



Agenda

Audit and Standards Committee

Date:	Thursday, 13 January 2022 at 6:30 pm
Venue:	Town Hall, St Annes, FY8 1LW
Committee members:	<p>Councillor Ellie Gaunt (Chairman) Councillor Ed Nash (Vice-Chairman)</p> <p>Councillors Paula Brearley, Delma Collins, Peter Collins, Brian Gill, Will Harris, Paul Hayhurst, John Singleton JP.</p>

	PROCEDURAL ITEMS:	PAGE
1	Declarations of Interest: Declarations of interest, and the responsibility for declaring the same, are matters for elected members. Members are able to obtain advice, in writing, in advance of meetings. This should only be sought via the Council's Monitoring Officer. However, it should be noted that no advice on interests sought less than one working day prior to any meeting will be provided.	1
2	Confirmation of Minutes: To confirm the minutes, as previously circulated, of the meeting held on 11 November 2021 as a correct record.	1
3	Substitute Members: Details of any substitute members notified in accordance with council procedure rule 23(c).	1
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4	Internal Audit Progress Report	3 - 17
	AUDIT INFORMATION ITEMS:	
5	External Audit	18 - 21
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Contact: Sharon Wadsworth Tel: 01253 658546 – Email: democracy@fylde.gov.uk

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<http://fylde.cmis.uk.com/fylde/DocumentsandInformation/PublicDocumentsandInformation.aspx>

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DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	AUDIT AND STANDARDS COMMITTEE	13 JANUARY 2022	4
INTERNAL AUDIT PROGRESS REPORT			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

This report provides an update to the Audit & Standards Committee in respect of the progress made in against the Internal Audit Plan for 2021/22 and draws attention to matters relevant to members responsibilities.

RECOMMENDATION

To receive, consider and comment on the Internal Audit Progress Report which is attached to this covering report.

SUMMARY OF PREVIOUS DECISIONS

Internal Audit Plan 2021/22 approved by the Audit and Standards Committee on 15th July 2021.

Internal Audit Plan 2021/22 audit review timing changes approved by the Audit and Standards Committee on 29th September 2021.

CORPORATE PRIORITIES	
Economy – To create a vibrant and healthy economy	✓
Environment – To deliver services customers expect	✓
Efficiency – By spending money in the most efficient way	✓
Tourism – To create a great place to live and visit	✓

REPORT

1. The attached report has been prepared by the Council's internal auditors, MIAA. It provides an update to the Audit and Standards Committee in respect of the assurances, key issues and progress against the Internal Audit Plans 2021/22. Comprehensive reports detailing findings, recommendations and agreed actions are provided to the organisation, and are available to Committee Members on request.
2. This paper also sets out the completion of the most recent phase of follow-up reviews for recommendations from previous Moderate and Limited Assurance Reports and MIAA issued reports that have reached their agreed deadlines.

3. MIAA will present the report to the meeting.

IMPLICATIONS	
Finance	No implications
Legal	No implications
Community Safety	No implications
Human Rights and Equalities	No implications
Sustainability and Environmental Impact	No implications
Health & Safety and Risk Management	No implications

LEAD AUTHOR	CONTACT DETAILS	DATE
Sandra Cudlip	sandra.cudlip@miaa.nhs.uk	January 2022

BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Internal Audit Plan	15 July 2021	Internal Audit Team

Attached documents

Internal Audit Progress Report

Internal Audit Progress Report Audit & Standards Committee (January 2022)

Fylde Borough Council

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Your Team

Name	Role	Contact Details
Sandra Cudlip	Engagement Lead	Sandra.Cudlip@miaa.nhs.uk 07825 606054
Fiona Hill	Engagement Manager	Fiona.Hill@miaa.nhs.uk 07825 592842

Limitations

The matters raised in this report are only those which came to our attention during our internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required. Whilst every care has been taken to ensure that the information in this report is as accurate as possible, based on the information provided and documentation reviewed, no complete guarantee or warranty can be given with regards to the advice and information contained herein. Our work does not provide absolute assurance that material errors, loss or fraud do not exist.

Responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify all circumstances of fraud or irregularity. Effective and timely implementation of our recommendations by management is important for the maintenance of a reliable internal control system.

Reports prepared by MIAA are prepared for your sole use and no responsibility is taken by MIAA or the auditors to any director or officer in their individual capacity. No responsibility to any third party is accepted as the report has not been prepared for, and is not intended for, any other purpose and a person who is not a party to the agreement for the provision of Internal Audit and shall not have any rights under the Contracts (Rights of Third Parties) Act 1999.

Public Sector Internal Audit Standards

Our work was completed in accordance with Public Sector Internal Audit Standards.

1 Introduction

This report provides an update to the Audit & Standards Committee in respect of the progress made in against the Internal Audit Plan for 2021/22 and brings to your attention matters relevant to your responsibilities as members of the Audit & Standards Committee.

This progress report provides a summary of Internal Audit activity and complies with the requirements of the Public Sector Internal Audit Standards.

Comprehensive reports detailing findings, recommendations and agreed actions are provided to the organisation, and are available to Committee Members on request. In addition, a consolidated follow up position is reported on a periodic basis to the Audit & Standards Committee.

This progress report covers the period 1 April – 16 December 2021.

2 Executive Summary

There has been the focus on the following areas:

2021/22 Audit Reviews	<p>The following reviews have been finalised:</p> <ul style="list-style-type: none">• Health & Safety (Moderate assurance level) <p>Refer to Appendix C for details of Key Areas and Actions to be delivered</p> <p>The reviews below are currently in progress:</p> <ul style="list-style-type: none">• Third Party Assurance (work in progress)• Property Repairs and Maintenance (planning)• Project Management (planning)• Treasury Management (planning)• Key Financial Controls (planning)• Cyber Security (planning)• Data Sharing Protocols (planning) <p>Appendix A provides an overview of the delivery of your Head of Internal Audit Opinion for 2021/22.</p> <p>Appendix B provides information on Internal Audit performance.</p>
Follow Up	<p>A summary of the current status of follow-up activity is included in Appendix D, however, we would draw the committee's attention to the following:</p>

	<ul style="list-style-type: none"> Progress has been made in the completion of outstanding actions from Moderate and Limited assurance reports issued by the previous audit team, these actions were not risk rated. 70 out of 107 actions have been completed. Of the remaining 37 actions, 19 are in progress with a further 18 actions either not started or postponed. A separate table details the actions arising from MIAA reports including risk ratings. These additional 18 actions are not yet due and will be followed up in due course.
Audit Plan Changes	<p>Audit Committee approval will be requested for any amendments to the original plan and highlighted separately below to facilitate the monitoring process.</p> <p>As a result of the delayed External Audit completion, Internal Audit reviews requiring input from the Finance team may need to be deferred until Quarter 1.</p>
Insights	<p>Collaborative Masterclass Events</p> <ul style="list-style-type: none"> Leading for Diversity: Having Brave Conversations (27th January 2022) Behaviour Change: What Works? (11th March 2022) Outlook for the public sector (31st March 2022)

Appendix A: Contract Performance

The Public Sector Internal Audit Standards (PSIAS) state that ‘The chief audit executive must deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement.’

Below sets out the overview of delivery for your Head of Internal Audit Opinion for 2021/22:

HOIA Opinion Area	Status	Assurance Level
Risk Management		
Risk Management	In progress - Final Draft Report (reported to the Committee in November 2021)	Moderate
Risk Based Assurances		
Vehicles and Equipment Asset Disposals	Completed	Limited
Disabled Facilities Grant	Completed	Moderate
Housing Benefits	Completed	Substantial
Health & Safety	Completed	Moderate
Third Party Assurance	In progress	
Property Repairs and Maintenance	Planning	
Data Sharing Protocols	Planning	
Cyber Security	Planning	
Project Management	Planning	
Treasury Management	Planning	
NNDR & Council Tax	Qtr 4	
Key Financial Controls	Planning	
S106	Qtr 4	
COVID Support	TBC	

HOIA Opinion Area	Status	Assurance Level
Follow Up		
Qtr 1	Completed	N/A
Qtr 2	Completed	
Qtr 3	Completed	
Qtr 4	Scheduled Qtr 4	
Management		
Head of Internal Audit Opinion/Annual Report/Annual Governance Statement	Ongoing	N/A
Planning and Management		
Reporting and Meetings		
Contingency		

If due to circumstances beyond our control we are unable to achieve sufficient depth or coverage, we may need to caveat opinions and explain the impact of this and what will be done to retrieve the position in future.

Appendix B: Performance Indicators

The primary measure of your internal auditor's performance is the outputs deriving from work undertaken. The following provides performance indicator information to support the Committee in assessing the performance of Internal Audit.

Element	Reporting Regularity	Status	Summary
Delivery of the Head of Internal Audit Opinion (Progress against Plan)	Each Audit Committee	Green	There is ongoing engagement and communications regarding delivery of key reviews to support the Head of Internal Audit Opinion. As a result of the delayed External Audit completion, Reviews requiring input from the Finance team may need to be deferred until Quarter 1.
Issue a Client Satisfaction Questionnaire following completion of every audit.	Ongoing	Green	Link to questionnaire included within each audit report.
Percentage of recommendations raised which are agreed	Quarterly	Green	Actions agreed by the Council on all recommendations raised.
Percentage of recommendations which are implemented – reports issued prior to April 2021	Quarterly	Amber	Most recommendations have been implemented or are in progress. For most of those outstanding, implementation has been delayed as a result of COVID-19.
Percentage of recommendations which are implemented - reports issued post April 2021	Quarterly	N/A	Recommendations not yet due for follow up
Qualified Staff	Annual	Green	MIAA have a highly qualified and diverse workforce which includes 75% qualified staff. The Senior Team delivering the Internal Audit Service to the Council are CCAB/IIA qualified.
Quality	Annual	Green	MIAA operate systems to ISO Quality Standards. The External Quality Assessment, undertaken by CIPFA, provides assurance of MIAA's compliance with the Public

Element	Reporting Regularity	Status	Summary
			Sector Internal Audit Standards. MIAA conforms with the Public Sector Internal Audit Code of Ethics.

Appendix C: Key Areas from our Work and Actions to be Delivered

Report Title	Health & Safety			
Executive Sponsor	Chief Executive			
Objective	The overall objective was to review and evaluate processes and controls that are established and operated to identify and manage risks in relation to compliance with corporate Health and Safety requirements.			
Assurance Level	Moderate Assurance			
Recommendations	0 X Critical	1 x High	4 x Medium	1 x Low
Summary	<p>Overall, the review identified that controls were designed and operating effectively with regards to training and support offered to staff and management with reinforcement of obligations provided by the Chief Executive through staff briefings and personal intervention.</p> <p>However, there were areas where processes and procedures need to be updated, strengthened and reviewed most notably the Policy and Guidance documents. Additionally, following the COVID pandemic, the Health & Safety workplan and the resumption of audit inspection visits need to be implemented. These processes along with Risk Management in the GRACE system should be embedded into a system of regular update, review and reporting.</p> <p>Whilst Health & Safety appears as a standing agenda item on the Management Team meetings, reporting of Health & Safety matters, areas of focus and performance could be improved to include performance indicators and progress at regular intervals.</p>			
Key Risks Highlighted with No Agreed Action	N/A			

Appendix D: Follow up of previous internal audit recommendations

Previous Fylde Borough Council Audit Team Recommendations from Limited or Moderate Rated Reports. No risk ratings were assigned to recommendations.

AUDIT TITLE (YEAR ISSUED)	NO OF RECS MADE	ASSURANCE LEVEL	PROGRESS ON IMPLEMENTATION				Comments
			✓/S	P	X	Not due	
Equipment Inventories (2020/21)	7	Limited	7	-	-	-	All actions complete, including the creation of a Handheld Equipment Register, asset spot checks and documentation of disposals.
Commercial Property (2019/20)	9	Limited	1	5	3	-	Access to properties and HM Land Registry have been impacted by Covid-19 restrictions and therefore has resulted in the delay of the implementation of actions. Along with staff absences.
Inspection and Maintenance of Trees (2018/19)	9	Limited	9	-	-	-	All actions complete, including a scrutiny report on the Councils trees, tree inspection software and webpage updates.
GDPR (2019/20)	16	N/A	12	4	-	-	The outstanding actions are largely policy related.
Environmental Permitting Regs (2019/20)	6	Limited	3	2	1	-	Covid-19 has resulted in the delay of the implementation of the actions. The team are looking to complete the remaining actions in March 2022.
Fuel Consumption (2019/20)	9	Limited	8	1	-	-	Covid-19 has resulted in the delay of the implementation of the action.
Event Management (2019/20)	15	Limited	15 (TBC)	-	-	-	We were informed that the actions have been completed. However, we have not yet received evidence of completion.
Contract Procedure Rules (2020/21)	5	Moderate	3	-	2	-	The actions in progress are expected to be completed by Spring.
Sundry Debtors (2019/20)	8	Moderate	1	-	-	7	Completion of the actions has been postponed until March 2022.
VAT (2019/20)	3	Moderate	-	-	-	3	Completion of the actions has been postponed until March 2022.
Heritage Assets (2019/20)	5	Moderate	1	4	-	-	The actions in progress are expected to be completed by Spring.
Homeless Reduction (2019/20)	5	Moderate	4	1	-	-	There is one action in progress and is expected to be completed imminently.
Payroll (2020/21)	10	Moderate	6	2	-	2	Actions are either in progress or not yet due.

AUDIT TITLE (YEAR ISSUED)	NO OF RECS MADE	ASSURANCE LEVEL	PROGRESS ON IMPLEMENTATION				Comments
			✓/S	P	X	Not due	
TOTALS	107		70	19	6	12	

MIAA Internal Audit Recommendations

AUDIT TITLE (YEAR)	NO OF RECS MADE	ASSURANCE LEVEL	PROGRESS ON IMPLEMENTATION				OUTSTANDING RECOMMENDATIONS			
			✓/S	P	X	Not due	C	H	M	L
Asset Disposals (2020/21)	7	Limited	-	-	-	7	-	2	4	1
Housing Benefits (2021/22)	3	Substantial	-	-	-	3	-	-	3	-
Disabled Facilities Grants (2021/22)	8	Moderate	-	-	-	8	-	1	5	2
TOTALS	18		-	-	-	18	-	3	12	3

Key to recommendations:

- ✓/S Implemented or Superseded
- P Partially implemented/recommendation in progress
- X Recommendation not implemented
- ND Not due for follow up
- C Critical priority recommendation
- H High priority recommendation
- M Medium priority recommendation
- L Low priority recommendation

Appendix E: Assurance Definitions and Risk Classifications

Level of Assurance	Description
High	There is a strong system of internal control which has been effectively designed to meet the system objectives, and that controls are consistently applied in all areas reviewed.
Substantial	There is a good system of internal control designed to meet the system objectives, and that controls are generally being applied consistently.
Moderate	There is an adequate system of internal control, however, in some areas weaknesses in design and/or inconsistent application of controls puts the achievement of some aspects of the system objectives at risk.
Limited	There is a compromised system of internal control as weaknesses in the design and/or inconsistent application of controls puts the achievement of the system objectives at risk.
No	There is an inadequate system of internal control as weaknesses in control, and/or consistent non-compliance with controls could/has resulted in failure to achieve the system objectives.

Risk Rating	Assessment Rationale
Critical	Control weakness that could have a significant impact upon, not only the system, function, or process objectives but also the achievement of the organisation's objectives in relation to: <ul style="list-style-type: none"> the efficient and effective use of resources the safeguarding of assets the preparation of reliable financial and operational information compliance with laws and regulations.
High	Control weakness that has or could have a significant impact upon the achievement of key system, function, or process objectives. This weakness, whilst high impact for the system, function or process does not have a significant impact on the achievement of the overall organisation objectives.
Medium	Control weakness that: <ul style="list-style-type: none"> has a low impact on the achievement of the key system, function, or process objectives. has exposed the system, function, or process to a key risk, however the likelihood of this risk occurring is low.
Low	Control weakness that does not impact upon the achievement of key system, function, or process objectives; however, implementation of the recommendation would improve overall control.

INFORMATION ITEM

REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	AUDIT & STANDARDS COMMITTEE	13 JANUARY 2022	5
EXTERNAL AUDIT			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY OF INFORMATION

A letter from Public Sector Audit Appointments ("PSAA"), who are responsible for appointing the council's external auditors relating to the council's concerns about the late completion of the audit for 2020-21.

SOURCE OF INFORMATION

[Public Sector Audit Appointments.](#)

WHY IS THIS INFORMATION BEING GIVEN TO THE COMMITTEE?

At the last meeting of the committee, the chairman asked officers to use the PSAA complaints procedure to express the council's dissatisfaction that the external auditors had not been able to complete the 2020-21 audit on time. The complaint resulted in a virtual meeting with the PSAA representatives and the letter attached.

FURTHER INFORMATION

Contact Ian Curtis (01253 658506, ian.curtis@fylde.gov.uk).

21 December 2021

Via email to Ian Curtis @FBC

Email

generalenquiries@psaa.co.uk

Dear Ian

Audit of Fylde Borough Council

Thank you for your email on behalf of the Fylde Borough Council Audit and Standards Committee, and our subsequent discussion.

I hope that I can convey to you that PSAA recognises and shares your disappointment and frustration at the delayed 2020/21 audit process. As I am sure you are aware, the position for the sector as a whole for 2020/21 was extremely disappointing with only 9% of audits completed.

As our Chair commented in our statement on the delays, *“Delayed audit opinions have a real public-facing impact, undermining the ability of local bodies to account effectively for their stewardship of public money to taxpayers. These latest results reflect a further significant deterioration in performance, underlining the imperative for the whole system to work together urgently to restore timely completion of audits before public confidence and trust are seriously damaged.”*

We also appreciate the inconvenience that delays cause you directly, and we are very conscious of the adverse effects which flow from delayed audit opinions. They include disrupted related work plans, uncertainty about the organisation’s financial position, and weakened governance and accountability processes. Perhaps most obviously, delayed audited accounts are less valuable and relevant.

The widespread concern over the timeliness of local government audit opinions was reflected in an NAO report published in March 2021, *‘Timeliness of local auditor reporting on local government in England’*. [Timeliness of local auditor reporting on local government in England, 2020 - National Audit Office \(NAO\) Report](#). This was followed by two sessions of the Public Accounts Committee (PAC) inquiry into the timeliness of local government audits following the NAO’s report. The Committee heard from representatives of the firms, Sir Tony Redmond, MHCLG and PSAA (myself). The PAC has recently published its report from this enquiry, [Local auditor reporting on local government in England - Committee of Public Accounts - House of Commons \(parliament.uk\)](#). There were a number of recommendations, including that *‘as a matter of urgency, the Department should write to the PAC by September 2021 with a detailed plan and timetable for getting local audit timeliness back on track’*.

In common with all stakeholders in the local audit system (including the auditors themselves), we want to see the earliest possible return to a position in which virtually all local bodies are able to publish their audited accounts by the target date specified in the Accounts and Audit Regulations. We are aware that there are a number of significant obstacles to be overcome before this can happen. They include:

- a significant backlog of delayed 2019/20 audit opinions, of which 60 are still outstanding, and now the backlog of 2020/21 opinions;
- more demanding regulatory requirements which increase the time and resources needed to complete each audit;
- local bodies entering more frequently into innovative transactions which require detailed examination by auditors; and
- the challenges posed by the pandemic including its implications for auditors' work in relation to the financial resilience of bodies.

As you have experienced directly there is also a shortage of auditors to undertake local audits, in tandem with widespread concerns about the number of Key Audit Partners to lead them and the number of trainees choosing to stay in the sector post-qualification. This is affecting all firms and all parts of England. The shortage of local auditors has also been highlighted by the Healthcare Financial Management Association in its February 2021 briefing paper *'The NHS external audit market – current issues and possible solutions'*. It noted that *'Some members have reported that their auditor has resigned or has declined to extend the current audit contract. For the 2019/20 audits there were three NHS organisations that were unable to appoint an external auditor following the required audit appointment process'*.

The FRC is the statutory regulator, and it has sent a clear message that auditors must ensure that the current circumstances do not undermine the delivery of high-quality audits, and that audits should continue to comply fully with required standards. As reported to the PAC, safeguarding the quality of the audit is the primary consideration for each engagement.

We have consulted local bodies about our prospectus for the next appointing period commencing in April 2023. In parallel we have consulted audit suppliers through a market engagement exercise. Importantly, both consultations asked for views and suggestions about how the system can respond to the challenges outlined as speedily as possible. We will also be looking to support growth and attract additional capacity into the market in our next significant procurement due to occur in 2022. Please note that local audit can only be carried out by firms registered with ICAEW to do so.

Unfortunately, there are no easy solutions which we or any other party can simply action. The reality is that returning to a more predictable and stable position is going to take some time and will be a gradual process. As you would expect we work closely with DLUHC and the new Local Audit Liaison Committee (which it chairs) so that all stakeholders are fully aware of the delays within local audit. Last week DLUHC issued '*Measures to improve local audit delays*', described as '*a new package of measures to support the improved timeliness of local audit*', and available at this link [Measures to improve local audit delays - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/614442/Measures_to_improve_local_audit_delays_-_GOV.UK_(www.gov.uk).pdf). Hopefully the document demonstrates to you how seriously the issue is being taken and the commitment to resolving it.

Publishing date

I also wanted to ensure that you are aware that whilst there is an expectation in the NAO's Code of Audit Practice that auditors report on a timely basis insofar as they are able to do so, there is no statutory date for the audit opinion to be given. This is because the Accounts and Audit Regulations set out at 10(2) that where an audit is not concluded by the specified publishing date the body must instead publish a notice stating that it does not have audited accounts and the reasons why.

This means that bodies that do not have audited accounts by the specified date are able to comply with their statutory requirement. We recognise that this does not reduce the inconvenience or alleviate the disappointment that comes with the delay to publishing accounts by the due date. However, it does enable the body to inform its public and other stakeholders of the reasons for the delay. The wording of the statement is at the discretion of the authority.

I hope that this is helpful in providing some context of the current issues in local audit to the frustration you are experiencing along with many other bodies, and that the stakeholders including ourselves are committed to take action to address the challenges.

Yours sincerely



Tony Crawley
Chief Executive, PSAA

INFORMATION ITEM

REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	AUDIT AND STANDARDS COMMITTEE	13 JANUARY 2022	6
UPDATE TO THE STRATEGIC RISK STRATEGY			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY OF INFORMATION

Following an audit review of the Council's Strategic Risk Management function, a number of minor additions to the Strategic Risk Strategy were recommended. The council's Strategic Risk Management Group have considered the recommendations and made the amendments to the Strategy.

The amended Strategy is appended to this report, with the additions highlighted in yellow.

It is intended that the Strategy will have a full review in 2023 and will be brought back to committee for consideration following that review.

SOURCE OF INFORMATION

Director of Resources

LINK TO INFORMATION

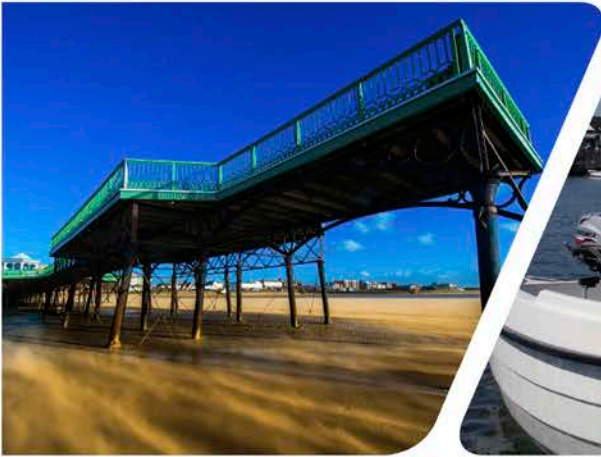
<https://new.fylde.gov.uk/council/insurance-and-risk-management/risk-management/>

WHY IS THIS INFORMATION BEING GIVEN TO THE COMMITTEE?

For the committee to have confidence that the council continues to have an effective risk management framework in place.

FURTHER INFORMATION

Contact Tracy Manning, tracy.manning@fylde.gov.uk



Risk Management Strategy 2022

FOREWORD

Welcome to the Council's Strategic & Operational Risk Management Strategy, refreshed in January 2022. The aim of the Strategy is to improve strategic and operational risk management throughout the Council. Effective risk management allows the Council to:

- have increased confidence in achieving its corporate objectives
- mitigate threats to acceptable levels
- take informed decisions about exploiting opportunities
- ensure that it gets the right balance between rewards and risks
- improve its partnership working arrangements and corporate governance

Effective risk management will help to ensure the Council maximises its opportunities and minimises the impact of the risks it faces, thereby improving its ability to deliver its core objectives and improve outcomes for its residents.

This strategy explains Fylde Council's approach to strategic and operational risk management, and the framework that it will operate to ensure that it arranges its risks effectively.

Allan Oldfield
Chief Executive
Fylde Council



Information Box	
Title	Risk Management Strategy version 5.0 revised January 2022
Description	Fylde Borough Council's Risk Management Strategy
Primary audience	Members, Chief Executive, Corporate Management Team, Heads of Service and all Fylde Borough Council staff
Contact	Corporate Emergency Planning & Risk Officer – risk@fylde.gov.uk
Last revised	January 2020

1. Risk Management Objectives

We are exposed to risk both in terms of threats to service provision and from missed opportunities. It is essential that we can demonstrate to our residents that we are fully considering the implications of risk as we plan and deliver services to the community.

Like all organisations, the Council exists to achieve its objectives which are set out in our Corporate Plan. Risk management can help us achieve these goals by fully considering the opportunities and barriers that we may encounter. Our aim is to use strategic risk management as a tool for continuous improvement and to make effective use of the Council's resources.

In addition, the Council must also ensure operation and delivery of services, the health and safety of its service users, employees and the public at large. This Risk Management Framework supports continuing change including partnership working and alternative methods of service delivery and provides a structured and focused approach to managing them.

This strategy outlines how Fylde Council is taking on its responsibility to manage risks and opportunities using a structured and focused approach.

2. What is Risk Management?

Risk Management can be defined as:

Risk management is the logical and systematic method of identifying, analysing, evaluating, treating, monitoring and communicating risks associated with any activity, function or process in a way that enables organisations to minimise losses, maximise opportunities and achieve their objectives.

Risk management is a strategic tool and is an essential part of effective and efficient management and planning. Risk management is also an essential part of the CIPFA/SOLACE framework on Corporate Governance. The CIPFA/SOLACE framework requires Fylde Council to make a public assurance statement annually, on amongst other areas, the Council's risk management strategy, process and framework. The Framework requires the Council to establish and maintain a systematic strategy, framework and processes for managing risk. As required by the Accounts and Audit Regulations 2015 the assurance statement is disclosed in the Annual Statement of Accounts and is signed by the Leader of the Council and the Chief Executive.

3. Risk Management appetite

As a public body, the Council has a low-risk appetite and regards the successful identification, monitoring and control of risk to be the most effective way of managing risk. Functions, projects and activities that the Council must undertake, that may be identified as medium or high risk must have effective controls in place to minimise the risk to the Council.

4. Risk Management approach

The Council will seek to embed risk management into its culture, processes and structure to ensure that opportunities are maximised. The council will seek to encourage managers to identify, understand and manage risks, and learn how to accept the right risks. Adoption of this strategy must result in a real difference in the Council's behaviour.

The Council is prepared to take judicious risks to achieve its corporate objectives and enhance the value of the services it provides to the community. Its aims are to:

- Ensure risk management is integrated into the culture of the council
- Ensure appropriate risk taking is encouraged, particularly to respond to opportunities arising.
- Anticipate and respond to changing social, environmental and legislative needs, pressures or constraints as well as changes in the internal environment.
- Manage risk in accordance with best practice including integration with performance and financial management including partnership arrangements.
- Improve performance and efficiency and minimise injury, damage and losses and make effective use of resources.
- Protect the council's assets, reputation and operational capacity.

These aims will be achieved by:

- Maintaining clear roles, responsibilities and reporting lines for risk management
- Raising awareness of the need for risk management by all those connected with the Council's delivery of services.
- Gaining commitment from all members and employees, to ensure risk management is managed within a consistent framework.
- Ensuring risk management is explicitly considered in all decision making by, incorporating links to all key decision points e.g. committee reports, project management and partnership agreements.
- Considering risk in all the Council's key planning processes.
- Providing opportunities for shared learning on risk management across the Council and with our business partners.
- Reinforcing the importance of effective risk management as part of the everyday work of members and employees.
- Providing adequate assurance for the management of risk to support the Annual Governance Statement.

5. Risk Management Processes

Implementing the strategy involves identifying, analysing, managing and monitoring risks.

Risk Identification

The GRACE (Governance, Risk Assessment and Control Evaluation) system has been adopted for use within the Council to enable the completion of risk registers at all levels including the strategic risk register, service risk registers, projects, key procurements, partnerships and processes.

Risks and opportunities can be identified at any time and should be included within GRACE. There are numerous ways in which risks and opportunities can be identified, including networking, articles / newsletters, training courses as well as discussions at team meetings and 1-2-1s. In addition, GRACE contains a large database of model risks and controls in the Profile Library which users can scroll through to identify any which may be relevant to their areas of activity.

Risk Recording

The Council maintains registers for different types of risks:

Strategic risk register – This contains the high-level risks of the council. It is owned and maintained by the Council's Management Team and Strategic Risk Management Group and kept under continuous review. It is presented to the Audit and Standards Committee every six months.

Operational risk registers – These include service, project, partnerships and process risks. These are assigned to Senior Managers who have overall responsibility for their maintenance and continuous review. They can allocate individual risks to risk owners who must decide upon and monitor appropriate actions.

The specific information to be recorded in GRACE is as follows:

Risk description – this requires an understanding of the legal, social, political and cultural environment in which the council operates as well as a sound understanding of the Council's corporate and operational objectives i.e. those factors which are critical to the success of the Council.

Risk Owner – a nominated person who is responsible for evaluating and responding to any individual risks allocated to them.

Assessment of Risk – having identified areas of potential risk, they need to be systematically and accurately assessed. The process requires managers to assess the likelihood and potential impact of a risk event occurring and scored according to the matrix below:

Severity	5	Catastrophic					
	4	Major					
	3	Moderate					
	2	Minor					
	1	Insignificant					
			1	2	3	4	5
			Rare	Unlikely	Possible	Likely	Almost Certain
		Likelihood					

Likelihood Definitions

1 – Rare	Highly unlikely, but it may occur in exceptional circumstances. It could happen but probably never will
2 - Unlikely	Not expected, but there's a slight possibility it may occur at some time
3 - Possible	The event might occur at some time as there is a history of casual occurrence at FBC and / or similar organisations
4 – Likely	There is a strong possibility the event will occur as there is a history of frequent occurrence at FBC and / or similar organisations
5 – Almost certain	Very Likely. The event is expected to occur in most circumstances as there is a history of regular occurrence at FBC and / or similar organisations.

Severity Definitions

1 - Insignificant	Minimal Financial Loss, no or only minor personal injury. Systems unavailable for less than an hour. No reputational impact.
2 - Minor	£1000 - £10,000 financial loss. Minor injury requiring medical treatment. Systems unavailable for a few hours. Adverse media coverage
3 - Moderate	£10,000 - £50,000 financial loss. Possible hospitalisation, systems unavailable for less than 1-day, adverse national media coverage
4 - Major	£50,000 - £750,000 financial loss. Single death or long-term illness or multiple injuries, systems unavailable for a day, adverse and extended media coverage

5 - Catastrophic	Above £750,000 financial loss. Fatalities or permanently ill/disabled, systems unavailable for more than a day, government / HSE enquiry.
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Existing Control Measures – any controls or measures that reduce the likelihood or impact of a risk.

Residual Risk Score – this risk score which takes account of any existing control measures in place (see above matrix).

Risk Categories – risks should be assigned to one of the categories listed below:

- **Strategic** – risks impacting upon the achievement of the corporate objectives and priorities.
- **Financial** – risks associated with financial planning and control.
- **Human Resources** – risks associated with recruiting, retaining and motivating staff & developing skills.
- **Environmental** – risks related to pollution, noise or energy efficiency.
- **Information** – risks related to information held.
- **Legal / regulatory** – risk relating to legal / regulatory requirements.
- **Operational** – risks relating to operational activity.
- **Partnership / Contractual** – risk relating to the failure of partners / contractors or the contract itself.
- **Physical** – risk related to fire, security, accident prevention & health and wellbeing.
- **Reputational** – risk relating to the reputational risk to the council.
- **Technological** – risks associated with technology.

Target Risk Score – in broad terms there are four main options for responding to risks which remain within the organisation.

Terminate - this involves the Council in terminating the cause of the risk or, opting not to take a current or proposed activity because it believes it is too risky.

Tolerate - this is where the cost of action outweighs the benefit that results from the proposed action. Alternatively no further action can be taken, and the risk is accepted with any potential financial loss being highlighted.

Transfer - this involves transferring liability for the consequences of an event to another body. This can occur in two forms. Firstly legal liability may be transferred to an alternative provider under contractual arrangements for service delivery. Secondly, transferring some or all the financial risk to external insurance companies may reduce the costs associated with a damaging event.

Treat - this is dependent on implementing projects or procedures that will minimise the likelihood of an event occurring or limit the severity of the consequences should it occur.

The target risk score therefore may be the same or lower than the residual risk score and reflects the level of risk the Risk Owner is willing to accept (see above matrix).

Risk Actions – where further treatment of the risk is deemed necessary then the Risk Owner will determine the course of action to be taken. The action to manage risk needs to be appropriate, achievable and affordable. The impact expected if no action is taken should be considered against the cost of action and the reduction of the impact. For opportunities, the benefit gained in relation to the cost of action should be considered.

Risk Monitoring

Individual risks are reviewed in accordance with GRACE parameters depending upon the level of risk:

Red / Pink risks – 3 months
Amber / Yellow risks – 6 months
Green risks – 12 months.

The overall risk management system is reviewed by Internal Audit as part of their audit work programme.

In accordance with the Public Sector Internal Auditing Standards, the Chief Internal Audit Executive's Annual Report is required to provide an opinion based on an objective assessment of the framework of governance, risk management and control.

Risk management assurance will also be published in the Council's Annual Governance Statement.

Risk Reporting

The Strategic Risk Register is continuously monitored by the Council's Management Team and Strategic Risk Management Group and reported to the Audit and Standards Committee every six months.

Service Risk Registers and those in relation to key projects, procurements, partnerships and processes are monitored by Senior Managers.

GRACE has also enabled a modern risk-based approach to internal auditing by engaging service departments in the self-assessment of their own system risks via the completion of on-line risk registers prior to the commencement of audits. System/process risks are reported as part and parcel of ongoing Internal Audit work.

Finally, all committee reports include the consideration and control of the risks associated with the actions proposed.

6. Roles and Responsibilities

The following describes the roles and responsibilities that members and officers will play in introducing, and embedding the risk management process: -

All members

- Support and promote an effective risk management culture.
- Constructively review and scrutinise the risks involved in delivering the council's core purpose, priorities and outcomes.

Chairs of Committees

- Work through their respective committees to assist the council in delivering its core purpose, priorities and outcome.

Audit and Standards Committee

- In accordance with its Terms of Reference, to monitor the effective development and operation of risk management in the council.
- To monitor progress in addressing risk relating issues reported to the committee.

Chief Executive, Corporate Management Team & Strategic Risk Management Group

- Champion an effective council-wide risk management culture, with Assistant Chief Executive as the designated CMT lead on risk
- Identify and manage the business risks and opportunities facing the council
- Co-ordinate risk management across the council
- Ensure members receive relevant risk information

Senior Managers

- Responsible for the effective leadership and management of risk in their service areas to meet service objectives in line with the council's Risk Management Strategy
- With the appropriate risk owner, maintain the relevant risk registers ensuring all key risks are identified, managed and reviewed in line with the corporate risk management approach
- Review and evaluate operational, project, partnership risks within their service areas at team meetings, 1-2-1s etc.
- Attending (& Chairing) the Strategic Risk Management Group
- Encourage staff to be open and honest in identifying risks and opportunities
- Ensure that appropriate resources and importance are allocated to the process
- Provide assurance that the risks for which they are the risk owner are being effectively managed. This will be completed as part of the Annual Governance review process.

The Section 151 Officer

- Through the internal audit service, provide assurance to the Council on the whole system of internal control, including risk management.

Internal Audit

- As part of its role in providing assurance to the Section 151 officer, the service will review the implementation and effectiveness of the system of risk management. An annual review will provide independent opinion on the adequacies of risk control and the council's corporate governance arrangements and risk management is included within the review of the Annual Governance Statement.
- Act as a centre of expertise, providing support and guidance as required
- Collate risk information and prepare reports as necessary to both the Management Team, Strategic Risk Management Group and the Audit & Standards Committee
- Ensure the internal audit work plan is focused on the key risks facing the council
- During all relevant audits, challenge the content of risk registers
- Periodically arrange for the independent review of the council's risk management process and provide an independent objective opinion on its operation and effectiveness.

Corporate Emergency Planning & Risk Officer

- To lead the delivery of risk management arrangements across the Council
- Provide information, advice and support on the management of risk and work with the Council's lead officer for risk management to develop, manage and implement the Council's risk management policy and strategy.

Project / Procurement Managers

- Ensure that the risks associated with their projects / procurements are identified, recorded on GRACE and regularly reviewed as part of the project management process and provide assurance about the management of those risks.

Partnerships

- Client officers to ensure that risks are identified, owned, recorded on GRACE reviewed and shared with all relevant partners and ultimately to provide assurance that those risks are being managed.

Employees

- Responsibility for managing risk is not restricted to any one person or group of specialists. All employees have a responsibility to manage risk effectively in their job and report opportunities, threats and risks to their service areas and undertake their duties within risk management guidelines. Those officers involved in decision-making should also explicitly consider the implications of risk management and document their findings appropriately.

Strategic Risk Management Group – Terms of Reference

Meetings

The Strategic Risk Management Group (SRMG) will meet on a regular basis (minimum of 4 meetings per year); however, the Chairman may call extra meetings as necessary.

Chairmanship

The Chairman of the Group will be appointed by the CMT.

Secretary

The Secretary of the Group will be appointed by the CMT.

Membership of the Group

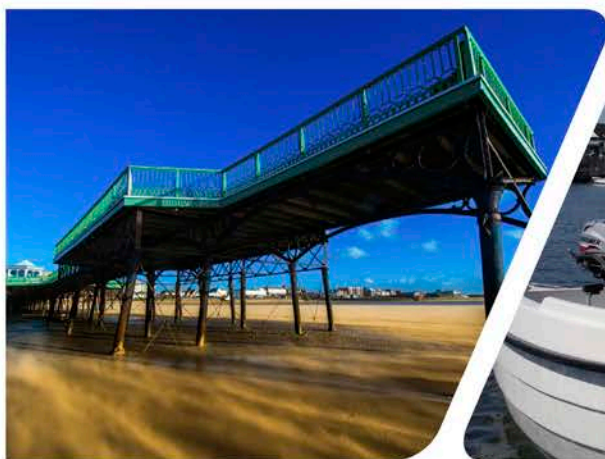
Every service area will be represented at the Group by senior managers. Additional staff members may attend the meeting where it is considered beneficial to have their input on matters being discussed and to broaden and promote risk management expertise.

Purpose, Focus and Scope of the Risk Management Group

- The purpose of the SRMG is to promote good practice on risk management across the council and champion risk management issues.
- The SRMG should promote the positive effects that good risk management, and corporate governance, can have when embedded into all council policies and procedures.
- Risk management should be a tool to make things happen in a safe and beneficial way, not a process used to stop things from progressing.
- The SRMG should investigate issues referred to it by the Corporate Management Team and report back in a timely manner.
- The SRMG should also advise Corporate Management Team on risk management issues as part of its standing item on corporate governance.
- The SRMG should oversee the management of corporate risks which affect the council's ability to fulfil its corporate objectives and is a major business risk.
- The SRMG will also monitor the Council's Emergency Planning, Business Continuity and Disaster Recovery Plans, as well as keeping an overview of information governance.

Minutes and Reports

Minutes of meetings should be kept, and the Chairman should present these to the Corporate Management Team at the next available meeting. A summary of these issues should be included within the minutes of the CMT and posted on the council's internet.



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Date: January 2022

Our Ref:

Review Date: January 2023

Authorised by: Tracy Manning, Assistant Chief Executive

INFORMATION ITEM

REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	AUDIT AND STANDARDS COMMITTEE	13 JANUARY 2022	7
UPDATE ON THE STRATEGIC RISK REGISTER			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY OF INFORMATION

This Information item gives a progress update on the risks contained within the Strategic Risk Register (SRR). The SRR was presented to the Audit and Standards Committee in September 2021 and detailed the risks alongside any existing control measures.

The colour coding of the risk scores are as follows:

Green Risks = Low Risks

Yellow Risks = Medium Risks

Red Risks = High Risks

The risk register has been reviewed by the Strategic Management Group, together with the Corporate Management Team, with a risk added in respect to climate change and actions updated to reflect mitigations or controls required. The residual risk score has been amended where necessary to reflect any changes in consultation with the SMG.

All remaining actions are in progress and an update will be provided to the Committee at a future meeting.

SOURCE OF INFORMATION

Strategic Risk Management Group

WHY IS THIS INFORMATION BEING GIVEN TO THE COMMITTEE?

The Audit and Standards Committee Terms of Reference states that the committee monitors the effective development and operation of risk management in the council. This report supports the Committee in undertaking this role.

FURTHER INFORMATION

Contact: Tracy Manning 01253 658521

Fylde Council - Strategic Risk Register 2021-22

Risk	Risk Description	Inherent Risk Score	Existing Control Measure	Existing Control Measure Description	Residual Risk Score	Action Plan Title	Action Plan Description	Action Date	Target Risk Level
Commercial Strategy	Failure to embrace Commercial Strategy	8	Member approval of Commercial Strategy	Member approval and support of the Commercial Strategy	4	Commerical Strategy	The Commercial Strategy WG is in the process of reviewing the strategy. There has been one meeting already and another is planned in January 2022. With a revised strategy to be presented to the F&D committee at its March meeting.	28/03/2022	4
						Review and Monitor Commercial Outcomes	The Commercial Strategy itself will not contain SMART targets. It will set the strategy to inform other strings of work within the council for example the setting of fees and charges.	28/03/2022	
						Commercial schemes	The strategy itself will not identify schemes but will set the strategy for other workstreams to follow	28/03/2022	
Enforcement	Increased pressure on enforcement resource in relation to licensing / PSPOs / beggars / Travellers / planning issues	8	New Enforcement Team	Revenue growth bid to be presented to the January Operational Management Committee to enable the Enforcement Team to be fully operational in 2022/23 thereby allowing a full evaluation of the effectiveness of the team to take place in September 2022 to determine whether it will continue in full or in part.	8	Education & Enforcement	To establish a new enforcement team, review its effectiveness and report results to the Operational Management Committee at its meeting in September.	13/09/2022	8
			Inspections / Liaison	Regular inspections of Hardhorn Travellers Site and liaison with residents					
Fylde Council / Lancashire County Council	Potential for a unitary council / LCC dissolve during 20/21. Levelling Up White paper expected Autumn 21 with options for local government reorganisation	10	Consultations	Ongoing discussions around a County Deal	6		Statement of Intention on participation in County Deal to be considered by Council in the new year	Feb-22	6
			Engagement	Engagement with Lancashire Leaders discussions and dialogue with potential partners.					

ICT Systems	Failure to support Council priorities through ineffective ICT systems	25	ICT Strategy and system reviews	ICT Strategy in place. Planning system - redirection of resources, seeking support from external software suppliers, direction to the planning team and management review.	20	Review of the current systems	The Strategic IT Group meets on a regular basis, with the involvement of senior managers, to assist in providing focus in the implementation of new IT systems, including the planning system which was procured in 2020. The go-live date for the planning system was originally April 2021, but has been forestalled due to competing pressures facing the planning team. However as the planning system currently being used is now unsupported the delay in the implementation of the new system poses a key risk for the authority as the planning system is vital to the fabric of the community in providing the framework to respond to planning issues. A number of mitigating actions have been put in place including redirection of resources, seeking support from external software suppliers and more recently a management direction to the planning team to dedicate senior planning resources on the project in order that implementation is achieved. The management review has also provided additional capacity to the Head of Planning to prioritise the delivery of this system implementation.	31/03/2022	4
			Strategic ICT Risk Management Group						
			Digital Transformation	Digital Transformation agenda in place		Network resilience / capacity	To undertake a review to ensure that the Council's resilience and capacity arrangements meet future needs.	31/03/2022	
Infrastructure	Lack of infrastructure in local areas to meet residents needs	9	Local Plan	Local Plan approved	4	No Actions needed - Risk at acceptable level			4
			Planning Conditions and S106 Agreements	Planning Conditions and S106 Agreements					
			Relationships / Consultations	Respond to consultations regarding future changes which impact upon residents					

LCC Funding Cuts	Funding cuts impacting upon FBC residents	12	Horizon scanning	Keep abreast of developments and the impact it may potentially have on local residents	12	No Actions needed - Risk at acceptable level			12
			Service delivery	Ensure that FBC has a responsive / flexible services to meet the changing needs					
Management of key assets	Failure to manage council owned key assets	12	Asset Management Strategy	Asset Management Strategy	6	No Actions needed - Risk at acceptable level			6
			Experienced Estates Officer	Estates officer in post					
			Commercial Strategy	Commercial Strategy					
Procurement	Failure to achieve value for money / non compliance with Contract Procedure Rules / lack of corporate co-ordination / missed opportunities	6	Details of capital expenditure in committee reports	Details of capital expenditure in committee reports	4	Procurement Strategy	Review of Procurement Strategy has now been undertaken and approved by Management Team	30/11/2021	4
			External Audit opinion	External Audit favourable value for money opinion		Establish a cross service procurement group	Procurement Group to review FBC's procurement processes to include Strategy / Guidance Use of the Chest Compliance with Standing Orders / Regulations Value for Money Contracts Register	31/03/2022	
			Procurement Officer	Procurement officer in post					
			Job Evaluation process	Job Evaluation process		Recruitment Policy	Development of Recruitment Policy to standardise the process incorporating a review of job descriptions and personnel specifications	31/03/2022	

Recruitment / Succession Planning	Failure to have a skilled workforce to deliver council priorities	16	Apprenticeships	Use of apprentices throughout the authority	12	Apprentice Strategy	Development of an Apprentice Strategy	31/03/2022	6
			Appraisal process	Annual appraisal process		Review and rebrand the Competency Framework (incorporating corporate values)	Review and rebrand the Competency Framework (incorporating corporate values)	31/03/2022	
			Competency Framework	Core competency framework					
COVID 19	Failure to react to the changing service demand due to the recovery of COVID 19 (incorporating our role to support employees / the community / businesses / financial impacts)	12	Government guidance	Adherence to both national and LRF guidance	9	Guidance	Guidance to be kept under continuous review and appropriate actions taken	31/03/2022	6
			Community Hub	Setting up of Community Hubs to support the vulnerable in society		Community Hub	The Community Hub has been subsumed within to the work of the Customer Services Team. However support remains to be provided to those self-isolating as a result of track and trace requirements. There will be a	31/03/2022	
			Business Support	Delivery of both the Business Support and Discretionary Grant to support the local economy and advisory visits and information provided to businesses as appropriate		Business Support	Continue to provide reassurance support in community and business settings in light on any further guidance from Govt	31/03/2022	
			Employees	Staff advised to socially distance as far as practical and to work from home where possible. Risk Assessments undertaken on buildings and Health & Safety measures implemented		Employees	Keep under review any guidance / feedback etc to ensure that employees feel confident to return to the workplace. Consultation with all employees currently underway to determine the working arrangements for the next three months of home working, office based or a combination to suit the needs of the service and the individual. Precautions still to be exercised in council facilities with hand sanitisation facilities, screens and advisory notices.	31/03/2022	

			Communications	Use of all forms of media coverage to enforce key messages to officers , members and the wider public and business community		Communications	Keep guidance / regulations from govt / professional bodies / partner agencies under constant review to ensure key messges are relayed as appropriate.	31/03/2022	
Kirkham Futures Regeneration Programme	Failure to deliver the multi-stranded programme within the agreed timeframes	16	Member approval and support for the scheme in principal	Member approval and support for the scheme	12	Staffing resource	Undertake recruitment to provide additional support and resources	Dec-21	8
			Programme Board in place	Meets monthly					
			Planning Committee oversee delivery of the programme	Regular reporting to committee					
			Quarterly returns to Historic England for HAZ	Meets monthly		Project delivery plans	Refine and agree project delivery plans for each individual scheme within the programme	Nov-21	
			Regular meetings with Historic England for HAZ	Meets monthly					
			HAZ Risk Log	Historic England require that a risk log is maintained as part of the terms of the HAZ Grant Award		Budgetry control	Establish a robust budget protocol to monitor anticipated spend against actual spend	Oct-21	
			DLUHC monitoring	A spending profile has been agreed with DLUHC with quarterly returns provided to allow them to monitor FHSF expenditure against projected budgets					
			Staffing structure approved	Agreed at Planning Committee					
			Procurement	All procurement is in line with council procedures					

Climate change	That the authority fails to assess the relative significance of climate change risks	16	Horizon scanning undertaken by elected members and as a result climate change risk areas identified within the corporate plan	Agreement to implement a number of carbon reduction policies including plastics reduction, tree planting, energy efficiency and recycling. It has also been agreed to design and implement education programmes to deliver carbon reduction actions and work with partners where appropriate to deliver actions	9	Further development of carbon reduction policies	Further programme of work to be brought forward early in 2022 to implement carbon reduction policies in regards to plastics reduction and energy efficiency/fleet	Apr-22	4
			Working Group established to build up a picture of climate change risks and to mitigate against the risk of these through the creation of a number of carbon reduction policies	Work undertaken to date includes development of recycling strategy, approval of draft tree planting strategy, and design of awareness programmes including social media campaign to encourage residents to consider their energy usage, and promotion of a carbon calculator tool to staff and councillors to ask them to consider their carbon footprint and how they can reduce it.		Further development of awareness programmes by the Working Group	Once the implementation of all the identified carbon reduction policies has been undertaken to keep the impacts of the policies developed under review and to horizon scan for further climate change risks arising in terms of the Council's operations.	Ongoing	

INFORMATION ITEM

REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	AUDIT AND STANDARDS COMMITTEE	13 JANUARY 2022	8
REGULATION OF INVESTIGATORY POWERS ACT 2000: AUTHORISATIONS			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY OF INFORMATION

Councillors are obliged to review the use of covert surveillance and covert human intelligence sources by the council at least quarterly. In the quarter to December 2021, there were no authorised operations.

SOURCE OF INFORMATION

Director of Resources

INFORMATION

1. The Regulation of Investigatory Powers Act 2000 ("RIPA") regulates covert investigations by a number of bodies, including local authorities. It was introduced to ensure that individuals' rights are protected while also ensuring that law enforcement and security agencies have the powers they need to do their job effectively.
2. Fylde Council is therefore included within RIPA framework with regard to the authorisation of both directed surveillance and of the use of covert human intelligence sources.
3. Directed surveillance includes the covert surveillance of an individual in circumstances where private information about that individual may be obtained. A covert human intelligence source ("CHIS") is a person who, pretending to be someone that they are not, builds up a relationship of trust with another person for the purpose of obtaining information as part of an investigation.
4. Directed surveillance or use of a CHIS must be authorised by the chief executive or a director and confirmed by a Justice of the Peace. All authorisations are recorded centrally by the Head of Governance.
5. This is the required quarterly report on the use of RIPA. The information in the table below is about authorisations granted by the council during the quarter concerned.

Quarter	Directed surveillance	CHIS	Total	Purpose
29 Sept 2021 – 13 January 2022	0	0	0	

Figures correct when report published. Officers will verbally update members if the figures have changed by the date of the meeting.

WHY IS THIS INFORMATION BEING GIVEN TO THE COMMITTEE?

Regulations under the Regulation of Investigatory Powers Act 2000 ("RIPA") require councillors to consider a report on the use of RIPA at least quarterly.

FURTHER INFORMATION

Contact Ian Curtis on 01253 658506 or at ian.curtis@fylde.gov.uk.