

# Governance, Risk and Audit Committee



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11<sup>th</sup> September 2018

A meeting of the **Governance, Risk and Audit Committee** of North Norfolk District Council will be held in **the Committee Room** at the Council Offices, Holt Road, Cromer on **Tuesday 11<sup>th</sup> September 2018 at 2.00 pm**

Members of the public who wish to ask a question or speak on an agenda item are requested to arrive at least 15 minutes before the start of the meeting. It will not always be possible to accommodate requests after that time. 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](mailto: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.

**Emma Denny**  
**Democratic Services Manager**

To: Mr D Baker, Mr V FitzPatrick, Ms V Gay, Mr M Knowles, Mr J Rest and Mr D Young

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

**Heads of Service:** Nick Baker and Steve Blatch  
**Tel** 01263 513811 **Fax** 01263 515042 **Minicom** 01263 516005  
**Email** [districtcouncil@north-norfolk.gov.uk](mailto:districtcouncil@north-norfolk.gov.uk) **Web site** [northnorfolk.org](http://northnorfolk.org)

## A G E N D A

**1. TO RECEIVE APOLOGIES FOR ABSENCE**

**2. PUBLIC QUESTIONS**

To receive public questions, if any.

**3. 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.

**4. DECLARATIONS OF INTEREST**

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.

**5. MINUTES** (page 4)

To approve as a correct record, the minutes of the meeting of the Governance, Risk & Audit Committee held on 19 June 2018.

**6. EY ANNUAL AUDIT LETTER** (page 10)

To receive the EY Annual Audit Letter for the year ended 31<sup>st</sup> March 2018  
(Source: Mark Hodgson, Ernst Young)

**7. PROGRESS REPORT ON INTERNAL AUDIT ACTIVITY 1 APRIL TO 3 SEPTEMBER 2018** (page 37)

**Summary:** This report examines the progress made between 1 April and 3 September 2018 in relation to delivery of the Annual Internal Audit Plan for 2018/19.

**Conclusions:** Progress in relation to delivery of the internal audit plan is line with expectations; and positive assurance has been awarded in the audit review finalised in this period.

**Recommendations:** It is recommended that the Committee notes the outcomes of the assurance audit completed between 1 April and 3 September 2018.

Cabinet member(s):  
All

Ward(s) affected:  
All

Contact Officer, telephone number, and e-mail: Emma Hodds, Head of Internal Audit for North Norfolk DC  
01508 533791, [ehodds@s-norfolk.gov.uk](mailto:ehodds@s-norfolk.gov.uk)

**8. CORPORATE RISK REGISTER** (page 47)

To review the Corporate Risk Register.

**9. GOVERNANCE, RISK AND AUDIT COMMITTEE UPDATE & ACTION LIST (page 61)**

To monitor progress on items requiring action from the meeting on 19th June 2018, including progress on implementation of audit recommendations.

**10. GOVERNANCE, RISK AND AUDIT COMMITTEE WORK PROGRAMME (page 62)**

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

**11. 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 of Part I of Schedule 12A (as amended) to the Act.”

## **GOVERNANCE, RISK & AUDIT COMMITTEE**

**Minutes of a meeting of the Governance Risk & Audit Committee held on Tuesday 24th July 2018 in the Council Chamber, Council Offices, Holt Road, Cromer at 2.00 pm.**

### **Members Present:**

<b>Committee:</b>	Mr J Rest (Chairman)	Mr M Knowles
	Mr D Baker	Mr D Young
	Ms V Gay	

### **Other**

**Members:** Mr N Pearce

### **Officers in**

**Attendance:** The Head of Finance and Assets, the Chief Technical Accountant, the Democratic Services and Governance Officer, the External Auditor (MH), and the External Auditor (AR).

### **15. APOLOGIES FOR ABSNECE**

Apologies were received from Cllr V FitzPatrick

### **16. PUBLIC QUESTIONS**

None received.

### **17. ITEMS OF URGENT BUSINESS**

None.

### **18. DECLARATIONS OF INTEREST**

None.

### **19. MINUTES**

The Minutes from the meeting of the Governance, Risk & Audit Committee held on 19<sup>th</sup> June 2018 were approved as a correct record subject to the following amendments:

Change of date in minute 5 to 27<sup>th</sup> March 2018.

Minor typos corrected in minute 8.

In Minute 7 Cllr D Young raised concerns regarding the renewal of the Kier waste management contract. This conversation was removed due to the sensitive nature of information included in the discussion whilst pricing was still being negotiated. This information has since been cleared for publication and it was agreed that the discussion be included in the minutes. The discussion is listed below:

“Cllr D Young referred to page 25 of the agenda on Kier waste management, he stated that there were a number of issues raised and asked whether any recommendation would be made. The Head of Internal Audit replied that available actions were limited, but the Council was holding the company to account for their defaults, and the situation was being managed more effectively. She added that it would be important to keep a close eye on the situation. Cllr M Knowles stated that he was concerned by the Kier situation, and highlighted the fact that data had not been supplied to the Council for an extensive period of time. The Head of Internal Audit agreed that the situation had not been acceptable, which was why the administrative process had now been brought in-house. Cllr D Young asked if the Council had chased Kier for the missing information, to which the Head of Internal Audit replied that the Corporate Director (SB) had attempted to pursue Kier. The Chairman confirmed the significance of the issue and asked whether the portfolio holder had been involved. Cllr D Young added that he was concerned about the options for contract renewal as the Council could be left with nowhere else to go. The Head of Internal Audit replied that she would raise the concerns with the Head of Environmental Health and ask the portfolio holder if they had been involved. Cllr M Knowles asked if there was any form of penalty action available to the Council if Kier were to continue to default, and suggested the possibility of charging for the service provided without the supporting data. The Head of Internal Audit confirmed that a penalty procedure was in place, but informed the Committee that the contract management had improved. Cllr D Young suggested that NNDC may need to consider options for different service providers in the future. The Chief Technical Accountant stated that the decision to renew the contract with Kier had already been made in order to align the end date with other contracts, but added that the Corporate Director (SB) had been negotiating prices. Cllr D Young stated that the Outturn Report had suggested that the extension would cost an additional £800k. The Chief Technical Accountant replied that the contract was stepped so this price would not be surprising. She added that the market had also changed so the contract price could be expected to rise. The Chairman stated that the contract was eight years old, and suggested that in the future all contracts should be flagged for enquiry two years prior to their renewal. The Head of Internal Audit agreed with the need to flag-up contracts prior to their renewal, and added that the 2017/18 contract price with Kier had been £4.3m. It was stated that whilst the price would be lower in 2018/19, the contract would end after this point.”

### Questions and Discussion

The Head of Finance and Asset Management stated that he was unable to attend the meeting when the Kier contract renewal was discussed, but after hearing the Committee's concerns he offered a response. On the Council's position prior to contract renewal, he stated that the opportunity had been taken to do some soft-testing of the market. At which point it was revealed that the existing contract would end during an extremely busy period for the sector, which would limit the number of readily available service providers. Furthermore, even with a potential merging of contracts between NNDC and neighbouring authorities, the contract was still not large enough to attract the leading service providers. As a result, the decision was made to extend the existing contract with Kier as they offered a better price than the alternatives. It was made clear that the decision to renew the Kier contract had not been made as a result of running out of time. Cllr D Young asked if the extension was now going ahead. The Head of Finance and Asset Management replied that Cabinet had now agreed the price and the extension had been put in place to align NNDC with the market. The Chairman questioned whether the agreed price was less than the original estimate, and was informed that the agreed price was £200k-£300k less than the original estimate. The Head of Finance and Asset Management informed the Committee that an alternate

option would have been to go to market earlier, but warned that the price would have been higher as a result. Cllr D Young asked if the decision to renew the contract had been taken whilst these options were still available. The Head of Finance and Asset Management replied that the decision to renew the contract was taken whilst these options were available, but they were not available at the time the pricing agreement was made.

## **20. AUDIT RESULTS REPORT**

The External Auditor (MH) introduced the report and informed the Committee that it had been the first year of Fastflow, which required the audit to be completed by the end of July rather than September.

### Questions and Discussion

The External Auditor (MH) stated that overall the audit was good and congratulated the Finance Team on their work. He added that the Council was on-track to sign off the report on Thursday, and that there were no longer any issues in any specific areas. It was stated that there was one unadjusted audit difference on the draft financial statement relating to a net impact of £26k that was considered non-material. There were two material adjusted audit differences with an aggregated impact of £4.126m. The difference arose from a loan to Broadland housing of £3.5m and £2.06m of support charges that had been disclosed on a gross basis as opposed to net. There were also two further non-material adjusted differences that related to the Norfolk Pension Fund, and a reclassification between short term investment and short term debtors. The External Auditor then gave an overall opinion of approval for the Council's accounts.

On section five of the report relating to value for money, the External Auditor (MH) clarified the assessment of the Council's reserve position. It was explained that the Council's current reserve position was £23m and that NNDC had a history of underspending. There was an expected savings plan shortfall of £0.16m but it was suggested that the Council had a good history in regards to savings. It was stated that the new homes bonus funding had been taken out from the data as this was not yet guaranteed income. Overall it was suggested that there was considerable headroom left in the reserves, and they were adequate for the Council's requirements. The External Auditor confirmed that all audit work had been completed within the set fee, then thanked the Head of Finance and Asset Management, the Chief Technical Accountant, and their team for their hard work during the audit process. Cllr D Baker asked for the External Auditors to give their opinion on what would be considered an adequate reserve for a similar sized authority and whether the Council should be spending the reserves. The External Auditor (MH) referred the Councillor to the earmarked reserves and stated that he would expect these reserves to be spent within approximately three years. He added that if the £18m remaining had not been spent in three years then clearly there would be a problem. Cllr V Gay questioned whether three years was a reasonable period to spend earmarked reserves over, which was confirmed. The Head of Finance and Asset Management suggested that it would be helpful to note that some earmarked reserves had been set aside for projects that the Council was not leading, therefore the Council was not in control of when the money would be spent. He added that the business rates reserve was also a contingency, and that NNDC's leisure projects may require considerable funding from the reserves to cover some of the expected £15m costs.

Cllr M Knowles referred to page 23 of the report and questioned why the £3m budget gap expected over the next 3 years was different to the stated £2.1m budget gap on page 24. The External Auditor (MH) explained that the first figure was from the audit plan, whereas the latter was from the actual audit. The Head of Finance and Asset Management added that the £2.1m was a cumulative deficit over three years and advised the Committee that using reserves to fill this gap would be unwise, and a sustainable alternative was required.

The Chairman apologised to Cllr D Young for the late addition of the Audit Report to the agenda, and asked him to forward any questions to be answered in writing.

## **Resolved**

**To note the Audit Report.**

## **21. FINAL STATEMENT OF ACCOUNTS**

The Final Statement of Accounts was included in the agenda for review, a draft version had also been given to the Committee for review in June.

### Questions and Discussion

The Head of Finance and Assets thanked the Committee for facilitating the new deadlines and apologised for the very short timeframe given to read the reports that were sent out on Friday. He explained that the new deadline meant that the sign-off of accounts that had previously taken place in September would now take place in July. It was stated that it was now the responsibility of the Governance, Risk and Audit Committee to approve the accounts, as it was recognised as best practice, and the terms of reference had been changed to allow the Committee to make this decision. The Head of Finance and Asset Management reiterated that the draft accounts had been available to view since June and the main changes had been outlined by the External Auditor (MH). He thanked his team for all their hard work and accepted that there had been concerns raised about the new deadline. It was stated that improvements had been made to the working papers and that the new audit portal used by Ernst and Young had worked very well.

The Chief Technical Accountant provided a summary sheet of the changes that had been made to the Draft Statement of Accounts. Cllr M Knowles asked for more background on what had changed and suggested that it would be good to see how the items had changed. The External Auditor (MH) explained that if the changes were significant then they were included in the Audit Report. The Head of Finance and Asset Management informed the Committee that the first two changes listed were in the Audit Report and had previously been explained. The Chief Technical Accountant introduced the third change on the IRFS 9 Statement and explained that it was a change to how the Council accounted for investments. The next change on NDR Provision in Contingent Liabilities was explained as a business rate provision that had been removed as it had now been provided for. She explained that the other changes were small adjustments where the correct figures had not been picked up.

The Chairman asked the Committee to vote on the approval of the accounts. The vote was proposed by Cllr M Knowles and seconded by Cllr D Baker, the accounts were unanimously approved.

## **Resolved**

**Final Statement of Accounts approved.**

## **22. LETTER OF REPRESENTATION**

It was explained that the Letter of Representation was a requirement of the Section 151 Officer to address and confirm the issues that arose during the year.

### Questions and Discussion

The chairman asked if there were any comments on the letter. Cllr D Young asked if the format had differed or if there were any major differences. The Head of Finance and Asset Management informed the Committee that very few changes had been made but there was more focus on the security of information. The External Auditor (MH) confirmed that the letter remained fairly standard but some estimates had been added.

### **Resolved**

**The Letter of Representation was signed by the Chairman and the Head of Finance and Asset Management.**

## **23. GOVERNANCE, RISK AND AUDIT COMMITTEE UPDATE & ACTION LIST**

The Action List was included in the agenda for review by the Committee.

### Questions and Discussion

Cllr V Gay stated that it had been a long time since there had been an all Member briefing on the audit process and asked if this would be possible. Cllr M Knowles suggested that this could be done as a pre-Council briefing. The Head of Finance and Asset Management stated that he would be happy to give this briefing. The Chairman reminded the Committee that the Governance, Risk and Audit Annual Report had been presented at the Full Council meeting in June, but stated he would ask for a pre-Council briefing to be given on the audit process. Cllr N Pearce stated that he fully commended the efforts of the Committee to encourage greater understanding of the audit process amongst Members

## **24. GOVERNANCE, RISK AND AUDIT COMMITTEE WORK PROGRAMME**

The Work Programme was included in the agenda for review by the Committee.

### Questions and Discussion

The Head of Finance and Asset Management asked that the Draft Statement of Accounts be added to the Work Programme for 2019.

## **25. EXCLUSIONS OF THE PRESS AND PUBLIC**

None.

The meeting ended at 14.55 pm



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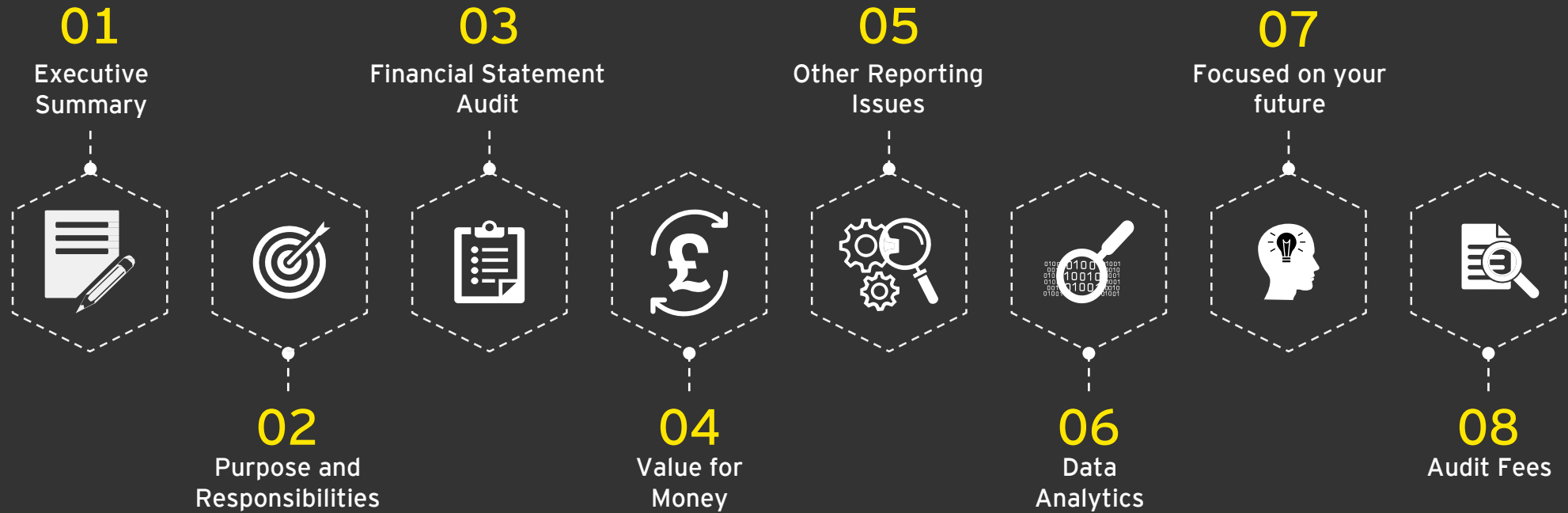
Chairman

# North Norfolk District Council

Annual Audit Letter for the year  
ended 31 March 2018

14 August 2018

# Contents



Public Sector Audit Appointments Ltd (PSAA) have issued a 'Statement of responsibilities of auditors and audited bodies'. It is available from the Chief Executive of each audited body and via the PSAA website ([www.psaa.co.uk](http://www.psaa.co.uk))

The Statement of responsibilities serves as the formal terms of engagement between appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas.

The 'Terms of Appointment (updated 23 February 2017)' issued by PSAA sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice (the Code) and statute, and covers matters of practice and procedure which are of a recurring nature.

This Annual Audit Letter is prepared in the context of the Statement of responsibilities. It is addressed to the Members of the audited body, and is prepared for their sole use. We, as appointed auditor, take no responsibility to any third party.

**Our Complaints Procedure** - If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, you may take the issue up with your usual partner or director contact. If you prefer an alternative route, please contact Steve Varley, our Managing Partner, 1 More London Place, London SE1 2AF. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. Should you remain dissatisfied with any aspect of our service, you may of course take matters up with our professional institute. We can provide further information on how you may contact our professional institute.



# 01 Executive Summary

# Executive Summary

We are required to issue an annual audit letter to North Norfolk District Council (the Council) following completion of our audit procedures for the year ended 31 March 2018.

Below are the results and conclusions on the significant areas of the audit process.

Area of Work	Conclusion
<b>Opinion on the Council's:</b>	
▶ Financial statements	Unqualified - the financial statements give a true and fair view of the financial position of the Council as at 31 March 2018 and of its expenditure and income for the year then ended.
▶ Consistency of other information published with the financial statements	Other information published with the financial statements was consistent with the Annual Accounts.
<b>Concluding on the Council's arrangements for securing economy, efficiency and effectiveness</b>	We concluded that you have put in place proper arrangements to secure value for money in your use of resources.

Area of Work	Conclusion
<b>Reports by exception:</b>	
▶ Consistency of Governance Statement	The Governance Statement was consistent with our understanding of the Council.
▶ Public interest report	We had no matters to report in the public interest.
▶ Written recommendations to the Council, which should be copied to the Secretary of State	We had no matters to report.
▶ Other actions taken in relation to our responsibilities under the Local Audit and Accountability Act 2014	We had no matters to report.

Area of Work	Conclusion
<b>Reporting to the National Audit Office (NAO) on our review of the Council's Whole of Government Accounts return (WGA).</b>	The Council is below the specified audit threshold of £500 million. Therefore, we did not perform any audit procedures on the consolidation pack.

## Executive Summary (cont'd)

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As a result of the above we have also:

Area of Work	Conclusion
Issued a report to those charged with governance of the Council communicating significant findings resulting from our audit.	Our Audit Results Report was issued on 20 July 2018.
Issued a certificate that we have completed the audit in accordance with the requirements of the Local Audit and Accountability Act 2014 and the National Audit Office's 2015 Code of Audit Practice.	Our certificate was issued on 26 July 2018.

In December 2018 we will also issue a report to those charged with governance of the Council summarising the certification work we have undertaken. We would like to take this opportunity to thank the Council's staff for their assistance during the course of our work.

*MARK HODGSON*

Mark Hodgson  
Associate Partner  
For and on behalf of Ernst & Young LLP



## 02 Purpose and Responsibilities

# Purpose and Responsibilities

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## The Purpose of this Letter

The purpose of this annual audit letter is to communicate to Members and external stakeholders, including members of the public, the key issues arising from our work, which we consider should be brought to the attention of the Council.

We have already reported the detailed findings from our audit work in our 2017/18 Audit Results Report to the 24 July 2018 Governance, Risk and Audit Committee, representing those charged with governance. We do not repeat those detailed findings in this letter. The matters reported here are the most significant for the Council.

## Responsibilities of the Appointed Auditor

Our 2017/18 audit work has been undertaken in accordance with the audit planning report that we issued on 1 March 2018 and is conducted in accordance with the National Audit Office's 2015 Code of Audit Practice, International Standards on Auditing (UK and Ireland), and other guidance issued by the National Audit Office.

As auditors we are responsible for:

- ▶ Expressing an opinion:
  - ▶ On the 2017/18 financial statements; and
  - ▶ On the consistency of other information published with the financial statements.
- ▶ Forming a conclusion on the arrangements the Council has to secure economy, efficiency and effectiveness in its use of resources.
- ▶ Reporting by exception:
  - ▶ If the annual governance statement is misleading or not consistent with our understanding of the Council;
  - ▶ Any significant matters that are in the public interest;
  - ▶ Any written recommendations to the Council, which should be copied to the Secretary of State; and
  - ▶ If we have discharged our duties and responsibilities as established by the Local Audit and Accountability Act 2014 and Code of Audit Practice.

Alongside our work on the financial statements, we also review and report to the National Audit Office (NAO) on your Whole of Government Accounts return. The Council is below the specified audit threshold of £500 million. Therefore, we did not perform any audit procedures on the return.

## Responsibilities of the Council

The Council is responsible for preparing and publishing its statement of accounts accompanied by an Annual Governance Statement (AGS). In the AGS, the Council reports publicly each year on how far it complies with its own code of governance, including how it has monitored and evaluated the effectiveness of its governance arrangements in year, and any changes planned in the coming period.

The Council is also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.





**03**

# Financial Statement Audit

# Financial Statement Audit

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## Key Issues

The Council's Statement of Accounts is an important tool for the Council to show how it has used public money and how it can demonstrate its financial management and financial health. We audited the Council's Statement of Accounts in line with the National Audit Office's 2015 Code of Audit Practice, International Standards on Auditing (UK and Ireland), and other guidance issued by the National Audit Office and issued an unqualified audit report on 26 July 2018. Our detailed findings were reported to the 24 July 2018 Governance, Risk and Audit Committee.

The key issues identified as part of our audit were as follows:

Significant Risk	Conclusion
<p><b><u>Misstatements due to fraud or error</u></b></p> <p>The financial statements as a whole are not free of material misstatements whether caused by fraud or error.</p> <p>As identified in ISA (UK and Ireland) 240, management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records directly or indirectly and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.</p> <p>We identify and respond to this fraud risk on every audit engagement.</p>	<ul style="list-style-type: none"><li>• We obtained a full list of journals posted to the general ledger during the year, and analysed these journals using criteria we set to identify any unusual journal types or amounts. We then tested a sample of journals that met our criteria and tested these to supporting documentation.</li><li>• We considered the accounting estimates most susceptible to bias as to their reasonableness.</li><li>• We evaluated the business rationale for any significant unusual transactions.</li><li>• We have not identified any material weaknesses in controls or evidence of material management override.</li><li>• We have not identified any instances of inappropriate judgements being applied.</li><li>• We have not identified any management bias in accounting estimates.</li><li>• We did not identify any other transactions during our audit which appeared unusual or outside the Council's normal course of business.</li></ul>

# Financial Statement Audit (cont'd)

The key issues identified as part of our audit were as follows: (cont'd)

Significant Risk	Conclusion
<p><b>Risk of fraud in revenue and expenditure recognition</b></p> <p>Auditing standards also required us to presume that there is a risk that revenue and expenditure may be misstated due to improper recognition or manipulation.</p> <p>One area susceptible to manipulation is the capitalisation of revenue expenditure on property, plant and equipment given the extent of the Council's capital programme.</p>	<ul style="list-style-type: none"> <li>• We obtained a breakdown of capital additions in the year, and reviewed these to identify any items that could be revenue in nature. We designed journal procedures to identify any manual adjustment journal types moving amounts from revenue to capital codes. We then tested a sample of capital expenditure to supporting documentation to ensure that the capital/revenue split was reasonable.</li> <li>• Our testing has not identified any material misstatements from revenue and expenditure recognition.</li> <li>• Overall our audit work did not identify any material issues or unusual transactions to indicate any misreporting of the Council's financial position.</li> </ul>

Other Key Findings	Conclusion
<p><b>Property, Plant and Equipment Valuation</b></p> <p>The fair value of Property, Plant and Equipment (PPE) represents a significant balance in the Council's accounts and is subject to valuation changes, impairment reviews and depreciation charges. Management is required to make material judgemental inputs and apply estimation techniques to calculate the year-end balances recorded in the balance sheet.</p>	<ul style="list-style-type: none"> <li>• Following full consideration of their work, we have placed reliance on the Council's valuation expert.</li> <li>• Our testing did not identify any material misstatements from inappropriate judgements being applied to the property valuation estimates.</li> <li>• Our audit work did not identify any issues with the accounting treatment for valuations.</li> </ul>
<p><b>Pension Liability - IAS 19</b></p> <p>The Local Authority Accounting Code of Practice and IAS19 require the Council to make extensive disclosures within its financial statements regarding its membership of the Local Government Pension Scheme.</p> <p>The Council's pension fund deficit is a material estimated balance and the Code requires that this liability be disclosed on the Council's balance sheet. The information disclosed is based on the IAS 19 report issued to the Council by the actuary to the administering body.</p> <p>Accounting for this scheme involves significant estimation and judgement and therefore management engages an actuary to undertake the calculations on their behalf. Auditing standards require us to undertake procedures on the use of management experts and the assumptions underlying fair value estimates.</p>	<ul style="list-style-type: none"> <li>• We have reviewed the assessment of the pension fund actuary by PWC and EY pensions and have undertaken the work required.</li> <li>• A movement on the total fund asset between the estimated year end balance and the actual was identified by the pension fund auditor. The impact of this was an understatement of the Council's share of pension assets by £0.626 million. This was corrected by management during the course of our audit.</li> <li>• We have not identified any issues with the accounting entries and disclosures made within the financial statements.</li> </ul>

The Council's Statement of Accounts is an important tool for the Council to show how it has used public money and how it can demonstrate its financial management and financial health.

## Financial Statement Audit (cont'd)

### Our application of materiality

When establishing our overall audit strategy, we determined a magnitude of uncorrected misstatements that we judged would be material for the financial statements as a whole.

Item	Thresholds applied
Planning materiality	We determined planning materiality to be £1.1 million (2016/17: £1.07 million), which is 2% of gross expenditure on provision of services reported in the accounts of £53.3 million adjusted for parish precepts and changes in the fair value of investment property.  We consider gross expenditure on provision of services to be one of the principal considerations for stakeholders in assessing the financial performance of the Council.
Reporting threshold	We agreed with the Governance, Risk and Audit Committee that we would report to the Committee all audit differences in excess of £55,000 (2016/17: £54,000)

We also identified the following areas where misstatement at a level lower than our overall materiality level might influence the reader. For these areas we developed an audit strategy specific to these areas. The areas identified and audit strategy applied include:

- ▶ Remuneration disclosures including any severance payments, exit packages and termination benefits: reduced materiality level of £5,000 applied in line with bandings disclosed.
- ▶ Related party transactions and members allowances: reduced materiality level applied equal to the reporting threshold.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations.

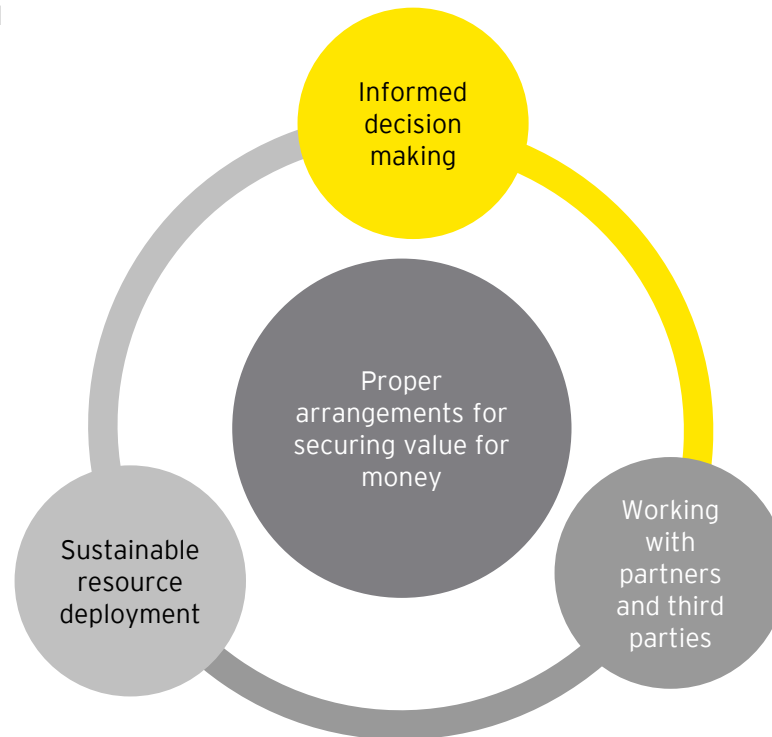


# 04 Value for Money

We are required to consider whether the Council has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources. This is known as our value for money conclusion.

Proper arrangements are defined by statutory guidance issued by the National Audit Office. They comprise your arrangements to:

- ▶ Take informed decisions;
- ▶ Deploy resources in a sustainable manner; and
- ▶ Work with partners and other third parties.



We identified one significant risks in relation to these arrangements. The table below presents the findings of our work in response to the risks identified.

We have performed the procedures outlined in our audit planning report. We did not identify any significant weaknesses in the Council's arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people.

We therefore issued an unqualified value for money conclusion on 26 July 2018.



## Value for Money (cont'd)

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Significant Risk	Conclusion
<p><b>Financial resilience over the medium term</b></p> <p>The Council's budget report for 2018/19 to 2021/22, approved in February 2018, identifies a cumulative budget gap of £3 million over the next three years, after the use of reserves of a further £3 million. This report is based on a number of assumptions, including estimates of the future levels of Government funding and costs associated with significant contracts.</p> <p>Any reduction in Government funding in future years together with increased costs represents a significant risk to the achievement of the Council's future budgets.</p>	<p>Our approach focused on the adequacy of the plans and arrangements the Council has put in place to secure the financial sustainability of the Council:</p> <ul style="list-style-type: none"> <li>▶ a review of the Council's historical financial performance, including its ability to deliver challenging savings targets, identified that budgets, which incorporate the savings targets, were underspent in each of the last two years;</li> <li>▶ a review of the Council's current financial position and the level of general fund and earmarked reserves, considering the Authority's financial resilience over the medium term, demonstrates that the Council holds an appropriate level of reserves; and</li> <li>▶ a review of the Council's process for budget setting, including challenge of the basis of key budget assumptions did not identify any issues.</li> </ul> <p>We did not identify any significant weaknesses.</p>

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## 05 Other Reporting Issues





## Other Reporting Issues

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### Whole of Government Accounts

The Council is below the specified audit threshold of £500 million. Therefore, we did not perform any audit procedures on the consolidation pack.

### Annual Governance Statement

We are required to consider the completeness of disclosures in the Council's annual governance statement, identify any inconsistencies with the other information of which we are aware from our work, and consider whether it is misleading.

We completed this work and did not identify any areas of concern.

### Report in the Public Interest

We have a duty under the Local Audit and Accountability Act 2014 to consider whether, in the public interest, to report on any matter that comes to our attention in the course of the audit in order for it to be considered by the Council or brought to the attention of the public.

We did not identify any issues which required us to issue a report in the public interest.

### Written Recommendations

We have a duty under the Local Audit and Accountability Act 2014 to designate any audit recommendation as one that requires the Council to consider it at a public meeting and to decide what action to take in response.

We did not identify any issues which required us to issue a written recommendation.

### Objections Received

We did not receive any objections to the 2017/18 financial statements from members of the public.

### Other Powers and Duties

We identified no issues during our audit that required us to use our additional powers under the Local Audit and Accountability Act 2014.

## Other Reporting Issues (cont'd)

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### **Independence**

We communicated our assessment of independence in our Audit Results Report to the Governance, Risk and Audit Committee on 24 July 2018. In our professional judgement the firm is independent and the objectivity of the audit engagement partner and audit staff has not been compromised within the meaning regulatory and professional requirements.

### **Control Themes and Observations**

As part of our work, we obtained an understanding of internal control sufficient to plan our audit and determine the nature, timing and extent of testing performed. Although our audit was not designed to express an opinion on the effectiveness of internal control, we are required to communicate to you significant deficiencies in internal control identified during our audit.

We have adopted a fully substantive approach and have therefore not tested the operation of controls.

Our audit did not identify any controls issues to bring to the attention of the Governance, Risk and Audit Committee.



# 06 Data Analytics



# Use of Data Analytics in the Audit

## Analytics Driven Audit

### Data analytics

We used our data analysers to enable us to capture entire populations of your financial data. These analysers:

- ▶ Help identify specific exceptions and anomalies which can then be the focus of our substantive audit tests; and
- ▶ Give greater likelihood of identifying errors than traditional, random sampling techniques.

In 2017/18, our use of these analysers in the authority's audit included testing journal entries to identify and focus our testing on those entries we deem to have the highest inherent risk to the audit.

We capture the data through our formal data requests and the data transfer takes place on a secured EY website. These are in line with our EY data protection policies which are designed to protect the confidentiality, integrity and availability of business and personal information.

### Journal Entry Analysis

We obtain downloads of all financial ledger transactions posted in the year. We perform completeness analysis over the data, reconciling the sum of transactions to the movement in the trial balances and financial statements to ensure we have captured all data. Our analysers then review and sort transactions, allowing us to more effectively identify and test journals that we consider to be higher risk, as identified in our Audit Plan.

## Journal Entry Data Insights

The graphic outlined below summarises the Council's journal population for 2017/18. We review journals by certain risk based criteria to focus on higher risk transactions, such as journals posted manually by management, those posted around the year-end, those with unusual debit and credit relationships, and those posted by individuals we would not expect to be entering transactions.

The purpose of this approach is to provide a more effective, risk focused approach to auditing journal entries, minimising the burden of compliance on management by minimising randomly selected samples.

## EY Helix - GLASS: Journal Entry Data Insights - North Norfolk DC - 31/03/2018



# Data Analytics (cont'd)

## Journal Entry Testing

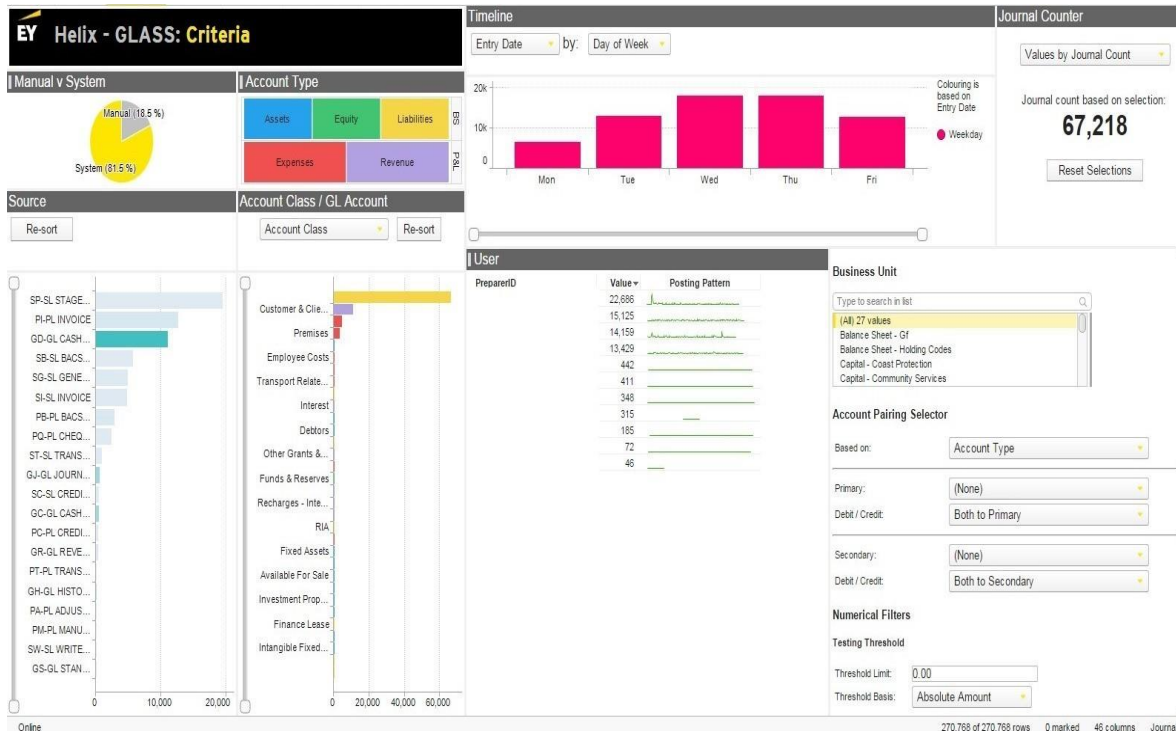
### What is the risk?

In line with ISA 240 we are required to test the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.

### What judgements are we focused on?

Using our analysers we are able to take a risk based approach to identify journals with a higher risk of management override, as outlined in our audit planning report.

Journal entry data criteria – North Norfolk District Council – 31 March 2018



### What did we do?

We obtained general ledger journal data for the period and have used our analysers to identify characteristics typically associated with inappropriate journal entries or adjustments, and journals entries that are subject to a higher risk of management override.

We then performed tests on the journals identified to determine if they were appropriate and reasonable.

### What are our conclusions?

We isolated a sub set of journals for further investigation and obtained supporting evidence to verify the posting of these transactions and concluded that they were appropriately stated.



# 07 Focused on your future



## Focused on your future

The Code of Practice on Local Authority Accounting in the United Kingdom introduces the application of new accounting standards in future years. The impact on the Council is summarised in the table below.

Standard	Issue	Impact
<b>IFRS 9 Financial Instruments</b>	<p>Applicable for local authority accounts from the 2018/19 financial year and will change:</p> <ul style="list-style-type: none"> <li>▶ How financial assets are classified and measured;</li> <li>▶ How the impairment of financial assets are calculated; and</li> <li>▶ The disclosure requirements for financial assets.</li> </ul> <p>There are transitional arrangements within the standard and the 2018/19 Accounting Code of Practice for Local Authorities has now been issued, providing guidance on the application of IFRS 9. In advance of the Guidance Notes being issued, CIPFA have issued some provisional information providing detail on the impact on local authority accounting of IFRS 9, however the key outstanding issue is whether any accounting statutory overrides will be introduced to mitigate any impact.</p>	<p>Although the Code has now been issued, providing guidance on the application of the standard, along with other provisional information issued by CIPFA on the approach to adopting IFRS 9, until the Guidance Notes are issued and any statutory overrides are confirmed there remains some uncertainty. However, what is clear is that the Council will have to:</p> <ul style="list-style-type: none"> <li>▶ Reclassify existing financial instrument assets</li> <li>▶ Re-measure and recalculate potential impairments of those assets; and</li> <li>▶ Prepare additional disclosure notes for material items.</li> </ul>
<b>IFRS 15 Revenue from Contracts with Customers</b>	<p>Applicable for local authority accounts from the 2018/19 financial year. This new standard deals with accounting for all contracts with customers except:</p> <ul style="list-style-type: none"> <li>▶ Leases;</li> <li>▶ Financial instruments;</li> <li>▶ Insurance contracts; and</li> <li>▶ For local authorities; Council Tax and NDR income.</li> </ul> <p>The key requirements of the standard cover the identification of performance obligations under customer contracts and the linking of income to the meeting of those performance obligations.</p> <p>Now that the 2018/19 Accounting Code of Practice for Local Authorities has been issued it is becoming clear what the impact on local authority accounting will be. As the vast majority of revenue streams of Local Authorities fall outside the scope of IFRS 15, the impact of this standard is likely to be limited.</p>	<p>As with IFRS 9, some provisional information on the approach to adopting IFRS 15 has been issued by CIPFA in advance of the Guidance Notes. Now that the Code has been issued, initial views have been confirmed; that due to the revenue streams of Local Authorities the impact of this standard is likely to be limited.</p> <p>The standard is far more likely to impact on Local Authority Trading Companies who will have material revenue streams arising from contracts with customers. The Council will need to consider the impact of this on their own group accounts when that trading company is consolidated.</p>





## Focused on your future (cont'd)

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Standard	Issue	Impact
<b>IFRS 16 Leases</b>	<p>It is currently proposed that IFRS 16 will be applicable for local authority accounts from the 2019/20 financial year.</p> <p>Whilst the definition of a lease remains similar to the current leasing standard; IAS 17, for local authorities who lease a large number of assets the new standard will have a significant impact, with nearly all current leases being included on the balance sheet.</p> <p>There are transitional arrangements within the standard and although the 2019/20 Accounting Code of Practice for Local Authorities has yet to be issued, CIPFA have issued some limited provisional information which begins to clarify what the impact on local authority accounting will be. Whether any accounting statutory overrides will be introduced to mitigate any impact remains an outstanding issue.</p>	<p>Until the 2019/20 Accounting Code is issued and any statutory overrides are confirmed there remains some uncertainty in this area.</p> <p>However, what is clear is that the Council will need to undertake a detailed exercise to identify all of its leases and capture the relevant information for them. The Council must therefore ensure that all lease arrangements are fully documented.</p>

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# 08 Audit Fees

## Audit Fees

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Our fee for 2017/18 is in line with the scale fee set by the PSAA and reported in our 20 July 2018 Audit Results Report.

Description	Final Fee 2017/18 £'s	Planned Fee 2017/18 £'s	Scale Fee 2017/18 £'s	Final Fee 2016/17 £'s
Total Audit Fee - Code work	54,113	54,113	54,113	54,113
Total Audit Fee - Certification of claims and returns	TBC	26,390	26,390	23,205

The final fee for the certification of claims and returns will be confirmed upon completion by the 30 November deadline. We will report the final fee in our annual certification report.

We confirm we have not undertaken any non-audit work outside of the PSAA's requirements.

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## **Progress Report on Internal Audit Activity: 1 April to 3 September 2018**

- Summary:** This report examines the progress made between 1 April and 3 September 2018 in relation to delivery of the Annual Internal Audit Plan for 2018/19.
- Conclusions:** Progress in relation to delivery of the internal audit plan is line with expectations; and positive assurance has been awarded in the audit review finalised in this period.
- Recommendations:** It is recommended that the Committee notes the outcomes of the assurance audit completed between 1 April and 3 September 2018.

Cabinet member(s):	Ward(s) affected:
All	All
Contact Officer, telephone number, and e-mail:	Emma Hodds, Head of Internal Audit for North Norfolk DC 01508 533791, <a href="mailto:ehodds@s-norfolk.gov.uk">ehodds@s-norfolk.gov.uk</a>

### **1. Background**

- 1.1. This report reflects progress made regarding assignments featuring in the approved Annual Internal Audit Plan for 2018/19 which was endorsed by the Audit Committee on 27 March 2018.

### **2. Overall Position**

- 2.1. The overall position in relation to the completion of the Internal Audit Plan is within the attached report.

### **3. Conclusion**

- 3.1 The completion of the Internal Audit Plan is line with expectations; and positive assurances have been awarded in the audit review finalised in this period.

### **4. Recommendation**

- 4.1 It is recommended that the Committee note the outcomes of the assurance audit completed between 1 April and 3 September 2018.

### ***Appendices attached to this report:***

Progress Report on Internal Audit Activity

# Eastern Internal Audit Services



## North Norfolk District Council

### Progress Report on Internal Audit Activity

Period Covered: 1 April 2018 to 3 September 2018

Responsible Officer: Emma Hodds – Head of Internal Audit for North Norfolk District Council

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## 1. INTRODUCTION

- 1.1 This report is issued to assist the Authority in discharging its responsibilities in relation to the internal audit activity.
- 1.2 The Public Sector Internal Audit Standards also require the Chief Audit Executive to report to the Audit Committee on the performance of internal audit relative to its plan, including any significant risk exposures and control issues. The frequency of reporting and the specific content are for the Authority to determine.
- 1.3 To comply with the above this report includes:
  - Any significant changes to the approved Audit Plan;
  - Progress made in delivering the agreed audits for the year;
  - Any significant outcomes arising from those audits; and
  - Performance Indicator outcomes to date.

## 2. SIGNIFICANT CHANGES TO THE APPROVED INTERNAL AUDIT PLAN

- 2.1 At the meeting on 27 March 2018 the Annual Internal Audit Plan for the year was approved, identifying the specific audits to be delivered. Since then, there have been no significant changes to that plan.

## 3. PROGRESS MADE IN DELIVERING THE AGREED AUDIT WORK

- 3.1 The current position in completing audits to date within the financial year is shown in **Appendix 1** and progress to date is in line with expectations.
- 3.2 In summary 22 days of programmed work has been completed, equating to 12% of the Internal Audit Plan for 2018/19.
- 3.3 Committee will note that the progress report is light in content, however the internal audit plan of work for 2018/19 only contained one planned audit for quarter one, which has been finalised, and the quarter two audits are currently underway.

## 4. THE OUTCOMES ARISING FROM OUR WORK

- 4.1 On completion of each individual audit an assurance level is awarded using the following definitions:

**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 organisation'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.

4.2 Recommendations made on completion of audit work are prioritised using the following definitions:

**Urgent (priority one):** Fundamental control issue on which action to implement should be taken within 1 month.

**Important (priority two):** Control issue on which action to implement should be taken within 3 months.

**Needs attention (priority three):** Control issue on which action to implement should be taken within 6 months.

4.3 In addition, on completion of audit work “Operational Effectiveness Matters” are proposed, these set out matters identified during the assignment where there may be opportunities for service enhancements to be made to increase both the operational efficiency and enhance the delivery of value for money services. These are for management to consider and are not part of the follow up process.

4.4 During the period covered by the report one final Internal Audit report has been issued:

Audit	Assurance	P1	P2	P3
Network Infrastructure and Security	Reasonable	0	1	10

The Executive Summary for this report is attached at **Appendix 2**, a full copy can be requested by Members.

4.5 As can be seen in the table above as a result of this audit 11 recommendations have been raised.

4.6 One important recommendation was raised in this review relating to ensuring that password controls are consistently applied in the Password Policy Enforcer Application. A total of ten needs attention recommendations were raised. Details of which can be found in the executive summary of the report in **Appendix 2**.

In addition, one Operational Effectiveness Matters action has been proposed to management for consideration.

4.6 It is pleasing to note that this audit has concluded in a positive opinion being awarded, indicating a strong and stable control environment to date, with no issues that would need to be considered at year end and included in the Annual Governance Statement.

## 5. PERFORMANCE MEASURES

5.1 The Internal Audit Services contract includes a suite of key performance measures against which the contractor will be reviewed on a quarterly basis. There are a total of 11 indicators, over four areas, the results of which are reported at financial year end, with any issues raised with the Committee in the progress reports.



5.2 There are individual requirements for performance in relation to each measure; however, performance will be assessed on an overall basis as follows:

- 9-11 KPIs have met target = Green Status.
- 5-8 KPIs have met target = Amber Status.
- 4 or below have met target = Red Status.

Where performance is amber or red a Performance Improvement Plan will be developed by the contractor and agreed with the Internal Audit Manager to ensure that appropriate action is taken.

5.3 The first quarters work has been completed and a report on the performance measures provided to the Head of Internal Audit, performance is currently at Green status with targets having been satisfactorily met for this quarter.

5.4 In addition to these quarterly reports from the Contractors Audit Director, ongoing weekly updates are provided to ensure that delivery of the audit plan for the current financial year is on track. A review of the most recent update indicates that good progress is being achieved with a total of four audits being carried out for quarter two.

## APPENDIX 1 – PROGRESS IN COMPLETING THE AGREED AUDIT WORK

Audit Area	Audit Ref	No. of days	Revised Days	Days Delivered	Status	Assurance Level	Recommendations				Date to Committee
							Urgent	Important	Needs Attention	Op	
<b>Quarter 1</b>											
<b>TOTAL</b>		<b>0</b>	<b>0</b>	<b>0</b>							
<b>Quarter 2</b>											
Digital Transformation - benefits realisation	NN1902	6	6	0	Currently being scoped						
Elections and Electoral Registration	NN1903	12	12	2	Start date 7 September 2018						
Pier Pavilion	NN1904	10	10	1	Start date 17 September 2018						
Homelessness & Housing Options	NN1905	10	10	1	Start date 20 September 2018						
<b>TOTAL</b>		<b>38</b>	<b>38</b>	<b>4</b>							
<b>Quarter 3</b>											
Accounts Payable	NN1906	12	12	0							
Council Tax and NNDR	NN1907	15	15	0							
Local Council Tax Support & Housing Benefits	NN1908	15	15	0							
<b>TOTAL</b>		<b>42</b>	<b>42</b>	<b>0</b>							
<b>Quarter 4</b>											
Corporate Governance	NN1910	6	6	0							
Key Controls and Assurance	NN1911	10	10	0							
Payroll and Human Resources	NN1912	17	17	0							
Affordable Housing & Housing Enabling	NN1913	10	10	0							
Environmental Health	NN1914	18	18	0							
<b>TOTAL</b>		<b>61</b>	<b>61</b>	<b>0</b>							
<b>IT Audits</b>											
Network Infrastructure & Security	NN1909	15	15	15	Final report issued 28 June 2018	Reasonable	0	1	10	1	11 September 2018
Business Support Arrangements	NN1901	15	15	0							
<b>TOTAL</b>		<b>30</b>	<b>30</b>	<b>15</b>							
<b>Follow Up</b>											
Follow Up	NA	10	10	3							
<b>TOTAL</b>		<b>10</b>	<b>10</b>	<b>3</b>							
<b>TOTAL</b>		<b>181</b>	<b>181</b>	<b>22</b>			0	1	10	1	
<b>Percentage of plan completed</b>				<b>12%</b>							

## APPENDIX 2 – AUDIT REPORT EXECUTIVE SUMMARIES

### Assurance Review of Network Infrastructure & Security

#### Executive Summary

##### OVERALL ASSURANCE ASSESSMENT



##### ACTION POINTS

Control Area	Urgent	Important	Needs Attention	Operational
Domain Accounts Policy	0	1	1	0
Audit Policy Settings	0	0	1	0
User Privileges	0	0	2	0
User Accounts & Passwords	0	0	3	1
Services & Drivers	0	0	1	0
Discretionary Access Controls (DACs)	0	0	1	0
Network Monitoring	0	0	1	0
<b>Total</b>	<b>0</b>	<b>1</b>	<b>10</b>	<b>1</b>

##### SCOPE

Network Infrastructure focuses on; System Security, Policies, Audit Policy Settings, User Accounts & Passwords, Logon Scripts and User Privileges.  
 Network Security focuses on; Administration, Support, Monitoring, Routers and Virus Detection.

## RATIONALE

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- The systems and processes of internal control are, overall, deemed 'Reasonable Assurance' in managing the risks associated with the audit. The assurance opinion has been derived as a result of one 'important' and ten 'needs attention' recommendations being raised upon the conclusion of our work.
- The audit has also raised one 'Operational Effectiveness Matter', which sets out matters identified during the assignment where there may be opportunities for service enhancements to be made to increase both the operational efficiency and enhance the delivery of value for money services.

## POSITIVE FINDINGS

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We found that the Council has demonstrated the following points of good practice as identified in this review and we will be sharing details of these operational provisions with other member authorities in the Consortium:

- The Council uses a Security Information and Event Management application known as Splunk, which receives Windows application, system and security logs, firewall and other logs in real time. A range of alerts are configured to raise awareness of any events that may require follow up attention. Some of these are also configured to raise service desk calls. Activity dashboards that provide visual status screens covering a wide range of activities are also available.

It is also acknowledged there are areas where sound controls are in place and operating consistently:

- The audit has noted that the built-in Administrator account is being actively used and that it is protected by a very long passphrase. The built-in Administrator account should ideally not be used for domain administration work. However, the way it is protected helps to mitigate the risk of using the account inappropriately.
- A review of domain permissions that should only be granted to Administrator accounts noted that no such permissions had been granted to non-Administrator accounts. This helps prevent unauthorised configuration changes from being implemented.
- The audit noted that the number of named user accounts configured as Administrators is restricted. There are currently five named administrators all of whom are known to the auditor as being current employees.
- All user accounts are assigned relevant home directory and logon scripts to help ensure that they only have access to the network resources that they require for their role
- The audit noted that there is a Hardware maintenance and Software Licencing process in place, which helps ensure that relevant hardware and software can be maintained and supported on an ongoing basis and prevent punitive damages caused by non-compliance with licencing requirements.

- There are Anti-Virus and Malware protection systems in place provided by Sophos.

## ISSUES TO BE ADDRESSED

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The audit has highlighted the following area where one 'important' recommendation has been made.

### Domain Accounts Policy

- The expiry date of the "Password Policy Enforcer" application is to be diarised, so that the password controls that are managed by the application continue to operate in a seamless manner i.e. in terms of complexity and length.

The audit has also highlighted the following areas where ten 'needs attention' recommendations have been made.

### Domain Accounts Policy

- The password history setting within the "Password Policy Enforcer" application needs to be increased to help secure the network from unauthorised access using accounts with passwords familiar to users. Council management have chosen to adopt the National Cyber Security Centre's (NCSC) recommendation to implement a policy of not requiring regular password changes for user accounts and have accepted the risk of doing so. However, this recommendation has been raised to help enhance the supporting password controls that are in place, such as password length and a requirement for complex passwords, to maintain the security of the network by preventing the reuse of old passwords even further. It should be noted that passwords will still undergo occasional change, for example, where staff have forgotten their password or where they choose to do so manually.

### Audit Policy Settings

- The Domain Audit Policy Settings require review to help ensure that potential unauthorised activity can be detected and acted upon as required.

### User Privileges

- There are a number of empty domain local, global and universal groups that require review and deletion where possible, to help ensure that access controls to the network are adequately restricted.
- The two domain permissions that should not be allocated to any account require review to remove them from a number of named Administrator and service accounts. This is to help secure the network from unauthorised activities allowed by these permissions.

### **User Accounts and Passwords**

- There are a small number of domain accounts that have not been used for some time or have not been used at all. These require review and deletion where possible to help ensure the integrity of the network.
- There is a need to ensure that the user account permission known as "Password not required" is disabled for all user accounts. This to also be applied to service accounts where possible. This is to help ensure that a minimum password standard can be applied consistently to all relevant accounts
- There is a need to review a number of disabled, locked and/or expired accounts to minimise potential unauthorised activity through the use of these accounts, should they be enabled for any reason.

### **Services and Drivers**

- A new review of services and drivers installed on all Domain Controllers is required to minimise the security exposure of the network caused by potential access paths being made available to intruders.

### **Discretionary Access Controls (DACs)**

- The Discretionary Access Controls List (DACs) needs to be reviewed on an ongoing basis to ensure that they are valid, current and that the permissions assigned through them are appropriate.

### **Network Monitoring**

- The Council needs to ensure that additional training in the use of the Splunk tool is rolled out to help ensure seamless and adequate monitoring of the tool in case of absence. Splunk is a tool that analyses and reports on log entries that are imported from a wide range of devices, such as firewalls and servers. Bespoke alerts and reports can be created and used to monitor network activity.

### **Operational Effectiveness Matters**

The operational effectiveness matter, for management to consider, relates to the following:

- Consideration to be given to renaming the built-in Administrator account.

**Corporate Risk Register July 2018: Summary Register**

Agenda Item 8

Risk	Ref.	Current Score	Target Score	Direction of Travel		Officer
Medium Term Financial Plan	015(CR)	20	12	↔	☹	Duncan Ellis - Head of Finance and Assets
Coastal Erosion - (the effects of)	002(CR)	20	12	↔	☹	Rob Goodliffe - Coastal Management Team Leader
Recruitment (inability)	024(CR)	15	9	↔	☹	Sally Morgan – HR Manager
Digital Transformation Programme	003(CR)	12	8	↔	☹	Nick Baker – Head of Paid Service
Information - (loss of)	008(CR)	12	4	↔	☹	Sean Kelly - Head of Business Transformation and IT
Procurement - (lack of value for money)	009(CR)	9	3	↔	☹	Duncan Ellis - Head of Finance and Assets
Property assets (the condition of)/ Asset Management	001(CR)	9	9	↔	☹	Duncan Ellis - Head of Finance and Assets
Housing Delivery	010(CR)	6	6	↔	☹	Nicola Turner - Strategic Housing Team Leader
Operational disruption - (significant event)	013(CR)	6	6	↔	☹	Richard Cook - Civil Contingencies Manager, Steve Hems - Head of Environmental Health

Direction of travel shows change from assessment in Q4 2017/18 to Q1 2018/19.

**KEY**

<b>Impact Type</b>	<b>Catastrophic - 5</b>	<b>Critical - 4</b>	<b>Moderate - 3</b>	<b>Marginal - 2</b>	<b>Negligible - 1</b>	
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	£0K - £300K	£0-20K	
<b>Likelihood</b>	<b>Very High - 5</b>	<b>High - 4</b>	<b>Moderate - 3</b>	<b>Low - 2</b>	<b>Very Low - 1</b>	
Probability	Over 90%	60 - 90%	40 - 60%	10 - 40%	below 10%	
Timing	Within six months	This year	Next year	Probably within 15 years	Probably over 15 years	
<b>Risk</b> 1. Cause of risk 2. Description of Risk or potential event 3. Consequence of risk happening	<b>Existing Controls</b> Controls that have been implemented since the last review are show in green		<b>Score</b> (with controls) Impact x Likelihood = Total	<b>Action (to achieve target score) and progress to date</b>	<b>Target core</b> Impact x Likelihood Total	<b>Corporate Objective / Service Priority</b> <b>Officer</b>



<b>Risk</b> <b>1. Cause of risk</b> <b>2. Description of Risk or potential event</b> <b>3. Consequence of risk happening</b>	<b>Existing Controls</b> <b>Controls that have been implemented since the last review are show in green</b>	<b>Score (with controls)</b> <b>Impact x Likelihood = Total</b>	<b>Action (to achieve target score) and progress to date</b>	<b>Target core Impact x Likelihood Total</b>	<b>Corporate Objective / Service Priority</b>	<b>Officer</b>
<p><b>Medium Term Financial Plan - 015(CR)</b></p> <p>1. Forecast funding reductions and shift to local financing from business rates, council tax and hew homes bonus. The business rates retention system has shifted the risk of business rates fluctuations to the local level, meaning that Local Authority funding will be impacted directly from decline in business and also planned reductions to the revenue support grant and reliance on New Homes Bonus funding (top sliced from 2017/18) influenced by delivery of new homes and reductions in long term empty properties. Changes to the business rates retention scheme, now to 75% local retention in 2020/21.</p> <p>2. Failure to produce a balanced budget position and funded future projections in the medium term.</p> <p>3. The Corporate Plan may not be delivered to the identified timescales. The level of service currently provided could be at risk, unplanned use of reserves which is unsustainable in the longer term. Higher level of savings and additional income requirement in future years.</p>	<p>Policy work</p> <p>Lobbying Central Government</p> <p>Medium Term Financial Strategy (MTFS)</p> <p>Corporate Planning / Service Planning</p> <p>Budget Process / Budget Monitoring</p> <p>Regular monitoring system of the impact of the business rates retention and the localised council tax support system</p> <p>Utilisation of the New Homes Bonus grant within the base budget for 2018/19</p> <p>Annual review of the Council's reserves</p> <p>Reporting - New legislation and consultation</p> <p>Timely agreement of the annual Localised Council Tax Support Scheme</p> <p>Project Management Plans</p> <p>Short term budget surplus forecast (2019/20 c£1.6m)</p>	<p>5x4=20</p> <p>49</p>	<p>Growth forecasting models to be developed for housing and business rates to inform future financial forecasts and budget.</p> <p>Early update of the Financial Strategy to inform the 2019/20 budget process – on track to be reported to Members in October. To be supported by additional Member/officer training in September 2018.</p> <p>Changes to the NHB scheme from 2017/18 now taken account of and built in to the 2018/19 budget and future projections.</p> <p>Action also proposed to improve long term empty property numbers with strong enforcement.</p> <p>Business cases for commercialisation of assets to deliver future income and efficiencies.</p> <p>The recent 2018/19 budget report highlighted the risks around the re-procurement of a new waste contract (now estimated at just over £700k) and the ongoing national pay spine review (c£0.45m) both of which are still being monitored.</p> <p>Similarly, the leisure contract is due to be re-let from April 2019 with anticipated savings being</p>	<p>4x3=12</p>	<p>Delivering Service Excellence</p>	<p>Duncan Ellis - Head of Finance and Assets</p>

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			<p>Continuing to monitor the position in relation to 75% business rates retention. Options for taking part in a countywide Business rates pilot for 2019/20 to be considered following the unsuccessful application for the 2018/19 pilots.</p> <p>Initial response submitted in relation to the Fair Funding review on 12 March 2018. Continuing to engage with debate and consultation process.</p> <p>Informal feedback has been provided to Ministry of Housing Communities and Local Government (MHCLG) in relation to the handling of business rate appeals moving forward ahead of a formal consultation process.</p>			

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<p><b>Coastal Erosion - (the effects of) - 002(CR)</b></p> <p>1. Lack of Government funding to maintain coast defences and / or to support local compensation claims.</p> <p>2. Coastal erosion and blight of coastal settlements through loss of public and private infrastructure and assets. The Council has devoted significant resources to pursuing sustainable answers to coastal management issues. There is a considerable Health and Safety context here which serves to increase the reputational risk for the Council at the same time.</p> <p>3. Increased coastal erosion through loss of defences presents a reputational risk to the authority in the eyes of local communities and direct loss of Council owned assets / infrastructure which are fundamental to the district's tourism offer and therefore the economic well-being of the district. Loss of confidence in respect of business investment and residential property market; blight of properties in erosion zone; direct loss of tourism assets and infrastructure promenades, beach chalets, cafés, public toilets, car parks etc.; loss of tourism income / employment.</p>	<p>The Pathfinder Project</p> <p>Shoreline Management Plan (SMP)</p> <p>Repairs &amp; Maintenance Programme</p> <p>Procurement practices</p> <p>Health &amp; Safety checking and monitoring</p> <p>DEFRA funding of capital schemes</p> <p>Coast monitoring</p> <p>Control of coastal management schemes through procurement and regular checking</p> <p>Coastal Partnership</p>	<p>5x4=20</p>	<p>Cromer Sea Defence Works – On Track - Phase 1 completed. Phase 2 to be developed once coastal system has settled.</p> <p>£500k capital contribution agreed by Full Council on 16 November 2016 to support the joint Bacton and Walcott coastal management scheme. Scheme now almost fully funded with a project complete by end of 2020 which will provide significant defence to Bacton Gas Terminal and local coastal communities.</p> <p>The Council has highlighted the importance of coastal defence funding in the consultation response to the Fair Funding review and will continue to do so.</p>	<p>4x3=12</p>	<p>Coast and Countryside</p>	<p>Rob Goodliffe - Coastal Management Team Leader</p>

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<p><b>Digital Transformation Board Monitoring Programme 003(CR)</b></p> <p>1. In order to achieve savings of c£350,000 revenue savings and at the same time improve Customer transactional services, DTP was commenced in January 2014. It has delivered a year early than planned more than £50,000 over and above what was originally planned. As a result, the DTP has now been increased for a further three years from April 2018 with a view to saving a further £216k pa.</p> <p>2. The programme has been built on a foundation of IT infrastructure changes which have allowed service BPR and subsequent efficiency and financial improvements.</p> <p>3. The main risks to the programme are that the individual work streams cannot be delivered as anticipated and that there might be insufficient capacity within the Council to deliver the IT and Services changes required. In addition, there is the scope for some reluctance from staff and customers to adopt new methods of working. Further risk is the potential inability for the Council to recruit technical competent IT staff. In the event of any of these risk becoming a reality then the anticipated savings may not be delivered.</p>	<p>Digital Transformation Board monitoring projects progress</p> <p>Communications plan around the programme to ensure buy-in</p> <p>New IT, Customer Services and Communication strategies approved during 2017/18</p> <p>Protection against data loss and/or system hacking required under PSN compliance regime to which the Council is fully compliant</p> <p>Ensuring that HR policies reflect the need to recruit differently in difficult to recruit subject areas</p> <p>Staff development processes in order to maintain technical competence</p> <p>DTP progress reports are provided to Cabinet and O&amp;S on a six monthly basis to enable Member oversight</p>	<p>4x3=12</p>	<p>Phase one is on track with many of the key technology enablers either in place or commissioned and in the implementation phase. Both service based and cross cutting service change initiatives are in progress to take advantage of the technology commissioned.</p> <p>The Major service BPR in Planning is being implemented and the BPR of the Environmental Health Service is progressing well.</p> <p>Phase 2 of the DT programme was agreed as part of the 2018/19 budget process through allocation of a capital budget of £0.94m which is anticipated to generate net annual ongoing savings of c£0.216m once fully implemented.</p>	<p>2x4=8</p>	<p>Delivering Service Excellence</p>	<p>Nick Baker – Head of Paid Service</p>

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<b>Recruitment (inability) – 024(CR)</b>  1. Difficulty recruiting into key posts, particularly in Planning Services, Finance, IT, Assets and Revs and Bens. Reasons for this are partly down to the geographical remoteness of North Norfolk from the rest of the country and also down to a significant pay gap from some professional areas between private and public sector and between different localities within this sector.  2. Not able to recruit skills and knowledge to deliver plans – corporate plan, business transformation, planning performance and delivery etc. Increased stress levels on existing staff, Increased workload in HR of repeated recruitment exercises.	Reviewed relocation policy  Pay Policy has been updated to reflect Golden Hello's' and retention payments  Market Pay Review report	3x5=15	Successful recruitment into key posts within Finance and Assets and Planning, IT and Revs and Bens during 2017.  Market Pay Review report considered and agreed by Cabinet and Full Council in December 2017 in relation to increasing the pay bands by one spinal point accepted. Further work to be undertaken in relation to posts identified as being more than 10% adrift of the benchmarking undertaken.  Rolling advert in place for Planning. Successful recruitment of new Head of Planning.  Success in IT recruitment through the use of graduate apprentices.	3x3=9	Delivering Service Excellence	HR Manager
<b>Property assets - (the condition of) - 001(CR)</b>  1. A lack of investment and sound decision-making.  2. Deteriorating property assets may lead to a loss of revenue and possible legal liability and increased maintenance costs.  3. The Council does not achieve value	Production and approval of the Asset Management Plan  Adequate budget provision both from revenue and capital to support repair and maintenance (R&M) works and capital investment improvements  Asset condition surveys  Compliance policies in place and up to date  Compliance works undertaken in a	3x3=9	Controlled risk.  The updated Asset Management Plan (AMP) was considered by Cabinet and approved by Full Council in March 2018. A £2m Property Investment Fund has been allocated to help support the AMP as part of the 2018/19 budget process.  Detailed revenue and capital	3x3=9	Delivering Service Excellence	Duncan Ellis – Head of Finance and Assets

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<p>for money from its investment and/or possible legal liabilities either directly or through its leasing arrangements.</p> <p>4. Reduced potential for asset commercialisation opportunities if assets are not properly maintained.</p> <p>5. Reputation risk to Council of poorly maintained assets from residents and visitors alike. This scenario is detrimental to the local tourism economy as well as damaging to local communities contributing to a lack of community pride and possible increase in vandalism. The capital tied up in assets cannot be released to support wider Council initiatives and income streams are not maximised.</p>	<p>timely fashion</p> <p>Adequate staff or appropriately qualified external contractor support</p> <p>Procure a Strategic Development Partner to provide further capacity and to help achieve asset commercialization agenda</p> <p>Production of business cases to support asset development improvements and commercialisation</p>		<p>budget monitoring procedures in place to track and monitor spend.</p> <p>Rolling asset condition surveys continue to be undertaken to ensure that the R&amp;M schedules remain up to date.</p> <p>Various policies are in place to help manage property risks and risk assessment inspections and review works continue to be developed and improved. Regular routine inspections take place on all of the Council's car parks for example to review, monitor and help manage a number of risks and these visits are logged on Concerto to help provide an audit trail. Work is underway to procure a new contract to support electrical call outs and a further process will be undertaken to help support reactive maintenance requirements, both of which should be in place during 2018.</p> <p>Following a tender process Gleeds Property &amp; Construction Consultants were successfully awarded the contract for our Strategic Asset Development Partner. A report is expected to come forward in relation to the</p>			

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			<p>Beach Road proposals at Wells-next-the-Sea by the summer of 2018 and Council continues to negotiate with a potential new tenant for Grove Lane in Holt.</p> <p>The Council has successfully recruited a new surveyor who has been in post since April 2018.</p> <p>A number of new concessions have been identified for the 2018/19 financial year.</p>			
<p><b>Procurement - (lack of value for money) - 009(CR)</b></p> <p>1. The current financial climate, recent resourcing issues causing an absence of a focus for this work, together with a reduction in the available accountancy resources going forward increase the risk of a lack of continuous improvement in this area.</p> <p>2. Failure to adopt new procurement practices and delivery of efficient and timely procurement processes could mean that the Council will not achieve value for money procuring the goods and services it uses.</p> <p>3. The Council may not achieve value for money, financial/procedural inefficiencies possible challenge to contracting procedures.</p>	<p>Procurement Strategy</p> <p>Procurement Framework</p> <p>Joint procurement protocol and opportunities for joint/shared procurement with other authorities where possible</p> <p>Advice for external suppliers</p> <p>Procurement Officer post established</p>	<p>3x3=9</p>	<p>Regular procurement refresh and review of procedures. The Procurement Strategy is due to be updated during 2018 along with a review of the Contract Standing Orders.</p> <p>New Procurement Officer post appointed in September 2017.</p> <p>E-procurement in place and being managed by the new Procurement Officer.</p> <p>Procurement audit completed March 2018, reasonable assurance.</p> <p>Work in relation to the new waste contract and the leisure contract is ongoing along with the provision of the new leisure</p>	<p>3x1=3</p>	<p>Delivering Service Excellence</p>	<p>Duncan Ellis – Head of Finance and Assets</p>

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			facilities at Sheringham (swimming pool) and the Cromer Sports Hub (tennis). These schemes are covered by individual Member boards and have their own separate risk registers.			



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<p><b>Information - (loss of) - 008(CR)</b></p> <p>1. With our increasing dependence on IT systems to undertake normal business, the risk of information or data loss or external hacking of the Council's systems, also increases. With the increased use of mobile technology, the risk for information loss also increases.</p> <p>2. There exists an inherent potential for the loss of organisational information at any security level. There is a joint responsibility between the IT service, the Council service and individuals for ensuring electronic data and information remains secure.</p> <p>3. Information may be inappropriately used or accessed. Fraud or data corruption may occur. Systems may suffer damage. The Council's reputation may be harmed and the Council may suffer financial penalties for claims in respect of loss data.</p> <p>4. New General Data Protection Regulations (GDPR) are being introduced from 25 May 2018. This relates to data protection and privacy for individuals and aims primarily to give citizens and residents control over their personal data.</p>	<p>IT Strategy 2017/2021 (currently being updated by the Head of Business Transformation and IT)</p> <p>IT Security Policies</p> <p>Implementation of data security protocols</p> <p>IT Monitoring</p> <p>Data Protection training</p> <p>PSN Code of Connection compliance</p> <p>Regular audits of IT security arrangements</p> <p>Regular 3<sup>rd</sup> party data protection and integrity testing</p> <p>Information security and data protection training – Implemented</p> <p>Information Risk Policy and Role Description</p> <p>GDPR guidance notes issued by legal</p> <p>GDPR email/ mailing list software</p> <p>GDPR e-learning staff training</p>	<p>4x3=12</p>	<p>Interim generic information on information security and data protection to be shared with staff through intranet. – On Track - Has been mitigated by the implementation of the e-learning system which has some InfoSec content. All posts with a requirement for increased awareness have been identified and an appropriate learning plan implemented. Staff are currently undertaking training (GDPR etc).</p> <p>Senior Information Risk Officer (SIRO), FOI and Data Protection Reports - Good outcome from Audit, advised by Internal Auditor. A new Information Risk Policy was drafted in January along with a role description to support the SIRO position. The Risk Management report completed in February 2018 also received a substantial assurance.</p> <p>First local authority to receive full GCSX compliance for web access to e-mail.</p> <p>Ensure all staff have completed training.</p> <p>Review/update IT Security Policy, GDPR info register.</p>	<p>4x2=8</p>	<p>Delivering Service Excellence</p>	<p>Sean Kelly - Head of Business Transformation and IT</p>

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<p><b>Housing Delivery - 010(CR)</b></p> <p>1. A combination of lack of developer confidence because of recession / weak financial markets and pressure on public finances meaning reduced availability of grant funding for affordable housing provision.</p> <p>2. Inability to secure planning permission for provision of affordable housing.</p> <p>3. A challenge over the Council's ability to deliver sufficient affordable homes</p> <p>4. Loss of longstanding temporary accommodation in the district</p> <p>5. Short term accommodation cannot be provided which will increase use of Bed and Breakfasts and inability to complete a statutory function</p>	<p>Use of capital</p> <p>Partnership work with Registered Providers</p> <p>Local Investment Plan</p> <p>Local Development Framework (LDF) policies</p> <p>Internal planning protocol</p> <p>Increased Focus</p> <p>Housing Strategy discussion document (2010)</p> <p>Enhance Housing Association delivery</p>	<p>3 x 2 = 6</p>	<p>All controls are implemented and risk is currently under control, to be reviewed every six months.</p> <p>To re-draft Housing Delivery (SB).</p> <p>Strategy to address Identify alternative sources Housing Association – commission flats through risk partners.</p> <p>Cabinet report in December 2016 for immediate provision of a capital bid for a longer term provision as part of budget.</p> <p>Consideration of alternative solutions to help address point 5 is ongoing.</p> <p>Community Housing Fund allocation of £2.4m announced in December 2016.</p>	<p>3 x 2 = 6</p>	<p>Housing and Infrastructure</p>	<p>Nicola Turner - Housing Team Leader - Strategy</p>

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<p><b>Operational disruption - (significant event) - 013(CR)</b></p> <p>1. Both the National, Local and Community Risk Registers have more information regarding the risk of specific events occurring.</p> <p>2. Any Internal or external event that has a significant impact on the ability of the Council to deliver services.</p> <p>3. a) Loss of staff for 'usual' service delivery  b) Loss of premises  c) Loss of key partners/suppliers  d) Loss of infrastructure services</p> <p>A reduction in the ability of the Council to deliver services, possibly at a time of increased demand from the community.</p>	<p>Emergency Response &amp; Recovery Planning</p> <p>Business Continuity Planning</p> <p>Corporate Business Continuity key role training</p> <p>Critical Services Business Continuity Plans completed</p>	<p><b>3x2=6</b></p>	<p>All controls are implemented and risk is currently under control, to be reviewed every six months.</p> <p>Cromer office generator tested, Disaster Recovery Suite in place at Fakenham.</p> <p>Agile working Policy now live with 70 plus employees having remote access and mobile devices to access Council systems.</p> <p>Increased numbers of staff trained for emergency response &amp; recovery. January 2017 storm surge recovery largely complete, well managed response.</p> <p>Good Council response during recent bad weather incident Feb/March 2018. This allowed the Cromer office building to be managed with a skeleton staff with some 70 members of staff maintaining Council services via mobile working solutions.</p> <p>The former Civil Contingencies Manager (Richard Cook) left the authority in June 2018. The advert is currently out for recruitment of this and interviews are to be held in September.</p>	<p><b>3x2=6</b></p>	<p><b>Delivering Service Excellence</b></p>	<p>Richard Cook - Civil Contingencies Manager,</p> <p>Steve Hems - Head of Environmental Health</p>



Agenda Item 9

**GOVERNANCE, RISK & AUDIT COMMITTEE ON 24 July 2018**

**ACTIONS ARISING FROM THE MINUTES**

<b>Minute No.</b>	<b>Agenda item and action</b>	<b>Action By</b>
<b>19</b>	<b>Minutes</b>	
	Conversation on Kier waste management from June GRAC meeting to be included in minutes.	<b>Democratic Services (July)</b>
<b>20</b>	<b>Audit Report</b>	
	Note the Audit Report	<b>GRAC (July)</b>
<b>21</b>	<b>Final Statement of Accounts</b>	
	Approved the Final Statement of Accounts	<b>GRAC (July)</b>
<b>22</b>	<b>Letter of Representation</b>	
	Sign the Letter of Representation	<b>GRAC Chairman/Head of Finance (July)</b>
<b>24</b>	<b>GRAC Work Programme</b>	
	Draft Statement of Accounts be added to GRAC Work Programme	<b>Democratic Services (July)</b>

**GOVERNANCE, RISK & AUDIT COMMITTEE WORK PROGRAMME JULY 2018 – JUNE 2019**

SEPTEMBER 2018	DECEMBER 2018	MARCH 2019	JUNE 2019	JULY 2019
EY Annual Audit Letter		EY Audit Plan (with overview) Annual Grant Certification Report from EY		Audit Results Report
Progress Report on Internal Audit Activity	Progress Report on Internal Audit Activity	Progress Report on Internal Audit Activity	Progress report on Internal Audit Activity	
	Follow Up Report on Internal Audit Recommendations (to include update on historical recommendations)	Undertake self- assessment	Follow up on Internal Audit Recommendations (to include update on historical recommendations)	
	Anti-money laundering policy	Strategic and Annual Audit Plans	Annual Report and Opinion and Review of the Effectiveness of Internal Audit	
	Civil Contingencies Update		Self-assessment feedback	
Corporate Risk Register		Corporate Risk Register	Monitoring Officer's Report	Draft Statement of Accounts
		Risk Management Framework	Annual Governance	Letter of Representation
		Annual Report on the work of the Governance, Risk and Audit Committee	Draft Statement of Accounts	