

Governance, Risk and Audit Committee



Please contact: Democratic Services

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Date Not Specified

A meeting of the **Governance, Risk and Audit Committee** of North Norfolk District Council will be held in the **Council Chamber - Council Offices** on **Tuesday, 2 December 2025** at **2.00 pm**.

At the discretion of the Chairman, a short break will be taken after the meeting has been running for approximately one and a half hours

Members of the public who wish to ask a question or speak on an agenda item are requested to notify the committee clerk 24 hours in advance of the meeting and arrive at least 15 minutes before the start of the meeting. This is to allow time for the Committee Chair to rearrange the order of items on the agenda for the convenience of members of the public. Further information on the procedure for public speaking can be obtained from Democratic Services, Tel: 01263 516047, Email: democraticservices@north-norfolk.gov.uk.

Anyone attending this meeting may take photographs, film or audio-record the proceedings and report on the meeting. Anyone wishing to do so must inform the Chairman. If you are a member of the public and you wish to speak on an item on the agenda, please be aware that you may be filmed or photographed.

Please note that Committee members will be given priority to speak during the debate of agenda items

Emma Denny
Democratic Services Manager

To: Mr V Platten, Cllr S Bütikofer, Cllr J Boyle, Cllr C Cushing, Cllr A Fletcher, Cllr S Penfold and Cllr V Holliday

All other Members of the Council for information.

Members of the Management Team, appropriate Officers, Press and Public



**If you have any special requirements in order
to attend this meeting, please let us know in advance**

If you would like any document in large print, audio, Braille, alternative format or in a different language please contact us

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A G E N D A

1. TO RECEIVE APOLOGIES FOR ABSENCE

2. SUBSTITUTES

3. PUBLIC QUESTIONS

To receive public questions, if any.

4. ITEMS OF URGENT BUSINESS

To determine any items of business which the Chairman decides should be considered as a matter of urgency pursuant to section 100B(4)(b) of the Local Government Act 1972.

5. DECLARATIONS OF INTEREST

1 - 6

Members are asked at this stage to declare any interests that they may have in any of the following items on the agenda. The code of conduct for Members requires that declarations include the nature of the interest and whether it is a disclosable pecuniary interest.

6. MINUTES

7 - 18

To approve as a correct record, the minutes of the meeting of the Governance, Risk & Audit Committee held on 9th September 2025.

7. GOVERNANCE, RISK AND AUDIT COMMITTEE UPDATE AND ACTION LIST

19 - 20

To monitor progress on items requiring action from the previous meeting, including progress on implementation of audit recommendations.

8. UPDATE ON THE 2024/2025 EXTERNAL AUDIT OF THE COUNCIL'S FINANCIAL STATEMENTS

To receive a verbal update from the Council's External Auditor

9. INTERNAL AUDIT PROGRESS & FOLLOW UP REPORT

21 - 68

To review progress on internal audit recommendations

Recommendation: That the Committee is requested to:

- Receive and note progress with the 2025/26 Internal Audit Plan and outstanding recommendations.
- Approve the change to the Internal Audit Plan

10. PROJECT MANAGEMENT FRAMEWORK PROVISION

69 - 72

To report to the Committee on the work that is being done to build

project management knowledge and resilience within the council.

Projects & Programme Management Framework	
Executive Summary	This report outlines improvements that have been introduced to the project management framework to reinstate engagement and visibility of projects across the council. It summarises the consultation undertaken, assesses alignment with corporate priorities, and evaluates financial, legal, and climate impacts. This initiative aims to ensure project and programme governance is adhered to and engaged with consistently across all service areas.
Options considered	N/A
Consultation(s)	N/A
Recommendations	Continued support for ongoing development and management of the Projects & Programmes Framework
Reasons for recommendations	Continued improvements to standard lifecycle, governance boards, templates, and reporting.
Background papers	CLT Presentation, PM/O Charter

11. PERFORMANCE AND PRODUCTIVITY OVERSIGHT BOARD (PPOB) 73 - 78

Performance and Productivity Oversight Board November 2025 update for GRAC	
Executive Summary	This is an update report to inform GRAC of the work of Performance and Productivity Oversight Board and the progress made to date around various elements of the work of the Board.
Options considered	N/A
Consultation(s)	N/A
Recommendations	It is recommended that Members note the work that the Performance and Productivity Board has undertaken over the last 12 months and the progress that has been

	made on various issues.
Reasons for recommendations	To achieve an understanding of the Council's performance, drivers of service demand, changing policy context and ensure there is a strategy to respond to current and future pressures, along with the Board continually monitoring and challenging corporate performance and being a champion of service transformation.
Background papers	Performance and Productivity Oversight Board Terms of Reference.

12. CIVIL CONTINGENCIES UPDATE

79 - 84

To receive the Civil Contingencies Update

Civil Contingencies Annual Report	
Executive Summary	The Civil Contingencies Team and the wider council has continued to discharge its responsibilities under the Civil Contingencies Act, 2004.
Options considered	This is a briefing report only.
Consultation(s)	N/A – briefing report.
Recommendations	To note the report and the council's contributions to the Norfolk Resilience Forum and the response to incidents.
Reasons for recommendations	A better understanding of the challenges in the past year and the role of the Norfolk Resilience Forum in emergency preparedness planning and incident response will help to discharge our obligations under the Civil Contingencies Act, 2004.
Background papers	-

13. CORPORATE RISK REGISTER

85 - 114

To review and note the corporate risk register and consider any necessary recommendations.

Interim Corporate Risk Register as at November 2025
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Executive Summary	The Corporate Risk Register is reviewed by Committee annually and removal of risks where the residual risk score has met the target are proposed.
Options considered	Updating and sharing the corporate risk register represents good governance so no other options were considered.
Consultation(s)	All officers with responsibility for managing specific risks.
Recommendations	The Committee is recommended to note the report and remove specific risks from the register: • CR 009 – Poor Procurement • CR 029 – Poor Reputation of the Council in the Community • CR 038 - Fakenham Leisure and Sports Hub (FLASH) – threat to building within funding window • CR 040 - Management Information System – failure to complete development and maintain when in use
Reasons for recommendations	The risks recommended for removal from the report have been successfully mitigated to the target level.
Background papers	Risk Management Policy and Framework adopted by GRAC 3 December 2024

14. RISK MANAGEMENT FRAMEWORK 115 - 134

To review the Risk Management Policy and Framework.

15. PROCUREMENT EXEMPTIONS REGISTER 135 - 136

To consider the Procurement Exemptions register.

16. GOVERNANCE, RISK AND AUDIT COMMITTEE WORK PROGRAMME 137 - 138

To review the Governance, Risk & Audit Committee Work Programme.

17. UPDATE ON THE LETTER TO THE NATIONAL AUDIT OFFICE (NAO)

The Chair to update the Committee on the NAO reply to the Audit Committee's letter and discuss any potential response.

18. EXCLUSION OF THE PRESS AND PUBLIC

To pass the following resolution, if necessary:

“That under Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph _ of Part I of Schedule 12A (as amended) to the Act.”

Registering interests

Within 28 days of becoming a member or your re-election or re-appointment to office you must register with the Monitoring Officer the interests which fall within the categories set out in **Table 1 (Disclosable Pecuniary Interests)** which are as described in “The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012”. You should also register details of your other personal interests which fall within the categories set out in **Table 2 (Other Registerable Interests)**.

“Disclosable Pecuniary Interest” means an interest of yourself, or of your partner if you are aware of your partner's interest, within the descriptions set out in Table 1 below.

"Partner" means a spouse or civil partner, or a person with whom you are living as husband or wife, or a person with whom you are living as if you are civil partners.

1. You must ensure that your register of interests is kept up-to-date and within 28 days of becoming aware of any new interest, or of any change to a registered interest, notify the Monitoring Officer.
2. A 'sensitive interest' is as an interest which, if disclosed, could lead to the councillor, or a person connected with the councillor, being subject to violence or intimidation.
3. Where you have a 'sensitive interest' you must notify the Monitoring Officer with the reasons why you believe it is a sensitive interest. If the Monitoring Officer agrees they will withhold the interest from the public register.

Non participation in case of disclosable pecuniary interest

4. Where a matter arises at a meeting which directly relates to one of your Disclosable Pecuniary Interests as set out in **Table 1**, you must disclose the interest, not participate in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest, just that you have an interest. Dispensation may be granted in limited circumstances, to enable you to participate and vote on a matter in which you have a disclosable pecuniary interest.
5. Where you have a disclosable pecuniary interest on a matter to be considered or is being considered by you as a Cabinet member in exercise of your executive function, you must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter apart from arranging for someone else to deal with it

Disclosure of Other Registerable Interests

6. Where a matter arises at a meeting which **directly relates** to one of your Other Registerable Interests (as set out in **Table 2**), you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

Disclosure of Non-Registerable Interests

7. Where a matter arises at a meeting which **directly relates** to your financial interest or well-being (and is not a Disclosable Pecuniary Interest set out in Table 1) or a financial interest or well-being of a relative or close associate, you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest.
8. Where a matter arises at a meeting which **affects** –
 - a. your own financial interest or well-being;
 - b. a financial interest or well-being of a relative, close associate; or
 - c. a body included in those you need to disclose under Other Registrable Interests as set out in **Table 2**

you must disclose the interest. In order to determine whether you can remain in the meeting after disclosing your interest the following test should be applied

9. Where a matter **affects** your financial interest or well-being:
 - a. to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and;
 - b. a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest

You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.

If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

10. Where you have a personal interest in any business of your authority and you have made an executive decision in relation to that business, you must make sure that any written statement of that decision records the existence and nature of your interest.

Table 1: Disclosable Pecuniary Interests

This table sets out the explanation of Disclosable Pecuniary Interests as set out in the [Relevant Authorities \(Disclosable Pecuniary Interests\) Regulations 2012](#).

Subject	Description
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain. [Any unpaid directorship.]
Sponsorship	Any payment or provision of any other financial benefit (other than from the council) made to the councillor during the previous 12-month period for expenses incurred by him/her in carrying out his/her duties as a councillor, or towards his/her election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	Any contract made between the councillor or his/her spouse or civil partner or the person with whom the

	councillor is living as if they were spouses/civil partners (or a firm in which such person is a partner, or an incorporated body of which such person is a director* or a body that such person has a beneficial interest in the securities of*) and the council — (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.
Land and Property	Any beneficial interest in land which is within the area of the council. 'Land' excludes an easement, servitude, interest or right in or over land which does not give the councillor or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners (alone or jointly with another) a right to occupy or to receive income.
Licenses	Any licence (alone or jointly with others) to occupy land in the area of the council for a month or longer
Corporate tenancies	Any tenancy where (to the councillor's knowledge)— (a) the landlord is the council; and (b) the tenant is a body that the councillor, or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners is a partner of or a director* of or has a beneficial interest in the securities* of.
Securities	Any beneficial interest in securities* of a body where— (a) that body (to the councillor's knowledge) has a place of business or land in the area of the council; and (b) either— (i) the total nominal value of the securities* exceeds £25,000 or one hundredth of the total issued share capital of that body; or (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the councillor, or his/her spouse or civil partner or the person with whom the councillor is living as if they were

	spouses/civil partners has a beneficial interest exceeds one hundredth of the total issued share capital of that class.
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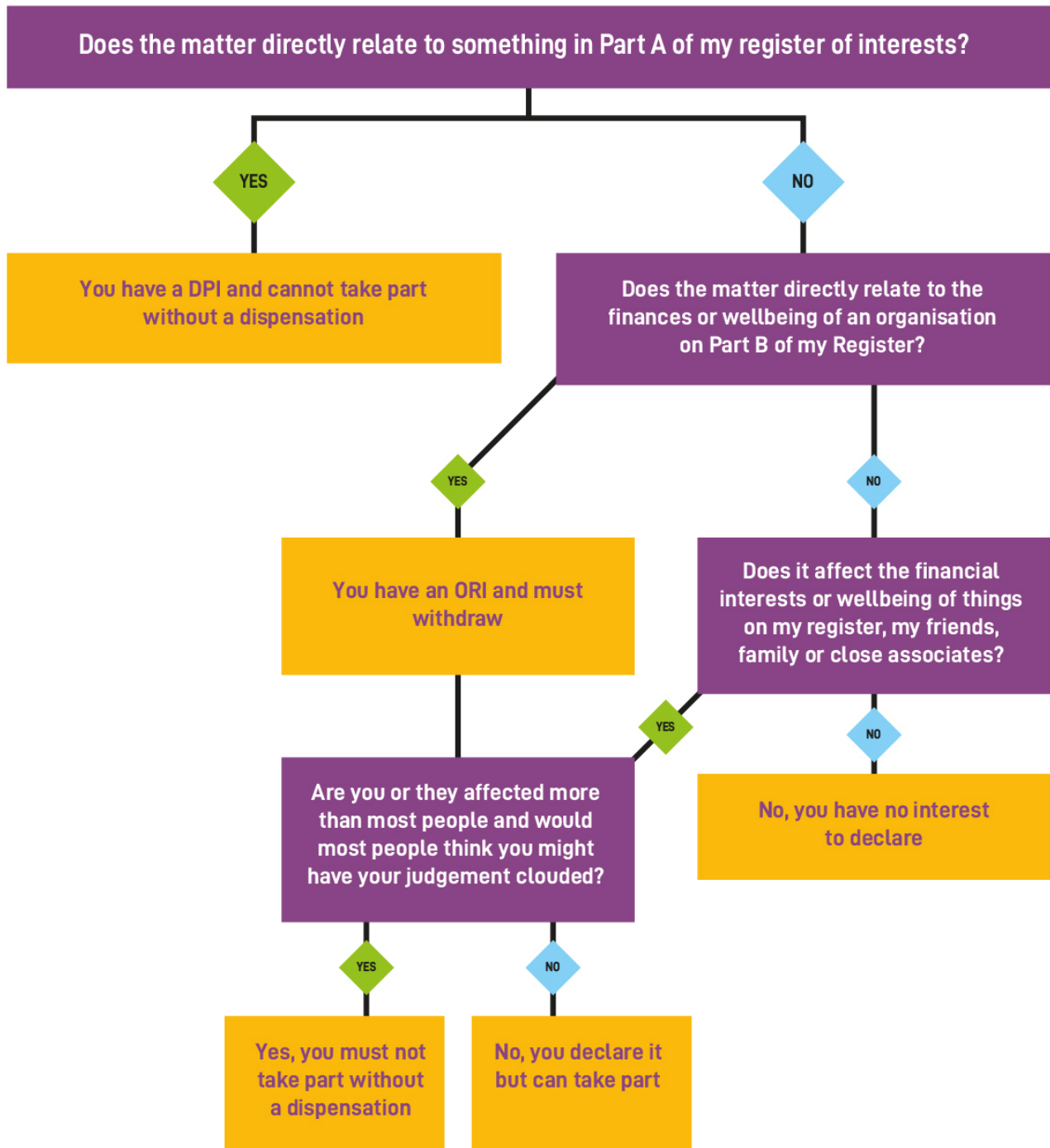
* 'director' includes a member of the committee of management of an industrial and provident society.

* 'securities' means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

Table 2: Other Registrable Interests

You have a personal interest in any business of your authority where it relates to or is likely to affect:

- a) any body of which you are in general control or management and to which you are nominated or appointed by your authority
- b) any body
 - (i) exercising functions of a public nature
 - (ii) any body directed to charitable purposes or
 - (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union)



GOVERNANCE, RISK AND AUDIT COMMITTEE

Minutes of the meeting of the Governance, Risk and Audit Committee held on Tuesday, 9 September 2025 at the Council Chamber - Council Offices at 2.00 pm

Committee

Members Present:

Mr V Platten (IP)	Cllr S Bütikofer (Chair)
Cllr J Boyle (Vice-Chairman)	Cllr C Cushing
Cllr A Fletcher	Cllr V Holliday

Members also attending:

Officers in Attendance:

Chief Executive (CE), Director of Service Delivery (DSD), Director for Resources and Communities (DRC) and Assistant Director for Finance and Assets (ADFA), Assistant Director Legal and Governance, Monitoring Officer (MO), Head of Internal Audit (HIA), Democratic Services & Governance Manager (DSGM) Democratic Services and Governance Officer (DSGO)

16 TO RECEIVE APOLOGIES FOR ABSENCE

Apologies were received from Cllr S Penfold.

17 SUBSTITUTES

None.

18 PUBLIC QUESTIONS

None received.

19 DECLARATIONS OF INTEREST

None

20 ITEMS OF URGENT BUSINESS

One item of urgent business was raised by the Chair, but this was to be heard at the end of the meeting as item 14a.

21 MINUTES

The Chair asked for an update on the car park charges. The ADFA confirmed that the Council had received the draft copy of the Service Level Agreement (SLA) and this was currently being reviewed.

Cllr Boyle proposed, and Cllr Fletcher seconded the approval of the minutes of the meeting of 3rd June 2025 which **was RESOLVED** unanimously.

22 GOVERNANCE, RISK AND AUDIT COMMITTEE UPDATE AND ACTION LIST

The Chair asked for an update on the monthly progress reports. The HIA confirmed these were being sent so the Chair asked the DSGO to investigate.

Following a query by Cllr Holliday the CE confirmed the Council had been served notice for the formal transfer of Land Charges to the Land Registry, and the transfer would be completed in October 2025.

The DSD updated the Committee as to the Licensing income and reconciliation on the account. This was being done manually as the system was in development. It was being monitored and due to be signed off for internal audit.

The Chair proposed that the Internal Audit update was considered after agenda item 8 as this was otherwise not on the agenda

23 INTERNAL AUDIT FOLLOW UP REPORT

The HIA said there was nothing of any major concern to report. The Chair asked if the Committee could expect to receive an External Audit by later in the year. The ADFA confirmed the field work was expected beginning of November and everything on track to deliver on schedule. The HIA said they were happy that all Internal Audit information was also on track to be supplied to the External Auditor (EA) in good time

24 UPDATE OF OUTSTANDING AUDIT RECOMMENDATIONS

The Chair welcomed the reduction to 29 recommendations and thanked everyone for their efforts in reducing the number. The DSD added that one of the Corporate Executive Assistants had taken over responsibility for monitoring those recommendations and as new ones came in they would ensure they were completed as soon as possible. A number of those 29 were nearing completion.

The Independent Person (IP), Mr V Platten, made an observation on how these recommendations are prioritised. So, if the consequence of not taking various actions was to impact on risk mitigation action, he felt some dovetailing was required at this stage. The DSD confirmed that when an audit took place, the HIA would assess potential risks associated with the issue and this led to the recommendation which then informed the priority of that recommendation. Those with a greater risk were being assessed and moved forward as a priority. The Chair thanked the HIA.

The Committee **noted** the Report.

25 ANNUAL GOVERNANCE STATEMENT 24/25 & LOCAL CODE OF CORPORATE GOVERNANCE

The CE responded to Cllr Fletcher's concern that the Whistle-blowing Policy appeared not to have been updated for some time. The Authority did receive a report from the Ombudsman that we should have a dedicated complaints officer which represented a challenge for an organisation the size of NNDC. Customer Services had been restructured to look at how stage 1 and stage 2 complaints came into the Authority and with support from the Executive Assistants those complaints were managed and closed within the timeframes that were published.

The annual letter from the Local Government Ombudsman and Social Care

Ombudsman confirmed that the number of complaints that progressed to their referral stage last year was 12 with just one finding against that resulted in the Authority in having to make a small compensatory payment.

Cllr Holliday asked whether the spread of Audit Opinions was better or worse than the previous year. The CE said the number of Limited Assurance Audits rose to 5 from 3 the previous year and demonstrated the importance of Audit. The CE was not unduly concerned that the number of limited assurances had increased as this reflected an organisation that wanted to improve. The CE did not want that position to deteriorate beyond the 5.

The Monitoring Officer (MO) responded to a query from Cllr Fletcher regarding the constitution review. The MO explained that initially significant changes had been planned but then Local Government Reorganisation (LGR) impacted this, and those changes had become less. That said, changes were still needed, as the constitution had not been reviewed for approximately 10 years. The proposed changes were due to go to Full Council in September, following review by the Constitution Working Party.

The CE, in response to a question from the Chair, outlined the Terms of Project Management, monitoring performance and improving monitoring audit. Recommendations had been put in place which resulted in the establishment of 3 boards; a Performance and Productivity Board, a Major Projects Board and a Net Zero and Decarbonisation Board. A new Project Manager had been appointed who would support the roll out of the food waste programme. The three Officers who made up the Project Management Team had reviewed their systems and processes and were submitting a revised framework to Corporate Leadership Team (CLT) shortly, with the intention that this would be rolled out very soon across the Council. He added that the Council had a dedicated project board for larger risk led by the DSD. The new DRC and Project Management Framework Provision would have oversight of smaller scale projects where there were less rigid project management in place. The CE concluded by saying that he would like to see improved reporting of these via the Project Management Framework. The Chair agreed that part of the challenge was to keep the public informed of the problems the Council faced so they fully understood the issue.

The IP asked if it were possible to share that framework with the Committee given the links to Risk, the CE was happy to do so.

The Chair highlighted risk assessments and asked what was in place to address this issue. The CE said this was the difference between how operational risk was managed relative to corporate risk and how one informed the other. Not all operational risks represented a risk of such scale and magnitude that they would be deemed a corporate risk and were managed at a service level rather than escalated. CLT did discuss those corporate risks on a quarterly basis so there was oversight and records of where risks had been downgraded or revised upwards. The CE was happy to discuss with the Committee on how those risks were graded and if the Committee felt those gradings were appropriate.

Cllr Boyle proposed, and Cllr Fletcher seconded to approve and accept the report which **was RESOLVED** unanimously.

26 DRAFT FINANCIAL STATEMENTS 2024 - 2025

The ADFA explained these were the Draft Financial statements for year ending 31st

March 2025 so had not yet been audited. They had been shared with External Audit (EA) and one change to note for accounting policies which the Council was required to do, was the introduction of IFRS 16. Throughout the document there were comments that referred to re-statement of figures. This was not required by Audit but had been done to make the financial statements more accurate. As this would be the first set of accounts for a few years to be audited it was seen as a good time to go back and correct those. The Chair agreed that it was very prudent to make those minor changes and for the document to be as accurate as possible.

Cllr Cushing raised a concern about the large variance in the figures, particularly of employee costs, and asked what level of confidence the Committee could have when such a large variance, of 22%, on a relatively small budget was now presented compared to the Budget that was agreed at Full Council in Feb 2025. Cllr Cushing believed this should be monitored going forward. ADFA explained these were included in the financial statements as a statement of fact, reflecting the results of the year. Cllr Cushing wished to reiterate that the Councillors were required to make decisions based on the figures presented to them and if, in reality there was additional money available then, it was possible they may have taken a different decision. The IP also agreed the high variance was a concern and felt the Council should be looking at its forecasting methods. The CE recognised that the 22% variance was something the Council needed to understand but he would have been more worried if it were a negative balance. As 40% of that variance related to income that was a positive position to be in but he accepted that there was a need to better understand the variance in staffing figures and that was an issue that he would ask the DRC and ADFA to investigate further.

The DRC said in relation to the variance of £1.6m in employee costs, that was made up of vacant posts and changing of funding in the Local Government Pension Scheme (LGPS), the latter being influenced by factors outside of the Council's control. The DRC also confirmed he was looking, in fine detail, at the vacant posts and where those posts would no longer exist, and be deleted, how they could redirect those funds to other council activities.

The CE answered a second query from the IP around temporary accommodation costs. The CE confirmed that over the last 3 years, the costs of TA was the largest cost pressure the Council faced after significant rises in Section 21 eviction notices. The costs of being a landlord had impacted the rental market so the stock of private rental units in the area had decreased. The Council had a statutory duty to assess if someone presented as homeless and if they established that they were, then there was a requirement to put them into temporary accommodation and that often meant, bed and breakfast. Over the past 5 years the Council had recognised it was not able to control those costs and therefore it was purchasing suitable accommodation to house homeless families. Residents could then claim Housing Benefit to cover their rent which they couldn't when they were placed in bed and breakfast.

The CE assured the Committee, and Cllr Fletcher, that for Valuation Office (VO) appeals and business rates evaluations the Council had earmarked commercial reserves for such instances and refunds so the risk to the authority was contained within that reserve.

The Chair asked for clarification on componentisation, on pg.107, the CE believed it was made up of things such as the Cromer pier and coast defences. EA had raised historically where this related, to that when the Council had assets that it routinely repaired that so this could extend its life before it came to its natural end.

The Chair asked, in reference to pg.127 (pg.53 of this report) under other items what cashflows referred to as there seemed to be a big change across the 2 years. The DRC said he would look into this and provide a response. CE thought it might be the need to payback certain Covid Grants as there was a need to pay those back within a certain timeframe, but this will be looked into and confirmed with the Committee for the next meeting.

The ADFO answered the Chair's question about valuations, on pg.145, regarding the historical costs which were at 19, then 12 and now up to 26, and explained they reflected how assets were valued. Depending on stage of construction, they would be billed differently prior to being brought into use. Certain assets were carried at historical cost or at cost until they reached certain points that were in line with accounting policy.

The ADFA did add, at the end of the meeting, that when the 2023/24 Audit took place there had initially been a disclaimed opinion as the EA were not able to formally issue that opinion until the National Audit Office confirmed if they wanted to add extra procedures based on EA work. This had since come back, and confirmation had been received that the Audit was not subject to any extra work. The Council had the certificate signed by the EA, and this was on the website.

ACTION: To confirm what the cashflow on Pg.53 of the report refers to due to the big difference in figures across the 2 years. (Minutes Appendix A)

The Committee **noted** the Report.

27 MONITORING OFFICERS ANNUAL REPORT 2024 - 2025

Cllr Cushing thanked the Monitoring Officer (MO) for their report and had a query on Freedom of Information Requesters (FOI). The MO explained that the Council did have a statutory duty to respond to FOI requests and they often fluctuated around the same subject matter depending on what was in the news. Very often persistent complainers would use the FOI act process as a way of asking further questions.

The IP wondered if it were possible to head off some of those FOI requests. The MO said the Council had a good record of responding to FOI requests within the timeframes the Information Commissioner required, and the number of appeals finding against the Council was very low.

In response to a question from Cllr Boyle on how those FOI requests compared year on year, the MO explained they could fluctuate but generally they did increase year on year. The Chair noted that there was also the Subject Access Requests which could also take considerable time. The Chair then asked how the 3 complaints upheld by the Ombudsman this year compared with previous years. The MO said they were roughly the same from previous year. The DSD believed it was 2 cases from the previous year and said the Council was a lot more robust with its complaint handling process and regularly monitored those. The Chair agreed that the way the Council dealt with complaints now was a huge improvement compared with previous years.

The Committee reviewed and **noted** the Report.

28 CYBER RISK MANAGEMENT POLICY

Cllr Holliday commented that the policy was quite slender. She also noted that there was no backfilling of the IT Infrastructure Manager role. The DSD said the policy was deliberately that way to protect the Authority against cyber-attacks as too much information on the Council's defence protocols could give those cyber-attackers insight of getting around Council systems, so the policy was purely a statement of how those cyber risks were managed, adding that there were other internal documents that set processes and policies. This approach had been tested by an independent Government tool to ensure the Council was dealing with cyber risk in an appropriate manner. The authority was compliant with the Public Services Network Code.

CE explained that a consultant from the East of England Local Government Association (EELGA) looked at IT staffing arrangements last year, which was reported to Full Council. It was noted that NNDC had a very strong ICT team in place but there was no single IT manager. The Council restructured the team with an internal appointment of a Strategic IT Manager being made. The Strategic IT Manager was asked to restructure the teams from 3 into 2 and that process was ongoing.

The IP asked if a cyber-attack was to occur, would the Council consider running scenarios and practical exercises to see how the Council would act in practice. The DSD confirmed that the Council carried out a lot of business continuity planning for all service areas, ICT was no exception, with system back-up, disaster recovery exercises etc, so regular testing already took place into the Council's ability to respond to a disruptive event around ICT.

DSD responded to Cllr's Cushing's question on password security. Passwords only made up part of a number of authentication processes the Council enforced. The Council's IT team checked if passwords were of suitable strength and systems regularly encouraged users to update passwords. There were also added layers of security for accessing the Council's network beyond passwords when working offsite.

The Committee reviewed and **noted** the Report.

29 CORPORATE RISK REGISTER

Cllr Fletcher queried the increase to cyber risk as the postholder who was overseeing cyber security has been promoted and the post not back-filled. The CE reiterated that the EELGA had suggested making a more senior position within the team and then look for restructuring and redeployment to strengthen the team's performance moving forward. A high percentage of staff completed the existing courses around cyber awareness but if there was a perceived gap in terms of the Council's capacity to have a dedicated post rather than specifying that responsibility within an existing post that was something the Council might need to consider further.

Cllr Holliday noted that one risk had gone up in May, not achieving the Net Zero target, and as the Committee did not have a chance to review the register in May could this have been a different outcome should Audit have been allowed the opportunity to comment at that time. CE said this was a good example of the issues with the Council's Risk Register. The Council did ask the HIA to reflect on the score in terms of urgency as there were 2 urgent recommendations and CLT questioned what that urgency was, given it was involving a risk not involving life and limb, or of the Council entering into a major contract or involving the Council recovering monies

that were owed to the authority. HIA said this was around a corporate policy of the Council that had not been updated for some time so Audit was right to highlight this as the Council had deviated from its position. The CE confirmed the Council had not abandoned its Net Zero objectives but as their asset base had increased their journey had somewhat stalled or been compromised. The CE believed the position in August better reflected where the Corporate Leadership Team felt the Council existed in context of what was a Corporate Risk but he appreciated that some of these things were subjective. CE accepted Cllr Holliday's point that Members did not have a chance to debate the changes within the policy, but the team had re-drafted the Environmental Policy, and it was coming back to Members before Christmas.

The Chair asked that when something changed and went into a 'red zone' during the period between Committee meetings, if this could be highlighted within the report.

The Chair commented that it might be helpful if the IT team made it clear to staff and Members, that when cyber risk awareness courses were emailed that it was genuine and not a scam as this may increase compliance. The DSD was happy to take this point onboard and feed it through before future course roll out.

Chair agreed with Cllr Holliday, that there was currently no corporate risk listed for homelessness and it would be a good idea if the Council had one. DSD said they would give consideration as to how that would look, as some of those risks were identified and managed on a service level. DSD would have that conversation in terms of the wider risk of homelessness with CLT and whether it's not covered adequately within other risks. ADFA said Medium Term Financial Strategy was on as a risk so any costs would be considered.

Cllr Cushing noted housing delivery targets had not been met and yet risk was listed as amber, so he queried if this was a true reflection of the current position. CE explained that the draft new Local Plan was moving towards adoption, and this did meet expectations. The Government had increased the number of houses that should be delivered up to 932 and that figure was highly unlikely to be achieved as it did not reflect availability of utilities with significant restraints on such things as water supply, UK Power Network infrastructure etc. The Council did have a degree of confidence that sites were now coming forward for development. In conclusion, he said that the amber rating did reflect the Council having a current plan, but the target of 932 homes and the infrastructure capacity remained an issue

ADFA responded to a query from the Chair in how close we were with closing off the new Procurement Act in completing audits before the new act comes into force. Procurements were being facilitated from an external company to ensure compliance. Now in a position to develop documentation that was required to go out to tender and discussions with neighbouring authorities would be taking place to assist to ensure that when the Council go live with those, they were compliant with that new Act. Any breaches in that policy could attract fines so important to go at correct pace and have external help, should it be needed.

The IP felt that for some risks it could be helpful to be clearer on the status of timing and what happened next, particularly around higher-level risks. CE agreed that adding a time horizon into right-hand column was something that could be explored going forward.

Also, IP had a question, in reference to Net Zero, and the need to offset emissions and if that attracted a cost and if so, perhaps that should be referenced as a financial consequence of the risk being realised. CE confirmed the IP was correct in

identifying that there were penalties, in relation to not meeting Net Zero, and these were due to come into effect in 2028 as a result of compliance with targets set by the previous Government around the energy performance of property assets. If the Council did not meet those thresholds there would be a tariff to pay.

Finally, IP referred to risk of capacity of being able to cope with the workload with the LGR process and asked if the Council was satisfied that the risks logged gave the Council sufficient space to delve into things such as staff retention. CE explained this risk was updated quarterly and was built around capacity to get to this stage at this time for joint proposals to Government. The Council did anticipate some issues around the workforce and this was one of the reasons why there was the advisory piece of work that was commissioned around the audit plan on a workforce strategy and a learning development strategy. He added that the recruitment position had been significantly improved relative to 12-18 months ago. CE was very comfortable now that the Council had reached the submission stage for LGR, to revisit the risk in terms of if the narrative was correct but to date, it had been very much about the corporate capacity to deliver and CE believed the Council had met that challenge.

DSD said when they were discussing the LGR risk CLT did talk about workforce implications but at that time made the decision they felt that risk CR024 - 'failure to retain adequately trained staff', was already in place and that covered the impact and it was important not to duplicate a risk.

Chair brought to the Committee's attention Sheringham Leisure Centre and Fakenham roundabout, in the progress update, saying risks had been closed but pages still existed for them. DSD said they were closed but stayed in this report to reflect that fact. CLT did review the risks on a regular basis, closing some and being replaced with revised risks where appropriate. Chair felt the introduction of risk for domestic food waste collection would be a sensible approach.

The Committee **noted** the report.

30 PROCUREMENT EXEMPTIONS REGISTER

The Committee noted that there were no procurement exemption to report.

31 URGENT BUSINESS

Chair had added this item to the agenda. She explained that she had drafted for the attention of National Audit Office (NAO) as the body responsible for looking at best value and ensuring that the appropriate processes had been followed, in respect of costs and protecting the use of public money. The Chair did not believe this had been done when looking at LGR members to support the sending of a letter on behalf of the Committee or alternatively, the Chair could send it the Chair of the Audit Committee. The Chair read the out the draft letter asking the NAO to urgently assess and review the Governments decision. (Minutes Appendix B)

The Chair did note that there was a debate on whether there was a motion going to Full Council to ask if other Norfolk Councils would follow suit and in response to Cllr Holliday's query if this was a national push asking for the NAO to re-assess the Chair confirmed she believed it was.

IP agreed and said it was a well-worded letter, and he was very surprised no business case or impact assessment had been undertaken by Government. IP wondered if figures specific for Norfolk could be added, if available, to the letter,

adding that if it could be sent jointly with other councils this would potentially strengthen the case. The Chair replied that they would write to leaders of those other Norfolk Council's, if Committee in agreement, as a matter of urgency. Chair also attending East of England Audit Committee Chair meeting and would discuss if this could be taken forward.

Cllr Cushing said that he would support the letter as LGR was the most momentous point for Local Government. Cllr Cushing said that he believed LGR would not save money and that the councils affected would end up in a position which would cost the taxpayers far more and be far less democratic. Cllr Holiday wondered if there was a 'no quality of delivery' argument to be set out alongside the cost element. Chair felt at this stage it was about justifying the costs involved and that was the best way to fight against it at this point.

Cllr Butikofer agreed to circulate a copy of the letter electronically to Committee Members as soon as possible.

Cllr Butikofer proposed, and Cllr Holliday seconded as the Committee agreed to send the letter on behalf of the Governance, Risk & Audit Committee and to write to the Audit Committees and Leaders of the other Councils within Norfolk, asking if they would like to support NNDC in this. This **was RESOLVED** unanimously.

32 GOVERNANCE, RISK AND AUDIT COMMITTEE WORK PROGRAMME

The Chair would meet the Committee's new clerk to discuss any work items that needed to be brought before the Committee in the coming months and this would be shared with members at the next meeting

33 EXCLUSION OF THE PRESS AND PUBLIC

The meeting ended at 4.13 pm.

Chairman

Appendix A

Minute Item 26

Response to GRAC query 9 September 2025

Don McCallum, Director of Resources 10/10/2025

Action 10 DRAFT FINANCIAL STATEMENTS 2024 - 2025

“To confirm what the cashflow on Pg.53 of the report refers to due to the big difference in figures across the 2 years.”

15. Cash Flow Statement – Arising from Operating Activities		2024/25	2023/24
		£000	£000
Interest received		25	1,552
Interest paid		22	(441)
Net cash flows from operating activities		47	1,111
The surplus or deficit on the provision of services has been adjusted for the following			
Depreciation		2,838	2,579
Impairment and downward valuations		83	,556
Amortisation		279	282
Increase/(decrease) in creditors		250	(3,450)
Increase in Interest and Dividend Debtors		-	-
(Increase)/decrease in debtors		521	(484)
(Increase)/decrease in inventories		7	(4)
Movement in pension liability		(793)	799
Carrying amount of non-current assets, and non-current assets held for sale, sold or derecognised		422	2
Movement in Investment Property Values		51	(38)
		3,658	242
Adjust for items included in the net surplus or deficit on the provision of services that are investing or financing activities			
Capital grants credited to surplus or deficit on the provision of services		-	-
Net adjustment from the sale of short term and long term investments		-	3,191
Proceeds from the sale of property, plant and equipment, investment property, and intangible assets		-	-
Fair value pooled funds		(644)	(641)
Other items for which the cash effects are investing or cash flows		(22,709)	-
		23,353	2,550

53

Other items for which the cash effects are investing or cash flows 2024/25 £22,709k (2023/24 £nil)

Response

In the draft 2024/25 cash flow significant grant amounts were received unlike the 2023/24 cashflow where none were recognised. The material grants spent in 2024/25 included;

- Cromer Coast Protection Scheme £10.4m
- Mundesley Coastal Management Scheme £5.3m
- Coastwise £1.0m
- Disabled Facilities Grants £1.9m
- Rural England Prosperity Fund £1.1m
- Other grants and contributions totalling £2.9m

The prior year figure is understated by at least £1.7m spent on Disabled Facilities.

Appendix B

Minute Item 31

"We write to ask the National Audit Office to undertake an investigation into the Government's plans to re-organise local councils across the country.

The background, in summary, is that councils in two-tier areas, those with district and county councils, have been instructed to bring forward proposals to abolish themselves and create new unitary councils. In many cases at great speed with short deadlines, and with veiled threats of the consequences of non-compliance.

There is a significant cost to already hard-pressed councils in undertaking this work. The cost, both in real expenditure on research, legal advice, specialised assessment and in officer time, is significant.

In Norfolk alone, the costs are estimated to be in excess of £2million, of which just £321k was directly funded by central government. The balance will have to come from already overstretched Council funds pushing some further into debt.

It appears a significant part of the premise for the restructuring is that change will bring savings, which then support the provision and maintenance of valued local services.

However, the BBC reported on the 29th of August that the Government did NOT commission its own analysis of the real costs of such re-organisation, described as the biggest re-organisation of councils in England for decades.

(Link to the BBC report <https://www.bbc.co.uk/news/articles/cj9wxnlrnxdo>)

The Ministry of Housing, Communities and Local Government, it now appears undertook no independent research and assessment of both costs and savings itself.

Rather, it based its cost estimates on a five-year-old report prepared on behalf of the County Council Network (CCN) by PWC. Since that time costs at both tiers of local government have spiralled beyond recognition, particularly due to SEND and Adult Social Care provision for residents.

The then Deputy Prime Minister, Angela Rayner, said "a significant amount of money" could be saved by merging councils in 21 areas into single authorities. The Governance Risk and Audit Committee here at North Norfolk District Council and in many other parts of the country would question the validity of that statement. This is not the experience of other recently created unitary councils such as Somerset and North Yorkshire, and current estimates in other areas indicate this is just not the case.

We understand the role of the National Audit Office is to support Parliament in holding the Government to account and to examine and report on the value for money of how public money has been spent.

In updated analysis this year, the CCN reports that the re-organisation of local councils could cost £850m over five years and deliver no savings.

There therefore appears to be a significant failing on the part of the Government to pursue the changes to local government structures in two tier areas without a clear knowledge and evidence base, needed to provide essential understanding of both the costs and the potential savings which may or may not be generated, or the changes and knowledge of the impact on service delivery.

Consequently, we are asking the NAO to urgently assess and review the Government's decision to instruct councils to pursue these changes in local government structure without first commissioning its own research to provide definitive evidence and information regarding the costs of the changes and an accurate knowledge of possible savings.

For clarity, North Norfolk District Council's Governance, Risk and Audit Committee is not closed to the principles of local government reorganisation or arguing for the retention of the current two tier arrangements; but believes any decision to proceed with this reorganisation needs to be based on sound evidence, principles of strong governance and represent value for money for local Council Tax payers – not just in terms of delivering “cheap” or low cost services. We must have firm foundations on which new authorities can build services which will properly meet the needs of our residents and communities into the future.

As things currently stand, we believe the Government has acted precipitously and, possibly, negligently in this matter.

With recent changes in the MHCLG Ministerial team now is the time to review earlier decision. Government rightly places upon local authorities a duty to protect how public money is spent, and the public should expect no less from us. Surely then they should also accept no less from Government.

Sent on behalf of the North Norfolk District Council Governance, Risk and Audit Committee

GOVERNANCE, RISK & AUDIT COMMITTEE 09 September 2025 – OUTCOMES & ACTIONS LIST

MINUTE NO.	AGENDA ITEM AND ACTION	ACTION	DEADLINE/UPDATE
7	GOVERNANCE, RISK AND AUDIT COMMITTEE UPDATE AND ACTION LIST		
	Actions flagged as still outstanding: <i>HIA is now providing a brief progress update each month to ensure the Audit action plan remained on track for completion, but this is not reaching Members. Monthly reporting to continue</i> <i>The Performance Manager to discuss with the responsible Officer the lack of property assessments and the Committee to be updated on appropriate Property assessments</i> Ongoing Action: Action list to be circulated to CLT following the meeting	DSGO HIA DSM	Update was missing, this has now been located and shared with members. DSGO to take responsibility for forwarding to members going forward. Dec 2025 (next meeting) Ongoing commitment
8a	INTERNAL AUDIT PROGRESS & FOLLOW UP REPORT		
	To provide an update on the oldest 2 outstanding recommendations. To obtain and share an update on NN2202 relating to the provision of car parking services provide by Kings Lynn & West Norfolk Borough Council (KLWNBC).	DSD DSD	Committee updated at Sept meeting Committee updated at Sept meeting

	Update on land charges audit NN2412 (as nearing deadline for completion)	DSD HIA	Committee updated at Sept meeting Email circulated 12.06.25
9	ANNUAL GOVERNANCE STATEMENT 24/25 & LOCAL CODE OF CORPORATE GOVERNANCE		
	To provide a copy of the Project Management Framework Provision.	CE	Dec 2025 – by next meeting
10	DRAFT FINANCIAL STATEMENTS 2024 - 2025		
	To confirm what the cashflow on Pg.53 of the report refers to due to the big difference in figures across the 2 years.	DRC	Dec 2025 – by next meeting. Inc as appendix to Minutes
13	CORPORATE RISK REGISTER		
	To circulate Corporate Risk Register after the meeting To review the register at the September meeting	DSD DSM	Email sent 23.06.25 Register reviewed at Sept meeting
15	GOVERNANCE, RISK & AUDIT COMMITTEE WORK PROGRAMME		
	Self- assessment – to confirm when this will take place	HIA	Second part of CIPFA Self-Assessment to be completed at March 2026 meeting

Report Title	Progress Report 2025/26	
Are there background papers?	☐ Yes	☒ No
Exempt	☐ Yes	☒ No
Reason for Exemption?		
Decision for Full Council?	☐ Yes	☒ No
Contact Officer	Teresa Sharman, Head of Internal Audit for North Norfolk District Council	
E-mail address	teresa.sharman@southnorfolkandbroadland.gov.uk	
Telephone number	01603 430138	
Are there Non Electronic Appendices?	☐ Yes	☒ No
List of Background Papers (if applicable)		

Agenda Item No _____

Progress Report 2025/26

Summary: This report provides details of progress with the 2025/26 Internal audit Plan and outstanding recommendations.

Conclusions: The 2025/26 Internal Audit Plan is in progress. Outstanding recommendations are progressing.

Recommendation: That the Committee is requested to:

- Receive and note progress with the 2025/26 Internal Audit Plan and outstanding recommendations.
- Approve the change to the Internal Audit Plan

Cabinet member(s):

All

Contact Officer, telephone number,
and e-mail:

Ward(s) affected:

All

Teresa Sharman
01603 430138

teresa.sharman@southnorfolkandbroadland.gov.uk

1. Background

- 1.1 This report is issued to assist the Council in discharging its responsibilities in relation to the internal audit activity.
- 1.2 The Global Internal Audit Standards in the UK Public Sector require the Chief Audit Executive to report to the Committee on the performance of internal audit relative to its plan, including any significant risk exposures and control issues.

2. Overall Position

- 2.1 The attached report details:
 - Any significant changes to the Internal Audit Plan
 - Progress made in delivering the Internal Audit Plan
 - The outcomes arising from audit work
 - Final report executive summaries
 - Status of agreed recommendations
 - Details of outstanding recommendations

3. Conclusion

- 3.1 The 2025/26 Internal Audit Plan is progressing. Outstanding recommendations are also progressing.

4. Recommendation

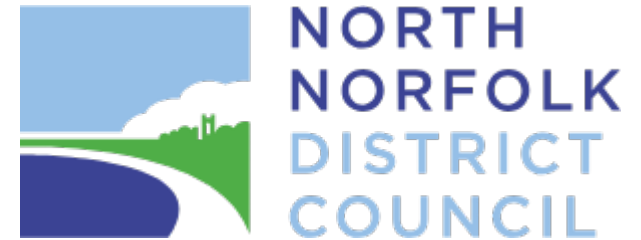
1) That the Committee is requested to:

- Receive and note progress with the 2025/26 Internal Audit Plan and outstanding recommendations.
- Approve the change to the Internal Audit Plan

Appendices attached to this report:

Appendix A – Progress Report 2025/26

EASTERN INTERNAL AUDIT SERVICES



NORTH NORFOLK DISTRICT COUNCIL

Progress Report 2025/26

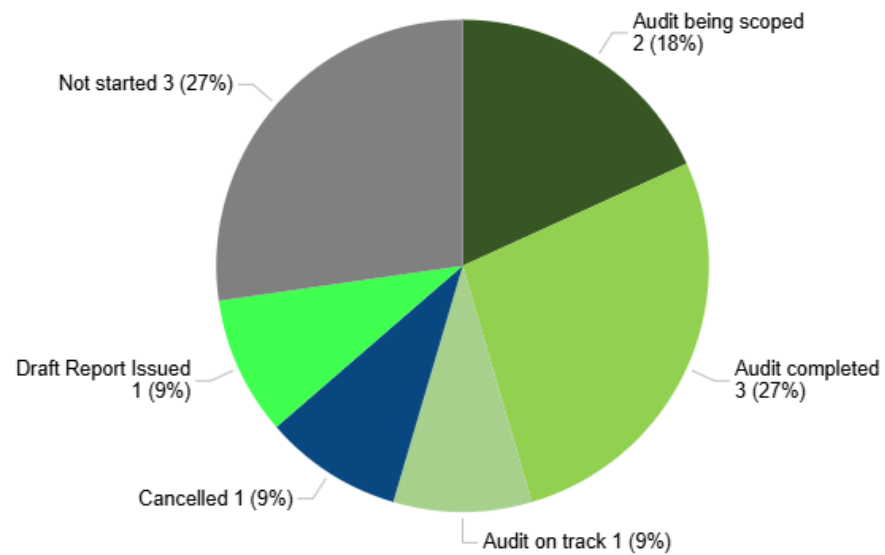
Head of Internal Audit: Teresa Sharman

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Progress at a glance

11 Audits in 2025/26 Audit Plan
1 Urgent Recs Raised
8 Important Recs Raised
4 Routine Recs Raised
0 Improvement Actions Raised



34 Outstanding Recommendations
4 High 20 Medium 10 Low
Oldest – 2021/22 – 1 Medium, Key Controls

Executive Summary

Introduction

Under the Global Internal Audit Standards (GIAS), 'The chief audit executive (Head of Internal Audit) must provide the board with the information needed to conduct its oversight responsibilities.' In particular, 'Results of internal audit services, including conclusions, themes, assurance, advice, insights, and monitoring results.' and 'The chief audit executive must communicate the results of internal audit services to the board and senior management periodically and for each engagement as appropriate.'

Under the Committee's terms of reference, the Committee should receive updates on the work of internal audit, including key findings, issues of concern and action in hand from internal audit work and consider summaries of specific internal audit reports.

This report is to assist the Committee in discharging its responsibilities in relation to internal audit activity.

Background

The Internal Audit Service for the Council is provided by Eastern Internal Audit Services (EIAS), which is hosted by South Norfolk Council, through a partnership arrangement. EIAS provides internal audit services to the district councils for Breckland, Broadland, North Norfolk, South Norfolk, Norwich City Council, Great Yarmouth Borough Council, and the Broads Authority.

The delivery of the Internal Audit Plan for the Council is provided by the EIAS's contractors, TIAA Ltd, BDO LLP and Hertfordshire County Council's Shared Internal Audit Service, supplemented by a small in-house Team

Internal audit provides an independent and objective opinion on the Council's internal controls by evaluation their effectiveness and operation in practice.

Changes to the 2025/26 Audit Plan

Since the Internal Audit Plan was approved, the following changes have been made: -

Audit	Nature of the change
Budget Setting and Control	Cancelled – this audit was cancelled because the scope was no longer required.

Progress to date and audit outcomes

Progress with audit work

The current position in completing audits to date is shown in **Appendix 1**.

Quarter 1

A final report has been issued for the Building Control audit.

A draft report has been issued for Workforce Strategy and Learning Development Plan audit.

Quarter 2

A final report has been issued for the Environmental Health - Licensing audit and the Artificial Intelligence Advisory Review

Quarter 3

The Terms of Reference for the Risk Management has been issued, and fieldwork is progressing.

The Corporate Governance and Property Services audit are being scoped.

Quarter 4

The Procurement, Key Financial Controls and Application Audit – HR system audits have not commenced yet.

Audit Outcomes - Final Reports

During the period, the following final reports have been issued as detailed in the table below.

The Executive Summary for final reports issued in the period are provided in at **Appendix 2**, and a full copy of the report can be requested by Members.

Recommendations made on completion of audit work are prioritised and the definitions for these are detailed in **Appendix 4** along with those for the assurance level awarded on completion of each individual audit.

Audit	Assurance Level	Urgent Recommendations	Important Recommendations	Routine Recommendations
Building Control	Reasonable	0	0	3
Environmental Health - Licensing	Limited	1	1	1
Artificial Intelligence Advisory Review	Advisory Work	0	7	0
Total	-	1	8	4

Outstanding Recommendations

The table below shows the total number of recommendations which are past their agreed due date and are still in progress by year and priority rating.

The following audits in the table below were assigned a 'limited' overall assurance opinion: -

- 2025/26 – Environmental Health - Licensing

As a result of audit recommendations raised, management agree action to ensure implementation within a specific timeframe and by a responsible officer. The management action subsequently taken is monitored by the Internal Audit Contractor on a regular basis and reported through to the Committee. Verification work is also undertaken for those recommendations that are reported as closed.

Appendix 3 provides the Committee with details of urgent and important priority recommendations that are overdue for the year in which they were raised. Management responses and a new deadline, where available, have been indicated for each.

Audit Year	Audit Name	Priority 1	Priority 2	Priority 3	Total Outstanding
2021/22	Key Controls and Assurance	0	1	0	1
2021/22 Total		0	1	0	1
2023/24	Accounts Payable	0	0	1	1
	Land Charges	0	1	0	1
	Post Implementation - Finance System Review	0	1	0	1
2023/24 Total		0	2	1	3
2024/25	ICT - Applications review: Finance & HR System	0	1	0	1
	Commercial Estates	0	4	0	4

Audit Year	Audit Name	Priority 1	Priority 2	Priority 3	Total Outstanding
	Environmental Charter	2	2	2	6
	ICT - Applications review: Revenues and Benefits	0	1	0	1
	ICT - Cyber Security	0	1	2	3
	Leisure	0	0	1	1
	Private Sector Housing - HMOs, private rental enforcement and empty homes	0	2	0	2
	Risk Management	0	1	0	1
	Section 106 Arrangements	1	3	1	5
	Waste Management Contract with SERCO	0	2	0	2
2024/25 Total		3	17	6	26
2025/26	Environmental Health - Licensing	1	0	1	2
	Building Control	0	0	2	2
2025/26 Total		1	0	3	4
Grand Total		4	20	10	34

Progress with actions to Improve poor performance

Contractor Performance

Progress with actions being taken to improve contractor performance is outlined below: -

- **Contractors:** - Work across all Councils in the Consortium is split between three contractors, with the main contractor completing approximately half of the total audits. The remaining half split approximately equally between the two other contractors.
- **The Protocol, 'a ways of working together' and expectations of Council officers and Contractors:** - this document has been reiterated with all the Contractors and Councils to follow and escalate when responses are not received.
- **Regular meetings:** - meetings take place with the Director for the main contractor to discuss performance every quarter, and all contractors have scheduled meetings to monitor audit progress and performance.
- **Quarterly Review of the Audit Plan with senior management:** - these meetings enable issues to be raised and discussed directly with management.

Quality Assurance & Improvement Programme

- **Next External Quality Assessment (EQA):** - this is due in December 2027. A gap analysis against the new Global Internal Audit Stand in the UK Public Sector is currently under way.

Appendix 1 - Summary of Audit Work 2025/26

Audit Area	Status	Opinion	Total Number	Urgent	Important	Routine	Improvement Actions
Building Control	Audit completed	Reasonable	3	0	0	3	0
Environmental Health - Licensing	Audit completed	Limited	3	1	1	1	0
Artificial Intelligence Advisory Review	Audit completed	Advisory Work	7	7	0	0	0
Workforce Strategy and Learning Development Plan	Draft Report Issued		0	0	0	0	0
Risk Management	On track		0	0	0	0	0
Corporate Governance	Audit being scoped		0	0	0	0	0
Property Services	Audit being scoped		0	0	0	0	0
Procurement	Not started		0	0	0	0	0
Key Financial Controls	Not started		0	0	0	0	0
Applications review: HR system	Not started		0	0	0	0	0
Budget Setting and Control	Cancelled		0	0	0	0	0

Grant Certifications	The following grants have been certified by EIAS so far during 2025/26: - • Disabled Facilities Capital Grants (Period end - 2024/25)
Low Priority Audits	These audits were Project Management Framework, Council Tax Support Scheme and Woodland Management and Country Park provision. These will only be completed if the budget allows.
Follow Up	A provision of days is allowed to monitor progress with implementing recommendations made each month.

Appendix 2 - Final Report Executive Summaries

Building Control

Assurance Opinion

The assurance opinion assigned to this audit is detailed below along with the number of recommendations made and their priority rating.

Opinion provided	Reasonable	Urgent recommendations	0	Important recommendations	0	Routine recommendations	3
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The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed, and process objectives achieved.

Weaknesses are in relation to the monitoring and oversight controls for the Building Control Service, in particular its Service Improvement Plan and performance.

Our overall opinion has considered the Council's self-assessment audit of its building control service against the Local Government Building Control (LGBC) Quality Management System (QMS) scheme; A Service Improvement Plan is in place with 34 elements identified for action. We acknowledge that ten actions have commenced and five are completed.

Audit Objective

The overarching objective of this audit is to provide assurance on the adequacy, effectiveness and efficiency of the systems and controls in place to reduce the likelihood and impact of disruption events and the adequacy of disaster recovery processes.

Summary of Findings

Areas of strength in control design and / or effectiveness

- The Council has signed up to the Local Authority Building Control (LABC) quality management system (QMS) and a review of processes against the QMS was undertaken in November 2024. An action plan was produced to address the weaknesses identified from this review.
- Controls within the building control system, Uniform, restrict access to users based on their job role, to reduce the risk of erroneous input or amendment of data.
- A new fee schedule was approved from 1st April 2025, to ensure that the service continues to run on a cost-neutral basis.
- All of NNDC's building control surveyors are qualified and registered with the Building Safety Regulator to undertake 'restricted activities', i.e. plan checks and building inspections.
- A risk assessment has been carried out to identify risks relating to non-compliance with the Operational Standards Rules (OSRs).
- Challenges in recruiting to technical roles is recognised in the Corporate Risk Register as part of risk CR024 – People Resources (recruitment and retention).
- All building control applications are validated on receipt to ensure that all necessary documents have been provided, and the correct fee has been paid. No work is undertaken on any application before it is confirmed to be valid.
- Inspections dates and notes are recorded on the Uniform record for each application.
- Invoices for inspection fees are raised promptly, and outstanding invoices are monitored. Completion certificates are not issued until all fees have been paid.
- Data on compliance with the OSRs is submitted quarterly to the Building Safety Regulator. There is no indication of poor performance from the latest data return, which covered the period January to March 2025.

Areas of weakness in control design and / or effectiveness

- Although a service improvement plan has been produced, with actions recorded to address weaknesses identified, is no formal monitoring of this plan to ensure that actions are progressing as planned. In addition, five of the actions are marked as complete and a further ten as commenced, but there are no timescales stated for when each action should be completed. (Recommendation 1)
- The risk assessment against the OSRs does not distinguish between current and planned mitigations, so it is unclear whether the residual risk score reflects the current position or whether it can be improved further. (Recommendation 2)
- The Council is required to submit quarterly KPI data to the Building Safety Regulator to support their compliance with the OSRs. The Council has submitted the required data on time. However, this performance data is not shared internally with management. (Recommendation 3)

Best practice points to note

- The Council offers a next day inspection service and appointments can be booked via a form on the Council's website.
- The Council offers a £25 (+VAT) discount on inspection fees for paying up front, when the application is submitted. This leads to prompt payments and reduces the administrative burden of debt recovery.

Added value or improvement points

- None identified.

Management Action Plan

No.	Recommendation	Priority	Implementation Date	Responsible Officer
1	Update the Service Improvement Plan to include target timescales for each action. Formalise oversight of the Plan, to ensure that actions are being completed as planned and that any issues can be resolved promptly.	3	30/09/2025	Building Control Manager
2	Update the Operational Standards Rules (OSRs) risk assessment so that it is clear which mitigations still need to be implemented and the impact this will have on the risk score.	3	31/10/2025	Building Control Manager
3	Share performance data with management for example, the KPI data submitted to the Building Safety Regulator, to provide assurance over compliance with the Operational Standards Rules.	3	31/10/2025	Building Control Manager

Environmental Health - Licensing

Assurance Opinion

The assurance opinion assigned to this audit is detailed below along with the number of recommendations made and their priority rating.

Opinion provided	Reasonable	Urgent recommendations	1	Important recommendations	1	Routine recommendations	1
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The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed, and process objectives achieved.

Weaknesses are in relation to the monitoring and oversight of annual fees for premises licences following the loss of automated payment processes during the migration to the Assure system from the previous M3 system. This has led to uncertainty over whether annual fees had been paid for more than 154 licences, with 83 of these confirmed as unpaid, including 38 owing fees for more than one year. This equates to circa £37,350 in outstanding fee income as at the end of July 2025 for all 154 cases. It is a mandatory requirement of the Licensing Act 2003 to suspend a license where payment has not been received and non-compliance therewith, could expose the Council to legal challenge. This statutory requirement is not clearly defined in the Council's Licensing Policy.

Plans are in place to reinstate automated invoicing by October 2025 and to complete the current review of outstanding payments by the end of November 2025.

Controls over the processing of taxi licenses (Hackney Carriages), Private Hire Vehicles and Operator's licence were found to be operating satisfactorily, with no issues raised.

The overall level of assurance also takes in to account a recommendation from the previous review of Environmental Health relating to accountability for all licenses and reconciling income to the finance system, which remains outstanding. The implementation of this recommendation will be aided by improved oversight with a further recommendation made in this report.

Audit Objective

The overarching objective of this audit was to provide assurance on the effectiveness and efficiency of controls within the licencing process to ensure that licences are issued on time, correctly and in line with relevant policies, laws and regulations.

Summary of Findings

Areas of weakness in control design and / or effectiveness

Out of date licenses

- During the migration from the M3 system to the Assure system in 2017, automated functionality that previously allowed annual premises licence fee payments to be issued automatically was lost. This significantly impacted the Council's ability to monitor and collect annual fees, resulting in a number of premises not being charged or paying their annual fees on Assure.
- Initial findings identified over 204 premises for which the Council was uncertain whether annual fees had been paid for their premises licences. Subsequent review noted that this figure has reduced to 154, with 83 currently being chased for payment of which 38 are confirmed as owing more than one year. The review of unpaid licenses is expected to be completed by the end of November 2025 for all remaining cases. As of 31st July 2025, the total outstanding in license fee income was confirmed as £37,350.
- In addition, cases involving multiple fees which are due have been identified with work ongoing to ensure the requisite actions, including payment of fees, are taken. A further 71 licences remain under review to verify the payment status.
- The Council aims to reinstate automated processes including generating annual reminders, in October 2025, working with the system provider (NEC) to enable automated invoicing through Assure and to monitor the status of invoicing through Crystal reporting and an internal monitoring process alongside the Income department to provide notifications to Environmental Health of payments due and to help resolve the issue. (All the above points relate to Recommendation 1).

Licensing policy

- The Council's Licensing Policy states that the licensing authority will suspend a premises licence or club premises certificate if the annual fee is not paid when it is due. However, this does not apply immediately if the payment was not made before or at the time of the due date because of an administrative error, or because the holder disputed liability for the fee before or at the time of the due date. In either of these cases, there is a grace period of 21 days. This period is intended to allow the licensing authority and the licensee or certificate holder an opportunity to resolve the dispute or error. However, under Section 55A of the Licensing Act 2003 it states that a licensing authority must suspend a premises licence if the holder has failed to pay the annual fee. This is a mandatory requirement, not discretionary and poses a potential risk to the Council if it fails to suspend the licence and the premises continues to operate. This could be seen as negligence and lead to potential serious legal repercussions such as judicial reviews or legal challenge, liability in civil claims, ombudsman investigations, and reputational damage. Whilst the Council is monitoring nonpayers, testing established that the Council is not adhering to the 21-day grace period referred to in its policy (or the 28-day payment terms stated in the covering invoice) for receipt of payment. Covering e-mails with the invoice do not refer the consequences i.e. suspending the licence if payment is not forthcoming. There was evidence that some licenses have been suspended, although this is based on a case-by-case basis, as opposed to any documented process being applied, and is loosely based on the Council's Policy. (Recommendation 2)

Issuing of licenses

- Other than an "Issue date" on the Assure system, there is currently no evidence of when a manual licence was issued or received by the recipient/licence holder. Consequently, there is no assurance that the licence was issued / received by the recipient/licence holder. (Recommendation 3)

Previous recommendations

- The previous report on Environmental Health (NN2214) including a priority 2 recommendation for the Council to ensure that all licence fee income has been correctly accounted for and that there is agreement between Assure and eFinancials. The current review has highlighted issues with accounting for all licenses with appropriate recommendations raised. It was also established that the reconciliation of license fee income to the finance system is still to be implemented.

Areas of strength in control design and / or effectiveness

- The revised Taxi and Private Hire Policy and Handbook was approved by the Licensing Committee (9 July 2025) and Full Council (23 July 2025) for adoption from 1 September 2025.
- Aside from the issues reported in the section below and despite system issues, testing confirmed that taxi, private hire, operator, and premises licences were processed in line with the Licensing Act 2003 and statutory objectives (crime prevention, public safety, public nuisance prevention, child protection). Consultations with responsible authorities and decision-making followed legal requirements.
- Cabinet approved the annual fees and charges for 2025/26 at its meeting on 2nd December 2024. Testing confirmed correct rates were being charged.
- All sampled taxi and private hire drivers had Enhanced DBS checks. At audit time (July 2025), the Council was conducting an additional six-monthly review to ensure DBS compliance.
- The Council's Licensing Committee considers applications by persons wishing to drive taxis; a separate Licensing Committee is in place for premises and gambling.
- Previous Assure system bug affecting document uploads has been fixed. Backup procedures ensure compliance and data recovery.

Best practice points to note

- Controls within the Assure system, restrict officers from completing licence applications if key documentation is missing in accordance with the Licensing Act 2003.
- The Taxi and Private Hire Policy and Handbook, which has been updated and approved for adoption from 1st September 2025, is based on the government's statutory taxi and private hire vehicle standards and best practice guidance, which was issued by the Institute of Licensing in November 2024. There is a driver knowledge test as part of the application process, and the Handbook is the definitive guide to the standards expected in North Norfolk.

- The Council uses the National Anti-Fraud Network (NAFN) for verification checks for checking details of licensees (including premises, and taxi (Hackney Carriage and Private Hire), which is a national organisation hosted by Tameside MBC providing services on behalf of member local authorities, wider public authorities and housing associations across the UK. NAFN provides users access to centralised credit reference data services. It may be for a new tenancy, employment, debt recovery, rent arrears and prevention of fraud and crime.

Added value or improvement points

- None identified.

Management Action Plan

No.	Recommendation	Priority	Implementation Date	Responsible Officer
1	The Council to Integrate automated invoicing functionality within the Assure system to enable annual licence fees to be promptly billed and collected. Introduce a reconciliation and tracking process to identify unpaid licences and recover outstanding fees to ensure that debtors are identified in a timely manner and dealt with in accordance with the Licensing Act 2003.	1	1 st November 2025 (for both elements)	Assistant Director – Environment and Leisure Services / Environmental and Leisure Business Support Manager (for both elements)

No.	Recommendation	Priority	Implementation Date	Responsible Officer
2	Review the Council's Licensing Policy to ensure it aligns with section 55A of the Licensing Act 2003, in particular, to suspend a premises licence if the holder has failed to pay the annual fee rather than reference to allowing a period of grace where annual payment has not been received. The legislative requirement to suspend licenses where payment has been requested but not received, should be invoked.	2	1 st March 2026 due to committee dates and Full Council	Assistant Director – Environment and Leisure Services / Environmental and Leisure Business Support Manager (for both elements)
3	The Council to standardise licence distribution process by issuing all licences electronically, where possible. Where this is not feasible, any licenses sent by post, to be sent either by special post or recorded delivery, thereby maintaining audit trail of delivery.	3	1 st October 2025	Assistant Director – Environment and Leisure Services / Environmental and Leisure Business Support Manager (for both elements)

Artificial Intelligence Advisory Review

Assurance Opinion

This review was conducted as an advisory assessment of the Council's current preparedness for adopting and managing Artificial Intelligence (AI). As the organisation remains in the early stages of exploring AI opportunities and establishing its governance, this work focused on providing insight, guidance and practical recommendations rather than formal assurance. Accordingly, no overall assurance opinion has been provided, and the report is intended to support informed decision-making and future readiness as AI adoption progresses.

Opinion provided	Advisory Work	Urgent recommendations	0	Important recommendations	7	Routine recommendations	0
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We have raised seven important priority recommendations regarding (1) adoption of an AI strategy and formalisation of AI use procedures, (2) increasing clarity around roles and responsibilities for procuring AI tools and overseeing usage, (3) identifying, assessing and formally documenting the risks relating to AI adoption and usage, (4) developing an AI tools inventory, (5) establishing formal guidance for the procurement of AI tools, (6) implementing technical controls to prevent staff from accessing unauthorised tools, and (7) providing further structured training for staff on the safe and effective use of AI tools

We found the Council's current level of AI readiness to be broadly consistent with that observed across a sample of comparable organisations in our local government portfolio. The themes identified align closely with sector-wide strengths and areas for development, indicating that the Council is in a similar state to other local authorities.

Audit Objective

The overarching objective of this review was to assess the Council's readiness to incorporate the use of AI into IT service delivery and for staff to use.

As this is an advisory review, no opinion was provided relating to the design and operational effectiveness of the controls being assessed.

Summary of Findings

Areas of weakness in control design and / or effectiveness

- We found that the Council does not currently have formal policies or procedures in place to set out the expectations for AI and its use across the Council. However, the Council is in the process of introducing an AI acceptable use policy to state how AI is to be used, as well as an exemption form in case an AI tool needs to be used outside of the accepted tools such as Microsoft Copilot. These have both been drafted in August 2025 and are due to be finalised before December 2025. A strategy for AI and how it is intended to be used is also being drafted to define how AI will help the Council to meet its objectives. (Recommendation 1)
- The draft AI acceptable use policy contains responsibilities relating to AI for the following staff groups: -
 - Employees and users
 - IT Service
 - Legal and Data Protection Officers.

The responsibilities for staff are currently contained to a single section of the policy. However, we found that there are no responsibilities for senior management or for members of staff who are responsible for procuring AI systems and tools or overseeing the decision making for these tools. (Recommendation 2)

- The Council does not have any risks relating to AI adoption and use in its corporate risk register. Through our discussions with management, we noted that this is due to the use of AI not yet being fully considered and assessed at these early adoption stages. (Recommendation 3)
- We found that the Council does not have an AI tool inventory in place. We noted that scans can be conducted through Checkpoint to determine which tools are currently in use, and we have been provided with the results of the most recent scan completed in August 2025, which showed that the most popular form of AI in use was OpenAI made tools, such as ChatGPT, with a 38% usage. However, the Council would benefit from having an inventory in place to detail what AI tools are in use as well as allowing management to have oversight of those tools and their associated risks. (Recommendation 4)
- Although the Council has a technical specification document in place stating what should be considered when procuring an IT system, including database management set ups and operating system compatibility with existing software, there are no specific requirements relating to how an AI system is to be procured. For example, it would be expected that an assessment of data governance mechanisms is performed before such a system is procured and details of how the model is trained. (Recommendation 5)
- We found through our discussions with the Strategic IT Manager that the Council has not implemented any technical controls to prevent members of staff from accessing AI tools that are not permitted. Although members of staff we spoke to as part of our review indicated that they understand and are aware of the requirement not to access applications like ChatGPT (which have concerns around sensitive information being input and misuse of the tool), the lack of restrictions means that it is still possible to access these and use them for business purposes and using Council data. However, we noted that technical controls have been initially tested prior to August 2025 and are planned to be introduced alongside the AI policies and procedures. (Recommendation 6)
- Training is currently given to staff through the video tutorials provided for Microsoft Copilot. While the training provided in these videos is clear and allows users to use this particular tool effectively, it does not set out the Council's own expectations for using AI or which tools staff should be using. As AI is increasingly becoming integrated into tools and software, it is important that the Council considers integrating this as part of its existing training requirements. (Recommendation 7)

Areas of strength in control design and / or effectiveness

- The Council has oversight of AI usage through the ability to conduct targeted scans of AI tools accessed by staff, which provides management with proactive visibility of emerging technologies in use across the organisation.
- Initial roles and responsibilities for staff using AI have been defined within the Acceptable Use Policy.
- Staff have a positive approach for adopting AI at the Council and recognise the risks from using AI tools that have issues regarding data sensitivity such as ChatGPT.

Best practice points

- None identified.

Added value or improvement points

- As this is an advisory review due to the Council being at the early stages of AI adoption, all recommendations raised relate to improvement points and not gaps in control design or effectiveness.

Management Action Plan

No.	Recommendation	Priority	Implementation Date	Responsible Officer
1	a) Management should adopt a formally defined and approved AI strategy, which should set out the Council's approach for using AI tools and how these fit into wider Council objectives. This should also establish how AI principles (such as those published by the UK government) are to be implemented and	Important	31 January 2026	Daniel King / Kate Wilson

No.	Recommendation	Priority	Implementation Date	Responsible Officer
	achieved, including how AI will be used lawfully and transparently. b) As part of the above, the Council should formalise the existing draft procedures on acceptable AI use and exemption to facilitate and ensure the safe usage of AI tools. c) Existing policies and procedures, such as those relating to information security and data protection, should also be reviewed and, if necessary, updated to ensure a holistic approach and for AI use to be integrated into these documents.			
2	a) Management should ensure that roles and responsibilities regarding AI tools, for both their acquisition and their overall use, are defined and communicated to all members of staff. This should include, but not be limited to, which individuals or groups are responsible for decision making and have overall accountability for AI use, and how this will be reported to senior management. b) Updated roles and responsibilities should be included within the draft policies and procedures referred to in recommendation 1	Important	31 January 2026	Daniel King / Kate Wilson

No.	Recommendation	Priority	Implementation Date	Responsible Officer
	and should be contained within existing management structures as much as possible.			
3	Management should identify, assess and formally document the risks relating to AI adoption and usage, which should be integrated into the Council's existing risk management framework and corporate risk register. This should include a mix of both internal risks (such as user errors), and external risks (such as an AI vendor security breaches), and appropriate risk mitigations should be identified to ensure that these are reduced to an acceptable level.	Important	31 January 2026	Daniel King / Kate Wilson
4	Management should develop an inventory of all AI tools and systems that are in place at the Council, including those which are provided by third parties. This should include the following: - • The type of AI that is in use, for example generative AI (such as Microsoft Copilot) or narrow AI (such as a chatbot on a website). • The data that is used for training and operating the AI model. • The business context and the purpose for using the AI tool or system. • The most recent risk and impact assessment for the AI tool or system. The inventory should be reviewed and updated on an ongoing basis to ensure that it remains	Important	31 January 2026	Daniel King / Kate Wilson

No.	Recommendation	Priority	Implementation Date	Responsible Officer
	current and up to date. Keeping this inventory complete and current will enable effective oversight, risk management and resource planning as AI adoption evolves.			
5	The Council should establish formal guidance and criteria for the procurement of AI tools, ensuring that considerations such as data protection, ethical use, transparency, model accuracy, vendor risk and ongoing monitoring are consistently applied. This will support informed, compliant decision-making, and help prevent the adoption of tools that may introduce security, legal or operational risks.	Important	31 January 2026	Daniel King / Kate Wilson
6	Following the introduction of AI specific policies and procedures, management should reinforce the approach taken for AI tools by implementing technical controls to prevent staff from accessing unauthorised tools. This could include restricting access to specific AI tools through network restrictions, application whitelisting and monitoring of AI-related activity. This will help reduce the risk of data leakage, non-compliance and the introduction of unvetted technologies into the environment, while supporting a safe and controlled approach to AI adoption.	Important	31 January 2026	Daniel King / Kate Wilson

No.	Recommendation	Priority	Implementation Date	Responsible Officer
7	Alongside the existing training provided to members of staff on the use of Microsoft Copilot, the Council should provide further structured training for staff on the safe and effective use of AI tools, which should be tailored to different roles and responsibilities. This should cover key topics such as data protection obligations, responsible use principles, limitations and risks of AI-generated outputs, handling of sensitive or confidential information and the requirement to use only approved tools. The training should also build awareness of organisational policies, expected behaviours, and escalation routes if concerns arise. Embedding this knowledge will help staff use AI confidently and correctly, supporting both innovation and compliance.	Important	31 January 2026	Daniel King / Kate Wilson

Appendix 3 - Outstanding Recommendations by Year

Year 2021/22

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
Key Controls and Assurance	North Norfolk DC to ensure it receives 40% of income from the issuing Penalty Charge Notice (PCN) as per the terms of the contract with Council of Kings Lynn & West Norfolk and this can be clearly evidenced. Risk – All income from PCN due to the NNDC by BCKL&WN, as per the terms of the contract, may not be received, leading to financial loss (to NNDC).	2	Assistant Director - Finance & Assets	25/05/22	31/12/25	Pre October 2025: We have recently received a draft SLA from BCKL&WN and will seek to address the recommendation through the implementation of the new SLA.

Year 2023/24

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
Post Implementation - Finance System Review	The Council to ensure that a formal Post-Implementation Review be conducted as part of a formal project closure process once all of the required functionality that was planned has been successfully implemented. The closure process to include (but not be limited to) the following: Comparison between planned and actual business benefits. An analysis of what worked well and what could have worked better. A summary of officer feedback concerning the project and the resulting implementation.	2	Chief Group Accountant	01/11/24	31/12/25	A formal project review is planned for Q3 25/26.

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
Land Charges	Reconciliations between land charge records and the general ledger to be completed on a monthly basis and be independently reviewed with evidence of sign off from the reconciling officer and independent reviewer retained.	2	Planning Support Manager	30/03/24	31/12/25	Pre October 2025: Priority of the team has been related to the transfer of the local charges 1 to the Land Registry, the work for which has now been completed. This will allow for further discussions to take place with relevant officers on how this audit recommendation could be implemented given that the requirement either needs changes to a system outside of the councils control or the manual reconciliation of financial figures for which resources are not in place.

Year 2024/25

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
ICT-Applications review: Finance & HR System	Complete a Data Protection Impact Assessment for the Open Revenues system.	2	Revenues and Benefits Managers	31/07/25	31/10/25	October 2025: Completed in July - still waiting for sign from Legal. A reminder has been sent.
Commercial Estates	The Council should assess capacity issues and resource availability to ensure they are sufficient, thereby minimising delays in property listings.	2	Assistant Director Finance & Assets	31/10/25		October 2025: We continue to use NPS (Part of Norse Group) for services such as lease renewals and rent reviews. This change is assisting with the capacity issues. Recruiting into this role permanently has proved difficult Pre October 2025: We have still struggled to recruit into this role. We have engaged with NPS (Part of Norse Group) for services such as lease renewals and rent reviews. This change is assisting with the capacity issues. Discussions over a restructure are progressing, however no formal change has been agreed at this stage.

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
Commercial Estates	4a. The Council should Implement a regular inspection schedule to assess tenant compliance with maintenance responsibilities. This will help identify issues early, allowing for timely intervention and reducing long-term repair costs.4b. The Council should check if a compliance check has been completed for two samples (UPRN 1689, UPRN 5005) where we could not obtain evidence.	2	Assistant Director Finance & Assets	01/08/25	30/11/25	Pre October 2025: We are currently seeking further info as to whether we need to complete compliance checks as we are investigating ownership status of the buildings mentioned in the recommendation
Commercial Estates	1. The Estates team should monitor the completion of the Commercial Property Strategy and ensure that a formal policy and procedures for rent setting are included. The Strategy should outline the principles guiding rent setting, such as market demand, location, and economic indices like CPI and RPI. The policy should also specify the required procedures, including discussions and approvals necessary for setting rent. This would standardise the approach across all tenancies, ensuring that all rent	2	Assistant Director Finance & Assets	10/10/25	31/10/25	October 2025: This forms part of the asset management plan, which is still going through internal processes, which has been delayed due to LGR. It is hoped to progress this forward in the coming quarter Pre October 2025: To be considered alongside LGR implications.

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
	setting decisions are made with a clear understanding of the necessary steps and considerations, enhancing accountability and clarity in the process.					
Commercial Estates	The Estates team should monitor the drafting process of the Commercial Property Strategy and ensure that clear standards and time frames for advertising vacant properties are included to ensure consistency and efficiency.	2	Assistant Director Finance & Assets	10/10/25	31/10/25	Pre October 2025: To be considered alongside LGR implications.
Environmental Charter	1) The Action Plan is updated and refreshed annually. 2) Overall deliverables or objectives to be achieved in the Action Plan are included and clearly indicate the actions required. Deliverables should be RAG rated and prioritised (for example, RAG rating high priority projects/tasks, including those with high carbon savings) and related actions should be SMART (Specific, Measurable, Achievable	1	Climate and Environmental Policy Manager (1&2)	31/10/25		October 2025: The Strategy and Action Plan are being drafted, and the objectives will follow the recommended approach.

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
	and Time-bound) so that progress can be monitored and reported. 3) Deliverables be assigned to a senior lead officer and appropriate evidence held of actions being assessed in terms of cost and resource requirements. 4) The Council ensures there is a clear 'golden thread' between the Net Zero Strategy, Corporate Plan and Service Plans, thereby ensuring that climate aspirations are fully embedded into strategic and operational planning and decision making.					
Environmental Charter	1) The Charter and Net Zero Strategy are refreshed / updated and approved as soon as possible. 2) Review the Net Zero Strategy and Action Plan on an annual basis, looking two years ahead, as per the Net Zero Strategy. Alternatively, consideration should be given to separating the Action Plan from the Net Zero Strategy and different review periods applied (for example, the Net Zero	2	Climate and Environmental Policy Manager (1&2)	30/09/25		October 2025: The revised Strategy and action plan are being drafted, in accordance with the advice given, and will be reported in Autumn 2025.

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
	Strategy is reviewed every other year and the Action Plan yearly). 3) The length of the Net Zero Strategy and Action Plan document is reduced where possible, for example, by using flow diagrams and moving some sections to appendices. 4) The risk owner ensures that regular reviews of the climate risk entry are undertaken, including that all relevant controls are in place or mitigating controls actioned. Recommendations made in this audit should also be included in the risk review.					

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
Environmental Charter	1) A set of targets should be introduced for the overall reduction in carbon emissions each year, this allowing the Council to more effectively monitor that it remains on track to achieve a Net Zero position by the target date. 2) Evidence of the quality checks undertaken on emissions for inclusion in the annual Carbon Footprint Report are retained and where error rates are high, the number of sample checks should be increased proportionately.	2	Climate and Environmental Policy Manager (1&2)	30/09/25		October 2025: The latest carbon footprint report is being prepared, and it will follow the guidance suggested.
Environmental Charter	1) Define the reporting path for monitoring of Action Plan progress, including those actions that have not progressed as expected. 2) Provide regular Action Plan progress updates to the Portfolio Holder.	1	Climate and Environmental Policy Manager (1&2)	30/09/25		October 2025: Reporting protocols will be covered in the revised strategy and action plan.
ICT-Applications review: Revenues and Benefits	Complete a Data Protection Impact Assessment for the OpenRevenues system.	2	Revenues and Benefits Managers	31/07/25	31/10/25	October 2025: Completed in July - still waiting for sign from Legal. A reminder has been sent

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
ICT-Cyber Security	The cyber security supply chain must be fully documented with type of data/asset, if sensitive information is being shared, level of access provided, if a Data Protection Impact Assessment (DPIA) has been conducted, supplier's key contact details and current security controls mapped out for each asset.	2	Networks Manager	31/03/25	31/03/26	October 2025: Due to other work commitments this has not been completed, revised date 31/03/26
Private Sector Housing - HMOs, private rental enforcement and empty homes	The Council to review and update the Environmental Health Department Enforcement Policy and Housing Health and Safety Rating System (HHSRS) Operating Procedure to ensure they reflect current standards, best practices and comply with the Housing Act 2004.	2	Assistant Director - Environment & Leisure Services	31/01/25	31/10/25	October 2025: Outstanding, need to identify resource to complete

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
Private Sector Housing - HMOs, private rental enforcement and empty homes	The Council to produce a formal HMO (House in Multiple Occupation) Policy that aligns with the Council's requirements as specified in Part 2 of the Housing Act 2004, particularly sections 61 and 62. This policy will consolidate related information into a single document, with appropriate links to supporting documentation. In support of this recommendation, all policy and procedural documentation should include issue and review dates to ensure that the information remains current and accurate.	2	EP Team Leader	01/04/25	30/11/25	October 2025: Still to be signed off by Cabinet - added to cabinet work programme.
Risk Management	Produce risk reports, including a separate annual risk management report, to the Corporate Leadership Team and Governance, Risk and Audit Committee, alongside the Corporate Risk Register, to include open and closed risks, risks overdue, movements in risks, thematic review, aggregated low scoring high frequency risks.	2	Director of Resources	30/06/25	31/12/25	October 2025: To be reviewed as part of the NN2607 Risk Management Audit in November 2025.

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
Section 106 Arrangements	To ensure that, for each planning application, evidence is retained to confirm that all necessary consultations have been undertaken especially before the s106 agreement is signed.	2	Development Manager	30/09/25	31/12/25	October 2025: This work is currently with the DM Team Leader group to progress but is not likely to be completed until later this year due to other workload pressures and capacity constraints within the DM Service.
Section 106 Arrangements	To develop a consistent and effective method of distribution for finalised s106 agreements, ensuring that all relevant parties receive a timely copy (for example, via an electronic version of the documents which could be distributed once to all relevant parties).Risk: Officers may be unaware of finalised s106 agreements, leading to inaccurate and incomplete records and consequent failure to perform key follow up activities in a timely manner.	2	Development Manager	30/06/25	30/11/25	October 2025: Work has commenced on these activities but has been delayed due to a combination of staff vacancies across a range of posts, other workload/resource pressures reducing capacity to deliver S106 improvement work and changes to work priorities prior to staff departure. The S106 Officer post is currently vacant (as of 02 Oct 2025) and efforts to recruit to the vacancy have not delivered a suitable applicant.

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
Section 106 Arrangements	To ensure that the publicly available Exacom module on the NNDC website is complete and accurate regarding the amount available to spend on projects.	2	Section 106 Officer	30/09/25	30/11/25	October 2025: Prior to their departure, the S106 Officer had focussed their time on reviewing and progressing a report of appropriate available funds and ensuring monies are being transferred as per the S106 requirements. This involved working with the Finance Team to ensure records align. Will need to be picked up by new post holder.
Section 106 Arrangements	To review all unspent available amounts that have exceeded their "spend deadline" dates and take appropriate action in accordance with the s106 agreements.	1	Director of Resources & Assistant Director Finance & Assets	30/09/25	30/11/25	October 2025: Prior to their departure, the S106 Officer had focussed their time on reviewing and progressing a report of appropriate available funds and ensuring monies are being transferred as per the S106 requirements. The Annual Report template remains to be completed.
Waste Management Contract with SERCO	Policy/procedure notes be produced for all aspects of commercial and garden waste services. These notes to be	2	Leisure Business Support Manager	01/09/25	31/12/25	October 2025: Procedures have now been finalised. Notes will follow once resourcing allows, resourcing currently flexing into another important

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
	version controlled and reviewed on a regular basis. This is to include: - Processing of new or cancelled customers. Amendments to customers (frequency of bin collections, bin size, number of bins) Management of systems (Interface, M3, and Whitespace). Maintenance of contracts/agreements. Invoicing/income collection Debt recovery processes.					project, will be completed by deadline.
Waste Management Contract with SERCO	Following completion of the data cleansing exercise, the Council to undertake a review of the payment terms for garden waste collections to ascertain whether it is paying Serco the correct fees for the service in accordance with the payment mechanism. Risk: The Council may be overpaying Serco due to inflated collections due to inaccurate stating of genuine paid customers.	2	Environmental Services Manager	31/10/25		October 2025: This recommendation need to follow on from other recs relating to the garden waste service, now that these have been completed this can follow on and be introduced as part of the monthly billing process.

Year 2025/26

Audit	Recommendation	Priority	Owner	Due Date	Revised Due Date	Latest Response
Environmental Health - Licensing	The Council to Integrate automated invoicing functionality within the Assure system to enable annual licence fees to be promptly billed and collected. Introduce a reconciliation and tracking process to identify unpaid licences and recover outstanding fees to ensure that debtors are identified in a timely manner and dealt with in accordance with the Licensing Act 2003.	1	Assistant Director - Environment & Leisure Services	01/11/25		October 2025: No response received. This has only recently become outstanding.

Appendix 4 - For your information

Definitions for overall assurance opinions and recommendation ratings are shown below.

Substantial Assurance	Based upon the issues identified there is a robust series of suitably designed internal controls in place upon which the organisation relies to manage the risks to the continuous and effective achievement of the objectives of the process, and which at the time of our review were being consistently applied.
Reasonable Assurance	Based upon the issues identified, there is a series of internal controls in place; however, these could be strengthened to facilitate the Council's management of risks to the continuous and effective achievement of the objectives of the process. Improvements are required to enhance the controls to mitigate these risks.
Limited Assurance	Based upon the issues identified the controls in place are insufficient to ensure that the organisation can rely upon them to manage the risks to the continuous and effective achievement of the objectives of the process. Significant improvements are required to improve the adequacy and effectiveness of the controls to mitigate these risks.
No Assurance	Based upon the issues identified there is a fundamental breakdown or absence of core internal controls such that the organisation cannot rely upon them to manage risk to the continuous and effective achievement of the objectives of the process. Immediate action is required to improve the controls required to mitigate these risks.
Position Statement	Advisory work.

High – Priority 1	Fundamental control issue on which action to implement should be taken within 1 months.
Medium - Priority 2	Control issue on which action to implement should be taken within 3 months.
Low – Priority 3	Control issue on which action to implement should be taken within 6 months.

Projects & Programme Management Framework	
Executive Summary	This report outlines improvements that have been introduced to the project management framework to reinstate engagement and visibility of projects across the council. It summarises the consultation undertaken, assesses alignment with corporate priorities, and evaluates financial, legal, and climate impacts. This initiative aims to ensure project and programme governance is adhered to and engaged with consistently across all service areas.
Options considered	N/A
Consultation(s)	N/A
Recommendations	Continued support for ongoing development and management of the Projects & Programmes Framework
Reasons for recommendations	Continued improvements to standard lifecycle, governance boards, templates, and reporting.
Background papers	CLT Presentation, PM/O Charter

Wards affected	N/A
Cabinet member(s)	N/A
Contact Officer	Joe Ferrari

Links to key documents:	
Corporate Plan:	N/A
Medium Term Financial Strategy (MTFS)	N/A
Council Policies & Strategies	N/A

Corporate Governance:	
Is this a key decision	No
Has the public interest test been applied	N/A
Details of any previous decision(s) on this matter	- CLT Approval, 2nd October 2025 - Assistance Directors Approval, 7th October 2025 - Service Managers Approval, 9th October 2025

1. Purpose of the report

To communicate the updated Programme and Project Management Framework, which strengthens governance, improves visibility, and ensures consistent engagement across all council projects.

2. Introduction & Background

This report provides an overview of the context and rationale for the proposed action. It outlines the current position, relevant historical decisions, and any external or internal factors influencing the changes.

The aim is to ensure members have a clear understanding of why this matter is being reviewed, including links to strategic priorities and any statutory or policy requirements.

Identified gaps: inconsistent engagement, lack of visibility, ad hoc governance.
Drivers: Local Government Reorganisation, increased capacity, senior management changes.
Strategic need: Align project delivery with corporate priorities and statutory obligations.

The P&P Framework includes:

- Proposal submission, sizing/tiering, CLT prioritisation.
- Standardised initiation, delivery, closure, and lessons learned.
- Governance boards for large and medium projects.
- Highlight and exception reporting to CLT.

3. Proposals and Options

- Full adoption of framework (recommended) – ensure consistency of standard lifecycle, governance boards, templates, and reporting.

4. Corporate Priorities

- Supports strategic governance and delivery of corporate plan objectives.
- Enables better resource allocation and efficiency.

5. Financial and Resource Implications

- No significant direct cost.
- Resource impact: staff time for governance boards and reporting.
- Potential efficiencies: reduced duplication, improved prioritisation.

Comments from the S151 Officer:

N/A – approved via CLT

6. Legal Implications

- Complies with statutory governance requirements.
- No additional legal risks identified.

Comments from the Monitoring Officer

N/A

7. Risks

- If adopted: Low risk; mitigated by training and clear processes.
- If not adopted: High risk of project failure, reputational damage, and inefficiency.

8. Net ZeroTarget

- Framework is process-based; minimal direct environmental impact.
- Positive indirect impact: digital templates reduce paper usage.
- Climate Impact Assessment confirms alignment with Net Zero 2030 Strategy.

9. Equality, Diversity & Inclusion

- Framework applies equally across all service areas.
- Workshops and training will ensure inclusive participation.

- No adverse impacts identified.

10. Community Safety issues

N/A

Conclusion and Recommendations

N/A

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Performance and Productivity Oversight Board November 2025 update for GRAC	
Executive Summary	This is an update report to inform GRAC of the work of Performance and Productivity Oversight Board and the progress made to date around various elements of the work of the Board.
Options considered	N/A
Consultation(s)	N/A
Recommendations	It is recommended that Members note the work that the Performance and Productivity Board has undertaken over the last 12 months and the progress that has been made on various issues.
Reasons for recommendations	To achieve an understanding of the Council's performance, drivers of service demand, changing policy context and ensure there is a strategy to respond to current and future pressures, along with the Board continually monitoring and challenging corporate performance and being a champion of service transformation.
Background papers	Performance and Productivity Oversight Board Terms of Reference.

Wards affected	None
Cabinet member(s)	N/A
Contact Officer	Steve Hems – Director of Service Delivery Steve.hems@north-norfolk.gov.uk

Links to key documents:	
Corporate Plan:	The Board has responsibility for monitoring progress made against the Annual Action Plan and Corporate Plan Delivery.
Medium Term Financial Strategy (MTFS)	N/A
Council Policies & Strategies	The Board will ensure that corporate strategies and policies are reviewed in a timely manner and ensure any associated action plans are implemented.

Corporate Governance:	
Is this a key decision	No
Has the public interest test been applied	N/A
Details of any previous decision(s) on this matter	N/A

1. Purpose of the report

- 1.1. The Council's 2023-2027 Corporate Plan has A STRONG, RESPONSIBLE AND ACCOUNTABLE COUNCIL as one of its five corporate priorities and states that "We will ensure the Council maintains a financially sound position, seeking to make best use of our assets and staff resources, effective partnership working and maximising the opportunities of external funding and income".
- 1.2. Understanding the Council's performance, drivers of service demand, changing policy context and having a strategy to respond to current and future pressures will therefore be critical to the future agility and "success" of the Council.
- 1.3. As the Council's budgets and resources come under increasing pressure through increased customer demand and scrutiny by Government it is more important than ever that the Council has a deep understanding of its performance and plans in place which ensures our effective performance and agility in the future.
- 1.4. This requires the Council to deliver year-on-year savings and efficiencies and to continually adapt and "transform" its services so as to meet the needs of our residents, businesses and visitors through service re-design, adoption of new systems and ways of working.

2. Introduction & Background

- 2.1 The Performance and Productivity Oversight Board is an essential element of the NNDC project management and performance framework. The Board has responsibility for monitoring and challenging the corporate and service performance and ensuring that the relevant management and governance frameworks are being complied with.

3. Achievements, issues and action taken

- 3.1. Since its inception meeting which took place in June 2024 the Performance and Productivity Board has met monthly until May 2025 when the frequency

of the meetings was changed to bi-monthly as it was felt that the work that the Board had completed to date no longer merited such frequent meetings.

3.2. Corporate Plan and Annual Action Plan Delivery

- 3.2.1 Throughout the year the Board has reviewed the Quarterly reports to ensure that they have been completed and that responsible officers have provided adequate updates which appropriately describe the progress made since the last update.
- 3.2.2 The Board has identified that there has previously been some inconsistency, both in terms of the application of the RAG (Red, Amber Green) status and the approach to the narrative between responsible officers. The Board is currently carrying out a piece of work to try and improve the consistency, including making the Assistant Directors responsible for completing the quarterly updates and beginning to develop further guidance to assist consistency.

3.3. Audit Recommendation implementation

- 3.3.1 The Board monitor audit recommendations at each of its meetings.
- 3.3.2 The process of contacting lead officers for updates on all overdue audit recommendations is ongoing. Where recommendations have been identified as not achievable by the original or revised due date, lead officers are being asked to submit a time-bound action plan outlining the steps required to achieve sign-off by Internal Audit
- 3.3.3 It was identified that having a wide range of responsible officers, at various levels of the organisation, was not helpful in either managing the implementation of audit recommendation or being able to adequately hold people to account where completion dates are not met. To address this, all audit recommendations have been moved to the Assistant Director relevant service area.
- 3.3.4 The Board continues to monitor the number of audit recommendations which have gone beyond the agreed time and encourage responsible officers to ensure these are completed in a timely manner.
- 3.3.5 The table below illustrates the monthly trend in outstanding audits as considered by the Performance and Productivity Oversight Board. A number of audits were completed towards the end of the financial year and included multiple recommendations some of which have come due for completion over the summer and autumn. The figures in the second column show the number of audit recommendations which have become due in the period since the last report. Although the overall number of overdue has remained at a level which the PPOB would wish to see reduced it does demonstrate that audit recommendations continue to be closed at a level which predominantly outstrips the rate that they are being added.
- 3.3.6 The next focus of the Board is to continue encourage responsible officers to ensure that the audit recommendation is met and closed prior to the due date, as well as pursuing those with long standing overdue recommendations.

	Number Outstanding recommendations	Number of recommendations reaching their due date
December 2024	10	
January 2025	50	
April 2025	32	
July 2025	29	12
September 2025	37	10
October 2025	34	9

3.4. Corporate Strategy and Policy Reviews

3.4.1 The Board has reviewed the register of corporate policies and strategies with expired review dates. As of 23 July 2024, 127 policies or strategies were identified as being beyond their identified review date. This number was significantly reduced from the position, which was originally identified, and work was continuing to address this. However, it became apparent that, for a number of reasons, the volume of work associated with considering all strategies and policies was unmanageable for both the officers responsible for updating documentation and those who were trying to manage the lists and processes to bring these up to date.

3.4.2 To address this and the constant addition of documents two main decisions were made:

- The first was that the priority would be given to Policy documents and that other documents would be left until next year on the basis that Policy documents are generally of greater potential consequence to the authority and therefore greater impact if left beyond their review date.
- The second was that documents that were coming due at the end of December 2025 would be included in the list so that there was some proactive work being done on documents prior to their review date being reached.

3.4.3 Substantial progress continues to be made to address outstanding policies; currently, only 40 policies (with a review date of December 2025) remain due or overdue for review, and these are actively being updated by responsible officers.

3.5. Complaints / Local Government Ombudsman

3.5.1 It is the responsibility of the board to have oversight of this annual report prior to it going to Overview and Scrutiny and Cabinet for their reference. The report indicates headline figures for complaints that have been reported to the Local Government And Social Care Ombudsman (LGSCO).

3.5.2 In the past 12 months there have been 9 complaints that were made to the LGSCO, none of these were investigated as the LGSCO could find no reason to do so based on their criteria.

- 3.5.3 This is compared with 12 complaints in the previous 12 month period, 3 of which were investigated and 2 upheld.
- 3.5.4 Although the previous 12 month period compared favourably with other local authorities this years figures demonstrate that the improvements that have been made to the complaint handling process have had a positive impact on the those that have found their way to the LGSCO.
- 3.5.5 Work continues in regard to the general complaint handling process, predominantly aligned to the proposed changes in the LGSCO Complaint handling Code of Practice, for which North Norfolk District Council is one of a small number of pilot authorities. The update provided to this committee in November 2024 indicated the intention to formally adopt a revised Complaints Procedure, but this has been delayed partly due to continued revisions to the draft code of practice and partly to a change in the lead officer for complaints.
- 3.5.6 Although the Complaints Policy has not been formally adopted, many of its key principles have already been implemented. These include the use of template letters for both Stage 1 and Stage 2 responses, as well as the introduction of a Complaint Handlers Guide to support managers in conducting investigations and drafting responses that align with the code. These measures have significantly improved the quality of responses provided to customers and help the Council demonstrate compliance with the code in cases escalated to the Ombudsman. Additionally, the Corporate Executive Assistants have assumed responsibility for coordinating and managing formal complaints, which has enhanced case management and ensured responses are issued within the policy's specified timescales.

3.6. Performance Management Process and effectiveness

- 3.6.1 The Board has taken over the production of the quarterly performance management reporting. This appears to be working well to date.

3.7 Corporate Risk Management

- 3.7.1 The Council has a Corporate Risk Management Framework which sets out the approach taken to identifying, managing and mitigating risk. It had been identified that this framework was not consistently applied in a timely manner. Whilst steps were taken to address this directly, the Terms of Reference were changed to include the following: The Board will monitor the performance of managing risk and verify that the Risk Management Policy and Framework is implemented.
- 3.7.2 The Board now considers periodically whether there is evidence that the Risk Management Framework is being applied. The Board remains satisfied that the framework is being applied and complied with appropriately.

4. Corporate Priorities

- 4.1 The Board is focused on the corporate plan objective “A strong responsible and accountable council, effective and efficient delivery, ensuring that strong governance is at the heart of all we do”

5. Financial and Resource Implications

- 5.1 There are no financial or resource implications associated with the Performance and Productivity Oversight Board.

Comments from the S151 Officer:

There are no direct financial impacts of this report. The effective operation of this board should reduce corporate risk and thereby lessen exposure to financial risk.

6. Legal Implications

- 6.1 There are no legal implications associated with the Performance and Productivity Oversight Board.

Comments from the Monitoring Officer:

The Monitoring Officer (or member of the Legal team on behalf of the MO) will complete this section. This report discusses monitoring and controls to improve governance, such as implementing audit recommendations. It is for note.

7. Risks

The activity of the board is designed to reduce risk to the council in operations and in achieving objectives.

8. Net Zero Target

There are no implications for the Net Zero Target associated with this report.

9. Equality, Diversity & Inclusion

There are no equality, diversity or inclusion implications associated with this report.

10. Community Safety issues

There are no community safety issues associated with this report.

11. Conclusion and Recommendations

This report sets out the work that the Performance and Productivity Board has undertaken over the last 12 months and the progress that has been made on various issues, therefore it is recommended that Members note the contents of this report.

Report Title	Civil Contingencies Annual Report
Which Committees is this report intended for? (Please state dates)	Governance Risk and Audit Committee Date: 2 Dec 2025
Is the report Exempt?	☐ Yes ☒ No
Why is it exempt?	-
Does the report concern a Key Decision?	☐ Yes ☒ No
If a Key Decision is it on the Cabinet Work Programme?	☐ Yes ☒ No
Ward(s) affected	All
Responsible Cabinet Member name	Callum Ringer
Contact Officer	Alison Sayer, Resilience Manager
Email address	alison.sayer@north-norfolk.gov.uk
Telephone number	01263 516269
Are there Non-electronic appendices?	☐ Yes ☒ No
List of Background Papers used in drafting this report which are not published elsewhere (this is now required by law and will need to be included at the start of the report)	-
File Location	\\fs\Env Health\Resilience\6 Liaison & Meetings\Committee Reports\Governance Risk Audit Committee (GRAC)

Implications/Risks

Have you identified and explained within the report the implications of the options available to Members? (Implications should include financial, legal and links to the Council's existing policies and strategies)	☐ Yes ☒ None
Have you highlighted the risks to the Council? Financial Implications and Risks to the Council should have their own separate headings. It is not acceptable to simply state that financial implications or risks have been alluded to in the main body of the report.	☐ Yes ☒ None
Have you considered Sustainability issues in relation to this report? Sustainability	☐ Yes

should have its own separate heading. It is not acceptable to simply state that Sustainability has been alluded to in the main body of the report	☒ None
Have you considered Equality and Diversity issues in relation to this report? Equality and Diversity should have its own separate heading. It is not acceptable to simply state that Equality and Diversity has been alluded to in the main body of the report	☐ Yes ☒ None
Have you considered S17 Crime and Disorder issues in relation to this report? Crime and Disorder should have its own separate heading. It is not acceptable to simply state that Crime and Disorder has been alluded to in the main body of the report	☐ Yes ☒ None

This report has been subject to the following processes:

Consultations with:		
Cabinet Member	☒ Yes	If not please state reason below
Local Member	☐ Yes	If not please state reason below
N/A		
S151 Officer	☐ Yes	If not please state reason below
N/A		
Monitoring Officer	☐ Yes	If not please state reason below
N/A		
Democratic Services	☒ Yes	If not please state reason below
Communications Manager	☐ Yes	If not please state reason below
N/A		
Other Head(s) of Service:		
Others:	Assistant Director of the Environment and Leisure Service	
Please confirm this report has been signed off by:		
Corporate Leadership Team	☒ Yes	☐
The Chief Executive	☒ Yes	☐

Civil Contingencies Annual Report	
Executive Summary	The Civil Contingencies Team and the wider council has continued to discharge its responsibilities under the Civil Contingencies Act, 2004.
Options considered	This is a briefing report only.
Consultation(s)	N/A – briefing report.
Recommendations	To note the report and the council's contributions to the Norfolk Resilience Forum and the response to incidents.
Reasons for recommendations	A better understanding of the challenges in the past year and the role of the Norfolk Resilience Forum in emergency preparedness planning and incident response will help to discharge our obligations under the Civil Contingencies Act, 2004.
Background papers	-

Wards affected	All
Cabinet member(s)	Callum Ringer
Contact Officer	Alison Sayer, Resilience Manager, 01263 516269, alison.sayer@north-norfolk.gov.uk

Links to key documents:	
Corporate Plan:	N/A
Medium Term Financial Strategy (MTFS)	N/A
Council Policies & Strategies	Corporate Risk Register

Corporate Governance:	
Is this a key decision	No
Has the public interest test been applied	No
Details of any previous decision(s) on this matter	N/A

1. Purpose of the report

To report on the activity of the Civil Contingencies Team specifically:

- 1.1 Emergency Planning activities related to the Civil Contingencies Act, 2004
- 1.2 Business Continuity
- 1.3 North Norfolk Safety Advisory Group

2. Introduction & Background

The Civil Contingencies Act, 2004 ('the Act') sets out duties around emergency preparedness and response. As a Category 1 Responder under the Act, North Norfolk District Council has a duty to assess risk, put emergency plans in place and to share information and cooperate with other local responders. In respect of emergency preparedness planning this is generally achieved through the Norfolk Resilience Forum (NRF) with an annual programme of multi-agency meetings, plan reviews and a training and exercising programme. There are weekly Risk and Information Group meetings which look at risks for the next 14 days and horizon scan for the upcoming couple of months. During multi-agency or cross-border incident response the Norfolk Resilience Forum (NRF) provides a duty officer and supports with the establishment of coordination arrangements.

- 2.1 **Norfolk Resilience Forum (NRF)** - The Council pays an annual contribution to the NRF to support the forum's day to day running which includes its preparedness planning and response functions and entitles us to some free training. The Council's contribution for 2025-26 is £2,630 p.a. The contribution for 2026-27 will include a 5% uplift agreed by the NRF Executive Board.
- 2.2 **Mutual Aid Agreement** – The mutual aid agreement between Norfolk local authorities sets out the arrangements for the provision of mutual aid during an emergency. The agreement was updated in December 2024 re Chief Executive changes.
- 2.3 **Incident response** - Thirty-one separate incidents have been recorded and responded to in the past 12 months (up from 24 last year, and the same number as in 2023, which was a record year). The most significant of these was the coastal pollution issues following the fatal collision between a container ship and a tanker on 10 March. Plastic pellets washed up on beaches from Yorkshire to Norfolk. This major incident stretched staff resources at times. The council's contribution to the multi-agency response has been noted; we have been thanked for re-purposing online forms for reporting coastal issues to support all affected councils, and for assisting neighbours and supporting private landowners with clean-up and disposal.
- 2.4 Severe weather and tidal issues account for most of the other incidents in the past 12 months. Fortunately, the named storms did not coincide with the highest Spring Tides and the Prolonged Dry Weather this year (one level below the Environment Agency's Drought classification) means that there has been some capacity in the rivers. The Council continues to liaise with the Lead Local Flood Authority, Norfolk County Council, and the Norfolk Strategic Flood Alliance on long-term solutions to chronic flooding.
- 2.5 **Flood Wardens** Over 125 people volunteer as flood wardens to protect their communities against flooding in North Norfolk. We are fortunate to have Senior Flood Wardens watching over 18 communities at risk. After 25 years coordinating the Wells-next-the-sea flood warden group Mike and Marie Strong are stepping down. They have made a significant contribution over the years to keeping the residents of the town safe and we recognise the positive impact they have made. Recruitment for their replacements is underway.
- 2.6 Flood wardens from Cley and Salhouse worked with the parish councils and the Flood Resilience Engagement Advisor from the Environment Agency to

create information boards to address community concerns and help the public understand the flood defences at Cley. The boards were funded by the Environment Agency.

- 2.7 **Community Resilience Maturity Index (CRMI) Pilot** – In February all town and parish councils and senior flood warden groups were offered the chance to participate in the pilot of a Community Resilience Maturity Index tool developed by a private company. The tool helps groups to develop and improve their community emergency plans and flood plans. Seventeen groups took part in the pilot, which finished in the summer, and their feedback has been incorporated into the tool which is intended to be used by Local Resilience Forums across England.
- 2.8 **Exercises** – There have been three significant exercises in the past 12 months. The council participated at Strategic, Tactical and Local levels in Exercise Pegasus. This 'Tier 1' exercise simulated a realistic pandemic scenario and took place over three weeks between September and November 2025. Tier 1 exercises are national-level and involve ministerial participation, activation of Cabinet Office Briefing Rooms and multiple local resilience forums. Exercise Solaris was held in April to test local multi-agency response arrangements to a national pandemic in preparation for Exercise Pegasus. As part of the 3-yearly required exercise for Bacton Gas Terminal, the council hosted operators' representatives in September for Exercise Willow. There was a table-top exercise at the National Gas site in July in preparation for Exercise Willow.
- 2.9 **Workshops and training** – Relevant officers have attended Summer and Winter Preparedness workshops looking at multiple and concurrent risks to identify any gaps and have attended single-issue workshops on resilient communications, synthetic substances, Battery Energy Storage Systems, and resident safety in Medium and High-Rise buildings. The purpose of these workshops is to understand the risk and increase resilience. Training courses attended have included Safety Advisory Groups, Beach Supervisor (pollution) and Strategic, Tactical and Local Coordination group awareness.
- 2.10 **Plans** - The Council's Operational Flood Plan and Rest Centre plans have been updated. All NNDC-Critical Business Continuity plans have been updated. An automated system will introduced next year for the two-yearly refresh of the Business Impact Analysis documents as part of the Business Continuity Management process.
- 2.11 **North Norfolk Safety Advisory Group** – The group has been advised of 135 events in the district this year, this is three more than the previous record number in 2023 and is a 39% increase in the number of events compared with pre-pandemic levels.
- 2.12 The Terrorism (Protection of Premises) Act 2025, known as Martyn's Law, received Royal Assent in April. There will be an implementation period of at least 24 months before it comes into force. The Act aims to improve protective security and organisational preparedness across the UK by requiring those responsible for certain premises and events to consider how they would respond to a terrorist attack. A regulator is being established to support enforcement.

- 2.13 It is not yet clear how Safety Advisory Groups will interact with the regulator, but we anticipate that there will be an increase in the number of events coming through the NNSAG because of the Act. Work is ongoing with the other Norfolk local authorities and the Police to streamline administrative processes and in preparation for local government re-organisation.

3. Financial and Resource Implications

There are no financial and resource implications directly arising from this report.

Comments from the S151 Officer:

The limited financial impacts of this report will be met through existing budgets and resources.

4. Legal Implications

None – report only

Comments from the Monitoring Officer

This report sets out the Council's statutory duties under the Civil Contingencies Act 2004 around emergency planning and preparedness, also detailing activities and training, principally in the last year. It is for note.

5. Risks

N/A – report only

6. Net ZeroTarget

No impact – report only

7. Equality, Diversity & Inclusion

No impact – report only

8. Community Safety issues

No impact– report only

9. Conclusion and Recommendations

That the report be noted.

Interim Corporate Risk Register as at November 2025	
Executive Summary	The Corporate Risk Register is reviewed by Committee annually and removal of risks where the residual risk score has met the target are proposed.
Options considered	Updating and sharing the corporate risk register represents good governance so no other options were considered.
Consultation(s)	All officers with responsibility for managing specific risks.
Recommendations	The Committee is recommended to note the report and remove specific risks from the register: - CR 009 – Poor Procurement - CR 029 – Poor Reputation of the Council in the Community - CR 038 - Fakenham Leisure and Sports Hub (FLASH) – threat to building within funding window - CR 040 - Management Information System – failure to complete development and maintain when in use
Reasons for recommendations	The risks recommended for removal from the report have been successfully mitigated to the target level.
Background papers	Risk Management Policy and Framework adopted by GRAC 3 December 2024

Wards affected	All
Cabinet member(s)	All
Contact Officer	Don McCallum, Director for Resources & s151

Links to key documents:	
Corporate Plan:	A strong, responsible and accountable Council.
Medium Term Financial Strategy (MTFS)	n/a
Council Policies & Strategies	Risk Management Policy and Framework

Corporate Governance:	
Is this a key decision	No
Has the public interest test been applied	Not exempt
Details of any previous decision(s) on this matter	The Corporate risk register was noted and the Risk Management Policy and Framework was adopted on 3 December 2024.

1. Purpose of the report

To consider and amend the Corporate Risk Register.

2. Introduction & Background

The Corporate Risk Register is a tool used to identify and monitor current and emerging risks facing the Council and to track the progress of mitigations.

3. Proposals and Options

The relevant risks and their mitigations are detailed in the report. Good governance requires continuous assessment of current and emerging risks. Not undertaking this work or the annual review by the Committee was not considered due to the wider duty of care to residents, businesses, members and other stakeholders.

4. Corporate Priorities

The report and recommendations contribute to the Council's corporate plan objective to be a strong, responsible and accountable Council.

5. Financial and Resource Implications

The recommendations of this report do not have any direct financial implications.

Comments from the S151 Officer:

I support the recommendations.

6. Legal Implications

None.

Comments from the Monitoring Officer

The Monitoring Officer (or member of the Legal team on behalf of the MO) will complete this section. They will outline any legal advice provided.

To promote good governance, Members receive this update of risks, for review, oversight, monitoring and consideration of removal of risk elements where appropriate.

7. Risks

This report highlights the key risks faced by the Council.

8. Net Zero Target

The recommendations of this report do not have any direct implications for Net Zero save that it notes the emerging uncertainty of achieving this target after the proposed new unitary vesting day.

9. Equality, Diversity & Inclusion

The recommendations of this report do not have any direct implications for equality, diversity and inclusion.

10. Community Safety issues

The recommendations of this report do not have any direct implications for community safety.

Conclusion and Recommendations

The Committee is requested to note the report and remove certain risks from the register with residual risk scores that have met their targets.

- CR 009 – Poor Procurement
- CR 029 – Poor Reputation of the Council in the Community
- CR 038 - Fakenham Leisure and Sports Hub (FLASH) – threat to building within funding window
- CR 040 - Management Information System – failure to complete development and maintain when in use

Interim Corporate Risk Register as at November 2025

Overview

The Government has deferred releasing several key pieces of information that will influence the Council's Budgeting and Mid Term Financial Planning. There is increasing demand for services, new burdens, higher than target inflation and uncertainty over fairing funding, Business Rate pooling, Temporary Accommodation grant funding and the overall financial settlement. The Government's policy statement is now due 20 November, the Chancellor's Budget on 26 November and the draft settlement is expected the week commencing 15 December.

The three 'red' risks are the Net Zero 2030 target, Coastwise delivery withing the Government financial timeframe and delivering the medium term financial plan. Whilst funding is available to deliver the latter two the increased risk related to Net Zero is in part due to the acquisition of homes to reduce the financial burden of nightly temporary accommodation.

Risks with increased residual scores include

- CR 010 Housing Delivery not meeting targets which is still at the target score.
- CR 013 Emergency event now has a higher likelihood of concurrent event during the winter storm season.
- CR 037 High cost and resource issues from prosecutions, enforcement action increases due to resource pressure anticipated by LGR work.
- CR 042 Coastwise delivery within Government financial timeframes since funders have clarified the inflexibility of grant funding despite the extended nature of the projects.

Retained risks with reduced residual risk scores are

- CR 035 Governance failures and Failure to achieve adoption of the current draft Local Plan, which has been accepted by the Planning Inspectorate and will be presented to full Council 17 December.

The revised Risk Management Policy and Framework was adopted by the Committee on 3 December 2024. This policy remains relevant, and officers are not minded to recommend changing it at this time.

Recommendations

The Committee is requested to note the report and remove certain risks from the register with residual risk scores that have met their targets.

Corporate risks to be removed from the register

- CR 009 – Poor Procurement
- CR 029 – Poor Reputation of the Council in the Community
- CR 038 - Fakenham Leisure and Sports Hub (FLASH) – threat to building within funding window
- CR 040 - Management Information System – failure to complete development and maintain when in use

Risk Matrix

5					
4	CR 035		CR 008	CR 015 CR 034 CR 042	
3			CR 001 CR 002 CR 025 CR 037 CR 039 CR 043 CR 044	CR 013	
2	CR 038 CR 040	CR 009 CR 029	CR 024 CR 026 CR 028	CR 010 CR 041	
1					
Impact Likelihood	1	2	3	4	5

Risk Name:		CR 001 Deteriorating/ underused property assets				Updated:		November-2025	
Corporate Objective	1. Description of Risk or potential event	Inherent risk score	Existing Controls	Residual Risk Score	Action (to achieve target score)	Target Score	Progress update	Lead Officer	
	2. Cause of risk								
	3. Consequence of risk happening								
	4. Risk category								
	5. Risk appetite	Likelihood x Impact		Likelihood x Impact		Likelihood x Impact			
Council: Opportunity: 3 Increasing the rates of occupation on all council's commercial properties	Deteriorating/ underused property assets.	4 x 3 = 12	Business cases for commercialisation of assets to deliver future income and efficiencies.	3 x 3 = 9	Production, approval and implementation of the Asset Management Plan	2 x 2 = 4	A number of projects are currently underway to address the deteriorating condition of assets. External contractors are still being used to provide support, which is helping to alleviate resource pressures. Regarding deteriorating assets; work is being progress amongst asset to improve these, including the submission of capital bids as part of the 26/27 financial year to seek to improve assets.	Daniel King	
	Lack of funding to repair and maintain assets and increased maintenance costs.		Adequate budget provision both from revenue and capital to support R&M works and capital investment.	→					
	Loss of revenue / legal liability/ not achieving value for money /reputational risk/ capital commitment.		Asset Condition Surveys.						
	Primary - A Financial, Secondary - H Reputational		Compliance policies in place and up to date. Compliance works undertaken in a timely fashion. Adequate staff or appropriately qualified external contractor support						

CR 002 Flooding, erosion and loss of assets and delivery of services

Risk Name:

Updated: October-2025

Corporate Objective	1. Description of Risk or potential event 2. Cause of risk 3. Consequence of risk happening 4. Risk category 5. Risk appetite	Inherent risk score Likelihood x Impact	Existing Controls	Residual Risk Score Likelihood x Impact	Action (to achieve target score)	Target Score Likelihood x Impact	Progress update	Lead Officer
Greener: Coast: 3 Continuing our programme of investment in coastal and resort infrastructure and amenities, building on the progress made in recent years	Lack of ability to maintain coast defences and / or to support local coastal adaption needs. Lack of Government funding Inability to adapt to climate change - increased coastal erosion and flooding Primary – E Strategic, Secondary - F Environmental and Social	5 x 5 = 25	Corporate Planning / Service Planning. Net Zero 2030 Strategy and Climate Action Plan. Shoreline Management Plan (SMP). Repairs & Maintenance Programme. Procurement practices. Health & Safety checking and monitoring. DEFRA funding of capital schemes. Coastal Monitoring including the use of drones. Control of coastal management schemes through procurement and regular checking. Coastal Partnership East set up. Environment Forum. Health and Safety repairs as needed Adequate budget provision both from revenue and capital to support R&M works and capital investment. Asset Condition Surveys. Adequate staff or appropriately qualified external contractor support Budget Process / Budget Monitoring.	3 x 3 = 9 →	10-year capital programme	3 x 3 = 9	The main constructions works Balfour Beatty have been completed however Timber Groyne repairs still to be completed. Ongoing engagement with EA to claim the funding. Urgent health and safety repairs to assets are being undertaken. Non urgent repairs are being included in the ongoing repairs and maintenance programme. Overstrand cliff material slipped onto the promenade has been cleared. Contract being finalised with consultant to design the Overstrand urgent coast protection scheme. Outline Business Case has been reviewed by the EA and comments are being addressed by NNDC Coastal Management team Ongoing cliff slips and asset deterioration is being investigated and assessed and plans of action being considered.	Tamzen Pope

Forward adverse weather guidance.

Risk Name:		CR 008 Loss of Information				Updated:		November-2025	
Corporate Objective	1. Description of Risk or potential event	Inherent risk score	Existing Controls	Residual Risk Score	Action (to achieve target score)	Target Score	Progress update	Lead Officer	
	2. Cause of risk								
	3. Consequence of risk happening								
	4. Risk category								
	5. Risk appetite	Likelihood x Impact		Likelihood x Impact		Likelihood x Impact			
Council: Effective & Efficient: 4 Ensuring that strong governance is at the heart of all we do	Council: Effective & Efficient: 4 Ensuring that strong governance is at the heart of all we do	4 x 5 = 20	PSN Code of Connection compliance.	3 x 4 = 12	Self-Assessment as part of cyber assessment framework (CAF)is being undertaken by the IT manager	3 x 3 = 9	same as last quarter	Cara Jordan	
	Loss of information assets.		ICT Strategy.	→					
	Operational disruption, impact on customers.		IT Security Policies.						
	Primary – A Financial, Secondary – H Reputational		Implement data security protocols.						
			IT Monitoring.						
			Data Protection training.						
			Regular audits of IT security arrangements.						
			Regular 3rd party data protection and integrity testing.						
			Information Risk Policy and Role Description.						
			GDPR compliance Framework.						
		Certificated Security Professional Training							
		Cyber security training							

Risk Name:		CR 009 Poor Procurement				Updated:		November-2025	
Corporate Objective	1. Description of Risk or potential event	Inherent risk score	Existing Controls	Residual Risk Score	Action (to achieve target score)	Target Score	Progress update	Lead Officer	
	2. Cause of risk								
	3. Consequence of risk happening								
	4. Risk category								
	5. Risk appetite	Likelihood x Impact		Likelihood x Impact		Likelihood x Impact			
Council: Effective & Efficient: 4 Ensuring that strong governance is at the heart of all we do	Inadequate procurements	4 x 3 = 12	Procurement Strategy.	2 x 2 = 4	Implement new Procurement Act 2023 – implementation date 24 February 2025.	2 x 2 = 4	NNDC have successfully launched the first procurement under the new Procurement Act 2023 legalisation. Work has been completed to ensure compliance with this new act which include ensuring our potential suppliers have been made aware of any requirements/implications of the new procurement act. Through the implementation of the new procurement act the Council has ensured compliance at all stages.	Daniel King	
	Procurement policies and procedures not followed or not fit for purpose.		Procurement Framework.	↓	Ensure compliant and effective procurement service				
	Poor Procurement - poor value for money, poor strategic and operational outcomes, legal challenge, loss of public confidence, lack of transparency		Joint procurement protocol and opportunities for joint/ shared procurement with other authorities.						
	Primary – A Financial, Secondary – H Reputational		Advice for external suppliers.						
			Procurement responsibility assigned. Publish updated and complete contracts register.						

Risk Name:		CR 10 Housing Delivery not meeting targets				Updated: November-2025		
Corporate Objective	1. Description of Risk or potential event 2. Cause of risk 3. Consequence of risk happening 4. Risk category 5. Risk appetite	Inherent risk score Likelihood x Impact	Existing Controls	Residual Risk Score Likelihood x Impact	Action (to achieve target score)	Target Score Likelihood x Impact	Progress update	Lead Officer
Housing: Housing Need: 1 Supporting the delivery of more affordable housing, utilising partnership and external funding wherever possible	The draft local plan housing target is 557 new homes per annum. The revised nation government framework (dec 2024) increases the target further to 932 new homes per annum (approximately 70% increase). Every year the council reports on how many new homes have been delivered in North Norfolk.	5 x 4 = 20	Housing Strategy.	4 x 2 = 8 ↑	Work to produce a new Local Plan.	4 x 2 = 8	The revised National Planning Policy Framework (NPPF, December 2024) increased the housing target further to 932 new homes per annum (approximately 70% increase). Upon adoption of the new Local Plan the housing target will be set at 557 dwellings per acre due to the transitional arrangements and early submission of the emerging Local Plan. The Ministry of Housing, Communities and Local Government (MHCLG) monitors delivery on a rolling three-year average and compares the average against the adopted Local Plan / NPPF requirements for the same period. Current delivery averages 87%, however it is forecast to fall because of under delivery, when the figures are published at the end of the year. It is expected that a 20% buffer will need to be added to the housing	David Glason
	Insufficient units coming forward via the planning system. Lack of interest from house building market. Lack of funding - especially for affordable house provision.		Support and assist affordable housing providers.		Delivery of the Planning Service Improvement Plan.			
	Fewer homes for people to live in. Increase in homelessness Lower income levels for the council e.g. via council tax.		Use of capital.		Work with partners on Nutrient Neutrality matters.			
	Primary – E Strategic, Secondary - F Environmental and Social		Local Plan.					
			Development Management. Responded to NPPF consultation. Annual Local Plan monitoring report Annual estimate of increase council tax receipts					

requirement moving forwards, unless completion rates (and planning permission rates) increase.

Risk Name: CR 013 Emergency Event		Updated: November-2025						
Corporate Objective	1. Description of Risk or potential event 2. Cause of risk 3. Consequence of risk happening 4. Risk category 5. Risk appetite	Inherent risk score Likelihood x Impact	Existing Controls	Residual Risk Score Likelihood x Impact	Action (to achieve target score)	Target Score Likelihood x Impact	Progress update	Lead Officer
Statutory obligation	These events could include those that affect the Council and its resources or an event that affects the wider district.	3 x 4 = 12	Corporate Planning / Service Planning.	4 x 3 = 12	Review of strategic level response guidance, training and exercises.- review due to be completed spring 2025	3 x 2 = 6	There is a higher likelihood of concurrent emergency events during the winter storm season. A multi-agency Winter Preparedness workshop was held in September. All NNDC-Critical business continuity plans have been updated.	Alison Sayer
	Any Internal or external event that has a significant impact on the Council. The ability of the Council to deliver services is reduced. Primary – A Financial, Secondary - D Operational (including capacity/ delivery/ resources/ health & safety), H Reputational		Budget Process / Budget Monitoring. Project management framework. Emergency Response & Recovery Planning. Business Continuity Planning. Services' Business Continuity Plans (BCP). Corporate Business Continuity key role training. Corporate Policies and Procedures. Employment Policies. Forward adverse weather guidance. Emergency Response Plan EH out of hours duty officer	↑				

Risk Name:

CR 015 Medium Term Financial Plan

Updated: November-2025

Corporate Objective	1. Description of Risk or potential event 2. Cause of risk 3. Consequence of risk happening 4. Risk category 5. Risk appetite	Inherent risk score Likelihood x Impact	Existing Controls	Residual Risk Score Likelihood x Impact	Action (to achieve target score)	Target Score Likelihood x Impact	Progress update	Lead Officer
Council: Effective & Efficient: 1 Managing our finances and contracts robustly to ensure best value for money	Reduced funding to fund current service levels and produce a balanced budget. Use of reserves is not sustainable strategy to bridge income/ expenditure. Forecast funding reductions and shift to local financing from business rates, council tax and new homes bonus. Funding gaps in the medium to long term. Primary – A Financial, Secondary - D Operational (including capacity/ delivery/ resources/ health & safety).	4 x 5 = 20	Reporting - New legislation and consultation. Policy Work. Lobbying Central Government. Medium Term Financial Strategy. Corporate Planning / Service Planning. Budget Process / Budget Monitoring. Monitoring impact of the business rates retention. Annual review of the Council's reserves. Timely agreement of the annual Localised Council Tax Support Scheme. Balanced budget agreed.	4 x 4 = 16 →		3 x 3 = 9	In-year monitoring of the 2025/26 budget at Period 6 is showing a forecasted year end surplus of £354k. Work is progressing on planning for 2026/27, including the development of further savings proposals and income-generation opportunities. The finance team is actively monitoring the Medium-Term Financial Plan (MTFP) modelling, which has been updated nine times since April 2025 - reflecting the fast-paced changes arising from the Fair Funding Review and the proposed Business Rates Reset. Current indications are that NNDC are financial worse as a result of these changes - this is not unexpected as has been communicated previously through the organisation. Engagement with services and Members continues to ensure early consideration of options and to support	Daniel King

Growth forecasting models.
Business cases for commercialisation of assets to deliver future income and efficiencies.

Annual review of fees and charges.

Monitoring of savings and additional income.

delivery of a sustainable balanced budget without undue reliance on reserves. There continues to be pressure place on the MTFS including delivery of new statutory services, alongside further delays to funding decisions from government. The finance team remain responsive to these changes, and continues to provide updates where useful.

Risk Name: CR 024 People Resources		Updated: November-2025						
Corporate Objective	1. Description of Risk or potential event	Inherent risk score	Existing Controls	Residual Risk Score	Action (to achieve target score)	Target Score	Progress update	Lead Officer
	2. Cause of risk							
	3. Consequence of risk happening							
	4. Risk category							
	5. Risk appetite	Likelihood x Impact		Likelihood x Impact		Likelihood x Impact		
Council: Effective & Efficient: 5 Creating a culture that empowers and fosters an ambitious, motivated workforce	Failure to retain and recruit adequately trained and experienced staff	3 x 4 = 12	Corporate Planning / Service Planning.	3 x 2 = 6	Workforce and Development People Strategy has been drafted and will be approved in early 2025. A Learning and Development Strategy is being developed alongside. The aim of this strategy will be to retain current employees.	2 x 2 = 4	The draft Workforce Development and People Strategy will be discussed at the JSCC Meeting in early November. The Learning and Development Strategy is due to be provided to Comms for appropriate branding. Once these documents have been approved through the appropriate channel launch will be communicated with support and advice from the Comms Team.	Susan Sidell
	Employment market conditions.		Review Pay Policy.		Agile Working Policy			
	Negative impact on corporate plan, business transformation, performance and delivery.		Review relocation policy.	→				
	Primary – A Financial, Secondary - D Operational (including capacity/ delivery/ resources/ health & safety)		Employee Referral Scheme.					
			Market Pay Review report.					
			Apprenticeship programme.					
			Check-in process.					
			HR 006 New Ways of Working - Policy Creation.					

Updated Recruitment Guidelines for Hiring Managers and Employees.

Additional information and guidance to support employees when applying for roles at NNDC.

Risk Name:		CR 025 Contract Failure				Updated:		November-2025	
Corporate Objective	1. Description of Risk or potential event	Inherent risk score	Existing Controls	Residual Risk Score	Action (to achieve target score)	Target Score	Progress update	Lead Officer	
	2. Cause of risk								
	3. Consequence of risk happening								
	4. Risk category								
	5. Risk appetite	Likelihood x Impact		Likelihood x Impact		Likelihood x Impact			
Council: Effective & Efficient: 1 Managing our finances and contracts robustly to ensure best value for money	The Council has a number of contracts for service delivery.	4 x 4 = 16	Procurement Strategy.	3 x 3 = 9		2 x 2 = 4	There has been no significant change in risk identified since the last quarter, although it is recognised that work associated with the introduction of Domestic Food Waste collections, as mandated by Government, will require a significant change to the existing Waste and Related Service Contract at some point in the future. This will be monitored and a robust project management process is in place with oversight provided by the Major Projects Board. The risk is not current so no change at this point to the scoring, Contract Management structures are in place	Steve Hems	
	Failure of a contractor		Procurement Framework.						
	Increased costs and operational disruption.		Joint procurement protocol and opportunities for joint/shared procurement with other authorities.	→					
	Primary – D Operational (including capacity/ delivery/ resources/ health & safety), Secondary – H Reputational		Advice for external suppliers.						
			Procurement Officer post established.						

and regular contract management meetings and processes take place to ensure that contracts are running effectively and identify any issues which may give rise to concern.

Risk Name:		CR 028 Governance failures				Updated:		November-2025			
Corporate Objective	1. Description of Risk or potential event	Inherent risk score	Existing Controls		Residual Risk Score	Action (to achieve target score)	Target Score	Progress update	Lead Officer		
	2. Cause of risk										
	3. Consequence of risk happening										
	4. Risk category										
	5. Risk appetite	Likelihood x Impact			Likelihood x Impact			Likelihood x Impact			
Council: Effective & Efficient: 4 Ensuring that strong governance is at the heart of all we do	Lack of governance, inadequate implementation and enforcement of governance.	3 x 4 = 12		Corporate Planning / Service Planning.	3 x 2 = 6		Evaluate Improvement and assurance framework self-assessment from the LGA as a potential replacement for the Self-assessment assurance statements process.	2 x 2 = 4		permanent Chief Finance Officer now in post	Cara Jordan
	Ignorance or non-observance of the Council's agreed governance protocols			Clear robust corporate governance framework.	↓		Ensuring there are sufficient staff for S151 Officer and Monitoring Officer				
	Poor or illegal decision making			Monitoring Officer actions to ensure governance risk is minimised.			Recruitment of new Director for Resources and S151 Officer				
	Primary – F Environmental and Social, Secondary - H Reputational			Section 151 Officer actions to ensure governance risk is minimised. Constitution/Standing Orders/Scheme of Delegations. Committee report templates. Member/ Officer Protocol.							

Operation of Overview and Scrutiny Committee.

Annual Governance Statement supported by assurance framework.

Operation of Standards Committee.

Annual Monitoring Officer Report.

Head of Internal Audit assurance.

Audit programme.

Operation of Constitution Working Party.

Annual Assurance Statements.

Annual Audit Report.

Risk Name: CR 029 Poor reputation of the Council in the Community									
Updated: November-2025									
Corporate Objective	1. Description of Risk or potential event 2. Cause of risk 3. Consequence of risk happening 4. Risk category 5. Risk appetite	Inherent risk score Likelihood x Impact	Existing Controls	Residual Risk Score Likelihood x Impact	Action (to achieve target score)	Target Score Likelihood x Impact	Progress update	Lead Officer	
Council: Effective & Efficient	The Council is perceived as inefficient, unresponsive to local need and/ or not transparent.	4 x 3 = 12	Develop and Implement a Communications Strategy.	2 x 2 = 4	Review the Customer Service Strategy	2 x 2 = 4	Performance Management is in place against the Corporate Plan and Annual Action Plan and this is reported quarterly to Cabinet and Overview and Scrutiny. The Performance and Productivity Oversight Board meets regularly to monitor the compliance across a range of performance areas. A robust compliments and complaints procedure is in place and monitoring is now been undertaken with a officer taking the lead role for Complaints. The Council has taken part in a pilot project for the upcoming	Steve Hems	
	Related to the Council's dealings, interests and performance, and the impact of adverse outcomes.		Clear robust corporate governance framework.	→	Revise the Constitution.				
	The Council's reputation is adversely affected, and public confidence reduced.		3.1.2 Review and refine our Customer Strategy.		Complaint handling guide				
	Primary – H Reputational, Secondary - E Strategic.		Training including FOI training.		Complaint response letters templates guide and templates developed and being shared with managers before implementation.				
			Dedicated PR & Communications Team		Further training activity in relevant areas.				

Local Code of Corporate Governance

Updating complaint handling process to match the Local Government Ombudsman code of practice. – completed this quarter and due to be implemented shortly.
Performance and Productivity Oversight Board is reviewing complaint response performance - completed this quarter

A new complaint handling software solution is being developed through C3.

changes in code of practice produced by the Local Government and Social Care Ombudsman, so is well placed for those changes. A new complaints policy is shortly to be introduced to reflect those changes. The Council has a risk management framework and corporate risks are reviewed by CLT or a regular basis. There is a comprehensive programme of internal audit with the implementation of recommendations monitored by the Performance and Productivity Oversight Board and the Governance Risk and Audit Committee. The Council has a proactive approach to publicising the work it does to support communities, residents and businesses in a balanced way.

Risk Name: CR 034 Not achieving the Net Zero 2030 target					Updated: November-2025			
Corporate Objective	1. Description of Risk or potential event	Inherent risk score	Existing Controls	Residual Risk Score	Action (to achieve target score)	Target Score	Progress update	Lead Officer
	2. Cause of risk							
	3. Consequence of risk happening							
	4. Risk category							
	5. Risk appetite							
Greener: Net Zero: 1 Continuing our own annual emissions reductions to reach Net Zero by 2030	Not delivering the Climate Action Plan or parts of it. Current Climate Action Plan will not achieve net zero target. Contractors unable to deliver services with net zero carbon.. All Council input not achieved. Failing to secure contracts that do not result in net zero. Inaction/ inability to reduce Not achieving net zero by 2030. Impact on the reputation of the Council. Financial impact - needing to offset emissions.	5 x 4 = 20	Delivering NZSAP and considering the formation of a decarbonisation board. Formal review of NZSAP every two years. Update and adapt the plan to meet the net zero target. Continual monitoring of the delivery of the NZSAP as a major project through the project board.	4 x 4 = 16 →	Additional investment in renewable generation and or other offsetting initiatives. Introduce climate impact assessment tool. Embed staff climate emergency group.	3 x 4 = 12	Monitoring of the Carbon footprint continues in an increasingly accurate manner, however new sources of emissions have arisen and are predicted (e.g. additional assets, food waste collection) which will impact upon the ability to reach the 2030 target. The Net Zero Strategy and Action Plan has been revised and the Decarbonisation Board is overseeing its implementation. Carbon	Robert Young

Primary – E Strategic, Secondary – F Environmental and Social and H Reputational

Quarterly monitoring delivery through the Performance Management Framework.
Opportunities to offset from general operations and developments.
Ensure net zero considerations are at the forefront of all Council decision making.
Decarbonisation board meeting regularly.
Ensure all staff and Members are carbon aware - training programme delivered.

reduction projects to-date continue to be monitored and have so far yielded effective outcomes. The Board will ensure a focused approach is taken to targeting future investment, utilising available data, and the available funding, as appropriate.

CR 035 Failure to achieve adoption of the current draft Local Plan								
Risk Name:		Plan			Updated:		October-2025	
Corporate Objective	1. Description of Risk or potential event 2. Cause of risk 3. Consequence of risk happening 4. Risk category 5. Risk appetite	Inherent risk score	Existing Controls	Residual Risk Score	Action (to achieve target score)	Target Score	Progress update	Lead Officer
		Likelihood x Impact		Likelihood x Impact		Likelihood x Impact		
Statutory obligation	Loss of key staff, changes in legislation and political expectations	5 x 4 = 20	Effective project management.	1 x 4 = 4	Work through process to get local plan adopted.	2 x 2 = 4	The North Norfolk Local Plan has been found 'sound' in the recently received final report from the independent Planning Inspector, subject to a number of Main Modifications. The final Local Plan is scheduled to be taken to Cabinet on 1st December and Council on 17th December seeking adoption by Members.	David Glason
	Local Plan process being delayed.		Ensuring there is a pool of suitably skilled and knowledgeable Planning staff that can be called on to contribute to the Local Plan process.	↓				
	Failure to deliver corporate objectives for all themes. Primary – D Operational (including capacity/ delivery/ resources/ health & safety), Secondary – E Strategic and H Reputational		Member Training. Following the departure of the Planning Policy Manager transitional arrangements have been put in place (Spring 2024)					

CR 037 High cost and resource issues from prosecutions, enforcement action and litigation								
Risk Name:		Updated: November-2025						
Corporate Objective	1. Description of Risk or potential event 2. Cause of risk 3. Consequence of risk happening 4. Risk category 5. Risk appetite	Inherent risk score Likelihood x Impact	Existing Controls	Residual Risk Score Likelihood x Impact	Action (to achieve target score)	Target Score Likelihood x Impact	Progress update	Lead Officer
Corporate Plan and statutory duties	Statutory obligation to investigate and apply enforcement action including health and safety, food safety, licensing, environmental protection, planning. Public suing NNDC, Equality Act. Requirement to take costly action in financial and other resource terms 2.	3 x 4 = 12	Case decision making process. Apply two stage evidential and public interest tests	3 x 3 = 9 ↑	Require resource within the relevant departments to carry out routine visits regarding health and safety and food hygiene so as to have a preventative impact and potentially reduce the need for prosecution at an early stage.	2 x 2 = 4	Situation remains generally unchanged save for the risk of resource pressures anticipated by LGR work	Cara Jordan

Potential overspends not budgeted for. Not being able to carry out statutory and non-statutory functions due to the large call on staff resources. Also a risk if decide not to take enforcement action – risk of Judicial Review and to reputation
Primary=A Financial, Secondary=D Operational (including capacity/delivery/resources/health & safety) E Strategic F Environmental and Social G Governance H Reputational

- Enforcement Policy
- Apply HSE enforcement matrix
- Liaise with relevant Portfolio Holder
- Refer to constitution for procedures
- EH reserve
- Staff training in understanding and interpreting legislation
- Regular inspections
- General reserve maintained at recommended levels.
- Qualified lawyers and officers under their supervision conduct legal case.

CR 038 Fakenham Leisure and Sports Hub (FLASH) – threat to building within funding window								
Risk Name:				Updated:		November-2025		
Corporate Objective	1. Description of Risk or potential event 2. Cause of risk 3. Consequence of risk happening 4. Risk category 5. Risk appetite	Inherent risk score Likelihood x Impact	Existing Controls	Residual Risk Score Likelihood x Impact	Action (to achieve target score)	Target Score Likelihood x Impact	Progress update	Lead Officer
Developing our communities - Promote Health, Wellbeing and Independence for all - Working with partners to promote healthy	This is a complex project, with a large number of stakeholders and contractors involved Timeline for building the facility is tight. Completion to draw down funding has to be before the end of March 2026.	5 x 5 = 25	Project Management processes Liaison with the Ministry of Housing and Local Government (MHCLG)	1 x 2 = 2	→	2 x 2 = 4	Work has commenced on site and is progressing according to schedule, albeit with some slight reordering of work to accommodate the sign off of planning conditions. The Football	Steve Hems

lifestyles and address the health inequalities faced by our communities.

If the project cannot be delivered on time this could lead to reduced funding being drawn down and not all outcomes being achieved.
Primary - A Financial, Secondary - D Operational (including capacity/ delivery/ resources/ health & safety) and H - Reputational

Timeline prepared.

Procurement process for consultants, architects, engineers in place.

NNDC project team established.

External steering group established and monthly meetings taking place. Members of the steering group include NNDC, Everyone Active, local councillors, Fakenham Town Council, MP, Football Foundation, Fakenham Academy.

Ensuring decision making follows NNDC protocols.

Follow NNDC Procurement Guidance.

Procurement Officer support.

Risk Management Policy and Framework

Project Risk Register – reviewed monthly

Review with Director for Resources the NNDC appetite for financial risk relating to this project – risk appetite established.

Foundation have now indicated that they might look to complete work on the 3G pitch at the same time as the swimming pool build

The project broadly progresses to timetable and there remains some comfort between the projected end date of construction and the deadline date.

Reporting regularly to MHCLG.

CR 039 Rocket House building repair and energy improvement works								
Risk Name:						Updated: October-2025		
Corporate Objective	1. Description of Risk or potential event	Inherent risk score	Existing Controls	Residual Risk Score	Action (to achieve target score)	Target Score	Progress update	Lead Officer
	2. Cause of risk							
	3. Consequence of risk happening							
	4. Risk category							
	5. Risk appetite	Likelihood x Impact						
Strong and Responsible – Maximising Opportunity -	Exceeds capital budget allocated. Works might not be successful in dealing with damp and increasing EPC rating.	4 x 4 = 16	Independent surveys (3) of the building.	3 x 3 = 9	Reletting of the ground floor vacant area of the building once repairs complete.	2 x 2 = 4	Cabinet have approved the proposed lease terms. Property Services have appointed	Renata Garfoot

Increasing the rates of occupation on all council's commercial properties.	Building needs repair and energy performance works to be fully lettable. Repairs could not be made as planned. Scaled back action may be necessary. Additional funds may have to be requested. This could cause delays. Unknown additional repair issues arise. Damage due to weather events may occur after any repairs are made. Primary - A Financial, Secondary - D Operational (including capacity/ delivery/ resources/ health & safety), H Reputational	Budgeted repair costs prepared by independent quantity surveyor. Indicative timeline prepared. Capital budget of £1m approved. Agreement made with a tenant vacating to enable the works to go ahead. Procurement of contractors to do works. Agree and implement contract management process. Valuation advice is being sought regarding the long term lease. Technical advice on waterproofing.	→	EPC rating assessment. Cabinet approval planned for new lease agreements during 2025. Damp monitoring.	a consultant to prepare tender documents which are expected to be issued in November. Project timeline requested. Boat to be installed during Autumn 2026 as unable to relocated during winter. Tenant seeking storage costs if project delayed.

CR 040 Management Information System – failure to complete development and maintain when in use								
Risk Name:		Updated:				November-2025		
Corporate Objective	1. Description of Risk or potential event 2. Cause of risk 3. Consequence of risk happening 4. Risk category 5. Risk appetite	Inherent risk score Likelihood x Impact	Existing Controls	Residual Risk Score Likelihood x Impact	Action (to achieve target score)	Target Score Likelihood x Impact	Progress update	Lead Officer
Strong and responsible - Effective and Efficient -	Development of the MIS system is not complete or once complete is unable to be supported and maintained.	3 x 4 = 12	Project Management process including regular project team meetings	1 x 2 = 2	Training of IT staff to maintain the system	2 x 2 = 4	3rd quarter of tool being used to gather Risks and Actions. Full P&P team have now been	David Kingfisher

Continuing a service improvement programme to ensure our services are delivered efficiently And ensuring that strong governance is at the heart of all we do	MS Office not maintaining tools used to build the system. Charging system changes to make MS Office use uneconomic. Project not being properly managed to the required timescales. NNDC is without a system to monitor and present performance, action plan and risk reports Primary - G Governance, Secondary – E Strategic	Project risk register	→	Senior management support	trained in admin side of platform to reduce risk of admin single point of failure. Training continues for all new staff that require access. Archive copies of the data gathered now being made on a quarterly basis in shared corporate Team's folder. Risk is very low, advise that this is removed from the corporate register
		Documentation of functionality		Thorough testing before implementation	
		Training for users			
		Training for development and support staff for the system Business cases for commercialisation of assets to deliver future income and efficiencies.			

CR 041 - Local Government Reorganisation – threat to organisational capacity							November-2025		
Risk Name:						Updated:			
Corporate Objective	1. Description of Risk or potential event	Inherent risk score	Existing Controls		Residual Risk Score	Action (to achieve target score)	Target Score	Progress update	Lead Officer
	2. Cause of risk								
	3. Consequence of risk happening								
	4. Risk category	Likelihood x			Likelihood x		Likelihood x		
	5. Risk appetite	Impact			Impact		Impact		

Council: Strong and responsible - Effective and Efficient	Capacity issues generated by Devolution and Local Government Reorganisation (LGR)	4 x 3 = 12	Work is being done collaboratively across the seven district councils, easing the burden on individual councils.	4 x 2 = 8	Continuation of joint working with other districts.	4 x 2 = 8	Full business case submitted to Government on 26th September (after Full Council vote on 24th September) and now subject to appraisal by MHCLG officials alongside the proposal for a single unitary made by NCC and 2 unitary proposal made by South Norfolk Council.	Steve Blatch
	Whether there is sufficient capacity to address the work that will be involved in preparing for LGR including the necessary governance, the structures and finance alongside other emerging issues e.g. the implementation of a separate food waste collection by March 2026.		Consultants appointed to deliver options based on common evidence base.	→	Member updates			
	Work will not be able to be progressed with sufficient speed to meet the tight timescales and may impact on the delivery of other work.		Member briefings and regular committee reports				Partners to Future Norfolk partnership continue to develop our narrative and proposals for the 3 unitary councils, including sharing with Town and Parish Councils (NNDC workshops 13th and 18th of November) in anticipation of statutory consultation being undertaken by MHCLG for 6 weeks from late November (formal details of the consultation currently awaited).	
	Primary: D Operational (including capacity/ delivery/ resources/ health & safety) Secondary: E Strategic G		Agreement to increase project management support to other projects such as the introduction of food waste. Performance Management Framework compliance.				Separate to the above and agnostic to any decision made by Government in early 2026 the 7 Norfolk districts and the County Council have begun to scope some outline workstreams around data, systems, contracts, workforce and regulatory services, as well as preparing a specification for a strategic implementation partner to be appointed jointly from April 2026.	

CR 042 - Coastwise – delivery within Government financial						November-2025		
Risk Name:	timeframes			Updated:				
Corporate Objective	1. Description of Risk or potential event	Inherent risk score	Existing Controls	Residual Risk Score	Action (to achieve target score)	Target Score	Progress update	Lead Officer

	2. Cause of risk							
	3. Consequence of risk happening							
	4. Risk category							
	5. Risk appetite	Likelihood x Impact		Likelihood x Impact		Likelihood x Impact		
Greener: Coast: 1	Inability to deliver well considered coastal transition activities within the limited timeframe offered by Government funding windows	4 x 4 = 16	Ongoing and timely discussions and updates with the Environment Agency	4 x 4 = 16	Approaching Government to extend programme timelines	3 x 3 = 9	Funders have reclarified the funding spend requirements and restricted committed spend beyond the programme timeframe. No further extension has been forthcoming from EA or DEFRA to date even after sustained highlighting by a number of projects over a long period of time (supported by research evidence). Leading household support option with associated significant spend is currently not permitted by the funders, therefore alternative spend options are in development. Continued discussion with EA and DEFRA.	Rob Goodliffe
Realising the opportunities of external funding to secure a sustainable future for our coastal communities through transition and adaptation responses	Urgent need from the government to progress but limited by national funding allocation time frames which don't fit community timeframes, the complexities of the project and development of completely new approaches. Government do not roll forward funding into future years and north Norfolk misses out on the opportunities this funding is enabling		Ongoing monitoring of financial forecast and programme	↑				
	Primary – Financial, Secondaries – Strategic, Environmental and Social, Reputational, Projects		Ongoing reporting to Environment Agency and DEFRA					
			Utilisation of Local Adaptation Fund					
			Reprofiling of forecast spend where necessary and possible					

Corporate Objective	1. Description of Risk or potential event 2. Cause of risk 3. Consequence of risk happening 4. Risk category 5. Risk appetite	Inherent risk score Likelihood x Impact	Existing Controls	Residual Risk Score Likelihood x Impact	Action (to achieve target score)	Target Score Likelihood x Impact	Progress update	Lead Officer
Our Greener Future: Tackle Environmental Waste and Pollution & Statutory Obligation	Non-Delivery of domestic weekly food waste collections in line with the statutory obligation as part of the amended Environment Act 2021 and the introduction of Simpler Recycling. Our contractor Serco not being ready to deliver on the deadline of April 2026, as a result of high demand on national supply lines of equipment such as vehicles and receptacles. Issues relating to depo capacity. Non-compliance of statutory obligations. Potential reputational risk. Financial impact from the inclusion of food waste in the general loads. Primary – G Governance, Secondary - F Environmental and Social, H Reputational	4 x 4 = 16	Risk Management Policy and Framework Project Management Framework Adequate staff or appropriately qualified external contractor support DEFRA funding of capital schemes. Procurement responsibility assigned. Budget Process / Budget Monitoring. The risk overseen by the project board. Regular stakeholder meetings – meetings taking place weekly – completed in the last quarter Keeping ward Members informed. Regular dialogue with Norfolk County Council. Monthly project meetings with contractor. Timeline prepared	3 x 3 = 9 →	Working closely with contractors to address issues around depo capacity Looking for suitable alternatives and options Following project plan and meeting deadlines contained within. Set up Project Board	1 x 1 = 1	Major Project Board established- Continuing conversation with Serco on contract change-risks associate with depo readiness and additional financial pressures.	Emily Capps

Risk Name:		CR 044 - Cyber Risk				Updated:		November-2025	
Corporate Objective	1. Description of Risk or potential event 2. Cause of risk 3. Consequence of risk happening 4. Risk category 5. Risk appetite	Inherent risk score	Existing Controls	Residual Risk Score	Action (to achieve target score)	Target Score	Progress update	Lead Officer	
		Likelihood x Impact		Likelihood x Impact		Likelihood x Impact			
Council: Strong and responsible - Effective and Efficient	Cyber risk refers to the potential for loss or damage resulting from a failure or breach in digital systems, often caused by malicious actors, system vulnerabilities, or human error. It's a key concern for businesses, governments, and individuals in our increasingly connected world.	4 x 4 = 16	Policies, procedures, and training(e.g. Security awareness training, incident response plans, access management policies).	3 x 3 = 9	Monitoring (SOC)	2 x 3 = 6	Nationally there has been an increase in Cyber attacks The National Cyber Security Centre (NCSC) handled 204 "nationally significant" cyber attacks in the year to September 2025, a major increase from 89 in the previous year, averaging four such attacks per week.	Kate Wilson	
	• Threats: Includes malware, ransomware, phishing, insider threats, and denial-of-service attacks. • Vulnerabilities: Weaknesses in software, hardware, or human behaviour that can be exploited. • Breaches through third-party vendors or partners. • The Cyber risk is increased as the postholder who was overseeing Cyber Security now has been promoted and has additional priorities and the post hasn't been back filled. • Financial Loss: From theft, fines, or downtime. • Reputational Damage: Loss of customer trust and brand value. • Legal Consequences: Violations of data protection laws like GDPR or CCPA. • Operational Disruption: Interruptions in service or production.		Technical Controls: Firewalls, antivirus software, encryption, intrusion detection systems (IDS), MFA, patch management, data Backup & Recovery, Access Control, Audit Logging & protective monitoring	→	Technical Controls: Firewalls, antivirus software, encryption, intrusion detection systems (IDS), MFA, patch management, data Backup & Recovery, Access Control, Audit Logging & protective monitoring		We have seen an example of successful phishing email that did harvest a users credentials . It was immediately picked up by our alerts system , the user contacted and passwords changed. Luckily this happened during a week day.		
	Primary - D Operational (including capacity/ delivery/ resources/ health & safety) Secondary - A Financial, H Reputational				Policies, procedures, and training(e.g. Security awareness training, incident response plans, access management policies).		It doesn't seem necessary at this stage to increase the Cyber threat scoring as it is high already but it does need to be a priority for the Authority . There has been progress on actions and some new mitigations in the last quarter have been 2 members of Infrastructure team have completed the course for CISSP(Certified Information Systems Security Professional). This is to increase the knowledge around the management of the Cyber Risk but it is still ultimately carried out by the Strategic IT Manager who is spread		
					Purchase software that detects Data Loss.				

thinly with managing the wider IT service too.

Actions

Purchasing a SOC (Security Operations Centre)

SOC costs tens of thousands so isn't feasible for our organisation to purchase. We have talked about pursuing joint funding / procurement opportunities with other Norfolk Authorities. The SOC would mean 24/7 monitoring of our alerts. To mitigate this as far as we can with the resources available alerts from all relevant systems are directed to a mailbox and this is monitored during the week and during stand by hours at the weekend. The 'goodwill' of staff in the Infrastructure team means it is monitored outside these hours but they are not obliged to do this.

Data Loss software

On our workplan to investigate .

Testing Recovery after a ransomware attack.

Completed

KEY

Impact

Corporate Risk					
Impact Type	Catastrophic	Critical	Moderate	Marginal	Negligible
	5	4	3	2	1
Objectives	The key objectives in the Corporate Plan will not be achieved.	One or more Key Objectives in the Corporate Plan will not be achieved.	Significant impact on the success of the Corporate Plan.	Some impact on more than one Service.	Insignificant impact on more than one Service.
Financial Impact (Loss)	Over £1.5m	£500K - £1.5m	£300K - £500K	£20K - £300K	£0-20K

Likelihood ratings and dimensions

Grade	Likelihood	Probability	Timing
5	Very High	Over 90%	Within six months
4	High	60 - 90%	Within a year
3	Moderate	40 - 60%	Within 1 to 2 years
2	Low	10 - 40%	Probably within 15 years
1	Very Low	below 10%	Probably over 15 years

Risk Scoring

Inherent risk score - Impact x Likelihood = Total rating. Risk score if no controls were in place.

Residual Risk Score - Impact x Likelihood = Total Rating. Risk score after current controls are taken into account.

Target Score – Impact x Likelihood = Total Rating. Risk score needed to ensure the risk score matches the risk appetite.

Rating score of 1 to 6 = Green, 8 to 12 = Amber, 15 to 25 = Red.

Change of direction

Rating score the same as the previous quarter →

Rating score higher than the previous quarter ↑

Rating score lower than the previous quarter ↓

Categories of risk

A Financial

B Macroeconomic

C Credit and counterparty

D Operational (including capacity/ delivery/ resources/ health & safety)

E Strategic

F Environmental and Social

G Governance

H Reputational

I Projects



Risk Management Policy and Framework

**October 2024
Version 1.07**

Foreword

Risk is the effect of uncertainty on objectives - The effect may be positive, negative or a deviation from the expected, and that risk is often described by an event, a change in circumstances or a consequence

Risk Management is defined as: Coordinated activities to direct and control an organisation with regards to risk¹

This framework provides an outline of the Council's arrangements for risk management. It updates the previous Risk Management Policy and Framework (June 2020) and seeks to clarify the various roles, responsibilities and governance structures. The procedural guidance may be subject to further review and amendment as required subject to approval by the Section 151 Officer, Corporate Leadership Team and GRAC.

Through the Corporate Plan and the supporting service plans, the Council must balance the demands of service users and taxpayers; involve communities in service provision; deliver, commission and regulate services; and enter into local and strategic partnerships, sometimes involving complex funding arrangements. Balancing all these competing demands and objectives means that the Council needs a framework that ensures that a pro-active approach is taken, and risks are considered and managed, before decisions are made.

The Council acknowledges its statutory responsibility to manage risks and deliver cost effective and efficient services. The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for and used economically, and effectively. The Council has a duty under the Local Government Act to make arrangements to secure continuous improvement in the way in which its functions are exercised. In discharging this overall responsibility, the council is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective delivery of its functions, which include arrangements for the management of risk.

The management of risk is woven throughout the Council's key governance frameworks and there are specific requirements to adopt a formal approach to risk management in the following areas:

- Key decision-making reports
- Corporate, directorate and service area planning
- Programme and project management
- Procurement processes
- Partnership working arrangements
- Change management processes

Risk management is an essential part of strengthening the "health" of the Council because it is a crucial part of the overall arrangements for securing effective corporate governance. Risk management can make a difference and enhance performance by identifying and preventing the damaging events from happening and ensuring all the wanted and beneficial events the Council want to do actually happen.

The effectiveness of the council's risk management arrangements is assessed annually as part of the Annual Governance Statement (AGS), which includes the Annual Audit Opinion, and is signed off by the Chief Executive and Leader of the Council. In compiling the AGS, assurances are obtained from a wide range of sources, in consultation with directorates.

This framework is based on good enterprise risk management practices as defined in the ISO

1 - ^{As} defined within the ISO 31000:2018 Risk Management – guidelines

31000: 2018 Risk Management guidelines and the ALARM (Association of Local Authority Risk Managers) Risk Management Guide and Toolkit. The framework consists of the following components:

Risk Management Policy Statement	Statement of intent on the Council's approach to risk
Risk Management Strategy	Defines the activities and responsibilities for managing risk and reporting arrangements
Risk Management Guidance	Guidance on how to fulfil strategy objectives
Corporate Risk Register	Register recording all strategic risks and who is responsible for managing them
Service Risk Register	Register recording all service area risks and who is responsible for managing them
Project Risk Register	Register of project risks

1. Policy Statement

North Norfolk District Council (NNDC) recognises risk management as a vital activity that underpins and forms part of our vision, values and strategic objectives, (including operating effectively and efficiently), as well as providing confidence to our community.

Risk is present in everything we do, and it is our policy to identify, assess and manage key areas of risk on a proactive basis. We seek to embed risk management into the culture of the Council. Risk management needs to be embedded throughout all processes, projects and strategic decisions. This includes procurement and contracting, which will ensure partnerships and third-party relationships are fully compliant with the risk management policy and strategy of the Council.

The aim of our risk management framework is to be fit for purpose, reflect our size and the nature of our various operations, and use our skills and capabilities to the full. Risk management is most effective as an enabling tool, so we need a consistent, communicated and formalised process across the Council.

It is important to define the level of risk exposure the Council considers acceptable for the organisation. This creates a clear picture of which risks will threaten the ability of the Council to achieve its objectives.

The risk management policy statement and supporting documentation form an integrated framework that supports the Council in managing risk effectively. In implementing our risk management framework, we provide assurance to all stakeholders that risk identification and management plays a key role in the delivery of our strategy and related objectives.

The Council will involve, empower and give ownership to all staff to identify and manage risk. Risk management activity will be regularly supported through discussion and appropriate action by senior management. This will include a thorough review and confirmation of significant risks, evaluating mitigation strategies and establishing supporting actions to reduce them to an acceptable level. Managing risks will be an integral part of both strategic and operational planning and the day-to-day running, monitoring, development and maintenance of the Council.

This policy will take effect from the date of approval by Governance, Risk and Audit Committee (GRAC).

The master copy of this document, a record of review and decision-making processes will be held by the Assistant Director of Finance and Assets.

This policy will be available to all staff and Members on the corporate document register on the intranet

2. Strategy Background

All organisations face a wide variety of risks including physical risks to people or property, financial loss, operational risks and failure of service delivery, macroeconomic issues, credit and counterparty investment risk, strategic risks to the organisation's objectives, environmental and social risks, along with governance and reputational risks. Risk for this purpose is defined as "the chance of an event happening and leading to unintended effects which will impair the organisation's ability to achieve its objectives".

Risk management is intended to be a planned and systematic approach to the identification, assessment and management of the risks facing the organisation.

The traditional means of protecting against the more obvious risks has been through insurance. However, there are many risks which cannot be insured against, and which must be addressed in different ways. Even in the case of those risks which are insurable, action can be taken to reduce the potential risks with consequent savings of premiums and disruption of work.

The main objectives of the Risk Management Strategy aim to: -

- Ensure risk management is part of strategic and operational management decision making, planning and implementation.
- Manage risks in accordance with the Council's Risk Management Framework, recognised best practice and to enable good governance.
- Take account of internal and external changes that may impact on the Council's overall risk profile.
- Respond to risk in a balanced way, mindful of the Council's risk appetite, considering risk level, risk reduction potential, cost/benefit and relationship to resource constraints.
- Raise awareness of the need for effective risk management.

The objectives and outcomes of this strategy will be achieved by working closely with teams across all the Council by ensuring:

- Risk management is integral to the decision-making process of the Council Elected Members, Corporate Leadership Team, external regulators and the public at large can obtain necessary assurance that the Council is managing its risks.
- Strategic, service and project risks are discussed on a regular basis.
- All risks within projects are fully identified, assessed and managed in accordance with the Council methodologies.
- Joint working across directorates on projects to protect the Council and comply with statutory responsibilities such as Health and Safety.
- Opportunities for shared learning on risk management across the Council's partners is provided.
- Measurement of what is done and participation in comparison and benchmarking activity.

3. Risk Management Guidance

What is risk?

Risk can be defined as anything that poses a threat to the achievement of the Council's Corporate Plan ambitions, programmes or service delivery to residents, businesses and communities. It can come from inside or outside the organisation; may involve financial loss or gain; reputational damage; physical damage to people or property; customer dissatisfaction; failure of equipment; fraudulent activity, etc. Failure to take advantage of opportunities may also have risks such as not embracing an opportunity to bid for external funding, etc.

What is risk management?

Risk management is a management tool and forms part of the governance system of every public service organisation. When applied appropriately risk management can bring an organisation multiple benefit. It can help organisations achieve their stated objectives and better deliver on intended outcomes. It can also help managers to demonstrate good governance, better understand their risk profile and better mitigate risks (particularly uninsurable risks). Externally it can help the organisation to enhance political and community support and satisfy stakeholders' expectations on internal control.

Risk management is the range of activities that an organisation intentionally undertakes to understand, and reduce the effects of, risk in a manner consistent with the virtues of economy, efficiency and effectiveness. Put simply when things go wrong then the cost of rectification brings about an unexpected draw on resources, i.e. waste, this distracts from delivering services and achieving objectives and, in the worst case, can de-rail the Council completely. It is also about making the most of opportunities that present themselves and knowing that the Council is able to respond appropriately when it is in the Council's interests to do so and help achieve objectives.

There is no such thing as a risk-free environment, but many risks can be avoided, managed, reduced or eliminated through good risk management.

Benefits of risk management

- Better delivery of intended outcomes
- Supports the achievement of objectives
- Demonstration of good governance
- Protection of assets
- Improved efficiency of operations
- Protection of budgets from unexpected financial losses
- Better mitigation of key risks
- Increased effectiveness of projects
- Protection of reputation
- Enhanced political and community support

Areas of risk

The following areas of risk have been identified as relevant to the Council to ensure suitable coverage – strategic, operational, emerging and business as usual.

These will form the basis of reporting and monitoring on risks, controls and actions and are explained further below:

Strategic
• Risks that may be materially damaging to the achievement of one, some or all of the Council's key objectives • High level and cross cutting risks which need to be considered in judgements and decisions being made in connection with the Council's priorities, plans and objectives • Identified as part of the process of preparing the Corporate Plan and other related strategies e.g. the Medium-Term Financial Plan • Members and officers are involved in the identification, assessment and treatment of those risks • Cyclical assurance will be sought from Council management that the strategic risk controls are operating effectively • Strategic risks could be triggered or influenced by the materialisation of operational risks or emerging risks (see below)

Operational risk areas:

Service
• Risks that relate to activity at service level (or projects) and are considered exceptional (or not considered business as usual) in that they have come about through a change in activities (internally/externally) that cannot be managed through normal day to day controls • Risks could also be the result of a failure in control that threatens the ability to maintain business as usual and jeopardises the Council's ability to achieve its objectives (thus by its nature is exceptional) • These risks are likely to be specific to one service area
Financial
• Risks that have explicit financial implications for the Council and could jeopardise financial management and the Medium-Term Financial Plan i.e. failure in or lack of key financial controls, fraud, quantifiable economic uncertainty, commercial risks etc • Risks are considered exceptional (or not considered business as usual) in that they have come about through a change in activities (internally/externally) that cannot be managed through normal day to day controls • They could be a result of failure in control that threatens the ability to maintain business as usual and jeopardises the Council's ability to achieve its objectives (thus by its nature is exceptional) • These risks could relate to one specific service or the Council as a whole
Compliance and Regulatory Risks
• Risks that have explicit compliance and/or regulatory implications for the Council and could jeopardise the Council's ability to remain legal, meet specific or mandatory standards required to deliver services, ensure a positive outcome from inspection etc. • Risks are considered exceptional (or not considered business as usual) in that they have come about through a change in activities (internally/externally) that cannot be managed through normal day to day controls • They could be a result of failure in control that threatens the ability to maintain business as usual and jeopardises the Council's ability to achieve its objectives (thus by its nature is exceptional) • These risks could relate to one specific service or the Council as a whole
Emerging
• Risks that are still morphing. The full nature, understanding and implications of these risks on the Council is yet to be determined. They are often triggered by external events globally, nationally or locally and therefore by their nature are worthy of monitoring • These risks may disappear, contribute to a change or be subsumed within an existing risk or become a risk in their own right, either at strategic or operational level. Once it is understood what these emerging risks might mean for the Council they will be allocated accordingly to one of the areas of risk • These risks could relate to one specific operation, the Council as a whole or be strategic by nature

The provision of good risk intelligence promotes discussion, encourages challenge and enables the organisation to consider risks and opportunities as an integrated element of the day-to-day management of the business.

All reports to committees are required to consider and make explicit the implications they present for the Council's risk appetite and the management of strategic risks, operational risks and business as usual risks.

Business as usual

- Risks that are associated with the failure of the Council's controls and arrangements that are put in place to ensure the continued delivery of services on a day-to-day basis, ensuring probity, regularity and value for money as far as possible
- This includes areas such as adherence with policies and procedures, risk assessment of activities and decisions, completion of actions stemming from business planning or continuous improvement plans etc, performance management and measurement, learning and development, management or committee monitoring, review, oversight and scrutiny. The emphasis is therefore on ensuring that these controls remain effective and being assured that this is so

Assurance

Assurance is a level of confidence provided, or obtained, that a given outcome will be achieved as expected.

The Council has various assurance routines including completion of the management Annual Assurance Statements, the cyclical assurance provided over key controls in the Strategic Risk Register and the work of internal audit and other independent reviews of activities that may be undertaken. All outcomes of assurance work will be captured, reported and reviewed via the Corporate Management Team and then presented to consideration to the Governance and Audit Committee as appropriate.

Failures in business-as-usual controls will require rectification and progress of these improvements will be tracked, monitored and reported, as well the implications on the Council's risk profile being considered, with amendment or updating of the risks areas and risk registers as required. Where the failure is so material that it presents a significant ongoing risk to the Council then this could require the creation of a new risk record in an appropriate risk area.

Assurance will be provided that the Council's approach to risk management is working by:

Action	Evidence
Risk registers	Risks identified with risk owners, risk treatment and reporting mechanism
Review of the risk management system	• Performance and Productivity Oversight Board • Governance, Risk and Audit Committee • Internal and external audit
Annual Assurance Statements	Ensures the efficient application and integration of risks, controls and assurances coupled with their reporting
Committee reports	Integration of risk identification as part of the member review and approval process

4. Leadership and Responsibility

Given the diversity of Council services and the wide range of potential risks, it is essential that responsibility for identifying and taking action to address potential risks is clear.

- The Cabinet Member for Finance and Resources and the Corporate Leadership Team are jointly responsible for ensuring that risk management is embedded throughout the Council. Assistant Directors and Service Managers are responsible for ensuring that, within their areas, risks are being effectively managed.
- The GRAC is responsible for scrutinising risk management systems
- The principles of this framework should be communicated to partners and that the arrangements for managing risk are clearly understood
- The Governance & Risk Officer will provide advice and assurance on a day-to-day basis

The framework of roles and responsibilities in Appendix One shows how these are allocated.

5. Corporate Governance

NNDC has adopted a Local Code of Corporate Governance setting out the framework through which it will carry out its responsibilities to deliver effective services.

Core principle four requires “taking informed and transparent decisions which are subject to effective scrutiny and managing risk”. This requires that an effective risk management system is in place.

As part of the Local Code it states that the authority should prepare and publish an Annual Governance Statement (AGS). This statement is a key corporate document and will include an assessment of the authority’s effectiveness of managing risk; it is signed by the Corporate Director and Head of Paid Service and Leader of the Council.

The assessment of the authority’s effectiveness of managing risk is provided by an annual report to the GRAC.

6. Resourcing Risk Management

Risk management is not a new issue and, as identified in the Leadership and Responsibility Section, every Member and Officer is responsible for considering risk implications as they relate to their actions. Since the adoption and implementation of the Risk Management Framework in 2010 the concept of risk management has been formalised and is part and parcel of the culture of the Council.

The role of Corporate Risk Officer is held by the Director of Resources.

7. Officer and Member Roles

Whilst acknowledging the wide variety of risks that face the Council, and the differing circumstances that apply in different services, it is essential that there is some consistency in the way that risks are identified and assessed. This helps to ensure that all areas of risk are adequately considered and relative priorities for action can be judged.

The Performance and Productivity Board manages risk on behalf of the authority, with the Corporate Risk Register being managed by Corporate Leadership Team and GRAC.

The Corporate Risk Register is a standing item on the agenda to review at every GRAC meeting and is considered and reviewed by CLT on a quarterly basis.

8. Risk Management Role in the Cabinet and Governance, Risk and Audit Committee

The Cabinet is responsible for ensuring that an adequate risk management framework and associated control environment exists within the Council.

The GRAC was established in 2006 when it replaced the Audit Committee. The GRAC is responsible for monitoring the arrangements in place for the identification, monitoring and management of strategic and operational risk.

To provide the GRAC with the necessary information to undertake these responsibilities, regular progress updates on the Corporate Risk Register are reported at every meeting.

9. Risk Management Approach

The development of a consistent, corporate approach to risk management is done in a methodical and proportionate way to avoid the creation of a self-defeating bureaucratic burden.

Risk assurance and review procedures

To ensure the Risk Management Framework remains fit for purpose, the Council will continually seek to review and improve its risk management methodology and embrace new initiatives and industry practices that suit the needs of the organisation. The Council will adapt to its changing operating environment and economic conditions and have a risk framework with sufficient flexibility to cope with these changes.

Risk management is subject to the Council's internal audit practices and is periodically audited to enable the auditors to provide assurance that processes are in place to identify, assess and manage the risks the Council faces. Any recommendations arising from audits are channelled back through annual work plans to ensure they are implemented.

To enable links to be made to the Corporate Plan and Delivery Plan, the Corporate Risk Register (CRR) identifies the Corporate Objective/Service priority to which that risk is identified.

10. Methodology

A methodology for identifying, assessing and managing risk within the Council is in operation. This methodology has the advantage of being relatively straightforward to use and can be applied to both the strategic risks of the Council and as part of the routine service and project planning processes.

Guidance for managers on the application of the risk management methodology has been produced and is available on the intranet for all officers. Risk review meetings between the Policy and Performance Management Officer and Service Managers are held at least every six months to review and updated the assessment of existing risk and their management, to identify new risks and risks that should be put forward for inclusion in the Corporate Risk Register (CRR). Processes have also been improved in respect of individual risk registers whereby any risk classified as 'high' is escalated for inclusion within the CRR.

Risk assessments should be produced to support strategic policy decisions and all major projects. The Guide to Project Management (on the Intranet) includes how to assess risk and has forms to capture the data. The Council's risk management methodology should be followed to produce these risk assessments and a summary of the findings given in reports to Members.

Risk management training will be provided for managers to assist with implementing the risk management methodology. Managing Risk is a tutorial in the e-learning portal.

11. Risk Scoring, Matrix and Risk Tolerance

Corporate Risks

Each corporate risk (a similar matrix is used for service risks) will be assessed against the following criteria:

Corporate Risk					
Impact Type	Catastrophic 5	Critical 4	Moderate 3	Marginal 2	Negligible 1
Objectives	The key objectives in the Corporate Plan will not be achieved.	One or more Key Objectives in the Corporate Plan will not be achieved.	Significant impact on the success of the Corporate Plan.	Some impact on more than one Service.	Insignificant impact on more than one Service.
Financial Impact (Loss)	Over £1.5m	£500k - £1.5m	£300k - £500k	£20k - £300k	£0-20k

Likelihood ratings and dimensions are tabled below

Grade	Likelihood	Probability	Timing
5	Very High	Over 90%	Within six months
4	High	60 - 90%	Within a year
3	Moderate	40 - 60%	Within 1 to 2 years
2	Low	10 - 40%	Probably within 15 years
1	Very Low	below 10%	Probably over 15 years

Service Risks

Impact ratings and dimensions are tabled below.

Service Risk					
Impact Type	Catastrophic 5	Critical 4	Moderate 3	Marginal 2	Negligible 1
Objectives	The key objectives in the Business Plan will not be achieved	One or more Key Objectives in the Business Plan will not be achieved.	Significant impact on the success of the Service Business Plan.	Personal or team objectives not met.	Insignificant impact.
Financial Impact (Loss)*	Over £500k	£300k - £500k	£75k - £300k	£10k - £75k	£0-10k
Service provision	Service suspended long term or statutory duties not delivered.	Service suspended short term.	Service reduced significantly	Slightly reduced	No effect

* Note: these are indicative figures it may be better to use % of budget for some of the smaller services.

Likelihood ratings and dimensions are tabled below.

Grade	Likelihood	Probability	Timing
5	Very High	Over 90%	Within six months
4	High	60 - 90%	Within a year
3	Moderate	40 - 60%	Within 1 to 2 years
2	Low	10 - 40%	Probably within 15 years
1	Very Low	below 10%	Probably over 15 years

The probability and timing are guidelines only and should be used with judgement. For example: an identified risk happened in the last six months but had not occurred previously for over 10 years. The likelihood of it happening again is still probably still Low, particularly if you feel that any new controls put in place since the risk happened have made it less likely.

Risk Matrix

The scoring by using a 5x5 matrix, which multiplies the numbers together, gives a wider range of scores.

5	5	10	15	20	25
4	4	8	12	16	20
3	3	6	9	12	15
2	2	4	6	8	10
1	1	2	3	4	5
Multiply	1	2	3	4	5

A very high likelihood with a catastrophic impact would score 25 but something that was very low likelihood and negligible impact would only score 1.

Risk Tolerance

The scoring is again a 5x5 matrix, which multiplies the numbers together.

5	5	10	15	20	25
4	4	8	12	16	20
3	3	6	9	12	15
2	2	4	6	8	10
1	1	2	3	4	5
Multiply	1	2	3	4	5

A score of 6 or under is deemed marginal and requires no further action. A score of between 7 and 14 is deemed moderate and requires action to reduce the score. A score of over 15 is deemed critical and requires immediate action.

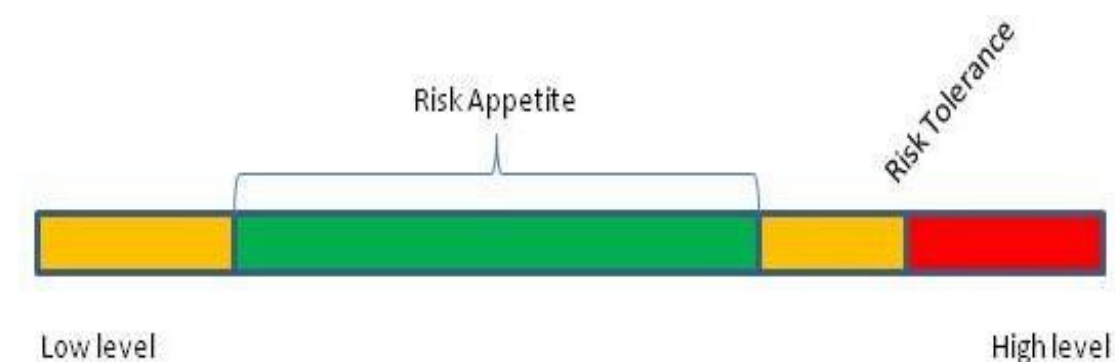
12. Risk Appetite

Risk appetite can be defined as the amount of risk that an organisation is willing to take on in pursuit of its strategic (corporate) objectives. There is no one size fits all, neither is risk appetite easy to define. The Council's appetite for risk can vary dependent on the nature of the risk and the prevailing operating conditions or circumstances.

Risk management is not about being 'risk averse'. Risk is ever present and some amount of risk taking is inevitable if the Council is to achieve its objectives. Risk management is about making the most of opportunities and about achieving objectives once those decisions are made. In defining its risk appetite, the Council is in a better position to avoid threats and take advantage of opportunities. A clearly understood and articulated risk appetite assists the Council through more informed risk focused decision-making.

Factors such as the external environment, people, business systems and policies, and how key stakeholders perceive the Council, will all influence the Council's risk appetite.

The diagram below shows where the risk appetite sits and what the tolerance is.



Risk Themes

All risks should be considered in the context of the Council's risk appetite. To assist this further the Council has identified a number of risk appetite themes, driven by the Council's strategic objectives, against which they have assigned a risk appetite. Therefore, in the instances where risks are associated with the theme and dependent on the risk score assigned, the Council will be more easily able to determine how they respond and so make best use of mitigation resources.

Risk	Appetite
Financial	High appetite for a range of asset classes, property and longer-term investments, subject to careful due diligence and an emphasis on security as well as matching with the Council's required liquidity profile. High appetite for high volatility investments as long as this is within a balanced portfolio so that the overall risk exposure is minimised. Medium risk for consideration of emerging markets with a lower appetite for capital growth-oriented investments versus income generating investments. No appetite for currency risk.
Macroeconomic	High appetite for exposure to local and national economic growth. No appetite for exposure to global growth, interest rate risk, inflation risk, geopolitical and tail risk events.
Credit and counterparty	High appetite for exposure to highly rated counterparties, investment grade or secured credit risk and financial institutions with strong balance sheets, all subject to careful due diligence and an assessment of the transaction versus the Council's resources, capacity, funding needs, broader goals and cash flow requirements. No appetite for unsecured non-investment grade debt.
Operational	Medium appetite for BAU (Business as Usual) operational risks with staff empowered to make decisions. Low appetite for operational risks such as pricing errors, errors in administration, IT, cybersecurity etc. The Council maintains Risk Registers for key initiatives and significant investments to assess and mitigate specific risks on a more granular level. Business continuity plans have also been established to mitigate external occurrences. No appetite for fraud, regulatory breaches and exceeding risk tolerances.

Strategic	High appetite for strategic initiatives, where there is a direct gain to the Council's revenues or the ability to deliver its statutory duties more effectively and efficiently. Low appetite for initiatives and projects which sit outside of the Corporate Plan and Delivery Plan.
Environmental and Social	No appetite for environmentally negative risks or for social risks e.g. income, education, employment, health and housing, especially in the local region.
Governance	Low risk appetite in respect of compliance with Council policies, alignment with the Corporate Plan, delegation levels, fraud, transparency and major organizational change programmes. Medium appetite for partnership related risks.
Reputational	High risk appetite in respect of national media coverage, medium risk appetite for local media coverage and no risk appetite where social media and internal reputation are concerned.

It is recognised that a certain amount of risk is inherent in all of our activities and that it can be a positive driver in the development of the services we provide and our approach to investment.

The Council has developed a risk appetite. The risk appetite is not absolutely prescriptive, but instead provides a number of underlying component parts that encourages structured thinking. The aim of the risk appetite being to allow the Council to reach an informed conclusion as to whether the risk can be accepted, and to what extent, to achieve the desired outcomes

Averse	Prepared to accept only the very lowest levels of risk, with the preference being for ultra-safe delivery options, while recognising that these will have little or no potential for reward/return.
Cautious	Willing to accept some low risks, while maintaining an overall preference for safe delivery options despite the probability of these having mostly restricted potential for reward/return.
Moderate	Tending always towards exposure to only modest levels of risk in order to achieve acceptable, but possibly unambitious outcomes.
Open	Prepared to consider all delivery options and select those with the highest probability of productive outcomes, even when there are elevated levels of associated risk.
Hungry	Eager to seek original/creative/pioneering delivery options and to accept the associated substantial risk levels in order to secure successful outcomes and meaningful reward/return

It is recommended that an appetite of "moderate" is adopted.

Risk appetite monitoring and reporting

The Council will continue to keep under review its risk appetite, fully recognising that this may be susceptible to change due to various factors, both internal and external, that could shape the nature and extent the Council is prepared to take risks.

13. Risk Identification

To meet the requirements of this framework, risk(s) must be capable of being identified at any level, and by anybody within the Council.

The key people are the service managers who will be actively monitoring their service plan to identify risks and change management practices and controls to reduce their impact. They can also be escalated to being a corporate risk through CLT.

14. Risk Registers

The authority has three levels of risk register. The Corporate Risk Register (CRR) is maintained by the Corporate Risk Officer (Director of Resources) and monitored by CLT and GRAC. The service risks are monitored through the service plans. There are also individual risk registers for certain projects. Reviewing service risks is the responsibility of the service manager with the support of the Policy and Performance Management Officer.

There is no “classic” definition of corporate risk as each organisation is different, however, as a guide a risk that would be described as corporate is one that would adversely affect the delivery of the Corporate Plan or mean the failure to deliver a corporate objective or affects more than one area of operation.

The Corporate Risk Register (CRR) is in the following format:

Corporate Objective	1. Description of Risk or potential event 2. Cause of risk 3. Consequence of risk happening 4. Risk category 5. Risk appetite	Inherent risk score	Existing Controls	Residual Risk Score and change of direction	Action (to achieve target score)	Target Score	Progress update	Lead Officer
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The method of scoring likelihood and impact is in section 10. Similarly, there is no “classic” definition of service risk, and it is the clear intention to only collect and monitor the main risks that face a service. In a similar way to the corporate risk, a service risk is one that would adversely affect the delivery of the services business plan or mean the failure to deliver a service objective or affects more than one area within the service.

The service risks are gathered in a similar way.

All service plans will have the risk element completed and signed off by the relevant Director. For each risk the category or categories of risk are identified to assist in assessing the kind of control, mitigation and contingencies that should be put in place.

Categories of risk;

- a. Financial
- b. Macroeconomic
- c. Credit and counterparty
- d. Operational (including capacity/delivery/resources/health & safety)
- e. Strategic
- f. Environmental and Social
- g. Governance
- h. Reputational

15. Involvement of Other Related Groups

There are other officer groups in existence which deal with specific areas of risk management e.g. the Health and Safety Group and the Corporate Business (Service) Continuity Group. These groups include various Heads of Service so that their work can be coordinated with the overall management of the risks facing the Council.

In addition to the above, the Council's Internal Audit section also contributes to the management of risk. The work of Internal Audit is based on a needs and risk assessment process that identifies and focuses resources on higher risk areas. Audit findings are reported to the relevant Chief Officer and Service Manager together with recommendations for improvement and an action plan. Checks are undertaken by Internal Audit to ensure agreed recommendations are implemented. Outstanding audit recommendations are monitored by GRAC at its meetings.

The Corporate Risk Officer will receive copies of all finalised internal and external audit reports to assess if any change is required to the risk registers.

16. External Contacts

The potential risks faced by the Council are in many cases similar to those faced by other authorities and it is practical and cost effective to learn from the experience of others.

In order to share risk management information and experiences, the Council has established networks with other authorities and agencies. Specifically, the Council is a member of the Norfolk Risk Managers' Group. This Group, whose members include local authorities, police authority and others from Norfolk, meets on a regular basis to discuss risk management issues that are common to organisations and to share examples of best practice.

17. Linked Policies

There are several policies that are or will be linked to this framework:

- Health and Safety Policy
- IT Security Policy
- Information Management Strategy
- Business Continuity Policy
- Information Risk Policy
- Data Protection Policy

18. Review Process

This Framework will be reviewed by the CLT, and any amendments will be agreed by the GRAC.

Appendix 1: Shared Leadership – Role and Responsibilities

All Officers and Members have a responsibility to ensure that risk management is effective across the whole of the Council's operations. Specific roles and responsibilities are set out below:

The Council	• Overall responsibility for risk management • Provide a corporate perspective on the risk appetite of the Council • Ensure risk management is embedded into all processes and activities
Cabinet Member for Finance & Resources	• Strategic endorsement of the overall approach and attitude to risk management • Champion risk management
Governance, Risk and Audit Committee	• Approve and monitor the implementation of the Risk Management Framework • Review Annual Governance Statement including effectiveness of risk management • Provide assurance to members that risks are being identified and managed, which includes oversight of the Strategic Risk Register, and scrutinise the system of internal control
Chief Executive	• Strategic leadership that endorses the implementation of the Risk Management Framework across the Council
Section 151 Officer	• Overall responsibility for maintenance and delivery of risk management across the Council • Disseminate and promote the framework • Champion risk management
Corporate Leadership Team	• Take ownership of the identified strategic risks, consider their importance against strategic objectives and action further controls as required • Monitor the Strategic Risk Register • Create an environment and culture where risk management is promoted, facilitated and appropriately undertaken • Raise awareness of risk with Members and officers as appropriate • Monitor project risk registers

Directors, Assistant Directors and Service Managers	• Understands the Risk Management Framework and their accountabilities • Communicate risk management approach and framework throughout the Council • Identify, assess and communicate risks within their area of responsibility • Provide support/assistance to employees in fulfilling their risk management duties • Undertakes assessment of risk for their service in relation to service planning and budget setting process • Identifies partnership and contractual arrangements where there are shared risks, ensuring these are recorded and properly managed • Reviews risks on a regular basis and discusses the management of risks with relevant team members
Performance and Productivity Board	• Provide a forum for the discussion of risk management issues • Review and monitor the Service Risk Register • Promote and embed risk management throughout service areas • Help ensure commitment of key stakeholders is obtained • Share best practice across the risk champion network

Document Information and Version Control

Document Name	Risk Management Policy and Framework
Document Description	The framework outlines responsibilities for managing risks and defines how risk management should be applied across the Council.
Document Status	Under Review
Lead Officer	Duncan Ellis
Sponsor	Steve Blatch
Produced by (service name)	Finance
Relevant to the services listed or all NNDC	All
Approved by	
Approval date	
Type of document	Policy and Framework
Equality Impact Assessment details	Not required
Review interval	Every 2 years
Next review date	

Version	Originator	Description including reason for changes	Date
1	Peter Gollop		August 2010
1.01	Helen Thomas	Transferred to policy template	23 October 2015
1.02	Helen Thomas	Marked up version showing out-of-date elements and suggested changes	09/11/2015
1.03	Karen Sly	Draft refresh presented to Audit Committee pending further review	February 2016
1.04	Duncan Ellis	Updated provided to the Governance, Risk and Audit Committee	March 2017
1.05	Duncan Ellis	Updated provided to the Governance, Risk and Audit Committee	March 2018
1.06	Duncan Ellis	Updated provided to the Governance, Risk and Audit Committee	June 2020
1.07	Tina Stankley	Updated provided to the Governance, Risk and Audit Committee	November 2024

Agenda Item 15

Exemptions granted from 23 August 2025 to 13 November 2025

Date	Contractor	Type of Work	Amount (rounded to nearest pound)	Exemption (Chapter 9, Paragraph 11, Constitution)
27/08/25	Policy in Practice	Supply of poverty dashboard for one year	£23,426	(g) are for the supply of goods or services where there is only one supplier and no acceptable alternative;
25/10/25	LoCTA Ltd	Software platform for Local Authorities to share data for tracing, fraud prevention and debt recovery – four years	£41,413	(g) are for the supply of goods or services where there is only one supplier and no acceptable alternative;

Notes

- The previous period reported to GRAC was for the period 20 May 2025 to 22 August 2025
- In that period nil exemptions were reported to the Committee.
- The next reporting period to GRAC will follow on from the last reporting period.

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GOVERNANCE, RISK & AUDIT COMMITTEE – ANNUAL WORK PROGRAMME 2025/2026

Topic	Lead Officer	Comments	Cycle
Feb 2026			
Treasury Management Strategy	Director for Resources	To review the Annual TMS and recommend to Full Council for approval	Annual
2024/25 External audit of the financial statements	External Audit		Annual
Committee Self-Assessment Action Plan	Head of Internal Audit	To complete the action plan <i>Could move to March meeting</i>	Annual
March 2026			
Internal audit plan 2026/27 – Charter & Mandate	Internal Audit – Teresa Sharman		Annual
GRAC self-assessment	Internal Audit – Teresa Sharman		Annual
Internal Audit Progress & Follow-up Report	Internal Audit – Teresa Sharman	To review progress on internal audit recommendations	Quarterly
Corporate Risk Register	Director for Resources	To review the corporate risk register	Quarterly
Procurement Exemptions Register	Monitoring Officer	To review Procurement Exemptions	Quarterly
Review of Council's Asset Register	Director for Resources	To review the number and value of Council assets?	Committee Request
June 2026			
External Audit Plan (Letter) 2025/2026	External Audit		Annual
Forward items			
Business Continuity Framework	Resilience Manager	To review the Business Continuity Framework	Bi-Annual: <i>Does not need to come annually – reviewed every 4 years. Last came to GRAC in 2024</i>

