

Public Document Pack



MEETING:	Audit Committee
DATE:	Wednesday, 17 April 2019
TIME:	4.00 pm
VENUE:	Reception Room, Barnsley Town Hall

AGENDA

Procedural/Administrative Items

1. Declarations of Pecuniary and Non-Pecuniary Interest
2. Minutes (*Pages 3 - 10*)

To receive the minutes of the meeting held on the 20th March, 2019.

Item for Discussion/Decision

3. External Audit - Audit Fee Letter (*Pages 11 - 14*)

The Council's External Auditor (Grant Thornton) will submit their Audit Fee Letter detailing the planned audit fees (including the way these have been calculated) for the work to be undertaken during 2019/20, outlining the scope of the audit and the billing schedule together with the audit timetable and outlining the arrangements for undertaking additional work for which separate fees will be agreed.

Presentation

4. Cyber Security (*Pages 15 - 22*)

Ms S Hydon (Head of ICT Service Management) will make a presentation updating the Committee on Cyber Security issues.

Items for Discussion

5. Strategic Risk Register - Full Review - March 2019 (*Pages 23 - 50*)

The Executive Director Core Services will submit a covering report presenting a report to be submitted to Cabinet on the 1st May, 2019 on the latest review of the Strategic Risk Register.

6. Internal Audit Progress Report 2018/19 (*Pages 51 - 68*)

The Head of Internal Audit and Corporate Anti-Fraud will submit a report providing a summary of the Internal Audit activity completed and key issues arising from it for the period 1st January to 31st March, 2019 and providing information regarding the performance of the Internal Audit Function during that period.

Items for Information

7. Audit Committee Work Plan 2018/19 and 2019/20 (*Pages 69 - 72*)

The Committee will receive the indicative Audit Committee Work Plan for 2018/19

and for 2019/20.

8. Exclusion of the Public and Press

To consider if the public and press should be excluded from this meeting during consideration of the following item because of the likely disclosure of exempt information.

9. Internal Audit Plan 2019/20 (*Pages 73 - 88*)

Further to minute 69 of the meeting held on the 20th March, 2019, the Head of Internal Audit and Corporate Anti-Fraud will submit a report on the finalised indicative Internal Audit Plan for 2019/20.

Reason restricted:

Paragraph (1) Information relating to any individual.

To: Chair and Members of Audit Committee:-

Councillors Richardson (Chair), Barnard, Clements and Lofts; together with Independent members Ms K Armitage, Ms D Brown, Mr S Gill, Mr P Johnson and Mr M Marks

Diana Terris, Chief Executive

All Executive Directors

Andrew Frosdick, Executive Director Core Services

Rob Winter, Head of Internal Audit

Neil Copley, Service Director Finance (Section 151 Officer)

Ian Rooth, Head of Financial Services

Adrian Hunt, Risk Management Manager

Michael Potter, Service Director Business Improvement and Communications

Louise Booth, Audit Manager

Council Governance Unit – 3 copies

Please contact William Ward on email governance@barnsley.gov.uk

Tuesday, 9 April 2019

MEETING:	Audit Committee
DATE:	Wednesday, 20 March 2019
TIME:	4.00 pm
VENUE:	Reception Room, Barnsley Town Hall

MINUTES

Present Councillors Richardson (Chair), Barnard and Lofts together with Independent Members - Ms K Armitage, Ms D Brown, Mr P Johnson and Mr M Marks

57. DECLARATIONS OF PECUNIARY AND NON-PECUNIARY INTEREST

Mrs D Brown declared a non-pecuniary interest in Minute 59 'The Council's Medium Term Financial Strategy – 2019/20 Budget Recommendations' in view of her membership of the Independent Remuneration Panel which determines the Members Scheme of Allowances.

58. MINUTES

The minutes of the meeting held on the 23rd January, 2019 were taken as read and signed by the Chair as a correct record.

59. THE COUNCIL'S MEDIUM TERM FINANCIAL STRATEGY - 2019/20 BUDGET RECOMMENDATIONS

The Committee received, for information and reference, a copy of the Council's Medium Term Financial Strategy – 2019/20 Budget Recommendations which were approved by the Council on the 28th February, 2019 and which gave details of the setting of the Council Tax.

The report also contained the Section 25 report of the Service Director Finance (Section 151 Officer) on the robustness of the estimates included in the budget and on the adequacy of the reserves that the budget would provide. He reported that the robustness of the estimates and adequacy of the reserves which the budget provided were satisfactory, however, this was contingent upon the requirements contained within Paragraphs 3.17 – 3.20 of his report. He also reported that the assumptions made in preparing the budget would change and, therefore, further action may be needed to ensure that the plan not only delivered a balanced position in 2019/20 but would remain on track to deliver a balanced position over the full planning period.

In the ensuing discussion the following matters were raised:

- Information was provided about the intention to submit a purple flag application for the Town Centre and what this would entail
- It was noted that the Council had set aside a contingency to deal with the general uncertainty facing local government as a result of Brexit and other major funding changes that were looming. It was felt that this was particularly important in the light of the major regeneration schemes/projects to which the Council was committed

- Reference was made to the implications for the Council tax which showed an increased forecast over the five year period ending 2022. Arising from the above discussion particular reference was made to
 - the move towards the retention of business rates and to the increasing expenditure on social care and children's services
 - The volatile position with regard to income and the 'unknowns' around the economy and the position with regard to and the matters taken in relation to bad debt
 - The implications of welfare reforms and the likelihood that increasing numbers would be unable to pay their Council Tax. It was noted that such issues had been identified within the Section 25 report
- There was a discussion of the Town Centre Strategy and particularly in relation to strategy in place to deal with empty properties
- It was pleasing to note that compared to many local authorities, Barnsley was 'well placed' to face future financial uncertainties. This was largely as a result of the Council taking early difficult decision of budget reductions. It was noted, however, that the failure to deliver the ongoing savings identified could have a significant impact on the Council post 2022

RESOLVED that the report together with the Section 25 report of the Service Director Finance (Section 151 Officer) be noted.

60. CORPORATE FINANCIAL PERFORMANCE - QUARTER ENDING 31ST DECEMBER, 2018

The Executive Director Core Services and Service Director Finance (Section 151 Officer) submitted a joint report that had been approved by Cabinet on the 6th March 2019 on the financial performance of the Authority during the third quarter ended 31st December, 2018 and assessing the implications against the Council's Medium Term Financial Strategy.

The report indicated that for Council Services there was a projected operational underspend of £2.418m in 2018/19 and in relation to Corporate Budgets there was an operational underspend of £2.530m. Although quarter 3 was reporting a positive position, the Council still had some significant savings to deliver over the next three years within a financial climate that remained uncertain and challenging.

In the ensuing discussion reference was made to the following:

- It was noted that there had been a significant improvement compared to quarter 2 although certain issues remained which needed to be addressed including, amongst other things, the Special Educational Needs Budget. It was noted, however, that this matter was being addressed and an oversight board had been established led by the Executive Director People monitor progress
- Arising out of the above, there was a detailed discussion about SEN expenditure/funding which, it was noted, was also a national issue. In addition, it was reported that this area had also been inspected as part of the Peer Review and it was hoped that positive recommendations would be forthcoming

- There was a further discussion of bad debts and how this was calculated. Further information would be provided
- In response to specific questioning, information was provided on the high levels of staff turnover particularly in some service areas and of the action taken to address the issues identified. It was noted, however, that the authority was satisfied that it had the correct staffing levels in place to meet service requirements
- Reference was made to the funding arrangements for both The Glassworks and Digital Media Centre. It was particularly noted that in relation to The Glassworks, commercial lettings would driver the overall financial envelope
- Arising out of the above, there was a discussion of the way in which finance was obtained via the City Region, of the appraisal mechanisms in place and on the monitoring arrangements which had to be established to ensure compliance with funding requirements

RESOLVED that the report be received and the Corporate Financial Performance position for the quarter ending 31st December, 2018 be noted.

61. CAPITAL PROGRAMME PERFORMANCE - QUARTER ENDING 31ST DECEMBER, 2018

The Executive Director Core Services and Service Director Finance (Section 151 Officer) submitted a joint report that was approved by Cabinet on the 6th March, 2019 on the financial performance of the Council's Capital Programme to the quarter ended 31st December, 2018 and assessing the implications against the Council's Medium Term Financial Strategy.

It was noted that the position of the Programme for the 2018/19 financial year was currently projected to be an overall lower than anticipated expenditure of £6.939m and that the position over the five year period ending 2022/23 was currently projected to be an overall lower than anticipated expenditure of £0.566m.

RESOLVED that the report be received and the current position with regard to Capital Programme Performance for the quarter ending 31st December, 2018 be noted.

62. TREASURY MANAGEMENT ACTIVITIES REVIEW - QUARTER ENDED 31ST DECEMBER, 2018

The Executive Director Core Services and Service Director Finance (Section 151 Officer) submitted a joint report that was approved by Cabinet on the 6th march, 2019 reviewing the Council's Treasury Management Activities carried out during the quarter ended 31st December, 2018 in accordance within statutory guidance.

The report gave details of the following:

- The agreed Treasury Management Strategy for 2018/19
- The Economic Summary
- The Council's Borrowing activity
- The Council's investment activity
- The Prudential and Treasury Indicators for 2018/19

In the ensuing discussion reference was made to the following:

- Reference was made to the current position with regard to borrowing and to the advice proffered by the Service Director Finance and Executive Director Core Services in relation to borrowing restrictions particularly given the uncertainty post 2022. It was noted, however, that there were no issues in relation to the servicing of borrowing
- There was a discussion of the councils overall spending and particularly in relation to discretionary elements. As previously reported, it was noted that the expenditure on social care and children's services limited expenditure placed restrictions on expenditure in other areas
- Concern was expressed at what was perceived as the lack of understanding by local residents of the issues facing the Council in terms of expenditure and of why finance was not readily available for issues/schemes that the public deemed as important. It was noted, however, that this was kept under review and was addressed in a timely manner by the Councils Communications Service

RESOLVED that the report be received and the current position with regard to Council's Treasury Management Activities for the quarter ending 31st December, 2018 be noted.

63. REVISION OF CONTRACT PROCEDURAL RULES 2019

The Committee received a joint report of the Executive Director Core Services and Service Director (Section 151 Officer) outlining proposed changes to the existing Contract Procedural Rules (which were last reviewed in 2015) to reflect the changes in the Public Contract Regulations 2015. The Rules, if accepted, would be referred to Council on the 4th April, 2019 for approval.

The revised Contract Procedural Rules, which were appended to the report had been amended to increase compliance and enable a more commercial emphasis to procurement.

It was suggested that in future, the Rules would be reviewed annually. They had been developed in accordance with the wider commercial strategy; they supported innovation and ensured that risks were appropriately managed.

In the ensuing discussion, reference was made to the following:

- Information was provided about the background to the revision of the Procedural Rules and to the legislation and regulations that had to be taken into account.
- Reference was made to the potential impact of Brexit on future procurement and in response the Executive Director Core Services outlined the way in which arrangements would be put in place following the UK's exit
- It was pleasing to note that the new Rules were written in plain English
- There was a discussion of procurement arrangements and also to the use of IT systems and particularly in relation to YORTender. It was noted that it was

planned to roll out commercial training and to use the revision of the Rules as a basis for training and especially for those who were regular procurers

RECOMMENDED TO COUNCIL that the revisions to the Contract Procedural Rules as detailed within Section 3 of the report now submitted be approved and adopted.

64. INTERNAL AUDIT CHARTER 2018-2020 - REVIEW

The Head of Internal Audit and Corporate Anti-Fraud submitted a report highlighting the minor changes in the Internal Audit Charter 2018-20 which served as a reminder of the key aspects of the Internal Audit Function and as required by the Public Sector Internal Audit Standards.

The Charter complemented by regular reports and an annual report were intended to give the Committee assurances regarding how the Internal Audit function was resourced, managed, organised and delivered its responsibilities.

RESOLVED that the Internal Audit Charter, as reviewed and amended be approved as it adequately represents and describes the function and will consequently provide assurances to the Committee regarding the effectiveness of that Internal Audit Function.

65. EXTERNAL AUDIT - PROGRESS REPORT AND SECTOR UPDATE

The Council's External Auditor (Grant Thornton) submitted a report giving details about their work as at 8th March, 2019, outlining the audit deliverables for 2018/19, together with a Sector Update summarising emerging national issues and developments. The report also gave a summary of the results of auditors work in 2017./18 in relation to Public Sector Audit Appointments.

The report was introduced by Mr G Mills (Grant Thornton Engagement Lead) and was accompanied by Mr T DeZoysa).

Particular reference was made to the following:

- The ongoing work in relation to Value for Money – which was to conclude in July
- The arrangements being made to meet all Members of the Senior Management Team
- Thanks were extended to all those who had attended the Local Audit Committee Chairs and Members meeting held in their Leeds Office on the 26th February, 2019
- Reference was made to the following matters as detailed within the Sector Update and there was a discussion particularly as to how issues arising would be examined and addressed. It was suggested that these may form the basis for discussion at the Workshop/Training session to be held in the Autumn. It was also suggested that the Chair discuss this matter further with the Head of Internal Audit and Corporate Anti-Fraud:
 - National audit Office – the Health and Social Care Interface
 - Care Homes for the Elderly – Where are they now?

- There was a discussion of the ways audit issues (and particularly with regard to project management) would be picked up relation to The Glassworks. It was suggested that such issues and accounts closure could be picked up at the June/July meeting. It was also noted that the Overview and Scrutiny Committee was to receive a report on various matters in May and this may lead into a report to the following Audit Committee.

RESOLVED that the external audit progress report and Sector Update be noted.

66. HEALTH AND SAFETY REPORT 2018/19 - INTERIM PERFORMANCE APRIL TO SEPTEMBER, 2019

The Committee received a report, presented by Mr S Dobby (Head of Corporate Health, Safety and Emergency Resilience) providing an update on priorities identified in the Health and Safety Report 2017/18 together with interim health and safety statistics for 2018/19.

It was noted that full year data would be available in the 2018/19 health and Safety Report which would be considered by the Senior Management Team and Cabinet in Summer 2019.

Mr Dobby reported that the priorities from last year would continue to be taken forward and that plans were in place to address issues arising. The number of incidents had increased slightly and whilst there had also been one or 2 notable incidents none of these was deemed to be significant in terms of being a major issue. The nature of Health and Safety meant that the number of incidents could fluctuate but there were no underlying trends there had been a general upward trend in the number of days lost.

RESOLVED that the report be received and that Mr Dobby be thanked for attending the meeting and for answering Members questions.

67. AUDIT COMMITTEE WORK PLAN 2018/19 AND 2019/20

The Committee received a report providing the indicative work plan for the Committee for its proposed scheduled meetings for the remainder of the 2018/19 municipal year and for 2019/20.

The Executive Director Core Services reminded Members that Ms D Terris (Chief Executive) was retiring shortly and, following an appointment process, Mrs S Norman, current Chief Executive at Dudley Metropolitan Borough Council was to be recommended for appointment as Chief Executive at the Council meeting to be held on the 4th April, 2019. It was the intention that the new Chief Executive be invited to a future meeting of this Committee.

RESOLVED that the core work plan for the remainder of the 2018/19 municipal year and for 2019/0 meetings of the Audit Committee be approved and reviewed on a regular basis.

68. EXCLUSION OF THE PUBLIC AND PRESS

RESOLVED that the public and press be excluded from this meeting during the discussion of the following items because of the likely disclosure of exempt information as defined by Paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended).

69. INDICATIVE INTERNAL AUDIT PLAN 2019/20

The Head of Internal Audit and Corporate Anti-Fraud submitted a report presenting the indicative Internal Audit Plan for the financial (audit) year 2019/20, describing the rationale and process for setting the plan, the risk assessment process used and how Internal Audit resources were calculated and deployed.

He reported that additional work was required to further distil the key priorities and key areas of focus as this would ensure that the limited Internal Audit resources were appropriately targeted to key areas of risk and, therefore, gave most added value. In addition, it was also reported that a minor restructure of the Service would be undertaken to better align the staffing profile with the client base. The new structure would be fully implemented for 1st July, 2109. He therefore proposed to submit a further report on the Internal Audit Plan to the meeting in April.

Members attention was drawn to key aspects of the Indicative Plan as outlined within Paragraph 5 of the report now submitted. In addition, discussions had taken place with the Service Director Finance (Section 151 Officer) and in recognition that the risk profile for the Council had changed, an additional 20% of time was proposed to be allocated to the Council in 2019/20.

RESOLVED:-

- (i) That the draft indicative Internal Audit Plan 2019/20 be approved in principle acknowledging the need for the head of Internal Audit to finalise the planned service restructure;
- (ii) That an updated Internal Audit Plan 2019/20 be submitted for approval at the next meeting to be held on the 17th April, 2019.

70. CORPORATE ANTI-FRAUD TEAM PLAN 2019/20

The Head of Internal Audit and Corporate Anti-Fraud submitted a report presenting, for approval, the Corporate Anti-Fraud Team Plan for 2019/20 and supporting Anti-Fraud Strategy.

Members attention was drawn to the key areas of activity which had an increasing emphasis, as in previous years, on avoiding fraud taking place. In compiling the Counter Fraud Plan he had held discussions with the Service Director Finance (Section 151 Officer) to ensure that appropriate arrangements were in place and that scarce resources were targeted to key areas. In addition, there would be analysis of intelligence received from other Councils and from the Police to ensure that all possible anti-fraud initiatives were being addressed and issues identified. It was hoped that the activities detailed within the Plan would ensure that additional income

could be generated for the Council. It was also proposed that the Corporate Fraud Awareness Week, which had been such a success last year, would be repeated.

The Head of Internal Audit and Corporate Anti-Fraud also reported that the Corporate Anti-Fraud Strategy had been refreshed taking account of the Government's Fighting Fraud and Corruption Locally Strategy. It was noted that the key aim of the Strategy was to ensure that public funds were protected against fraud and loss by utilising the following objectives:

- Acknowledge/Deter
- Prevent/Detect
- Investigate/Pursue

In the ensuing discussion, particular reference was made to the following:

- The staffing structure and arrangements
- The risks associated with social care and care homes in the misrepresentation of people's assets
- The importance of integrated systems for reporting including the 'tell us once' approach
- The National Fraud Initiative
- It was noted that 100 days had been set aside in the plan for proactive work. The level of proactive anti-fraud work would be dependent upon the volume of reactive work and, as a result, not all areas would be reviewed. Any areas not reviewed but still felt to be relevant would be carried forward to the following years plan

RESOLVED:-

- (i) That the Corporate Anti-Fraud Team Plan 2019/20 and supporting strategy be agreed, acknowledging the need for the head of Internal Audit and Corporate Anti-Fraud to exercise his professional judgement during the year to apply the plan flexibly, allowing for planned proactive/detective days to be diverted to reactive investigation work as required; and
- (ii) That the Committee receive regular monitoring report to demonstrate progress against the plan including information where the plan has materially varied from that originally agreed.

.....
Chair

Neil Copley
Service Director for Finance and Chief Finance Officer
Barnsley Metropolitan Borough Council
PO 634
Barnsley
S70 9GG

Grant Thornton UK LLP
No1 Whitehall Riverside
Leeds
LS1 4BN

3 April 2019

Dear Neil

Planned audit fee for 2019-20

The Local Audit and Accountability Act 2014 (the Act) provides the framework for local public audit. Public Sector Audit Appointments Ltd (PSAA) has been specified as an appointing person under the Act and the Local Authority (Appointing Person) Regulations 2015 and had the power to make auditor appointments for audits of opted-in local government bodies from 2018-19.

For opted-in bodies PSAA's responsibilities also include setting fees and monitoring the quality of auditors' work. Further information on PSAA and its responsibilities are available on the [PSAA website](#).

All grant work, including housing benefit certification, falls outside the PSAA contract, as PSAA no longer has the power to make appointments for assurance on grant claims and returns. Any assurance engagements will therefore be subject to separate engagements agreed between the grant-paying body, the Council and ourselves and separate fees agreed with the Council.

Scale fee

PSAA published the 2019-20 scale fees for opted-in bodies at the end of March 2019, following a consultation process. Individual scale fees have been maintained at the same level as in 2018-19, unless there were specific circumstances which required otherwise. Further details are set out on the [PSAA website](#). The Council's scale fee for 2019-20 has been set by PSAA at £104,718 which is the same as in 2018-19

PSAA prescribes that 'scale fees are based on the expectation that audited bodies are able to provide the auditor with complete and materially accurate financial statements, with supporting working papers, within agreed timeframes'.

The audit planning process for 2019-20, including the risk assessment, will continue as the year progresses and fees will be reviewed and updated as necessary as our work progresses.

Scope of the audit fee

There are no changes to the overall work programme for audits of local government audited bodies for 2019-20. Under the provisions of the Local Audit and Accountability Act 2014, the National Audit Office (NAO) is responsible for publishing the statutory Code of Audit Practice and guidance for auditors. Audits of the accounts for 2019/20 will be undertaken under this Code. Further information on the NAO Code and guidance is available on the [NAO website](#).

The scale fee covers:

- our audit of your financial statements
- our work to reach a conclusion on the economy, efficiency and effectiveness in your use of resources (the value for money conclusion)
- our work on your whole of government accounts return

PSAA will agree fees for considering objections from the point at which auditors accept an objection as valid, or any special investigations, as a variation to the scale fee.

Value for Money conclusion

The Code requires us to consider whether the Council has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. This is known as the Value for Money (VfM) conclusion.

The NAO issued its latest guidance for auditors on value for money work in November 2017. The guidance states that for local government bodies, auditors are required to give a conclusion on whether the Council has put proper arrangements in place.

The NAO guidance identifies one single criterion for auditors to evaluate:

In all significant respects, the audited body had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people.

Billing schedule

Fees will be billed as follows:

Main Audit fee	£
September 2019	26,180
December 2019	26,180
March 2020	26,180
June 2020	26,178
Total	104,718

Outline audit timetable

We will undertake our audit planning and interim audit procedures from October 2019 to February 2020. Upon completion of this phase of our work we will issue a detailed audit plan setting out our findings and details of our audit approach. Our final accounts audit and work on the VfM conclusion will be completed in July 2020. Our work on the whole of government accounts return will be completed in August 2020 subject to availability of NAO guidance.

Phase of work	Timing	Outputs	Comments
Audit planning and interim audit	October 2019 - February 2020	Audit Plan	The plan summarises the findings of our audit planning and our approach to the audit of the Council's accounts and VfM.

Phase of work	Timing	Outputs	Comments
Final accounts audit	June – July 2020	Audit Findings (ISA260) Report to those charged with governance	This report sets out the findings of our accounts audit and VfM work for the consideration of those charged with governance.
VfM conclusion	October 2019 – July 2020	Audit Findings (Report to those charged with governance)	As above.
Whole of government accounts	August 2020	Opinion on the WGA return	This work will be completed in August 2020.
Annual Audit Letter	By end of August 2020	Annual audit letter to the Council	The letter will summarise the findings of all aspects of our work.

Our team

The key members of the audit team for 2019-20 are expected to be:

Role	Name	Phone Number	E-mail
Engagement Lead	Gareth Mills	0113 200 2535	Gareth.Mills@uk.gt.com
Engagement Manager	Thilina De Zoysa	0113 200 1589	Thilina.De.Zoysa@uk.gt.com
Engagement In-Charge	Jack Walsh	0113 200 2529	Jack.H.Walsh@uk.gt.com

Additional work

The scale fee excludes any work requested by the Council that we may agree to undertake outside of our Code audit. Each additional piece of work will be separately agreed, and a detailed project specification and fee agreed with the Council.

Quality assurance

We are committed to providing you with a high quality service. If you are in any way dissatisfied, or would like to discuss how we can improve our service, please contact me in the first instance. Alternatively you may wish to contact Sarah Howard, our Head of Public Sector Assurance, via sarah.howard@uk.gt.com.

Yours sincerely

Gareth D Mills

Gareth Mills
Engagement Lead
For Grant Thornton UK LLP

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CYBER SECURITY UPDATE

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Sara Hydon
IT Services

Item 4



BARNLSLEY
Metropolitan Borough Council

Cyber Essentials Plus Certification

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**CYBER
ESSENTIALS
PLUS**



BARNLSLEY
Metropolitan Borough Council

Cyber Essentials Background

- **Cyber Security Standard**
- **Operated by the National Cyber Security Centre (NCSC)**
- **Launched June 2014**
- **Developed in collaboration with industry partners**
- **Required for suppliers to Central Government**

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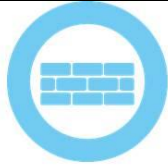
BARNLSLEY
Metropolitan Borough Council

What does Cyber Essentials address?

Five mandatory controls



Secure configuration



Boundary firewalls and internet gateways



Access control and administrative privilege management



Patch management



Malware protection



Cyber Essentials Certification

**CYBER
ESSENTIALS**

**CYBER
ESSENTIALS
PLUS**

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BARNLSLEY
Metropolitan Borough Council



This is to certify that
Barnsley Metropolitan Borough Council

Town Hall, Barnsley, South Yorkshire, S70 2TA

Has been assessed
by Justin Tjia for NTA Monitor Ltd
against the Cyber Essentials Scheme Test Specification

Level of certification: Cyber Essentials PLUS

Scope: Barnsley Metropolitan Borough Council User Workstations and Mobile Devices

Certification date: February 7th, 2019

Recommended re-assessment date: February 6th, 2020

Certificate no.: 6674438412255425



This Certificate confirms that the organisation named was assessed against the Cyber Essentials Requirements dated June 2014, and at the time of testing, the organisation's ICT defences were assessed to meet the Requirements. Cyber Essentials Certification indicates that the organisation has implemented a sensible baseline of organisational cyber security only, and implies no guarantee of effective defence against commodity cyber attacks circumventing this baseline. Organisations are recommended to define and understand the risks to their organisation and take all appropriate action to mitigate or reduce any issues, which may require a greater degree of rigour or technical investment than is required for Cyber Essentials alone.



Key Benefits of Cyber Essentials Plus

- Supports NHS DSP Toolkit submission
- Provides Assurance to customers and partners
- Protect against common threats
- Offers an opportunity to audit our internal security
- Reduce cyber insurance premiums



QUESTIONS...?

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BARNLSLEY
Metropolitan Borough Council

Item 5

Report of the Executive Director (Core Services)

AUDIT COMMITTEE – 17th April 2019

STRATEGIC RISK REGISTER – Full Review March 2019

1. Purpose of the Report

- 1.1 This brief covering note presents the draft Cabinet Report relating to the latest review of the Strategic Risk Register (SRR), which has been programmed for consideration by Cabinet on the 1st May 2019.
- 1.2 This report forms part of the Audit Committee's assurance process where it was agreed that following the completion of each review of the SRR, the Audit Committee considers the latest iteration of the SRR, and where appropriate, provides comment.

2. Recommendation

2.1 It is recommended that the Audit Committee:

- I. **Considers, and provides feedback on the outcomes of the recent review of the SRR, in relation to the management, challenge and development of the SRR;**
- II. **Considers whether any further information regarding the SRR review process is required from the Strategic Risk, Insurance and Governance Manager; and,**
- III. **Considers whether any further information is required from specific Risk Owners, or Risk Mitigation Action Owners regarding the progress towards managing and mitigating SRR risks.**

Contact Officer: Strategic Risk, Insurance and Governance Manager
Telephone: 01226 77 3119
Date: 1st April 2019

CABINET – 1st May 2019

STRATEGIC RISK REGISTER – Full Review March 2019

1. Purpose of the Report

- 1.1 The Strategic Risk Register (SRR) contains high level risks which are considered to be significant potential obstacles to the overall achievement of the Council’s corporate objectives.
- 1.2 Like all risk registers, it is important that the SRR remains up to date and is reviewed regularly in order to accurately reflect the most significant risks to the achievement of corporate objectives and facilitate the timely and effective mitigation of those risks.
- 1.3 Following a review of the SRR in October 2018, a further review of the SRR was undertaken in March 2019. The outcomes of that review are detailed in the body of this report.

2. Recommendation

2.1 It is recommended that Cabinet:

- i. **confirms that the current strategic risks articulated within the SRR reflects the current position of the Council;**
- ii. **considers the content of this report, and continues to commit to support the Corporate Risk Management process and the embedding of a Risk Management culture within the organisation; and,**
- iii. **notes the intention to carry out a review of the Councils Strategic Risk Register following the 2019 Peer Review findings.**

3. Introduction and Background

- 3.1 The Introduction and Background to the SRR has been included as an appendix to previous reports, and can now be located on the BMBC intranet [here](#).

4. Highlights Arising from the March 2019 Review

- 4.1 The main issues and changes arising from the March 2019 review are shown below:

Significant / ‘Red’ Risks:

- 4.2 Risk 3026: Failure to achieve a reduction in health inequalities within the Borough:

Risk:	Risk Owner:
Risk 3026 – Failure to achieve a reduction in health inequalities within the Borough.	Director of Public Health
Consequences:	
Health inequalities persist. Life expectancy in Barnsley remains well below the national average. Such health inequalities challenge not just the health and social care services but everyone interested in the future prosperity and well-being of the borough.	

Mitigations:
Delivery of Public Health Strategy and Action Plan (2018 – 2021)
Local Accountable Care Partnership – working across whole system
In-depth review of Health and Well Being Board

During the review meeting in March, the Director of Public Health confirmed that the risk score should not be changed. It was agreed to leave this risk on the SRR with a 'red' concern rating as:

- The risk is still relevant to the Councils objectives, and in particular the 'People achieving their Potential' priority which is underpinned by having stakeholders who are 'healthier, happier, independent and active; and,
- Further analysis of the data that underpins this risk (relating to current life expectancy) provides evidence that this risk is not improving.

New and Deleted Risks:

4.3. The total number of risks logged in the SRR has changed:

- Risk 3033 ('Failure to adapt the Authority into a sustainable organisation - 'Failure to maintain current services') has been removed and the replacement risk 4154 ('*Failure to ensure that the Future Council model is sustainable and provides the best services and outcomes possible to our customers*') has already been logged on the SRR; and,
- Risk 4271 ('Failure to ensure the Digital First Programme objectives are met through the robust management of Digital First Themes and the application of proportionate project management and governance activities') has been added to the SRR.

Re-Assessed Risks:

4.4. A number of risks have been reassessed, resulting in changes to risk concern ratings as follows:

- Risk 3543 ('Failure to ensure the adequate supply of land for housing and commercial property growth') has been improved from an amber '4' to a green '5' to reflect the benefits of having the Local Development Framework ('Local Plan') approved in January 2019; and,
- Risk 3022 ('Inability to direct corporate strategy') has been reassessed from a green '5' to an amber '4' to reflect proposed changes to the Scrutiny Committee structures, and allow time for these new arrangements to bed in;

Other Material Changes:

4.5. Details of all SRR risk concern ratings, including a direction of travel indicator to provide details of the 'trend' of the SRR risk profile are included as Appendix One to this report.

5. Risk Profile

5.1 The risk profile for the SRR is now presented within the 'highlight' report, included as Appendix Three of this report.

5.2 In order to improve the overall readability of Strategic Risk reports, and following comments made at previous Cabinet and SMT meetings, the 'highlight' report has been developed with the assistance

of an external communications and marketing company. The report is designed to present the SRR and key information in a simple, visual easy to understand format.

5.3 This summary document is envisaged to be published on the Councils internet to enable stakeholders and other interested parties the opportunity to better understand our risk management arrangements and to increase the overall transparency of strategic risk. It is also intended to assist in engaging with employees at all levels, which will assist in adopting a culture across the organisation that makes risk management everyone's business.

5.4 The slight improvement in the average concern rating from October 2018 is directly attributable to the changes detailed in section 4 of this report.

6. Assurance

6.1 This report and the SRR (which is attached to this report as Appendix Two) itself has been submitted to the Audit Committee at their meeting dated 17th April 2019, in order to provide assurances that these significant risks are being managed appropriately.

6.2 The Audit Committee have expressed a clear interest in receiving assurance from Cabinet that appropriate challenge and scrutiny of corporate risk management arrangements take place, and engagement with significant risks through reports on the SRR will be a key source of assurance. The Audit Committee will be informed of the outcomes of Cabinet's consideration of the SRR.

7. Future Review of the SRR

7.1 The recent Corporate Peer Review stated, as one of its key findings, that the strategic risk register contains a large number of risks and recommended some refinement to enable SMT to focus their attention on the current key risks. In the light of this recommendation, it is intended to carry out a review of the SRR and the outcome of this review will be reported into Cabinet in the near future.

8. Delivering Corporate Plan Ambitions

8.1 The SRR lists those significant risks which could impact upon the delivery of the Council's priorities and objectives, as set out in the Council's Corporate Plan. Risks within the SRR are directly linked to the Corporate Plan in order to ensure that the register is focused upon those risks which are considered to be significant potential obstacles to the achievement of corporate objectives.

9. Risk Management Issues

9.1 The report focuses on the further development of the SRR and the contribution this will make to the embedding of a risk management culture throughout the Council.

9.2 Failure to develop the SRR will present a significant risk to the successful implementation of the required Risk Management culture within the Council.

10. Financial Implications

10.1 There are no specific financial implications arising directly from this report, although there is often a cost in taking (or not taking) specific actions that are identified through the risk management process. Most individual Cabinet Reports have financial implications and so the application of good risk management practices is vital to ensure the most effective use of resources.

11. Appendices

Appendix One: Direction of Travel / Trend Report March 2019
Appendix Two: Full SRR as at March 2019
Appendix Three: Strategic Risk Highlight Report March 2019

12. Background Papers

12.1 Various papers and electronic files and risk registers are available for inspection at the Westgate Plaza One offices of the Council.

Contact Officer: Strategic Risk, Insurance and Governance Manager
Telephone: 01226 77 3119
Date: 1st April 2019

Appendix One: Direction of Travel / Trend Report (March 2019)

Risk Number	Risk Title	Direction of Travel	Mar 2019	Oct 2018	Mar 2018	Oct 2017	Mar 2017	Oct 2016
3543	Failure to ensure the adequate supply of land for housing and commercial property growth	Improving ↑	5	4	4	4	4	4
4170	Failure to ensure the Glassworks Programme delivers the appropriate levels of retail, market and leisure space that allows for a robust level of return on investment to be made that allows the Council to recover its borrowing within a suitable timescale and deliver the positive impacts on the Town Centre and wider economic landscape	Maintaining ↔	3	3	3	-	-	-
3025	Failure to Safeguard Vulnerable Service Users	Maintaining ↔	4	4	3	3	3	3
4248	Lack of adequate qualifications at L3 and above to progress through to further and higher education	Maintaining ↔	3	3	-	-	-	-
3026	Failure to achieve a reduction in health inequalities within the Borough	Maintaining ↔	2	2	2	2	2	2
3047	Failure to protect the population from preventable health threats	Maintaining ↔	3	3	3	3	3	3
3023	Failure to consult and engage with Stakeholders	Maintaining ↔	5	5	5	4	4	3
3792	Failure to be prepared to assist in the event of an emergency resilience event in the region	Maintaining ↔	3	3	2	2	2	2
3793	Failure to ensure that appropriate disaster recovery arrangements are in place to ensure the Council is able to recover in the event of a business continuity threat or incident	Maintaining ↔	3	3	2	2	2	2
3022	Inability to direct Corporate Strategy	Worsening ↓	4	5	4	3	3	3
3028	Workforce planning issues	Maintaining ↔	3	3	3	3	3	3
3029	Failure to safeguard personal and identifiable information	Maintaining ↔	3	3	3	4	4	4

Risk Number	Risk Title	Direction of Travel	Mar 2019	Oct 2018	Mar 2018	Oct 2017	Mar 2017	Oct 2016
3031	Strategic Performance, Governance or Compliance failure	Maintaining ↔	4	4	4	4	4	4
3034	Failure to deliver the Medium Term Financial Strategy ('Failure of the Future Council to be able to deliver the required level of savings')	Maintaining ↔	4	4	4	4	4	3
3035	Loss of assets and resources as a result of one-off incident of fraud / corruption / bribery or a sustained or widespread occurrence	Maintaining ↔	3	3	3	3	3	3
3794	Failure to ensure the governance arrangements underpinning and controlling the emerging City Region Deal Devolution Deal enable an appropriate blend of risk and reward for the Council	Maintaining ↔	3	3	3	3	4	4
4154	Failure to achieve the full benefit of our change work to date and to ensure it is sustainable for the future	Maintaining ↔	4	4	4	-	-	-
4249	Failure to ensure that the Council is able to fully understand the implications of BREXIT, and is able to ensure that opportunities that may arise are fully understood and exploited, and that risks arising from BREXIT are understood and mitigated	Maintaining ↔	3	3	-	-	-	-
4271	Failure to ensure the Digital First Programme objectives are met through the robust management of Digital First Themes and the application of proportionate project management and governance activities	n/a	4	-	-	-	-	-
3699	Failure to ensure the Council's commercial / trading arm is effective in its operations, and is a well governed organisation	n/a	Closed	Closed	4	4	4	4
3024	Lack of Educational Attainment	n/a	Closed	Closed	4	4	4	4
3033	Failure to adapt the Authority into a sustainable organisation ('Failure to maintain current Services')	n/a	Closed	4	4	4	4	4
3514	Failure to be able to deliver the ambitions and outcomes associated with the Customer Service Organisation (CSO) Programme	n/a	Closed	Closed	4	4	4	4

Key	
1	Category One
2	Category Two
3	Category Three
4	Category Four
5	Category Five
6	Category Six

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Strategic Risk Register - as at March 2019



Think Theme	Priority	Risk No	Risk Title	Risk Consequences	Risk Owner	Existing Control Measures	Oct-17	Mar-18	Oct-18	Mar-19	Risk Mitigation Action	Owner	% comp	Review Date
Build It Develop It THRIVING AND VIBRANT ECONOMY		3543	Failure to ensure the adequate supply of land for housing and commercial property growth	<p>Without an adequate supply of land, the Council will face:</p> <ul style="list-style-type: none"> A decline in the Town Centre; Decline in the value and quality of available housing stock; A Decline on the overall Council Tax base available; Lack of a conducive environment for developers; Negative impact on Jobs and Business Growth Plan; Lack of overall positive impact on the local Economy. <p>There are some important opportunities that Barnsley needs to exploit in order to ensure that it continues to meet its economic growth aspirations. These include the delivery of good quality and affordable housing and a range of commercial property. Underpinning this includes the potential offered through the delivery of superfast broadband, the use of low carbon technology and the scope to improve the area's visitor economy through better operation of its cultural assets (to attract visitors and spend) which will add to the overall viability of such housing and commercial schemes.</p> <p>In order to address the challenges and to maximise these and other opportunities, it will be essential to work in partnership with a variety of stakeholders to deliver a suite of priorities and key interventions, complete major regeneration projects, target both housing growth and business development and growth, and link new and existing jobs more effectively to local people.</p> <p>There are financial pressures making the delivery of the Local Plan difficult, but the positioning in two city regions (Leeds and Sheffield) provides opportunities to identify and maximise funding from these sources.</p> <p>Schemes that have been successful in obtaining external funding must be able to demonstrate adequate progress towards achieving their ambitions within appropriate timescales or face the risk of having the external funding removed;</p>	SMT SMT	<p>Local Plan - Examination in public (May, July and October 2017) followed by adoption in early Spring 2018. Examination and consultation process underway;</p> <p>Strategic Business Park - Working with Sheffield City Region regarding SCRIF funding to facilitate the development of Strategic Business Park infrastructure;</p> <p>Property Investment Fund - Working with Sheffield City Region regarding JESSICA funding to facilitate the identification of land to build speculative developments to aid commercial growth;</p> <p>Glassworks Programme - Ambitious programme of redevelopment with Barnsley Town centre which includes new developer led retail offer;</p> <p>SY Superfast Broadband programme which is intended to improve the infrastructure in the Borough, to benefit both commercial and residential stakeholders;</p> <p>Enterprising Barnsley schemes focusing on attracting inward investment, investing in infrastructure, growing existing businesses and encouraging higher activity start ups;</p> <p>Strategies in place include Jobs and Business Growth Plan, Transport and Employment and Skills that aim to make the Borough a thriving and unique place to live, work, visit and trade;</p> <p>Quarterly Developer Forums in place to ensure the Council is consultations throughout 2016 and 2017 - plans were submitted to Planning Inspectorate in December 2016 - feedback provided in December 2017 - Plan progressed to Stage 3 in early October 2017;</p> <p>Local Plan approved by Cabinet in January 2019 - which considers the future use of all land in Barnsley up to the year 2033. As part of Town Spirit, the Council has committed to #BuildIt and #DevelopIt by making the most of the available land to meet residents' needs. The Local Plan aims to provide better housing with the creation of over 21,000 new homes and attract more businesses and investment to grow Barnsley's economy and create over 28,000 new jobs. The plan will be used when considering planning applications, and its adoption will provide clarity to businesses, residents and council partners and will now provide certainty to how the borough is developed and protected, playing a big part in helping to make Barnsley a better place to live, work, invest and visit;</p> <p>Outcomes: Create more and better jobs and good business growth (GREEN) Increase skills to get more people working (AMBER) Develop a vibrant Town Centre (GREEN) Strengthen our visitor economy (GREEN) Create more and better housing (GREEN) Protecting the Borough for future generations (AMBER)</p>	4	4	4	5	<p>Delivery of SCRIF Programmes:</p> <p>M1 J36 Phase One Business Park - infrastructure completed, Master Planning Framework being progressed by the Developers with regard to the allocation of employment sites;</p> <p>M1 J36 Phase Two Business Park - Full Business Case has been approved - Grant Funding Agreement anticipated by Spring 2019;</p> <p>M1 J37 Business Park - Outline Business Case approved by Sheffield City Region, agreed to progress full business cases in two phases;</p> <p>- Phase One - Full Business Case has been approved; Grant Funding Agreement anticipated by Spring 2019;</p> <p>- Phase Two - Business Case now in development - anticipated appraisal by Sheffield City Region due by Summer</p>	ED Place	90% Green	30/09/19
		4170	Failure to ensure the Glassworks Programme delivers the appropriate levels of retail, market and leisure space with the agreed resource envelope that enables a robust level of return on investment to be made - allowing the Council to obtain the best deal possible in terms of being able to recover its borrowing within a suitable timescale and deliver the positive impacts on the Town Centre and wider economic landscape	<p>Inability to recover borrowings in a timely and cost effective manner;</p> <p>Lack of improvement for Town Centre;</p> <p>Disruption to Town Centre businesses;</p> <p>Inability to let space resulting in the failure of the business case;</p> <p>Specific Project Risks include: Ensuring there is sufficient funding in place to deliver the aspired project outcomes and that appropriate levels of diligence are undertaken to understand funding requirements and outputs; Ensure there is sufficient financial control throughout the project; Managing and maintaining the integrity of the project programme, including the opportunity to collaborate with wider project team and Phase 1 / Phase 2; Ensuring that conflicts between vehicles and pedestrians are minimised during and after redevelopment works; Ensuring the costs associated with the sewer diversion (which is required as a result of the Cinema operator) are contained and are not significantly increased as a result of the position of the bridge; and, Ensuring the effective sequencing and programming of the bridge, the sewer diversion and the cinema operator to minimise cost and the impact on the programme.</p> <p>Pressure in terms of the overall viability of the High Street and retail sector generally and the ability to attract wider investment in commercial properties that are being developed as part of the Glassworks Programme;</p>	SMT SMT	<p>Programme Management arrangements in place, including joint board / joint governance arrangements for Phases 1 and Phase 2;</p> <p>Nearing completion of Phase One works;</p> <p>DMO tender underway;</p> <p>Quarterly to Cabinet;</p> <p>Regular reports to wider Town Centre Board, Glassworks Board and wider market experts;</p> <p>Working with development partners to seek cost certainty in areas such as the bridge and sewer works to provide some financial stability;</p> <p>Wider issues regarding town centre spaces such as begging, ASB and car-parking being addressed;</p>	N/A	3	3	3	<p>Working with DMO to identify and secure high end retailers to ensure scheme is cost effective and has strong public support</p> <p>Working with architects, designers and DMO to ensure new builds are high quality, aspirational and draw in the correct type of retailers</p> <p>Working with stakeholders to consult and collaborate on the scheme and to ensure there is a high level of awareness in place</p>	ED Place	40% Green	30/09/19
												ED Place	75% Green	30/09/19
											ED Place	50% Green	30/09/19	

Think Theme	Priorit y	Risk No	Risk Title	Risk Consequences	Risk Owner	Existing Control Measures	Oct-17	Mar-18	Oct-18	Mar-19	Risk Mitigation Action	Owner	% comp	Review Date
Live It	PEOPLE ACHIEVING THEIR POTENTIAL	3025	Failure to safeguard vulnerable service users	<p>The risk of not safeguarding vulnerable children, adults and families who are either known or not known to the service;</p> <p>The risk is made more significant due to a rise in the number of referrals (a 21% increase in the last 12 months) along with many cases having high levels of complexity which is affecting the overall capacity of the Service;</p> <p>Changes in demographics mean there are more 'older-older' people which means an increased demand for services;</p> <p>As increased pressure mounts to reduce budgets / spending, there will be a likely increase in demand for assistance, intervention and help from service users who are also under significant financial pressure;</p> <p>Better care at an young age for those with physical or other forms of disability means life expectancy increases which puts further pressure on Adult Services;</p> <p>Arrangements are not sufficient to keep children and young people safe from harm, abuse or neglect;</p> <p>National and local child abuse enquiries affecting public confidence and reputation of local authorities and other agencies;</p> <p>The risk is compounded by whether or not the children at risk are known to the service;</p> <p>The system that delivers to children, vulnerable adults, young people and families is increasingly complex. Complexity arises from a number of factors; the number of partners with responsibilities for commissioning and/or delivering services to vulnerable children; the changing legislative, policy and financial landscape; the different mechanisms for partnership working to align delivery and test the effectiveness of services; the potential for changes within the workforce at operational levels and strategic levels;</p>	SMT SMT	<p>Adults Safeguarding Board;</p> <p>Barnsley Safeguarding Children Board;</p> <p>Opportunities to undertake Lessons Learnt reviews are fully exploited by the Safeguarding Board (including regional and joint learning);</p> <p>Service Delivery Plans / Business Plans;</p> <p>Service Improvement Plan (Children's) developed to deliver OFSTED Safeguarding Recommendations;</p> <p>Overview and Scrutiny arrangements;</p> <p>Action Plan developed using OFSTED inspection framework;</p> <p>Adults Social Care Peer review (which looked at the use of resources) - outstanding actions consolidated into Business Plan for 2019;</p> <p>Making Safeguarding personal programme - outstanding actions consolidated into Business Plan;</p> <p>Adults and Childrens Safeguarding Business Plans refreshed 2018;</p> <p>Review of Governance and Performance Arrangements undertaken for Stronger Community Partnership who own the Early Help workstream;</p> <p>More capacity in place to be able to assess quality in Adult Services;</p> <p>Regional Self Assessment undertaken against the OFSTED Framework in October 2017 - action plan developed;</p> <p>More forensic self-evaluation undertaken in March 2018 and this has been provided to OFSTED as part of their unplanned visit in October 2018 which has confirmed Barnsley's self-assessment to be accurate and valid;</p> <p>Safeguarding Week 2018 successful;</p> <p>Outcomes:</p> <p>Children and Adults are safe from harm (GREEN)</p>	3	3	4	4	<p>Adults Safeguarding - development of outcome based Performance Framework - use of qualitative data to improve outcomes</p> <p>Delivery of Action Plan following self-assessment against OFSTED Framework</p> <p>Planning for Safeguarding Awareness Week 2019</p> <p>Outcomes of OFSTED evaluation of self-assessment will feed into next iteration of Business Plans for People</p>	ED People	75% Green	30/09/19
		4248	Lack of adequate qualifications at L3 and above to progress through to further and higher education	<p>Negative impact on pupils and parents in terms of health, economic, employment and life choices;</p> <p>Insufficient number of learners progressing to higher and further education;</p> <p>Damage to reputation through poor performance in published league tables compared to the national average, and in poor inspection outcomes;</p> <p>Reputational damage from press and social media;</p> <p>Poor educational outcomes will result in skills gaps and a negative impact on the development of the Boroughs economy;</p>	SMT SMT	<p>Performance Management Framework;</p> <p>People related Policies and Strategies;</p> <p>Barnsley Alliance established with reporting lines to DMT and SMT;</p> <p>Overview and Scrutiny arrangements - regular review of CYPF Annual Report;</p> <p>Children's and Younger Peoples Plan 2016 - 2019 refreshed;</p> <p>Barnsley College OFSTED rating of 'Outstanding';</p> <p>The commissioning and use of the Advanced Level Performance Analysis System (ALPS) to analyse L3 performance (summative in depth analysis of previous final results to identify strong and under performance; benchmark nationally; support evaluations of learning and teaching and inform development planning by individual organisations);</p> <p>Use of ALPS Connect for formative data analysis by providers (on line system enabling current tracking data for current cohorts to be analysed in a format to the summative reports; informs targeting of interventions to address underperformance);</p> <p>Monitoring by Post-16 Partnership Board;</p> <p>BMBC ranking for all L3 quals moved up to 85th nationally for exams taken summer 2018 BMBC ranking for A level moved up to 71st nationally for exams taken in summer 2018;</p> <p>Penistone Grammar School 6th Form College in top tier for ALPS (2018) and 97th (out of 151) for 'A' Level results (was 137th in previous years);</p> <p>Raising Participation Strategy now being fully implemented which focuses on encouraging all 16-18 year olds to participate in education and training;</p> <p>NEET cohort has included no young people in a position, due to prior attainment, to commence level 3 studies;</p> <p>Sufficiency planning facilitates the continuation of this as sufficient post 16 places exist to accommodate in the increasing numbers of learners leaving KS4 able to commence study at level 3 post-16;</p> <p>A significant minority of learners, although resident in Barnsley, study L3 outside of the Borough and their outcomes are not included in the SRF - meeting with ALPS to explore whether it is possible for them to provide some understanding of the outcomes achieved by BMBC learners educated out of district;</p> <p>Outcomes:</p> <p>Every Child attends a good school and is successful in learning (AMBER)</p> <p>Reducing demand through improving access to early help (GREEN)</p>	N/A	N/A	3	3	<p>Refresh of Barnsley Alliance Strategy</p> <p>Refreshed Children's and Younger Peoples Plan 2016 - 2019 to be approved and adopted by TEG</p> <p>Development of strategies to improve KS4 issues</p>	ED People	0% Green	30/09/19
		3026	Failure to achieve a reduction in Health inequalities within the Borough.	<p>Life expectancy in Barnsley remains well below the national average and varies between different parts of the borough;</p> <p>Health inequalities challenge not just the health and social care services but every one interested in the future prosperity and well-being of the borough;</p> <p>The cost of health inequalities is borne not just by health and social care services and parents, carers and children, but by employers and the local economy;</p> <p>Healthy people are less likely to be socially excluded and more likely to be in work;</p> <p>Healthy children are more likely to do well at school;</p> <p>Available evidence shows that health is closely associated with people's standard of living, occupation, level of education and where they live;</p>	SMT SMT	<p>Various plans and strategies in place with key partners aimed at addressing health inequality;</p> <p>Liaison with Clinical Commissioning Group (CCG) and GPs to ensure that the right services are being commissioned;</p> <p>Joint Strategic Needs Assessment (JSNA) undertaken to ensure an appropriate understanding of the requirements of the population of Barnsley;</p> <p>Public Health Strategy and Implementation Plan has been considered by H&WB Board and includes references the Sustainability Transformation Plan (STP);</p> <p>Tobacco and Alcohol prevention plans link to STP and the local Barnsley Plan feeds into this also;</p> <p>Barnsley Place Based Plan has been developed and feeds into the STP (which acts as the delivery vehicle for the health and Wellbeing Partnership);</p> <p>Current Life Expectancy data justifies the maintenance of this this risk rating - life expectancy at birth analysis at ward level for the time period 2013-2017 suggests the gaps for both men and women has not improved;</p> <p>Outcomes:</p> <p>People are happier, healthier, independent and active (AMBER)</p>	2	2	2	2	<p>Public Health Strategy 2018 - 2021 - Cabinet approval in 2018 - Delivery of Action Plan which provides a focus on three key areas:</p> <ul style="list-style-type: none"> • Resilience; • Food; • Alcohol; <p>Which complement the existing strands of Tobacco, Oral Health and Physical Activity.</p> <p>Local Integrated Care Partnership arrangements (which includes representation from BMBC) developed which is responsible for delivery of the Place Based Plan and includes responsibility for delivering Place based elements of the STP and Healthy Lives workstream - ongoing development in this area include working across whole health system and ensuring health issues have a suitably high profile within the group 19/20</p> <p>In-depth review of Health and Well Being Board (and other Integrated Care arrangements, including:</p> <ul style="list-style-type: none"> • Governance; • Partnerships; • Ownership of actions and activities; • Accountability. 	Director Public Health	50% Green	30/09/19
3047	Failure to protect the health of the population from preventable health threats.	Failure to protect health and population against preventable disease by ensuring appropriate levels of vaccination, immunisation and screening.	SMT SMT	<p>Liaison with NHS and Public Health England regarding large scale response;</p> <p>Currently Barnsley has above average coverage regarding public health related screening and vaccinations;</p> <p>Health Protection Board functioning well;</p> <p>BMBC DPH is co-chair of Local Health Resilience Partnership;</p> <p>HPB established – good engagement from partners at local and regional meetings and proportionate systems are in place;</p>	3	3	3	3	<p>Audit of Health Protection Arrangements undertaken - national audit programme has identified a number of improvement opportunities, but some rely on national guidance to implement - Good practice is in place and regular training exercises are designed to test Health Protection Arrangements - as a result of not getting national guidance local arrangements are being developed which includes the consideration of who will pay for mitigations in the event of outbreaks and how the Health Protection Board and BMBC would share costs</p>	Director Public Health	50% Green	30/09/19		

Think Theme	Priority	Risk No	Risk Title	Risk Consequences	Risk Owner	Existing Control Measures	Oct-17	Mar-18	Oct-18	Mar-19	Risk Mitigation Action	Owner	% comp	Review Date
Love It Change It	STRONG AND RESILIENT COMMUNITIES	3023	Failure to consult and engage with stakeholders	Non ability to explain Councils position and / or public relations; Failure to communicate effectively with community/stakeholders; Lack of proper engagement with stakeholders, at the right level, and at the right time; Loss of confidence in ability to deliver services or respond to problems; Lack of community support which prevents and / or hinders improvement or effective implementation of change; High expectation of service delivery and resource availability despite budget reductions; Poor engagement with regard to Future Council Activity could result in legal challenge; Increased community tensions as a result of Brexit decision resulting in a loss of community cohesion and increased incidents of hate crime;	SMT SMT	Community Engagement Strategy; Town Spirit - making clear exactly what the Council offers and sets out what support is needed from people living and working in Barnsley; Supported by the Love Where You Live campaign (3,500+ volunteers have stepped forward to support their communities in different ways, and the work of all of our communities was recognised in March 2017 when Barnsley won the Local Government Chronicle Award for Community Involvement). Residents' survey - 20% of residents would like to get involved in their local community and to improve their neighbourhood; Review of voluntary, community and social enterprise infrastructure undertaken; Smart Survey arrangements in place to replace U-Engage; Town Spirit launched in November 2018 aims to bring Barnsley Council, partner organisations, businesses, residents and communities together achieve more than ever before and continue to build a brighter future, a better Barnsley. It is made up of eight key themes – Build it, Love it, Achieve it, Change it, Develop it, Protect it, Live it, and Imagine it, the aim of Town Spirit is to tell stories and showcase the ambitions for all of Barnsley's towns and communities. Town Spirit is intended to show businesses how the work of the council and other partners fits together – helping to remove the barriers so people can see the links between services they receive; Outcomes: People volunteering and contributing towards stronger communities (GREEN)	4	5	5	5	Refresh of Community Engagement Strategy that underpins Stronger Communities Partnership and Community Safety Partnership (council, not multi-agency) - revised Community Engagement Strategy and Implementation Plan developed to underpin the 'deal' between the Council and its stakeholders - strengthening of relationship between Council, Partners and Stakeholders - Community Engagement Strategy runs to 2020 - feedback from Peer Review 2019 suggests this strategy requires more corporate oversight in order to share outcomes and to pull things together	ED Communities / ED Core	65% Green	30/09/19
											Review of engagement activities within the Council including Core and Communities to identify improvement options	ED Communities / ED Core	15% Green	30/09/19
Protect It	STRONG AND RESILIENT COMMUNITIES	3792	Failure to be prepared to assist in the event of an emergency resilience event in the region	Reduced employee numbers, service rationalisation, third party service delivery models and on-going budget cuts may challenge the Authority's ability to fulfil its Civil Contingencies Act 'Category One' responder duties to an extent expected by residents and their political representatives; Recent responses to emergency events proves there is still an inappropriate reliance on the increasingly limited resources of the HS&ERS to manage and lead on the management of emergency events;	SMT SMT	Business Unit/Service Business Continuity Plans developed using the template provided and reviewed in 17/18; Corporate Resilience Plan and supporting specific plans; Ongoing liaison with SMT regarding aspirations and expectations during emergency events; Formal on-call arrangements by the Health, Safety and Emergency Resilience Service (bronze/operational) and BLT (strategic/gold); Multi-agency working across the Local Resilience Forum; Operational Services role as 'Lead Local Flood Authority'; Corporate emergency plans appear robust and are well delivered - concern raised regarding the management of those incidents that occur 'out-of-hours'; Ward Alliances encouraged to consider and develop Community Flood plans - Dodworth, Darfield and Penistone visited; Corporate Resilience Plan reviewed following transition to Future Council; Exercise Refresh - October 2018; All Business Unit / Service continuity plans reviewed in 17/18 - some gaps identified which were highlighted to SMT in Spring 2018 which will include a 'check and challenge' session with relevant business units / service representation; Business Units now have the appropriate skills to be able to develop their own BCPs, Emergency Response Plans and resilience arrangements;	2	2	3	3	Flooding report being developed for SMT in Spring 2018 - will be asking Ward Alliances for copies to their own Flood Plans which will then feed into the Overview and Scrutiny task and finish group analysis which is currently in draft - reported drafted but put back to 2019 to ensure feedback from BU6 is amalgamated into the report which provides two main options: 1) Ensuring the provision of what stakeholders such as Elected Members and members of the public would want us to deliver on their behalf (which may require increased / extra resources); or, 2) Ensuring we promise to deliver what is reasonable and what we can do (without incurring any extra cost).	Executive Director, Core Services	50% Amber	30/09/19
		3793	Failure to ensure that appropriate disaster recovery arrangements are in place to ensure the Council is able to recover in the event of a business continuity threat or incident	In the event of a business continuity threat the Council will be unable to recover in an effective manner resulting in lost time and resources; Inability to process customer queries resulting in dissatisfaction, complaints and possible issues regarding safeguarding and vulnerable customers; Lack of support to employees such as that provided to lone workers as a result of IT and telephony systems being unavailable for significant lengths of time; Inability for customers to be able to access services; Lack of access to IT systems to enable employees to undertake their duties effectively; The Council could be held to ransom by third parties demanding financial compensation on return for our data;	SMT SMT	Working with Health and Safety and Emergency Resilience Service; Data Centre located at Beevor Court; Working with Business Units to understand their requirements; Informal testing programme in place; Power supplies tested on a weekly basis; Infrastructure Team in place to provide limited support out of hours / weekend activities; In the event of ransom, seek advice and guidance from the National Cyber Security Centre and Yorkshire and Humber Cyber Crime Unit (police) - general advice is do not pay ransoms - issue will be escalated to ED Core and CX; Exercise 'Refresh' in 2018 focused on an IT outage incident, and was complemented by an actual IT outage incident in September 2018;	2	2	3	3	Immediate / 24 hour priority services identified and aligned with IT systems with the external data centre. This has now being mapped by the Enterprise Architect team and the 'top' 30% technical dependent systems identified - the recovery order is yet to be agreed - services are to be chased for updates Following development of recovery order, consider how best to undertake a 'safe' test of arrangements in place - likely to be a recommendation to the Information Governance Board as to whether a test could be undertaken in a manner that can guarantee a speedy and robust recovery - IT are reluctant to undertake a managed test due to significant uncertainty regarding recovery	Executive Director, Core Services	60% Amber	30/09/19
												Working with partners to undertake reciprocal testing of cyber security in March 2019	Executive Director, Core Services	50% Green
Change It	STRONG AND RESILIENT COMMUNITIES	3022	Inability to direct corporate strategy	The Authority may be challenged by internal friction between Elected Members and appointed leadership, especially with regard to challenging decisions with significant political consequences or local repercussions; Proposed changes to the Scrutiny Committee structures require time for these new arrangements to bed in and provide the assurances that are expected and required;	SMT SMT	Council Constitution; Corporate Plan; In the event of Constitutional dispute, role of Monitoring Officer to adjudicate as and when tensions arise; Area Council Arrangements in place, with supporting documentation in the form of 'Area Governance Handbook', 'Ward Alliance Governance Handbook', 'Ward Alliance Community Representative Handbook', 'Consulting and Engaging our Communities through Neighbourhood Networks' and 'Working with you to support your Community'; Private / informal Cabinet meetings used as a forum to discuss sensitive and confidential issues; SMT meetings and processes to ensure leadership is able to keep in touch with regard to pressures; Area Chairs meet each other on a regular basis to ensure cooperation and consensus; Member information session held regarding Conduct and Commissioning; Officer Working Group in place to support commissioning and procurement activity; Area Council Officer Coordinating Group to unpick issues relating to Area Governance - developing Member Protocol to deal with potential tensions within Ward Alliances in place and working effectively; Area Council Commissioning Group to unpick issues relating to procurement and commissioning in place and working effectively; Area Council Chairperson Group to encourage cooperation and consensus amongst Area Councils in place and working effectively;	3	4	5	4	Monitor and Review Area Council activity (in terms of Area Council Coordinating Group, Area Council Commissioning Group and Area Council Chairperson Group) and revised Ward Alliance Arrangements (19/20)	Executive Director, Core Services	0% Green	30/09/19
											Monitor and review the implementation and effectiveness of revised Contract Procedure Rules to deal with commissioning of internal services from Area Council budgets (19/20)	Executive Director, Core Services	0% Green	30/09/19
												Ongoing review of Overview and Scrutiny arrangements to reflect revised capacity issues in relation to the breadth of the Scrutiny agenda	Executive Director, Core Services	0% Green
Achieve It	STRONG AND RESILIENT COMMUNITIES	3028	Workforce planning issues	The Council requires employees to have different skill sets that underpin a transformed business model. Operationally, risks inherent in organisational down-sizing initiatives will include: - Increasing workforce productivity; - Getting the balance right between cost and benefit; - Need to reduce deficit reductions; - Balancing the impact of reducing the workforce and the economic impact on the community; and, - Maintaining morale in the remaining workforce.	SMT SMT	HR Policies; Council Constitution; Equalities and Diversity Policy; Risk Management Policy; Management and monitoring of 'Future Council' / KLoE activity; Organisational Development Strategy monitoring reports to Scrutiny; Regular progress reports against Future Council characteristics to SMT; NW Employers session - workforce planning now a more important element of Business Planning processes; Workforce Planning arrangements now embedded into Business Planning activities; New P&DR Arrangements in place;	3	3	3	3	Delivery of Organisational Improvement Strategy (2017 - 2020) including oversight and governance arrangements being delivered by Organisational and Improvement Board 18/19 - monitoring arrangements undertaken via Organisational Improvement Board - development of Workforce Plans for 2019/20	Executive Director, Core Services	75% Green	30/09/19
											Delivery of SAP Success Factors - in relation to succession and development and workforce planning - 3rd phase 2020 - 2021 - delayed 12 months - timescales slipping due to resources and costs	Executive Director, Core Services	15% Amber	30/09/19

Think Theme	Priority	Risk No	Risk Title	Risk Consequences	Risk Owner	Existing Control Measures	Oct-17	Mar-18	Oct-18	Mar-19	Risk Mitigation Action	Owner	% comp	Review Date
Change It		3029	Failure to safeguard personal , identifiable information	Breaches of GDPR / DPA legislation; Potential ICO fines and censure; Poor relationship with ICO; Embarrassment or personal loss to the customer; Reputational damage to the Council; Poor data quality; Missed opportunity to link Council records with partners to improve data quality and preventative services; Considerations have not formally been assessed for peoples privacy impacts;	SMT SMT	Policies all reviewed and published; ICO consensual Audit 2017 - concluded that the Council had provided 'reasonable assurances'; Engaged with an external health check auditor / advisor with annual audit support; PSN achieved on 16/08/2018; Monitoring of all denial of service attacks; Training released to all employees regarding the importance of records management and retention periods; Annual GDPR training undertaken; Incident reporting processes in place, and easy to inform; Caldicott Guardian, DPO and SIRO are all actively involved when a serious breach is identified; Incidents are all reported into the Information Governance Board and Audit Committee; Administrative procedures, contain the breach and collect documentation; Phishing and vishing are regularly (4x per year) undertaken across all users and reported into the Information Governance Board and Service Directors; All systems administrators and those using cloud technology always use multi-factor authentication; Phase 1 - Information Flow Mapping has been undertaken capturing all the risks, information sharing agreements etc. Phase 2 - to include systems, security considerations and business data; IT Project Management includes DPIA's within both business cases and project initiation documents; Corporate Business Cases include DPIA template; Training has been deployed (GDPR) which includes DPIA's and why they are required; DPO role assigned; DPO trained to a basic level; Internal Audit days included in plan to support DPO; DPO attending IS Board and IG Team meetings; DPO undertaking continuous training; PSN accreditation received (2018); Existing Governance and Security policies to be reviewed annually, and amended as appropriate; Cyber Essentials Plus accreditation received (February 2019);					All GDPR outcomes to be monitored and reviewed during 2018/19 by DPO and Internal Audit Action Plan; Line managers to discipline those employees who regularly breach the Act; Undertake regular audits with previous comparisons of similar exercises to check for 'offenders'tion Flow Mapping revisited and regularly reviewed with Business Units which will feed into DPO plan for 2019/20	Executive Director, Core Services	80% Amber	30/09/19
							4	3	3	4	Monitor and review 2019/20 with external health check partners	Executive Director, Core Services	0% Green	30/09/19
											Build into HR and ITIL processes for movers, changers and leavers for the management of user access to council systems - Portal going live April 2019	Executive Director, Core Services	30% Amber	30/09/19
											Provide Service Directors with assurances regarding their customer / client information being considered for privacy impacts - IT projects 100%, other projects delivered within the Council unsure percentage, but is likely to be low - likely to feed into DPO plan for 2019/20	Executive Director, Core Services	70% Amber	30/09/19
											DPO work / action plan being developed ; Reporting arrangements to be determined;	Executive Director, Core Services	60% Amber	30/09/19
IT Page 34		3031	Strategic Performance, governance or compliance failure	Budgetary pressures to minimise back office functions may drive the Authority to downgrade the focus on meeting proper governance standards and ultimately, remaining 'safe'. The implementation of the Area Council Arrangements has required the Council's Constitution to have been significantly reviewed to ensure Area Council governance and Ward Alliance governance issues are included.	SMT SMT	Council Constitution; Local Code of Corporate Governance; Information Management and Governance Policies; ToR for Audit Committee; ToR for Scrutiny Committees; Internal Audit; Risk Management Policy; Performance Management Arrangements including revised Corporate Plan Performance Report and 'We Will Statements'; Terms of reference for all Overview and Scrutiny Committees reviewed; Scrutiny Committee workplans are now aligned to Corporate Priorities; Briefing for Elected Members relating to Performance Management of Area Council activity; Revised AGR process for 14/15; Analysis of Casey Rotherham Safeguarding Report undertaken - report to SMT in February 2015 including recommendations for Internal Audit activity; Improvements to the recording of officer delegated decisions to ensure this is in line with legislation completed via AGS Action Plan; Ward Alliance arrangements revised with revisions to chairing arrangements, decision making and quoracy, membership, induction and renewal, review processes, interventions and the allocation of funding and clarity regarding the role of the secretary;					Monitoring of AGS Action Plan (19/20)	Executive Director, Core Services	0% Green	30/09/19
											Development of Managers Toolkit and Accountability Framework	Executive Director, Core Services	25% Green	30/09/19
											Monitoring the effectiveness of revised Contract Procedure Rules (19/20)	Executive Director, Core Services	0% Green	30/09/19
											Monitoring the effectiveness of revised procedural standing order relating to Council governance activities (19/20)	Executive Director, Core Services	0% Green	30/09/19
											Await the findings and outcomes of the recent Peer Review undertaken in January 2019	Executive Director, Core Services	0% Green	30/09/19

Think Theme	Priority	Risk No	Risk Title	Risk Consequences	Risk Owner	Existing Control Measures	Oct-17	Mar-18	Oct-18	Mar-19	Risk Mitigation Action	Owner	% comp	Review Date
Imagine It		3034	Failure to deliver the Medium Term Financial Strategy and its underlying financial assumptions	<p>Unsustainable financial position for the Council;</p> <p>Requirement for further KLOE process and consequential impact on front line services;</p> <p>Adverse effect on the Council's reserves and possibly falling below minimum working balances;</p> <p>Adverse External Audit report / opinion and possible Government intervention with impact on Council flexibility;</p>	SMT SMT	<p>Strong and timely service and financial planning processes in place reported to SMT/ Cabinet to assess the impact and deal with it;</p> <p>Robust MTFS in place refreshed on a regular basis to reassess the underlying assumptions and incorporate national and local focus - subject to approval;</p> <p>Balanced MTFS through to 2020/21 and plans in place to manage a small remaining deficit in 2021/22;</p> <p>Strong governance framework including refreshed Financial Regulations, Annual Governance Action Plan and other supporting strategies;</p> <p>Implementation of the Future Council model based on a Business Unit model;</p> <p>Financial Services structure and systems set up to support the above framework and business partnering model;</p> <p>Robust governance of savings, efficiencies and improvements;</p> <p>Strong Financial Monitoring and Performance Management Framework in place and Q2 currently reporting £0.5M underspend on services;</p> <p>Working groups established to specifically review any major over spending services eg. between Finance and People (ASC) to understand issues that are now stabilising - eg. specific review of BU6 with collaboration between Finance and Service staff;</p> <p>Robust processes in place to monitor the delivery of Service savings over the next three years including regular reports into SMT and Cabinet on progress;</p>	4	4	4	4	<p>The current budgeting and forecasting software (Business Planning and Consolidation (BPC)) has been enhanced in terms of software upgrades and bespoke reporting functionality to improve navigation and accessibility to information.</p> <p>The system now includes improved navigational functionality, drill-downs to SAP and a new user friendly report layouts.</p> <p>Promoted Finance staff assisting with the use of the system to maximise financial governance and budget management with one system.</p> <p>Finance staff have also received additional training and now provides full financial support to budget managers raising their financial knowledge and boosting the financial information and management information exchange during budget management meetings.</p> <p>Now monitoring the impact of the above improvements on the quality of financial budgeting and forecasting.</p>	Executive Director, Core Services	90% Green	30/09/19
											<p>Finance currently working with Budget Managers to develop Power BI Dashboards showing financial information that management can access on a monthly basis which will enable the Council to be more reactive and responsive to financial information. Dashboard software has been demonstrated to budget managers and they are keen to utilise this type of visual information which allows for swift responses due to the ease of access and the understanding of information.</p> <p>Now collaborating with departments - Business Improvement and Communications (BU15) and Information Technology (BU12) are leading the way in terms of the data and server support, with Environment and Transport (BU6) have developed a suite of dashboards already.</p> <p>The Commercial 'Toolkit' has been developed by Finance which includes the provision of dedicated training sessions and workshops, along with access to a range of resources and online support. A Commercial intranet site has been developed which includes 'An Introduction to Commercial Awareness' training package for all budget managers - further training planned which includes Commercialism in Local Government, Financial Management and Procurement.</p>	Executive Director, Core Services	15% Amber	30/09/19
											<p>Financial Services at the forefront of understanding and influencing major government changes proposed in next 2 years such as 75% business rate retention and Fair Funding review - consultations responded to via BLT session - reports to be submitted to SMT and Cabinet as required</p>	Executive Director, Core Services	0% Green	30/09/19
											<p>Financial Services at the forefront of understanding and influencing any local / regional / national issues including Devolution and Brexit including its impact on Bamsley and its partners - currently leading in the understanding and analysis of issues such as Comprehensive Spending Review 2019 and BREXIT</p>	Executive Director, Core Services	0% Green	30/09/19
Imagine It		3035	Loss of assets and resources as a result of a one-off incident of fraud / corruption / bribery or sustained or widespread occurrences.	<p>Occurrence or incidents of sustained and / or widespread and / or one off / big bang occurrence of Fraud and Corruption leading to financial loss, loss of income, property and other assets; Fraudulent transactions, contracts / payments and the like perpetrated by employees and / or third parties;</p> <p>External Audit public interest report;</p> <p>Loss of management time in undertaking investigations, be they 'real' incidents, or vexatious claims;</p> <p>The consequences of this risk will greatly depend on the context of the individual incidents, and will be greatly influenced by both the scale of the incident, and the position of the perpetrator within the Organisation;</p> <p>Negative impact on employee morale either through actual incidents, or suspicions of incidents being perpetrated;</p> <p>Tensions and issues with morale within groups / teams as a result of changes within and to the organisation;</p> <p>Increased opportunities to commit fraud due to management attention being distracted by change programmes and increased workloads;</p> <p>Losses arising from officers not doing their jobs properly, or not expending the amount of effort that may have been normal previously, due to morale and motivation issues;</p> <p>Increased risk of third party IT attacks on BMBC systems such as hacking for personal data, general mischief and disruption or to facilitate the transacting or processing of false documents;</p> <p>Negative impact on BMBCs reputation through the actions of partners and the perception that BMBC could be guilty by association;</p> <p>Societal issues appear to be influencing increasing trends in respect of fraudulent activity, cyber risks including hacking, phishing and vishing and identity related thefts;</p>	SMT SMT	<p>Anti Fraud, Corruption and Bribery Policy which is developed and refined following analysis of the Annual Fraud Risk Self Assessment (FRSA);</p> <p>Anti Money Laundering Policy which is developed and refined following analysis of the FRSA;</p> <p>Whistleblowing Policy which is developed and refined following analysis of the FRSA;</p> <p>Prosecutions Policy in place to ensure the Authority is open regarding censure relating to inappropriate behaviour;</p> <p>Council Constitution;</p> <p>Local Code of Corporate Governance;</p> <p>Member and Officer Codes of Conduct;</p> <p>Police involvement / criminal investigations;</p> <p>NFI Data Matching;</p> <p>Membership of NAFN;</p> <p>IT usage policies and procedures;</p> <p>IA for CA and other major organisations;</p> <p>Corporate Fraud Team in place;</p> <p>Fraud and Corruption included in AGR process;</p> <p>BOLD Elearning modules in place;</p> <p>Relationship in place between Internal Audit, Human Resources, Legal Services and the Police which was refreshed as part of the development of the Corporate Anti-Fraud Team;</p>	3	3	3	3	<p>Review corporate training programme utilising corporate PDR information and further development of POD online training - trialling a pilot package</p>	Executive Director, Core Services	90% Green	30/09/19
											<p>Prosecution Policy and Whistleblowing Policy to be reviewed and considered by the Audit Committee and Cabinet</p>	Executive Director, Core Services	50% Amber	30/09/19
											<p>Communication of arrangements via training and awareness sessions regarding anti fraud and corruption arrangements to publicise these throughout the Council - main focus will be new POD training package</p>	Executive Director, Core Services	50% Amber	30/09/19
											<p>Reinstatement of annual Fraud Risk Self Assessment at Business Unit level</p>	Executive Director, Core Services	75% Green	30/09/19
											<p>Fraud Awareness Week (17-24 September 2018) - follow up work to create internet pages for public information</p>	Executive Director, Core Services	50% Green	30/09/19
											<p>Review of outcomes arising from Fraud Awareness Week to enhance internal awareness of fraud risks and engage with other BMBC services</p>	Executive Director, Core Services	50% Green	30/09/19
											<p>Development of further anti-fraud and corruption arrangements such as Cyber, Identity Theft, and other local and national trends</p>	Executive Director, Core Services	0% Green	30/09/19
Change It		3794	Lack of certainty regarding the outcome of wider Yorkshire devolution deal and the city region devolution	<p>Potential loss of external funding - such as the Mayoral Funding lost to City Region;</p> <p>Loss of devolution funding and other additional funding opportunities that other regional areas appear to have successfully secured;</p> <p>Increased officer time required to support both organisations;</p> <p>Increased risks regarding project activities, where the CA may be unwilling to underwrite risk on behalf of constituent Councils;</p> <p>Increased reliance of CA funding;</p> <p>Significant reputational damage in the event the devolution model fails or is seen to fail as a result of BMBC support;</p>	SMT SMT	<p>Development of protocols for dealing with potential conflicts of interest;</p> <p>Escalation of issues through Chief Executives;</p> <p>De-briefs following significant interaction with the Combined Authority;</p> <p>Ongoing collaborative work with Yorkshire Authorities to progress Yorkshire Mayoral Combined Authority to reflect community preferences as expressed in the Community Poll in late 2017;</p> <p>Mayor in office as at May 2018;</p>	3	3	3	3	<p>Ensuring that the Authority is able to learn from its experiences in terms of conflicts that may have arisen and identifying areas of potential improvement in terms of how conflict are identified, handled and addressed (19/20)</p>	Executive Director, Core Services	50% Green	30/09/19
											<p>Close BMBC Officer engagement on the development of one Yorkshire proposals</p>	Executive Director, Core Services	0% Green	30/09/19

Think Theme	Priority	Risk No	Risk Title	Risk Consequences	Risk Owner	Existing Control Measures	Oct-17	Mar-18	Oct-18	Mar-19	Risk Mitigation Action	Owner	% comp	Review Date
Change It		4154	Failure of the Future Council change programme to ensure a sustainable and effective organisation going forward: Delivering the best possible services for our customers	Lack of improved service provision; Scant resources being targeted on inappropriate areas; The Council runs the risk of moving away from addressing problems with long-term solutions, such as capital investment projects essential to meet social and area-based economic challenges; Significant budget cuts have driven the 'Future Council' programme which has dramatically transformed the organisation's business model; Need to ensure that the Council has the right people to ensure sustainable opportunities are being exploited to their maximum; Delivering services and outcomes through mixed economy partnerships and outsourced contracts, Infrastructure transformation initiatives, process re-engineering and organisational change programme and projects may be challenged by cost over-runs and failure to meet expectations.	SMT SMT	Council Constitution; Performance Management Framework; Growing Barnsley's Economy (2012-2033) - Economic Strategy; Future Council Strategy and Workforce development refreshed and approved by Cabinet in March 2017; Talkabout sessions throughout 2017 (business planning and 'golden thread') and 2018 (Town Spirit); SMT responsible for the Delivery of the Councils Corporate Plan 2017 - 2020; Forward look for Corporate Plan 2020 - 2022 underway; Organisational Improvement Strategy 2017 - 2020 in place and being monitored; BLT responsible for tracking KLOE activity; Organisational Improvement Board in place to oversee the delivery of organisational development and change programmes; Delivery of Digital First agenda which cuts across Council and aims to modernise the Councils IT estate and change ways of working to ensure the Council; has a 'digital first' mind-set when considering improvements to processes, transactions, communications etc. Development of plans in terms of organisational development, despite not having a clear understanding of the financial context in which the Council will operate as a result of uncertainties relating to devolution and Fair Funding arrangements; Integrating areas of work and consideration of new Service Delivery models such as traded services or social enterprise; Significant investment in leadership and management training throughout the Council, including the 'Future Leaders' apprenticeship programme; Programmes of activity include: Facilitating and accelerating growth, Supporting Early Help, Developing local Devolution Models, Supporting behaviour change within communities, Brexit Implications and Technology;	N/A	4	4	4	Monitor and review the progress made in 19/20 against key strategies such as: • Organisational Improvement Board; • Barnsley Leadership Team; • Digital First; • Other key boards	Chief Executive	50% Green	30/09/19
										Corporate Talkabouts being developed for Spring / Summer 2019 which form a key element of the organisations development	Executive Director, Core	50% Green	30/09/19	
											Development of Performance Management Arrangements for 2019 and beyond - new reporting arrangements - will include consideration as to how reports are submitted to SMT, a 'dashborad' for SMT and a revised Corporate Plan and performance dataset	Executive Director, Core Services	30% Green	30/09/19
											Recruitment underway for: 1x Project Manager to assist in the delivery of Agile arrangements; and, 2x Change Managers to assist in the delivery of Digital First outcomes.	Executive Director, Core Services	0% Green	30/09/19
											Await outcomes of Peer Review December 2019	Chief Executive	0% Green	30/09/19

Think Theme	Priority	Risk No	Risk Title	Risk Consequences	Risk Owner	Existing Control Measures	Oct-17	Mar-18	Oct-18	Mar-19	Risk Mitigation Action	Owner	% comp	Review Date
		4249	Failure to ensure that the Council is able to fully understand the implications of BREXIT, and is able to ensure that opportunities that may arise are fully understood and exploited, and that risks arising from BREXIT are understood and mitigated	Missed opportunities that may be present within the agreed BREXIT package; Risks arising from BREXIT that may affect the Council, its partners, stakeholders and other interested parties;	SMT SMT	<p>Initial BREXIT Impact Assessment undertaken; BLT focussed session on BREXIT issues - BLT have assessed the 'top three' potential risks as:</p> <ul style="list-style-type: none"> • Impact on the macro-economy; • Impact on community tensions/cohesion; and, • Impact on essential supplies. <p>These risks along with a range of additional risks are subject to weekly assessment by South Yorkshire Local Resilience Forum (SYLRF). To inform this assessment an internal cross-Business Unit EU Exit Planning Group has been convened to consider issues such as local economy/ businesses, social care, health, public order and community cohesion (including hate crime and EU nationals rights), critical supply chains (including food, water, energy and fuel), finance, data handling, workforce, Regulatory Services, environment (including waste), transport, communications and legal.</p> <p>SYLRF have been meeting monthly as a Strategic Co-ordination Group and from the beginning of March will be meeting weekly to lead the contingency planning effort; The strategic meeting is supported by a tactical group chaired by BMBC; SYLRF has set the overall strategic aim "to ensure that Local Resilience Forum (LRF) partners work together to protect life and maximise the safety of all communities in South Yorkshire; It is essential the partners and Sheffield City Region work collaboratively to minimise the risks and threat of the UK's EU Exit and also to help maximise the opportunities for the region"; One Chief Executive from each English region has been designated a co-ordination point for local authorities and direct communication/liaison with the Ministry of Housing, Communities and Local Government (Leeds City Council are the lead in Yorkshire and the Humber). A national 'command, control and co-ordination' plan is being developed that will dictate/guide the arrangements necessary within the Council should a 'response phase' to EU exit be necessary; These will translate into regional and then local arrangements and may necessitate the rostering of staff to be points of contact for both attending meetings and information on key themes;</p>	N/A	N/A	3	3	<p>Further development of BREXIT strategy following BLT session - focussing on mains areas such as:</p> <ul style="list-style-type: none"> • Local Economy / Businesses - working with Enterprising Barnsley and Sheffield City Region to monitor local impacts and provide support of local businesses with the Chamber of Commerce to be commissioned top provide support / workshops / training for affected businesses; • Social care - the impact on local social care providers is being monitored; • Health - NHS currently responding as 'business as usual' with existing BCP arrangements utilised • Public order and community cohesion (including hate crime and EU nationals rights) - community tension monitoring systems in place via SYP - no current increase is being reported; • Critical supply chains (including food, water, energy and fuel) - Enterprising Barnsley are liaising with food manufacturers and suppliers, supply chain issues regarding School Meals being examined, internal fuel supplies considered, the LRF Fuel Plan is available. (Key Partners have developed risk register for EU exit including the consideration of and BCP impacts) • Finance - potential impacts have been included within the Council's Medium Term Financial Strategy; • Data handling - confirmation of specific impacts being identified by Legal / IG / IA including a number of potential safeguarding cases that may be affected; • Workforce - the Council is providing 'Digital Assist' via libraries to support EU nationals achieving 'settled-status'; • Regulatory Services - liaison with FSA regarding food import / export regimes - workshops planned for 2019, liaison with Enterprising Barnsley regarding food import / export businesses, monitoring impact on ability to deliver Food Inspection programme (may require external resources), mutual aid with other authorities being explored; • Environment (including waste) - a charge for export certificates is in place from 01/04/2019; • Transport - issues being assessed by BU6 -initial assessment from Waste BDR Partnership suggests no concerns; • Communications - EU exit specific website in place: www.barnsley.gov.uk/brexit, LRF comms plan and internal tactical plan in place; • Legal - national issue with national advice awaited; 	Executive Director, Core Services & ED Place ED Communities ED Communities ED Communities Executive Director, Core Services & ED Place Executive Director, Core Services Executive Director, Core Services ED Place ED Place ED Place Executive Director, Core Services Executive Director, Core Services	0% Green	30/09/19 30/09/19 30/09/19 30/09/19 30/09/19 30/09/19 30/09/19 30/09/19 30/09/19 30/09/19 30/09/19 30/09/19
		4271	Failure to ensure the Digital First Programme objectives are met through the robust management of Digital First Themes and the application of proportionate project management and governance activities	Inability to enhance access to the technology solutions required to deliver excellent services in support of the council's outcomes and strategies; Inability to enable teams to thrive and innovate through excellent communication channels and collaboration tools; Missed opportunities to simplify day to day service delivery tasks and the technology systems that underpin them; Lack of automation and streamlining of individual IT service offers creating a lack of improvement to efficiencies and effectiveness; Inability to treat data as a critical asset which could enable improvements to performance through enhanced management information and business intelligence; Lack of training provision and support to the council workforce resulting in missed opportunities to make the best use of available technology solutions to fulfil their roles; Lack of governance arrangements to support the programme;	SMT SMT	<p>The Digital Leadership Team (DLT) subsumes the previous Customer Strategy Delivery Group and IT Steering Board; The overall purpose of DLT is to be collectively responsible for effective strategic leadership of the Digital agenda, through effective decision making, driving forward digital initiatives and leading & championing culture change both within the organisation and to our customers, businesses and the community; This is not a statutory board nor is it part of the Council's Constitution; DLT is a strategic approach to the Council's digital agenda and therefore it is not the correct arena for members to represent the interests of or bid for, digital resources for their own Business Units/Directorates;</p> <p>In terms of governance arrangements a Digital First programme highlight report will be considered as an agenda item at regular Executive Directors management team meetings along with the Digital First communications plan & evaluation report; Work package (project) progress and RAG status will be updated weekly and made available through the DF Whiteboard, which will be made accessible to all networked employees via the Digital First SharePoint site; The Workforce mobilisation theme will form part of the wider agile programme governed by the Organisation Improvement Board in respect of this being a key theme within the Organisation Improvement strategy; Risk register in place which is regularly discussed at DLT sessions;</p> <p>There are clear key linkages to the Organisation Improvement Strategy, Commercial Strategy, Asset Strategy and Corporate Plan, in respect of supporting and enabling the council to achieve its priorities and aspirations for both the organisation and the borough;</p>	N/A	N/A	N/A	4	<p>Delivery of key Digital First Themes: Business Intelligence and Analytics Contracts and Commissioning Data Management Digital Customer Services Digital Skills Enabling Technology ITIL Processes Networks and Connectivity Paperless Office SAP Modernisation Security and Authentication Workforce Mobilisation</p>	ED Communities	15% Green	30/09/19

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Risk...

Through the management of Risk,
we aim to achieve our objectives
and help build a better Barnsley.

What is the Strategic Risk Register?

The Strategic Risk Register logs those risks that could affect Barnsley Council's ability to achieve certain objectives and priorities.

Why do we need it?

The Strategic Risk Register contributes to the Councils culture where risk management is part of a business process to deliver improvement.

The register must be reviewed and adjusted on a regular basis to understand progress.

How do we measure it?

We measure risk in terms of how significant each threat is. A numbering system is used between 1 and 6 accompanied by a visual colour system. The more significant a risk has been assessed, the lower the number that is assigned to it.

We call this Risk Profiling.

Risk Profiling

High risk

Significant risks are allocated a rating between 1 and 2. They will be red in colour. These risks are less likely to improve due to influences such as resources, funding, and timescales.

These risks remain a priority for our Senior Management Team, who may decide to make additional resources available to improve the risk.



Medium risk

Medium risks will have a rating between 3 and 4 and will be amber in colour. We believe these risks have a likely chance of improvement through the influence of Council resources.



Low risk

Low level risks will have a rating between 5 and 6 and will be green in colour. These risks have a high probability of improvement.

Those risks that have been improved and can be classed as completed will be removed from the Strategic Risk Register.



Who will be reviewing it?

The Senior Management Team will assess each risk to ensure it reflects the current position for each of them.

Where appropriate, the risk will be adjusted to reflect the current position – this may involve the risk ‘increasing’ (i.e. becoming worse) or ‘decreasing’ (i.e. improving).

Recent changes

The main issues and changes arising from the March 2019 review are shown below:

Risk 3026

Remains a significant Red risk.

Failure to achieve a reduction in health inequalities within the Borough.

During the review meeting in March, the Director of Public Health was asked to consider whether the risk score could be changed. It was agreed to leave this risk with a 'red' concern rating as further analysis of the data that underpins this risks (relating to current life expectancy) provides adequate evidence that this risk is not improving.

01

Risk 3033

Removed and replaced with Risk 4154

Failure to adapt the Authority into a sustainable organisation - 'Failure to maintain current services

has been removed and replaced with

Risk 4154 Failure to ensure that the Future Council model is sustainable and provides the best services and outcomes possible to our customers.



Risk 4271

Added as a new risk.

Failure to ensure the Digital First Programme objectives are met through the robust management of Digital First Themes and the application of proportionate project management and governance activities

has been added as a new risk.

04

Risk 3543

Re-Assessed risk.

Failure to ensure the adequate supply of land for housing and commercial property growth

has been reduced from an amber '04' to a green '05' to reflect the benefits of having the Local Development Framework ('local plan') approved in January 2019.



Risk 3022

Re-Assessed risk.

Inability to direct corporate strategy

has been increased from a green '05' to an amber '04' to reflect Scrutiny Members attempting to 'flex' their muscles in relation to requests by them to be able to examine specific items such as the Glassworks programme in detail.



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When do we publish it?

Barnsley Council, along with the Senior Management Team will review, update and publish the report every six months.

Risk profile

The risks are reviewed every six months. The tables below show the progression of each risk during that time.

	01		02		03		04		05		06	
	No. of risks	% of risks	No. of risks	% of risks	No. of risks	% of risks	No. of risks	% of risks	No. of risks	% of risks	No. of risks	% of risks
March 2019 No. of risks = 19	0	0%	1	5%	9	48%	7	37%	2	10%	0	0
October 2018 No. of risks = 20	0	0%	1	5%	10	53%	6	31%	2	11%	0	0
March 2018 No. of risks = 20	0	0%	3	15%	7	35%	9	45%	1	5%	0	0
October 2017 No. of risks = 19	1	5%	3	15%	6	30%	8	40%	2	10%	0	0

Case Study

Risk 4271

Failure to ensure the Digital First Programme objectives are met through the robust management of Digital First Themes and the application of proportionate project management and governance activities.

Consequences

Inability to enhance access to the technology solutions required to deliver excellent services in support of the council's outcomes and strategies;

Inability to enable teams to thrive and innovate through excellent communication channels and collaboration tools;

Missed opportunities to simplify day to day service delivery tasks and the technology systems that underpin them;

Lack of automation and streamlining of individual IT service offers creating a lack of improvement to efficiencies and effectiveness;

Inability to treat data as a critical asset which could enable improvements to performance through enhanced management information and business intelligence;

Lack of training provision and support to the council workforce resulting in missed opportunities to make the best use of available technology solutions to fulfil their roles;

Lack of governance arrangements to support the programme;

Existing Measures

The Digital Leadership Team (DLT) subsumes the previous Customer Strategy Delivery Group and IT Steering Board;

The overall purpose of DLT is to be collectively responsible for effective strategic leadership of the Digital agenda, through effective decision making, driving forward digital initiatives and leading & championing culture change both within the organisation and to our customers, businesses and the community;

There are clear key linkages to the Organisation Improvement Strategy, Commercial Strategy, Asset Strategy and Corporate Plan, in respect of supporting and enabling the council to achieve its priorities and aspirations for both the organisation and the borough;

Risk owner

Senior Management Team



Where can I find out more?

www.barnsley.gov.uk/SRR

Item 6

Report of the Head of Internal Audit and Corporate Anti-Fraud

AUDIT COMMITTEE – 17th APRIL 2019

INTERNAL AUDIT PROGRESS REPORT 2018/19

1. Purpose of this report

- 1.1 The purpose of this report is to provide a summary of the Internal Audit activity completed, and the key issues arising from it, for the period from 1st January 2019 to 31st March 2019.
- 1.2 To provide information regarding the performance of the Internal Audit function during the period.

2 Background information

- 2.1 The Audit Committee has responsibility for reviewing the adequacy of the Council's corporate governance arrangements, including matters such as internal control and risk management. The reports issued by internal Audit are a key source of assurance providing the Committee with some evidence that the internal control environment is operating as intended.
- 2.2 At the end of the financial year, Internal Audit will produce an Annual Internal Audit Report, which will provide our overall opinion on the adequacy of the Council's control environment and compliance with it during the year.

3 Recommendations

- 3.1 **It is recommended that the Audit Committee considers the assurances it needs on the effectiveness of the Authority's internal control, risk and governance arrangements through the work of Internal Audit by:-**
 - i. **considering the issues arising from completed Internal Audit work in the period along with the responses received from management;**
 - ii. **noting the assurance opinion on the adequacy and effectiveness of the Authority's internal control framework based on the work of Internal Audit in the period to the end of March 2019;**
 - iii. **noting the progress against the Internal Audit plan for 2018/19 for the period to the end of March 2019; and**
 - iv. **considering the performance of the Internal Audit Service for the fourth quarter.**

4 Local Area Implications

4.1 There are no Local Area Implications arising from this report.

5 Consultations

5.1 All audit reports are discussed with the main auditee. Individual audit reports are provided to the appropriate Executive Director and/or Service Director to apprise him/her of key issues raised and remedial actions agreed.

5.2 No specific consultation has been necessary in the preparation of this quarterly report.

6 Compatibility with European Convention on Human Rights

6.2 In the conduct of audit work and investigations particularly, Internal Audit operates under the provisions of the Data Protection Act 1998, the Regulation of Investigatory Powers Act 2000 and the Police and Criminal Evidence Act.

7 Reduction of Crime and Disorder

7.1 An inherent aspect of audit work is to prevent, detect and investigate incidents of fraud, theft and corruption. The control issues arising from audit investigations have been considered to ensure improvements in overall controls are made. Additionally, Internal Audit ensures that in specific instances, management takes appropriate action to minimise the risks of fraud and corruption re-occurring.

8 Risk Management Considerations

8.1 The underlying purpose of the work of Internal Audit is to address and advice on key risks facing management and, as such, risk issues are inherent in the body of the report.

8.2 The Service's operational risk register includes the following risks which are relevant to this report:

- Ensuring the appropriate use of and management of, information to inform and direct internal audit activities;
- Able to provide a flexible, high performing and innovative service; and
- Ensuring continuously high levels of customer satisfaction.

8.3 All of these risks have been assessed and remain within the tolerance of the Service.

8.4 An essential element of the control (and on-going) management of these risks is the provision of update reports to the Audit Committee and the assurance this provides.

9 Employee Implications

9.1 There are no employee implications arising from this report.

10 Financial Implications

10.1 There are no financial implications arising directly from this report. The costs of the Internal Audit function are included within the Authority's base budget.

11 Appendices

Appendix 1 - Key To Internal Audit Assurance Gradings & Classification of Management Actions.

12 Background Papers

12.1 Various Internal and External Audit reports, files and working papers.

Officer Contact: Head of Internal Audit & Corporate Anti-Fraud

Telephone No: 01226 773241

Date: 8th April 2019

Barnsley Metropolitan Borough Council

Internal Audit Progress Report

Audit Committee

17th April 2019

INTERNAL AUDIT QUARTERLY PROGRESS REPORT 2018/19
1st January 2019 to 31st March 2019

Purpose of this report

This report has been prepared to inform the Committee on the Internal Audit activity for the period 1st January 2019 to 31st March 2019, bringing attention to matters that are relevant to the responsibilities of the Authority's Audit Committee.

The report also provides information regarding the performance of the Internal Audit function during the period.

2018/19 Internal Audit Plan Progress

The following tables show the progress of the internal audit plan up to the end of March 2019, analysed by the number of plan assignments producing a report and audit days delivered by Directorate / Service.

Position as at 31st March 2019 – Audit Days Delivered

Directorate	Original 2018/19 plan days	Revised 2018/19 plan days	Actual days (% of revised days)
Communities	103	88	122 (137%)
People	111	111	155 (140%)
Place	40	55	124 (225%)
Public Health	25	25	17 (68%)
Core Services	397	300	312 (104%)
Council Wide	142	152	235 (155%)
Corporate	152	178	177 (99%)
HoIA role as DPO	30	30	65 (217%)
DPO Assurance	30	30	11 (37%)
Responsive	50	111	
Barnsley MBC	1,080	1,080	1,218 (113%)

Corporate Anti-Fraud Team	580	558	484 (87%)
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Sub Total	1,660	1,638	1,702 (104%)
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External Clients	1,524	1,581	1,403 (89%)
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Total Chargeable Planned Days	3,184	3,219	3,105 (96%)
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Position as at 31st March 2019 – Plan Assignments

Directorate	Assignments expected to be completed to date	Actual assignments completed
Communities	2	1
People	4	3
Place	2	2
Public Health	0	0
Core Services	13	9
Total	21	15

Whilst there is a variance of 6 assignments completed, 5 are in draft report stage, see Work in Progress at page 6 and meetings are scheduled with officers to discuss the outcomes. In addition to this, we are mid-way through the Core – Procurement Compliance Review. This will be reported to Officers and Members before the Head of Internal Audit gives his annual opinion.

Changes to the 2018/19 Internal Audit Plan

At the beginning of the year provision is made in the allocation of audit resources for unplanned work, through a contingency. As requests for audit work are received, or more time is required for jobs or changes in priorities are identified, time is allocated from this contingency.

During the period 1st January to 31st March, there has been one addition to the plan. This relates to the Glassworks Phase II Governance Review. This review commenced during quarter four 2018/19 and will be completed quarter one 2019/20.

Final Internal Audit reports issued

We have finalised 4 audit reports since the last Audit Committee meeting. The following table provides a summary of assurances and the number and categorisation of recommendations included in these reports:

Directorate- Audit Assignment	Assurance Opinion	Number of recommendation raised:			Total	Agreed
		Fundamental	Significant	Merits Attention		
People - Future Directions	Limited ¹	0	7	6	13	13
People - Management of Exclusion - Data Quality and Security	Limited ¹	1	11	3	15	15
Core - E-Enabled Leave	Adequate ¹	0	5	3	8	8
Place – Follow Up of Unannounced Visits – Cash Collection	Adequate ¹	0	2	1	3	3
Place - Home to School Transport	Adequate ¹	0	4	5	9	9
Total		1	29	18	48	48

Please note that final audit reports are available to Audit Committee members on request.

¹ We have included definitions of the gradings for the assurance opinion and the recommendations in Appendix 1 to this report.

Internal Audit reports providing a limited or no assurance opinion

A summary of the key issues included in audit reports finalised during the period providing a Limited or No Assurance opinion is as follows:

Audit Assignment	Key Issues
Place – Follow Up of Unannounced Visits – Cash Collection	<ul style="list-style-type: none"> ➤ This follow up review sought to provide assurances that agreed Management actions from 2016/17 & 2017/18 had been implemented and were being applied consistently and satisfactory across cash receiving sites. ➤ Four sites were visited for review. Three on an unannounced basis and one on an arranged basis. ➤ The audit concluded that at the sites chosen for review have embedded and consistently applied the majority of previously agreed Management actions with the exception of E-Return checking/completing and checks and evidencing of daily income/Z readings. ➤ Management have responded by agreeing to follow up and collate best practice guidance issued to services and implement this exercise on an annual basis. ➤ An email reminder will be issued by Commercial Services to ensure that cash receiving sites have deputies in place to carry out the end to end process including the IMS entry.
People - Future Directions	<ul style="list-style-type: none"> ➤ This review has focused on, and identified weaknesses in controls relating to, the financial procedures for the Service. It is important that the Future Directions Service clarifies and optimises the services and support both Business Support and Financial Services are able to provide. ➤ We consider the key findings from this review to be: <ul style="list-style-type: none"> • The authorised signatory list for BMBC officers permitted to make payments on behalf of BMBC does not include the Future Directions Team Leader. • There is currently no financial policy in place as required by the Children Act 1989 guidance and regulations Volume 3: Planning transition to adulthood for care leavers. • There is an inconsistent ability to monitor how much is being spent on each care leaver. • The lack of a Business Support Core Offer (SLA). • 5 care leavers selected for the audit sample have been provided with copies of their latest Pathway Plans. • Changes to staff that hold procurement cards have not been notified to Financial Services and Future Directions staff were not confident in procedures to follow with regards to procurement cards. • Receipts/ information are not always obtained to support expenditure on procurement cards. ➤ Management have reacted positively to the audit findings with all actions apart from 2 having been implemented. The 2 remaining actions relating to the financial policy and procurement cards were in the process of being implemented and a revised completion date of 30th April has been provided.

Audit Assignment	Key Issues
<p>People - Management of Exclusion - Data Quality and Security</p>	<ul style="list-style-type: none"> ➤ This audit was commissioned to assist management in their decision whether to continue with the current arrangements whereby Springwell Learning Community perform exclusion activities on behalf of the Local Authority or to bring these activities in-house. ➤ We consider the key findings from this review to be: <ul style="list-style-type: none"> • The absence of a formal contract in place between the Local Authority and Springwell; • No formal reporting arrangements for the management of exclusions; • Schools are using historic versions of the standard exclusion forms; • Exclusion forms are not always fully completed; • There is no provision to ensure that the exclusions data as recorded on the Authority's Capita One System agrees to the Census data submitted to the DfE; • The timeliness of recording exclusions data was not being recorded and monitored; • There are more exclusion reasons recorded on the Capita One System to those stipulated by the DfE; • The pilot exercise to transfer exclusion data from the Horizon's Community College data management system (SIMS) directly into Capita One has identified some issues, which should be addressed prior to further rollout; • It needs to be ensured that schools and academies are submitting their exclusion data via secure transfer methods to Springwell, which comply with GDPR requirements. Current methods include secure email (Zip file), Royal Mail, and BMBC Internal Post; • Details of the education provided for sixth day alternative education provision arrangements is not always recorded at the schools or academies and Springwell is not always notified of the details for their records. ➤ 3 actions had been implemented prior to the issue of the final report and the remaining actions are not yet due for implementation.
<p>Core - E-Enabled Leave</p>	<ul style="list-style-type: none"> ➤ the key findings were concerned with compliance lapses in relation to the process for adjusting employee leave quotas following changes to shift patterns/contractual hours, time delays in capturing employee sickness absence and non-compliance with corporate policy in relation to Christmas Closedown leave. ➤ it was pleasing to note that 4/5 of the Significant recommendations included in the report were actioned before the final report was issued.

Audit Assignment	Key Issues
Place - Home to School Transport	<ul style="list-style-type: none"> ➤ It was evident from this audit that Service Management are self-aware and have been proactive in developing improvements to the Authority's strategic approach for assessing travel assistance applications and identifying and implementing the most appropriate and cost effective travel assistance. ➤ This audit has identified some areas requiring improvement, which we recognise were work in progress at the time of the audit. We consider the key actions required from our review findings to be as follows: <ul style="list-style-type: none"> • Documenting Home to School Transport procedures. • Determining, formalising and implementing the process for scheduling payments and checking school attendance to confirm eligibility for Personal Transport Budgets. • Developing, managing and monitoring a comprehensive action plan for independent travel training to ensure that a robust process and control framework is in operation. • Ensuring that travel trainers are up to task and competent to undertake the travel training.

Details and outcome of other Internal Audit activities concluded in the period not producing a specific assurance opinion

Audit Work Completed	Details	Contribution to Assurance
Place - URBACT Project TechRevolution Phase 1 - Grant Claim Certification	Completion of grant claim validation	The work contributes to assurance in respect of financial management and grant claims
Review of Contract Procedure Rules (CPRs)	Advice provided to review and update the Council's Contract Procurement Rules.	The purpose of the review was to streamline the CPRs whilst operating within the Legal framework to align / reflect the Council's Strategic priorities, introduction of the Strategic Procurement Team, procurement model implemented, commercial strategy, revised roles and responsibilities with a view to ensuring efficiencies and VFM are realised.
Core: Advice	Advice provided to Finance – SAP Access & Separation of Duties.	The work contributes to assurance in respect of financial management
Core – VFM Workshop	Support and advice given to officers at a Council Tax Value for Money Workshop.	The work contributes to assurance in respect of financial management
Place: Advice	Advice provided to advise on the controls in place regarding the Staff and Public Car Parking Permits	The work contributes to assurance in respect of financial management
Place: Advice	Advice provided regarding the Council's Security Services contract	The work contributes to assurance in respect of financial management
People - Advice	Advice provided to the Youth Offending Team regarding their petty cash arrangements	The work contributes to assurance in respect of financial management
Data Protection Officer	Completion of the following reviews commissioned by the DPO: <ul style="list-style-type: none"> Records Management 	The work contributes to the DPO's assurance opinion

Other Internal Audit work undertaken

Audit Activity	Description
Follow-up of Recommendations	Regular work undertaken to follow-up recommendations made.
Attendance at Steering / Working Groups	<ul style="list-style-type: none"> Information Governance Board Commissioning, Procurement & Contracts Working Group Housing Property Repairs & Improvement Board Digital Leadership Team Capital Programme Oversight Board SharePoint Board Public Health Quality & Governance Group
Liaison, Planning and Feedback	Meeting and corresponding with Service and Executive Directors and Heads of Service regarding progress of audit work, future planning and general client liaison.
Audit Committee Support	Time taken in the preparation of Audit Committee reports, Audit Committee Member training, general support and development.
Corporate Whistleblowing	General time taken in providing advice and the initial consideration of matters raised. Also includes the review of arrangements.
Corporate Matters	Covering time required to meet corporate requirements, i.e. corporate document management, service business continuity and health and safety.

Work in progress

The following table provides a summary of audits in progress at the time of producing this report:

Directorate- Audit Assignment	Audit Planning	Work in Progress	Draft Report
Core – Housing Benefits			✓
Core – Council Tax & Non-Domestic Rates			✓
Core – Purchase To Pay			✓
Core – Procurement Compliance Review		✓	
Communities – IT Project/ Programme Management			✓
People – Residential Commissioning of Placements / Fostering			✓
Glassworks Phase II Governance Review		✓	

Follow-up of Internal Audit report management actions

As previously reported to members, Internal Audit is working closely with management to monitor the general position with regards the implementation of management actions and to establish the reasons behind any delays. In an effort to provide more transparency to Executive Directors on the status and progress of their management actions, Internal Audit continues to issue a detailed monthly status update. This is in addition to the quarterly performance reports currently presented to SMT.

It is pleasing to note that officers are actively engaging with Internal Audit, regarding the follow up of their agreed actions. This can be demonstrated by the improved statistics for the period under review.

The following table shows the status of internal audit management actions by Directorate due for completion during the period:

Analysis of Agreed Management Actions Followed Up in the Period 1st January to 31st March 2019

Rec. Classification	Due for completion this period	Completed in period	Not yet completed – Revised date agreed	Not yet completed / No management response	Number not yet due	Number Followed up in period
Communities						
Fundamental	0	0	0	0	0	0
Significant	3	2	1	0	3	6
TOTAL	3	2	1	0	3	6
Place						
Fundamental	1	0	0	1	0	1
Significant	2	2	0	0	2	4
TOTAL	3	2	0	1	2	5
People (excl Maintained Schools)						
Fundamental	0	0	0	0	1	1
Significant	1	1	0	0	11	12
TOTAL	1	1	0	0	12	13
Maintained Schools						
Fundamental	1	0	0	1	0	1
Significant	11	9	0	2	0	11
TOTAL	12	9	0	3	0	12
Core						
Fundamental	0	0	0	0	1	1
Significant	9	6	1	2	11	20
TOTAL	9	6	1	2	12	21
Public Health						
Fundamental	0	0	0	0	0	0
Significant	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0
OVERALL TOTAL	28	20	2	6	29	57
		28				

Internal Audit performance indicators and performance feedback for 2018/19

Internal Audit's performance against a number of indicators is summarised below.

Ref.	Indicator	Frequency of Report	Target 2018/19	This Period	Year to Date
1.	<u>Customer Perspective:</u>				
1.1	Percentage of questionnaires received noted "good" or "very good" relating to work concluding with an audit report.	Quarterly	95%	4	100% (13 responses received)
2.	<u>Business Process Perspective:</u>				
2.1	Percentage of final audit reports issued within 10 working days of completion and agreement of the draft audit report. (5 report this period)	Quarterly	80%	100%	85%
	Percentage of chargeable time against total available.	Quarterly	73%	68%	71%
	Average number of days lost through sickness per FTE (Cumulative 24.5 days in total)	Quarterly	6 days	0.4 days	1.6 days ²
	<u>Continuous Improvement Perspective:</u>				
	Personal development plans for staff completed within the prescribed timetable.	Annual	100%	100%	100%
4.	<u>Financial Perspective:</u>				
4.1	Total Internal Audit costs v budget.	Quarterly	Within Budget	Yes	Yes

Quarterly and full year performance of the function is satisfactory with the all performance indicators (PIs) meeting or exceeding target levels.

² Please note that the sickness figures exclude a member of staff from the Corporate Anti-Fraud Team who is currently on long term absence.

Performance indicator definitions and supporting information

PI Ref	Indicator	Comments
1.1	Percentage of favourable auditee questionnaire responses received (noted “good” or “very good”) relating to work concluding with an audit report.	Questionnaires are left at the end on each audit job resulting in a formal report. The questionnaire asks 14 specific questions covering the effectiveness of audit planning, communication, timing and quality of the audit report. An overall assessment is sought as to the overall value of the audit. This is the answer used for this PI. All questionnaires are analysed in detail to ensure all aspects of the audit process are monitored and improved.
2.1	Percentage of final audit reports issued within 10 working days of completion and agreement of the draft audit report.	This is an operational PI to ensure the timely issue of final reports. This PI is influenced by the availability of senior Internal Audit staff to clear the report and any issues the Service’s quality assessment process highlights along with the availability of the auditee.
2.2	Percentage of chargeable time against total available.	A key operational measure of the ‘productivity’ of Audit staff taking into account allowances for administration, general management, training and other absences. This PI will reflect the % chargeable time of staff in post, net of vacancies.
2.3	Average number of days lost through sickness per FTE.	A corporate PI to measure the effectiveness of good absence / attendance management.
3.1	Personal development plans for staff completed within the prescribed timetable.	IA place a high level of importance on staff training and continuous development and are committed to ensure all staff have their own training plans derived from the personal development plan process.
4.1	Total Internal Audit costs v budget.	This is a simple overall measure to note whether the Service’s expenditure for the year has been kept within the budget.

Head of Internal Audit's Internal Control Assurance Opinion

The Head of Internal Audit and Corporate Anti-Fraud must deliver an annual internal audit opinion and report that can be used by the organisation to inform its Annual Governance Statement. The annual internal audit opinion must conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.

Based on the audits reported in the period, an overall **adequate** assurance opinion is considered to be appropriate.

A summary of our quarterly opinions for the year to date is as follows:

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Assurance Opinion	Adequate	Adequate	Adequate	Adequate

Consideration of our overall opinion takes the following into account:

- results from the substantive audit assignments we have completed during the period;
- outcomes from our audit work not producing an assurance opinion;
- an assessment as to the timely implementation of internal audit report management actions.

Fraud, Investigations and the Corporate Anti-Fraud Team

The Audit Committee receives a separate report covering the detail of fraud and irregularity investigations undertaken, the preventative work and the general activities and work plan of the Corporate Anti-Fraud Team.

Audit Contacts

Contact	Title	Contact Details
Rob Winter	Head of Internal Audit & Corporate Anti-Fraud	Tel: 01226 773241 Mobile: 07786 525319 Email: RobWinter@barnsley.gov.uk
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KEY TO INTERNAL AUDIT ASSURANCE GRADINGS AND CLASSIFICATION OF MANAGEMENT ACTIONS

1. Classification of Management Actions

Fundamental	A management action requiring immediate attention – imperative to ensuring the objectives of the system under review are met.
Significant	A management action requiring action necessary to avoid exposure to a significant risk to the achievement of the objectives of the system under review.
Merits Attention	A management action where action is advised to enhance control or improve operational efficiency.

2. Assurance Opinions

	Level	Control Adequacy	Control Application
POSITIVE OPINIONS	Substantial Assurance	Robust framework of controls exist that are likely to ensure that objectives will be achieved.	Controls are applied continuously or with only minor lapses.
	Adequate Assurance	Sufficient framework of key controls exist that are likely to result in objectives being achieved, but the control framework could be stronger.	Controls are applied but with some lapses.
NEGATIVE OPINIONS	Limited Assurance	Risk exists of objectives not being achieved due to the absence of key controls in the system.	Significant breakdown in the application of key controls.
	No Assurance	Significant risk exists of objectives not being achieved due to the absence of controls in the system.	Fundamental breakdown in the application of all or most controls.

BARNSELY MBC AUDIT COMMITTEE – INDICATIVE WORK PROGRAMME

	Mtg. No.	8	1	2	3	4	5	6	7
Committee Work Area	Contact / Author	17.04.19	5.06.19	22.07.19	11.09.19	30.10.19 (2.00 pm)	4.12.19	22.01.20	18.03.20
Committee Arrangements						Workshop			
Committee Work Programme	WW	X	X	X	X	X(?)	X	X	X
Minutes/Actions Arising	WW	X	X	X	X		X	X	X
Review of Terms of Reference and Self-Assessment	RW/CHAIR								
Training Review and Skills Assessment	RW/CHAIR								
Review of Terms of Reference & Working Arrangements	ACF	X (moved from 20/3/19)							
Draft Audit Committee Annual Report	RW/CHAIR							X	
Audit Committee Annual Report	RW/CHAIR								X
Internal Control and Governance Environment									
Local Code of Corporate Governance	AF/AH								
Annual Governance Review Process and Timescales	AF/AH								
Draft Annual Governance Statement & Action Plan	AF/AH		X						
Final Annual Governance Statement	AF/AH			X					
AGS Action Plan Update	AF/AH						X		
Corporate Whistleblowing Update & Annual Report	RW							X	
Annual Fraud Report	RW		X						

	Mtg. No.	8	1	2	3	4	5	6	7
Committee Work Area	Contact / Author	17.04.19	5.06.19	22.07.19	11.09.19	30.10.19 (2.00 pm)	4.12.19	22.01.20	18.03.20
External Audit Progress report & Technical Update	GT	X	X	X	X		X	X	X
Financial Reporting and Accounts									
Financial Regulations - Update	SL		X						
Budget Proposal Section 25 Report	NC								X
Draft Statement of Accounts	NC								
Corporate Finance Summary	NC				X		X		
Corporate Finance and Performance Management & Capital Programme Update	NC				X		X		X
Treasury Management Annual Report	IR			X					
Treasury Management Progress Report	IR/SW						X		
Treasury Mgt. Policy & Strategy Statement	IR								X
Other Corporate Functions contributing to overall assurance									
Human Resources (annual)	AB/JH				X				
Business Improvement and Communication (annual)	MP			X					
Health & Safety Resilience (6 monthly report – March Update – September	SD				X				X

	Mtg. No.	8	1	2	3	4	5	6	7
Committee Work Area	Contact / Author	17.04.19	5.06.19	22.07.19	11.09.19	30.10.19 (2.00 pm)	4.12.19	22.01.20	18.03.20
Annual)									
Governance & Member support (annual)	MMc/WW		X						
Information Governance update	DR	X		X			X		X
General Data Protection Regulations - Update	RW/SH		X						

*Members of the Senior Management Team to be invited periodically to report on any issues identified within the Strategic Risk Register

Item 9

By virtue of paragraph(s) 1 of Part 1 of Schedule 12A of the Local Government Act 1972.

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