

To: Deputy Leader and Members of the Resources Board

Councillors Symonds, Barnett, Chapman, Clews, Davey, Guilmant, Humphreys, Jackson, Osborne, Melia, Parsons, Simpson, Singh, and M Watson

For the information of other Members of the Council

For general enquiries please contact Democratic Services on 01827 719221 or via email – democraticservices@northwarks.gov.

For enquiries about specific reports please contact the Officer named in the reports.

This document can be made available in large print and electronic accessible formats if requested.

RESOURCES BOARD AGENDA

24 JULY 2025

The Resources Board will meet on Thursday 24 July 2025 at 7.00pm in the Council Chamber at The Council House, South Street, Atherstone, Warwickshire.

The day after the meeting a recording will be available to be viewed on the Council's YouTube channel at [NorthWarks - YouTube](#).

AGENDA

- 1 Evacuation Procedure.**
- 2 Apologies for Absence / Members away on official Council business.**
- 3 Disclosable Pecuniary and Non-Pecuniary Interests.**

4 **Public Participation**

Up to twenty minutes will be set aside for members of the public to put questions to elected Members.

Members of the public wishing to address the Board must register their intention to do so by 9:30am two working days prior to the meeting. Participants are restricted to five minutes each.

If you wish to put a question to the meeting, please register by email to democraticservices@northwarks.gov.uk or telephone 01827 719221 / 719226 / 719237.

Once registered to speak, the person asking the question has the option to either:

- (a) attend the meeting in person at the Council Chamber.
- (b) attend remotely via Teams; or
- (c) request that the Chair reads out their written question.

The Council Chamber has level access via a lift to assist those with limited mobility who attend in person however, it may be more convenient to attend remotely.

If attending remotely an invitation will be sent to join the Teams video conferencing for this meeting. Those registered to speak should dial the telephone number and ID number (provided on their invitation) when joining the meeting to ask their question. However, whilst waiting they will be able to hear what is being said at the meeting.

- 5 **Minutes of the Resources Board held on 10 March 2025** – copy herewith, to be approved as a correct record and signed by the Chairman.

ITEMS FOR DISCUSSION AND DECISION (WHITE PAPERS)

- 6 **Provision of Adaptations for Council Tenants** - Report of the Director of Housing

Summary

This report asks the Board to consider providing a policy statement to support its provision of adaptations to meet the needs of its tenants.

The Contact Officer for this report is Angela Coates (719369).

7 **Landlord Service – Complaints Handling** - Report of the Director of Housing

Summary

This report provides the Board with an update on complaints received about its landlord services during 2024-2025.

The Contact Officer for this report is Angela Coates (719369).

8 **Members Allowance 2024/25** - Report of the Interim Corporate Director – Resources (Section 151 Officer)

Summary

The purpose of this report is to advise Members of the allowances paid for 2024/25. The Council also has a duty to publish the amounts paid to Members under the Members' Allowance Scheme.

The Contact Officer for this report is Nigel Lane (719371).

9 **Internal Audit Annual Report 2024/25** - Report of the Interim Corporate Director – Resources (Section 151 Officer)

Summary

The purpose of this report is to present the Internal Audit Annual Report 2024/25.

The Contact Officer for this report is Paul Sutton (719374).

10 **Internal Audit Progress Report** - Report of the Interim Corporate Director – Resources (Section 151 Officer)

Summary

The purpose of this report is to present the Internal Audit Progress Report.

The Contact Officer for this report is Paul Sutton (719374).

11 **Global Internal Audit Standards Report** - Report of the Interim Corporate Director – Resources (Section 151 Officer)

Summary

The purpose of this report is to present the Global Internal Audit Standards Report.

The Contact Officer for this report is Paul Sutton (719374).

- 12 **Strategic Risk Management Summary Report** - Report of the Interim Corporate Director – Resources (Section 151 Officer)

Summary

The purpose of this report is to present the Strategic Risk Management Summary Report.

The Contact Officer for this report is Paul Sutton (719374).

- 13 **Provisional Capital Outturn and Carry Forwards 2025/26** - Report of the Interim Corporate Director – Resources (Section 151 Officer)

Summary

This report sets out the Provisional Capital Outturn for 2024/25 and proposed carry forwards to 2025/26 for Council approval.

The Contact Officer for this report is Paul Sutton (719374).

STEVE MAXEY
Chief Executive

NORTH WARWICKSHIRE BOROUGH COUNCIL

MINUTES OF THE RESOURCES BOARD

10 March 2025

Present: Councillor Symonds in the Chair

Councillors Barnett, Bell, Chapman, Clews, Davey, Hobley, Humphreys, H Phillips, O Phillips, Simpson and Stuart

Apologies for absence were received from Councillors Parsons (Substitute Councillor Hobley) Taylor (Substitute Councillor H Phillips) and Watson (Substitute Councillor Bell).

57 Disclosable Pecuniary and Non-Pecuniary Interests

None were declared at the meeting.

58 Minutes of the Resources Board held on 27 January 2025

The minutes of the Resources Board held on 27 January 2025, copies having been previously circulated, were approved as a correct record and signed by the Chairman.

59 Internal Audit Plan 2025/26

The Interim Corporate Director – Resources (Section 151 Officer) presented the internal audit plan for 2025/26.

Resolved:

- a That the Internal Audit Plan be approved; and**
- b That the Council continues to buy in fraud support for 2025/26 from Derby City Council.**

60 Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy for 2025/26

The Interim Corporate Director – Resources (Section 151 Officer) outlined the Treasury Management Strategy, Minimum Revenue Provision Policy Statement and Investment Strategy for 2025/26.

Recommended:

- a That the clauses set out in paragraph 3.5 of the report of the Interim Corporate Director – Resources (Section 151 Officer) be adopted and;**

- b That the Treasury Management Statement and the proposed strategies for 2025/26 as detailed in Appendix B Treasury Management Strategy and Appendix C Investment Strategy be approved.**

61 Write Off Policy 2025/26

The Interim Corporate Director – Resources (Section 151 Officer) presented a report which provided details to Members on North Warwickshire Borough Council's Policy for writing off irrecoverable debts for Council Tax, Non-Domestic Rates, Housing Benefit Overpayments and Former Tenant Arrears effective from 1st April 2025. At this stage the policy did not cover sundry debt as this was a separate process, however despite the difference in process in the future this would be added to the policy to ensure all write off procedures were included.

Resolved:

That the policy outlining the Council's approach to dealing with irrecoverable Council Tax debts, Non-Domestic Rates, Housing Benefit overpayments and Former Tenant arrears be approved.

62 Non – Domestic Rates Policies 2025/26

The Interim Corporate Director – Resources (Section 151 Officer) provided Members with details on North Warwickshire Borough Council's Non-Domestic Rates policies for approval effective from 1 April 2025.

Resolved:

- a That the changes to the Retail, Hospitality and Leisure policy (RHL) as mandated in the Autumn Budget 2024 attached at Appendix A of the report of Interim Corporate Director – Resources (Section 151 Officer) be approved;**
- b That the updates to the Supporting Small Businesses (SSB) policy attached at Appendix B of the report of Interim Corporate Director – Resources (Section 151 Officer) be approved; and**
- c That the policy outlining the Council's approach to awarding discretionary rate relief attached at Appendix C of the report of Interim Corporate Director – Resources (Section 151 Officer) be approved.**

63 Irrecoverable Debts

The Interim Corporate Director – Resources (Section 151 Officer) provided details to Members of debts which were considered to be irrecoverable.

Resolved:

That the debts totalling £41,656.81 detailed in Appendix A of the report of the Interim Corporate Director – Resources (Section 151 Officer) be approved for write off.

64 Local Council Tax Support Scheme 2025/26

The Interim Corporate Director – Resources (Section 151 Officer) provided details to Members on North Warwickshire Borough Council's Local Council Tax Support Scheme for 2025/26 in-line with the regulations required by Ministry of Housing, Communities & Local Government.

Resolved:

That the Local Council Tax Support Scheme attached at Appendix A to the report of the Interim Corporate Director – Resources (Section 151) Officer for financial year 2025/26 be approved.

65 Exclusion of the Public and Press

Resolved:

That under Section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following item of business, on the grounds that it involves the likely disclosure of exempt information as defined by Schedule 12A to the Act.

66 Exempt Extract of the Minutes of the meeting of the Resources Board held on 27 January 2025

The exempt extract of the minutes of the Resources Board held on 27 January 2025, copies having been previously circulated, were approved as a correct record and signed by the Chairman.

Councillor Symonds
Chair

Agenda Item 6

Resources Board

24 July 2025

Report of the Director of Housing

Provision of Adaptations for Council Tenants

1 Summary

This report asks the Board to consider a policy statement to support its provision of adaptations to meet the needs of its tenants.

Recommendation to the Resources Board

- a That the draft policy statement be considered and adopted; and**
- b That note be taken of the cost of providing adaptations for its tenants and also the positive impact on those tenants receiving them.**

2 Consultation

- 2.1 Partners to the HEART shared service will be asked to consider the policy statement and offer comments with a view to having a consistent provision which the service can deliver. The Borough Wide Tenants Forum will be asked to consider and comment on the policy.

3 Background

- 3.1 The HEART shared service was established in March 2017. A new partnership agreement is in place from 1 April 2023 and has an initial 5 year term. The HEART contract is between the 5 Warwickshire Districts and Boroughs and Warwickshire County Council. Nuneaton and Bedworth Borough Council is the host for the service.

- 3.2 The aim of the Business Case for the **H**ome **E**nvironment **A**ssessment and **R**esponse **T**eam (HEART) service is:

“To provide customers with the advice and information to help them make the right choice, and provide practical help to deliver the right housing solution when they want it”

and the vision for the shared service is:

“To be the service of choice for advice, assistance and interventions to adapt or improve the home environment to enable activities of daily living and protect and improve the health, safety and wellbeing of residents to prevent, reduce or delay greater needs arising.”

- 3.3 HEART assesses the needs of residents across all tenures. The adaptations that HEART assessment officers recommend to meet a resident's needs are funded by Disabled Facilities Grants (provided by Government grant) for private occupiers and housing association tenants. Local Housing Authorities fund adaptations for their tenants.
- 3.4 To deliver the Disabled Facilities Grants the HEART partnership has an agreed housing assistance policy. This sets out what the mandatory grants are for Disabled Facility Grant provision and is generous in its allowance for both discretionary grants and no interest loans. Whilst generous it does provide for limits on expenditure. To allow for adaptation such as stair lifts to be delivered to more applicants and without delay the Policy allows for a cost of adaptation sum of £7,500 granted before a means test is undertaken. For example for major adaption there is £30,000 mandatory grant, £20,000 discretionary grant and a loan provision of £20,000. This means that the there is a limited spend of £70,000. The availability of discretionary amounts balances out the needs of residents against budget availability. Where budget is available a Policy can be more generous than means tests and grant caps set out in the legislation.

4 **Policy Statement for Adaptations for Local Authority Tenants**

- 4.1 The HEART makes recommendations for adaptations for private owners, housing association tenants and Local Authority tenants. For the former two the Disabled Facility Grant provision funds the adaptation. Those for Council tenants are funded by the Council. The cost of providing adaptations has increased over recent years and this has been especially notable in the last 3 years because recommendations have been received for major works – including extensions.
- 4.2 Some neighbouring Councils have a policy statement in place to be clear with tenants about how they will act to meet their needs for adaptations or a property helps them live independently with their disability. It is proposed that North Warwickshire adopts a policy position and that the position is shared with the HEART partnership so that there is a consistent approach to the provision of this service to Council tenants.

...

- 4.3 A draft policy is attached at **Appendix A** for the Board's consideration.
- 4.4 There are two parts to the consideration of a request for an adaptation – the assessment of need and the delivery of the adaptation. The HEART undertakes the assessment in accordance with the Disabled Facility Grant legislation and guidance. If a recommendation is made the Council, as landlord, decides whether to give permission and if it does agree the Housing Maintenance Team deliver the works required.

- 4.5 In the last two years we have delivered the following adaptations to meet the assessed needs of our tenants.

Extension – 3
Level Access Shower - 72
Stairlifts - 9
Ramps - 15
Grab Rails - 44
Steps - 9

- 4.6 In 2024-2025 to date we have received the following referrals

Extension – one in progress
Level Access Showers – 19
Ramps – 6
Paths – 7
Grab Rails - 8
Closomat WC – 3
Drop Kerb - 5
Drive ways - 6

- 4.7 The average time we are completing the job from when we receive the initial request is:

Level Access Showers - 2 Months
Stairlifts - 1 month
Ramps - 2 months.

Some adaptations require planning permission and Building Control oversight that effects the timescale for delivery.

- 4.8 The average cost of each of the jobs are as follows:

Extensions - £70,000 - £90,000 depending on technical requirements
Level Access Shower - £7,500
Stairlift - £3,500
Ramp – £3,000
Draped Kerbs – (estimated cost £2-2,500)
Drives - (estimated cost £5-6,000)
Closomat - £6,000

- 4.9 The policy statement generally reflects how we have worked together with the HEART over many years but the Board will note that it brings clarity about some circumstances in which the Council might decide not to give permission for and deliver the adaptation works. This is at section 7 of the policy statement. If we do refuse permission we must give reasons and an opportunity for the decision to be reviewed.

5 **Report Implications**

5.1 Financial and Value for Money

- 5.1.1 Whilst, Government provide capital funding for Private Sector Disabled Facilities Grants which meet a mandatory scheme, they do not fund adaptations delivered by Local Authorities for their own tenants. The budget for 2025/2026 is £350,000. In 2024/2025 we spend £439,643 on adaptations for our disabled tenants.
- 5.1.2 The Council employs one member of staff (a Housing Assessment Officer) as part of the HEART structure. When an adaptation is agreed the Maintenance Service provide the works required.
- 5.1.3 The policy statement set out in this report for consideration is aligned with the funding provided for by the mandatory Disabled Facilities Grant (a maximum of £30,000) and the discretionary grant provided in the Housing/Financial Assistance Policy which is attached at **Appendix B**. This means that if either or both of these change the grant position that underpins the Policy will change too. In accordance with the current mandatory and discretionary grant arrangements there would be a maximum grant of £70,000 for a major adaptation. The mandatory Disabled Facilities Grant is subject to a means test. It is not proposed to introduce a means test for our tenants who require a major adaptation.
- 5.1.4 It should be noted that the Financial Assistance Policy is generous because of the level of grant available from Government. If that changes the Policy may change and this will affect permissions for adaptations to Council properties.

5.2 Legal and Human Rights Implications

- 5.2.1 As set out in the body of the report, the Housing Grants, (Construction and Regeneration Act 1996) states that a local authority *must* approve grants for adaptations to meet particular needs of those with disabilities if various provisions are met. These are:

- (a) that, in the case of an owner of a property, they have an interest in the property as an owner;
- (b) that the relevant works are necessary and appropriate to meet the needs of the disabled occupier; and,
- (c) that it is reasonable and practicable to carry out the works having regard to the age and condition of the dwelling, caravan, houseboat, or building concerned.

In determining point (b) above, the Council must consult the Social Services authority for the area concerned. This usually comprises an assessment by an Occupational Therapist or Social Worker who will make appropriate recommendations.

- 5.2.2 The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 contains a broader power which may be available to undertake works where the conditions set out in paragraph 5.2.1 are not met. This power also

allows the Council to incur expenditure to carry out such adaptations to its own properties when the tenant has a disability which requires such assistance.

- 5.2.3 Formal guidance on delivery was provided in March 2022 by the Department for Levelling Up, Housing and Communities and Department of Health and Social Care entitled 'Disabled Facilities Grant Delivery' which local authorities must consider in exercising its functions under either of these powers.
- 5.2.4 The partnership arrangements also ensure that all the Local Authorities involved can meet their obligation to co-operate with Social Services authorities to assess need under the Care Act 2014 .
- 5.2.5 The shared service provisions must comply with Section 101 of the Local Government Act 1972 and the Local Government (Arrangements for the Discharge of Functions) (England) Regulations 2012 specifically, in addition to any contractual arrangements between the authorities concerned, the Council must delegate the relevant functions to the host authority so that officers appointed to deliver the services may lawfully exercise those functions. Only Full Council may delegate functions to another local authority. Accordingly, if Board agrees to renew the current arrangement, it will also need to recommend that Council delegates these functions accordingly. The requirement to review and affirm these delegations is further emphasised by the implementation of additional legislation since the arrangements were initially made.
- 5.2.6 The "Integration and Better Care Fund planning requirements document for 2017 -19" explicitly states that the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 enables authorities to use specific funding for wider purposes and it invites Council to act to use the funding to improve delivery and reduce bureaucracy involved in the grant application process. The HEART arrangements and proposed Policy further that purpose.

5.3 Environment and Sustainability Implications

- 5.3.1 By supporting people to be able to live independently the Council is contributing directly towards a healthier communities' priority.
- 5.3.2 Working closely with the HEART and continued delivery of this service should provide our tenants with consistent information, advice and adaptations that will assist in improving their quality of life.

5.4 Equality Implications

- 5.4.1 The aim of the HEART is to improve the delivery of the Disabled Facilities Grants service both in quality and timescales and offer a holistic assessment which is much more than just delivering adaptations. This should result in a positive impact for people with disabilities and other service users sharing the protected characteristics in the Equality Act 2010.

5.6 Risk Management

- 5.6.1 The Council requires capital funding to deliver major adaptations. There is significant demand on the funding to meet the Decent Homes Standard and regulatory compliance. Demand for major adaptations may be more than the funding allowed in some financial years.

The Contact Officer for this report is Angela Coates (719369).

Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date
Disabled Facilities Grant delivery – Guidance for Local Authorities	DLUHC & Department of Health and Social Care	Government Guidance	2022

DRAFT

Adaptations Policy
2025 - 2028

Revision	Date	Description	Stage	Agreed
Draft	July 2025	First Draft	Draft	

1 The Service

This Policy sets out the Council's approach to providing adaptations for disabled occupants who are tenants or live permanently with a secure tenant in one of our properties. It is delivered in close conjunction with the HEART (Housing Environment and Adaptations Response Team) shared service and is underpinned by legislation and guidance for Disabled Facilities Grants.

Our service is provided by HEART and the Housing Maintenance Service in liaison with the Housing Options Team if alternative accommodation is required. HEART provides an assessment of the applicant's disability and need for an adaptation and makes a recommendation to the Council. The Maintenance Services delivers the adaptation works.

HEART provide a customer focused service delivery model which brings together different professions from different organisations. At the forefront of the assessment is the Housing Assessment Officer. This combines the skills of an Occupational Therapy Assistant and a Housing Caseworker to deliver holistic housing assessments and appropriate solutions. Where appropriate Occupational Therapists undertake assessments. This is normally for complex cases. The intention is to:

“To provide customers with the advice and information to help them make the right choice, and provide practical help to deliver the right housing solution when they want it”

The approach of HEART is to focus on and support the customer and carers to identify their own needs and preferred solutions e.g. advice and information, equipment, housing options, adaptations, telecare, falls prevention strategies. The service works in partnership with the person needing their services, and all other parties providing support, if necessary over the long term, to achieve an improvement in the quality of the individual's life.

The Maintenance Service employs contractors or uses our in-house repairs team to deliver the recommendations made by HEART. A technical, feasibility assessment is undertaken in advance of work being ordered in combination with an estimate of costs.

The Housing Options Team will provide information, assistance and advice about alternative accommodation to meet the needs of the tenant or disabled occupant.

Costs will be evaluated using the mandatory Disabled Facilities Grant allowances and the discretionary allowances published in the HEART Housing/Financial Assistance Policy.

The availability of suitable alternative accommodation will be considered for some cases where it is considered reasonable to offer it.

We will make people aware of this service on our website, in newsletters and information leaflets.

2 Monitoring and Review

We will monitor cases and performance quarterly. This will include the number of referrals received, the type of intervention recommended and the number of works successfully delivered within agreed timescales.

We will collect information about recommendations that have been refused and the reasons.

The effectiveness of this Policy will be closely monitored and subject to an annual review.

This Policy will be reviewed every 3 years unless business need, regulation or legislation prompts an early review.

3 Assessment Considerations

The HEART assesses the need of a tenant for an adaptation in accordance with the Government's Disabled Facility Grant legislation and guidance..

The service purpose is to consider "adapting a home environment can help sustain or enable independent living, privacy, confidence and dignity for individuals and their families.

The requirement for aids and the provision of equipment are considerations made in the assessment process.

Where an adaptation is reasonable and practicable we will deliver the most effective and efficient service. The outcomes for the service are identified as follows:

1. To enable customers with multiple and complex conditions to maximise their potential and live in their chosen home environment.
2. To improve quality of life for older and disabled people and their carers.
3. To be proactive and avoid where possible, crisis situations for customers and carers regarding managing in their chosen home environment.
4. To improve living conditions by reducing hazards in the home.

Assessments for adaptations will consider whether they are necessary and appropriate. Where the relevant works have been judged to be necessary and appropriate, the service will then consider whether it is reasonable and practicable to carry out the works.

4 Interventions

The Council will only provide a home adaptation if it receives a recommendation from HEART. This means that a tenant who requires an adaptation to help them to maintain their independence must contact the HEART to seek an assessment.

HEART provides different levels of interventions for their customers. This includes Council tenants.

Level 1

Information and Advice

Verbal, written, leaflets and electronic (web) information and advice

Information about local and national services.

Level 2

Assessment by a HEART professional to offer support and recommendations from Housing Assessment Officers & Occupational Therapists. This can be to consider minor or major adaptations.

- Assessment of need for adaptations

- Grab rails & stair rails

- Assess need for equipment

- Housing suitability reports

- Support /assessments for social housing moves

- Home environment assessment

- Assessment for complex cases & adaptations for children

- Home environment assessments

- Home suitability reports

- Technical Services

The consideration of major adaptations would include:

- Level Access Shower

- Stair lift

- Ramp

- Door Widening

- Property Extension

- Internal Reconfiguration

Lift Installation

Conversion

The Maintenance Service can make some minor reasonable adjustments to help tenants who have a disability without the need for a referral from HEART.

These would be minor changes which the Response Repairs Team could undertake. Examples could be additional stair rails, grab rails and lever taps. We will also consider installing minor alterations such as thumb locks, the alteration of light fittings or additional sockets and external lighting.

These will be completed on a date and time to suit the disabled occupant and their family.

5 Financial Assistance

Private owners and tenants in private or housing association tenancies are eligible to be considered for funding for adaptations to their home from Disabled Facility Grants. Local Authority Tenants are not eligible for those grants. Recommended interventions are considered by their landlord with permission required. This policy statement indicates how North Warwickshire provides funding for recommended adaptations.

Funding for adaptations is provided by the Council's Housing Revenue Account capital programme. The budget is agreed every 5 years and reviewed annually. The core budget funds minor and major adaptations. Most of the funding is for level access showers, stair lifts and ramps.

If the HEART consider that a tenant would benefit from an extension to their home to meet their needs alternative housing is considered alongside a technical feasibility assessment. A meeting between professionals will be arranged to discuss the case before any recommendations are made and our tenant will be fully consulted. If there is agreement that a home extension is the best option for the tenant how it will be funded will be subject to Board approval.

The Council will agree to fund major adaptations for its tenants in accordance with the level of mandatory Disabled Facility Grant set by Government and taking into consideration discretionary grants and loans provided for in the HEART Housing/ Financial Assistance Policy. For some adaptations this will mean that there is a limitation on what can be provided.

Where an adaptation is covered by a warranty and requires both as servicing and maintenance agreement the Council will fund the provision using its revenue budget.

6 Service Standard

HEART recommendations will be considered promptly by the Maintenance Service and agreed subject to this policy statement.

When a recommendation has been agreed it will be placed on a waiting list. Cases are considered for delivery in date order unless the HEART advises that there is a reason to provide it urgently.

We will endeavour to provide minor adaptations within 28 working days.

We will endeavour to deliver major adaptations (not including extensions) within 3 months if regulatory permissions are not required and resources are available.

The timescale for delivering an extension will depend on regulatory permissions, funding available and contractual arrangements.

We are committed to keeping our tenant fully informed throughout the delivery of the adaptation and to work in partnership with others to meet their needs where practicable.

Each adaptation will be managed by a Maintenance Surveyor. They will ensure that the contractor:

- Protects the property and our tenant's possessions during the installation works.

- Ensures all services are functional at the end of each working day.

- Ensures the installations are completed to the agreed timescales. Should unforeseen delays arise the contractor will keep our tenant informed

- Shows the occupants how to use and maintain any new fittings and fixtures.

7 Eligibility

We will normally only deliver recommendations for adaptations for a secure tenancy and where the disabled person is the tenant, a child of the household or another permanent member of the household.

We will not consider requests if the tenant has applied under Right to Buy. When the property is sold the tenant can apply for a Disabled Facilities Grant.

When deciding about an adaptation request we will consider the best use of our stock.

We may refuse to provide the adaptation in the following circumstances:

- The work is inappropriate to the type or age of the property and is therefore not reasonable or practicable.

The needs of the tenant can be reasonably met by the offer of suitable alternative accommodation which meets the household's needs

The tenant has an active housing register application and is seeking to move

There is a possession order in place against the tenancy

If the adaptation can reasonably be included in a future planned improvement programme

The adaptation is required for a mobility scooter that is not prescribed by Social Care.

The work would adversely affect communal areas.

8 Review of decision

A decision about eligibility and/ or refusal will be put in writing to the tenant.

A request for a review of a decision must be submitted to the Council within 21 days of the decision letter.

A review of the decision will be undertaken by someone not involved in the original decision about whether the adaptation can be provided.

The review decision will be notified to the tenant in writing.

If the tenant remains dissatisfied they can make a complaint using the complaints policy.

9 Use of Adaptations

We will hold a register of properties that have benefitted from a major adaptation

When an adapted property becomes vacant we will act in accordance with our published Lettings Scheme. This states that if a property has been adapted to meet the needs of a person with disabilities (for example it may have been extended to provide an additional room(s)) priority will be given to applicants who could make full use of that adaptation to meet their needs.

Where it is possible and practical to do so, we will reuse equipment that has become redundant in its current situation, such as stairlifts and metal ramping systems.

If someone is left in occupation of a property which has a major adaptation and they do not need the facility they will be offered alternative accommodation

10 Value for Money

In our response to a recommendation to adapt a property we will consider the best use of our stock and value for money.

Demand for our accommodation is high and our Lettings Scheme commits the Council to make the best use of its stock to meet that demand.

Our capital budget provision is committed to meeting the Government's Decent Homes Standard and focuses on safety and compliance. The Council is also committed to meeting the needs of its tenants who have a disability and need their home to be adapted but the funding available is subject to constraints.

We will ensure value for money in the following ways:

- Works will be ordered in accordance with our Contract Standing Orders
- Feasibility will be considered jointly by the HEART and Maintenance Service.
- The costs of an adaptation and its future use will be evaluated in accordance with the mandatory Disabled Facility Grant allowances and the Council's Housing/ Finance Assistance Policy.
- We will closely manage the performance and quality delivered by our contractor

11 Legislation and Related Policies

There is a range of legislation relating to the necessity for and delivery of aids and adaptations, the main ones being:

- Equality Act 2010
- Housing Grants, Construction and Regeneration Act 1996
- Chronically Sick and Disabled Persons Act 1970
- Health and Safety at Work Act 1974
- NHS and Community Care Act 1990
- The Care Act 2014

There is a range of related Council policies and procedures, the main ones being:

- HEART Business Case
- Heart Housing/Financial Assistance Policy

- Lettings Scheme
- Safeguarding Policy and Procedure
- Equality, Diversity & Inclusion Policy
- Data Protection, Privacy, and Confidentiality Policy
- Asset Management Strategy
- Tenant Incentive Scheme

Housing Assistance Policy 2023-2026

Date of Issue :	24 April 2023	Next Review :	September 2024	
Last Reviewed by				
Policy Owner	Partner Local Authorities / HEART Management Board			
Approval Date				
Author				
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Final	Angela Coates	3 May 2023	Final draft agreed by Board

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1.0 Introduction

- 1.1 This policy is a shared housing financial assistance policy for all the districts and boroughs within Warwickshire, namely, North Warwickshire Borough Council, Nuneaton and Bedworth Borough Council, Rugby Borough Council, Warwick District Council and Stratford on Avon District Council (known as ‘the authorities’ for the purpose of this policy). It sets out their shared approach to providing housing assistance for improving living conditions for residents. The policy has been developed in Partnership with Warwickshire County Council, as the Care Authority, and aims to support some of the most vulnerable people in the County by providing a framework for financial assistance under the provisions of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002. This policy seeks to make the best use of available resources and achieve added value wherever possible that demonstrates improvements in residents’ health, safety, and wellbeing at home.
- 1.2 The authorities that are partners in the Home Environment Assessment and Response Team (HEART) will deliver the support outlined within this policy. This service has delegated powers to act on behalf of the authorities with respect to the delivery of support under this policy and therefore, unless stated otherwise, any reference to ‘the authorities’ is the HEART partnership.
- 1.3 This policy updates and replaces all previously published policies and has been reviewed following changes in both national guidance, the Government social care White Paper publications and changes in the operational landscape (including increases in costs and funding available).
- 1.4 The policy will be reviewed annually by the HEART Management Board and if appropriate amended with approval sought by the District and Boroughs as required.
- 1.5 The Councils can publish a separate policy or addendum to this policy to incorporate other forms of financial assistance for delivery within their own areas by other teams or services.

Context

Legal Context

- 2.0 The **Housing Grants, Construction and Regeneration Act 1996** (the 1996 Act) places a statutory duty on Local Authorities to help disabled people qualifying for home adaptations. These works (called eligible works) must be considered “necessary and appropriate” to meet their needs and “reasonable and practical” regarding the age and condition of the property. These are called Disabled Facilities Grants (DFGs).
- 2.1 As well as these mandatory grants, Local Authorities also have the general power under the **Regulatory Reform (Housing Assistance) (England and Wales) Order 2002** (the RRO) to give assistance for home repairs, improvements, and adaptations for the purpose of improving living conditions in its area.

- 2.2 Capital grant funding is passported to local housing authorities from the Better Care Fund (BCF) which combines money from health, social care and housing budgets to deliver health and care services. Any assistance provided from this fund must only be used for the specific purpose of funding adaptations for disabled people who qualify for a Disabled Facilities Grant made under the 1996 Act or for other forms of assistance provided to any persons under the RRO that meet agreed objectives.
- 2.3 The **Care Act 2014** requires local authorities to identify, provide and arrange services, facilities and resources to prevent, delay or reduce the needs of individuals either for care or support. This includes home adaptations.
- 2.4 The **Chronically Sick and Disabled Persons Act 1970** places a duty to assist disabled children and young people 'in arranging for the carrying out of any works of adaptation in [their home] or the provision of any additional facilities designed to secure [their] greater safety, comfort or convenience' (Section 2). This duty arises where the authority has assessed the need for the specific adaptations.
- 2.5 In addition, **National guidance** (Safeguarding Disabled Children –Practice Guidance (2009) and Working Together to Safeguard Children - A guide to inter-agency work safeguard & promotes the welfare of children (2010)) also informs practice in respect of a local authority's duty to safeguard and promote the welfare of children and young people.
- 2.6 Under the **Housing Act 2004**, Local Authorities have a duty to keep housing conditions under review, including having regard to and taking action to reduce hazards that might be dangerous or prejudicial to health.
- 2.7 The **2022 DFG Guidance** jointly published by the Department for Levelling Up Housing and Communities (DLUHC) and the Department for Health and Social Care (DHSC) provides new guidance on developing a adaptations and RRO policy. It has been considered whilst writing this Housing Financial Assistance Policy.

Local Strategic Context

- 2.8 Each individual local housing authority has its own strategic objectives which are reflected in the priorities for this assistance policy. The policy also seeks to support the County-wide shared objectives of the Better Care Fund (BCF) Plan. The BCF plan states that "*Creating a home environment that supports people to live safely and independently can make a significant contribution to health and wellbeing, and is an integral part of our integration plans, and strategic use of the DFG can support this.*"
- 2.9 The authorities are working collaboratively through this policy to deliver services to support vulnerable residents to remain living safely in their homes for as long as possible.

3.0 General Policy Principles

- 3.1 The principle of the policy is that all residents in the County should have access to a safe and warm home, free from major hazards that meets their needs. The primary responsibility to maintain private homes lies with the owner. The Authorities will support owners in fulfilling this responsibility by providing advice, support, and assistance to enable them to make use of their own resources to fund repairs and improvements. They will only provide financial assistance where this is not possible

or practical or where it is a statutory requirement. The Council will assist residents who are owners and tenants to remain living independently within their homes within the scope of this policy.

3.2 Applicants for assistance must:

- be aged 18 or over, although applications for grants can be made on behalf of children under the age of 18 by a parent or guardian, and
- be a UK citizen, and resident in the County.

3.3 Funding calculations are based on what is considered by the authorities to be a reasonable price for necessary work (known as the eligible expense). Eligible expense will always exclude labour where works are carried out by the applicant, or a member of their family as set out in the Act. This applies to works provided under the RRO.

3.4 Where financial assistance is provided, the eligible expense will include necessary associated costs such as building and planning fees, Architect, private Occupational Therapist and other professional fees and agency advice service costs as detailed in the legislation and applies across these policy interventions.

3.5 Ongoing maintenance and repair of home improvements, adaptations and equipment provided through this policy will become the responsibility of the applicant, owner or landlord.

3.6 Payment will only be made if acceptable invoices are submitted upon completion or throughout the work.

3.7 Financial assistance cannot be given retrospectively. Applicants are strongly advised not to start any eligible work before their application for assistance is approved.

3.8 Payment will normally be made direct to the main contractor(s) not their sub-contractors or grant applicant(s) though HEART reserves the right to pay the appropriate person where disputes occur.

3.9 Where the applicant decides to apply directly to the Council without using the HEART service the Authority reserves the right not to process and application in accordance with the legislation placing the onus on the applicant. Once approval has been given the applicant has 12 months from the date of the approval in which to complete the works, unless otherwise stated.

3.10 A fee is charged when HEART manage the delivery of the adaptation. The fee is agreed by the HEART Board, is kept under review and published on the HEART website information.

4.0 Customer Feedback

4.1 Customer feedback is collected to inform the service. To support this Policy customer experiences will be shared with the HEART Management Board so that concerns and observations about the effectiveness of the policy can be assessed.

5.0 Equality and Diversity

- 5.1 The authorities are committed to fulfilling their roles as an employer, service provider, purchaser of goods and services and community leader without discrimination. This policy will be applied fairly and give equal treatment regardless of age, disability, gender, sexual orientation, transgender status/gender reassignment, race, and religion/belief. All members, employees and agents of the authorities must seek to eliminate discrimination and promote equality and good relations between all groups. The Authority's equality information can be found on the individual authority's websites.
- 5.2 This policy is particularly relevant for anyone who has a disability or long-term condition. Its aim is to ensure that people have a safe and suitable home so that they can live independently in their current home for as long as is possible.
- 5.3 The Authorities will record and consider data where supplied to gain insight on the impact of this policy on diverse customers and help improve operational processes

6.0 Priorities and capital resources

- 6.1 Since 2015 the Disabled Facilities Grant allocation has been paid by Government to local authorities through the Better Care Fund to support integration between health, social care and housing services.
- 6.2 The importance of the DFG has been recognised by increased budget allocations to a county-wide allocation of £5,124,786 (2022) annually. This level of funding has been confirmed for 2023/2024.
- 6.3 The grant allocation is used to fund the assistance set out in this policy. The HEART Management Board receive budget reports quarterly and keep demand and spend under review. Annually the Board agrees the budgets for the forthcoming year.

7.0 Summary of Types of Assistance available

The following assistance is available through this policy:

7.1 Mandatory Disabled Facilities Grants

Grants that local authorities must make available to residents who meet the required qualification criteria as set out in the 1996 Act, and the accompanying regulations and subsequent amendments.

7.2 Additional Discretionary Support for Mandatory DFG Applicants:

The following grants are discretionary and are offered subject to Council funding and resources available at the time:

7.2.1 Discretionary Disabled Facilities Assistance

7.2.2 Discretionary Contribution Support Grant

Where a discretionary element is being applied to top up a Disabled Facilities Grant it will be included on one approval notice.

7.3 Other Assistance

The following grants and assistance are discretionary and are offered subject to Council funding and resources available at the time:

Warm and Safer Homes (WaSH) Grant

Hospital Discharge Grant

Home Safety Grant

Energy Efficiency Support & Referral

As part of this Policy, following an assessment, funding is made available to cover the likely costs of stairlifts and ramps without the requirement for a means test.

Additional forms of assistance may be developed and added to a revised policy at a future date.

Further details of the assistance types are within the appendices to this policy. The table below provides a summary of the assistance available through this policy.

Additional Discretionary Support for Mandatory DFG Applicants				
Grant	Max Amount	Is a Financial Means Test Required?	Who is Eligible?	How is Eligibility assessed?
Discretionary Disabled Facilities Assistance To top-up a mandatory DFG where cost of eligible work exceeds the maximum grant (currently £30,000) The grant can be used to pay fees. The assistance can be used to support applicants to move where their home is unsuitable for adaptations	£20,000 Grant And up to £20,000 Loan	No additional means test to that carried out in addition to the Mandatory DFG means test	<ul style="list-style-type: none"> Disabled applicants who are owner-occupiers, private/ housing association tenants. Parents/guardians applying on behalf of children under 19 years old. 	<ul style="list-style-type: none"> The applicant has been assessed as eligible for a mandatory DFG and the cost of the DFG eligible works is in excess of the maximum DFG grant.
Discretionary Contribution Support Grant Please refer to flow chart at Appendix C This helps applicants who may otherwise would not be able to proceed because of the means tested contribution. This supports wider social care & health objectives.	£30,000	No additional means test to that carried out for the Mandatory DFG	<ul style="list-style-type: none"> Disabled applicants who are owner-occupiers, private or housing association tenants. 	<ul style="list-style-type: none"> The applicant has been assessed as eligible for a DFG. The first £7,500 of any assessed contribution will automatically be eligible for funding. It is anticipated that this will cover the cost of stairlifts and ramps in most cases and other adaptations up to this amount can be considered. Where the eligible works are likely to be below £7500 then no means test will be carried out. Unforeseen works will be funded without a further means test.

Other Assistance				
Grant	Max Amount	Is a Financial Means Test Required?	• Who is Eligible?	• How is Eligibility assessed?
Warm and Safer Homes (WaSH) Grant	£20,000	The qualifying financial criteria are at Appendix D	<ul style="list-style-type: none"> Eligible owner-occupiers 	<ul style="list-style-type: none"> The applicant must be an owner occupier and must meet the financial eligibility criteria Only 1 grant will be awarded in any 5 year period The applicant must have owned the property for 5-years prior to grant award
Hospital Discharge Grant	£10,000	No	<ul style="list-style-type: none"> Eligible disabled or vulnerable residents as assessed by the referrer and HEART team members 	<p>The works must be required to :</p> <ol style="list-style-type: none"> 1. Enable faster discharge from hospital 2. Reduce the risk of re-admission 3. Address significant difficulties in providing safe and dignified home-based care
Home Safety Grant Scheme	Home Safety matters considered and up to £1,000 for works.	No	<ul style="list-style-type: none"> Any resident aged 55 years or over Any household which includes a disabled person 	The Home Safety Check is available to all eligible residents. Preventative works will be funded to where no Care Act need has been identified

8.0 How assistance is delivered

Option 1 – HEART Managed Process

8.1.1 By agreement the HEART Service can fully assist the customer with the application process. The Team will work with the customer to do an assessment of circumstances and complete an application as well arrange for the delivery of the eligible works. For many customers this can be the easiest option.

8.1.2 The Team will:

- Carry out a needs assessment of person and property
- Where applicable, assess the applicant's financial circumstances in accordance with the statutory **means test or local financial criteria** which will identify any contribution to be paid towards the cost of the works or whether the applicant qualifies.
- Discuss how the adaptations / eligible works can be provided in the home and what building works or alterations are required to provide them.
- Agree the eligible works and arrange an Architect to design extensions and seek planning permission or building regulations approval if required.
- Assist in the completion of the application process for the DFG.
- Arrange contractors and seek quotes and specifications.
- Help to oversee the works on site on behalf of the applicant.
- Consider unforeseen works for additional grant assistance.
- Agree payments with the customer and ensure the customer receives appropriate certificates and guarantees.

Option 2 – Customers own Contractor Process

8.2 This option is where an applicant may wish to use the services of the HEART service to assist with their application for DFG or other assistance. An Architect may be appointed to provide drawings and consider planning permission requirements from HEARTS framework. However the customer can seek their own architectural services.

8.3 The customer is responsible seeking at least 2 quotes from contractors sourced by themselves and for managing the works. Advice and guidance can be provided.

Option 3 – Customer Managed Process

8.4 This option is where an applicant may wish to complete all elements of the application, supporting information and sourcing professional and contractor services themselves. An applicant can use their own Architect or draftsman and contractors to plan, develop or build a preferred scheme that meets the needs identified by the local authority. Any grant provided will be on the basis of meeting the assessed needs only and at a basic level of design fixtures and fittings.

9.0 HEART Contractors

9.1 The HEART service maintains a framework of contractors that undertake grant funded works. The procurement arrangements accord with the HOST authority Contract Standing Orders.

HEART has several types of contractors and specialist services within its supply chain. These include

- Architects
- Asbestos surveying companies
- Stair lift manufacturers and installers
- Bathroom installers
- Ramp installers

9.2 HEART effectively links contractors and suppliers with applicants that receive a grant and the contractual relationship is set out in the terms of the HEART agreement document signed by customers. Nonetheless there is a relationship between the contractor and HEART / HOST authority in conjunction with the applicant and HEART will work with customers and contractors to try to resolve issues that arise from HEART sourced contractors.

9.3 Each job that is intrusive to the building fabric will be subject to an asbestos survey to determine if specialist removal or precautions are necessary to complete the job. This survey will be paid from the capital grant irrespective of whether work progresses as will other specialist survey or design works where the grant works do not progress.

10.0 Fees and Ancillary charges

10.1 The Council will consider reasonable fees for financial assistance. The following fees will be eligible for financial assistance if they have been properly incurred in making and processing an application or delivering the eligible works.

- Confirmation, if sought by the Council, that the applicant has a relevant owner interest
- Relevant legal fees
- Technical and structural surveys
- Design and preparation of plans and drawings
- Preparation of schedules of relevant works
- Assistance in completing forms.
- Applications for building regulations approval (including application fee and preparation of related documents), planning permission, listed building consent and conservation area consent (and similar)
- Activities associated with contractors and the obtaining of estimates
- Consideration of tenders
- Liaison between customer and contractor regarding the relevant works and troubleshooting.
- Framework contract management
- Disconnection and reconnection of utilities where necessitated by relevant works
- Payment of contractors

- 10.2 Where the above services are provided by HEART they are included within the service fee which will be levied at the percentage rate agreed by the HEART Management Board.
- 10.3 Fee's will be paid in addition to the financial assistance limits but will not be levied on grants with a non-time limited land-charge so they do not become repayable.

11.0 Prioritisation of Case Types

- 11.1 For most cases the Council will prioritise cases in in chronological order of receipt of enquiry.
- 11.2 If appropriate the team will instigate a triage process to escalate an urgent case. The triage process has regard to the criteria outlined in the 2022 DFG Guidance¹
- Coming out of hospital and at risk
 - Living alone and deemed at significant risk
 - Severe cognitive dysfunction and at risk
 - Living with a carer who is elderly or disabled
 - Living without heating or hot water and at risk
 - Limited life expectancy,
 - The property subject of the enquiry is in such a condition as to present an immediate and significant danger to the occupants or visitors.
- 11.3 Cases which are consulted on with other agencies will be dealt with as required as there is often a long lead in period e.g. home suitability cases or children's adaptations. Where a property, case, customer, or category of assistance is to be considered outside of chronological order when not deemed an urgent case, the HEART Team Manager / Private Sector Housing Manager will sanction the action and a written record will be retained on file in justification of that decision. Where a case can be delivered at the initial enquiry stage for example a home safety provision of equipment or minor adaptations then these will be directly issued by the duty team to remove undue delays for straightforward solutions.

¹ <https://www.gov.uk/government/publications/disabled-facilities-grant-dfg-delivery-guidance-for-local-authorities-in-england>

11.4 All enquiries will be allocated a priority of 'Standard' or 'Urgent' upon assessment and applicants may request a review of their priority by the Assessing Officer if they believe their needs to have changed at any time in the process. To meet the needs of certain cases HEART has triage process so that urgent cases can be escalated. The following list is not exhaustive. It is intended to provide guidance as to when an enquiry could be considered urgent. The target date for completing an urgent assessment is 2 weeks.

- Life limiting condition – e.g. Motor Neurone Disease, Huntington's disease.
- End of life where an adaptation or repair is required
- Palliative diagnosis where an adaptation or repair is required
- High risk to health / safety / wellbeing
- High risk of informal / formal carer breakdown
- High risk to informal / formal carer health and safety
- The condition of the property results in a high risk
- No fixed form of heating from November to March
- No hot water supply in the property
- Works are necessary to facilitate discharge from hospital or nursing or residential care
- An adaption is required to facilitate an essential aspect of care / treatment. e.g. a ramp is required to facilitate wheelchair access in and out of the property for regular hospital treatment such as dialysis.
- Severe cognitive dysfunction that results in a high-risk situation
- Unable to access some essential facilities and lives alone, no formal / informal support
- Adaptations required to enable a care package to commence and there is no other alternative, this could result in a risk of hospital admission
- Some safeguarding matters, depending on nature

12.0 Complaints

- 12.1 The HEART Partnership Agreement provides for the HOST's complaints procedure to be used in the first instance. If the customer is not happy with the response given the Local Authority providing the grant funding will be involved in considering the first stage of the complaint and will respond independently at stage 2 of the procedure. The complaints procedure is shown on Nuneaton and Bedworth Borough Council's website or can be obtained from their customer services team.

13.0 Service standards, Key Targets

- 13.1 There is no national standard for the services provided through this policy excepting a statutory requirement for Councils to determine valid and fully made applications for mandatory DFG within six months. This does not account for pre-application activities such as the screening process and the 'application support' and administration including occupational therapy assessment, means testing, producing specifications, finding contractors. Some delays may be caused by documentation not being provided or decisions made by the applicant.
- 13.2 Legislation requires that works be completed within 12 months of any DFG grant approval being issued, but this can be extended by negotiation if there are valid reasons to do so, such as the customer receiving care, occasional changes in contractor or specification, complex snagging etc.
- 13.3 Locally, the service aims to apply the funding it receives fully each year with minimal waiting lists whilst maximising the outcome for customers.
- 13.4 The HEART Team is committed to ensuring good quality customer service and the performance measures used are based around measuring and improving the quality of service and customer outcomes as well as ensuring improvements in the speed of service delivery.

14.0 Review of the policy

- 14.1 The Policy may be reviewed whenever necessary but certainly annually in conjunction with the consideration of budgets for the service. Minor changes to the policy may be approved in accordance with District and Borough governance requirements. Major changes to the policy will require the approval using the partner Authority's governance arrangements. It is the intention that the policy remains consistent across the 5 districts of Warwickshire.

15.0 Special Cases Panel

- 15.1 The Special Cases Panel will consist of senior officers from HEART. At least one of them should be the Head of Home Environment Services or the HEART Manager.
- 15.2 The Panel will meet as required to review complex cases requiring additional funding and applications for specific additional discretionary assistance.
- 15.3 This Panel will also review all cases where applicants wish to appeal a decision regarding their case if they believe that their circumstances are not fully reflected within the scope of this policy and how it is implemented.
- 15.4 Residents can appeal where if their particular circumstances are not adequately reflected through the existing policy. The claim can only be successful if they establish to the satisfaction of the Panel that their case falls within the following criteria:
- Failure to carry out works will place the applicants or existing family's health and safety at immediate risk;
 - The applicant or member of their family has a specific and serious medical condition or disability – including mental health – which is being aggravated by the existing condition of the property and the provision of assistance would significantly improve the condition;
 - The condition of the house will imminently prevent the ability of the existing family to continue to live together;
 - The condition of the property will lead to the intervention of other statutory services, thereby causing additional expenditure from other public sources e.g. children being taken into care;
 - The work would be of wider benefit than to the applicant and their family e.g. where other properties are affected.
- 15.5 In all the above cases:
- The applicant has no means by which they could reasonably be expected to fund the work, either privately or with 'welfare' assistance, and
 - The assisted works must significantly reduce the problems under the above criteria, described by the applicant or identified by the Council
- 15.6 Where an appeal is successful the assistance offered may be one of the types contained within this policy or a variation.

16.0 Prioritisation of Assistance

This policy includes both mandatory and discretionary assistance. It also helps remove housing hazards that local authorities have a statutory duty to take action to help reduce the risk from. Capital resources to fund the assistance within the policy are limited and at times it may be necessary for the provision of discretionary assistance will need to be curtailed or suspended when budget forecasts suggest that mandatory grants will need to be prioritised to ensure they are funded.

Under the delegated responsibilities from each Local Authority it has been agreed that for budgetary reasons the responsible officer within the authority can suspend the discretionary assistance in consultation with the relevant Board Member. This will be in the form of a delegated officer decision and will be published on the Councils' website.

The priority hierarchy is as follows:

- 1 Mandatory DFG
- 2 Discretionary DFG
- 3 Warm and Safer Homes Grants
- 4 Hospital Discharge Grants
- 5 Home Safety Grant
- 6 Contribution Support Grant

17.0 Key definitions, references, and abbreviations

RRO – Regulatory Reform (Housing Assistance) (England and Wales) Order 2002

<http://www.legislation.gov.uk/ukxi/2002/1860/article/3/made>

The 'Act' (1996) – Housing Grants, Construction and Regeneration Act 1996

<http://www.legislation.gov.uk/ukpga/1996/53/contents>

The 'Guidance' (2022) – National DFG Guidance published March 2022 by Government

<https://www.gov.uk/government/publications/disabled-facilities-grant-dfg-delivery-guidance-for-local-authorities-in-england>

DFG – Disabled Facilities Grant.

DDFA – Discretionary Disabled Facilities Assistance

BCF – Better Care Fund

WCC – Warwickshire County Council

NBBC – Nuneaton & Bedworth Borough Council

NWBC – North Warwickshire Borough Council

RBC – Rugby Borough Council

SoADC – Stratford on Avon District Council

WDC – Warwick District Council

HEART – Home Environment Assessment and Response Team

DLUHC – Department for Levelling Up, Housing and Communities

HHSRS – the Housing Health & Safety Rating System, the prescribed system under the Housing Act 2004 for measuring hazards associated with housing conditions

ECO – Energy Company Obligation

Certified Date – the date certified by the service on behalf of the Council as that on which the execution of eligible works is completed to the Councils (HEART) satisfaction. In this instance being the works completion date.

Dwelling – a building or part of a building occupied or intended to be occupied as a separate dwelling, together with any yard, garden, outhouse and appurtenance belonging to it or usually enjoyed with it.

Exempt disposal – a disposal or transfer of the whole or part of the premises to a person whose main residence is the property and who is (a) one of the joint owners of the dwelling, or (b) the wife, husband or partner (including same sex) of the owner or one of the joint owners of that property.

Relevant disposal – a conveyance of the freehold or an assignment of the lease, or the granting of a long lease (one of over 21 years, otherwise than at rack rent)

Member of family – a person is a member of the applicant's family if they are the spouse of the applicant or living together as partners, or is the grandparent, parent or dependent child

of the applicant or their spouse or partner (inclusive of same sex partners, step-children, adopted and foster children).

Owner-occupier – whilst this term is self-explanatory, where appropriate it will include certain tenants with repairing type leases (sometimes called FRI or Full Repairing and Insuring Leases, of a suitable duration) who would otherwise be unable to insist their ‘superior landlord’ undertake renovations. Repairing lease tenants would qualify for DFG in their own right, with permission.

18.0 Appendices

Appendix A. Mandatory Disabled Facilities Grant and amendments

This is included for context and information purposes and includes locally agreed amendments.

The Council will award mandatory Disabled Facilities Grant (DFG) according to the governing legislation – principally the 1996 Act and subordinate Regulations and Orders as amended - and guidance issued by central Government, and which details amongst other matters the types of work that are to be funded, the maximum grant payable (currently £30,000), and the test of financial resources where applicable.

Qualifying Criteria

All owner-occupiers and tenants, licensees or occupiers who can satisfy the criteria in sections 19-22 of the 1996 Act are eligible to *apply* for DFG, but applicants must be aged 18 or over (this does not apply to the disabled person, who may be younger). Tenants of Private Social Housing Providers and private landlords are also eligible to apply. Council tenants will be referred to their Housing Authority Landlord after initial assessment by HEART which will consider the adaptation in the context of their housing management policies. Being eligible to apply does not automatically confer approval – some cases will not meet statutory tests as described below, and others may have significant means tested contributions that will affect their decision making.

As a part of the application process, the Authorities will require certificates relating to property ownership and future occupation and will request permission from the owner. The Authorities would reasonably want to ensure the tenant has the right to carry out the works and that the landlord would not object.

Qualifying Works

Those works eligible for mandatory DFG are set out in section 23(1) of the 1996 Act, as amended. These are;

- i. facilitating access by the disabled occupant to and from the dwelling, qualifying houseboat, or qualifying park home, (now including the garden) or
- ii. making the dwelling, qualifying houseboat or qualifying park home safe for the disabled occupant and other persons residing with them;
- iii. facilitating access by the disabled occupant to a room used or usable as the principal family room;
- iv. facilitating access by the disabled occupant to, or providing for the disabled occupant, a room used or usable for sleeping;
- v. facilitating access by the disabled occupant to, or providing for the disabled occupant, a room in which there is a lavatory, or facilitating the use by the disabled occupant of such a facility;

- vi. facilitating access by the disabled occupant to, or providing for the disabled occupant, a room in which there is a bath or shower (or both), or facilitating the use by the disabled occupant of such a facility;
- vii. facilitating access by the disabled occupant to, or providing for the disabled occupant, a room in which there is a wash hand basin, or facilitating the use by the disabled occupant of such a facility;
- viii. facilitating the preparation and cooking of food by the disabled occupant;
- ix. improving any heating system in the dwelling, qualifying houseboat or qualifying park home to meet the needs of the disabled occupant or, if there is no existing heating system or any such system is unsuitable for use by the disabled occupant, providing a heating system suitable to meet their needs;
- x. facilitating the use by the disabled occupant of a source of power, light or heat by altering the position of one or more means of access to or control of that source or by providing additional means of control;
- xi. facilitating access and movement by the disabled occupant around the dwelling, qualifying houseboat or qualifying park home in order to enable them to care for a person who is normally resident and is in need of such care;
- xii. facilitating access to and from a garden by a disabled occupant; or making access to a garden safe for a disabled occupant.

Local amendments to DFG

Council Tax

Council Tax reduction is eligible as a passporting benefit.

Warranty Provision

The Authorities will include as part of the mandatory DFG the cost of a maintenance agreement for a period of five (5) years (where available) from the certified date for stair lifts, through-floor lifts, Clos-o-mat type toilet, step-lifts and similar equipment installed with the assistance of that grant. Where maintenance agreements of 5-years are not available through the Manufacturer the Council will fund the maximum warranty that is available. Where installing a reconditioned stair lift, any unspent warranty will be increased to the full 5 years if possible.

Necessary, Appropriate, Reasonable & Practicable

A DFG will only be made if the works are both 'necessary and appropriate' and 'reasonable and practicable'. Where an applicant prefers a different scheme of works to that approved by the Council, the Authority may offer to 'offset' the value of the original scheme towards those greater works with appropriate safeguards. This is at the discretion of the Authority.

Works which have been started prior to the approval of an application will not be eligible for financial assistance.

Unexpected works which arise during the carrying out of eligible works will be considered for assistance if the works could not have been reasonably foreseen and if they are vital to the completion of a safe and effective adaptation.

Unforeseen works carried out without prior approval of the Authority will not be eligible for assistance. Where unforeseen works are necessary these will be added to the grant up to the specified maximum for mandatory DFG. Costs above the mandatory grant maximum may be supported as discretionary DFA in accordance with this policy. Care must be taken when agreeing to schemes of works on third-party property such as tenanted accommodation, that the property owner is fully engaged with the decision process. This is also particularly important where an architect or similar is acting on the customers behalf, and where issues such as planning permission, building control and other regulation are involved.

Contractors

The DFG award is for a sum of funding only and is not inclusive or exclusive of using particular contractors or products. Customers may specify and choose their own contractors, agent, products and design – but take responsibility for those choices, as long as the contractors are suitably qualified, and the result meets the HEART Service and Occupational Therapist's requirements. Contractors will need to be insured and appropriately regulated where appropriate.

Financial Assistance

Mandatory DFG will be subject to a means test in accordance with the regulations made under the 1996 Act, as amended. The maximum mandatory DFG award is currently £30,000 minus any contribution required by a 'means test' (test of financial resources). Successive applications may be awarded for those persons whose condition is degenerative, or they develop additional needs. If the maximum grant limit is changed by statute then the maximum available DFG award by the Authorities will reflect this.

Where successive applications are awarded, the applicants' assessed contribution to the first grant award will be taken into account if within the time period of the contribution originally calculated (10 years if owner, 5 years if tenant).

NOTE: where an applicant is in receipt of a recognised, qualifying, means tested benefit they will not be further means tested and they will have no calculated contribution to make. Where works are for the benefit of a child or young person of 19 years of age or younger at the date of application – they too will be exempt from a means test.

Order of processing applications

DFG applications or recommendations will usually be processed in chronological order, in line with any approved priority system, excepting in emergency circumstances at the discretion of the Authority.

Recovery of assistance awarded

Some mandatory DFG may be recoverable in accordance with permitted values. Where the customer is an owner-occupier and not a tenant, a sum of up to £10,000 may be recovered for works more than £5,000. This sum would only be recovered if the property were sold or title otherwise transferred within 10 years of the certified (completion) date of works, subject to the Council's discretion to reduce or waive in the case of financial hardship. All recoverable costs would be registered as a land charge against the property.

NOTE: this is separate and different to the potential repayment of grant in the event of a breach of occupancy conditions or detected fraud. Also, Councils are entitled to recalculate grant awards in limited circumstances, such as for example if any relevant insurance claims are pending, and to cease making payments and to seek repayment in some cases as detailed in sections 40-42 of the 1996 Act.

Conditions relating to Contractors, Standard of Works and Invoices

In approving an application for financial assistance, the Council will require as a condition that the eligible works are carried out in accordance with any specification it has decided to impose.

The eligible works must be carried out by the contractor(s) upon whose estimate the financial assistance is based, or if two estimates were submitted, by one of those contractors. The Council's consent must be obtained prior to the works if a contractor who did not submit an estimate is to carry out the works, and if an agreement is given, an estimate from the new contractor must be submitted to the Council (this does not automatically convey a difference in revised grant award – any additional costs must be separately financed by the client).

An invoice, demand or receipt will not be acceptable if it is given by the applicant or a member of the applicant's family. Where works are carried out by the applicant or a member of their family, only the cost of materials used will be eligible for financial assistance.

It is a condition of the financial assistance that the eligible works are carried out within 12 months of the date of approval of the application. This period may be extended by the Council if it thinks fit, particularly where it is satisfied that the eligible works cannot be completed for good cause – requests for additional time must be made in writing before the 12-month period ends and approved extra time will be confirmed in writing by the Council.

The payment of the financial assistance to the applicant will be dependent upon the works being carried out to a standard that is satisfactory to the Council and upon receipt of a satisfactory invoice, demand, or receipt for the works and any preliminary or ancillary services or changes.

The Council will usually make payments direct to the contractor on behalf of the client, and not usually to the applicant. Where the applicant disagrees with a payment made direct to a contractor, no payment shall be made until any dispute is resolved. Where the dispute is not resolved the Council reserves the right to make payment to the contractor. Legislation permits the Council to make payment by delivering to the applicant an instrument of payment in a form made payable to the contractor, OR by making payment direct to the applicant in accordance with information provided prior to grant approval.

NOTE: Contractors receiving direct payment may be required to provide sufficient information to be set up on the Council's financial systems – BUT this should not frustrate the client's choice, as the mandatory DFG grant (only) is an award of funds and not an award tied to a specific contractor with additional financial conditions.

Future occupation of the dwelling

It is a condition of the grant that throughout the grant condition period (that is 5 years from the date of certification) the dwelling is occupied in accordance with the intention stated in the certificate of owner occupation or availability for letting or intended tenancy.

Customer Own Schemes (COS)

Customers who meet the Disabled Facilities Grant (DFG) eligibility and are therefore entitled to a grant allocation may wish to 'top-up' the DFG funding. The DFG recommendation by the Occupational Therapist will be for the most cost-effective solution which meets all identified needs and will look to adapt an existing property. Where a customer wishes to pursue a different scheme, they will be responsible for the difference in costs between the DFG 'Mandatory Scheme' and the final cost of the works, including unforeseen costs.

It is the responsibility of the customer to clearly define what is privately funded works and specifications and provide an itemised costing for those works. The Council will only fund the assessed DFG element of the works and customers will be responsible for unforeseen works and contingency funding where these are not clearly associated with the assessed works.

The HEART surveyor and Occupational Therapist will work with the customer, their architect and builders as applicable, to ensure that the final scheme meets the disabled person's needs and where applicable planning and building control regulations have been adhered to.

Where a customer is progressing along this route there will be additional responsibilities for the customer to comply with all legal requirements including construction legislation and the grant legislation. The customer will be responsible for any additional funding beyond the grant award, for any contingency and for management of the contractors and service providers. Payment of grant will only be made once the appropriate facilities have been provided.

HEART will have guidance to assist customers.

Repayment

Where a charge (repayable grant) is due for recovery, on receipt of a written request from the responsible person the individual Authorities will consider the options to reduce or waive repayment in particular circumstances to be determined in accordance with the following criteria;

- the extent to which the recipient of the grant would suffer financial hardship were they to be required to repay all or any of the grant;
- whether the disposal of the premises is to enable the recipient of the grant to take up employment, or to change the location of their employment;
- whether the disposal is made for reasons connected with the physical or mental health or wellbeing of the recipient of the grant or of a disabled occupant of the premises;
- whether the disposal is made to enable the recipient of the grant to live with, or near, any person who is disabled or infirm and in need of care, which the recipient of the grant is intending to provide, or who is intending to provide care of which the recipient of the grant is in need by reason of disability or infirmity.
- Whether the adaptation was completed in order to facilitate a foster placement and any reasons why the property may now be being sold.

All recoverable charges will be recorded as local land charges.

The land charge will be placed in accordance with 2008 General Consent² which enabled local authorities to place a local land charge for the portion of the grant over £5,000. The charge can be up to £10,000 and applies if the owner wants to sell the property within 10 years of the certified (completion) date.

Worked examples of the charge are given below:

	Total Grant Awarded	Exempt Amount	Remaining Value of Grant	Charge Placed
Example A	£12,000	£5,000	£7,000	£7,000
Example B	£15,000	£5,000	£10,000	£10,000
Example C	£25,000	£5,000	£20,000	£10,000

Second Residencies

In cases where families separate, and a court order provides that residency of the subject disabled child is split between two households, the Authority may consider the award of DFG funding to provide adaptations in a second home, which is not the primary residence of the disabled individual, but which facilitates access to the second household with whom residency is shared.

Cases would be considered individually by the Special Cases Panel and must be able to demonstrate through the provision of Court Orders, or equivalent Residency agreements that residency is shared and the lack of provision in the second home means that the child is not able to live as expected.

Where relevant professionals are supporting the family their involvement with the application should be considered.

2

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/7811/generalconsent2008.pdf

Appendix B. Discretionary Disabled Facilities Assistance

Purpose of the assistance

The purpose of this assistance is to help the vulnerable members of the community where the Mandatory Disabled Facilities Grant (DFG) is insufficient to cover the full cost of the works or where the works are out of scope of the legislation but by completing them there would be demonstrable savings to the wider public purse and clear benefits to the applicant and/or their family/carers. It is also available to support residents whose properties are unable to be adapted or where a move to an alternative home may be more appropriate.

How will it be funded?

The grants would be funded from the DFG Budget as resources allow. Mandatory Grants will have priority. The HEART Management Board will be kept informed of relevant spending patterns and pressures.

Who will it help?

Those who have been assessed as eligible to apply for Mandatory DFG assistance and towards the mandatory designed scheme to meet identified needs where a home is being adapted.

It will be available to those assessed as eligible for Mandatory DFG assistance but whose property is either unsuitable for adaptation to meet their needs or where a move to an alternative home is considered more appropriate.

Will it be means tested?

There will be no additional formal means test as all applicants for this assistance will have been means tested for mandatory DFG prior to applying for this grant and that assessment would be used to confirm eligibility.

How much funding might be available?

Funding under this scheme is available in two parts.

A maximum of £40,000 is available under this scheme.

Will there be a charge against the property?

The first £20,000 paid under this scheme will not be subject to a local land charge.

For works or costs which exceed the initial £20,000 paid under this scheme any amount provided will be placed in full as a local land charge against the property. This land charge will not be time limited and therefore will be repayable when the property is sold.

Note – this is a separate land charge to the £10,000 recoverable DFG land charge which expires at 10 years from the certified date.

Conditions attached to the grant

Works must not have been started or completed if they are to be considered eligible for funding under this provision. Unless they are as a result of unforeseen increased costs of a mandatory DFG whilst on-site which increases the cost of the works above the mandatory DFG funding limit.

Moving Costs

Where funding is requested to support moving and house purchase costs these will be reviewed on a case-by-case basis and will be determined by:

- The tenure and location of the original and new properties

- The residual equity and any increased mortgage debt and whether this is affordable without financial assistance from the Council
- Whether moving within the District/Borough or the County, or beyond
- Whether the original property is unadaptable, unaffordable or poor value to adapt
- Whether moving is required due to a landlord refusal to permit an adaptation
- Whether the move is an occupier preference rather than a necessary requirement

Other conditions

The person must be a permanent resident of the District/Borough they are applying for funding from and the property must be their permanent address.

Conditions restricting future use and ownership of the property – the following additional conditions will apply where the Council has made an award of DDFA;

- The owner will notify the Council in writing if a relevant disposal of the property is proposed.
- The owner of the property will provide, within 21 days of a written notice from the Council, a statement confirming the ownership and occupancy of the dwelling. If the property has been sold or transferred the statement will include the date of transfer of ownership.
- DDFA may be registered as a charge against the property and will be repayable on sale or transfer of the property, subject to exempt sales. The charge will be binding on successors in title.
- It is a condition of DDFA that where an owner makes a relevant disposal of the dwelling, other than an exempt disposal, the DDFA shall be repayable subject to above.
- If the property is transferred, or the sale price does not reflect the market price, the Council will have the right to seek an independent valuation of the market value, which will be binding on both parties, in order to recover the grant repayable.

If the applicant for DDFA is a tenant then the Council will liaise with the appropriate landlord to explore whether alternative funding options, such as funding from the landlord and/or moving to alternative suitable accommodation is an option, before approving DDFA.

Applications for DDFA will be considered for Top-Up once works have already been started and unforeseen costs arise, if the scheme is a Mandatory Scheme.

A maximum of one application for DDFA will be considered in any 5-year period.

How to apply

Through the HEART Service and funding will be considered on a case-by-case basis as outlined above.

Appendix C. Discretionary Contribution Support Grant

Purpose of the assistance

The means test, as set out in the Housing Grants Construction and Regeneration Act 1996 has remained unchanged since the introduction of DFGs in 1996. It is widely accepted as being out of date and does not consider the outgoings of a household when assessing a contribution towards DFG. Results can occur which mean vulnerable people are unable to proceed with the adaptations they need to help them live at home due to an unaffordable contribution level. The 2018 DFG Review recommended that the means test be overhauled, and this is currently proposed in the Social Care White Paper 2021, but until changes are made it is proposed that discretionary contribution assistance is provided.

The aim of this scheme is to help the vulnerable members of the community where the applicant is unable to proceed with adaptations because of a means tested contribution which means that they are at significant risk in their home and/or the failure to complete adaptations will result in increased costs to the wider Social Care budgets. It gives the Council the ability to pay these contributions from discretionary funding therefore enabling works to go ahead and the applicant to remain living in their home.

How will it be funded?

The grants would be funded from the DFG Budget as resources allow. Mandatory Grants will have priority. The HEART Management Board will be kept informed of relevant spending patterns and pressures.

Who will it help?

Those who have been assessed as being eligible to apply for Mandatory DFG assistance.

The following pathway indicates how HEART considers customers for discretionary disabled facilities assistance:



Will it be means tested?

There will be no additional formal means test.

How much funding might be available?

Discretionary Contribution Support Grant (DCSG), up to a maximum of £30,000 may be awarded.

Applications for this grant will be considered and approved as follows:

£1 to £7,500 – will be approved under the scheme of delegation

£7,500 to £10,000 – will be considered on a case-by-case basis and the eligibility criteria for funding at this level would be savings of less than £15,000 for a single person and less than

£25,000 for a couple. Evidence will be required. Approvals will be under the scheme of delegation.

Contributions above £10,001 would be reviewed individually by the Special Cases Panel to ensure that households with the means to fund their contributions, do so. Whilst also ensuring that those households who are assessed as having a contribution due to a working spouse are not disadvantaged. Customers will need to prove why they cannot fund the contribution through commercial loan or income.

Will there be a charge against the property?

DCSG will be registered, **in full**, as a local land charge against the property for a period of 10 years and will be recovered on the sale or transfer of the property, subject to rules regarding exempt sales.

Note – this is separate to the £10,000 recoverable DFG which expires at 10 years from certification of works completion and separate to the DDFA land charge

Any DCSG awarded will be detailed on the approval notice for DFG

Conditions attached to the grant

The person must be a permanent resident of the District/Borough to whom they are applying for funding and the property must be their permanent address.

Conditions restricting future use and ownership of the property – the following additional conditions will apply where the Council has made an award of DCSG;

- The owner will notify the Council in writing if a relevant disposal of the property is proposed.
- The owner of the property will provide, within 21 days of a written notice from the Council, a statement confirming the ownership and occupancy of the dwelling. If the property has been sold or transferred the statement will include the date of transfer of ownership.
- DCSG will be registered as a charge against the property and will be repayable on sale or transfer of the property, subject to exempt sales. The charge will be binding on successors in title.
- It is a condition of DCSG that where an owner makes a relevant disposal of the dwelling, other than an exempt disposal, the DCSG shall be repayable subject to above.
- If the property is transferred, or the sale price does not reflect the market price, the Council will have the right to seek an independent valuation of the market value, which will be binding on both parties, to recover the grant repayable.

A maximum of one application for DCSG will be considered in any 10 year period.

How to apply

Applications will be considered through the HEART team as part of an application for Mandatory DFG assistance if a contribution is identified through the means test.

Appendix D. Warm and Safer Homes (WaSH) Grant

Purpose of the assistance

The purpose of this grant is to eliminate Category One hazards as identified by the Housing Health and Safety Rating System within owner-occupied homes in the County. In certain circumstances, as the HEART Management discretion the elimination of Category Two Hazards may also be included in eligible works if they are identified as having the potential to deteriorate and become Category one hazards if not remedied.

How will it be funded?

The grants would be funded from the DFG Budget as resources allow. Mandatory Grants will have priority. The HEART Management Board will be kept informed of relevant spending patterns and pressures.

Who will it help?

Funding will be available subject to the following eligibility criteria:

- The applicant must be the owner-occupier of the property
- The applicant must have owned the property for a minimum period of five years
- The applicant must meet one of the following financial criteria:
 - Be in receipt of:
 - Income Support
 - Income-based Job Seekers Allowance
 - Income-related Employment and Support Allowance
 - Support under Part IV of the Immigration and Asylum Act 1999
 - The Guarantee element of State Pension Credit
 - Child Tax Credit (as long as there is no entitlement to Working Tax Credit and the household income does not exceed £20,000 as assessed by HM Revenue and Customs). This amount will be reviewed and published on the HEART website information.
 - Universal Credit
 - Council Tax Support (not single person reduction)
 - The applicant is aged 55 years or over and/ or has a disability and their income level is below the income tax threshold
- Works required must not be eligible for funding from any other sources, such as insurance policies.

Will it be means tested?

There is no formal means test to assess a contribution, but applicants must meet the financial criteria set out above.

How much funding might be available?

Funding under this scheme is available in two parts.

A maximum of £20,000 is available under this scheme.

Will there be a charge against the property?

The first £10,000 paid under this scheme will not be subject to a local land charge.

For works or costs which exceed the initial £10,000 paid under this scheme any amount provided will be placed in full as a local land charge against the property. This land charge will not be time limited and therefore will be repayable when the property is sold.

Conditions attached to the grant

Only a single award of this grant will be available in any five-year period.

For works or costs which exceed the initial £10,000 paid under this scheme any amount provided will be placed in full as a local land charge against the property. This land charge will not be time limited and therefore will be repayable when the property is sold.

How to apply

Through the HEART team. An assessment of hazards within the property will take place using the HHSRS system methodology to establish if there are qualifying hazards present.

Appendix F. Hospital Discharge Scheme

Purpose of the assistance

The purpose of this assistance is to:

- 1 Enable faster discharge from hospital
- 2 Reduce the risk of re-admission
- 3 Address significant difficulties in providing safe and dignified home-based care.

How will it be funded?

The grants would be funded from the DFG Budget as resources allow. Mandatory Grants will have priority. The HEART Management Board will be kept informed of relevant spending patterns and pressures.

Who will it help?

It will support residents who are requiring discharge from hospital or where the provision of adaptations will reduce the risk of hospital readmission or enable safe and dignified home-based care.

Works may include adapting the home to accommodate a disability, remedying defects including safety hazards, security issues and thermal comfort measures.

Will it be means tested?

There will be no formal means test.

How much funding might be available?

A maximum of £10,000 may be available

Will there be a charge against the property?

There will be no land charge placed against the property.

Conditions attached to the grant

The works must be deemed as necessary to meet one of the three purposes for which funding is available.

Assessment for this funding may be prioritised over other caseload, at the discretion of the HEART management.

How to apply

Applications for this assistance will be referred by professionals in a Social Services, Acute or Primary Care Trust setting as being necessary to facilitate a hospital discharge or identified through routine work where circumstances indicate this is an appropriate solution.

Assistance will be managed by the HEART service.

Appendix G. Home Safety Grant

Purpose of the assistance

The purpose of this assistance is to offer free home safety interventions to all qualifying residents who are assessed by HEART staff for other services, or who approach requesting this assistance as a stand-alone request or referral.

The funding available under this assistance is to support preventative works where no qualifying Care Act need has been identified. If a qualifying Care Act need is identified, then work would be carried out under a qualifying scheme or a referral made to an appropriate service provider.

How will it be funded?

The grants would be funded from the DFG Budget as resources allow. Mandatory Grants will have priority. The HEART Management Board will be kept informed of relevant spending patterns and pressures.

Who will it help?

This check is available for:

- Any resident aged 55 years or over
- Any household which includes a disabled person

Funding for works is available for the above residents who do not have an identified qualifying Care Act need but where preventative works are strongly indicated as being a recommendation from the home safety assessment.

Will it be means tested?

There is no means test for this service or funding assistance.

How much funding might be available?

The home safety assessment is free of charge.

The maximum funding available for completing works is £1,000

Will there be a charge against the property?

There will be no charge placed against the property.

What will the assessment include?

The assessment will include identification of potential hazards within the home such as:

- Falls Prevention; Advise on safe clear floor pathways, ill-fitting carpets, trailing electrical wires, uneven floors, furniture obstructions, garden paths and shed / garage access, access to main doors (front, side, rear), bins etc.
- Mobility and use of facilities; Freedom of movement within home, identify ill-fitting doors and windows, stair & grab rails, steps, lighting, switches and sockets, changing a lightbulb, putting up or adjusting curtains / blinds and fittings,

- Hazards from hot surfaces and materials; Radiators, gas fires, hot water cooker arrangements,
- Warm Home Assessment; Identify damp & mould, insulation (cavity & loft), lack of central heating, draught proofing, water cylinder jacket, fuel poverty assessment, tariff/supplier choice, meter position and readability
- Security checks; Window & door locks, fitting key safes,
- Fire Safety; Smoke alarms, carbon monoxide detectors.

What works might be carried out?

The remedial works funded through this grant may include:

- Grab rails
- Stairs rails
- Internal ramps (half steps)
- Refitting and/or easing doors
- Easing windows
- Key safes
- Fit smoke alarms
- Door safety chains
- Access to property (minor trip hazards)
- Change & fit light bulbs
- Tack loose fitting carpets
- Re-route trailing wires
- Fixing loose floor boards (or refer on to others)
- Relocate small items of furniture
- Remove minor slip trip or fall hazards within the home or garden.

Conditions attached to the grant

There is no limit on the number of applications a household can make but the maximum funding available to complete works is £1,000 in any 3-year period.

Funding is based on households not individuals.

Eligible HEART fees for the delivery of the works will be paid.

Works can be carried out by an 'approved' Handyperson scheme or directly purchased by or on behalf of the resident if suitability is agreed.

Funding is available for both labour and materials costs.

How to apply

Through the HEART team.

Appendix H. Energy Efficiency Support

Purpose of the assistance

The authorities intention is to support residents wherever possible to improve the energy efficiency of their homes and support works that will reduce fuel poverty. Where existing schemes apply e.g. through local authorities or national criteria, HEART will make referrals or signpost to relevant organisations.

How will it be funded?

Where resources allow the authorities will work with HEART and other providers to source funding to support measures and engage with partners to attract funding for schemes as it becomes available.

Who will it help?

Schemes will be developed based upon the funding criteria as schemes become available.

How to apply

As funding opportunities become available, if successful bids are made via the HEART partnership then HEART will manage any available schemes and promote them accordingly.

Appendix I – Signatories and Key Dates

This document has been ratified by each partner Housing Authority by its own process, and duly minute as agreed and adopted. The effective date of the policy is that of each partner Authority.

Minute reference number Date

Representing (organisation) **Nuneaton & Bedworth Borough Council**

Minute reference number Date

Representing (organisation) **North Warwickshire Borough Council**

Minute reference number Date

Representing (organisation) **Rugby Borough Council**

Minute reference number Date

Representing (organisation) **Stratford on Avon District Council**

Minute reference number Date

Representing (organisation) **Warwick District Council**

Agenda Item No 7

Resources Board

24 July 2025

**Report of the
Director of Housing**

**Landlord Service - Complaints
Handling**

1 Summary

- 1.1 This report provides the Board with an update on complaints received about its landlord services during 2024-2025.

Recommendation to the Group;

- a That the contents of the report be considered;**
- b That the importance of meeting terms of the Ombudsman's Code be acknowledged;**
- c That the necessity to complete a self assessment about how we manage complaints and submit it to the Housing Ombudsman and share it publicly is noted;**
- d That the importance of learning from complaints is supported; and**
- e That the annual report at Appendix B is considered and agreed.**

2 Consultation

- 2.1 The Borough Wide Tenants Forum has considered a report on the complaints received to date.

3 Background

- 3.1 The Housing Ombudsman Complaint Handling Code became a statutory requirement from 1 April 2024 for all social housing landlords. The foreword to the Code says, "The heartbeat of this code is enabling a positive complaints culture across the social housing sector." The Ombudsman says, "Landlords must embrace complaints through increased transparency, accessibility and complaint handling governance, demonstrating that residents are core its service delivery and good complaint handling is central to that."

- 3.2 The Ombudsman will monitor compliance. This will involve ensuring the landlord:
- has scrutinised and challenged its compliance with the Code, complaints handling performance and learning from complaints at its governing body and published the outcome on its website;
 - complies with the code in a policy, and that any deviations are explained and are reasonable;
- 3.3 The Housing Ombudsman service will consider the Council's self-assessment and annual report for 2024 – 2025 and will confirm whether we meet the terms of the Statutory Code. They have asked us to complete a return to them by 30 September 2025.
- 3.4 Complaints must be acknowledged within 5 working days. Landlords must respond to a complaint at Stage 1 in 10 working days. Responses at Stage 2 must be within 20 working days.
- 3.5 Landlords must:
- have a person or team assigned to take responsibility for complaint handling. This role may be in addition to other duties.
 - appoint a suitably senior lead person as accountable for their complaint handling. This person must assess any themes or trends to identify potential systemic issues, serious risks, or policies and procedures that require revision
 - appoint a member of the governing body to have a lead responsibility for complaints to support a positive complaint handling culture. This person is referred to as the Member Responsible for Complaints (the MRC)
- 3.6 The complaints policy for the Council's landlords service is attached at **Appendix A**.
- ...

4 **Review of complaints received during 2024-2025**

- 4.1 Our policy and procedure for handling complaints is published on the Council's website. The Chief Executive's Service receives complaints, acknowledges them, tracks them and provides summary reports. The Director of Housing meets with the Member Responsible for Complaints (Councillor Clews) regularly to review what tenants are telling us.
- 4.2 The published information tells customers that the Council is committed to providing positive housing services that meet our published standards and deliver good customer care. It encourages them to give feedback so that we know what is working well and what we need to do to improve.
- 4.3 The service is acting to encourage feedback and complaints to promote learning.
- 4.4 From April 2024 to March 2025 the Housing Division responded to 60 complaints at Stage 1 of its complaint's procedure (there was a total of 37 last year).

8 complaints were made at Stage 2 (there was a total of 3 last year).

One complaint has been escalated to the Housing Ombudsman Service and is still being considered by them.

During the same period the Housing Division received 74 compliments.

4.5 38 of the Stage 1 complaints were about the maintenance service.

22 of the Stage 1 complaints were about the management service.

6 of the Stage 2 complaints were about the maintenance service – 1 was withdrawn before the complaint was resolved. Another was not responded to in the statutory required timescale of 20 working days.

2 of the Stage 2 complaints were about the management service

4.6 There were some commonalities in the complaints that were received about the maintenance service. Largely they are concerned with the time taken to complete a job or lack of information about when it will be appointed. Some of this is linked with follow on work after a first visit.

4.7 The complaints received about the management service were individual. Two were about our approach to dealing with anti-social behaviour reports. Some show an increasing concern about the length of time it is taking to rehouse applicants who are homeless.

Six were about how their housing register application was considered. In one case a concern was raised about not accepting a family member on the list but we were able to explain that the assessment had not been completed. In one case the applicant had visited the One Stop Shop without an appointment and could not be seen at the time they arrived. In two cases there was concern that some of the information provided had not been considered in the assessment undertaken. One applicant thought that they had been excluded because of the wording on the advert. One applicant was concerned about the length of time they were waiting for the vacancy they had been offered to become available.

Three complaints were about how tenancies had ended. One was concerned with a misunderstanding about the utility company for the vacancy, one was concerned with when the keys to the property were submitted and the end of tenancy date and one was concerned with a letter that had been sent about a debt at the end of a family member's tenancy.

4.8 In the Stage 2 complaints that have been responded to the reviewer upheld the findings of the officer responding at Stage 1. One was about a request to move home, the other was about the attitude of a member of staff and one wanted to be re-imbursed for their housing costs. In another the tenant was not satisfied that we had attended their repair safely.

- 4.9 The Annual Report is attached at Appendix B and will be published following the Resources Board meeting. The self-assessment has been reviewed and will be submitted to the Housing Ombudsman by 30th September 2025.

5 Learning from Complaints & Anticipating Service Demand

- 5.1 Whilst we can acknowledge and respond to complaints in a positive manner it is important that we learn from them so that we can improve our services. We can consider whether there are systemic issues in the way we deliver our services and also whether we can change our approach to service delivery.

- 5.2 There are some specific considerations in our learning and some which are more general.

- 5.3 The key areas for our consideration for 2025-2026 based on complaints received are:

- All services should be delivered with good customer care – including from contractors. We have completed Equalities, Inclusion and Diversity training and the policy statement has been agreed. We need to develop systems of work that reflect the training and policy and monitor customer feedback.
- We need to deliver reported repairs in the timescales agreed and when we cannot do so keep the tenant informed. The new structure for the Maintenance Service is in place. Systems of work must now underpin the efficiency we need from this service.

- 5.4 Our learning actions will include:

The Council has changed the structure of the Maintenance Service so that it has better capacity to meet the needs of both the stock and its tenants. We are acting to embed the changes now so that tenants will have less cause to 'chase' the repairs they have requested because of delays. The team of tradesmen has been increased to deal with the demands of the service. We need to monitor the quality of workmanship and the attitude and quality of works provided by contractors. We will be able to report on transactional surveys to track the satisfaction, or otherwise, of tenants so that we can have a continual learning loop into systems of work.

Our actions to improve the service to respond to reports of anti-social behaviour have been shared with the Housing Task and Finish Group. A new policy will be submitted to the Resources Board at its meeting in October. The new case management system approved by the Resources Board last financial year has been implemented. Clear recommendations have been made following an independent review of the service.

- 5.5 The Housing Ombudsman Service publishes reports which encourage landlords to learn from complaints that they have reviewed and analysed. These spotlight reports cover a range of services provided by landlords and

are published to encourage a proactive approach to understanding what concerns tenants and how landlords can improve their service delivery.

- 5.6 The Council is expected to be proactive in its service delivery and anticipate areas of service which may be at risk of failure. A spotlight report has highlighted the importance of addressing damp and mould conditions in properties. The Housing Division has a designated Surveyor that acts on reports of damp and/ or mould in 10 working days. We also have a designated Charge Hand and tradesmen that do the work required. In addition, we have introduced a specific case management system to improve customer communication, monitor delivery times and seek feedback on whether the interventions provided have worked.

6 Report Implications

6.1 Finance and Value for Money

- 6.1.1 Social Landlords pay a fee per property to fund the Housing Ombudsman Service. North Warwickshire currently pays £20,000. Sometimes it is appropriate to offer compensation as well as offering an apology to a customer and this is paid from the budget of the service which was the subject of the complaint.

6.2 Legal, Data Protection and Human Rights Implications

- 6.2.1 The Council has a duty to act in accordance with the Housing Ombudsman Code of Practice.

The Contact Officer for this report is Angela Coates (719369)

Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date
Housing Ombudsman Code of Practice	Housing Ombudsman Service	Code of Practice	

North Warwickshire Borough Council

Housing Landlord Services

We want to hear what you have to say

The Council is committed to providing quality housing services. To do this we need to know what is working well and what we need to do to improve.

Feedback

Our teams want to provide a good service.

If we do something well it is great to have your feedback so that we know that we are on track and working to your expectations. It is also great for staff to know that their efforts are appreciated. We share compliments with the people concerned.

If we act in a manner that causes you a concern, we would also like to have your feedback. Hearing from you will allow us to understand what is important to you and to improve our service.

How to have your say

- On our website
- By e-mail to complaintsandcompliments@northwarks.gov.uk
- By phone to 01827 715341
- In writing
- Using this form

Complaints

Our complaints procedure reflects the Housing Ombudsman's Complaint Handling Code and the good practice guidance for complaint handling by the Local Government and Social Care Ombudsman.

A complaint is defined as an expression of dissatisfaction about the standard of the service we have provided. It is when the action or lack of action has resulted in service failure. This includes:

- Services delivered directly by the Council or its contractor
- The standard or quality of the service
- Failure to follow policy or procedure
- Staff behaviours

Generally, the following are not dealt with as complaints:

- An initial or follow up request for service
- An information request
- An insurance claim or a matter which is subject to legal proceedings

We will act fairly when investigating a complaint. Investigating officers will seek to carefully consider all of the available information, act independently with an open mind and keep the matter confidential as far as possible.

We will use information from complaints to improve our services and we will consider trends to inform changes which may be required to our systems of work.

We will follow our published procedure to endeavour to resolve a complaint.

Quick Resolution

If the member of staff considering the complaint feels that it can be resolved quickly, to the customer's satisfaction, they will act to do so in 5 working days. The process will be overseen and recorded by the Performance and Quality Officer.

If the complaint cannot be resolved in this short timescale a formal complaint investigation will be initiated.

Stage 1 Formal Complaint Investigation

A complaint will be investigated by an officer that has not previously been involved in the case.

We will note and acknowledge the complaint in five working days.

Our aim is to investigate and make a decision within 10 working days from receipt of complaint. If this is not possible an explanation will be provided and an alternative date not longer than 20 working days.

The Director of Housing will investigate the complaint and respond or appoint an officer of appropriate seniority to do so. The process will be overseen and recorded by the Chief Executive's Team.

If we need to seek further information from you in order to fully understand your complaint we will contact you.

Stage 2 Review of Decision

If a complainant is not satisfied with the explanation and resolution of their complaint they can ask for the matter to be reviewed.

Our aim is to make a decision within 20 working days from the request to escalate the complaint. If this is not possible an explanation will be provided and an alternative date not longer than a further 10 working days will be proposed.

The Chief Executive will investigate the complaint and respond or appoint an officer of appropriate seniority to do so. The process will be overseen and recorded by the Chief Executive's Team.

A response to a complaint will address all of the points raised by the complainant and provide clear reasons for any decisions, referencing the relevant policy, service standard, law and good practice where appropriate.

In our communications we will clearly state the stage at which the complaint is being dealt with, the outcome of the complaint, the reasons for any decisions made, details of any remedy offered, outstanding actions and information about how to escalate the matter if dissatisfied.

Housing Ombudsman

We will endeavour to resolve your complaint to your satisfaction. If you decide that we are not doing so you can contact the Housing Ombudsman at any stage to seek advice and assistance.

Full details of the Housing Ombudsman service can be found on their website - www.housing-ombudsman.org.uk

Their e-mail is info@housing-ombudsman.org.uk

Their telephone number is 0300 111 3000

Address – PO Box 152 Liverpool L33 7W

Some housing related complaints can be considered by the Local Government and Social Care Ombudsman. More information about this can be found on their website.

www.lgo.org.uk

Telephone 0300 061 0614

Learning from Complaints

We will use information from complaints to reflect on our systems of work and how we behave towards our customers. In doing so we will encourage teams to use them to understand how our service is received.

The Housing Division provides summary reports and trend assessments for Councillors and tenants to consider.

Information about complaints and compliments will be provided in our Annual Report.

Name	
Address	
Please tell us if you making a Compliment, complaint or comment	Compliment Complaint Comment
Contact telephone number	
e-mail address	
Preferred method of contact:	
Telephone/ e-mail/ letter	
Brief details of your compliment, complaint, comment	
How would you like your complaint to be resolved?	

Appendix B

**Housing Division – Complaint Handling – 1st April 2024 – 31 March 2025
Annual Report**

1 Introduction

- 1.1 Our policy and procedure for handling complaints is published on the Council's website. The Chief Executive's Service receives complaints, acknowledges them, tracks them and provides summary reports.
- 1.2 The published information tells customers that the Council is committed to providing positive housing services that meet our published standards and deliver good customer care. It encourages them to give feedback so that we know what is working well and what we need to do to improve.
- 1.3 The service is acting to encourage feedback and complaints to promote learning.

2 Quantity

- 1.4 During 2024/2025 the Housing Division responded to 60 complaints at Stage 1 of its complaint's procedure. (There was a total of 37 in 2023/2025)

8 complaints were made at Stage 2. (There was a total of 3 last year.)

One complaint was referred to Ombudsman service.

During the same period the Housing Division received 74 compliments.

10 were for Housing Management and 64 were for Housing Maintenance.

- 1.5 38 of the Stage 1 complaints were about the maintenance service.

22 of the Stage 1 complaints were about the management service.

6 of the Stage 2 complaints was about the maintenance service – one was withdrawn because the complaint was resolved. One was not responded to within the Code timescale of 20 working days.

2 of the Stage 2 complaints were about the management service.

1 complaint was submitted to the Housing Ombudsman Service. They have yet to respond.

3 Content of Complaints

- 3.1 There were some commonalities in the complaints that were received about the maintenance service. Largely they are concerned with the time taken to complete a job or lack of information about when it will be booked in. Some of this is linked with follow on work after a first visit.

The complaints received about the management service were individual. Two were about our approach to dealing with anti-social behaviour reports. Some show an increasing concern about the length of time it is taking to rehouse applicants who are homeless.

Six were about how their housing register application was considered. In one case a concern was raised about not accepting a family member on the list but we were able to explain that the assessment had not been completed. In one case the applicant had visited the One Stop Shop without an appointment and could not be seen at the time they arrived. In two cases there was concern that some of the information provided had not been considered in the assessment undertaken. One applicant thought that they had been excluded because of the wording on the advert. One applicant was concerned about the length of time they were waiting for the vacancy they had been offered to become available.

Three complaints were about how tenancies had ended. One was concerned with a misunderstanding about the utility company for the vacancy, one was concerned with when the keys to the property were submitted and the end of tenancy date and one was concerned with a letter that had been sent about a debt at the end of a family member's tenancy.

In the Stage 2 complaints that have been responded to the reviewer upheld the findings of the officer responding at Stage 1. One was about a request to move home, the other was about the attitude of a member of staff and one wanted to be re-imbursed for their housing costs. In another the tenant was not satisfied that we had attended their repair safely.

4 Learning from Complaints

- 4.1 Whilst we can acknowledge and respond to complaints in a positive manner it is important that we learn from them so that we can improve our services. We can consider whether there are systemic issues in the way we deliver our services and also whether we can change our approach to service delivery.
- 4.2 Our key areas of consideration for 2025-2026 based on complaints received continue to be:
- We must actively seek feedback from tenants and respond positively to what they tell us about our service.
 - All services should be delivered with good customer care.
 - We should have published standards, policies and procedures and ensure we act in accordance with what we have stated.

- If a customer raises a concern with the service, we should act promptly to address it and provide clear timescales for responding
- We need to deliver reported repairs in the timescales agreed and when we cannot do so keep the tenant informed.
- We send a survey to all complainants following our reply to find out if they are satisfied with our response

4.3 There are some specific considerations in our learning and some which are more general.

4.4 Our learning actions will include:

The Council has changed the structure of the Maintenance Service so that it has better capacity to meet the needs of both the stock and its tenants. We are acting to embed the changes now so that tenants will have less cause to 'chase' the repairs they have requested because of delays. The team of tradesmen has been increased to deal with the demands of the service. We need to monitor the quality of workmanship and the attitude and quality of works provided by contractors. We will be able to report on transactional surveys to track the satisfaction, or otherwise, of tenants so that we can have a continual learning loop into systems of work.

Our programmes of work must be commissioned and delivered to meet the demands of our stock of assets, compliance requirements and repair responsibilities.

We will publish a code of conduct for all our contractors to follow.

Our actions to improve the service to respond to reports of anti-social behaviour have been shared with the Housing Task and Finish Group. A new policy will be submitted to the Resources Board at its meeting in October. The new case management system approved by the Resources Board last financial year has been implemented. Clear recommendations have been made following an independent review of the service.

Agenda Item No 8

Resources Board

24 July 2025

Report of the Interim Corporate Director - Resources (Section 151 Officer) Members' Allowances 2024/25

1 Summary

- 1.1 The purpose of this report is to advise Members of the allowances paid for 2024/25. The Council also has a duty to publish the amounts paid to Members under the Members' Allowance Scheme.

Recommendation to the Board

That the report be noted.

2 Report

2.1 Out-turn for 2024/25

- 2.1.1 The cost of Members' Allowances and other payments made under the Members' Allowance Scheme in 2024/25 was £257,742.46. A breakdown of these costs is shown at **Appendix A**. There were no claims in respect of Dependents'/ Carers' Allowance.

3 Report Implications

3.1 Finance and Value for Money Implications

- 3.1.1 Provision was made in the Cost of Democratic Processes budget.

3.2 Legal, Data Protection and Human Rights Implications

- 3.2.1 Under the Local Authorities (Members' Allowances) (England) Regulations 2003 the Council must publish details of its Members Allowances scheme in a local newspaper annually. In summary, this information must state that a scheme has been made, its main features, any special responsibility allowances, confirming the Council consulted and took account of the recommendations of the Independent Remuneration Panel in preparing the scheme, and that the scheme and records of the payments referred to below for that year can be inspected at the Council's offices.

- 3.2.2 It is a specific requirement that the Council keeps a record of the names of recipients of payments, the amount that each receives under the scheme and the nature of those payments and makes it available for inspection at the Council's offices. As soon as possible after the end of each year the Council must arrange for publication in its area of the total sum paid to each Member in respect of each of the following:

Basic Allowance.
Special Responsibility Allowance.
Dependents'/Carers' Allowance.
Travel and Subsistence; and
Co-optees' Allowance.

- 3.2.3 The Council will be discharging the above duties by publishing a record in the Atherstone Herald.

The Contact Officer for this report is Nigel Lane (719371).

Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date

PAYMENTS TO MEMBERS 2024/25

APPENDIX A

Name	Initials	Basic Allowance £	Special Responsibility £	Duty	Travel (Mileage & Parking) £	Total £
Barnett	M	5,997.96				5,997.96
Bates	D	5,997.96				5,997.96
Bell	M	5,997.96	6,005.04	Deputy Leader and Chairman of Community & Environment Board		12,003.00
Chapman	N	5,997.96				5,997.96
Clews	D	5,997.96	2,103.96	Chairman of Special Sub-Committee		8,101.92
Davey	B	5,997.96	2,103.96	Vice Chairman of Resources Board		8,101.92
Dirveiks	N	5,997.96				5,997.96
Farrow	J	5,997.96				5,997.96
Fowler	P	5,997.96			168.30	6,166.26
Gosling	J	1,541.67	588.81	Leader of the Main Opposition Group (part year)		2,130.48
Hayfield	CC	5,997.96				5,997.96
Hobley	K	5,997.96				5,997.96
Humphreys	DJ	5,997.96				5,997.96
Jackson	M	5,997.96				5,997.96
Jarvis	RJ	5,997.96	2,103.96	Chairman of Safer Communities Sub-Committee	131.40	8,233.32
Jenns	A	5,997.96	2,103.96	Chairman of Licensing Sub-Committee	274.95	8,376.87
Melia	B	5,997.96				5,997.96
Osbourne	M	5,997.96				5,997.96
Parsons	D	5,997.96				5,997.96
Phillips	H	5,997.96	2,103.96	Deputy Leader of the Main Opposition Group	432.45	8,534.37
Phillips	O	5,997.96				5,997.96
Reilly	D	5,997.96	3,311.04	Vice Chairman of Executive Board		9,309.00
Ridley	D	5,997.96			231.98	6,229.94

Ririe	B	5,997.96	5,011.27	Leader of the Main Opposition Group (part year)		11,009.23
Simpson	M	5,997.96	6,005.04	Deputy Leader and Chairman of the Planning & Development Board		12,003.00
Singh	M	5,997.96				5,997.96
Smith	S	5,997.96	2,103.96	Health and Wellbeing Working Party		8,101.92
Stuart	S	5,997.96				5,997.96
Symonds	C	5,997.96	6,005.04	Deputy Leader and Chairman of the Resources Board		12,003.00
Taylor	R	1,541.67				1,541.67
Turley	N	5,997.96				5,997.96
Watson	M	5,997.96			460.80	6,458.76
Whapples	E	5,997.96				5,997.96
Wright	A	5,997.96	2,103.96	Vice Chairman of Community & Environment Board	133.60	8,235.52
Wright	DA	5,997.96	13,239.00	Leader of the Council and Chairman of the Executive Board		19,236.96
TOTAL		201,016.02	54,892.96		1,833.48	257,742.46

Agenda Item No 9

Resources Board

24 July 2025

Report of the Interim Corporate Director
of Resources (Section 151 Officer)

Internal Audit Annual Report
2024/25

1 Summary

- 1.1 The purpose of this report is to present the Internal Audit Annual Report 2024/25.

Recommendation to the Board

- a That the Internal Audit Annual Report 2024/25 (Appendix A) is noted; and
- b That the work to address the limited assurance outcome is also noted.

2 Background

- 2.1 In July 2023 the Section 151 Officer presented a report to members of the Resources Board with options for providing the Internal Audit function for the Council as it has been operating below capacity for some time. Members approved a six-month trial with CMAP providing an audit service to supplement the in-house audit function.
- 2.2 The pilot commenced at the end of October 2023 and continued during 2024/25. The arrangement was reviewed, and findings reported to members in November 2024 with a recommendation due to the success of the pilot to request to join CMAP as a partner from 1 April 2025. This was accepted and the Council will join as a partner with a place on the officer and member boards.

3 Report

- 3.1 CMAP's Annual Report 2024/25 is set out at **Appendix A** providing an assessment as to whether the Council's framework of governance, risk management and control is adequate and effective.

- 3.2 The assessment provides only Limited Assurance that this is the case, which is clearly not what the Council would want but is in line with management expectations given staff capacity and overdue reviews of policies linked to turnover of staff. The report sets out in detail the reasons, which I accept, and I have started working on re-building assurance levels by tackling some of the most significant issues first.

Risk Management – No Assurance

- 3.3 Risk management is the cornerstone of the internal control framework and receiving an audit with no assurance has a huge impact on the confidence of the Auditors annual opinion. If not resolved quickly this will also impact Council's external audit opinion(s).
- 3.4 The Risk Management Opinion forms part of the Progress report later on this agenda. It sets out the management responses and progress already made to re-establish a position of reasonable assurance.
- 3.5 In addition, there is a separate report on this agenda from RSM, who the Council has engaged to assist in its work on risk management. The report and presentation at the meeting will highlight in detail the work completed to date and that agreed in future to ensure the Council can demonstrate that risk management is the cornerstone of its internal control framework.

Counter Fraud & Health & Safety – Limited Assurance

- 3.6 One of the main overarching issues raised by CMAP is that: *Although policies, strategies and other relevant documents exist, in certain cases they were out of date and not fit for purpose and/or not circulated to staff via the intranet.*
- 3.7 This is particularly the case for these two audits. They also form part of the Progress report later on this Agenda, where the management responses set out how assurance will be built back.

Financial Management System Implementation

- 3.8 One of the main overarching issues raised by CMAP is that: *The implementation of the new Financial Management system was not satisfactory. I am concerned that the implementation project was not led by Finance.*
- 3.9 The ICDR is currently reviewing the implementation that has been undertaken, looking back from the current position and it's clear that the resourcing commitment from Finance has been lacking in this project and the system configuration has been comprised. This is creating ongoing functional and control issues. However, the ICDR will be addressing this.
- 3.10 The system is the subject of a current audit and will be reported to a future Board meeting. We are in the interim in the process of making the system fit for purpose. Working with Embridge Consulting on the most immediate

issues, which are currently holding up closedown for 2024/25 to setting out a plan to resolve all of the issues identified.

Audit Committee

- 3.11 This has been raised by CMAP, Azets who are our external auditors and as part of the Peer Review findings.
- 3.12 Whilst it is usual to have a single committee dealing with both internal and external audit functions it can be delivered to two separate committees. The Government however have announced that they intend to make Audit Committees mandatory.
- 3.13 As reported to the Executive Board in June as part of the report on the Peer Review action plan, it therefore makes sense to wait for the legislation to be laid so that we either understand exactly what an Audit Committee will be mandated to do or establish that we are exempt due to Local Government Reform.

Other Factors / Issues

- 3.14 It's first worth noting that there are areas where audits are assessed as reasonable and substantial, however clearly focus needs to go into those areas that require improvement whilst sustaining the others. In many cases management have specifically commissioned audits in areas where it is known that improvement is required in order to produce action plans and having a more robust Internal Audit service is useful in highlighting issues that may not have been flagged via an in-house service.
- 3.15 The other issues outlined are largely related to capacity within the organisation. The causes are well documented a combination of high staff turnover and reductions in funding which are affecting on most authorities.
- 3.16 The Council's Management Team have discussed these implications from the audit and are working on ways to address resilience and build succession plans to help limit and deal with turnover.

4 Report Implications

Finance and Value for Money Implications

- 4.1 There are no direct financial implications arising from this report.

Legal, Data Protection and Human Rights Implications

- 4.2 There are no direct legal implications arising from this report.

The Contact Officer for this report is Paul Sutton (01827 719374).

Background Paper No	Author	Nature of Background Paper	Date

North Warwickshire BC –
Internal Audit Annual Report 2024-25
Resources Board: 24th July 2025



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Appendix A - QAIP – Improvement Plan	22

Our Vision

To bring about improvements in the control, governance and risk management arrangements of our Partners by providing cost effective, high quality internal audit services.

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Providing Excellent Audit Services in the Public Sector

Introduction

This report provides the Annual Internal Audit Opinion for the year ended 31 March 2025, as required under the Public Sector Internal Audit Standards (PSIAS). The opinion is provided to support the Council's Annual Governance Statement and reflects the outcomes of the internal audit activity undertaken during the year.

The Chief Audit Executive is responsible for leading the internal audit function, providing independent and objective assurance to senior management and elected members on the adequacy and effectiveness of the organisation's governance, risk management, and internal control processes. The Chief Audit Executive supports the organisation in achieving its objectives by evaluating and improving the effectiveness of these processes and plays a key role in promoting good governance and accountability.

Purpose of the Internal Audit Opinion

The purpose of the annual opinion is to provide:

- An independent and objective assessment of the Council's risk management, control and governance arrangements.
- Assurance to senior management and the Resources Board on the overall adequacy and effectiveness of these arrangements.
- A basis for the Resources Board to assess the Council's internal control environment.

Basis of the Opinion

Internal Audit's risk-based plan must take into account the requirement to produce an annual internal audit opinion. Accordingly, the Audit Plan must incorporate sufficient work to enable the Chief Audit Executive to give an opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. Internal Audit must therefore have sufficient resources to deliver the Audit Plan.

The opinion is based on:

- The outcomes of internal audit work undertaken during the year, as approved in the annual audit plan.
- Follow-up work on prior recommendations.
- The work of other assurance providers, where relevant.
- Engagement with senior management, external audit, and risk management functions.



Annual Internal Audit Opinion

In my capacity as the Council's Chief Audit Executive, I am required to provide an annual opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and internal control.

Overall Possible Opinions

The Chief Audit Executive's opinion relative to the organisation overall could fall into one of the following 4 categories:

OVERALL POSSIBLE OPINIONS

Substantial Assurance

A sound system of governance, risk management and control exists, with only minor weaknesses. Most controls are well designed and operating effectively, and risks are well managed.

Reasonable Assurance

The framework of governance, risk management and control is generally adequate and effective, although some improvements are required. Most systems and processes are well designed and operating effectively, but a small number of moderate risk issues were identified that require management attention.

Limited Assurance

There are significant weaknesses in governance, risk management and/or control which could jeopardise the achievement of objectives. Several audit findings suggest control breakdowns or gaps, some of which are high-risk or systemic.

No Assurance

The overall system of governance, risk management and control is ineffective. Fundamental or pervasive weaknesses exist across systems reviewed; immediate remedial action is required.

Note: The definitions for the annual opinion differ from the definitions for individual audit assignments.

Opinion for 2024-25

Limited Assurance can be given that North Warwickshire Borough Council's framework of governance, risk management and control is adequate and effective.

Internal audit work has identified significant gaps, weaknesses or non-compliance across the Council. We have suggested improvements to the system of governance, risk management and control to effectively manage risks and ensure that strategic and operational objectives can be achieved. However, there is either a slow response or no response to agreed actions. We are also finding delays in responding to draft internal audit reports.

In forming this opinion, I am satisfied that no conflicts of interest have occurred which would have any bearing on my independence or objectivity. Also, my organisational independence and objectivity has not been subject to any impairment in fact or appearance; nor has the scope of our work been restricted in any way.

I have arrived at this opinion having regard to the following:

- The level of coverage provided by Internal Audit was considered adequate.
- Work has been planned and performed so as to obtain sufficient information and explanation considered necessary in order to provide evidence to give assurance on the organisation's control environment.
- The changing risk environment within the Council has been taken into account during the 2024-25 financial year.
- Our insight gained from our interactions with Senior Management and the Resources Board.
- There has been a significant turnover of key staff at the Council in the last 24 months.
- The role of an Audit Committee is not vested into one single body.
- Although policies, strategies and other relevant documents exist, in certain cases they were out of date and not fit for purpose and/or not circulated to staff via the intranet.
- A dependency on single senior officers to provide operational input into key systems/frameworks e.g. risk management, which is the sole responsibility of the Council's s151 Officer. Such officers do not have the capacity to fulfil the role. We could not provide any level of assurance on the Council's risk management framework. This is to be addressed through the procurement of a specialist risk management provider.
- The Council counter fraud framework requires improvement, but the Council has secured a counter fraud resource from Derby City Council.
- The implementation of the new Financial Management system was not satisfactory. I am concerned that the implementation project was not led by Finance.
- The number of audits that we have been asked by senior management to defer.
- The lack of and timeliness of engagement with internal audit has hindered progress/completion of our audit work.
- Not all agreed actions are being implemented in a timely manner.

This opinion is provided with the following caveats:

- The opinion does not imply that Internal Audit has reviewed all risks, controls and governance arrangements relating to the Council. The opinion is substantially derived from the conduct of risk-based audit work and as such, it is only one component that is considered when producing the Council's Annual Governance Statement.
- No system of control can provide absolute assurance against material misstatement or loss, nor can Internal Audit give absolute assurance.
- Full implementation of all agreed actions is essential if the benefits of the control improvements detailed in each individual audit report are to be realised.

Internal Audit Performance & Compliance

During 2024-25 Internal Audit has operated in accordance with the PSIAS and the Internal Audit Charter approved by the Resources Board.

An annual self-assessment of CMAP's conformance with the PSIAS was conducted prior to the audit year, and actions were identified to be taken to address any areas for improvement. These actions are contained within CMAP's Quality Assurance & Improvement Programme (QAIP). The CMAP Leadership team revise the QAIP on an annual basis, with regular reviews of the progress on actions throughout the year. The QAIP is a standing item on all CMAP team meeting agendas and on the CMAP Operational Group meeting agendas.

The QAIP for 2024/25 and the progress made during the year on securing the improvements is shown in [Appendix A](#) at the back of this report.

An external quality assessment was last undertaken in October 2022 and it was determined that we generally conformed with each standard. A report on the outcome of the EQA was presented to this Committee on 7th December 2022. 'Generally Conforms' means the evaluator has concluded that the relevant structures, policies, and procedures of the activity, as well as the processes by which they are applied, comply with the requirements of the individual *Standard* or element of the Code of Ethics in all material respects. For the sections and major categories, this means that there is general conformance to a majority of the individual *Standards* or elements of the Code of Ethics, and at least partial conformance to the others, within the section/category. There may be significant opportunities for improvement, but these must not represent situations where the activity has not implemented the *Standards* or the Code of Ethics, has not applied them effectively, or has not achieved their stated objectives. As indicated above, general conformance does not require complete/perfect conformance, the ideal situation, successful practice, etc.

Assessments were based on the following 3 ratings:

- **Generally Conforms** - means that an internal audit activity has a charter, policies, and processes that are judged to be in conformance with the Standards.
- **Partially Conforms** - means deficiencies in practice are noted that are judged to deviate from the Standards, but these deficiencies did not preclude the internal audit activity from performing its responsibilities in an acceptable manner.
- **Does Not Conform** - means deficiencies in practice are judged to be so significant as to seriously impair or preclude the internal audit activity from performing adequately in all or in significant areas of its responsibilities.

Another external quality assessment will be scheduled for completion in 2027.

Summary of Audit Work Undertaken

Audit Plan 2024-25

The 2024-25 Internal audit plan was approved by Resources Board in March 2024. The plan was informed by internal audit's own assessment of risk and materiality in addition to consultation with Senior Management to ensure it aligned to the organisation's key risks and objectives. Any changes to the agree Audit Plan have been reported to Resources Board within the quarterly progress reports during the year.

An internal audit plan has to be flexible to respond to changes in the risk environment and other factors that can affect the governance of North Warwickshire BC. This means that the audit plan is kept under review to enable both North Warwickshire BC and Internal Audit/CMAP to propose changes to the planned areas for audit review. Audit reviews that were added and/or removed from the plan following discussions with the Council's s151 Officer were:

Added to 2024-25 Plan at the request of NWBC Management:

- Health & Safety

Removed from the 2024-25 Plan:

- Housing Maintenance & Repairs: Use of Procurement Cards – Removed because the Housing Department had discontinued their use of Procurement Cards.

The following audits were deferred at the request of NWBC Management:

- Information Governance – Freedom of Information, Data Protection and Records Management reviews.
- Data Quality
- Equality Diversity and Inclusion (EDI)

The following audit was deferred as the implementation of the Procurement Act 2023 was delayed until 24th February 2025:

- Contract Management

The following tables summarise the 2024-25 Audit Plan assignments and their outcomes as well as those assignments from the 2023-24 Audit Plan which were still ongoing in 2024-25. The tables below show the position as at 30th May 2025.

2024-25 Assignments	Status	% Complete	Assurance Rating
Information Governance – Fol, Data Protection, Records Management, Subject Access Requests	Deferred to 2025/26		
Information Governance – Privacy Notices	Draft Report	95%	Reasonable
Key Financial Controls incl Unit 4	In Progress	50%	
Contract Management	Deferred to 2025/26		
Data Quality	Deferred to 2025/26		
Equality Diversity and Inclusion (EDI)	In Progress		
Business Continuity & Disaster Recovery	Final Report	100%	Limited
Capital Programme	Draft Report	95%	Reasonable
Fly-tipping	Final Report	100%	Reasonable
Hackney Carriage (Taxi) & Private Hire Vehicle Licensing	Final Report	100%	Reasonable
Corporate Health & Safety	Draft Report	95%	Limited
Cyber Security (Part of IT Health Check audit)	Final Report	100%	Reasonable
Information Security	In Progress	10%	

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2023-24 Jobs B/fwd	Status	% Complete	Assurance Rating
Governance Framework	Final Report	100%	Limited
Risk Management Framework	Draft Report	95%	No Assurance
Key Financial Controls	Final Report	100%	Reasonable
Counter Fraud Framework	Draft Report	95%	Limited
IT Health Check	Final Report	100%	Reasonable
Income Collection – Leisure Centres	Final Report	100%	Limited
Homelessness	Final Report	100%	Substantial

Assurance Ratings Explained

Substantial - A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

Reasonable - There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.

Limited - Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.

No - Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

N/A – The type of work undertaken did not allow us to reach a conclusion on the adequacy of the overall level of internal control, i.e. a consultancy engagement.

These assurance ratings are determined using our bespoke modelling technique which takes into account the number of control weaknesses identified in relation to those examined, weighted by the significance of the risks.

Audit Recommendations

Audit Recommendations Made 2024-25

The control weaknesses identified within the eight completed audits resulted in 72 recommendations which suggested actions for control improvements. The following tables show where the recommendations came from, how the recommendations were risk rated and the current status of all recommendations made in 2024-25:

Audit Assignments Completed in Period	Assurance Rating	Recommendations Made				% Recs Closed
		Critical Risk	Significant Risk	Moderate Risk	Low Risk	
Business Continuity & Disaster Recovery	Limited	0	5	4	0	0%
Fly-tipping	Reasonable	0	0	1	7	12.5%
Governance Framework	Limited	0	2	11	2	27%
Hackney Carriage (Taxi) & Private Hire Vehicle Licensing	Reasonable	0	0	1	3	25%
Key Financial Controls	Reasonable	0	1	1	7	55%
IT Health Check (Incl Cyber Security)	Reasonable	0	0	2	6	63%
Income Collection – Leisure Centres	Limited	0	0	6	12	6%
Homelessness	Substantial	0	0	0	1	100%
TOTALS		0	8	26	38	25%

2024-25 Recommendations Status

Audit Assignments Completed in Period	Type of Review	Recommendations Status				
		Total Closed	Action Due	Delayed Action Due	Delayed Future Action	Future Action
Business Continuity & Disaster Recovery	System/Risk	0	0	0	0	9
Fly-tipping	System/Risk	1	0	0	0	7
Governance Framework	Governance Review	4	5	1	0	5
Hackney Carriage (Taxi) & Private Hire Vehicle Licensing	System/Risk	1	0	0	0	3
Key Financial Controls	System/Risk	5	2	2	0	0
IT Health Check	IT Audit	5	1	0	2	0
Income Collection – Leisure Centres	System/Risk	1	17	0	0	0
Homelessness	System/Risk	1	0	0	0	0
TOTALS		18	25	3	2	24

18 recommendations raised within final internal audit reports issued in 2024-25 have been closed. Seven moderate risk recommendations have been closed along with 11 low risk recommendations. All significant risk recommendations remain open.

Key Recommendations Arising from Audits in 2024-25

Eight significant risk recommendations were raised in internal audit reports finalised in 2024/25. These are detailed below:

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Job Name	Business Continuity & Disaster Recovery	Original Action Date	30/06/2025
Risk Rating	Significant	Revised Action Date	
Recommendation No.	1	Recommendation Status	Future Action
Summary of Weakness		Recommendation	
No evidence of review and update of the Council's Corporate Business Continuity Plan [CBCP] since January 2019, contrary to the Civil Contingencies Act 2004 which requires that such plans be put in place and kept up to date. Also, due to certain changes in senior manager and officer roles, replacement officers may be unaware of the roles expected of them during activation of the CBCP. Furthermore, the 'Call-out cascade' is out of date given the considerable turnover of senior officer and administrative roles.		Consideration be given to priority review and update of the Council's Corporate Business Continuity Plan [CBCP], considering the Warwickshire Local Resilience Forum [WLRf] webpage guidance on business continuity planning. The updated CBCP should reflect the latest senior management structure. The Distribution List within the CBCP should be completed to evidence circulation amongst key senior managers and officers expected to play a key role in responding to business interruption incidents as and when they may arise. The 'Call-out Cascade' section requires updating to reflect current staffing and nomination of key roles and responsibilities and their contact details. Also, a system of version control should be adopted to keep a record of the latest CBCP	
Management Response/Action Details		Status Update Comments	
As discussed, support has been commissioned from CSW Resilience and the first piece of work is a draft revised Emergency Management Plan. I will be discussing with the new support officers the idea of including CBCP within this.			

Job Name	Business Continuity & Disaster Recovery	Original Action Date	30/06/2025
Risk Rating	Significant	Revised Action Date	
Recommendation No.	2	Recommendation Status	Future Action
Summary of Weakness		Recommendation	
Business continuity [BC] planning in general has lacked adequate attention at the Council in the last five years, contrary to S9.3 of the Council's Financial Regulations. Considerable retirements / turnover in senior managers in recent years means that expected roles and responsibilities in relation to BC may not be clearly understood, especially amongst the replacement officers.		<p>That senior management:</p> <ul style="list-style-type: none"> • appoint or nominate an individual at management board level to be accountable for Business Continuity Management. • appoint one or more individuals with responsibility for taking business continuity planning forward, including keeping the Corporate BCP up to date, cascading its importance to Divisional lead officers expected to take ownership for maintaining up to date Business Impact Analysis [BIAs] and Divisional Business Continuity Plans [BCPs]. • notify all officers and staff with key roles and responsibilities assigned to them within the Corporate and Divisional BCPs, so that they are aware of these plans and the expectations placed upon them in the event of an emergency or business interruption incident necessitating activation of the BCPs. 	
Management Response/Action Details		Status Update Comments	
The Senior Management restructure will resolve this.			

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Job Name	Business Continuity & Disaster Recovery	Original Action Date	30/06/2025
Risk Rating	Significant	Revised Action Date	
Recommendation No.	5	Recommendation Status	Future Action
Summary of Weakness		Recommendation	
Key managers / officers / staff expected to carry out business continuity and disaster recovery duties as part of the Council's Corporate & Divisional Business Continuity Plans may lack sufficient knowledge and understanding due to the lack of awareness training / re-fresher training, potentially undermining the recovery phase after a business interruption / emergency incident.		That all key senior managers, Council divisional lead officers, and relevant officers expected to carry out business continuity and disaster recovery duties as part of the Council's Corporate & Divisional Business Continuity Plans be provided with training on the necessity for and the importance of Business Impact Analysis [BIA], BCP, and disaster recovery to raise awareness, knowledge and understanding. Also, that adequate training records be held to keep a track of who has attended what training courses / events and when, to cater for any further retirements / turnover of key officers and any gaps in training.	
Management Response/Action Details		Status Update Comments	
A request will be made to add this to the Corporate Training Plan and training via CSWR can be arranged.			

Job Name	Business Continuity & Disaster Recovery	Original Action Date	30/06/2025
Risk Rating	Significant	Revised Action Date	
Recommendation No.	6	Recommendation Status	Future Action
Summary of Weakness		Recommendation	
Given that no full Divisional Business Impact Analysis have been carried out for several years, the Council may not be able to demonstrate that adequate and up to date consideration has been given to identifying its business-critical systems / applications in priority of restoration for assigning within Divisional Business Continuity Plans.		<p>Consideration be given to all Council divisional lead officers being instructed to carry out a full Divisional Business Impact Analysis [BIA] as a matter of priority, to re-affirm or re-evaluate business-critical functions / services / systems in priority order of restoration, with the Management Team monitoring to ensure these are completed. Ideally, the full BIA template available on the Warwickshire Resilience Forum webpage, which incorporates a risk assessment tool, should be used for this purpose.</p> <p>Any fresh BIA would need to be aligned with the Council's Information Services - Major Incident Procedure. A system of version control should be adopted to keep a record of the latest Divisional BIAs and they should be held centrally for ease of access should a disruptive incident occur. The 'fresh' set of Divisional BIAs should then be used to inform that the Divisional BCPs incorporate realistic:</p> <ul style="list-style-type: none"> • recovery time objectives (i.e. the maximum desired length of time between an unexpected failure and the resumption of normal operations) • recovery point objectives (i.e. the most recent prior state to which the business needs to restore its systems / applications to recover from an interruption and resume operations, thus considering the most recent backup of systems data available); • failover premises sites (for back-up data storage, server location and resumption of business-critical services / systems) • staffing resource: – optimum number of staff required to carry out business-critical activities; minimum staff level to provide some sort of service; 	

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	<p>the skills / level of expertise required to undertake the critical services</p> <ul style="list-style-type: none"> Technology: - what IT and communication equipment is essential to carry out business-critical services; remote / hybrid working. Information / Data: - what information / data is essential to carry out business-critical services and how this information / data is stored, retrievable and backed-up.
Management Response/Action Details	Status Update Comments
Once the CBCP has been updated, a work programme using the CSWR support officers can be drawn up to facilitate the update of Divisional plans.	

Job Name	Business Continuity & Disaster Recovery	Original Action Date	30/04/2025
Risk Rating	Significant	Revised Action Date	
Recommendation No.	8	Recommendation Status	Action Due
Summary of Weakness		Recommendation	
<p>The Information Services – Major Incident Plan (IS-MIP) is deemed to be considerably out of date, last reviewed and updated in December 2018 and due to the audit observations set out in s4.5.1 of this audit report. This could seriously hinder the Council's overall disaster recovery should a major business interruption incident occur without notice. It is unclear as to whether:</p> <ul style="list-style-type: none"> the tests outlined in the 'Disaster Recovery Testing Checklists' set out in Appendix I of the IS-MIP, completed during annual tests from 2009 through to November 2018, continue to be conducted annually the backup arrangements set out in Appendix II of the IS-MIP continue to be applied in practice. <p>Furthermore, the IS-MIP does not capture the recent transformation measures to make certain software applications more resilient.</p>		<p>That consideration be given to:</p> <ul style="list-style-type: none"> priority review and update of the Council's Information Services – Major Incident Procedure [IS-MIP]. The audit observations with regards to the current IS-MIP (set out in s4..5.1 above) have already been shared with the Head of Corporate Services to consider. training being provided to all relevant Information Services [IS] staff with key roles and responsibilities assigned to them in the IS-MIP, so that they understand what is expected of them during any activation of the IS-MIP, including disaster recovery / system restoration processes. reassigning roles and responsibilities set out in the IS-MIP to replacement officers given the level of staff turnover in Information Services since 2018 the contact details of current IS staff being checked for accuracy and updated. Appendix I and Appendix II of the IS-MIP being reviewed and updated to reflect current working practices and staffing. <p>Also, the recent proactive transformation measures put in place to make certain software applications more resilient by way of their being remotely hosted via the cloud, may warrant inclusion in an updated IS-MIP.</p>	
Management Response/Action Details		Status Update Comments	
The Information Services – Major Incident Plan [IS-MIP] is being reviewed and updated by the Head of Corporate Services as a work-in-progress.			

Job Name	Governance Framework	Original Action Date	31/07/2025
Risk Rating	Significant	Revised Action Date	
Recommendation No.	7	Recommendation Status	Future Action
Summary of Weakness		Recommendation	
No formal governance training had been provided to the members' sitting on the Resources Board and Executive Board		We recommend that the Council's elected members are provided with the relevant CIPFA Audit Committee guidance.	

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Management Response/Action Details	Status Update Comments
Member induction following the May 23 elections included probity & Ethics and the decision-making process so included the TOR for each Board but was not detailed. Therefore, further specific audit committee training would be useful.	

Job Name	Governance Framework	Original Action Date	30/06/2025
Risk Rating	Significant	Revised Action Date	
Recommendation No.	8	Recommendation Status	Future Action
Summary of Weakness		Recommendation	
It's not clear which Board is responsible for Governance.		We recommend that the Council's constitution provides clarity on which board has overall responsibility for governance or alternatively constitute a separate Audit Committee to discharge the governance duties.	
Management Response/Action Details		Status Update Comments	
Constitution being completely reviewed.			

Job Name	Key Financial Controls	Original Action Date	01/09/2024
Risk Rating	Significant	Revised Action Date	30/04/2025
Recommendation No.	1	Recommendation Status	Delayed Action Due
Summary of Weakness		Recommendation	
Reconciliations had not been completed for Council Tax and NDR and the Finance Team did not have a central list or control log of the Council's Balance Sheet control accounts which should be subject to regular reconciliation.		<p>We recommend that reconciliations between the Council's revenue system for Council Tax and NDR and the general ledger are carried out as a priority and continue to be subject to regular reconciliation going forward.</p> <p>To ensure these and other key accounts are subject to regular reconciliation, we recommend the Finance Team consider establishing a Reconciliation Control Log that lists all the Council's Balance Sheet control accounts. The control log should identify the frequency with which the reconciliation should be completed, those officers responsible for each reconciliations completion and review and should allow the dates to be recorded when these stages of the process have been completed along with any variance that may be highlighted, each month or quarter. A Senior Officer should be allocated the responsibility of overseeing the process to ensure that all reconciliations were completed and duly authorised and to activate the escalation process in the event of any unexplained or persistent non-completion.</p>	
Management Response/Action Details		Status Update Comments	
<p>Agreed (reconciliation of Civica to the Collection fund bank account).</p> <p>This will be done daily from 1st April 2024. The next step is:</p> <p>Phase 2 which would be bank to the general ledger (this will be complete when Unit 4 is linked with Civica which is part of the Unit 4 phase 2 plan. The Financial Services Manager will be responsible for delivery of this and we have estimated this being November 2024.</p>		<p>We have encountered some issues with reconciling Council Tax and NDR transactions to the Finance system, mainly due to the way the bank statement is reconciled and timing delays for different payment methods. The Finance Team are currently working on streamlining some of their processes including implementation of automated bank reconciliation and a change to the cut off time for automated payments.</p> <p>We are continuing to reconcile Council Tax and NDR to financial controls and transaction control reports daily, whilst we wait for these changes to be implemented.</p>	

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Outstanding Audit Recommendations from Previous Years

There has been some progress made during the year with long-standing 'legacy' recommendations, although this highlights that there is a real need for improvement in the time it takes for the Council to implement internal audit recommendations.

The introduction of the K10 Vision audit management system's recommendation module to the Council's managers in 2025/26 will provide those managers with direct access to update recommendations with the latest information. In the meantime, the key agreed actions are being followed-up manually by the relevant auditor with the relevant 'responsible officers' at the Council.

Key Audit Recommendations Still Open from Previous Years

The following ten moderate risk recommendations made in previous years are still to be addressed:

Job Name	Emergency Planning	Original Action Date	30 th September 2024
Risk Rating	Moderate Risk	Revised Action Date	TBA
Recommendation No.	9	Recommendation Status	Action Due
Summary of Weakness		Recommendation	
In recent years, there is no evidence of a staged practice scenario requiring the setting-up, exercising and rehearsal of an ECC facility at the Council to test its suitability, preparedness and robustness, either in isolation, or as part of any WLRP or multi-agency led exercise / test. To all intents and purposes, this may not have happened due to disruption from the Covid-19 pandemic.		To consider taking expert advice from the CSWRT JEPO on staging a rehearsal, to test and validate the Council's Major Emergency Plan provision and procedures for setting-up an Emergency Control Centre, as a category 1 responder whereby a level 2 emergency response may need to be activated. Ideally, tests / rehearsal should include the specific parameters outlined in s2.9 of this main body audit report.	
Management Response/Action Details		Status Update Comments	
As per the audit recommendation.		Action delayed due to the prolonged sickness absence of the external advisor from advisor from the CSWRT JEPO.	

Job Name	Emergency Planning	Original Action Date	30 th June 2024
Risk Rating	Moderate Risk	Revised Action Date	TBA
Recommendation No.	10	Recommendation Status	Action Due
Summary of Weakness		Recommendation	
<p>The Council Cyber Security Plan is incorporated within the 'Information Services Major Incident Procedure [ISMIP] - Issue 19' – last reviewed by the former Head of Corporate Services on 15/09/22. A specific section on CS was added to version 1.6 (pages 32-24) of the ISMIP on 10/03/17, which outlines "proposals of actions to be taken to both reduce the likelihood of a cyber-attack being effective and the process that would take place if an attack was discovered".</p> <p>In compiling this, it is understood from the TSM that the Council did <u>not</u> specifically seek the assistance of the WLRP and/or other specialist / accredited bodies in the field of cyber security (e.g. the Information Commissioners Office, the National Cyber Security Centre, the National Crime Agency's – National Cyber Crime Unit, the West Midlands Warning Advice & Reporting Point [WARP] etc), although the Council does liaise with these organisations</p>		<p>That consideration be given to review and update of the Council's section on 'cyber security' incorporated within its Information Services Major Incident Procedure, seeking the latest best practice guidance from the Warwickshire Local Resilience Forum and/or other specialist / accredited bodies in the field of cyber security (e.g. the Information Commissioners Office, the National Cyber Security Centre, the National Crime Agency's – National Cyber Crime Unit, the West Midlands Warning Advice & Reporting Point [WARP] etc), as a means to acquire more up to date technical expertise / organisational measures / solutions / guidance / toolkits that may strengthen the Council's preparedness for potential cyber security threats / attacks .</p> <p>That consideration also be given to using Brent Council's Cyber Security Strategy as good practice guide to assist in review and update of NWBC's Information Services 'Major Incident Procedure' [ISMIP] section with regards to cyber security. Alternatively, consideration be given to possibly compiling a separate more comprehensive standalone Cyber</p>	

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	<p>Security Strategy for NWBC, to complement its ISMIP along the lines of Brent Council, given the scaling up of digital systems across the public sector and ever evolving cyber security threats and vulnerabilities, nationally.</p> <p>In any review / update of the Council's Information Services Major Incident Procedure [ISMIP], that consideration be given to incorporating best practice as is outlined in:</p> <ul style="list-style-type: none"> ➤ the 'Government Cyber Security Strategy – Building a Cyber Resilient Public Sector 2022 to 2030' - (refer to Appendix B); ➤ the National Cyber Security Centre's [NCSC] dedicated webpage guide for the public sector, conceived to help protect public sector bodies protect their networks, data and services - <p>https://www.ncsc.gov.uk/section/information-for/public-sector</p>
Management Response/Action Details	Status Update Comments
Agreed, as per the audit recommendation. Need to look into more before committing to a Cyber Security Strategy, but agree ISMIP needs updating.	Implementation of agreed action yet to be confirmed

Job Name	Emergency Planning	Original Action Date	30 th June 2024
Risk Rating	Moderate Risk	Revised Action Date	TBA
Recommendation No.	13	Recommendation Status	Action Due
Summary of Weakness		Recommendation	
<p>The Council last attained Cyber Essentials [CE] Plus certified accreditation (assessment against the CE Scheme Test Specification) from NTA Monitor Ltd, on 6th June 2019 (Certificate No. 3059751026212848). The assessment was incorporated into the Council's Public Service Network [PSN] CoCo health check.</p> <p>However, mainly due to Covid-19 disruption, it is understood from the former Head of Corporate Services and Technical Support Manager, that the Cyber Essentials Plus accreditation attained in June 2019 is now well out of date.</p>		<p>That consideration be given, as a matter of priority, to seeking an up-to-date independent assessment of the Council's cyber security protection measures, via striving for attainment of the Cyber Essentials Plus accreditation (a government-backed scheme).</p>	
Management Response/Action Details		Status Update Comments	
<p>"We have resumed our annual 'pen test', which is a simulated cyber attack against our systems to check for exploitable vulnerabilities. There are a number of actions for the small Technical Support Team to complete.</p> <p>"Note that it's impossible to achieve Cyber Essentials Plus with any on premises systems and applications that are beyond their end of life."</p>		<p>Implementation of agreed action yet to be confirmed, albeit noting that it's impossible to achieve Cyber Essentials Plus with any on premises systems and applications that are beyond their end of life."</p>	

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Job Name	Electoral Registration & Elections	Original Action Date	31/10/2023
Risk Rating	Moderate Risk	Revised Action Date	30/06/2025
Recommendation No.	1	Recommendation Status	To be picked up as part of 2025/26 – Data Protection Audit
Summary of Weakness		Recommendation	
Lack of supporting documentation to evidence the Council's consideration, on a case-by-case basis, to requests for disclosure of personal / sensitive electoral registration data from third-party organisations such as the Police, HMRC or other local authorities that have a crime prevention, law enforcement or tax collection function, under the DPA 2018, exemptions, (such as a Schedule 2: Part 1, Section 2 request for the disclosure of personal information).		<p>That consideration be given to whether, under the Data Protection Act [DPA] 2018, there is a need to implement a 'formal request form' for all 'third-party organisations seeking disclosure of personal information held by Democratic Services; (and other Council departments) to complete, for example, from the Police, HMRC or other local authorities that have a crime prevention, law enforcement or tax collection function, under the DPA 2018, exemptions, (such as a Schedule 2: Part 1, Section 2 request for the disclosure of personal information).</p> <p>It is understood the decision to disclose personal / sensitive data (including any personal / sensitive electoral registration data) should be considered on a case-by-case basis.</p> <p>Appendix A shows a 'DPA 2018 Schedule 2 Request Form', template adopted by North Lincolnshire Council, to consider as an example of best practice</p>	
Management Response/Action Details		Status Update Comments	
The Head of Elections has agreed to consider adopting the Data Protection Act 2018 Schedule 2 Request Form', template used by North Lincolnshire Council.		Owing to the departure of the Head of Elections, this audit recommendation will now be discussed with the Council's Head of Legal Services & Data Protection Officer, as part of the 2025/26 – Data Protection Audit.	

Job Name	Civil Parking Enforcement (Off-Street Parking)	Original Action Date	30/11/2023
Risk Rating	Moderate Risk	Revised Action Date	30/09/2024
Recommendation No.	1	Recommendation Status	Delayed Action Due
Summary of Weakness		Recommendation	
The Council could be left exposed to the potential loss of its external civil parking enforcement officer service and thereby being unable to effectively patrol its off-street parking facilities in the Borough. This could, in turn, result in the Council's inability to issue Penalty Charge Notices for the contravention of parking enforcement restrictions at off-street parking facilities to offending vehicles and thereby result in loss of income from Penalty Charge Notice fines.		<p>To safeguard service provision and formalise relevant terms and conditions, consideration be given to agreeing and putting in place a formal contract / Service Level Agreement with Euro Car Parks Ltd, as soon as is practicable, which includes the following detail:</p> <p>a) the contract start, review and end dates of the contract / SLA;</p> <p>b) the standard weekly working hours of the Civil Enforcement Officer [CEO];</p> <p>c) the main duties the Council can expect to be covered by the CEO; and d) who at the Council, the CEO will report to.</p>	
Management Response/Action Details		Status Update Comments	
As per the audit recommendation.		Delayed to due departure of the Head of Elections Recommendation re-assigned to the new Head of Legal Services to implement. – Progress update being sought	

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Job Name	Commercial Properties & Industrial Units	Original Action Date	31/03/2024
Risk Rating	Moderate Risk	Revised Action Date	31/12/2024
Recommendation No.	1	Recommendation Status	Delayed Action Due
Summary of Weakness		Recommendation	
The Council lacks a formal documented Corporate Asset Management Plan / Strategy to provide a corporate integrated framework and strategic governance regime to monitor how the Council's CP portfolio is performing and identify where improvements can be made in the most economic, effective, and efficient manner to achieve value for money within the constraints of manpower resources and budget		That consideration be given to compiling a formal documented Corporate Asset Management Plan / Strategy [CAMPS], incorporating the suggested parameters / control measures highlighted in s2.2 of the main body audit report , (with particular emphasis to a 'Property Investment Strategy' which is balanced, realistic and affordable), to provide a corporate integrated framework and strategic governance regime to monitor how the Council's CP portfolio is performing and identify where improvements can be made in the most economic, effective and efficient manner to achieve value for money within the constraints of manpower resources and budget, in an economic climate of increasing borrowing costs	
Management Response/Action Details		Status Update Comments	
<p>Management Plan for the Council's commercial property portfolio, including leisure properties, to incorporate:</p> <ul style="list-style-type: none"> A centralised spreadsheet of all the main lease terms for each property To scan all property legal documents (including leases) and to store them electronically with suitably restricted access and back-up arrangements and consider linking these to the GIS system. Creation of Property Management Plans for each commercial property Cross check tenancy details information (including annual rents due £) with Legal, Facilities Management and Financial Services. 		<p>The officer previously working on documenting a Corporate Asset Management Plan and the implementing the associated agreed actions has left his post at the Council.</p> <p>The Interim Corporate Director (Streetscape) has therefore appointed a temporary replacement officer to further progress the implementation of the agreed actions arising from this audit. Currently a work-in-progress.</p>	

Job Name	Commercial Properties & Industrial Units	Original Action Date	31/03/2024
Risk Rating	Moderate Risk	Revised Action Date	31/03/2025
Recommendation No.	2	Recommendation Status	Delayed Action Due
Summary of Weakness		Recommendation	
Lack of up-to-date Property Management Plans for each commercial property. Therefore, the Council lacks key up to date information about each building, such as: age, location, condition of building and roof structure, assessment of their useful economic lifespans, safety risk assessment, energy efficiency, environmental performance, Equality Act compliance and net controllable expenditure		That consideration be given to reviewing the 'Property Management Plans' for each of the Council General fund building assets to provide up to date management information about each building, such as: age, location, condition of building and roof structure, assessment of their useful economic lifespans, safety risk assessment, energy efficiency, environmental performance, Equality Act compliance and net controllable expenditure.	
Management Response/Action Details		Status Update Comments	
<p>Ideally to create a Property Management Plan [PMP] for each commercial property - by prioritising each property in the worse condition and working towards the properties in better condition systematically, that can be kept up to date by the Facilities Management team working in conjunction with the Property and Legal teams, as required.</p> <p>- Each PMP will be stored centrally and be updated by our FM team.</p>		<p>The officer previously working on implementing the associated agreed actions has left his post at the Council.</p> <p>The Interim Corporate Director (Streetscape) has therefore appointed a temporary replacement officer to further progress the implementation of the agreed actions arising from this audit. Currently a work-in-progress.</p>	

North Warwickshire BC – Internal Audit Annual Report 2024-25

Job Name	Commercial Properties & Industrial Units	Original Action Date	31/03/2024
Risk Rating	Moderate Risk	Revised Action Date	31/12/2024
Recommendation No.	6	Recommendation Status	Delayed Action Due
Summary of Weakness		Recommendation	
<p>In recent years only very limited cyclical stock condition surveys to assess the physical condition of the external building structure and fabric / roofs of its General Fund CP portfolio have been undertaken. Thus, oversight to help determine the useful economic lifespan and planned preventative maintenance of the majority of the Council's CP portfolio is essentially lacking. This is primarily put down to disruption from the Covid-19 pandemic over recent years, as well as capacity issues as to who is ultimately responsible for this activity and how it is resourced</p>		<p>That ideally, consideration be given undertaking cyclical stock condition surveys of the Council's General Fund and HRA commercial property [CP] assets, ensuring that responsibility for this is clearly defined and that this important role is adequately resourced.</p> <p>Findings from cyclical stock condition surveys should be used to determine priorities for:</p> <ul style="list-style-type: none"> bidding for capital funding from the Capital Programme for essential planned preventative maintenance and repairs to the Council's commercial properties portfolio assessing the useful economic lifespans of the CP buildings <p>informing the Council's overall Property Investment Strategy (as is referred to in s2.2 of the main body audit report above, (as part of an overall Corporate Asset Management Plan / Strategy).</p>	
Management Response/Action Details		Status Update Comments	
<p>Cyclical Stock condition surveys of the General Fund commercial properties - "a more detailed understanding of a properties repair condition is required, to inform the decision on how to proceed. In this instance, it may be necessary to instruct a condition survey of a property:</p> <ul style="list-style-type: none"> - It is proposed that for each property that the Council has repair concerns about, it be, in the first instance, inspected by our Facilities Management team to identify areas of concern. - If it is clear, a letter identifying the works required to remedy the repairing breach be sent to the tenant. Then to be followed up by actions required to see the breach remedied. - If, however, after initial inspection, condition surveys are required to inform the remedial action, it will be ordered. - The intention is to systematically work through the commercial property portfolio, prioritising the worse cases and working towards the better cases last until all properties have been assessed." 		<p>The officer previously working on implementing the associated agreed actions has left his post at the Council.</p> <p>The Interim Corporate Director (Streetscape) has therefore appointed a temporary replacement officer to further progress the implementation of the agreed actions arising from this audit. Currently a work-in-progress.</p>	

Job Name	Commercial Properties & Industrial Units	Original Action Date	31/03/2024
Risk Rating	Moderate Risk	Revised Action Date	31/12/2024
Recommendation No.	7	Recommendation Status	Delayed Action Due
Summary of Weakness		Recommendation	
<p>Potential for uncertainty and confusion as to legal responsibilities for important aspects of Health & Safety at the Council's leasehold commercial property buildings i.e., which aspects rest with the Council as the landlord, and which aspects rests with the leaseholder (tenant).</p>		<p>That consideration be given to discussion between the Facilities Manager, Head of Legal Services and the Council's Management Team with regards to determining legal responsibilities for important aspects of Health & Safety at the Council's leasehold commercial property buildings and for communicating to all leaseholders / tenants, those aspects which the Council (as the landlord and knowledgeable owner") is legally responsible for and those which the</p>	

North Warwickshire BC – Internal Audit Annual Report 2024-25

	leaseholders / tenants of the CPs are responsible for themselves.
Management Response/Action Details	Status Update Comments
<p>Agreed – First stage is for the Corporate Asset Management Group to review the lease templates to ensure that going forward they are 'fit for purpose' for all lease renewals and new leases.</p> <p>Furthermore, consideration will be given to providing written clarity to current leaseholders with regards to responsibility for health & safety matters, i.e. which aspects the Council (as the landlord) is responsible for and which aspects the leaseholders are responsible for themselves.</p>	<p>The officer previously working on implementing the associated agreed actions has left his post at the Council.</p> <p>The Interim Corporate Director (Streetscape) has therefore appointed a temporary replacement officer to further progress the implementation of the agreed actions arising from this audit. Currently a work-in-progress.</p>

Job Name	Health & Safety - Waste & Transport Audit	Original Action Date	30/06/2024
Risk Rating	Moderate Risk	Revised Action Date	31/03/2026
Recommendation No.	8	Recommendation Status	Delayed Future Action
Summary of Weakness		Recommendation	
<p>The Assistant Manager – Transport currently uses a yearly paper wallchart, held in the Council's Vehicle Workshop (Garage) to keep a schedule of six weekly periodic planned safety inspection for the Waste Services HGV / LGV vehicles. This is not a secure method of storing information as there is a risk that the paper wall-planner could be easily damaged/destroyed, and all the information lost.</p>		<p>To consider introducing an electronic spreadsheet to record the schedule for planned preventative maintenance / periodic safety inspections of the Council's Waste Services - HGVs / LGVs and other fleet vehicles to complement or replace the manual wall-planner currently used by the Assistant Manager Transport in the Vehicle Workshop. The spreadsheet could then be saved either onto TRIM, or other 'electronic document storage and retrieval system', introduced through the assistance of the [Head of Corporate Services. In this way, it will be possible to maintain a permanent management / audit trail of scheduled planned periodic safety inspections of the Waste Services vehicles, including a field on the spreadsheet to record:</p> <ul style="list-style-type: none"> the date each vehicle has been safety inspected / serviced, notes of any Vehicle Workshop observations about any vehicle / safety-critical equipment faults identified and remedial action taken to resolve these. <p>This should serve to electronically preserve the vehicle maintenance record-keeping of Waste Services vehicles, necessary to ensure compliance with Operator 'O' Licence requirements and also DVSA requirements.</p> <p>Ideally, the 'electronic document storage and retrieval system' should also be linked to the Council's routine systems back-up arrangements / servers to help protect against human error, hardware failure, virus attacks and power failure and to preserve the permanent management / audit trail of such records. (The advice of the Head of Corporate Services should be sought in this regard).</p>	
Management Response/Action Details		Status Update Comments	
<p>There was insufficient resources available to scan fleet vehicle maintenance documents. So, a request was put forward as part of the Streetscape Services Plan 2024/25 for a new Transport System' with an incorporated fleet vehicle 'maintenance module'. Implementation was subject to funding for a new Transport system being made available.</p>		<p>Any introduction of a new Transport system is likely to be implemented towards the end of 2025/26.</p>	

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UPDATE AS AT 9/01/25:

The Interim Head of Streetscape [IHofS] has informed Internal Audit that the timeframe for a 'new Transport System' with an incorporated vehicle maintenance module, has had to be pushed back to 2025/26, as part of Streetscape Service Plan for 2025/26, working in conjunction with the Council's Transformation Team. Thus, any introduction of a new Transport system is likely to be implemented towards the end of 2025/26. In the meantime, the IHofS provided verbal assurances that he has implemented a compensatory control with the Vehicle Workshop, so that there is an 'electronic' management/audit trail of vehicle servicing /inspections

Conclusion

Limited Assurance

There are significant weaknesses in governance, risk management and/or control which could jeopardise the achievement of objectives. Several audit findings suggest control breakdowns or gaps, some of which are high-risk or systemic.

There are eight significant weaknesses and 19 moderate weaknesses identified in audit reports issued in 2024-25 that still require to be fully mitigated, and ten moderate risk recommendations made in previous years that are not fully implemented. Although some progress has been made with the issues facing the risk management framework, weaknesses in control remain. Updates on these issues have been brought to the Resources Board during the year. Additionally, capacity issues within the Council continue to have a negative impact on the timeliness of responses to Internal Audit.

Prepared by:

Richard Boneham

Chief Audit Executive / Head of Audit Partnership

18 June 2025

Appendix A - QAIP – Improvement Plan

One of the outcomes of the CMAP Quality Assurance and Improvement Programme is that it enables an assessment of the efficiency and effectiveness of the Internal Audit activity and identifies opportunities for improvement.

The CMAP Leadership team revise the QAIP on an annual basis, with regular reviews of the progress on actions throughout the year. The QAIP is a standing item on all CMAP team meeting agendas, on the Operational Group meeting agendas and is reported to Partner Audit Committees. The latest Improvement Plan that was in place during 2024-25 is shown below.

Actions	Update Position
1. We should ask staff to complete a Personal Development Plan as part of our overall Training & Development Plan for the Team.	Currently we only have individual development plans. We are looking at how best to convert this into a CMAP Training & Development Plan. No progress due to other higher priorities.
2. We should formally develop our approach around the use of data analytics and other CAATs and identify the benefits it could bring to the audit processes.	Strategy for the use of data analytics within CMAP has been drafted.
3. We should continue to develop the process for incorporating other assurance information into our overall risk assessment process and our overall opinion and how the other assurance provider information we gather can be used to demonstrate an audit assurance framework for each partner organisation. We also need to get all Partners interested in producing their own Assurance Maps.	This approach may need to vary for each partner. All are at different stages in relation to what they are doing on assurance mapping and what CMAP can use in its process. A consultancy piece of work on assurance mapping has been assigned at Derby CC but is on hold due to lack of engagement from key officers.
4. To support the improvement of the organisation's governance framework, we should undertake consultancy work to facilitate the self-assessment of the effectiveness of the Audit Committee at all partner organisations. This will be particularly important given the proposed changes to the composition of Audit Committees with the addition of co-opted/ independent members.	Support is currently provided at four partners to help them assess the effectiveness of their audit committees.
5. We should consider how we could systematically evaluate the potential for the occurrence of fraud at each partner organisation and how each organisation manages fraud risk.	No progress made on a formalised approach. However, other work and audit work informs our knowledge on this.
6. To review all CMAP reports that are to be published to assess compliance with the Web Content Accessibility Guidelines (WCAG).	This is being assessed as part of the development of two automated report templates (the Audit Assignment Report and the Internal Audit Progress Report) within the K10 Audit Management System.
7. To fully implement the K10 Audit Management System.	We are currently parallel running K10 and the old AMS until the automated Internal Audit Progress Report is fully operational.
8. To assess conformance with the new Global Internal Auditing Standards in the UK Public Sector and adjust our practices where necessary.	A gap analysis exercise is underway.

Agenda Item No 10

Resources Board

24 July 2025

Report of the Interim Corporate Director of Resources (Section 151 Officer)

Internal Audit Progress Report

1 Summary

- 1.1 The purpose of this report is to present the Internal Audit Progress Report.

Recommendation to the Board

That the Internal Audit Progress Report (Appendix A) is noted.

2 Background

- 2.1 In July 2023 the Section 151 Officer presented a report to members of the Resources Board with options for providing the Internal Audit function for this Council as it has been operating below capacity for some time. Members approved a six-month trial with CMAP providing an audit service to supplement the in-house audit function.
- 2.2 The pilot commenced at the end of October 2023 and continued during 2024/25. The arrangement was reviewed, and findings reported to members in November 2024 with a recommendation due to the success of the pilot to request to join CMAP as a partner from 1 April 2025. This was accepted and North Warwickshire BC will join as a partner with a place on the officer and member boards.

3 Report

- 3.1 CMAP's latest Progress Report is set out at **Appendix A** outlining the completed Audits since the last report. The report also contains the outstanding recommendations tracker.
- 3.2 CMAP will present the report at the meeting, the audit reports highlighted are all included in the outcome of the Annual Report 2024/25 considered earlier on the agenda. The responses and mitigations are therefore not repeated.

4 Report Implications

Finance and Value for Money Implications

- 4.1 There are no direct financial implications arising from this report.

Legal, Data Protection and Human Rights Implications

4.2 There are no direct legal implications arising from this report.

The Contact Officer for this report is Paul Sutton (719374).

Background Paper No	Author	Nature of Background Paper	Date
N/A			



central midlands audit partnership

North Warwickshire Borough Council – Internal Audit Progress Report

Resources Board: 24th July 2025



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HIGHLIGHTED RECOMMENDATIONS **Error! Bookmark not defined.**

Our Vision

To bring about improvements in the control, governance and risk management arrangements of our Partners by providing cost effective, high quality internal audit services.

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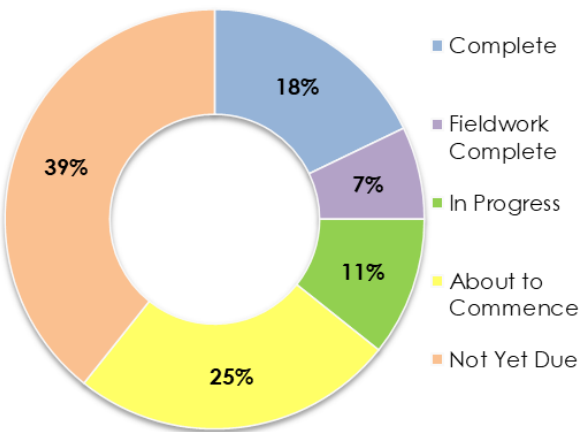
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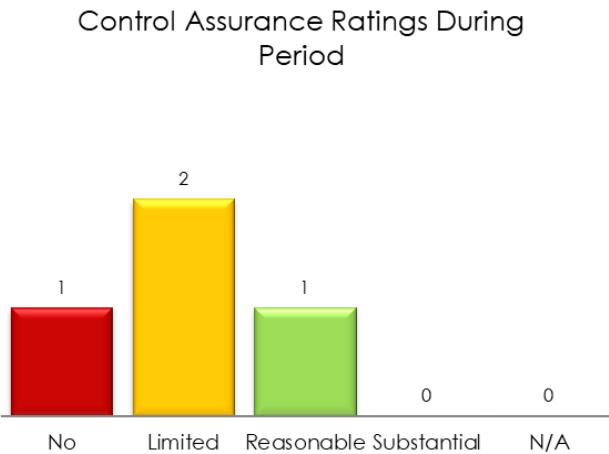
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AUDIT DASHBOARD

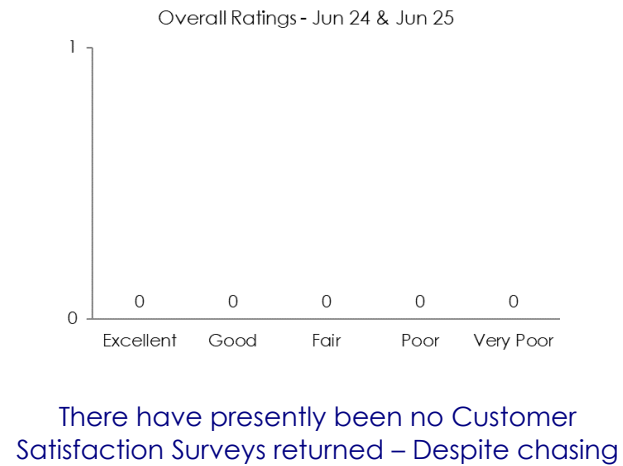
Plan Progress



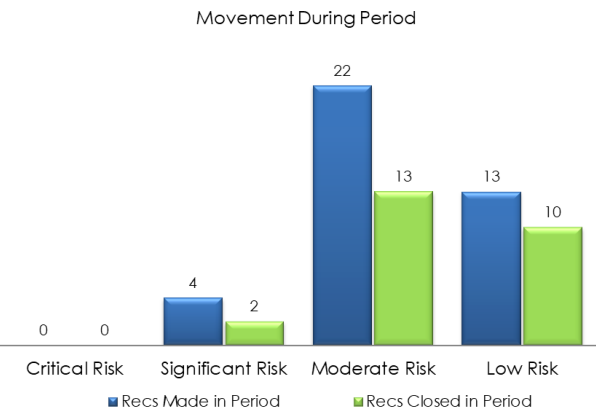
Jobs Completed in Period



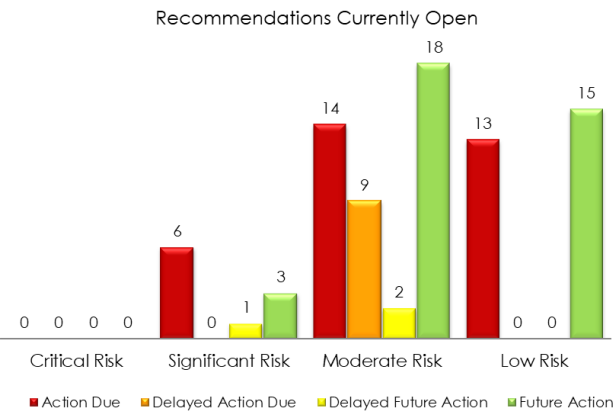
Customer Satisfaction



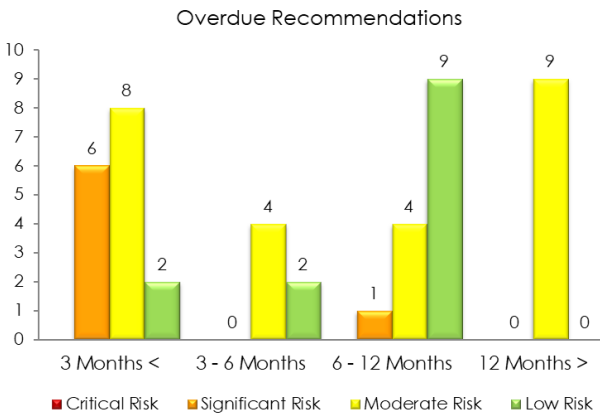
Recommendations Movement



Recommendations Open



Recommendations Overdue



North Warwickshire Borough Council – Internal Audit Progress Report

AUDIT PLAN

Progress on Audit Assignments

The following tables provide Resources Board with information on how audit assignments were progressing as at 30th June 2025.

2025-26 Assignments	Status	% Complete	Assurance Rating
Corporate Plan	Allocated	0%	
Partnership Working	Not Allocated	0%	
Data Quality	Not Allocated	0%	
Transformation Programme	Not Allocated	0%	
Civic Assets – “Civic Silver”	Allocated	70%	
Procurement	Not Allocated	0%	
Contract Management	Not Allocated	0%	
Management of Assets	Not Allocated	0%	
Cyber Security	Not Allocated	0%	
Income/Charging	Not Allocated	0%	
Attendance Management	Not Allocated	0%	
People Strategy & Recruitment/Retention Management	Not Allocated	0%	
Climate Change	Not Allocated	0%	
Freedom of Information	Allocated	5%	
Subject Access Requests	Allocated	0%	
Records Management	Allocated	10%	
Member/Officer Protocols	Allocated	10%	
Treasury Management	Allocated	15%	
Data Protection	In Progress	60%	

B/Fwd Assignments	Status	% Complete	Assurance Rating
Hackney Carriages & Private Hire Vehicles 2024-25	Final Report	100%	Reasonable
Information Security 2024-25	In Progress	65%	
Key Financial Controls, incl Unit 4 System 2024-25	In Progress	70%	
Equalities, Diversity & Inclusion 2024-25	Memo Issued	95%	
Corporate Health & Safety 2024-25	Final Report	100%	Limited
Privacy Notices 2024-25	Draft Report	95%	
Capital Programme 2024-25	Final Report	100%	Reasonable
Counter Fraud Arrangements 2023-24	Final Report	100%	Limited
Risk Management 2023-24	Final Report	100%	No

North Warwickshire Borough Council – Internal Audit Progress Report

Plan Changes

There are no plan changes presently to report to this committee.

Although an interim Memo has been issued on the Equalities, Diversity & Inclusion audit, the Chief Executive has requested that we review this area again later in the plan year before formally reporting.

North Warwickshire Borough Council – Internal Audit Progress Report

AUDIT COVERAGE

Completed Audit Assignments

Between 18th January 2025 and 30th June 2025, the following audit assignments have been finalised.

Audit Assignments Completed in Period	Assurance Rating	Recommendations Made				% Recs Closed
		Critical Risk	Significant Risk	Moderate Risk	Low Risk	
Risk Management	No	0	2	12	5	32%
Counter Fraud Arrangements	Limited	0	0	6	1	n/a
Corporate Health & Safety	Limited	0	2	2	7	18%
Capital Programme	Reasonable	0	0	2	0	n/a

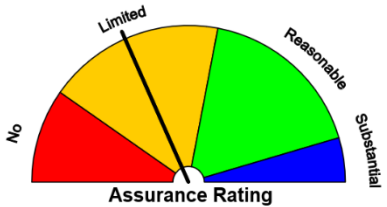
Details of each completed audit assignment are given below:

Risk Management						
Control Objectives Examined		Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls	
Structure & Accountability Framework.		16	0	0	16	
Identifying, Categorising and Prioritising Risks.		2	0	0	2	
Risk Mitigation.		1	0	0	1	
TOTALS		19	0	0	19	
Rec No.	Summary of Weakness	Risk Rating	Original Action Date	Action Status	Revised Action Date	
1	No current Risk Management policy and strategy available to staff.	Moderate Risk	30/09/2025	Future Action		

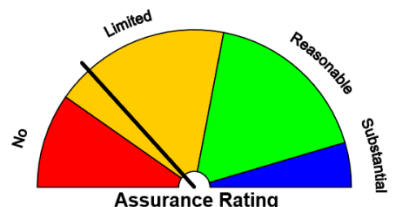
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2	The Risk Management Manual is not clear on what it intends to achieve or how you could define if it had been achieved.	Moderate Risk	30/09/2025	Future Action	
3	The Council's RM Manual has not been updated since 2021.	Low Risk	30/09/2025	Future Action	
4	Several divisional Annual Statement of Assurances were missing.	Low Risk	30/09/2025	Future Action	
5	The risk register template lacked information needed to demonstrate appropriate management and review were in place.	Moderate Risk	30/09/2025	Future Action	
6	The Partnership Risk Register was not subject to an annual review.	Moderate Risk	31/03/2026	Future Action	
7	Annual risk management update reports are not sufficient in frequency for the Resources Board to properly fulfil its oversight and monitoring obligations.	Moderate Risk	30/09/2025	Future Action	
8	The Council has no dedicated resource available for risk management.	Moderate Risk	Implemented	Implemented	
9	Overall responsibility for Corporate Risk Management is not defined.	Moderate Risk	Implemented	Implemented	
10	A designated lead officer with the time to co-ordinate the Council's risk management processes is not in place.	Significant Risk	Implemented	Implemented	
11	There are no reporting lines setting out officer accountabilities within the RM Manual.	Low Risk	30/09/2025	Future Action	
12	Managers roles and responsibilities are not clearly defined within the RM Manual.	Low Risk	30/09/2025	Future Action	
13	There does not appear to be any chart setting out the relationship between the Cabinet ("the Full Council") and the officers, groups and committees with risk management responsibilities.	Low Risk	Implemented	Implemented	
14	Key staff with specialist risk responsibilities and knowledge have not been identified within the RM manual.	Moderate Risk	30/09/2025	Future Action	
15	A risk appetite was not defined within the Risk Management Manual.	Moderate Risk	30/09/2025	Future Action	
16	No risk management training had been provided to staff.	Moderate Risk	30/09/2025	Future Action	
17	The framework contains insufficient guidance on risk identification techniques.	Moderate Risk	30/09/2025	Future Action	
18	Risk and Control owners are not clearly identified on the risk register.	Moderate Risk	Implemented	Implemented	
19	The controls appear to be over overestimating as to how they would affect the risk.	Significant Risk	Implemented	Implemented	

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Counter Fraud Arrangements					
Control Objectives Examined		Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Counter Fraud Policies and Policies linked to Counter Fraud.		3	0	3	0
Fraud Risk.		1	0	1	0
Reporting of Fraud and Investigation of Fraud.		10	8	2	0
Fraud Awareness Training.		1	0	1	0
TOTALS		15	8	7	0
Rec No.	Summary of Weakness	Risk Rating	Original Action Date	Action Status	Revised Action Date
1	The Anti-Fraud Bribery and Corruption Policy was not subject to regular review and revision and contains obsolete information.	Moderate Risk	30/09/2025	Future Action	
2	The Council has no defined Anti-Fraud Bribery and Corruption Strategy.	Moderate Risk	30/09/2025	Future Action	
3	The Anti-Money Laundering Policy was not subject to regular review and revision and contains obsolete information.	Moderate Risk	30/09/2025	Future Action	
4	Fraud risks were not adequately recorded.	Moderate Risk	30/09/2025	Future Action	
5	Without proper fraud risk management, the likelihood and impact of fraud incidents increases.	Moderate Risk	30/09/2025	Future Action	
6	New external service not yet fully embedded.	Low Risk	30/09/2025	Future Action	
7	No substantive training provided in recent years to officers and members.	Moderate Risk	30/09/2025	Future Action	

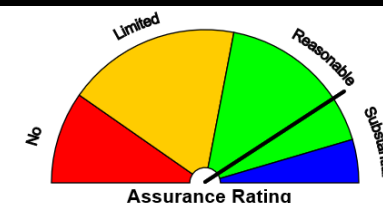
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Corporate Health and Safety					
Control Objectives Examined		Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
To ensure that the Council's governance framework for Health & Safety is designed to ensure compliance with Health & Safety legislation.		3	2	1	0
To Ensure that employees have received training relevant to their role and have an awareness of Health & Safety and have access to information and further training as required.		5	3	2	0
To ensure that health and safety risks have been identified and assessed, and periodic inspections take place for high-risk areas.		6	1	3	2
To ensure that all incidents are recorded, with further investigation and / or reporting undertaken as necessary.		3	2	1	0
To ensure that information on activity and incidents is supplied to management and Councillors as required.		2	0	2	0
TOTALS		19	8	9	2
Rec No.	Summary of Weakness	Risk Rating	Original Action Date	Action Status	Revised Action Date
1	Reporting lines are unclear.	Low Risk	30/09/2025	Future Action	
2	Not all policies were in date.	Low Risk	30/09/2025	Future Action	
3	Insufficient centralised record of training for Health & Safety training.	Moderate Risk	30/09/2025	Future Action	
4	No sign off to ensure that policies have been read and understood.	Low Risk	30/09/2025	Future Action	
5	The Health & Safety Risk Assessments are not adequately completed.	Significant Risk	01/02/2026	Future Action	
6	Audits are off schedule and need a review to make sure they are practical to complete.	Moderate Risk	31/05/2025	Action Due	
7	The COSHH risk assessments were all incomplete and also all out of date.	Significant Risk	01/02/2026	Future Action	
8	Contractor risk assessments are requested but are not subject to review before works begin.	Low Risk	Implemented	Implemented	
9	Report author will delete the implication sections they don't consider relevant.	Low Risk	Implemented	Implemented	

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10	There is currently a gap where there is no official process in place to provide recorded departmental actions to reduce incidents.	Low Risk	30/09/2025	Future Action	
11	The Health Safety and Welfare Policy does not clearly define the accountabilities and consequences of accidental non-compliance with health and safety requirements.	Low Risk	30/09/2025	Future Action	

Capital Programme



Control Objectives Examined		Controls Evaluated	Adequate Controls	Partial Controls	Weak Controls
Conformance with the CIPFA Prudential Code 2017 in terms of an annual Capital Strategy, supported by a 3-year rolling Capital Programme [CP] within the context of a 10-Year Capital Investment Strategy and a series of annual prudential indicators. Also, that capital schemes are prioritised according to the available funding and aimed at meeting the Council's Corporate Plan objectives.		4	3	0	1
That a Vehicle Replacement Schedule is maintained.		1	1	0	0
That adequate budgetary control exists in accordance with the Council's Financial Regulations, and periodic Capital Programme [CP] update reports are provided to the Resources Board [RB] for independent oversight and scrutiny, including the CP final year-end position, annually and seeking approvals from the RB to carry forward capital schemes into the next financial year.		4	4	0	0
In accordance with Financial Regulations, that an up-to-date Capital Asset Register / Fixed Assets Balance Sheet is maintained for risk and financial management purposes, reflecting all fixed asset acquisitions and disposals.		1	1	0	0
Risk assessment is carried out at least annually in relation to the Council's Capital Programme and the monitoring of capital schemes.		1	0	0	1
TOTALS		11	9	0	2
Rec No.	Summary of Weakness	Risk Rating	Original Action Date	Action Status	Revised Action Date
1	The Council is not adhering to the CIPFA Prudential Code 2017 mandatory requirement, for local authorities to have an up-to-date Capital Strategy in place for each financial year, to adequately demonstrate that it is aligning major capital investment activity to its strategic corporate objectives.	Moderate Risk	28/02/2026	Future Action	

North Warwickshire Borough Council – Internal Audit Progress Report

2	<p>The latest strategic and operational risk assessments in relation to the Capital Programme were carried out by the former Corporate Director (Resources), prior to her retirement on 31/03/23, i.e. approx. 19 months ago). She documented that the following additional control measures are needed, going forward, to help mitigate certain 'red-rated' risks:</p> <ul style="list-style-type: none"> - annual review of the Council's Capital Strategy - need to match asset requirements to available resources and produce a Corporate Asset Management Strategy / Plan – (General Fund assets) <p>Both matters have yet to be addressed.</p>	Moderate Risk	28/02/2026	Future Action	
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North Warwickshire Borough Council – Internal Audit Progress Report

RECOMMENDATION TRACKING

Final Report Date	Audit Assignments with Open Recommendations	Assurance Rating	Recommendations Open			
			Action Due	Delayed Action Due	Delayed Future Action	Future Action
18-Jun-25	Risk Management	No				13
18-Jun-25	Counter Fraud Arrangements	Limited				7
18-Jun-25	Corporate Health & Safety	Limited	1			8
18-Jun-25	Capital Programme	Reasonable				2
30-May-25	Hackney Carriages & Private Hire Vehicles	Reasonable	1			2
28-Jun-24	IT Health Check	Reasonable				
25-Oct-24	Governance	Limited	9	1		1
02-Jul-24	Key Financial Controls	Reasonable	2		1	
19-Aug-24	Leisure Centres - Income Collection	Limited	10			
23-Oct-24	Business Continuity & Disaster Recovery	Limited	9			
13-Jan-25	Fly Tipping	Reasonable	1			3
25-Aug-23	Electoral Registration & Elections	Substantial			1	
22-Sep-23	Civil Parking Enforcement (Off-Street Parking)	Substantial		1		
11-Sep-23	Commercial Properties & Industrial Units	Reasonable		4		
26-Jan-24	Health & Safety - Waste & Transport	No			1	
05-Dec-23	Emergency Planning	Limited		3		
		TOTALS	33	9	3	36

Action Due = The agreed actions are due, but Internal Audit has been unable to ascertain any progress information from the responsible officer.

Delayed Action Due = The original action date has now passed and Internal Audit has obtained status update comments from the responsible officer and a revised action date. This revised action date has now passed, but Internal Audit has been unable to ascertain any progress information from the responsible officer.

Delayed Future Action = The original action date has now passed and Internal Audit has obtained status update comments from the responsible officer and a revised action date which is in the future.

Future Action = The agreed actions are not yet due, so Internal Audit has not followed the matter up.

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Audit Assignments with Open Recommendations	Action Due				Delayed Action Due				Delayed Future Action			
	Critical Risk	Significant Risk	Moderate Risk	Low Risk	Critical Risk	Significant Risk	Moderate Risk	Low Risk	Critical Risk	Significant Risk	Moderate Risk	Low Risk
Corporate Health & Safety			1									
Hackney Carriages & Private Hire Vehicles				1								
Governance		1	6	2			1					
Key Financial Controls				2						1		
Leisure Centres - Income Collection			3	7								
Business Continuity & Disaster Recovery		5	4									
Fly Tipping				1								
Electoral Registration & Elections											1	
Civil Parking Enforcement (Off-Street Parking)							1					
Commercial Properties & Industrial Units							4					
Health & Safety - Waste & Transport											1	
Emergency Planning							3					
TOTALS		6	14	13			9			1	2	

Assessment & Ranking of Recommendations

We have noted that the method of assessing and ranking recommendations does not presently align to CMAP's processes, an exercise will be undertaken in due course to align recommendation ratings accordingly.

This will be undertaken in conjunction with the eventual rollout of the K10 audit management system within the authority, which is used for actively tracking recommendations with responsible officers to secure updates in real time. The committee will be kept fully informed of any developments in this area.

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HIGHLIGHTED RECOMMENDATIONS

Critical, Significant or Moderate Risk Recommendations Past Their Original Action Date

The following significant and moderate risk rated recommendations, that have passed their original action date and not yet been implemented, are detailed for the Board's scrutiny.

Job Name	Key Financial Controls	Original Action Date	1/9/2024
Risk Rating	Significant Risk	Revised Action Date	31/8/2025
Recommendation Number	1	Recommendation Status	Delayed Future Action
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
Reconciliations had not been completed for Council Tax and NDR and the Finance Team did not have a central list or control log of the Council's Balance Sheet control accounts which should be subject to regular reconciliation.	<p>We recommend that reconciliations between the Council's revenue system for Council Tax and NDR and the general ledger are carried out as a priority and continue to be subject to regular reconciliation going forward.</p> <p>To ensure these and other key accounts are subject to regular reconciliation, we recommend the Finance Team consider establishing a Reconciliation Control Log that lists all the Council's Balance Sheet control accounts. The control log should identify the frequency with which the reconciliation should be completed, those officers responsible for each reconciliations completion and review and should allow the dates to be recorded when these stages of the process have been completed along with any variance that may be highlighted, each month or quarter. A Senior Officer should be allocated the responsibility of overseeing the process to ensure that all reconciliations were completed and duly authorised and to activate the escalation process in the event of any unexplained or persistent non-completion.</p>	<p>Agreed (reconciliation of Civica to the Collection fund bank account).</p> <p>This will be done daily from 1st April 2024. The next step is:</p> <p>Phase 2 which would be bank to the general ledger (this will be complete when Unit 4 is linked with Civica which is part of the Unit 4 phase 2 plan. The Financial Services Manager will be responsible for delivery of this and we have estimated this being November 2024</p>	<p>Reconciliation for Council Tax and NDR and the Finance system has been introduced.</p> <p>The set up of a process that captures all data has been quite time consuming and although we had hoped to be doing this daily we are still not quite there.</p> <p>We have data up to June 2024 with the remaining work on this to bring us up to date scheduled for September 2024.</p> <p>We have encountered some issues with reconciling Council Tax and NDR transactions to the Finance system, mainly due to the way the bank statement is reconciled and timing delays for different payment methods. The finance team are currently working on streamlining some of their processes including implementation of automated bank reconciliation and a change to the cut off time for automated payments.</p> <p>We are continuing to reconcile Council Tax and NDR to financial controls and transaction control reports daily, whilst we wait for these changes to be implemented.</p>

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Job Name	Governance	Original Action Date	30/06/2025
Risk Rating	Significant Risk	Revised Action Date	
Recommendation Number	8	Recommendation Status	Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
It's not clear which Board is responsible for Governance.	We recommend that the Council's constitution provides clarity on which board has overall responsibility for governance or alternatively constitute a separate Audit Committee to discharge the governance duties.	Constitution being completely reviewed.	

Job Name	Business Continuity	Original Action Date	30/06/2025
Risk Rating	Significant Risk	Revised Action Date	
Recommendation Number	1	Recommendation Status	Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
No evidence of review and update of the Council's Corporate Business Continuity Plan [CBCP] since January 2019 (albeit, planning for and co-ordinating the Council's response to the Covid-19 pandemic disruption during 2020 to 2021 to some extent, could be interpreted as a form of 'live' test in terms of the Council continuing to provide critical services to local borough residents and businesses at a time of national lockdown and recovery).	Consideration be given to priority review and update of the Council's Corporate Business Continuity Plan [CBCP], considering the Warwickshire Local Resilience Forum [WLRf] webpage guidance on business continuity planning. The updated CBCP should reflect the latest senior management structure. The Distribution List within the CBCP should be completed to evidence circulation amongst key senior managers and officers expected to play a key role in responding to business interruption incidents as and when they may arise. The 'Call-out Cascade' section requires updating to reflect current staffing and nomination of key roles and responsibilities and their contact details. Also, a system of version control should be adopted to keep a record of the latest CBCP.	As discussed, support has been commissioned from CSW Resilience and the first piece of work is a draft revised Emergency Management Plan. I will be discussing with the new support officers the idea of including CBCP within this.	

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Job Name	Business Continuity	Original Action Date	30/06/2025
Risk Rating	Significant Risk	Revised Action Date	
Recommendation Number	2	Recommendation Status	Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
Business continuity [BC] planning in general has lacked adequate attention at the Council in the last five years, contrary to S9.3 of the Council's Financial Regulations. Considerable retirements / turnover in senior managers in recent years means that expected roles and responsibilities in relation to BC may not be clearly understood, especially amongst the replacement officers.	<p>That senior management:</p> <ul style="list-style-type: none"> ▪ appoint or nominate an individual at management board level to be accountable for Business Continuity Management. ▪ appoint one or more individuals with responsibility for taking business continuity planning forward, including keeping the Corporate BCP up to date, cascading its importance to Divisional lead officers expected to take ownership for maintaining up to date Business Impact Analysis [BIAs] and Divisional Business Continuity Plans [BCPs]. ▪ notify all officers and staff with key roles and responsibilities assigned to them within the Corporate and Divisional BCPs, so that they are aware of these plans and the expectations placed upon them in the event of an emergency or business interruption incident necessitating activation of the BCPs. 	The Senior Management restructure will resolve this.	

Job Name	Business Continuity	Original Action Date	30/06/2025
Risk Rating	Significant Risk	Revised Action Date	
Recommendation Number	5	Recommendation Status	Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
Lack of awareness training / re-fresher training for key officers responsible for carrying out business continuity and disaster recovery duties, potentially undermining the recovery phase after a business interruption / emergency incident.	That all key senior managers, Council divisional lead officers, and relevant officers expected to carry out business continuity and disaster recovery duties as part of the Council's Corporate & Divisional Business Continuity Plans be provided with training on the necessity for and the importance of Business Impact Analysis [BIA], BCP, and disaster recovery to raise awareness, knowledge and understanding. Also, that adequate training records be held to keep a track of who has attended what training courses / events and when, to cater for any further retirements / turnover of key officers and any gaps in training.	A request will be made to add this to the Corporate Training Plan and training via CSWR can be arranged.	

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Job Name	Business Continuity	Original Action Date	30/06/2025
Risk Rating	Significant Risk	Revised Action Date	
Recommendation Number	6	Recommendation Status	Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
Given that no full Divisional Business Impact Analysis has been carried out for several years, the Council are not able to demonstrate that adequate and up to date consideration has been given to identifying the priority restoration of its business-critical systems / applications.	<p>Consideration be given to all Council divisional lead officers being instructed to carry out a full Divisional Business Impact Analysis [BIA] as a matter of priority, to re-affirm or re-evaluate business-critical functions / services / systems in priority order of restoration, with the Management Team monitoring to ensure these are completed. Ideally, the full BIA template available on the Warwickshire Resilience Forum webpage (as attached), which incorporates a risk assessment tool, should be used for this purpose.</p> <p>Any fresh BIA would need to be aligned with the Council's Information Services - Major Incident Procedure. A system of version control should be adopted to keep a record of the latest Divisional BIAs and they should be held centrally for ease of access should a disruptive incident occur. The 'fresh' set of Divisional BIAs should then be used to inform that the Divisional BCPs incorporate realistic:</p> <ul style="list-style-type: none"> ▪ recovery time objectives (i.e. the maximum desired length of time between an unexpected failure and the resumption of normal operations) ▪ recovery point objectives (i.e. the most recent prior state to which the business needs to restore its systems / applications to recover from an interruption and resume operations, thus considering the most recent backup of systems data available) ▪ failover premises sites (for back-up data storage, server location and resumption of business-critical services / systems) ▪ staffing resource: – optimum number of staff required to carry out business-critical activities; minimum staff level to provide some sort of service; the skills / level of expertise required to undertake the critical services ▪ Technology: - what IT and communication equipment is essential to carry out business-critical services; remote / hybrid working. ▪ Information / Data: - what information / data is essential to carry out business-critical services and how this information / data is stored, retrievable and backed-up. 	Once the CBCP has been updated, a work programme using the CSWR support officers can be drawn up to facilitate the update of Divisional plans.	

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Job Name	Business Continuity	Original Action Date	30/04/2025
Risk Rating	Significant Risk	Revised Action Date	
Recommendation Number	8	Recommendation Status	Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
<p>The Information Services - Major Incident Procedure (IS-MIP) was deemed to be considerably out of date, last reviewed and updated in December 2018 and due to the audit observations set out in s4.5.1 of this audit report. This could seriously hinder the Council's overall disaster recovery should a major business interruption incident occur without notice. It is unclear as to whether:</p> <ul style="list-style-type: none"> the tests outlined in the 'Disaster Recovery Testing Checklists' set out in Appendix I of the IS-MIP, completed during annual tests from 2009 through to November 2018, continue to be conducted annually the backup arrangements set out in Appendix II of the IS-MIP continue to be applied in practice. <p>Furthermore, the IS-MIP does not capture the recent transformation measures to make certain software applications more resilient.</p>	<p>That consideration be given to:</p> <ul style="list-style-type: none"> priority review and update of the Council's Information Services – Major Incident Procedure [IS-MIP]. The audit observations with regards to the current IS-MIP (set out in s4.5.1 above) have already been shared with the Head of Corporate Services to consider. training being provided to all relevant Information Services [IS] staff with key roles and responsibilities assigned to them in the IS-MIP, so that they understand what is expected of them during any activation of the IS-MIP, including disaster recovery / system restoration processes. reassigning roles and responsibilities set out in the IS-MIP to replacement officers given the level of staff turnover in Information Services since 2018 the contact details of current IS staff being checked for accuracy and updated. Appendix I and Appendix II of the IS-MIP being reviewed and updated to reflect current working practices and staffing. <p>Also, the recent proactive transformation measures put in place to make certain software applications more resilient by way of their being remotely hosted via the cloud, may warrant inclusion in an updated IS-MIP.</p>	<p>The Information Services – Major Incident Plan [IS-MIP] is being reviewed and updated by the Head of Corporate Services as a work-in-progress.</p>	

Job Name	Business Continuity	Original Action Date	30/06/2025
Risk Rating	Moderate Risk	Revised Action Date	
Recommendation Number	3	Recommendation Status	Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
<p>The Corporate Business Continuity Plan was not held centrally in a shared facility (e.g. TRIM), so may not be readily available to officers expected to form a 'Corporate Business Continuity Management Team'. Assurances cannot be given that the Corporate Business Continuity Plan would be readily accessible to all senior management, especially those expected to form the Council's 'Corporate Business Continuity Management Team', in the event of a business interruption incident / emergency event.</p>	<p>Consideration be given to the Corporate Business Continuity Plan [CBCP] being held centrally in a shared facility (for example on TRIM) to ensure it is readily accessible to all senior managers, especially those expected to form the Council's 'Corporate Business Continuity Management Team, should a disruptive incident occur requiring the CBCP to be activated.</p>	<p>Once updated this can be done.</p>	

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Job Name	Business Continuity	Original Action Date	30/06/2025
Risk Rating	Moderate Risk	Revised Action Date	
Recommendation Number	4	Recommendation Status	Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
Limited evidence was available to demonstrate adequate testing of the operation of the Council's Corporate Business Continuity Plan or Divisional Business Continuity Plans in the last five years.	<p>Consideration be given to a testing plan / exercise programme involving a series of exercises and simulation tests to mimic the effects of a crisis scenario – which could involve walkthrough exercises, desktop / table-top scenarios or simulations, and the rehearsing undertaken by key officers and staff to validate the Council's Corporate Business Continuity Plan [CBCP], supported by the Divisional BCPs.</p> <p>Ideally, that the CBCP should incorporate an 'Incident, Training & Exercising Record' providing a timeline history of all business interruption incidents that have occurred, and tests / exercises undertaken to help validate the Council's CBCP, supported by the Divisional BCPs.</p>	Once the Emergency Plan/CBCP has been updated, training and testing will be a key next step.	

Job Name	Business Continuity	Original Action Date	30/06/2025
Risk Rating	Moderate Risk	Revised Action Date	
Recommendation Number	7	Recommendation Status	Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
The current set of Divisional Business Continuity Plans [DBCP] held on TRIM were out of date since they were last reviewed some 5 to 9 years ago, whilst for certain Council Divisions, there is no evidence held of the BIAs having been carried out, prior to producing the DBCPs.	<p>That consideration be given to review and update of all Divisional Business Continuity Plans, based on updated Divisional Business Impact Analysis [BIAs] (as per recommended no. 6 above), using the BCP template available on the Warwickshire Resilience Forum webpage (as per that attached).</p> <p>Each Divisional BCP supported by updated Divisional Business Impact Analysis should, as a minimum, set out the:</p> <ul style="list-style-type: none"> business-critical services / systems to be recovered, and the timescale in which they are to be prioritised for recovery current resources available to deliver the business-critical services process for mobilising these resources, and detail responsibilities, actions and tasks needed to ensure the continuity and recovery of the business-critical services. 	Once the CBCP has been updated, a work programme using the CSWR support officers can be drawn up to facilitate the update of Divisional plans.	

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Job Name	Business Continuity	Original Action Date	30/06/2025
Risk Rating	Moderate Risk	Revised Action Date	
Recommendation Number	9	Recommendation Status	Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
Lack of evidence to support the net risk score for risk for Strategic Risk S06 "ineffective response to an incident (or business continuity plan fails", casting doubt as to the risk being properly addressed / mitigated.	That consideration be given to revisiting the 2024/25 net risk score of 8 assigned to strategic risk assessment S06, given that reliance cannot be placed on certain of the documented existing control measures at this time, due to the lack of evidence of their operating in practice in recent years.	This can be picked up during the annual Strategic Risk Assessment [SRA] scoring.	

Job Name	Electoral Registration & Elections	Original Action Date	31/10/2023
Risk Rating	Moderate Risk	Revised Action Date	30/06/2025
Recommendation Number	1	Recommendation Status	Delayed Future Action
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
Lack of supporting documentation to evidence the Council's consideration, on a case-by-case basis, to requests for disclosure of personal / sensitive electoral registration data from third-party organisations such as the Police, HMRC or other local authorities that have a crime prevention, law enforcement or tax collection function, under the DPA 2018, exemptions, (such as a Schedule 2: Part 1, Section 2 request for the disclosure of personal information).	<p>That consideration be given to whether, under the Data Protection Act [DPA] 2018, there is a need to implement a 'formal request form' for all 'third-party organisations seeking disclosure of personal information held by Democratic Services; (and other Council departments) to complete, for example, from the Police, HMRC or other local authorities that have a crime prevention, law enforcement or tax collection function, under the DPA 2018, exemptions, (such as a Schedule 2: Part 1, Section 2 request for the disclosure of personal information).</p> <p>It is understood the decision to disclose personal / sensitive data (including any personal / sensitive electoral registration data) should be considered on a case-by-case basis.</p> <p>Appendix A shows a 'DPA 2018 Schedule 2 Request Form', template adopted by North Lincolnshire Council, to consider as an example of best practice.</p>	The Head of Elections has agreed to consider adopting the Data Protection Act 2018 Schedule 2 Request Form', template used by North Lincolnshire Council.	<p>This action has not been completed to date. A number of other priorities have taken precedence in the last few months, including Police & Crime Commissioner Elections in May 2024, the snap Parliamentary Election in July 2024, Parish by-elections and Neighbourhood Planning referendum work.</p> <p>The Head of Elections has met with the Council's Head of Legal Services in her role as Data Protection Officer to discuss this and wider DP/electoral registration issues and failing this being implemented, he has asked the Team to forward any DPA requests to be sent to him, so he can have sight of any requests in the interim.</p> <p>Given that the risk relating to the outstanding agreed action is essentially a Data Protection issue, it will be picked up with the new Head of Legal Services as part of the planned 2024/25 Data Protection Audit.</p>

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Job Name	Civil Parking Enforcement (Off-Street Parking)	Original Action Date	30/11/2023
Risk Rating	Moderate Risk	Revised Action Date	30/09/2024
Recommendation Number	1	Recommendation Status	Delayed Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
The Council could be left exposed to the potential loss of its external civil parking enforcement officer service and thereby being unable to effectively patrol its off-street parking facilities in the Borough. This could, in turn, result in the Council's inability to issue Penalty Charge Notices for the contravention of parking enforcement restrictions at off-street parking facilities to offending vehicles and thereby result in loss of income from Penalty Charge Notice fines.	To safeguard service provision and formalise relevant terms and conditions, consideration be given to agreeing and putting in place a formal contract / Service Level Agreement with Euro Car Parks Ltd, as soon as is practicable, which includes the following detail: a) the contract start, review and end dates of the contract / SLA; b) the standard weekly working hours of the Civil Enforcement Officer [CEO]; c) the main duties the Council can expect to be covered by the CEO; and d) who at the Council, the CEO will report to.	As per recommendation.	This has not been implemented due to the Head of Legal Services leaving his employment in January 2024, and two replacement Interim Head of Legal Services leaving their post in April and June 2024, respectively. A new permanent Head of Legal Services has been appointed and tasked with implementing the agreed action. We are waiting for a new revised action date to be supplied.

Job Name	Commercial Properties & Industrial Units	Original Action Date	31/03/2024
Risk Rating	Moderate Risk	Revised Action Date	31/12/2024
Recommendation Number	1	Recommendation Status	Delayed Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
The Council lacks a formal documented Corporate Asset Management Plan / Strategy to provide a corporate integrated framework and strategic governance regime to monitor how the Council's CP portfolio is performing and identify where improvements can be made in the most economic, effective, and efficient manner to achieve value for money within the constraints of manpower resources and budget	That consideration be given to compiling a formal documented Corporate Asset Management Plan / Strategy [CAMPS], incorporating the suggested parameters / control measures highlighted in s2.2 of the main body audit report, (with particular emphasis to a 'Property Investment Strategy' which is balanced, realistic and affordable), to provide a corporate integrated framework and strategic governance regime to monitor how the Council's CP portfolio is performing and identify where improvements can be made in the most economic, effective and efficient manner to achieve value for money within the constraints of manpower resources and budget, in an economic climate of increasing borrowing costs	Agreed – as per the audit recommendation - To be the key focus of a newly formed Corporate Asset Management Group [CAMG] to be chaired by the – Interim Corporate Director (Streetscape as the Corporate Property Officer), - membership to comprise key relevant officers across Council functions. The terms of reference for this CAMG are being drafted. The Group will compile a CAMPs for NWBC based on best practice determined from considering the CAMPs of other local authorities to incorporate best practice.	To create a Corporate Asset Management Plan for the Council's commercial property portfolio, including leisure properties, to incorporate: <ul style="list-style-type: none"> A centralised spreadsheet of all the main lease terms for each property To scan all property legal documents (including leases) and to store them electronically with suitably restricted access and back-up arrangements and consider linking these to the GIS system. Creation of Property Management Plans for each commercial property Cross check tenancy details information (including annual rents due £) with Legal, Facilities Management and Financial Services. Work-In-Progress - To Re-assess progress as of 31st December 2024. Awaiting outcome of the re-assessment.

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Job Name	Commercial Properties & Industrial Units	Original Action Date	31/03/2024
Risk Rating	Moderate Risk	Revised Action Date	31/03/2025
Recommendation Number	2	Recommendation Status	Delayed Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
Lack of up-to-date Property Management Plans for each commercial property. Therefore, the Council lacks key up to date information about each building, such as: age, location, condition of building and roof structure, assessment of their useful economic lifespans, safety risk assessment, energy efficiency, environmental performance, Equality Act compliance and net controllable expenditure.	That consideration be given to reviewing the 'Property Management Plans' for each of the Council General fund building assets to provide up to date management information about each building, such as: age, location, condition of building and roof structure, assessment of their useful economic lifespans, safety risk assessment, energy efficiency, environmental performance, Equality Act compliance and net controllable expenditure.	Agreed – as per the audit recommendation – to update 'Property Management Plans' for the General Fund commercial property portfolio – comprising mainly industrial units.	Ideally to create a Property Management Plan [PMP] for each commercial property - by prioritising each property in the worse condition and working towards the properties in better condition systematically, that can be kept up to date by the Facilities Management team working in conjunction with the Property and Legal teams, as required. - Each PMP will be stored centrally and be updated by our FM team. Work-In-Progress - To Re-assess progress as of 31st March 2025

Job Name	Commercial Properties & Industrial Units	Original Action Date	31/03/2024
Risk Rating	Moderate Risk	Revised Action Date	31/12/2024
Recommendation Number	6	Recommendation Status	Delayed Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
In recent years only very limited cyclical stock condition surveys to assess the physical condition of the external building structure and fabric / roofs of its General Fund CP portfolio have been undertaken. Thus, oversight to help determine the useful economic lifespan and planned preventative maintenance of the majority of the Council's CP portfolio is essentially lacking. This is primarily put down to disruption from the Covid-19 pandemic over recent years, as well as capacity issues as to who is ultimately responsible for this activity and how it is resourced	<p>That ideally, consideration be given undertaking cyclical stock condition surveys of the Council's General Fund and HRA commercial property [CP] assets, ensuring that responsibility for this is clearly defined and that this important role is adequately resourced.</p> <p>Findings from cyclical stock condition surveys should be used to determine priorities for:</p> <ul style="list-style-type: none"> bidding for capital funding from the Capital Programme for essential planned preventative maintenance and repairs to the Council's commercial properties portfolio assessing the useful economic lifespans of the CP buildings informing the Council's overall Property Investment Strategy (as is referred to in s2.2 of the main body audit report above, (as part of an overall Corporate Asset Management Plan / Strategy). 	<p>Agreed – as per the audit recommendation - Cyclical Stock condition surveys of the General Fund commercial properties to be undertaken as part of a rolling programme, to give priority to the higher value properties first and then cascade down to the lower value properties. The surveys will be used to inform the Council's Capital Programme and Property Investment Strategy.</p> <p>The Director of Housing has agreed to stock condition surveys to be undertaken in 2023 for the HRA shops.</p>	<p>Cyclical Stock condition surveys of the General Fund commercial properties - "a more detailed understanding of a properties repair condition is required, to inform the decision on how to proceed. In this instance, it may be necessary to instruct a condition survey of a property:</p> <ul style="list-style-type: none"> - It is proposed that for each property that the Council has repair concerns about, it be, in the first instance, inspected by our Facilities Management team to identify areas of concern. - If it is clear, a letter identifying the works required to remedy the repairing breach be sent to the tenant. Then to be followed up by actions required to see the breach remedied. - If, however, after initial inspection, condition surveys are required to inform the remedial action, it will be ordered. - The intention is to systematically work through the commercial property portfolio, prioritising the worse cases and working towards the better cases last until all properties have been assessed." <p>Work-In-Progress - To Re-assess progress as of 31st December 2024. Awaiting outcome of the re-assessment.</p>

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Job Name	Commercial Properties & Industrial Units	Original Action Date	31/03/2024
Risk Rating	Moderate Risk	Revised Action Date	31/12/2024
Recommendation Number	7	Recommendation Status	Delayed Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
Potential for uncertainty and confusion as to legal responsibilities for important aspects of Health & Safety at the Council's leasehold commercial property buildings i.e., which aspects rest with the Council as the landlord, and which aspects rests with the leaseholder (tenant).	That consideration be given to discussion between the Facilities Manager, Head of Legal Services and the Council's Management Team with regards to determining legal responsibilities for important aspects of Health & Safety at the Council's leasehold commercial property buildings and for communicating to all leaseholders / tenants, those aspects which the Council (as the landlord and knowledgeable owner') is legally responsible for and those which the leaseholders / tenants of the CPs are responsible for themselves. Also refer to s2.8 of the main body audit report.	Agreed – First stage is for the Corporate Asset Management Group to review the lease templates to ensure that going forward they are 'fit for purpose' for all lease renewals and new leases. Furthermore, consideration will be given to providing written clarity to current leaseholders with regards to responsibility for health & safety matters, i.e. which aspects the Council (as the landlord) is responsible for and which aspects the leaseholders are responsible for themselves.	Legal responsibilities for important aspects of Health & Safety at the Council's leasehold commercial property buildings - "Initial considerations suggest that the Council is mainly acting in line with their statutory obligations in this regard. - However, this information is not currently summarised centrally, nor stored centrally. Our intention is to summarise and store centrally this information. Work-In-Progress- To Re-assess progress as of 31st December 2024. Awaiting outcome of the re-assessment.

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Job Name	Health & Safety - Waste & Transport Audit	Original Action Date	30/06/2024
Risk Rating	Moderate Risk	Revised Action Date	31/03/2026
Recommendation Number	8	Recommendation Status	Delayed Future Action
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
<p>The Assistant Manager – Transport currently uses a yearly paper wallchart, held in the Council's Vehicle Workshop (Garage) to keep a schedule of six weekly periodic planned safety inspection for the Waste Services HGV / LGV vehicles. This is not a secure method of storing information as there is a risk that the paper wall-planner could be easily damaged/destroyed, and all the information lost.</p>	<p>To consider introducing an electronic spreadsheet to record the schedule for planned preventative maintenance / periodic safety inspections of the Council's Waste Services - HGVs / LGVs and other fleet vehicles to complement or replace the manual wall-planner currently used by the Assistant Manager Transport in the Vehicle Workshop. The spreadsheet could then be saved either onto TRIM, or other 'electronic document storage and retrieval system', introduced through the assistance of the [Head of Corporate Services. In this way, it will be possible to maintain a permanent management / audit trail of scheduled planned periodic safety inspections of the Waste Services vehicles, including a field on the spreadsheet to record:</p> <ul style="list-style-type: none"> the date each vehicle has been safety inspected / serviced, notes of any Vehicle Workshop observations about any vehicle / safety-critical equipment faults identified and remedial action taken to resolve these. <p>This should serve to electronically preserve the vehicle maintenance record-keeping of Waste Services vehicles, necessary to ensure compliance with Operator 'O' Licence requirements and also DVSA requirements.</p> <p>Ideally, the 'electronic document storage and retrieval system' should also be linked to the Council's routine systems back-up arrangements / servers to help protect against human error, hardware failure, virus attacks and power failure and to preserve the permanent management / audit trail of such records. (The advice of the Head of Corporate Services should be sought in this regard).</p>	<p>As per the audit recommendation.</p> <p>The new Interim Head of Streetscape will aim to replace the manual wall-planner currently used by the Assistant Manager Transport in the Vehicle Workshop with an electronic spreadsheet, if it transpires that introducing a 'Transport Compliance – Vehicle Management System' is not feasible.</p> <p>The advice of the Head of Corporate Services as to adequate back-up arrangements for any electronic system / solution introduced will be sought as part of any implementation.</p>	<p>There was insufficient resources available to scan fleet vehicle maintenance documents. So, a request was put forward as part of the Streetscape Services Plan 2024/25 for a new Transport System' with an incorporated fleet vehicle 'maintenance module'. Implementation was subject to funding for a new Transport system being made available.</p> <p>UPDATE AS AT 9/01/25: The Interim Head of Streetscape [IHofS] has informed Internal Audit that the timeframe for a 'new Transport System' with an incorporated vehicle maintenance module, has had to be pushed back to 2025/26, as part of Streetscape Service Plan for 2025/26, working in conjunction with the Council's Transformation Team. Thus, any introduction of a new Transport system is likely to be implemented towards the end of 2025/26. In the meantime, the IHofS provided verbal assurances that he has implemented a compensatory control with the Vehicle Workshop, so that there is an 'electronic' management/audit trail of vehicle servicing /inspections.</p> <p>UPDATE AS AT 3/7/25: The replacement of the Transport System is included in the 25/26 Streetscape Business Plan.</p>

North Warwickshire Borough Council – Internal Audit Progress Report

Job Name	Income Collection – Leisure Centres	Original Action Date	30/9/2024
Risk Rating	Moderate Risk	Revised Action Date	
Recommendation Number	3	Recommendation Status	Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
The number of safe keys and the location of safe keys with some left overnight at the Atherstone Leisure Centre was not declared to the Council's Insurer, and there were no policies detailing the security of safe keys or record of total number of keys.	We recommend that a record of the total number of keys issued to the Atherstone Leisure Centre staff is developed and maintained so an overview of all safe keys was available. Procedures should also be developed regarding the security and number of safe keys that should be issued at any one time. Lastly this should be declared to the Insurer to ensure the Council is still covered in the event of theft.	We agree to: <ul style="list-style-type: none"> Review the process to have x2 safe keys. One key on site, with a sign in, hand over, and out, using a lock box on site. The other key kept in the Council House safe. For the change in pass code for the lock box to be updated to an agreed schedule. To update within procedures before rolling out. 	Management have informed audit that this recommendation has been implemented. We are awaiting clarification on if the Council's insurers have been informed regarding the keys and if there is a policy regarding safety and security of keys before formally closing this recommendation.

Job Name	Income Collection – Leisure Centres	Original Action Date	30/11/2024
Risk Rating	Moderate Risk	Revised Action Date	
Recommendation Number	6	Recommendation Status	Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
Regular reports were not obtained or examined regarding paid and unpaid invoices for Atherstone Leisure Centre.	We recommend that reports are sent by the Finance team to the staff at Atherstone Leisure Centre on a regular basis. The report should then be examined and used to confirm invoices have been paid before activities are undertaken and unpaid invoices are chased in a timely manner.	Due to a change in systems (Total Leisure to Unit 4), a new procedure will need to be agreed and implemented between Leisure and Finance to account for this action.	Management have informed audit that this recommendation has been implemented. We are awaiting clarification on the process for checking paid and unpaid invoices before formally closing this recommendation.

North Warwickshire Borough Council – Internal Audit Progress Report

Job Name	Income Collection – Leisure Centres	Original Action Date	30/11/2024
Risk Rating	Moderate Risk	Revised Action Date	
Recommendation Number	12	Recommendation Status	Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
The status of invoices had to be manually checked with Finance and services were occasionally provided without evidence of the associated invoice being paid at Coleshill Leisure Centre.	We recommend that the status of paid invoices is provided to Coleshill Leisure Centre by finance as and when they are updated. Services should not be provided without the associated invoice first being paid.	Due to a change in systems (Total Leisure to Unit 4), a new procedure will need to be agreed and implemented between Leisure and Finance to account for this action.	Management have informed audit that this recommendation has been implemented. We are awaiting evidence and clarification over invoice checking process before formally closing this recommendation.

Job Name	Corporate Health & Safety	Original Action Date	31/05/2025
Risk Rating	Moderate Risk	Revised Action Date	
Recommendation Number	6	Recommendation Status	Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
Workplace and Departmental H & S Audits are off schedule and need a review to make sure they are practical to complete.	We recommend that the Health & Safety Officer's intention to review the current Health and Safety audit inspection process is completed to allow inspections to start again	Audits have now recommenced. Audit's will be reprioritised and rescheduled accordingly. In addition, this will be done in line with available capacity	Auditee has requested further information from the auditor before providing a further update comment and revised action date. Auditor is seeking clarification as to what exactly is required.

Job Name	Governance	Original Action Date	30/06/2025
Risk Rating	Moderate Risk	Revised Action Date	
Recommendation Number	1	Recommendation Status	Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
The Local Code of Corporate Governance was out of date.	We would recommend that the Local Code of Governance is updated and published.	The Local Code of Governance is to be updated and published.	

North Warwickshire Borough Council – Internal Audit Progress Report

Job Name	Governance	Original Action Date	30/06/2025
Risk Rating	Moderate Risk	Revised Action Date	
Recommendation Number	3	Recommendation Status	Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
The latest version of the Council's constitution posted on the NWBC is out of date and contains a number of errors.	We recommend that the Council's Constitution be reviewed and updated as soon as is practicable.	A complete review of the Council's Constitution.	

Job Name	Governance	Original Action Date	31/03/2025
Risk Rating	Moderate Risk	Revised Action Date	
Recommendation Number	6	Recommendation Status	Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
The Policy and Procedure concerning gifts and hospitality are out of date and not reflecting best practice.	We recommend that Policy and Procedure concerning gifts and hospitality are updated and brought in line with good practice and made publicly available.	Review and update the policy and procedures.	

Job Name	Governance	Original Action Date	31/03/2025
Risk Rating	Moderate Risk	Revised Action Date	30/04/2025
Recommendation Number	9	Recommendation Status	Delayed Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
The Confidential Reporting policy is not subject to regular review and revision and contains obsolete information.	We recommend that the policy is reviewed and brought in line with current structure and requirements and then subject to regular review and revision.	To be reviewed and updated.	This has been drafted and is with HR and the Unions. It was sent on 21 January 2025; I am waiting for comments.

North Warwickshire Borough Council – Internal Audit Progress Report

Job Name	Governance	Original Action Date	30/06/2025
Risk Rating	Moderate Risk	Revised Action Date	
Recommendation Number	10	Recommendation Status	Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
The Disciplinary Policy is not subject to regular review and revision and contains obsolete information.	We recommend that the policy is reviewed and brought in line with current structure and requirements and then subject to regular review and revision.	The policy is to be reviewed and updated.	

Job Name	Governance	Original Action Date	31/03/2025
Risk Rating	Moderate Risk	Revised Action Date	
Recommendation Number	11	Recommendation Status	Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
The NWBC Financial Regulations were not subject to regular review and revision and contains obsolete information.	We recommend that the policy is reviewed and brought in line with current structure and requirements and then subject to regular review and revision.	Agreed this is already an audit action from the Financial Controls audit.	

Job Name	Governance	Original Action Date	31/03/2025
Risk Rating	Moderate Risk	Revised Action Date	
Recommendation Number	15	Recommendation Status	Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
NWBC's FOI guidance was out of date.	We would recommend that The FOI guidance is reviewed and updated as soon as practicable.	To be reviewed and updated.	

North Warwickshire Borough Council – Internal Audit Progress Report

Job Name	Emergency Planning	Original Action Date	30/09/2024
Risk Rating	Moderate Risk	Revised Action Date	31/05/2025
Recommendation Number	9	Recommendation Status	Delayed Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
In recent years, there is no evidence of a staged practice scenario requiring the setting-up, exercising and rehearsal of an ECC facility at the Council to test its suitability, preparedness and robustness, either in isolation, or as part of any WLRP or multi-agency led exercise / test. To all intents and purposes, this may not have happened due to disruption from the Covid-19 pandemic.	To consider taking expert advice from the CSWRT JEPO on staging a rehearsal, to test and validate the Council's Major Emergency Plan provision and procedures for setting-up an Emergency Control Centre, as a category 1 responder whereby a level 2 emergency response may need to be activated. Ideally, tests / rehearsal should include the specific parameters outlined in s2.9 of this main body audit report.	As per the audit recommendation.	Action delayed due to the prolonged sickness absence of the external advisor from advisor from the CSWRT JEPO.

Job Name	Emergency Planning	Original Action Date	30/06/2024
Risk Rating	Moderate Risk	Revised Action Date	31/05/2025
Recommendation Number	13	Recommendation Status	Delayed Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
The Council last attained Cyber Essentials [CE] Plus certified accreditation (assessment against the CE Scheme Test Specification) from NTA Monitor Ltd, on 6th June 2019 (Certificate No. 3059751026212848). The assessment was incorporated into the Council's Public Service Network [PSN] CoCo health check. However, mainly due to Covid-19 disruption, it is understood from the former Head of Corporate Services and Technical Support Manager, that the Cyber Essentials Plus accreditation attained in June 2019 is now well out of date.	That consideration be given, as a matter of priority, to seeking an up-to-date independent assessment of the Council's cyber security protection measures, via striving for attainment of the Cyber Essentials Plus accreditation (a government-backed scheme).	We have resumed our annual 'pen test', which is a simulated cyber-attack against our systems to check for exploitable vulnerabilities. There are a number of actions for the small Technical Support Team to complete. Note that it's impossible to achieve Cyber Essentials Plus with any on premises systems and applications that are beyond their end of life.	Implementation of agreed action yet to be confirmed, albeit noting that it's impossible to achieve Cyber Essentials Plus with any on premises systems and applications that are beyond their end of life.

North Warwickshire Borough Council – Internal Audit Progress Report

Job Name	Emergency Planning	Original Action Date	30/06/2024
Risk Rating	Moderate Risk	Revised Action Date	31/05/2025
Recommendation Number	10	Recommendation Status	Delayed Action Due
Summary of Weakness	Recommendation	Management Response/Action Details	Status Update Comments
<p>The Council Cyber Security Plan is incorporated within the 'Information Services Major Incident Procedure [ISMIP] - Issue 19' – last reviewed by the former Head of Corporate Services on 15/09/22. A specific section on CS was added to version 16 (pages 32-24) of the ISMIP on 10/03/17, which outlines "proposals of actions to be taken to both reduce the likelihood of a cyber-attack being effective and the process that would take place if an attack was discovered".</p> <p>In compiling this, it is understood from the TSM that the Council did <u>not</u> specifically seek the assistance of the WLRF and/or other specialist / accredited bodies in the field of cyber security (e.g. the Information Commissioners Office, the National Cyber Security Centre, the National Crime Agency's – National Cyber Crime Unit, the West Midlands Warning Advice & Reporting Point [WARP] etc), although the Council does liaise with these organisations</p>	<p>That consideration be given to review and update of the Council's section on 'cyber security' incorporated within its Information Services Major Incident Procedure, seeking the latest best practice guidance from the Warwickshire Local Resilience Forum and/or other specialist / accredited bodies in the field of cyber security (e.g. the Information Commissioners Office, the National Cyber Security Centre, the National Crime Agency's – National Cyber Crime Unit, the West Midlands Warning Advice & Reporting Point [WARP] etc), as a means to acquire more up to date technical expertise / organisational measures / solutions / guidance / toolkits that may strengthen the Council's preparedness for potential cyber security threats / attacks .</p> <p>That consideration also be given to using Brent Council's Cyber Security Strategy as good practice guide to assist in review and update of NWBC's Information Services 'Major Incident Procedure' [ISMIP] section with regards to cyber security. Alternatively, consideration be given to possibly compiling a separate more comprehensive standalone Cyber Security Strategy for NWBC, to complement its ISMIP along the lines of Brent Council, given the scaling up of digital systems across the public sector and ever evolving cyber security threats and vulnerabilities, nationally.</p> <p>In any review / update of the Council's Information Services Major Incident Procedure [ISMIP], that consideration be given to incorporating best practice as is outlined in:</p> <ul style="list-style-type: none"> the 'Government Cyber Security Strategy – Building a Cyber Resilient Public Sector 2022 to 2030 - (refer to Appendix B). the National Cyber Security Centre's [NCSC] dedicated webpage guide for the public sector, conceived to help protect public sector bodies protect their networks, data and services. <p>https://www.ncsc.gov.uk/section/information-for/public-sector</p>	<p>Agreed, as per the audit recommendation. Need to look into more before committing to a Cyber Security Strategy, but agree ISMIP needs updating.</p>	<p>Implementation of agreed action yet to be confirmed</p>

Low Risk Recommendations Over 12 Months Past Their Original Action Date

There are currently 13 low risk recommendations that are overdue for implementation. At the time of writing this report, no low risk recommendation/actions were more than 12 months past their original action date.

Agenda Item No 11

Resources Board

24 July 2025

Report of the Interim Corporate Director
of Resources (Section 151 Officer)

Global Internal Audit Standards
Report

1 Summary

- 1.1 The purpose of this report is to present the Global Internal Audit Standards Report.

Recommendation to the Board

That the Global Internal Audit Standards Report (Appendix A) is noted.

2 Background

- 2.1 In July 2023 the Section 151 Officer presented a report to members of the Resources Board with options for providing the Internal Audit function for this Council as it has been operating below capacity for some time. Members approved a six-month trial with CMAP providing an audit service to supplement the in-house audit function.
- 2.2 The pilot commenced at the end of October 2023 and continued during 2024/25. The arrangement was reviewed, and findings reported to members in November 2024 with a recommendation due to the success of the pilot to request to join CMAP as a partner from 1 April 2025. This was accepted and the Council will join as a partner with a place on the officer and member boards.

3 Report

- 3.1 The Global Internal Audit Standards Report is set out at **Appendix A** and will be presented by CMAP at the meeting. The report is supported by **Appendix B** Application Note and **Appendix C** Code of Practice.

4 Report Implications

Finance and Value for Money Implications

- 4.1 There are no direct financial implications arising from this report.

Legal, Data Protection and Human Rights Implications

4.2 There are no direct legal implications arising from this report.

The Contact Officer for this report is Paul Sutton (01827 719374).

Background Paper No	Author	Nature of Background Paper	Date
N/A			



central midlands audit partnership

North Warwickshire Borough Council – Global Internal Audit Standards in the UK Public Sector

Resources Board: 24th July 2025



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Our Vision

To bring about improvements in the control, governance and risk management arrangements of our Partners by providing cost effective, high quality internal audit services.

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Introduction

Purpose of Report

To provide Members with information about the new Global Internal Audit Standards and Application Note.

To outline to Members the new Code of Practice for the Governance of Internal Audit in UK Local Government.

Recommendation

To note the content of the report and the Application Note and the Code of Practice which are appended to the report.

Background

The authority for determining standards applicable to internal audit in the UK public sector rests with the Relevant Internal Audit Standard Setters (RIASS), supported by the UK public sector Internal Audit Standards Advisory Board (IASAB).

The Central Midlands Audit Partnership currently operates in compliance with the Public Sector Internal Audit Standards (PSIAS), which were issued by RIASS for the UK public sector and were based on the mandatory elements of the Global Institute of Internal Auditors' (the IIA) 2017 International Professional Practices Framework (IPPF).

In January 2024, the IIA published a set of new Global Internal Audit Standards (the GIAS) which came into effect from 9 January 2025, but were delayed for the UK Public Sector until 1 April 2025. The GIAS incorporate all the mandatory elements of the 2017 IPPF, including the Definition of Internal Auditing, Mission of Internal Audit, Code of Ethics, and Core Principles for the Professional Practice of Internal Auditing. Alongside the GIAS, the IIA have introduced Topical Requirements, which will ensure that all internal audit functions apply a consistent methodology when assessing the effectiveness of governance, risk management and controls in particular topical areas. The new GIAS and Topical requirements are both mandatory and form the 2024 IPPF.

The IASAB has considered the content of the GIAS and has determined that it is applicable to the internal audit of UK public sector bodies, subject to a small number of additional requirements and interpretations. Instead of issuing a new set of standards to replace PSIAS, the RIASS have chosen to use the GIAS as the basis for internal auditing in the UK public sector. However, to set out additional public sector interpretations and requirements, the RIASS has developed the "Application Note: Global Internal Audit Standards in the UK Public Sector" (the Application Note). This was consulted on in October 2024 and was issued December 2024 in final format.

The New Global Internal Audit Standards

The GIAS sets out 15 core principles which are the fundamental values that describe the essence of internal auditing. They are derived from the definition of internal auditing and the mission of the profession. The Standards set out five Domains which include the core principles, as set out below:

Domain I: Purpose of Internal Auditing

Domain II: Ethics and Professionalism

1. Demonstrate integrity
2. Maintain Objectivity
3. Demonstrate Competency
4. Exercise Due Professional Care
5. Maintain Confidentiality

Domain III: Governing the Internal Audit Function

6. Authorised by the Board
7. Positioned Independently
8. Overseen by the Board

Domain IV: Managing the Internal Audit Function

9. Plan Strategically
10. Manage Resources
11. Communicate Effectively
12. Enhance Quality

Domain V: Performing Internal Audit Services

13. Plan Engagements Effectively
14. Conduct Engagement Work
15. Communicate Engagement Results and Monitor Action Plans



**International
Professional Practices
Framework[®]**
(IPPF)

Global Internal Audit Standards in the UK Public Sector

There are 52 individual standards to support these. Each standard includes.

- Requirements – Mandatory practices for internal auditing
- Considerations for Implementation – Common and preferred practices to consider when implementing the requirements.
- Examples of Evidence of Conformance – Examples of ways to demonstrate that the requirements have been implemented.

The development of the 15 core principles from the original IPPF Framework reflects the importance of communication skills, adaptability, and creativity in the current and future business environment. Internal auditors are expected to communicate with clarity, relevance, and impact, and to use various methods and channels to reach their audiences. Internal auditors are also expected to embrace change, learn new skills, and apply new tools and techniques to enhance their performance and value.

The principles and standards in the Ethics and Professionalism domain of the GIAS replace The IIA's former Code of Ethics and outline the behavioural expectations for professional internal auditors; including chief audit executives, other individuals, and any entities that provide internal audit services. Conformance with these principles and standards instils trust in the profession of internal auditing, creates an ethical culture within the internal audit function, and provides the basis for reliance on internal auditors' work and judgment.

The key requirements and interpretations covered within the Public Sector Application Note that are not encompassed within the main text of the GIAS include:

- In the UK public sector, a chief internal auditor must prepare an annual audit opinion which is an overall conclusion encompassing governance, risk management and control (governance should support any specific sector obligations or processes).
- that the chief internal auditor will be both professionally qualified and have appropriate public sector skills and knowledge.
- a requirement for at least one of the external assessment team (required periodically to undertake an External Quality Assessment of the internal audit function) will have the characteristics required of a chief internal auditor in the UK public sector.

Code of Practice for the Governance of Internal Audit in UK Local Government

The new standards include 'essential conditions' for the governance of internal audit (Domain III: "Governing the Internal Audit Function"). When the IIA published GIAS, it recognised that in the public sector, governance structures or other laws or regulations may impact on how the essential conditions can be applied. This is the case in UK local government, where there isn't a straightforward replacement for the 'board' as described in GIAS. Elected representatives are ultimately those charged with governance. Audit committees are non-executive advisory bodies with limited decision-making powers and police audit committees cannot be delegated any decision-making powers. Internal audit's primary mandate comes from statutory regulations rather than the decision of the audit committee.

The Chartered Institute of Public Finance and Accountancy (CIPFA) has developed a Code of Practice for the Governance of Internal Audit in UK Local Government. This Code provides detailed guidance on implementing Domain III within local government bodies, ensuring that internal audit functions are authorised by "the board" (in local government this will be the Audit Committee or equivalent), positioned independently, and effectively overseen.

The Code is designed to work alongside the GIAS and the Application Note and replaces the organisational responsibilities set out in the CIPFA Statement on the Role of the Head of Internal Audit. It is aimed at those responsible for ensuring effective governance arrangements for internal audit, including:

- The body or individual charged with governance,
- The Board (Audit Committee or equivalent)
- Senior Management of the authority, including the statutory officers, Head of Paid Service, Monitoring Officer and Section 151 Officer.

Much of the Code is already recognised good practice as per existing CIPFA guidance, and it is expected that many authorities will have these arrangements, or close to them, in place. The GIAS provides for the chief audit executive to reach agreement with those in governance roles and senior management on alternative conditions that still allow for conformance with the standards.

Topical Requirements

The addition of "Topical Requirements" is intended to ensure that all internal audit functions apply a consistent methodology when assessing the effectiveness of governance, risk management and controls in particular topical areas.

The use of Topical Requirements will be mandatory when setting the scope of an internal audit that includes the topic covered, but do not set a formal requirement to conduct internal audits in these areas and are not a step-by-step guide for the conduct of the internal audit. They will include a tool to help internal audit functions document the rationale for including or excluding certain requirements.

Each Topical Requirement becomes effective 12 months after it is issued. To date, only the Cyber Security Topical Requirement has been published. Another Topical Requirement – Third parties – is currently out for consultation.

CMAP's Approach

CMAP has completed an initial self-assessment / gap analysis against the GIAS and is developing an action plan to ensure the Partnership in the strongest possible to conform with the Standards from April 2025 onwards. Advice from CIPFA is that conformance will happen over time and does not need to be in place on 1st April, but that a plan to achieve conformance needs to be produced.

CMAP will engage with Senior Management and members of the Resources Board to contribute to the development of key requirements of the GIAS including the Internal Audit Strategy.

Senior Management and the Resources Board will be kept up to date on the progress being made with CMAP's plan for achieving conformance with the GIAS

Appendices

Appendix 1: Application Note - Global Internal Audit Standards in the UK Public Sector (see attached)

Appendix 2: Code of Practice for the Governance of Internal Audit in UK Local Government (see attached)



Central Midlands
Audit Partnership

Application Note

Global Internal Audit Standards in the UK Public Sector

Applicable from 1 April 2025

Issued by the Relevant Internal Audit Standard Setters:



In collaboration with:



December 2024

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1. Purpose

This document provides a framework for the practice of internal audit in the UK public sector when taken together with the Global Internal Audit Standards (GIAS) issued by the Institute of Internal Auditors (IIA).

It sets out interpretations and requirements which need to be applied to the GIAS requirements, in order that these form a suitable basis for internal audit practice in the UK public sector.

2. Scope

The requirements herein apply to all internal audit service providers, whether in-house, shared services or outsourced, which are operating within or providing internal audit services to the UK public sector.

All internal audit assurance and advisory services fall within the scope of this document.

3. Effective date

From 1 April 2025 the requirements of this Application Note and of the Global Internal Audit Standards apply to work on internal audit engagements commenced on or after this date.

4. Review process

This Application Note will periodically be reviewed by the IASAB on behalf of the RIASS. This review will include consideration of the applicability within the UK public sector of any Topical Requirements issued by the IIA.

5. Authority for setting standards

The authority for setting standards for internal audit in the UK public sector rests with the Relevant Internal Audit Standard Setters (RIASS). These are HM Treasury in respect of central government; the Scottish Government, the Department of Finance Northern Ireland and the Welsh Government in respect of central government and the health sector in their administrations; the Department of Health and Social Care in respect of the health sector in England; and the Chartered Institute of Public Finance and Accountancy in respect of local government across the United Kingdom. To support the development process, the UK public sector Internal Audit Standards Advisory Board (IASAB) was created. This includes representation from each of the RIASS, audit committees, internal audit practitioners and the Chartered IIA. The role of the IASAB is to develop material to support UK public sector internal audit, to consult on that material, and based on that consultation to advise the RIASS on the standards to be used.

6. Application of standards in the UK public sector

Together the RIASS determine the standards and requirements applicable to the practice of internal auditing in the UK public sector as a whole. The RIASS have determined that the Global Internal Audit Standards (GIAS) issued by the Institute for Internal Auditors (IIA) are a suitable basis for the practice of internal auditing in the UK public sector, subject to interpretations and requirements set out in this note.

The GIAS include a section on *Applying the Global Internal Audit Standards in the Public Sector*, and recognise that differences in governance structures, regulations and funding in the public sector may sometimes demand different approaches to maintain appropriate quality, efficiency and effectiveness in delivering internal audit. While the appendix is welcome, it encompasses a broader scope of public sector circumstances internationally than those which are relevant to the UK. At the same time, it is not an exhaustive guide to public sector context either internationally or in relation to the UK.

This Application Note therefore provides UK public sector-specific context, interpretations of GIAS requirements in the specific circumstances expected to apply across the UK public sector and some additional requirements which the RIASS consider essential for the practice of internal audit in the UK public sector.

Each RIASS may provide guidance or set specific requirements applicable to the part of the public sector over which they have authority. Sub-sector specific material is not presented in this note.

7. Conformance

Auditors working in the UK public sector must follow the requirements of the GIAS subject to the interpretations and additional requirements set out in this Application Note. When expressing conformance with standards, auditors must be clear that they are conforming to the GIAS subject to the Application Note, and must refer to this as conformance with *Global Internal Audit Standards in the UK Public Sector*.

Auditors must confirm adherence to the Application Note alongside all other reports on conformance with the Global Internal Audit Standards such as Standard 12.1 on internal quality assessment. Auditors must also note any non-conformance with this Application Note alongside any other non-conformance reporting such as that described in Standard 4.1 (*Conformance with the Global Internal Audit Standards*).

External Quality Assessors working in the UK public sector under Standard 8.4 (*External Quality Assessment*) must also consider conformance with this Application Note as part of reporting their results.

8. Relevant internal audit standard setters in the UK

	Central government	Health sector	Local government*
	government departments and related public bodies, parliamentary bodies and counterpart bodies in the devolved government administrations	boards, trusts and authorities managed within NHS England, NHS Scotland, NHS Wales and Health and Social Care (Northern Ireland)	elected councils and combined authorities, police bodies, fire and emergency bodies, parks authorities, passenger transport authorities and partnerships and various other bodies
UK wide bodies	HM Treasury	–	–
England	HM Treasury	Department for Health and Social Care	CIPFA
Scotland	Scottish Government	Scottish Government	CIPFA
Wales	Welsh Government	Welsh Government	CIPFA

*Internal audit functions in some smaller local government bodies may not be required to follow the global standards or this Application Note. While CIPFA is the standard setter for local government in England, some smaller authorities may instead follow guidance issued by the Joint Panel on Accountability and Governance (JPAG). Where internal audit is carried out using the Global Internal Audit Standards, it must also be carried out in conformance with the Application Note: *Global Internal Audit Standards in the UK Public Sector*.

9. General context for the UK public sector

9A. Ethics and standards in public life

The GIAS generally and GIAS 1.2 (*Organisation's Ethical Expectations*) specifically describe the importance of internal auditors encouraging and promoting an ethics-based culture alongside personal adherence to the ethical expectations of their organisation. This need for ethical behaviour is especially relevant in the UK public sector where those delivering public services are both servants of the public and stewards of public resources. The government has set out Seven Principles of Public Life (also known as the 'Nolan Principles') that apply to all public servants (including contractors working in the public service).

The Seven Principles of Public Life

- **Selflessness:** Holders of public office should act solely in terms of the public interest.
- **Integrity:** Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family or their friends. They must declare and resolve any interests and relationships.
- **Objectivity:** Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.
- **Accountability:** Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.
- **Openness:** Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.
- **Honesty:** Holders of public office should be truthful.
- **Leadership:** Holders of public office should exhibit these principles in their own behaviour and treat others with respect. They should actively promote and robustly support the principles and challenge poor behaviour wherever it occurs.

Internal auditors working in the UK public sector must apply these alongside all other relevant ethical frameworks.

9B. Handling information

The GIAS set out the duty on internal auditors to be faithful custodians of the information they gather, sharing only in limited, defined and controlled ways. GIAS 5.2 (*Protection of Information*) describes the need for awareness of responsibilities in protecting information and demonstrating respect for the confidentiality, privacy and ownership of information.

While the duties under GIAS mainly relate to restricting the sharing of information, auditors working in the UK public sector must also be aware of circumstances under which sharing or publication of

information will be required. They must be aware of their organisation's policies and procedures for routine publication of certain information and where there are statutory obligations to share or publish information.

9C. Value for money

GIAS 9.1 (*Understanding Governance, Risk Management, and Control Processes*) describes the need for a chief audit executive to understand the organisation's governance, risk management and control processes to develop an effective strategy and plan. Alongside the listed requirements in the Standard, auditors in the UK public sector must be aware of the importance of securing value for money and the definitions which define that term in their part of the UK public sector.

Auditors must also be aware of the importance of value for money, alongside other key considerations, when determining appropriate evaluation criteria under GIAS 13.4 (*Evaluation Criteria*).

9D. The role of regulators

GIAS 9.5 (*Coordination and Reliance*) sets out a duty for chief audit executives to co-ordinate with other assurance providers. In the UK public sector, there are various relevant outside assurance providers whose authority flows from separate legal or regulatory sources beyond the control or influence of the chief audit executive. The chief audit executive may not have any ability to access the work of those assurance providers or gain insight into the scope and timing of their work. Under these circumstances the chief audit executive must consider whether it is possible or practical to co-ordinate. Where they do not co-ordinate, they must set out to the board the barriers which prevent effective co-ordination.

10. UK public sector-specific interpretations and requirements

10A. Resources

The GIAS section on *Applying the Global Internal Audit Standards in the Public Sector* notes that funding processes for internal audit functions vary, that some governance and organisational structures do not give boards authority over budget and that such conditions prevent the chief audit executive from being able to seek or obtain additional funding due to other funding priorities within the organisation. Chief audit executives may also be constrained in the way in which they use financial resources and manage human and technological resources.

The circumstances outlined above are relevant to most UK public sector internal audit functions and their associated audit committees, and interpretation is required to provide an appropriate basis for conformance, as follows:

- Boards may not have authority over budgets and this may prevent the chief audit executive from being able to seek or obtain additional funding due to other funding priorities within the organisation. In such circumstances to fulfil GIAS 8.2 (*Resources*) the chief audit executive must develop a resource strategy which suggests practical approaches for consideration by the board.
- The chief audit executive must inform the board of the impact of insufficient resources and any options available to mitigate that impact.
- The chief audit executive may have no ability to develop resource management approaches distinct from their organisation and tailored to the needs of the internal audit function. The chief audit executive's ability to develop a strategy to obtain sufficient resources and address shortfalls may also be constrained by their organisation's legal or regulatory obligations. Under these circumstances the chief audit executive will not be expected to follow the requirements of GIAS 10.1 to 10.3 (*Manage Resources*) if they cannot develop approaches that achieve the objectives of those standards. Instead, a chief audit executive must set out in the Charter what alternative approaches apply to the internal audit service, and then seek to manage financial, human and IT resources within those constraints.

The chief audit executive must also inform the board of any resource management arrangements at the organisation that may put at risk the ability of the internal audit service to fulfil its mandate.

10B. Overall conclusions and annual reporting

GIAS 11.3 (*Communicating Results*) references the possibility that a chief audit executive may be required to make a conclusion at the level of the organisation about the effectiveness of governance, risk management and/or control. In the UK public sector, a chief audit executive must prepare such an overall conclusion at least annually in support of wider governance reporting, mindful of any specific sector obligations or processes. This overall conclusion must encompass governance, risk management and control.

The chief audit executive must also report annually on the results of quality assessment carried out under GIAS 12.1 (*Internal Quality Assessment*), including progress against action plans to address instances of non-conformance.

The requirement for an overall conclusion must also inform planning carried out under GIAS 9.4 (*Internal Audit Plan*). The requirement for an annual conclusion does not imply that planning needs to follow an annual cycle, but where planning is carried out in other timeframes it must still be clear to senior management and the board that this supports an annual conclusion.

10C. Chief audit executive qualifications

GIAS 7.2 (*Chief Audit Executive Qualifications*) sets out expectations relevant to the global practice of internal audit. The RIASS seek to maintain an expectation that chief audit executives in the public sector hold appropriate professional qualifications alongside relevant experience. Therefore, in considering whether a chief audit executive is suitably qualified, an organisation must be looking for:

- CMIIA, or a CCAB qualification, or an equivalent professional qualification which includes training on the practice of internal audit, and
- suitable internal audit experience.

10D. Selecting independent assessors

The RIASS have determined that the qualification requirement in GIAS 8.4 (*External Quality Assessment*) should be **replaced** by a different qualification requirement.

GIAS 8.4 sets out a requirement that when selecting the independent assessor or assessment team, the chief audit executive must ensure at least one person holds an active Certified Internal Auditor designation. The RIASS have determined that this requirement is **replaced** by a requirement that at least one person have the characteristics outlined for chief audit executive qualification. The RIASS consider that such a person would normally have an understanding of the GIAS commensurate with the Certified Internal Auditor designation, including internal audit relevant continuing professional development and an understanding of how the GIAS are applied in the UK public sector. These matters must be considered as part of the selection process.

11. Determining the essential conditions in relation to governance

GIAS Domain III (*Governing the Internal Audit Function*) explains that appropriate governance arrangements with boards and senior management are essential to fulfil the Purpose of Internal Audit. The individual standards within Domain III include baseline 'essential conditions' which need to be satisfied in order to achieve conformance. The GIAS allows that in some cases it may be appropriate to determine alternatives to the essential conditions that achieve the same results.

The GIAS section *Applying the Global Internal Audit Standards in the Public Sector* includes non-exhaustive material explaining that public sector governance and organisational structures may require internal audit functions to adjust the application of some standards. This is the case in many UK public sector bodies and in these cases it will be necessary to determine alternatives to the Domain III essential conditions that achieve the same results. These must be agreed with the board/audit committee and, if permanent, must be explained in the Audit Charter.

The barriers to achievement of the baseline essential conditions vary in extent and effect across different parts of the UK public sector. The RIASS for individual sectors¹ may choose to issue specific material for their sector, which internal auditors and quality assessors in the relevant sector must comply with. For this reason no material on alternative conditions is provided in this Application Note.

¹ CIPFA as RIASS for local government has issued the *Code of Practice for the Governance of Internal Audit in UK Local Government* that among other things includes conditions, which, when applied in the local government internal audit context, will achieve the objectives of the GIAS conditions.



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Code of Practice for the Governance of Internal Audit in UK Local Government

The Code comes into force from 1 April 2025.

1. Summary

CIPFA has developed the Code of Practice for the Governance of Internal Audit in UK Local Government (the Code) to support authorities in establishing their internal audit arrangements and providing oversight and support for internal audit.

The Code is designed to work alongside new internal audit standards and replaces the organisational responsibilities set out in the [Statement on the role of the head of internal audit](#) (CIPFA, 2019). It is aimed at those responsible for ensuring effective governance arrangements for internal audit:

- The body or individual charged with governance – this includes the police and crime commissioner and chief constable (corporations sole) in policing or full body of the authority.
- The audit committee, the primary committee that may hold some delegated responsibilities towards internal audit.
- Senior management of the authority, including the statutory officers, head of paid service, monitoring officer and section 151/section 95 officer that hold responsibilities for governance.

It applies to all authorities applying Global Internal Audit Standards in the UK Public Sector and that are within the scope of the statutory regulations on internal audit, as set out in Appendix A of the Code. Typically smaller authorities would not fall within the scope of the Code.

The Code applies regardless of the method of internal audit delivery.

2. Background to the Code

Local government bodies have a requirement for internal audit as set out in national regulations. As the relevant internal audit standard setter (RIASS) for UK local government, CIPFA works with other RIASS through the Internal Audit Standards Advisory Board (IASAB) to mandate the appropriate internal audit standards. Since 2013, the RIASS have jointly mandated the Public Sector Internal Audit Standards (PSIAS) based on the International Professional Practices Framework of the Institute of Internal Auditors (IIA). New standards, Global Internal Audit Standards (UK public sector), are mandated from 1 April 2025 consisting of the [Global Internal Audit Standards](#) (GIAS) of the IIA and the [Application Note: Global Internal Audit Standards in the UK public sector](#).

The new standards include 'essential conditions' for the governance of internal audit. These conditions are needed to allow effective internal audit practice and for internal auditors to conform with GIAS in the UK public sector. Previously, CIPFA has issued guidance to authorities on the governance of internal audit in the [Statement on the role of the head of internal audit](#) and in its [Position Statement: audit committees in local authorities and police](#), and the [accompanying publication](#) (CIPFA, 2022).

When the IIA published GIAS, it recognised that in the public sector, governance structures or other laws or regulations may impact on how the essential conditions can be applied. This is the case in UK local government, where there isn't a straightforward replacement for the 'board' as described in GIAS. Elected representatives are ultimately those charged with governance, whether that is the full council of an authority or an elected police and crime commissioner. Local government audit committees are non-executive advisory bodies with limited decision-making powers and police audit committees cannot be delegated any decision-making powers. Internal audit's primary mandate comes from statutory regulations rather than the decision of the audit committee.

The GIAS also provides for the chief audit executive to reach agreement with those in governance roles and senior management on alternative conditions that still allow for conformance with the standards. The Code provides the route to satisfying the essential conditions in GIAS in the UK public sector, tailored for UK local government. The Application Note GIAS in the UK public sector directs the local government sector bodies to apply this Code.

This Code meets the objectives of the essential conditions, by providing for the necessary governance of internal audit, but in a way that is appropriate for UK local government bodies. It includes roles and responsibilities of the audit committee, senior management and those charged with governance towards internal audit.

3. Implementing the Code

By following the Code, both the authority and the chief audit executive can be confident that governance in their authority is working in the way that is expected in the Principles and Standards in Domain III of GIAS in the UK public sector. The chief audit executive must, of course, conform with the full standards to achieve overall conformance. But by using the Code alongside GIAS in the UK public sector, local government bodies are better placed to achieve that conformance.

The Code builds on existing CIPFA guidance, including:

- [Position Statement: audit committees in local authorities and police](#) (2022)
- [The role of the head of internal audit](#) (2019) (the Code replaces the organisational responsibilities)
- The [Financial Management Code](#) (2019).

Much of the Code is already recognised good practice as per existing CIPFA guidance, and many authorities will have these arrangements, or close to them, in place. Bringing them together into a code will strengthen the position of internal audit in local government and support its professionalism. Strengthening governance arrangements will ensure authorities are better able to meet their challenging service priorities and make best use of their resources.

4. Demonstrating compliance

The authority should explain how it complies with the Code in its annual governance statement. CIPFA is currently updating its guidance on annual governance statements for publication in 2025. Conformance with both the Code and GIAS in the UK public sector will be featured in the new Addendum as part of the core arrangements authorities should have in place. Effective arrangements for the governance of internal audit, as well as effective internal audit, are vital parts of an authority's governance arrangements.

The Code must also be included in the chief audit executive's annual internal quality assessment for report to the audit committee.

The external quality assessment (EQA), that authorities need at least once every five years, must also apply the Code when evaluating those aspects of the standards.

It is anticipated that further guidance on the EQA of multi-client providers and in-house teams with multiple external clients for internal audit services will be developed in 2025. For those internal audit functions, the EQA will need to take the Code into account when considering local government clients.

Provisions of the Code

When applying the Code, authorities should take into account what delegated authority, if any, the audit committee may have. Some committees may be delegated to approve certain matters related to internal audit such as the audit charter or an internal audit strategy. Other committees may review and recommend to the appropriate body charged with governance.

The term chief audit executive is used to ensure consistency with the GIAS, although the term is rarely used in local government. Each authority should be clear which individual fulfils these responsibilities, regardless of actual job title. In practice the chief audit executive may delegate appropriate responsibilities to other qualified professionals in the internal audit function but retains ultimate accountability.

1. Providing authority for internal audit

1.1 Internal audit's mandate

To be effective and to meet the requirements of professional standards, internal audit's authority needs to be established.

In local government in the UK, internal audit's authority has statutory backing through the regulations issued by national UK governments. Authorities should familiarise themselves with the appropriate regulations that apply to them (see Appendix A). Regulations also include internal audit's rights of access.

In GIAS in the UK public sector this is referred to as internal audit's mandate, so the primary mandate comes from the regulations.

In addition to internal audit's mandate from regulations, each body may agree a wider statement of internal audit's authority. In developing the mandate with the chief audit executive, senior management should consider their wider assurance framework.¹ The framework ensures that those responsible for governance and the audit committee receive the assurances they need, including assurance from first and second lines,² and clarifies how internal audit contributes.

Development of the mandate will involve the chief audit executive, senior management and the audit committee. The audit committee must approve, or recommend for approval, the mandate.

If there are changes to the regulations, the mandate must be updated to reflect them.

1.2 Internal audit's charter

The chief audit executive has a responsibility to prepare a charter that conforms with GIAS in the UK public sector. When reviewing the charter, the audit committee should be satisfied that it covers the

¹ The means by which leaders, managers and decision makers can have confidence that the governance arrangements that they have approved are being implemented, operating as intended, and remain fit for purpose. See [Developing an effective assurance framework in a local authority](#) (CIPFA, 2023).

² Management assurance from line management and internal review or oversight functions.

governance arrangements for internal audit. It must include the mandate derived from the regulations, plus any additional agreed mandate, and include internal audit's reporting line to the audit committee. The charter should include the administrative reporting arrangements for internal audit and the chief audit executive.

Senior management must work with the chief audit executive to ensure that the charter sets out the arrangements the function needs to achieve internal audit's purpose. In local government, internal audit's role would normally include:

- supporting the delivery of the authority's strategic objectives by providing risk-based and objective assurance on the adequacy and effectiveness of governance, risk management and internal controls
- championing good practice in governance through assurance, advice and contributing to the authority's annual governance review
- advising on governance, risk management and internal control arrangements for major projects, programmes and system changes
- access to the authority's interests in collaborative and arm's-length arrangements.

The audit committee must approve the charter or recommend its approval.

Where there are significant changes to the governance of the authority, its risks or the internal audit function, the charter must be reviewed to ensure it is still fit for purpose and new formal approval given. A regular review is recommended to confirm the charter or update as required.

1.3 Support for internal audit

Internal audit's activities require access to and support from senior management, the audit committee and those charged with governance. Support allows internal audit to apply their mandate and charter in practice and meet expectations.

Support means:

- championing the role and work of internal audit to the staff within the authority and to partner organisations with whom internal audit will work
- facilitating access to senior management, the audit committee and the authority's external auditor
- assisting, where possible, with access to external providers of assurance such as regulators, inspectors and consultants
- engaging constructively with internal audit's findings, opinions and advice
- building awareness and understanding of the importance of good governance, risk management and internal control for the success of the authority, and of internal audit's contributions.

Support also means putting in place conditions to enable internal audit's work:

- When senior management and those charged with governance agree organisational structures, they must ensure that the direct reporting line of the chief audit executive is not lower than a member of the senior management team and has access to all members of the team. The chief audit executive should be a senior manager, providing them with the necessary profile to fulfil the function's mandate.

- Where internal audit is outsourced or delivered through a partnership arrangement, senior management and those charged with governance should ensure there is a nominated chief audit executive, and client responsibility lies with a member of senior management.
- The organisational position of the chief audit executive should be supported by direct reporting to the audit committee.

The audit committee can demonstrate its support for internal audit by:

- enquiring of senior management and the chief audit executive about any restrictions on the internal audit's scope, access, authority or resources that limit its ability to carry out its responsibilities effectively
- considering the audit plan or planning scope and formally approving or recommending approval as appropriate
- meeting at least annually with the chief audit executive in sessions without senior management present.

2. Positioning internal audit independently

On behalf of those charged with governance and the audit committee, senior management establishes and protects the internal audit function's independence and qualifications.

2.1 Organisational independence

On behalf of those charged with governance, senior management needs to establish and safeguard internal audit's independence. These arrangements must include:

- Ensuring internal audit's access to staff and records, as set out in regulations and the charter, operates freely and without any interference to its scope, performance of engagements or communication of results.
- Ensuring that the chief audit executive reports in their own right to the audit committee on the work of internal audit.
- Providing opportunities for the chief audit executive to meet with the audit committee without senior management present. At least one such meeting must be held each year.
- Where there are actual or potential impairments to the independence of internal audit, senior management should work with the chief audit executive to remove or minimise them or ensure safeguards are operating effectively.
- Recognise that if the chief audit executive has additional roles and responsibilities beyond internal auditing, or if new roles are proposed, it could impact on the independence and performance of internal audit. The impact must be discussed with the chief audit executive and the views of the audit committee sought. Where needed, appropriate safeguards must be put in place by senior management to protect the independence of internal audit and support conformance with professional standards.

In local government, matters around the appointment, removal, remuneration and performance evaluation of an in-house chief audit executive will be undertaken by senior management, but these

arrangements must not be used to undermine the independence of internal audit. The audit committee should provide feedback on the proposed job description and the performance evaluation of the chief audit executive should include feedback from the chair of the audit committee. In shared or outsourced arrangements, the audit committee should provide feedback on the operation of the contract.

The audit committee must support internal audit's independence by reviewing the effectiveness of safeguards at least annually, including any issues or concerns about independence raised by the chief audit executive. The chief audit executive must have the right of access to the chair of the audit committee at any time. The audit committee can escalate its concerns about internal audit independence to those charged with governance.

2.2 Qualifications of the chief audit executive

Ensuring effective leadership of the internal audit team requires a suitably qualified and experienced chief audit executive. The Application Note: GIAS in the UK public sector sets out the qualifications and competencies expected of the chief audit executive. These must be taken into account by senior management when recruiting to the post.

Where internal audit is fully outsourced or is shared, senior management should ensure that an equivalent individual from the provider is nominated as the chief audit executive and meets the qualification requirements set out in the Application Note.

3. Oversight of internal audit

To ensure the effectiveness of internal audit, it should be overseen by the audit committee on behalf of those charged with governance.

Some local authorities in the UK have legislation or statutory guidance on the responsibilities of their audit committees. Details are in Appendix B.

CIPFA has established recommended practice for audit committees in local government and police: the [Position Statement: audit committees in local authorities and police 2022](#) and its supporting guidance publication, [Audit committees: practical guidance for local authorities and police \(2022\)](#).³ The following principles are consistent with their recommended practices for the oversight of internal audit.

3.1 Audit committee interaction

All audit committees should follow the CIPFA audit committee guidance for the oversight of internal audit.

To ensure there is good interaction between the audit committee and internal audit, audit committees must agree its work plan with the chief audit executive to ensure there is appropriate coverage of

³ CIPFA's guidance on audit committees has been endorsed by the Ministry of Housing, Communities and Local Government as recommended practice for English authorities and by the Home Office for police audit committees in England and Wales. The Statutory and Non-Statutory Guidance for Principal Councils in Wales – supporting provisions within the Local Government Act 2000, the Local Government (Wales) Measure 2011 and the Local Government and Elections (Wales) Act 2021 also recommend CIPFA's guidance.

internal audit matters within audit committee agendas. The audit committee workplan should provide for the internal audit mandate and charter, strategy, plans, engagement reporting and the annual conclusion, and quality reports. The committee should also oversee the tracking and implementation of the actions agreed following audits.

The audit committee must familiarise itself with the authority's assurance framework and approach to governance, risk management and internal control arrangements to fulfil the wider terms of reference of the committee. This understanding will facilitate its interactions with internal audit.

Senior management should update the audit committee on significant changes to governance, risk and control arrangements and any concerns they may have on assurance. The audit committee should have oversight of the annual governance statement before final approval. Audit committee familiarity with these will support their effective interaction with internal audit.

Where internal audit consider the management of risk or proposed actions in response to audit engagements represent an unacceptable level of risk to the authority, the audit committee must review the matter. The committee should make their recommendation to either management or those charged with governance as necessary.

3.2 Resources

The audit committee and senior management must engage with the chief audit executive to review whether internal audit's financial, human and technological resources are sufficient to meet internal audit's mandate as set out in the regulations and achieve conformance with GIAS in the UK public sector. Where the function is outsourced or shared, the focus should be on the budgeted contract.

Where there are concerns about internal audit's ability to fulfil its mandate or deliver an annual conclusion, the concerns should be formally recorded and reported to those charged with governance. If resource issues result in a limitation of scope on the annual conclusion, this should also be reported and disclosed in the annual governance statement.

Decisions on internal audit resourcing by senior management and those charged with governance must take account of the longer-term risks to the governance and financial sustainability of the authority and internal audit's role in supporting those objectives. The long-term viability of the internal audit function must be considered.

Where there are temporary resource constraints, senior management must work with the chief audit executive to establish longer-term plans for sustainable internal audit resources.

3.3 Quality

Annually, the audit committee must review the results of the chief audit executive's assessment of conformance against GIAS in the UK public sector, including any action plan.

The audit committee must review the chief audit executive's annual report, including the annual conclusion on governance, risk management and control, and internal audit's performance against its objectives. The committee should review in-year updates and make appropriate enquiries if there are concerns about internal audit performance.

To meet the requirements of the regulations (the mandate) for internal audit, the audit committee must satisfy itself on the effectiveness of internal audit. They should take into account conformance with the standards, interactions with the committee, performance and feedback from senior management. Their conclusions should be reported to those charged with governance, for example as part of the audit committee's annual report.

3.4 External quality assessment

On behalf of those charged with governance and the audit committee, senior management must ensure that internal audit has an external quality assessment at least once every five years of its conformance against GIAS in the UK public sector, including this Code. Senior management should discuss the chief audit executive's plan for the review and report the options, suggested timing and their recommendation to the audit committee.

Where the authority is the client of an internal audit provider, (shared, partnership or outsourced functions), then agreement on the approach to the EQA will need to take account of the broader arrangements.

Where the authority commissions the EQA, the proposals for the scope, method of assessment and assessor should be brought to the audit committee for agreement. For all EQAs covering local government clients, the assessor must use this Code alongside the standards and be familiar with the sector.

The audit committee must receive the complete results of the assessment and consider the chief audit executive's action plan to address any recommendations. Progress should be monitored.

Where the audit committee does not have delegated authority, the committee should report the overall results of the external quality assessment to those charged with governance.

Appendix A – Current regulations for internal audit in local government (extracts)

The regulations are the basis for internal audit's authority or mandate. Authorities should use the regulations applicable to them. Subsequent amendment regulations have not changed the paragraphs on internal audit, but they may be updated or replaced in the future.

England

The Accounts and Audit Regulations 2015

Internal Audit

5.(1) A relevant authority must 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.

(2) Any officer or member of a relevant authority must, if required to do so for the purposes of the internal audit—

- (a) make available such documents and records; and
- (b) supply such information and explanations;

as are considered necessary by those conducting the internal audit.

(3) In this regulation “documents and records” includes information recorded in an electronic form.

Northern Ireland

The Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015

Internal audit

6. (1) A local government body must undertake an adequate and effective internal audit of its accounting records and of its system of risk management, internal control and governance processes using internal auditing standards in force from time to time.

(2) Any officer or member of a local government body must, if internal audit requires—

- (a) make available such documents and records as appear to internal audit to be necessary for the purposes of the audit; and
- (b) supply internal audit with such information and explanation as internal audit considers necessary for that purpose.

(3) In this regulation “records” includes records and documents in an electronic form.

Scotland

The Local Authority Accounts (Scotland) Regulations 2014

Internal auditing

7. (1) A local authority must operate a professional and objective internal auditing service in accordance with recognised standards and practices in relation to internal auditing.
- (2) Any officer or member of a local authority must, as required by those undertaking internal auditing—
- (a) make available such documents of that authority which relate to its accounting and other records for the purpose of internal auditing; and
 - (b) supply such information and explanation as those undertaking internal auditing consider necessary for that purpose.
- (3) A local authority must from time to time assess the efficiency and effectiveness of its internal auditing, in accordance with the standards and practices referred to in paragraph (1).
- (4) The findings of the assessments referred to in paragraph (3) must be considered, as part of the consideration of the system of internal control referred to in regulation 5(2), at the meeting referred to in regulation 5(3).

Wales

The Accounts and Audit (Wales) Regulations 2014

Internal audit

7. (1) A relevant body must maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control.
- (2) Any officer or member of that body must, if the body requires—
- (a) make available such documents of the body which relate to its accounting and other records as appear to that body to be necessary for the purpose of the audit; and
 - (b) supply the body with such information and explanation as that body considers necessary for that purpose.
- (3) A larger relevant body must, at least once in each year, conduct a review of the effectiveness of its internal audit.
- (4) The findings of the review referred to in paragraph (3) must be considered, as part of the consideration of the system of internal control referred to in regulation 5(3), by the committee or body referred to in that paragraph.

Appendix B – Current legislation or statutory guidance on the responsibilities of audit committees in UK local government

Local Government Measure 2011 as amended by the Local Government and Elections (Wales) Act 2021 (extract)

81. Local authorities to appoint governance and audit committees

- (1) A local authority must appoint a committee (a “governance and audit committee”) to—
- ...
- (e) oversee the authority’s internal and external audit arrangements

Cities and Local Government Devolution Act 2016


Levelling Up and Regeneration Act 2023

For audit committees in combined authorities and combined county authorities.

Audit committee requirements for police

The Financial Management Code of Practice (Home Office, 2018), includes:

- The police and crime commissioner (PCC) and the chief constable should establish an independent audit committee. It is recommended that this be a combined body which will consider the internal and external audit reports of both the PCC and the chief constable.



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Agenda Item No 12

Resources Board

24 July 2025

Report of the Interim Corporate Director
of Resources (Section 151 Officer)

Strategic Risk Management
Summary Report

1 Summary

- 1.1 The purpose of this report is to present the Strategic Risk Management Summary Report.

Recommendation to the Board

- a That the Strategic Risk Management Summary Report (Appendix A) is noted; and
- b That the approach to Risk Management outlined is endorsed including the Policy & Strategy (Appendix B) and Strategic Risk Register (Appendix D).

2 Background

- 2.1 The Internal Audit Progress Report considered earlier on this Agenda shows a risk management audit with no assurance. Clearly an unacceptable position and one that needed to be resolved quickly.
- 2.2 The Council engaged RSM last Autumn to assist in not only responding the recommendations within the audit but developing an approach that would demonstrate that risk management was the cornerstone of the Council's internal control framework as it should be.

3 Report

- 3.1 RSM's Summary report to date is set out at **Appendix A**, in addition **Appendix B** sets out the Policy & Strategy, **Appendix C** the Framework Key Components and **Appendix D** the Strategic Risk Register.
- 3.2 RSM will present their report at Board and I'm sure CMAP will have a view on progress already made. I am though confident, although there is still much work to do, that the approach will result in risk management being put back where it belongs with a check and challenge provided by RSM that will keep it there.

4 **Report Implications**

Finance and Value for Money Implications

4.1 There are no direct financial implications arising from this report.

Legal, Data Protection and Human Rights Implications

4.2 There are no direct legal implications arising from this report.

The Contact Officer for this report is Paul Sutton (01827 719374).

Background Paper No	Author	Nature of Background Paper	Date
N/A			

North Warwickshire Borough Council Strategic Risk Management Development Summary Report

1. Background

Those charged with governance should carry out a robust assessment of the Council's emerging and strategic risks to determine the nature and extent of the risk its is willing to take in order to achieve its objectives. This in essence is endorsed by the UK Code of Corporate Governance.

During financial year 2024 / 25 a review of risk management at the Council was performed by Internal Audit leading to a number of improvement recommendations with regards to the risk management framework, risk register content, roles and responsibilities and risk management capacity.

RSM UK www.rsmuk.com were approached to assist the Council with addressing the above. RSM UK have a dedicated risk and governance consulting faculty as well as being the largest provider of risk assurance services in the UK not for profit sector including local councils, education, emergency services, housing, charities and government departments.

2. Introduction

RSM were engaged in the late Autumn 2024 to revise and update:

1. The Council risk management framework, including:
 1. Risk management policy & strategy, including roles and responsibilities.
 2. Risk scoring methodology.
 3. Risk appetite main components.
 4. Risk register layout.
 5. Risk management monitoring and reporting.
2. The content of Council Strategic Risk register.

Attached to this report as separate appendices are:

1. The risk management policy & strategy accompanied by risk management framework key components.
2. The draft strategic risk register.

All outputs produced so far, through to beginning of June 2025, have involved input from the Council management team including an initial questionnaire, socialisation workshop to allow for wider discussions, one to one meetings and series of further check and challenge workshops. Separate to this benchmarking activities were undertaken for the purpose of comparing strategic risks and controls of the Council.

As an observation the strategic risk register and risk appetite for these risks should be constantly kept under review as the Council operating environment continues to evolve with a number of influencing factors and emerging risks. Thus, the strategic risk register should always be considered a work in progress.

3. Executive Summary

3.1 A strategic risk might be defined as:

- Having a fundamental impact on the achievement of one, some or all of the Council priorities per the corporate plan 2023 – 27.
- Be material in effect – be this loss or lost opportunity
- Important to the Council leadership.

North Warwickshire Borough Council
Strategic Risk Management Development Summary Report

3.2 There are currently 13 strategic risks within the strategic risk register. In each case:

- i. Risk causes and effects have been determined.
- ii. The risk has been scored both inherently (before the application of controls) and residually (after the application of controls) via a combination of impact and likelihood using a 1 to 5 scale.
- iii. Key controls have been determined coupled with a controls effectiveness assessment. This involved a self-assessment completed by the management team taking into account existence of the control, consistency of application of the controls and whether the control achieved the outcome expected.
- iv. An initial risk appetite was determined.
- v. Upon reviewing the above a conclusion was reached as to whether there were further actions that could be taken to better manage the risk.

3.3 Currently:

- i. No key controls are deemed ineffective. Through more recent discussions a small number of new controls have been identified, with their effectiveness to be determined once bedded in.
- ii. There are 2 risks that remain residually “high”. Being:
 - **SRR2 – Unable to prevent a successful cyber – attack.** The Council risk appetite is “averse” meaning the Council shall seek to reduce the residual risk as far as practically and reasonably possible within the constraints of resources available.
 - **SRR13 - Ineffectiveness of current and future commercial ventures and alternative service delivery models involving the Council.** However, it should be noted that the Council has an “open” risk appetite meaning that the Council are willing to explore a range of options and new solutions where the Council believe the potential benefits outweigh the residual risks and so will take informed risks.

In both cases further actions have been identified to help strengthen or improve the management of these risks.

- iii. In addition, there are a further 6 risks where the Council has set an “averse” risk appetite, although the likelihood of risk occurrence is not at the lowest scale. Therefore, where management consider appropriate further actions have been identified to help better manage these risks. In some instances, however, it may be the case that these risks cannot be further mitigated.

**North Warwickshire Borough Council
Strategic Risk Management Development Summary Report**

4. Conclusion and recommendation

The Council has a revised risk management framework and strategic risk register. This will continue to be reviewed and used to inform decision making at the Council.

The Resources Board are recommended to ask any relevant questions and make any observations that they believe are reasonable and valid with regards to the strategic risk register and risk management framework.

5. Next Steps

- i. A strategic risk management programme has been agreed involving a number of interventions throughout the year. This will be facilitated by RSM. The outcomes being reported to this Board.

Separate Appendices:

1. The risk management policy & strategy accompanied by risk management framework key components.
2. The draft strategic risk register.

North Warwickshire Borough Council

Risk Management Policy Statement and Strategy (Draft v2)

December 2024

Contents

Section 1	Risk Management Overview
Section 2	Risk Management Policy Statement
Section 3	Risk Management Strategy
Appendix 1	Risk Management Framework Components (separate)

Section 1

Risk Management Overview

- 1.1 North Warwickshire Borough Council (NWBC) is an organisation that is committed to the achievement of its Corporate Objectives, in order to be recognised as an effective provider of local services to the Borough residents and other stakeholders.
- 1.2 In doing-so, the Council realises that it will face all manner of risks. The task of management is to effectively respond to these risks so as to maximise the likelihood of the Council achieving its purposes and in doing so ensure the best use of resources.
- 1.3 As resources are finite, some risk taking is necessary. It is therefore paramount to know, measure, and mitigate the risk to a level that is acceptable and within the Council's Risk Appetite. This strategy sets out North Warwickshire Borough Council's overall approach to risk management that will be adopted organisation wide.
- 1.4 Sound Corporate Governance requires robust risk management arrangements, endorsed and upheld by the Council's Senior Management Team. In their guide to Risk Management in the Public Services CIPFA observed that:

'Risk management is not about being risk 'risk averse' but is about being 'risk aware'. The degree of willingness an organisation has to embrace commercial risk, to adapt and change without the comfort of precedent or full information is part of its style and culture and will be set by its leadership as a matter of explicit policy or by example. But wherever an organisation positions itself on the spectrum from 'cautious' to 'bold' it can and should still use risk management to inform the way it addresses both strategic and individual issues'.

Interpretation of business risk and its management

- 1.5 North Warwickshire Borough Council's interpretation of business risk and its management is as follows:

'Risk is the threat or uncertainty associated with an event or action that could adversely affect North Warwickshire Borough Council's ability to successfully achieve its corporate priorities. The uncertainty may lead directly or indirectly to damage, harm or

a loss, as well as lost opportunity. Risk management is the method by which North Warwickshire Borough Council identifies, measures and controls business risk.

- 1.6 Risk Management is not a compliance-based process and it is certainly not achieved through a tick box approach. Like value for money and corporate governance there are arrangements and systems that can assist and complement the management of business risk but, moreover, it is about business decision-making and enabling the process of risk taking:

- What are we trying to achieve? (objectives)
- What is the risk here? (risk identification)
- What will happen to desired outcomes? (risk evaluation – impact)
- How likely is the event to happen? (risk evaluation – probability)
- Does the benefit outweigh the risk? (risk v benefit and reward analysis)
- Can we do anything to reduce the risk? (risk reduction)
- Has anything happened that alters the risk? (risk monitoring)
- What plans can we put in place in case the event should happen? (contingency / service continuity planning)
- What can we do to contract out the risk? (risk transfer)
- What provisions should we hold for residual risk? (risk funding/ budgeting)

- 1.7 The Council Risk Management Framework identifies the main components that will facilitate the application of risk management practices.

Objectives with regard to the management of business risk

- 1.8 To assist in the management of business risk the following objectives have been identified which form the basis of the North Warwickshire Borough Council risk management framework. These objectives will be achieved through various mechanisms that are outlined in this document.

- Promote awareness of business risk and embed the Council's approach to its management throughout the organisation.
- Support the role and work of the Executive Board and Resources Board.
- Seek to identify, measure, control and report on business risk both corporately (and operationally) through appropriate assessment criteria.
- Monitor and measure the overall performance of the risk management framework and the way in which it contributes to the business activities of the Council.

- 1.9 The Risk Management Policy Statement and Strategy identify how the above will be achieved. These are found in section 2 and 3 of this document.

Section 2

Risk Management Policy Statement

- 2.1 The policy statement sets out the expectations of North Warwickshire Borough Council management of business risk, including:
- Vision;
 - Culture;
 - Responsibility;
 - Best Practice;
 - Processes; and
 - Training.

Vision

- 2.2 The Council will seek to identify and measure the risks it faces that may impact on the achievement of the Council Corporate Priorities. Wherever practicable, and in the context of the Council Risk Appetite, it will seek to control risks in order to maximise the quality of its service provision and maintain its reputation.
- 2.3 This will therefore encourage innovative solutions that, whilst sometimes involving risk, can be implemented with an awareness and active management of the risks that they carry.

Culture

- 2.4 The Council recognises the value of adopting a risk management culture. Consequently, it will:
- identify a director who will champion and co-ordinate risk management activity across the organisation;
 - implement and monitor risk management arrangements across the organisation at corporate and operational level;
 - use key risk information to inform the Annual Governance Statement and the Internal Audit Plan;
 - make available funds that are appropriate to finance risk management initiatives and projects across North Warwickshire Borough Council; and
 - encourage management, members, partners, suppliers, staff and other stakeholders to develop and maintain a risk management ethic and to report concerns as well opportunities accordingly.

Responsibility

- 2.5 The Senior Management Team will be responsible for:
- agreeing and monitoring actions stemming from any reports in connection with Risk Management activity;
 - responding to or keeping under review major risk management issues arising at a corporate and / or operational level facing the Council; and
 - agreeing resources to be made available in connection with Risk Management.
- 2.6 The Corporate Director - Resources will be responsible for:
- being an advocate of Risk Management;
 - advising the Resources Board and Senior Management Team on progress of Risk Management activities and acting as key contact in connection with Risk Management issues;
 - producing extracts of the Risk Register for Senior Management Team to review and update;
 - producing a section in the Resources Board annual report on risk management activity during the preceding financial year and plans for the future to aid continuous improvement;
 - facilitating and reviewing risk management initiatives at both a corporate and operational level;
 - raising awareness of risk management issues; and
 - reviewing annually this Risk Management Policy Statement to ensure it remains relevant to the needs of the Council.
- 2.8 Directors and Service Managers will be responsible for:
- identifying, assessing, mitigating and reporting on risk through the use of the risk register;
 - determining resource implications / requirements arising in connection with risk assessments;
 - promoting adherence with this Risk Management Policy Statement;
 - liaising and co-operating with the Corporate Director - Resources in connection with risk management activities;

- ensuring employees, contractors and partners are made aware of the importance of risk management and the mechanisms for feeding into the formal processes; and
- identifying risk management training needs.

2.9 Employees will be responsible for:

- maintaining an awareness of risks and feeding these into the formal risk management processes where appropriate and as required to do so.

Best Practice

2.10 The following eight steps of Risk Management will be followed in the production of risk assessments at either corporate and / or operational level:

- identifying the risks which might impact on the corporate priorities by reference to the categories of risk specified by the Council;
- analysing and ranking the risk in terms of impact and likelihood using a consistent methodology for this purpose across North Warwickshire Borough Council;
- identifying and assessing existing controls which contribute to managing and mitigating the risk;
- analysing and ranking the remaining risk in terms of impact and likelihood;
- prioritising the risk;
- determining the action required based on the Council's Risk Appetite with a view to eliminating the risk (termination), reducing the risk (tackle), accepting the risk (tolerate) or passing on the risk via insurance or indemnities (transfer). In doing so consideration will need to be given to the resource implications;
- identifying individuals responsible for monitoring and reporting on risks identified that is changes in the nature of the risk, level of exposure and the on-going effectiveness of internal controls in place for managing or mitigating the risk;
- identifying individuals responsible for taking action in connection with the risk identified and the date by which action is required; and
- monitoring and reporting on progress in connection with action.

Process

2.11 In managing Risk Management processes it is essential that records and procedures are properly maintained, decisions are recorded and clear audit trails exist in order to demonstrate due diligence, openness and accountability.

- 2.12 North Warwickshire Borough Council will establish a standard approach to the way in which risk will be assessed and recorded as part of the above process. This approach will be kept under review to ensure its continued effectiveness and efficiency.

Training

- 2.14 North Warwickshire Borough Council recognises that the success or otherwise of its Policy Statement will be influenced by the positive responsiveness of those individuals responsible for its implementation on a day-to-day basis. Accordingly, training and development needs will be assessed and provided for as required.

Project Risk

- 2.15 It is recommended practice for a project risk register to be maintained for each significant project undertaken by North Warwickshire Borough Council. This will be consistent with the process adopted by the Council organisation-wide.
- 2.16 The register should record risks that have been identified as having a realistic possibility of crystallisation in connection with each project.

Section 3

Risk Management Strategy

- 3.1 This strategy identifies how North Warwickshire Borough Council's Risk Management Policy will be implemented / achieved. This strategy is applied on an annual basis.
- 3.2 The strategy is made up of three components in connection with Risk Management to ensure:
- principles and values are upheld;
 - fulfilment of responsibilities; and
 - the application of risk assessment best practice.
- 3.3 For each component aims are identified:

Risk Management Principles and Values are Upheld

Aims
Agree the objectives in connection with North Warwickshire Borough Council's approach to Risk Management.
Keep the Risk Management Policy Statement up to date.
Review the Risk Management strategy.
Produce, agree and approve the Annual Governance Statement with regard to the effectiveness of Risk Management at North Warwickshire Borough Council.

Fulfilment of Risk Management Responsibilities

Aims
With regard to the Resources Board, review and determine the following: <ul style="list-style-type: none">▪ membership;▪ programme of activities;▪ reporting arrangements; and▪ resource requirements.
Determine the level of resources which will be applied to Risk management.
Complete risk assessments as part of ongoing activities, strategically and operationally, including decision making, in the context of the Corporate Priorities.
Review and report on: <ul style="list-style-type: none">▪ the application of the risk assessment process and compile a register of risks including risks identified at a strategic, operational and project level;

<ul style="list-style-type: none"> ▪ the adequacy of action taken to mitigate risks; ▪ the effectiveness of existing controls in the management of risk; and ▪ compliance with the policy.
<p>Monitor reports on:</p> <ul style="list-style-type: none"> ▪ risks identified through the risk assessment process, both strategic, operational and project level; and ▪ progress towards implementation / establishment of key controls.

Application of Risk Assessment Best Practice

Aims
Review of key reports from the North Warwickshire Borough Council risk management process.
Monitor successfulness of Risk Management activities corporately and operationally.
Report on the application of risk management best practice as part of the annual risk management report.

North Warwickshire Borough Council

Risk Management Framework – Key Components *Draft v2*



**North Warwickshire
Borough Council**

The Council Risk Management Framework

UK Code of Corporate Governance (context)	slide 3
The risk management cycle and virtues of the RMF	slide 5
The Council Risk Maturity	slides 6-8
Corporate risk management approach	slide 9
Corporate risk management application	slide 10
Key control components	slides 11-13
Risk Appetite levels	slide 14
Risk Appetite response	slide 15
Risk scoring criteria	slide 16
Risk matrix, prioritisation and suggested management	slide 17
Council risk register layout components	slide 18
Key Risk Management Monitoring & Reporting Components	slides 19-21

Context – based on UK Code of Corporate Governance

Those responsible for governance should establish the risk and internal control framework and determine the nature and extent of the principal risks it is willing to take in order to achieve its corporate priorities.

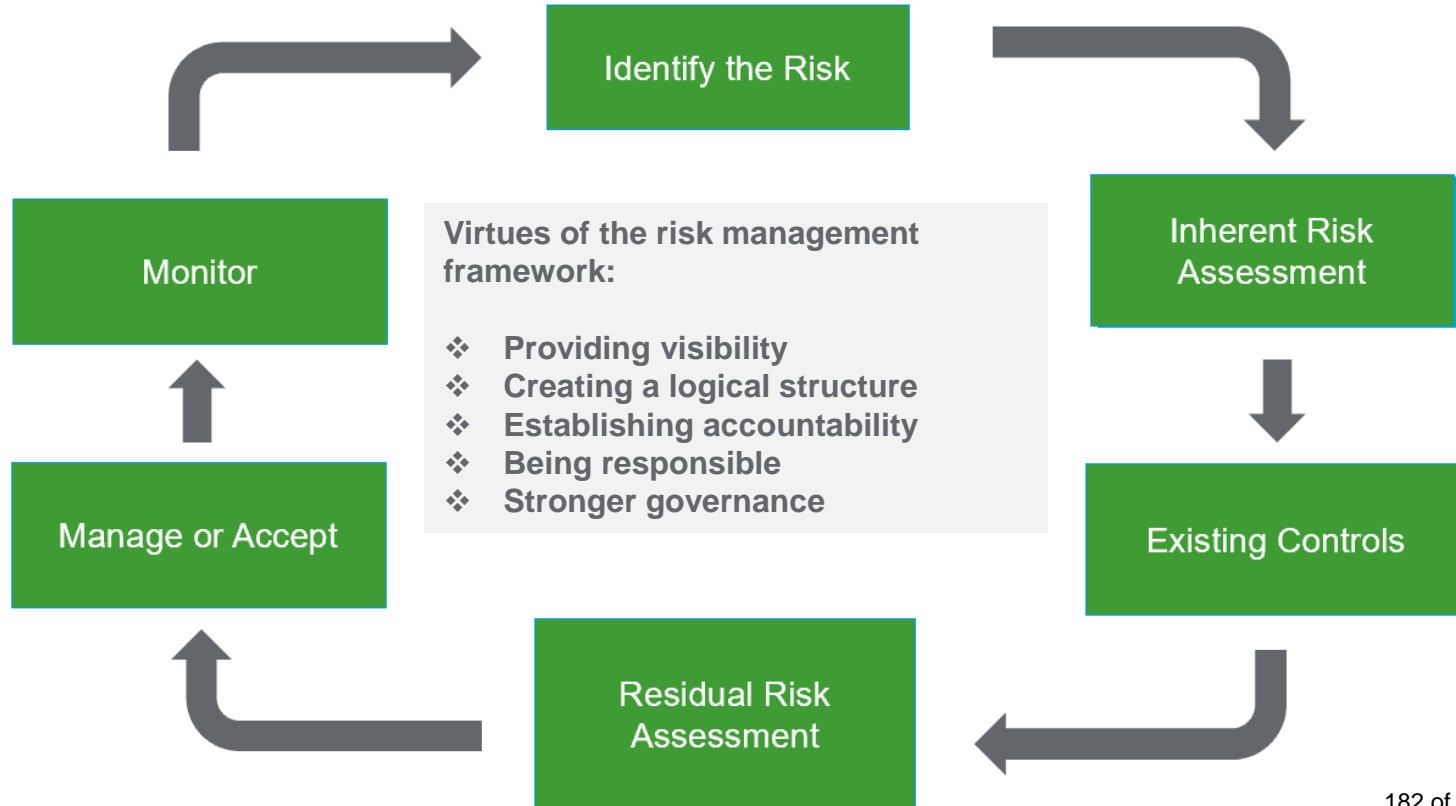
The Council should satisfy itself that the internal controls are robust and allow for prudent and effective risk assessment and management.

The Council should monitor the risk management and internal control systems and, at least annually, carry out a review of their effectiveness and report on that review in the annual report.

The monitoring and review should cover all material controls, including financial, operational and compliance controls.

	Executive Board	Resources Board	Council Management/Senior Management Team
Key risk management responsibility	Set direction of risk management	Provide assurance to the Executive Board over the management of risks	Application of risk management.
Role in the risk management framework	<ul style="list-style-type: none"> Set strategic direction and objectives of the Council. Agree and review the principal or strategic risks to the achievement of the corporate priorities. Agree the risk management framework including policy. Agree the risk appetite – what type and level of risk, set out in a risk appetite statement by the Executive Board. Make decisions in the context of the strategic risks and risk appetite. Ensure on-going effectiveness of the control environment – in this case discharged via Resources Board. Report annually on the above as part of the annual governance statement. 	<ul style="list-style-type: none"> Provide assurance to the Executive Board over the on-going effectiveness of the risk management framework, policy and strategy. Seek and receive assurance that the key controls that manage the strategic risks are effective and remain so. Provide appropriate level of scrutiny and oversight in connection with the application of risk management across the Council through relevant check and challenge Develop and keep under review a plan of action to improve the risk management framework and or to remedy weaknesses identified Report to the Executive Board on the above. 	<ul style="list-style-type: none"> Promote adherence with the Council risk management framework, policy and strategy. Work with the Executive Board and Resources Board to develop the risk management framework and identify strategic risks. Take ownership of the strategic risks and ensure they are effectively managed through the use of internal controls, assurances and further action as required, and updating of the strategic risk profile. Ensure that the risk management framework is suitably communicated, understood and applied across the Council, including mechanisms for escalating risks from operational level through to the SMT/Resources Board as required, taking account of the risk appetite.

Risk Management Cycle



Risk Maturity Assessment Matrix

<div> <div> Culture Communication Responsibilities Accountabilities Outcomes </div> <div> </div> </div>	Increasing Risk Maturity			
	Emerging	Developing	Maturing	Enabling
	Emerging approach to risk management	Risk management approach adopted to meet basic expectations of stakeholders	Risk management approach built into normal college process	Risk management supports the delivery of strategic objectives
Governance	Risk management only considered at certain levels of the college	A defined risk management approach and risk is captured at all levels of the college	An established risk management approach with clear linkages between each risk level	Risk management directly informs college planning and supports college decisions
Risk Identification	Ad hoc risk identification	Annual risk assessment	Continuous risk identification undertaken with clearly defined risks using cause and effect analysis	In the activities of the college Risk identification embedded for all operations
Risk Assessment	Basic risk assessments using impact and likelihood	Identification using risk scoring matrix with clearly defined definitions for impact and likelihood	Consistently applied risk scoring methodology assessing risk both inherently and residually	Management challenge and consider risk appetite for each risk type
Risk Mitigation	Mitigations identified that manage risk	Mitigations are specifically separated between existing controls and identified actions	Efficient and effective mitigations established	Mitigations are achieving the required outcomes
Assurance	Assurance mechanisms in place	Assurances mechanisms are defined and reported on	Direct linkage between assurances and mitigations	Assurance outcomes are used to drive to inform the college risk profile
Monitoring & Reporting	Informal communication of risk	Cyclical risk management reporting	Risk management 'check and challenge' at all levels of the college	Risk management used to optimise decision making

The Council Risk Maturity

The statement on the following page are reflective of current good risk management practices. There are 21 statements.

In establishing an effective risk management framework these practices will need to be considered.

As part of this process an assessment will be made with regards to the following:

- ✓ How far do these practices exist?
- ✓ How far are these practices consistently applied?
- ✓ How far do these practices achieve the outcome required?

In addition, consideration will need to be given to how far these practices are integrated with each other.

This will inform the Council Risk Maturity assessment which will be completed annually with the outcomes reported to the Resources Board.

1. The risk management policy and strategy is subject to annual review and approval and communicated across the Council.

2. There is a specific Individual and Committee that has responsibility for ensuring the effectiveness of the Council risk management.

3. The Council sets the tone for the management of risk and this is followed throughout the Council in the form of communications, training, publications, articles and updates.

4. Risk management roles and responsibilities are clear and communicated across the Council, from the Committee to the operational areas, supported by appropriate training.

5. The Council have determined and agreed a set of corporate risks or equivalent that will impact on the achievement of the Council objectives or priorities.

6. Risk appetite of the Council is defined and communicated across the Council in the form of a risk appetite statement.

7. The Council receives timely and accurate risk and control information updates on the Council risk profile that informs its understanding of the Council risk exposure, allowing for check and challenge.

8. Reports for decision making take account of the corporate risks and Council risk appetite and include an explicit assessment of risk.

9. The Council keep under review the corporate risks, risk appetite and update the risk appetite statement accordingly.

10. Horizon scanning is undertaken as part of a cyclical exercise to identify emerging areas of risk that need to be considered by the Council. This exercise focusses on opportunities as well as potential threats and areas of difficulty that are emerging from the exercise – with the outcomes being recorded and appropriate action then agreed and taken.

11. The Council is confident that all key activities, functions and initiatives are subject to regular risk assessment and review, with an operational risk register being maintained as required.

12. There are suitable risk escalation processes in place to ensure that key operational risks are made visible and these are reported and monitored by the Council.

13. There is a programme of “risk deep dives” for the purpose of understanding more about a strategic risk, key risk or area of risk, including the Council risk exposure and the effectiveness of risk mitigation at a more granular level. The outcome of the deep dive being appropriately reported within the Council action plans created as necessary to improve the management of the risk in question.

14. Actions stemming from risk reviews etc are prioritised and tracked to their effective completion.

15. The Council key control framework is documented, with key controls being understood and owned.

16. There is a clearly defined and visible assurance framework and this is subject to regular monitoring and reporting within an appropriate committee or forum within the Council.

17. The Council risk management maturity is understood and there is a risk maturity improvement plan produced, with progress monitored and kept in check.

18. Lessons learned from near misses and errors (internal or external) are communicated, reviewed and improvement required tracked.

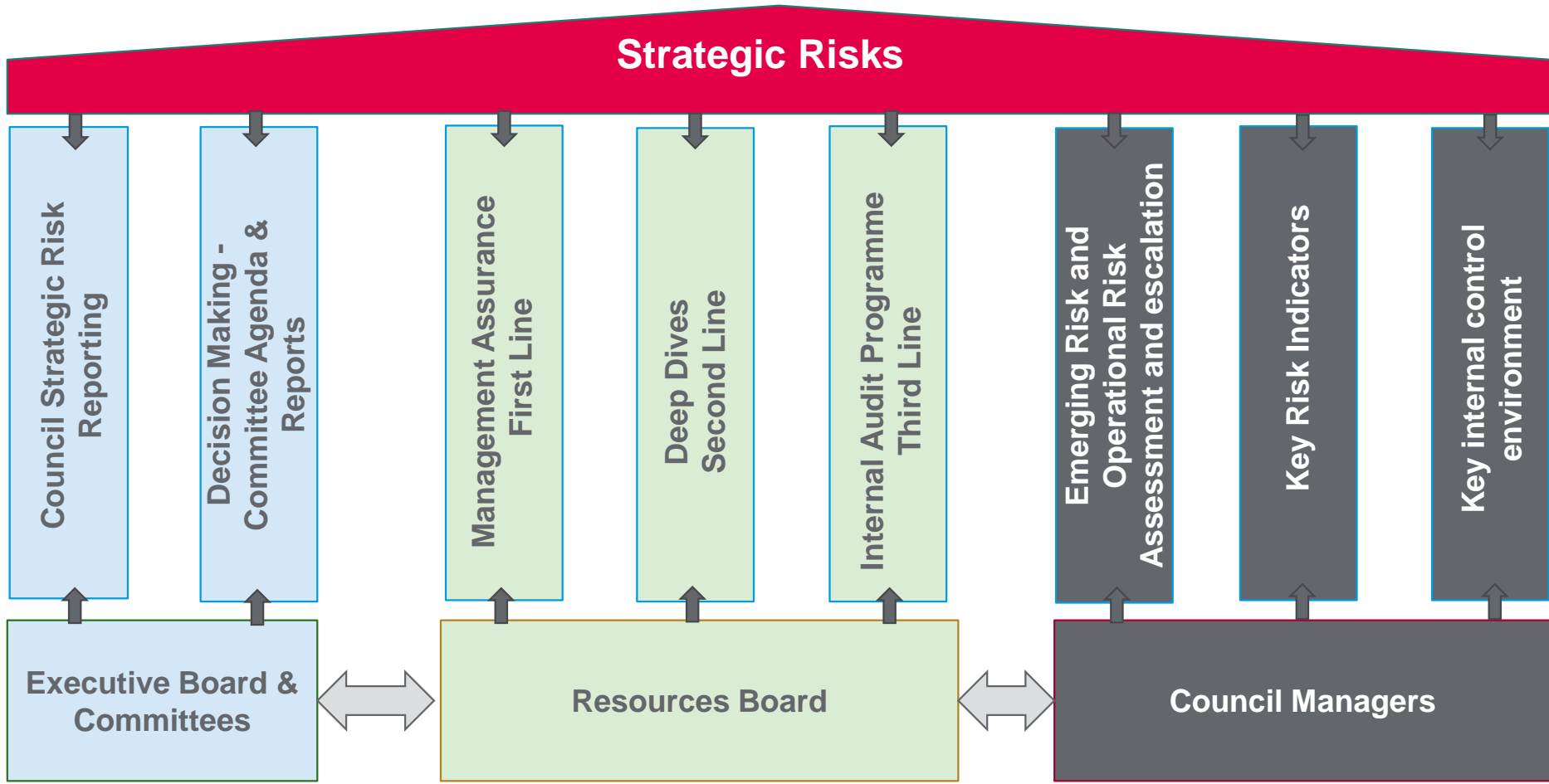
19. The Council has confidence that incidents, complaints and other performance information is triangulated as part of the risk review and reporting process.

20. The strategic risks and other key areas of risk are subject to stress / scenario testing activities with a view to understanding the implications on the Council and how it would respond.

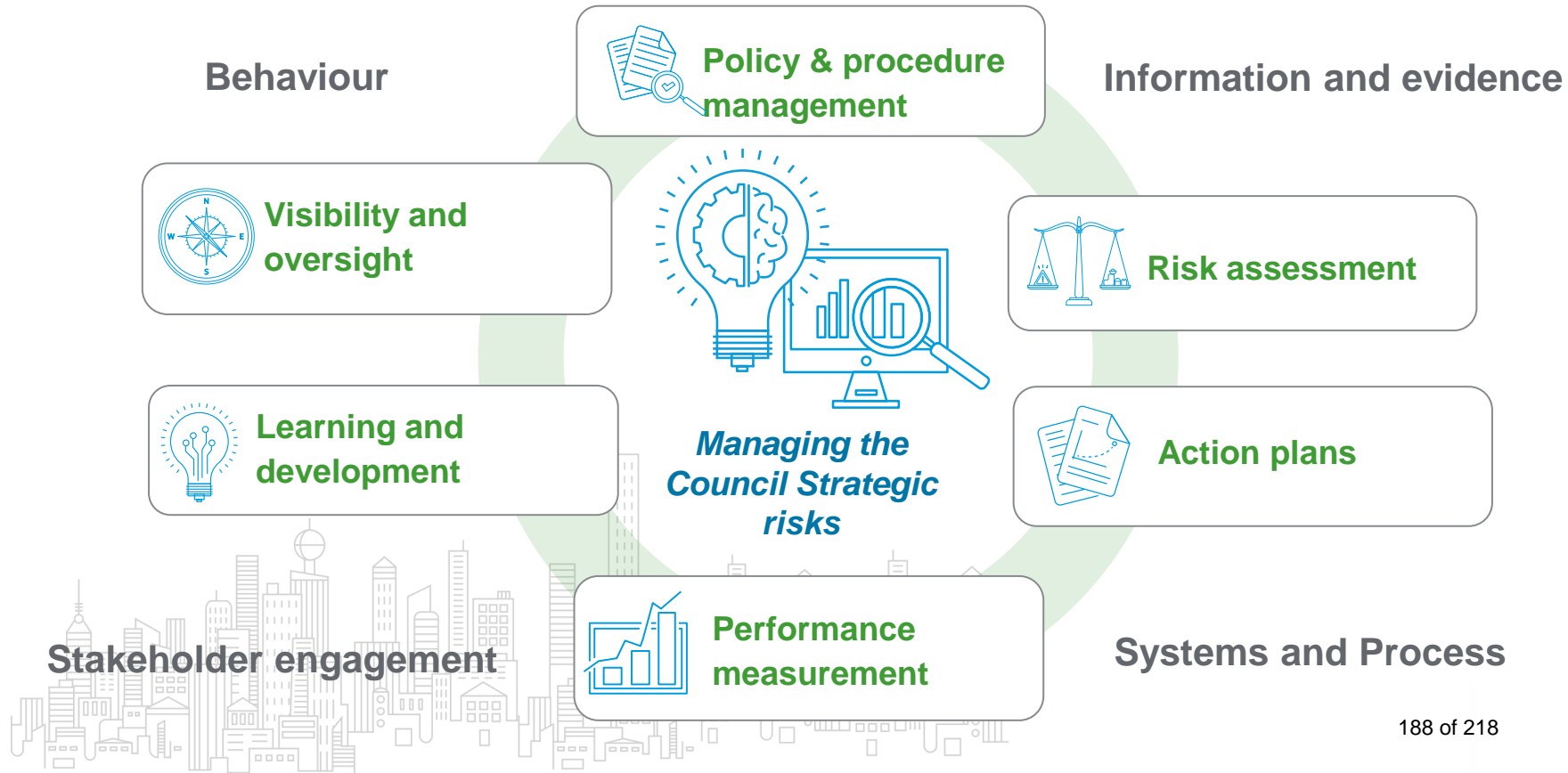
21. There is at least annually an assessment of the Council risk management and this is reported including any necessary improvements required.

Strategic risk management approach (key components)





Key internal control environment



Key controls and their component parts (1 of 2)

Policy & Procedure Management

- Policies and procedures are reviewed and up to-date.
- Policies and procedures are communicated, accepted and understood.
- Compliance is subject to monitoring with non-compliance investigated.

Visibility and Oversight

- Supervisory structure in place, from operations through to senior management (ownership).
- Full Council / sub-committee ownership.
- Regular or cyclical management monitoring and reporting through to Full Council / sub-committee as appropriate.

Action Plans

- Strategies and plans (including continuous improvement) in connection with the activity or objective exist, are reviewed and monitored (visible).
- Improvement plans exist, are reviewed and monitored (visible) for example audit, compliance, etc.
- Action plans have an owner and actions are delegated to named individuals for completion.

The key controls take into account the following influencers:

- ***Information and evidence***
- ***Systems and process***
- ***Stakeholder engagement***
- ***Management and staff behaviours.***

Note – key control effectiveness is determined by considering the key control existence, consistent application and achievement of the expected outcome that it does the control do what it is expected to do. This will be based on the provision of assurance, in the first instance by the risk owner, then the Resources Board review (deep dive) and where required independent external review.

Key controls and their component parts (2 of 2)

Learning & Development

- Mandatory and discretionary training is completed by staff to maintain competencies.
- Organisation learning from wider sector / system both positive and negative.
- Learning from our own events (and near misses) both positive and negative including root cause analysis of success and failure.

The key controls take into account the following influencers:

- ***Information and evidence***
- ***Systems and process***
- ***Stakeholder engagement***
- ***Management and staff behaviours.***

Risk Assessment

- Completion of cyclical tactical level risk assessment in connection with the activity or objective for example health & safety, safeguarding etc.
- Cyclical management appraisal of activities to ensure they are fully understood from end to end.
- Horizon scanning of external environment as part of preparedness for example regulatory changes etc.

Performance Management

- A set of SMART Key Performance Indicators.
- Monitoring and reporting on KPI's.
- Investigation into variances and outliers.

Risk Appetite Levels

Risk appetite level	Risk appetite level description
Averse	We shall seek to reduce the residual risk as far as practically and reasonably possible within the constraints of resources available.
Minimal	We shall seek a low degree of residual risk, in a well controlled environment with limited benefit potential.
Cautious	We are willing to accept some degree of residual risk where we have identified scope to achieve proportionate benefit – striking a balance between the two.
Open	We are willing to explore a range of options and new solutions where we believe the potential benefits outweigh the residual risks and so we take informed risks.
Hungry	We are eager to be innovative and choose and work with a range of options based on maximising opportunities and beneficial outcomes, even if those activities carry a very high level of residual risk. In doing so we recognise that failures are an opportunity for learning and improvement.

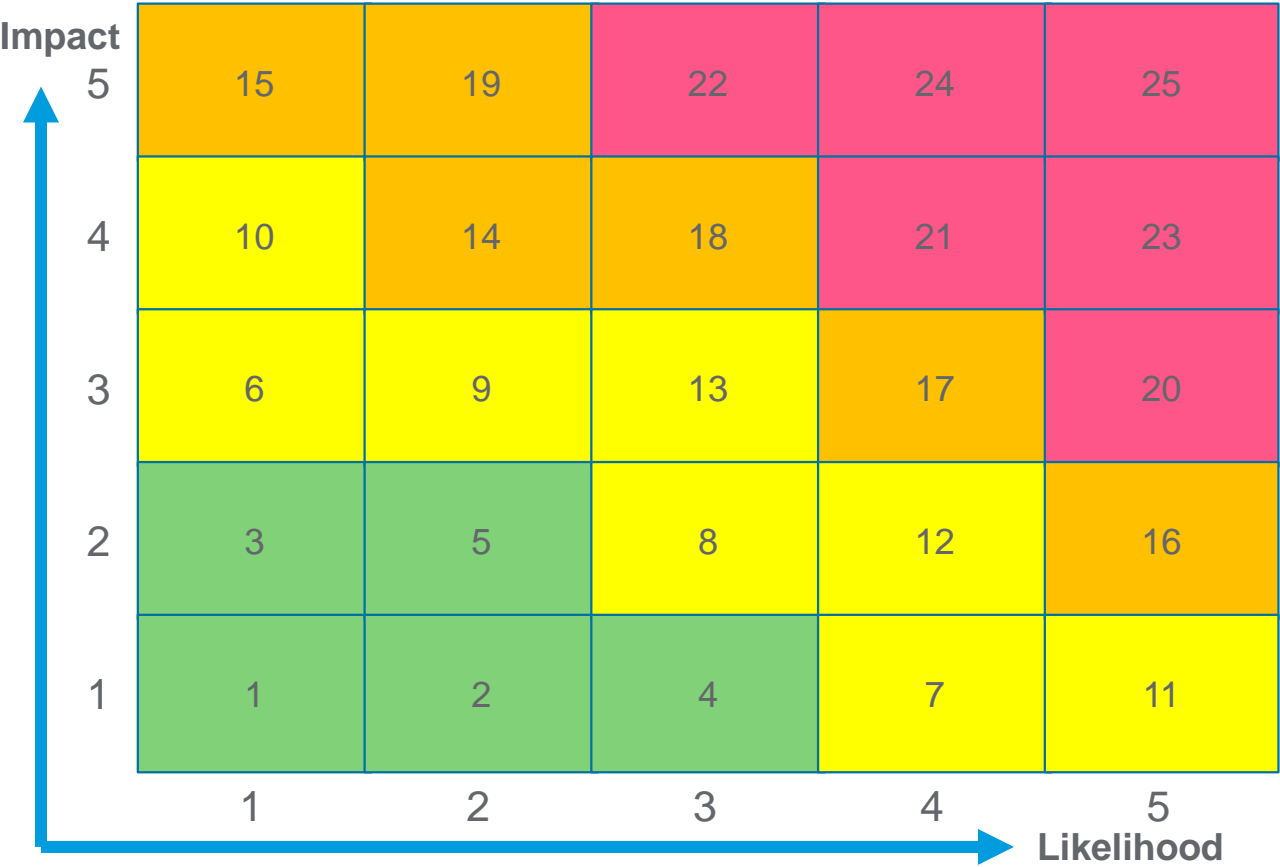
Risk Appetite Response



Risk Scoring Criteria – Likelihood & Impact (indicative)

Value	Likelihood	Lost Opportunity Impact	Financial Impact	Compliance Impact	Quality & Customer Experience Impact	Reputation / Brand Impact
5	81%+ probability	Failure to leverage rewards / benefits such that one or more strategic objectives are materially compromised.	Single instance loss of £100k +	Non-compliance leads to external investigation / intervention, significant penalty / fine or criminal proceedings etc.	Fail to achieve target outcomes in approx. 40% of cases.	Irrecoverable reputation damage amongst key stakeholders.
4	61 to 80% probability	Failure to leverage rewards / benefits such that the outcome overall is significantly below that envisaged.	Single instance loss of £50k to £100k	Non-compliance leads to external warning and penalty etc.	Fail to achieve target outcomes in approx. 20% of cases.	Reputation damage with key stakeholders.
3	41 to 60% probability	Failure to leverage rewards / benefits such that the outcome in parts is considered generally sub-optimal.	Single instance loss of £20k to £50k	Non-compliance leads to external warning.	Fail to achieve target outcomes in approx. 10% of cases.	Localised reputation damage with groups/individuals
2	21 – 40% probability	Failure to leverage rewards / benefits in parts but no overall negative impact.	Single instance loss of £10k to £20k	Non-compliance occurs but does not warrant formal external action.	Fail to achieve target outcomes in approx. 5% of cases.	Temporary reputation damage with individuals.
1	1 – 20% probability	Negligible impact.	Single instance loss of £5k to £10k	Results in near miss regarding non-compliance.	Fail to achieve target outcomes in approx. 2.5% of cases.	No reputation damage.

Risk Matrix, Prioritisation and Suggested Management



Priority	Suggested Management
High Score 20 to 25	These risks require immediate attention. The risk should be regularly monitored for change and that prescribed actions will achieve the desired outcome and that they are being suitably completed.
Medium / High Score 14 to 19	These risk should be subject to regular review to ensure that they are not changing and evolving. Assurance should be sought over effectiveness of existing controls and that actions are being suitably progressed.
Medium Score 6 to 13	Regular review of controls and actions to ensure that these are appropriate and effective.
Low Score 1 to 5	Review the basis of the risk, ensure controls are still appropriate.

Council Risk Register Layout (Example)

Risk Description / Risk Owner	Cause and Effects How could this risk occur (Cause) and what could be the consequences (Effects) if the risk materialised?	Inherent Risk Score (Without Controls – the risk in its natural state)	Existing Key Controls / Enablers What are the Key Controls / Enablers in place that manage the risk?	Effectiveness of Key Controls / Enablers Fully, Partially, not or don't know	Residual Risk Score (Current – after application of controls)	Risk Appetite Level and in / outside of appetite Averse, minimal, cautious, open or hungry	Planned Actions: What further action do we need to take to better manage this risk to an acceptable level?
Risk Headline <i>Brief description</i> Risk Owner: <i>Senior Manager</i>	Cause: 1) XX 2) XX Effect: a) XX b) XX	Impact = 5 Likelihood = 5	Control 1 Control 2 Control 3	Partially Fully Fully	Impact = 5 Likelihood = 3	Averse (outside of appetite)	Action 1 – what, who and when Action 2 – what, who and when

Council Key Risk Management Monitoring & Reporting Components

Risk Management Item	Senior Management Team	Resources Board	Executive Board
1. Assurance over key controls that manage the Council's strategic risks	The Senior Management Team (SMT) will take ownership of the strategic risks and provide assurance over the effectiveness of key controls.	The Resources Board will receive assurances over the key controls and provide appropriate check and challenge, directing specific Internal Audit review, scrutiny and deeper enquiry as required – making use of other sub-committees as appropriate.	The Executive Board will be updated on the effectiveness of the key control environment by the Chair of the Resources Board including any recommendations arising.
2. Assurance over actions required to better manage the Council's strategic risks.	The SMT will ensure actions agreed are being effectively progressed and that the outcomes intended are achieved.	In the case of actions, then as above.	In the case of actions, then as above.
3. Changes in Council strategic risk profile and why.	The SMT will provide relevant commentary in connection with changes in the strategic risk profile e.g. nature of the risk, scoring etc and the implications for the Council.	The Resources Board will make suitable enquiries as to changes and actions being taken by the SMT.	Material changes will be reported to the Executive Board via the SMT. The Resources Board will incorporate into future scrutiny and enquiry.
4. Very high-level operational risks and implications thereon for the Council.	The SMT will assess implications on the Council's strategic risks. The very high-level operational risks will be subject to review as part of service performance and improvement.	The Resources Board will receive a report on the very high-level operational risks including any actions being progressed. Where required further actions may be agreed to be taken by the SMT.	This will form part of reporting to the Executive Board by the SMT. The Resources Board will incorporate into future scrutiny and enquiry.

Council Key Risk Management Monitoring & Reporting Components

Risk Management Item	Senior Management Team	Resources Board	Executive Board
5. Emerging risk - those items the Council need to watch, assess and monitor and what they might mean to the Council from a risk perspective.	The SMT will undertake a cyclical assessment of emerging risk. They will determine any appropriate response that may be required.	<p>The Resources Board will receive a cyclical report on emerging risks and proposed responses.</p> <p>The Resources Board will make relevant further enquiries as required.</p>	<p>This will form part of reporting to the Executive Board by the SMT.</p> <p>The Resources Board will provide any further relevant commentary and observations.</p>
6. Major non-compliance issues – what? why? The implications for the Council and how these will be resolved.	<p>The SMT will assess implications on the Council's strategic risks.</p> <p>.</p>	<p>The Resources Board will receive a report on the major non-compliance issues (and their implications on the Council's risk profile) including any remedial actions being progressed.</p> <p>Where required further actions may be agreed to be taken by SMT.</p>	<p>This will form part of reporting to the Executive Board by the SMT and Resources Board.</p> <p>The Resources Board will specifically incorporate into future follow – up to ensure effective remedy of non-compliance.</p>
7. Significant near misses – what? Why? and how these will be addressed.	The SMT will ensure actions agreed are being effectively progressed and that the outcomes intended are achieved.	<p>The Resources Board will receive a report on significant near misses including any actions being progressed.</p> <p>Where required further actions may be agreed to be taken by the SMT.</p>	<p>This will form part of reporting to the Executive Board by the SMT and Resources Board.</p> <p>The Resources Board will specifically incorporate into future follow – up.</p>

Council key Risk Management Monitoring & Reporting Components

Risk Management Item	Senior Management Team	Resources Board	Executive Board
<p>8. Lessons learned (overall) - what the Council do to ensure improvements in its risk management in the future.</p> <p>Note: the risk management should be proportionate, practical and effective.</p>	<p>The SMT will assess the Council risk management (at least annually) to ensure its effectiveness and agree improvement actions.</p> <p>Progress of these actions will be reported to the Resource Board.</p>	<p>The Resources Board will receive a report identifying suggested risk management improvements.</p> <p>The Resources Board will also consider lessons learned and improvements that could be made to the Council's risk management.</p> <p>The risk management improvement plan will be subject to regular review.</p>	<p>Lessons learned and improvements in risk management will be reported to the Executive Board for consideration and agreement.</p> <p>The Executive Board will receive cyclical updates on progress of the risk management improvement plan via the Resources Board.</p>

Strategic Risk Register



Generated Date	14 Jul 2025 17:02
Risk Criteria	
Risk Area	Strategic



Strategic							
Prefix	Risk Details	Inherent Risk Score (IxL)	Control Detail	Control Effectiveness	Residual Risk Score (IxL)	Residual Direction of Travel	Actions Detail
SRR0001	Title: Material health & safety / regulatory breach Description: 'There is a risk of significant health & safety or regulatory breach due ineffective arrangements, insufficient knowledge and resources, non-adherence with policies and procedures, inadequate risk assessment, poor training or human error leading to harm to service users, reputational damage and regulatory intervention'. Cause(s): <ul style="list-style-type: none">• Lack of effective health, safety and well-being policies and procedures (out of date, not communicated, not understood);• Lack of relevant and timely training;• Lack of clarity in health, safety and well-being roles and responsibilities;• Safety and well-being culture not bought into;• Defective assets and working conditions etc go unidentified / unreported;• Poorly maintained systems and records, including risk assessment etc. Effect(s): <ul style="list-style-type: none">• Harm to employees, service-users, contractors, etc;• Investigation and rectification costs (including potential fines);• Council reputation damage. Risk Appetite: Averse Risk Appetite Description: We shall seek to reduce the residual risk as far as practically and reasonably possible within the constraints of resources available.	High (5:5=25)	Council Health & Safety Policy and procedures in place and including roles & responsibilities in respect of health & safety - made accessible to staff and included as part of induction for all new starters.	Effective	Medium/High (5:2=19)	=	Learning from adverse events/incidents to be strengthened
			Health & Safety expertise is in place to provide safety advice and coordinate health and safety activities (policy, procedures, communications, initiatives etc) and membership of Regional H&S groups, receiving national updates from HSE and LGA practitioners.	Effective			Develop action plan following Internal Audit review
			Regular Reporting to Resources Committee, Special Sub-Group, Health & Safety Group and Full Council	Effective			Health & Safety system to be considered
			Programme of Health & Safety audits with outcomes reported and actions monitored.	Effective			Strengthen process and support for monitoring and responding to risk assessments
			Monitoring of accidents and incidents with identification of trends and reporting to Full Resources Board and Council H&S groups. Refreshed roles and membership of the Strategic Health and Safety Group and the Health and Safety Working Party.	Effective			
			H&S Training Matrix for each department. Corporate training plan includes IOSH Managing Safely Training for all managers and IOSH Leading Safely for senior leaders.	Effective			
			Risk assessments and safe systems of work managed departmentally to ensure appropriate risk controls are in place or to be implemented.	Effective			
			Job descriptions identify H&S responsibilities for each post.	Effective			



Prefix	Risk Details	Inherent Risk Score (IxL)	Control Detail	Control Effectiveness	Residual Risk Score (IxL)	Residual Direction of Travel	Actions Detail
SRR0002	<p>Title: Unable to prevent a successful cyber- attack</p> <p>Description: ‘There is a risk that the Council may be subject to a successful and significant cyber-attack resulting in the data loss and inability to access business-critical systems due to weak controls, inadequate training and outdated systems leading to inability to deliver service, financial loss and reputational damage’.</p> <p>Cause(s):</p> <ul style="list-style-type: none">• Increasing frequency and complexity of cyber attacks• Lack of effective cyber security policy and procedures (out of date, not communicated, not understood);• Lack of relevant and timely training relating to cyber security;• Lack of clarity in roles and responsibilities relating to cyber security;• Insecure digital systems and records (Council and third -party providers). <p>Effect(s):</p> <ul style="list-style-type: none">• Inability to access systems – unable to deliver services;• Data compromised – potential harm to individual / ICO fine;• Investigation and rectification costs;• Reputation damage. <p>Risk Appetite: Averse</p> <p>Risk Appetite Description: We shall seek to reduce the residual risk as far as practically and reasonably possible within the constraints of resources available.</p>	High (5:5=25)	Up to date and effective IT Policy in place / communicated to staff	Partially Effective	High (5:3=22)	=	<p>Implement new hybrid back-up solution to deliver speedier back-ups on site (and provide resilience of a cloud-based system)</p> <hr/> <p>Review of IT Policy arrangements (Suggested)</p> <hr/> <p>Update Major Incident Procedure</p>
			Cyclical mandated IT and cyber security and data protection training provided to all staff	Effective			
			Defined roles and responsibilities in relation to cyber security with an IT security lead	Effective			
			Regular communications, reminders and updates to staff in connection with cyber risk	Effective			
			Programme for continuous updating/ installation of software (including firewall) and new hardware etc.	Effective			
			Regular reporting and monitoring of IT security/cyber incidents, lesson learned and remedial plans produced and actioned.	Effective			
			Engagement with national organisations to ensure ongoing learning of threats and prevention.	Effective			
			Major incident procedure in place but requires updating	Partially Effective			
			Disaster Recovery arrangements in place	Effective			
			A managed firewall in place	Effective			
			Monthly schedule for security patches and anti-virus implemented	New Control			



Prefix	Risk Details	Inherent Risk Score (IxL)	Control Detail	Control Effectiveness	Residual Risk Score (IxL)	Residual Direction of Travel	Actions Detail
SRR0003	<p>Title: Material safeguarding failure</p> <p>Description: 'There is a risk of a major safeguarding failure due to failure to adhere to established policies and procedures leading to harm to service users and reputational damage'.</p> <p>Cause(s):</p> <ul style="list-style-type: none">• Lack of effective safeguarding policy and procedures (out of date, not communicated, not understood);• Lack of relevant and timely training relating to safeguarding;• Lack of clarity in safeguarding roles and responsibilities;• Safeguarding culture not bought into;• Poorly maintained systems and records. <p>Effect(s):</p> <ul style="list-style-type: none">• Harm to service users;• Investigation and rectification cost;• Council reputation damage. <p>Risk Appetite: Averse</p> <p>Risk Appetite Description: We shall seek to reduce the residual risk as far as practically and reasonably possible within the constraints of resources available.</p>	High (4:4=21)	Safeguarding Policy and Procedure / communicated to staff.	Effective	Medium/High (4:2=14)	=	<p>Reports from Partnership Boards to be shared with Members</p> <hr/> <p>Consideration to be given to including a review of safeguarding controls in internal audit programme.</p>
			Cyclical and mandated staff core safeguarding training supplemented by briefings at Team Meetings and training in areas such as Modern-Day Slavery, Domestic Abuse and Suicide Prevention. Safeguarding Training included at induction.	Effective			
			Four safeguarding leads in place (two for adults, two for children). Use of, and referral to, safeguarding leads is regularly and strongly encouraged	Effective			
			Regular reporting on safeguarding, including an annual report and learning from incidents, complaints and near-misses and improvement plan produced by Partnership Boards (Adult and Children Boards) and '7-minute briefings' on Warwickshire County Council website.	Partially Effective			
			Active engagement with both Adult and Children Safeguarding Boards and partnership arrangements, systems and learning.	Effective			
			DBS checks when required undertaken in connection with staff and contractors.	Effective			
			Defined roles and responsibilities in relation to safeguarding included in all job descriptions.	Effective			
			Case Tracking arrangements now in place	New Control			



Prefix	Risk Details	Inherent Risk Score (IxL)	Control Detail	Control Effectiveness	Residual Risk Score (IxL)	Residual Direction of Travel	Actions Detail
SRR0004	<p>Title: Financial instability / Ineffective financial management</p> <p>Description: 'There is a risk that organisation may experience financial instability and ineffective financial management due to poor financial planning and financial control resulting in loss of confidence, inability to continue to provide quality services and regulatory intervention'.</p> <p>Cause(s):</p> <ul style="list-style-type: none">• Increasing costs being experienced (macro-economic playthrough);• Poor financial planning and budgetary control;• Weak financial controls – financial procedures out of date, not communicated, not understood, not followed.• Lack of clarity in roles and responsibilities relating to financial management.• Poorly maintained systems and records.• Unforeseen event leading to material financial cost or loss e.g. major repair cost or fraud. <p>Effect(s):</p> <ul style="list-style-type: none">• Council financial viability threatened;• Council plans stifled;• Loss of confidence in the Council;• Qualified Audit Opinion. <p>Risk Appetite: Cautious</p> <p>Risk Appetite Description: We are willing to accept some degree of residual risk where we have identified scope to achieve proportionate benefit – striking a balance between the two.</p>	High (4:4=21)	Medium Term Financial Plan supported by relevant policies. Director of Resources discusses MTFS informally with Leaders Group (Chairs of Committees) regularly	Effective	Medium/High (4:3=18)	=	Updating of Financial Regulations (June 2025 completion date)
			Budget management routines including regularly meetings between finance team and budget holders.	Effective			
			Regular financial reporting through to SMT / Resources Board and all committees.	Effective			
			Roles and responsibilities in connection with financial decisions / transactions are defined – all decisions are assessed for financial risk / implications.	Effective			
			Scheme of Delegation in place.	Effective			
			Financial Regulations (and Contract Procedure Rules) in place and regularly reviewed and updated.	Partially Effective			
			Financial training for all finance staff and budget holders (at induction and on-going).	Effective			
			NWBC membership of LG Futures Network (provides intelligence of new/emerging issues/requirements/development in LG finance)	Effective			



Prefix	Risk Details	Inherent Risk Score (IxL)	Control Detail	Control Effectiveness	Residual Risk Score (IxL)	Residual Direction of Travel	Actions Detail
SRR0005	<p>Title: Unable to maintain and build organisational capacity and capability</p> <p>Description: 'There is a risk that we are unable to maintain and build our organisational capacity, including at Senior Leadership level, to deliver our corporate objectives due to marketplace competition and skills shortages and being seen as a sufficiently attractive employer leading to deterioration of service quality and user experience and increased costs'.</p> <p>Cause(s):</p> <ul style="list-style-type: none">• Competition and skill shortages in the marketplace for candidates to fill vacancies;• The Council not being seen as sufficiently attractive as an employer (image and profile, rewards and benefits, culture and values etc);• Lack of personal / career development, progression and succession opportunities;• Council culture is not 'bought into' adhered to and employment issues are not identified and/or addressed;• Policies and procedures not followed;• Poor performance goes unchecked – not identified and not addressed. <p>Effect(s):</p> <ul style="list-style-type: none">• Inconsistencies or deterioration in quality of service provision;• Deterioration in service-user / stakeholder experience and outcomes;• Inefficiency / increased costs experienced; and• Failure to deliver objectives. <p>Risk Appetite: Open</p> <p>Risk Appetite Description: We are willing to explore a range of options and new solutions where we believe the potential benefits outweigh the residual risks and so we take informed risks.</p>	Medium/High (3:4=17)	HR Strategy in place and monitored by appropriate committee/officers	Effective	Medium (3:3=13)	=	HR Strategy to be updated;
			HR Policies and Procedures in place	Effective			Talent Management Strategy to be developed and incorporated within updated HR Strategy;
			Corporate Training Plan in place informed by Annual Needs Assessment which is derived from staff appraisals	Effective			Digital HR System to be implemented;
			Alternative service provision options considered/explored as appropriate (for example use of agency workers, buying in services/sharing posts, etc)	Effective			Workforce Plan to be developed and implemented.
			HR Committee/Special Sub-Group receive twice yearly HR update report which includes dashboard data.	Effective			
			Joint Negotiation Forum (JNF) with Unions in place	Effective			
			Annual appraisal and staff development plans in place for all staff completion with outcomes subject to monitoring and review (No current digital HR System in place).	Partially Effective			
			All new posts/structure changes subject to Business Case and go through Management Team, JNF and Special Sub-Group	Effective			
			Market Supplements used in 'hard to recruit/retain' areas	Effective			
			Apprenticeships scheme in place in areas such as Housing Direct Works & Transport	Effective			
			Use of 'Career Graded' posts, in areas such as Planning Enforcements and Finance	Effective			
			Succession Planning arrangements in place.	Partially Effective			
			Annual staff survey with outcomes reported to Management Team and Divisions with summary to HR Committee/Special Sub-Group. Action points identified by Divisions	Effective			
			LGA led review into the Senior Management Team leading to an agreed new structure approved by Members in 2024.	Effective			
			Access to / use of specialists to support initiatives as required (build out additional senior capacity).	Effective			



Prefix	Risk Details	Inherent Risk Score (IxL)	Control Detail	Control Effectiveness	Residual Risk Score (IxL)	Residual Direction of Travel	Actions Detail
SRR0006	<p>Title: Material governance failure</p> <p>Description: ‘There is a risk of a major governance failure due to ineffective or poorly understood governance processes or failure to adhere to processes leading to poor or ultra vires decisions being made, stakeholder dissatisfaction and reputational damage.’</p> <p>Cause(s):</p> <ul style="list-style-type: none">• Lack of clearly defined committee structure and procedures, including terms of reference to support effective decision making and scrutiny;• Behavioural expectations of members (for example adherence with the Nolan Principles/Standards in Public Life) are not clearly set out (not communicated or recognised);• Lack of governance measurement – ineffective processes, non-adherence and poor behaviours go unidentified/not tackled;• Lack of member development programme; <p>Effect(s):</p> <ul style="list-style-type: none">• Ineffective/inefficient decision making;• Illegality;• Stakeholder dissatisfaction;• Local democracy undermined - reputation damage. <p>Risk Appetite: Averse</p> <p>Risk Appetite Description: We shall seek to reduce the residual risk as far as practically and reasonably possible within the constraints of resources available.</p>	High (4:5=23)	Constitution in place (and currently in process of being updated).	Effective	Medium/High (4:2=14)	=	Training to be provided to Members in areas such as Licensing and Planning (Monitoring Officer)
			Monitoring Officer in post	Effective			Annual Committee effectiveness assessment to be introduced. With action plans to address areas of concern. (Monitoring Officer)
			Clearly defined governance structure in place.	Effective			Implement recommendations from Peer Review and Governance Audit
			Terms of Reference for all committees (currently in process of being updated).	Effective			
			Member and Officer Scheme of delegation in place within Constitution so currently in process of being updated.	Effective			
			Governance training provided at induction and cyclical updates, including standards in public life.	Effective			
			Committee chairs are sufficiently experienced and trained to fulfil role.	Effective			
			Up to date policies and procedures (including Data Protection and Whistleblowing) which are subject to cyclical review and are communicated to staff.	Effective			
			Council decisions and recordings of meeting published on Council website	Effective			
			The Annual Governance Statement compilation and review.	Effective			
			Contract Standing Orders in place	Effective			
			Declarations of Interest policy and procedure in place	Effective			



Prefix	Risk Details	Inherent Risk Score (IxL)	Control Detail	Control Effectiveness	Residual Risk Score (IxL)	Residual Direction of Travel	Actions Detail
SRR0007	<p>Title: Ineffective major incident response / insufficient continuity arrangements</p> <p>Description: 'There is a risk that we fail to respond effectively to a major incident due to ineffective continuity arrangements leading to service disruption, unexpected rectification costs and reputational damage'</p> <p>Cause(s):</p> <ul style="list-style-type: none">• Single points of failure are not known;• Response / continuity plans are out of date, not communicated, not understood, not tested;• Lack of clarity in roles and responsibilities;• Lack of relevant training;• Poorly maintained / insecure assets, systems and records. <p>Effect(s):</p> <ul style="list-style-type: none">• Service delivery compromised / quality of provision is reduced.• Unexpected rectification costs;• Council reputation damage. <p>Risk Appetite: Averse</p> <p>Risk Appetite Description: We shall seek to reduce the residual risk as far as practically and reasonably possible within the constraints of resources available.</p>	High (4:4=21)	CSWR have been commissioned to review our Major Incident Plans and update our Business Continuity Plan	Effective	Medium/High (4:2=14)	=	Business Continuity Plans to be updated
			Experienced officers who have dealt with 'real world' incidents – COVID, Operation London Bridge, Flooding	Effective			Major Incident Plan to be updated
			Easier flexible contact arrangements due to mobile/agile working arrangements	Effective			
			Attendance/involvement in the multi-agency arrangements – LRF strategic and tactical groups and working groups	Effective			
			Business interruption/continuation plan in place as part of Regular Physical Risk	Effective			
			The Council's key systems, records, and plans are regularly maintained, backed up as appropriate / stored securely, with appropriate security and protection measures in place e.g. security personnel, access restrictions, alarms, fireproofing, fire suppression systems etc.	Effective			



Prefix	Risk Details	Inherent Risk Score (IxL)	Control Detail	Control Effectiveness	Residual Risk Score (IxL)	Residual Direction of Travel	Actions Detail
SRR0008	<p>Title: Failing in the delivery of / not leveraging benefits from the Council's Leisure Project</p> <p>Description: 'There is a risk that the Council may fail to deliver the expected benefits from its Leisure Project due to poor planning, delivery and governance of the project leading to poor value for money, stakeholder and user dissatisfaction and reputational damage.'</p> <p>Cause(s):</p> <ul style="list-style-type: none">• Lack of capacity and capability to manage and steer projects and initiatives;• Ineffective application of project management good practice from initiation of projects / initiatives, business case etc through to completion, sign off and lessons learned;• Weak project governance - management, measurement and oversight and oversight;• Inadequate budget / funding available. <p>Effect(s):</p> <ul style="list-style-type: none">• Poor value for money;• Benefits not realised / sub optimal outcomes;• Dissatisfaction and reputational damage amongst stakeholders. <p>Risk Appetite: Cautious, Open</p> <p>Risk Appetite Description: We are willing to accept some degree of residual risk where we have identified scope to achieve proportionate benefit – striking a balance between the two., We are willing to explore a range of options and new solutions where we believe the potential benefits outweigh the residual risks and so we take informed risks.</p>	High (5:5=25)	Clearly defined project initiation and approval processes i.e. business case, budget availability / funding, PID, project plan etc	Effective	Medium/High (5:2=19)	=	Tracker to be put in place
			Good project management practices followed and available in form of tools, templates and guides (easily located and accessible for staff involved)	Effective			Implement actions stemming from separate risk review of Leisure Project
			Project management roles and responsibilities are defined.	Effective			
			Access to and use of Third-Party specialists / advisors.	Effective			
			Project and initiative review process in place and applied in form of gateway style review across lifetime of project.	Effective			
			Monitoring and reporting on project progress / outcomes via appropriate route / board and or committees with oversight.	Effective			
			Member Working Party in place	Effective			



Prefix	Risk Details	Inherent Risk Score (IxL)	Control Detail	Control Effectiveness	Residual Risk Score (IxL)	Residual Direction of Travel	Actions Detail
SRR0009	<p>Title: Failure to achieve digital transformation (explore AI)</p> <p>Description: 'There is a risk that the organisation will fail to achieve digital transformation and exploit the opportunities of Artificial Intelligence due to lack of funding and other resources constraints resulting in sub-optimal service provision and outcomes; reduced service-user experience; and inefficiency being experienced.</p> <p>Cause(s):</p> <ul style="list-style-type: none">• No clear technology strategy for the Council in the short, medium and longer term;• No visibility of technology activities, application and use (no embedded technology culture);• No (or unreliable) mechanism to measure value generated at the Council through use of technology;• Lack of capacity and experience, knowledge and skills in connection technology (and future technologies e.g. use of AI etc);• Lack of funding / budget to invest in future technologies. <p>Effect(s):</p> <ul style="list-style-type: none">• Sub-optimal service provision and outcomes;• Reduced service-user experience;• Inefficiency experienced. <p>Risk Appetite: Open</p> <p>Risk Appetite Description: We are willing to explore a range of options and new solutions where we believe the potential benefits outweigh the residual risks and so we take informed risks.</p>	High (3:5=20)	Transformation identified within service plans with specific section on transformation	Effective	Medium (3:3=13)	=	
			Council transformation framework exists which identifies key arrangements and mechanism to enable initiation, activation, implementation of transformation initiatives, review of outcomes and sharing of lessons learned.	Effective			
			Digital transformation budget included within capital budget (including exploration of external funding)	Effective			
			Oversight of Transformation by Executive Boad to ensure clarity of priorities for the Council, with regular review of progress (Annual Report to Executive Board and bi-annual report to Management Team)	Effective			
			Continuous development of the Council staff to build capacity and capability to support digital / Council transformation, as well as access to transformation specialists for purpose of acquiring additional knowledge, experience and capacity.	Effective			
			Productivity Plan produced documenting ways in which Council has transformed and plans for further transformation	Effective			



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SRR0010	<p>Title: Failure to prepare for / leverage from Local Government Reorganisation/Devolution</p> <p>Description: 'There is a risk that the Council will fail to adequately prepare for, or leverage the benefits from, Local Government Reorganisation due to lack of engagement with the process and insufficient capacity and capability in the form of staffing, knowledge and experience leading to distraction / lack of continuity in business as usual, sub-optimal outcomes and, missed opportunities'.</p> <p>Cause(s):</p> <ul style="list-style-type: none">• Uncertainties created by the proposed reorganisation of local government and the creation of single tier authorities;• Lack of clarity regarding timescales and requirements;• Lack of available resources / bandwidth at the Council. <p>Effect(s):</p> <ul style="list-style-type: none">• Focus not being adequately maintained on day to day running of the Council;• Recruitment and retention challenges amongst staff;• Missed opportunities to influence outcomes. <p>Risk Appetite: Open</p> <p>Risk Appetite Description: We are willing to explore a range of options and new solutions where we believe the potential benefits outweigh the residual risks and so we take informed risks.</p>	Medium/High (4:3=18)	Cross party Member Working Group to discuss position and emerging issues	Effective	Medium/High (4:2=14)	=	Commission further work with consultants to produce the final submission due in November
			Working arrangements with the other District/Borough Councils, and with the County Council with regular meetings with Leaders and Chief Executives.	Effective			Continue the meetings and working arrangements
			Workshops with the LGA and District Councils Network	Effective			Consider a specific LGR HR strategy
			Meeting with MHCLG officials	Effective			
			Commission of consultants (Deloitte and Connect PA) to assist with the work	Effective			
			Regular briefings to staff particularly on the need to focus on business-as-usual message	Effective			
SRR0011	<p>Title: Local Plan</p> <p>Description: 'There is a risk of failure to deliver a compliant Local Plan due to lack of experience, knowledge and resources within the Council leading to increased appeals resulting in resource waste, sub-optimal growth of the borough, potential legal / additional costs and reputation damage amongst stakeholders'.</p> <p>Cause(s):</p> <ul style="list-style-type: none">• lack of experience, knowledge and resources within the Council <p>Effect(s):</p> <ul style="list-style-type: none">• resource waste;• sub-optimal growth of the borough;• potential legal / additional costs; and• reputation damage amongst stakeholders' <p>Risk Appetite: Averse</p> <p>Risk Appetite Description: We shall seek to reduce the residual risk as far as practically and reasonably possible within the constraints of resources available.</p>	High (4:5=23)	Project plan development to provide delivery visibility with the agreed timescale	Effective	Medium/High (4:3=18)	=	
			Clear & agreed community transformation objectives	Effective			
			Programme Board (reporting to Executive) and Strategic Board in place	Effective			



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SRR0012	<p>Title: Not effectively responding to regulatory changes (for example housing needs / recycling/net zero)</p> <p>Description: 'There is a risk that we fail to respond effectively to changes in regulation due to lack of awareness or incorrect interpretation of changes leading to regulatory intervention and reputational damage.'</p> <p>Cause(s):</p> <ul style="list-style-type: none">• Lack of awareness or visibility of emerging/new regulations and legislation;• Ineffective (untimely) interpretation to enable understanding of requirements and implications;• Lack of communications/learning and development to meet new requirements across the Council;• Ineffective response plans – what, how, who and when. <p>Effect(s):</p> <ul style="list-style-type: none">• Ultra vires activities – the Council could be subject to legal challenge;• Deterioration in quality of services;• Council reputation damage. <p>Risk Appetite: Averse</p> <p>Risk Appetite Description: We shall seek to reduce the residual risk as far as practically and reasonably possible within the constraints of resources available.</p>	High (5:5=25)	Departments undertake regular horizon scanning for new legislation.	Effective	Medium/High (5:2=19)	=	Power BI reporting to be introduced
			Monitoring Officer in place.	Effective			
			Regular reporting on breaches of legislation/regulations produced by Monitoring Officer and reported to Management Team and Board.	Effective			
			Attendance at events (CIPFA, AEA, ADSO, SOLACE/LGA).	Effective			
			LGA links and wider networks used to raise awareness of legislative and regulatory changes.	Effective			
			Regular updates to colleagues including Data Protection/Data Security updates produced via Newsletters, etc. provided by Monitoring Officer	Effective			



Prefix	Risk Details	Inherent Risk Score (IxL)	Control Detail	Control Effectiveness	Residual Risk Score (IxL)	Residual Direction of Travel	Actions Detail
SRR0013	<p>Title: Ineffectiveness of current and future commercial ventures and alternative service delivery models involving the Council.</p> <p>Description: 'There is a risk that the Commercial Ventures the Council is involved and may enter into in the future will be ineffective due to poor governance and monitoring arrangements, lack of clarity regarding expected benefits and failure to learn the lessons from previous projects leading to poor value for money, impact on service users and reputational damage'</p> <p>Cause(s):</p> <ul style="list-style-type: none">• No clear direction or up to-date strategy relating to collaborations, partnerships and Trading Companies - why, what, how, who etc;• Inadequate Council involvement in and oversight of collaborations, partnerships and Trading Companies;• Lack of reliable measures and assessment of outcomes (return on investment) from partnerships, collaborations and Trading Companies. <p>Effect(s):</p> <ul style="list-style-type: none">• Legal challenge;• Financial loss;• Poor value for money and sub-optimal outcomes;• Reputational damage. <p>Risk Appetite: Open</p> <p>Risk Appetite Description: We are willing to explore a range of options and new solutions where we believe the potential benefits outweigh the residual risks and so we take informed risks.</p>	High (5:3=22)	<p>Lessons Learned from commercial ventures are identified and used when considering further opportunities</p> <p>Board representation is appropriate with suitably knowledgeable and experienced individuals and conflicts of interest being effectively managed. [Assurance - Governance review of Recycling Company</p> <p>Benefits analysis undertaken prior to entering into commercial ventures (and on exit).</p> <p>SMART Key Performance Indicators in place in relation to commercial ventures (including collaborations and partnerships) with regular monitoring and reporting channels back into the Council.</p> <p>Existing partnerships and collaborations identified and are subject to review to ensure that they are effective including their governance structure, including Partnership and Collaboration agreements in place.</p>	<p>Effective</p> <p>Effective</p> <p>Effective</p> <p>Effective</p> <p>Effective</p>	High (5:3=22)	<p>=</p>	<p>Consideration to be given to establishing a Framework for considering future opportunities to enter into commercial arrangements/companies</p> <p>Consideration to be given to including an assessment of skills and expertise available to represent Council on Boards of any companies established before proceeding (could be included in 'Framework'/Checklist)</p> <p>Ensure benefits analysis is undertaken for any future commercial ventures the Council is considering (Perhaps as part of the 'Framework' for assessing opportunities – above)</p> <p>Consider including KPIs from commercial ventures in performance reports to Full Council – currently only reporting to Resources/C&E Boards)</p> <p>Implement actions from Governance Review</p>

Agenda Item No 13

Resources Board

24 July 2025

Report of the Interim Corporate Director
of Resources (Section 151 Officer)

Provisional Capital Outturn and
Carry Forwards 2024/25

1 Summary

- 1.1 This report sets out the Provisional Capital Outturn for 2024/25 and proposed carry forwards to 2025/26 for Council approval.

Recommendations to the Board

- a That they note the HRA Capital Outturn for 2024/25 as set out in Appendix A;
- b That they note the General Fund Capital Outturn for 2024/25 as set out in Appendix B; and

Recommendation to Council

- c That Board recommends to Council the proposed Carry Forwards for General Fund set out in paragraphs 3.6 to 3.22 and Appendix B.

2 Background

- 2.1 The Original Capital Budgets 2024/25 for both General Fund and the Housing Revenue Account (HRA), were set by Council in February 2024 and Revised by Council in February 2025.
- 2.2 The capital programme has been monitored at individual Boards during the year. As part of the closedown process capital slippage and underspends have been identified for carry forwards into 2025/26 to ensure scheme progress to completion.
- 2.3 Due to their value the carry forwards require Council approval.

3 Report

- 3.1 The Provisional Capital Outturn 2024/25 for both General Fund and HRA is set out in detail at **Appendix A** along with proposed carry forwards.

- 3.2 There are a number of variances that have been caused because available funding hasn't been applied and budgets created. This approach makes in year budget monitoring very challenging, so all budgets will be included in future.
- 3.3 In addition, the approach to the budget for the HRA has been to manage the overall position across all the budgets rather than manage them individually. Again, it has been agreed that this approach will be changed for 2025/26.
- 3.4 The narrative explanations for variances and reasons for carry forwards are set out below.

HRA

- 3.5 As already mentioned the budgets for the HRA have not been managed to individual budgets, which has resulted in significant under and overspends. In total, however, the expenditure for HRA Capital was within £5k of the overall budget. There is therefore no requirement for carry forward on HRA Capital.

General Fund

- 3.6 The overall picture for General Fund is confused by the lack of budgets for key schemes, such as UKSPF, Disabled Facilities and Green Homes Grants. Had these budgets been in place there would have been clear and significant slippage in excess of £2m, roughly 58% of the total programme.
- 3.7 Work is underway to ensure that this isn't repeated in 2025/26, 1st Quarter monitoring will include a review of the existing programme to determine what is achievable within the resources currently available. The budget process 26/27 will require the programme to be prioritised in line with available resources, work will commence on this in September.
- 3.8 The paragraphs below set out reasons for major variances and carry forwards:

Play Area Development

- 3.9 The budget is £204k underspent as fewer schemes have completed than anticipated, the full underspend is recommended to be carried forward to support the future programme. The total budget 2025/26 will be re-profiled at quarter 1 though as whilst there are currently 3 schemes scheduled to complete in 2025/26 this won't spend the full budget allocation.

UKSPF

- 3.10 As set out above the revised estimate for UKSPF didn't reflect the change in funding available split between revenue and capital. The "overspend" of £588k was fully funded from UKSPF (government funding), but this should have been reflected in the revised budget. The scheme ended in 24/25, so this doesn't need correcting for 25/26.

Disabled Discrimination Adaptations

- 3.11 The budget was underspent by £54k, the purpose of the budget is to ensure compliance with the Disability Discrimination Act (DDA), however most of the work will have been completed. It therefore proposed that the budget isn't carried forward but an earmarked reserve of £50k set up to support DDA compliance as and when required.

Refurbishment of Council Owned Buildings

- 3.12 The budget was underspent by £120k, this is largely as the focus of spend and resources has been on delivering the building fire doors project. The budget will be carried forward and the total budget 2025/26 reviewed as part of Quarter 1 monitoring.

Replacement of Council Building Fire Doors

- 3.13 The programme for replacement fire doors has commenced and this is reflected in the outturn. There is a requirement for some additional and ancillary works in 2025/26 although it is not anticipated that all of the budget will be required. At this stage though it is intended to carry the full amount forward and review at quarter 1.

External Works on Industrial Buildings / Depot

- 3.14 The budget for industrial buildings was unused (£95k) but the Depot budget was overspent by £35k. It recommended that the net amount (£60k) is carried forward and its use reviewed as part of Quarter 1 monitoring.

Car Parks – Structural Maintenance

- 3.15 The budget of £354k is made up of significant prior years carry forwards and was underspent by £281k. The expected requirement for 26/27 is £55k which is recommended for carry forward. The remaining £226k is recommended to be held in an earmarked reserve for future use as required.

Leisure Schemes

- 3.16 The Leisure schemes as a collective had a minor overspend of £17k. The underspends were in equipment budgets and overspends due to early costs of the build projects.
- 3.17 There are sufficient budgets overall for 25/26 although given the ambitions to build new centres this will change for forecast years. No carry forwards are therefore recommended, and a review will commence as part of Quarter 1 monitoring.

Replacement of Vehicles

- 3.18 The budget reflects an underspend of £555k however the vehicle replacement programme will require the full funding in 25/26. It is therefore recommended that £555k is carried forward.

ICT & Replacement Systems Schemes

- 3.19 A review has been undertaken of the overall position on ICT and systems projects to ensure carry forwards meet future requirements. The majority of schemes have been delivered at or close to budget, however budgets for Backup, Environmental Health System and Telephony weren't spent at all due to other IT projects taking priority.

- 3.20 The following carry forwards are therefore recommended:

- Computer Hardware and Software £50k
- Payment Management System £15k
- EH System £30k
- Telephony £20k

Disabled Facilities & Green Homes Grants

- 3.21 As set out above the budgets weren't set to the funding available, therefore creating significant "overspends." These are fully funded from government grants, but this should have been reflected in the revised budget.
- 3.22 Both schemes will continue in 2025/26 and neither currently has budgets, this will therefore be reviewed as part of Quarter 1 monitoring.

4 Report Implications

Finance and Value for Money Implications

- 4.1 The financial implications are set out throughout the report.

Legal, Data Protection and Human Rights Implications

- 4.2 There are no direct legal implications arising from this report.

The Contact Officer for this report is Paul Sutton (01827 719374).

Background Paper No	Author	Nature of Background Paper	Date
N/A			

HRA CAPITAL OUTTURN 2024/25

Scheme	Scheme Owner	Revised £	Adj's £	Budget £	Spend £	Variance £	C/Fwd £
Disabled Adaptations	Angela Coates	346,000	0	346,000	439,643	93,643	0
Windows & Firedoors	Angela Coates	1,263,500	0	1,263,500	530,850	(732,650)	0
Kitchens & Bathrooms	Angela Coates	618,000	0	618,000	576,745	(41,255)	0
Energy Saving Measures	Angela Coates	257,500	0	257,500	270	(257,230)	0
Roofing	Angela Coates	412,000	0	412,000	173,115	(238,885)	0
Heating	Angela Coates	515,000	0	515,000	719,059	204,059	0
Electrics	Angela Coates	309,000	0	309,000	1,212,634	903,634	0
Flats Remedial Works	Angela Coates	1,232,773	0	1,232,773	3,485,326	2,252,553	0
Multi Trade Contract	Angela Coates	410,500	0	410,500	943,165	532,665	0
Capital Salaries	Angela Coates	330,910	0	330,910	331,910	1,000	0
Purchase of TNT Build Atherstone	Angela Coates		0	0	648,627	648,627	0
New Build Bloor Homes	Angela Coates		3,300,000	3,300,000	2,616,500	(683,500)	0
New Build Atherstone	Angela Coates	2,679,233	0	2,679,233	1,445	(2,677,788)	4,874
Grand Total		8,374,416	3,300,000	11,674,416	11,679,290	4,874	4,874

GENERAL FUND CAPITAL OUTTURN 2024/2025

Scheme	Scheme Owner	Revised £	Adj's £	Budget £	Spend £	Variance £	C/Fwd £
Play Area Development	Becky Evans	273,877	0	273,877	69,133	(204,744)	(204,744)
Dordon Pump Track	Becky Evans	100,000	0	100,000	99,500	(500)	0
UKSPF	Becky Evans	0	443,598	443,598	1,031,379	587,781	0
Disabled Discrimination Adaptations	Charlie Phillips	56,455	0	56,455	2,500	(53,955)	(53,955)
Refurbishment of Council Owned Buildings	Charlie Phillips	145,000	0	145,000	24,248	(120,753)	(120,753)
Replacement Of Council Building Firedoors	Charlie Phillips	831,100	0	831,100	166,912	(664,188)	(664,188)
External Works on Industrial Buildings	Charlie Phillips	95,000	0	95,000	0	(95,000)	(60,000)
Depot Works	Charlie Phillips	30,600	0	30,600	65,785	35,185	0
Car Parks - Structural Maintenance	Keith Evans	345,000	0	345,000	63,746	(281,254)	(55,000)
Playing Pitch Strategy	Mike Dix	3,070	0	3,070	0	(3,070)	0
Leisure Equipment	Mike Dix	24,227	0	24,227	997	(23,230)	0
Atherstone Leisure Complex - Gym Equipment	Mike Dix	36,841	0	36,841	10,987	(25,854)	0
Replacement Leisure Facility - Atherstone	Mike Dix	0	0	0	53,480	53,480	0
Replacement Leisure Facility - Polesworth	Mike Dix	0	0	0	16,546	16,546	0
Replacement of Vehicles	Rob Bellamy	1,182,103	0	1,182,103	627,253	(554,850)	(554,850)
Computer Hardware and Software	Trudi Barnsley	57,741	36,065	93,806	73,214	(20,592)	(50,000)
ICT Infrastructure Development	Trudi Barnsley	57,398	0	57,398	54,993	(2,405)	0
Financial Management System Replacement	Trudi Barnsley	37,698	0	37,698	48,824	11,126	0
Backup and Disaster Recovery	Trudi Barnsley	30,000	0	30,000	0	(30,000)	0
Network Infrastructure Replacement	Trudi Barnsley	74,300	0	74,300	73,580	(720)	0
Payment Management System Upgrade	Trudi Barnsley	30,000	0	30,000	15,000	(15,000)	(15,000)
Environmental Health System	Trudi Barnsley	34,934	0	34,934	0	(34,934)	(30,000)
Telephone System	Trudi Barnsley	20,000	0	20,000	0	(20,000)	(20,000)
Mobile Devices	Trudi Barnsley	5,000	0	5,000	2,084	(2,916)	0
Planning System Replacement	Trudi Barnsley	0	0	0	11,865	11,865	0

Scheme	Scheme Owner	Revised £	Adj's £	Budget £	Spend £	Variance £	C/Fwd £
Salaries	Nigel Lane	19,090	(1,970)	17,120	17,120	0	
Disabled Facilities	Angela Coates	0	0		915,120	915,120	0
DHS Assistance	Angela Coates	20,000	0	20,000	0	(20,000)	0
Green Homes Efficiency	Angela Coates	0	0		481,948	481,948	0
Grand Total		3,509,434	477,693	3,987,127	3,926,214	(60,913)	(1,828,489)