

Leicester  
City Council

Members only briefing and development session to take place from 4.45pm to 5.30pm prior to the commencement of the main meeting – public excluded.

## **MEETING OF THE AUDIT AND RISK COMMITTEE**

**DATE: WEDNESDAY, 15 MARCH 2023**

**TIME: 5:30 pm**

**PLACE: Meeting Room G.02, Ground Floor, City Hall, 115 Charles Street, Leicester, LE1 1FZ**

### **Members of the Committee**

Councillor Kaur Saini (Chair)

Councillor Dr Moore (Vice-Chair)

Councillors Cassidy, Pantling Valand and Whittle

Independent Member Mr Bipun Bhakri

One unallocated Labour Group place

One unallocated Non-Group place

Members of the Committee are summoned to attend the above meeting to consider the items of business listed overleaf.

for Monitoring Officer

**Officer contact: Anita James/Adam Kagzi**  
*Democratic Support, Democratic Services*  
*Leicester City Council,*  
*City Hall, 115 Charles Street, Leicester, LE1 1FZ*  
*Tel. 0116 454 6350*  
*Email. [committees@leicester.gov.uk](mailto:committees@leicester.gov.uk)*

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- ✓ where filming, to only focus on those people actively participating in the meeting;
- ✓ where filming, to (via the Chair of the meeting) ensure that those present are aware that they may be filmed and respect any requests to not be filmed.

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For Press Enquiries - please phone the **Communications Unit on 0116 454 4151**

# **PUBLIC SESSION**

## **AGENDA**

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#### **1. APOLOGIES FOR ABSENCE**

#### **2. DECLARATIONS OF INTEREST**

Members will be asked to declare any pecuniary or other interests they may have in the business to be discussed.

#### **3. MINUTES OF THE PREVIOUS MEETING**

**Appendix A  
(Pages 1 - 4)**

Members will be asked to confirm that the minutes of the previous meeting held on 18<sup>th</sup> January 2023 as attached are a correct record.

#### **4. STATUTORY STATEMENT OF ACCOUNTS & ANNUAL GOVERNANCE STATEMENT 2021-22**

**Appendix B  
(Pages 5 - 12)**

The Director of Finance submits a report presenting the audited Statement of Accounts along with the Annual Governance Statement for approval.

#### **5. RISK MANAGEMENT UPDATE**

**Appendix C  
(Pages 13 - 56)**

The Director of Delivery, Communications and Political Governance submits a report to provide the Audit and Risk Committee with an update on the Strategic and Operational Risk Registers and Health & Safety data.

#### **6. RISK MANAGEMENT AND BUSINESS CONTINUITY STRATEGY AND POLICIES 2023**

**Appendix D  
(Pages 57 - 108)**

The Director of Delivery, Communications, and Political Governance submits a report presenting the Risk Management and Business Continuity Policy Statements and Strategies (Appendix 1 and 2), which form an important part of the council's governance arrangements.

#### **7. REGULATION OF INVESTIGATORY POWERS ACT 2000 - BI-ANNUAL PERFORMANCE REPORT**

**Appendix E  
(Pages 109 - 110)**

The City Barrister and Head of Standards submits a report advising on the performance of the Council in authorising the Regulatory Investigation Powers Act (RIPA) applications from 1<sup>st</sup> July 2022 to 31<sup>st</sup> December 2022.

**8. INTERNAL AUDIT UPDATE REPORT**

**Appendix F  
(Pages 111 - 126)**

The Head of Internal Assurance and Audit submits a report providing:

- a. Summary of progress against the 2021-22 & 2022-23 Internal Audit Plans including:
  - i. summary information on progress with implementing high importance recommendations.
  - ii. summary of progress against the Internal Audit Plans
  - iii. commentary on the progress and resources used
- b. Progress with developing the Internal Audit Plan for 2023-24
- c. Planning for an external assessment of Leicestershire County Council's Internal Audit Service

**9. CORPORATE COMPLAINTS (NON-STATUTORY)  
2021-22 REPORT**

**Appendix G  
(Pages 127 - 132)**

The Director of Finance submits a report providing an update on corporate non-statutory complaints in 2021/22 including the management of complaints, information on complaints received and their outcomes, the reasons for complaints, lessons learned and improvements.

**10. LOCAL GOVERNMENT & SOCIAL CARE  
OMBUDSMAN AND HOUSING OMBUDSMAN  
COMPLAINTS 2021-22**

**Appendix H  
(Pages 133 - 144)**

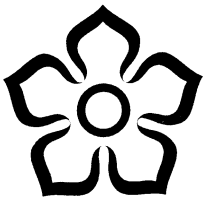
The Director of Finance submits a report providing an update on the complaints made to the Local Government and Social Care Ombudsman (LGSCO) and the Housing Ombudsman in 2021-22 and the actions taken.

**11. AUDIT AND RISK COMMITTEE'S ANNUAL REPORT**

**Appendix I  
(Pages 145 - 152)**

The Director of Finance submits the annual report of the Audit and Risk Committee setting out the Committee's work and achievements over the municipal year 2022/23.

**12. ANY OTHER URGENT BUSINESS**



Leicester  
City Council

Minutes of the Meeting of the  
AUDIT AND RISK COMMITTEE

Held: WEDNESDAY, 18 JANUARY 2023 at 5:30 pm

P R E S E N T :

Councillor Kaur Saini (Chair)  
Councillor Dr Moore (Vice Chair)

Councillor Cassidy  
Councillor Pantling

Councillor Valand  
Councillor Whittle

Mr Bipun Bhakri – Independent Member

\* \* \* \* \*

**35. APOLOGIES FOR ABSENCE**

There were no apologies for absence.

**36. DECLARATIONS OF INTEREST**

Members were asked to declare any interest they may have in the business to be discussed.

There were no declarations of interest.

**37. MINUTES OF THE PREVIOUS MEETING**

The minutes of the previous meeting were not considered at this meeting as some final amendments were required. It was confirmed that they would be submitted to the following meeting.

**38. FINANCIAL UPDATE REPORT**

The Deputy Director of Finance submitted a report which provided an update on the progress of the Statement of Accounts and external audit for 2020/21 and 2021/22. The report also provided an update on audit fees for 2022/23 and the appointment of the Council's external auditors and audit fees from 2023/24 onwards.

The Chief Accountant introduced the report, noting that the delays in finalising

the audits were due to a number of factors including a known national accounting issue involving infrastructure assets which was now being worked through as new legislation and guidance had been received. There were also 3 other main items causing a delay to the 21/22 audit which all involved the valuation of assets. It was important to note that whilst the committee needed to be updated on these items in the accounts, they were purely technical matters involving the valuation of fixed assets and did not affect the money the Council had to run its services. It was the intention to bring the finalised accounts to the March meeting.

Grant Patterson, Director, Grant Thornton, noted that following receipt of the government guidance, he expected a certificate could be issued for the 20/21 accounts, but there was further work to certify the audit as closed.

Members of the Committee considered the report and raised a number of points and questions.

It was queried how confident Grant Thornton were in signing off the 2021/22 Statement of Accounts. The Director, Grant Thornton noted that there were about 3 or 4 matters related to property, plant and equipment to be resolved, but the external audit report of the accounts should be completed in time for the March meeting of the Committee.

It was queried why the audit fees for 23/24 were forecast to increase so significantly. The Director of Finance in response noted that the auditors had faced many challenges, particularly around the increasing standards and complexity of audits, particularly around the valuation of assets. It was noted this increase was anticipated. The Director, Grant Thornton also commented that that Council joining the Public Sector Audit Appointments (PSAA) joint commissioning arrangements provided the best value for money. He also referred to the problems faced in terms of recruitment and retention of auditors and the need for staff to maintain a healthy work / life balance. The Director of Finance further noted that it was important that audits were completed in a reasonable timescale as delays diverted officers attention away from day to day service priorities. Noting further concerns about the increase in fees and value for money, the Director of Finance undertook to provide further information at the next committee meeting.

A further comment was made querying whether the delays, ie in relation to legislation / government guidance or audit methodology were likely to have been deliberate decisions by the government and create an ongoing impact. The Director, Grant Thornton noted that some of the delays to audits arose due to the pandemic and also issues regarding the valuation of assets. He also noted problems with recruitment to the sector. He felt that the government had shown some flexibility by setting new legislation to resolve the national Infrastructure accounting issue. He further noted that there were likely to be some further delays on audits in the short term, but the aim was to get back to the usual timetable as soon as possible.

RESOLVED:

- 1) That further information be provided at the next meeting of the Committee regarding the increase in audit fees forecast for 23/24.
- 2) That the report be noted; and
- 3) That the appointment of Grant Thornton as the Council's external auditor for a further five years from 2023/24 be noted.

### **39. COUNTER FRAUD ANNUAL REPORT 2021-22 & MID-YEAR UPDATE REPORT**

The Director of Finance submitted a report which provided a general update on the activities of the Council's investigators and provided assurance of the work they have undertaken.

Stuart Limb, Corporate Investigation Manager introduced the report in some detail outlining the areas of work undertaken by his team, details of referrals and information about the main areas of work. Details were provided about the savings which had been achieved by the team. He also noted that the service had been audited and it was concluded that the service was adequate.

Members of the Committee considered the report and raised some comments and questions.

The work of the team was praised.

The table at 3.4 of the report was referred to and the apparent drop in numbers of prosecutions compared with the previous year was queried. The Corporate Investigation Manager noted that cases put forward for prosecution was done on the evidence available and consideration of a realistic chance of prosecution. There were a number of cases outstanding due to delays in the Court System, but it was felt that numbers were usually quite stable.

The vacancy for a financial investigator detailed at 3.10 of the report was referred to, and it was queried whether there was any particular barriers to recruitment. The Corporate Investigation Manager stated that it was a fairly unique role and not many local authorities had such a role. Recruitment would be undertaken, as the position only became vacant recently and it was hoped to get an experienced investigator.

A further query was raised with regard to the focus given to different areas of fraud and the different levels (ie amounts of money involved) of fraud. The Corporate Investigations Manager confirmed that there were variations in the amounts for different areas, such as Council Tax support which was low, but Right to Buy requests which was a large amount of money involved. He explained that there was a balance between the level of fraud uncovered at the measures which were put in place.

RESOLVED:

That the report be received and the comments of the Committee be noted.

**40. ANNUAL REVIEW OF THE COUNCILS LOCAL CODE OF CORPORATE GOVERNANCE**

The Director of Finance submitted a report which provided details of the annual review of the Local Code of Corporate Governance.

The Chief Accountant introduced the report noting it was a overarching code of compliance for the Council to ensure good governance. The Committee was recommended to approve the code.

RESOLVED:

That the Local Code of Corporate Governance for 2023/24 be approved.

**41. ANY OTHER URGENT BUSINESS**

None notified.

**42. DATE OF NEXT MEETING**

To note the next meeting scheduled to take place on Wednesday 15<sup>th</sup> March 2023 at 5.30pm at City Hall.

There being no further business, the meeting closed at 6.22pm.



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## **Statutory Statement of Accounts & Annual Governance Statement 2021/22**

Decision to be taken by: Audit and Risk Committee

Date of meeting: 15th March 2023

Lead director: Amy Oliver

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## **Useful information**

- Ward(s) affected: All
- Report author: Ben Matthews
- Author contact details: Ben.Matthews@leicester.gov.uk
- Report version number: 1.0

### **1. Summary**

- 1.1. To seek the approval of the Committee for Council's Annual Governance Statement & Annual Accounts 2021/22.
- 1.2. To provide the Committee with an update from the External Auditor, which details their audit work and any recommendations.
- 1.3. To provide a further update on audit fees from 2023/24 onwards

### **2. Recommendations**

- 2.1. The Audit & Risk Committee is recommended to:
  - Note the auditor's ISA 260 Report (the Audit Findings Report) to those charged with Governance and the recommendations contained within it, attached at Appendix A.
  - Approve the Statement of Accounts 2021/22, Appendix B
  - Approve the Annual Governance Statement 2021/22, Appendix B.
  - Approve the Letter of Representation submitted by the Director of Finance (S151), attached at Appendix C.
  - Delegate authority to approve any minor amendments to the Annual Accounts and the Annual Governance Statement to the Director of Finance, subject to a report to the Committee at the next meeting.
  - Note the further update on external audit fees from 2023/24 onwards and make any comments.

### **3. Background**

- 3.1. The Accounts and Audit (England) Regulations 2015 require that the Council present its audited Statement of Accounts along with its Annual Governance Statement for approval annually by the 31<sup>st</sup> July. This is delegated to the Audit and Risk Committee by Council. For 2021/22, this deadline was extended to the 30<sup>th</sup> November 2022 due to issues being experienced in the local authority audit sector.
- 3.2. The draft statements were considered by the Audit and Risk Committee on the 20<sup>th</sup> July 2022.

3.3. Further progress updates on the external audit have been provided to the Committee on 28<sup>th</sup> September 2022, 22<sup>nd</sup> November 2022 and 18<sup>th</sup> January 2023. These updates have included the main items that have caused the delay in issuing the external audit opinion for the 2021/22 Statement of Accounts.

3.4. The Committee requested a further update on the increase in audit fees from 2023/24 onwards, which was presented to the Committee on 18<sup>th</sup> January 2023. This followed the Public Sector Audit Appointments Ltd (PSAA) notifying the sector to expect an increase of the order of 150% on the 2022/23 total fees for 2023/24 onwards (e.g. £100k would become £250k).

#### **4. Statement of Accounts**

4.1. The statutory accounts are prepared in accordance with the Code of Practice on Local Authority Accounting in the UK. Separate management accounts are presented to the Executive and to the Overview Select Committee, which set out the revenue and capital outturn for the authority. The financial position of the authority is presented in a different way in the Statement of Accounts. The outturn reports focus on the in-year financial performance in a format consistent with the Council's budgets, while the Statement of Accounts shows the in-year performance in a standard format adopted by all local authorities, including a balance sheet showing the financial position as at 31<sup>st</sup> March 2022.

4.2. Despite the wide variations in the way the position is presented, the key point is that both the outturn reports and the accounts are consistent.

4.3. As previously reported, the Committee should note that the national deadline of 30<sup>th</sup> November 2022 for the publication of 2021/22 audited accounts has not been met. Nationally, only 12% of opinions had been issued at that time, rising very slightly to 15% at the end of December. Some 34% of opinions from the previous year 2020/21 also remained outstanding. Further details of accounts and audit progress nationally can be found in the latest PSAA Audit Contract Monitoring Report Data Pack at <https://www.psaa.co.uk/wp-content/uploads/2023/02/Q3-2022-23-quality-monitoring-report.pdf>

4.4. These delays reflect the technical accounting, resourcing and audit challenges across the sector. These include the national accounting issue concerning infrastructure assets and the heightened focus on external audits following significant issues in some public and private sector organisations. It is also important to note there will not be any financial penalties incurred by the Council or auditors for not meeting the deadline.

4.5. During the external audit period, the need for certain amendments to the draft financial statements have come to light. These have been reflected in the final Statement of Accounts. However, it is important to note that none of these amendments have resulted in a change in the overall level of balances available to the Council to finance its ongoing operations.

4.6. The changes impacting the main statements and those that have required prior year adjustments are identified below:

- During the audit period updated pension fund valuation information was received, which affected the Comprehensive Income and Expenditure Statement and the Balance Sheet.
- Correction required to the valuation of Specialised Assets (those not available to purchase in the open market, for example schools, leisure centres and museums). This was due to the Council not complying with a particular national valuation requirement, which affected the Comprehensive Income and Expenditure Statement and the Balance Sheet. This also resulted in the requirement for prior years to be adjusted.
- Correction to two assets that were overstated in the accounts due to inputting errors or formulae errors, which affected the Comprehensive Income and Expenditure Statement and the Balance Sheet.
- Correction to depreciation for Infrastructure assets, to depreciate these assets on a component-by-component basis, rather than use a weighted average. This affected the Comprehensive Income and Expenditure Statement and the Balance Sheet.
- Correction to Infrastructure Asset spend, that was incorrectly classified as not adding value and written off to the Comprehensive Income and Expenditure Statement. This affected the Comprehensive Income and Expenditure Statement and the Balance Sheet.
- Classification adjustments to income and expenditure, due to internal recharges being classed as external income and spend. These affected the Comprehensive Income and Expenditure Statement.
- A further classification adjustment to income and expenditure, where the Council acts as an agent on other partners' behalf for an element of the Integrated Community Equipment Loan Services (ICELS) pooled budget. This affected the Comprehensive Income and Expenditure Statement.
- A classification adjustment to the Financial Instrument Notes to include long term debtors and short term creditors and debtors. This also resulted in the requirement for prior years to be adjusted.
- A classification adjustment to the Cash Flow Statement Investment Activities to remove Cash Equivalents. This also resulted in the requirement for prior years to be adjusted.

## **5. Annual Governance Statement**

5.1. The Annual Governance Statement is presented here for approval. If approved, the Statement will be signed by the Chief Operating Officer and City Mayor and published with the Statement of Accounts.

5.2. This is an important statement that should assure the people of Leicester that the Council operates in accordance with the law and has due regard to proper standards of behaviour and that it safeguards the public purse.

5.3. The format of the Annual Governance Statement to a large extent is dictated by the Chartered Institute of Public Finance and Accountancy (CIPFA)/Society of Local Authority Chief Executives (SOLACE) framework 'Delivering Good Governance in Local Government'.

## **6. Letter of Representation**

6.1. The letter of representation is a letter signed by the Director of Finance (S151 officer) and approved by the Audit and Risk Committee.

6.2. It is designed to give the external auditor assurance on the information included in the Statement of Accounts and to affirm that the primary responsibility for the content of the Statement of Accounts remains with the Council.

## **7. ISA 260 Report to those charged with Governance**

7.1. The External Auditor's ISA 260 Report (the Audit Findings Report) presents the observations from the audit work undertaken that are significant to the responsibility of those charged with governance to oversee the financial reporting process. ISA is the International Standard on Auditing (UK). The report can be found at Appendix A.

7.2. It is an important report and details the conclusions of the external audit and makes recommendations. Management responses to the recommendations are contained within the action plan at appendix A to the report itself.

7.3. Members may recall that the interim draft audit findings were reported to the Committee on 22 November 2022.

7.4. The Committee is also asked to note that the Auditor's Annual Report, including commentary on the Council's arrangements to secure value for money, is delayed. This is expected to be issued within the next three months.

## **8. External Audit 2023/24 Onwards**

8.1. As previously reported to the Committee, Public Sector Audit Appointments Ltd (PSAA) have already notified audited bodies to expect a major reset of total external audit fees in 2023/24. This is when the new five-year external audit contracts take effect. PSAA has advised councils to expect an increase in the order of 150% on the total fees for 2022/23 (so, for example, a £100k charge currently would become £250k in the future). Nationally, the PSAA said that estimated total fees for 2022/23 audits will be £50m and that the total fees for 2023/24 will be in the region of £125m.

8.2. These very significant fee increases reflect the difficulties and challenges in the external audit market, as noted earlier in the report. The audit firms have reportedly bid a rate for the work they are expected to undertake to deliver a Code of Audit Practice compliant audit. The Chair of the PSAA is on record as stating that the outcomes of the procurement reflect the backcloth of a troubled audit profession, a challenged local audit system and a sellers' market. It is notable that three national firms - PwC, Deloitte and BDO – chose not to bid. However, KPMG

has re-joined with the prospect of higher fees, having opted out of the current audit contracts five years ago.

8.3. The chief executives of the accountancy institutes CIPFA and the ICAEW have said that the procurement underlines concerns about market stability and that urgent action is needed to ensure the market is robust and attractive. They also said that an increase in fees is necessary to support high quality and timely audits, whilst recognising that the rise will be difficult for local authorities, which are already under severe financial pressure.

8.4. The PSAA reportedly called for “radical changes in the local audit system”. A more proportionate audit is an absolute prerequisite to achieve a more sustainable audit system, it suggested. Awarding new contracts would help to maintain the system for the next five years and buy time for changes to be developed to the local audit system.

8.5. The Council’s estimated fees in 2022/23 are circa £180k. Applying a 150% increase as advised by the PSAA suggests fees from the 2023/24 audit onwards of around £450k.

8.6. It is important to note that whilst this is undoubtedly a significant forecast increase, the audit fees forecast for 2023/24 would represent 0.04% of the Council’s 2023/24 gross expenditure budget, compared to the 2022/23 forecast audit fees currently representing 0.02%.

8.7. The Committee may also wish to note a recent announcement that local (external) audit is to be strengthened, as the new responsibilities of the Financial Reporting Council as the shadow system leader for local audit are set out. The Government press release with more details can be seen at <https://www.gov.uk/government/news/local-audit-bolstered-with-new-memorandum-of-understanding>

## **9. Financial, legal, equalities, climate emergency and other implications**

### 9.1 Financial implications

The report is exclusively concerned with financial issues.

### 9.2 Legal implications

There are no direct legal implications arising from this report.

Kamal Adatia, City Barrister

### 9.3 Equalities implications

There are no direct equalities implications arising out of this report.

Equalities Officer, Surinder Singh, Ext 37 4148

9.4 Climate Emergency implications

There are no significant climate emergency implications directly associated with this report.

Aidan Davis, Sustainability Officer, Ext 37 2284

9.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

N/A

## 10. Other Implications

<b><u>OTHER IMPLICATIONS</u></b>	<b><u>YES/NO</u></b>	<b><u>PARAGRAPH REFERRED</u></b>
Equal Opportunities	No	
Policy	No	
Sustainable and Environmental	No	
Crime and Disorder	No	
Human Rights / People on low incomes	No	
Corporate Parenting	No	
Health Inequalities Impact	No	

## 11. Background papers:

- Revenue and capital outturn reports presented the Overview Select Committee on 30<sup>th</sup> June 2022.
- The Draft Statutory Statement of Accounts 2021/22 presented at the Audit and Risk Committee on 20<sup>th</sup> July 2022.
- Financial Update Report presented at the Audit and Risk Committee on 28<sup>th</sup> September 2022.
- Statement of Accounts and External Audit Update Report presented at the Audit and Risk Committee on 22<sup>nd</sup> November 2022.
- Financial Update Report presented at the Audit and Risk Committee on 18<sup>th</sup> January 2023.

## 12. Summary of Appendices:

Appendix A - ISA 260 Report (the External Auditor's Audit Findings Report)

Appendix B - Annual Statement of Accounts & Annual Governance Statement 2021/22

Appendix C - Letter of representation

## 13. Consultations

All departments are consulted during the Authority's close down period.

**14. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?** No

**15. Is this a "key decision"? If so, why?** No



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## **Strategic and Operational Risk Registers / Health & Safety Data**

Audit and Risk Committee

Date of meeting: 15<sup>th</sup> March 2023

Lead director: Miranda Cannon

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## Useful information

Ward(s) affected: All Wards

Report author: Sonal Devani

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Report version number: Version 1

### 1. Summary

The purpose of this report is to provide to the Audit and Risk Committee (A&RC) an update on the Strategic and Operational Risk Registers and Health & Safety data:

- **Appendix 1a** the **Strategic Risk Register (SRR)** provides a summary of the strategic risks facing the council affecting the achievement of the strategic objectives of the council and **Appendix 1b** is an example of a completed risk control action plan – more **detail at section 4.1**;
- **Appendix 2**, the **Operational Risk Register (ORR)** exposure summary, provides a high-level summary of the operational risks, which affect the day-to-day operations of divisions. Such risks are assessed by Divisional Directors with a risk score of 15 or above for consideration;
- **Appendix 3**, the **ORR**, supports **Appendix 2** (the summary of the ORR) which provides the detail in relation to the council's operational risks;
- **Appendix 4, Health and Safety report and data** including an early update on the revised corporate audit programme and initial outcomes.

### 2. Recommended actions/decision

A&RC is asked to:

- Note the SRR and ORR (as at 31<sup>st</sup> January 2023)
- Note the Health and Safety Data;

Make any comments to the Director of Delivery, Communications and Political Governance

### 3. Background

- 3.1** The Council's 2023 Risk Management Strategy requires the development, maintenance and monitoring of both the SRR and ORR.
- 3.2** Both the SRR and ORR process is owned and led by the Head of Paid Service. The Corporate Management Team collectively support the strategic risk register process documenting the key strategic risks facing the council and help to ensure

these are managed and the SRR is then submitted to the Executive for their consideration. It complements the operational risk register process which is supported and managed by the Divisional Directors in conjunction with their divisional management teams. Both registers are populated and maintained by the Manager, Risk Management for this group.

#### 4. Detailed report

**4.1 PESTLE** has been implemented in the revised approach to the SRR as a framework for considering the wider context and environment, and the risks that this gives rise to. PESTLE is a mnemonic which stands for '**Political, Economic, Social, Technological, Legal and Environmental**' **Appendix 1a** indicates which category of PESTLE the strategic risks relate to. A summary of the SRR in relation to each of these themes is set out at paragraph **4.2**. Individual risk owners for the SRR are Strategic Directors and/or those with statutory roles such as the Monitoring Officer and Section 151 officer (specific actions relating to the risk may be likely to be owned and delivered by other Directors and Senior Officers). This ensures there is robust strategic ownership and oversight of the most significant risks facing the organisation.

The summary (**Appendix 1a**) indicates risk scores from the previous risk reporting period including the variance in scores between the current and previous cycle. There has been **no change** on the strategic risk ratings this reporting cycle. This is perhaps to be expected given the very recent fundamental review and refresh of the SRR, and the continuing volatile financial and economic climate. Each risk in the summary is supported by a more detailed risk control action plan capturing existing risk controls and proposed further actions/controls (unless the risk strategy is to tolerate the risk without further controls). The summary indicates total number of **high risks (risk score between 15-25)** (taken from the operational risk register) impacting the identified strategic risks.

**1 new strategic risk** has been added to the SRR as follows:

- **3.4 – Socio-cultural** - Complexity of needs of Asylum Seekers and refugees, **risk score 20**

#### 4.2 Update on the Risk Themes (PESTLE)

##### 4.2.1 Political

**Two strategic risks are under this theme and no new strategic risks** have been identified. The uncertain political and policy environment remains a significant red risk to the organisation, and this is exacerbated by industrial action across a range of sectors which adds additional risk to service delivery and emphasises the importance of our embedded business continuity and incident management processes. Work has been undertaken by officers in relation to political governance, specifically to consider scenarios relating to local election outcomes in May and the implications of those scenarios such as a different political make-up and more opposition groups.

#### 4.2.2 Economic

There are **three red rated strategic risks** under this theme reflecting the challenging economic context locally and nationally which is continuing to have significant impacts on both capital projects and revenue budgets. Risk scores have been reviewed and are remaining as red risks given this difficult context and the ongoing impacts. **No new risk added under this theme.**

Challenges remain in relation to the recruitment and retention of staff across a range of roles and work is continuing to develop and embed an approach to workforce planning across the council and the workforce challenges have been fed into early work and discussions with the local Universities as part of the Civic University Agreement. This risk causes concern around the ability to deliver across all council objectives and HR are focusing on supporting workforce health and wellbeing.

Financial sustainability remains the council's highest rated risk reflecting the very challenging budget position of the council which risks severely compromising service delivery impacting residents including the most vulnerable.

#### 4.2.3 Socio-cultural

**Four risks are under this theme which includes a new risk** added to this category relating to the impacts arising from the numbers and complexity of needs of asylum seekers and refugees placing additional demands and pressures on services and risking tensions arising within communities. Significant work is being done to ensure appropriate governance and support for this area of work which is regularly reported to the Executive and also to Overview Select Committee. The impacts of cost of living on residents and subsequent demand for services remains a red rated risk in this theme. The council is continuing with an incident management structure to oversee the ongoing impacts and the council response to cost of living.

#### 4.2.4 Technological

There are **three strategic risks** under this category. **No new strategic risks** have been identified under this theme. Technology and data remain fundamental to council operations and the risk of disruption to the technology infrastructure remains a high rated risk particularly given the impact such disruption would have. The council has implemented improvements to mitigate against the risks. There continues to be a focus as part on ongoing business continuity planning and training on achieving continuity of service delivery should there be a sustained disruption to council systems. Work is underway to continue to establish platforms which will better support the integration of key systems.

#### 4.2.5 Legal

**No new strategic risks** have been identified under this theme, which has **two strategic risks** of which one scores as a red risk and one medium. It

remains critical that the council continues to focus on delivering any improvements arising from external audit, inspection and reviews and learn any lessons arising from interventions in other authorities.

**4.2.6 Environmental**

**No new risk added under this theme.** There is **one strategic risk** under this theme which focuses on the significant risks arising from the impacts of climate change. Tackling the climate emergency remains a critical council priority with work ongoing to develop a new climate emergency action plan which will encompass a wide range of ongoing and proposed new actions across the council and sits alongside ongoing work with the Environment Agency on flood defence and local preparedness as part of the wider Local Resilience Forum for issues such flooding and hot weather.

**4.3** The below matrix provides an indicator of the status of the council’s strategic risks in terms of likelihood and impact. The risks in the **darker grey area quadrant requires regular reviewing and monitoring** and consideration for further controls and should receive the most challenge and given priority. Risks in the **medium grey area also require regular reviewing and monitoring** to ensure they do not escalate to the **dark grey** quadrant.

<b>LIKELIHOOD (A)</b>	Almost Certain 5				1.1 2.2 3.4 4.1	2.1 2.3
	Probable / Likely 4			4.2 4.3 5.1	3.1 3.2 6.1	
	Possible 3					5.2
	Unlikely 2				1.2 3.3	
	Very unlikely/ Rare 1					
		Insignificant/ Negligible 1	Minor 2	Moderate 3	Major 4	Critical / Catastrophic 5
<b>IMPACT (B)</b>						

**4.4 Operational Risks Update**

The risks in the ORR (**Appendix 2/3**) are presented by:

- Strategic Area (in alphabetical order);
- Then by Divisional Area (again within alphabetical order);
- Then by 'risk score' with the highest first.

The summary of operational risks attached at **Appendix 2** indicates the number of high risks for each department/strategic area. With regards to the **ORR**, **27** existing risks have been amended, **6** deleted and **4** new risks were added to the ORR this quarter.

**Appendix 2** provides a summary of operational risks facing the council. **Appendix 3 provides in-depth details on the risks summarised at appendix 2. 18** risks had amendments to the controls. These are **risks 1, 6, 10, 11, 12, 13, 14, 15, 22, 23, 24, 25, 26, 27, 28, 29, 30 and 31.**

Both appendices have been compiled using divisional risk registers submitted by each Divisional Director. The most significant managed/mitigated risks (scoring 15 and above) identified within these individual registers have been transferred to the council's ORR.

As a reminder, where a risk is '**deleted**' it does not always allude to the risk being eliminated. It refers to the risk score no longer being 'high' and it may well remain within the individual divisional register with a score below 15.

**4.5** Audit and Risk Committee are reminded that the council's Risk Management Strategy refers to the process of embedding risk management within business areas. The risk registers allow this to be evidenced, but if this process is to be demonstrated as a method by which the council manages its risk profile, it has to be more than the regular submission of a register to REBR on a timely basis. The updates/changes to the risk registers is a positive indication of this and the process of risk management is a daily activity throughout the authority to indicating the council is managing its risks and its exposure.

#### **4.6 Health and Safety Data**

A total of **189** incidents were reported in the last reporting period. Of these, **109** were reported as near misses in Q4 21/22. In comparison, in this reporting period, **171** incidents were reported (**84 as near misses, 6 work-related illnesses and 81 injuries**). With regards to near misses, this is a **33% decrease** compared with the previous reporting period and **55% lower** than Q3 21/22. **46%** of near miss incidents were incidents of verbal abuse and verbal threats. This is a significant reduction compared to **92% in the** same period 21/22. The majority of physical assaults result from a series of escalating steps with conflict and verbal abuse being an early warning sign. **14%** of reported near misses were non injury vehicle bumps and scrapes. Injuries in Q3 is **17%** more compared to the previous reporting period from **68 to 81**. Slips and trips are typically more common in the winter months and although there is an increase in the reporting period, there is a **25% reduction** in slips and trips Q3 22/23 compared to Q3 21/22. **81** Injuries were reported in Q3 which made up 42% of all incident reports is a **45% decrease** in injuries compared to the same period in 21/22, and 22% decrease compared to Q3 2020. There were

**6** reports of work-related ill health in the reported period down from **12** work related ill health reports in the previous period.

Personal safety and conflict resolution training should continue or a refresh. The majority of physical assaults result from a series of escalating steps with conflict and verbal abuse being an early warning sign. Managers have been reminded of incidents that should be reported and those that do not. Better quality, actionable data is coming through allowing for better analysis of risks as well as opportunities for improvement and the quality of reactive health and safety performance monitoring. More detail is at **Appendix 4**.

## **5. Financial, legal, equalities, climate emergency and other implications**

### 5.1 Financial implications

There are no direct financial implications arising from this report

**Colin Sharpe, Deputy Director of Finance, Ext. 37 4081**

### 5.2 Legal implications

There are no direct legal implications arising from this report

**Kamal Adatia, City Barrister, Ext 37 1401**

### 5.3 Equalities implications

Under the Equality Act 2010, public authorities have statutory duties, including the Public Sector Equality Duty (PSED) which means that, in carrying out their functions they have to pay due regard to the need to eliminate unlawful discrimination, harassment and victimisation, to advance equality of opportunity between people who share a protected characteristic and those who don't and to foster good relations between people who share a protected characteristic and those who don't.

Protected Characteristics under the Equality Act 2010 are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

The council also has an obligation to treat people in accordance with their Convention rights under The Human Rights Act, 1998.

The report provides an update on the Strategic and Operational Risk Registers and Health & Safety data. The ability of the council to meet its duties under the Equality Act 2010 is specifically accounted for in the strategic risk register. However, equalities and human

rights considerations cut across all elements of risk management, including strategic and operational risk management.

Some of the risks identified in the Strategic Risk Register would have a disproportionate impact on protected groups should the council no longer be able to effectively manage them and, therefore, the mitigating actions identified in the strategic risk register support equalities outcomes. For example, should the council fail to safeguard effectively, this would have a disproportionate impact on the human right (prohibition of torture, inhuman or degrading treatment) of those from protected groups, such as age and disability. Likewise, a failure to engage stakeholders could lead to a failure to identify tensions arising in the city (particularly as the financial challenges impact on communities) leading to unrest in specific communities/areas of the city. This, in turn, would have an impact on the council's ability to meet the general aim of the PSED to foster good relations between people who share a protected characteristic and those who don't.

Effective risk management plays a vital role in ensuring that the council can continue to meet the needs of people from across all protected characteristics and, in some circumstances, will be particularly relevant to those with a particular protected characteristic. For example, some risks included in the operational risk register (relate to people with specific protected characteristics such as disability (children with special educational needs, people with mental ill health).

Therefore, the on-going work to update and consider risk management implications in making decisions and assessment of the effectiveness of the controls/ mitigation actions for the risks identified in the report and appendices, will support a robust approach to reducing the likelihood of disproportionate equality and human rights related risks, provided the mitigations/ controls themselves are compliant with the relevant legislation. The maintaining and monitoring of the Strategic Risk Register will support the delivery of the Council's corporate goals in ensuring that the identified risks are appropriately managed.

**Surinder Singh, Equalities Officer, Ext 37 4148**

#### 5.4 Climate Emergency implications

The risks associated with climate change such as increased flooding, heatwaves and droughts, their consequences and the council's management of these risks are the subject of risk 6.1 – Environmental within the SRR and are considered through the ORR process. This allows for monitoring of the risks and consequences and the actions that are in place to control them, as well as further actions required. Following Leicester City Council's declaration of a Climate Emergency in 2019, climate change has been identified as one of the council's top three priorities to tackle. Further detail on the risks and impacts of climate change for the UK can be found in the official Met Office UK Climate Projections (UKCP).

**Aidan Davis, Sustainability Officer, Ext 37 2284**

#### **6. Summary of appendices:**

Appendix 1 – Strategic Risk Register as at 31<sup>st</sup> January 2023

Appendix 1b – Example of completed Risk Control Action Plan



Appendix 2 – Operational Risk Register Summary as at 31<sup>st</sup> January 2023

Appendix 3 – Operational Risk Register in detail as at 31<sup>st</sup> January 2023

Appendix 4 – Health and Safety Data

**7. Is this a private report (if so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?**

**No**

**8. Is this a “key decision”? If so, why?**

**No**



## Appendix 1a - Strategic Risk Register summary

Date: 31/01/23

23

Risk Ref / No	Summarise risk theme and description/impact	Risk Score with existing controls	High / Medium / Low	Risk response strategy – 4T's	Target Score with further actions / controls	Risk Owner	Risk score at 17/10/22	Variance since last cycle	Total No. of high risks impacting Strategic risk	ORR risk reference No. from the ORR
SRR 1.1	<b>Political:</b> Uncertain political and policy environment	20	High	Treat	15	AG RS MS MC	20	↔	3	ORR 1, 32 and 33
SRR 1.2	<b>Political:</b> Failures in integrity of local governance and decision making	8	Low	Treat	3	KA	8	↔	2	ORR 21 and 33
SRR 2.1	<b>Economic:</b> Economic instability and rising inflation	25	High	Treat	15	RS	25	↔	7	ORR 1, 22, 24, 25, 28, 29 and 32
SRR 2.2	<b>Economic:</b> Lack of critical skills, resources and capabilities across the workforce	20	High	Treat	12	MC	20	↔	9	ORR 1, 6, 15, 23, 29, 30, 31, 32 and 34
SRR 2.3	<b>Economic:</b> Financial sustainability	25	High	Treat	25	AG	25	↔	5	ORR 1, 17, 18, 28 and 32
SRR 3.1	<b>Socio-cultural:</b> Growth in demand due to rising cost of living and population growth	16	High	Treat	12	MS	16	↔	2	ORR 26 and 31

Risk Ref / No	Summarise risk theme and description/impact	Risk Score with existing controls	High / Medium / Low	Risk response strategy – 4T's	Target Score with further actions / controls	Risk Owner	Risk score at 17/10/22	Variance since last cycle	Total No. of high risks impacting Strategic risk	ORR risk reference No. from the ORR
SRR 3.2	<b>Socio-cultural:</b> Less healthy and health resilient populations	16	High	Treat	12	MS IB	16	↔	6	ORR 2, 27, 28, 30, 31 and 34
SRR 3.3	<b>Socio-cultural:</b> Inadequate response to major incidents	8	Low	Treat	3	MC	8	↔	4	ORR 2, 30, 31 and 34
SRR 3.4	<b>Socio-cultural:</b> Impacts arising from numbers and complexity of needs of asylum seekers and refugees	20	High	Treat	16	RS		<b>New Risk</b>		
SRR 4.1	<b>Technological:</b> Disruption to technology infrastructure	20	High	Treat	16	MC	20	↔	2	ORR 14 and 16
SRR 4.2	<b>Technological:</b> Inability to innovate and respond to new and emerging technological developments	12	Medium	Treat	9	MC	12	↔	1	ORR 35
SRR 4.3	<b>Technological:</b> Data not appropriately managed or effectively used	12	Medium	Treat	9	MC KA	12	↔	1	ORR 35
SRR 5.1	<b>Legal:</b> Unmanageable legislative and national policy requirements	12	Medium	Tolerate	12	KA	12	↔	6	ORR 1, 2, 19, 20, 33 and 35

Risk Ref / No	Summarise risk theme and description/impact	Risk Score with existing controls	High / Medium / Low	Risk response strategy – 4T's	Target Score with further actions / controls	Risk Owner	Risk score at 17/10/22	Variance since last cycle	Total No. of high risks impacting Strategic risk	ORR risk reference No. from the ORR
SRR 5.2	<b>Legal:</b> Heightened accountability and intervention approach to local government	15	High	Treat	10	AG KA MS	15	↔		
SRR 6.1	<b>Environmental:</b> Impacts and requirements arising from climate change	16	High	Treat	12	RS	16	↔		

### Risk scores:

LEVEL OF RISK	OVERALL RATING	HOW THE RISK SHOULD BE TACKLED/ MANAGED
High Risk	15-25	IMMEDIATE MANAGEMENT ACTION
Medium Risk	9-12	Plan for CHANGE
Low Risk	1-8	Continue to MANAGE

### Risk owners:

AG	Alison Greenhill	MC	Miranda Cannon
KA	Kamal Adatia	MS	Martin Samuels
IB	Ivan Browne	RS	Richard Sword



## IDENTIFIED RISK/RISK ACTION PLAN – SRR 4.2

### SECTION A – Risk description and existing controls

<b>Risk description</b>	<b>Inability to innovate and respond to new and emerging technological developments</b>
<b>Risk theme</b>	Technological
<b>Risk reference</b>	SRR
<b>Risk owner (name and role)</b>	Miranda Cannon, Director of Delivery, Communications and Political Governance
<b>Current risk score</b>	12
<b>Response strategy/action</b>	Treat
<b>Target risk score</b>	9
<b>Risk review date</b>	30/04/23

#### Potential Impact/Likelihood

Provide a brief summary of the risk that you have identified in this section and the likely impact on the organisation's objectives if the risk occurs

Unable to respond sufficiently to technological developments due to cost and speed of change

Provide a brief explanation of impact of this risk and the why the likelihood is scored as it is (will help with root cause and possible controls)

Unable to meet resident expectations.  
 Poor customer experience  
 Importance is undervalued by political and managerial leadership.  
 Significant pressure on revenue and capital budgets from demand for, and cost of new technologies.  
 Compromises ability to realise savings from end to end transformation of services/processes and use of digital channels to manage demand.  
 Unable to retain the skills and capacity to support the organisation in maximising the impact of technology due to competitive market.

### **Existing action/controls already in place**

Describe the specific actions and controls that are already in place now to manage the risk

1. Engagement in networks and forums such as DHLUC Local Digital to gather learning and ideas from elsewhere.
2. External review of ICT infrastructure completed to support development of a strategy which will underpin the medium-to-longer term digital transformation of the Council and a programme underway to implement.
3. Engaged Enterprise Architect to support detailed design and implementation of a fit for purpose corporate architecture.
4. Embedding an agile approach to technological developments to support a more rapid and flexible deployment of solutions.
5. Using graduates to support a grow our own strategy in relation to ICT Developers.
6. Governance arrangements in place to oversee and manage digital, data and technology developments across the organisation and ensure alignment with wider enterprise ICT architecture.

### **Current risk score with existing measures**

Impact	Likelihood	Risk rating (I X L)
3	4	12

**Response strategy:** Treat

### **Further management action/controls:**

List the further action(s) that will be taken in addition to existing controls to manage the risk. Complete the action plan in section B:

1. DDaT CRM and integration hub programme to develop enabling technology platforms around data and reporting and analytics.
2. Ensure wider digital, data and technology developments are aligned to enterprise wide ICT architecture.

### **Target risk score with further management actions/controls**

Impact	Likelihood	Risk rating (I X L)
3	3	9



**SECTION B – Risk action plan**

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Action No	Control / Action	Action owner	Target date for implementation	Resources/costs required to implement	Progress update - date action completed / pending (if so why)	Success criteria
1	DDaT CRM and integration hub programme to develop enabling technology platforms around data and reporting and analytics	Miranda Cannon / Carl Skidmore	Deliver first foundational phase of the programme by April 2023	Officer time Support from Microsoft Dynamics partner and for an accelerator product for the first phase	Jan 23 – Microsoft partner Tiski have provided initial Discovery report for Graffiti proof of concept project. Awaiting broader CRM Discovery report. The Graffiti minimum viable product is currently planned for delivery in March 2023.	Enterprise-wide architecture which supports effective deployment and use of new and emerging technologies and enables the organisation to maximise benefits of this
2	Ensure wider digital, data and technology developments are aligned to enterprise wide ICT architecture	Miranda Cannon / Carl Skidmore	Ongoing governance arrangements	Officer time	Jan 23 – this work is ongoing supported by the robust Gateway processes and governance in place for DDaT projects and activities	New technologies align with wider strategy and organisational priorities



## Appendix 2

### LCC Operational Risk Exposure Summary as of 31<sup>st</sup> January 2023

#### STRATEGIC AREA – CITY DEVELOPMENTS AND NEIGHBOURHOODS

Risk Ref (as per ORR)	Risk Theme / Category	Link to Strategic Risk	Risk	Risk Owner	Impact	Likelihood	Current Risk Score	Impact	Likelihood	Target Risk Score	Target Date
1.	POLITICAL ECONOMIC LEGAL	SRR 1.1 SRR 2.1 SRR 2.2 SRR 2.3 SRR 5.1	<b>Housing</b> – Budget Pressures - Increase in inflationary pressures have led to increasing pressures on the HRA and the Housing GF	CB	5	4	20	4	3	12	28/02/23 ongoing
3.	ENVIRONMENTAL		<b>Neighbourhood and Environmental Services</b> – Ash Dieback – Epidemic of Ash Trees	SA	4	4	16	4	4	16	31/05/23 ongoing
4.	SOCIO-CULTURAL		<b>Neighbourhood and Environmental Services</b> - Decreasing availability of burial space. Burial space is limited in supply and may run out if further provision is not provided before existing capacity is reached.	SA	4	4	16	4	3	12	31/05/23 Ongoing Planning Permissi on Dec 23
7.			<b>Planning, Development and Transport</b> - Failure or delayed delivery of development outcomes, including infrastructure - Ashton Green; new homes, employment land, community social infrastructure, open space, new jobs & skills training etc.	ALS	4	4	16	3	4	12	31/05/23 ongoing
8.			<b>Planning, Development and Transport</b> - Availability of supply chain - contractors, construction	ALS	4	4	16	3	4	12	31/05/23 ongoing

			difficult to get in place and issues on materials being available since Covid-19.								
2.	<b>SOCIO-CULTURAL ECONOMIC LEGAL</b>	<b>SRR 3.2 SRR 3.3 SRR 5.1</b>	<b>Housing</b> – Refugees - Increase in community tensions as a result of the newly arrived Afghans in Leicester and the impact on homelessness services/ availability of social housing/ Safeguarding concerns in relation to the Homes for Ukraine project.	CB	4	4	16	3	3	9	31/05/23 ongoing
5.	<b>ECONOMIC</b>		<b>Neighbourhood and Environmental Services</b> – Lack of adequate resource capacity.	SA	4	4	16	3	3	9	31/05/23 ongoing
6.			<b>Neighbourhood and Environmental Services</b> – Beaumont Park Depot – Condition of depot creating risks to service delivery, individuals working on site and visitors	SA / MW	5	3	15	5	2	10	01/04/23 ongoing
32	<b>LEGAL</b>		<b>Planning, Development and Transport</b> - Duty to Protect - ensuring counter-terrorism measures are incorporated into the built environment where required in order to meet our new statutory duties under the Duty to Protect legislation, e.g. new public realm schemes incorporating hostile vehicle mitigation measures. Need to ensure requirement for CT measures is considered and record all decisions.	ALS	5	3	15	5	2	10	31/05/23 ongoing

## STRATEGIC AREA – CORPORATE RESOURCES AND SUPPORT

10.	TECHNOLOGICAL	SRR 4.1	<b>Delivery, Communications and Political Governance</b> – Cyber Security - Increasing profile and expertise to circumvent established defences increase vulnerability of LCC data.	MC	4	5	20	4	4	16	31/05/23 ongoing
11.	ECONOMIC	SRR 2.2	<b>Delivery, Communications and Political Governance</b> – Shortages in terms of staff capacity/key skills	MC	4	5	20	3	4	12	31/05/23 ongoing
12.	TECHNOLOGICAL	SRR 4.1	<b>Delivery, Communications and Political Governance</b> – On-Going Global supply Chain issues. Global shortage of semiconductor components impacting technology supply chain.	MC	4	4	16	3	4	12	31/05/23 ongoing
13.	ECONOMIC	SRR 2.3	<b>Delivery, Communications and Political Governance</b> – Loss of income opportunities. Commercial arrangements such as trading with schools are lost due to heightened market competition and due to a lack of staff resources and expertise to undertake marketing and business development	MC	4	4	16	3	4	12	28/02/23 ongoing
14.	ECONOMIC	SRR 2.3	<b>Delivery, Communications and Political Governance</b> - Ongoing budget pressures and savings impacting on service delivery	MC	4	4	16	3	4	12	31/05/23 ongoing
15.	LEGAL	SRR 5.1	<b>Delivery, Communications and Political Governance</b> – Electoral Reforms arising from Elections	MC	4	4	16	3	4	12	30/04/23 ongoing

			Act 2022 - Late release of the detailed guidance and national system at the same time local resources are focused on planning for May 2023 elections risks the smooth introduction of Voter ID and could disenfranchise electors and their confidence in the electoral system.								
17.	<b>POLITICAL</b>	<b>SRR 1.2</b>	<b>Legal</b> – Workloads and Pressure – Client Care. Services within the Council are stretched with increased demands and pressures.	KA	4	4	16	4	3	12	31/05/23 ongoing
16.	<b>LEGAL</b>	<b>SRR 5.1</b>	<b>Delivery, Communications and Political Governance</b> – Impacts arising from Future Legislation ‘Martyn’s Law’ - Council is unprepared to respond to the potential requirements of forthcoming legislation related to counter-terrorism and therefore fails in the duty to protect people	MC	5	3	15	5	2	10	Directors and HofS session - 08/03/23. Report to CMB 09/03/23. Ongoing

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### STRATEGIC AREA – SOCIAL CARE AND EDUCATION

20.	<b>ECONOMIC</b>	<b>SRR 2.1</b>	<b>Children's Social Care and Community Safety</b> – Workforce availability – Diminishing availability of experienced skilled social workers	CT	5	4	20	5	4	20	31/05/23 ongoing
18.	<b>ECONOMIC</b>	<b>SRR 2.1</b>	<b>Adult Social Care and Commissioning</b> - Partnerships - sustainability	KG	4	4	16	4	3	12	31/05/23 ongoing

			Cost of living and cost of fuel prices, occupancy levels in Care Homes, workforce shortages, ending of Covid financial support all impacting on market sustainability Nursing Homes giving notice in already depleted market Provider failure due to poor quality - decrease in ratings by CQC								
19.	<b>ECONOMIC</b>	<b>SRR 2.2</b>	<b>Adult Social Care and Commissioning</b> - Staffing - A number of service areas subject to change with consultations happening at service level and staff level	KG	4	4	16	4	3	12	31/05/23 ongoing
22.	<b>SOCIO-CULTURAL</b>	<b>SRR 3.1</b>	<b>Education</b> - Failure to identify children missing from education in a timely manner. This could include children who have left school rolls who have not arrived at their destination school or where they have become electively home educated but where this is not suitable.	SW	4	4	16	3	2	6	Winter / Summer 23
21.	<b>ECONOMIC</b>	<b>SRR 2.1</b>	<b>Children's Social Care and Community Safety</b> - Budget Loss and / or reduction of services to achieve budget savings	CT	5	3	15	5	3	15	31/05/23 ongoing
23.	<b>SOCIO-CULTURAL</b>	<b>SRR 3.2</b>	<b>Education</b> – Pupil Attendance DfE are increasing the statutory responsibilities relating to pupil attendance.	SW	3	5	15	2	2	4	31/07/23 ongoing

**STRATEGIC AREA – PUBLIC HEALTH**

36	24.	POLITICAL ECONOMIC SOCIO- CULTURAL	SRR 2.1 SRR 2.3 SRR 3.2	<b>Wider Economy and Supply Chain</b> - Brexit / Covid related pressures increases prices or reduces availability of IT stock / services / logistics / medicines etc within the supply chain.	IB	5	4	20	4	4	16	31/05/23 ongoing
	25.	ECONOMIC	SRR 2.1 SRR 2.2	<b>Budget</b> - Changes to service delivery to comply with allocated budget and savings targets - continued reductions could force termination of services to ensure priority services remain available.	IB	4	5	20	3	5	15	31/05/23 ongoing
	26.	ECONOMIC SOCIO- CULTURAL	SRR 2.2 SRR 3.2 SRR 3.3	<b>Staffing and recruitment - External.</b> A national skill shortage and recruitment crisis in conjunction with Leicester being a challenging area in comparison to neighbouring areas creates difficulties in securing appropriately trained professionals within commissioned services and / or partner organisations - in particular Public Health Nurses and Health Visitors.	IB	5	4	20	5	3	15	31/05/23 ongoing
	27.	ECONOMIC SOCIO- CULTURAL	SRR 2.2 SRR 3.1 SRR 3.2 SRR 3.3	<b>Health Protection /Covid 19 –</b> If recovery efforts are slower paced than desired this could lead to delivery and safeguarding issues.	IB	5	4	20	4	3	12	31/05/23 ongoing
	28.	POLITICAL ECONOMIC	SRR 1.1 SRR 2.1 SRR 2.2 SRR 2.3	<b>Commissioning</b> - Reduced budget for services impacts on financial viability to suppliers who may deem package to be unviable leading to a lack of bids	IB	4	4	16	3	5	15	31/05/23 ongoing



			reducing competition or tender failing altogether								
29.	<b>POLITICAL LEGAL</b>	<b>SRR 1.1 SRR 1.2 SRR 5.1</b>	<b>Policy &amp; Governance.</b> Population health and the wider determinants of health impact, and are impacted by, a broad range of activities LCC undertakes.	IB	4	4	16	3	4	12	31/05/23 ongoing
30.	<b>ECONOMIC SOCIO- CULTURAL</b>	<b>SRR 2.2 SRR 3.2 SRR 3.3</b>	<b>Staffing and recruitment - Internal.</b> An emerging recruitment crisis across a variety of sectors creates difficulty, both within Public Health and our commissioned services or system partners, in securing sufficient staff with the appropriate skills and experience to meet the immediate Public Health challenges posed by Covid 19 response and recovery and emerging issues.	IB	4	4	16	4	3	12	31/05/23 ongoing
31.	<b>TECHNOLOGICAL LEGAL</b>	<b>SRR 4.2 SRR 4.3 SRR 5.1</b>	<b>Data</b> - Complex data sharing agreements with external organisations not in place or understood by officers which restricts information flow into Public Health required to deliver objectives.	IB	4	4	16	3	3	9	31/05/23 ongoing

**Key:**

IMPACT (I)	SCORE	LIKELIHOOD (L)	SCORE
CRITICAL/ CATASTROPHIC	5	ALMOST CERTAIN	5
MAJOR	4	PROBABLE / LIKELY	4
MODERATE	3	POSSIBLE	3
MINOR	2	UNLIKELY	2
INSIGNIFICANT/ NEGLIGIBLE	1	VERY UNLIKELY / RARE	1

**Risk scores:**

LEVEL OF RISK	OVERALL RATING	HOW THE RISK SHOULD BE TACKLED/ MANAGED
High Risk	15-25	IMMEDIATE MANAGEMENT ACTION
Medium Risk	9-12	Plan for CHANGE
Low Risk	1-8	Continue to MANAGE

**Risk Owners:**

ALS	-	Andrew L Smith	MC	-	Miranda Cannon
CB	-	Chris Burgin	MD	-	Mike Dalzell
CT	-	Caroline Tote	MW	-	Matt Wallace
IB	-	Ivan Browne	SA	-	Sean Atterbury
KA	-	Kamal Adatia	SW	-	Sue Welford
KG	-	Kate Galoppi			

Appendix 3 - Leicester City Council Operational Risk Register

Risk Register Owner: Alison Greenhill, COO

Risks as at: 31/01/2023

RISK REF	RISK THEME / CATEGORY <i>Establish which category the risk falls into using PESTLE definition. See Process tab for more information</i>	LINK TO STRATEGIC RISK <i>Which Strategic Risk does the risk link to? Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (Below link provides access to current SRR on SharePoint). Log strategic risk ref no.</i>	RISK <i>What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?</i>	CONSEQUENCE/EFFECT: <i>What would occur as a result, how much of a problem would it be, to whom and why?</i>	EXISTING ACTIONS/CONTROLS <i>What are you doing to manage this risk now?</i>			RISK SCORE			RESPONSE STRATEGY / ACTION <i>Select from the 4T's (see Process worksheet for definitions and further guidance): Tolerate, Treat,</i>	FURTHER MANAGEMENT ACTIONS/CONTROLS			TARGET SCORE			COST	RISK OWNER	TARGET DATE
					Impact	Probability	Risk	Impact	Probability	Risk		Impact	Probability	Risk						

STRATEGIC AREA - City Development and Neighbourhoods

1	POLITICAL ECONOMIC LEGAL	SRR 1.1 SRR 2.1 SRR 2.2 SRR 2.3 SRR 5.1	<b>Housing - Budget Pressures</b> - Increase in inflationary pressures have led to increasing pressures on the Housing Revenue Account and the Housing General Fund. Cap on 23/24 rent increase now anticipated further limiting options to address the risk	- Budget overspend - Insufficient budget to balance the budget without reducing service offer or capital investment	- In year budget monitoring to oversee the exiting budget pressures	5	4	20	Treat	- Use of reserves in 22/23 to balance the budget - In year District Heating increase of 70% proposed - Identification of savings in Housing Revenue Accounts to streamline service and deliver efficiencies - Housing Revenue Accounts Budget 23/24 being developed to address the budget pressures - FBR savings proposed in Housing General Fund proposals of savings of over £300k - Bidding to secure additional external funding towards existing costs - Ongoing external bidding for funding	4	3	12		Chris Burgin	February 23 Ongoing
2	SOCIO-CULTURAL ECONOMIC LEGAL	SRR 3.2 SRR 3.3 SRR 5.1	<b>Housing - Refugees</b> - Increase in community tensions as a result of the newly arrived Afghan's in Leicester and the impact on homelessness services/ availability of social housing/ Safeguarding concerns in relation to the Homes for Ukraine project Potential for unaccompanied Ukrainian children to arrive in Leicester	- Perception that there will be less housing for other groups in housing need. increase in community tensions and perceptions that refugees are getting more favourable treatment - Increase in safeguarding concerns, physical and emotional impact on refugees	- All housing services to be vigilant and report any serious issues to Prevent or Police as appropriate. Ongoing monitoring of community tensions and myth busting as refugees are accessing a range of housing options including the Private Rented Sector. Strategic co-ordination of information sharing with key partners. AMAL working on the resettlement programme for families to be re-housed in Leicester and will be vigilant on reporting any issues that arise. - Separate risk assessment for the Homes for Ukraine project in place plus joined up Council operations across ASC, PRS, Housing working with Police to undertake relevant safeguarding, property and DBS checks on all parties Inter agency protocol has been developed to support unaccompanied Ukrainian children Ongoing oversight of Asylum in the City with the Asylum Board make up of Senior officers, external partners and politicians	4	4	16	Treat	- Continue to monitor, reporting issues working closely with the Police. Link families up with services and support where necessary - Stay abreast of changing arrangements for the scheme and work to minimise the risks to the local authority linked to such areas as rematching - Input and push for the National Asylum dispersal scheme to share the load across the Country not just in Leicester - Push for the Bridging hotel in Leicester to close and not continue	3	3	9		Chris Burgin	Ongoing, May 2023 review date
3	ENVIRONMENTAL		<b>Neighbourhood and Environmental Services Ash Dieback - Epidemic of Ash Trees</b> Caused by an introduced pathogen that most local ash trees are unlikely to have resistance to. It is anticipated that up to 95% of the tens of thousands of ash trees in the city will die. Perhaps 50% of the total will be the council's direct liability. Many trees are located on traffic routes or in areas of use and habitation. Dying and collapsing trees will present an injury and property damage risk, and present a hazard risk to staff during removal operations. Under normal conditions £135k per year is devoted to clearing similar problems across all species. It is anticipated this cost will multiply several times at the height of the epidemic.	- Injury to staff and residents, including highway users - Damage to property including animal injury, buildings, parked and moving vehicles, various infrastructure and parks and street furniture - Disruption to traffic routes and areas of high use during removal operations	- Established teams, structures and systems will address problems in the early stages. These can be built on further as the problem starts to strain existing resources. - There is no way to limit or control the establishment and spread of the pathogen as it is a windborne micro-organism. - In essence management is a reactive process. - Contingency sum of £100k included in Capital programme.	4	4	16	Treat	- Effective and timely reactive responses - Future development of an Ash Die Back Action Plan, once level of spread of disease more known, and further Capital bid submitted for 2023/24, £250k felling plus £130k platform.	4	4	16	£100k contingency	Sean Atterbury	31.05.2023 Ongoing

Appendix 3 - Leicester City Council Operational Risk Register

Risk Register Owner: Alison Greenhill, COO

Risks as at: 31/01/2023

RISK REF	RISK THEME / CATEGORY <i>Establish which category the risk falls into using PESTLE definition. See Process tab for more information</i>	LINK TO STRATEGIC RISK <i>Which Strategic Risk does the risk link to? Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (Below link provides access to current SRR on SharePoint). Log strategic risk ref no.</i>	RISK <i>What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?</i>	CONSEQUENCE/EFFECT: <i>What would occur as a result, how much of a problem would it be, to whom and why?</i>	EXISTING ACTIONS/CONTROLS <i>What are you doing to manage this risk now?</i>			RISK SCORE	RESPONSE STRATEGY / ACTION <i>Select from the 4T's (see Process worksheet for definitions and further guidance): Tolerate, Treat,</i>	FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE			COST	RISK OWNER	TARGET DATE
					Impact	Probability	Risk				Impact	Probability	Risk			
4	SOCIO-CULTURAL	<a href="https://leicestercitycouncil.sharepoint.com/sites/sec025/SitePages/Risk-management.aspx">https://leicestercitycouncil.sharepoint.com/sites/sec025/SitePages/Risk-management.aspx</a>	<b>Neighbourhood and Environmental Services - Decreasing availability of burial space</b> Burial space is limited in supply and may run out if further provision is not provided before existing capacity is reached. rates of death and grave sales have increased above average due to Coronavirus and continued death rate.	<ul style="list-style-type: none"> <li>- Significant distress to families requiring a burial if no new burial plots are available. Some faith communities do not permit cremation as an alternative.</li> <li>- Damage to LCC reputation and significant negative press and community tensions arising from failure to meet needs. Reduction in service provision.</li> <li>- Financial losses from lack of new burial space reducing cemetery income (estimated £1m plus per annum),</li> </ul>	<ul style="list-style-type: none"> <li>- Burial Space Strategy 2014 identified the need for a new cemetery. consultation with planners regarding Local Plan provision in the city and outside the city undertaken.</li> <li>- EBS Capital Projects team commissioned to deliver a new cemetery by 2025/26. One site identified for feasibility to date, potential for others being investigated by EBS. £150k budget for feasibility studies agreed.</li> <li>- Mitigation action to reduce demand for graves without a burial proposed.</li> </ul>	4	4	16	Treat	<ul style="list-style-type: none"> <li>- Identify alternative site/s for new burial space. Secure capital funding (c£5m) and planning permission for new cemetery construction.</li> <li>- Public consultation on future needs.</li> </ul>	4	3	12	£150k + £5m	Sean Atterbury	31.05.2023 Ongoing Planning permission, Dec 2023
5	ECONOMIC	SRR 2.2	<b>Neighbourhood and Environmental Services - Lack of Adequate Resource Capacity</b> Increase in the demand led services, along with the reduction in head count could mean that there are insufficient resources to deliver the required service levels. During times of change, staff are not always aware of the changes being made, resulting in confusion etc.	<ul style="list-style-type: none"> <li>- Teams already at a minimum and extra workloads are unsustainable.</li> <li>- As demand-led services increase, workload and public expectations increase.</li> <li>- Likelihood of key person dependency as teams reduce further (fewer people in key roles).</li> <li>- Potential risk of non-compliance or breaches/lack of a substantial control environment.</li> <li>- Service delivery requirements not met.</li> <li>- Staff wellbeing may be harmed.</li> <li>- Reputational damage may result from unplanned building closures due to staff shortages.</li> </ul>	<ul style="list-style-type: none"> <li>- Existing prioritisation arrangements are in place.</li> <li>- Policies and procedures are in place.</li> <li>- Processes are in place.</li> <li>- Regular briefings and PDRs</li> <li>- Organisational review consultation process.</li> <li>- Managing expectations with senior officers / stakeholders</li> <li>- Accessing external grants</li> <li>- Creation of temporary project roles</li> </ul>	4	4	16	Treat	<ul style="list-style-type: none"> <li>- Building adequate criteria and expectations into Service Reviews.</li> <li>- Creating temporary project roles where relevant.</li> <li>- Income generation to fund service specific posts / resources.</li> <li>- Better use of existing internal &amp; external resources (partnerships) - understanding impact of Covid and the increased demand on during recovery.</li> <li>- Waste Management structure is under review.</li> <li>- Create staff development opportunities linked to progression (NS).</li> </ul>	3	3	9		Sean Atterbury	31.05.2023 Ongoing
6			<b>Neighbourhood and Environmental Services - Beaumont Park Depot</b> Condition of depot creating risks to service delivery, individuals working on site and visitors. situation identified in H&S report in 2011. Previously requested in 2014 to be accommodated in Capital Programme. Strategic Director with Head of Finance moved to be dealt with as part of Depot Review passed for action to Director of EBS following site visit in Nov 2017. Options drawn up Feb 2018 but later abandoned. NES awaiting confirmed direction re resolution.	<ul style="list-style-type: none"> <li>- Serious accident injury and or death to staff/member of public.</li> <li>- Reputational damage to LCC.</li> <li>- Insurance claims against the Council.</li> <li>- Legal challenge.</li> <li>- Media exposure.</li> <li>- Adverse effect on budget/finances.</li> <li>- Closure of premises, loss of service.</li> <li>- Breaches in legislation and/or non-compliance.</li> <li>- Demand led services may not be met.</li> <li>- Significant delay to decide and implement a solution could weigh heavily in any proceedings that would follow a serious incident.</li> </ul>	<ul style="list-style-type: none"> <li>- On going review of depot in-house Business Change Manager facilitating with E&amp;B. Undertaking options appraisal with input from Legal, Planning and Highways.</li> <li>- Building conditional surveys reviewed under the TNS Programme.</li> <li>- Agreed to manage outside of Depot review with separate budget allocation.</li> <li>- NES/P&amp;OS have ensured operational mitigating action in place. Dedicated Banksman employed to manage traffic movement on site.</li> <li>- All staff trained in banksman duty of care.</li> <li>- H&amp;S team undertaken review of short term safety measures for pedestrians and vehicles on site.</li> <li>- £125k approved from Insurance fund to install one way system, plus £10k EBS. Meeting held with EBS 11th April - Trees and Woodland Team and Landscapes Team ensuring all appropriate alternative storage options are utilised. EBS committed to confirmation/delivery of scheme within budget and to providing implementation timescale asap. Andy Keeling supported NES urgent request for appropriate action. NES project halted by Richard Sword at 11th December 2020 meeting with EBS and Planning/Regeneration Colleagues in favour of an alternative option.</li> </ul>	5	3	15	Treat	<ul style="list-style-type: none"> <li>- Suitable adaptation of existing to accommodate operational practices and introduction of one way traffic system.</li> <li>- Capital project established and full Planning Application submitted 9 October 2019 with provisional start date 4 February 2020</li> <li>- Planning approval decision received 02 April 2020 which delayed programmed start date. - Vegetation clearance completed pre bird nesting, works to fully commence post Covid 19.</li> <li>- New drainage scheme designed in line with Planning requirements, plans approved by Severn Trent to discharge into the surface water sewer. Methane survey commissioned. Planning Permission approved.</li> <li>- Project put on hold pending review of alternative use of space.</li> <li>- Agreement to relocate items of stock and specialist equipment along with the bio-fuel stock pile to the IMC, pending project implementation of the Depot Transformation Board and the development to 90 LR. This is now on hold pending decision on Levelling Up Fund for IMC, Looking at opportunities to utilise - the former Western Golf car park and develop the Bennion Road compound, being considered as part of the Depot Board. Long term part of Depot Review to close depot and transfer functions to 90 LR. N.B SA - Evidence suggests the likelihood of incident based upon the additional controls is decreasing hence the adjustment to the scoring.</li> </ul>	5	2	10	£135k	Sean Atterbury/ Matthew Wallace	01.04.23 Ongoing

Appendix 3 - Leicester City Council Operational Risk Register

Risk Register Owner: Alison Greenhill, COO

Risks as at: 31/01/2023

RISK REF	RISK THEME / CATEGORY <i>Establish which category the risk falls into using PESTLE definition. See Process tab for more information</i>	LINK TO STRATEGIC RISK <i>Which Strategic Risk does the risk link to? Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (Below link provides access to current SRR on SharePoint). Log strategic risk ref no.</i>	RISK <i>What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?</i>	CONSEQUENCE/EFFECT: <i>What would occur as a result, how much of a problem would it be, to whom and why?</i>	EXISTING ACTIONS/CONTROLS <i>What are you doing to manage this risk now?</i>	RISK SCORE			RESPONSE STRATEGY / ACTION <i>Select from the 4T's (see Process worksheet for definitions and further guidance): Tolerate, Treat,</i>	FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE			COST	RISK OWNER	TARGET DATE
						Impact	Probability	Risk			Impact	Probability	Risk			
7		<a href="https://leicestercitycouncil.sharepoint.com/sites/sec025/SitePages/Risk-management.aspx">https://leicestercitycouncil.sharepoint.com/sites/sec025/SitePages/Risk-management.aspx</a>	<b>Planning, Development and Transport - Failure or delayed delivery of development outcomes</b> , including infrastructure - Ashton Green; new homes, employment land, community social infrastructure, open space, new jobs & skills training etc.	- Delayed or reduced capital receipt for the Council, delayed housing delivery no's inc. affordable, impact on jobs & training. Impact on Local Plan housing no's. Homes England Clawback of HIF Funding	- Revised Project governance structure, programme board now includes all LP strategic sites, a project specific risk log, development manager lead, project director oversight, regular City Mayor reporting. - External high level review undertake, this has identified priorities and resource requirements. - Recent focus on potential to assist delivery of affordable homes to meet the CM Manifesto commitments. - Change in key personnel within Dev team has resulted in net loss of staff on AG delivery (and wider team). Recruitment has failed twice for senior post replacements and to growth post identified in the delivery review. Interim measures being put in place with consultant support 2 days a week but not a sustainable model for long term delivery, significant officer time spent clienting these resources due to scale of project. Mid level resource lost, recruitment failed once, advert back out. Bidding for capacity funding from HE however note resources at this level with experience are in demand across the discipline nationally. - Availability rather than funding is the limiting factor. - Affordable Housing conversations internally delaying release of next 2 phases of land to market due to undetermined AH% requirement above planning. - Requirement and specification must form part of the procurement from the outset.	4	4	16	Treat	- Need to ensure that adequate external consultancy support is available to deliver the project work streams. - Ongoing review of planning conditions requirements, submission of section 73 applications to unlock development parcels. - Secured external funding to accelerate delivery of infrastructure. In order to make a step change and accelerate delivery need to look at bringing in additional resource either through consultancy or additional post. - Need to ensure focus on delivering additional affordable homes does not impact of delivery programme.	3	4	12		Andrew L Smit	31.05.2023 Ongoing
8			<b>Planning, Development and Transport - Availability of supply chain - contractors</b> , construction difficult to get in place and issues on materials being available since covid-19  Ongoing material shortages and costs are still being felt as a result of economic turmoil and increasing energy prices. This is being felt, nationally, across the construction industry	- Delay to projects and programmes; cost increases; funding slippage; potentially politically sensitive on high profile projects	- Increasing contingency for new projects; working closely with suppliers to identify risks early and mitigate where possible.	4	4	16	Treat	- Options are being considered to further mitigate risk: in accordance with elected member wishes quality of work is being maintained; against a backdrop of increasing costs, risks are being managed at previous levels through increased ECI to better inform initial designs & by deferring / delaying projects & programmes where necessary.	3	4	12		Andrew L Smit	31.05.2023 Ongoing
9	LEGAL		<b>Planning, Transport and Development - Duty to Protect</b> - ensuring counter terrorism measures are incorporated into the built environment where required in order to meet our new statutory duties under the Duty to Protect legislation, e.g. new public realm schemes incorporating hostile vehicle mitigation measures. Need to ensure requirement for CT measures is considered and record all decisions.	Council could be deemed at fault if a terrorist incident occurred that could have been prevented by appropriate CT measures/features in the built environment and day to day highway network management activities.	1. Maintain regular catch up meetings with CT Police Team. 2. Establish single point of contact for schemes with CT implications within the public realm. 3. Consider inclusion of reference to CT measures in the revised Street Deign Guide. 4. Project records to include reference to compliance / agreement of alternatives / non agreement and associated rationale with CT police requirements. 5. Include reference in PDT Divisional register of CT risk and measures in place to mitigate. 6. Consider similar in EBS risk register.	5	3	15	Treat	1. Maintain regular catch up meetings with CT Police Team. 2. Establish single point of contact for schemes with CT implications within the public realm. 3. Consider inclusion of reference to CT measures in the revised Street Deign Guide. 4. Project records to include reference to compliance / agreement of alternatives / non agreement and associated rationale with CT police requirements. 5. Include reference in PDT Divisional register of CT risk and measures in place to mitigate. 6. Consider similar in EBS risk register.	5	2	10		Andrew L Smit	31.05.2023 Ongoing

**STRATEGIC AREA - Corporate Resources &Support**

10	TECHNOLOGICAL	SRR 4.1	<b>Delivery, Communications and Political Governance - Cyber Security</b> Increasing profile and expertise to circumvent established defences increase vulnerability of LCC data.	- Data hacked and released into public domain; - Reputational damage - seek alternative more expensive solutions; - Fines from ICO; - Staff stress increases; - Damage to identified individuals; - Denial of service / major service disruption	- Technology defences; - Awareness campaign; - Targeted follow up's; - Built into new system standards from 3rd party applications (secure passwords, TLS); - Daily back-up of systems - Maintain clear Major incident Management processes - Understand RPO and RTO capability for recovering critical systems - Appointed Security Operations Centre Lead to review and respond to threat intelligence - Achieved Cyber Essentials and cyber essentials plus accreditation - Undertaking Cyber Security Gap Analysis in light of increased flexible and mobile working - Implemented solutions to respond to the new threat from Ransomware which could attack / compromise backup data - Implemented new End Point security - Implemented 3rd party Security Operations Centre service providing 24x7 cyber security monitoring.	4	5	20	Treat	- Assess and implement new Technology solutions as appropriate to address any changing/new threats - Continued Staff awareness training etc.. - Maintain Cyber Essentials Compliance - Undertake benchmark comparison against other LGAs - Complete CMMI Maturity Assessment of Cyber Security, undertake gap analysis and develop a remediation plan.	4	4	16			
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11	ECONOMIC	SRR 2.2	<b>Delivery, Communications and Political Governance - Shortages in terms of staff capacity/key skills</b> Skill shortages - Difficulties recruiting to specific posts and high demand for specific expertise such as business analysis and business change, and specific technical skills such as ICT development posts in a competitive marketplace for such skills. Key person dependency - Continuing reductions in staff may lead to increasing reliance on fewer people, some of whom may not have critical knowledge/skills, creating additional pressures at times e.g. unplanned absence; inability to transfer knowledge and skills before key staff leave. Increase in demand arising from level of organisational change and need to deliver efficiencies/savings - There maybe an increased demand for support of which available expertise is limited or competing requirements/expectations. Therefore, support services such as HR and Comms may not be able to meet expectations or deliver to the right level of quality	<ul style="list-style-type: none"> <li>- Increase in key person dependency and increased dependency on line managers to deliver a number of technical capabilities.</li> <li>- Lean staffing structures put pressure on staff.</li> <li>- Existing staff health and wellbeing may deteriorate, including morale.</li> <li>- Service demand cannot be met.</li> <li>- Members demand/expectations cannot be met.</li> <li>- Tasks are not completed/delivered and/or critical projects may be halted.</li> <li>- Statutory/regulatory requirements may not be adhered to and deadlines breached.</li> <li>- Reputational damage.</li> <li>- Adverse effect on finances.</li> <li>- Specialist expertise and knowledge is not available to deliver the required duties.</li> <li>- Corporate memory diminishes when staff leave the Council.</li> <li>- Highly skilled technical roles cannot easily be filled</li> <li>- Perception of blame culture leads to senior and/or skilled staff leaving</li> <li>- Inadequate/inappropriate decisions are made by management, resulting on increased involvement by HR and/or other services in a reactive capacity.</li> <li>- Changes may not be made quickly and effectively and/or changes may be made prior to all parties consent.</li> </ul>	- Continued use of graduate and other entry level roles to bring in additional capacity and support 'grow our own' as well as maximising use of apprenticeship funding - this includes entry level roles in HR, DDaT, Democratic Services, EA Team . Work done to identify and RAG rate the most critical posts - Use of creative approaches to address gaps e.g. training new swim teachers, maintaining a reasonable pool of casual staff where needed. Use of secondment opportunities for staff to gain new skills and experiences across other areas and to build resilience	4	5	20	Treat	- Continue with approach to supporting graduate/entry level roles where appropriate in support of a 'grow our own' approach. - Develop a divisional action plan to address the key risks in terms of critical posts and succession planning - Use of DMU internships and other placement opportunities to add short-term capacity and to link with grow our own approach	3	4	12		Miranda Cannon	31.05.2023 Ongoing
12	TECHNOLOGICAL	SRR 4.1	<b>Delivery, Communications and Political Governance - On-Going Global supply Chain issues</b> Global shortage of semiconductor components impacting technology supply chain.	<ul style="list-style-type: none"> <li>- Unable to support agile Ways of Working</li> <li>- Unable to provide devices in response to breakages and new demand</li> </ul>	- Constrain supply by utilising desktops and office space - Look for low-spec, refurbished devices to use with VDI - Utilisation of manufacturer of remanufactured devices	4	4	16	Treat	- Regular review standard hardware list and consider alternative suppliers and devices	3	4	12		Miranda Canon	31.01.2023 Ongoing
13	ECONOMIC	SRR 2.3	<b>Delivery, Communications and Political Governance - Loss of income opportunities</b> Commercial arrangements such as trading with schools are lost due to heightened market competition and due to a lack of staff resources and expertise to undertake marketing and business development. The withdrawal of specific LCC traded services could create angst amongst 'customer base' and reduce appeal of other services. Cost of living impacts on household incomes impact on services such as Sports where people have less disposable income to spend. Inflation including rising fuel, food and supply costs mean prices for traded services need to rise but then cause a drop in demand	<ul style="list-style-type: none"> <li>- Reduced income opportunities against increasing budget pressures.</li> <li>- Loss of available budget reallocations from the centre e.g. HRA.</li> <li>- Reputational damage.</li> <li>- Adverse effect on finances.</li> <li>- Loss of morale.</li> <li>- Requirement to reduce headcount if service discontinues.</li> <li>- Income levels and budgets are significantly impacted.</li> <li>- Loss of business means reductions in staff are necessary.</li> </ul>	- Sports Transformation Board established and has now met twice and is focused on the next strategic phase for the Sports service and how to further maximise the offer and benefits of capital investment. Fundamental review of trading with schools has been undertaken and a report and recommendations taken to CMB in November followed by specific report on City Catering with proposals around future trading and pricing strategies. Way forward agreed on City Catering and service will move to report into HR alongside other significant traded services and further work will commence on cost reductions and pricing strategies. Proposals developed in relation to other traded services and due to be discussed with the focus on rationalising and consolidating activity to only those strategically important services which can deliver a financial return that covers costs. Work continues in terms of business development activity in relation to traded services	4	4	16	Treat	- Continue to review the position regularly including gathering customer and non-customer feedback and acting upon it - Ensure that relevant functions continue to focus sufficiently on income opportunities and business development. - Implement agreed recommendations following CMB. Proceed with Sports next phase strategic review and opportunities for maximising income arising from this. Implement initial price rises for City Catering and commence work to further review costs and future pricing. Complete work on agreements with schools for HR & H&S traded services for the next financial year.	3	4	12		Miranda Cannon	Divisional plan by 31/03/23
14	ECONOMIC	SRR 2.3	<b>Delivery, Communications and Political Governance - Ongoing budget pressures and savings impacting on service delivery</b> Division unable to meet future level of savings required and/or the level of future savings required leads to unsustainable services/loss of services and support to the organisation impacting on the ability of the Council to operate effectively, lawfully and deliver particularly on its statutory obligations. Wider medium to longer-term financial position of the Council and local government more generally will add increased pressure on the need to make substantial savings and therefore consequent impacts of this along with the impacts of the wider cost of living crisis and rising inflation including increased energy costs	<ul style="list-style-type: none"> <li>- Unable to generate additional income, e.g. via trading with schools to help sustain budgets. Potential for a significant budget income gap.</li> <li>- Savings are not delivered, division overspends and puts pressure on corporate budgets</li> <li>- Statutory requirements are not met resulting in risks to service users and legal/reputational issues</li> <li>- Impact on the quality and levels of services being provided.</li> <li>- Impact on staff health and wellbeing</li> <li>- Vacant posts are not appointed, increasing pressure on the existing workforce.</li> </ul>	- Divisional out-turn in 2021/22 was an underspend but pressures arising for 2022/23 in terms of cost of living particularly in relation to Sports and City Catering from rising food, fuel and supply costs. Mitigations such as reviewing school meal pricing being taken forward. Ongoing work between Sports and EBS on sustainable solutions such as PV panels. Savings for the division identified including removal of a number of vacancies, some specific staffing reductions and reductions in non-staffing budgets. Some reductions already actioned in P6 revenue monitoring and further reductions to be actioned in P9 and out-turn decisions. Work ongoing in other areas and being closely monitored.	4	4	16	Treat	- Continue dialogue in 121s around further opportunities, options, risks and issues and to support delivery of identified savings. - Close monitoring and reporting on agreed savings feeding into corporate governance arrangements for this. Management of income risks - see risk 2 above. Sports Transformation Board to focus on priority of achieving a net zero subsidy for Sports. Further work to be undertaken on potential efficiencies relating to City Catering to ensure no subsidy from LCC is needed for the service.	3	4	12		Miranda Cannon	Ensure agreements for new financial year in place 28/02/2023

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Risk Register Owner: Alison Greenhill, COO

Risks as at: 31/01/2023

RISK REF	RISK THEME / CATEGORY <i>Establish which category the risk falls into using PESTLE definition. See Process tab for more information</i>	LINK TO STRATEGIC RISK <i>Which Strategic Risk does the risk link to? Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (Below link provides access to current SRR on SharePoint). Log strategic risk ref no.</i>	RISK <i>What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?</i>	CONSEQUENCE/EFFECT: <i>What would occur as a result, how much of a problem would it be, to whom and why?</i>	EXISTING ACTIONS/CONTROLS <i>What are you doing to manage this risk now?</i>	RISK SCORE			RESPONSE STRATEGY / ACTION <i>Select from the 4T's (see Process worksheet for definitions and further guidance): Tolerate, Treat,</i>	FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE			COST	RISK OWNER	TARGET DATE
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15	LEGAL	SRR 5.1	<b>Delivery, Communications and Political Governance - Electoral Reforms Arising from Elections Act 2022</b> - Late release of the detailed guidance and national system at the same time local resources are focused on planning for May 2023 elections risks the smooth introduction of Voter ID and could disenfranchise electors and their confidence in the electoral system. Lack of national new burdens funding to reflect the expectations of the reforms also risks successful delivery.	- Unable to deliver against legislative requirements brings litigation and reputational challenges. - Impacts on the smooth running of elections and electoral registration. - Impacts on budgets and resources. Any elections taking place might be undermined. - The democratic legitimacy of the Council might be undermined hindering its ability to fulfil its role as a partner, enabler and leader - The Returning Officer may struggle to deliver the elections they have personal responsibility for. - The risk of challenge by petition after the election will be higher.	- Engaged with AEA, Electoral Commission and Cabinet Office to understand and to seek to influence the detailed requirements and to share experience and provide feedback. - The Electoral Services Manager is part of the Business Change Network facilitated by the Cabinet Office and consequently is very well informed. - New burdens funding via a grant has been provided for 2022/23 and an indicative amount for 2023/23 has been communicated to help support implementation. - Building requirements into May 2023 election planning. Keeping team resources and structures under review and have increased establishment temporarily to support May 2023 election planning incorporating reforms. - A One Council approach is being taken in order that the wider Council can provide necessary support. - A national communications campaign on voter ID is underway led by the Electoral Commission and local communications are supplementing this. - A briefing for councillors has been arranged also on Voter ID.	4	4	16	Treat	- Continue with local communications and briefings. - Oversight via regular election planning meetings. - Monitor spend on reforms on Voter ID and accessibility and submit a further bid for funding when invited if spend has exceeded the provided grant. Review initial learning as part of post May 2023 elections debrief. - Further review team resources and structures after the May elections and alongside further reforms which are due to be implemented later in the year to determine ongoing implications of changes in terms of budgets and staffing	4	3	12		Miranda Cannon	31.05.2023
31	LEGAL	SRR 5.1	<b>Delivery, Communications and Political Governance - Impacts Arising from Future Legislation 'Martyn's Law'</b> - Council is unprepared to respond to the potential requirements of forthcoming legislation related to counter-terrorism and therefore fails in the duty to protect people	- LCC fails to respond effectively to a terrorist attack and places staff and public lives in danger - LCC services which fall under the scope of the requirements are unprepared and could be subject to enforcement - Additional cost implications and pressure on budgets - Reputational impacts	- Internal working group in place and has been meeting facilitated by the REBR Team Manager. - A number of services have already embedded a range of actions including Planning in relation to relevant major development schemes and DMH in terms of staff preparedness and risk assessments. - Ongoing monitoring of draft legislation as details are published and REBR Manager attending national network to keep updated. - Ongoing communication of details as they emerge. Close working with counter-terrorism Police including training planned for staff and a range of frontline services, and ongoing liaison and support in relation to city events	5	3	15	Treat	- Prepare an update report on preparations for CMB. - Wider awareness raising including via Directors/HoS of potential requirements. - Ongoing support and work with the internal working group and ensuring membership reflects all relevant services	5	2	10		Miranda Cannon	30.04.2023

Appendix 3 - Leicester City Council Operational Risk Register

Risk Register Owner: Alison Greenhill, COO

Risks as at: 31/01/2023

RISK REF	RISK THEME / CATEGORY <i>Establish which category the risk falls into using PESTLE definition. See Process tab for more information</i>	LINK TO STRATEGIC RISK <i>Which Strategic Risk does the risk link to? Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (Below link provides access to current SRR on SharePoint). Log strategic risk ref no.</i>	RISK <i>What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?</i>	CONSEQUENCE/EFFECT: <i>What would occur as a result, how much of a problem would it be, to whom and why?</i>	EXISTING ACTIONS/CONTROLS <i>What are you doing to manage this risk now?</i>	RISK SCORE			RESPONSE STRATEGY / ACTION <i>Select from the 4T's (see Process worksheet for definitions and further guidance): Tolerate, Treat,</i>	FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE			COST	RISK OWNER	TARGET DATE
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17	POLITICAL	SRR 1.2	<b>Legal - Workloads &amp; Pressure - Client Care</b> Services within the Council are stretched with increased demands and pressures. Unrealistic deadlines at times can be set for major projects, procurement and contracts. There is a concern that whilst corporate policy is correct and general awareness of correct procedures/rules exists, it may not be implemented effectively within services.	<ul style="list-style-type: none"> <li>- Timely legal advice from clients not sought.</li> <li>- Failure to comply with laid down guidelines.</li> <li>- Breach of regulations or law e.g. data protection.</li> <li>- Council found to act unlawfully.</li> <li>- Challenges to procurement processes.</li> <li>- Cost implications from requirements not being followed/deadlines being missed/ not delivering value for money for Council.</li> <li>- Award made against council etc.</li> <li>- Staff demotivated</li> <li>- Negative Press/Reputation of Council</li> </ul>	<ul style="list-style-type: none"> <li>- Reviewing practices to be improve flexibility of approach.</li> <li>- Channel Shift.</li> <li>- Raising awareness - corporate messages.</li> <li>- Early engagement - feeding into deadlines.</li> <li>- Attending project boards.</li> <li>- Projects to look at new ways of working.</li> <li>- Improved use of technology e.g. Electronic Signatures/Virtual Hearings.</li> </ul>	4	4	16	Treat	<ul style="list-style-type: none"> <li>- Review of practices.</li> <li>- Increase comms program/training and awareness of current practices (deadlines with project plan).</li> </ul>	4	3	12		Miranda Cannon	Directors and HofS session - 08/03/23. Report to CMB 09/03/23. Ongoing work with internal working group
<b>STRATEGIC AREA - Social Care and Education</b>																
18	ECONOMIC	SRR 2.1	<b>Adult, Social Care and Commissioning - Partnerships - sustainability</b> Cost of living and cost of fuel prices, occupancy levels in Care Homes, workforce shortages, ending of Covid financial support all impacting on market sustainability Nursing Homes giving notice in already depleted market Provider failure due to poor quality - decrease in ratings by CQC	<ul style="list-style-type: none"> <li>- Requirement for LCC to step in and cover service provision at additional cost;</li> <li>- procurement / commissioning programme to seek alternative provider solution;- increasing demands on service;</li> <li>- reputational risk to LCC, - service user without access to provision.</li> <li>- lack of supply, people have to move provision / disruption on people, impact on workforce</li> </ul>	<ul style="list-style-type: none"> <li>- Market position statement</li> <li>- market failure policy</li> <li>- fees set based on true costs of care - extensive consultations - BCP for all providers</li> <li>- Multiple suppliers - spreads contingency</li> <li>- Hardship fund</li> <li>- Strategic system planning / Market sustainability plan / Fair cost of Care / Fees review</li> <li>- Quality assurance regime for contracted providers</li> </ul>	4	4	16	Tolerate	Regular monitoring and oversight of the market. Fair Cost of Care Exercise and Market Sustainability plan, as required by the Social Care Reforms. Working with system partners across County and Health to focus on key risk to nursing home provisions; Strategic plan for quality management	4	3	12		Kate Galoppi	31.05.2023 Ongoing
19	ECONOMIC	SRR 2.2	<b>Adult, Social Care and Commissioning -Staffing -</b> A number of service areas subject to change with consultations happening at service level and staff level	Staff wellbeing, could affect absence levels and service provision / continuity	Regular briefings / communication to staff and unions	4	4	16	Treat	Working with Head of Service. Responding to staff concerns promptly.	4	3	12		Kate Galoppi	31.05.2023 Ongoing
20	ECONOMIC	SRR.2.1	<b>Children's Social Care and Community Safety - Workforce - availability</b> Diminishing availability of experienced skilled social workers	<ul style="list-style-type: none"> <li>- National shortage of qualified SW's impacting on local recruitment Increased reliance on agency staff to full vacancies Increased SW case loads</li> <li>- Increased budget pressures;</li> <li>- Lack of continuity of staff in roles</li> </ul>	- Developing a workforce recruitment and retention strategy	5	4	20	Treat	- ASYE Programme Apprenticeship Programme Grow our own Programme	5	4	20		Caroline Tote	31.05.2023 Ongoing
21	ECONOMIC	SRR.2.1	<b>Children's Social Care and Community Safety - Budget</b> Loss and / or reduction of services to achieve budget savings	<ul style="list-style-type: none"> <li>- Reduction in preventative services impacting on ability to deliver Statutory services</li> <li>- Inability to deliver Placement Sufficiency</li> <li>- Decrease Capacity / Increase demand</li> <li>- Potential reduction of staffing levels</li> <li>- Limited ability to deliver some front line services</li> <li>- Potential for future claims against authority</li> </ul>	<ul style="list-style-type: none"> <li>- Strategic Oversight and clear governance arrangements in place;</li> <li>- SCE Programme Board oversees all budget reduction projects.</li> </ul>	5	3	15	Treat	- Star Chamber oversight regarding saving reductions and undeliverable savings.	5	3	15		Caroline Tote	31.05.2023 Ongoing



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Risk Register Owner: Alison Greenhill, COO

Risks as at: 31/01/2023

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22	SOCIO-CULTURAL	SRR 3.1	<b>Education</b> - Failure to identify and address cases of children missing from education in a timely manner. This could include children who have left school rolls who have not arrived at their destination school or where they have become electively home educated but where this is not suitable. Also, children whose cases are awaiting investigation due to the volume of cases where parents do not register their child at an allocated school and where school admissions refer to EWS. This has an increased likelihood as a result of Covid pandemic.	- Children who are not attending full-time miss out on significant parts of their education. - Children can be "lost" if they are unknown. - ILACS inspection would identify this as a weakness - We do not know where the children are and no-one is following up on their cases. - Harm could come to a child and this would not reflect positively on the LA even if we wouldn't have been in a position to safeguard the child i.e. home educated.	- We have established a clear protocol for removing from roll which has reduced coerced home education and inappropriate removal from roll. - Education welfare team follow up identified children but this identification can take time. And these families are then tracked if they have moved. Those that are EHE are referred to the Home Education Adviser and due to limited capacity are prioritised for contact. - Families will not be visited to check the suitability of education and the adviser will rely on submitted evidence. - Cases are levelled for risk and prioritised. - New E system has been implemented which has streamlined part of the process where parents are willing to use it. - Volume of cases continues to be a significant challenge and there is a large and growing backlog of cases due to a lack of capacity.	4	4	16	Treat	Increase capacity within the home education adviser team either from within EWS, or sourcing external support. Properly resource the EWS team to enable the volume of children missing from education cases to be investigated and concerns addressed. (Further work is under consideration to reduce numbers of children being withdrawn from schools for the reason of EHE where parents are willing to reconsider.)	3	2	6		Sue Welford	31.05.2023 Ongoing
23	SOCIO-CULTURAL	SRR 3.2	<b>Education - Pupil Attendance</b> DfE are increasing the statutory responsibilities relating to pupil attendance. Much of this work is currently provided on a traded basis and there is no identified source of funding that could be accessed to negate the impact of ending trading.	- Over £500k of income would be lost with no source of funding to fund the statutory work of the service.	- The risk has been escalated to Senior Managers. The Service is identifying the specific actions that become statutory.	3	5	15	Treat	- Challenge the DfE to clarify the statutory elements of guidance and no additional burdens decision through collective lobbying with ADCS. - Highlight the need for a growth budget, subject to clarification from DfE. - DfE have confirmed intention is to proceed with plans to increase LA statutory responsibilities - earliest date is Sept 23.	2	2	4	£500k	Sue Welford	Winter 2022 / Summer 23
<b>STRATEGIC AREA - Public Health</b>																
24	POLITICAL ECONOMIC SOCIO-CULTURAL	SRR 2.1 SRR 2.3 SRR 3.2	<b>Wider Economy &amp; Supply chain</b> Brexit / Covid related pressures increases prices or reduces availability of IT stock / services / logistics / medicines etc within the supply chain.  Increased costs result in contracted services becoming economically unviable for providers. This is already beginning to present within Sexual Health and Drugs & Alcohol portfolios.  Cost of living crisis exacerbates existing inequalities and food / fuel poverty for the poorest and most vulnerable in the city.	- Changes in financial call / contracts due to fluctuations in drug / treatment market prices making delivery otherwise unviable - Logistical and financial difficulties to delivery for services or programmes. - Prioritisation / decommissioning / reduction of existing service delivery model(s) - Call on public health reserves - Staff are unable to be supplied with appropriate IT equipment leading to reduced efficacy and wasted capacity - Suppliers are unable to deliver minimum viable output as per contracts, and either underperform or serve notice on contracts. - Financial impact to maintain existing contracts or retender at short notice - Increased capacity pressure impacts on staff and wider portfolios - Economic crisis within the city as households cannot meet rising costs leading to increased levels of food and fuel poverty. - Increase in health issues caused by poor nutrition or cold / damp environments and sustained stress and pressure.	- Internal governance, decision making processes, and budgetary oversight leveraging expertise within team to assess choices and inform management briefings / options appraisal - Strong engagement with national partners to aid horizon scanning and early signposting of potential issues - Good relationships with peers in other organisations are maintained as a matter of course to aid communication and working efficiencies - Contract management team maintain strong relationship with services and stress importance of BCP's to ensure fallbacks and contingencies where possible - Fuel poverty programme launched to raise awareness and signpost support pathways to the most vulnerable. Project manager post recruited to and tender exercise completed for a provider to deliver the service with us.	5	4	20	Treat / Tolerate	- Continue with existing controls and close monitoring of national landscape - Maintain oversight of staffing levels and associated IT requirements and open communication with IT services to inform appropriate actions - Reserve could potentially be used to mitigate short term supply shock. - Alternate IT routes being explored for new starters / initiatives (IGEL / mobile working) - Analysis of need and potential response actions to potential poverty crisis ongoing	4	4	16		Ivan Browne	Review by 30/05/2023

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25	ECONOMIC	SRR 2.1 SRR 2.2	<p><b>Budget</b> Changes to service delivery to comply with allocated budget and increased savings targets. Continued reductions could force termination of services to ensure priority services remain available. If the authorities financial position continues to degrade then focus and capacity may be withdrawn from any non-statutory services across the authority in order to identify cost savings. Increasing financial pressures across the authority contribute to the likelihood that increased level of reserves and funding are taken away from public health budget to support general council budget pressures following covid and ongoing austerity. Public health reserves have been reduced in the past year to assist in our covid response, and no funds have been able to be directed to reserves for the last financial year. Reduction in reserve levels creates uncertainty in our ability to respond flexibly to unpredictable emerging needs and ensure stability and sustainability of programmes. This may be exacerbated by the pandemic in the medium / long term when secondary impacts emerge widening public health response needs. Uncertainty over non-recurrent or unconfirmed recurrent funding leads to reduced delivery and higher probability of project failure. Long term sustainability of initiatives is brought into question meaning economies of scale or efficiencies derived from long term planning cannot be capitalised on. Income generation has been impacted by the pandemic and remains in recovery, and the cost of living crisis is reducing the take-up and renewal of paid memberships. For the Live Well portfolio this is hindering the ability to hit targets and increasing budgetary pressures. While the funding gap is currently being met by reserves this is a finite resource and the above financial pressures can be expected to increase wider demand on this resource and on the amount able to reserved each year. Increased demand for public health services in response to covid (possibly sustained by emerging variants of concern), coupled with potential increases in non-covid related health areas resulting from the pandemic, and an emerging cost of living / fuel poverty crisis create resource / capacity strain that cannot be mitigated due to a lack of available budget for extra posts.</p>	<ul style="list-style-type: none"> <li>- Public health non-statutory programmes are reduced in size or allocated resource, or closed down altogether creating long term impacts and poorer health outcomes for citizens.</li> <li>- Levels of public health grant diverted to other council areas may draw attention and scrutiny from government and result in review on grant usage if services begin to struggle to maintain adequate delivery.</li> <li>- Service areas with public health impacts (Housing / Transport / Sports etc) experience cuts to budgets and programmes leading to knock on health impacts across the population that then require additional resource to manage and tackle.</li> <li>- Reduced ability to deal with emerging public health emergencies</li> <li>- Decreased / ceased service / user contact and / or service effectiveness</li> <li>- Reputational damage and reduced public trust / respect</li> <li>- Risk of missing safeguarding issues impacting on council statutory duties resulting in                             <ul style="list-style-type: none"> <li>- Serious injury or loss of life</li> <li>- Legal challenge</li> <li>- Severe reputational damage</li> </ul> </li> <li>- Judicial review &amp; central government intervention</li> <li>- Within Live Well, inability to recover income and membership levels due to significant level of customers transferring to local competition due to convenience and competitive private sector</li> <li>- Viability of Live Well at risk.</li> <li>- Increased demand on other public services (primary / secondary health care / Social Care / Leisure Centres) leading to knock on stress to other council services and</li> </ul>	<ul style="list-style-type: none"> <li>- Public health Return to Central Government (Return On Investment (ROI))</li> <li>- Portfolio restructure and continual review of landscape to ensure we are positioned to meet upcoming needs</li> <li>- Employing new commissioning, monitoring, and delivery model for key services to streamline and identify adverse effects</li> <li>- Bids for funding being written and submitted across the team as opportunities arise.</li> <li>- Internal governance to closely manage budgets and ensure intelligent and planned use of reserves over time to ensure maximum efficacy and sustainability</li> <li>- Political oversight / scrutiny</li> <li>- Identifying and articulating associated risks through spending review process,</li> <li>- Clinical Governance Process in place for review of providers, performance, and to sense check direction of travel to ensure optimum delivery quality and value for money</li> <li>- Customer retention plans and actions put in place to reduce subscription cancellations from customers unable to use services which would impact income generation</li> <li>- Strong service / programme planning to cover possible funding scenarios, allowing for adaptations to be made at pace.</li> </ul>	4	5	20	Treat / Tolerate	<ul style="list-style-type: none"> <li>- Continue with existing controls</li> <li>- Secure additional revenue e.g. income generation through commercial opportunities.</li> <li>- Continue to explore a variety of potential local and national funding opportunities including commercial, government, academic, grant funding,</li> <li>- Investigate creation of a resource to help officers bid for funding with more guidance to increase consistency and success rate</li> <li>- Utilise in kind support / asset sharing where possible</li> <li>- Cross organisational opportunity review of priorities and resources ongoing through partnership programmes and system level board pathways. public health Consultant employed to stimulate engagement throughout and across the system.</li> <li>- Explore use of LCC volunteer pool to engage in public health initiatives</li> <li>- Business case to outline justification and need for ringfencing reserves to mitigate / respond to any further public health emergencies, and to deal with longer term impacts of covid as they arise.</li> </ul>	3	5	15		Ivan Browne	Review by 30/05/2023		
26	ECONOMIC SOCIO-CULTURAL	SRR 2.2 SRR 3.2 SRR 3.3	<p><b>Staffing and Recruitment - External</b> A national skill shortage and recruitment crisis in conjunction with Leicester being a challenging area in comparison to neighbouring areas creates difficulties in securing appropriately trained professionals within commissioned services and / or partner organisations - in particular Public Health Nurses and Health Visitors. Disruption to workforce of NHS or other partners due to strikes or industrial action. Wide simultaneous losses due to sickness within commissioned services reduce capacity to the extent that statutory functions are not adequately maintained.</p>	<ul style="list-style-type: none"> <li>- Impact on front line service delivery of statutory functions</li> <li>- Knock-on impact on capacity and ability to deliver of non-participating staff impacted by strike action</li> <li>- Negative impact on service users</li> <li>- The ability of our commissioned services to provide adequate safeguarding is reduced, leading to an increased risk of support needs not being identified or met.</li> <li>- Serious incidents could be missed leading to:                             <ul style="list-style-type: none"> <li>- Serious injury or loss of life</li> <li>- Legal challenge</li> <li>- Severe reputational damage</li> </ul> </li> <li>- increased strain on existing staff leading to increased turnover, loss of embedded knowledge and experience, and fatigue impacting quality of work. Risk of entering a negative feedback loop (pressure causes staff loss, staff loss causes further pressure etc) further increasing</li> </ul>	<ul style="list-style-type: none"> <li>- Close monitoring and communication with commissioned services by lead commissioners and Group Manager</li> <li>- Scrutiny and support from contract management team</li> <li>- Safeguarding risk escalated to LCC strategic risk register</li> <li>- Commissioned children's service has introduced a skill mix framework to alleviate Health Visitor pressures whilst maintaining adequate safeguarding. This involves splitting post duties and allocating less skilled work to appropriate staff to ease pressure on caseloads and health visitors.</li> <li>- Ongoing work to make Leicester a more attractive location for Health Visitors to attract and retain skilled workers.</li> <li>- Providers to be queried over planned response specifically around occurrence of strike action and widespread loss of staff. How will delivery be maintained / how will affected service users be captured and engaged etc</li> </ul>	5	4	20	Treat/tolerate	<ul style="list-style-type: none"> <li>- Continual oversight of supplier BCP's and engagement on current pressures / concerns</li> <li>- Continual internal public health BCP review ongoing with consideration given to response in the event of risks presenting</li> <li>- Ongoing close monitoring of suppliers and skill / workforce concerns</li> </ul>	5	3	15		Ivan Browne	Review by 30/05/2023		

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Appendix 3 - Leicester City Council Operational Risk Register

Risk Register Owner: Alison Greenhill, COO

Risks as at: 31/01/2023

RISK REF	RISK THEME / CATEGORY <i>Establish which category the risk falls into using PESTLE definition. See Process tab for more information</i>	LINK TO STRATEGIC RISK <i>Which Strategic Risk does the risk link to? Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (Below link provides access to current SRR on SharePoint). Log strategic risk ref no.</i>	RISK <i>What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?</i>	CONSEQUENCE/EFFECT: <i>What would occur as a result, how much of a problem would it be, to whom and why?</i>	EXISTING ACTIONS/CONTROLS <i>What are you doing to manage this risk now?</i>	RISK SCORE			RESPONSE STRATEGY / ACTION <i>Select from the 4T's (see Process worksheet for definitions and further guidance): Tolerate, Treat,</i>	FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE			COST	RISK OWNER	TARGET DATE
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27	<b>ECONOMIC SOCIO-CULTURAL</b>	<a href="https://leicestercitycouncil.sharepoint.com/sites/sec025/SitePages/Risk-management.aspx">https://leicestercitycouncil.sharepoint.com/sites/sec025/SitePages/Risk-management.aspx</a>	<p><b>Health Protection / Covid 19</b></p> <p>If recovery efforts are slower paced than desired this could lead to delivery and safeguarding issues. Variant strains or other diseases emerge increasing infection / mortality rates hindering recovery efforts and require further local lockdowns, preventative measures, or a continuance of existing efforts that were projected to be tapered off. Moving in to the winter months may create further strain on healthcare systems overall.</p> <p>There is only a single Infection Prevention Control (IPC) Specialist within public health that works on a part time basis providing all IPC support to the city. This is a significant bottleneck and single point of failure.</p> <p>A secondary impact of the pandemic may be other health aspects experiencing significant increases in occurrence as a knock on effect i.e. mental health, substance misuse, obesity, oral health that require increased resource to tackle</p> <p>Covid response services are wound down due to financial pressures, uncertain / dwindling funding to support, and reducing case numbers leaving us exposed in the case of variant strains or other diseases taking hold and requiring a significant response e.g. Disbanding of the track &amp; trace team leaves the city without an ability to respond at pace to further health protection issues.</p> <p>Reduced access and low take-up of offered services during the pandemic impacts long term health outcomes, widens inequalities, and reduces opportunity to create income to reduce budget pressures. Further risk that low uptake / referrals that resulted from covid persist negatively impacting outcomes and inequalities.</p>	<ul style="list-style-type: none"> <li>- Negative impact on resident health and wider Public Health outcomes and improvements</li> <li>- Potential variant or other disease cause large increase in case numbers that are unreported lead to further pandemic duration / restrictions. Increased infection rates mean further local lockdowns or preventative measures are enacted.</li> <li>- Further lockdown or restrictive measures would decrease morale across the city, hinder general recovery efforts, and create difficulties for LCC operations</li> <li>- Inadequate capacity and single point of failure for IPC operations means                             <ul style="list-style-type: none"> <li>- Service objectives not achieved/service not provided.</li> </ul> </li> <li>- Increased outbreaks in vulnerable settings.                             <ul style="list-style-type: none"> <li>- Pressure on sole member of staff to provide an unreasonable level of cover for one person</li> <li>- Reputational damage to the authority if outbreaks poorly managed</li> </ul> </li> <li>- Reduced ability to 'Live with Covid', recover, or respond quickly to contain future outbreaks</li> <li>- Potential serious impact on health and wellbeing of whole population, particularly those most vulnerable</li> <li>- Reputational damage to the authority if outbreaks poorly managed</li> <li>- If Covid secondary impacts activities persist without associated funding from Treasury to support this will create significant budget pressures.</li> <li>- Static or widening health inequalities</li> <li>- Needs increase over the longer term as a result of secondary impacts requiring increased (and sustained) resource and budget to tackle</li> </ul>	<ul style="list-style-type: none"> <li>- Continued monitoring of covid data and national landscape</li> <li>- Monitoring of at risk health areas to determine level of future need when pandemic subsides</li> <li>- Consultants appointed to lead on health inequalities and system wide engagement and health protection, and covid response / recovery</li> <li>- Health Protection team / function created within the division with a focus on supporting settings with infection prevention control processes and managing incidents as they occur nationally and across the city</li> <li>- Service objectives set within context of limited capacity</li> <li>- Close relationship with social care teams to share capacity burden where appropriate</li> <li>- Training activities being built in to existing service to increase skills and knowledge of social care and care home staff</li> <li>- Sustained messaging reiterating the continued importance of following the national guidance to increase awareness</li> <li>- Horizon scanning and forward planning to intelligently balance potential resource pressures and safeguard agility in the event of a call to action against current needs and financial state</li> </ul>	5	4	20	Treat	<ul style="list-style-type: none"> <li>- Continue with existing controls</li> <li>- Ongoing assessment of priority areas to continually determine needs and enable a timely data driven response</li> <li>- Continued close monitoring of outbreak data</li> <li>- Continued engagement with settings in the city to maintain standards and encourage continual improvement</li> <li>- Community wellbeing and vaccine champion programmes created and currently embedding to promote education and awareness of both covid and general health information</li> <li>- Service evaluations over time to inform discussions with partner teams.</li> <li>- Assess options to increase capacity.</li> </ul>	4	3	12		Ivan Browne	Review by 30/05/2023
28	<b>POLITICAL ECONOMIC</b>		<p><b>Commissioning</b></p> <ul style="list-style-type: none"> <li>- Reduced budget for services impacts on financial viability to suppliers who may deem package to be unviable leading to a lack of bids reducing competition or tender failing altogether. This is exacerbated by tight financial envelopes and increased costs due to inflation.</li> <li>- Suppliers do not bid on tenders due to staff / skill shortages leaving them unable to meet requirements.</li> <li>- In the context of increasing costs and reduced or static budgets, providers could become unsustainable following covid without an uplift or adjustment to the funding received from public health. In conjunction with the below concerning partner organisations and Risk 8 this increases the likelihood that suppliers will serve notice on contracts or be unable to deliver.</li> <li>- Services commissioned on activity based contracts are difficult to predict in times of uncertainty and risk under / over provision each of which come with financial and logistical challenges and risks.</li> <li>- Partner organisations are restructured or undergo a change in policy resulting in changes which negatively impact our work / agreements or ability of supplier to deliver services. e.g.</li> <li>- County delivery model for school nursing has changed so city children going to county schools will no longer have access to the same public health nursing delivery and pathways as city schools offer. Services in these schools are outside of city control; provision will be different and pathways / services they should have available will not be.</li> <li>- County and Rutland have chosen to go separately in the re-commissioning of the Integrated Sexual health Service, meaning the city will be retendering for this large and complex service individually.</li> </ul>	<ul style="list-style-type: none"> <li>- Providers could become unsustainable and serve notice on contracts without an uplift or adjustment to the funding received from public health. Loss of existing contractors due to inability to reconcile increased costs within static or reducing financial envelope.</li> <li>- Reduced or ceased delivery of statutory services. Potential legal and governance implications for LCC if delivery ceased.</li> <li>- Dependent on service, retendering may be extremely difficult given the increased complexity, of the landscape as well as the budgetary and time constraints we would be under. Risk of being without a service which would come with legal / governance implications, or having to pay inflated costs for interim delivery.</li> <li>- Reduced competition and sub-optimal suppliers awarded contracts to fulfil needs</li> <li>- Our offer may not be attractive to new providers during tenders; risk of failed procurement or lack of competition leading to sub-standard delivery</li> <li>- Loss or alteration of service provision and impact on community who require service leading to poorer outcomes, increased sickness rates and impact on NHS as demand increases for other services</li> <li>- Decreased morale and reputational damage to LCC</li> <li>- Funding gap leads to other programmes needing to be terminated to balance the budget. Immediate reduced provision and range of services to city residents with unknown long term impacts.</li> <li>- Underspends result from reduced activity that do not reflect underlying / actual budget pressures that will resume when pre-existing baseline is re-established. Budget is reduced or removed based on lower activity costs creating</li> </ul>	<ul style="list-style-type: none"> <li>- Strong forward planning, bespoke procurement methods, and robust internal governance                             <ul style="list-style-type: none"> <li>- Clinical governance board in place for improved oversight and robust governance framework to ensure that commissioned services are robustly reviewed and monitored.</li> </ul> </li> <li>- Performance review group provides oversight, early issue identification, and escalation process</li> <li>- Timely briefing of lead members to highlight potential risks and consequences</li> <li>- Expertise within team to assess choices and inform management briefings / options appraisal</li> <li>- Advocacy by LCC Director of Public Health with national bodies</li> <li>- Provider negotiations - providers have continued to be paid regardless of performance due to the pandemic to ensure the suppliers (and the wider delivery chain) stay afloat and will remain to deliver services when normal life resumes.</li> <li>- Based on joint analysis between the sexual health service provider (MPFT) and public health regarding financial pressures, continuity funding at 100% of the contract value will be issued and services amended to ensure viability and effective delivery, particularly to identified vulnerable populations. Additional monitoring and ongoing analysis will continue to be conducted.</li> <li>- Close working with internal departments (legal / procurement / contract management / finance)</li> <li>- Services jointly commissioned where possible / appropriate to increase efficiencies relating to economies of scale and cross border activity as well as available resource to mitigate issues</li> <li>- Relationships built and maintained with partnership organisations to retain collegiate working environment and</li> </ul>	4	4	16	Treat/Transfer	<ul style="list-style-type: none"> <li>- Continue with existing controls;</li> <li>- Continue to joint commission where appropriate (internal with LCC, and external with county and regionally)</li> <li>- Continued close monitoring of emerging risk from county moving towards an independent / inhouse delivery model or returning to activity based payments to shared suppliers</li> <li>- Continued exploration of new and novel approaches to commissioning including encouraging consortium applications and use of section 75</li> <li>- Continued monitoring and increased engagement of suppliers to pre-emptively identify potential issues</li> <li>- Regularly review Business Continuity Plans to ensure minimal service disruption in the event of supplier failure.</li> </ul>	3	5	15		Ivan Browne	Review by 30/05/2023

Appendix 3 - Leicester City Council Operational Risk Register

Risk Register Owner: Alison Greenhill, COO

Risks as at: 31/01/2023

RISK REF	RISK THEME / CATEGORY <i>Establish which category the risk falls into using PESTLE definition. See Process tab for more information</i>	LINK TO STRATEGIC RISK <i>Which Strategic Risk does the risk link to? Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (Below link provides access to current SRR on SharePoint). Log strategic risk ref no.</i>	RISK <i>What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?</i>	CONSEQUENCE/EFFECT: <i>What would occur as a result, how much of a problem would it be, to whom and why?</i>	EXISTING ACTIONS/CONTROLS <i>What are you doing to manage this risk now?</i>	RISK SCORE			RESPONSE STRATEGY / ACTION <i>Select from the 4T's (see Process worksheet for definitions and further guidance): Tolerate, Treat,</i>	FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE			COST	RISK OWNER	TARGET DATE
						Impact	Probability	Risk			Impact	Probability	Risk			
29	POLITICAL LEGAL	SRR 1.1 SRR 1.2 SRR 5.1	<p><b>Policy &amp; Governance</b></p> <ul style="list-style-type: none"> <li>- Population health and the wider determinants of health impact, and are impacted by, a broad range of activities LCC undertakes. There is an opportunity to increase the focus on the public health aspects of service area activities and aid in corporate strategy / policy discussions. By engaging more strongly with service areas that impact wider determinants and creating a 'health in all policies' culture across the Council health outcomes across the city could be significantly improved by leveraging a multiplier effect that PH could not achieve alone. Risk is that this is not supported or implemented in a timely fashion and the opportunity is lost.</li> <li>- Ongoing budgetary pressures and savings targets across LCC may lead to public health focus and engagement being deprioritised within service areas.</li> <li>- External national imperatives are introduced without associated budget creating difficulties in local delivery.</li> <li>- National policy changes impact existing work or ability to respond in a place appropriate manner.</li> <li>- Changes in structure / leadership to partner organisations i.e. PCC elections or changes to working agreements with city organisations impact project outcomes or hinder engagement / reach of community support work</li> <li>- Governance structures surrounding funding allocations and sharing between partner organisations are not formalised reducing ability to adequately oversee and manage funding streams and outcomes.</li> </ul>	<ul style="list-style-type: none"> <li>- Reduced outcomes over time lead to long term budgetary and resource drain that could be reduced by small tweaks to wider LCC activities</li> <li>- Reduced influence on corporate policies and strategy, and significant potential for improvement to wider determinants not capitalised on</li> <li>- Reduction of, or failure to realise improvements to, health outcomes for city residents.</li> <li>- Call on finances from NHS pay award, reducing available budget for existing work</li> <li>- Logistical difficulties to delivery for services or programmes.</li> <li>- Prioritisation / decommissioning / reduction of existing service delivery model</li> <li>- Call on PH reserves</li> <li>- Change in leadership may result in changes to organisations agendas which may impact our work / agreements.</li> <li>- Reduced efficacy as work is not tailored to the local area</li> </ul>	<ul style="list-style-type: none"> <li>- Internal governance, decision making processes, and budgetary oversight leveraging expertise within team to assess choices and inform management briefings / options appraisal</li> <li>- Advocacy by the Director of Public Health with local and national bodies</li> <li>- Close relationships built and maintained with service areas around the organisation. Capacity has been added to the team to increase corporate engagement</li> <li>- Strong engagement with local and national partners to aid horizon scanning and early signposting of potential issues</li> <li>- Good relationships with peers in other organisations are maintained as a matter of course to aid communication and working efficiencies</li> <li>- Specific workstreams created within the division to engage partners and to embed Public Health considerations in day to day operations</li> </ul>	4	4	16	Treat	<ul style="list-style-type: none"> <li>- Continued:                             <ul style="list-style-type: none"> <li>- Political escalation</li> <li>- Corporate responsibility</li> <li>- Service &amp; budget planning</li> <li>- Utilisation of partnership approach</li> </ul> </li> <li>- Continued exploration of alternative treatment / therapy options or approaches within services or by programmes</li> <li>- Safeguard public health reserves in order to preserve ability to provide adequate response without significant detriment to corporate purse</li> <li>- Continued monitoring of medical landscape, and updates to guidance and clinical standards</li> <li>- Continued presence within LCC and corporate engagement to provide visibility to public health concerns and considerations that work of discrete service areas may unknowingly be able to positively impact</li> </ul>	3	4	12		Ivan Browne	Review by 30/05/2023
30	ECONOMIC SOCIO-CULTURAL	SRR 2.2 SRR 3.2 SRR 3.3	<p><b>Staffing and recruitment - Internal</b></p> <p>An emerging recruitment crisis across a variety of sectors creates difficulty, both within public health and our commissioned services or system partners, in securing sufficient staff with the appropriate skills and experience to meet the immediate public health challenges posed by covid response and recovery, and emerging issues.</p> <p>Unsuccessful recruitment (increased in likelihood due to the above point) or approval to recruit delays for existing and new posts cause capacity and timeframe pressures on ongoing delivery and rollout of new initiatives that would benefit from proceeding at pace.</p> <p>Capacity increase within the public health division is being outpaced by the broadening of scope and increased need that is resulting from current societal context - this is exacerbated by financial pressures and difficulties in recruitment.</p> <p>Public health have been simultaneously operating a covid response and recovery as well as BAU functions for nearly two years and will need to continue to do so for an indeterminate time creating sustained stress and pressure on individuals. This is drawing resource from existing teams and programmes stretching capacity thin and reducing resilience.</p> <p>Key staff leaving division creates deficit of skills, knowledge, key relationships and capacity, lack of resources for training, and reduction in external training opportunities, particularly as more areas seek to expand their public health capacity during covid.</p>	<ul style="list-style-type: none"> <li>- Increased demand on remaining capacity impacting on team morale. The health and wellbeing of existing staff is impacted resulting in individual burnout or increased staff turnover. Potential for this to lead to loss of key specialist skills, knowledge and expertise, and working relationships that are very difficult to replace due to national shortage of skilled workers.</li> <li>- Existing staff do not gain a breadth of public health experience. This results in an under skilled workforce, or increased turnover as further development is sought after by individuals (with associated difficulty in sourcing adequate replacements for posts).</li> <li>- Negative impacts on delivery of work and an inability to meet emerging objectives of individual services as well as divisional strategic objectives.</li> <li>- Reduction in ability to front run issues and adequately assess complex situations before being required to act.</li> <li>- Loss of in-year funding available if staff / initiatives cannot be put in place in a timely fashion.</li> <li>- Delay in advertising / filling vacant posts exacerbating capacity issues</li> <li>- Gap in leadership / delivery of public health functions</li> </ul>	<ul style="list-style-type: none"> <li>- Close management and oversight of individual workloads and projects</li> <li>- General training and development opportunities and organisational development utilised</li> <li>- Upskilling team - public health supporting staff to undertake a Masters in Public Health and for staff to follow work based public health training pathways</li> <li>- Specific courses identified and allocated to appropriate staff. Training review ongoing by working group created to manage training needs..</li> <li>- Early identification of potential staffing needs / vacancies with early engagement with HR to ensure timeframes to recruit are sensible</li> <li>- Capacity in across the team increased and analysis of need ongoing.</li> <li>- Team restructure undertaken to more efficiently redistribute capacity and portfolios</li> <li>- Increased team awareness at all levels of importance of self care, with support offered necessary. Ongoing team building events / exercises in place to aid wellbeing and an internal pastoral support scheme has been implemented to ensure support pathways are available to those who require it.</li> <li>- Recruitment concerns escalated</li> </ul>	4	4	16	Treat	<ul style="list-style-type: none"> <li>- Continual audit of needs and skills against Public Health KSF to identify and fill key knowledge and skills gaps across division</li> <li>- Produce a Public Health workforce strategy including succession planning. Task and Finish group being set up to work on this.</li> <li>- BCP review and update regularly scheduled to ensure succession planning and key staff availability plan is adequate.</li> <li>- Ongoing identification of single points of failure and planning / documentation to mitigate risk of project lead unavailability - Consideration within service plans for posts and building in long time scales for recruitment as standard practice to be considered in forward planning</li> <li>- Continued monitoring of capacity needs and fixed term recruitments to mitigate issues where appropriate</li> <li>- Continued focus on employee wellbeing and provision of adequate support where necessary</li> </ul>	4	3	12		Ivan Browne	Review by 30/05/2023

Appendix 3 - Leicester City Council Operational Risk Register

Risk Register Owner: Alison Greenhill, COO

Risks as at: 31/01/2023

RISK REF	RISK THEME / CATEGORY <i>Establish which category the risk falls into using PESTLE definition. See Process tab for more information</i>	LINK TO STRATEGIC RISK <i>Which Strategic Risk does the risk link to? Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (Below link provides access to current SRR on SharePoint). Log strategic risk ref no.</i>	RISK <i>What is the problem; what is the cause; what could go wrong? What is it that will prevent you from achieving your objectives?</i>	CONSEQUENCE/EFFECT: <i>What would occur as a result, how much of a problem would it be, to whom and why?</i>	EXISTING ACTIONS/CONTROLS <i>What are you doing to manage this risk now?</i>	RISK SCORE			RESPONSE STRATEGY / ACTION <i>Select from the 4T's (see Process worksheet for definitions and further guidance): Tolerate, Treat,</i>	FURTHER MANAGEMENT ACTIONS/CONTROLS	TARGET SCORE			COST	RISK OWNER	TARGET DATE
						Impact	Probability	Risk			Impact	Probability	Risk			
31	TECHNOLOGICAL LEGAL	SRR 4.2 SRR 4.3 SRR 5.1	<p><b>Data</b> Complex data sharing agreements with external organisations not in place or understood by officers which restricts information flow into public health required to deliver objectives</p> <p>Self reported data that cannot be verified for activity based contracts leads to uncertainty over financial position and potential over payments</p> <p>Increased appetite for data and ongoing reporting needs due to covid have hindered ability to deliver BAU reporting functions and caused a backlog of Health Needs Assessments awaiting completion / attention.</p> <p>Increased data access implemented during covid is withdrawn once BAU returns, leading to reduced data provision and less timely / accurate reporting</p> <p>Updated NHS Patient Safety Framework is incompatible with LLR Reporting Protocol negatively impacting data availability and workflow surrounding reporting of incidents. Risk that we lose sight of incidents / cases and are unable to assess contract performance adequately.</p>	<ul style="list-style-type: none"> <li>- Delay or complete stoppage in obtaining information required to make timely decisions for service users.</li> <li>- Distress to service users</li> <li>- Reputational damage to LCC</li> <li>- Potential financial burden or incorrect overspend for activity</li> <li>- Potential litigation claims for failure to deliver</li> <li>- Increased stress on LCC staff</li> <li>- Difficulties in workload management and timely production of existing reports and statutory functions as well as making capacity management difficult.</li> <li>- Impact on service delivery and response agility</li> <li>- Reduced data provision and indicators potentially being missed or identified later than they may have been delaying (or preventing) mobilisation.</li> <li>- Negative impact on our ability to both proactively and reactively manage NHS providers that we commission to deliver services due to reduction of oversight and visibility of issues arising in NHS providers for all of PH / LCC. Analysis and ongoing management of service quality is severely hampered without insight or access to incident data.</li> <li>- Obfuscation and extension of timelines for responses and investigations into serious incidents increase the likelihood of unsatisfactory outcomes for users as well as increased waiting times</li> </ul>	<ul style="list-style-type: none"> <li>- Work-around arrangements in place with key organisations to share basic information</li> <li>- Working with wider network of organisations to establish data sharing protocols and file transfers</li> <li>- Engagement with information governance to ensure that any risks of data sharing are identified and managed.</li> <li>- Increased relationship building and engagement across system partners</li> <li>- Continued close communication and engagement with Integrated Care Board / Leicestershire Health Informatics Service (LHIS) regarding the issues surrounding data availability and access.</li> <li>- Data sharing agreement recently secured with LHIS that will allow for direct access to anonymised GP data in order to better track performance and volumes. This is currently embedding with positive results on the payments aspect in terms of accuracy and assurance. Data streams for performance analysis are still being assessed to ensure accuracy and are expected to be available for use in the near term.</li> <li>- Close working relationship with IT, procurement, and information governance to establish and maintain data sharing agreements with services external to LCC</li> <li>- Additional resource added to data function</li> <li>- Close working relationship with LPT as 0-19 provider with the aim of maintaining adequate management oversight with visibility of reports and attendance of weekly oversight meetings..</li> <li>- Escalation within public health</li> </ul>	4	4	16	reat / Tolerate	<ul style="list-style-type: none"> <li>- Ongoing engagement with information governance and partners to resolve existing and arising issues</li> <li>- Undertake an exercise to identify all organisations and data needs and perform gap analysis</li> <li>- Ongoing horizon scanning of other services where NHS Patient Safety framework changes could become an issue (potential to effect all NHS services and generate complications when commissioning procurement of new services).</li> <li>- Continue to work with providers to understand implications of NHS Patient Safety framework changes on services, and liaise with multi-agency partners to plan a way of managing this.</li> <li>- Continued close contractual oversight with LPT to ensure current level of visibility for 0-19 contract is maintained</li> <li>- Agree a corporate LCC stance on NHS Patient Safety framework changes</li> </ul>	3	3	9		Ivan Browne	Review by 30/05/2023



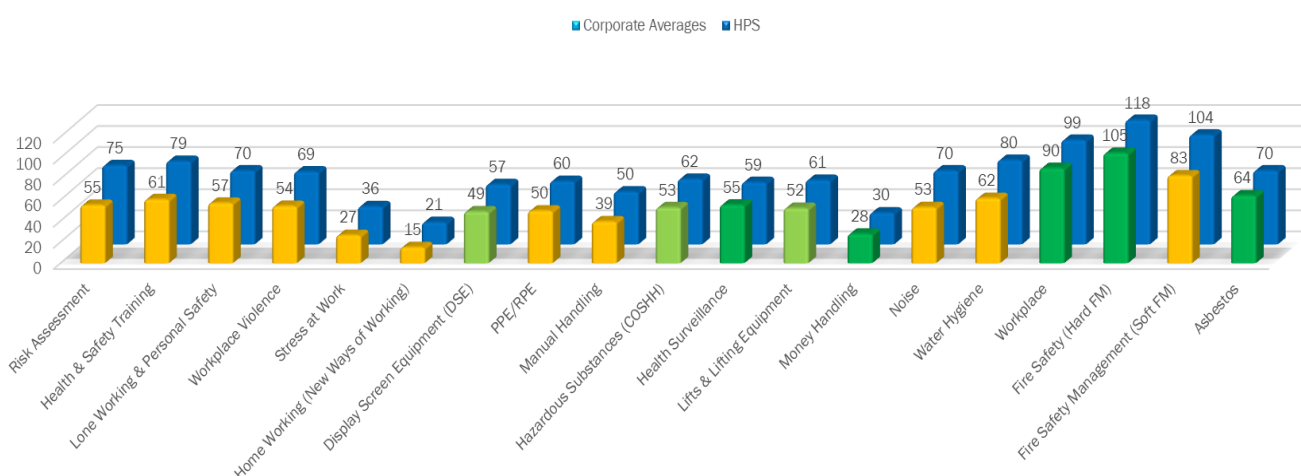
**Corporate Audit Program**

The recently revised corporate audit program will conclude in March, and the resulting data will provide a benchmark performance measure on how the council as a whole entity performed against its own health and safety management standards and policies.

The chart below shows the current position with some of the commonly selected RCPIs (Risk Control Performance Indicators). The column in blue shows the highest possible audit score relating to that RCPI and the RAG coloured columns at the front shows the how the whole council is performing against the related management standard.

The results as shown as averages and are based on audits conducted so far in the program, and the complete picture will be presented in an annual performance report at the end of the program.

Corporate Averages vs Maximum Score



The audit results continue to show that there are improvements that can be made to risk assessment and training, and it is recommended that these become areas of focus for the organisation. This is because risk assessment and training are the most common areas that regulators look for and find material breach of in terms of the Health and Safety at Work etc. Act 1974. Risk Assessment and Training are mandatory RCPIs and all services are audited in these two areas.

RAG RATING 100 -85 85 -60 <60	Risk Assessment	Health & Safety Training
<b>Delivery; Comms &amp; Political Governance</b>	83%	82%
<b>Education</b>	52%	60%
<b>Estates &amp; Building Services</b>	89%	82%
<b>Housing</b>	72%	76%
<b>Neighbourhood &amp; Environmental Services</b>	77%	77%

<b>Planning; Development &amp; Transportation</b>	85%	84%
<b>Adult Social Care</b>	59%	66%
<b>Children's Social Care</b>		

Children's Social Care have yet to be audited.

The authority wide results as a percentage are showing conformance at

- 73% Risk Assessment
- 77% Training
- 75% Stress Management
- 76% Management of Noise
- 78% Water Hygiene
- 78% Manual Handling
- 71% Home Working
- 80% Fire Safety Management (Soft FM)
- 89% Fire Safety Management (Hard FM)
- 82% Lone Working & Personal Safety

Each service audited is provided with a recommendation report post examination, which will provide advice on how to improve.

The audit this year should be viewed as a baseline assessment from which the council can implement targeted, and data driven strategies as part of its commitment to continuous improvement.

More detailed division level and service level dashboards can be presented at SMT or DMT level and will be shared at consultative committees, with Authority Wide H&S Consultative Committee being provided the corporate wide overview as per this report.

#### **Accident and Incident Data**

81 Injuries in Q3 is  17% compared to the previous reporting period.

2 Physical Assaults  60% compared to the previous reporting period.

15 Slips and Trips  14% compared to the previous reporting period.

12 Manual Handling  8% compared to the previous reporting period.

Slips and trips are typically more common in the winter months and although there is an increase in the reporting period, there is a 25% reduction in slips and trips Q3 22/23 compared to Q3 21/22.

81 Injuries were reported in Q3 which made up 42% of all incident reports is a 45% decrease in injuries compared to the same period in 21/22, and 22% decrease compared to Q3 2020.

**Improvements in the management of manual handling risks will remain a focus for the health and safety team.**



## Near Miss

Near misses are accidents arising in or out of connection to work, without injury. Since the beginning of April, the H&S team are working with managers to ensure incidents that need reporting are reported using the correct classification, and where categorised incorrectly, are reclassified appropriately. This has resulted in a 30% reduction in reports overall.

There were 84 incidents involving employees reported as near misses in Q3 22/23. This is a 33% decrease compared with the previous reporting period and 55% lower than Q3 21/22.

46% of near miss incidents were incidents of verbal abuse and verbal threats. This is a significant reduction compared to 92% in the same period 21/22.

Verbal Abuse and Threats  50% compared Q3 21/22

Of the verbal abuse / threat incidents reported there is a notable shift in triggering events being financially related e.g. tenants not wanting operatives to use their electricity to carry out repairs, not being able to complete gas safety checks due to their being no credit on prepayment meters, incidents where members of the public were removing coins from the Town Hall Sq. fountain.

There has been significant reduction in reported incidents coming out of the Dawn Centre which explains much of the reduction in reported verbal abuse incidents. This is evidence of the good work the team have initiated to improve the H&S arrangements at the Dawn Centre.

14% of reported near misses were non injury vehicle bumps and scrapes.

## Work-Related Ill Health

There were 6 reports of work-related ill health in the reported period down from 12 work related ill health reports in the previous period.

All were reports of stress where the employee had received a fit note citing work related stress and anxiety. Of the 6 reports 1 involved employees who were under some sort of management investigation before taking a period of absence. 2 reports referenced being unhappy with operational change.

## SO3 – Medium Level Investigations

**SO3s** are categorised as high level near misses where significant injury or loss event could have occurred should the incident have caused injury, accidents resulting in injury that could lead to a significant insurance claim or a RIDDOR reportable incident. All medium level investigations or SO3s result in a corrective action plan for service managers to work to.

The Health and Safety Team undertook 9 SO3 investigations in quarter 3.

All SO3 investigations result in a written report and corrective action plan which the H&S advisor provides to service managers and Heads of Service.

## Example SO3 investigations undertaken in Q3

- **Fall from Height – Museums**
- **Fall on Stairs – Housing**
- **Manual Handling Injury delivering food via a trolley – Housing (PATS)**
- **Asbestos related exposure – Parks & Open Spaces**

## RIDDOR Reports

### There have been 7 reports to HSE under RIDDOR in Q3

- Fall from Height - 2
- Dangerous Occurrence – 1
- Over 7 day injuries - 4

## Safety Alerts

### There have been 2 Internal Safety Notices Issued

- **All BROs – Asbestos Management**

Following the report of Dangerous Occurrence to HSE.

All BROs are reminded to ensure contractors are provided with a copy of the latest asbestos management survey before undertaking works.

Construction materials should be treated as asbestos containing unless there is conclusive evidence to the contrary.

- **Schools – Management & Monitoring of Trees.**

An investigation by the Health and Safety Executive (HSE) found the tree had decayed and was in a poor condition. Newcastle City Council had failed to identify the extent of the decay or to manage the risk posed by the tree. Newcastle City Council pleaded guilty to breaching section 3(1) of the Health and Safety at Work etc. Act 1974 and was fined £280,000 and ordered to pay costs of £8,020 by South Tyneside Magistrates on 10 January 2023

Trees & Woodlands have reviewed our Tree Inspection and Maintenance SMS.

A Safety Alert was issued to all schools reminding them that they need to have trees surveyed every 3 years, and periodic monitoring needs to take place on a regular basis.

The RCPI in school audits on Monitoring has had a specific question relating to monitoring and maintenance of trees added to it.

## CAPA (Corrective Action /Preventative Action) Notices

A CAPA is issued when a non-compliance or unsafe act or condition has been identified that needs management attention and action outside of the audit or SO3 processes.

Example CAPAs issued in the period.

- Town Hall Bike Park -Emergency Exits & Escape Routes
- KFC risk associated with the soft play, window restrictors & stair balustrade
- Highways Gritter Shed – exposure to pigeon droppings – hazard to health

There are 9 CAPA notices with outstanding actions still to be closed off

- 6 in EBS (Estates and Building Services)

- 2 in N&ES (Neighbourhood & Environmental Services)
- 1 in Housing

**The council has a proactive approach in its management of Health & Safety. It is therefore recommended that these corrective & preventative actions are addressed as soon as possible.**

### **Occupational Health Data**

**There have been 186 Management referrals made to Optima Health in the reporting period.**

37% were for mental health related conditions

of the mental health referrals

30% were assessed as being primarily work related

15% as having work related factors

21% of referrals were for musculoskeletal related conditions

of the musculoskeletal referrals

2% were assessed as being primarily work related

15% were assessed as having work related factors

**Optima Health are working to a service level agreement that states 85% of management referrals are completed within 12 working days of referral. In the reporting period Optima Health met this SLA 100%**

### **Legislative Updates**

None in the reporting period

### **Other Updates**

The Employee Assistance Program crossed over from UHL (Amica) to Vivup as of January 16th.

In the first 24 hours 1125 employees registered to use the Vivup portal which allows access to a number of self help resources around mental health and wellbeing. This is available in addition to the 24/7 365 in the moment telephone support and confidential counselling service.

**It is recommended members of CMT promote the use of the portal within their divisions to advance the council's health and wellbeing objectives.**



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## **Risk Management and Business Continuity Strategies and Policies 2023**

Audit and Risk Committee

Date of meeting: 15<sup>th</sup> March 2023

Lead director: Miranda Cannon

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### Useful information

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- Report version number: Version 1

## 1. Summary

The purpose of this report is to present to the Audit and Risk Committee (A&RC) the Risk Management and Business Continuity Policy Statements and Strategies (Appendix 1 and 2), which form an important part of the council's governance arrangements by providing an effective framework for Leicester City Council (LCC) to manage and respond to key risks facing its services and to support the delivery strategic priorities and objectives, and to manage the impacts of potential disruption to ensure continuity of service delivery..

Effective risk management is essential for organisations and their partners to achieve strategic objectives and to deliver and improve outcomes to its stakeholders including local people. Good risk management determines and manages both positive and negative aspects of risk and officers are not required to be risk averse as part of this process (more detail at paragraph 3.3).

## 2. Recommended actions/decision

A&RC is recommended to note, on behalf of council, the updated:

- Corporate Risk Management Policy Statement and Strategy at **Appendix 1**. This sets out the council's attitude to risk, the approach to be adopted to manage the challenges and opportunities facing officers; and
- Corporate Business Continuity Management (BCM) Policy Statement and Strategy at **Appendix 2**. This sets out the council's attitude, perception and approach towards implementing business continuity practices.

## 3. Detailed report

### Risk Management Strategy and Policy 2023

- 3.1 The council's Risk Management Policy and Strategy are reviewed and updated annually. The Risk Management Strategy sets out how the council can tackle the risks it faces. It plays a vital part in the overall governance framework of the council and is particularly important in the current environment given the need to deliver our services in an effective and efficient way.
- 3.2 To date, improvements have been made in strengthening risk management arrangements within the council's diverse business units. In line with our agreed corporate approach, a review of the Risk Policy and Strategy has taken place to reflect any developments made in the industry and to support internal risk

procedures/processes. There have been no major developments that would affect the council's risk management process. However, an internal development has been made to the Strategic Risk Register (SRR) and the way strategic risks here are captured (more details at paragraph 4.1). The revised strategy will continue to help embed risk management throughout the council (**see paragraph 4.1 for further detail**).

- 3.3 Effective risk management is essential for organisations and their partners to achieve strategic objectives and improve outcomes for local people. Good risk management looks at and manages both positive and negative aspects of risk. Our risk management policy is not aimed at being risk averse. The process allows the council to methodically address the possibility of risks stemming from its activities with the aim of achieving sustained benefit within each activity and across the portfolio of all its activities. The council's risk management process should (and if the policy is complied with, does) allow this 'positive risk taking' to be taken and evidenced. (**See paragraph 11 and 12 of the Risk Management Strategy**). With the council adopting a '**Risk Aware**' approach rather than '**Risk Averse**' and integrating risk management into the council's culture and day-to-day practice, it is in a better position to identify opportunities that may benefit the council (including financial) where associated risks are managed rather than avoided altogether.

### **Business Continuity Policy and Strategy 2023**

- 3.4 Good practice in relation to any Business Continuity Management (BCM) system emphasises the importance of:
- Understanding the business need and necessity for establishing a BCM policy and strategy;
  - Implementing and operating controls and measures for managing disruptive incidents;
  - Monitoring and reviewing the performance and effectiveness of BCM; and
  - Continual improvement based on objective measurement.

The BCM programme needs to be managed in a continuous cycle of improvement for it to be effective. Therefore, formal and regular exercise, maintenance, audit and self-assessment of the BCM **culture** are essential. To support the effectiveness of this key staff within each division are encouraged to attend the BCM awareness training sessions delivered by REBR. This is formalised at CMT and remains a key activity within 2023.

**Appendix 2** is the BC Policy and Strategy which sets out how the council achieves this approach. The council's BCM practices are consistent with the International BC Standard (ISO22301) and ensure that its business continuity responsibilities under the Civil Contingencies Act (2004) are met. Following the progress made in the last few years, the council is aligning to the standard and Covid-19 demonstrated the robustness of the Council's BC arrangements. However, further work will continue to enhance business continuity practices at the council, for example, through the continuation of work to refine and update business

critical activities and ongoing testing exercises. The BCM framework adopted by LCC contributes towards identifying LCC's critical services and ensures BCPs exist for those services. An annual self-certification process is standard practice whereby directors confirm their plans have been reviewed annually as a minimum and tested. However, plans should also be updated to reflect changes in service areas as and when they occur. All business-critical service BCPs are robustly reviewed every 2 years by REBR.

The implementation of this revised Business Continuity Policy and Strategy will support the delivery of an effective BCM programme including the above-mentioned points.

## **LCC and the Local Resilience Forum (LRF)**

3.5 REBR work with partners/stakeholders to discuss and share best practice and to promote BC. LCC's Incident Response Plan, if invoked, is aligned to link to wider LRF emergency response plans and LCC work to ensure we have consistency of approach and work collaboratively to achieve the desired outcome. The Manager for Risk Management is recommencing and chairing a 'Multi-Agency Business Continuity Group' inviting BC Officers from partner organisations to share good practice and lessons learnt from responding to any BC-related issue. The participants include, for example, blue light services, district authorities, utilities. Such collaborative work should help continue to strengthen the Council's BCM approach.

## **4. Key deliverables**

The **key deliverables** in both Policies and Strategies include:

### **4.1 Risk:**

- Divisional risks to be more effectively aligned to the strategic risks facing the organisation, therefore, improving the links between the ORR and SRR which will be achieved by ensuring communication and implementation of the revised process of how the SRR is populated and presented as agreed at CMT in November 2022 (see **paragraphs 34 and 35 of the risk strategy** for detailed information);
- Ensuring the Risk Management Framework at the council continues to reflect the organisational structure, and those risks affecting the delivery of the council's priorities and its objectives are properly identified, assessed, managed, monitored and reported;
- Continuance of the process whereby Divisional Directors (and their Heads of Service) have individual risk registers feeding through to the council's Strategic and Operational Risk Register, which is reviewed by CMT, led by the Chief Operating Officer, supported by the Director of Delivery, Communications and Political Governance and the Manager, Risk Management;



- Continuing to integrate and embed risk management into the council's culture and its everyday business operations. Risk management should be a significant part of a manager's overall duties. Improving divisional engagement with risk management processes to further embed a culture within the council where risk is anticipated and managed proactively and is part of the daily process. It is not a 'form filling' exercise but should be seen to 'add value'. A risk assessment should be completed and/or updated for each project or contract being let and for all of our significant procedures, as a minimum;
- Increasing recognition of the benefits that can be achieved, operationally and strategically, with effective and embedded risk management;
- Continuing to support the operational service areas in the development and improvement of their individual risk registers by identifying training needs, providing support and guidance and delivering training to them;
- Ensuring it is understood that risk management is a cross service planning activity and not to carry out this in isolation otherwise risks can be missed;
- A training programme has been established for 2023.. Directors and managers should continue identifying staff requiring risk management training not only through the appraisal process but also by job specification process. As highlighted above, this is a key deliverable for directors and their teams to better protect the council. It is the business areas that 'own' and should manage their risks;
- Risk is continued to be considered, identified and assessed and in the procurement of goods / services with contractors and partners and;
- Emphasising that the risk service is perceived across the council as 'risk advisers' who will assist managers in scoping and managing their risk exposure to enable the implementation of innovative schemes. This team do not manage the council's risks as this remains service areas' responsibility.

## 4.2 Business Continuity:

During the next 12 months the focus in relation to effective BCM will be:

- To ensure the Corporate BCP template is reviewed and updated and made available for council-wide use;
- To ensure BCPs are reviewed and updated accordingly by services, particularly for business-critical services and are submitted to REBR;
- Scoring of business-critical services plans and providing feedback to plan owners;
- The Business Impact Assessments are submitted to REBR for each critical service alongside associated BCPs;

- To ensure the continuation of testing of BCPs;
- Working with maintained schools to ensure they have access to relevant business continuity information and guidance and the updated Schools Incident Management Plan template and;
- Provide training council-wide and bespoke sessions upon the request of services.

Poorly managed incidents could leave the council and its officers exposed to insurance claims. Embedding risk management and business continuity is beneficial to the council to ensure proactive measures are taken in these areas to help maintain the organisation's reputation, meet stakeholder needs, ensure incidents are managed with minimal disruption and claims are kept to a minimum. This opens new doors to insurance premium discounts and reduced excesses as insurers look favourably at organisations that manage their risks. BC planning also protects the council, ensuring that it can help others in an emergency (facilitated by the BCP).

## **5. Financial, legal, equalities, climate emergency and other implications**

### **5.1 Financial implications**

The revised Risk Management Policy Statement and Strategy is intended to promote an effective approach to risk across the council, and hence in financial terms minimise the costs of insurance premia, successful claims and responding to incidents

Rigorous, targeted and proportionate BCP arrangements are essential to ensure the council can be confident of recovering effectively from a major incident and with as little additional or abortive expense as possible.

**Colin Sharpe, Deputy Director of Finance, Ext. 37 4081**

### **5.2 Legal implications**

Rigorous Risk Management and BCM arrangements are essential to ensure the council can be confident of ensuring it has proper cover for its legal liabilities.

**Kamal Adatia, City Barrister, 37 1401**

### **5.3 Equalities implications**

'Effective risk management is essential for organisations and their partners to achieve strategic objectives and improve outcomes for local people and therefore is likely to be beneficial to people from across all protected characteristics.

However, in some circumstances, effective risk management will be particularly relevant to those with a particular protected characteristic (for example, safeguarding risks and risks which could result in service disruption). Therefore, a robust risk strategy and policy statement which is embedded effectively will minimise the likelihood of ineffective risk management resulting in a disproportionate impact on those with particular protected characteristic/s.

The 2023 strategy identifies other potential risks which are relevant to equalities, such as legislative requirements (ensuring that the council meets its statutory duties) and the risks posed by demographic changes. The strategy promotes that the management of such risks should be embedded into the day-to-day business and culture of the council, the continued integration and embedding of risk management into the council's culture and its everyday business operations support the continued delivery of positive equalities outcomes for the citizens of Leicester.

A robust approach to business continuity planning will limit the impact of incidents and plays a key role in maintaining service delivery, therefore there will be a positive impact across all protected characteristics.

If business continuity planning is not effective there is a greater risk where a service has been identified as critical. If those critical services were unable to maintain service delivery, there may be a disproportionate impact on those with particular protected characteristic/s, such as age and disability.

The 2023 Corporate Business Continuity Management Policy Statement and Strategy will support a robust approach and minimise the impact of incidents which could have a disproportionate impact on certain protected groups.

The correct prioritisation in the event of an incident, will ensure that those areas of greater risk, including risks around equalities and human rights will be prioritised provided this is a consideration in any changes that are made.

**Surinder Singh, Equalities Officer, Ext. 37 4148**

#### 5.4 Climate Emergency implications

There are no significant climate emergency implications directly associated with this paper. However, it worth noting that the impacts of worsening climate change are among those covered by council's risk management processes. It is worth noting that the BCM Policy Statement & Strategy and associated documents play a key role in ensuring the council is prepared for potential incidents and emergencies linked to the impacts of worsening climate change, such as flooding and extreme weather.

**Aidan Davis, Sustainability Officer, Ext 37 2284**

#### 5.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

<b>OTHER IMPLICATIONS</b>	<b>YES/NO</b>	<b>Paragraph/References Within Supporting information</b>
Risk Management	Yes	All of the paper.
Legal	Yes	
Climate Change	No	
Equal Opportunities	Yes	
Policy	Yes	All of the paper.
Sustainable and Environmental	No	
Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on Low Income	No	
Corporate Parenting	No	
Health Inequalities Impact	No	

**6. Summary of appendices:**

Appendix 1 – Risk Management Policy Statement and Strategy

Appendix 2 – Business Continuity Management Policy Statement and Strategy

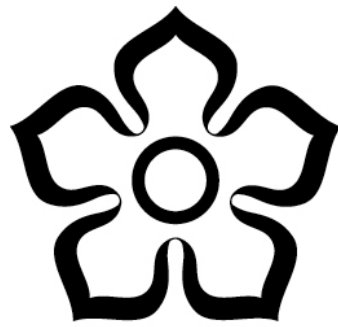
**7. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?**

**No**

**8. Is this a “key decision”? If so, why?**

**No**

Appendix 1



Leicester  
City Council

# **Risk Management**

# **Policy Statement and Strategy 2023**

13/12/2022

Leicester City Council

Sonal Devani on behalf of Miranda Cannon

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# Enterprise Risk Management

## Policy Statement and Strategy 2023

### Risk Management Policy Statement

#### Leicester City Council's (LCC) approach to the management of enterprise risk

Risk management involves identifying, assessing, managing, monitoring, reporting, and communicating the council's threats and opportunities. By doing so effectively, the Council is in a stronger position to deliver its objectives. Risk is a feature of all business activity and is an attribute of the more creative of its strategic developments. The Council acknowledges that risk can never be eliminated in its entirety and accepts the need to take proportionate risk to achieve its strategic objectives and these risks should be identified and managed appropriately. However, residual risks may still be high after further controls are identified and implemented. Such risks may relate to activities/projects where the organisation has statutory responsibilities to deliver those services, and in such instances, it is important that risks are being managed effectively and efficiently and the impact is minimised as far as is reasonably practicable should the threat/event occur. By evaluating our plan for potential problems and developing strategies to address them, we are able to improve our chances of a successful, if not perfect delivery of the project/initiative assessed. The Council recognises that managing risk can also identify positive opportunities which, with the appropriate level of control, may lead to service improvements. The measures which the Council adopts are principles of good management practice which seek to control and balance risk and opportunity. The risk strategy implemented at the council supports this policy and ensures that high priority risks are cost effectively managed and provide decision makers at all levels with the information required to make informed decisions.

#### The key objectives of Risk Management at LCC are to:

1. Proactively identify, manage and act on opportunities and threats to enable the council to achieve its objectives and integrate risk management into the culture and day to day working of the council.
2. Prevent death, injury, damage, losses, and reduce and minimise the cost of incidents and accidents.
3. Ensure compliance with governance requirements with risk management (identification of, and plans to manage, risk) forming an integral part of the Council's governance including decisions taken by the Executive and the Corporate Management Team (CMT).
4. Make the Executive, CMT and Audit and Risk Committee aware of the potential key strategic and operational risks.
5. Ensure the organisation's risk profile and exposure is communicated top down, bottom up and across the organisation and coordinate targeted action plans designed to change or reduce the risk profile.
6. Embed, actively support and promote risk management. Raise awareness of the need for risk management to those involved in developing the council's policies and delivering services and ensure it is understood that risk management is a cross service planning activity.
7. Ensure that a systemic and consistent approach to risk management is adopted throughout the organisation and as part of divisional planning, performance management and models of operation.
8. Supporting a culture of well-measured risk taking throughout the council's business and informing operational decisions by identifying risks and their likely impact.

9. Ensure risks are considered, actioned and responsibility is assigned in the commissioning, procurement and contract management of goods/services.
10. Manage risk in accordance with best practice and comply with statutory and regulatory requirements, for example Fraud Act, Anti Bribery and Care Acts.

**The above objectives will be achieved by:-**

1. Ensuring CMT, Directors, Executive and other relevant stakeholders obtain assurance that the council and its services are managing and mitigating risks that could affect the achievement of the organisation's objectives.
2. Establishing appropriate risk reporting mechanisms and risk communications council-wide. Ensure a process is in place to allow for the submission of Strategic and Operational Risk Registers to CMT, City Mayor and Executive, Audit and Risk Committee and relevant stakeholders.
3. Ensuring the operations and initiatives that are high risk to the council are reported and monitored through the appropriate channels and via the relevant director to aid informed decision making.
4. Providing learning opportunities to council officers on the risk management process across the council by scheduling a rolling training programme year on year with the option of bespoke training.
5. Keeping abreast of best practice throughout the industry and through the continual review and improvement of the council's risk management practices.
6. Good practice tools to support management of risks applied consistently throughout the council and reinforcing the importance of effective risk management as part of the everyday work of employees and members.
7. Ensuring accountabilities, roles and responsibilities for managing risk are clearly defined, communicated and understood by establishing clear processes, responsibilities and reporting lines for risk.
8. Anticipating and responding to changes in the external environment including changing political, economic, social, technological, environmental and legislative requirements.
9. Horizon scanning and considering emerging risks which should be on the radar (but where impacts are not fully known for such risks)
10. Demonstrating the following benefits of effective risk management:: -
  - Cohesive leadership and effective management controls;
  - Improved resource management – people, time, and assets;
  - Improved efficiency and effectiveness in service and project delivery;
  - Minimising the impact following an incident, damage limitation and cost containment;
  - Better protection of employees, residents and others from harm;
  - Reduction in incidents, accidents and losses leading to lower insurance premiums and improved reputation for the council.
11. Recognise that it is not possible or expected to eliminate risk entirely, and so have a comprehensive business continuity and insurance programme that protects the council from significant financial loss, reputational damage or even litigation therefore minimising the impact from an event.

**Alison Greenhill**  
Chief Operating Officer

**Sir Peter Soulsby**  
City Mayor



## Risk Management Strategy

### INTRODUCTION

1. The **Risk Management Strategy** provides a structured and coherent approach to identifying, assessing and managing risk. It builds in a process for regularly updating and reviewing risk assessments based on new developments or actions taken and allows communication and reporting of risks that may adversely impact the achievement of the council's aims and objectives.
2. This strategy builds on, and replaces, the 2022 Risk Management Strategy. Through the continued development and implementation of the strategy, the maturity of the council's risk management will be reflected in a more enabled and proactive culture of embracing innovative opportunities and managing risks. This strategy helps to embed a coherent risk management system throughout the organisation and ensures officers / staff understand their roles and responsibilities within the process and if followed by staff enables a more consistent risk management approach.

### AIMS AND OBJECTIVES

3. The aims and objectives of Leicester City Council's (LCC's) Risk Management Strategy are:-
  - To assist LCC in setting strategy, achieving objectives and making informed decisions;
  - To provide the Executive, Members and senior officers with regular risk management reports that give a comprehensive picture of the council's risk profile and risk ranking exposure;
  - To provide and assist the council and its partners to adopt a "fit for purpose" methodology towards identification, evaluation, control and communication of risks and to help ensure those risks are reduced to an acceptable level – the 'risk appetite';
  - To ensure that transparent and robust systems are in place to track and report upon existing and emerging risks which potentially could have a detrimental impact on the council or influence decision making and affect the achievement of objectives;
  - To help further integrate risk management into the culture and day to day working of the council and ensure a cross divisional/operational approach is applied;
  - To provide reliable information on which to base the annual strategic and operational risk and governance assurance statements;
  - To consider the limitations of available information in the process of identifying and assessing risk;
  - To encourage well measured risk taking where it leads to improving performance and sustainable improvements in service delivery;
  - To ensure a consistent approach in the identification, assessment and management of risk ('the risk management cycle) throughout the organisation; and
  - To acknowledge that even with good risk management and our best endeavours, things can go wrong and that we learn from this to prevent it happening again. Risk Management is continually improved though learning and experience.
4. Given the diversity of services offered by the Council, there are a wide range of potential risks that could arise, it is therefore essential that responsibility for identifying and taking action to address those risks is clear. Commitment and involvement of staff at every level is essential

to effectively carry out enterprise risk management. Although different staff/managers will have specific duties to assist in this process, it is important that they are aware of and understand their role. Staff involvement may consider views and comments from other divisional areas/teams who may have had experience of managing similar projects.

## ASSURANCE AND REPORTING STRUCTURE OF RISKS AT LEICESTER CITY COUNCIL

5. As part of the risk management and assurance process, our aim is to create a 'no surprises' approach where the commitment and appetite around risks management is set from the top down.
6. All staff and associated stakeholders have responsibility for managing risk, some more than others. Please see **Appendix 1** for full roles and responsibilities.



### Within this structure, each party has the following key roles:

- The **Audit and Risk Committee (A&RC)** is responsible for noting the effectiveness of the council's risk management arrangements, challenging risk information and escalating issues to CMT and Executive via the Manager Risk Management.
- **City Mayor and Executive** has a leadership and oversight role particularly in challenging CMT and senior managers in relation to the risks identified, mitigating actions and holding them to account to implement effective risk management. The City Mayor and Executive are also responsible for approving risk policies and strategy and receiving regular risk management reports to review;
- **The Corporate Management Team (CMT)** has the risk oversight role and ultimate management accountability. CMT must ensure the risk related control environment is effective; is responsible for approving and reviewing risk policies and strategies; setting the level of risk the council is prepared to accept – it's '**risk appetite**'; receiving 4-monthly risk update reports to review and for approving as well as agreeing and promoting the training programme;

- **Risk, Emergency and Business Resilience (REBR)** develops and coordinates implementation of the Risk Management Strategy and provides a facilitators role, supporting and guiding service areas on how to complete operational risk assessments, whom they should refer to and deliver corporate risk management and business continuity training. REBR also coordinate, populate and maintain the council's risk registers, producing 4-monthly risk reports comprising of these risk registers to submit to CMT, City Mayor and Executive (SRR only) and the A&RC (bi-annually);
- **Departments and services** are the '**risk-takers**' and are responsible for identifying, assessing, measuring, identifying risk actionee, monitoring, communicating risk as well as reporting on significant risks associated with their functions or activities and for managing risks within their departments;
- As part of the council's **combined model, management, third parties (e.g insurers) and Internal Audit** give assurance on the management of risks and the operation/performance of controls.

See **Appendix 1** for further Roles and Responsibilities.

## RISK DEFINITION AND APPETITE

7. At LCC we adopt the definition of risk taken from the **International Risk Management Standard 'ISO31000 – Risk Management Principles and Guidelines standard and BS65000 – Guidance on Organisational Resilience'**:

**"Risk is the effect of uncertainty on objectives"** and an effect is a positive or negative deviation from what is expected. **ISO 31000** recognizes that all of us operate in an uncertain world.

8. By identifying potential problems with an in-depth risk assessment, the council can implement controls and treatments that maximise the chance of gain while minimising the chance of loss. It is assumed by many staff, during risk discussions, that all risks must be eliminated. However, this is not the case. Risk is a part of everyday life and taking risks and acting on opportunities may be a route to success, if managed properly where the risk appetite is crucial to this process. Risk Appetite is defined as 'the amount and type of risk that the organisation is willing to pursue, retain or take (ISO73 – ISO2002)). **Appendix 2** demonstrates the council's risk appetite. **The council is prepared to tolerate risks that fall below the risk appetite line (the prominent black line).** For risks that are scored above the line, the relevant council officers should consider their occurrence (repetitiveness) and impact, and design controls for implementation to minimise the chance of the risk materialising. This should be monitored periodically. An example of this would be total loss of a building by fire. This is a typical 'high impact' but 'low likelihood' risk that cannot realistically be managed day to day, beyond normal management responsibilities, but if it occurs, would be dealt with by the invocation of an effective Incident Response Plan and appropriate insurance cover which are both significant mitigants for that risk.
9. Risk appetite needs to be considered at all levels of the organisation – from strategic decision-makers to operational deliverers. The council's risk appetite is the amount of risk that it is prepared to take in order to achieve its objectives. Defining the council's risk appetite provides the strategic guidance necessary for decision-making and is determined by individual circumstances. In general terms, the council's approach to providing services is to be innovative and to seek continuous improvement within a framework of robust corporate governance. This framework includes a risk management process that identifies and assesses risks appertaining to decisions being considered or proposed.
10. As such, risk appetite should be considered for every proposal and risk rather than an over-arching concept for the entire council. There will be areas where a higher level of risk will be taken in supporting innovation in service delivery. Certain areas will maintain a lower than cautious appetite - for example, in matters of compliance with law and public confidence in the council or safeguarding adults and children. Risk appetite can therefore be varied for specific

risks, provided this is approved by appropriate officers and/or members. However, in all circumstances:

- The council should manage its financial affairs such that no action will be taken which would jeopardise its ability to continue as a going concern; and
- The council is to secure the legal integrity of its actions always.

Despite this, at times the council may be forced to take risks beyond its appetite to comply with central government directives or to satisfy public expectations of improved services. The challenge process will determine the decisions made - whether to proceed with such proposals and after careful assessment of the identified risks, and an analysis of the risks compared to the benefits – i.e. cost benefit analysis. A cost benefit analysis also helps decide the appropriate level of commitment to risk management resources. It is important to keep in mind that not all cost benefit is confined to financial measurement and the cost of not taking action should also be considered, for example, the reputational damage from not progressing on an initiative/project/service delivery proposal.

11. LCC's approach is to be **risk aware** rather than **risk averse**, to manage and mitigate the identified risk. As set out in its Risk Management Policy Statement, it is acknowledged that risk is a feature of all business activity and is a particular attribute of the more creative of its strategic developments. Directors and members are not opposed to risk. They are committed to taking risks with full awareness of the potential implications of those risks and in the knowledge that a robust plan is to be implemented to manage/mitigate them. The council's risk management process allows this '**positive risk taking**' to be evidenced.
12. '**Positive risk-taking**' is a process of weighing up the potential benefits and impacts of exercising a choice of action over another course of action. This entails identifying the potential risks and developing plans and controls that reflect the positive potentials and stated priorities of the council. It then involves using available resources, capabilities and support to achieve desired outcomes, and to **minimise any potential 'harmful' impacts**. It is certainly not negligent ignorance of potential risks but, usually, a carefully thought-out strategy for managing a specific risk or set of circumstances.
13. The risk management process ensures that key strategic and operational risks are controlled, minimising the likelihood of an occurrence and its impact should the risk occur and also allows to consider further treatment options (see paragraph 14) and risk communications to take place. It is recognised that there are costs involved in being too risk-averse and avoiding risk, both in terms of bureaucracy and opportunity costs.
14. The council seeks to identify, assess and respond to all strategic risks that may affect the achievement of key business objectives and plan outcomes. Once a risk has been identified and rated, the council will adopt a risk response based on the nature of the risk. The council's risk responses include treat, tolerate, terminate or transfer – **refer to paragraph 26** for the detail. Integrating risk transfer strategies requires decisions at the highest levels as the risk appetite will determine the extent to which it is prepared to retain the risk, as opposed to sharing risk by outsourcing or insurance. ISO31000 states the selection of risk treatment options involves balancing the potential benefits of introducing further risk treatment (controls) against the associated costs, effort or disadvantages. The treatment plan should identify the timescale and responsibilities for implementing the selected risk treatments.
15. However, having an effective enterprise risk management framework does not mean that mistakes and losses will not occur. Effective risk management means that risks are highlighted, allowing appropriate action to be taken to minimise the risk of potential loss. The principle is simple, but this relies upon several individuals acting in unity, applying the same methodology to reach a sound conclusion and understand that risk management is a cross service planning activity. However, it is recognised that risk management and the analysis is based on judgement and is not infallible or an exact science, and for a more accurate analysis, the appropriate people should be involved who should consider and understand ALL the available information at the time relevant to that activity but be aware there may be limitations on that information. Incidents will still happen, but the council will be in a better position to recover from these incidents with effective risk controls/business continuity management

processes in place. LCC is a “learning organisation” and the council will seek to learn from adverse risk events. An insurance programme is also in place to cover insurable risks. See below for further information (paragraph 16 and 17).

## RISK FINANCING

16. Risk Financing is the process which determines the optimal balance between retaining and transferring risk within an organisation. It also addresses the financial management of retained risk and may best be defined as money consumed in losses, funded either from internal resources or from the purchase of ‘external’ insurance (such as the catastrophe cover provided by the council’s external insurers). Simply put, it is how an organisation will pay for loss events in the most effective and least costly way possible. Risk financing involves the identification of risks, determining how to finance the risk, and monitoring the effectiveness of the financing technique chosen. Commercial insurance policies and self-insurance are options for risk transfer schemes though the effectiveness of each depends on the size of the organisation, the organisation’s financial situation, the risks that the organisation faces, and the organisation’s overall objectives. Risk financing seeks to choose the option that is the least costly, but that also ensures that the organisation has the financial resources available to continue its objectives after a loss event occurs. The council currently takes cover with external insurers for the following categories of insurable risk:

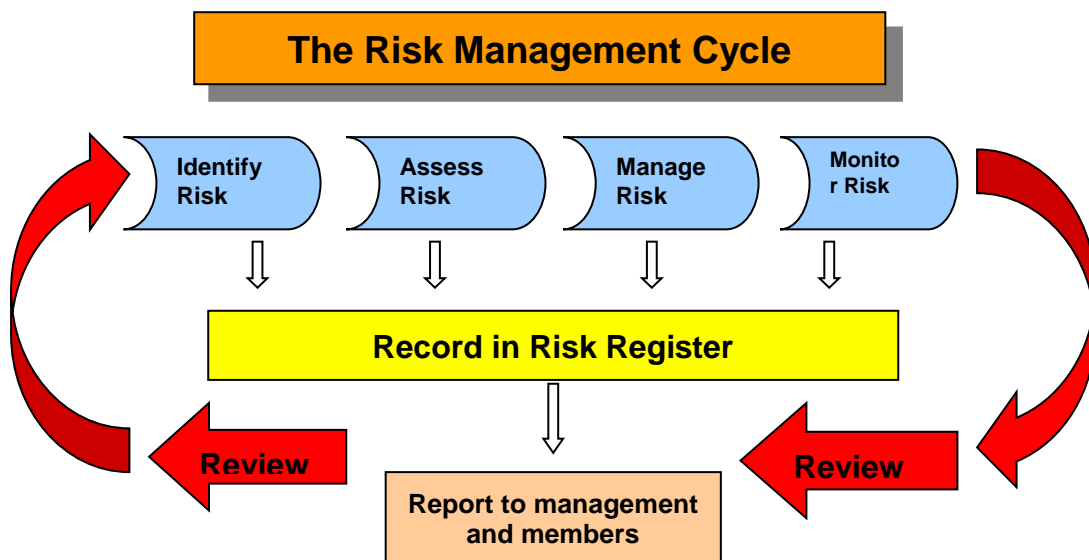
- Casualty (Employers Liability and Public Liability)
- Property
- Motor
- Fidelity Guarantee
- Engineering
- Professional Negligence
- Official Indemnity
- Personal Accident

17. LCC’s strategy for risk financing is to maintain an insurance fund and only externally insure for catastrophe cover. The council’s strategy is to review the balance between external/internal cover on an annual basis in the light of market conditions and claims experience. This balance will be influenced by the effectiveness of the risk management process embedded at the council and this process is managed by REBR on behalf of the Director of Delivery, Communications and Political Governance.

## RISK MANAGEMENT PROCESS

18. The council’s strategic objectives and individual divisional operational objectives are the starting point for the management of risk. Managers should not think about risk in isolation but consider events that might affect the council’s achievement of its objectives. **Strategic risks** are linked to strategic objectives and operational risks linked to divisional service delivery objectives, therefore, risks that could result from day to day activities need, as a minimum, to be identified and monitored. This is best done by the effective implementation of the risk management process with the use of risk assessments/risk registers (**Appendix 3a for the reporting of service, divisional and strategic risks via a risk register – see paragraph 34 for detail**) which must be maintained and updated on a continuous basis and reviewed formally, every 4 months as per the reporting cycle at divisional and strategic level. However, at management level and below this will be more frequent. **An action plan should be in place to address the controls raised in the risk register/assessment. A formal action plan is compulsory for each strategic risk (See Appendix 4 for control plan template).**

19. Risk management is to be driven top down, bottom up and across, to ensure risks are appropriately considered. To achieve this, managers should encourage participation with their staff/peers in the process, through regular discussions/reviews. **The risk management process seeks to work with and support the business and not add a layer of bureaucracy or create masses of paperwork.**
20. The process below should be implemented by managers and staff at all levels to identify, assess, control, monitor and report risks. Risk management is intended to help managers and staff achieve their aims and objectives safely. It is not the intention to hinder or restrict them in delivering the objective in question and the aim is not to become risk averse. The process ensures that a consistent risk management methodology is in place and implemented across all the diverse activities of the council.
21. There are five key steps in the risk management process. These stages are covered in greater detail in the **Risk Management Toolkit** – a step-by-step guide to risk management at LCC - which is available to all members, managers and staff via the REBR pages on SharePoint.



*Please use Appendix 3 (risk assessment/register template to risk assess projects, activities and initiatives. Appendix 3a should be used for reporting of risks to divisional, operational and strategic level as the output from this will result in a risk register (see risk reporting- paragraph 32,33 and 34). The risk toolkit will guide you through this.*

22. The risk management process is explained in detail in the **'Identifying and Assessing Operational Risk'** training course, which is now mandatory for staff completing a risk assessment (see **Appendix 5** for the 2023 training schedule) and allows staff to: -
  - **Identify risk**, and controls – Officers identify risks and consequences through brainstorming discussions as a group, or discussion with their staff, interviews, seek employee feedback, analyse customer complaints, internal/external audit reports, checklists, flowcharts, risk registers, risk assessment workshop write ups, scenario analysis and SWOT/PESTLE analysis. Controls should be considered and evidenced to manage each risk for the write up of the risk assessment. ;
  - **Assess/Analyse/Evaluate** - management assess the likelihood of risks occurring and the impact on the council/their service objectives using the council's approved risk assessment form and the 5x5 scoring methodology. Once the risks are scored, this will determine whether the risks are high, medium or low which will help in the prioritisation of risks for urgent attention (see **Appendix 2**);

- **Manage** - management determine the best way to manage their risks e.g. terminate, treat, transfer, tolerate or take the opportunity (see paragraph 26 below);
- **Record risks** – using corporate risk assessment template to record risks (see **Appendix 3**); Use **Appendix 3** if you are risk assessing for a project/activity/initiative or **Appendix 3A** for reporting risks via the risk register tool;
- **Monitor** – management should monitor their risks and the effectiveness of their identified management controls; are controls implemented and need for further controls;
- **Review** - management ensure identified risks are regularly reviewed and if controls have been implemented, whether further controls are necessary or required. This will normally be managed by means of a risk register (see paragraphs 30 - 40 below for more detail).
- **Risk Reporting, communication and consultation:** Communication and consultation with external and internal stakeholders should take place during all stages of the risk management process using the risk register/assessment as a reporting tool.

REBR are available to support this process either by attending or facilitating risk ‘workshops’ or delivering risk identification and mitigation training to managers and their business teams.

## IDENTIFYING THE RISKS

23. In order to identify risks, we need to focus on the aims and objectives of the council and of any project and activity that contributes to those. Risk is simply defined as **‘the effect of uncertainty on objectives’** – ISO31000 Risk Management Standard. As mentioned in paragraph 22, the training session covers in detail how to identify risks. Please refer to **Appendix 3** for the risk assessment template to log risks and its evaluation. **Appendix 6** indicates the different PESTLE categories of risk and **Appendix 6A** are further prompts which staff can utilise to identify risks that are internal/external facing. However, it is not an exhaustive list and officers are reminded that risks may not be present in all categories when they are completing their risk assessment. Other means of identifying risks include previously completed risk assessments, brainstorming exercises involving the relevant stakeholders, complaints received, claims, incident and accident reports. This is discussed in more detail in the training sessions. Also, staff may need to consider carrying out a dynamic risk assessment as and when required, for e.g. in the case of inclement weather, the original risk assessment may not have considered how to operate on a wet day as it was not anticipated.

**Controls need to be considered and evidenced in the risk assessment/template before the next step (as stated in paragraph 21, LCC assess risks with controls in place)**

## ASSESS / ANALYSE AND EVALUATE RISKS

24. The primary function of “scoring” risks is to facilitate their prioritisation and assessment against risk appetite. This step involves determining the likelihood of the risk occurring and its impact should it occur. Please see **Appendix 2** for further detail of the scoring mechanism and the definitions utilised at LCC to calculate the level of the risk: - **Impact x Likelihood = Risk score.**
25. This helps to prioritise the risks (risk ranking) which require urgent action using a red, amber, green scoring mechanism (RAG status). The table below indicates how risks that are high, medium and low should be managed.

LEVEL OF RISK	OVERALL RATING	HOW THE RISK SHOULD BE TACKLED/ MANAGED
High Risk	15-25	IMMEDIATE MANAGEMENT ACTION
Medium Risk	9-12	Plan for CHANGE
Low Risk	1-8	Continue to MANAGE

### MANAGE THE RISKS

26. Once risks and controls have been identified and assessed by management with controls in place (**a risk rating score has been derived**), managers should then determine how those risks will be dealt with – a process commonly known as the four T's. The risk rating score will also enable risks to be prioritised and influence the use of one or more of the four T's –

- Terminate
- Treat
- Tolerate
- Transfer

Please see below charts for possible actions after assessing and analysis of risks:

#### 4 T's

<b>Impact</b>	<b>High</b>	<p><b>Transfer</b> Transfer risk to another party, outsource, insurance</p>	<p><b>Terminate</b> Stop the activity or do it differently using alternative systems</p>
	<b>Low</b>	<p><b>Tolerate</b> Bear losses out of normal operating costs following an informed decision to retain risk, monitor situation</p>	<p><b>Treat</b> Implement procedures and controls to reduce the frequency or the severity; formulate a contingency plan to reduce service interruption</p>
		<b>Low</b>	<b>High</b>
			<b>Likelihood</b>



Likelihood	Impact	4 T's	Actions to take
High	High	<b>Terminate</b>	Requires immediate action/avoid or consider alternative ways
High	Low	<b>Treat</b>	Consider steps to take to manage risks – reduce the likelihood and/or better manage the consequence
Low	High	<b>Transfer</b>	Contingency plan/Insurance cover to bear financial losses/transfer risk to third party/outsource
Low	Low	<b>Tolerate</b>	Informed decision to retain risk. Keep under review. Monitor and bear losses from normal operating costs as the cost of instituting a risk reduction or mitigation activity is not cost effective or the impact of the risks are so low so deemed acceptable

At times the council may be expected to take risks beyond its appetite in order to comply with central government directives and where LCC has statutory obligations to deliver services that pose high risk no matter what action is taken.

27. Taking the opportunity is an enhancement to this process. This option is not an alternative to the above; rather it is an option which should be considered whenever tolerating, transferring or treating a risk. **There are two considerations here:**
- Consider whether at the same time as mitigating a threat, an opportunity arises to exploit positive impact. For example, if a large sum of capital funding is to be put at risk in a major project, are the relevant controls good enough to justify increasing the sum at stake to gain even greater advantage?
  - Consider also, whether circumstances arise which, whilst not generating threats, offer positive opportunities. For example, a drop in the cost of goods or services frees up resource which may be able to be redeployed for projects that enhance the economy of Leicester.
28. **Secondary Risk** - It's important to note that it's common for efforts to reduce risk to have risks of their own. These are known as secondary risks. For example, if a project is outsourced/subcontracted a number of secondary risks will be assumed such as the risk that the outsourcing company/subcontractor will fail to deliver.

## RISK TREATMENT AND DECISION MAKING

29. Risk controls and treatment options (4Ts – paragraph 26) should be identified by those who are directly involved in the management of the activity or by experts who have detailed knowledge of the underlying risks and who have actively engaged in the risk identification and evaluation process. Risk control options should be evaluated as the wrong choice can be difficult to unwind.

## MONITORING AND REVIEWING THE RISKS

30. After evaluating the measures already in existence to mitigate and control risk, there may still be some remaining exposure to risk (residual risk). It is important to stress that such exposure is not necessarily detrimental to the council and ensures that the council is aware of its key business risks; what controls are in place to manage (mitigate) these risks; and what the potential impact of any residual risk exposure is. This step in the risk process never really ends as monitoring and review of your risk assessment to ensure it stays valid is an ongoing process. The ultimate aim of risk management/assessment is to implement measures to

reduce the risks to an acceptable level. Monitoring and review of circumstances must occur to see whether the measures implemented have reduced risks effectively and whether more should be done. To summarise, are the controls being implemented, are they effective and is the business requirement being met, has the risk changed, do further controls need to be considered, therefore, re-scoring of the risk, and do new risks need to be incorporated or any existing ones deleted.

31. It is important that those risks that have been identified as requiring action are subject to periodic review, to assess whether the risk of an event or occurrence still remains acceptable and if further controls are needed. Any further action(s) should be determined, noted and implemented. The frequency of reviews should be decided by management, depending on the type and value of the risks identified (see also 32 below). Currently, at LCC, the significant strategic and operational risks are reviewed and reported on a 4 monthly basis to CMT and bi-annually to the A&RC, with strategic risks reported 4 monthly to the City Mayor and Executive, facilitated by the Manager, Risk Management. Below, is a table indicating a **suggested review** of risks dependent on the risk rating whether, high, medium or low.

**Recommended risk review frequencies as per risk rating:**

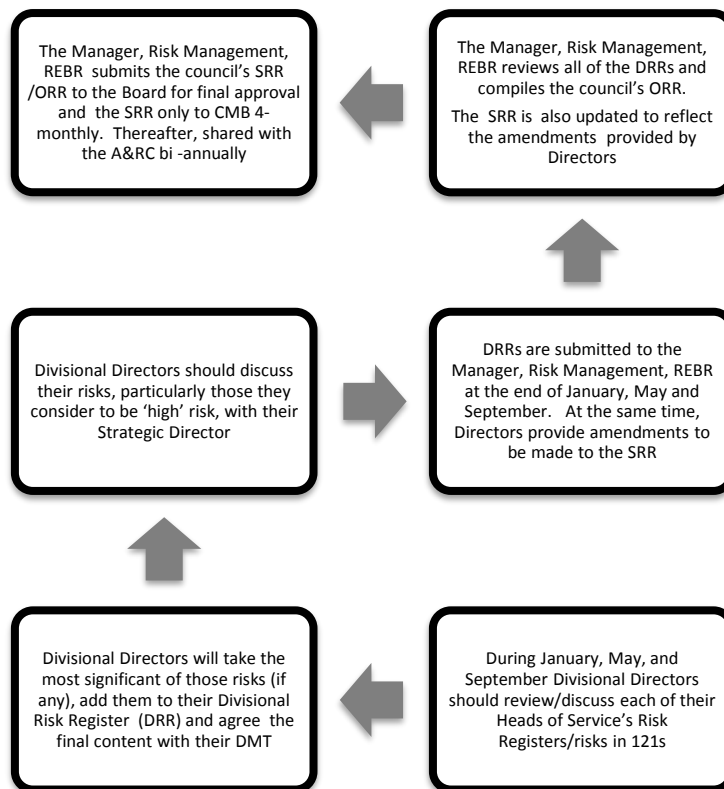
Risk Rating	Risk Review Frequency
Red risks	1 – 3 months
Amber risks	3 months
Green risks	6 months

**RISK REPORTING**

32. Significant operational risks (scoring 15 and above) should continue to be logged and monitored via the Operational Risk Register (ORR). It is the responsibility of each divisional director to ensure that operational risks are recorded and monitored via a risk register. These registers and the risks identified are aligned to the council’s operating structure. REBR has produced a pro-forma risk assessment/register that **must** be used by all business areas (see **Appendix 3/3A**). Every divisional director is required to use the newly updated Risk Register highlighting which strategic risk the identified divisional risk has an impact on and the PESTLE category it falls under where possible.
33. The most significant risks (those scored 15 and above) identified by the divisional directors feed into the council’s ORR which is managed by CMT and facilitated by the Manager, Risk Management, REBR. CMT is accountable for ensuring that all operational risks are identified against service delivery objectives; that plans are implemented to control these exposures; key risks are included within the individual service plan and that monitoring and communication of risks takes place.
34. **Reporting of Divisional, Operational and Strategic Risks (use Appendix 3a to log risks)-** The Chief Operating Officer supported by CMT manages and monitors the Strategic Risk Register (SRR) for those risks that may affect the achievement of the council’s strategic objectives, with REBR facilitating. Individual risk owners for the SRR will be Strategic Directors and/or those with statutory roles such as the Monitoring Officer and Section 151 officer (specific actions relating to the risk are likely to be owned and delivered by other Directors and Senior Officers). This ensures there is robust strategic ownership and oversight of the most significant risks facing the organisation. The intention is to use the **PESTLE** analysis as a framework for considering the wider context and environment and the risks that this gives rise to. PESTLE is a mnemonic that stands for **Political, Economic, Social, Technological,**

**Legal and Environmental'** and these themes will be used for the SRR in future which have been built into the new approach (**Appendix 7** provides a definition of PESTLE). Risk control action plans (**Appendix 4**) are also required for such risks and to be implemented to manage these exposures. The most significant of these risks, those that may threaten the council's overall strategic aims, form this register which is reviewed and updated by directors every four months. As part of the overall process of escalation, each strategic director should also have risk on their 121 agenda with their divisional directors at least quarterly and with lead Executive members. One of the significant strategic risks is a serious failing of the management of operational risks by divisional directors.

35. REBR facilitates and supports this process and will continue to maintain the SRR/ORR, using the input from each Divisional Risk Register and the updates provided by the strategic director for the SRR. The SRR/ORR will be reported 4-monthly to CMT, and bi-annually to the A&RC. In addition, the SRR is also reported to the City Mayor / Executive 4-monthly. As part of this process, bespoke training needs may be identified and the REBR team will provide training and support upon request.
36. The process for reviewing and reporting operational and strategic risks at LCC is set out as below:



**Key:**

- DRR** – Divisional Risk Registers – compiled using most significant operational risks from Heads of Service risk registers.
- ORR** – Operational Risk Registers – produced by REBR using the significant risks from the DRRs submitted by Divisional Directors
- SRR** – Strategic Risk Registers – compiled by REBR using significant risks submitted by Directors and are those risks that may affect achievement of the council's strategic aims.

37. All risks identified, both operational and strategic, will need to be tracked and monitored by regular reviews of the risk registers at 121's with management. This will ensure that any changes in risks requiring action are identified; there is an effective audit trail; and the necessary information for ongoing monitoring and reporting exists.
38. Those officers completing risk assessments / registers should use this document as a reporting tool to their line manager in order to aid decision making. The frequency of this reporting should be as and when changes are made to the risk assessment / register particularly where they are significant. However, this is not to become a bureaucratic process and to put it into perspective, the DRR's are revised for 4-monthly reporting to CMT and Executive.
39. **Document Retention** - It is recommended to save a new copy of the updated risk register rather than overwriting the existing one so that an audit trail of reviews can be evidenced.
40. To improve the process of risk management, it is worth Divisional Directors noting any emerging risks on the Divisional Register on a separate worksheet. These emerging risks may not be a risk currently but may be so in the future. This is good risk management practice.

### **PARTNERSHIP RISK**

41. It is recognised that partnership working is a key area where associated risk needs to be identified and controlled. Best practice states that local authorities must meet two key responsibilities for each partnership they have. They must: -
  - Provide assurance that the risks associated with working in partnership with another organisation have been identified and prioritised and are appropriately managed (partnership risks);
  - Ensure that the individual partnership members have effective risk management procedures in place (individual partner risks).

### **RISK MANAGEMENT TRAINING**

42. An annual programme of training (covering risk and business continuity planning) is available to all staff, managers and members. However, directors and managers should identify staff who require this training through the staff appraisal process (existing staff) and through the jobs specification process (new staff) and appropriate training will be provided by REBR. CMT have made the 'Identifying and Assessing Operational Risk' training mandatory for staff who have to carry out a risk assessment. (See **Appendix 5** for the 2023 training schedule).

### **INSURANCE LIMITS AND PROCURING OF SERVICES / GOODS (RISK TRANSFER)**

43. Guidance is available on SharePoint on what to consider when determining insurance levels if procuring for services by a contractor or third party. The insurance limits requested are based on the risks the activity will impose and the impacts (risk based rather than blanket limits). The consequences, impact and cost of risk columns of the risk assessment template will help to determine the insurance levels required. The insurances requested are usually Public Liability, Employers Liability and Professional Indemnity (though the latter is not always a pre-requisite).

### **REVIEW OF RISK MANAGEMENT POLICY AND STRATEGY**

44. This Risk Management Policy Statement and Strategy is intended to assist in the development/integration of risk management from now until December 2023 when the next review is due of this policy and strategy.

45. All such documents and processes will remain subject to periodic review and with the next planned review to occur in Quarter 4 2023, this allows any changes in process to be aligned to the council's financial year end.

## **RISK MANAGEMENT AT LEICESTER CITY COUNCIL**

46. A robust risk management process should be applied to all our activities during the next 12 months and beyond. To achieve this, priority exposures should be identified, addressed, and incorporated into appropriate risk management strategies and risk improvements into organisation's service delivery. A robust risk process will allow identification of emerging risks and horizon scanning. This should be in line with the council's priorities. This helps to determine how risks affect such priorities, whether to consider changes in council operations and to enable us to make well-informed decisions. Risk must be considered as an integral part of divisional planning, performance management, financial planning and strategic policy-making processes. The cultural perception of risk management must continue changing from a 'have-to-do' to a 'need-to-do'. However, this does not need to become a bureaucratic and paper intensive exercise and judgment by the appropriate person should be exercised.
47. The Manager, Risk Management, REBR will continue to maintain a central copy of the SRR/ORR as well as the DRR's. Internal Audit will continue to utilise these registers to assist them in developing the audit plan and producing a programme of audits, which will test how well risk is managed within specific areas of the business – subject to resource being available. The council's Risk Strategy and Policy will help directors to report appropriately upon their risk and their risk registers, together with other information gathered by Internal Audit through consultations, will be used to formulate the audit work programme which, in turn, allows assurance to be given to both the CMT (officers) and the Audit and Risk Committee (members) that risk is being properly identified and managed at LCC.
48. Consideration should be given as to whether the management of risk should be included in job descriptions for all operational service area managers with responsibility and accountability for risks and be included in every director/manager's objectives and performance appraisal discussion.
49. Directors and managers should also ensure that all stakeholders (employees, volunteers, contractors and partners) are aware of their responsibilities for risk management and of the lines of escalation for risk related issues. Operational performance linked to risks helps to achieve objectives more effectively and efficiently.

## **CONCLUSION**

50. A certain amount of risk is inevitable to achieve objectives, improve performance and take opportunities, hence the existence of this Policy and Strategy to help the organisation manage those risks and deliver high quality public services and better value for money. The aim of risk management is to 'embrace risk' and acknowledge opportunities can arise from taking risks and not to miss those opportunities.

## Appendix 1 - LEADERSHIP, ROLES AND RESPONSIBILITIES

All Councillors	<ul style="list-style-type: none"> <li>To consider and challenge risk management implications as part of their decision-making and scrutiny processes.</li> </ul>
City Mayor/ Executive	<ul style="list-style-type: none"> <li>Approve the council's Risk Management Strategy and Policy Statement annually.</li> <li>Consider risk management implications when making decisions and determine the risk appetite for the council.</li> <li>Agree the council's actions in managing its significant risks.</li> <li>Receive regular reports on risk management activities and a four monthly review of the strategic risk register.</li> <li>Approve an annual statement on the effectiveness of the council's risk controls as part of the statement of accounts.</li> <li>Consider the effectiveness of the implementation of the risk management strategy and policy.</li> </ul>
Audit and Risk Committee	<ul style="list-style-type: none"> <li>Receive and note the council's Risk Management Strategy and Policy Statement annually.</li> <li>Receive and note the Strategic and Operational Risk Registers update reports.</li> <li>Challenge risk information and escalate issues for consideration</li> </ul>
Strategic Directors	<ul style="list-style-type: none"> <li>Responsibility for leading and managing the identification of significant strategic risks.</li> <li>Ensure that there is a robust framework in place to identify, monitor and manage the council's strategic risks and opportunities.</li> <li>Ensuring that the measures to mitigate these risks are identified, managed and completed within agreed, timescales, ensuring that they bring about a successful outcome.</li> <li>Lead in promoting a risk management culture within the council and with partners and stakeholders.</li> <li>Approve and maintain the requirements for all CMT reports, business cases and major projects to include a risk assessment (where appropriate).</li> <li>Ensure risk is considered as an integral part of service planning; performance management; financial planning; and, the strategic policy-making process.</li> <li>Consider risk management implications when making Strategic decisions.</li> <li>Management and four monthly review of the strategic risk register. Review and progress actions and capture emerging risks.</li> <li>Recommend the level of risk appetite for all strategic risks to Executive.</li> <li>Note, through four monthly review, the operational risk register. Ensure that the measures to mitigate these operational risks are identified, managed and completed within agreed timescales, ensuring that they bring about a successful outcome.</li> <li>Ensure that appropriate advice and training is available for all councillors and staff.</li> <li>Ensure that resources needed to deliver effective risk management are in place.</li> </ul>
Corporate Management Team (CMT)	<ul style="list-style-type: none"> <li>Responsibility for leading and managing the identification of significant operational risks from all operational areas.</li> <li>Ensuring that the measures to mitigate these risks are identified, managed and completed within agreed timescales, ensuring that they bring about a successful outcome.</li> <li>Lead in promoting a risk management culture within the council and within their departments.</li> <li>Approve and endorse the Risk Management Strategy and Policy</li> <li>Approve regular Risk Registers Report and understand status</li> </ul>

	<ul style="list-style-type: none"> <li>• To respond appropriately and in a timely manner to exceptions in reports to ensure accountability and risk management processes aren't compromised.</li> </ul>
Divisional Directors	<ul style="list-style-type: none"> <li>• Submit Divisional Operational Risk Register (DORR) showing significant Divisional operational risks to Risk Management for consideration of inclusion in the council's Operational Risk Register.</li> <li>• Escalating risks/issues to the relevant Strategic Directors, where appropriate.</li> <li>• Ensure there is a clear process for risks being managed by their Heads of Service (and where appropriate, their managers and/or supervisors) to be reviewed, at least quarterly, allowing their DORR to be seen as complete.</li> <li>• Embeddedness of risk management within the service areas they are responsible for and promoting a risk management culture.</li> <li>• Ensure compliance with corporate risk management standards.</li> <li>• Ensure that all stakeholders (employees, volunteers, contractors and partners) are made aware of their responsibilities for risk management and are aware of the lines of escalation of risk related issues.</li> <li>• Identify and nominate appropriate staff for risk management training.</li> </ul>
Manager, Risk Management	<ul style="list-style-type: none"> <li>• To develop and coordinate the implementation of the Risk Management and Business Continuity Policy and Strategy.</li> <li>• Provide facilitation, training and support to promote an embedded, proactive risk management culture throughout the council.</li> <li>• Assist the Strategic and Divisional directors in identifying, mitigating and controlling the council's risks.</li> <li>• Coordinate, populate and maintain the strategic and operational risk registers of the council's most significant risks which are submitted to CMT and Audit &amp; Risk Committee four monthly .</li> <li>• Review risks identified in reports to Strategic Directors and the Executive.</li> <li>• Ensure that risk management records and procedures are properly maintained, decisions are recorded, and an audit trail exists.</li> <li>• Ensure an annual programme of risk management training and awareness is established and maintained to promote good risk management.</li> <li>• To horizon scan and assess emerging risks and key risks facing the council.</li> <li>• Advise management of key risk issues</li> <li>• Review External and Internal Audit recommendations to ensure these are picked up and dealt with by the business.</li> </ul>
Internal Audit	<ul style="list-style-type: none"> <li>• Have knowledge of Risk Management Policy and Strategy.</li> <li>• Support the risk management process.</li> <li>• Focus internal audit work on significant risks – risk-based auditing.</li> <li>• Provide the Risk team / Divisions / Departments with updates on risks identified from audits where necessary.</li> </ul>
All Employees	<ul style="list-style-type: none"> <li>• To have an understanding of risk and their role in managing risks in their daily activities, including the identification and reporting of risks and opportunities.</li> <li>• Support and undertake risk management activities as required.</li> <li>• Attend relevant training courses focussing on risk and risk management.</li> </ul>
Stakeholders	<ul style="list-style-type: none"> <li>• Directors and managers should also ensure that all stakeholders (employees, volunteers, contractors and partners) are made aware of their responsibilities for risk management and are aware of the lines of escalation for risk related issues. Risk management is most successful when it is explicitly linked to operational performance</li> </ul>

**Appendix 2 – RISK APPETITE AND RISK SCORING MATRIX**

**Key to Table:**

The numbers in the boxes indicate the overall **risk score**, simply put:

**‘Impact score’ x (multiplied) by the ‘Likelihood score’.**

The score is then colour coded to reflect a ‘RAG’ (red, amber or green) status. The solid black line indicates what Directors consider is the council’s **‘risk appetite’** (see paragraphs 4-12 above) where they are comfortable with risks that sit below and to the left of that line.

Risk or Likelihood	Almost certain (5)	Probable /Likely (4)	Possible (3)	Unlikely (2)	Very Unlikely /Rare (1)
Critical/Catastrophic (5)	25	20	15	10	5
Major (4)	20	16	12	8	4
Moderate (3)	15	12	9	6	3
Minor (2)	10	8	6	4	2
Insignificant/negligible (1)	5	4	3	2	1

Level of Risk	Overall Rating	How the Risk should be Managed
High Risk	15-25	IMMEDIATE MANAGEMENT ACTION
Medium Risk	9-12	Plan for CHANGE
Low Risk	1-8	Continue to MANAGE

Likelihood	Impact	Actions to take
High	High	<b>Terminate</b> - needs immediate action
High	Low	<b>Treat</b> - consider steps to take to manage risks
Low	High	<b>Transfer</b> - contingency plan/Insurance cover
Low	Low	<b>Tolerate</b> - keep under review



	IMPACT	SCORE	BENCHMARK EFFECTS
CRITERIA	CRITICAL/ CATASTROPHIC	5	Multiple deaths of employees or those in the council's care Inability to function effectively, council-wide Will lead to resignation of Chief Operating Officer and/or City Mayor Corporate manslaughter charges Service delivery has to be taken over by Central Government Front page news story in national press Financial loss over £10m
	MAJOR	4	Suspicious death in council's care Major disruption to council's critical services for more than 48hrs (e.g. major ICT failure) Noticeable impact in achieving strategic objectives Will lead to resignation of Strategic Director and/ or Executive Member Adverse coverage in national press/front page news locally Financial loss £5m - £10m
	MODERATE	3	Serious Injury to employees or those in the council's care Disruption to one critical council service for more than 48hrs Will lead to resignation of Divisional Director/ Project Director Adverse coverage in local press Financial loss £1m - £5m
	MINOR	2	Minor Injury to employees or those in the council's care Manageable disruption to internal services Disciplinary action against employee Financial loss £100k to £1m
	INSIGNIFICANT/ NEGLIGIBLE	1	Day-to-day operational problems Financial loss less than £100k

LIKELIHOOD	SCORE	EXPECTED FREQUENCY
ALMOST CERTAIN	5	Reasonable to expect that the event WILL undoubtedly happen/recur, possibly frequently and is probable in the current year.
PROBABLE/LIKELY	4	Event is MORE THAN LIKELY to occur. Will probably happen/recur, but it is not a persisting issue. Will possibly happen in the current year and be likely in the longer term.
POSSIBLE	3	LITTLE LIKELIHOOD of event occurring. Not likely in the current year, but reasonably likely in the medium/long term.
UNLIKELY	2	Event NOT EXPECTED. Do not expect it to happen/recur. Extremely unlikely to happen in the current year, but possible in the longer term.
VERY UNLIKELY/RARE	1	EXCEPTIONAL event. This will probably never happen/recur. A barely feasible event.

Appendix 3 – RISK ASSESSMENT / REGISTER TEMPLATE

Risk Assessment												
Completed by:												
Date completed: xx/xx/22												
Business Objective	Risk What is the problem/hazard? What is it that will prevent you from meeting your objectives?	Consequence /effect: what would actually happen as a result? How much of a problem would it be? To whom and why?	Existing actions/controls  What are you doing to manage this now?	Risk Score with existing measures  (See Scoring Table) (I x L)			Response Strategy / Action	Further management actions/controls required.  What would you like to do in addition to your existing controls?	Target Score with further management actions/controls required  (See Scoring Table)	Cost (of Impact; of current controls; of further controls)	Risk Owner (Officer responsible for managing risk and controls)	Risk Review Date
				Impact	Likelihood	Risk Rating		Impact	Likelihood	Risk Rating		
<b>What is your objective upon which the risk could have an effect? What is it you need to achieve?</b>	What is the actual risk to your objective? This should be a statement that provides a brief, unambiguous and workable description that enables the risk to be clearly understood, analysed and controlled.	If the risk happens what will actually be the impact? What will go wrong/	What have you already got in place to either reduce the likelihood of this risk occurring, or to reduce the impact on your area/budget if it does happen? These will be factors that are exerting material influence over the risk's likelihood and impact.	Score as per the scoring guide for both impact and likelihood and multiply the two together to get the overall risk score. These scores should take into account the existing controls			Select from the 4 T's Tolerate, Treat, Transfer, Terminate	What further action do you feel necessary? Enter here regardless of whether you have the resource to makes these happen.	Score as per scoring guide for both impact and likelihood taking into account the proposed new controls. Multiply the two together to get the overall risk score.	What will it cost you/the council if this happens? Include also how much the current controls are costing you as well as the cost of future controls	Who is the owner of this risk on a day to day basis? This may not be the owner of the risk register.	When will the future controls be in place or when will the risk be reviewed?

Appendix 3A – RISK REGISTER TEMPLATE (FOR USE WITH SRR AND RISK REPORTING)

Risk Assessment/Register																
Completed by : Date completed: xx/xx/2022																
Business Objective	Which category does the risk fall into using PESTLE?  P - Political E - Economic S - Socio-cultural T - Technological L - Legal E - Environmental	Which Strategic Risk does the risk link to?	Risk What is the problem/hazard?  What is it that will prevent you from meeting your objectives?	Consequence /effect: what would actually happen as a result?  How much of a problem would it be? To whom and why?	Existing actions/controls  What are you doing to manage this now?	Risk Score with existing measures  (See Scoring Table)			Response Strategy / Action  What action / response strategy is most appropriate for the risk identified?	Further management actions/controls required.  What would you like to do in addition to your existing controls?	Target Score with further management actions/ controls required  (See Scoring Table)			Cost (of Impact; of current controls; of further controls)	Risk Responder (Officer responsible for managing risk and controls)	Risk Review Date
						Impact	Likelihood	Risk Rating (x L)			Impact	Likelihood	Risk Rating (x L)			
What is it you need to achieve? Think about what your objective is/what you have to deliver.	Establish theme / category (above) risk comes under. See Process tab for PESTLE definition	<a href="#">Risk management (sharepoint.com)</a>  Where relevant, refer to the SRR to establish which strategic risk is impacted by risk identified (above link provides access to current SRR on SharePoint ). Log strategic risk ref no.	What is the actual risk to your objective? This should be a statement that provides a brief, unambiguous and workable description that enables the risk to be clearly understood, analysed and controlled.	If the risk happens, what will actually be the impact? What will go wrong?	What have you already got in place to either reduce the likelihood of this risk occurring, or to reduce the impact on your area/budget if it does happen? These will be factors that are exerting material influence over the risk's likelihood and impact.	Score as per the scoring guide for both impact and likelihood. Multiply the two together to get the overall risk score. These scores should take into account the existing controls.			Select from the 4T's  Tolerate, Treat, Transfer, Terminate	What further action do you feel necessary? Enter here, regardless of whether you have the resource to make these happen.	Score, as per the scoring guide, for both impact and likelihood taking into account the proposed new controls. Multiply the two together to get the overall risk score.			Impact cost - what will it cost you/the Council if this happens? Controls Cost - how much are the current controls costing you and how much will the future controls cost you?	Who is owner of this risk on a day to day basis. This may not be the owner of the risk register nor the person who identified the risk.	When will the future controls be in place or when will this risk be reviewed

**IDENTIFIED RISK/RISK ACTION PLAN – SRR**

**SECTION A – Risk description and existing controls**

<b>Risk description</b>	
<b>Risk theme</b>	
<b>Risk reference</b>	SRR
<b>Risk owner (name and role)</b>	
<b>Current risk score</b>	
<b>Response strategy/action</b>	
<b>Target risk score</b>	
<b>Risk review date</b>	

**Potential Impact/Likelihood**

Provide a brief summary of the risk that you have identified in this section and the likely impact on the organisation’s objectives if the risk occurs

Provide a brief explanation of impact of this risk and the why the likelihood is scored as it is (will help with root cause and possible controls)

**Existing action/controls already in place**

Describe the specific actions and controls that are already in place now to manage the risk

--

**Current risk score with existing measures**

Impact	Likelihood	Risk rating (I X L)

**Response strategy:** Treat

**Further management action/controls:**

List the further action(s) that will be taken in addition to existing controls to manage the risk. Complete the action plan in section B:

1. XX
2. XX
3. XX

**Target risk score with further management actions/controls**

Impact	Likelihood	Risk rating (I X L)

**SECTION B – Risk action plan**

<b>Action No</b>	<b>Control / Action</b>	<b>Action owner</b>	<b>Target date for implementation</b>	<b>Resources/costs required to implement</b>	<b>Progress update - date action completed / pending (if so why)</b>	<b>Success criteria</b>

## Appendix 5 – 2023 TRAINING SCHEDULE

### [Risk, Emergency & Business Resilience Training Programme 2023](#)

Below are details of the Risk, Emergency, and Business Resilience (REBR) Training Programme for 2023. If you wish to attend these sessions, **please book via the 'Career and Development' tab on the ESS system**. Prior to booking, please discuss with and seek your manager's approval. Most of the sessions are limited to between 15 and 20 attendees, so bookings will be on a 'first come, first served' basis.

All the sessions will take place virtually on MS Teams and will start promptly at 10 am. Sessions tend to run for no more than two and a half hours and should finish by 12.30 pm.

#### [Identifying and Assessing Operational Risks Training](#)

10 January  
15 February  
20 April  
16 May  
14 June  
13 July  
19 September  
25 October  
23 November

(Training delivered by Sonal Devani and Nusrat Idrus)

***Since October 2014 this session has been mandatory for all staff who complete an operational risk assessment or risk register. Anyone completing a risk assessment that has not been on this training recently may be exposing the Council to a potential uninsured loss. If in doubt – ask!***

This course covers the process of Operational Risk Identification and Assessment and will touch upon identification of mitigating controls. The session includes an outline of the council's Risk Management Strategy and Policy and the role you play in implementing the strategy and policy. The session is for anyone who manages operational risk (manage staff; manage buildings; manage contact with service users or the general public) in their day-to-day role – all tiers of staff from Directors down – and those that let council contracts. The course will lead you through the agreed risk reporting process at Leicester City Council and allow you to identify your role within that process. The practical exercise should help staff complete the council's risk assessment form.

#### [Business Continuity Management Training](#)

17 January  
8 Feb  
9 March  
9 May  
7 June  
14 September  
10 October  
15 November

(Training delivered by Sonal Devani and Nusrat Idrus)

This course provides an understanding of Business Continuity Management within the organisation. It explains the difference between managing business continuity and merely writing your plan. This understanding will allow you to manage unexpected incidents and get back to the delivery of your business-as-usual service in the event of an unforeseen circumstance. This session is aimed at anyone

who has responsibility for a building, staff; and delivery of a service, therefore, needs to have a business continuity plan or would be part of a recovery team needed to restore an affected service after an incident. The session also outlines the council's Business Continuity Strategy and Policy and will explain how that might affect you and your work. A step-by-step guide is provided for completing the council's BCP Pro-forma. This session should be attended by all Heads of Service and their senior management to ensure that, in the event of a serious, unexpected incident, they understand the processes that will help to ensure the council can continue to operate with minimal impact.

### **Evacuation Centre Volunteer Training (10.00– 13.00)**

**16 February**  
**22 March**  
**27 April**  
**13 June**  
**20 September**  
**16 November**

**(Training delivered by Martin Halse, and Neil Hamilton-Brown)**

The half-day training session gives you an understanding of how an Evacuation Centre is set up and the roles and responsibilities of staff and various organisations. **'What happens to people when there is a fire or flood in the city?'** Frequently, the council is the first port of call for those caught up in the incident. One of the essential ways the council can help during an emergency is to open an emergency centre to assist those affected, such as what happened during the recent major incident at the Hinckley Road explosion.

### **Personal/Bespoke Sessions**

We accept that, due to staff constraints and timing of leave, it may not be possible for all of your staff with a need to attend these training courses to attend one of the dates above. We continue to offer all of our training to specific groups of staff at times and locations to suit you. All of our training can be condensed to fit whatever time you have available. We can also focus on your own service area's needs and objectives when delivering this training to a bespoke group of staff. Please be aware that we are a small team, and it may be that such a session may take weeks rather than days to be arranged.

**If you would like to discuss a bespoke session, please contact:**

**For Risk and Business Continuity:**

Sonal Devani: ([sonal.devani@leicester.gov.uk](mailto:sonal.devani@leicester.gov.uk)) / 454 (37) 1635

Nusrat Idrus ([Nusrat.idrus@leicester.gov.uk](mailto:Nusrat.idrus@leicester.gov.uk)) / 454 (37) 1623

**For Emergency Management:**

Neil Hamilton-Brown ([Neil.Hamilton-Brown@leicester.gov.uk](mailto:Neil.Hamilton-Brown@leicester.gov.uk)) / 454 (37) 1341

We would like to assist you in any way we can and are happy to meet you to assist you to identify the training needs of your staff, whilst at the same time protecting the council's most valuable asset – you and your staff.

Sonal Devani  
Manager, Risk Management  
Risk, Emergency & Business Resilience



## Appendix 6 – CATEGORIES OF RISK

Sources of risk	Risk examples
<b>External</b>	
<b>Infrastructure</b>	Functioning of transport, communications and infrastructure. Impact of storms, floods, pollution.
<b>Political, Legislative and Regulatory</b>	Effects of the change in Central Government policies, UK or EU legislation, local and National changes in manifestos. Exposure to regulators (auditors/inspectors). Regulations – change and compliance.
<b>Social Factors and Public Health</b>	Effects of changes in demographic profiles (age, race, social makeup etc.) affecting delivery of objectives. Crime statistics and trends. Numbers of children/vulnerable adults 'at risk'. Key Public Health issues.
<b>Leadership</b>	Reputation, authority, democratic changes, trust and branding. Intellectual capital. Culture. Board composition.
<b>Policy and Strategy</b>	Clarity of policies, communication. Policy Planning and monitoring and managing performance.
<b>Technological</b>	Capacity to deal with (ICT) changes and innovation, product reliability, developments, systems integration etc. Current or proposed technology partners.
<b>Competition and Markets</b>	Cost and quality affecting delivery of service or ability to deliver value for money. Competition for service users. Success or failure in securing funding.
<b>Stakeholder related factors</b>	Satisfaction of LCC taxpayers, Central Government, GOEM and other stakeholders. Customer/service user demand.
<b>Environmental</b>	Environmental impact from council, stakeholder activities (e.g. pollution – air and water, energy efficiency, recycling, emissions, contaminated land etc.). Traffic problems and congestion. Impact of activity on climate and climate change.
<b>Operational (Internal influences)</b>	
<b>Finance &amp; Budgets</b>	Associated with accounting and reporting, internal financial delegation and control, e.g. schools finance, managing revenue and capital resources, neighbourhood renewal funding taxation and pensions. Liquidity and cashflow. Interest rates. Credit lines and availability. Accounting controls.
<b>Human Resources, Capability and Capacity</b>	Recruiting and retaining appropriate staff and applying and developing skills in accordance with corporate objectives, employment policies, health and safety.
<b>Supply Chain - Contracts and Partnership</b>	Supply Chain management. Contracts. Failure of contractors to deliver services or products to the agreed cost and specification. Procurement, contract and life cycle management, legacy. Partnership arrangements, roles and responsibilities.
<b>Tangible Assets and Equipment</b>	Safety and maintenance of buildings and physical assets i.e. properties; plant and equipment; ICT equipment and control. Public access.
<b>Environmental</b>	Pollution, noise, licensing, energy efficiency of day-to-day activities. Natural events, often weather related.
<b>Project, Processes and Procedures</b>	Compliance, assurance, project management, performance management, revenue and benefits systems, parking systems etc. Research and development.
<b>Professional Judgement and Activities</b>	Risks inherent in professional work, designing buildings, teaching vulnerable children, assessing needs (children and adults).
<b>Safeguarding</b>	Protection of vulnerable adults/children
<b>Corporate Governance Issues</b>	
<b>Integrity</b>	Fraud and corruption, accountability, transparency, legality of transactions and transactions and limit of authority.
<b>Leadership</b>	Reputation, authority, democratic changes, trust and branding.
<b>Information Governance &amp; Data Security/Information for decision making</b>	Data protection, data reliability and data processing. Control of data and information. E-government and service delivery. IT Systems.
<b>Risk Management and Insurance</b>	Incident reporting and investigation, risk analysis or measurement, evaluation and monitoring. Taking advantage of opportunities.

# Potential areas of risk / opportunities to consider

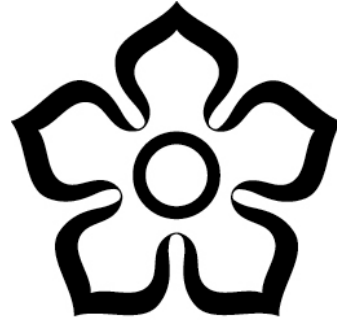




## Context –what might give rise to our strategic risks?

- Political – national context, local context, governance structures internal and partners
- Economic – national and local economy, inflation, cost of living, supply chains, workforce relations, resources
- Socio-cultural - inequality, population demographics, community resilience, public expectations, cohesion
- Technological – cyber and technological disruption, data, AI
- Legal – new legislation, reforms, post Brexit, changing responsibilities and structures
- Environmental – climate change, natural disasters, infrastructure and resilience, pollution, sustainability, assets





Leicester  
City Council

# **Business Continuity Management Policy Statement and Strategy 2023**

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# Business Continuity Management

## Policy Statement and Strategy 2023

### Business Continuity Management Policy Statement

Leicester City Council (LCC) is committed to implementing and maintaining a robust and effective Business Continuity Management (BCM) system as a key mechanism to restore and deliver continuity of critical services in the event of a disruption or emergency. Disruptive events occur unexpectedly and such events could be **external** like severe weather, utility failure, terrorist attack or pandemic flu, or an **internal** incident such as ICT failure, loss of a major supplier or loss of a key building which could affect delivery of LCC's services. These events are usually low likelihood, but high impact which need to be planned for by implementing a robust, effective and efficient Business Continuity Management (BCM) system.

The Civil Contingencies Act 2004 places a statutory duty on the council (as a Category 1 responder) to ensure that it can:

- Respond to an emergency;
- Continue to support emergency response partners and
- Continue to provide critical services to the public.

By planning now rather than waiting for incidents to occur, we can resume normal business more effectively and efficiently. This is essential for those stakeholders who rely on council services and it helps communities retain confidence in the council. Planning means firefighting is kept to a minimum in a real incident, staff are able to handle situations better, service delivery is resumed at an acceptable level, reputational damage is managed and there is reduced potential for financial loss.

In a disruptive situation, it will not be possible to run **all** council services as normal. Priority for recovery will be given to those that are the most essential (business-critical services and activities) – those that the Corporate Management Team (CMT) have defined must be back up and running within 24 hours in an agreed priority order, unless a dynamic risk assessment of the situation identifies necessary exceptions to this to reflect particular unexpected circumstances.

The expectation is that all services whether deemed critical or not, should have a Business Continuity Plan (BCP) in place which aligns to the ISO22301 Standard.

**The BCM Strategy and Policy sets the framework for our BCM approach, key elements of which include:**

- Alignment of the approach with the International Standard for Business Continuity, ISO22301.
- An Incident Response Plan which is reviewed and updated annually;
- Business critical services determined and agreed by CMT through a Business Impact Analysis exercise;
- Clear roles and responsibilities defined within both the Incident Response Plan and service business continuity plans, which staff are fully aware of;
- Managers have responsibility for ensuring an effective service level BCP is in place for invocation (in line with the corporate standard) which is reviewed annually and as and when changes take place in the service;
- Corporate training provided to staff on BCM;

- BCM will also apply to the Council's relationships and dependencies on goods, supplies and services delivered by other third parties; and
- The council will implement a programme of BCP testing exercises and learning will be reflected in plans.

The BCM Framework (Policy and Strategy) will be reviewed on an annual basis to ensure continued relevance and to assess that its aims and objectives are being met.

**Alison Greenhill**  
**Chief Operating Officer**

**Sir Peter Soulsby**  
**City Mayor**



# Business Continuity Management Strategy

## 1. DEFINITION

**Business Continuity Management (BCM) is defined as:**

*‘A holistic management process that identifies potential threats to an organisation and the impacts to business operations that those threats, if realised, might cause, and which provides a framework for building organisational resilience with the capability for an effective response that safeguards the interests of its key stakeholders, reputation, brand and value creating activities.’*

### **ISO22301 Societal security – Business continuity Management systems - Requirements**

BCM is about the council preparing for a disaster, incident or event that could affect the delivery of services. The aim being that at all times key elements of a service are maintained at an emergency level and brought back up to an acceptable level as soon as possible. Although the immediate response to a disruption is a key component, business continuity is also concerned with maintenance and recovery of business functions following such a disruption.

BCM is an ongoing process of risk assessment and management with the purpose of ensuring that the council can continue to deliver critical services if the risk materialises.

BCM is not simply about writing a plan, or even a set of plans. It is a comprehensive management process that systematically analyses the organisation, determines criticality of services, identifies threats, and builds capabilities to respond to them. It should become our ‘culture - the way we do things’.

## 2. SCOPE

BCM is a cross-functional, organisation-wide activity; consequently, the arrangements in this strategy apply to all parts of the council.

Business Continuity will also apply to outsourced contracts, services as well as suppliers, service partners and other relevant stakeholders. This is covered in more detail in section 13. The aim is to ensure that business continuity practice is implemented so that the service provider is able to deliver acceptable standards of service following a disruption to the organisation or the supplying company.

## 3. IMPORTANCE AND BENEFITS OF BCM

The Civil Contingencies Act 2004 places a statutory duty upon the council. As a Category 1 responder under the Act, Leicester City Council (LCC) has a legislative requirement to develop and maintain plans to ensure that it can continue to exercise its functions in the event of an emergency so far as is reasonably practicable. In addition, a clear procedure for invoking BCP's should be in place. Plans should also be reviewed and tested periodically to keep them up to date. Training should be provided to those staff responsible for populating, invoking and reviewing BCPs.

The benefits of having a clear, unambiguous and appropriately resourced Business Continuity Management policy and programme include:

- **Resilience** - Proactively improves resilience when faced with disruption to the council's ability to achieve its key objectives;
- **Reputation** - Helps protect and enhance the council's reputation as well as reducing the risk of financial loss;

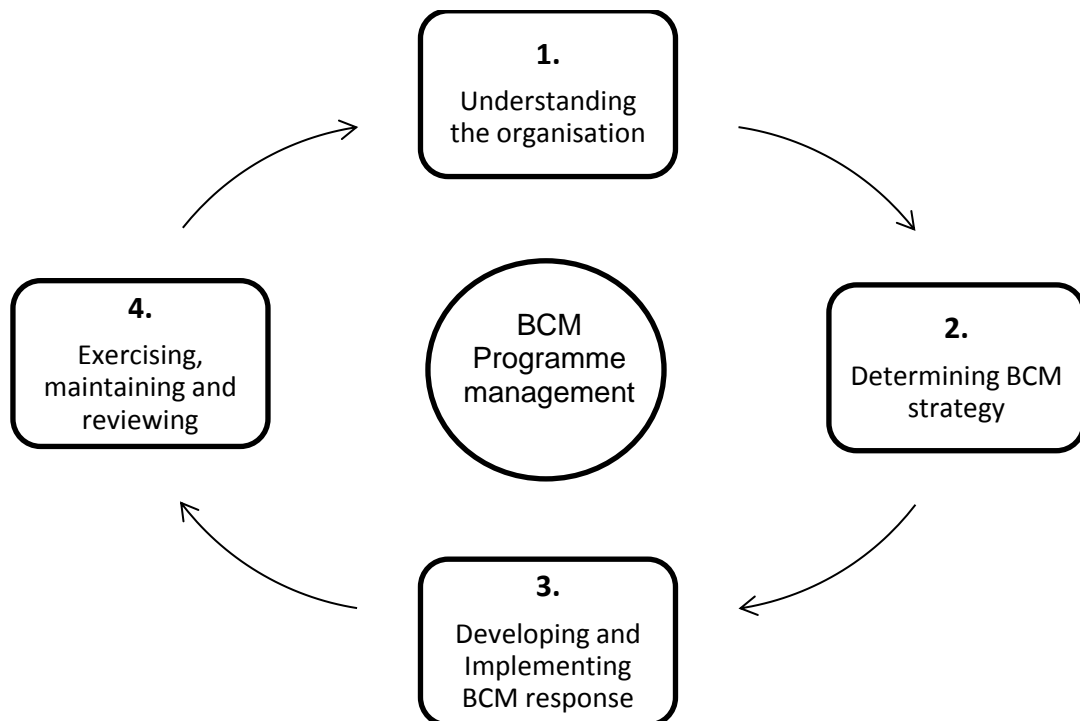
- **Compliance** - Demonstrates applicable laws and regulations are being observed;
- **Cost Savings** - Creates opportunities to reduce the potential cost of disruption and may reduce insurance premiums. Poorly managed incidents also leave the council and its officers exposed to insurance claims;
- **Delivery** - Provides a rehearsed method of restoring the council's ability to supply critical services to an agreed level and timeframe following a disruption;
- **Management** - Delivers a proven capability for managing disruptions which helps to retain confidence in the council.

BCM arrangements are effective only if specifically built for the organisation. The council's programme is aligned with the principles of ISO22301, the International Standard, and to BS11200 Crisis Management Guidance and Good Practice, a recent standard for Crisis Management which is reinforced by reference to the Business Continuity Institute's Good Practice Guidelines.

#### 4. METHODOLOGY

The ultimate aim is to embed BCM within the council's culture. Training and education is an ongoing task but awareness and capability is also a product of the structures put in place and the way we manage our programme.

##### Embedding BCM in the organisation's culture



## **Key stages in a BCM programme are:**

### **1. Understanding the organisation:**

This involves carrying out business impact analysis (BIA) and risk assessments to identify critical activities / functions, evaluate priorities and assess risks to service delivery (see below). This involves in-depth information-gathering:

- **BIA** – identify the critical processes and functions and assessing the impacts on the council if these were disrupted or lost. The BIA measures the impact of disruptions upon the organisation;
- **Risk assessment** – once critical processes and functions have been identified, a risk assessment can be conducted to identify the potential threats to these processes. Specific risks that would have a high local adverse impact are documented in service BCPs with details of contingency arrangements in place.

### **2. Determining an appropriate Business Continuity Strategy:**

This involves identification of strategies that support the timely and efficient recovery of services including making decisions based on analysis of data gathered in the above stage, setting recovery time objectives for services and determining resources required to mitigate loss, and assessment of effectiveness in maintaining the council's ability to deliver critical service functions.

#### **BCM strategies at LCC involve:**

- Implementing appropriate measures to reduce the likelihood of incidents occurring and/or reduce the potential impacts of those incidents;
- Taking account of mitigation measures in place;
- Providing continuity for critical services during/following an incident in priority order;
- Identifying key staff/teams who would be involved in a BCM response to an incident and their accessibility to critical BCPs;
- Factoring services that have not been identified as critical in planning of BC;
- Consider, determine and set communication channels for implementation in an incident.

### **3. Developing and implementing a BCM response:**

This involves implementing relevant BCM strategies in response to a disruption/interruption. For LCC this would mean triggering the Incident Response Plan (IRP) and service area BCPs to pull together the organisation's response to a disruption and enable resumption of business units according to agreed corporate priorities. The IRP and service area BCPs ensure that the following actions are considered:

- The immediate response to the incident;
- The interim solutions for maintaining an emergency level of service;
- Reinstatement of full services within realistic timescales.

### **4. Exercising, maintaining and reviewing:**

- **Testing and Exercise** – Testing ensures plans are in step with organisational changes and can be audited against defined standards. This enables the organisation to demonstrate the extent to which plans are complete, current and accurate and helps identify opportunities for improvement
- **Maintenance of BCPs** – Ensures the organisation’s BCM arrangements and plans are fit for purpose, kept up to date, quality assured and support an effective response.
- **Review and Lessons Learnt** - Assesses suitability and adequacy and effectiveness of the BCM programme and identifies opportunities for improvements. It is imperative that a debrief is held after any incident with the involvement of relevant parties, be it internal or external. Lessons learnt should be reflected by updating BCPs accordingly.

## 5. INVOKING THE INCIDENT RESPONSE PLAN

The IRP is a high-level strategic response plan which is accessible to all on-call senior officers and other relevant staff. This plan will not allow recovery of individual services but co-ordinates the overall approach and supports the recovery of affected services, alongside the use of service area BCPs. The IRP can be invoked by any member of the council’s Corporate Incident Response Team (CIRT) as defined within the plan itself.

**The IRP can be triggered by serious situations such as:**

- Serious danger to lives and/or the welfare of council staff, Members, visitors or service users;
- Major disruption of council services or interruption of any of its business-critical services (as listed in the IRP);
- Serious loss or damage to key assets;
- Serious impact on the council’s financial status or political stability; or
- Emergency situations in Leicester, or the wider Local Resilience Forum area (Leicester, Leicestershire and Rutland).

## 6. CORPORATE INCIDENT RESPONSE TEAM

The council has put in place a 3-tier incident management structure: - the Strategic (Gold) and Tactical (Silver) teams have control of the situation and are authorised to take all decisions necessary. The Strategic (Gold) Team have overall control by overseeing, directing and authorising the work of the Tactical (Silver) Team who are managing the response and monitoring the actions which the Operational (Bronze) Recovery teams implement.

The IRP sets out this process in more detail. The constitution of the following teams can change as the BCM response unfolds which are:

### **Incident Response Team:**

- Comprises predominantly of those Directors and Senior Heads of Service who have responsibility for defined Business Critical Services;
- Manages and directs the council’s response to a serious incident affecting council services or assets;
- Comprises of the Strategic (Gold) and Tactical (Silver) teams;

- **Strategic (Gold) Team** sets the response strategy, oversees the response including work-force related matters , and leads on communications (internal and external),
- **Tactical (Silver) Team** will manage the Operational (Bronze) Recovery teams and keeps the Strategic (Gold) team informed of developments.

### **Recovery Teams:**

- Comprises principally of Heads of Service and their senior managers;
- Collective responsibility for resumption of critical services within their divisions by means of their own individual BCPs;
- Will be directed by and report back to the 'Tactical' (Silver) team.

The above establishes the command, control and communication system helping to ensure the organisation has clearly documented and well understood mechanisms for responding to an incident regardless of its cause.

**Instances may occur where external stakeholders may need to be involved in responding to an incident.**

## **7. MAINTENANCE OF THE INCIDENT RESPONSE PLAN (IRP)**

It is crucial that the IRP reflects ongoing changes within the organisation. This involves revising the document and amending to reflect updates, testing the updated plan, informing and updating the on-call team / authorised personnel. REBR will facilitate the maintenance of this plan and annually will ensure that this undergoes a formal/complete review.

## **8. BUSINESS CRITICAL SERVICES BCPs**

Annually, the Business Continuity & Risk Officer / Manager, Risk Management circulate a reminder to business-critical services plan owners requesting a thorough update of the plan and the associated BIA for submission to REBR. The Business Continuity & Risk Officer facilitates this process. Although, changes should be made to BCPs as and when new staff join or leave, to reflect office moves, procedures changing or a major corporate change, a thorough review is required annually, usually by the financial year end.

Each department is responsible for keeping its contact lists up to date and issuing off-site documentation to new members of staff in their service areas BCPs. These revisions will need to then be distributed to all authorised personnel, who exchange their old plans for the newly revised plans.

## **9. LOCATING BCPS**

The IRP and business-critical service BCPs are held securely on Resilience Direct (a secure Government IT platform within which LCC have a restricted area) as well as the restricted pages on MS Teams.

BCPs should be saved electronically and onto a memory stick (ensuring that the memory stick is an encrypted one). Holding paper copies is acceptable as this mitigates the risk of total loss of ICT, however, also being cautious of such a method as the plan will contain confidential information. All staff within teams should be aware who has access to their service area BCP. This will ensure smoother and faster recovery following an incident.

## **10. ROLES AND RESPONSIBILITIES**

The table below details the roles and responsibilities of those involved in the planning and implementation of BCM and invocation of plans.

City Mayor / Executive	<ul style="list-style-type: none"> <li>• Approve the council's Business Continuity Strategy and Policy Statement annually.</li> </ul>
Audit and Risk Committee	<ul style="list-style-type: none"> <li>• Ensure that the Business Continuity Strategy is produced, approved by CMT and the Executive and updated regularly;</li> <li>• Monitor the effectiveness of Business Continuity Management (BCM) arrangements via reports from the Manager, Risk Management</li> <li>• Note the BC Policy &amp; Strategy</li> </ul>
Chief Operating Officer / BCM Champion	<ul style="list-style-type: none"> <li>• During an incident, lead the council's 'Strategic' (Gold) Incident response.</li> </ul>
Strategic and Divisional Directors	<ul style="list-style-type: none"> <li>• Ensure the BCM policy, strategy and development plan is implemented and resourced appropriately across service areas;</li> <li>• Participate as required in management teams within the Incident Response Plan;</li> <li>• Ensure appropriate staff sit on the 'Strategic' (Gold) and 'Tactical' (Silver) and Operational (Bronze) Recovery teams within the Incident Response Plan;</li> <li>• Ensure each of their Service Areas has an effective and current BCP in place which is reviewed each year;</li> <li>• Annually self-certify that effective plans exist for all their services, that these plans remain current and 'fit for purpose'; and that any testing of those plans has been carried out (with the assistance and support of Risk, Emergency &amp; Business Resilience (REBR), if required);</li> <li>• Identify staff for training and keep themselves updated on BCM practice;</li> <li>• Embed BCM culture into the ethos of operational management</li> </ul>
Corporate Management Team	<ul style="list-style-type: none"> <li>• Approve the BC Strategy and Policy annually and ensure implementation</li> </ul>
Manager, Risk Management / Business Continuity & Risk Officer	<ul style="list-style-type: none"> <li>• Produce the Business Continuity Policy and Strategy and ensure it is reviewed annually;</li> <li>• Co-ordinate the BCM programme;</li> <li>• During an incident, co-ordinate the council's BCM incident response(s), supporting the COO as 'Strategic' lead;</li> <li>• Following an incident, facilitate the 'lessons learned' session(s);</li> <li>• Produce the Corporate BCM framework;</li> <li>• Make available best practice tools (e.g. templates);</li> <li>• Identify training needs and arrange delivery;</li> <li>• Support and advise service areas and LA maintained schools;</li> <li>• Facilitate the self-cert process;</li> <li>• Facilitate testing and exercising of the council's BCPs when requested by Directors/their teams;</li> <li>• Quality control – review BCM arrangements for services;</li> <li>• Promote BCM in the community.</li> </ul>
All Heads of Service / Managers	<ul style="list-style-type: none"> <li>• Lead Business Continuity arrangements within their area;</li> <li>• Attend training commensurate with their role;</li> <li>• Identify staff from their teams that have a role to play in any recovery for suitable training;</li> <li>• Prepare a recovery plan covering all service delivery functions (priority for critical functions), update at least annually; and,</li> <li>• Implement the agreed arrangements in the event of a disruption.</li> </ul>
All Staff	<ul style="list-style-type: none"> <li>• Familiarisation with business continuity arrangements within their area;</li> <li>• Attend training commensurate with their role;</li> <li>• Engage with testing and exercising;</li> <li>• Respond positively during a crisis.</li> </ul>

## **11. BUSINESS CONTINUITY SELF CERTIFICATION**

Annually, all Directors will self-certify that BCPs are in place for all their services and the associated BIA is updated. LCC's BC and Risk Manager will facilitate the process and report to CMT.

## **12. MANAGING BC INCIDENTS AND INCIDENT MANAGEMENT SYSTEM**

REBR support and advise service areas during a business continuity incident to help manage a response to an incident. Once an incident has concluded, REBR can assist with conducting a debrief and draw out any lessons learnt, involving relevant parties and gather feedback for distribution, and where necessary, services amend BCPs appropriately to reflect any changes.

On-call officers are regularly briefed by REBR on how to deal with internal and external incidents and LCC's response. In addition, they are also briefed on guidance, plans and processes available to them to aid in the response to an incident.

REBR have access to an Incident Management System (IMS) to log incidents. This cloud web-based system is accessible anywhere as long as there is internet access and all entries on logs are timed, dated and include the name of the person completing the log. All key LCC responders are / will be given access to log entries during an incident. This is to be used for all major and minor incidents and may help when conducting the debrief.

## **13. BUSINESS CONTINUITY AND PROCUREMENT**

Contracts for goods and / or services deemed critical to business continuity should include a requirement for each nominated supplier to give an assurance and evidence that robust BCP arrangements are in place covering the goods and/or services provided. When procuring for goods and/or services, the need for business continuity requirements in the specification and/or evaluation criteria must be considered.

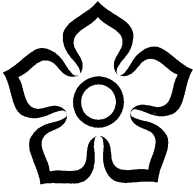
## **14. BCM IN THE COMMUNITY**

The council will participate in appropriate practitioner groups and work with partner agencies to promote BCM in the community including schools and will advise and assist local organisations with their BCM arrangements. Both the Business Continuity and Risk Officer and Manager, Risk Management regularly attend School Business Manager meetings to promote BCM and offer services such as reviewing of school BCPs as well as facilitating desktop exercises to test their plans.

## **15. MULTI-AGENCY BUSINESS CONTINUITY GROUP**

The Manager, Risk Management will continue to chair this group which involves partner agencies such as emergency services, utilities, voluntary organisations. These meetings highlight how partner agencies respond to an incident and its business continuity implications, and support the sharing of ideas and good practice.





Leicester  
City Council

WARDS AFFECTED: ALL

Audit and Risk Committee

15th March 2023

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**Regulation of Investigatory Powers Act 2000  
Bi-Annual Performance Report July 2022 - Dec 2022**

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## **Report of the City Barrister and Head of Standards**

### **1. Purpose of the Report**

The report advises on the performance of the Council in authorising Regulatory Investigation Powers Act (RIPA) applications from 1<sup>st</sup> July 2022 to 31<sup>st</sup> December 2022.

### **2. Summary**

2.1 The Council applied for 0 Directed Surveillance Authorisation and 0 Communications Data Authorisations in the period above. Three new Authorising Officers were trained.

### **3. Recommendations**

The Committee is recommended to:

3.1 Receive the Report and note its contents.

3.2 Make any recommendations or comments it sees fit either to the Executive or to the City Barrister and Head of Standards.

### **4 Report**

4.1 The Council has applied for 0 Directed Surveillance Authorisation and 0 Communications Data Authorisations in the second half of 2022.

4.2 The RIPA Monitoring Officer carried out in-house training for 3 new Authorising Officers; Amy Oliver, Sean Atterbury and Miranda Cannon. The Council now has 5 trained Authorising Officers.

### **5. Financial, Legal Implications**

5.1 Financial Implications

There are no direct financial implications in this report. However, any failure to meet the requirements detailed in the report can come at significant cost the Council.

## 5.2 Legal Implications

There are no legal implications arising directly from this report, although the Council could incur legal costs should procedures not be correctly followed.

## 6. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References Within Supporting Information
Equal Opportunities	No	
Policy	No	
Sustainable and Environmental	No	
Climate Change	No	
Crime and Disorder	No	
Human Rights Act	Yes	HRA Article 8 must be considered for all applications
Elderly/People on Low Income	No	
Risk Management	No	

## 7. Report Author / Officer to contact:

Lynn Wyeth, Head of Information Governance & Risk, Legal Services  
 - Ext 37 1300

23<sup>rd</sup> February 2023



**Leicester City Council Audit & Risk Committee**  
**15<sup>th</sup> March 2023**

**Report of Leicestershire County Council's**  
**Head of Internal Audit & Assurance Service**

**Internal Audit Update**

**Purpose of Report**

1. The purpose of this report is to provide:
  - a. Summary of progress against the 2021-22 & 2022-23 Internal Audit Plans including:
    - i. summary information on progress with implementing high importance recommendations.
    - ii. summary of progress against the Internal Audit Plans
    - iii. commentary on the progress and resources used
  - b. Progress with developing the Internal Audit Plan for 2023-24
  - c. Planning for an external assessment of Leicestershire County Council's Internal Audit Service

**Recommendation**

2. That the contents of the report be noted.

**Background**

3. The Council's internal audit function was delegated to Leicestershire County Council in 2017.
4. Within its Terms of Reference the Audit & Risk Committee (the Committee) has a duty to receive regular reports on progress against the internal audit plan, containing activity undertaken, summaries of key findings, issues of concern and action in hand.
5. Most planned audits undertaken are 'assurance' type, which requires undertaking an objective examination of evidence to reach an independent opinion on whether risk is being mitigated. For these audits an assurance level is given as to whether material risks are being managed. There are four levels: full; substantial; partial; and little.

6. 'Partial' ratings are normally given when the auditor has reported to management at least one high importance (HI) recommendation. A HI recommendation denotes that there is either an absence of control or evidence that a designated control is not being operated and as such the system is open to material risk exposure. It is particularly important therefore that management quickly addresses those recommendations denoted as HI and implements an agreed action plan without delay. HI's are reported to this Committee and a follow up audit occurs to confirm action has been implemented. Occasionally, the auditor might report several recommendations that individually are not graded high importance but collectively would require a targeted follow up to ensure improvements have been made.
7. Other planned audits are 'consulting' type, which are primarily advisory and guidance to management. These add value, for example, by commenting on the effectiveness of controls designed before implementing a new system.
8. Grants and other returns are audited, but because these are specific or focused reviews of certain aspects of a process in these cases it is not appropriate to give an assurance level. When they are completed, 'certified' is recorded.
9. Follow up audits relating to testing whether recommendations have been implemented from previous years' audits are undertaken. With this type, assurance levels aren't given because not all of the system is being tested. However, the Head of Internal Audit Service (HoIAS) forms a view on whether the situation has improved since the original audit and that is listed.

### **Progress with implementing high importance recommendations**

10. The Committee is tasked with monitoring the implementation of high importance (HI) recommendations which primarily lead to low assurance levels. **Appendix 1** provides a short summary of the issues and the associated recommendations. The relevant manager's agreement (or otherwise) to implementing the recommendation(s) and the implementation timescale is also shown. Recommendations that have not been reported to the Committee before or where some update has occurred to a previously reported recommendation are shown in **bold font**. Entries remain on the list until the HoIAS has confirmed (by gaining sufficient evidence or even specific re-testing by an auditor) that action has been implemented.
11. At the end of the year, as part of the process of determining his annual opinion, the HoIAS takes account of how management has responded to implementing high importance recommendations. Responses are generally positive and there is recognition that some recommendations do require more time to fully implement.

To summarise movements within Appendix 1 as at 15<sup>th</sup> February 2023.

- a. New
  - i. Construction Projects (CDM Compliance)
  - ii. Inglehurst Infant School
  - iii. Folville Junior School
  - iv. St John the Baptist Primary School
  - v. Bed & Breakfast Emergency Placement
  - vi. Emergency Repairs
  
- b. Ongoing/extended (date initially reported & number of extensions granted)
  - i. GDPR #2 (June 2020 – 7)
  - ii. Key ICT Controls 2020-21 (December 2022 - 1)
  - iii. Direct Payments (November 2022 - 1)
  
- c. Closed
  - i. Folville Junior School (March 2023)
  - ii. Rolleston Primary School (November 2022)

**Summary of progress at 31<sup>st</sup> January 2023**

12. **Appendix 2** reports on the position at 31<sup>st</sup> January 2023. The most recent status is shown in **bold font**. The summary position (with comparison to the previous position at 30<sup>th</sup> September 2022) is:

	<b>Prior year @30/09/22</b>	<b>Prior year @31/01/23</b>	<b>2022/23 @30/09/22</b>	<b>2022/23 @30/01/23</b>
<b>Outcomes</b>				
High(er) Assurance levels	6	<b>6</b>	1	<b>12</b>
Low(er) Assurance levels	2	<b>3</b>	1	<b>6</b>
Advisory	0	<b>1</b>	0	<b>1</b>
Grants/other certifications	0	<b>0</b>	18	<b>21</b>
HI follow ups – completed	6	<b>6</b>	0	<b>2</b>
<b>Audits finalised</b>	14	<b>16</b>	20	<b>42</b>
Audits in progress	5	<b>2</b>	46	<b>35</b>
HI follow ups – in progress	3	<b>4</b>	0	<b>4</b>
Not yet started	0	<b>0</b>	21 <sup>1</sup>	<b>3</b>
Postponed/Replaced /Cancelled	0	<b>0</b>	1	<b>17</b>

<sup>1</sup> A number of audits included in this figure has a block allocation, which means multiple audits are included in that block e.g. Contract Audit, Major Financial Systems Audit

### **Summary of resources used in 2022-23 (as at 31<sup>st</sup> January 2023)**

13. To close off prior year audits, progress 2022-23 audits (reported in Appendix 2), and provide additional work relating to requirements such as planning, reporting to Committees etc, at 31<sup>st</sup> January 2023; Leicester City Council had received 697 days of internal audit input and progress is on target to achieve the 800 days agreed in the delegation agreement (see below table).

	<b>@31/01/2023</b>	<b>@ 31/01/2023</b>
<b>By type</b>	<b>Days</b>	<b>%</b>
Relating to prior years audits (*)	93	13%
Relating to audits started 2022-23	532	77%
<b>Sub-total audits</b>	<b>625</b>	<b>90%</b>
Client management	72	10%
<b>Total</b>	<b>697</b>	<b>100%</b>
<b>By position</b>		
HolIAS	23	3%
Audit Manager	104	15%
Audit Senior (incl. ICT)	281	40%
Auditor	289	42%
<b>Total</b>	<b>697</b>	<b>100%</b>

(\*) These days were utilised either concluding previous years audits or following up on the progress made with implementing audit recommendations where low assurance levels had been reported.

### **Commentary on progress and resources used**

14. The HolIAS provides regular progress updates to the Director and Deputy Director of Finance. This becomes very important as the year end approaches to ensure there has been a sufficient and wide scope of audit coverage in order for the HolIAS to reach his opinion on the control environment. The current position as at 31/1/2023 shows 37 audits (including prior year) that are 'work in progress', since then 5 more audits have been finalised and a further 13 that are at draft report (issued or awaiting to be issued stage); another 8 audits are progressing well and likely to be at draft stage by the year end, providing there are no delays experienced. Delays in obtaining information and client responses, has caused a number of audits to be delayed and in some cases postponed during the course of the year. Having a stable staff group this year has been beneficial to progressing against planned work and the HolIAS is confident of meeting the days required and breadth of scope to enable an opinion to be reached. This has been shared with the External Auditor.

## **Progress with developing the Internal Audit Plan for 2023-24**

15. By the time of this Committee meeting, the HoIAS and Audit Manager will have met with all Directors and their management teams to discuss their services' current and emerging risks and where they might benefit from receiving independent and objective assurance that those risks are being adequately managed. As with previous years this exercise has resulted in excellent engagement and a wide scope of audits is envisaged. Further detail on the process undertaken and the plan itself will be provided to the July Committee.

## **Planning for an external assessment of Leicestershire County Council's Internal Audit Service**

16. Internal audit in the public sector is governed by the Public Sector Internal Audit Standards (PSIAS) which were updated in 2017. Conformance to the standards is mandatory for all principal local authorities. The PSIAS aim to promote continuous improvement in the professionalism, quality and effectiveness of the internal audit function. A key element of this is that as part of the internal audit quality management programme, each Internal Audit function should be subjected to an external quality assessment (EQA) of its overall conformance with the standards once every five years by a qualified, independent assessor or assessment team from outside the organisation.
17. The previous EQA of Leicestershire Council's Internal Audit Service (LCCIAS) was undertaken in March 2018 by Veritau Limited, a large local authority shared internal audit service trading company. Veritau carried out an independent validation of the HoIAS' self-assessment and reached an overall conclusion that LCCIAS generally conformed (the top rating) to the PSIAS. The outcome was reported to the Audit & Risk Committee at its meeting on 13 June 2018.
18. Veritau does not have capacity to undertake a follow up EQA within the time requirements. The HoIAS will therefore research the market. There is a probability that the Chair of this Committee and the Director of Finance may be interviewed.
19. The HoIAS hopes to be able to present the outcome of the follow up EQA to the July meeting of the Committee.

## **Financial Implications:**

20. None

## **Legal Implications:**

21. None.

## **Equal Opportunities Implications**

22. There are no discernible equal opportunities implications resulting from the audits listed.

**Climate Emergency Implications:**

23. None

**Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?**

24.No.

**Is this a “key decision”? If so, why?**

25. No.

**Background Papers**

The Constitution of Leicester City Council  
Accounts and Audit Regulations (Amendment) 2015  
The Public Sector Internal Audit Standards (revised from April 2017)  
The Internal Audit Plans 2021-22 and 2022-23  
Report to Audit & Risk Committee 13 June 2018 - Internal Audit Service – Peer Review Outcome

**Officer to Contact**

Neil Jones, Head of Internal Audit & Assurance Service  
Leicestershire County Council  
Tel: 0116 305 7629  
Email: [neil.jones@leics.gov.uk](mailto:neil.jones@leics.gov.uk)

**Appendices**

Appendix 1	High Importance Recommendations as at 15 <sup>th</sup> February 2023.
Appendix 2	Summary of Internal Audit Service work undertaken between 1 <sup>st</sup> April 2022 – 31 <sup>st</sup> January 2023.



**High Importance Recommendations – Position at 15<sup>th</sup> February 2023**

<b><u>Audit Title (Owner)</u></b>	<b><u>Summary of Finding(s) and Recommendation(s)</u></b>	<b><u>Management Response</u></b>	<b><u>Action Date (by end of)</u></b>	<b><u>Confirmed Implemented</u></b>
Reported March 2023				
<b>Construction Projects (CDM Compliance)</b>  <b>Estates &amp; Building Services Director, City Development and Neighbourhoods</b>	<p><b>Finding: Some arrangements exist for the review of project compliance with CDM requirements; however, there isn't a central team/resource in place to provide overall, independent oversight in accordance with a formal strategy and central listing of all capital projects.</b></p> <p><b>Recommendation: An appropriate and experienced officer should review the existing arrangements for CDM compliance and ensure that clear, aligned approach for the on-going assessment of CDM compliance across the Council is documented in a CDM compliance strategy. This strategy should be referenced to a suite of supporting procedures as well as a central database that identifies all capital projects, identifying compliance requirements and details of evidenced assessment. Once approved, it should be ensured that the CDM compliance strategy is appropriately communicated.</b></p>	<p><b>The Corporate Health &amp; Safety Manager will be leading a review of governance arrangements for CDM compliance. Senior management oversight of the revised governance structure will be provided by the Strategic Director of City Development and Neighbourhoods. A CDM Compliance Strategy will be prepared and presented to the City Development and Neighbourhoods Management Team for approval, to support improved governance arrangements that will be introduced by the target date (30<sup>th</sup> June 2023).</b></p>	<p><b>Jun 2023</b></p>	

<p><b>Inglehurst Infant School</b> (Headteacher)</p>	<p><b>One high importance recommendation was made in the report relating to the schools' budget deficit position.</b></p> <p><b>Finding: The 2022/23 budget forecast plan showed that the school was predicting an in-year deficit of £132,847 and an overall carry forward deficit of £49k; 2023/24- £137,635 (deficit) and followed by 2024/25 - £245,032 (deficit).</b></p> <p><b>Recommendation:</b> <b>The Governing Body should work closely with the school and the Local Authority to ensure that the deficit budget plan (when in place) is followed to ensure that the school's finances are strictly in line with agreed plan</b></p>	<p><b>The January 2023 Outturn predicts an in-year deficit of £84,300 with an end year balance of -£67,961. The capital balance is £56,149.</b></p> <p><b>The decision on which academy the school will be joining will be made on 22<sup>nd</sup> February 2023, the school have not been given timescales after this date yet.</b></p> <p><b>The budget deficit plan has been agreed by the Headteacher and Chair of Governors, the next Finance Committee meeting date is set at 7<sup>th</sup> March 2023 where the budget deficit plan will be discussed as a regular agenda item (agenda provided as confirmation).</b></p>	<p>January 2023</p> <p><b>Extend to April 2023</b></p>	
<p><b>Folville Junior School</b> (Headteacher)</p>	<p><b>One high importance recommendation was made.</b></p> <p><b>Finding: Ledger reports identified a NatWest Investment Account with a balance of £20,000 but it was inconclusive during the audit if the account still existed or had been transferred onto the main school account.</b></p> <p><b>Recommendation: Investigate with NWB and inform Governors of the outcome.</b></p>	<p><b>Further enquiries have been made by the Business Manager relating to the £20k; explanations have been provided to the Headteacher, Chair of Governors and Chair of Finance during a meeting on the 23<sup>rd</sup> January 2023. It was agreed that this was an accounting transaction for the school and LA system purpose. Steps have been taken to remove this accounting entry to avoid any further confusion.</b></p>	<p>January 2023</p>	<p><b>Yes</b></p>

<p><b>St John the Baptist Primary School (Headteacher)</b></p>	<p>The report included a number of recommendations of which five were high importance recommendations.</p> <ol style="list-style-type: none"> <li>1. The school's Standards for Financial Administration Policy should be updated and ratified by the Governing Body.</li> <li>2. Outturn statements and budget revisions should be presented and approved by the Governing Body prior to them being submitted to the Local Authority.</li> <li>3. The School Improvement Plan and Annual Budgets should be formally presented to the Governing Body, discussion and approvals of this should be clearly minuted.</li> <li>4. Payroll tabulation reports should be reconciled each month against the school's staffing and pay documentation; previous period reconciliations should be brought up to date.</li> <li>5. Audit testing identified discrepancies on payroll tabs - recommendation made to ensure staff members' personnel records on SIMS.net are kept up to date with any changes to staff contracts including changes in the pay scales</li> </ol>	<p>Good progress is being made in implementing the recommendations; the Business Manager is undertaking some further work to ensure all the recommendations are fully implemented.</p> <p>Internal Audit will continue follow-up and report on progress made.</p>	<p>January 2023 Extend to April 2023</p>	
<p><b>Bed &amp; Breakfast Emergency Placement (Head of Service - Housing )</b></p>	<p>One high importance recommendation was made.</p> <p>Findings: Audit testing identified a number of service charges for booking hotels and breakfast charges, which were considered to be incorrectly charged as per the contract.</p> <p>Recommendation: Advice should be sought from Legal Services to establish exactly what charges the Council should be legitimately paying as per the contract.</p>	<p>Legal Services has been contacted and they are looking into the contract..</p> <p>Internal Audit will be notified of the outcome as soon as they hear from Legal Services. Therefore, the recommendation made is currently work in progress.</p>	<p>Dec 2022 Extend to Mar 23</p>	

	<p><b>Following this advice, any charges that are considered to be overcharges should be promptly recovered</b></p>			
<p><b>Emergency Repairs (Head of Service - Housing )</b></p>	<p><b>One High Importance Recommendation was made.</b></p> <p><b>Finding : Reviews of emergency repair jobs do not regularly take place to confirm that issues have been appropriately evaluated as emergencies and that emergency repair work has been appropriately completed and recorded.</b></p> <p><b>Recommendation : A programme of evidenced, sample-based reviews of emergency repair activity will be introduced. The information required to support the programme of sample-based reviews will be agreed as readily available with the third party responsible for out-of-hours call handling services. Where issues are identified through the review process, appropriate action will be taken (e.g. the provision of additional training and guidance; the correction of recorded data).</b></p>	<p><b>Activity is taking place to help ensure that the action will be completed, as anticipated, by the target date of 31<sup>st</sup> March 2023.</b></p> <p><b>An improvement action plan is being developed from the audit report, and tasks are now being planned in to deliver on the improvements identified. A Repairs Manager has been allocated operational and contract 'lead' within the Housing Division and a contract meeting with Pinnacle is being set up in February to implement and embed many of the best practice improvements identified in the audit report.</b></p>	<p>Mar 2023</p>	
<p>Reported November 2022</p>				
<p><b>Direct Payments (Head of Locality East and SRCT)</b></p>	<p>The audit highlighted weakness in the annual review process. One high importance recommendation was made:</p> <p>Annual reviews of the support plans should be undertaken to establish whether the needs of the person on Direct Payments had changed and the Direct Payments remained appropriate.</p>	<p><b>Two Care Management Officers have been recruited, one is in post and the other undergoing training. Work is underway to clear the overdue reviews and some progress has been made on cases that are overdue by 12-15months; however ASC still remains under pressure and constantly re-prioritising its work.</b></p>	<p>Jan 2023</p> <p><b>Extend to Jun 23</b></p>	

		<b>Progress of annual review process will continue to be monitored by Internal Audit.</b>		
Rolleston Primary School (Headteacher)	<p>A number of weaknesses were identified in the school financial audit, which included high importance recommendations relating to the governance arrangements:</p> <ol style="list-style-type: none"> <li>1. Resources committee minutes and supporting documents should be circulated to governors prior to the meeting</li> <li>2. Approval of key policy documents and prior minutes should be clearly documented.</li> <li>3. Governors should be encouraged to raise matters at meetings to demonstrate their 'critical role' and minutes should be sufficiently detailed to reflect this challenge.</li> <li>4. Governors' meeting minutes should clearly document the approval of the deficit budget plan and the deficit position should be monitored against the budget plan to ensure this remains on track.</li> </ol>	<b>Internal Audit follow-up work has confirmed that the school has made good progress and all the High Importance recommendations have now been fully implemented.</b>	<b>Jan 2023</b>	<b>Yes</b>
Reported Sept 2022				
Key ICT Controls (2020-21) (Head of IT Operations)	<p>The audit identified a number of weaknesses, three high importance recommendations were made in the report:</p> <ol style="list-style-type: none"> <li>1. Adequate Disaster Recovery (DR) governance arrangements should be established.</li> <li>2. A High-level Disaster Recovery Test Strategy should be developed with lower-level</li> </ol>	A draft DR Test Strategy has been produced and is currently being reviewed internally with Networks and Server Team Leads. Once the review is completed a final version will be presented at the next Architecture Board for sign-off and	<p>Dec 2022</p> <p><b>Extend to April 2023</b></p>	

	<p>assessments being undertaken for individual DR tests as they are planned.</p> <p>3. Resiliency testing of the network and key applications should be planned and undertaken as soon as possible</p>	testing can be planned. These Recs should be completed by the next A&RC.		
GDPR (Data Protection Officer – DPO)	<p>Within the earlier audit (Nov 18) it was confirmed that although Information Asset Registers (IAR) had been completed by relevant sections, gaps had yet to be identified – this could potentially lead to Data/Information breaches as gaps in compliance are not identified.</p> <p>Two High Importance recommendations were made, one of which was cleared at the last Committee update. The remaining HI is as follows:</p> <p>Meetings with Information Asset Owners should be undertaken as a matter of urgency to identify possible gaps in meeting Data Protection Act requirements. These gaps should then form sectional action plans which the relevant section should be monitored against.</p>	<p>The Government have not yet re-presented the new Data Protection Bill so it is still not clear whether a Record of Processing Activities (ROPA) will need to be maintained. Progress of this Bill is being monitored by management, as it's possible that the recommendation may become superseded.</p> <p><b>No further updates, as the bill is expected to be presented in June 2023.</b></p>	<p>Jan 21 June 21 Sept 21 Dec 21 Jan 22 Apr 22 Nov 22</p> <p><b>Extend to July 23</b></p>	<p>1. Yes 2. <b>No</b></p>

**Appendix 2 : Summary of Internal Audit work as at 31st January 2023**

**Appendix 2: Leicester City Council 2022-23 Audit Plan (includes prior year audits b/fwd) - Finalised as at 31.01.2023**

<b>Audit Plan Yr</b>	<b>Plan State</b>	<b>Client Title</b>	<b>Audit Plan Area Names</b>	<b>Audit Title</b>	<b>Assurance Level</b>
2020-21	Planned	Leicester City Council	IT & Information Assurances	IT Audits - Key ICT controls	Partial Assurance
2020-21	Planned	Leicester City Council	Contract & Procurement	Contract Audit - Housing	Substantial Assurance
2021-22	Planned	Leicester City Council	Significant Financial Systems	Major Financial Systems(MFS) Audit - Council Tax/NNDR	Substantial Assurance
2021-22	Planned	Leicester City Council	Systems & Governance	Tax Digital	Substantial Assurance
2021-22	Planned	Leicester City Council	Systems & Governance	Residential Financial Assessment	Substantial Assurance
2021-22	Added to Plan	Leicester City Council	Governance	Procurement: Publishing Obligations Under the Local Government Transparency Code 2015	Substantial Assurance
2021-22	Planned	Leicester City Council	Governance	Schools' Governance - Minibuses	Substantial Assurance
2021-22	Planned	Leicester City Council	Systems & Governance	Direct Payments	Partial Assurance
<b>2021-22</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Systems</b>	<b>B&amp;B Emergency Planning (Phase 2)</b>	<b>Partial Assurance</b>
<b>2021-22</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>IT &amp; Information Assurances</b>	<b>Tracking database</b>	<b>Complete</b>
2022-23	Planned	Leicester City Council	Governance & Internal Controls	Parks Primary School	Substantial Assurance
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Internal Control</b>	<b>Shenton Primary School</b>	<b>Substantial Assurance</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Internal Control</b>	<b>Aylestone Leisure Centre</b>	<b>Substantial Assurance</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Internal Control</b>	<b>Leicester Leys Sports Centre</b>	<b>Substantial Assurance</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Internal Control</b>	<b>School Audits - Taylor Road Primary</b>	<b>Substantial Assurance</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Contract &amp; Governance</b>	<b>PH Contract Monitoring</b>	<b>Substantial Assurance</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Governance</b>	<b>Ward Funding</b>	<b>Substantial Assurance</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Systems</b>	<b>Section 106 Agreements</b>	<b>Substantial Assurance</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Governance</b>	<b>Social Care Reforms (including integration with Health)</b>	<b>Substantial Assurance</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Systems &amp; Governance</b>	<b>House Acquisitions</b>	<b>Substantial Assurance</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Governance</b>	<b>Contract Audit - Supply chain management</b>	<b>Substantial Assurance</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Internal Control</b>	<b>Taxi Contract - Payment to Providers</b>	<b>Substantial Assurance</b>
2022-23	Planned	Leicester City Council	Schools	Rolleston Primary School	Partial Assurance
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Schools</b>	<b>Folville Junior School</b>	<b>Partial Assurance</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Schools</b>	<b>St John the Baptist Primary School</b>	<b>Partial Assurance</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Schools</b>	<b>School Audits - Inglehurst Primary School</b>	<b>Partial Assurance</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Internal Controls</b>	<b>Emergency Repairs</b>	<b>Partial Assurance</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Systems &amp; Governance</b>	<b>Construction (Design &amp; Management) Regulation</b>	<b>Partial Assurance</b>
2022-23	Planned	Leicester City Council	Internal Controls	LLEP - BEIS Growth Hub - Core	Certified
2022-23	Planned	Leicester City Council	Internal Controls	LLEP - BEIS Growth Hub - Peer Networking	Certified
2022-23	Planned	Leicester City Council	Internal Controls	Protect & Vaccinate Grant	Certified
2022-23	Planned	Leicester City Council	Internal Controls	Supporting Families - 1st claim (June 22)	Certified
2022-23	Planned	Leicester City Council	Internal Controls	Prevention & Promotion for Better Mental Health	Certified
2022-23	Planned	Leicester City Council	Internal Controls	Contain Outbreak Management Fund - 2020-21	Certified
2022-23	Planned	Leicester City Council	Internal Controls	Contain Outbreak Management Fund - 2021-22	Certified
2022-23	Planned	Leicester City Council	Internal Controls	Adriatic Land 7 Limited Service Charges	Certified
2022-23	Planned	Leicester City Council	Internal Controls	Green Homes Grant - Phase 1b	Certified
2022-23	Added to Plan	Leicester City Council	Internal Controls	Test & Trace Support Grant	Certified
2022-23	Added to Plan	Leicester City Council	Internal Controls	City Universal Grant	Certified
2022-23	Planned	Leicester City Council	Internal Controls	BEIS Public Sector Decarbonisation Scheme	Certified
2022-23	Planned	Leicester City Council	Internal Controls	Adult Weight Management Grant	Certified

**Appendix 2: Leicester City Council 2022-23 Audit Plan (includes prior year audits b/fwd) - Finalised as at 31.01.2023**

<b>Audit Plan Yr</b>	<b>Plan State</b>	<b>Client Title</b>	<b>Audit Plan Area Names</b>	<b>Audit Title</b>	<b>Assurance Level</b>
2022-23	Planned	Leicester City Council	Internal Controls	Local Transport Capital Block Funding	Certified
2022-23	Planned	Leicester City Council	Internal Controls	National Productivity and Investment Fund	Certified
2022-23	Planned	Leicester City Council	Internal Controls	Supporting Families - 2nd claim (Sept 22)	Certified
2022-23	Planned	Leicester City Council	Internal Control	Bus Services Operators Grant (BSOG)	Certified
2022-23	Planned	Leicester City Council	Internal Control	Leaseholder Accounts	Certified
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Internal Control</b>	<b>Supporting Families - claims 3</b>	<b>Certified</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Internal Control</b>	<b>Green Homes Grant - Phase 2</b>	<b>Certified</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Internal Control</b>	<b>Disabled Facilities Capital Grant</b>	<b>Certified</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Internal Control</b>	<b>Bus Lane Penalty Enforcements (BLPE)</b>	<b>Complete</b>

**Leicester City Council : 2022-23 Audit Plan (includes prior year audits b/fwd) - Status as at 31.01.2023**

<b>Audit Plan Yr</b>	<b>Plan State</b>	<b>Client Title</b>	<b>Audit Plan Area Names</b>	<b>Audit Title</b>	<b>Current Milestone</b>
2021-22	Planned	Leicester City Council	Schools	Schools' Governance - Safeguarding	Work in Progress
<b>2021-22</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Schools</b>	<b>Schools' Governance - Headteachers' Pay</b>	<b>Revised Draft Issued</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Risk Management</b>	<b>Counter fraud</b>	<b>Revised Draft issued</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Internal Control</b>	<b>Critical Incidence</b>	<b>Draft Issued</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Internal Control</b>	<b>Major Financial Systems(MFS) : Payroll</b>	<b>Draft Issued</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Internal Control</b>	<b>Non Residential Financial Assessment</b>	<b>Draft awaiting to be issued</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Governance</b>	<b>Contract Audits : Waivers and Exemptions</b>	<b>Draft awaiting to be issued</b>
2022-23	Planned	Leicester City Council	Internal Control	Major Financial Systems(MFS) : Council Tax Rebates	Draft awaiting to be issued
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Internal Control</b>	<b>Bus Recovery Grant</b>	<b>Certificate awaiting to be issued</b>
2022-23	Planned	Leicester City Council	IT & Information Assurances	IT Audit: Unit 4 - Phase 2	Work in Progress
2022-23	Planned	Leicester City Council	Governance		
2022-23	Planned	Leicester City Council	Internal Control	Domiciliary Care	Work in Progress
2022-23	Planned	Leicester City Council	Governance	Contract Audits : Consultancy Contract	Work in Progress
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Internal Control</b>	<b>SEND Funding</b>	<b>Work in progress</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Governance</b>	<b>Contract Audits : Evaluation Process</b>	<b>Work in progress</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Internal Control</b>	<b>Major Financial Systems(MFS) : Supplier bank account amendments (fraud risk)</b>	<b>Work in Progress</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Internal Control</b>	<b>Major Financial Systems(MFS) : Bank and key control account reconciliations</b>	<b>Work in Progress</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Internal Control</b>	<b>Major Financial Systems(MFS) : Faster Payments</b>	<b>Work in Progress</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Systems &amp; Governance</b>	<b>Childrens Placements</b>	<b>Work in Progress</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>IT &amp; Information Assurances</b>	<b>IT Audit: Cyber security</b>	<b>Working in Progress</b>
2022-23	Planned	Leicester City Council	Governance		
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Governance</b>	<b>CCTV</b>	<b>Work in Progress</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Governance</b>	<b>Emergency Planning</b>	<b>Work in Progress</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Risk Management</b>	<b>Business Continuity</b>	<b>Work In Progress</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Internal Control</b>	<b>Taxi Contract - Contract Management</b>	<b>Work in Progress</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Governance</b>	<b>Health &amp; Safety phase 2</b>	<b>Work in Progress</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Risk Management</b>	<b>Information Governance</b>	<b>Work in Progress</b>
<b>2022-23</b>	<b>Planned</b>	<b>Leicester City Council</b>	<b>Governance</b>	<b>Haymarket</b>	<b>Work in Progress</b>

**Leicester City Council : 2022-23 Audit Plan (includes prior year audits b/fwd) - Status as at 31.01.2023**



Audit Plan Yr	Plan State	Client Title	Audit Plan Area Names	Audit Title	Current Milestone
2022-23	Planned	Leicester City Council	Internal Control	School Audits - Beaumont Leys School	Work in Progress
2022-23	Planned	Leicester City Council	Internal Control	School Audits - New College	Planning
2022-23	Planned	Leicester City Council	Governance	Risk of governance failings	Planning
2022-23	Planned	Leicester City Council	Governance	Constitutional changes	Planning
2022-23	Planned	Leicester City Council	Governance	Spend controls	Planning
2022-23	Planned	Leicester City Council	Governance	Climate change and carbon emissions (phase 1&2)	Planning
2022-23	Planned	Leicester City Council	Internal Control	Major Financial Systems(MFS) : Income streams - accounting and reconciliation	Planning
2022-23	Planned	Leicester City Council	Governance	Contract Audits : Contract monitoring	Planning
2022-23	Planned	Leicester City Council	Internal Control	Supporting Families - claims 4	Planning
2022-23	Planned	Leicester City Council	Governance	LLEP	Planning
2022-23	Added to Plan	Leicester City Council	Internal Control	IR35	Planning
2022-23	Planned	Leicester City Council	Internal Control	Major Financial Systems(MFS) : Treasury Management	Not Started
2022-23	Planned	Leicester City Council	IT & Information Assurances	IT Audit: Key ICT controls	Not Started
2022-23	Planned	Leicester City Council	Governance	Assurance framework	Not Started

#### Leicester City Council : HI recommendations follow ups as at 15.02.2023

Audit Plan Yr	Plan State	Client Title	Audit Plan Area Names	Title	Current Milestone
2019-20	Planned	Leicester City Council	IT & Information Assurances	GDPR	In progress
2019-20	Planned	Leicester City Council	Governance	Financial Management & School Governance - LA Scheme for the Financing of Schools	Completed
2021-22	Planned	Leicester City Council	Systems & Governance	Smoking Cessation	Completed
2021-22	Planned	Leicester City Council	IT & Information Assurances	Key ICT General Controls	In progress
2021-22	Planned	Leicester City Council	Systems & Governance	Direct Payments	In progress
2021-22	Planned	Leicester City Council	Governance & Internal Controls	Bed & breakfast Emergency Planning	In progress
2022-23	Planned	Leicester City Council	Governance & Internal Controls	Construction Projects (CDM Compliance)	In progress
2022-23	Planned	Leicester City Council	Governance & Internal Controls	Inglehurst Infant School	In progress
2022-23	Planned	Leicester City Council	Governance & Internal Controls	St John the Baptist Primary School	In progress
2022-23	Planned	Leicester City Council	Governance & Internal Controls	Emergency Repairs	In progress
2022-23	Planned	Leicester City Council	Governance & Internal Controls	Folville Junior School	Completed
2022-23	Planned	Leicester City Council	Governance & Internal Controls	Rolleston Primary School	Completed

#### Leicester City Council 2022-23 Audit Plan - Postponed or cancelled as at 31.01.2023

Audit Plan Yr	Plan State	Client Title	Audit Plan Area Names	Title	Current Milestone
2022-23	Planned	Leicester City Council	Governance	Contract Audits : CPR	Replaced
2022-23	Planned	Leicester City Council	Governance	Housing Stores	Cancelled
2022-23	Planned	Leicester City Council	Internal Control	Grant : School's condition funding (capital maintenance works) SCA &DFC	Cancelled
2022-23	Planned	Leicester City Council	Internal Control	High Needs Provision Capital Allocations Grant	Cancelled
2022-23	Planned	Leicester City Council	Internal Control	Basic Needs Grant	Cancelled
2022-23	Planned	Leicester City Council	Internal Control	Recruitment System	Cancelled
2022-23	Planned	Leicester City Council	Internal Control	Ultra Low Emissions Vehicle (ULEV) Taxi Infrastructure Grant	Postponed to 2023-24

#### Leicester City Council 2022-23 Audit Plan - Postponed or cancelled as at 31.01.2023

Audit Plan Yr	Plan State	Client Title	Audit Plan Area Names	Title	Current Milestone
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2022-23	Planned	Leicester City Council	Contract & Governance	Council assets transferred	Postponed to 2023-24
2022-23	Planned	Leicester City Council	Internal Control	Asset Valuations	Postponed to 2023-24
2022-23	Planned	Leicester City Council	Internal Control	Transforming Cities Grant (TCF2)	Postponed to 2023-24
2022-23	Planned	Leicester City Council	Internal Control	Grant :Social Housing Decarbonisation funding	Postponed to 2023-24
2022-23	Planned	Leicester City Council	Internal Control	Green Homes Grant - Phase 3	Postponed to 2023-24
2022-23	Planned	Leicester City Council	Internal Control	Transforming Cities Grant (TCF1)	Postponed to 2023-24
2022-23	Planned	Leicester City Council	IT & Information Assurances Governance	IT Audit: Digitisation projects e.g. replacement of Firmstep CRM	Postponed to 2023-24
2022-23	Planned	Leicester City Council	Risk Management	Fire risk in owned and occupied buildings	Postponed to 2023-24
2022-23	Planned	Leicester City Council	Internal Control	Bus Lane enforcement - Phase 2	Postponed to 2023-24
2022-24	Planned	Leicester City Council	Risk Management	Construction (Design & Management) Regulation - Phase 2	Postponed to 2023-24



# **Corporate Complaints (Non-Statutory) 2021/22**

Audit and Risk Committee

Date of meeting: 15 March 2023

Lead director: Amy Oliver, Director of Finance

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## Useful information

- Report author: Nilkesh Patel (Service Improvement Manager)
- Author contact details: 0116 454 2505
- Report version number plus Code No from Report Tracking Database: V3

### 1. Purpose of report

1.1 The purpose of this report is to provide an update on corporate non-statutory complaints in 2021/22. It covers the management of complaints, information on complaints received and their outcomes, the reasons for complaints, lessons learned and improvements.

### 2. Recommendations

2.1 The Committee is asked to note the report and make any observations to the Director of Finance.

### 3. Management of complaints

3.1 The Corporate Complaints Team has been operating a single stage non-statutory complaints regime since 2016, streamlining the process and providing a flexible approach to handling a complaint dependent upon its nature and complexity. The “triage/prevention” process successfully determines the route of the complaint and who will need to be involved. A new complaints administrative system has been introduced, to improve the customer journey.

3.2 It should be noted, however, that two types of complaint are not administered by the corporate team:

- Complaints relating to Adults and Children’s Services which are subject to the relevant statutory complaint’s procedure are usually investigated directly by the service under separate statutory procedures.
- Issues regarding domestic waste collection services, which are handled directly by BIFFA’s Complaints Co-ordinator.

3.3 In 2021, the Housing Ombudsman introduced a new two-stage process applicable to complaints by tenants and leaseholders of the Council’s housing stock.

3.4 Complaints can be submitted in writing, by telephone, by email and through MyAccount. If the customer presents at Granby Street Customer Service Centre as vulnerable, they will be supported to make a complaint.

3.5 Upon receiving a complaint, the Corporate Complaints Team will speak to customer and liaise with the relevant service. If the action they wish to happen can be completed, the contact is categorised as a service request / request for action and the customer issue is classed as resolved. If there is not an action that can be completed, the issue will be investigated as a complaint.

3.6 Vexatious complainants continue to be a demand on resources both for the Service Improvement Manager who acts a single point of contact and the service area(s) attempting to resolve the complaints. A vexatious complaints policy is now in place and is used where necessary.

3.7 The Corporate Complaints Policy is reviewed annually.

#### **4. Summary of corporate complaints**

4.1 In 2021/22, some 754 complaints were received, compared to 671 in 2020/21, an increase of 12.3%. Of the complaints received, 328 (43.5%) were “triaged” to the appropriate service to respond as a *request for action* (such as to provide orange bags for waste collection) or a *service request* usually relating to service delivery.

4.2 The remaining 426 were investigated, compared to 249 the previous year, an increase of 71%.

4.3 The increase in the overall number of complaints received over the past year is at least in part attributable to the new two-stage process for complaints by council housing tenants and leaseholders; lower numbers of complaints during the pandemic; and outstanding work pressures following the pandemic resulting in higher workloads for a time.

4.4 Some 31 of the complaints were from housing tenants and leaseholders under stage 2 of the Housing Ombudsman’s procedure. The main areas were repairs and tenancy management.

4.5 The team determined that of the 426 complaints investigated, 18% were justified and 21% were partially justified (39% combined); and 61% were deemed as “not justified” and therefore did not find the Council at fault. The justified and partly justified outcomes were mainly in Housing and Local Taxation.

4.6 Within these totals, of the 31 complaints investigated under stage 2 of the Housing Ombudsman’s procedure, some 45% were fully or partially upheld.

4.7 The 39% of complaints found to be justified or partially justified was higher than the comparable 33% in 2020/21.

4.8 In addition, 1,963 complaints relating to waste collection were reviewed directly by BIFFA. Of these, 1,581 (80%) were found to be justified. The majority of complaints related to non-delivery of orange bags, missed collections and BIFFA personnel. The complaints should be seen in the context of 14 million waste collections annually.

## 5. Reasons for complaints

5.1 Complaints are categorised into the main reasons, and more than one reason may be assigned. The top three categories accounted for 84% of the total, and remain consistent with 2020/21:

1. Quality of service (45%)
2. Policy, procedure and legislation (23%)
3. Speed of service (16%)

5.2 The service area is also recorded. Some five of the top six service areas are (as in previous years) within Housing Services and Revenues & Customer Support, the other area being Planning. These accounted for 74% of the total complaints. This is not surprising, as they interact with the greatest numbers of customers in demanding areas of Council business.

## 6. Lessons learned and improvements

6.1 Working with other services to understand their processes, the corporate team has continued to observe what triggers complaints and where changes could make a difference in our services. These include:

- Being proactive to tackle personal injustice: typically, the customer wants to be listened to, offered an apology and an opportunity to appeal or request a review of their case. These represent opportunities to mitigate a complaint, usually over the phone.
- Recommendations for service improvements arising from complaint investigations: a review of policies, change to practices, training staff, better communication between teams and with the customer, improved record keeping, system changes and raising awareness of issues within the Authority and to the public. Examples of this include seeking to ensure:
  - All contacts are acknowledged in a timely manner and systems are in place to divert messages when officers are away. Housing officers, for example, have actively put this in place.
  - Housing officers leave 'Not in' cards and take a picture of posting them into the property. The service is slowly improving the position.
  - When housing repairs are delayed or cancelled, the tenant is informed in a timely manner.
  - Messages and complaints are responded to as soon as possible.

- Revenues and Benefits service have sought to change processes in management of signing off complaints. This has resulted in far more scrutiny and improvements around complaint handling.
- Planning have improved decision making on applications with visits carried out in contentious applications for permission to build. This has helped decisions be more accurate even if challenge is sought by the customer.
- Continuing with Service Improvement meetings with the services that receive the largest proportion of complaints. This is an on-going development to improve complaint handling and deliver meaningful customer focussed service improvements; and is a focus for the team.

6.2 Whilst the new Complaints Administration system which was introduced from May 2022 is improving the customer journey, unfortunately accurate complaints data is not readily available for reporting. The Service Improvement Manager is working with ICT to find solutions to ensure some level of reporting is available for 2022/23.

## 7. Financial, legal and other implications

### 7.1 Financial implications

There are no direct financial implications arising from this report.  
*Martin Judson, Head of Finance*

### 7.2 Legal implications

There are no direct legal implications arising from this report. However, having robust complaints arrangements contributes not only to an improved customer journey but also to good governance.  
*Kamal Adatia, City Barrister*

### 7.3 Climate Change and Carbon Reduction implications

There are no significant climate emergency implications directly associated with this report.  
*Aidan Davis, Sustainability Officer*

### 7.4 Equalities Implications

Under the Equality Act 2010, public authorities have a Public Sector Equality Duty (PSED) which means that, in carrying out their functions, they have a statutory duty to pay due regard to the need to eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act, to advance equality of opportunity between people who share a protected characteristic and those who

don't and to foster good relations between people who share a protected characteristic and those who don't.

Protected Characteristics under the Equality Act 2010 are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

The Equality Act 2010 also requires that reasonable adjustments be made so that disabled people can access services as far as reasonable on the same terms as non-disabled people. This duty is on-going and anticipatory and, therefore, reasonable and proportionate steps to overcome barriers which may impede people with different kinds of disabilities. In making reasonable adjustments, a service provider should not wait until a disabled person wants to use their services, they must think in advance about what people with a range of impairments might reasonably need.

There are no direct equalities implications arising from the report, as the report is to provide an update, rather than for decision. Having an effective complaints procedure helps to deal with complaints quickly, fairly and consistently.

Having a range of contact options for complainants to make their complaints to the Council aims to meet the needs of its service users in accessing the procedure. It provides an opportunity to gather valuable customer insight, it also has the potential to help make improvements that lead to increased customer satisfaction for service users from across all protected characteristics.

*Surinder Singh, Equalities Officer*

#### 7.5 Other Implications

N/A

#### **8. Summary of appendices:**

None.



# Local Government & Social Care Ombudsman and Housing Ombudsman Complaints 2021/22

Audit and Risk Committee

Date of meeting: 15 March 2023

Lead director: Amy Oliver, Director of Finance

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### **Useful information**

- Ward(s) affected: All
- Report author: Nilkesh Patel (Service Improvement Manager)
- Author contact details: (0116) 454 2505
- Report version number: V1.3

## **1. Purpose of the report**

- 1.1. To provide an update on the complaints made to Local Government and Social Care Ombudsman (LGSCO) and the Housing Ombudsman in 2021-22 and the actions taken.

## **2. Recommendations**

- 2.1. The Committee is asked to note the report and make any observations to the Director of Finance.

## **3. Summary of complaints to the LGSCO**

- 3.1. The LGSCO can investigate individual complaints about councils, all adult social care providers (including care homes and home care agencies) and some other public service organisations. If the LGSCO decides to investigate a complaint, they look at whether organisations have made decisions the right way.
- 3.2. Before complaining to the LGSCO, the person should have given the Council a chance to sort out the problem and have gone through all stages of the Council's complaints process.
- 3.3. The LGSCO 2021-22 annual report outlines key national statistics and themes. The national picture shows complaints to the Ombudsman increased from 11,830 in 2020/21 to 15,826 in 2021/22. It may be helpful to note the Ombudsman suspended the receipt of new complaints for 3 months in 2020/21 due to the pandemic.
- 3.4. The Ombudsman reported a total of 73 complaints were received during 2021/22 for Leicester City Council but 74 were reviewed during the same period, with decisions made in the 20 cases (either upheld / not upheld) that were investigated.
- 3.5. 68 complaints had been reviewed in 2020/21, and our 2021/22 number compares favourably with the national trend.
- 3.6. The Ombudsman uses a two-fold test to identify (i) maladministration i.e., fault coupled with (ii) injustice. Where a fault is established against the Council, the Ombudsman provides a public interest report where the most serious cases of maladministration are reported. Other faults are dealt with via published statements which details statutory duties the Council must take, including publishing a notice in the newspaper, making copies of the report available to public, bringing the report

to the attention of elected members and reporting back to the LGSCO within three months on actions taken.

3.7. The Ombudsman's method of recording decisions is by financial year, and not all complaints received are investigated within that same year, so some data sets may show a small discrepancy.

3.8. The table below shows the national and the local headline picture:

<b>Leicester City Council Ombudsman complaints upheld 2021/22</b>				
<b>Report themes</b>	<b>National results 21/22</b>	<b>National results 20/21</b>	<b>Leicester results 21/22</b>	<b>Leicester results 20/21</b>
<b>Complaints upheld rate</b>	66%	67%	60%	72%
<b>Highest proportion of upheld complaints</b>	Education and Children's Services 77%	Education and Children's Services 77%	Adult Care Services 25%	Adult Care Services 50%
<b>Councils are putting things right more often. *</b>	11%	10%	17%	8%
<b>Percentage of service improvements recommended from total investigated complaints</b>	11.7%	12.6%	7%	10%
<b>Compliance with LGO recommendations</b>	99.7%	99%	100%	100%

\* percentage of upheld cases already offered a suitable remedy

3.9. Leicester continues to deliver an improved position on the number of recommendations received and '*putting things right more often*'.

3.10 It is worth noting the Ombudsman categorises service area slightly differently to the Council's corporate complaints process (the subject of a separate report elsewhere on the agenda). For example, benefits and taxation is one area within the Ombudsman reporting arrangements whereas at Leicester, housing benefit and council tax are distinct reporting areas.

3.11 A further difference between the procedures is how the decision outcomes of the complaints investigated are recorded. The table below shows the different recorded outcomes. Leicester has moved to the Ombudsman's recording method from May 2022, therefore directly comparable data will be available in future reports.

<b>Leicester City Council's outcomes</b>	<b>Ombudsman outcomes</b>
<b>Justified</b>	Upheld
<b>Partially Justified</b>	Upheld
<b>Not Justified</b>	Not Upheld
<b>Rejected</b>	Closed / Advice Given / Invalid / Incomplete
<b>Triaged (Service request)</b>	Local Resolution/provided advice

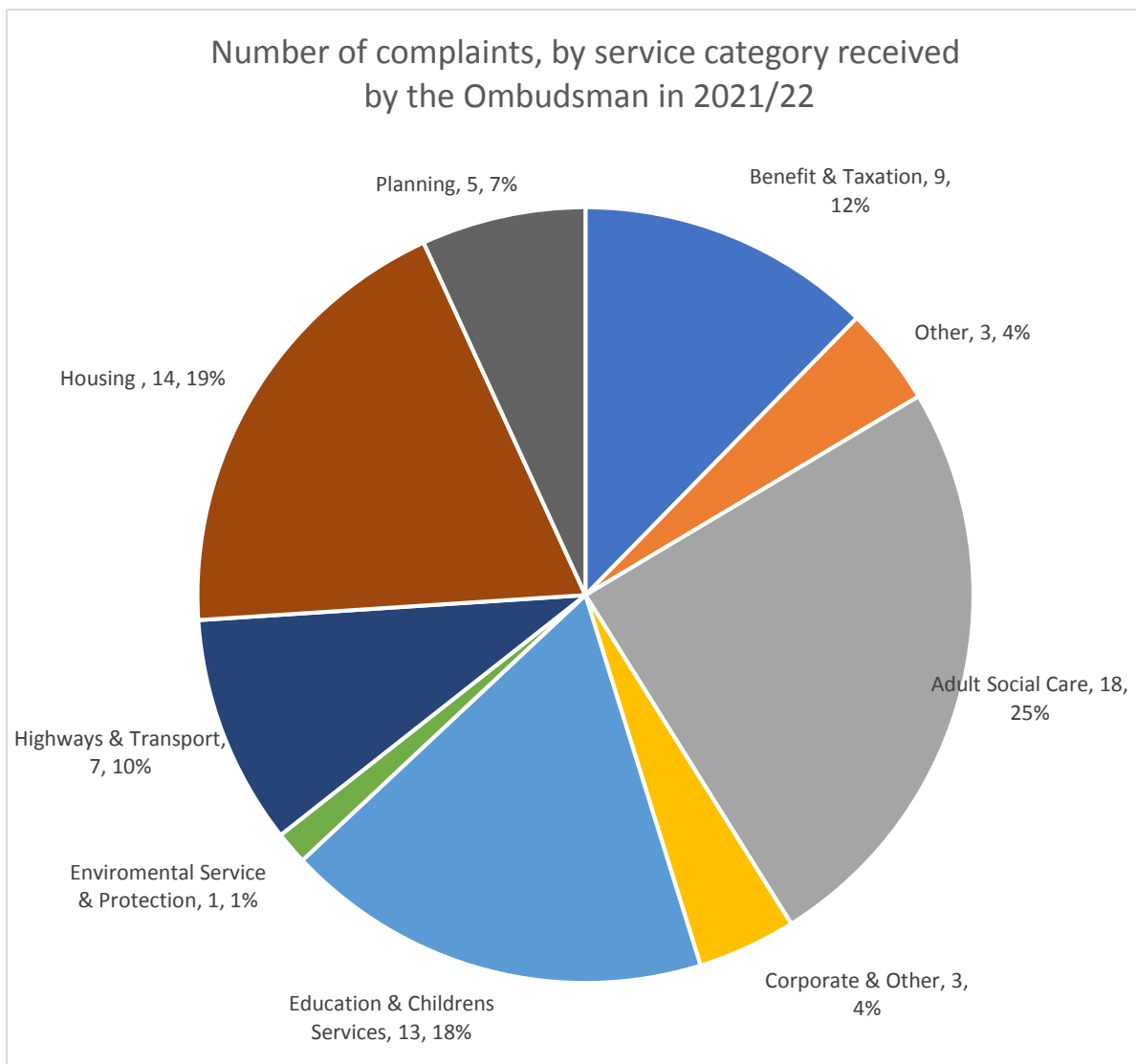
#### 4. Detailed Outcomes of the LGSCO complaints investigated for Leicester

4.1. Of the 74 complaints reviewed, 20 were subject to detailed investigations by the Ombudsman. The complaint outcome was upheld for 12 of these (60%) and not upheld for 8 (40%). The table below details the outcomes recorded for the 74 cases:

<b>Ombudsman outcome 2021/22</b>	<b>Number of cases</b>	<b>Comment</b>
<b>Upheld (the Council was found at fault)</b>	12	These were mainly in Adults, Children's and Benefits & Tax. We are maintaining our position, with 60% of detailed investigations upheld compared to 72% the previous year.
<b>Not upheld (the Council was found not at fault)</b>	8	40% of the detailed investigations were found to be 'not upheld', compared to 28% in 2020/21
<b>Closed after initial enquiries</b>	26	The complaint was assessed but a decision against completing an investigation was made. This might be because the law says they were not allowed to investigate it, or because it would not be an effective use of public funds if they did.
<b>Advice given</b>	2	Early advice was given or explained where to go for the right help.
<b>Invalid/ incomplete</b>	6	LGCSO were not given enough information to consider the issue
<b>Referred back for local resolution</b>	20	The Ombudsman found the complaint was brought to them too early because we were not given the chance to consider it first.
<b>Total</b>	<b>74</b>	

4.2. The 74 complaints received are shown by service in the chart below.

4.3. Note that the Housing complaints relate to matters such as homelessness, housing advice and allocations; whereas complaints by tenants and leaseholders are considered by the Housing Ombudsman and covered later in this report. School admissions appeals are categorised as a legal challenge and are not represented in this report.



4.4 Further statistics and detail of the findings and outcomes for Leicester can be found on the Ombudsman's website at

<https://www.lgo.org.uk/your-councils-performance/leicester-city-council/statistics>

## 5. Compliance and remedies

- 5.1. Where the Ombudsman found fault or maladministration, they require the Council to either remedy the situation or comply with an instruction; often both and multiple actions are made against one case. Remedies can be changes to a Council policy, an offer of compensation or a formal apology. Of the 12 upheld complaints, the Ombudsman made recommendations to the Council to offer a remedy to the complainant in 10 instances.
- 5.2. The Council accepted and complied with the remedies suggested in all cases. We failed to meet the 3-month timescale set by the Ombudsman in one case. This was because a refund payment made by the service area (Revenues & Benefits) was raised 3 days after the target date. The service apologised for not raising the refund in a timely manner. Measures are in place to ensure this does not happen again.
- 5.3 All recommendations have been implemented and shown to be embedded in working practices within services.
- 5.4 For additional detail, Appendix 1 shows where a service area was instructed to apply a remedy and which categories of remedy were applied.

## 6. Comparisons with other councils

- 6.1. Leicester's upheld outcome rate of 60% of complaints subject to detailed investigation has improved compared to the previous year (72%), with a similar number of complaints made. Note this is the only compatible comparison that can be shared; the national picture details some authorities with 100% uphold rate having received only one or two complaints to the LGCSO.
- 6.2. The table below shows Leicester and some similar councils.

	Number of Complaints	No of Complaints Investigated	Number of complaints upheld	Upheld rate
Leicester City	74	20	12	60%
Bristol City	122	34	22	65%
Derby City	43	5	4	80%
Coventry City	87	14	10	71%
Nottingham City	84	23	13	56%

## 7. Housing Ombudsman

- 7.1. The Housing Ombudsman investigates complaints by tenants and leaseholders of the Council's housing stock.

7.2. The Ombudsman received 15 complaints, of which 12 were investigated and 6 were upheld. Some 9 related complaints to repairs of which 5 were upheld; and 6 related to tenancy management of which 1 was upheld.

7.3. It is apparent that the Housing Ombudsman repeatedly reminds Leicester that the policies the service applies must be up to date; a plan of action has been drafted to remedy this issue.

7.4. Unlike the LGSCO, the Housing Ombudsman does not produce an annual letter, nor publish national or local comparator complaints statistics. However individual landlord performance reports were published for landlords with five or more cases determined in 2021/22. The report for Leicester can be viewed at [https://www.housing-ombudsman.org.uk/wp-content/uploads/landlord\\_reports/36251-Landlord-Report-2021-2022-Leicester-City-Council.pdf](https://www.housing-ombudsman.org.uk/wp-content/uploads/landlord_reports/36251-Landlord-Report-2021-2022-Leicester-City-Council.pdf)

## **9. Financial, legal, equalities, climate emergency and other implications**

### **8. Continuous Improvements/ future changes**

8.1. The Complaints Team will continue to act in an independent and impartial manner, administering complaints, acting on behalf of the complainants to resolve issue(s) relating to Council services. Key points are:

- The team will ensure Council services continue to analyse complaints and the Ombudsman's recommendations. This will help to ensure services make changes, including to policies and procedures, to secure a positive difference for their clients and our residents, supporting continued positive service improvement. Thus, the likelihood of a future similar complaint will have been mitigated.
- The team monitors that services implement the recommendation(s), agreeing the activity and actions and timeframe. The team ensure these are completed and adhered to, and compliance is fulfilled. Interventions happen at the point a recommendation is made, with an interim meeting/confirmation to ensure implementation and finally at the point of conclusion, usually within 3 months of the recommendation being made. The team will also monitor whether repeat complaints are made of a similar nature.
- Remedies should be proportionate, appropriate and reasonable. Similar remedies are appropriate for similar cases, but each service must consider each case on its own merits. Considering a particular incident, whether applying an existing remedy is appropriate or whether a new remedy should be suggested. The key principle is that the remedy should as far as possible put the complainant back in the position they would have been if the complaint or issue had not occurred.

8.2 Following on from the remedies and compliance recommendations over recent years, the Council is continuing to:

- Improve communication with residents/service users regards complaints
- Review policies to identify service improvements
- Train staff to apply the relevant policy to the correct intervention
- Ensure refunds and compensation payments are timely.

### 9.1 Financial implications

There are no direct financial implications arising from this report.  
*Martin Judson, Head of Finance*

### 9.2 Legal implications

It is important to understand that the LGSCO publishes all “Decisions” on their website, and this includes details of cases (suitably anonymised) whether they are upheld or rejected.

However, in some cases, where they deem there to be a public interests in learning lessons from a complaint they will issue a “public interest report” which will oblige the Council to issue a press release about the findings, report the matter to Elected Members, and report back to the LGSCO on remedial action taken (s30 – 31 Local Government Act 1974).

*Kamal Adatia, City Barrister*

### 9.3 Equalities implications

Under the Equality Act 2010, public authorities have a Public Sector Equality Duty (PSED) which means that, in carrying out their functions, they have a statutory duty to pay due regard to the need to eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act, to advance equality of opportunity between people who share a protected characteristic and those who don't and to foster good relations between people who share a protected characteristic and those who don't.

Protected Characteristics under the Equality Act 2010 are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

The Equality Act 2010 also requires that reasonable adjustments be made so that disabled people can access services as far as reasonable on the same terms as non-disabled people. This duty is on-going and anticipatory and, therefore, reasonable and proportionate steps to overcome barriers which may impede people with different kinds of disabilities. In making reasonable adjustments, a service provider should not wait until a disabled person wants to use their services, they must think in advance about what people with a range of impairments might reasonably need.

There are no direct equalities implications arising from the report as the report is to provide an update, rather than for decision. Having an effective complaints procedure helps to deal with complaints quickly, fairly and consistently.

Having a range of contact options for complainants to make their complaints to the Council aims to meet the needs of its service users in accessing the procedure. It provides an opportunity to gather valuable customer insight, it also has the potential to help make improvements that lead to increased customer satisfaction for service users from across all protected characteristics.

Surinder Singh, Equalities Officer Tel 37 4148



9.4 Climate Emergency implications

There are no significant climate emergency implications directly associated with this report.

Aidan Davis, Sustainability Officer, Ext 37 2284

9.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

None identified

**10. Background information and other papers:**

LGSCO annual report: [Review of Local Government Complaints 2021/22](#)

LGSCO: [Leicester City Council performance data](#) and annual letters

Housing Ombudsman: [Landlord performance report 2021/22](#)

**11. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)? No**

**12. Is this a “key decision”? No**

**13. Summary of appendices:**

Appendix 1 – Detailed remedies determined by the LGCSO

**Appendix 1: Detailed remedies determined by the LGCSO**

This table details the service area where the Ombudsman has found fault, identifies the remedy which must be applied and identifies where the remedy has been completed; and confirms the Ombudsman's satisfied with our compliance.

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Category	Remedy Financial redress	Remedy Apology	Remedy Training and guidance	Remedy Avoidable distress/time and trouble	Remedy Loss of service, Quantifiable loss	Remedy Procedure or policy change /review	Remedy other	Satisfaction with Compliance
Adult Care Services	✓	✓		✓				Remedy complete and satisfied
Adult Care Services		✓	✓			✓		Remedy complete and satisfied
Adult Care Services		✓					✓	Remedy complete and satisfied
Adult Care Services	✓	✓	✓	✓			✓	Remedy complete and satisfied
Benefits & Tax	✓	✓	✓	✓				Remedy complete and satisfied
Benefits & Tax								No remedy recommended
Education & Children's Services	✓	✓		✓				Remedy complete and satisfied

Education & Children's Services	✓	✓	✓	✓		✓		Remedy complete and satisfied
Education & Children's Services	✓	✓		✓				Remedy complete and satisfied
Education & Children's Services								No remedy recommended
Housing	✓			✓				Remedy complete and satisfied
Housing	✓	✓	✓	✓		✓		Remedy complete and satisfied



## **Report of the Audit and Risk Committee to Council Covering 2022/23**

Decision to be taken by: N/A

Audit & Risk Committee: 15 March 2023

Date of Council meeting: TBC

Lead director: Amy Oliver, Director of Finance

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## Useful information

- Ward(s) affected: All
- Report author: Colin Sharpe
- Author contact details: [colin.sharpe@leicester.gov.uk](mailto:colin.sharpe@leicester.gov.uk)
- Report version number: 1.0

### 1. Purpose of Report

- 1.1 To present to the Council the report of the Audit and Risk Committee setting out the Committee's work and achievements over the municipal year 2022/23.
- 1.2 This report was presented to Committee for approval at its meeting on 15 March 2023.

### 2. Recommendations

- 2.1. The Audit and Risk Committee is recommended to approve this report for submission to the Council, subject to any amendments that may be required at the meeting.
- 2.2. Council is recommended to receive this report.

### 3. Summary

- 3.1. The Committee's terms of reference approved by Council require the submission of an annual report on its activities, conduct, business and effectiveness. Moreover, the CIPFA\* guidance on Audit Committees states that the audit committee should be held to account on a regular basis by Council, and that the preparation of an annual report can be helpful in this regard. (\* CIPFA – the Chartered Institute of Public Finance and Accountancy).
- 3.2. Following the Committee's approval, this report will proceed to Council.
- 3.3. The Audit and Risk Committee considered a wide range of business in fulfilment of its central role as part of the Council's system of corporate governance, risk management, fraud and internal control. It conducted its business in an appropriate manner through a programme of meetings and fulfilled the expectations placed upon it. Its membership was expanded to include an external independent member and it benefited from formal training.

### 4. Report

- 4.1 The Committee's terms of reference are regularly reviewed. They formally confer upon it the role of 'the board' for the purposes of the *Public Sector Internal Audit Standards*, as the recognised professional standards for local authority internal audit. The Standards are the mandatory elements of the Institute of Internal Auditors' International Professional Practices Framework, interpreted and adopted for local government by CIPFA. Updated terms of reference were implemented for the

2021/22 municipal year and continued into 2022/23 with the added provision for an external independent member to join the Committee.

- 4.2 During the municipal year 2022/23, the Committee met on five occasions. All meetings were properly constituted and quorate. The Committee's terms of reference required it to meet at least four times during the year. The Director of Finance or the Deputy Director of Finance and Leicestershire County Council's Head of Internal Audit and Assurance Service attended meetings of the Committee. In addition, and in the interests of providing the full range of legal, constitutional and financial advice and expertise, the Committee was supported by the City Barrister & Head of Standards or their representatives.
- 4.3 The new external independent member has attended meetings since September 2022. He brings a fresh perspective and focus, drawing on his skills and experience as a finance professional and his links with the City. The appointment pre-empted expected future national requirements and addressed an external audit recommendation in the 2021/22 value for money assessment. The independent member is however not permitted to vote, by law.
- 4.4 Members will recall the CIPFA publication *Audit Committees – Practical Guidance for Local Authorities*, providing guidance on function and operation of audit committees. The position statement within the guidance notes "*audit committees are a key component of an authority's governance framework. Their function is to provide an independent and high-level resource to support good governance and strong public financial management.*"
- 4.5 Further to this, it notes the purpose of the governance committee is to provide those charged with governance independent assurance of the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and governance processes.
- 4.6 It is considered that Audit and Risk Committee continued to meet the requirements for an effective Audit Committee. In summary the reasons for this are:
- The Committee meets regularly, and its chair and membership are sufficiently independent of other functions in the Council. Meetings are conducted constructively and are free and open and are not subject to political influences;
  - The Committee's terms of reference provide a sufficient spread of responsibilities covering internal and external audit, risk management and governance;
  - The Committee plays a sufficient role in the management of Internal Audit, including approval of the audit plan, review of Internal Audit's performance and the outcomes of audit work and management's responses;
  - The Committee received reports from Grant Thornton as the Council's external auditor and maintains an overview of the external audit process, including the fees charged; and
  - The Committee was updated on changes in governance and local authority finances during the year.
- 4.7 It is of course recognised that Committee members need suitable training. Arrangements continue to be made to provide training on relevant topics. Members

received a bespoke evening training session in November, facilitated by a specialist from CIPFA. The Committee may also request informal briefings on key topics, for example cyber security and the annual statutory statement of accounts.

4.8 The Committee has also benefited from the Chair becoming the Chair of the recently formed East Midlands Regional Audit Chairs' Forum. She presides over Forum meetings, including an all-day workshop in November 2022 which included presentations by CIPFA, an external auditor and a treasury management specialist around Audit Committee best practice, knowledge and skills.

4.9 In the aforementioned 2021/22 value for money assessment, the external auditor also recommended that the Council undertake a skills and knowledge assessment of the Committee. Officers propose to do this in the first half of 2023/24, alongside a fresh review of the Committee's terms of reference and associated impact metrics. The assessment will recognise the training and development that has taken place and identify areas where members' skills and knowledge could be further improved, be that collectively and/or individually. A skills and training plan will then be developed.

4.10 It is of course inevitable that the Committee experiences some turnover of membership each municipal year, a consequence of the political environment in a local authority. Should this happen, training for new members is offered. The appointment of the independent member for a longer term of office is intended to provide some continuity in this context.

4.11 Taking all the above into account, the Committee has continued to make an important contribution to the effectiveness of the City Council's internal control and corporate governance frameworks. It is a central component of the Council's system of internal control.

4.12 The key outcomes from the Committee's work included:

#### 4.12.1 Internal Audit

- The Committee considered the Internal Audit annual plans and monitored delivery and outcomes during the year. The Committee also received the Internal Audit annual reports and opinion on the adequacy and effectiveness of the Council's framework of governance, risk management and control.
- The Committee reserves the right to summon relevant officers to attend its meetings to discuss in more depth specific issues raised by Internal Audit reports. This has helped to maintain the profile of the Committee and its role in promoting adherence to procedures and improved internal control.

#### 4.12.2 Counter-Fraud

- The Committee maintained an effective overview of the Council's measures to combat fraud and financial irregularity. Specifically, the Committee:
  - Considered counter-fraud reports, which brought together the various strands of counter-fraud work with data on the various types of work carried out by the teams involved.



- Reviewed and supported the Council's participation in the National Fraud Initiative.

#### 4.12.3 External Audit

- The Committee considered the external auditor's plans and progress and the outcomes of this work, with particular reference to the annual audit of the Council's statutory financial statements and value for money arrangements.
- The Committee was kept updated on the national issues with local authority accounts and audit, which delayed the finalisation of the Council's statutory statement of accounts. The Committee monitored progress and asked questions about the impact.
- The Committee kept abreast of the progress of the national scheme for appointing the external auditor from 2023/24 to 2027/28, together with the associated audit fee increases. The Committee sought explanations for the much higher fees being proposed.

#### 4.12.4 Risk Management

- The Committee maintained a regular overview of the risk management arrangements. This included the Council's strategic and operational risk registers, identifying potential emerging risks to the Council and its services, together with the Risk Management Strategy and Policy and the Corporate Business Continuity Management Strategy.

#### 4.12.5 Corporate Governance

- The Committee fulfilled the responsibilities of 'the board' for the purposes of the City Council's conformance to the *Public Sector Internal Audit Standards* in terms of overseeing the Council's arrangements for audit, the management of risk and the corporate governance assurance framework.
- The Committee maintained its oversight of the Council's corporate governance arrangements. The Council's updated assurance framework, which maps out the process for collating the various sources of assurance and preparing the Council's statutory Annual Governance Statement, was reviewed and approved by the Committee.
- The Committee approved the Annual Governance Statement for 2021/22.
- This annual report to Council is part of the governance arrangements, through giving a summary of the Committee's work and contribution to the good governance of the City Council and demonstrating the associated accountability.

#### 4.12.6 Financial reporting

- The Committee received and approved the Council's statutory Statement of Accounts for 2021/22 and associated external audit reports. It approved the Council's letters of representation, by means of which the City Council gives assurance to the external auditor; there were no significant items that were not reflected in the Council's accounting statements. As noted above, the Committee was kept updated on the delays in finalising the accounts and audit.

- The external auditor's Annual Governance Reports were issued to the Committee as 'those charged with governance' and considered accordingly. In these reports, the auditor confirmed that his audit opinion on the Council's financial statements would be expected to be 'unqualified'.

#### 4.12.7 Other Work

- During the year the Committee also received updates and reports on the following areas:
  - Insurance
  - Corporate complaints
  - Procurement
  - Developments in local government finance, audit and governance

### 5. **Conclusions**

- 5.1 The Committee fulfilled all of the requirements of its terms of reference and the good practice guidance issued by CIPFA.
- 5.2 It is the view of the Director of Finance (the s151 officer) that the Audit and Risk Committee made a significant contribution to the good governance of the City Council. Through its work, it has reinforced the Council's systems of internal control and internal audit and has given valuable support to the arrangements for corporate governance, legal compliance and the management of risk.

## 6. **Financial, legal, equalities, climate emergency and other implications**

### 6.1 Financial implications

An adequate and effective Audit and Risk Committee is a central component in the governance and assurance processes intended to help ensure that the Council operates efficiently, cost effectively and with integrity. Its support for the processes of audit and internal control will help the Council as it continues to face the financially challenging times.

Colin Sharpe, Deputy Director of Finance

### 6.2 Legal implications

The Audit and Risk Committee aids the fulfilment by the Council of its statutory responsibilities under the Accounts and Audit Regulations 2015 by considering the findings of a review of the effectiveness of the Council's system of internal control. It is an important part of the way in which the duties of the responsible financial officer under s151 of the Local Government Act 1972 are met.

*Kamal Adatia, City Barrister & Head of Standards, x37 1401*

**6.3 Equalities implications**

N/A

**6.4 Climate Emergency implications**

N/A

**6.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)**

N/A

**7. Other Implications**

<b><u>OTHER IMPLICATIONS</u></b>	<b><u>YES/NO</u></b>	<b><u>PARAGRAPH REFERRED</u></b>
Equal Opportunities	No	
Policy	No	
Sustainable and Environmental	No	
Crime and Disorder	No	
Human Rights / People on low incomes	No	
Corporate Parenting	No	
Health Inequalities Impact	No	

**8. Background papers:**

Agendas and Minutes of the Audit and Risk Committee meetings in 2022/23

**9. Summary of Appendices:**

N/A

**10. Consultations**

**11. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?** No

**12. Is this a “key decision”?** If so, why? No

