provision from 2023/24 to allow for more in-depth testing and first and second follows ups.</p>

Contingency for transfer of STH to Council and advice and guidance request	8	Request for 2 audits in relation to: <ul style="list-style-type: none"> Gas Safety – Performance Data Quality – audit has been allocated. Fire Safety – Performance Data Quality
Contingency for Investigations and supporting the council's counter fraud strategy, including revision of whistleblowing policy.	60	
Contingency for reactive or unplanned work, management request, consultancy work and advice and guidance request GMCA Collaboration / reactive GM assurance work	69	
Audit Service Management and administration, including service development, assurance mapping, Quality Assurance and Improvement Programme, Internal Audit Charter and Strategy, audit planning and Committee's support	169	
Provisions for annual leave / training / sickness	348	
Provision of ICT review – by Salford Computer Audit Services (System Licencing)	20	Currently planned for an audit of ISO 27001 Gap Analysis – Terms of Reference drafted
Total:	862	
Combined Total:	1271	
Audit days to be delivered	754	(Exclude 169 + 348)

Explanation of Opinion ratings:

Overall Opinion	Explanation
Full	<p>The framework of governance, risk management and control is adequate and effective.</p> <p>No recommendations have been made or a small number of recommendations rated as merits attention have been identified within the action plan.</p>
Substantial	<p>Some improvements are required to enhance the adequacy and effectiveness of governance, risk management and control.</p> <p>A maximum of 2 significant rated recommendations have been identified within the action plan.</p>
Moderate	<p>There are significant weaknesses in the framework of governance, risk, management and control such that it could be or could become inadequate and ineffective.</p> <p>More than 2 significant rated recommendations have been identified within the action plan.</p>
Limited	<p>There are fundamental weaknesses or 7 or more significant weaknesses in the framework of governance, risk management and control such that it is inadequate and ineffective or is likely to fail.</p> <p>A fundamental recommendation rating or 7 or more significant recommendations have been identified within the action plan.</p>

Explanation of Recommendation ratings:

Recommendation	Explanation
Fundamental	Action required to address a fundamental breakdown of control and / or to prevent a serious financial loss.
Significant	Action required to address a significant control weakness and /or to significantly improve operational efficiency.
Merits Attention	Action required to enhance control and / or to improve operational efficiency.

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Audit Progress Report
Bury Metropolitan Borough Council

July 2024

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Audit progress

Audit progress

Purpose of this report

This report provides the Audit Committee with information about progress in delivering our responsibilities as your external auditors for Bury Metropolitan Borough Council (the Council) for the years ending 31 March 2022, 31 March 2023 and 31 March 2024.

Audit for the year ending 31 March 2022

Financial statements audit

A number of items previously reported as outstanding remain outstanding, items currently in progress are:

- We are waiting for the Council's assessment of the existence of RAAC in any Council buildings and the potential impairment of valuations reflected in the financial statements;
- Responses to our queries in respect of related party disclosures;
- Final audit file review and closure.

We will issue a follow up letter to this Committee following the completion of the outstanding work.

Value for Money audit

We have commenced our work on the Council's value for money arrangements. We received the final supporting documents requested from the Council in relation to our 2021/22 value for money work on 9 July 2024. We are in the process of reviewing this evidence.

We plan to complete and report our Value for Money arrangements work alongside the remaining aspects of work on the financial statements.

Audit progress

Audit for the year ending 31 March 2023

Our audit planning work for the 31 March 2023 year is substantially complete, including:

- Risk assessment procedures;
- Updating our understanding of the Council;
- Documenting systems and controls; and
- Performing walkthroughs.

There are however a number of outstanding queries with the Council relating to our planning work.

From the work completed to date we have identified a number of control issues to report to the Committee:

- The Council's bank reconciliation is required to be completed within 6 weeks of the month end. During 2022/23, 8 of the 12 monthly bank recs were not completed within 6 weeks.
- The Council's internal control processes require all bank reconciliations to be subject to review by a second officer once completed. The bank reconciliations we have looked at for the period June 2022 to December 2023 do not demonstrate evidence of this review having been completed. officer.

Audit for the year ending 31 March 2024

Alongside completing our audit planning work for the 31 March 2023 audit, we have completed a number of planning procedures for the 31 March 2024 audit, including documenting systems and controls and performing walkthroughs.

Local Audit Backlog update

Prior to the calling of the general election on 4 July 2024, the Department of Levelling Up, Housing and Communities ('DLUHC') had consulted on proposed arrangements which would implement a 30 September 2024 backstop date for all audits for the 31 March 2023 financial year and earlier, where these are not yet complete. Similar dates were being considered to bring the backstop date forward each year for the next five years. These considerations are now on hold pending the new Government's consideration.

We are committed to the delivery of both high quality and timely audits. In this context, we will continue with open discussions with management to agree on an appropriate timelines for completion of the required work.

National publications

National publications

	Publication/update	Key points
Chartered Institute of Public Finance and Accountancy ('CIPFA')		
1	CIPFA Bulletins	CIPFA has recently issued two Bulletins to provide further guidance on the financial reporting requirements.
National Audit Office ('NAO')		
2	NAO insight: Digital transformation in government: a guide for senior leaders and audit and risk committees	The NAO has published a guide for senior leaders and audit and risk committees on Digital transformation in government. The guide can support those tasked with overseeing large-scale digital change to understand the core issues and pitfalls to avoid.
3	NAO insight: Good practice in annual reporting	Transparent, timely, and clear annual reporting in the public sector has never been more important. A good annual report is a key opportunity for bodies in the public sector.
4	NAO overview: Department for Levelling Up, Housing & Communities 2022-23	The NAO has published the Departmental Overview: Department for Levelling Up, Housing & Communities (DLUHC) 2022-23. It summarises the key information and insights that can be gained from the NAO's examinations of DLUHC and related bodies in the sector in England and DLUHC's Annual Report and Accounts.
Department for Levelling Up, Housing and Communities ('DLUHC')		
5	Addressing the local audit backlog in England: Consultation	This consultation seeks views on amending the Accounts and Audit Regulations 2015 as part of a package of cross-system measures to clear the backlog and put the system on a sustainable footing. The consultation closed on 7 March 2024.
6	Consultation on changes to statutory guidance and regulations: Minimum Revenue Provision	The duty to make Minimum Revenue Provision ('MRP') is an important component of the Prudential Framework. The purpose of this consultation is to seek views on the revised Guidance and final proposed amendments to the Regulations. The consultation ran from 21 December 2023 to 16 February 2024.
Other		
7	Financial Reporting Council ('FRC') – FRC report on quality of major local audits	Report on the quality of major local audits
8	Forvis Mazars – Preparing for the Procurement Act 2023	The Procurement Act 2023 is set to transform the procurement procedures for public sector bodies. Our latest article provides an in-depth overview of the new Procurement Act.
9	Forvis Mazars – Understanding the new 'Failure to Prevent Fraud' Offence in a Public Sector context	The UK Government has recently announced a new corporate criminal offence – the 'failure to prevent fraud' offence – within the Economic Crime and Corporate Transparency Act 2023.

National publications

CIPFA

1. CIPFA Bulletins

Bulletins issued by CIPFA, with the assistance of CIPFA panels, provide practitioners with topical guidance on specific issues and accounting and reporting developments. CIPFA has issued the following Bulletin's in recent months:

CIPFA Bulletin 17 Closure of the 2023/24 Financial Statements

This bulletin covers the closure of accounts for the 2023/24 year and provides further guidance and clarification to complement the 2023/24 Code of Practice on Local Authority Accounting in the United Kingdom: Guidance Notes for Practitioners (Code Guidance Notes). It addresses, where relevant, frequently asked questions and other issues that have arisen since the publication of the 2023/24 Code Guidance Notes.

Link: [CIPFA Bulletin 17 Closure of the 2023/24 Financial Statements](#)

CIPFA Bulletin 16 Local audit delays and the publication of the annual governance statement

CIPFA Bulletin 16 Local audit delays and the publication of the annual governance statement is intended to provided clarity to those authorities with at least one set of unaudited financial statements for prior years, and their external auditors, on the update of the annual governance statement ('AGS').

Link: [CIPFA Bulletin 16 Local audit delays and the publication of the annual governance statement](#)

National publications

NAO

2. NAO insight: Digital transformation in government: a guide for senior leaders and audit and risk committees

The NAO has published a guide for senior leaders and audit and risk committees on Digital transformation in government. The guide can support those tasked with overseeing large-scale digital change to understand the core issues and pitfalls to avoid. The guide identifies seven areas where the more persistent obstacles stand in the way of successful digital transformation in government and have grouped them into three themes:

- Constraints of the existing environment
- Under-estimating the scope of early work
- Lack of skills and leadership

[Digital transformation in government: a guide for senior leaders and audit and risk committees](#)

3. NAO insight: Good practice in annual reporting

Transparent, timely, and clear annual reporting in the public sector has never been more important.

A good annual report is a key opportunity for bodies in the public sector to:

- weave a compelling narrative that resonates with the public
- serve as a tool for accountability by shedding light on how taxpayer's money has been spent
- equip stakeholders with information to hold organisations to account.

The list is not definitive but should provide ideas on content and format for all bodies in both the public and private sector as they plan their annual reporting for 2023-24.

[Good practice in annual reporting](#)

National publications

NAO

4. NAO overview: Department for Levelling Up, Housing & Communities 2022-23

The NAO has published the Departmental Overview: Department for Levelling Up, Housing & Communities (DLUHC) 2022-23. It summarises the key information and insights that can be gained from the NAO's examinations of DLUHC and related bodies in the sector in England and DLUHC's Annual Report and Accounts. DLUHC spends around £33 billion each year to support people, places and communities.

[Department for Levelling Up, Housing & Communities 2022-23](#)

National publications

DLUHC

5. Addressing the local audit backlog in England: Consultation

The external auditing of local bodies is vital in supporting democratic accountability and providing assurance for local people and their elected representatives. The consultation sought views on amending the Accounts and Audit Regulations 2015 as part of a package of cross-system measures to clear the backlog and put the system on a sustainable footing. The draft statutory instrument covers the core elements of the proposed amendments to the Regulations. The Joint Statement, agreed with system partners, provides vital context and explains the cross-system proposals and how the various elements are intended to interact.

The consultation ran from 8 February 2024 to 7 March 2024. Documents relating to the consultation are still available for download at the link below, which is also the place where the outcome to the public feedback will be available.

[Addressing the local audit backlog in England: Consultation](#)

6. Consultation on changes to statutory guidance and regulations: Minimum Revenue Provision

The duty to make Minimum Revenue Provision ('MRP') is an important component of the Prudential Framework. Where local authorities finance capital expenditure from debt, they must set aside an amount of money each year to ensure their debt liabilities can be repaid. In practice, the application is more complex, but when it operates effectively it should ensure that local authorities do not borrow more than they can afford.

The purpose of the consultation was to seek views on the revised Guidance and final proposed amendments to the Regulations. The proposed changes to the Regulations remain substantively the same as previously consulted on in the June-July 2022 consultation, with some minor changes to reflect responses. The Guidance provides detailed interpretation and outlines the government's expectations of how the Regulation requirements should work in practice.

The consultation ran from 21 December 2023 to 16 February 2024 however the link provides information on the key issues that were consulted on.

[Consultation on changes to statutory guidance and regulations: Minimum Revenue Provision](#)

National publications

Other

7. Financial Reporting Council ('FRC') - FRC report on quality of major local audits

The FRC has published its report on the quality of major local audits which summarises the FRC's regulatory approach for financial years up to and including the year ended 31 March 2023 and sets out the findings from the 2022-23 inspections cycle.

The FRC reviews in the 2022-23 inspection cycle comprised six health and four local government audits. The audits inspected had year-ends in March (or in one case May) 2021 (local government) and March 2022 (health). For local government audits, inspections were selected from those finished in the 2022 calendar year (regardless of the financial year the audit related to) due to the challenges brought on by the backlog. Therefore, more audits were inspected from the health sector and as a result, the findings in the report are more indicative of audit quality in the health sector. Across all suppliers, all financial statement audits were assessed as "good" or "limited improvements required". Areas requiring limited improvements included:

- Audit procedures regarding completeness and accuracy of expenditure.
- On the audit of one NHS Trust, the inspection concluded that audit procedures were not sufficiently tailored to address the impact of backlog maintenance on property, plant and equipment valuations.

In terms of value for money ('VfM') inspections, six related to health and three local government bodies. This is less than the number of financial statement audits inspected because the auditor's work on VfM arrangements was not complete on one audit that was inspected. All VfM inspections were assessed as good or limited improvements required. Areas requiring limited improvements included:

- Risk assessment procedures not being performed in a timely manner.
- Not considering the arrangements in place at the body to manage, monitor and oversee its subsidiaries.
- The audit team not updating their initial risk assessment or reporting to consider how the body had achieved its outturn financial position.

Examples of good practice have also been included in the report regarding risk assessment, execution of the audit, and audit completion and reporting.

[FRC publishes report on the quality of major local audits amid delays in local government](#)

National publications

Other

8. Forvis Mazars – Preparing for the Procurement Act 2023

The Procurement Act 2023 is set to transform the procurement procedures for public sector bodies in the UK by:

- Enhancing transparency in procurement processes, requiring greater disclosure of information about procurement opportunities;
- Improving efficiency by introducing new measures such as electronic procurement platforms; and
- Promoting fairness to ensure all suppliers have equal access to government contracts.

Our latest article provides an in-depth overview of the new Procurement Act, including when it will be implemented, key provisions and how public sector organisations can prepare.

[Preparing for the Procurement Act 2023](#)

9. Forvis Mazars – Understanding the new ‘Failure to Prevent Fraud’ Offence in a Public Sector context

The UK Government has recently announced a new corporate criminal offence – the 'failure to prevent fraud' offence – within the Economic Crime and Corporate Transparency Act 2023.

Fraud is currently the most common crime in the UK, and this new offence is designed to drive a cultural shift, encouraging organisations to improve their prevention procedures and reduce instances of fraud. It strengthens existing powers to fine and prosecute organisations for fraud committed by their employees and agents, closing loopholes that have allowed organisations to avoid prosecution in the past.

This new offence holds large organisations, both in the public and private sectors, accountable for fraudulent activities committed by their employees or agents.

['Failure to Prevent Fraud' in the Public Sector](#)

Forvis Mazars

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Classification	Item No.
Open	

Meeting:	Audit Committee
Meeting date:	25 th July 2024
Title of report:	Internal Audit Annual Report 2023/24
Report by:	Janet Spelzini Head of Fraud, Audit, Insurance and Risk (FAIR)
Decision Type:	Council
Ward(s) to which report relates	All

Executive Summary:

This report summarises the results of Internal Audit work during 2023/24 and, as required by the Accounts and Audit Regulations 2015, gives an overall opinion of the Authority's control environment.

The conclusions drawn from the report are:

The Council is still going through a period of transformation, which includes changes to governance processes, the transfer of Six Town Housing back to the Council, as well as revisions to staffing structures. Whilst going through a period of change there is a knock-on effect which results in significant change to planned priorities and a requirement to focus resources on those critical activities and to areas where more risks are perceived to be.

The initial Internal Audit Plan for 2023/24 had to be reduced at the end of quarter 3, due to a variety of reasons including training and secondment of Internal Audit staff, introduction of the second follow up process and initial work undertaken on annual key controls for 2022/23 that was then deferred to quarter 4 using 2023/24 transactions. The work of Internal Audit is intended only to provide reasonable assurance on controls.

Based upon the results of the audit work undertaken during the year, taking into account the findings reported in 22 audit reports, 21 first follow-ups and 15 second follow ups, my opinion is that the Authority's control environment provides moderate assurance that the significant risks facing the Authority are addressed. I am concerned that some fundamental and significant recommendations have not been fully implemented during the year, however, the recommendations made had been accepted by management and are in the sight of the Corporate Governance Group and work is being undertaken to ensure that recommendations are addressed.

Recommendation(s)

That:

- Members note the contents of this report.

Key Considerations

Background information to this report is contained in the context section of the main report. There are no decisions required for this report.

Community impact/ Contribution to the Bury 2030 Strategy

Ensuring compliance with Financial Procedures and Policies

Equality Impact and considerations:

Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under this Act.
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services.

Assessment of Risk:

The following risks apply to the decision:

Risk / opportunity	Mitigation
Risks are highlighted in Audit Plans and in the terms of reference for each Audit review.	Internal Controls are reviewed in each audit to mitigate identified risks. Actions are reported to managers and progress is monitored and reported on a regular basis.

Consultation:

N/a

Legal Implications:

The Council must have a sound system of internal control which facilitates the effective exercise of its functions, including risk management. This is both a legal requirement and a requirement of the Financial Regulations set out in the Council's Constitution. This report provides information on the work of the Council's Internal Audit Service, in ensuring compliance.

Financial Implications:

There are no financial implications arising from this report. The work of the Internal Audit Service supports the governance framework.

Report Author and Contact Details:

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Background papers:

Internal Audit Plan 2023/24
Internal Audit Progress reports 2023/24

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
AAT	The Association of Accounting Technicians
FOI	Freedom of Information
SAR	Subject Access Request
ROPA	Record of Processing Activities
DWP	Department for Work and Pensions
MOU	Memorandum of Understanding
TFG	Troubled Families Grant
NFI	National Fraud Initiative
PSIAS	Public Sector Internal Auditing Standards
CCTV	Closed Circuit Television
NNDR	National Non-Domestic Rates
CYP	Children & Young People

Internal Audit Annual Report 2023/24

“Providing assurance on the management of risks”



Internal Audit Annual Report 2023/24

“Providing assurance on the management of risks”

This document summarises the results of Internal Audit work during 2023/24 and, as required by the Accounts and Audit Regulations 2015, gives an overall opinion of the Authority’s control environment.

Opinion

Based upon the results of audit work undertaken during the year my opinion is that the Authority’s control environment provides moderate assurance that the significant risks facing the Authority are addressed.

Context

This report outlines the work undertaken by Internal Audit between 1 April 2023 and 31 March 2024.

Management is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements i.e. the control environment. Internal Audit plays a vital role in reviewing whether these arrangements are in place and operating properly and providing advice to managers and assurance to the organisation, Chief Executive, Executive Directors, S151 Officer, the Audit Committee and ultimately the taxpayers that the Council maintains an effective control environment that enables it to manage its significant business risks. On behalf of the Council, Internal Audit review, appraise and report on the efficiency, effectiveness, and economy of these arrangements. The assurance work culminates in an annual opinion on the adequacy of the Authority’s control environment which feeds into the Annual Governance Statement.

Internal Audit is required by professional standards to deliver an annual audit opinion and report to those charged with governance timed to support the Annual Governance Statement. The annual internal audit opinion must conclude on the overall adequacy and effectiveness of the organisation’s framework of governance, risk management and control. The annual report must incorporate:

- the opinion.

- a summary of the work that supports the opinion; and
- a statement on conformance with the Public Sector Internal Audit Standards

A new audit team structure was introduced in January 2023 however due to the following points listed below there was slippage to the delivery of the 2023/24 audit plan:

- Two new members of staff only commenced their employment within the team in June 2023.
- One of the new members of the team was employed on a reduced hours contract.
- Staff took the opportunity to purchase additional leave to enhance their own work/life balance.
- Staffing issues within the Insurance team resulted in one of the new members of staff being seconded over for 42.5 days.
- One member of the team enrolled at Bury College to undertake AAT level 2 training for 27.5 days.
- Work took place during quarter 2 examining the annual key controls for 2022/23. Approximately 40 days were spent on this work. However, as there were many changes made to finance systems, staffing and procedures, it was agreed to defer the work until quarter 4 using 2023/24 transactions.
- A full management review of audit processes and procedures was undertaken, which resulted in changes to the audit process, improvements in the follow up process and the introduction of a second follow up to ensure resolution of all recommendations.
- Additional time was required for investigations / completion of ongoing reviews.
- The training and general office duties allocations were overspent by a total of 65 days. Reasons included training for the new auditors to undertake the mandatory training modules, shadowing experienced auditors within new areas and learning how to access the various IT systems that Bury Council uses.

Despite the slippage which occurred, the audit opinion was formulated taking into account 22 completed audit reviews, 21 first follow up and 15 second follow up exercises.

Internal audit work during 2023/24

The underlying principle to the 2023/24 plan was risk and accordingly audits were only completed in areas that represent an 'in year risk'.

The methodology adopted in preparing the plan, and the plan itself, was presented to the Audit Committee on 30th March 2023.

Since the original plan was presented to the Audit Committee, it was inevitable that there would be variations to the plan during the year if it is to adequately reflect changing circumstances and the changing organisation. The net effect of this is that some of the agreed audits have been completed, some have not been undertaken,

some have been deferred into the 2024/25 audit plan and some are still in the process of being finalised.

The following audits were removed from Plan:

Operations – Health and Safety & Corporate – Health and Safety

Reason for removal: Assurance obtained from an external review commissioned by the Director of People and Inclusion.

Budgetary Control

Reason for removal: The Corporate Core Accountancy Team undertook a zero-based budget exercise across the Council and additionally the Finance Improvement Panel were scrutinising the Council's financial position.

Operations – Procurement of Contractors (Client request)

Reason for removal: Update from Client that an internal investigation was being undertaken to address the concerns raised.

Regeneration Projects

Reason for removal: Delays in the delivery of projects resulted in the review being postponed until 2025/26.

Cash Handling and Banking Activities

Reason for removal: Removal of petty cash floats across the Council and a lack of cash transactions.

Estates Property Management

Reason for removal: Duplication of scope of audit with existing audit on Rents from Commercial Tenants.

The following audits were deferred from the 2023/24 plan into the 2024/25 plan:

- Corporate Complaints Procedure
- FOI/SAR
- ROPA
- Insurance
- Capital Programme
- ITrent – additional hours and overtime payments
- ITrent – expenses module
- Automated absence pay
- Childrens Services recruitment process
- Waste Management
- Childrens Care Packages

The following audits were still in progress and were carried forwarded into 2024/25 to be finalised:

- Persona – Property and Building Maintenance

- DWP – MOU submission
- Climate Change
- Main Accounting Key Controls 2023/24
- Treasury Management Key Controls 2023/24
- Council Tax Key Controls 2023/24
- Payroll Key Controls 2023/24
- Income and Bank Key Controls 2023/24
- Greater Manchester – Supporting Families (TFG)
- Rent Collection from Commercial Tenants
- Business Rates, Billing, Collections and Reliefs

Summary of assurance work

The Council, and local government generally, continues to face significant challenges, including the ongoing financial challenges and the need to deliver savings, in addition to the impact on service delivery in terms of both increased costs and lost income. The Council has continued in 2023/24 to go through restructuring and it is important that controls and governance remain in place and that there is an understanding of responsibilities and accountabilities. Regularly updated forecasts of income and expenditure pressures against the available funding were provided internally through the Council's monitoring framework.

The Council has prepared its 2021/22 Statement of Accounts, however they have not yet been signed off due to a technical issue which impacts on all Greater Manchester Authorities. However, as the external auditors have not raised any other concerns, this provides a significant level of assurance.

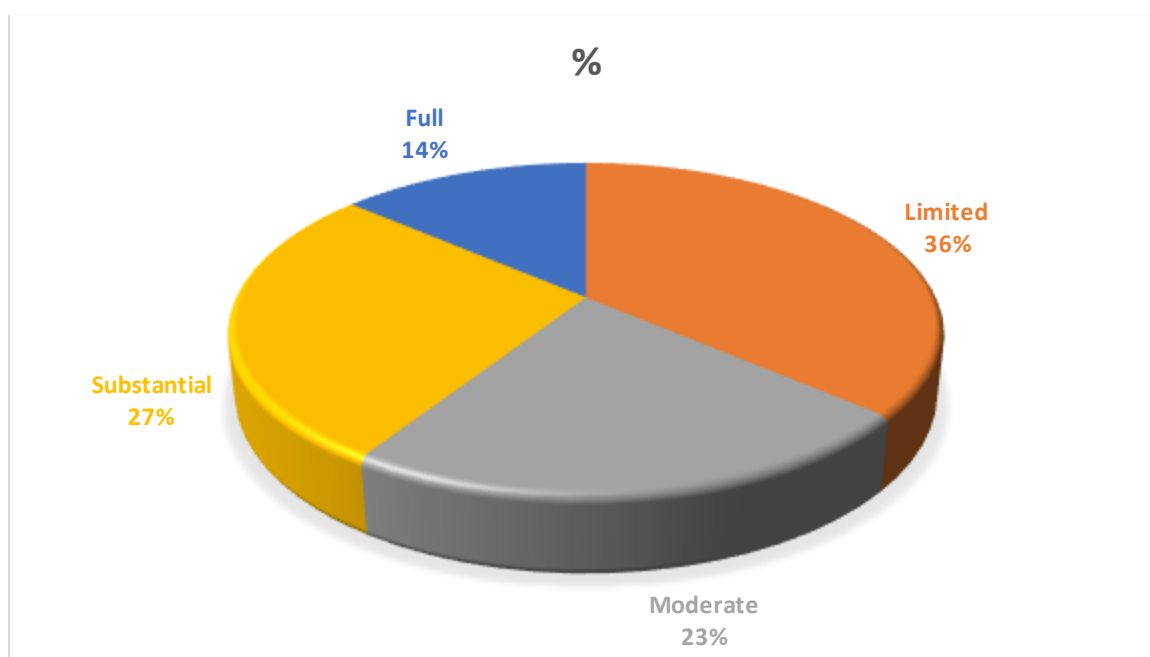
The draft statement of accounts and annual governance statement for 2022/23 have also been prepared and published on the Bury Council website but have not yet been signed off by the external auditors.

The 2023/24 draft unaudited statement of accounts has been prepared and published on the Bury Council website. The 2023/24 Annual Governance Statement is being prepared and will be published on the Council website shortly.

In relation to Internal Audit work, the key outcome of each audit is an overall opinion on the level of assurance provided by the controls within the area audited. Audits will be given one of four levels depending on the strength of controls and the operation of those controls. The four categories ranging from the lowest to highest are Limited, Moderate, Substantial and Full. The opinion reflects both the design of the control environment and the operation of controls. The Audit Committee has received regular reports during the year summarising audits undertaken.

A total of 22 audit reviews, making 136 recommendations, have been considered in forming the overall opinion for the year. As shown in the following chart the outcome of 41% of audits (9 reviews), completed in 2023/24 are positive having provided a

substantial or full level of assurance to the areas examined. There are however a proportion of audits, 23% (5 reviews), where controls were considered to be moderate. There were 8 reviews, (36%), which were considered to give a limited level of assurance, these made a total of 74 recommendations of which 29 were fundamental and 46 were significant / merits attention. A positive management response was received to all reports to indicate that all, except 2, recommendations, would be addressed. To provide assurance going forward, the follow up process was enhanced with the introduction of a second follow up exercise to undertake further testing to ensure any outstanding recommendations from the first follow up have been actioned / implemented. The key issues arising from all audits have been reported to the Audit Committee throughout the year.



A full list of the assurance work completed during the year is given in Appendix A.

Recommendations are categorised according to the risks they are intended to mitigate. Categorising recommendations also assists managers in prioritising improvement actions. The current categories used, in increasing order of importance are Merits attention, Significant and Fundamental.

During the year 136 recommendations were made to address weaknesses in control which would not have been identified if the audit had not been undertaken. All the recommendations made except 2, were accepted by management and positive responses were received to indicate that they would be implemented.

Recommendations are followed up to ensure that they are implemented, and details of all follow-up reviews undertaken are provided to Audit Committee monthly. Those recommendations showing as "Outstanding" or "Partially Implemented" from the first follow up are subject to a second follow up. Any "Outstanding" or "Partially Implemented" recommendations from the second follow up are then escalated to the Corporate Governance Group. All follow ups are subject to scrutiny by Audit

Committee Members who may call in managers to explain delayed progress where appropriate.

Follow up exercises for reports with limited assurance are undertaken after 3 months of the final report being issued to client. Follow up exercises for all other reports are undertaken after six months after the final reports have been issued to the client. The second follow up, if required, is undertaken 6 weeks after the issue of the first follow up.

Details of audits which were followed up during 2023/24 are provided at Appendix B (First Follow Up) and Appendix C (Second Follow Up) and these are included in the overall opinion. Out of 136 recommendations made, 34 were either still outstanding or partially implemented following the second follow up exercise. The Corporate Governance Group (CGG) met on 21st February 2024 and 11 of the outstanding / partially implemented recommendations were reported to the group.

Schools

Individual school reviews were reintroduced into the 2023/24 audit plan. Arrangements are in place to undertake a full audit at a school if requested by the Director of Childrens Services, or the Executive Director of Finance. A School Assurance Board has been established, and this is attended by a representative from the Internal Audit Team, and therefore advice and support can be provided as it is requested.

Summary of non-assurance work

Special investigations

The size and complexity of the Council means that some irregularities are inevitable and therefore, in addition to planned assurance work, a number of special investigations were needed during the year. Internal Audit assisted with / advised Human Resources regarding disciplinary issues as well as providing advice to Departments regarding suspected irregularities.

In 2023/24, information regarding 6 special investigations completed was submitted to Audit Committee.

Suspected frauds can be reported to our dedicated whistleblowing hotline 0161 253 6446 or by email to Whistleblowing@bury.gov.uk

Advice

Internal Audit is most efficient when its advice is utilised to ensure that appropriate controls are incorporated at an early stage in the planning of policy or systems development. This work reduces the issues that will be raised in future audits and contributes to a stronger control environment. During the year advice was requested for a small number of issues

Examples of audit advice and support given include: -

- HR and Payroll teams as they develop the use of the iTrent system.
- Leisure Services in relation to the introduction of the Gladstone Concierge system.
- Libraries income controls.
- Petty Cash guidance across various Council services.
- NFI query relating to a School.
- Six Town Housing contracts on transfer to the Council.

Work is continuously undertaken to ensure that Departments are aware that they should approach Internal Audit as a consultancy resource and a contingency has been built into the annual audit plan for 2024/25 so that resources are available to meet any consultancy requests.

Certification

Internal Audit can be required to certify grant claims. Two grant claims were examined and approved by Internal Audit during 2023/24. These were:

- Bus Operators Grant
- Changing Places Fund

Effectiveness

This section of the report sets out information on the effectiveness of the service and focuses on compliance with the Public Sector Internal Auditing Standards (PSIAS) and customer feedback.

A full externally conducted quality assessment of the service was conducted during 2016. The report of that assessment concluded that the audit service “partially conformed to the expectations of the Public Sector Internal Audit Standards.” Work since then has been undertaken to address the recommendations made. The review is due to be undertaken again in September 2024.

In accordance with best practice there is a rigorous internal review of all work undertaken by senior staff and the results feed into the staff appraisal process.

Following most audits a “post audit questionnaire” is issued to the relevant managers asking for their views on the conduct of the audit. The questionnaire includes a range

of questions covering the audit approach, reporting format, etc. A key feature of the audit role is the need to sometimes be critical of existing or proposed arrangements. There is therefore an inherent tension that can make it difficult to interpret surveys. Post audit questionnaires are not issued when an investigation is undertaken or if the audit is undertaken by an external partner.

In 2023/24 the post audit questionnaire responses returned continued to evaluate the audit process and value of reports as excellent / good. All feedback received was positive and no negative feedback or comments had been received.

It is clearly important for any audit service to keep abreast of best professional practice. The Internal Audit service is fortunate in having strong links with colleagues both within Greater Manchester and nationally. The Service had a membership to the Institute of Internal Auditors providing its staff with technical and professional support. At a regional level there are networking opportunities for auditors specialising in schools and ICT. As well as good opportunities for continuing professional development and sharing best practice these activities provide advance information on new developments which can be reflected in the audit plan.

The Authority can be confident that a good quality Internal Audit service continues to be provided.

Opinion

The Council is still going through a period of transformation, which includes changes to governance processes, the transfer of Six Town Housing back to the Council, as well as revisions to staffing structures. Whilst going through a period of change there is a knock-on effect which results in significant change to planned priorities and a requirement to focus resources on those critical activities and to areas where more risks are perceived to be.

The initial Internal Audit Plan for 2023/24 had to be reduced at the end of quarter 3, see page 6 above for the reasons. It is the responsibility of the Council to develop and maintain the internal control framework. In undertaking its work, Internal Audit has a responsibility under PSIAS to provide an annual Internal Audit opinion on the overall adequacy and effectiveness of the organisation's governance, risk and control framework (i.e. the control environment) and a summary of the audit work from which the opinion is derived.

No system of control can provide absolute assurance against material misstatement / loss or eliminate risk, nor can Internal Audit give that assurance. The work of Internal Audit is intended only to provide reasonable assurance on controls. In assessing the level of assurance to be given, I have taken into account:

- Audit plan, other audit and advisory work completed in 2023/24; and audit work from prior years where systems or processes have not been subject to change.
- Any follow-up action taken in respect of audits from previous periods.

- Any fundamental recommendations not accepted by management and the consequent risks (this is not applicable in 2023/24 as management accepted all recommendations).
- The effect of non-assurance work undertaken during the year.
- The effect of any significant changes in the Authority's systems.

Some significant issues have arisen during the year, with fundamental recommendations being made and limited assurance reports being issued. However, action plans have been agreed with the relevant managers to address the weaknesses identified. Where weaknesses have been identified, they have tended to relate to specific parts of the organisation rather than an across-the-board breakdown in controls. Those audits involving major control weaknesses are in the minority and in general terms, controls are sufficient to prevent or detect serious breakdowns in systems and procedures. However, it is clearly important that issues identified during the year are addressed.

I am satisfied that sufficient internal audit work has been undertaken to allow me to draw a reasonable conclusion as to the adequacy and effectiveness of the Council's governance, control and risk processes.

Based upon the results of work undertaken by Internal Audit during the year my opinion is that the Authority's governance, control and risk management provides moderate assurance that the significant risks facing the Authority are addressed.

Appendix A

Summary of audits completed during the year and total number of recommendations made.

Audit		Level of Assurance	Report Date	Total number of recs made	No of Fundamental recs made
	Reports included in annual opinion for 2023/24				
	Bury Council				
1	Home Care Packages	Substantial	September 2023	6	0
2	Housing Benefit Key Controls 2022/23	Substantial	September 2023	2	0
3	Chesham Primary School	Limited	October 2023	30	13
4	CCTV	Full	November 2023	0	0
5	Fleet Management	Limited	December 2023	4	3
6	Creditors Invoice Fraud	Limited	January 2024	5	2
7	School & College Transport	Limited	February 2024	5	1
8	Housing – Right to Buy Process	Limited	February 2024	8	3
9	Independent Foster Agencies	Substantial	February 2024	3	0
10	Building Stores	Limited	March 2024	12	4
11	Care Planning Permissions	Limited	April 2024	1	1
12	Debtors Key Controls 2023/24	Limited	April 2024	9	2
13.	Car Parking Income	Moderate	April 2024	6	0
14	Substance Misuse Commissioning	Full	April 2024	0	0
15	Integrated Community Equipment Stores	Moderate	May 2024	13	0
16	Creditors Key Controls 2023/24	Moderate	May 2024	5	0
17	Members Delegated Funds	Full	May 2024	3	0
	<u>Six Town Housing</u>				
18	Arrears Prevention	Substantial	March 2024	4	0
19	Invoice Processing	Moderate	April 2024	7	0
	<u>Persona</u>				
20	Persona - Creditors	Moderate	December 2023	2	0
21	Persona - Payroll	Substantial	January 2024	7	0
22	Persona - Debtors	Substantial	March 2024	4	0
	Total			136	29

Appendix B

Summary of First follow ups completed during the year.

		Report date	Recs made	No of Fundamental / Significant Recs to be followed up	Follow up date	Recs implemented
	Bury Council					
1	Taxi Licensing	March 2022	2	1	June 2023	0
2	Pooled Budgets	September 2021	1	1	June 2023	1
3	Contracts Register	September 2022	4	2	June 2023	1
4	Debtors Key Controls 2021/22	January 2023	8	6	July 2023	1
5	CYP – Complaints Procedures	January 2023	3	1	July 2023	0
6	NNDR Key Controls 2021/22	November 2022	2	2	July 2023	0
7	Housing Benefits Key Controls 2021/22	November 2022	1	1	August 2023	0
8	Transport Stores	March 2023	20	13	September 2023	8
9	Council Tax Key Controls 2021/22	November 2022	2	2	September 2023	0
10	Main Accounting Key Controls 2021/22	March 2023	8	6	September 2023	3
11	Treasury Management Key Controls 2021/22	January 2023	5	4	November 2023	3
12	Highway & Footway Maintenance	June 2023	7	1	January 2024	0
13	Creditors Key Controls 2021/22	May 2023	4	3	January 2024	2
14	Adoption Services	June 2021	2	2	February 2024	2
15	Operations – Overtime & Additional Hours	June 2023	6	4	March 2024	4
16	Home Care Packages	September 2023	6	2	March 2024	1

17	Cash & Bank Key Controls 2021/22	May 2023	7	7	March 2024	2
18	Chesham Primary School	December 2023	30	30	March 2024	15
	Six Town Housing					
19	Anti-Social Behaviour	November 2022	3	1	June 2023	0
20	No Access (Gas)	April 2023	8	5	September 2023	3
21	Hoarders	October 2022	10	9	November 2023	6
	Total		139	103		52

Appendix C

Summary of Second Follow ups completed during the year.

		Follow up date	Number of outstanding Recs from 1 st Follow Up	Recs implemented
	Bury Council			
1	CYP – Complaints Procedures	November 2023	1	0
2	Housing Benefits Key Controls 2021/22	November 2023	1	0
3	Contracts Register	November 2023	1	0
4	Debtors Key Controls 2021/22	November 2023	5	2
5	NNDR Key Controls 2021/22	December 2023	2	0
6	Treasury Management Key Controls 2021/22	December 2023	1	1
7	Taxi Licensing	January 2024	1	0
8	Estates Property Management	February 2024	11	1
9	Main Accounting Key Controls 2021/22	February 2024	3	0
10	Council Tax Key Controls 2021/22	February 2024	3	0
11	Transport Stores	February 2024	5	0
12	Highways & Footway Maintenance	March 2024	1	0
	Six Town Housing			
13	No Access (Gas)	February 2024	2	0
14	Hoarders	February 2024	2	1
15	Anti-Social Behaviour	February 2024	1	1



Classification	Item No.
Open	

Meeting:	Audit Committee
Meeting date:	25 th July 2024
Title of report:	Information Governance Update
Report by:	Julie Gallagher, Head of Governance and Data Protection Officer
Decision Type:	For Information
Ward(s) to which report relates	All

Executive Summary:

Information Governance (IG) is the strategy or framework for handling personal information in a confidential and secure manner to appropriate ethical and quality standards, ensuring compliance with the relevant statutory and regulatory requirements. This report highlights improvements in training compliance, performance at responding to requests for information and dealing with data breaches.

Recommendation(s)

That Audit Committee note the performance from January 2024 to June 2024.

Key considerations

Background

This report is to update Audit Committee on the Council's Information Governance activity up to the end of June 2024, these reports now focus on the Council's 'business as usual' performance in the delivery of Information Governance.

Following the transfer of Six Town Housing into the Council, this report now includes information in relation to Housing Services levels of compliance.

Update following changes to the Business and Executive Support Service, including Information Governance Responsibilities

As referenced in the last update report, following the restructure of the Business Support Unit, a Policy and Compliance Team has been established, under the direction of the Data Protection Officer. The department will streamline oversight, of all Complaints, Subject Access Requests, Environmental Information Regulations and Freedom of

Information Requests. In addition, the newly appointed Policy and Compliance Manager will lead this team; and will have operational responsibility for Information Governance matters, supported by the wider team.

The team “went live” on the 18th March 2024, and have already undertaken a review of the Councils retention schedule; established a repository for data sharing agreements; joint controller agreements and privacy statements and commenced a review of the Councils Record of Processing Activity (ROPA). In addition, the team have developed a caseviewer system for recording, activity against all our FOIs and EIRs, training has commenced across all departments and a go live date is scheduled for the summer.

Pressure points still exist with regards to the redaction of a number of complex Childrens Service SARS, in many cases there may be thousands of documents that require oversight and redaction, this can be a very onerous process. In response to this, the DPO, working with Childrens Services has developed a new process in assessing the need to have additional checks on completion of the first sift of the redaction process and this has helped to address the backlog.

Subject Access Requests (SAR) and SAR reviews

From January 2024 to June 2024 we received 162 SARs (across the Council), 24 from Housing Services.

With regards to the delays previously reported to the Committee, with regards to the backlog in Children’s SARs there are currently 19 open SARs. Between January to July 2024 Children’s Services have received 52 SARs for Children’s services. Due to the volume and complex nature of these SARs there has been some delays in responses being issue. This is due to worsen over the next month due to not enough capacity to complete SARs on the team and we have had to prioritise more of our time to attend live Strategy Meetings. It is envisaged that the Policy and Compliance team, once fully operational will provide additional support.

During the reporting period the Data Protection Officer has overseen 16 SAR complaints reviews.

Freedom of Information (FOI) Requests/ Environmental Information Reviews and DPO Reviews

From January 2024 to June 2024, the Council received 630 FOIs (across the Council), 18 from Housing Services. In addition 6 EIRs.

During the reporting period the Data Protection Officer has overseen 6 FOIs reviews.

Data Breaches

From January 2024 to June 2024, we received a total of 85 breaches.

	January	February	March	April	May	June
BGI	0	0	0	0	0	0
Corp. Core	8	5	3	8	4	5
CYP	2	4	4	5	3	6
Health & Adult Care	3	3	1	2	3	0
Operations	0	2	0	0	1	0
Housing Services	3	2	2	2	2	2
Total	16	16	10	17	13	13

These numbers are consistent with the trend we have observed since the last 12 months.

Members are assured that the vast majority of these breaches are relatively minor mistakes, with limited risk of harm to individuals. Almost all breaches are due to human error. The most common themes and recurring issues are the same as in previous months, being:

- Incorrect contact information being used (either from auto-populated addresses or similarly named recipients);
- Incorrect information on service software;
- Attachments not being double checked before being sent.

The DPO reviews every data breach and provides advice in terms of mitigation (e.g. further training, implementing an auto-delay on emails being sent, informing those affected etc.) to close off risk of harm to the individuals involved, and to learn lessons from the mistake and prevent it happening again. We log all data breaches; these are shared with the Executive team and the Corporate Governance Group, and a letter is sent to the person undertaking the breach.

For more serious breaches (generally those that involve children or vulnerable people's data), the DPO contacts the ICO for advice and assistance. We have had one such cases during the reporting period.

Police disclosures:

From March 2024 to June 2024 the backlog of police disclosure requests on close matters has been cleared prioritising urgent matters first. All outstanding requests on closed matter were first collated into a comprehensive tracker to enable the work to be prioritised and monitored.

The process and templates for undertaking this area of work have been standardised to ensure consistency and appropriate disclosure. This has been completed in accordance the Disclosure of Information between Family and Criminal Agencies and Jurisdictions: 2024 Protocol

Complaints upheld by the ICO

There have been two requests for assurance from the ICO in relation to data breach incidents in Children's Services.

The Data Protection Officer has reviewed these incidents and provided oversight and further guidance. Re-assurance has been provided to the Regulator and the cases have been subsequently closed.

Training

Current training non-compliance figures are set out below:

BGI (111 staff in department)	Corporate Core (Including Finance) (525 staff in department)	Children's Services (512 staff in department)	Health & Adult Care (431 staff in department)	Operations (866 staff in department)	Housing (230 staff in Department)
3 officer non-compliant (3%)	25 officers non-compliant (7%)	83 officers non-compliant (16%)	44 officers non-compliant (%10)	107 officers non-compliant (12%)	18 officers non-compliant (7.9%)

A spreadsheet of non-compliant officers is regularly considered by IG Officers, the Exec Team, and the Corporate Governance Group. The officers' names are highlighted to their line report to ensure training is completed in the following two weeks where possible, and reasons why are fed back when not.

The DPO has worked closely with the Operations Department to improve the take up of GDPR training with front line staff. Paper based training is now offered in addition to the online training. It should be noted that Operations teams are responsible for very few data breaches, reflecting the high number of frontline staff who do not habitually interact with personal data.

Targeted work has been undertaken with the Children's Services Department to address the increase in the numbers of staff that are currently non-complaint.

The current figure for Members having completed the GDPR online 'Core' training is 54.9% (28 Cllrs). Oversight of take up has been raised at the Member Development Group and discussed with Groups Whips.

In addition, a GDPR module has been included on the Management Development Training programme. All managers are required to attend the training session. The training, delivered by the Council Solicitor reminds staff of the importance of reporting data breaches and ensuring staff have undertaken GDPR training.

Equality Impact and considerations:

Equality Analysis	<i>Please provide a written explanation of the outcome(s) of either conducting an initial or full EA.</i>
N/A	

Assessment of Risk:

The following risks apply to the decision:

Risk / opportunity	Mitigation
Without a robust framework in place to support good Information Governance practice, there is a risk that the Council may not comply with the duties set out in the UK General Data Protection Regulations (GDPR) or Data Protection Act leading to possible data breaches, loss of public confidence, reputational damage and prosecution / fines by the Information Commissioner.	Approval and Implementation of the Information Governance Framework. Implementation of a comprehensive Information Governance work programme.

Legal Implications:

This report provides an update to audit committee regarding the embedding of our obligations across the organisation. The report references the Council's statutory duties and obligations under the UK GDPR, Data protection Act 2018, FOIA and associated legislation and guidance. The Council has duties under this legislation in terms of accountability and compliance and must ensure it has appropriate policies and procedures in place. A failure to ensure compliance could result in enforcement action by the ICO.

Financial Implications:

With the exception of the procurement of appropriate training there are no direct financial implications arising from this report. However, there are implications in relation to a potential ICO fine if the Council had a data breach and the ICO found that we as an organisation were negligent.

Report Author and Contact Details:

Julie Gallagher
Head of Governance and Data Protection Officer
julie.gallagher@bury.gov.uk

Background papers:

Report to Audit Committee 12 October 2023 -

<https://councildecisions.bury.gov.uk/documents/s37322/IG%20Report%20to%20Audit%20Committee%20Oct%202023.pdf>

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
BGI	Business Growth and Improvement
CYP	Children and Young People
DPO	Data Protection Officer
FOIA	Freedom of Information Act 2000
GDPR	General Data Protection Regulations 2018
HAC	Health and Adult Care
IG	Information Governance

Ops	Operations
ROPA	Record of Processing activity
SAR	Subject Access Request

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