



Friday, 13 September 2024

Dear Sir/Madam

A meeting of the Governance, Audit and Standards Committee will be held on Monday, 23 September 2024 in the Council Chamber, Council Offices, Foster Avenue, Beeston NG9 1AB, commencing at 6.00 pm.

Should you require advice on declaring an interest in any item on the agenda, please contact the Monitoring Officer at your earliest convenience.

Yours faithfully

Chief Executive

To Councillors:	S J Carr (Chair)	S P Jeremiah
	E Winfield (Vice-Chair)	A Kingdon
	M Brown	W Mee
	R Bullock	J M Owen
	S Dannheimer	S Webb
	K Harlow	K Woodhead
	G S Hills	

A G E N D A

1. Apologies

To receive apologies and to be notified of the attendance of substitutes.

2. Declarations of Interest

(Pages 5 - 12)

Members are requested to declare the existence and nature of any disclosable pecuniary interest and/or other interest in any item on the agenda.

3. Minutes

(Pages 13 - 16)

The Committee is asked to confirm as a correct record the minutes of the meeting held on 22 July 2024.

4. References

4.1 Deputy Portfolio Holders

(Pages 17 - 18)

Cabinet
3 September 2024

The Leader had stated an intention to allow for the appointment of Deputy Portfolio Holders, as necessary, following an amendment to the Constitution.

RECOMMENDED to the Governance, Audit and Standards Committee, and subsequently full Council, to allow the Leader to appoint Deputy Portfolio Holders as appropriate to undertake functions such as those set out in in the report.

Reason

The appointment of Deputy Portfolio Holders would allow for Cabinet members to have contingency for responsibilities following the added responsibility for the current Portfolio Holders.

5. Interim Review of Polling Districts and Polling Places

(Pages 19 - 22)

To inform the Committee of the arrangements for the interim review of polling districts and polling places which will begin on 30 September 2024.

6. Audit of Accounts and Associated Matters

(Pages 23 - 70)

To note the completion of the audit of the Statement of Accounts for 2022/23 and to receive the Forvis Mazars Indicative Audit Strategy Memorandum for the 2023/24 audit.

7. Going Concern Statement

(Pages 71 - 76)

This report sets out the assessment by the designated Section 151 Officer of the Council's Going Concern status.

8. Internal Audit Progress Report

(Pages 77 - 86)

To inform the Committee of the recent work completed by Internal Audit.

9. Major Projects Governance Dashboard (Pages 87 - 110)
- To provide the Committee with an update to the 'Governance Dashboard' relating to the Council's major projects.
10. Annual Counter Fraud Report (Pages 111 - 124)
- To provide the Committee with the Annual Counter Fraud Report for 2023/24.
11. Review of Strategic Risk Register (Pages 125 - 138)
- To approve the amendments to the Strategic Risk Register and the action plans identified to mitigate risks.
12. Quarterly Complaint Report (Pages 139 - 162)
- To provide Members with a summary of complaints made against the Council.
13. Work Programme (Pages 163 - 164)
- To consider items for inclusion in the Work Programme for future meetings.

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Report of the Monitoring Officer

DECLARATIONS OF INTEREST

1. Purpose of Report

Members are requested to declare the existence and nature of any disclosable pecuniary interest and/or other interest in any item on the agenda. The following information is extracted from the Code of Conduct, in addition to advice from the Monitoring Officer which will assist Members to consider any declarations of interest.

Part 2 – Member Code of Conduct

General Obligations:

10. Interest

10.1 You will register and disclose your interests in accordance with the provisions set out in Appendix A.

Section 29 of the Localism Act 2011 requires the Monitoring Officer to establish and maintain a register of interests of Members of the Council. The register is publically available and protects you by demonstrating openness and willingness to be held accountable. You are personally responsible for deciding whether or not you should disclose an interest in a meeting which allows the public, Council employees and fellow Councillors know which of your interests gives rise to a conflict of interest. If in doubt you should always seek advice from your Monitoring Officer.

You should note that failure to register or disclose a disclosable pecuniary interest as defined in Appendix A of the Code of Conduct, is a criminal offence under the Localism Act 2011.

Advice from the Monitoring Officer:

On reading the agenda it is advised that you:

1. Consider whether you have any form of interest to declare as set out in the Code of Conduct.
2. Consider whether you have a declaration of any bias or predetermination to make as set out at the end of this document
3. Update Democratic Services and the Monitoring Officer and or Deputy Monitoring Officers of any declarations you have to make ahead of the meeting and take advice as required.
4. Use the Member Interest flowchart to consider whether you have an interest to declare and what action to take.
5. Update the Chair at the meeting of any interest declarations as follows:

‘I have an interest in Item xx of the agenda’

'The nature of my interest is therefore the type of interest is
DPI/ORI/NRI/BIAS/PREDETERMINATION
'The action I will take is...'

This will help Officer record a more accurate record of the interest being declared and the actions taken. You will also be able to consider whether it is necessary to send a substitute Members in your place and to provide Democratic Services with notice of your substitute Members name.

Note: If at the meeting you recognise one of the speakers and only then become aware of an interest you should declare your interest and take any necessary action

6. Update your Member Interest Register of any registerable interests within 28days of becoming aware of the Interest.

Ask yourself do you have any of the following interest to declare?

1. DISCLOSABLE PECUNIARY INTERESTS (DPIs)

A "Disclosable Pecuniary Interest" is any interest described as such in the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 and includes an interest of yourself, or of your Spouse/Partner (if you are aware of your Partner's interest) that falls within the following categories: Employment, Trade, Profession, Sponsorship, Contracts, Land, Licences, Tenancies and Securities.

2. OTHER REGISTERABLE INTERESTS (ORIs)

An "Other Registerable Interest" is a personal interest in any business of your authority which relates to or is likely to affect:

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

3. NON-REGISTRABLE INTERESTS (NRIs)

"Non-Registrable Interests" are those that you are not required to register but need to be disclosed when a matter arises at a meeting which directly relates to your financial interest or wellbeing or a financial interest or wellbeing of a relative or close associate that is not a DPI.

A matter "directly relates" to one of your interests where the matter is directly about that interest. For example, the matter being discussed is an application about a particular property in which you or somebody associated with you has a financial interest.

A matter “affects” your interest where the matter is not directly about that interest but would still have clear implications for the interest. For example, the matter concerns a neighbouring property.

Declarations and Participation in Meetings

1. DISCLOSABLE PECUNIARY INTERESTS (DPIs)

1.1 Where a matter arises at a meeting which **directly relates** to one of your Disclosable Pecuniary Interests which include both the interests of yourself and your partner then:

Action to be taken

- **you must disclose the nature of the interest** at the commencement of that consideration, or when the interest becomes apparent, whether or not such interest is registered in the Council’s register of interests of Member and Co-opted Members or for which you have made a pending notification. If it is a sensitive interest you do not have to disclose the nature of the interest, just that you have an interest
- **you must not participate in any discussion** of that particular business at the meeting, or if you become aware of a disclosable pecuniary interest during the meeting you must not participate further in any discussion of the business, including by speaking as a member of the public
- **you must not participate in any vote** or further vote taken on the matter at the meeting and
- **you must withdraw from the room** at this point to make clear to the public that you are not influencing the meeting in anyway and to protect you from the criminal sanctions that apply should you take part, unless you have been granted a Dispensation.

2. OTHER REGISTERABLE INTERESTS (ORIs)

2.1 Where a matter arises at a meeting which **directly relates** to the financial interest or wellbeing of one of your Other Registerable Interests i.e. relating to a body you may be involved in:

- **you must disclose** the interest at the commencement of that consideration, or when the interest becomes apparent, whether or not such interest is registered in the Council’s register of interests of Member and Co-opted Members or for which you have made a pending notification. If it is a sensitive interest you do not have to disclose the nature of the interest, just that you have an interest
- **you must not take part in any discussion or vote** on the matter, but may speak on the matter only if members of the public are also allowed to speak at the meeting
- **you must withdraw from the room** unless you have been granted a Dispensation.

3. NON-REGISTRABLE INTERESTS (NRIs)

3.1 Where a matter arises at a meeting, which is not registrable but may become relevant when a particular item arises i.e. interests which relate to you and /or other people you are connected with (e.g. friends, relative or close associates) then:

- **you must** disclose the interest; if it is a sensitive interest you do not have to disclose the nature of the interest, just that you have an interest
 - **you must not take part in any discussion or vote**, but may speak on the matter only if members of the public are also allowed to speak at the meeting; and
 - **you must withdraw** from the room unless you have been granted a Dispensation.
-

Dispensation and Sensitive Interests

A “Dispensation” is agreement that you may continue to participate in the decision-making process notwithstanding your interest as detailed at section 12 of the Code of the Conduct and the Appendix.

A “Sensitive Interest” is as an interest which, if disclosed, could lead to the Member, or a person connected with the Member, being subject to violence or intimidation. In any case where this Code of Conduct requires to you to disclose an interest (subject to the agreement of the Monitoring Officer in accordance with paragraph 2.4 of this Appendix regarding registration of interests), you do not have to disclose the nature of the interest, if it is a Sensitive Interest in such circumstances you just have to disclose that you have a Sensitive Interest under S32(2) of the Localism Act 2011. You must update the Monitoring Officer when the interest is no longer sensitive, so that the interest can be recorded, made available for inspection and published.

BIAS and PREDETERMINATION

The following are not explicitly covered in the code of conduct but are important legal concepts to ensure that decisions are taken solely in the public interest and not to further any private interests.

The risk in both cases is that the decision maker does not approach the decision with an objective, open mind.

This makes the local authority’s decision challengeable (and may also be a breach of the Code of Conduct by the Councillor).

Please seek advice from the Monitoring Officer or Deputy Monitoring Officers, if you need assistance ahead of the meeting.

BIAS

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias. If you have been involved in an issue in such a manner or to such an extent that the public are likely to perceive you to be biased in your judgement of the public interest:

- a) you should not take part in the decision-making process
- b) you should state that your position in this matter prohibits you from taking part
- c) you should leave the room.

PREDETERMINATION

Where a decision maker has completely made up his/her mind before the decision is taken or that the public are likely to perceive you to be predetermined due to comments or statements you have made:

- a) you should not take part in the decision-making process
- b) you should state that your position in this matter prohibits you from taking part
- c) you should leave the room.

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Registerable Interests

These are interests that you are required to register in accordance with the Code of Conduct. They are interests that you would know about in advance of an item coming up (e.g. land you own) and you should have included them when filling in your register of interests.

What type of Registerable Interest do you have in this matter?

Disclosable Pecuniary Interests

These are any interests that are described as DPIs under the Code of Conduct and include both the interests of yourself and of your partner.

Other Registerable Interests

These are personal interests that relate to certain types of bodies that you may be involved in as set out in the Code of Conduct.

Does the matter directly relate to one of your Disclosable Pecuniary Interests?

No

Does the matter directly relate to the financial interest or wellbeing of one of your Other Registerable Interests?

No

Does the matter affect a financial interest or the wellbeing of yourself or of a friend, relative or close associate?

No

Yes

Yes

Is the financial interest or wellbeing affected to a greater extent than the financial interests or wellbeing of the majority of inhabitants?

No

Yes

Yes

Would a reasonable member of the public knowing all the facts believe that it would affect your view of the wider public interest?

No

Yes

You must:

- Disclose the interest;
- Not speak on the matter;
- Not participate in any discussion or vote; and
- Not remain in the room unless you have a Dispensation

You must:

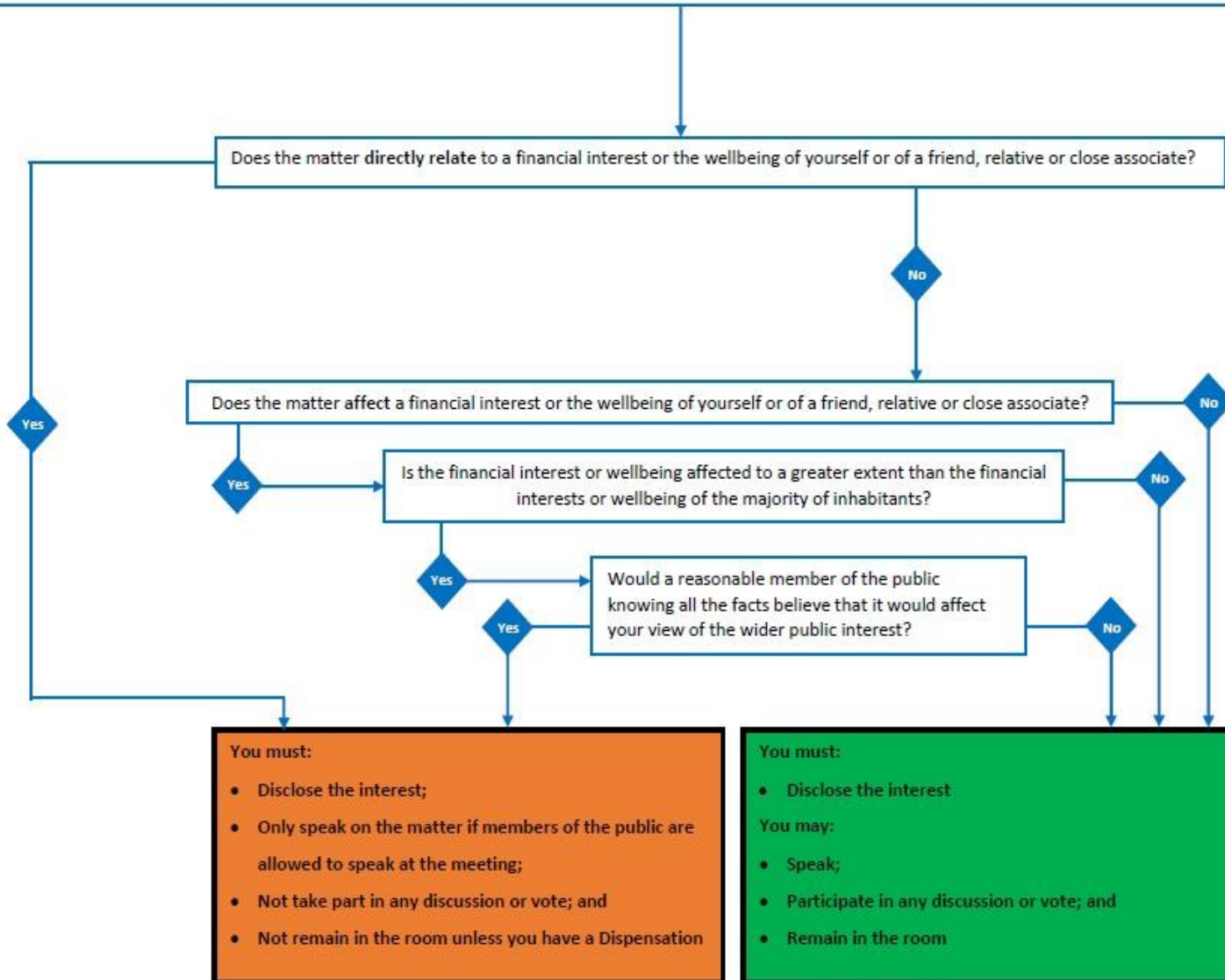
- Disclose the interest;
- Only speak on the matter if members of the public are allowed to speak at the meeting;
- Not take part in any discussion or vote; and
- Not remain in the room unless you have a Dispensation

You must:

- Disclose the interest
- You may:
- Speak;
 - Participate in any discussion or vote; and
 - Remain in the room

Non-Registerable Interests

These are interests that you are not required to register but may become relevant when a particular item arises. These are usually interests that relate to other people you are connected with (e.g. friends, relatives or close associates) but can include your own interests where you would not have been expected to register them.



GOVERNANCE, AUDIT AND STANDARDS COMMITTEE

MONDAY, 22 JULY 2024

Present: Councillor E Winfield (Vice-Chair)

Councillors: R Bullock
S Dannheimer
K Harlow
G S Hills
S P Jeremiah
A Kingdon
W Mee
J M Owen
P J Owen (Ex-Officio)
S Webb
K Woodhead

Apologies for absence were received from Councillors S J Carr and M Brown.

11 DECLARATIONS OF INTEREST

There were no declarations of interest.

12 MINUTES

The minutes of the meeting held 20 May 2024 were confirmed and signed as a correct record.

13 BRAMCOTE BEREAVEMENT SERVICES JOINT COMMITTEE AGREEMENT

The Committee considered the updates to the Agreement in respect of the Bramcote Bereavement Services Joint Committee.

RECOMMENDED to the respective Councils that the revised Agreement be approved and that the consequential changes to the Constitution be made.

14 AUDIT OF ACCOUNTS AND ASSOCIATED MATTERS

The Committee considered the letter of representation and the process for the approval of the Statement of Accounts for 2022/23 and considered the Audit Completion Report from the Council's external auditors following their work on these accounts.

The auditors are yet to complete their work in respect of the Value for Money conclusion for the year ended 31 March 2023. At the time of preparing their report, Forvis Mazars had not identified any significant weaknesses in the Council's arrangements that require it to make a recommendation.

RESOLVED that:

- 1. The updated Statement of Accounts 2022/23 and letter of representation as circulated be approved; and**
- 2. Delegation be given to the Deputy Chief Executive and Section 151 Officer, in consultation with the Chair of this Committee, to approve any further changes required to the Statement of Accounts 2022/23.**

15 INTERNAL AUDIT PROGRESS REPORT

The Committee noted the recent work completed by Internal Audit.

Internal Audit has also reviewed progress made by management in implementing agreed actions within six months of the completion of the respective audits. Where agreed actions to address significant internal control weaknesses have not been implemented this may have implications for the Council.

16 INTERNAL AUDIT REVIEW 2023/24

The Committee noted of the work of Internal Audit during 2023/24.

Overall, 71% of the planned audits were complete or awaiting finalisation as at the year-end, below the 90% target. This was figure was due to the result of timing and the audit resource released as a result was fully utilised in commencing work on other audits contained within the Internal Audit Plan for 2024/25

17 REVIEW OF STRATEGIC RISK REGISTER

The Committee note the amendments to the Strategic Risk Register and the action plans identified to mitigate risks.

RESOLVED that the amendments to the Strategic Risk Register and the actions to mitigate risks as set out be approved.

18 RISK MANAGEMENT STRATEGY UPDATE

Members were updated on the Risk Management Strategy for the Council.

The Strategy sets out the five key steps within the risk management process (identification, analysis, treatment, updating the risk register and monitoring) as well as the respective roles and responsibilities across the Council in terms of risk management. It was noted that the '5x5' risk map matrix would continue to be used for assessing the threats and opportunities for each strategic risk in terms of both its likelihood and impact. A new section had been included to define the Council's risk appetite as being 'cautious' (rather than 'risk averse') with decision making being based upon appropriately outlined business cases, robust financial assessments and sound project management.

RESOLVED that the updated Risk Management Strategy be approved.

19 COMPLAINTS REPORT 2023/24

Members were provided with a summary of complaints made against the Council.

Of the 407 stage one complaints received overall, 73 were investigated under the stage 2 complaints procedure and nine were investigated by the LGO. Under the stage 2 complaints procedure, 34 complaints were not upheld, 37 complaints were upheld and two were withdrawn. The Ombudsman investigated nine complaints made against the Council. One complaint was recorded as not upheld, resulting in no further action being required by the Council, six complaints were upheld and two are still under investigation.

20 WORK PROGRAMME

Members considered the Work Programme. It was requested that an item on the Combined Authority Arrangements be added to the Work Programme.

RESOLVED that the Work Programme, as amended to include an item on the Combined Authority Arrangements, be approved.

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Report of the Leader of the Council

Deputy Portfolio Holders

1. Purpose of Report

To inform Cabinet of the Leader's intention to allow for the appointment of Deputy Portfolio Holders, as necessary, following an amendment to the Constitution.

2. Recommendation

Cabinet is asked RECOMMEND to the Governance, Audit and Standards Committee, and subsequently full Council, to allow the Leader to appoint Deputy Portfolio Holders as appropriate to undertake functions such as those set out in paragraph 3 below.

3. Detail

The Constitution allows the Leader to appoint Portfolio Holders but is currently silent on the appointment of Deputy Portfolio Holders.

Three Cabinet Members have been appointed to the East Midlands Combined County Authority Committees, two as substitutes and one as a full committee member, (the latter being Councillor Gabrielle Bunn who has been appointed to the Jobs and Skills Committee). It is considered that the appointment of Councillor Bunn as Deputy Economic Development and Asset Management Portfolio Holder will assist with her role on the Jobs and Skills Committee through the reporting procedure. Councillor Bunn is already a member of Cabinet.

It is further suggested that the appointment of a Deputy will assist the Portfolio Holder for Economic Development and Asset Management, Councillor Milan Radulovic MBE, whose role has grown recently to include the following:

- Board Membership of the East Midlands Combined County Authority
- Representative of EM DEVCO Ltd Oversight body until its closure
- Membership of the Railways Growth Board and Economic Prosperity Committee
- Chair of the Joint Planning Advisory Board
- Oversight of the Stapleford New Town Deal, Kimberley LUF and UKSPF funding streams
- Oversight of the Brinsley Headstocks, within Colliers Wood.

4. Key Decision

This report is not a key decision as defined under Regulation 8 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

5. Updates from Scrutiny

Not applicable.

6. Financial Implications

There are no direct financial implications from the report. The Independent Remuneration Panel considers allowances before making recommendations that are submitted to full Council for a decision.

7. Legal Implications

The comments from the Deputy Monitoring Officer were as follows:

There are no legal implications from the report.

8. Human Resources Implications

The comments from the Human Resources Manager were as follows:

Not applicable.

9. Union Comments

The Union comments were as follows:

Not applicable.

10. Climate Change Implications

The climate change implications are contained within the report.

11. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

12. Equality Impact Assessment

Not applicable.

13. Background Papers

Nil.

Report of the Monitoring Officer

Interim Review of Polling Districts and Polling Places

1. Purpose of Report

To inform the Committee of the arrangements for the interim review of polling districts and polling places which will begin on 30 September 2024.

2. Recommendation

The Committee is asked to NOTE the proposed arrangements for the review of polling districts and polling places.

3. Detail

Local authorities are required to review their polling districts and polling places for UK parliamentary constituencies at least once every five years. The Electoral Registration and Administration Act 2013 dictates that a compulsory review of all polling districts and places must take place every five years. The next compulsory review is to commence and complete between 1 October 2028 and 31 January 2030. However, there is provision for an interim review to be carried out where changes are identified as being required or desirable. Two polling places were unavailable for the elections in 2024 and temporary changes were agreed by the Chief Executive using specific delegated powers. An interim review is now required to make these changes permanent. The process to be followed when carrying out a review is set out in the **Appendix**.

The review will be carried out between 30 September 2024 and 28 October 2024. A further report will be submitted to this Committee on 25 November 2024 setting out responses received to the consultation and recommendations for any changes to be considered by Council on 11 December 2024.

If any changes are made to polling district boundaries the Electoral Registration Officer must amend the electoral register accordingly. A revised register will, if necessary, be published on 1 February 2025. The (Acting) Returning Officers for both the Broxtowe and Nottingham North and Kimberley Parliamentary Constituencies will also be required to comment on the polling places which would be used if any proposals are accepted. Election rules require the (Acting) Returning Officer to decide how many polling stations are required for each polling place and must allocate electors to the polling stations as they think most convenient.

While legislation does not provide a role for the Electoral Commission in the review process, following the conclusion of the review, specified interested parties may make representations to the Electoral Commission to reconsider any polling districts and polling places if it is considered that the Council did not meet

the reasonable requirements of electors or take account of accessibility for people with a disability. The Commission may direct the Council to make any alterations to the polling places which it thinks necessary and, if the alterations are not made within two months, may make the alterations themselves.

4. Financial Implications

The comments from the Head of Finance Services were as follows:

There are no additional financial implications to consider at this stage with activity being contained within existing budgets. Any significant budget implications going forward, over and above virement limits, would require approval by Cabinet.

5. Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows:

The Representation of the People Act 1983 places a legal duty on the Council to carry out a review of polling districts and polling places within each parliamentary constituency in its area. The Electoral Registration and Administration Act 2013 introduced a change to the timing of compulsory reviews.

Chapter 3 Part 1 of the Scheme of Delegation in the constitution allows the Chief Executive to make necessary changes to polling stations at short notice before an election with any permanent changes being approved at Full Council.

6. Human Resources Implications

Not applicable.

7. Union Comments

Not applicable.

8. Climate Change Implications

The climate change implications are contained within the report.

9. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

10. Equality Impact Assessment

Not applicable.

11. Background Papers

Nil.

AppendixReview process

When carrying out the review, local authorities must:

- publish a notice of the holding of a review
- consult the (Acting) Returning Officer for every parliamentary constituency which is wholly or partly in its area
- publish all representations made by an (Acting) Returning Officer within 30 days of receipt by posting a copy of them at the local authority's office and in at least one conspicuous place in their area and, if the authority maintains a website, by placing a copy on the authority's website
- seek representations from such persons as it thinks have particular expertise in relation to access to premises or facilities for persons who have different forms of disability. Such persons must have an opportunity to make representations and to comment on the representations made by the (Acting) Returning Officer(s).

On completion of a review, the local authority must give reasons for its decisions and publish:

- all correspondence sent to an (Acting) Returning Officer in connection with the review
- all correspondence sent to any person whom the authority thinks has particular expertise in relation to access to premises or facilities for persons who have different forms of disability
- all representations made by any person in connection with the review
- the minutes of any meeting held by the Council to consider any revision to the designation of polling districts or polling places within its area as a result of the review
- details of the designation of polling districts and polling places within the local authority area as a result of the review
- details of the places where the results of the review have been published

Notice of the review will be sent to the Acting Returning Officers for the Broxtowe and Nottingham North and Kimberley Parliamentary Constituencies, all Members of Broxtowe Council, County Councillors for electoral divisions within Broxtowe, the MPs for the Broxtowe and Ashfield Parliamentary Constituencies, local political parties and stakeholders representing disabled people in the Borough. It will also be advertised on the Council's website and through social media channels.

Report of the Deputy Chief Executive

Audit of Accounts And Associated Matters

1. Purpose of Report

To receive the Auditors Annual Report for 2022/23 from Forvis Mazars following completion of the audit and to receive the auditors Indicative Audit Strategy Memorandum for the Broxtowe Borough Council 2023/24 audit.

2. Recommendation

The Committee is asked to NOTE the Auditors Annual Report for 2022/23 and the Indicative Audit Strategy Memorandum for the 2023/24 audit.

3. Detail

Further to previous updates, the Council's appointed external auditors, Forvis Mazars, have concluded their audit work in respect of the Statement of Accounts 2022/23. The auditors published and presented its Audit Completion Report to this Committee in July. It was pleasing to report that the auditors issued an unqualified audit opinion on the 2022/23 accounts.

Forvis Mazars have now completed their work in respect of the Value for Money conclusion for the year ended 31 March 2023. The auditors are required to consider whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The reporting criteria are:

- Financial sustainability – How the Council plans and manages its resources to ensure it can continue to deliver its services.
- Governance – How the Council ensures that it makes informed decisions and properly manages its risks.
- Improving economy, efficiency and effectiveness – How the Council uses information about its costs and performance to improve the way it manages and delivers its services.

Again, it is pleasing to report that Forvis Mazars has not identified any significant weaknesses in the Council's arrangements that would require it to make a recommendation. Further details are provided in the Auditors Annual Report for 2022/23 which is presented at **Appendix 1**.

Forvis Mazars also present their Indicative Audit Strategy Memorandum for the Council's 2023/24 audit which is provided at **Appendix 2**. The audit plan provides details relating to the auditors' engagement and responsibilities, the scope of the audit, its approach and timelines, emerging areas for audit focus, value for money arrangements and audit fees.

A representative from Forvis Mazars will be available at the meeting to introduce these reports and respond to any enquiries.

4. Financial Implications

The comments from the Head of Finance Services were as follows:

There are no direct financial implications arising from this report.

5. Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows:

The legislation in the Accounts and Audit Regulations (2015) sets out the timescales for the production of the Council's accounts, including the dates of the public inspection period. The Statement of Accounts must be published by that date or as soon as reasonably practicable after the receipt of the auditor's final findings.

Section 151 of the Local Government Act 1972 requires the Council to make arrangements for the proper administration of its financial affairs and to secure that one of its officers (the Deputy Chief Executive) has the responsibility for the administration of those affairs, which include responsibility for preparing the Council's statement of accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom.

The Statement of Accounts is that upon which the auditor should enter his certificate and opinion which is prepared under the Local Government Finance Act 2003.

6. Human Resources Implications

The comments from the Human Resources Manager were as follows:

Not applicable.

7. Union Comments

The Union comments were as follows:

Not applicable.

8. Climate Change Implications

Not applicable.

9. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

10. Equality Impact Assessment

As there is no change to policy an equality impact assessment is not required.

11. Background Papers

Nil.

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Auditor's Annual Report

Broxtowe Borough Council – year ended 31 March 2023

September 2024

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Our reports are prepared in the context of the 'Statement of responsibilities of auditors and audited bodies' issued by Public Sector Audit Appointments Ltd. Reports and letters prepared by appointed auditors and addressed to members or officers are prepared for the sole use of the Council. No responsibility is accepted to any member or officer in their individual capacity or to any third party.

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01

Introduction

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Introduction

Purpose of the Auditor's Annual Report

Our Auditor's Annual Report (AAR) summarises the work we have undertaken as the auditor for Broxtowe Borough Council ('the Council') for the year ended 31 March 2023. Although this report is addressed to the Council, it is designed to be read by a wider audience including members of the public and other external stakeholders.

Our responsibilities are defined by the Local Audit and Accountability Act 2014 and the Code of Audit Practice ('the Code') issued by the National Audit Office ('the NAO'). The remaining sections of the AAR outline how we have discharged these responsibilities and the findings from our work. These are summarised below.



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Opinion on the financial statements

We issued our audit report on 13 August 2024. Our opinion on the financial statements was unqualified.



Value for Money arrangements

In our audit report issued we reported that we had not completed our work on the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources and had not identified any significant weaknesses in those arrangements. This work is completed and Section 3 provides our commentary on the Council's arrangements.



Wider reporting responsibilities

At the date of reporting our work on the Council's Whole of Government Accounts return remains incomplete whilst we wait for final instructions from the National Audit Office

02

Audit of the financial statements

Audit of the financial statements

The scope of our audit and the results of our opinion

Our audit was conducted in accordance with the requirements of the Code, and International Standards on Auditing (ISAs). The purpose of our audit is to provide reasonable assurance to users that the financial statements are free from material error. We do this by expressing an opinion on whether the statements are prepared, in all material respects, in line with the financial reporting framework applicable to the Council and whether they give a true and fair view of the Council's financial position as at 31 March 2023 and of its financial performance for the year then ended. Our audit report, issued on 13 August 2024 gave an unqualified opinion on the financial statements for the year ended 31 March 2023.

A summary of the significant risks we identified when undertaking our audit of the financial statements and the conclusions we reached on each of these is outlined in Appendix A. In this appendix we also outline the uncorrected misstatements we identified and any internal control recommendations we made.

Qualitative aspects of the Council's accounting practices

We reviewed the Council's accounting policies and disclosures and concluded they comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting.

Other reporting responsibilities

We did not identify any matters where, in our opinion, the Annual Governance Statement did not comply with the guidance issued by CIPFA/LASAAC Code of Practice on Local Authority Accounting.

Wider responsibilities

Our powers and responsibilities under the 2014 Act are broad and include the ability to:

- issue a report in the public interest;
- make statutory recommendations that must be considered and responded to publicly;
- apply to the court for a declaration that an item of account is contrary to law; and
- issue an advisory notice under schedule 8 of the 2014 Act.

We have not exercised any of these powers as part of our 2022/23 audit.

03

Our work on Value for Money
arrangements

VFM arrangements

Overall Summary



VFM arrangements – Overall summary

Approach to Value for Money arrangements work

We are required to consider whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The NAO issues guidance to auditors that underpins the work we are required to carry out and sets out the reporting criteria that we are required to consider. The reporting criteria are:



Financial sustainability - How the Council plans and manages its resources to ensure it can continue to deliver its services.



Governance - How the Council ensures that it makes informed decisions and properly manages its risks.



Improving economy, efficiency and effectiveness - How the Council uses information about its costs and performance to improve the way it manages and delivers its services.

Our work is carried out in three main phases.

Phase 1 - Planning and risk assessment

At the planning stage of the audit, we undertake work so we can understand the arrangements that the Council has in place under each of the reporting criteria; as part of this work we may identify risks of significant weaknesses in those arrangements.

We obtain our understanding of arrangements for each of the specified reporting criteria using a variety of information sources which may include:

- NAO guidance and supporting information
- Information from internal and external sources including regulators
- Knowledge from previous audits and other audit work undertaken in the year
- Interviews and discussions with staff and directors

Although we describe this work as planning work, we keep our understanding of arrangements under review and update our risk assessment throughout the audit to reflect emerging issues that may suggest there are further risks of significant weaknesses.

Phase 2 - Additional risk-based procedures and evaluation

Where we identify risks of significant weaknesses in arrangements, we design a programme of work to enable us to decide whether there are actual significant weaknesses in arrangements. We use our professional judgement and have regard to guidance issued by the NAO in determining the extent to which an identified weakness is significant.

Phase 3 - Reporting the outcomes of our work and our recommendations

We are required to provide a summary of the work we have undertaken and the judgments we have reached against each of the specified reporting criteria in this Auditor's Annual Report. We do this as part of our Commentary on VFM arrangements which we set out for each criteria later in this section.




We also make recommendations where we identify weaknesses in arrangements or other matters that require attention from the Council. We refer to two distinct types of recommendation through the remainder of this report:

- **Recommendations arising from significant weaknesses in arrangements** - We make these recommendations for improvement where we have identified a significant weakness in the Council arrangements for securing economy, efficiency and effectiveness in its use of resources. Where such significant weaknesses in arrangements are identified, we report these (and our associated recommendations) at any point during the course of the audit.
- **Other recommendations** - We make other recommendations when we identify areas for potential improvement or weaknesses in arrangements which we do not consider to be significant but which still require action to be taken.

The table on the following page summarises the outcomes of our work against each reporting criteria, including whether we have identified any significant weaknesses in arrangements or made other recommendations.

VFM arrangements – Overall summary

Overall summary by reporting criteria

Reporting criteria	Commentary page reference	Identified risks of significant weakness?	Actual significant weaknesses identified?	Other recommendations made?
 Financial sustainability	12	No	No	No
 Governance	16	No	No	No
 Improving economy, efficiency and effectiveness	19	No	No	No

VFM arrangements

Financial Sustainability

How the body plans and manages its resources to ensure it can continue to deliver its services

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VFM arrangements – Financial Sustainability

Overall commentary on Financial Sustainability reporting criteria

Significant weakness in 2021/22	Nil.
Significant weaknesses identified in 2022/23	Nil.

Position brought forward from 2021/22

We reported in our Annual Auditor's Report for 2021/22, that we had:

- Reviewed the 2021/22 financial performance and forecasts during the year and considered the Council's financial outturn position as presented in the financial statements;
- Reviewed the 2022/23 Budget setting and Medium Term Financial Strategy;
- Reviewed the Council's Annual governance Statement for any significant issues; and
- Considered the general findings from our audit work in other areas.

As set out in the table above, there are no indications of a significant weakness in the Council's arrangements for financial sustainability brought forward from 2021/22. The Council's underlying arrangements in relation to financial sustainability are not significantly different in 2022/23.

Overall responsibilities for financial governance

We have reviewed the Council's overall governance framework, including Council and committee reports, the Annual Governance Statement, and Statement of Accounts for 2022/23. These confirm the Council undertook its responsibility to define the strategic aims and objectives, approve budgets and monitor financial performance against budgets and plans to best meet the needs of the Council's service users.

The Council's financial planning and monitoring arrangements

Through our review of Council and committee reports, meetings with Officers and relevant work performed on the financial statements, we are satisfied that the Council's arrangements for budget monitoring remain appropriate, including regular reporting to Members and well-established arrangements for year-end financial reporting.

2022/23 Budget Setting and the Medium-Term Financial Strategy

We considered the 2022/23 budget setting process, including the Medium-Term Financial Strategy as part of our work on the 2021/22 review of arrangements, with no significant concerns arising. We were satisfied that, the Budget Report for 2022/23 adequately explains revenue and capital budgets, with a sufficient explanation on the impact to the general fund balance.

The Council reported its financial outturn position to Cabinet in July 2023 and in the 2022/23 Statement of Accounts: the general fund reported a net deficit of £273k vs a £719k budgeted deficit and the HRA delivered a deficit of £1,993k vs £1,598k budgeted deficit. The variance does not give rise to concern in relation to the Council's arrangements for financial sustainability.

2022/23 Statement of Financial Position

We carried out a high-level analysis of the financial statements subject to our audit, including the Movement in Reserves Statement and the Balance Sheet. The Council's useable reserves have decreased from £21.1m to £19.1 in 2023/23, the decrease does not pose any concerns regarding the Council's financial sustainability and our work has not highlighted any risks of significant weakness in arrangements or indicators of a risk to the Council's financial sustainability.

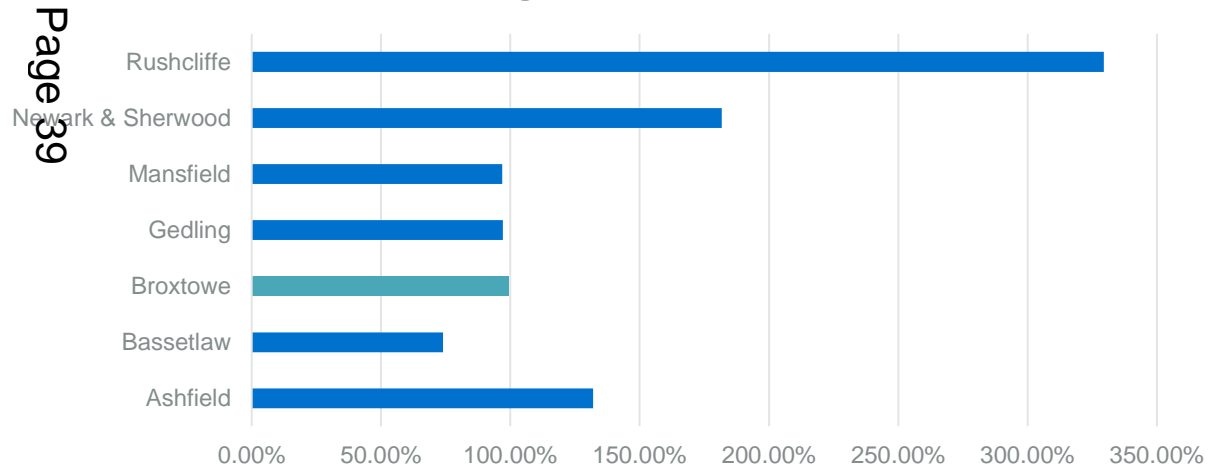
VFM arrangements – Financial Sustainability

Financial sustainability and revenue reserves

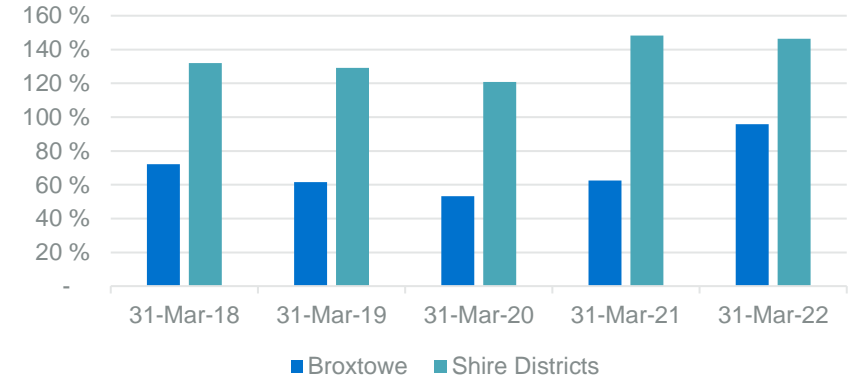
We have also performed a more detailed review of the Council’s revenue reserves. We reviewed data published in May 2023 by the Department for Levelling Up, Housing and Communities on Local authority general fund earmarked and unallocated reserve levels, 2017-18 to 2021-22.

The Council’s reserves have generally been below the median compared to shire districts since 2018, however they have been on an increasing trend since 2020 and in line with most other Nottinghamshire district councils.

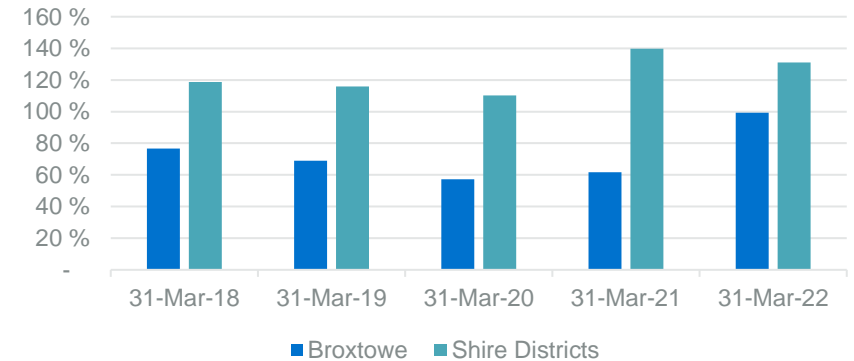
Un-ringfenced reserves as % of service expenditure adjusted for ring-fenced grants: 2021/22



Un-ringfenced reserve as % of Net Revenue Expenditure - median



Un-ringfenced reserves as % of Service expenditure adjusted for ring-fenced grants - median



VFM arrangements – Financial Sustainability

Financial sustainability and revenue reserves (continued)

The purpose of the Council’s general fund reserve is to meet costs arising from any unplanned or emergency events. It also acts as a financial buffer to help mitigate against the financial risks the Council faces and can be used to a limited degree to ‘smooth’ expenditure on a one-off basis across years. Whereas earmarked reserves, are set aside for specific purposes.

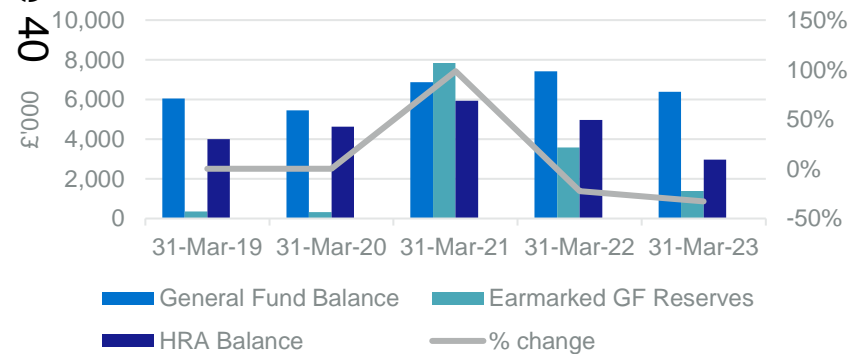
Through a review of the financial statements, we have considered the Council’s revenue reserves over time:

- As set out on the previous page, the Council’s opening revenue reserves are slightly below the median for district councils.
- The general fund balance has remained stable (£6.7m in 2023 vs £6.5m in 2019), however the combined general fund and earmarked revenue reserves are on a downward trend since 2021.

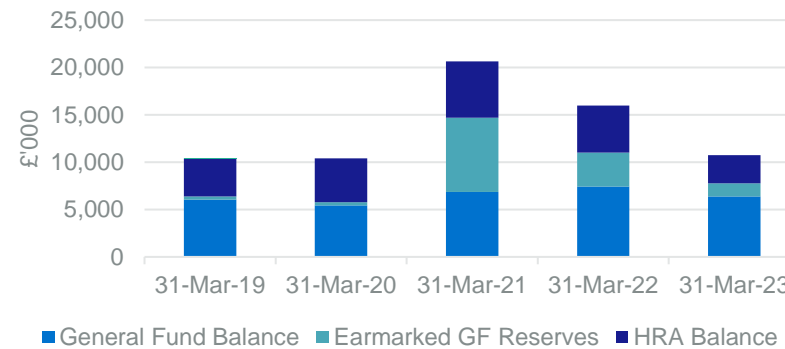
Overall, we are satisfied that the Council’s Reserves position does not give rise to an immediate risk of significant weakness in arrangements to secure financial sustainability.

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Useable Revenue Reserves: Broxtowe Borough Council



Useable Revenue Reserves: Broxtowe Borough Council



Based on the above considerations we are satisfied there is not a significant weakness in the Council’s arrangements in relation to financial sustainability for the year ended 31 March 2023.

VFM arrangements

Governance

How the body ensures that it makes informed decisions and properly manages its risks



VFM arrangements – Governance

Overall commentary on Governance reporting criteria

Significant weakness in 2021/22	Nil.
Significant weaknesses identified in 2022/23	Nil.

Position brought forward from 2021/22

As set out in the table above, there are no indications of a significant weakness in the Council's arrangements for governance brought forward from the previous year.

The Authority's governance structure

Based on our work, we are satisfied that the Council has established governance arrangements. The Council agreed to move to a Leader and Cabinet model of decision making, which was implemented at the Annual Council Meeting in May 2022 from a Committee system on the basis the Council believed it would allow for simpler and more streamlined decision making, clearer lines of communication, responsibility and accountability. The updated Constitution was approved to reflect the same.

The Constitution explains how the Council operates and makes decisions. It ensures that the Council is transparent and accountable for what it does. The Constitution is designed to bring together key corporate documents which describe the management structures of the Council and govern its internal processes by means of protocols, codes of conduct and good practice/guidance. The Council's governance arrangements are consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government (2016 edition).

The Council's governance arrangements are detailed in the Statement of Accounts and Annual Governance Statement. We have considered both documents against our understanding of the Council as part of our audit.

Our review of Committee papers confirms that a template covering report is used for all reports, ensuring the purpose, risks, and recommendations are clear. Minutes are published and reviewed by Committees to evidence the matters discussed, challenge and decisions made.

2023/24 Budget Setting and the Medium-Term Financial Strategy

The Council's budget setting and medium-term financial strategy is drafted by the Cabinet in line with the Budget and Policy Framework rules, which is then reviewed by Overview & Scrutiny Committee and approved by the Council. The arrangements in place for budget setting and updating the Medium-Term Financial Strategy are as expected for a District Council, with arrangements for the evaluation of financial risk, alignment to business plans and sources of funding.

There is no indication of excessive use of capital flexibilities to support revenue expenditure. Furthermore, there is no indication that the Council's Medium Term Financial Strategy (MTFS) and budget setting process is not aligned to supporting plans.

We reviewed the Council's balanced budget for 2023/24 where it was confirmed that the s151 Officer was satisfied that the budget was appropriately prudent and, if delivered, will leave the Council's General Fund Working Balance at £4.5m by 2023/24, which is above the £1.5m minimum level set by the s151 Officer

We read the Medium-Term Financial Strategy (MTFS) as included in reports to Cabinet and Council in February 2023. As in previous years, it covers five financial years. In our view, these include an adequate level of detail over the assumptions and cost pressures facing the Council, which are consistent with our experience at similar sized authorities and not unreasonable. In addition, there is sufficient narrative to explain the rationale and key financial risks. After taking into account all those risks and factors, the general fund reserves balance is assessed to be £2.508m by the end of 2026/27, being the last year in MTFS, which meets the s151 Officer's minimum level.

In both the 2022/23 MTFS and the 2023/24 MTFS, the Council has shown the final year of the MTFS to be the year after which the general fund working balance falls below the Council's acceptable levels. The MTFS is clear that work and action will take place to manage the financial position over the five years where balances remain above the minimum, which does provide time to develop and implement said actions.

VFM arrangements – Governance

Overall commentary on Governance reporting criteria (continued)

Risk management and internal control

As set out in the table above, there are no indications of a significant weakness in the Council's arrangements for governance brought forward from the previous year.

The Council has an established risk management framework and systems in place which are built into the governance structure of the organisation. The Council's Risk Management Strategy was recently revised in May 2024 and it sets out a five step process for risk management:

1. Identification
2. Analysis
3. Treatment
4. Completing the risk register
5. Monitoring, reporting and reviewing risk

The Council's arrangements to execute the Risk Management Strategy include a Strategic Risk Management Group that meets frequently prior to updating the Strategic Risk Register and presenting the outcome to Members. We reviewed the minutes of this group from February 2023 as well as the updated Strategic Risk Register. The risk register contains the expected core elements, including: risk name, risk owner, inherent & residual risk ratings, key controls, risk indicators, and action points.

The Governance, Audit and Standards committee is responsible for overseeing the effectiveness of the Council's risk management arrangements, challenging risk information and escalating issues to the Executive. We have attended meetings of the Committee and reviewed minutes and reports presented during the year, including matters relating to risk. Based on our attendance and observations, the Committee offers an adequate level of challenge, although has on occasion strayed into politics and / or not understood the purpose of being a member. The committee should be independent and, as the matters it deals with are normally apolitical, it should rise above politics. The committee chair should ensure that the committee is not used to make political points.

We reviewed the Risk Management Progress Report presented to Governance, Audit and Standards committee in March 2023, and found that the register:

- adequately explains the risk;
- provides an inherent and residual risk score (informed by officers and open to challenge by members);

- and;
- explains the change since the previous assessment.

In our view, the report to Members could be improved, if not at each meeting, but at least annually, by drawing out further content from of the supporting risk registers, for example:

- Tracking the risk score by quarter
- Explaining the controls and sources of assurance (including gaps in controls and gaps in assurances)
- Specifying actions required (and confirming when these have been implemented).

This was also raised in the prior year report, however the changes have yet not been implemented.

In our view, the Risk Management Strategy is suitably supported by a Risk Management Group, a regularly maintained Strategic Risk Register and regular reporting to Members is evidence of adequate arrangements in place.

The Annual Governance Statement is a critical component of the Council's governance arrangements. It is an evidenced self-assessment by the Council on the Council's governance, assurance and internal control frameworks for the financial year. No significant weaknesses in internal control have been identified from our work to date and Internal Audit have not identified or raised any significant concerns. We reviewed the Annual Governance Statement as part of our work on the financial statements with no significant issues arising.

Internal Audit

We have met with management and the Head of Internal Audit regularly during the year, reviewed Audit Committee reports and attended Committee meetings to observe the performance of Internal Audit and the Audit Committee. We also confirmed that the Head of Internal Audit Opinion has been adequately reflected in the Annual Governance Statement. No issues arose from our review to indicate there is a significant weakness in the Council's arrangements for governance.

Overall, we have not identified any indicators of a significant weakness in the Council's arrangements relating to the Governance criteria for the year ended 31 March 2023.

VFM arrangements

Improving Economy, Efficiency and Effectiveness

How the body uses information about its costs and performance to improve the way it manages and delivers its services

Page #



VFM arrangements – Governance

Overall commentary on the Improving Economy, Efficiency and Effectiveness reporting criteria

Significant weakness in 2021/22	Nil.
Significant weaknesses identified in 2022/23	Nil.

Position brought forward from 2021/22

As set out in the table above, there are no indications of a significant weakness in the Council's arrangements brought forward from the previous year.

Corporate Plan

The Council's arrangements are consistent with the prior year, which were deemed adequate, with the Council's Corporate Plan setting out what it wants to achieve for local residents and communities through to 2024.

The Corporate Plan for 2020-2024 was approved in March 2020 and sets out the Council's priorities to achieve its vision to make "A Greener, Safer and Healthier Broxtowe where everyone prospers." Over the period, the Council will focus on the priorities of Housing, Business Growth, Community Safety, Health and Environment. The Corporate Plan prioritises local community needs and resources are directed toward the things they think are most important. These needs are aligned with other local, regional and national plans to ensure the ambitions set out in the Corporate Plan are realistic and achievable.

Performance monitoring

We have discussed performance monitoring arrangements with officers and reviewed a selection of business plans and compare considered together following the year-end as part of the Council's commitment to committee reports. Business Plans detail the projects and activities undertaken in support of the Corporate Plan for each priority area. These cover a three-year period and are revised and updated annually. Detailed monitoring of progress against key tasks and outcome measures in the Business Plans is undertaken regularly by the relevant Committee. This will include an annual report where performance management and financial outturns align financial and performance management. In our view, reports contain sufficient narrative to demonstrate that there are adequate arrangements to assess performance and identify areas for action.

The Council's budget endeavours to ensure the provision of the appropriate resources required to deliver the Council's Plan, and the types of action necessary to enable them to be affordable, to allow balanced budgets to be delivered.

Regulators / Inspections

Our work has not identified any adverse findings from inspectors leading to any intervention action at the Council.

Partnerships and procurement

We identified no significant changes in arrangements regarding partnership working and are satisfied the Council continues to have arrangements for standing financial instructions, including purchase order controls. Our work on the financial statements has not identified any significant internal control deficiencies regarding purchasing controls.

Overall, we have not identified any indicators of a significant weakness in the Council's arrangements relating to the Improving Economy, Efficiency and Effectiveness criteria for the year ended 31 March 2023.

Other reporting responsibilities and our fees

Other reporting responsibilities and our fees

Other reporting responsibilities

Matters we report by exception

The Local Audit and Accountability Act 2014 provides auditors with specific powers where matters come to our attention that, in their judgement, require specific reporting action to be taken. Auditors have the power to:

- issue a report in the public interest;
- make statutory recommendations that must be considered and responded to publicly;
- apply to the court for a declaration that an item of account is contrary to the law; and
- issue an advisory notice.

We have not exercised any of these statutory reporting powers.

The 2014 Act also gives rights to local electors and other parties, such as the right to ask questions of the auditor and the right to make an objection to an item of account. We did not receive any such objections or questions.

Reporting to the NAO in respect of Whole of Government Accounts consolidation data

The NAO, as group auditor, requires us to complete the WGA Assurance Statement in respect of its consolidation data. As at the date of writing, instructions regarding sampled components have not yet been received.

Other reporting responsibilities and our fees

Fees for our work as the Council's auditor

We reported our proposed fees for the delivery of our work under the Code of Audit Practice in our Audit Strategy Memorandum. Having completed our work for the 2022/23 financial year, we can confirm that our fees are as follows:

Area of work	2021/22 Actual fees (£)	2022/23 fees (£)	2023/24 (£)
Planned fee in respect of our work under the Code of Audit Practice	39,317	44,890	144,729
Additional fees in respect of additional testing undertaken to comply with increased regulatory requirements relating to: IAS19 pension liabilities; and valuation of land, buildings and council dwellings..	9,950	4,300	N/A – included in the scale fee
Additional fees in respect of additional work from the introduction of new auditing standards (ISA 540 estimates)	3,590	3,590	N/A – included in the scale fee
Additional fees in respect of additional work from the introduction of new auditing standards (ISA 315)	N/A	5,000	TBC - Not included in the scale fee
Group Accounts	2,530	2,900	N/A – included in the scale fee
Other additional testing (Infrastructure Assets, Pension Fund Triennial valuation, Testing of land and buildings, income & expenditure and control recommendations (per Audit Completion Report)	11,000	9,131	-
Additional fees in respect of the VFM Commentary	7,000	7,000	N/A – included in the scale fee
Total fees	73,387	76,811	TBC

Fees for other work

We confirm that we have not undertaken any non-audit services for the Council in the year.

Appendices

A: Further information on our audit of the financial statements

Appendix A: Further information on our audit of the financial statements

Main financial statement audit risks and findings

As Our audit approach is risk-based and primarily driven by the issues that we consider lead to a higher risk of material misstatement of the accounts. Once we have completed our risk assessment, we develop our audit strategy and design audit procedures in response to this assessment. Following the risk assessment, we identified risks relevant to the audit of financial statements and significant audit risks and conclusions reached are set out below:

Audit Risk	Level of audit risk	How we addressed this risk	Audit conclusions
<p>Management override of controls This is a mandatory significant risk on all audits due to the unpredictable way in which such override could occur.</p>	<p>Significant risk: an area that, in our judgment, requires special audit consideration.</p>	<p>We addressed the risk through performing work over accounting estimates, journal entries and considering whether there were any significant transactions outside the normal course of business or otherwise unusual. In addition, we made enquiries of management and used our data analytics and interrogation software to test accounting journals.</p>	<p>There are no significant matters to report.</p>
<p>Net defined benefit pension liability valuation The Council's accounts contain material liabilities relating to the local government pension scheme. The council uses an actuary to provide an annual valuation of these liabilities in line with the requirements of IAS 19 Employee Benefits. Due to the high degree of estimation uncertainty associated with this valuation, we have determined there is a significant risk in this area.</p>	<p>Significant risk</p>	<p>In relation to the valuation of the Council's pension liability we will:</p> <ul style="list-style-type: none"> • Critically assess the competency, objectivity and independence of the Nottinghamshire Pension Fund's Actuary, Barnett Waddingham; • Liaise with the auditors of the Nottinghamshire Pension Fund to gain assurance that the controls in place at the Pension Fund are operating effectively. This will include the processes and controls in place to ensure data provided to the Actuary by the Pension Fund for the purposes of the IAS 19 valuation to complete and accurate; • Review the appropriateness of the Pension Asset and Liability valuation methodologies applied by the Pension Fund Actuary, and the key assumptions included within the valuation. This will include comparing them to expected ranges, utilising information provided by PwC, the consulting actuary engaged by the National Audit Office (NAO); and • Agree the data in the IAS 19 valuation report provided by the Fund Actuary for accounting purposes to the pension accounting entries and disclosures in the Council's financial statements. 	<p>We noted an unadjusted misstatement in relation to Pension liability.</p> <p>There was an overstatement of £12.512m on asset valuation for the whole Pension Fund and this translated to £0.225m for Broxtowe Borough Council. The misstatement was below our materiality and therefore immaterial to the financial statements as a whole.</p>

Appendix A: Further information on our audit of the financial statements

Main financial statement audit risks and findings (continued)

Audit Risk	Level of audit risk	How we addressed this risk	Audit conclusions
<p>Valuation of land, buildings, council dwellings and investments properties</p> <p>The Council's accounts contain material balances and disclosures relating to its holding of property, plant and equipment and assets held for sale, with the majority of land and building assets required to be carried at valuation. Due to high degree of estimation uncertainty associated with those held at valuation, we have determined there is significant risk in this area.</p>	<p>Significant risk</p>	<p>In relation to the valuation of property, plant and equipment and assets held for sale we will:</p> <ul style="list-style-type: none"> • Critically assess the Council's valuers' scope of work, qualifications, objectivity and independence to carry out the required programme of revaluations; • Consider whether the overall revaluation methodology used by the Council's valuer is in line with industry practice, the CIPFA Code of Practice and the Council's accounting policies; • Assess whether valuation movement are in line with market expectations by reference to alternative sources of valuation data to provide information on regional valuation trends; • Critically assess the treatment of the upward and downward revaluations in the Council's financial statements with regards to the requirements of the CIPFA Code of Practice; and • Critically assess the approach that the Council adopts to ensure that assets not subject to revaluation in 2022/23 are materially correct, including considering the robustness of that approach in light of the valuation information reported by the Councils valuer. 	<p>We identified control deficiencies in the council's internal controls system and raised Internal control recommendations, these have been documented in Audit Completion Report. A few misstatements were also identified and noted in the Audit Completion Report. The misstatements were below our materiality and therefore were assessed to be an immaterial misstatement on the financial statements.</p>

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Indicative Audit Strategy Memorandum Broxtowe Borough Council – Year ending 31 March 2024

September 2024

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Engagement and responsibilities summary

01

Engagement and responsibilities summary

Overview of engagement

We are appointed to perform the external audit of Broxtowe Borough Council (the Council) for the year to 31 March 2024. The scope of our engagement is set out in the Statement of Responsibilities of Auditors and Audited Bodies, issued by Public Sector Audit Appointments Ltd (PSAA) available from the PSAA website: www.psa.co.uk/managing-audit-quality/statement-of-responsibilities-of-auditors-and-audited-bodies/. Our responsibilities are principally derived from the Local Audit and Accountability Act 2014 (the 2014 Act) and the Code of Audit Practice issued by the National Audit Office (NAO), as outlined overleaf.

At the time of preparing our Audit Strategy Memorandum, there are a series of active consultations in place that could impact upon both the Council's financial statements and the work we are required to undertake, these include;

- Changes to the Code of Audit Practice (<https://www.nao.org.uk/code-of-audit-practice-consultation/>)
- Ministry of Housing, Communities and Local Government approach to audit delays (<https://www.gov.uk/government/news/significant-measures-to-tackle-worsening-backlog-in-local-audit>)

We will refine our audit approach as the outcome of these consultations become clearer and provide further information to the Committee in due course.

Engagement and responsibilities summary

Audit opinion

We are responsible for forming and expressing an opinion on whether the financial statements are prepared, in all material respects, in accordance with the Code of Practice on Local Authority Accounting. Our audit does not relieve management or Governance, Audit and Standards Committee, as Those Charged With Governance, of their responsibilities.

The Deputy Chief Executive and Section 151 officer is responsible for the assessment of whether it is appropriate for the Council to prepare its accounts on a going concern basis. As auditors, we are required to obtain sufficient appropriate audit evidence regarding, and conclude on:

- a) whether a material uncertainty related to going concern exists; and
- b) consider the appropriateness of the Section 151 Officer's use of the going concern basis of accounting in the preparation of the financial statements.

Fraud

The responsibility for safeguarding assets and for the prevention and detection of fraud, error and non-compliance with law or regulations rests with both Those Charged With Governance and management. This includes establishing and maintaining internal controls over compliance with relevant laws and regulations, and the reliability of financial reporting.

As part of our audit procedures in relation to fraud we are required to enquire of those charged with governance, including key management [include Internal audit, other key individuals where relevant] as to their knowledge of instances of fraud, the risk of fraud and their views on internal controls that mitigate the fraud risks. In accordance with International Standards on Auditing (UK), we plan and perform our audit so as to obtain reasonable assurance that the financial statements taken as a whole are free from material misstatement, whether caused by fraud or error. However, our audit should not be relied upon to identify all such misstatements.



Internal control

Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

We are responsible for obtaining an understanding of internal control relevant to our audit and the preparation of the financial statements to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Broxtowe Borough Council's internal control.

Wider reporting and electors' rights

We report to the NAO on the consistency of the Council's financial statements with its Whole of Government Accounts (WGA) submission.

The 2014 Act requires us to give an elector, or any representative of the elector, the opportunity to question us about the accounts of the Council and consider objections made to the accounts. We also have a broad range of reporting responsibilities and powers that are unique to the audit of local authorities in the United Kingdom.

Value for money

We are also responsible for forming a view on the arrangements that the Council has in place to secure economy, efficiency and effectiveness in its use of resources. We discuss our approach to Value for Money work further in section 5 of this report.

Audit scope, approach, and timeline

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02

Audit scope, approach, and timeline

Audit scope

Our audit approach is designed to provide an audit that complies with all professional requirements.

Our audit of the financial statements will be conducted in accordance with International Standards on Auditing (UK), relevant ethical and professional standards, our own audit approach and in accordance with the terms of our engagement. Our work is focused on those aspects of your activities which we consider to have a higher risk of material misstatement, such as those impacted by management judgement and estimation, application of new accounting standards, changes of accounting policy, changes to operations or areas which have been found to contain material errors in the past.

Audit approach

Our audit approach is risk-based, and the nature, extent, and timing of our audit procedures are primarily driven by the areas of the financial statements we consider to be more susceptible to material misstatement. Following our risk assessment where we assess the inherent risk factors (subjectivity, complexity, uncertainty, change and susceptibility to misstatement due to management bias or fraud) to aid in our risk assessment, we develop our audit strategy and design audit procedures to respond to the risks we have identified.

If we conclude that appropriately-designed controls are in place, we may plan to test and rely on those controls. If we decide controls are not appropriately designed, or we decide that it would be more efficient to do so, we may take a wholly substantive approach to our audit testing where, in our professional judgement, substantive procedures alone will provide sufficient appropriate audit evidence. Substantive procedures are audit procedures designed to detect material misstatements at the assertion level and comprise tests of detail (of classes of transaction, account balances, and disclosures), and substantive analytical procedures. Irrespective of our assessed risks of material misstatement, which takes account of our evaluation of the operating effectiveness of controls, we are required to design and perform substantive procedures for each material class of transaction, account balance, and disclosure.

Our audit will be planned and performed so as to provide reasonable assurance that the financial statements are free from material misstatement and give a true and fair view.

The diagram on the next page outlines the procedures we perform at the different stages of the audit.

Audit scope, approach, and timeline

Risk-based approach

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Audit scope, approach, and timeline

Audit timeline

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Emerging areas of focus for the audit

03

Significant risks and other key judgement areas

Specific identified audit risks and planned testing strategy

Based on the work performed to date, these are the emerging areas of audit focus.

An audit is a dynamic process, should we change our view of risk or approach to address the identified risks during the course of our audit, we will report this to Committee.

Significant risks

	Description	Fraud	Error	Judgement	Planned response
1	<p>Management override of controls This is a mandatory significant risk on all audits due to the unpredictable way in which such override could occur.</p> <p>Management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur there is a risk of material misstatement due to fraud on all audits.</p>	●	●	●	We plan to address the management override of controls risk through performing audit work over accounting estimates, journal entries and significant transactions outside the normal course of business or otherwise unusual.

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Significant risks and other key judgement areas

Significant risks

	Description	Fraud	Error	Judgement	Planned response
2	<p>Valuation of the Net Defined Benefit Pension Asset/Liability</p> <p>The defined benefit liability relating to the Local Government pension scheme represents a significant balance on the Council's balance sheet. The Council uses an actuary to provide an annual valuation of these liabilities in line with the requirements of IAS 19 Employee Benefits. Due to the high degree of estimation uncertainty associated with this valuation, we have determined there is a significant risk in this area.</p>	●	○	●	<p>We plan to address the risk by:</p> <ul style="list-style-type: none"> • Obtaining and understanding of the skills, experience, objectivity and independence of the Pension Fund's actuary; • Obtaining confirmation from the auditors of Nottinghamshire Pension Fund that the Pension Fund have designed and implemented controls to prevent and detect material misstatement. This will include the processes and controls in place to ensure data provided to the Actuary by the Pension Fund for the purposes of the IAS 19 valuation is complete and accurate; • Evaluating and challenging the work performed by the Nottinghamshire Pension Fund auditor on the Pension Fund investment assets, and considering whether the outcomes would materially impact our consideration of the Council's share of Pension Fund assets; • Reviewing the actuarial allocation of Pension Fund assets to the Council including comparing the Council's share of the assets to other corroborative information; • Reviewing the appropriateness of the Pension Asset and Liability valuation methodologies applied by the Pension Fund Actuary, and the key assumptions included within the valuation. This will include comparing them to expected ranges and utilising information by the consulting actuary engaged by the National Audit Office. • Agreeing the data in the IAS 19 valuation report provided by the Fund Actuary for accounting purposes to the pension accounting entries and disclosures in the Council's financial statements; and • Reviewing and challenging the Council's assessment, under the requirements of IFRIC14, of its Pension surplus and confirming that the accounting treatment is appropriate and reasonable

Significant risks and other key judgement areas

Significant risks

	Description	Fraud	Error	Judgement	Planned response
3	<p>Valuation of Land & Buildings, Council Dwellings and Investment Property.</p> <p>Land and buildings assets are a significant balance on the Council's balance sheet. The valuation of these properties is complex and is subject to a number of management assumptions and judgements. Due to the high degree of estimation uncertainty associated, we have determined there is a significant risk in this area.</p>	●	●	●	<p>We plan to address this risk by:</p> <ul style="list-style-type: none"> critically assessing the scope of work, qualifications, objectivity and independence of the Council's valuer to carry out the required programme of revaluations; considering whether the overall revaluation methodologies used by the Council's valuers are in line with industry practice, the CIPFA code of practice and the Council's accounting policies; Testing a sample of valuations carried out in the year to confirm they have been carried out on the correct basis and that the underlying judgements are based on relevant inputs and are reasonable; assessing whether valuation movements are in line with market expectations by considering valuation trends; and critically assessing the approach that the Council adopts to ensure that assets that are not subject to revaluation in 2023/24 are materially correct, including considering the robustness of that approach in light of the valuation information reported by the Councils valuers.

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Value for money arrangements

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04

Value for money arrangements

The framework for value for money work

We are required to form a view as to whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The NAO issues guidance to auditors that underpins the work we are required to carry out in order to form our view and sets out the overall criterion and sub-criteria that we are required to consider.

2023/24 will be the fourth audit year where we are undertaking our value for money (VFM) work under the 2020 Code of Audit Practice (the Code). Our responsibility remains to be satisfied that the Council has proper arrangements in place and to report in the audit report and/or the audit completion certificate where we identify significant weaknesses in arrangements. Separately we provide a commentary on the Council's arrangements in the Auditor's Annual Report.

Specified reporting criteria

The Code requires us to structure our commentary to report under three specified criteria:

1. **Financial sustainability** – how the Council plans and manages its resources to ensure it can continue deliver its services;
2. **Governance** – how the Council ensures that it makes informed decisions and properly manages its risks; and
3. **Improving economy, efficiency and effectiveness** – how the Council uses information about its costs and performance to improve the way it manages and delivers its services

Our approach

Our work falls into three primary phases as outlined opposite. We need to gather sufficient evidence to support our commentary on the Council's arrangements and to identify and report on any significant weaknesses in arrangements. Where significant weaknesses are identified we are required to report these to the Council and make recommendations for improvement. Such recommendations can be made at any point during the audit cycle and we are not expected to wait until issuing our overall commentary to do so.

Our risk assessment is ongoing and will be updated as and when the work on 2022/23 and earlier years is completed.

Planning and risk assessment	Obtaining an understanding of the Council's arrangements for each specified reporting criteria. Relevant information sources include: <ul style="list-style-type: none">• NAO guidance and supporting information;• information from internal and external sources including regulators;• knowledge from previous audits and other audit work undertaken in the year; and• interviews and discussions with officers and Members.
Additional risk-based procedures and evaluation	Where our planning work identifies risks of significant weaknesses, we will undertake additional procedures to determine whether there is a significant weakness.
Reporting	We will provide a summary of the work we have undertaken and our judgements against each of the specified reporting criteria as part of our commentary on arrangements. This will form part of the Auditor's Annual Report. Our commentary will also highlight: <ul style="list-style-type: none">• significant weaknesses identified and our recommendations for improvement; and• emerging issues or other matters that do not represent significant weaknesses but still require attention from the Council.

Audit fees

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05

Audit fees and other services

Fees for audit and other services

The fee (exclusive of VAT) for the audit of Broxtowe Borough Council for the year ended 31 March 2024, and for any non-audit assurance services or other non-audit services provided by Forvis Mazars LLP in the period, are outlined below.

Fees for work as the Council's appointed auditor

Area of work	2023/24 Proposed Fee
Code Audit Work – Scale fee	£144,729
Additional fees in respect of additional work from the introduction of new auditing standards (ISA 540 estimates)	Estimated £6,000 - £8,000
Additional fees in respect of additional work from the introduction of new auditing standards (ISA 315)	Estimated £12,000 - £16,000

Public Sector Audit Appointments (PSAA) set the fee scale each year based on the income it needs from audit fees to meet the costs of the audit contracts for opted in bodies and its own costs. PSAA has published the scale fee for 2023/24 on its website (www.psa.co.uk/appointing-auditors-and-fees/), where it also explains the basis of its calculations in coming to this value. PSAA propose using the fee variations process for certain areas where it felt there was insufficient information at the time to include in the 2023/24 scale fee.

It expects to build the following into the future fee scale:

- ISA315 Identifying and Assessing the Risks of Material Misstatement, applicable from 2022/23
- IFRS16 Leases, applicable from 2024/25.

Periodically, PSAA returns any surplus to opted-in bodies by means of a distribution, once it is clear the surplus is no longer needed.

Contact

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Report of the Deputy Chief Executive

Going Concern Statement

1. Purpose of Report

This report sets out the assessment by the designated Section 151 Officer of the Council's Going Concern status.

2. Recommendation

The Committee is asked to NOTE the outcome of the assessment made of the Council's status as a going concern for the purposes of the Statement of Accounts 2023/24.

3. Detail

The concept of a 'going concern' assumes that an authority, its functions and services will continue in operational existence for the foreseeable future. This assumption underpins the accounts drawn up under the Local Authority Code of Accounting Practice and is made because local authorities carry out functions essential to the community and are themselves revenue-raising bodies (with limits on their revenue-raising powers arising only at the discretion of central government). If an authority were in financial difficulty, the prospects are thus that alternative arrangements might be made by central government either for the continuation of the services it provides or for assistance with the recovery of a deficit over more than one financial year.

Where the 'going concern' concept is not the case, particular care would be needed in the valuation of assets, as inventories and property, plant and equipment may not be realisable at their book values and provisions may be needed for closure costs or redundancies. An inability to apply the going concern concept would potentially have a fundamental impact on the financial statements.

Given the significant reductions in funding for local government over many years and the potential risks that the cost of living crisis continues to pose to the ongoing viability of a number of local authorities as a consequence, external auditors are placing a greater emphasis on local authorities undertaking an assessment of the 'going concern' basis on which they prepare their financial statements.

In response the position of this Council is set out in the **Appendix** to this report.

4. Financial Implications

The comments from the Head of Finance Services were as follows:

The financial implications are included in the report narrative and appendices.

5. Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows:

There are no direct legal implications that arise from this report.

6. Human Resources Implications

Not applicable

7. Union Comments

Not applicable

8. Climate Change Implications

There were no climate change implications as a result of this report.

9. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

10. Equality Impact Assessment

As there is no change to policy an equality impact assessment is not required.

11. Background Papers

Nil.

Appendix**Assessment of Going Concern**

As with all principal local authorities, the Council is required to compile its Statement of Accounts in accordance with the Code of Practice on Local Authority Accounting for 2023/24 (the Code) published by the Chartered Institute of Public Finance and Accountancy (CIPFA). In accordance with the Code, the Statement of Accounts is prepared assuming that the Council will continue to operate in the foreseeable future and that it is able to do so within the current and anticipated resources available. By this, it is meant that the Council will realise its assets and settle its obligations in the normal course of business.

The main factors which underpin the going concern assessment are the Council's:

- current financial position;
- projected financial position;
- governance arrangements; and
- regulatory and control environment applicable to it as a local authority.

These are considered in more detail below.

Current Financial Position

The financial outturn position 2023/24 showed an underspend against revised budget of £1.826m. As at 31 March 2024, the Council held General Fund revenue reserves of £6.060m. In addition, the Council held earmarked reserves of £1.405m to meet specific identified pressures, but which ultimately may be diverted to support general expenditure by the Section 151 Officer should the need arise.

General reserves reflect the ability of the Council to deal with unforeseen events and unexpected financial pressures in any particular year and are a key indicator of the financial resilience of the organisation. As part of the Medium Term Financial Strategy, the Section 151 Officer has assessed that the optimum level of general reserves to be held by the Council to be at or above £1.5m and at least equal to 5% of the Council's net operating expenditure. General Fund reserves were at £6.060m as at 31 March 2024.

At 31 March 2024, the Council held £8.298m in the form of either cash or short term investments maturing within the next financial year.

On capital, there was £17.877m of expenditure in the approved capital programme for the year. This represents an underspend of £40.017m against the approved capital programme, with the main reason being general underspending and slippage on major capital schemes (predominantly the new housing build programme and grant funded economic regeneration projects). Budgets to the value of £39.883m have been carried forward into 2024/25. The Council funds its capital programme from borrowing, capital receipts, direct financing from revenue, government grants and partnership funding such as developer contributions.

The Council's balance sheet as at 31 March 2024 shows a net worth of £167.5m, with a significantly reduced net pension liability of -£0.260m ('pension asset'). There are statutory arrangements for funding the pension deficit through increasing contribution over the remaining working life of the employees, as assessed by an independent actuary. The financial position of the Council remains healthy.

Other factors giving rise to this assessment include:

- The adequacy of risk assessed provisions for doubtful debts;
- The range of reserves set aside to help manage expenditure; and
- An adequate risk assessed working balance to meet unforeseen expenditure.

Projected Financial Position

In February/March 2024, the Council approved a balanced budget for 2024/25. This allowed for net spending of £14.603m and required a Council Tax increase of 2.94%, pressures/growth of £1.279m, savings/additional income of £1.401m and the use of £0.821m from General Fund reserves.

The Medium Term Financial Strategy (MTFS) is updated twice-yearly and reflects a four-year assessment of the Council's spending plans and associated funding. It includes the ongoing implications of approved budgets and service levels and the revenue costs of the capital programme, as well as the management of debt and investments. An update on the MTFS, covering the four-year period to 2028/29 will be reported to Cabinet in early November 2024.

With the Council already having overcome significant reductions in central government grant funding, it is anticipated that the MTFS will identify a significant budget gap of £5.898m over the period to 2024/25 to 2028/29. The Council has developed a Business Strategy to identify efficiency savings and additional income to manage the reduction in resources. The budget will be monitored over the medium-term period by Cabinet.

The Council has a well-established process for the development of the Capital Strategy, reported to Cabinet every year, which ensures the Council maintains a capital programme which is prudent, sustainable and affordable. The three-year capital budget for 2024/25 to 2026/27 is £72.1m, including the Housing Revenue Account (HRA), Housing Delivery Programme, Economic Regeneration Projects (Stapleford Towns Fund, Kimberley Levelling-Up Fund and UK Shared Prosperity Fund) and Environment.

Governance Arrangements

The Council has a well-established and robust corporate governance framework. This includes the statutory elements like the post of Head of Paid Service; the Monitoring Officer; and the Section 151 Officer in addition to the current political arrangements.

An overview of this governance framework is provided in the Annual Governance Statement which is included within the Statement of Accounts. This was presented to this Committee on 20 May 2024 and included a detailed review of the effectiveness of the Council's governance arrangements.

External Regulatory and Control Environment

As a local authority, the Council has to operate within a highly legislated and controlled environment. An example of this is the requirement for a balanced budget each year combined with the legal requirement for councils to have regard to consideration of such matters as the robustness of budget estimates and the adequacy of reserves. In addition to the legal framework and central government control there are other factors such as the role undertaken by the external auditors as well as the statutory requirement in some cases for compliance with best practice and guidance published by CIPFA and other relevant bodies.

Against this backdrop it is considered unlikely that a local authority would be 'allowed to fail' with the likelihood being that, when faced with such a scenario, central government would intervene supported by organisations such as the Local Government Association to bring about the required improvements or help maintain service delivery. That said, given the severity of the pandemic on the country's finances and the current cost of living crisis and inflationary pressures, it would be complacent to sit back and wait for Government intervention.

Conclusion

It is considered that having regard to the Council's arrangements and such factors as highlighted in this report that the Council remains a going concern.

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Report of the Chief Audit and Control Officer

Internal Audit Progress Report

1. Purpose of Report

To inform the Committee of the recent work completed by Internal Audit.

2. Recommendation

The Committee is asked to NOTE the report.

3. Detail

Under the Council's Constitution and as part of the overall corporate governance arrangements, this Committee is responsible for monitoring the performance of Internal Audit. A summary of the reports issued and progress against the agreed Internal Audit Plan is included at **Appendix 1**. A summary narrative of the work completed by Internal Audit since the previous report to this Committee is also included.

Internal Audit has also reviewed progress made by management in implementing agreed actions within six months of the completion of the respective audits. Details of this follow-up work are included at **Appendix 2**. Where agreed actions to address significant internal control weaknesses have not been implemented this may have implications for the Council. A key role of the Committee is to review the outcome of audit work and oversee the prompt implementation of agreed actions to help ensure that risks are adequately managed.

Further progress reports will be submitted to each future meeting of this Committee. A final report detailing the overall performance of Internal Audit for 2024/25 will be presented to this Committee in July 2025.

4. Financial Implications

The comments from the Head of Finance Services were as follows:

The work of the Internal Audit section continues to provide crucial and independent assurance to management and Members over the key aspects of the Council's governance, risk management and internal control arrangements. The cost of Internal Audit is included within the established Finance Services budgets.

5. Legal Implications

The comments from the Head of Legal Services were as follows:

This report already sets out the legal framework for Internal Audit to provide a summary of Internal Audit work. It addresses the statutory obligations for local audit processes. The Local Government Act 1972 and subsequent legislation sets out a duty for the Council to make arrangements for the proper administration of its financial affairs. This report also complies with the requirements of the following:

- Local Government Act 1972
- Accounts and Audit Regulations 2015
- CIPFA/IIA: Public Sector Internal Audit Standards (PSIAS)
- CIPFA/IIA: Local Government Application Note for the UK PSIAS 33.

The provision of an Internal Audit service is integral to financial management at the Council and assists in the discharge of its duties.

6. Human Resources Implications

The comments from the Human Resources Manager were as follows:

Not applicable.

7. Union Comments

The Union comments were as follows:

Not applicable.

8. Climate Change Implications

No climate change implications have been identified in relation to this report.

9. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

10. Equality Impact Assessment

As there is no change to policy or a new policy an equality impact assessment is not required.

11. Background Papers

Nil.

Appendix 1

Internal Audit Reports issued since April 2024

The following table summarises the audit assignments and similar work completed by Internal Audit between 1 April 2024 and the date of submission of this report. Reports shaded in grey are those previously presented to this Committee (included here for reference) while work completed since the last report to this Committee is presented in bold at the end of the table.

Audit Title	Report Issued	Assurance Opinion	Actions (High Priority)	Actions (Medium / Low Priority)
Homelessness Prevention Grant	11/04/24	No issues noted		
Local Elections (Accounts)	24/04/24	Reasonable	0	1
Rents	07/05/24	Substantial	0	2
Chilwell Olympia	08/05/24	Substantial	0	0
Housing Repairs (Compliance)	10/05/24	Reasonable	0	3
Corporate Governance	20/05/24	Annual Governance Statement 'approved'		
Tenancy Management	17/06/24	Reasonable	0	3
Financial Appraisal – Cremators	19/06/24	Advisory Report Only		
Council Tax	02/07/24	Substantial	0	1
Capital Works	08/07/24	Reasonable	0	3
Key Reconciliations	01/08/24	Substantial	0	2
Car Loans and Leases	22/08/24	Reasonable	0	5
Housing Delivery Plan	28/08/24	Reasonable	0	3
Kimberley Levelling Up Fund	23/09/24	Reasonable	0	2
Major Projects Dashboard	23/09/24	See separate report on this meeting agenda		
Disabled Facilities Grants	At the time of writing, it is anticipated that these audits will be completed (or substantially completed) by the date of this meeting. A verbal update will be provided by the Chief Audit and Control Officer at this meeting.			
Treasury Management				
Benefits				
Payroll				

Remaining Internal Audit Plan

Audit Title	Progress
Damp and Mould	In progress
Sanctuary Scheme	Planning
Allotments	Not yet commenced
NNDR (Business Rates)	Not yet commenced
Commercial Properties	Not yet commenced
Creditors and Purchasing	Not yet commenced
Declarations of Interest	Not yet commenced
Financial Inclusion	Not yet commenced
Homelessness	Not yet commenced
Housing Repairs (Reactive)	Not yet commenced
Human Resources	Not yet commenced

Audit Title	Progress
Leisure Management System	Not yet commenced
Housing Rents	Not yet commenced
Stores	Not yet commenced
Sundry Debtors	Not yet commenced
UK Shared Prosperity Fund	Not yet commenced
Waste Management (Recycling)	Not yet commenced

Any significant issues identified in audits completed between the date of submission of this report and the date of this meeting of the Committee will be reported by way of a verbal update from the Chief Audit and Control Officer at this meeting.

Completed Audits

A report is prepared for each audit assignment and issued to the relevant senior management at the conclusion of a review that will:

- include an overall opinion on the effectiveness of the policies, procedures and other systems of control implemented by management in mitigation of the specific identified key risks relating to the area under audit. This opinion is categorised as either ‘Substantial’, ‘Reasonable’, ‘Limited’ or ‘Little’ assurance;
- identify inadequately addressed risks and ineffective control processes;
- detail the actions agreed with management and the timescales for completing those actions; and
- identify issues of good practice.

Recommendations made by Internal Audit are prioritised, with the agreed actions being categorised accordingly as follows:

- High Priority – Action considered necessary to avoid unmitigated exposure to significant risks
- Medium Priority – Action considered necessary to avoid unmitigated exposure to other key risks
- Best Practice – Action recommended in order to improve existing procedures and other systems of internal control

The following audit reports have been issued with key findings as follows:

1. **Council Tax** **Assurance Opinion – Substantial**

The primary purpose of the audit was to provide assurance over the effectiveness of the policies, procedures and other systems of control

implemented by management in mitigation of the following specific identified key risks:

- Council Tax may not be correctly calculated and/or bills may not be accurately and efficiently raised and distributed.
- Billed amounts may not be collected in an efficient manner and/or may not be accounted for correctly.
- Outstanding debts may not be managed efficiently and effectively.
- Applied reliefs and discounts to accounts may not be valid and/or managed efficiently.
- Refunds and write-offs may not be valid and may not be appropriately authorised.
- Robust arrangements for detecting and managing fraud risk may not be in place.

Internal Audit was pleased to report that no significant issues were identified in the course of this review. One recommendation relating to the documentation of the approval of write-offs ('best practice') was proposed by Internal Audit and agreed with management.

2. **Capital Works**

Assurance Opinion – Reasonable

The primary purpose of the audit was to provide assurance over the effectiveness of the policies, procedures and other systems of control implemented by management in mitigation of the following specific identified key risks:

- Projects may not be delivered in line with expected standards, established budgets or within anticipated timescales.
- Procurement of contractors may not be undertaken in line with current legislation and/or Council policy.
- Payments to contractors may be made inappropriately and/or without due process.

Internal Audit was pleased to report that no significant issues were identified in the course of this review. Three recommendations relating to the embedding of project management processes (medium priority), budgetary control processes (medium priority) and file management ('best practice') were proposed by Internal Audit and agreed with management.

3. **Key Reconciliations**

Assurance Opinion – Substantial

The primary purpose of the audit was to provide assurance over the effectiveness of the policies, procedures and other systems of control implemented by management in mitigation of the following specific identified key risk:

- The Key Reconciliation processes may not be completed in a timely and accurate manner.

Internal Audit was pleased to report that no significant issues were identified in the course of this review. Two recommendations relating to the review of the key reconciliations schedule and the sign-off of reconciliations (both 'best practice') were proposed by Internal Audit and agreed with management.

4. **Car Loans and Leases** **Assurance Opinion – Reasonable**

The primary purpose of the audit was to provide assurance over the effectiveness of the policies, procedures and other systems of control implemented by management in mitigation of the following specific identified key risks:

- Car Loans to employees may not be appropriately administered.
- The Car Lease scheme available to employees may not be appropriately administered.

Internal Audit was pleased to report that no significant issues were identified in the course of this review. Five recommendations relating to file management ('best practice'), website access (medium priority), update of the Council's intranet ('best practice'), the review of P11D forms ('best practice') and a new process for car leaseholders on long-term sickness absence (medium priority) were proposed by Internal Audit and agreed with management.

5. **Housing Delivery Plan** **Assurance Opinion – Reasonable**

The primary purpose of the audit was to provide assurance over the effectiveness of the policies, procedures and other systems of control implemented by management in mitigation of the following specific identified key risks:

- Appropriate policy and/or strategy documents may not be in place.
- Appropriate financial appraisals may not be undertaken prior to the purchase of existing housing and/or construction of new build housing.
- Appropriate condition assessments may not be undertaken prior to the purchase of existing housing.
- Appropriate authorisation/approval may not be obtained prior to the purchase of existing housing and/or the construction of new build housing.

Internal Audit was pleased to report that no significant issues were identified in the course of this review. Three recommendations relating to the refresh and update of the Housing Delivery Plan (medium priority), financial appraisal of development proposals (medium priority) and file management ('best practice') were proposed by Internal Audit and agreed with management.

6. **Kimberley Levelling Up Fund** **Assurance Opinion – Reasonable**

The primary purpose of the audit was to provide assurance over the effectiveness of the policies, procedures and other systems of control implemented by management in mitigation of the following specific identified key risks:

- Appropriate governance arrangements may not be in place.
- Payments to third-party organisations may not be made in an appropriate manner.

Internal Audit was pleased to report that no significant issues were identified in the course of this review. Two recommendations relating to the communication of procurement requirements (medium priority) and the monitoring of procurement compliance ('best practice') were proposed by Internal Audit and agreed with management.

Current Audit Performance

Progress on the Internal Audit Plan for 2024/25 is considered to be satisfactory with full completion anticipated by the end of the financial year. A final report on the performance of the Internal Audit Service for 2024/25 will be presented to this Committee in July 2025.

Appendix 2

Internal Audit Follow-Up

Internal Audit has undertaken a review of progress made by management in implementing agreed actions within six months of the completion of the audit. The table below provides a summary of the progress made with high and medium priority agreed actions for such internal audit reports issued. Those audits where all actions have previously been reported as completed have been excluded from this list.

Audit Title	Report Issued	Original Assurance Opinion	Number of Actions (High Priority in brackets)	Progress
Business Support	30/03/23	Substantial	2 (0)	1 Outstanding

Further details of progress being made with high and medium priority agreed actions that have not yet been fully implemented are included below along with comments from management reflecting any updates on progress. Evidence of implementation will not be routinely sought for all actions as part of this monitoring process. Instead, a risk-based approach will be applied to conducting further follow-up work. Actions marked as 'superseded' refer to occasions where either 1) developments within the relevant Council department, or the environment within which the department operates, have occurred since the date of the original audit report and the action is no longer relevant or considered a priority in light of the consequent change to the Council's risk profile; or, 2) an alternative action has been implemented to mitigate the risk identified.

Where the agreed actions to address significant internal control weaknesses have not been implemented this may have implications for the Council. A key role of the Committee is to review the outcome of audit work and oversee the prompt implementation of agreed actions to help ensure that risks are adequately managed.

Outstanding Actions**1. Business Support**

March 2023, Substantial, Actions – 2

1.1 Performance Monitoring and ReportingAgreed Action (Medium Priority)

A suite of Performance Indicators will be developed, in conjunction with the Projects and Performance Officer, which will form the basis of reporting to Senior Management and, via the quarterly performance reporting mechanism, to Members.

This will also include some reporting on ‘customer satisfaction’ with the service provided by the Business Support team to operational areas within the Council.

Managers Responsible

Head of Administrative Services
Business Support Manager

Target Date: 30 June 2023

Update from the Head of ICT and Corporate Services

Service Level Agreements are in place for all service areas. Review meetings occur on a regular basis. A list of performance indicators is being further developed as part of the review meetings. The next meetings are being arranged with service areas in September/October. A report requesting small structural changes and additional resources has already been agreed and recruitment is underway. Meetings arranged in September/October will include a number of questions relating to Customer Satisfaction.

Revised Target Date: 30 November 2024

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Report of the Chief Audit and Control Officer

MAJOR PROJECTS GOVERNANCE DASHBOARD
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1. Purpose of Report

To provide the Committee with an update to the 'Governance Dashboard' relating to the Council's major projects.

2. Recommendation

The Committee is asked to NOTE the report.

3. Detail

The Council currently has four major projects in progress: the Housing Delivery Plan, Stapleford Towns Fund, Kimberley Levelling Up Fund and the UK Shared Prosperity Fund. As part of Internal Audit's role in providing independent assurance over the governance arrangements in place at the Council, an Annual 'Governance Dashboard' report relating to these projects is provided to this Committee.

The first part of this report (**Appendix 1**) provides an update on recent work performed by Internal Audit regarding the four projects. The second part of this report (**Appendix 2**) comprises the checklist, completed by managers involved in the projects, detailing the governance arrangements in place for each project.

Over the lifetime of these projects, Internal Audit also carries out scheduled audits of each project as part of the Annual Audit Plan. The findings, and any recommendations, arising from these scheduled audits, are reported to this Committee as part of the regular Internal Audit Progress Reports presented at each meeting.

Internal Audit is pleased to report that no issues have been noted with the governance arrangements for the four projects currently in progress.

4. Financial Implications

The comments from the Head of Finance Services were as follows:

Under the Council's Constitution, this Committee is responsible for overseeing the maintenance of the Council's internal control environment and for monitoring and making recommendations regarding the Council's corporate governance arrangements. The importance of good governance cannot be overstated in the successful management of these major projects which are key to the delivery and sustainability of the Council's services to its communities. Whilst there are no direct financial implications resulting from this report, a strong governance, risk management and internal control framework will support sound decision

making and complement the financial and performance management arrangements in place.

5. Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows:

Whilst there are no direct legal implications arising from this report, the Accounts and Audit (England) Regulations 2015 require specifically that a relevant body must 'undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, considering public sector internal auditing standards or guidance'. If sound governance measures are not put in place, then this will increase the risk of a legal challenge.

6. Human Resources Implications

The comments from the Human Resources Manager were as follows:

Not applicable.

7. Union Comments

The Union comments were as follows:

Not applicable.

8. Climate Change Implications

The climate change implications are contained within the report.

9. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

10. Equality Impact Assessment

As there is no change to policy an equality impact assessment is not required.

11. Background Papers

Nil.

Appendix 1

GOVERNANCE DASHBOARD – INTERNAL AUDITHousing Delivery Plan

A scheduled audit of the Housing Delivery Plan has recently been completed as part of the Internal Audit Plan for 2023/24. The findings and recommendations arising from the audit are reported to this Committee as part of the regular Internal Audit Progress Report alongside this report.

The audit opinion was that of a 'reasonable' level of assurance with no significant issues identified in the course of the review. Three recommendations relating to the refresh and update of the Housing Delivery Plan, financial appraisal of development proposals and file management were proposed by Internal Audit and agreed with management.

Stapleford Towns Fund

A scheduled audit of the Stapleford Towns Fund was completed as part of the Internal Audit Plan for 2022/23. The findings and recommendations arising from the audit were reported to this Committee as part of the regular Internal Audit Progress Report in March 2023.

The audit opinion was that of a 'substantial' (the highest) level of assurance. As no significant issues were noted during the course of the audit, no specific recommendations to address deficiencies in project governance arrangements were made.

Since the completion of the above-detailed scheduled audit, Internal Audit has continued to monitor the progress of the project. No issues with the governance arrangements for the Stapleford Towns Fund have been noted during this time. A fresh scheduled audit of the Stapleford Towns Fund will be considered for inclusion within the Internal Audit Plan for 2025/26.

Kimberley Levelling Up Fund

A scheduled audit of the Kimberley Levelling Up Fund has recently been completed as part of the Internal Audit Plan for 2023/24. The findings and recommendations arising from the audit are reported to this Committee as part of the regular Internal Audit Progress Report alongside this report.

The audit opinion was that of a 'reasonable' level of assurance with no significant issues identified in the course of the review. Two recommendations relating to the communication of procurement requirements and the monitoring of procurement compliance were proposed by Internal Audit and agreed with management.

Shared Prosperity Fund

An audit of the Shared Prosperity Fund is included within the Internal Audit Plan for 2024/25. This audit has not yet commenced and is scheduled for Autumn 2024.

Internal Audit has, however, continued to monitor the progress of the project through review of relevant Cabinet reports, management reports and discussions with the project managers.

No significant issues have arisen during this time. The results of the scheduled audit will be reported to this Committee at the meeting immediately following completion.

Appendix 2

GOVERNANCE DASHHOARD – COMPLIANCE CHECKLIST

The following table comprises the responses of the Project Sponsors and other relevant senior managers to the Compliance Checklist devised to provide an overview of the governance arrangements in place for each of the Council’s four major projects.

Major Project:	Housing Delivery Plan	Stapleford Towns Fund	Kimberley Levelling Up Fund	UK Shared Prosperity Fund
Project Board:	Cabinet	Stapleford Towns Fund has an Executive Board (51% of which, including the Chair, must be non-public sector). The Project Delivery Board sits underneath the Executive Board to drive delivery.	Strategic Board instituted, Chaired by the Chief Executive, with no more than 17 members. Broxtowe Borough Council has a majority on the Board. There is a Financial Control and Monitoring Group Chaired by the Deputy Chief Executive to ensure due diligence.	The Project receives its Governance from Cabinet and works to an Investment Plan agreed by the Ministry for Housing, Communities and Local Government ('MHCLG').
Officer Working Group or other Stakeholder Group:	Housing Delivery Group	All the projects are supported by a cross-departmental officer working group. Some projects also have a steering group; some have stakeholder consultation as a process. The grants programme had an independent advisory panel.	Each of the three projects has a working group that reports to both the Finance Control and Monitoring ('FCM') Group and, ultimately, the Strategic Board. These groups consist of stakeholders with officers as appropriate.	There is a Members Advisory Panel supported by officers to consider three themes and projects.

Major Project:	Housing Delivery Plan	Stapleford Towns Fund	Kimberley Levelling Up Fund	UK Shared Prosperity Fund
Project Sponsor and/or Senior Responsible Owner:	Deputy Chief Executive	Chief Executive Deputy Chief Executive	Chief Executive Deputy Chief Executive	Leader of the Council Chief Executive
Project Manager:	Interim Housing Delivery Manager	Interim Regeneration Manager	Economic Development and Regeneration Manager	Economic Development Manager (Shared Prosperity Project Officer)
Business Case/Project Plan: Has the business plan been approved by a Committee(s)?	The Housing Delivery Plan (including the business plan) was approved by Housing Committee in June 2019.	Yes. The six Stapleford Towns Fund final business cases have been fully approved by Government and were previously agreed when the Town Investment Plan ('TIP') was endorsed by the Council.	The bids included comprehensive business project case information approved by government in the Levelling Up Fund ('LUF') bid.	No, but the Investment Plan has been signed off by Cabinet.

Major Project:	Housing Delivery Plan	Stapleford Towns Fund	Kimberley Levelling Up Fund	UK Shared Prosperity Fund
<p>Has the project vision, objectives, delivery strategy been defined?</p>	<p>Project vision, objectives and delivery/action plan identified in the Housing Delivery Plan.</p>	<p>Yes. For each project a draft project vision was agreed by the Board, then business cases for each potential project were developed and went through an external assurance process. Then project summary reports were provided to Government. The updated Local Assurance Framework provided detail on delivery, governance and performance monitoring.</p>	<p>Yes. Vision and Objectives for each of the three main projects and a delivery strategy were written as part of the LUF bid.</p>	<p>The Programme is prescribed by the Government.</p>

Major Project:	Housing Delivery Plan	Stapleford Towns Fund	Kimberley Levelling Up Fund	UK Shared Prosperity Fund
<p>Is there a delivery/action plan?</p>	<p>A delivery/action plan was identified in the Housing Delivery Plan.</p>	<p>Yes. A timeline for delivery of the bid has been agreed. Final business cases for each project outlines individual timelines.</p> <p>The amended programmed has been agreed by Government (May 2024) through the Project Adjustment Request process.</p> <p>Detailed action plans have been developed and projects are running to these.</p>	<p>A timeline for delivery of the bid has been agreed, and amended via a Project Adjustment Request to government, in July 2024. Individual timelines will continue to need refining as they develop.</p>	<p>To supplement the Investment Plan a Year 3 Action Plan was approved by Cabinet in February 2024</p>
<p>Have outcome targets been set and is performance regularly monitored?</p>	<p>Targets are set by the Housing Business Plan. Targets are identified and monitored through the Housing Delivery Group meetings, the Housing Capital Programme and Cabinet reports.</p>	<p>Yes. Outputs and outcomes targets have been set in each project's business case and performance monitoring is detailed in the Monitoring and Evaluation Plan for each project. Spend is also identified as a target.</p> <p>Progress is submitted twice annually to the MHCLG.</p>	<p>Outputs and outcome targets have been set and performance monitoring is reviewed regularly, both internally and submitted twice annually to MHCLG. Spend is also a target.</p>	<p>Outputs and outcome targets have been set and performance monitoring is reviewed regularly. Submitted three times per year to MHCLG spend is also a target.</p>

Major Project:	Housing Delivery Plan	Stapleford Towns Fund	Kimberley Levelling Up Fund	UK Shared Prosperity Fund
<p>Is the Business Case subject to regularly review and updated?</p>	<p>Yes, through the Housing Delivery Group and Cabinet reports.</p>	<p>Business cases are not now subject to review. Rather, the projects are being reviewed via risk assessment. 'Programme and Viability' is one of the key criteria for projects that are now in the process of being delivered.</p>	<p>Business cases are not now subject to review. Rather, the projects are being reviewed via risk assessment. 'Programme and Viability' is one of the key criteria for projects that are now in the process of being delivered.</p>	<p>Not applicable.</p>
<p>Project Board: Has a project board been established?</p>	<p>Yes – the Housing Delivery Group</p>	<p>Yes. Executive Board established since 2022, when meeting monthly. Now meeting on a quarterly basis. Delivery Board also in place and meets on a six-weekly basis.</p>	<p>Yes. The Finance Control and Monitoring Group has also been established and is meetings. Terms of Reference exist for the Board, FCM Group and Business Grants Panel.</p>	<p>Members Advisory Panel as agreed by Full Council in May 2023. The panel has met four times thus far.</p>

Major Project:	Housing Delivery Plan	Stapleford Towns Fund	Kimberley Levelling Up Fund	UK Shared Prosperity Fund
<p>What is its meeting frequency?</p>	<p>The Housing Delivery Group ('HDG') meets monthly.</p>	<p>The Executive Board meets quarterly; Delivery Board, six-weekly.</p>	<p>Strategic Board meets at least three times a year. So far it has met in September 2023, January 2024 and April 2024, with the next meeting due in October 2024.</p> <p>FCM has meets at least quarterly to coincide with government monitoring deadlines, but additional meetings held when necessary. Has so far met October 2023, December 2023, January 2024, March 2024, April 2024 and July 2024.</p>	<p>The Members Advisory Panel will meet when a new grant is being assessed or new funding decisions are required – it is designed to 'in fill' between Cabinet Cycles.</p>

<p>Who attends the meetings?</p>	<p>The Group is chaired by the Deputy Chief Executive, serviced by the Interim Housing Development Manager and their team. HDG comprises of officers from Housing, Finance Services, Planning, Legal Services and Estates.</p>	<p>Meetings are well attended and always quorate.</p> <p>Executive Board Members who are entitled to attend: named private sector representatives from Stapleford, County and Borough Councillors, Council officers, the MP, voluntary sector representative, consultants and stakeholders by invitation, MHCLG representative, Chief Executive, Deputy Chief Executive, and Heads of Service by invitation.</p> <p>The Delivery Board comprises the Chief Executive, Deputy Chief Executive, Chair of the Board, Head of Asset Management and Development, Procurement, Regeneration Manager and at least one other officer. Other officers and consultants attend as required.</p>	<p>Strategic Board meetings attended by Chief Executive, MP, Leader, Deputy Leader, Deputy Chief Executive, three members of Kimberley Town Council, one representative from Nottinghamshire County Council (NCC), three Broxtowe Ward Councillors, Deputy Monitoring Officer, Head of Asset Management and Development, a business member and a voluntary sector member. These last two are currently vacant, but the remaining members of the Board attend meetings regularly.</p> <p>The FCM is made up of the Deputy Chief Executive, Monitoring Officer and Responsible Finance Officer from Kimberley. All are regular attenders. Project stakeholders attend as necessary. Other Officers attend both meetings required, as does an officer from NCC.</p>	<p>The Leader, Deputy Leader, Portfolio Holder and three other Members. Other officers and consultants in attendance – the Economic Development and Regeneration Manager, the UKSPF Business, Skills and Economic Initiatives Manager and Project Officer.</p>
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<p>How have Board Members been identified and appointed – is this based upon any particular skillset?</p>	<p>Officers from Housing, Finance Services, Planning, Legal Services and Estates.</p>	<p>Government Towns Fund guidance and the Local Assurance Framework have been followed as required by this funding.</p> <p>The Executive Board is made up of private, public and third sector members, with a majority from the private sector. The local MP, also has a seat on the Board. Representativeness of tiers of government and private sector leadership is crucial. The membership is from the local town business owners, Town Council, local voluntary sector as well as the Local Enterprise Partnership and Nottinghamshire County Council, Stapleford Town Council, the Broxtowe MP, and the third sector. New Business Board Members must apply and be voted on board.</p> <p>For the Delivery Board this is based on the key criteria commercial,</p>	<p>Terms of Reference largely identify members by their positions.</p> <p>The 17 members must include an MP. The Chief Executive Chairs and the Board must contain eight other reps from Broxtowe Borough Council, identified by their positions (Leader, Deputy Leader, Deputy Chief Executive, Head of Asset Management and Development, Deputy Monitoring Officer and three Ward Councillors). Kimberley Town Council nominate four members, (Mayor, Deputy Mayor and Town Clerk, plus one named Member). This Member was nominated for their interest in the project. The Nottinghamshire County Council member represents Nuthall and Kimberley.</p> <p>As a result of Kimberley and Bennerley Viaduct now being in two parliamentary constituencies, and with</p>	<p>The Advisory Panel is elected Members with experience of the communities of Broxtowe. It includes the Leader of the Council, The Leader of the Opposition and the Leader of the Independents.</p>
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Major Project:	Housing Delivery Plan	Stapleford Towns Fund	Kimberley Levelling Up Fund	UK Shared Prosperity Fund
		finance, legal, procurement and construction. There is a need to provide secretariat too.	the change of MP in Broxtowe since the last meeting, it is intended to ask Alex Norris, as the MP for Kimberley, to sit on the Board from the next meeting (he is also a Minister of State in MHCLG).	
Have roles been established and has authority and responsibilities been defined?	Roles have been established and responsibilities identified.	Yes. A chair/vice-chair have been appointed. Their powers are as agreed by the Board and outlined in the Local Assurance Framework. Otherwise they have no individual decision making authority. Broxtowe Borough Council is the Accountable Body.	Yes. The Chair of the Strategic Board is the Chief Executive; the Financial Control and Monitoring Group is led by the Deputy Chief Executive, with at least one member of Kimberley Town Council on this group along with the Monitoring Officer	The Leader chairs the meetings.
Has decision making authority been defined to comply with Financial Regulations/Scheme of Delegation (committee approval or delegated powers)?	All proposals are agreed by the Group and then taken to the General Management Team ('GMT') and Cabinet as required or dealt with under Delegated Powers and Financial Regulations.	Yes. Any expenditure complies with Financial Regulations and work is subject to tendering as required by Financial Regulations. The Deputy Chief Executive attends and has oversight of these meetings.	Yes. Any expenditure complies with Financial Regulations and work is subject to tendering as required by Financial Regulations. The Deputy Chief Executive Chairs the Financial Control and Monitoring Group.	Yes. Any expenditure complies with Financial Regulations and work is subject to tendering as required by Financial Regulations. The Deputy Chief Executive will be the final point of oversight as per Government Rules.

Major Project:	Housing Delivery Plan	Stapleford Towns Fund	Kimberley Levelling Up Fund	UK Shared Prosperity Fund
<p>Have any potential conflicts of interest been identified and duly declared?</p>	<p>Yes</p>	<p>Yes. Declarations of Interest is a required and regular item on the agenda of the Executive and Delivery Board meetings.</p> <p>Board membership includes developers and an estate agent. If there is ever a failure to declare any conflict, the Standards regime would be unable to hold private sector Board members to account. However, criminal law would apply if a fraud had occurred.</p>	<p>These are sought and declared at each meeting.</p> <p>Terms of Reference highlight the separation of financial affairs in a separate monitoring group, and project group members would not be able to vote on issues affecting 'their' projects.</p>	<p>All interests are declared and minuted.</p>
<p>Is an agenda prepared and are meeting minutes taken?</p>	<p>Agendas and minutes are prepared for each monthly meeting. A report is presented to Members on a quarterly basis via 'Members Matters' which includes a programme update, finance update and covers items for Committee approval.</p>	<p>Yes. Every meeting has an agenda and is minuted. For the Executive Board redacted versions of the Agenda and Minutes are made publicly available.</p>	<p>Yes. Every meeting of both the Strategic Board and FCM has an agenda and minutes are prepared.</p>	<p>Yes, by Democratic Services.</p>

Major Project:	Housing Delivery Plan	Stapleford Towns Fund	Kimberley Levelling Up Fund	UK Shared Prosperity Fund
Project/Delivery Plan: Has a project/delivery plan been prepared?	The project has an approved Housing Delivery Plan which will be updated at key trigger dates.	Yes. There is a project plan which is kept up to the date for each of the 6 projects	Yes. There is a project plan which has been updated at the recent Project Adjustment Request, submitted to MHCLG. A programme of work also exists.	Yes. This corresponds to the year 2 and 3 Implementation Plans and the Initial Investment Plan.
Are these plans regularly reviewed and updated?	The plans are reviewed by the Housing Delivery Group and Cabinet.	Yes. The Delivery Board reviews plans every six weeks. Overall Progress is reviewed on a quarterly basis in line with Executive Board meetings.	Yes, at each quarterly government monitoring report, and in between, as required.	Not applicable.
Reporting to Key Stakeholders and Members: Is there any scrutiny of strategic decision making by Members?	Yes – at Cabinet	Members are included on the Board (including opposition group members). Progress is reported to Cabinet where scrutiny occurs. Each progress submission to Government requires the signature of the S.151 Officer and Chair of the Board.	Members are included on the Board. Progress has been, and will continue to be, reported to Cabinet.	Progress has been, and will continue to be, reported to Cabinet.
What is the lead Committee?	Cabinet	Cabinet	Cabinet	Cabinet

Major Project:	Housing Delivery Plan	Stapleford Towns Fund	Kimberley Levelling Up Fund	UK Shared Prosperity Fund
<p>Are the outcomes of the Project Board meeting (i.e. minutes, action plans, risk registers) reported to GMT, political leaders and/or the appropriate Committee(s)?</p>	<p>Main outcomes from the Housing Delivery Group are reported to GMT, Committee Chairs and/or Cabinet. Senior officers have most of the authority required to approve the mechanics of delivering the programme within the agreed budget.</p>	<p>Yes. Cabinet receive reports on progress. GMT see all papers on their way to Cabinet.</p>	<p>Yes.</p>	<p>Yes. Cabinet receive reports on progress.</p>
<p>What is the frequency of these update reports?</p>	<p>As per the appropriate Cabinet cycles.</p>	<p>Quarterly or as and when a major decision is required.</p>	<p>This are tri-annually or as and when a major decision is required.</p>	<p>At least annually or as and when a major decision is required.</p>
<p>Budget/Financial Management: Do operations take due regard of the Council Financial Regulations?</p>	<p>All operations take regard of the Council's Financial Regulations.</p>	<p>Yes. Expenditure is in accordance with the Council's Financial Regulations. This is overseen by the Deputy Chief Executive who attends Executive Board meetings and works with the Economic Development team. The Council needs to take into consideration the Memorandum of Understanding it has signed with MHCLG and their requirements.</p>	<p>Yes. A Financial Control and Monitoring Group exists outside the Strategic Board and is chaired by the Deputy Chief Executive. The Council needs to take into consideration the Memorandum of Understanding it has signed with MHCLG.</p>	<p>Yes. decisions are signed-off by the Deputy Chief Executive. The Council needs to take into consideration the Memorandum of Understanding it has signed with MHCLG.</p>

Major Project:	Housing Delivery Plan	Stapleford Towns Fund	Kimberley Levelling Up Fund	UK Shared Prosperity Fund
<p>Has the budget been approved? By whom and when?</p>	<p>Budget approved by Finance and Resources Committee on 19 October 2019 and revised in each subsequent years' budget process.</p>	<p>Yes, Government awarded £21.1m. The budget for the project is reported regularly to the Towns Fund Board. Capital Programme has been updated to include this</p>	<p>Yes, Government awarded £16.4 million, with specified budgets for each sub-project. Capital Programme has been updated to include this</p>	<p>Yes, Government awarded £2.6 million, with specified budgets for each sub-project. Capital Programme has been updated to include this and Revenue built into forecasts and regularly reconciled.</p>
<p>What are the arrangements for monitoring and reporting financial performance?</p>	<p>Monitoring and reporting of Financial performance is undertaken by the Head of Finance Services and the Project Manager on a quarterly basis for Cabinet.</p>	<p>Reported to every meeting of the Board and progress reported to the Cabinet. We also report into the Council's Capital Monitoring Group. The Delivery Board must sign-off MHCLG monitoring returns.</p>	<p>A Financial Control and Monitoring Group exists outside the Strategic Board. This feeds into both Quarterly LUF monitoring and the Strategic Board.</p>	<p>The Chief Executive and Deputy Chief Executive sign off the monitoring reports.</p>
<p>Is financial performance considered by Project Board, GMT and/or Committee(s)?</p>	<p>Yes, by Cabinet.</p>	<p>Financial performance is a matter covered in progress reports to Cabinet and is also considered by the Project Board prior to making monitoring returns to Government</p>	<p>Financial performance is a matter covered in progress reports to Cabinet and is also considered by the Project Board prior to making monitoring returns to Government</p>	<p>Financial performance is a matter covered in progress reports to Cabinet and is also reported on the S151 Officer prior to making monitoring returns to Government</p>

Major Project:	Housing Delivery Plan	Stapleford Towns Fund	Kimberley Levelling Up Fund	UK Shared Prosperity Fund
<p>Procurement/Contracts/Legal How do you ensure compliance with procurement regulations and internal process (Contract Financial Regulations)?</p>	<p>The procurement of contracts is carried out in line with procurement regulations and the Council’s Financial Regulations.</p>	<p>Tendering in accordance with Financial Regulations, as Broxtowe Borough Council is the Accountable Body for this funding.</p> <p>The Local Assurance Framework is a requirement of Government for this project – the Procurement Manager is also a member of the Delivery Board.</p> <p>The Deputy Chief Executive has final oversight.</p>	<p>Tendering in accordance with Financial Regulations. The Memorandum of Understanding provides another level of assurance and compliance to be followed. The Delivery Plan has further details on procurement. Permission from Cabinet has been agreed to use Framework Contracts where necessary.</p>	<p>Tendering in accordance with Financial Regulations. The Memorandum of Understanding provides another level of assurance and compliance to be followed.</p>

Major Project:	Housing Delivery Plan	Stapleford Towns Fund	Kimberley Levelling Up Fund	UK Shared Prosperity Fund
<p>How do you ensure compliance with contractual terms and other legal matters?</p>	<p>All contracts are signed by the appropriate officer under delegated powers. The Legal department are consulted on significant contracts. Cabinet approval is also sought as required for each contract.</p>	<p>Written agreement as to the work that is required is agreed prior to the commencement of work. The Borough’s Legal Team and senior solicitor always review major contracts. Should anything deviate from this, the agreed reporting procedures are used. For major works, a contract is always put in place and scrutinised before signing.</p>	<p>Written agreement as to the work that is required is agreed prior to the commencement of work. The Borough’s Legal Team and senior solicitor always review major contracts. Should anything deviate from this, the agreed reporting procedures are used. For major works, a contract is always put in place and scrutinised before signing.</p>	<p>Written agreement as to the work that is required is agreed prior to the commencement of work. For major works, a contract will be put in place. All grant recipients and providers have a contract to deliver. This has been reviewed in 2024 by Broxtowe legal team led by Borough Solicitor.</p>
<p>Risk Management: Has the project ‘risk appetite’ been defined considering the acceptable levels of risk in strategic, financial, operational, regulatory and reputational terms, and is this used to inform risk management?</p>	<p>Risk is discussed at length at the Housing Delivery Group on a scheme by scheme basis. Also by GMT prior to submission to Cabinet.</p>	<p>Yes, this is in line with the Council’s ‘risk appetite’.</p>	<p>Yes, this is in line with the Council’s ‘risk appetite’.</p>	<p>Yes, this is in line with the Council’s ‘risk appetite’.</p>

Major Project:	Housing Delivery Plan	Stapleford Towns Fund	Kimberley Levelling Up Fund	UK Shared Prosperity Fund
<p>How are risks managed at project level? Do these feed into the Council's strategic risks?</p>	<p>Risk is discussed at length by the Group. Schemes have to work within the constraints of the HRA Business Plan and the Housing Capital Programme. Work is being undertaken to agree a financial appraisal for housing delivery programme. Risk for new opportunities is carefully considered by the Project Manager on a scheme by scheme basis.</p>	<p>Risk management will be in line with established techniques using a pre and post mitigation framework similar to those in the PRINCE2 risk management Framework and extended MHCLG M&E reporting. We have a risk register for each project which is reviewed, updated and managed regularly. This is a feature of our regular MHCLG reporting.</p>	<p>Risk management is in line with established techniques using a pre and post mitigation framework similar to those in the PRINCE2 risk management Framework. We have a risk register for each project which is reviewed and re-scanned regularly. This is a feature of our regular MHCLG reporting.</p>	<p>This is a feature of our regular MHCLG reporting and we review delivery at regular schedules of intervention, depending on the scale of individually funded projects.</p>

Major Project:	Housing Delivery Plan	Stapleford Towns Fund	Kimberley Levelling Up Fund	UK Shared Prosperity Fund
<p>Is a risk register prepared and is this regularly maintained and reviewed by the Project Board?</p>	<p>Yes.</p>	<p>Each business case and project has a risk register. This continues to be updated and reported throughout delivery.</p> <p>This risk register will be maintained by the Project Manager and is reported to the Delivery Board, and by exception to the Executive Board. It will then go through the normal internal reporting channels as outlined previously. Major risks are always flagged at the Delivery Board.</p>	<p>Each project has a risk register. This will continue to be updated and reported throughout delivery. This risk register will be maintained by the Project Managers and reported to the Financial Monitoring and Control Group and escalated to the Strategic Board as necessary and, where needed, other internal reporting channels. Major risks are always flagged at the Delivery Board.</p>	<p>Only for the whole programme - there are too many sub projects and grant funds to do this overall (most of the funds are allocated to revenue). The biggest risk is claw-back through underspend in year 3 and not having the necessary compliment of staff to execute work when needed. Major risks are always flagged to the S151 Officer and Chief Executive at regular intervals.</p>

Major Project:	Housing Delivery Plan	Stapleford Towns Fund	Kimberley Levelling Up Fund	UK Shared Prosperity Fund
<p>Is the risk register more widely reported and reviewed?</p>	<p>Not currently</p>	<p>The risk register is reported to the Delivery and Executive Boards more often as each of the projects move into their varying delivery phases at different times. This risk register will be maintained by the Project Manager and is reported to the Delivery Board, and by exception to the Executive Board. It will then go through the normal internal reporting channels as outlined previously.</p>	<p>Each risk register will be updated and reported each quarter for LUF monitoring, and therefore have been agreed previously with the Project Groups and Strategic Board.</p>	<p>Reviewed three times per year by the Chief Executive and Deputy Chief Executive.</p>

Major Project:	Housing Delivery Plan	Stapleford Towns Fund	Kimberley Levelling Up Fund	UK Shared Prosperity Fund
<p>Have risk tolerances been agreed in terms of cost, time and quality and are there clear escalation levels should the level of risk be outside these limits.</p>	<p>Schemes are not progressed where the likelihood of securing planning permission is not viable. The nature of residential development is that abortive costs will be accrued for development opportunities that are initially worked up but which are not ultimately developed. The level of acceptable abortive costs for sites (both Council owned and privately owned) needs to be agreed.</p>	<p>Yes. Project risks for each of the projects have been outlined with corresponding risk management plans that have been created in line with government requirements. Contingencies have been included to account for current market instability. This is a regularly reviewed and managed item within the register. The basic principle is that the Council will not fund above the grant ceiling. Currently there are options for Project Adjustment Requests if funding needs to be moved between projects. These will tighten as the project spend accelerates.</p>	<p>Project risks have been outlined with corresponding risk management plans created in line with requirements. The basic principle is that the Council will not fund above the grant ceiling. Currently there are options for Project Adjustment Requests if funding needs to be moved between projects. These will tighten as the project spend accelerates.</p>	<p>Yes. The basic principle is that the Council will not fund above the grant ceiling.</p>

Major Project:	Housing Delivery Plan	Stapleford Towns Fund	Kimberley Levelling Up Fund	UK Shared Prosperity Fund
Other Considerations Any other considerations for inclusion in the dashboard report.	None	None	None	This is predominantly a revenue-based programme administered by Broxtowe in line with an agreed series of activities prescribed by the funder, MHCLG.

Report of the Chief Audit and Control Officer

ANNUAL COUNTER FRAUD REPORT

1. Purpose of Report

To provide the Committee with the Annual Counter Fraud Report for 2023/24.

2. Recommendation

The Committee is asked to NOTE the report.

3. Detail

As required by the Council's Fraud and Corruption Prevention Policy, the Annual Counter Fraud Report is presented to this Committee to provide a summary of the ongoing Counter Fraud work performed by Internal Audit and other relevant departments.

Internal Audit is pleased to report that no successful fraudulent activity within the Council has been noted during the financial year 2023/24.

The primary report is presented within **Appendix 1**. Therein, to provide some context, the current fraud 'landscape' as viewed by the Chartered Institute of Public Finance and Accountancy (CIPFA) is presented, followed by a summary (by department) of the work undertaken in response to the fraud risks facing the Council, including the Council's engagement with the National Fraud Initiative (NFI).

The Council's Fraud Risk Register is presented in **Appendix 2**. This provides a summary of the key significant fraud risk areas within the Council along with the processes and procedures in place to mitigate those risks.

4. Financial Implications

The comments from the Head of Finance Services were as follows:

Fraud perpetrated against the Council has a direct impact on the cost of providing services to the local community. The positive counter fraud work undertaken across the Council to complement and improve key controls is therefore vital in mitigating against the risk of fraud. The review of key significant fraud risk areas as part of Fraud Risk Register is an important tool in this regard.

5. Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows:

The Council's Fraud and Corruption Policy ensures the Council meets its legal obligations and there are adequate safeguards and reporting arrangements in place to protect the Council from fraud.

6. Human Resources Implications

The comments from the Human Resources Manager were as follows:

Not applicable.

7. Union Comments

The Union comments were as follows:

Not applicable.

8. Climate Change Implications

The climate change implications are contained within the report.

9. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

10. Equality Impact Assessment

As there is no change to policy an Equality Impact Assessment is not required.

11. Background Papers

Nil.

ANNUAL COUNTER FRAUD REPORT 2023/24**1. Introduction – National Context and Council Policy**

The Chartered Institute of Public Finance and Accountancy (CIPFA) produces a periodic report on fraud within the UK public sector. In its latest report, CIPFA estimates that fraud costs the public sector at least £40.3bn each year. Of this total, an estimated £7.3bn is specifically located within local government.

Procurement and Single Person Discount for Council Tax continues to be perceived as the two greatest fraud risk areas within local authorities, with the main types of fraud (by volume) that affect district authorities remaining Council Tax, Housing and Business Rates. Other notable types of fraud (but which did not emerge as major types of fraud nationally) are insurance, welfare assistance, economic and voluntary sector support, payroll, recruitment, bank mandate fraud and manipulation of data.

It is against this background that in response to the risks and threats presented to the Council by fraud, the Council has in place a Fraud and Corruption Prevention Policy. By way of this policy, the Council acknowledges the significant negative impact fraudulent and corrupt acts can have on the Council, the delivery of its Corporate Plan and the services provided to residents. The Policy also makes clear that the Council takes a zero-tolerance approach to fraud and corruption; will take all necessary steps to prevent, detect and punish fraudulent and corrupt acts; and will take all appropriate action against perpetrator(s) and pursue all available options to recover any losses.

The policy establishes two key processes for the prevention of Fraud and Corruption within the Council. Firstly, the policy outlines (in tandem with the Council's Whistleblowing Policy) a procedure for the reporting of suspected fraudulent and corrupt acts. Such reports are considered by senior management, with the potential for further investigation by Internal Audit, referral to specialist fraud investigation services and/or the Police.

The second key process established by the Policy is an ongoing programme of preventative measures established by relevant departments across the Council, supported by ongoing assurance and advisory work performed by Internal Audit. The basis for this programme is the Fraud Risk Register (presented in Appendix 2) which is maintained by Internal Audit and periodically reviewed in conjunction with relevant Heads of Service and managers.

A summary of the key measures and activity in each relevant department now follows.

2. Summary of Key Measures and Activity

Revenues and Benefits

As part of the ordinary course of operations, documentary evidence for all claims for discounts, reliefs or benefits are required before any such discount, relief or benefit is awarded. Regular inspection work is also carried out.

The Council participates in a regular Single Person Discount data matching programme provided by the National Fraud Initiative. In addition, much of the current counter fraud activity within the Revenues and Benefits teams is in support of the Department for Work and Pensions (DWP). In 2023/24 this activity included issuing forty-eight fraud referrals to the DWP and completing thirteen Local Authority Information Exchange Forms (LAIEF) (being requests for information from the DWP to support their ongoing investigations).

Housing

Nationally, the risk of fraud relating to housing has been identified as high value. In a local context, the risks for this Council include the potential for tenancy fraud, sub-letting and risks associated with the 'Right to Buy'.

With regard to all these risk areas, documentary evidence for all claims or applications is sought prior the awarding of any tenancy or financial arrangement. In respect of 'Right to Buy' applications, appropriate checks are undertaken to prevent and detect potential fraud, including:

- Requesting identity and proof of address for each applicant.
- Checking if the applicant is in receipt of Housing Benefit and referring this on for enquiry (particularly where the sale is expected to be financed without a mortgage).
- Checking each applicant's details with appropriate agencies (including the National Anti-Fraud Network) to see if the applicant has other mortgages and to check the persons registered at the address from electoral records.
- Requiring applicants to provide details as to how they intend to finance the purchase. If monies are being gifted, the Council will require the applicant to provide confirmation from the third party that these funds are available and seek proof of identification.

Procurement

The Council has a formal Procurement and Contract Management Strategy in place which provides considerable detail into the processes and procedures required in order to complete procurement exercises, including formal tenders. Contract opportunities are well-advertised, with a commonly-used online tendering system being utilised to help ensure transparency and fairness. The Council is also being supported with its procurement activity by the Nottinghamshire County Council Procurement team.

Payroll and Human Resources

All new employees and changes to employee details are subject to robust checking processes which involve, as required, documentary evidence and/or direct confirmation of details with the relevant employee. Areas such as probation, sickness absence, right-to-work and payroll data are similarly supported by established Council policy and documentary checks as required.

Finance Services

The Finance Services team engages with banks and other financial institutions to prevent fraudulent activity. This includes both treasury management activity and creditors payments to validate bank accounts. Barclays Bank, who provide the Council's banking services, regularly provides officers with fraud awareness briefings and email updates on developments and trends in fraudulent activity.

Environmental Health and Licensing

The Environmental Health team ensures that, where necessary, the identity and relevant details for applicants or premises owners are established and supported by documentary evidence. Reference is made to the National Anti-Fraud Network as required, in addition to cross-agency data sharing and checking.

In addition, the Licensing service continues to check right-to-work status for all new taxi and private hire drivers and for relevant alcohol licensing applications, while all drivers, operators and scrap metal dealers are required to provide proof that they are registered to pay tax on their earnings. These measures assist in preventing illegal working, unlawful employment of workers and unlawful payments to employees.

Insurance

The Council continues to work with its insurers who regularly provide briefings and advice to enable officers to remain vigilant to potential fraudulent claims. All claims continue to be rigorously reviewed at every stage to ensure that anything suspicious is identified and the appropriate outcome is achieved. Claimants are advised that information provided may be shared by the insurers with other appropriate bodies responsible for the prevention and detection of fraud, such as the Claims and Underwriting Exchange Register.

Training and Awareness

As part of the mandatory training provided through the Council's online learning platform (Broxtowe Learning Zone), employees are required to complete modules on Cyber Security and the Code of Conduct in addition to a number of Information Management and Security modules. Other specific courses are available for relevant service areas, including modules on Payment Card Security and Serious Organised Crime.

Internal Audit provides periodic general fraud awareness updates to employees in addition to providing more targeted fraud information to relevant officers.

National Fraud Initiative

The Council participates in the Cabinet Office's National Fraud Initiative programme (NFI), which matches electronic data within and between the public and private sector to assist in the prevention and detection of fraud. These include local authorities, police authorities, local probation boards, fire and rescue authorities as well as a number of private sector bodies. The NFI tool is helpful in assisting to identify potential fraud in areas such as council tax, housing benefit, pensions, payroll and housing tenancy.

The Council periodically provides specified sets of data to the Cabinet Office for matching. The data provided can include records relating to council tax, creditors, payroll, electoral register, housing tenants, housing waiting lists, insurance claims and licences. Whilst Internal Audit is the single point of contact for participation in the NFI data matching programme, the process does require the support of the respective service managers with responsibilities for the service/system being subjected to review under the scheme. A network has been established to enable departments to support Internal Audit with this work.

The latest NFI data matching exercise was performed in January 2023 with 1,220 matches being generated for further review. Upon release of the matches, Internal Audit completed a risk analysis (categorising the matches as 'high', 'medium' and 'low' priority for further investigation) and subsequently began work, in conjunction with relevant officers in other departments, to investigate and resolve the matches. At the time of writing, approximately £4,960 has been identified for possible recovery and/or in savings for the Council in addition to the removal and/or suppression of a number of fraudulent applications for housing.

Internal Audit – Special Investigations

No special investigations (beyond those performed as part of the NFI data matching exercise) have been carried out by Internal Audit during 2023/24.

3. Plans for 2024/25

The primary focus for the next 12 to 18 months will be the completion of the review of the results of the new NFI data matching exercise shortly to commence for 2024-26 (biannual exercise). A summary report of the progress of this exercise will be provided to this Committee as part of the next Annual Counter Fraud Report.

Appendix 2

FRAUD AND CORRUPTION RISK REGISTER – SEPTEMBER 2024

1. Introduction and Background

Compliance with the CIPFA Code of Practice on Managing the Risk of Fraud and Corruption is widely recognised as a key component of a quality governance framework. One of the key principles of the Code is to identify the fraud and corruption risks within an organisation; understand the exposure to these risks and routinely consider these as part of risk management arrangements.

The preparation of the Council’s Fraud and Corruption Risk Register, presented in this appendix, satisfies this key principle of the Code. The Fraud and Corruption Risk Register is maintained by Internal Audit and periodically reviewed in conjunction with relevant Heads of Service and other managers. The register is also considered by the General Management Team and will be continue to be presented to this Committee alongside the Annual Counter Fraud Report.

2. Fraud Risk Assessment Matrix

The corporate 5x5 risk matrix is used for assessing the threats for each fraud risk in terms of both the likelihood and impact. A score is provided for both the inherent risk and the assessed residual risk. This matrix reflects the direction of travel in terms of the effect of mitigation measures implemented to help manage a particular risk. It also assists in directing resources to areas where they will have the most influence.

		Risk – Threats				
Likelihood	Almost Certain - 5	5	10	15	20	25
	Likely – 4	4	8	12	16	20
	Possible - 3	3	6	9	12	15
	Unlikely - 2	2	4	6	8	10
	Rare – 1	1	2	3	4	5
		Insignificant – 1	Minor – 2	Moderate – 3	Major – 4	Catastrophic – 5
		Impact				

Risk Rating	Value	Action
Red Risk	25	Immediate action to prevent serious threat to provision and/or achievement of key services or duties
	15 to 20	Key risks which may potentially affect the provision of key services or duties
Amber Risk	12	Important risks which may potentially affect the provision of key services or duties
	8 to 10	Monitor as necessary being less important but still could have a serious effect on the provision of key services
	5 to 6	Monitor as necessary to ensure risk is properly managed
Green Risk	1 to 4	No strategic action necessary

In applying the matrix to the fraud and corruption risks posed to the Council, appropriate reference has been made to published guidance and reports from CIPFA, the National Fraud Initiative, Central Government, the external auditors and other relevant organisations. Existing knowledge of the Council's operations derived from previous counter fraud and Internal Audit work has also been drawn upon as appropriate.

This risk register will serve as a 'living document' and evolve over time as the nature of the services provided by the Council and the environment within which it operates changes, giving rise to variations in the Council's risk profile.

Fraud and Corruption Risk Register

Risk Area	Risk	Mitigation	Inherent Score	Residual Score
Housing Tenancy (Applications)	Fraudulent applications for new or successive tenancies	Documentary evidential requirements Checking, review and authorisation procedures Data-matching exercises through NFI	12	6
Housing Tenancy (Subletting)	Sub-letting of Housing properties	Direct and indirect monitoring of tenanted properties Data-matching exercises through NFI	12	6
Right to Buy	Fraudulent Right-to-Buy applications	Documentary evidential requirements Checking, review and authorisation procedures Data-matching exercises through NFI	16	4
Benefits	Fraudulent applications for Housing Benefit	Documentary evidential requirements Checking, review and authorisation procedures Data-matching exercises through NFI Risk Based Verification of Claims	10	4
Disabled Facility Grants	Fraudulent applications for new or additional grants	Documentary evidential requirements Officer site visits Checking, review and authorisation procedures	12	3
Council Tax	Fraudulent applications for discounts and reliefs, including Single Occupier Discount and Local Council Tax Support	Documentary evidential requirements Checking, review and authorisation procedures Data-matching exercises through NFI	15	4

Risk Area	Risk	Mitigation	Inherent Score	Residual Score
Business Rates (Discounts/Relief)	Fraudulent applications for discounts and reliefs including Small Business Rate Relief and Charitable Relief	Documentary evidential requirements Checking, review and authorisation procedures Property Inspector visiting properties	12	4
Business Rates (Properties)	Unlisted / Concealed Properties	Officer knowledge of borough development Data-matching exercises through NFI Working with third party company to identify gaps	6	4
Procurement (Contract Awards)	Improper award of contracts due to lack of tendering and/or collusion with or between potential suppliers	Procurement and Commissioning Strategy Nottinghamshire County Council Procurement Team Internal monitoring of supplier spends Publication of Contracts Register Code of Conduct Register of interests, gifts and hospitality Contract Management Training and Guidance	16	8
Procurement (Purchases)	Purchase of items for personal use or profit through resale	Authorisation controls through Civica Financials Purchasing and Creditors systems Monitoring of Purchase Card transactions Inventories Budget Monitoring Training and Guidance	12	4

Risk Area	Risk	Mitigation	Inherent Score	Residual Score
Procurement (Payments)	Redirection of payments to third party bank accounts through fraudulent submission of changes in bank details	Restrictions on officer abilities to modify supplier bank details Checking, review and authorisation procedures Training and Guidance	16	8
Payroll (Bogus employees)	Creation of bogus ('ghost') employees	Documentary evidential requirements Checking, review and authorisation procedures Independent headcount reconciliation	9	3
Payroll (Overtime/Claims)	Fraudulent overtime or expenses claims	Documentary evidential requirements Checking, review and authorisation procedures	9	4
Human Resources (Applications)	False employment applications	Documentary evidential requirements Checking, review and authorisation procedures	12	4
Human Resources (Sickness)	False claims for sickness absence	Documentary evidential requirements Checking, review and authorisation procedures	12	4
Planning	Intentionally false or misleading information contained within planning applications	Documentary evidential requirements Officer site visits Checking, review and authorisation procedures	12	4
Grant Aid	Fraudulent grant applications for work or activities not carried out or by ineligible groups or individuals	Documentary evidential requirements Knowledge of local community groups and individuals	9	3
Money Laundering	Money Laundering, often in the form of significant cash overpayments then followed by an electronic or cheque refund	Anti-Money Laundering Policy and Procedures Reporting channels to Money Laundering Reporting Officer (MLRO) and Internal Audit Reviews of customer account credit balances Limited cash transactions Training and Guidance	12	3

Risk Area	Risk	Mitigation	Inherent Score	Residual Score
Internal Fraud and Corruption (Inducements)	Inappropriate favourable treatment of a supplier/customer/ applicant by a Council officer, often in exchange for financial reward.	Code of Conduct Disciplinary Procedure Whistleblowing Procedure Declarations of Interest Review/authorisation processes for decision making Training and Guidance	9	4
Internal Fraud and Corruption (Theft)	Theft of cash or other physical assets	Limited petty cash floats Bank reconciliation Inventories Training and Guidance	9	4
Internal Fraud and Corruption (Payments)	Redirection of payments to personal bank accounts	Restrictions on officers modifying supplier bank details Checking, review and authorisation procedures Training and Guidance Detection and prevention of 'phishing' emails	9	4
Internal Fraud and Corruption (Improper Use)	Improper personal use of Council assets (such as vehicles and fuel)	Code of Conduct Tachographs Monitoring of fuel usage Vehicle Tracking (Masternaut) Training and Guidance	9	4
Licensing	Fraudulent applications for new or renewed licences	Documentary evidential requirements Checking, review and authorisation procedures Data-matching exercises through NFI	12	4

Risk Area	Risk	Mitigation	Inherent Score	Residual Score
Insurance Fraud (Claims)	False, inflated or duplicate claims	Documentary evidential requirements Checking, review and authorisation procedures Internal and external (insurance company) monitoring of claims	12	3
Cybercrime (System Outage)	System outage, operational disruption, financial loss and / or reputational damage as a result of a targeted cyber attack	Firewalls and similar ICT security systems Disaster Recovery and Business Continuity Plans Frequent initial and refresher training for all staff	25	15
Cybercrime (Data Breach)	Loss of data and / or data breach as a result of targeted cyber attack	Firewalls and similar ICT security systems Disaster Recovery and Business Continuity Plans Frequent initial and refresher training for all staff	25	15
Cybercrime (Internal Theft)	Intentional theft of data by an employee	Code of Conduct Disciplinary Procedure Frequent initial and refresher training for all staff	16	8

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Report of the Deputy Chief Executive

Review of Strategic Risk Register

1. Purpose of Report

To approve the amendments to the Strategic Risk Register and the action plans identified to mitigate risks.

2. Recommendation

The Committee is asked to RESOLVE that the amendments to the Strategic Risk Register and the actions to mitigate risks as set out be approved.

3. Detail

In accordance with the corporate Risk Management Strategy, the Strategic Risk Management Group met on 28 August 2024 to review the Strategic Risk Register. General Management Team (GMT) has since considered the proposals made by the Group. The objectives of the review were to:

- Identify the extent to which risks included in the register are still relevant
- Identify any new strategic risks to be included in the register
- Review action plans to mitigate risks.

A summary of the risk management process is included in **Appendix 1**. The Risk Management Strategy includes a '5x5' risk map matrix to assess both the threats and opportunities for each strategic risk in terms of both the likelihood and impact. The risk map is included to assist the understanding of the inherent and residual risk scores allocated to each strategic risk. These scores will be considered further and amended as necessary in due course.

Details of the proposed amendments to the Strategic Risk Register and actions resulting from the process are attached in **Appendix 2**. The full Strategic Risk Register incorporating the proposed amendments is available on the intranet. An extract from the register of the entries relating to the highest rated 'red' risks are included in **Appendix 3** for Members' consideration.

Further reviews of the Strategic Risk Register will be reported to future meetings of this Committee.

4. Financial Implications

The comments from the Head of Finance Services were as follows:

There are no direct financial implications that arise from this report. Any future additional budgetary requirements will be considered separately by Cabinet.

5. Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows:

The Strategic Risk Register is the main mechanism used by the Council to identify, assess and monitor key risks. Whilst there are no direct legal implications arising from this report, it is important to assess whether the risks identified are being effectively mitigated and managed.

6. Human Resources Implications

Not applicable.

7. Union Comments

Not applicable.

8. Climate Change Implications

Climate Change is considered in this report as a strategic risk.

9. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

10. Equality Impact Assessment

As there is no change to policy an equality impact assessment is not required.

11. Background Papers

Nil.

REVIEW OF STRATEGIC RISK REGISTER

Introduction

The Risk Management Strategy, as updated in July 2024, aims to improve the effectiveness of risk management across the Council. Effective risk management will help to ensure that the Council maximises its opportunities and minimises the impact of the risks it faces, thereby improving its ability to deliver priorities, improve outcomes for residents and mitigating legal action and financial claims against the Council and subsequent damage to its reputation.

The Strategy provides a comprehensive framework and process designed to support both Members and Officers in ensuring that the Council is able to discharge its risk management responsibilities fully. The Strategy outlines the objectives and benefits of managing risk, describes the responsibilities for risk management, and provides an overview of the process that the Council has in place to manage risk successfully. The risk management process outlined within the Strategy should be used to identify and manage all risks to the Council's ability to deliver its priorities. This covers both strategic priorities, operational activities and the delivery of projects or programmes.

The Council defines risk as "the chance of something happening that may have an impact on objectives". A risk is an event or occurrence that would prevent, obstruct or delay the Council from achieving its objectives or failing to capture business opportunities when pursuing its objectives.

Risk Management

Risk management involves adopting a planned and systematic approach to the identification, evaluation and control of those risks which can threaten the objectives, assets, or financial wellbeing of the Council. It is a means of minimising the costs and disruption to the Council caused by undesired events.

Risk management covers the whole range of risks and not just those associated with finance, health and safety and insurance. It can also include risks as diverse as those associated with reputation, environment, technology and breach of confidentiality amongst others. The benefits of successful risk management include:

- Improved service delivery with fewer disruptions, efficient processes and improved controls
- Improved financial performance and value for money with increased achievement of objectives, fewer losses, reduced impact and frequency of critical risks
- Improved corporate governance and compliance systems with fewer legal challenges, robust corporate governance and fewer regulatory visits
- Improved insurance management with lower frequency and value of claims, lower impact of uninsured losses and reduced premiums.

Risk Management Process

The Council’s risk management process has five key steps as outlined below.



Process Step	Description
Risk Identification	Identification of risks which could significantly impact the Council’s aims and objectives – both strategic and operational.
Risk Analysis	Requires consideration to the identified risks potential consequences and likelihood of occurring. Risks should be scored against the Council’s risk matrix
Risk Treatment	Treat; Tolerate; Transfer; Terminate – Identify which solution is best to manage the risk (may be one or a combination of a number of treatments)
Completing the Risk Register	Document the previous steps within the appropriate risk register. Tool for facilitating risk management discussions. Standard template to be utilised to ensure consistent reporting.
Monitoring, reporting and reviewing the risks	Review risks against agreed reporting structure to ensure they remain current and on target with what is expected or manageable.

Risk Matrix

		Risk – Threats				
Likelihood	Almost Certain – 5	5	10	15	20	25
	Likely – 4	4	8	12	16	20
	Possible – 3	3	6	9	12	15
	Unlikely – 2	2	4	6	8	10
	Rare – 1	1	2	3	4	5
		Insignificant – 1	Minor – 2	Moderate – 3	Major – 4	Catastrophic – 5
		Impact				






Risk Rating	Value	Action
Red Risk	25	Immediate action to prevent serious threat to provision and/or achievement of key services or duties
	15 to 20	Key risks which may potentially affect the provision of key services or duties
Amber Risk	12	Important risks which may potentially affect the provision of key services or duties
	8 to 10	Monitor as necessary being less important but still could have a serious effect on the provision of key services
	5 to 6	Monitor as necessary to ensure risk is properly managed
Green Risk	1 – 4	No strategic action necessary








Appendix 2







Strategic Risk Register – Summary of Proposed Changes







Inherent Risk – Gross risk **before** controls and mitigation


Residual Risk – Risk remaining **after** application of controls and mitigating measures

Risk	Inherent Risk	Residual Risk	Changes
<p>1. Failure to maintain effective corporate performance management and implement change management processes</p> <p><i>The position with regards to this risk is unchanged.</i></p>	20	<p>4</p>  <p>Green</p>	The action to review the PRINCE2 project management has been completed.
<p>2. Failure to obtain adequate resources to achieve service objectives</p> <p><i>The position with regards to this risk is unchanged.</i></p>	20	<p>16</p>  <p>Red</p>	<p>The 'cost of living crisis' is keeping this risk as one of the highest rated red risks.</p> <p>The action to produce a new Commercial Strategy will be delivered by the Commercial Manager and is set to be completed by March 2025.</p>
<p>3. Failure to deliver the Housing Revenue Account (HRA) Business Plan</p> <p><i>The position with regards to this risk is unchanged.</i></p>	25	<p>12</p>  <p>Amber</p>	<p>The 'cost of living crisis' continues to have an impact upon the HRA service provision and financial position.</p> <p>No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.</p>
<p>3a. Failure to deliver a Housing Repairs and Compliance Service which meets Right to Repair and Compliance legislation</p> <p><i>The position with regards to this risk is unchanged.</i></p>	20	<p>12</p>  <p>Amber</p>	No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.
<p>4. Failure of strategic leisure initiatives</p> <p><i>The position with regards to this risk is unchanged.</i></p>	25	<p>20</p>  <p>Red</p>	<p>No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.</p> <p>The development of the planning application and RIBA 4 designs for the new Bramcote Leisure Centre are progressing well. The next cross-party meeting of the Bramcote Leisure Centre Project Group is planned for 4 September 2024.</p>

Risk	Inherent Risk	Residual Risk	Changes
5. Failure of Liberty Leisure (LLL) trading company <i>The position with regards to this risk is unchanged.</i>	25	12  Amber	The action to produce a new Get Active Strategy or similar to replace the previous has been completed. The Get Active Action Plan has been updated as a Key Control. The Council's Leisure Client Officer is working with the Business Director, Liberty Leisure Limited, to refresh the 2024/25 Business Plan financial forecasts.
6. Failure to manage the Beeston town centre development <i>The position with regards to this risk is unchanged.</i>	25	9  Amber	No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk. Progress is being made to complete the letting of Unit 4 on the phase 2 of The Square redevelopment and the potential sale of the 'Argos block' to a suitable third party is ongoing.
7. Not complying with legislation <i>The position with regards to this risk is unchanged.</i>	25	6  Amber	No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.
8. Failure of financial management and/or budgetary control and to implement agreed budget decisions <i>The position with regards to this risk is unchanged.</i>	25	4  Green	No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.
9. Failure to maximise collection of income due to the Council <i>The position with regards to this risk is unchanged.</i>	20	9  Amber	No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.
10. Failure of key ICT systems <i>The position with regards to this risk is unchanged.</i>	25	15  Red	The action to complete the relocation of the Backup Server from the Council Offices to Kimberley Depot, or an alternative location is near completion.
11. Failure to implement Private Sector Housing Strategy in accordance with Government and Council expectations <i>The position with regards to this risk is unchanged.</i>	20	4  Green	No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.

Risk	Inherent Risk	Residual Risk	Changes
<p>12. Failure to engage with partners/community to implement the Broxtowe Borough Partnership Statement of Common Purpose</p> <p><i>The position with regards to this risk is unchanged</i></p>	15	<p>4</p>  <p>Green</p>	No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.
<p>13. Failure to contribute effectively to dealing with crime and disorder</p> <p><i>The position with regards to this risk is unchanged</i></p>	15	<p>3</p>  <p>Green</p>	The Prevent Strategy; Serious Violence Response Plan; Broxtowe Crime Reduction Action Plan; and Counter Terrorism Situational Risk Assessment are added as key controls.
<p>14. Failure to provide housing in accordance with the Local Development Framework</p> <p><i>Although the residual risk score does not need to change, it was considered that the position with regards to this risk had worsened.</i></p>	20	<p>9</p>  <p>Amber</p>	A new action was added to monitor the implications of the recent National Planning Policy Framework draft consultation and the potential implications for housing delivery in the Borough in the future.
<p>15. Natural disaster or deliberate act, which affects major part of the Authority</p> <p><i>The position with regards to this risk is unchanged</i></p>	15	<p>12</p>  <p>Amber</p>	No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.
<p>16. Failure to mitigate the impact of the Government's welfare reform agenda</p> <p><i>Although the residual risk score does not need to change, it was considered that the position with regards to this risk had worsened.</i></p>	20	<p>4</p>  <p>Green</p>	A new action was added to monitor any changes in government policy relating to winter fuel allowances and the potential impact on local residents.
<p>17. Failure to maximise opportunities and to recognise the risks in shared services arrangements</p> <p><i>The position with regards to this risk is unchanged</i></p>	20	<p>9</p>  <p>Amber</p>	The action to report annually to Cabinet on the shared car parking management arrangements was deleted following the cessation of the management agreement with Rushcliffe BC.

Risk	Inherent Risk	Residual Risk	Changes
<p>18. Corporate and/or political leadership adversely impacting upon service delivery</p> <p><i>The position with regards to this risk is unchanged</i></p>	20	<p>4</p>  <p>Green</p>	<p>The action to present the new Corporate Plan 2024-2028 to Cabinet for approval and adoption on 4 June 2024 was completed.</p>
<p>19. High levels of sickness</p> <p><i>The position with regards to this risk is unchanged</i></p>	16	<p>6</p>  <p>Amber</p>	<p>No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.</p>
<p>20. Inability to recruit and retain staff with required skills and expertise to meet increasing demands and expectations.</p> <p><i>The position with regards to this risk is unchanged</i></p>	20	<p>12</p>  <p>Amber</p>	<p>The action to ensure that an updated Job Evaluation review of all established posts was completed.</p> <p>The action to complete a review of Senior Officers pay in conjunction with an external partner by 31 July 2024 was updated with a new target date set at 31 December 2024.</p>
<p>21. Failure to comply with duty as a service provider and employer to groups such as children, the elderly, vulnerable adults etc.</p> <p><i>The position with regards to this risk is unchanged</i></p>	20	<p>4</p>  <p>Green</p>	<p>The Hate Crime Strategy; Serious Violence Response Plan; and Counter Terrorism Situational Risk Assessment are added as key controls. The Violence Action Plan, included as a key control, was replaced with the Broxtowe Crime Reduction Action Plan, whilst the Children and Young Peoples and Child Poverty Action Plans was also replaced with the Broxtowe Health and Wellbeing Action Plan.</p>
<p>22. Unauthorised access of data</p> <p><i>The position with regards to this risk is unchanged</i></p>	20	<p>6</p>  <p>Amber</p>	<p>Information governance and cyber risk continues to be a key consideration within Business Continuity Plans, following recent significant cyber-attacks on local authorities.</p>
<p>23. High volumes of employee or client fraud</p> <p><i>The position with regards to this risk is unchanged</i></p>	20	<p>4</p>  <p>Green</p>	<p>The Chief Audit and Control Officer has completed the latest corporate Fraud Risk Assessment as part of the Annual Counter Fraud Report to be considered at the Governance, Audit and Standards Committee as part of this agenda.</p>

Risk	Inherent Risk	Residual Risk	Changes
<p>24. <i>Failure to achieve commitment of being carbon neutral for the Council's own operations by 2027</i></p> <p><i>The position with regards to this risk is unchanged</i></p>	20	<p>12</p> <p></p> <p>Amber</p>	<p>No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.</p> <p>A report was presented to Cabinet on 3 September 2024 to update on the completed Scope 3 emissions analysis and to re-baseline the Council's carbon footprint.</p>

Appendix 3

**EXTRACT OF THE STRATEGIC RISK REGISTER – SEPTEMBER 2024 –
ENTRIES RELATING TO HIGHEST RATED ‘RED’ RISKS****Risk 2 - Failure to obtain adequate resources to achieve service objectives**

Risk Owner(s)	Inherent Risk	Residual Risk
Deputy Chief Executive Head of Finance Services	20	16

Key Controls

- Medium Term Financial Strategy
- Business Strategy
- Economic Regeneration Strategy
- Commissioning and Procurement Strategy
- Capital Strategy and Treasury Management Strategy
- Asset Management Strategy
- Energy Procurement Strategy
- Commercial Strategy
- Land Disposals Policy

Risk Indicators

- Formula grant
- Budget gap
- Fuel and energy prices
- Income levels
- Failed bids for external funding
- General economic indicators
- Interest rates

Action Points

1. Review service objectives in response to changing resources
2. Identify and assess external funding opportunities and ensure any accompanying targets are met
3. Investigate and develop opportunities for shared service working
4. Monitor the impact of the collection of business rates upon resources available to the Council
5. Seek the disposal of surplus assets to generate additional capital receipts
6. Be alert to potential funding opportunities for town centre re-generation initiatives and other capital investment schemes.
7. Identify potential budget savings and maximising income generating opportunities
8. Maximise income from Commercial Property and Industrial Units.

9. Assess the impact of the transfer of responsibility for land charges from local authorities to HM Land Registry.
10. Work collaboratively with Nottinghamshire local authorities to maximise the recovery of business rates income.
11. Assess the outcome of the potential Fair Funding Review, including proposals for greater localisation of business rates, upon the Council's finances.
12. Produce a new Commercial Strategy to replace the previous version, to be completed by March 2025.
13. Progress with the delivery of the Stapleford Towns Fund project.
14. Progress with the delivery of the Kimberley Levelling Up Fund project.
15. Develop a Town Investment Plan for Eastwood.
16. Complete the full recovery of the agreed tram compensation claim against Nottingham City Council.
17. Monitor the impact of the cost of living crisis on the Council's service provision and its financial position.
18. Consider opportunities to utilise any identified surplus office space.
19. Assess the impact of the government's food waste policies and the potential receipt of New Burdens Funding to meet the additional capital and revenues costs associated with its delivery.

Risk 4 - Failure of strategic leisure initiatives

Risk Owner(s)	Inherent Risk	Residual Risk
Deputy Chief Executive	25	20

Key Controls

- Leisure Facilities Strategy
- Leisure and Culture Service Specification
- Liberty Leisure Limited Business Plan
- External legal advice and support

Risk Indicators

- Results of consultation exercises
- Progress against business plans
- Progress against capital programme
- Events impacting upon joint use agreements
- Visitor numbers at leisure facilities
- Income at leisure facilities
- Financial viability of Liberty Leisure Limited

Action Points

1. Determine future strategy for investment in leisure facilities.
2. Review leisure opportunities arising from major developments.
3. Produce a programme to address the issues identified in the detailed property condition survey at Bramcote Leisure Centre.
4. Utilise external legal advice and support as required.
5. Work with Chilwell School to assess leisure facilities options at Chilwell Olympia Sports Centre and report back to Cabinet.
6. Forward plan any necessary capital repair works anticipated at Bramcote Leisure Centre and to submit, consider and profile the financial impact as part of the proposed Capital Programme.
7. Complete the planning application and development of detailed design (RIBA4) for a new replacement Bramcote Leisure Centre.
8. Establish a cross party members group, supported by key officers in leisure, property and regeneration, to identify leisure opportunities in the north of the Borough.

Risk 10 - Failure of key ICT systems

Risk Owner(s)	Inherent Risk	Residual Risk
Executive Director Chief Information Officer	25	15

Key Controls

- ICT Strategy
- Service agreements
- Systems mainly supplied by external supplier
- Back-up server offsite
- Security Policies
- System availability
- Server virtualisation
- Provision of emergency power supply
- Identification of failure at points of entry
- Shared service arrangements with other local authorities
- Geo-location blocking on the firewall
- Warning, Advice and Reporting Point (WARP) service
- Cyber Security Information Sharing Partnership (CISP)
- Business Continuity Plans

Risk Indicators

- Viruses
- Computer downtime
- Overrun/failure of overnight processing
- Key financial reconciliation processes
- Customer complaints
- Backlog of works
- Appropriate staffing resources to support key systems
- Number of security incidents

Action Points

1. Monitor implementation of and regularly test the Business Continuity Plan for ICT Services
2. Pursue partnership working initiatives, where appropriate
3. Assess the impact of the National Cyber Security Standard.
4. Complete the relocation of the Backup Server from the Council Offices to Kimberley Depot or a possible alternative location by 30 September 2024.
5. Address the matters raised by the independent LGA specialist review of the Council's cyber-risk arrangements and key controls.

Report of the Portfolio Holder for Resources and Personnel Policy

Quarterly Complaint Report

1. Purpose of Report

To provide Members with a summary of complaints made against the Council.

2. Recommendation

The Committee is asked to NOTE the report.

3. Detail

This report outlines the performance of the Council in dealing with complaints, including: at stage one those managed by the service areas, at Stage 2, those managed by the Complaints and Compliments Officer and at Stage 3 passed to the Local Government Ombudsman (LGO) or Housing Ombudsman (HO).

- **Appendix 1** provides a summary of the Council's internal complaints statistics.
- **Appendix 2** provides a summary of the complaints investigated by the Council formally under Stage 2 of the Council's formal complaint procedure.
- **Appendix 3** provides a summary of the complaints determined by the Ombudsman.

Overall, of the 107 Stage 1 complaints received, 22 were investigated under the Stage 2 complaints procedure and none were investigated by the LGO or HO. Under the Stage 2 complaints procedure, 13 complaints were not upheld, 9 complaints were upheld. Further details can be found in **Appendix 2**. The Ombudsman did not investigate any of the complaints made against the Council in quarter 1. Further details can be found in **Appendix 3**.

4. Financial Implications

The comments from the Head of Finance Services were as follows:

The cost of compensation is charged either directly to the service or recognised in a central corporate budget. There are no additional financial implications associated with this report. Any significant additional budgets required, above virement limits, would require approval by Cabinet.

5. Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows:

The new Housing Ombudsman's "Complaint Handling Code" became statutory on 1 April 2024, meaning that Landlords are now obliged by law to follow its requirements. Section 40 of the Social Housing (Regulation) Act 2023 introduces this statutory provision by amending Schedule 2 (2) (1) to the Housing Act 1996. A key change the Act introduced is to have scrutiny and oversight embedded in the process, this will be done by the incorporation of a Member Responsible for Complaints (MRC).

The MRC will be responsible for ensuring the governing body receives regular information on complaints that provides insight on the Council's complaint handling performance. This person must have access to suitable information and staff to perform this role and report on their findings. In addition to the Complaints Handling Code, it is important to note that the Council's approach to handling complaints is within the parameters of the following key pieces of legislation: Part III of the Local Government Act 1974 and Chapter 6 of the Localism Act 2011 (for Housing Services complaints).

6. Human Resources Implications

The comments from the Human Resources Manager were as follows:

Not applicable.

7. Union Comments

The Union comments were as follows:

Not applicable.

8. Climate Change Implications

The climate change comments were:

Not applicable.

9. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

10. Equality Impact Assessment

Not applicable.

11. Background Papers

Nil.

Appendix 1

Summary of Complaints and Compliments
1 April 2024 – 30 June 2024

Breakdown of complaints over the last 3 years (annual figure)

Year	Stage 1	Stage 2	Ombudsman
2023/24	407	73	10
2022/23	302	72	13
2021/22	244	41	10

Breakdown of number of complaints upheld (quarter 1 2024/25)

Determination	Stage 1	Stage 2	Ombudsman
Upheld	47	9	0
Not Upheld	60	13	0

Complaints received

	Total	Chief Executive	Deputy Chief Executive	Executive Director	Monitoring Officer	LLeisure Ltd
Number of Stage One complaints	107	77	11	18	1	0
No. of complaints concluded under Stage Two	22	21	0	1	0	0
No. of complaints determined by the Ombudsman	0	0	0	0	0	0

The Council has registered a total of 107 stage one complaints in the first quarter. A total of 22 complaints have been concluded under stage two of the complaint procedure and no complaints have been determined by the Ombudsman. A further breakdown of departmental complaints by section is shown below.

Breakdown of Complaints and Compliments by Department and Section**Chief Executive's Department**

Service Areas	Stage 1 Complaints	Stage 2 Complaints	Ombudsman Complaints	Compliments
Development Control	8	5	0	0
Housing and Income	5	1	0	6
Housing Repairs	38	9	0	9
Housing Operations	20	4	0	23

Service Areas	Stage 1 Complaints	Stage 2 Complaints	Ombudsman Complaints	Compliments
Housing Strategy	4	1	0	0
Communities	1	1	0	0
Environmental Health	1	0	0	1
Total	77	21	0	39

Deputy Chief Executive's Department

Service Areas	Stage 1 Complaints	Stage 2 Complaints	Ombudsman Complaints	Compliments
Capital Works	6	0	0	1
Revenues	5	0	0	0
Total	11	0	0	1

Executive Director's Department

Service Areas	Stage 1 Complaints	Stage 2 Complaints	Ombudsman Complaints	Compliments
Civic	0	0	0	1
Environment	2	0	0	2
Waste and Recycling	15	0	0	0
Bereavement Services	1	1	0	8
Total	18	1	0	11

Monitoring Officer's Department

Service Areas	Stage 1 Complaints	Stage 2 Complaints	Ombudsman Complaints	Compliments
Democratic Services	1	0	0	1
Total	1	0	0	1

Liberty Leisure Ltd

Service Area	Stage 1 Complaints	Stage 2 Complaints	Ombudsman Complaints	Compliments
Bramcote Leisure Centre	0	0	0	0
Chilwell Leisure Centre	0	0	0	0
Total	0	0	0	0

The Business Development Manager of Liberty Leisure has confirmed that no formal complaints have been received and provided reassurance that only service requests and minor service issues have been identified that did not require escalation to a complaint.

Stage 1 - Formal Complaints to the Service Department**Time taken to acknowledge receipt of stage one complaints:**

	Total	Chief Executive	Deputy Chief Executive	Executive Director	Monitoring Officer	Liberty Leisure Ltd
Time taken to acknowledge complaints – 1 to 5 days	107	77	11	18	1	0
Time taken to acknowledge complaints - more than 5 days	0	0	0	0	0	0

Time taken to respond to stage one complaints:

	Total	Chief Executives	Deputy Chief Executive	Executive Director	Monitoring Officer	Liberty Leisure Ltd
Less than 10 working days	102	72	11	18	1	0
Over 10 working days	5	5	0	0	0	0

The following tables highlight the service areas that failed to respond to complaints within the target time in the first quarter, and the number of complaints where the target date was extended.

It should be noted that there has been a reduction in complaints being concluded outside of 10 working days.

Five complaints fell outside of the 10 working day due to Officer leave. The complaints were not correctly re-assigned to an appropriate Officer to deal with during the absence.

The Complaints Team continues to monitor the performance of the Housing Repair complaints to ensure that they continue to be dealt with in line with the complaints procedure.

The Housing Repairs Team has been reminded by the Complaints Team of the need to contact complainants where the initial deadlines cannot be met. Furthermore, the Housing Repairs Team has been provided a reminder to respond to the complainant with the full response or to agree an extension with the Complaints Team when the 10 working day deadline cannot be met. Where issues have been identified, such as Housing Repairs, the

Complaints Team works with the Head of Service to implement improvements in areas that are required. This is further reviewed by the Housing Improvement Board (HIB). The role of the HIB is to ensure that the Housing stock and practises are fit for purpose. The Complaints Team reports to the HIB on its findings regarding complaints and the learning outcomes that have been and require implementation.

Directorate / Section	Chief Executive	
	Number responded to outside of 10 working days	Number of complaints where an was extension sort
Housing Repairs	5	5
TOTAL	5	5

Stage 2 - Formal Complaints

A total of 22 formal complaints have been responded to in the first quarter; all of which were acknowledged within the five working day timescale. The complainant was notified that the initial 20 working day deadline could not be met. An extension was required to a stage 2 complaint due to conflicting information and records on the Housing Repairs system.

Reasons for the delays include:

- Further information being required from the complainant.
- Further information being required from the department complained about.
- Complexity of the complaint including in-depth research required.
- Resource issues.

Time taken to respond to stage two complaints:

	Total	Chief Executives	Deputy Chief Executive	Executive Director	Monitoring Officer	Liberty Leisure Ltd
Less than 20 working days	21	20	0	1	0	0
Over 20 working days	1	1	0	0	0	0

1. Complaint against Planning

Response – 20 working days
Complaint not upheld

Complaint

The complainant contacted the Council and complained that there had been a lack of action to undertaken enforcement measure against a neighbouring property.

Council's response

The Council had actively investigated the issues that had been raised and had provided the complainant with the correct advice.

As the development the complainant had raised the enforcement issue against does not have enforceable conditions attached to it, the Council was unable to take action.

Furthermore, the Environmental Health Team had been in regular contact with the complainant regarding the noise issues and had provided the correct advice by requesting that diary sheets were filled in and returned in order to monitor the noise. As the complainant did not provide the diary sheets, the Environmental Health Team was unable to take any further action.

Head of Service Comments

The Council correctly investigated the reported breach of planning conditions.

2. Complaint against Housing Repairs

Response – 20 working days

Complaint upheld

Complaint

The complainant contacted the Council and stated that there had been a lack of action to remove damp and mould from their property.

Council's response

There had been unreasonable delays in the Housing Repairs Team logging and completing the necessary works and keeping the complainant updated.

These delays occurred due to the Council not attending an inspection/or recording the result of the inspection. Due to the Council records being incomplete, this resulted in the Council delaying the works necessary to remove the damp and mould.

Furthermore, the Housing Repairs Team delayed procuring a contractor to repair the bathroom leak that may have been contributing the damp and mould at the property. Part of these works were to apply anti-fungal mould wash that were also delayed.

This delay occurred due the Housing Repairs Team not approving the quote for the works in a timely manner. This further delayed the repairs to the property.

This resulted in a 6-month delay in the Council initially undertaking the repairs to the bath and mould treatment.

The complainant was offered £2,000 compensation. This was broken down in to:

- £500 for the delays and inconvenience caused by the repairs not being booked in a timely manner in the first instance.
- £500 compensation for the distress and/or hardship caused by the poor communication provided by the Housing Repairs Team and for the delays that occurred in repairs being booked.
- £1,000 toward the items that have been damaged by the damp and mould.

Head of Service Comments

The Council recognises the inconvenience caused by agreeing to undertake the works and then delaying them. The Housing Repairs Team has been reminded of their responsibility in booking works in a timely manner.

Complaint Team Recommendations/actions

- The responsibility to effectively communicate with tenants/complainants, especially where delays were anticipated or had occurred.
- To accurately log necessary works in a reasonable period and to prioritise repairs where necessary.
- To monitor all works to ensure that they completed in a reasonable timeframe whether being completed by the Council or referred to Contractors.
- To keep the tenant/complainant updated of any issue that would delay the completion of the works.
- Additional training was provided to the Housing Department in March 2024 regarding record keeping, complaint handling and monitoring the outcome of complaints. The Housing Repairs Team was required to actively monitor any repairs scheduled as part of complaints to ensure their completion following this training.
- The Housing Department had undertaken a self-assessment against the Housing Ombudsman’s Record Keeping Guidance. The Council had implemented actions to ensure that records are regularly monitored and updated.
- The Housing Repairs Team had since updated their process for logging repairs. This includes, giving Housing Repairs Inspectors allocated times for logging works to ensure that these are done promptly.

3. Complaint against Planning

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and stated that there had been a lack of action to undertaken enforcement measures against a neighbouring property.

Council’s response

The Council had actively investigated the issues raised and had provided the correct advice. The Council had determined that no further action was required as the development would likely have been approved if the correct application had been submitted. Furthermore, it was determined that the structure did not affect the complainant’s amenity and the complainant’s local Councillors did not wish to pursue this matter following consultation.

The Council had taken the correct action while investigating this issue.

Head of Service Comments

The Council correctly investigated the reported breach of planning conditions.

4. Complaint against Housing Repairs

Response – 20 working days

Complaint upheld

Complaint

The complainant contacted the Council and complained that there had been a lack of action to repair a storage heater at their property and to make secure a roof that was letting pests in. This took place during the complainant's pregnancy.

Council's response

There had been unreasonable delays in the Housing Repairs Team logging and completing the necessary works and keeping the complainant updated.

These delays occurred due to the Council not correctly logging and undertaking the repairs. This was further exacerbated by the Housing Repairs Team not following up on the completion of these repairs following their logging and cancelling them incorrectly.

Furthermore, when the repair was initially undertaken, the Housing Repairs Team did not have the correct part which further delayed the repair to the heater.

While the heater in the hallway had failed, the heating for the rest of the property was functioning correctly.

The Council recognises that the complainant had experienced an issue with pests at the property due to the coving not being sealed correctly. The Council attended to this issue when reported but it was recognised that this has caused further distress.

The complainant was offered £1,180 compensation. This was broken down in to:

- £500 for the inconvenience, delays, distress and/or hardship caused by Council delaying the repair of the heater in the winter months and during the complainant's pregnancy.
- £500 compensation is for the inconvenience, distress and/or hardship caused by the poor communication provided by the Housing Repairs Team.
- £180 for a pest control service.

Head of Service Comments

The Council recognised the inconvenience caused by agreeing to undertake the works and then delaying them. The Housing Repairs Team was reminded of its responsibility in booking works in a timely manner.

Complaint Team Recommendations/actions

- To monitor all works to ensure that they were completed in a reasonable timeframe whether being completed by the Council or referred to contractors.
- To keep the tenant/complainant updated of any issue that would delay the completion of the works.

- Additional training was provided to the Housing Department in March 2024 regarding record keeping, complaint handling and monitoring the outcome of complaints. The Housing Repairs Team is required to actively monitor any repairs scheduled as part of complaints to ensure their completion following this training.
- The Housing Department has undertaken a self-assessment against the Housing Ombudsman's Record Keeping Guidance. The Council has implemented actions to ensure that records are regularly monitored and updated.
- The Housing Repairs Team has changed the process for how jobs are abandoned on the logging system to ensure that repairs are being abandoned correctly and not in error. This involves checking the repairs to ensure that the appropriate action has been undertaken before it is closed.

5. Complaint against Housing Repairs

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and stated that there had been delays in the Council repairing the floor at their property. Due to the extensive works, temporary accommodation was offered to the complainant. The temporary accommodation offered to the complainant was poor due to other guests staying at the location.

Council's response

The Housing Repairs Team undertook the appropriate action to repair the flooring and sourcing an alternative accommodation while the repairs took place.

In recognition of the complainant's items being removed from the lounge to the bedroom to facilitate the repair, the Council sourced the complainant alternative accommodation.

The Council expressed sympathy that the complainant did not feel comfortable at the temporary accommodation. However, there was no information to suggest that the Council acted inappropriately when sourcing this accommodation.

Furthermore, the Council undertook the repairs to the floor in a timely manner with works commencing on 2 April 2024 and being fully completed on 4 April 2024.

Head of Service Comments

The Council had taken the appropriate action by inspecting and advising the complainant in a timely manner.

6. Complaint against Housing Repairs

Response – 20 working days

Complaint upheld

Complaint

The complainant contacted the Council and stated that there had been difficulties in contacting the out of hours' service and operatives did not wear overshoes when entering their property.

Council's response

There was an issue with the complainant contacting the Out of Hours service in the first instance and the Out of Hours operative who initially attended the property did not have overshoes. As the operative did not have overshoes, the complainant did not let them into the house and this caused an initial delay in the boiler being repaired.

The Council completed the repairs to the boiler when they were reported and the correct action was undertaken in undertaking surveys to determine the fault. Each repair was completed over bank holiday periods without the need for the complainant to wait until normal office hours to receive the service. However, a delay occurred when the Out of Hours operative did not check the condensate pipe in the first instance. This was identified in follow up visit and was repaired.

A technical issue arose which meant that the calls were not being correctly transferred to the Out of Hours service. The Council is continuing to monitor this to ensure that the systems are working as intended.

The complainant was offered £250 compensation. This was broken down in to:

- £250 for the inconvenience, delays, distress and/or hardship caused by Council delaying the repair in the first instance due to the fault in the telephone service and for the operative not having overshoes.

Head of Service Comments

The Council recognises the inconvenience caused the technical difficulty in reporting the repair in the first instance and for the operative not having overshoes.

Complaint Team Recommendations/actions

- Ensure the Housing Repairs Team and Out of Hours operatives are reviewing the condensate pipes in the first instance to ensure this is not the cause of the fault when attending to boiler repairs.
- Monitor the Out of Hours service phone lines to ensure these are working correctly. This is being monitored by the Council's Tenant Panel and by the Housing Repairs Team.
- Remind the Out of Hours operatives to always carry overshoes with them and not to be taking shoes off during repairs.
- Remind the Out of Hours service to correctly manage the expectations of individuals.

7. Complaint against Housing Operations

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and stated that their neighbour had stolen part of their garden and the Council was not assisting in rectifying the issue.

Council's response

The Council had informed the complainant of which garden was allocated to their property in 2020. The entirety of the rear garden had been sold to the leaseholder in 2003 under the Right to Buy scheme. Therefore, this garden no longer belonged to the Council.

While the complainant had been granted access to the rear garden by the owner, this access has been removed.

The Council was unable to grant access to this garden as it no longer belonged to the Council and is owned legally by their neighbour.

The complainant had been informed of this and that the Council cannot return part of the rear garden.

Head of Service Comments

The Council had undertaken the correct action by providing the complainant the details of which garden belonged to them.

8. Complaint against Housing Income

Response – 20 working days

Complaint upheld

Complaint

The complainant contacted the Council and stated that the Housing Income mistakenly sent a text message intended for them to their neighbour.

Council's response

The Housing Income Team incorrectly sent a text message that was intended for the complainant to their neighbour. The text message requested that the complainant contact the Housing Income Team and did not disclose any further information.

While the text message did not disclose any personal details to the neighbour the Council recognises that this had caused distress.

Head of Service Comments

It was recognised that the text message was incorrectly sent. A reminder of the importance of data protection was provided to the Housing Income Team.

9. Complaint against Housing Repairs

Response – 20 working days

Complaint upheld

Complaint

The complainant contacted the Council and stated that there were delays in repairing the guttering at their aunt's property despite being reported on several occasions.

Council's response

There had been unreasonable delays in the Housing Repairs Team identifying the necessary repairs in the guttering at the complainant's aunt's property.

While the Housing Repairs Team had attended the aunt's property in a timely manner and undertook works to remove blockages from the guttering, there was a failure to identify that the guttering required repairing to fix the leak on a permanent basis.

This resulted in the Council not permanently repairing the gutter for two years and caused an issue with damp and mould at the property.

The complainant and their aunt were offered £250 and £1,945 compensation. This was broken down in to:

- £250 compensation is for the inconvenience, distress and/or hardship caused by the poor communication provided by the Housing Repairs Team and for the complainant having to repeatedly register the repair to the guttering on behalf of their aunt.
- £1,695 for the replacement of the decorating and carpet that have become damaged by the leak.
- £250 compensation for the inconvenience, delays, distress and/or hardship caused by Council not identifying the leak and permanent repair to the guttering in the first instance.

Head of Service Comments

The Council recognised the inconvenience caused by agreeing to undertake the works and then delaying them. The Housing Repairs Team was reminded of their responsibility in booking works in a timely manner.

Complaint Team Recommendations/actions

- Ensure that all repairs are fully investigated to ensure they are fully completed in the first instance.
- Ensure that tenants and their representatives are provided updates and communication in a timely manner and as requested.
- Specific training relating to complaint remedies and compensation was provided to all complaint handlers at the Council on 31 January 2024 and 7 February 2024.

10. Complaint against Housing Repairs

Response – 20 working days

Complaint upheld

Complaint

The complainant contacted the Council and stated that there were delays in repairing a back door at their property.

Council's response

There had been unreasonable delays in the Council repairing the back door of the property and not providing communication to ensure that the complainant was informed of the repairs progress.

These delays occurred due to a contractor not returning to the property following the initial visit and not providing an update to the issue in acquiring the necessary parts to complete the works.

The Council failed to monitor the progress of the repair and only picked this up following the registration of the stage 1 complaint.

The complainant was offered £250 compensation. This was broken down in to:

- £150 compensation is for the inconvenience, distress and/or hardship caused by the delays in the repair being undertaken and in recognition of the added inconvenience of not having access to the back door.
- £100 is for the inconvenience, delays, distress and/or hardship caused by Council not effectively communicating with you regarding the repairs and their progress.

Head of Service Comments

The Council recognised the inconvenience caused by agreeing to undertake the works and then delaying them. The Housing Repairs Team was reminded of their responsibility in booking works in a timely manner.

Complaint Team Recommendations/actions

- Ensure that all repairs are fully monitored through to completion.
- Ensure that tenants and their representatives are provided updates and communication in a timely manner, especially where delays are expected to occur.

11. Complaint against Housing Repairs

Response – 30 working days

Complaint upheld

Complaint

The complainant contacted the Council and stated that there were delays in the Council removing damp and mould at their property and not correctly replacing skirting board.

Council's response

As the Council's records did not indicate that the full replacement of skirting board had been completed and that it had been reported that the original skirting board had been used again, the complaint was upheld. The Housing Repairs Team attended the property to undertake the full replacement of the skirting boards as per the original works quoted.

There was no information to suggest that the Council had acted inappropriately when dealing with the mould in the upstairs areas of the property. The Council had attended the property in a timely manner and determined that mould washes and repairing the bathroom walls are appropriate. In this instance, the Council had determined that while the moisture in the bathroom was caused by atmospheric condensation and it would be beneficial to replace the plasterboard with a thermal plasterboard to help reduce the moisture. The quote to undertake this work had been approved and the Council was due to make the necessary arrangements to complete the repairs.

Head of Service Comments

The Council recognised the inconvenience caused by not undertaking the full repair as originally quoted. The Housing Repairs Team attended the property to ensure that this was done correctly.

Complaint Team Recommendations/actions

- An instruction has been issued to monitor all works to ensure that they are completed in a reasonable timeframe whether being completed by the Council or referred to our Contractors.
- An instruction has been issued to record completion of works and ensure that they are completed as exactly as required.

12. Complaint against Housing Operations

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and stated that there were delays in the Council offering the complainant a property and not progressing the adaptation of the property offered.

Council's response

The Council processed the application on the housing register correctly and banded the complainant accordingly at band 1, high priority. However, the type of property required as recommended by their Occupational Therapist and within their chosen location were limited in number and currently were unavailable due to being occupied.

The Council was obligated to act upon the information provided by Occupational Therapists and therefore the Council was unable to offer alternative properties outside of that recommendation.

Furthermore, the Council correctly processed the application for adaptations. The delay occurred due to the requested information not being supplied by the complainant in a timely manner. The Council made regular contact with the complainant to provide updates and request the outstanding information.

Head of Service Comments

The Council was required to follow process defined by the Allocations Policy. This ensures fair treatment of all tenants.

13. Complaint against Bereavement Services

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that the Bereavement Team advised that a dog could attend an ash scattering services. However, when attending the dog was refused access the gardens where the ashes were scattered.

Council's response

The Council had correctly informed the complainant that dogs were not permitted into the area where ashes are scattered. This in accordance with the policy and procedures of the Crematorium. Furthermore, there was no information to suggest that prior notification was provided to the Crematorium Team that a dog was attending.

The complainant's correspondence and booking of the ash scattering service was undertaken through a funeral director. No direct correspondence had occurred between the complainant and the Bereavement Team.

As part of the complaint, the Council had reminded all funeral directors that use the Council's Services that dogs were not permitted to attend ash scattering services.

Head of Service Comments

The Council was required to follow process defined by the Crematorium's policies and procedures. This ensured fair treatment of all users.

14. Complaint against Housing Operations

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and stated that the Housing Operations Team caused them distress when requesting that they vacate temporary accommodation

provided during their homeless application. The Housing Operations had not considered their mental health when undertaking this action.

Council's response

The Council had assisted the complainant through the homelessness process by arranging temporary accommodation earlier than normal to assist with their mental health and the issues they were experiencing with their private rented accommodation.

The Council further supported the complainant through the period of them not vacating the temporary accommodation when requested. The Housing Options Team visited and met with the complainant on multiple occasions to explain the process and consequences of not leaving the property. Furthermore, the Council had worked with and signposted the complainant to support networks, such as Citizens Advice, to assist with their homelessness case.

Head of Service Comments

The Council was required to follow process defined by the Allocations Policy. This ensured fair treatment of all tenants.

15. Complaint against Housing Repairs

Response – 20 working days

Complaint upheld

Complaint

The complainant contacted the Council and complained that the Housing Repairs Team had not repaired an issue with a hot water cylinder which resulted in the property only having 10 minutes of hot water at a time.

Council's response

The Housing Repairs Team had attended the property on each occasion the complainant had reported that they were unable to access hot water after 9/10 minutes of use. The Council had been unable to locate any faults with the hot water cylinder. The hot water cylinder only provides hot water for 9/10 minutes before it is required to re-charge the element that provides hot water.

The Housing Repairs Team had confirmed that this was working correctly.

While the Council was unable to locate any information to suggest that the hot water cylinder was not working correctly, the Council recognised that its record keeping and communication were not to a satisfactory standard.

The complainant and their aunt were offered £250 compensation for the inconvenience, distress and/or hardship caused by the lack of record keeping, the failure to return a telephone call and that advice/explanation surrounding the use of the hot water cylinder not being clear.

Head of Service Comments

While the correct action had taken place regarding the inspection of the hot water cylinder, the record keeping and communication surrounding the work and operation of the water cylinder could have been better as to not increase the complainant's distress.

Complaint Team Recommendations/actions

- An instruction has been issued that all records are to be correctly recorded and updated so repairs can be investigated fully and promptly.
- An instruction has been issued that all communication and telephone calls are to be undertaken promptly to avoid confusion or distress.
- An instruction has been issued that advice provided regarding the use of the hot water cylinder is clear and consistent.

16. Complaint against Housing Operations

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and stated that the Council had not adequately dealt with an issue of dog fouling and unsupervised dogs in a communal area.

Council's response

The Council had actively investigated the concerns raised regarding the dog fouling and unsupervised dogs in the communal area.

The Council was required to work with the complainant's neighbour to ensure that the situation was resolved. The Council would not look to tenancy enforcement in the first instance but would look to assist and educate the complainant's neighbour regarding the concerns that have been raised.

The Council continued to do this through the Housing and Dog Warden Teams and improvements were currently being made.

Head of Service Comments

The Housing Operations Team was required to thoroughly investigate concerns regarding ASB to ensure any actions are appropriate and proportionate.

17. Complaint against Housing Operations

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and stated that the Council had not adequately dealt with an issue of cars being sold at a property and lack of action to cut an overgrown hedge.

Council's response

The Council had actively investigated the concerns raised regarding the sale of cars and the overgrown hedge.

On this occasion, the evidence submitted to support the concerns was not sufficient for the Council to demonstrate a breach of tenancy. The Council had promptly informed the complainant of this.

Action was undertaken to ensure that the overgrown hedge was cut in a timely manner.

Head of Service Comments

The Housing Operations Team was required to thoroughly investigate concerns regarding ASB to ensure any actions were appropriate and proportionate.

18. Complaint against Planning

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that the Council had altered a planning method statement resulting in the change of delivery times permitted at a development site.

Council's response

There was no information to suggest that the Council had altered the planning method statement. The revised statement had been provided by the applicant with the revised wording. The Planning Team had considered this application and statement and had concluded with their professional judgement that the statement was acceptable. The wording was created or changed by the Council.

Head of Service Comments

The Planning Team appropriately considered the revised statement. These statements were not altered by the Planning Team but are considered when they are submitted by an applicant.

19. Complaint against Communities

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and stated that the Senior Communities Officer had spoken disrespectfully to their daughter when issuing a Community Protection Warning by using the phrase “how would you feel”.

Council’s response

There was no information to suggest that the Senior Communities Officer acted inappropriately or unprofessionally during a visit to issue a Community Protection Warning.

Furthermore, Nottinghamshire Police, who also attended the visit had confirmed that they did not witness any inappropriate behaviour by the Senior Communities Officer nor that the phrase “how would you feel” was used.

Head of Service Comments

The Senior Communities Officer acted professionally and appropriately during the visit to issue the Community Protection Warning.

20. Complaint against Planning

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and stated that the Planning Team had failed to achieve full compliance with regards to conditions 7, 8 and 12 prior to the sale and occupation of the dwellings.

Council’s response

The responsibility for the discharge of the planning conditions rests with the developer. It was the responsibility of the Council to undertake action to ensure compliance with these conditions. On this occasion, the Council was undertaking works to ensure the developers complied with these conditions through the Planning Enforcement Team.

The exact nature of the works could not be confirmed to the complainant as there was potential for this information to be used as part of a legal case.

Head of Service Comments

The Planning Enforcement Team had correctly started the investigation into the failure to achieve compliance into the conditions when this was reported. This issue required thorough investigation and the details cannot be confirmed due their legal nature.

21. Complaint against Housing Repairs

Response – 20 working days

Complaint upheld

Complaint

The complainant contacted the Council and stated that the Housing Repairs Team had not undertaken the appropriate repairs to their property before the commencement of their tenancy.

Council's response

There had been unreasonable delays in the Housing Repairs Team undertaking and completing the necessary works and keeping the complainant updated.

These delays had occurred due to the Council not progressing the works or monitoring their completion to ensure that they were undertaken in a timely manner. Furthermore, works that should have been identified and undertaken were only raised when a complaint was made to the Council.

This was further exacerbated by the Housing Repairs Team not following up on the completion of these repairs despite them being registered as part of the complaint made to the Council. While the Housing Repairs Team had acknowledged and logged the repairs, these were not monitored to ensure their completion.

While the works would not have stopped the complainant moving into the property, the Council recognised that due to the extent of works, further consideration should have been given as whether the property was ready to let.

The complainant was offered £1,500 compensation. This was broken down in to:

- £1,000 for the inconvenience, delays, distress and/or hardship caused in the works being undertaken despite being investigated as an official complaint.
- £500 compensation is for the inconvenience, distress and/or hardship caused by the poor communication provided by the Housing Repairs Team.

Head of Service Comments

The Council recognised the inconvenience caused by agreeing to undertake the works and then delaying them. The Housing Repairs Team had been reminded of their responsibility in booking works in a timely manner.

Complaint Team Recommendations/actions

- The responsibility to appropriately communicate with tenants/complainants.
- To accurately log necessary works in a reasonable period and to prioritise repairs where necessary.
- To monitor all works to ensure that they were completed in a reasonable timeframe whether being completed by the Council or referred to contractors.
- To keep the tenant/complainant updated of any issues that would delay the completion of the works.
- To action and monitor complaints, within agreed timeframes until they were satisfactorily concluded.

- The Housing Letting Team have been advised to thoroughly check before releasing a property that it is in a condition to be let or if works are required that this is properly communicated and works are addressed in a timely manner.
- Additional training was provided to the Housing Department in March 2024 regarding record keeping, complaint handling and monitoring the outcome of complaints. The Housing Repairs Team was required to actively monitor any repairs scheduled as part of complaints to ensure their completion following this training.
- The Housing Department has undertaken a self-assessment against the Housing Ombudsman's Record Keeping Guidance. The Council has implement actions to ensure that records are regularly monitored and updated.

22. Complaint against Planning

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and stated that the Planning Team had failed to make reasonable adjustments toward their neuro divergence and deliberately delayed issuing responses toward their enquiries.

Council's response

The Council had provided detailed explanations, as requested, as part of the complainant's neuro divergence. The correspondence had been polite and factual and adjustments were made when notification was provided to the Council regarding the neuro divergence.

There was no information to suggest that the Council had purposefully delayed any of the correspondence being sent. All correspondence was issued within one to two days.

Head of Service Comments

The Planning Team had correctly made adjustments to support the complainant's neuro divergence upon being alerted to this. All correspondence was issued in a timely manner.

Stage 3 – Complaints to the local government ombudsman/housing ombudsman

No complaints against the Council have been determined by the Local Government/Housing Ombudsman in the first quarter.

Report of the Deputy Chief Executive

Work Programme

1. Purpose of Report

To consider items for inclusion in the Work Programme for future meetings.

2. Recommendation

The Committee is asked to consider the Work Programme and RESOLVE accordingly.

3. Detail

Items which have already been suggested for inclusion in the Work Programme of future meetings are given below. Members are asked to consider any additional items that they may wish to see in the Programme.

25 November 2024	<ul style="list-style-type: none"> • Internal Audit Progress Report • Review of Strategic Risk Register • Complaints report Quarter 2
17 March 2025	<ul style="list-style-type: none"> • Complaints report Quarter 3 • External Audit Plan 2024/25 • Statement of Accounts 2024/25 – Accounting Policies • Statement of Accounts 2024/25 – Underlying Pension Assumptions • Internal Audit Plan 2025/26 • Internal Audit Progress Report • Review of Strategic Risk Register

4. Financial Implications

The comments from the Head of Finance Services were as follows:

There are no financial implications as a result of this report.

5. Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows:

The terms of reference are set out in the Council's constitution. It is good practice to include a work programme to help the Council manage the portfolios.

6. Human Resources Implications

The comments from the Human Resources Manager were as follows:

Not applicable.

7. Union Comments

The Union comments were as follows:

Not applicable.

8. Climate Change Implications

The climate change implications are contained within the report.

9. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

10. Equality Impact Assessment

As this is not a change to policy and no Equality Impact Assessment is required.

11. Background Papers

Nil.