

Date: 17 June 2012
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To: Members of the Audit and Corporate Governance Committee
(Councillors: Roger Boote, Peter Bowden, Bob Buxton
Steve Gazzard, Steve Hall, Tony Howard, Geoff Pook,
Ken Potter)

Councillor David Cox – Portfolio Holder, Finance
Councillor Ray Bloxham - Portfolio Holder, Corporate Business
Councillor Phil Twiss – Portfolio Holder, Corporate Services
Chief Executive
Deputy Chief Executives
Head of Service – Finance
Internal Audit, SWAP
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Audit and Governance Committee
Thursday 27 June 2013
2.30pm
Council Chamber, Knowle, Sidmouth

Members of the public are welcome to attend this meeting.

- There is a period of 15 minutes at the beginning of the meeting to allow members of the public to ask questions.
- The Chairman has the right and discretion to control questions to avoid disruption, repetition and to make best use of the meeting time. The Chairman is entitled to interrupt the speaker to ask for their question to be put.
- In addition, the public may speak on items listed on the agenda. After a report has been introduced, the Chairman (Leader of the Council) will ask if any member of the public wishes to speak and/or ask questions.
- All individual contributions will be limited to a maximum period of 3 minutes – where there is an interest group of objectors or supporters, a spokesperson should be appointed to speak on behalf of the group.

AGENDA

Page/s

Part A

- 1 **Public question time** – standard agenda item (15 minutes)
Members of the public are invited to put questions to the Committee through the Chairman. Councillors also have the opportunity to ask questions of the Leader and/or Portfolio Holders during this time slot whilst giving priority at this part of the agenda to members of the public.
- 2 To confirm the minutes of the meeting of the Audit & Governance Committee held on 14 March 2013. 4 - 9
- 3 To receive any apologies for absence.
- 4 To receive any declarations of interests relating to items on the agenda.

5	To consider any items which in the opinion of the Chairman, should be dealt with as matters of urgency because of special circumstances. (Note: Such circumstances need to be specified in the minutes; any Member wishing to raise a matter under this item is requested to notify the Chief Executive in advance of the meeting).		
6	To agree any items to be dealt with after the public (including the press) have been excluded. There are no items which Officers recommend should be dealt with in this way.		
7	Review of Internal Audit Charter	SWAP	10 - 14
8	Annual Audit Report and Opinion	SWAP	15 - 29
9	Improving Council Governance: A Slow Burner	Grant Thornton	Presentation
10	Revenue and Capital Outturn Report 2012-13	Head of Finance	30 - 40
11	Risk management review	Head of Finance	41 - 103
12	Year end partnership review	Head of Finance	104 - 111
13	5 year land supply update	Planning Officer (Policy)	112 - 114
14	Forward plan	Head of Finance	115

Members remember!

- You must declare the nature of any disclosable pecuniary interests. [Under the Localism Act 2011, this means the interests of your spouse, or civil partner, a person with whom you are living with as husband and wife or a person with whom you are living as if you are civil partners]. You must also disclose any personal interest.
- You must disclose your interest in an item whenever it becomes apparent that you have an interest in the business being considered.
Make sure you say what your interest is as this has to be included in the minutes. [For example, 'I have a disclosable pecuniary interest because this planning application is made by my husband's employer'.]
- If your interest is a disclosable pecuniary interest you cannot participate in the discussion, cannot vote and must leave the room unless you have obtained a dispensation from the Council's Monitoring Officer or Standards Committee.

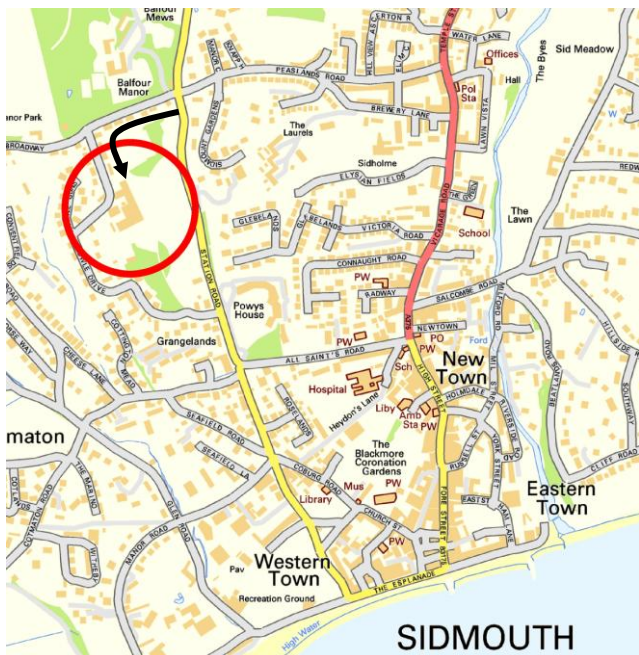
Decision making and equality duties

The Council will give due regard under the Equality Act 2010 to the equality impact of its decisions.

An appropriate level of analysis of equality issues, assessment of equalities impact and any mitigation and/or monitoring of impact will be addressed in committee reports.

Consultation on major policy changes will take place in line with any legal requirements and with what is appropriate and fair for the decisions being taken. Where there is a high or medium equalities impact Members will be expected to give reasons for decisions which demonstrate they have addressed equality issues.

Getting to the Meeting – for the benefit of visitors



The entrance to the Council Offices is located on Station Road, Sidmouth. **Parking** is limited during normal working hours but normally easily available for evening meetings.

The following **bus service** stops outside the Council Offices on Station Road: **From Exmouth, Budleigh, Otterton and Newton Popleford – 157**

The following buses all terminate at the Triangle in Sidmouth. From the Triangle, walk up Station Road until you reach the Council Offices (approximately ½ mile).

From Exeter – 52A, 52B; From Honiton – 52B; From Seaton – 52A; From Ottery St Mary – 379, 387

Please check your local timetable for times.

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The Committee Suite has a separate entrance to the main building, located at the end of the visitor and Councillor car park. The rooms are at ground level and easily accessible; there is also a toilet for disabled users.

For a copy of this agenda in large print, please contact the Democratic Services Team on 01395 517546

EAST DEVON DISTRICT COUNCIL

**Minutes of a Meeting of the Audit and Governance Committee
held at Knowle, Sidmouth, on Thursday 14 March 2013**

- Present:** Councillors:
Ken Potter (Chairman)
Peter Bowden (Vice Chairman)
Roger Boote
Bob Buxton
Steve Hall
Tony Howard
Geoff Pook
- Also Present:** Councillors:
David Cox
Peter Halse
- Officers:** Simon Davey, Head of Finance
Andrew Hancock, Street Scene Manager
Colin Slater, Procurement Officer
Alethea Thompson, Democratic Services Officer
- Internal Auditors:** Dave Hodgson, South West Audit Partnership (SWAP)
Andrew Ellins, South West Audit Partnership (SWAP)
- External Auditors:** Jenny Dwyer, Grant Thornton
Barrie Morris, Grant Thornton
- Apologies:** Committee Member
Steve Gazzard

The meeting started at 2.30 pm and ended at 5.10 pm.

***41 Public Questions**

No questions were raised by members of the public.

***42 Minutes**

The minutes of the meeting of the Audit and Governance Committee held on 17 January 2013 were confirmed and signed as a true record.

A request was made for further consideration to be given to how much the Council was 'losing' from non-VAT refunds and the options surrounding this (minute 39, 17.01.13 refers).

***43 Declarations of interest**

Councillor	Minute number	Type of interest	Nature of interest
Bob Buxton	46	Personal	He regularly attended meetings of the East Devon Business Forum.
Peter Halse	46	Personal	He was a member of the East Devon Business Forum
Roger Boote	48	Personal	He had a private water supply.
Bob Buxton	48	Personal	He had a private water supply.

***44 Audit Plan and Interim Audit report**

The Chairman agreed for this item to be brought forward on the agenda.

Members considered the audit plan and interim audit report produced by Grant Thornton, External Auditors. The focus on the plan was on identifying risk to the Council's business and proposed response, including relevant and appropriate control activities.

The interim audit work carried out included consideration of:

- The effectiveness of the internal audit function
- Internal audit's work on the Council's key financial systems
- Walk-through testing to confirm whether controls were implemented as per Grant Thornton's understanding in areas which they had identified as a risk of material misstatement
- A review of Information Technology controls

The auditor's report also assessed whether the Council had put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources (Value for Money). The results would be reported in the local Value for Money audit work with key messages being reported in the Audit findings report and Annual Audit letter.

The document "Improving council governance: A slow burner" was circulated and discussed at the meeting. This document had stimulated great debate and it was agreed to have a separate meeting (before the June meeting of the Committee) to consider it in detail. Consideration would also be given to how to best present the Statement of Accounts in the future and what information should be contained in it.

Members discussed the responsibilities of the Audit and Governance Committee. Some concern was expressed that the terms of reference had been reduced in the latest revision of the Constitution. The Chairman and the Head of Finance agreed to look into this following the meeting.

Members also discussed the scrutiny function and policy arrangements/ implementation across various councils.

***44 Audit Plan and Interim Audit report (cont'd)**

- RESOLVED:**
- 1 that the Audit Plan and interim audit report be noted.
 - 2 that the Head of Finance arrange a meeting between Grant Thornton and the members of the Audit and Governance Committee to discuss in detail the “Improving council governance: A slow burner” document.
 - 3 that the Head of Finance and Chairman review the Audit and Governance Committee terms of reference contained in the Council’s Constitution.

***45 Review of Internal Audit Charter**

The Committee considered SWAP’s Audit Manager’s report setting out the nature, role, responsibility, status and authority of internal auditing within East Devon District Council. The report also outlined the scope of internal audit work.

- RESOLVED:** that the continuation of the current Audit Charter be noted with a New Charter being presented to the June meeting as SWAP would change to a Company Limited by Guarantee on 1 April 2013.

***46 Annual Internal Audit Plan 2013-14**

The Committee considered SWAP’s Audit Manager’s report on the annual Audit Plan produced with the Council’s S151 Officer and in consultation with the Senior Management Team. The Plan, which was a key element of the Council’s governance arrangements, required the approval of the Committee.

There had been a 5% cut in the total number of audit days for the Council. This represented an improved internal control environment since SWAP assisted the Council in reviewing and improving operations, especially in its key controls for the past three years. The Plan was a living document and allowed flexibility.

Concern was expressed that the reputation of the Council had been damaged by an area of the Council that was not normally audited; the East Devon Business Forum. The Head of Finance explained that this did not appear on the audit plan due to the level of budget involved. Members felt that the risk from outside bodies in terms of management and leadership functions was a governance risk and that outside bodies should be reviewed. They felt that matters of appointments to outside bodies should be passed through the Audit and Governance Committee Chairman.

The Audit and Governance Committee recommended that closer attention should be paid to appointments to outside bodies and the influence of those outside bodies on the Council.

***46 Annual Internal Audit Plan 2013-14 (cont'd)**

The external auditor explained that partnership governance concerned how the Council worked with partners to further an objective and looked at overall governance arrangements. Governance arrangements regarding reputation were outside of Audit and Governance arrangements. Representative decision making was an overview and scrutiny function. A request was made for a monitoring report on how many recommendations had been implemented over the year and how many had been disregarded by Cabinet.

The Head of Finance reported that an audit had recently been completed on committee reports and that the committee report template was currently being revised.

In relation to Member appointment to outside bodies and partnerships the Head of Finance suggested that this could be considered by internal audit in the audit plan for 2013/14 (including consideration of best practice, appointments to outside bodies and governance of partnership recommendations). The SWAP Audit Manager agreed that Countryside Service could be removed from the internal audit plan 2013/14 and be replaced with Corporate Governance instead.

RESOLVED: that the Internal Audit Plan of 400 days for April 2013 to March 2014 be approved, subject to the removal of Countryside Service and the addition of Corporate Governance under Operational Audits.

***47 Governance Action Plan update**

Members considered the report of the Head of Finance giving an update on the Action Plan which had been included in the Council's Annual Governance Statement in September 2012. The aim of the Action Plan was to address key areas for improvement in order to enhance the governance and internal control environment of the Council and ensure continuous improvement. Members noted progress made in the following areas:

- Financial regulations and contract standing orders.
- ICT service continuity plan.
- Publication of a contracts register.
- Emergency planning.

Members were asked to consider if they required any further updates or a progress report on any of the issues identified in the action plan. The Committee raised concern and requested an update report on the ICT continuity plan, which had fallen behind schedule.

RESOLVED:

- 1 that the update report be noted.
- 2 that the ICT Design & Compliance Manager be asked to report to the Audit & Governance Committee to explain the delays to the delivery of the ICT service continuity plan.

***48 Contracts register update**

Members considered the report of the Corporate Procurement Officer in respect of the progress to date with the Council's Contract register. The register which included information from most of the Council's services was now provided electronically and was publically accessible. Members were advised that a considerable benefit of the electronic register was the opportunity for effective collaboration with other authorities.

Supplying the South West portal was a useful search facility to be able to see what other councils were doing and enabled a good way of linking and networking with other experts.

Members were asked to determine if any further action or update was required.

Concern was raised that there was a lack of suitably qualified staff/consultants who could interpret the results of water analysis. The Head of Finance agreed to take this to the manager concerned and report to the Committee on the relevant qualifications in the area.

The Chairman thanked the Corporate Procurement Officer for his report.

- RESOLVED:**
- 1 that the report be noted.
 - 2 that the Head of Finance investigate and report to members of the Audit and Governance Committee the qualifications of the staff involved in private water supply sampling and risk assessments of private water supplies.

***49 Shingle/beach management – Port Royal/Fisherman's area, Sidmouth**

Members considered the report of the Street Scene Manager advising that due to the November 2012 floods and storms, the beach at the Port Royal (known as the Fisherman's area), Sidmouth had become devoid of shingle. River gravel being cleared by the Environment Agency from the weir on the Sid was accepted by EDDC free of charge in December 2012. The Council worked with a local contractor and the Environment Agency to level out and recharge the beach with the gravel but this was cleared away by storms the following weekend.

Members noted the cost of the works and the on-going shingle and sediment problems faced by the Street Scene service at all EDDC owned beaches. The Street Scene Manager also explained the Council's responsibility for beach management, as well as the budget and duties involved.

***49 Shingle/beach management – Port Royal/Fisherman’s area, Sidmouth (cont’d)**

- RESOLVED:**
- (1) that the additional cost to East Devon of moving shingle onto the Fisherman’s area of £653.75 plus VAT be noted,
 - (2) that the on-going process of sediment and shingle management be noted with Officers every year having to balance risk and cost to provide safe beach amenities for residents and visitors.

***50 Forward Plan 2013/14**

The Committee noted the contents of the forward plan for 2013/14.

Items to be considered at the June Committee included:

- Review of Internal Audit Charter
- Internal Audit Activity – Quarter 1 2013/14
- Risk Management Review
- Revenue and Capital Outturn report 2012/13
- Annual Audit report and opinion
- 5 year land supply.

RESOLVED: that the forward plan be noted.

Chairman Date

Agenda Item: 07

Audit and Governance Committee

27 June 2013

SWAP



Internal Audit Charter

Summary

As a key element of its Governance arrangements the Council have a partnership arrangement with South West Audit Partnership Limited.

Recommendation

That the Audit and Governance Committee approve the Internal Audit Charter revisions.

a) Reasons for Recommendation

It is a requirement that the Audit and Governance Committee approve the Internal Audit Charter.

b) Alternative Options

c) Risk Considerations

The Charter sets out the nature, role, responsibility, status and authority of internal auditing within East Devon District Council, and outlines the scope of internal audit work. Without an agreed Charter there is a risk that conflicts may occur due to unclear requirements and authorities.

d) Policy and Budgetary Considerations

e) Date for Review of Decision

Annual Approval of the Charter prior to the commencement of each Annual Audit Plan (aligned with each financial year). Please note that in the past and in future this will be done at the March A&G Meeting, however, this year this was delayed to enable the new arrangements for SWAP from 1 April 2013 to be reflected.

1 Main Body of the Report

The Charter which is attached as Appendix A, remains primarily the same as the Charter approved by Committee last year. The new governance arrangements for SWAP Limited, together with new Public Sector Internal Audit Standards and some changes in role titles have been incorporated into the Charter. These changes have been highlighted for ease of reference.

Legal Implications

There are no legal implications requiring comment.

Financial Implications

There are no direct financial implications.

Consultation on Reports to the Committee

The Charter has been approved by the Audit and Governance Committee annually since SWAP provided EDDC's internal audit services. This is to approve any changes.

Background Papers

- Appendix A – Audit Charter

Andrew Ellins
Audit Manager
SWAP

Audit and Governance Committee
27 June 2013

EDDC Audit Committee 27/06/2013

Internal Audit Charter

Purpose

The purpose of this Charter is to set out the nature, role, responsibility, status and authority of internal auditing within East Devon District Council, and to outline the scope of internal audit work.

Approval

The Internal Audit Charter is reviewed each year by the Audit and Governance Committee to confirm it remains accurate and up to date. It was last reviewed by the Audit and Governance Committee at its meeting on the 15th March 2012.

Provision of Internal Audit Services

The internal audit service is provided by the South West Audit Partnership Limited (SWAP). SWAP is a Local Authority controlled company. This charter should be read in conjunction with the Service Agreement, which forms part of the legal agreement between the SWAP partners.

The budget for the provision of the internal audit service is determined by the Council, in conjunction with the Members Meeting. The general financial provisions are laid down in the legal agreement, including the level of financial contribution by the Council, and may only be amended by unanimous agreement of the Members Meeting. The budget is based on an audit needs assessment that was carried out when determining the Council's level of contribution to SWAP. This is reviewed each year by the S151 Officer in consultation with the Chief Executive of SWAP.

Role of Internal Audit

Internal audit is an independent, objective assurance and consulting activity designed to add value and improve the Council's operations. It helps the Council accomplish its objectives by bringing a systematic disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Responsibilities of Management and of Internal Audit

Management

Management is responsible for determining the scope, except where specified by statute, of internal audit work and for deciding the action to be taken on the outcome of, or findings from, their work. Management is responsible for ensuring SWAP has:

- the support of management and the Council; and
- direct access and freedom to report to senior management, including the Council's Chief Executive and the Audit & Governance Committee.

Management is responsible for maintaining internal controls, including proper accounting records and other management information suitable for running the Authority. Management is also responsible for the appropriate and effective management of risk.

Internal Audit

Internal audit is responsible for operating under the policies established by management in line with best practice.

Internal audit is responsible for conducting its work in accordance with the Code of Ethics and Standards for the Professional Practice of Internal Auditing as set by the Institute of Internal Auditors and further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS).

Internal audit is not responsible for any of the activities which it audits. SWAP staff will not assume responsibility for the design, installation, operation or control of any procedures.

1. The Standards require that Internal Audit report to the Board. CIPFA have, via the Public Sector Internal Audit Standards (PSIAS) Guidelines, determined that the Audit Committee in this instance represents the Board.

Should staff join SWAP and were former employees of East Devon District Council, they will not be asked to review any aspects of their previous department's work until one year has passed since they left that area.

Relationship with the External Auditors/Other Regulatory Bodies

Internal Audit will co-ordinate its work with others wherever this is beneficial to the organisation.

Status of Internal Audit in the Organisation

The Chief Executive of SWAP is responsible to the SWAP Board of Directors and the Members Meeting. The Chief Executive of SWAP and the Audit Manager also report to the Head of Finance as Section 151 Officer, and reports to the Audit and Governance Committee as set out below.

Appointment or removal of the Chief Executive of SWAP is the sole responsibility of the Members Meeting.

Scope and authority of Internal Audit work

There are no restrictions placed upon the scope of internal audit's work. SWAP staff engaged on internal audit work are entitled to receive and have access to whatever information or explanations they consider necessary to fulfil their responsibilities to senior management. In this regard, internal audit may have access to any records, personnel or physical property of East Devon District Council.

Internal audit work will normally include, but is not restricted to:

- reviewing the reliability and integrity of financial and operating information and the means used to identify, measure, classify and report such information;
- evaluating and appraising the risks associated with areas under review and make proposals for improving the management of risks;
- appraising the effectiveness and reliability of the enterprise risk management framework and recommend improvements where necessary;
- assisting management and Members to identify risks and controls with regard to the objectives of the Council and its services;
- reviewing the systems established by management to ensure compliance with those policies, plans, procedures, laws and regulations which could have a significant impact on operations and reports, and determining whether East Devon District Council is in compliance;
- reviewing the means of safeguarding assets and, as appropriate, verifying the existence of assets;
- appraising the economy, efficiency and effectiveness with which resources are employed;
- reviewing operations or programmes to ascertain whether results are consistent with established objectives and goals and whether the operations or programmes are being carried out as planned.
- reviewing the operations of the Council in support of the Council's anti-fraud and corruption policy.
- at the specific request of management, internal audit may provide consultancy services provided:

EDDC Audit Committee 27/06/2013

- the internal auditors independence is not compromised
- the internal audit service has the necessary skills to carry out the assignment, or can obtain such skills without undue cost or delay
- the scope of the consultancy assignment is clearly defined and management have made proper provision for resources within the annual audit plan
- management understand that the work being undertaken is not internal audit work.

Planning and Reporting

SWAP will submit to the Audit and Governance Committee, for approval, an annual internal audit plan, setting out the recommended scope of their work in the period.

The annual plan will be developed with reference to the risks the organisation will be facing in the forthcoming year, whilst providing a balance of current and on-going risks, reviewed on a cyclical basis. The plan will be reviewed on a quarterly basis to ensure it remains **adequately resourced**, current and addresses new and emerging risks.

SWAP will carry out the work as agreed, report the outcome and findings, and will make recommendations on the action to be taken as a result to the appropriate manager and Head of Service. SWAP will report at least four times a year to the Audit and Governance Committee. SWAP will also report a summary of their findings, including any persistent and outstanding issues, to the Audit and Governance Committee on a regular basis.

Internal audit reports will normally be by means of a brief presentation to the relevant manager accompanied by a detailed report in writing. The detailed report will be copied to the relevant line management, who will already have been made fully aware of the detail and whose co-operation in preparing the summary report will have been sought. The detailed report will also be copied to the S151 Officer (Head of Finance) as well as to other relevant line management.

The **Chief Executive of SWAP** will submit an annual report to the Audit and Governance Committee providing an overall opinion of the status of risk and internal control within the Council, based on the internal audit work conducted during the previous year.

In addition to the reporting lines outlined above, the **Chief Executive of SWAP** and the Audit Manager have the unreserved right to report directly to the Leader of the Council, the Chairman of the Audit and Governance Committee, the Council's Chief Executive Officer or the External Audit Manager.

Revised **June 2013**

Agenda Item: 08

Audit and Governance Committee

27 June 2013

AEE



Internal Audit Plan – Review of 2012/13

Summary

This report provides the outturn position for the Internal Audit Plan at the end of 2012/13 and also provides Internal Audits overall opinion on the systems of internal control at East Devon District Council.

Recommendation

To note the content of the Internal Audit Annual Report and Opinion.

a) Reasons for Recommendation

The Accounts and Audit Regulations (England) 2011 requires public authorities to publish an Annual Governance Statement (AGS). The Statement is an annual review of the Systems of Internal Control and gathers assurance from various sources to support it. One such source is Internal Audit. The Head of Internal Audit should provide a written annual report to those charged with governance to support the AGS. The purpose of this report is to satisfy this requirement and Members are asked to note its content.

b) Alternative Options

None

c) Risk Considerations

None

d) Policy and Budgetary Considerations

There are no financial implications associated with this recommendation.

e) Date for Review of Decision

N/A

1 Main Body of the Report

The Audit Committee agreed the 2012/13 Internal Audit plan at its March 2012 meeting. An update was provided for Quarter 1 in June 2012, Quarter 2 in September 2012 and Quarter 3 in January 2013. This report is the final outturn position at the end of Quarter 4.

Appendix A – Detailed Internal Audit Annual Report and Opinion for 2012/13
Appendix B – Summary of Audit Progress and Opinions for the 2012/13 Audit Plan
Appendix C – Audit Opinion Definitions
Appendix D – Significant Priority Findings

Legal Implications

There are no legal implications requiring comment.

Financial Implications

There are no direct financial implications.

Consultation on Reports to the Cabinet

None.

Background Papers

None

Andrew Ellins - Audit Manager

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Audit and Governance Committee
27 June 2013



Appendix A

East Devon District Council

Internal Audit Plan – Review of 2012/13

Contents

The contacts at SWAP in connection with this report are:

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Andrew Ellins

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Purpose and Background Page 1

Summary of Internal Audit Activity 2012/13:

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Information Systems Page 3

Key Controls- Finance Page 3

Governance and Fraud Page 5

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Group Audit Manager’s Annual Opinion Page 7

GAM Annual Opinion—continued Page 8

Annual Opinion:

The Group Audit Manager is required to provide an annual opinion report to support the Annual Governance Statement.

Purpose of Report and Recommendation

The Accounts and Audit Regulations (England) 2011 requires public authorities to publish an Annual Governance Statement (AGS). The Statement is an annual review of the Systems of Internal Control and gathers assurance from various sources to support it. One such source is Internal Audit. The Head of Internal Audit should provide a written annual report to those charged with governance to support the AGS. This report should include the following:

- an opinion on the overall adequacy and effectiveness of the organisation's risk management systems and internal control environment
- disclose any qualifications to that opinion, together with the reasons for the qualification
- present a summary of the audit work from which the opinion is derived, including reliance placed on work by other assurance bodies
- draw attention to any issues the Head of Internal Audit judges particularly relevant to the preparation of the Annual Governance Statement
- compare the work actually undertaken with the work that was planned and summarise the performance of the internal audit function against its performance measures and criteria
- comment on compliance with these standards and communicate the results of the internal audit quality assurance programme.

The purpose of this report is to satisfy this requirement and Members are asked to note its content.

Background

The Internal Audit service for Somerset County Council is provided by South West Audit Partnership Limited (SWAP). SWAP is a Local Authority controlled Company. SWAP has adopted and works to the Standards of the Institute of Internal Auditors, further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS), and also follows the CIPFA Code of Practice for Internal Audit. The Partnership is also guided by the Internal Audit Charter which is reviewed annually.

Summary of Work 2012/13

The agreed Annual Audit Plan covers the following key areas of Activity:

- OPERATIONAL AUDITS
- INFORMATION SYSTEMS
- KEY CONTROLS, Finance
- KEY CONTROLS, Income
- GOVERNANCE & FRAUD
- SPECIAL REVIEWS

Audits Completed - Operational

Operational Audits—are a detailed evaluation of a service or functions control environment. A risk evaluation matrix is devised and controls are tested; risks are assessed against the risk appetite agreed with the SWAP Management Board. Where weaknesses or areas for improvement are identified, actions are agreed with management, prioritised and target dated. Based on the findings of each review, an overall Control Assurance is offered. Where Partial Assurance is given in the final report the relevant Service Manager should be called by the Committee to provide assurance that the risks are being managed and to see this through to satisfactory completion.

Audit Area	Audit Opinion	Audit Area	Audit Opinion
Housing Revenue Account (HRA)	▲★★★★ Reasonable	Health, Safety & Insurances - Lone working	▲★★★★ Reasonable
Leisure East Devon	▲★☆☆ Partial	Private Sector Housing Grants	▲★★★★ Reasonable
Arts and Culture	▲★☆☆ Partial	Income Collection	▲★☆☆ Partial
Emergency Planning (Follow up)	Non Opinion	Income and Cashiers (Follow up)	Non Opinion
Rent Deposit Scheme (Follow up)	Non Opinion	Street Scene (Follow up)	Non Opinion

The 6 reviews receiving audit opinions identified 72 recommendations for improvement; 5 level 4 priority risks, 61 level 3's and 6 level 2's. Three of these audits had partial assurance (Leisure East Devon, Arts and Culture and Health Safety and Insurances – Lone Working). These areas will be audited further in 2013/14. For a summary of Control Assurance Definitions, Categorisation of Recommendations and Definitions of Risk Levels, please refer to Appendix C.

Summary of Work 2012/13

Continued.....

Audits Completed – Information Systems

Information Systems—IS audits are completed to provide the Authority with assurance with regards to their compliance with industry best practice. As with Operational Audits, an audit opinion is given. The following IS audits were completed in 2012/13:

Audit Area	Audit Opinion
Corporate Information Security Controls - Level 1 (Follow up)	Non Opinion
Information Security Regulatory Compliance (Follow up)	Non Opinion
Data Security Breaches	▲★★★ Reasonable

Data Security received 10 recommendations, however, 6 were only priority 2, 3 received level 3 and there was only 1 priority 4. The follow-up audits found that the vast majority of actions had been implemented as agreed.

Audits Completed – Key Controls, Finance

Key Control Audits — The Key Control Audit process focuses primarily on key risks relating to the Council’s major financial systems. It is essential that all key controls identified by the External Auditors are operating effectively to provide management with the necessary assurance. The findings from these reviews are considered by the External Auditors when they assess the Council’s Financial Statements at year end.

Key Control Audits completed by SWAP during the period April 2012 to March 2013 and previously reported to Committee are as follows:

Summary of Work 2012/13

Continued.....

Audits Completed – Key Controls, Finance

Audit Area	Audit Opinion	Audit Area	Audit Opinion
Capital Accounting	▲☆☆☆ Partial	Main Accounting	▲☆☆☆ Reasonable
Council Tax & NNDR	▲☆☆☆ Reasonable	Payroll	▲★★★★ Substantial
Creditors	▲☆☆☆ Reasonable	Treasury Management	▲★★★★ Substantial
Debtors	▲☆☆☆ Reasonable	Housing and Council Tax Benefit	▲☆☆☆ Reasonable
Housing Rents	▲☆☆☆ Reasonable		

From the 111 key controls tested in these audits there were 39 recommendations of which none were a level 4 Service priority action. There were 25 level 3 risks and 14 level 2 risks.

It was pleasing to find that the vast majority of key controls were all operating effectively. Indeed all of the systems have received at least reasonable assurance.

Previously the Audit Commission focussed on these findings when they carried out their work to sign off the Council’s Accounts. However, Grant Thornton as the new External Auditors have a different approach and as such SWAP will use a risk based methodology when reviewing the key financial systems. This will start from 2013/14 and is also due to the fact that there has been higher levels of assurance over the key control audits in recent years.

Summary of Work 2012/13

Continued.....

Audits Completed — Governance and Fraud

Governance and Fraud Reviews — The Governance, Fraud and Corruption Audit process focuses primarily on key risks relating to cross cutting areas that are controlled and/or impact at a Corporate rather than Service specific level. It also provides an annual assurance review of areas of the Council that are inherently higher risk

Audit Area	Opinion	Audit Area	Opinion
Creditor Fraud	▲ ★ ★ ★ Reasonable	Contract Fraud	In Progress
Treasury Management Strategy	In Progress	Asset Management Planning	▲ ★ ★ ★ Reasonable
Committee Reporting – Member Decisions	▲ ★ ★ ★ Reasonable	Bribery Act 2010 (Follow up)	Non Opinion
Contract Management (Follow up)	Non Opinion	EU Procurement Rules	Discussion Document Stage
Risk Management (Follow up)	Non Opinion	Partnership Arrangements (Follow up)	Non Opinion
Expense Claim Fraud	▲ ★ ★ ★ Substantial	Council Office Relocation	Non Opinion
E- Procurement	Deferred		

These reviews resulted in 19 improvements to Internal Control. There were 16 level 3's and 3 level 2 priority risks. Audits in progress or at Discussion document stage will be finalised by the end of June 2013. It was pleasing to find no significant risks or high priority finding for the governance audits requiring an opinion and completed at the time of this report.

E-Procurement was not fully embedded in 2012/13 and will be reviewed in 2013/14.

Summary of Work 2012/13

Continued.....

Performance:

The Head of Internal Audit Partnership reports performance on a regular basis to the SWAP Management and Partnership Boards.

Audits Completed - Special Reviews

At the request of the A&G Committee and in agreement with the S151, SWAP conducted an independent review on the Councils Water Sampling Contract. This was a non opinion review.

SWAP Performance

During the year SWAP were actively working toward becoming a Publicly Owned Company, Limited by Guarantee. This was achieved and became effective from the 1st April 2013. Since its beginning SWAP has been building up a reserve fund which, with the dissolving of the old Partnership, has resulted in approximately £300,000 being returned to SWAP Partners for redistribution.

The Original Audit Plan for East Devon District Council was approved by the Audit and Governance Committee in March 2012. There were originally 25 audits (6 operational, 9 key control, 1 ICT, 8 governance which included 3 anti-fraud themed reviews and 1 consultancy) planned along with a time budget for follow up's (8 audits) and ICT Audit work (2 more audits). In total 35 reviews have been completed, including 3 currently in progress. E-Procurement was the only deferral due to timings but we added a Special Investigation on the Water Sampling Contract.

3 reviews are in progress at the time of this report. There are 2 themed reviews where the findings are compared to other Council's controls and EU Procurement Rules. These will be finalised in June 2013.

At the close of each audit review a Customer Satisfaction Questionnaire is sent out to the Service Manager or nominated officer. The aim of the questionnaires is to gauge satisfaction against timeliness, quality and professionalism. As part of the Balanced Scorecard presented to the SWAP Boards, a target of 85% is set where 75% would represent good. The latest Scorecard for the Partnership shows the current average feedback score to be 82%. For East Devon the average feedback score was 78.9%, with the highest score being 88% and the lowest 74%.

Annual Opinion:

The Group Audit Manager is required to provide an annual opinion report to support the Annual Governance Statement.

Group Audit Manager's Opinion

We have undertaken 35 audits for East Devon District Council in 2012/13. There were 12 reviews which were non-opinion (10 follow ups, 1 special investigation and 1 ongoing consultancy in relation to the office relocation). There are 3 audits in progress at the time of this report and for the completed 20 audits where we gave a reported audit opinion, we were pleased to provide the highest level 'Substantive Assurance' to 3, we gave 13 'Reasonable Assurance' and 4 have been afforded a 'Partial Assurance'.

The reviews that received Partial Assurance are;

- Leisure East Devon
- Arts and Culture
- Income Collection
- Capital Accounting

In total we provided management with 140 recommendations for improvement in order to assist in the effective internal control of the Council. Only 6 of these were high priority findings and there were no significant corporate risks identified. A summary of all high priority findings is attached as Appendix D.

I have considered the balance of audit work and outcomes against this environment and am able to offer ▲★★★ **Reasonable** assurance in respect of the areas reviewed during the year, as the majority were found to be adequately controlled. Internal controls are in place and operating effectively and risks against the achievement of objectives are well managed.

Annual Opinion:

The Group Audit Manager is required to provide an annual opinion report to support the Annual Governance Statement.

Group Audit Manager's Opinion (Continued)

It is not possible for the Annual Internal Audit Plan to cover and provide assurance on all areas of the Council's business. In order to seek assurance, the Head of Finance annually seeks the assurance of Senior Managers as to the adequacy of the internal control environment for their service areas. A signed Operational Statement has been returned for each service offering assurance that necessary controls are in place and operating as intended.

Over the year SWAP have found the Senior Management of East Devon District Council to be supportive of SWAP findings and responsive to the recommendations made. In addition there is a good relationship with Management whereby they feel they can approach SWAP openly into areas where they perceive potential problems and again welcome the opportunity to take on board recommendations for improvement.

Only 4 audits received partial assurance (compared to 10 audits in 2011/12) and Management and Audit Committee will address these issues. It should also be noted that there were no fraud (theft) investigations required in 2012/13 which is indicative of the control environment at East Devon.

Audit Activity	Audit Area	Quarter	Status	Opinion	No. of recs	Recommendations				
						5=Major		1= Minor		
						5	4	3	2	1
Consultancy	Council Office Relocation		Ongoing	Non Opinion	0	0	0	0	0	0
Follow Up	Contract Management	1	Final	Non Opinion	0	0	0	0	0	0
Follow Up	Partnership Arrangements	1	Final	Non Opinion	0	0	0	0	0	0
Follow Up	Risk Management	1	Final	Non Opinion	0	0	0	0	0	0
Governance, Fraud & Corruption	Creditors Fraud	1	Final	Reasonable	8	0	0	6	2	0
Operational	HRA	1	Final	Reasonable	6	0	0	5	1	0
Operational	Leisure East Devon	1	Final	Partial	7	0	1	5	1	0
Operational	Arts & Culture	1	Final	Partial	31	0	3	28	0	0
Follow Up	Bribery Act 2010	2	Final	Non Opinion	0	0	0	0	0	0
Follow Up	Emergency Planning	2	Final	Non Opinion	0	0	0	0	0	0
Follow Up	Streetscene	2	Final	Non Opinion	0	0	0	0	0	0
ICT	Corporate Information Security Controls - Level 1	2	Final	Non Opinion	0	0	0	0	0	0
Governance, Fraud & Corruption	Committee Reporting - Member Decisions	2	Final	Reasonable	4	0	0	4	0	0
Operational	Income Collection	2	Final	Partial	12	0	0	9	3	0
ICT	Information Security Regulatory Compliance	2	Final	Non Opinion	0	0	0	0	0	0
Follow Up	Rents Deposit Scheme	2	Final	Non Opinion	0	0	0	0	0	0
Governance, Fraud & Corruption	Contract Fraud	2	In progress		0	0	0	0	0	0
Key Control	Capital Accounting	3	Final	Partial	5	0	0	5	0	0
Key Control	Creditors	3	Final	Reasonable	6	0	0	5	1	0
Key Control	Debtors	3	Final	Reasonable	8	0	0	5	3	0
Key Control	Main Accounting	3	Final	Reasonable	7	0	0	1	6	0
Key Control	Payroll	3	Final	Substantial	0	0	0	0	0	0
Key Control	Council Tax/NNDR	3	Final	Reasonable	4	0	0	3	1	0
Key Control	Housing & Council Tax Benefits	3	Final	Reasonable	4	0	0	3	1	0
Key Control	Housing Rents	3	Final	Reasonable	5	0	0	3	2	0
Key Control	Treasury Management	3	Final	Substantial	0	0	0	0	0	0
Special Investigation	Water Sampling Contract Investigation	3	Final	Non Opinion	0	0	0	0	0	0
Governance, Fraud & Corruption	EU Procurement Rules	3	Discussion Doc		0	0	0	0	0	0
IT Audit	Data Security Breaches	4	Final	Reasonable	10	0	1	3	6	0
Follow Up	Income and Cashiers	4	Final	Non Opinion	0	0	0	0	0	0
Governance, Fraud & Corruption	Asset Management Planning	4	Final	Reasonable	6	0	0	5	1	0
Governance, Fraud & Corruption	Expenses Claim Fraud	4	Final	Substantial	1	0	0	1	0	0
Governance, Fraud & Corruption	E-Procurement	4	Deferred		0	0	0	0	0	0
Operational	Health, Safety & Insurances - Lone working	4	Final	Reasonable	12	0	1	10	1	0
Operational	Private Sector Housing Grants	4	Final	Reasonable	4	0	0	4	0	0
Governance, Fraud & Corruption	Treasury Management Strategy	4	In progress		0	0	0	0	0	0
TOTALS					140	0	6	105	29	0

Audit Framework Definitions

Control Assurance Definitions

Substantial	▲ ★ ★ ★	I am able to offer substantial assurance as the areas reviewed were found to be adequately controlled. Internal controls are in place and operating effectively and risks against the achievement of objectives are well managed.
Reasonable	▲ ★ ★ ★	I am able to offer reasonable assurance as most of the areas reviewed were found to be adequately controlled. Generally risks are well managed but some systems require the introduction or improvement of internal controls to ensure the achievement of objectives.
Partial	▲ ★ ★ ★	I am able to offer Partial assurance in relation to the areas reviewed and the controls found to be in place. Some key risks are not well managed and systems require the introduction or improvement of internal controls to ensure the achievement of objectives.
None	▲ ★ ★ ★	I am not able to offer any assurance. The areas reviewed were found to be inadequately controlled. Risks are not well managed and systems require the introduction or improvement of internal controls to ensure the achievement of objectives.

Categorisation Of Recommendations

When making recommendations to Management it is important that they know how important the recommendation is to their service. There should be a clear distinction between how we evaluate the risks identified for the service but scored at a corporate level and the priority assigned to the recommendation. No timeframes have been applied to each Priority as implementation will depend on several factors, however, the definitions imply the importance.

Priority 5: Findings that are fundamental to the integrity of the unit's business processes and require the immediate attention of management.

Priority 4: Important findings that need to be resolved by management.

Priority 3: The accuracy of records is at risk and requires attention.

Priority 2: Minor control issues have been identified which nevertheless need to be addressed.

Priority 1: Administrative errors identified that should be corrected. Simple, no-cost measures would serve to enhance an existing control.

Definitions of Risk

Risk	Reporting Implications
Low	Issues of a minor nature or best practice where some improvement can be made.
Medium	Issues which should be addressed by management in their areas of responsibility.
High	Issues that we consider need to be brought to the attention of senior management.
Very High	Issues that we consider need to be brought to the attention of both senior management and the Audit Committee.

High Priority Findings and Recommendations

Appendix D

Weakness Found	Risk Identified	Recommended Action	Management's Agreed Action	Responsible Officer	Agreed Date
<p>Data Security Breaches</p> <p>The Council has devised a Data Sharing Protocol; however the Senior Information Risk Owner has agreed that this requires further development before it becomes fit for purpose. It does not currently include guidance on information security classification levels.</p>	<p>There is a risk that if data security arrangements are not agreed, the security of personal data shared with Council partners and service providers may be compromised.</p>	<p>I recommend that the Corporate ICT Manager ensures that the corporate Data Sharing Protocol is developed to include information security classification levels and protective markings should be made explicit in the information sharing agreement that governs information exchange between the parties. This should include prevention controls from sending protectively marked information to untrusted email accounts.</p>	<p>We will wait for the new government guidance on protective marking to be released (due early 2013) so that we can move ahead with the latest standards.</p>	<p>Corporate ICT Manager</p>	<p>Jun-13</p>
<p>Leisure East Devon</p> <p>We found that there is no central risk register in place at LED. There are a number of implications as a result of this:</p> <ul style="list-style-type: none"> It is not possible to quickly gain an overview of risk management at LED at any given point in time, as risk management information has to be assembled and collated from a wide range of sources. Unless risks are collectively reviewed at senior management level on a regular basis there is a risk of duplication of effort, or unidentified risk materialising due to poor control. Risk management, although ongoing, is an ad hoc process, without a procedure or structure that ensures consistent, ongoing risk identification and oversight by EDDC. There is a risk that differences in approach due to experience and training could lead to inconsistencies in the way risks are identified, managed and reported. Risks are not formally assigned to responsible officers - managers assume responsibility for what they perceive to be their own areas. Some risks, although identified, may not be well managed as a result of this. There is a lack of transparency for stakeholders if risks are reported in various documents at different times, with inconsistent levels of information provided. Risks are not scored or prioritised so there is a risk that controls are ineffective, or that resources are not directed at the highest risks or alternatively wasted in over controlling lower risks. 	<p>The use of risk registers within a risk management policy and strategy are considered best practice and reflect the process adopted by EDDC. Until similar arrangements are implemented at LED, no assurance can be provided that risk management is based on "clear and consistent good practice" or that it is as effective as the systems in place at EDDC.</p>	<p>I recommend that the Council sets out EDDCs expectations in respect of risk management formally to the Board of Trustees at LED.</p>	<p>Agreed</p>	<p>Chief Executive</p>	<p>Apr-13</p>
<p>Arts & Culture</p> <p>Since the gallery opened, the Council have contracted independent advisers to complete two feasibility studies. These studies focused upon the opportunities for the gallery and included projected income figures over a set period. The second (and most recent) study was completed by a company called 'Gallery Creative Business Consultancy' or 'Gallery'. Their brief was to look at the opportunities available for the development of the THG to create a more 'sustainable initiative'. As a result of this study the gallery implemented a revised business plan which was put into place from April 2009 to March 2012. The plan also supported the proposed capital project and expansion of the gallery in which both the Council and the Arts Council England agreed to sponsor. The THG have not achieved the income figures quoted from this report and a number of officers including staff at the gallery have since commented that the figures quoted in the report were unrealistic and were not achievable. There were 2 other options mentioned in the report, these were;</p> <ul style="list-style-type: none"> continue with the Devon Registrar lease. sell the building and combine plans for the Community centre with the expansion of a visual arts space. Neither of these options appears to have been explored in detail and referenced in the feasibility study and there were no recommendations in the review to consider these options. 	<p>There is a risk the feasibility study did not provide the Council with enough detailed information for their proposed business plan.</p>	<p>I recommend the Head of Finance reminds officers responsible for purchasing that they must comply with the Council's Contract Standing Orders. In particular ensuring when appointing independent advisors that a specification is written clearly setting out what is required of them and that appointments are made of only qualified and experienced advisors that can fully meet the scope of the work.</p>	<p>Agreed and now completed – A revised copy of the Contract Standing Orders has been prepared to Cabinet.</p>	<p>Head of Finance</p>	<p>N/A</p>
<p>The business plan is not up to date as it expired in March 2012. The plan is also based upon projected income and audience figures which were quoted in the feasibility study which the gallery have not achieved.</p>	<p>There is a risk that the THG will not progress in both its service and financial aims as a result of not having an up to date business plan/model.</p>	<p>I recommend the Countryside and Leisure Manager revises the current business plan and there should be consideration to;</p> <ul style="list-style-type: none"> Further review of aims and objectives of the gallery to ensure alignment with Arts Development policy and the Council overall strategy The type and volume of audience and visitors in which the gallery aim to attract The type of service or services which the gallery aim to provide The use and application of Partnerships and Partnership working Roles and Responsibilities of the THG advisory forum Revision of financial projections Revision of the galleries income opportunities The Use of performance measures 	<p>Agreed – There is an options appraisal currently being undertaken for the gallery and this will feed into the Arts and Culture forum</p>	<p>Countryside and Leisure Manager</p>	<p>Sep-13</p>
<p>The Thelma Hulbert Gallery has not achieved the expected attendance and income figures projected in their business plan.</p>	<p>There is a risk that the provision of an Art Gallery may not be best value for the Council.</p>	<p>I recommend the Countryside and Leisure Manager and the members of the forthcoming TAFF review agree the following;</p> <ul style="list-style-type: none"> The amount of funding required for Arts and Development projects Where and how Arts and Culture fits strategically within the Council The financial and human resources required to deliver an Arts and Development service (given that it is a non-statutory service) The expectations of the general public (this should be based on public opinion/feedback) Targeted audience The financial support provided to the THG 	<p>Agreed and now completed – The TAFF completed the review and presented it to Cabinet in September 2012.</p>	<p>Countryside and Leisure Manager</p>	<p>N/A</p>
<p>Health, Safety & Insurances - Lone working</p> <p>In the 2013/14 financial year, the Health and Safety Adviser intends to do a 'risk mapping' exercise with all the relevant line managers and this will involve a) identifying the relevant risks and b) assessing whether the service(s) have got adequate controls and procedures in place to help manage each of the identified risks. This exercise should help to ensure that line managers have a better understanding on how to identify and manage risks in their service areas. It will also help to ensure that all necessary risk assessments have been produced and are regularly reviewed.</p> <p>There is no formal policy or procedure advising line management on the requirement to complete risk assessments - this would include procedure on how to identify risks, tools in which to record and manage risks (risk assessment) and when they should be reviewing all known risks through annual risk assessment.</p> <p>Although it is encouraged by the H&S Adviser to complete a risk assessment review on an annual basis, it was evident in my sample testing of lone worker risk assessments that the risk assessments were not being completed on an annual basis as recommended by HSE as best practice.</p> <p>As referenced in this report, there is a training course on Line Management and Health and Safety which includes a section on risk assessments, however this course has had very low attendance figures over the last two financial years.</p>	<p>There is a risk that the Council do not currently provide line managers with clear instruction on their responsibilities for managing health and safety and their responsibilities for completing relevant risk assessments.</p>	<p>I recommend the Health and Safety Adviser introduces a formal policy and guidance on Health and Safety risk assessments. This should include (but not limited to) the following;</p> <ul style="list-style-type: none"> A statement on the responsibilities of line management to complete risk assessments. Training on risk assessments. Checking and authorisation needed for each risk assessment. Clear instruction on the tools used to complete risk assessments (risk mapping process and corporate risk assessment templates). The frequency of risk assessments. The agreed process for submitting all annual risk assessments to the Health and Safety Adviser (records). Instructions on what managers should do when there are changes in circumstance either to staff or work practices which may have an impact on the risk assessment(s). 	<p>Partially agreed. Risk assessments were introduced in 1992. Producing a policy on Risk assessments seems a little late. It is covered in the H&S Policy. Several years ago a lot of training was provided and a refresher (which was poorly attended) was provided a couple of years ago. While I am undertaking the Risk Mapping exercise, each manager will be asked to show the risk assessments they have completed and from this their competence will be assessed. If any training or advice is required it will be given 1-2-1 during this process.</p>	<p>Health and Safety Adviser</p>	<p>Dec-13</p>

Agenda Item: 10

Audit & Governance

27 June 2013

SD



Revenue and Capital Outturn Report 2012/13

Summary

Attached as Appendix A is the Revenue and Outturn Report presented to Cabinet on 12 June 2013.

The report is presented to the Audit and Governance Committee to inform members of the year end financial position; for the Committee to endorse the report or determine if there are any issues they wish to highlight or raise with Cabinet.

This report sets out the key financial year end position which will flow through to the Council Statement of Accounts to be completed by 30 June and presented after audit to the Audit and Governance Committee for approval in September.

Recommendation

To endorse the Revenue and Capital Outturn Report presented to Cabinet

Background Papers

- [Link to detailed Outturn Book.](#)

Simon Davey

Head of Finance

Audit & Governance

27 June 2013

Agenda Item

Cabinet

12 June 2013

SD



Revenue and Capital Outturn Report 2012/13

Summary

During 2012/13 monthly budget monitoring reports have informed members of the anticipated year end position. This report contains the final position for the year and compares this outturn position against the budgets set.

The report outlines the implications of these results on the Council's reserves.

The year end position in summary

General Fund Position

The Outturn position shows savings against budget of £0.056m.

The 2012/13 budget was originally set with the need to use £0.178m from the General Fund Balance (reserve) in order to balance the budget. During the year Members agreed to additional spend through supplementary estimates totalling £0.126m, thereby requiring in total £0.304m to be met from the General Fund Balance. The £0.056m savings amount has reduced the amount required to net figure of £0.248m.

This leaves £4.084m in the General Fund Balance at year end, still a healthy position. Members have committed £0.210m of the Fund to balance the 2013/14 budget which leaves an uncommitted balance of £3.874m.

The report recommends maintaining a Balance within the range of £2.8m and £3.6m; this puts us in the position of holding £0.274m above the range. It is recommended that this sum is transferred to the 'New Home Bonus Volatility Fund' as part of the strategy of preparing a balanced budget for 2014/15.

Housing Revenue Account position

The Outturn position gives a £2.326m saving against budget.

Housing Revenue Account (HRA) budget was originally set to achieve a surplus of £1.734m in order to bring the HRA Balance (reserve) up to an acceptable level. With the savings figure on top of the budgeted surplus this gives a year end HRA Balance of £4.684m. It is recommended that £1.715m is transferred into a 'Debt Repayment Volatility Fund' to safeguard the HRA against any fluctuations in its Business Plan which currently provides for future repayment of debt in the year required.

Capital Budget

Capital Budget variations have been reported through the year, the result of the final position is planned expenditure of £3.386m moving from 2012/13 into 2013/14, mainly through scheme slippage.

The Capital Reserve balance at year end is £2.595m; based on the current programme the Reserve will be sufficient to take us into 2016/17. This will be dependant on further scheme approvals and how they are funded.

Recommendation

1. The Cabinet agree the outturn position for 2012/13.
2. To agree with the level of Reserves detailed in the report and the transfers recommended; namely
 - £0.274m is transferred from the General Fund to the 'New Home Bonus Volatility Fund' as part of the strategy of preparing a balanced budget for 2014/15.
 - £1.715m is transferred from the HRA Balance into a 'Debt Repayment Volatility Fund' to safeguard the HRA against any fluctuations in its Business Plan.

a) Reasons for Recommendation

To report the Outturn position for the Council's approved budgets for the General Fund, Housing Revenue Account and Capital Expenditure. This final position will flow through to the Council's Statement of Accounts. Members are asked to note the variations from the budgets identified within the report and consider the final position.

It is appropriate at this stage to reflect on the reserves and balances held by the Council and determine if these are the right reserves at the right levels going forward.

b) Alternative Options

The Outturn position is the final year end position for Members to note and to be satisfied on the explanations given in the variations reported compared with the plans and budgets they originally approved for the year.

Proposals have been made on future reserve and balance levels with the need for certain sums to be held. Alternatives can be considered by Members in terms of the sums to be held and whether appropriate reserves have been determined.

c) Risk Considerations

The 2012/13 budget was set with a need to meet £0.178m from the General Fund Balance. The aim for budget managers in the year was to reduce costs where possible and continuously look

for efficiencies and the Outturn position shows savings were achieved.

Additional expenditure was agreed in year and the General Fund Balance was of a sufficient level to allow this happen. It is accepted that circumstances do occur in year which dictates the need for supplementary estimates to be requested but ideally expenditure should be planned ahead and allowed for in the annual budget setting and debate process.

This report also looks at the monies the Council holds in reserves and considers these in the light of the current economic situation and future Government funding cuts. Consideration is given to the Council's financial track record, internal and external audit reports on financial controls and is reflective of occurrences from external factors which affect the Council's finances.

d) Policy and Budgetary Considerations

This report outlines the financial results for 2012/13 and states the impact on the Council's reserves and balances.

e) Date for Review of Decision

The Outturn position will be reported to Audit & Governance Committee in June who will then, in September, receive a copy of the Audited Accounts for approval. The Housing Review Board will also be updated on the Housing Revenue Account year end position.

1. Introduction

- 1.1 This report compares the outturn position (actual amount spent or income received for the year) against budgets set for the financial year 2012/13 for the General Fund, Housing Revenue Account (HRA) and the Capital Programme.
- 1.2 A summary position is contained in this report for each of these areas with an accompanying 'Outturn Book' giving detailed information on actual spend against the budget set by members. The Book gives an explanation of any significant variations of spend or income against budget and highlights other matters to be drawn to Members' attention.
- 1.3 The report looks at the effect the outturn figures have on the Council's balances and reserves and considers future policy for holding these sums.

2. General Fund position

- 2.1 The Outturn Book gives an overall summary position of the Outturn figures for General Fund services giving for each Portfolio the original budget set for the year, any revised budgets specifically approved by Members during the course of the year and the actual net spend for each Portfolio. Details are then given of loan repayments and investment income, various transfers to and from reserves, non ring fenced grants received to support Council expenditure generally and then Council Tax income, the Booklet then shows each Portfolio in detail. The overall deficit on the General Fund for

the year is £0.248m, against a gross budget of £74.4m. These details are summarised below:

General Fund 2012/13 – Outturn	Outturn Position £000
Portfolio Total Net Cost	13,858
Net Investments, Interest and loan repayments	(280)
Agreed use of earmarked reserves to fund expenditure in year	(1,062)
Agreed contributions from Revenue to Capital Programme	48
Transfers to Earmarked Reserves for future year expenditure	493
New Homes Bonus Grant	(759)
Transfer New Homes Bonus to Capital	759
Collection Fund Surplus	(114)
Council Tax freeze reimbursement grant – 2011/12	(175)
Council Tax freeze reimbursement grant – 2012/13	(103)
Local Services Support Grant - Homelessness	(99)
Formula Grant	(5,303)
Council Tax	(7,015)
Deficit for year / Amount required from General Fund Balance	248

- 2.2 The 2012/13 budget was originally set with the need to use £0.178 from the General Fund Balance in order to balance the budget. During the year Members agreed to additional spend through supplementary estimates totalling £0.126m, thereby requiring in total £0.304m to be met from the General Fund Balance. Savings of £0.056m against the budget has reduced the amount required from Balances to £0.248m.
- 2.3 The main variations resulting in the £0.056m saving against budget are shown below with further comprehensive details contained in the Outturn Book:

General Fund 2012/13 – Outturn variations against budget	Variation £000
Recycling Income lower than budgeted due to a reduction in volume and lower material values.	211
Reduction in car park income of £0.334m and £0.203m removed from service income and taken as a Receipt in Advance on Balance Sheet as refers to 2013/14 – one off adjustment to correct Accounts.	547

Employee savings through year – mainly through vacant posts (including two Heads of Service) and replacement employees on lower salary.	(482)
Savings on print and postage costs across the Council.	(63)
Street Scene - Savings in Street Cleaning plant & equipment (efficient use and procurement).	(45)
Street Scene - Changes made in working practices in Parks & Gardens (system thinking principles)	(39)
Additional Home Safeguard income following marketing promotion.	(48)
Additional planning income	(230)
Additional legal fees in planning	140
Council Tax & Housing Benefits administration; savings achieved and additional administration grant income to implement welfare changes.	(105)
Homelessness – continued reduction in B&B costs and rent deposit scheme, more effective measurers taken.	(46)
Reduction in External Audit Fees (new contracts and demise of the Audit Commission).	(34)

The areas above have been considered and were reflected in the 2013/14 budget.

- 2.4 After allowing for the need to use £0.248m of the General Fund Balance in 2012/13 this leaves £4.084m in the Fund at year end. It should be noted that Members have agreed to use £0.210m of the Fund to balance the 2013/14 budget thereby leaving £3.874m unallocated to deal with emergencies and unforeseen circumstances, unexpected expenditure requiring supplementary estimates, in year overspends or reductions in income and to assist in future balancing of the budget if required.
- 2.5 Currently the Council has an adopted General Fund Balance level of £1.552m. There is no set method of determining what a Council's General Fund Balance should be and it is for each Council to decide. We have used a common formula of ensuring we hold 7.5% of our net budget equivalent to a year and half of operation.
- 2.6 Members have in the past reaffirmed the decision to hold a balance in excess of the adopted amount because of the many uncertainties and risks at this current time. In the main these are focused around:
- The current economic climate affecting the Council's income from fees and charges and investments. The risk of an increase demand on Council services to help those affected by the recession and the implications of welfare reform.
 - The introduction of the Localisation of Council Tax Benefit in April 2013 brings with it financial risk.
 - There is uncertainty over Land charges income received in the past and issues relating to legality. There is a significant risk that this Council, along with many Councils, may need to meet claims and although the amounts are unknown at this stage it is considered this should not exceed £0.2m.
 - Further risk relates to future grant settlements and the Governments continuation of its spending reduction programme.

- 2.7 It is recommended that we formulise a higher level of General Fund Balance to be held rather than just stipulating we wish to hold a sum in excess of the adopted level. It is suggested we set a minimum and maximum amount thereby stipulating a range that we are comfortable for the Fund to be within before Members need to take action; whether above or below the range.
- 2.8 Taking 2013/14 net budget of £14.199m and allowing 10% of our net budget equivalent to a two year operational period would give £2.8m which it is suggested is the minimum of the range and then take the maximum has a £0.8m on top giving £3.6m. This would be reasonable when compared with neighbouring authorities.
- 2.9 If this is agreed the current unallocated sum held in the General Fund above the maximum range figure of £3.6m is £0.274m. It is recommended that this is transferred into a new earmarked reserve called the 'New Homes Bonus Volatility Fund'. It was agreed this would be required when setting the 2014/15 budget to protect the Authority against the risk of using New Homes Bonus monies to help fund General Fund services. Further sums will be required in this Reserve which can be catered for in setting the 2014/15 budget but this would be a good start and would allow more of the New Homes Bonus monies in 2014/15 to be directed to Capital.

3. Housing Revenue Account

- 3.1 The Outturn position for the HRA gives a £2.326m saving against budget. The budget was originally set to achieve a surplus of £1.734m in order to bring the HRA Balance (reserve) up to an acceptable level. With the savings figure on top of the budgeted surplus this gives an overall surplus for the year of £4.060m as given below.

HRA 2012/13 – Outturn	Outturn Position £000
Expenditure on management and maintenance	6,003
Contribution to Capital (major repairs and HRA capital programme)	4,065
Housing Subsidy Adjustment 2011/12	(96)
Reduction in Bad Debt Provision	(7)
Net interest and loan repayments	2,548
Property rentals and other income	(16,573)
Surplus for year	(4,060)

- 3.2 The main variations resulting in the £2.326m saving against budget are shown below with further comprehensive details contained in the Outturn Book:

HRA 2012/13 – Outturn variations against Budget	Variation £000
Housing Subsidy adjustment re 2011/12	(96)
Interest payable on PWLB (Public Loans Work Board) loans lower than budgeted due to discount received on interest rates for self financing loans	(752)
Rent income higher than budgeted due to excellent collection rates and reduced void times	(178)
Day to Day Repairs overspend due to increased demand	223
Servicing of gas and solid fuel appliances overspend due to higher number of appliances failing carbon monoxide tests	153
The external painting programme was less than budgeted due to a reduction in the number of doors and fascias requiring painting	(40)
Social Services adaptations reduced due to new eligibility criteria.	(79)
Budget for schemes identified as per the Stock Condition Survey not required	(516)
Supervision & Management underspends on employees, premises and transport due to vacancies and lower insurance premiums	(33)
Mobile Support Officers – vacancies and higher than budgeted supporting people income	(123)
Fewer door replacements than anticipated were programmed.	(315)
Change of Tenancy expenditure higher than expected due to the poor condition of some properties when vacated	214
The Modernisation contingency budget was not required	(435)
The reduction on revenue contribution to capital takes into account the underspend on some capital schemes	(349)

3.3 The HRA balance at the beginning of 2012/13 was £0.624m with the recommended adopted level being £2.104m. With the surplus in 2012/13 of £4.060m this has raised the 2012/13 year end Balance to £4.684m.

3.4 The adopted HRA Balance is calculated based on £490 per property and should be consider as the minimum sum to hold. The HRA Business Plan projected a Balance at the end of 2013/14 of £2.969m in order to be on track to meet future debt commitments; the actual position has out performed the Business Plan giving an additional £1.715m in the HRA Balance. It is recommended that the sum above the Business Plan level is held separately in an earmarked reserve ‘Debt Repayment Volatility Fund’ to be used to help meet debt repayments if the HRA performance in future years falls below the projections in the Business Plan.

4. Capital Budget

4.1 The net outturn position for the Capital programme is show below with net expenditure to be financed for the year of £7.833m.

Capital Programme 2012/13 – Outturn	Outturn Position £000
Portfolio Total Net Cost	7,833
Capital Receipts - General Fund	(154)
Capital Receipts – HRA	(643)
Section 106 contributions	(398)
DCLG Grant – Growth Point	(4,717)
Other Government Grants	(99)
Use of Earmarked Reserves (specific project reserves)	(262)
Revenue contribution to Capital Programme - General Fund	(12)
Revenue contribution to Capital Programme - HRA	(401)
New Homes Bonus Reserve	(436)
Asset Maintenance Reserve	(3)
Balance to be met from Capital Reserve	(708)

The variations to the Capital Programme to that originally planned are detailed in the Outturn Book.

- 4.2 The Capital Reserve at the end of 2012/13 is £2.595m, after allowing for £708m required to balance the Capital Programme in 2012/13. The Reserve will be sufficient to take us into 2016/17 based on the current capital budget but this will depend on further scheme approvals and how they are funded. New Homes Bonus allocations beyond 2013/14 have not been factored into the future programme at this stage. The table below shows the position on the Capital Reserve going forward.

Capital Reserve Position	2012/13 Outturn £000	2013/14 Budget £000	2014/15 Budget £000	2015/16 Budget £000
Opening Balance	(3,128)	(2,595)	(1,768)	(1,303)
GF Surplus in 2011/12 transferred to Reserve	(1,148)	-	-	-
Funding of Revenue Schemes *	973	-	-	-
Use in Year	708	827	465	173
Closing Balance	(2,595)	(1,768)	(1,303)	(1,130)

* Schemes approved in the Capital Budget but required reclassification to Revenue projects, Capital Reserve funding transferred to support schemes in revenue.

5. Other Main Reserves and Balances Available – year end position

Transformation Reserve

The uncommitted balance on this reserve is currently £0.969m; actual balance year end is £1.139m. This sum was set aside to assist the Council's transformation programme by meeting upfront costs necessarily incurred in order to produce savings in future years.

Local Authority Business Growth Incentive Scheme Reserve

The purpose of this reserve is to promote and deliver economic development. The balance on this reserve is currently £0.246m.

Community Fund

A sum was set aside for a 10 year period as part of the County scheme to help parishes deliver joint projects. The Fund was created from New Homes Bonus income. The balance at year end is £0.095m.

Asset Maintenance Reserve

This reserve is used to support the Council's General Fund Assets and planned maintenance backlog/essential work/asset failure (created from one off VAT refunds obtained).

The year end balance is £1.247m. This Reserve is currently used at a rate of around £0.2m annually, details of spend are presented to the Asset Management Forum.

Asset Management Plan

Members agreed a budget of £0.218m in 2011/12 to help with resources to progress the Asset Management Plan work. At the end of 2012/13 a balance remains of £0.161m.

Business Rates Volatility Fund

The setting of this Fund was agreed as part of the 2013/14 budget approval. At the beginning of 2013/14 a sum of £0.325m will be transferred into the Reserve from the Collection Fund along with any additional income the Council benefits from the Devon Business Rates Pool arrangements.

This Fund will be used to mitigate the risk of the Business Rate Retention scheme and volatility that's likely to occur with Business Rate income.

New Homes Bonus Volatility Fund

Cabinet agreed proposals and principles at its April meeting in order to set a balanced budget for 2014/15 and the medium term. It was agreed that New Homes Bonus income should be utilised to support General Fund service expenditure, the risk of using such income was acknowledged and the principle of setting up a Fund to mitigate the risk and protect the Authority was agreed.

It is recommended in this report a transfer of £0.274m is made from the General Fund balance to this Fund. The total sum that is likely to be required is £1.166m and the difference will be catered for in setting the 2014/15 budget (likely to be NHB itself), but this would be a good start and would allow more of the New Homes Bonus monies in 2014/15 to be directed to Capital.

Other Earmarked Reserves

There are other earmarked reserves for specific projects where funding or contributions have been made in advance of spend and monies are held at year end to fund this work in future years. Appendix A of the report highlights any transfers being made in 2012/13 and the Accounts when published will show a complete list of all Reserves held.

Legal Implications

On the assumption this report reflects local authority financial requirements/available discretions; no specific legal comment is required. The proposals put forward appear to be reasonable in terms of the exercise of council discretion.

Financial Implications

Details are contained in the report.

Consultation on Reports to the Cabinet

This report and its implications have been discussed by SMT

Background Papers

Simon Davey
Head of Finance

Cabinet
12 June 2013

Agenda Item: 11

Audit and Governance Committee

27 June 2013

Risk Review Information for 2012/13



Year End Risk Review 2012/13

Summary

Risk information for the 2012/13 financial year until March 2013 is supplied to allow the Audit and Governance Committee to monitor the risk status of Strategic and Operational Risks. This follows the year end review of risks by responsible officers for 2012/13.

Recommendation

That the Audit and Governance Committee considers the current status of risks until October 2013.

a) Reasons for Recommendation

To ensure that the Risk Management Policy and Guidance is being followed and all risks are being monitored and control actions implemented.

b) Alternative Options

None

c) Risk Considerations

Failure to identify, assess, monitor, review and manage risks could impact negatively (i.e. financial, reputational, operationally) on the council.

d) Policy and Budgetary Considerations

Our Risk Management Policy and Guidance recommends that risks are reported to the Audit and Governance Committee on a bi-annual basis. Risks which are unmanaged could have a serious financial impact.

e) Date for Review of Decision

The next Bi-annual Review October 2013.

1 Main Body of the Report

1. The EDDC's Risk Management Policy requires all risks identified by the council to be reviewed bi-annually. There are currently 18 Strategic and 105 Operational Risks, each when first identified were considered high or medium level risks which required some form of mitigation through control actions. For this year end review for 2012/13 all risk owners were asked to reassess the overall risk, update their

control action/s and re-score the risk to give a residual score in light of the mitigation from the control actions undertaken.

2. We are now seeing signs that the Risk Management process is becoming more embedded within the Council and that the risks in some Services are being updated more regularly than the stated bi-annual reviews and the reviews undertaken are being given greater consideration.
3. There are two risks which are currently scored as high risk
 - **Failure to manage the Council's reputation through engagement with the press** - Impact: Serious Likelihood: Very Likely
 - **Perceived reputation of the service by local community causes preventable demand through complaints** - Impact: Major Likelihood: Very likely

This risk has been re-scored in light of the recent events in relation to former Cllr Graham Brown which will have implications for our reputation in the future. His actions however are considered to be a one off with a limited risk of a repeat.

Further information about these risks can be found at appendix A

4. All services were asked to review their risks as part of the service planning for 2013/14 and highlight any new and emerging risks. Following this there are three new risks
 - **Failure of a private water supply.**
 - **Economic downturn is affecting price per tonne for recycle, reducing income.**
 - **Ability to respond to single issue pressure groups**

Further information about these risks can be found at appendix A

5. There are 3 risks with scores that have increased since the last review. For more information on these risk including details of their control actions see appendix A
 - **Failure of correct procedures and practices causing challenges to decisions**

This was scored Low (4) but is now Medium (6)

Review Note: It is considered that this risk has increased due to the higher number of major controversial applications where decisions are likely to be challenged and the higher profile of the planning service. It is however considered that while the risk of challenge has increased, adequate procedures and safe guards are in place to ensure that the risk of being found at fault remains unlikely.

- **Failure to carry out Food Safety and Health and Safety enforcement effectively**

This was scored Low (4) but is now Medium (6)

Review Note: The risk has increased slightly as the Food Safety Manager has retired and not replaced so there is now a lower level of supervision. We have a Food Standards Agency audit coming up in May which may produce recommendations for the service especially in regard to supervision.

- **Council services are not delivered where and how customers need them**

This was scored Low (3) but is now Medium (6)

Review Note: Capacity issue in taking forward the Customer Agenda due to DCX need to operationally manage the Environment Service as well as big increase in Monitoring Officer demand.

6. There are 8 risks which have had their scores reduced from medium to low; further information about these risks can be found at appendix B.
- Implications of Equity Share holding in Science Park Company.
 - Long term financial support for NGP Team. Staff on short term contracts.
 - Lack of budget to adequately maintain Council Property
 - Fraud, theft and/or irregularity of financial resources
 - Housing Benefit take up
 - Business sustainability of LED
 - Inadequate resources in the legal service
 - ICT is not suitable for corporate needs

7. Number of risks in each service by risk score

	High	Medium	Low
Finance	0	6	15

	High	Medium	Low
Economy	1	6	9

	High	Medium	Low
Housing	0	14	8

	High	Medium	Low
Environment	0	4	8

	High	Medium	Low
Legal & Democratic	0	9	5

	High	Medium	Low
Organisational Development	1	3	9

	High	Medium	Low
ICT	0	3	4

	High	Medium	Low
Strategic Risks	0	15	3

8. A report showing the medium level risks with control action detail appears in Appendix A.
9. A report showing the low level risks without control actions appears in Appendix B
10. An explanation and definitions of these risks including the risk matrix can be found in Appendix C.

Legal Implications

There are no legal comments.

Financial Implications

There are no direct financial implications contained within this Report

Consultation on Reports to the Executive

Relevant Heads and officers have contributed to the appendices.

The full risk register has been taken to the SMT for their consideration and comment

Background Papers

- [Appendix A - The Risk Review report, high and medium risks with control action detail for 2012/13.](#)
- [Appendix B – The Risk Review report, low risks only for 2012/13](#)
- [Appendix C - Explanations and definitions.](#)

Joanne Avery Ext 2332
Management Information Officer

Audit and Governance Committee
27 June 2013

High and Medium Risks only with Control Action (SR & OR)

Report for 2012/2013

Filtered by Flag: Include: Strategic Risks, Operational Risk

Exclude: Archive

Filtered by Performance Status: Include Risk Status: Medium, High
Not Including Projects records, Including Control Action records

Key to Performance Status:

Control Action:	No longer required	No Data available	Not Effective	in Planning / Progress	Completed	Working and Effective
Risks:	No Data (0+)	High (12+)	Medium (6+)	Low (1+)		

High and Medium Risks only with Control Action (SR & OR)

Risk: Business failure of a major contractor or significant partner Failure of a major contractor to deliver key services in accordance with the specification/service level agreement or a significant partnership fails through a legal, financial, reputational, relationship or governance issue

Pure Status: High (12)	Pure Risk Impact: Major	Pure Risk Likelihood: Likely			
Residual Status: Medium (8)	Residual Risk Impact: Major	Residual Risk Likelihood: Unlikely			
Date Identified: 02 Oct 2009		Service: Strategic Risks			
Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Pre tender selection procedure	Pre-tender selection process aims to ensure only those contractors with the technical expertise, performance history and financial standing are invited to tender in accordance with CSO's.	Simon Davey	02/10/2009	31/03/2013
Responsible Officer: Henry Gordon Lennox, Rachel Pocock					
Review Note:					

High and Medium Risks only with Control Action (SR & OR)

Risk: Adequacy of financial resource planning to deliver the Council's priorities Insufficient financial resources to deliver Council priorities as a consequence of:

- a) Failure of financial forecasting, budgeting, monitoring and reporting system resulting in insufficient financial resources and inadequate reserves
- b) Failure to use resources available effectively
- c) Reduction in government funding

Pure Status: High (12)	Pure Risk Impact: Major	Pure Risk Likelihood: Likely
Residual Status: Medium (8)	Residual Risk Impact: Major	Residual Risk Likelihood: Unlikely
Date Identified: 02 Oct 2009		Service: Strategic Risks

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Annual budget preparation and monitoring	service managers, directors, members involved in the preparation of budgets and in the monitoring/reporting of actual financial performance during the course of the year	Simon Davey	02/10/2009	31/03/2013
Working and Effective	Efficiency	the council will look to achieve efficiency targets in order that the resources that are available are directed towards delivering key priorities	Simon Davey	30/10/2009	31/03/2013
Working and Effective	Financial regulations and operating procedures	internal arrangements designed to ensure financial resources are securely held and appropriately used	Simon Davey	02/10/2009	31/03/2013
Working and Effective	Medium term budget preparation	preparation of medium term term financial plan forecasting income and expenditure and any potential gap in resources	Simon Davey	02/10/2009	31/03/2013
Working and Effective	prudential borrowing	ensure borrowing is affordable and sustainable	Simon Davey	29/10/2009	31/03/2013
Working and Effective	Reserve policy	maintenance of adequate reserves at a level designed to ensure the council can continue to deliver services in the event of reducing incomes or higher than expected costs.	Simon Davey	02/10/2009	31/03/2013

Responsible Officer: Simon Davey

Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Major disruption in continuity of computer and telecommunications services. Major disruption in continuity of computer and telecommunications facilities to the detriment of service delivery

Pure Status: High (12)	Pure Risk Impact: Major	Pure Risk Likelihood: Likely
Residual Status: Medium (6)	Residual Risk Impact: Significant	Residual Risk Likelihood: Likely
Date Identified: 02 Oct 2009		Service: Strategic Risks

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	CoCo Compliance	Compliance with Code of Connection... government standard for system, network and information security design and monitoring that requires yearly approval.	Chris Powell	05/10/2009	31/03/2013
Working and Effective	ICT Strategy	ICT Strategy... design and selection of resilient systems including virtualised processor and storage arrays; dual path networks; built in system redundancies; UPS and back –up power supplies	Chris Powell	05/10/2009	31/03/2013
Working and Effective	Information Security Policy	Information Security Policy...to protect systems from electronic attack; inappropriate user access; inappropriate use of systems.	Chris Powell	05/10/2009	31/03/2013
in Planning / Progress	IT Service Continuity Plan	In the event of a major incident that prevents use of the main data centre at the Knowle plans and systems are in place to transfer IT operations to East Devon Business Centre	Paul Bacon	01/08/2011	31/03/2013
Working and Effective	ITIL-based processes	ITIL-based service management processes... best practice designed to deliver quality IT services and include processes for Change Management, Incident Management; Problem Management	Chris Powell	05/10/2009	31/03/2013

Responsible Officer: Chris Powell

Review Note: Shared services for ICT will improve the resilience of the infrastructure further.

High and Medium Risks only with Control Action (SR & OR)

Risk: Security of information is compromised Failure to safeguard and protect critical data or IT systems with the risk that it could be permanently lost, damaged, misused or stolen.

Pure Status: Medium (8)	Pure Risk Impact: Major	Pure Risk Likelihood: Unlikely
Residual Status: Medium (6)	Residual Risk Impact: Serious	Residual Risk Likelihood: Unlikely
Date Identified: 01 Oct 2009		Service: Strategic Risks

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Change Management	ITIL and Prince 2 change management, risk management is applied to change ensuring data is safe before changes carried out.	Chris Powell	05/10/2009	31/03/2013
Working and Effective	CoCo Compliance	Compliance with government Code of Connection for system security, access and use of government IT systems and overall information security.	Paul Bacon	05/10/2009	31/03/2013
in Planning / Progress	Data sharing agreement	Data sharing protocol exists to help ensure partners and others use the council's data appropriately.	Chris Powell	07/05/2013	
Working and Effective	DLP system	To help prevent sensitive data sent by email to the wrong person	Paul Bacon	07/05/2013	
Working and Effective	Employee and member awareness of Information Security risks	The greatest risk to information Security is well known to be user access. Training and communication for users is carried out regularly to ensure constant awareness.	Paul Bacon	01/08/2011	31/03/2013
Working and Effective	Information Security Policy	Information Security Policy and additional processes based upon ISO 27001 standards and processes are written and approved and in use.	Chris Powell	05/10/2009	31/03/2013
Working and Effective	Resources organised to focus on Information Security	Mitigating risks associated with Information Security is lead by the Design and Compliance Team in ICT.	Chris Powell	01/08/2011	31/03/2013
in Planning / Progress	System Design	IT Systems designed and working for robust data back up and recovery.	Paul Bacon	05/10/2009	31/03/2013
Working and Effective	Use of encryption	SSL encryption is used for remote access and all laptops and USB keys are encrypted to prevent interception	Paul Bacon	07/05/2013	

Responsible Officer: Chris Powell

Review Note: New back-up systems working and in place. But DR systems have taken longer to get operational.

High and Medium Risks only with Control Action (SR & OR)

Risk: Failure to meet a specific legal or ethical obligation upon EDDC The Council fails to meet a specific legal or ethical obligation which causes serious disadvantage to residents, visitors or local businesses and leaves the Council liable to action.

Pure Status: Medium (9)	Pure Risk Impact: Serious	Pure Risk Likelihood: Likely
Residual Status: Medium (6)	Residual Risk Impact: Serious	Residual Risk Likelihood: Unlikely
Date Identified: 06 Oct 2009		Service: Strategic Risks

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Completed	Agree the equality objectives and action plan	Agree the equality objectives and action plan - achieved in April 2012	Denise Lyon	31/03/2012	31/03/2013
Working and Effective	Champion roles for key issues	Members officers or committee arrangements are made for certain areas. eg Community Safety is covered by a specific officer, a Member Champion, a named committee, and a community safety partnership	Rachel Pocock	07/10/2009	31/03/2013
in Planning / Progress	committee template review of decision implications	A check screen behind committee template forces a review of decision	Diana Vernon	07/10/2009	31/03/2013
Working and Effective	CPD - Continuous Professional Development	Heads of Service identify key areas for improved Officer knowledge and practice	Karen Jenkins	07/10/2009	31/03/2013
Working and Effective	Legal services scrutiny of all committee reports	Procedures are in place to ensure the Legal Services scrutinize all committee reports for legal implications.	Rachel Pocock	07/10/2009	31/03/2013

Responsible Officer: Henry Gordon Lennox, Rachel Pocock

Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Failure to adequately anticipate or respond to a major health or environmental incident Council inadequately plans for, or implements, action to tackle a major incident or emergency affecting a part of the district (chemical, biological, radioactive or other physically injurious event; natural or man-made, deliberate or accidental; natural events may include extremes of weather, flooding, coastal erosion and disease)

Pure Status: High (12)	Pure Risk Impact: Major	Pure Risk Likelihood: Likely
Residual Status: Medium (8)	Residual Risk Impact: Major	Residual Risk Likelihood: Unlikely
Date Identified: 06 Oct 2009		Service: Strategic Risks

Control Action records

Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
in Planning / Progress	Effective liaison, contact and communication arrangements	Links to other necessary agencies, and officers, even out of hours	Andrew Hancock	07/10/2009	31/03/2013
Working and Effective	Effective local plan for emergencies	The Emergency Planning Officer has drawn up emergency plans for key Council personnel.	Andrew Hancock	07/10/2009	31/03/2013
in Planning / Progress	Effective means of securing resources/equipment and implementing plan	During normal working hours and out of hours	Andrew Hancock	07/10/2009	31/03/2013
Working and Effective	Test and review of Emergency Plan	Ensure a regular and planned test and review of the Emergency Plan to ensure it is operable, effective, streamlined and up-to-date.	Andrew Hancock	07/10/2009	31/03/2013

Responsible Officer: Andrew Hancock

Review Note: The emergency plan has been reviewed. A procedure is now in place for updating contact details on a 6 monthly basis.

Out of hours call out arrangements are still based around home safeguard and good will and no stand by rota exists. This arrangement works, but is a risk and needs review.

The Business Continuity Plan is now being reviewed.

High and Medium Risks only with Control Action (SR & OR)

Risk: Failure of members to observe their Code of Conduct Failure of Members to understand their Code of Conduct. The Code is a key to good behaviour, good decision making and preserves the reputation of the Council with the public and partners

Pure Status: Medium (9)	Pure Risk Impact: Serious	Pure Risk Likelihood: Likely
Residual Status: Medium (6)	Residual Risk Impact: Significant	Residual Risk Likelihood: Likely
Date Identified: 08 Oct 2009		Service: Strategic Risks

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Completed	Code of Conduct	Members sign-up to abide by the Code of Conduct. The Code is regularly updated in line with government directives.	Denise Lyon	09/10/2009	31/03/2013
in Planning / Progress	Regular Training	Regular training on the Code of Conduct and related topics for district and parish councillors.	Denise Lyon	09/10/2009	31/03/2013
Working and Effective	Standards Committee consideration of Code complaints and training	Standards Committee/Monitoring Officer consideration of Code complaints [as appropriate] and future training requirements of district and parish members.	Denise Lyon	11/10/2012	31/03/2013

Responsible Officer: Denise Lyon

Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Council services are not delivered where and how customers need them Services do not consult effectively to ensure service delivery meets customer demand and the expectations of all our communities that we will deliver services in line with the Equality Act 2010.

Pure Status: Medium (9)	Pure Risk Impact: Serious	Pure Risk Likelihood: Likely
Residual Status: Medium (6)	Residual Risk Impact: Significant	Residual Risk Likelihood: Likely
Date Identified: 12 Oct 2009		Service: Strategic Risks

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Community Engagement Policy	Engagement Officer owns this Policy and it is to be reviewed on an annual basis.	Denise Lyon	12/10/2009	31/03/2013
in Planning / Progress	Customer Plan	May 2012 'transformation' report to Cabinet updated this plan together with comms and ICT plans.	Denise Lyon	12/10/2009	31/03/2013
Working and Effective	equalities objectives action plan	corporate equality officer group are actioning and monitoring this action plan	Denise Lyon	03/10/2012	31/03/2013
Completed	quarterly channel surveys	performance and measures information is being reviewed in July 2012 to make sure members and the public get clear and key data.	Denise Lyon	01/12/2010	31/03/2013
in Planning / Progress	Systems thinking approach to service design is prompting managers to design against demand	Services identify purpose and 'what matters' to customers and then design to meet these	Denise Lyon	12/10/2009	31/03/2013
Not Effective	transformation team	coordination of customer, web and comms plans - meet every couple of months	Denise Lyon	03/10/2012	31/03/2013

Responsible Officer: Denise Lyon

Review Note: Capacity issue in taking forward the Customer Agenda due to DCX need to operationally manage the Environment Service as well as big increase in Monitoring Officer demand.

High and Medium Risks only with Control Action (SR & OR)

Risk: Change to Economic and Political Climate The recession and national policies to tackle the budget deficit will have implications for all councils. The Council will have to make difficult decisions in order to set a balanced budget. There are also specific changes to the handling of Housing Benefits and the passing of financial risk from nation to local level.

Pure Status: High (16)	Pure Risk Impact: Major	Pure Risk Likelihood: Very Likely
Residual Status: Medium (6)	Residual Risk Impact: Significant	Residual Risk Likelihood: Likely
Date Identified: 12 Oct 2009		Service: Strategic Risks

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Council Leaders and Chief Executives meet regularly	Regular dialogue between Council Leaders and Chief Executives of all Councils affected to agree strategy for moving forward.	Denise Lyon	12/10/2009	31/03/2013
Working and Effective	Service Delivery and Performance Committee	Service delivery and performance Committee scrutinises all measures reports and service plan/projects	Denise Lyon	12/10/2009	31/03/2013
Working and Effective	Shared Services	To continue to look for opportunities to share services with other authorities in order to reduce costs	Denise Lyon	01/12/2010	31/03/2013
Working and Effective	Systems Thinking	Systems thinking measures in place to keep management attention on operations and how we are improving	Denise Lyon	12/10/2009	31/03/2013

Responsible Officer: Simon Davey

Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Delivery of the Growth Agenda for the West End of the District Failure to deliver Cranbrook (intended to provide 6,500 dwellings by 2026) and/or failure to deliver the Council's key strategic employment sites (intended to provide 11,000 jobs by 2026) including Exeter Science Park, Skypark, road transport infrastructure, expanded Exeter Airport, and the Intermodal Rail Freight Facility, which would mean a failure to deliver the Council's key corporate priority of Thriving Communities

Pure Status: High (16)	Pure Risk Impact: Major	Pure Risk Likelihood: Very Likely
Residual Status: Medium (6)	Residual Risk Impact: Significant	Residual Risk Likelihood: Likely
Date Identified: 05 Jan 2010		Service: Strategic Risks

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
in Planning / Progress	affordable housing support package from HCA	30% affordable housing will challenge viability of project unless grant support forthcoming from HCA. Funding secure and housing development underway	Richard Cohen	20/01/2010	31/03/2013
Working and Effective	funding support package	viability of project may be challenging and prevent delivery therefore mechanism required for funding front loading of infrastructure and reducing burden on developers. The second £20 million of DCL funding to pay of the secondary school and Town Centre infrastructure enabling acceleration of phase 2 housing development	Richard Cohen	04/02/2010	31/03/2013
Completed	Governance arrangements	To ensure projects are monitored and coordinated across different organisations. The Exeter and East Devon New Growth Point Steering Board has been established in 2007.	Richard Cohen	06/01/2010	31/03/2013
Working and Effective	public sector partner future relationship	Securing ongoing funding for growth point team resource and its evolving role. Agreement reached for 3 years of Growth Point Funding.	Richard Cohen	01/04/2012	31/03/2013
Working and Effective	Skills and capacity to manage the workload	Complex projects requiring high level coordination and project management across a number of bodies, agencies etc together with a significant amount of workload with tendency to have work peaks at cr	Richard Cohen	06/01/2010	31/03/2013
in Planning / Progress	transport infrastructure package put in place	Development requires improvements to junction 29 and 30 of the M5, together with provision of Clyst Honiton Bypass. Funding required from RIF, RFA, NGP and developers. Funding secure and improvements underway	Richard Cohen	07/01/2010	31/03/2013

Responsible Officer: Richard Cohen

Review Note: Employment site development continuing to take longer than expected, whilst housing and other sites are being brought forward.

High and Medium Risks only with Control Action (SR & OR)

Risk: Lack of 5 year housing land supply and associated infrastructure Council fails to have 5 year supply of housing land, therefore:

- a) does not build number of houses required by RSS/Structure Plan
- b) fails to secure funding from the New Homes Bonus
- c) vulnerable on appeal to housing development in non desirable (in Council's view) locations

Pure Status: High (12)	Pure Risk Impact: Serious	Pure Risk Likelihood: Very Likely
Residual Status: Medium (8)	Residual Risk Impact: Significant	Residual Risk Likelihood: Very Likely
Date Identified: 20 Jan 2010		Service: Strategic Risks

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
in Planning / Progress	Progress the Local Plan, Community Infrastructure Levey and Infrastructure Delivery Plan	Have an up to date core strategy	Richard Cohen	20/01/2010	31/03/2013
in Planning / Progress	Project plan in place, completed Local Plan Panels	Completing evidence based and test exercise against statutory requirements and National Policy Planning Framework. One more town based consultation exercise to complete. Parish allocation and viillage boundaries in seperate exercise in the Autumn. Community Infrastructure Levey and Infrastructure Delivery Plan will be part of a joint public enquiry with the Local Plan	Richard Cohen	02/05/2012	31/03/2013

Responsible Officer: Richard Cohen

Review Note: This risk has ocured and resolution lies with the process and approval of the Local Plan which is being worked too has a high priority this year.

Risk: Regeneration of Exmouth Failure to regenerate the town centre and seafront areas of Exmouth would lead to the continued decline in economic viability and attractiveness

Pure Status: High (12)	Pure Risk Impact: Major	Pure Risk Likelihood: Likely
Residual Status: Medium (9)	Residual Risk Impact: Serious	Residual Risk Likelihood: Likely
Date Identified: 10 Feb 2010		Service: Strategic Risks

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
in Planning / Progress	Completion of Exmouth Master Plan and project implimentation	Master plan completed Jan 2012 and three priority projects identified. Projects at early stages of development including marketing, desgin and tenant/landowner consultation	Richard Cohen	01/04/2012	31/03/2013
in Planning / Progress	Establish single purpose vehicle	Premier Inn, Splash Zone and Rubgy Club relocation all projects that are currently being work on.	Donna Best	10/02/2010	31/03/2013
No longer required	Trust Board to produce business plan	Business plan that demonstrates ability to sustain business and pay revenue costs essential.	Donna Best	10/02/2010	31/03/2013

Responsible Officer: Richard Cohen

Review Note: Exmouth re-development still complex the Premire Inn planning application received, Splash Zone consultation complete, Rugby Club relocation principle agreed. However significant potential for future delay remains

High and Medium Risks only with Control Action (SR & OR)

Risk: Non-availability of key operation centre Through an emergency (fire, flood, equipment breakdown, damage, etc) a key operation centre (or other leased building for which we are responsible) becomes unusable

Pure Status: High (12)	Pure Risk Impact: Major	Pure Risk Likelihood: Likely
Residual Status: Medium (6)	Residual Risk Impact: Serious	Residual Risk Likelihood: Unlikely
Date Identified: 15 Jun 2010		Service: Strategic Risks

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
in Planning / Progress	contingency for alternative accommodation if appropriate	plan of action	Pam Harvey	15/06/2010	31/03/2013
Completed	contingency for Council employee remote access to systems	telephony and IT access	Chris Powell	15/06/2010	31/03/2013
No Data available	contingency for rapid reinstatement of building	bring all or part of building back into use, &/or install temporary systems and equipment	Brian Kohl	15/06/2010	31/03/2013
Working and Effective	contingency in place for Council employee home working	Plan of action	Chris Powell	15/06/2010	31/03/2013
in Planning / Progress	ICT Service Continuity Plan	As part of an overall BCP, this is the Disaster Recovery element if the IT systems at the Knowle were knocked out or inaccessible and we had to move data centre to East Devon Business Centre at Honiton.	Paul Bacon	03/10/2011	31/03/2013
No longer required	Set up in error		Chris Powell	15/06/2010	31/03/2013

Responsible Officer: Chris Powell

Review Note: DR site and ITSC plan are still in progress.

Updated BCP is also in progress and needs to be interlinked with ITSC.

High and Medium Risks only with Control Action (SR & OR)

Risk: Requirement for new Council accommodation Following the rejection of the outline planning application the Council is reconsidering its options. The imperative is still to work from a new efficient building. Failure to relocate would mean the continued high cost of management and maintenance of Knowle Offices. Increasing inefficiency of current accommodation and reducing capacity to deliver improving services, modern working practices and performance improvements. Challenged ability to maintain high quality services and projects in a time of reducing funding and resources.

Pure Status: Medium (9)	Pure Risk Impact: Serious	Pure Risk Likelihood: Likely
Residual Status: Medium (6)	Residual Risk Impact: Serious	Residual Risk Likelihood: Unlikely
Date Identified: 21 Jul 2011		Service: Strategic Risks

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Identify financial and development viability of project		Richard Cohen	01/04/2012	31/03/2013
Working and Effective	Manage external communications and consultation		Richard Cohen	01/04/2012	31/03/2013
Completed	Manage the Corporate Information Process		Richard Cohen	21/07/2011	31/03/2013
Completed	Prepare outline planning application	By end July 2012	Richard Cohen	01/04/2012	31/03/2013
Completed	Recruit a Project Manager and follow a project plan		Richard Cohen	21/07/2011	31/03/2013
Completed	Re-establish a member-led working party to oversee the process		Richard Cohen	21/07/2011	31/03/2013
in Planning / Progress	Review associated land opportunities for development	Review associated land opportunities for development	Richard Cohen	31/03/2013	31/03/2013
Completed	Secure and manage the relocation budget		Richard Cohen	21/07/2011	31/03/2013
in Planning / Progress	Secure further budget for Project Management and delivery	Secure further budget for Project Management and delivery	Richard Cohen	31/03/2013	31/03/2013

Responsible Officer: Richard Cohen

Review Note: Remaining in its current buildings requiring significant capital investment and up grading while retaining significant on costs and functioning at less than optimal efficiency

High and Medium Risks only with Control Action (SR & OR)

Risk: Accuracy and quality of information provided to the public when required Inability to answer questions at the time or a risk of inaccurate information due to lack of training, refresher training and inadequate supervision. This could arise through illness or system failure (including telephone system), or where new staff have not been properly inducted.

Pure Status: High (12)	Pure Risk Impact: Serious	Pure Risk Likelihood: Very Likely
Residual Status: Medium (6)	Residual Risk Impact: Significant	Residual Risk Likelihood: Likely
Date Identified: 14 Oct 2009		Service: Customer Service

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Call Monitoring	Calls are monitored to ensure that essential elements are covered, the calls are then scored and recorded on a monthly basis to provide a guide of increased or decreased quality of call.	Cherise Foster	15/10/2009	31/03/2013
Working and Effective	Staff Development	All staff are issued with a development plan and are encouraged to take ownership themselves. Support is also provided by management to ensure that the required competencies are achieved.	Cherise Foster	15/10/2009	31/03/2013
Working and Effective	Staff Training	Call feedback and coaching occur on a regular monthly basis where calls are monitored and any gaps identified.	Cherise Foster	15/10/2009	31/03/2013
Working and Effective	Systems Support and Enhancements	Meetings are held on a monthly basis with a representative of ICT. A review of current system capability and any new enhancements required are discussed and these are then implemented in due course.	Cherise Foster	15/10/2009	31/03/2013
Working and Effective	Telephone System Stability	All faults and required enhancements are logged with ICT. ICT then refer these to the software provider's helpdesk to progress issues and to provide the necessary fix.	Cherise Foster	15/10/2009	31/03/2013

Responsible Officer: Cherise Foster

Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Financial claims against the Council arising from major property deal Land transactions involving the Council can open up the Council to claims where inappropriate actions/decisions are taken, such as need to obtain best value, public procurement issues, european rules, and CPO implications

Pure Status: Medium (8)	Pure Risk Impact: Major	Pure Risk Likelihood: Unlikely
Residual Status: Medium (9)	Residual Risk Impact: Serious	Residual Risk Likelihood: Likely
Date Identified: 07 Jan 2010		Service: Econ Dev

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
in Planning / Progress	Access to legal and property advice from district valuers officer and lawyers	The Council does not have sufficient expertise and capacity in-house to undertake all major property deals	Richard Cohen	07/01/2010	31/03/2013
in Planning / Progress	Buy-in specialist advice as required.	Approved budgets identified in regeneration areas	Richard Cohen	26/08/2011	31/03/2013
in Planning / Progress	Recruitment of additional chartered surveyors and valuers.	Recruiting a new Principle Reperation Manager post starting in July 2013	Richard Cohen	26/08/2011	31/03/2013

Responsible Officer: Richard Cohen

Review Note: Measures are in place to help mitigate this risk but the effect of these will take time to filter through, so the risk retains its high score.

Risk: Delivery of employment sites in the west end inhibited by viability of projects Delivery of employment sites in the west end inhibited by viability of projects during economic downturn.

Pure Status: Medium (6)	Pure Risk Impact: Significant	Pure Risk Likelihood: Likely
Residual Status: Medium (9)	Residual Risk Impact: Serious	Residual Risk Likelihood: Likely
Date Identified: 12 Sep 2011		Service: Econ Dev

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
in Planning / Progress	New Growth Point Steering Board and team helping to find solutions both financial and practical.		Andrew Wood	12/09/2011	31/03/2013
in Planning / Progress	Review S106 requirements.		Andrew Wood	12/09/2011	31/03/2013
in Planning / Progress	Seek 'open book' accounts on viability for planning purposes.		Andrew Wood	12/09/2011	31/03/2013
in Planning / Progress	Seek upfront funding options.		Andrew Wood	12/09/2011	31/03/2013

Responsible Officer: Andrew Wood

Review Note: Discussions underway to update s.106 agreements to facilitate development progressing.

High and Medium Risks only with Control Action (SR & OR)

Risk: Failure to manage Health and Safety responsibilities effectively Failure of effective management of the Council's health and safety responsibilities may result in serious injury to employees or public and/or risk of litigation

Pure Status: High (16)	Pure Risk Impact: Major	Pure Risk Likelihood: Very Likely
Residual Status: Medium (6)	Residual Risk Impact: Serious	Residual Risk Likelihood: Unlikely
Date Identified: 30 Sep 2009		Service: Env Health

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Appropriate policies	Ensure appropriate HS policies are in place	Andrew Ennis	01/10/2009	31/03/2013
Working and Effective	Appropriate safety advice/monitoring	Fully trained health and safety adviser employed to advise on HS management and monitor effectiveness	Andrew Ennis	01/10/2009	31/03/2013
Working and Effective	Continuous professional development in legal responsibilities	Service based training and discussion of legal duties and safety impacts	Andrew Ennis	07/10/2009	31/03/2013
Working and Effective	Risk management	Appropriate risk assessments carried out by all managers and reviewed by the joint Health and Safety Committee.	Andrew Ennis	01/10/2009	31/03/2013
Working and Effective	Safeguarding Children Policy	Adherence to the Safeguarding Children Policy	Andrew Ennis	27/10/2009	31/03/2013
Working and Effective	Safety Review by Health and Safety Officer and/or Service Reps	An annual review of the working environment is carried out by the Health and Safety officer together with an annual review of Health & Safety risks by the Health Safety Officer	Andrew Ennis	07/10/2009	31/03/2013

Responsible Officer: Andrew Ennis

Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Failure to carry out Food Safety and Health and Safety enforcement effectively Failure to carry out an effective enforcement regime could result in injury or ill health to residents and damage the reputation of the Council.

Pure Status: High (16)	Pure Risk Impact: Major	Pure Risk Likelihood: Very Likely
Residual Status: Medium (6)	Residual Risk Impact: Significant	Residual Risk Likelihood: Likely
Date Identified: 30 Sep 2009		Service: Env Health

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Compliance with guidance and codes of practice	Quality control is ensured through inter authority audits, peer reviews and reflective learning	Andrew Ennis	01/10/2009	31/03/2013
Working and Effective	Programme of interventions	An annual programme of inspections/interventions is prepared and implemented. Monitoring of programme is carried out and reported in service plans	Paul Martin	01/10/2009	31/03/2013
Working and Effective	Suitable and sufficient resources	Levels of resources required to carry out function are assessed as part of the service planning process	Paul Martin	01/10/2009	31/03/2013

Responsible Officer: Andrew Ennis

Review Note: The risk has increased slightly as the Food Safety Manager has retired and not replaced so there is now a lower level of supervision. We have a Food Standards Agency audit coming up in May which may produce recommendations for the service especially in regard to supervision.

High and Medium Risks only with Control Action (SR & OR)

Risk: Failure to collect all income due to the Council - sundry debtors Failure to calculate, record, bill and collect sums due to the council from sundry debtors

Pure Status: High (12)	Pure Risk Impact: Serious	Pure Risk Likelihood: Very Likely
Residual Status: Medium (6)	Residual Risk Impact: Serious	Residual Risk Likelihood: Unlikely

Date Identified: 02 Oct 2009 **Service: Finance**

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Ensure debts due are promptly collected	Each system covering debt recovery will raise a bill to the correct individual or business and have a systems in place to take recovery action as appropriate for non payment.	Simon Davey	02/10/2009	31/03/2013
Working and Effective	Ensure debts due are properly recorded	The council has systems in place to record the Sundry Debtors and that the system has effective controls	Simon Davey	02/10/2009	31/03/2013
Working and Effective	Ensure that any write offs or credits are correctly applied	Systems and controls are in place to ensure the write off of debt or credits applied to bills are correct and authorised appropriately.	Simon Davey	02/10/2009	31/03/2013
Working and Effective	performance monitoring	individual and collective performance be monitored, discussed at officer performance review meetings with overall performance being reported to members.	Simon Davey	30/10/2009	31/03/2013
Working and Effective	retention of records	records relevant to the calculation and recovery sums due be retained in accordance with the retention of documents policy	Simon Davey	30/10/2009	31/03/2013
Working and Effective	segregation of duties	Segregation of duties aims to prevent fraud and error by dividing tasks and associated privileges for a process between staff. In small teams (eg NNDR and Council) it is recognised that this objective	Simon Davey	08/02/2010	31/03/2013
Working and Effective	Skilled workforce	staff trained in the use of ICT systems and paper/manual processes and supported by procedure notes where appropriate	Simon Davey	30/10/2009	31/03/2013

Responsible Officer: Glenn Foord

Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Management of investments Security of the Council's surplus cash resources, with the preservation of the capital sum, is of paramount importance. The objective of is to optimise investment returns commensurate with the containment of risk

Pure Status: High (16)	Pure Risk Impact: Major	Pure Risk Likelihood: Very Likely
Residual Status: Medium (8)	Residual Risk Impact: Major	Residual Risk Likelihood: Unlikely
Date Identified: 02 Oct 2009		Service: Finance

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Investments made - CHAPs Payments	Any investments made direct by council staff are approved by a senior officer, any associated investment is authorised through an electronic control process (password and security code) to release funds	Simon Davey	05/10/2009	31/03/2013
Working and Effective	Lending lists and investment limits	The Strategy includes detailed procedures including authorised lending institutions and investment limits. These steps are designed to limit the council's exposure in the event of an institution failing.	Simon Davey	05/10/2009	31/03/2013
Working and Effective	Reconciliation, monitoring and performance reporting	supporting documents detailing investments made and repaid to be reconciled with the main accounting system and together with the portfolio managers report investment performance is to be monitored and	Simon Davey	29/10/2009	31/03/2013
Working and Effective	Retention of records	Records relating to the purchase/sale of investments together with portfolio performance reports from the Council's Fund Manager to be retained in accordance with the retention and disposal of documents	Simon Davey	29/10/2009	31/03/2013
Working and Effective	Treasury Management Strategy and associated procedures	The Council has an up to date Strategy with detailed associated procedures which are followed	Simon Davey	02/10/2009	31/03/2013

Responsible Officer: Laurelie Gifford

Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Reduction in Housing Benefit subsidy To avoid reduction in the level of housing benefit subsidy received as a result of high level of 'local authority error' or the incorrect treatment of benefit expenditure from subsidy claim

Pure Status: High (16) Pure Risk Impact: Major Pure Risk Likelihood: Very Likely

Residual Status: Medium (6) Residual Risk Impact: Serious Residual Risk Likelihood: Unlikely

Date Identified: 30 Oct 2009 Service: Finance

Control Action records

Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	level of subsidy due monitored	the level of subsidy due monitored on a regular basis	Libby Jarrett	30/10/2009	31/03/2013
Working and Effective	sample testing	on a regular and routine basis a sample of Processed claims are accuracy checked	Libby Jarrett	30/10/2009	31/03/2013
Working and Effective	Staff development	staff are fully trained on the implications of incorrect calculation of benefit	Libby Jarrett	30/10/2009	31/03/2013

Responsible Officer: Simon Davey, Libby Jarrett

Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Localisation of Council Tax Benefit New scheme has been implemented 01/04/2013. This has been designed to be affordable for the Council with a 10% reduction in Government funding. The scheme has been designed to be cost neutral whilst attempting to be fair to those claiming. The risk is that the scheme will not be maintained within budget and there could be inequities in the scheme which were not understood in its design.

Pure Status: High (16) **Pure Risk Impact: Major** **Pure Risk Likelihood: Very Likely**

Residual Status: Medium (6) **Residual Risk Impact: Serious** **Residual Risk Likelihood: Unlikely**

Date Identified: 30 Mar 2012

Service: Finance

Control Action records

Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Funding	The government has provided additional administrative grant to help implement the scheme.	Simon Davey	31/03/2012	31/03/2013
No Data available	Hardship Fund in place	For those customers who are significantly effected by the changes and need time to make changes to their circumstances the Council as a separate Fund whereby monies can be paid to customers on temporary basis to help them out.	Simon Davey	03/05/2013	
Working and Effective	Monitoring of financial position and customer feedback	Close monitoring is in place to highlight any variation which might require action between the estimated cost of the scheme and the actual cost. Customer feedback and issues are being monitored to consider if changes are required to the scheme going forward	Simon Davey	31/03/2012	31/03/2013
Working and Effective	Well designed scheme	Officers across Devon have worked together to implement a cost neutral scheme which is very much based on the existing council tax benefit scheme which has been tested over a number of years and been subject to legal testing.	Simon Davey	31/03/2012	31/03/2013

Responsible Officer: Simon Davey

Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Business Rate Retention Scheme for local authorities From 01/04/13 the Council will retain 50% in business rate growth (subject to a 50% levey) or if there is a reduction it will have to meet 50% of the loss. The financial risk of growth or decline is now held at a local level rather than smoothed out at a national level. There are many factors outside the authorities direct control that influence this position.

Pure Status: High (12)	Pure Risk Impact: Major	Pure Risk Likelihood: Likely
Residual Status: Medium (6)	Residual Risk Impact: Serious	Residual Risk Likelihood: Unlikely
Date Identified: 20 Sep 2012		Service: Finance

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Ensure appropriate reserves are in place	It will be ensured that the Council will maintain appropriate reserve levels to accommodate any unforeseen loses in income. Also a prudent approach has been taken in budgetting the Business Rate income available to the Council and a seperate Business Rate volitility as been established.	Simon Davey	21/09/2012	31/03/2013
Working and Effective	Maximise receipts	We are in a Devon Pool in order to maximise receipts to the Council	Simon Davey	21/09/2012	31/03/2013
Working and Effective	Proactive Monitoring	We will be closely working with NNDR Team, Planning and the Valuation Office to ensure we have early warnings of movements in business numbers or valauation details. We closely monitor NNDR gross debit compared with the budget and collection rates to ensure the Council gets an early warning of variations which may effect the Council's financial position.	Simon Davey	21/09/2012	31/03/2013

Responsible Officer: Simon Davey

Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Home Safeguard system failure An IT failure would result in the Council being unable to receive emergency calls from clients with Home Safeguard alarm equipment installed in their homes. This could result in emergency calls remaining unanswered and the worst case scenario of a death of an elderly or vulnerable client.

Pure Status: High (16)	Pure Risk Impact: Major	Pure Risk Likelihood: Very Likely
Residual Status: Medium (8)	Residual Risk Impact: Major	Residual Risk Likelihood: Unlikely
Date Identified: 01 Oct 2009		Service: Housing

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Disaster recovery process	Ability to transfer calls to Burnside office in Exmouth	John Golding	01/10/2009	31/03/2013
Working and Effective	Maintenance contract	Contract with software supplier with 4 hour response time.	John Golding	01/10/2009	31/03/2013
Working and Effective	Staff trained on system failure	Staff manual and training provided for staff to action in an emergency	John Golding	01/10/2009	31/03/2013
Working and Effective	Upgraded / New UPS system	Upgrade and installation of new UPS system at same time as PNC6 system installed to ensure no break in service/availability in power/back up is experienced.	John Golding	28/10/2009	31/03/2013
Working and Effective	UPS system	Uninterrupted Power Supply installed	John Golding	01/10/2009	31/03/2013

Responsible Officer: Sue Bewes

Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Loss of Supporting People contracts and income Loss of Supporting People contracts would mean a significant loss of income that part pays for the housing related support service received by our tenants in sheltered housing.

Pure Status: High (12)	Pure Risk Impact: Serious	Pure Risk Likelihood: Very Likely
Residual Status: Medium (9)	Residual Risk Impact: Serious	Residual Risk Likelihood: Likely
Date Identified: 01 Oct 2009		Service: Housing

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Compliance with contract conditions	Ensure that managers and staff are aware of the terms of the contract and actions required such as the returns and data we need to provide, and that these are provided on time.	John Golding	02/10/2009	31/03/2013
Working and Effective	District Work Model	100% mobile support service offered by April 2010 to comply with Supporting People Contract expectations with district offices being available for all staff to be located.	John Golding	28/10/2009	31/03/2013
Working and Effective	New business generation	New business generated and/or service charges increased	John Golding	31/03/2013	31/03/2013
Working and Effective	Older People Strategy	Ensure that we are making changes to our service consistent with the Supporting Older People Strategy.	John Golding	02/10/2009	31/03/2013
Working and Effective	Quality Assessment	Ensure that we are meeting the Quality Assessment Framework requirements and undertaking the necessary Support Plans and Risk Assessments for each client.	John Golding	28/10/2009	31/03/2013
Working and Effective	Supporting People Quality Assessment Framework	The last 'core objective' to be achieved for compliance with the Framework of Support needs identified at application point of contact for all new sheltered housing tenants.	John Golding	28/10/2009	31/03/2013

Responsible Officer: Sue Bewes

Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Loss of rental income Significant loss or non collection of rental income will have a major impact on the Housing Revenue Account and our ability to deliver housing services to our tenants.

Pure Status: High (12)

Pure Risk Impact: Serious

Pure Risk Likelihood: Very Likely

Residual Status: Medium (9)

Residual Risk Impact: Serious

Residual Risk Likelihood: Likely

Date Identified: 01 Oct 2009

Service: Housing

Control Action records

Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Intervention when arrears occur	Clear and robust procedures for intervention when tenant arrears escalate beyond a specified level.	John Golding	28/10/2009	31/03/2013
Working and Effective	New tenancy 'sign up'	Early guidance to new tenants on expectations for rent payments and the implications of non payment. Tenant Handbook and Systems Thinking redesign emphasises this approach.	John Golding	02/10/2009	31/03/2013
Working and Effective	Patch working	Internal Audit will be consulted before any changes in operational practice is implemented through Systems Thinking Redesign.	John Golding	12/05/2010	31/03/2013
Working and Effective	Procedures for income management	Comprehensive and up to date procedures for income management that staff are trained in and understand fully.	John Golding	28/10/2009	31/03/2013
Working and Effective	Promote help that can be provided	Promote Credit Unions and use of Discretionary Housing Payments	John Golding	31/03/2013	31/03/2013
Working and Effective	Provision made for increased bad debt	Provision made for increased bad debt	John Golding	31/03/2013	31/03/2013
Working and Effective	Rent payment methods	Operating a number of payment methods for tenants including direct debit availability for all tenants.	John Golding	28/10/2009	31/03/2013
Working and Effective	Segregation of duties	Annual audit reports refer to segregation of duties (rent collection and debt creation) and this is a mitigated risk in a small Rental Section where existing controls attempt to prevent fraud.	Peter Richards	12/05/2010	31/03/2013
Working and Effective	Systems Thinking Regime	Tenant Handbook and Systems Thinking redesign.	John Golding	02/10/2009	31/03/2013
Working and Effective	Welfare Advisors appointed	Welfare Advisors appointed to provide advice and information to tenants	John Golding	31/03/2013	31/03/2013

Responsible Officer: Sue Bewes

Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Failure of Responsive Repairs contractor Failure of performance under the Partnering Agreement by one of our responsive repair contractors leading to an inability to perform day to day repairs to tenants homes.

Pure Status: High (12)	Pure Risk Impact: Serious	Pure Risk Likelihood: Very Likely
Residual Status: Medium (6)	Residual Risk Impact: Serious	Residual Risk Likelihood: Unlikely

Date Identified: 01 Oct 2009 **Service: Housing**

Control Action records

Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Ability to transfer work between contractors	Any difficulty with contractors can be resolved by utilising the other partner.	John Golding	02/11/2009	31/03/2013
Working and Effective	Contract conditions	Adherence to the contract conditions and close liaison with contractors.	John Golding	02/10/2009	31/03/2013
Working and Effective	Contract performance monitoring	Regular and comprehensive contract monitoring and use of satisfaction surveys. Tenants involved in contract monitoring.	John Golding	02/10/2009	31/03/2013
Working and Effective	Re-tendering of contract to select two contractors	Market testing to ensure that we select companies with strong financial capacity and robust business plans.	John Golding	15/09/2011	31/03/2013

Responsible Officer: John Golding

Review Note: Day to Day Repair Contractors performing well, although remedial action with one contractor is ongoing

Risk: New-Build Council Homes The risks associated with being a developer of council homes, especially with regards potential abortive costs, cost overruns, failure to obtain planning permission and loss of HCA grant.

Pure Status: High (16)	Pure Risk Impact: Major	Pure Risk Likelihood: Very Likely
Residual Status: Medium (6)	Residual Risk Impact: Serious	Residual Risk Likelihood: Unlikely

Date Identified: 01 Oct 2009 **Service: Housing**

Control Action records

Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Completed	Development expertise	Ensure that we have the necessary development expertise through the appointment of external consultants and we engage appropriate internal advice on planning, legal, and property matters.	John Golding	02/10/2009	31/03/2013
Completed	Homes and Community Agency (HCA) bids and grants	Ensure that we can comply with all the bidding requirements set by the HCA as part of the Investment Management System.	John Golding	02/10/2009	31/03/2013
Working and Effective	Joining Partnership South West development consortium	Can call on development expertise of experienced housing association developers.	John Golding	15/09/2011	31/03/2013
Completed	Robust development proposals	Ensure that building proposals have been carefully assessed and realistic prior to bids for HCA grant, planning permission, tender etc.	John Golding	02/10/2009	31/03/2013

Responsible Officer: John Golding

Review Note: We are becoming more experienced at development and using good advice where needed.

High and Medium Risks only with Control Action (SR & OR)

Risk: A major homelessness incident Major homeless incident caused through fire, flood or some other major incident that stretches our resources and ability to house a large number of homeless households at one time.

Pure Status: Medium (8)	Pure Risk Impact: Major	Pure Risk Likelihood: Unlikely
Residual Status: Medium (6)	Residual Risk Impact: Significant	Residual Risk Likelihood: Likely
Date Identified: 01 Oct 2009		Service: Housing

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Devon County Council	There is a relationship between East Devon District Council and the County when dealing with an emergency (their Emergency Planning Team), take over responsibility.	Simon Smale	02/11/2009	31/03/2013
Completed	Emergency and Rest Centre Plan	Follow the guidance provided in the Emergency Plan and plan for establishing a Rest Centre during a major incident.	John Golding	02/10/2009	31/03/2013
Working and Effective	Out of hours contact	Ensure that Home Safeguard have the necessary contact details for emergencies that occur outside normal office hours and that key staff are contactable.	John Golding	02/10/2009	31/03/2013
Working and Effective	Training for an emergency	Ensure staff likely to be called are familiar with what is expected of them during a major emergency.	John Golding	02/10/2009	31/03/2013

Responsible Officer: John Golding

Review Note: We have experienced several emergency situations due to weather and have managed the homeless consequences successfully. Controls are working effectively.

Risk: Safeguarding Children Failure to notify the responsible authority when staff suspect a child is at risk.

Pure Status: High (12)	Pure Risk Impact: Major	Pure Risk Likelihood: Likely
Residual Status: Medium (9)	Residual Risk Impact: Serious	Residual Risk Likelihood: Likely
Date Identified: 01 Oct 2009		Service: Housing

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Completed	Email reminder from Corporate Director	Following the audit review of the Council's arrangements for safeguarding children the Corporate Director has sent global email reminding staff to be vigilant.	John Golding	02/11/2009	31/03/2013
Working and Effective	Liaison with the Children's Trust	Close liaison and joint working with the Children's Trust and Social Services to ensure that we are up to date with developments in child protection.	John Golding	02/10/2009	31/03/2013
Working and Effective	Safeguarding Children Policy	Ensure that all staff are aware of the policy and their responsibility to report suspicions of the need for child protection.	John Golding	02/10/2009	31/03/2013
Completed	Staff training	DVD training available	John Golding	02/11/2009	31/03/2013

Responsible Officer: John Golding

Review Note: The policy has been updated during the year and staff reminded of the policy. A self- assessment audit has also helped identify areas for improvement which have been acted upon.

High and Medium Risks only with Control Action (SR & OR)

Risk: Safeguarding adults A failure to take action when staff suspect a case of abuse of older people having regard to our Safeguarding Older People policy.

Pure Status: High (12)	Pure Risk Impact: Serious	Pure Risk Likelihood: Very Likely
Residual Status: Medium (6)	Residual Risk Impact: Serious	Residual Risk Likelihood: Unlikely

Date Identified: 01 Oct 2009 **Service: Housing**

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
No Data available	Control Removed	Control Removed by JJ - November 2009	John Golding	28/10/2009	31/03/2013
Working and Effective	Devon County 'Pathways'	Introduce SAP (single assessment process) for all residents in sheltered housing by April 2010.	John Golding	28/10/2009	31/03/2013
Working and Effective	Risk Assessments	Review and update Support Plans and Risk Assessments for all residents receiving nursing related support on an annual basis.	John Golding	02/10/2009	31/03/2013
Working and Effective	Safeguarding Older People Policy	Ensure all staff are aware of the adopted policy for spotting, reporting and dealing with suspected abuse situations.	John Golding	02/10/2009	31/03/2013
Working and Effective	Scheme Manager's Procedure Manual	all Scheme Managers are provided with a handbook/procedure manual to guide them	John Golding	28/10/2009	31/03/2013
Working and Effective	Training 'POVA' provided by Devon County Council	All staff who are in direct and indirect contact with vulnerable people to receive the POVA training with updates every three years through DCC Training Programme.	John Golding	28/10/2009	31/03/2013

Responsible Officer: Sue Bewes

Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Lone working - Landlord Services Failure to protect staff who are lone working in the community.

Pure Status: High (16)

Pure Risk Impact: Major

Pure Risk Likelihood: Very Likely

Residual Status: Medium (8)

Residual Risk Impact: Major

Residual Risk Likelihood: Unlikely

Date Identified: 01 Oct 2009

Service: Housing

Control Action records

Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Bespoke Lone Working Arrangements	Each section within Housing have their own Lone Working procedures and practices. In most cases, in practice, the employee phones in and gives an update on their whereabouts during the day.	John Golding	28/10/2009	31/03/2013
Working and Effective	Health & Safety Advisor	The Council has an officer dedicated to ensuring the Health & Safety of Employees who gives advice where necessary.	John Golding	28/10/2009	31/03/2013
Working and Effective	Home Safeguard monitoring of lone workers	From April 2010 offer staff the lone worker monitoring facility through the PNC6 system at Home Safeguard.	John Golding	28/10/2009	31/03/2013
Working and Effective	Lone Working Policy and associated training	Ensure that all staff are aware of and follow the Lone Working Policy and procedures designed to protect their safety. Ensure all relevant staff attend training.	John Golding	02/10/2009	31/03/2013

Responsible Officer: Sue Bewes

Review Note:

Risk: Failure to provide accurate or helpful housing/homelessness advice Erroneous or incorrect housing advice given which could result in a tenant or owners losing their home and/or the Council failing to fulfil its legal duties. This could result in adverse publicity and/or legal action, or an Ombudsman complaint upheld against us.

Pure Status: High (12)

Pure Risk Impact: Serious

Pure Risk Likelihood: Very Likely

Residual Status: Medium (6)

Residual Risk Impact: Serious

Residual Risk Likelihood: Unlikely

Date Identified: 05 Oct 2009

Service: Housing

Control Action records

Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Procedures	Ensure that clear procedures and good practice advice is available and accessible by staff working in the field.	John Golding	05/10/2009	31/03/2013
Working and Effective	Scrutinise decisions	Managers to regularly scrutinise decisions made by staff and sample check advice being provided.	John Golding	05/10/2009	31/03/2013
Working and Effective	Staff supervision	Ensure that staff are properly supervised and can call on a manager for advice and support.	John Golding	05/10/2009	31/03/2013
Working and Effective	Staff training	Ensure that housing staff who give advice undergo comprehensive training on the legal framework they are operating within, case alw and housing options.	John Golding	05/10/2009	31/03/2013

Responsible Officer: Dennis Boobier

Review Note: Housing Options and Advice Service continues to meet targets for homeless prevention; homeless acceptances and households in temporary accommodation

High and Medium Risks only with Control Action (SR & OR)

Risk: Failure to protect against tenancy fraud Failure to protect the council and its existing and prospective tenants against tenancy fraud, which may be the granting of a property to an inappropriate person or where a tenant illegally sublets.

Pure Status: High (12)	Pure Risk Impact: Serious	Pure Risk Likelihood: Very Likely
Residual Status: Medium (9)	Residual Risk Impact: Serious	Residual Risk Likelihood: Likely
Date Identified: 13 Oct 2009		Service: Housing

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Occupancy checks on tenants in temporary and general accommodation	Periodic and targeted occupancy checks undertaken to determine the appropriate occupier is residing in the property.	Dennis Boobier	13/10/2009	31/03/2013
Working and Effective	Social housing fraud initiative	Subscribing to the national fraud prevention initiative and following Audit Commission advice.	Dennis Boobier	13/10/2009	31/03/2013
Working and Effective	Tenancy Fraud Strategy	Strategy agreed by the Housing Review Board to be implemented.	Dennis Boobier	04/05/2011	31/03/2013
Working and Effective	Tenancy 'sign up' checks	Undertaking a series of checks on identity and circumstances at tenancy 'sign up' to ensure the tenancy is being grant to an appropriate person.	Dennis Boobier	13/10/2009	31/03/2013

Responsible Officer: Sue Bewes

Review Note:

Risk: Loans taken out for self-financing Ability to repay debt on loans taken out under the self-financing regime introduced by the Localism Act

Pure Status: Medium (6)	Pure Risk Impact: Serious	Pure Risk Likelihood: Unlikely
Residual Status: Medium (6)	Residual Risk Impact: Serious	Residual Risk Likelihood: Unlikely
Date Identified: 07 Sep 2012		Service: Housing

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Set aside provision for repayment	Create a fund for the repayment of loans	John Golding	31/03/2013	31/03/2013

Responsible Officer: John Golding

Review Note: We are managing the loans taken out and built up a healthy HRA surplus during the course of the financial year.

High and Medium Risks only with Control Action (SR & OR)

Risk: Unforeseen expenditure on council homes Unplanned need to spend on repairs and maintenance

Pure Status: Medium (6)	Pure Risk Impact: Serious	Pure Risk Likelihood: Unlikely
Residual Status: Medium (6)	Residual Risk Impact: Serious	Residual Risk Likelihood: Unlikely
Date Identified: 07 Sep 2012		Service: Housing

Control Action records

Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	HRA Business Plan	The HRA Business Plan captures known items of major expenditure and is designed to maintain the Council's assets.	John Golding	31/03/2013	31/03/2013
Working and Effective	Improvement programmes	We devise five year improvement programme to ensure that the housing stock is fit for purpose.	John Golding	31/03/2013	31/03/2013
Working and Effective	Insurance	Council homes are insured.	John Golding	31/03/2013	31/03/2013
Working and Effective	Stock survey information	We use stock condition information to predict major expenditure and plan spend over a number of years.	John Golding	31/03/2013	31/03/2013

Responsible Officer: John Golding

Review Note: We attempt to predict and plan expenditure using stock condition information and intelligence from officers in the field.
Insurance covers other eventualities.

High and Medium Risks only with Control Action (SR & OR)

Risk: ICT services and capacity is insufficient to meet corporate needs. ICT services and capacity is insufficient to meet corporate needs.

Pure Status: High (12)	Pure Risk Impact: Serious	Pure Risk Likelihood: Very Likely
Residual Status: Medium (6)	Residual Risk Impact: Significant	Residual Risk Likelihood: Likely
Date Identified: 02 Oct 2009		Service: Information Technology

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Completed	Change capability	ICT Programme Board identifies, approves and monitors change projects conducted using ICT resources and determines priority and capacity.	Chris Powell	05/10/2009	31/03/2013
Completed	ICT SLA	ICT Service level Agreement with services and discussion held regularly to ensure services are as required by the business.	Chris Powell	05/10/2009	31/03/2013
in Planning / Progress	IT user skills insufficient to take advantage of investment in IT.	The outcome of IT training and awareness sessions are measured using on-line tests to gain an indication of overall skills levels across the Council.	Chris Powell	05/10/2009	31/03/2013
in Planning / Progress	Skills of ICT resources	Skills and responsibility matrices are operate to identify what skills are required to maintain the ICT capability.	Chris Powell	05/10/2009	31/03/2013
Completed	Third party systems not delivering effectively	Regular Application Management Team (AMT) reviews help ensure that the application continues to deliver the needs of the Council.	Chris Powell	05/10/2009	31/03/2013
Completed	Voice and data capacity	Use of the voice and data lines is monitored using various systems with reports and issues investigated through the IMPACT process	Chris Powell	05/10/2009	31/03/2013

Responsible Officer: Chris Powell

Review Note: The matching of requirements to IT resources is now undertaken by SMT on a regular basis. Several improvements have already been made to this process.
If a change requires a shift in resources then SMT are the best placed people to make the decision.

Having sufficient resources with the right skills to manage the IT delivery is getting harder.

High and Medium Risks only with Control Action (SR & OR)

Risk: New Microsoft Technologies New Microsoft Technologies

Pure Status: Medium (8)	Pure Risk Impact: Significant	Pure Risk Likelihood: Very Likely
Residual Status: Medium (6)	Residual Risk Impact: Significant	Residual Risk Likelihood: Likely
Date Identified: 05 Jan 2012		Service: Information Technology

Control Action records

Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Completed	Budgets		Chris Powell	05/01/2012	31/03/2013
Completed	ICT Strategy		Chris Powell	05/01/2012	31/03/2013
in Planning / Progress	Training and project planning		Chris Powell	05/01/2012	31/03/2013

Responsible Officer: Chris Powell

Review Note: The shared service will be the deliverer of the upgrade to the Windows systems. While the mechanisms have been agreed the details have yet to be planned.

Risk: Move to a shared service may cause disruption Potential move to an ICT shared service may disrupt the service

Pure Status: Medium (9)	Pure Risk Impact: Serious	Pure Risk Likelihood: Likely
Residual Status: Medium (8)	Residual Risk Impact: Significant	Residual Risk Likelihood: Very Likely
Date Identified: 05 Jan 2012		Service: Information Technology

Control Action records

Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
in Planning / Progress	Good programme and project management processes, skills and resources		Chris Powell	05/01/2012	31/03/2013

Responsible Officer: Chris Powell

Review Note: A shared service with Plymouth, Exeter and Teignbridge is at the Detailed Business Case phase. There are major changes planned and each will need to be resourced to ensure success. The aim is not to disrupt business as usual.

High and Medium Risks only with Control Action (SR & OR)

Risk: Failure to comply with constitutional and legal requirements Failure to implement adequate processes and/or obtain sufficient resources to ensure legislative compliance.

Pure Status: Medium (9)	Pure Risk Impact: Serious	Pure Risk Likelihood: Likely
Residual Status: Medium (6)	Residual Risk Impact: Significant	Residual Risk Likelihood: Likely
Date Identified: 28 Oct 2009		Service: Legal, Licensing and Democratic Services

Control Action records

Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Budgets	Seek resources to implement statutory change on annual basis	Rachel Pocock	29/10/2009	31/03/2013
in Planning / Progress	Keeping constitution updated	Report to annual council on proposed changes following request to all heads of service/directors to identify/amend delegations and constitutional processes as required in light of legislative change a	Denise Lyon	29/10/2009	31/03/2013
Working and Effective	Monitoring Officer carries out statutory duties	Reports to Council as necessary on existing or impending statutory breaches	Denise Lyon	29/10/2009	31/03/2013
Working and Effective	Service planning	Annual process; identify and implement any necessary changes to deal with legislative change including staffing	Rachel Pocock	29/10/2009	31/03/2013

Responsible Officer: Henry Gordon Lennox, Rachel Pocock

Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Failure to develop, support and train elected and co-opted councillors Members fail to carry out their representative, executive or regulatory functions effectively with the potential for legal challenge, financial and reputational loss.

Pure Status: Medium (8)	Pure Risk Impact: Significant	Pure Risk Likelihood: Very Likely
Residual Status: Medium (6)	Residual Risk Impact: Significant	Residual Risk Likelihood: Likely
Date Identified: 28 Oct 2009		Service: Legal, Licensing and Democratic Services

Control Action records

Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Completed	Comprehensive Member Welcome (Induction) programme following elections	Implemented 4 yearly and as necessary where there are by-elections	Diana Vernon	29/10/2009	31/03/2013
Working and Effective	Councillors cannot service on regulatory committees without the relevant training	We have in place Local Performance Indicator L64 monitors % of councillors trained and the reason why less than 100% councillors have attended.	Diana Vernon	29/10/2009	31/03/2013
Working and Effective	Identifying training and development opportunities for all councillors	Record kept within democratic services; courses booked in consultation with Portfolio holder (Resources)	Diana Vernon	29/10/2009	31/03/2013
Completed	Members' page on website	A secure area which provides links to training and development, resources from improvement sites such as IDEA and Ashridge management education	Diana Vernon	29/10/2009	31/03/2013

Responsible Officer: Rachel Pocock

Review Note:

Risk: Missed court or tribunal deadlines Missed court or tribunal deadlines resulting in court directions, deadlines or dates are overlooked.

Pure Status: High (12)	Pure Risk Impact: Serious	Pure Risk Likelihood: Very Likely
Residual Status: Medium (9)	Residual Risk Impact: Serious	Residual Risk Likelihood: Likely
Date Identified: 28 Oct 2009		Service: Legal, Licensing and Democratic Services

Control Action records

Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Monitoring of court communication and supply of instructions from clients	Use of Outlook and electronic file records being kept up to date; effective liaison with clients	Andrew Seddon	29/10/2009	31/03/2013

Responsible Officer: Henry Gordon Lennox, Rachel Pocock

Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Failure to best protect the council's legal interests in litigation and/or non contentious work Failure to advise on appropriate tactics and/or possible outcomes.

Pure Status: High (12)	Pure Risk Impact: Serious	Pure Risk Likelihood: Very Likely
Residual Status: Medium (9)	Residual Risk Impact: Serious	Residual Risk Likelihood: Likely
Date Identified: 28 Oct 2009		Service: Legal, Licensing and Democratic Services

Control Action records

Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	In house legal skills kept up to date	Training and development	Andrew Seddon	29/10/2009	31/03/2013
Working and Effective	Sufficient legal staff (in house and/or consultants) available to meet needs	Budgetary and service planning processes; agreement by Chief Executive	Rachel Pocock	29/10/2009	31/03/2013

Responsible Officer: Henry Gordon Lennox, Rachel Pocock

Review Note:

Risk: Failure to support ethical governance and standards within the council and parish councils The risk of councillor Code of Conduct breaches and complaints to the Monitoring Officer will rise if she and her staff are not sufficiently proactive and/or adequately resourced in line with statutory requirements and duties.

Pure Status: Medium (9)	Pure Risk Impact: Serious	Pure Risk Likelihood: Likely
Residual Status: Medium (6)	Residual Risk Impact: Significant	Residual Risk Likelihood: Likely
Date Identified: 28 Oct 2009		Service: Legal, Licensing and Democratic Services

Control Action records

Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
in Planning / Progress	Budgets	The Council has a statutory duty to ensure the Monitoring Officer is given the necessary resources to carry out her duties	Denise Lyon	29/10/2009	31/03/2013
in Planning / Progress	Monitoring Officer and staff to offer appropriate training and development	Publicise resource materials available from Standards for England and other sources; run an update course annually	Rachel Pocock	29/10/2009	31/03/2013
Working and Effective	Standards Committee fulfilling its statutory and voluntary functions	Standards Committee deals with councillor Code of Conduct complaints and promotes ethical standards within the authority.	Denise Lyon	29/10/2009	31/03/2013

Responsible Officer: Rachel Pocock

Review Note: Local elections in May 2013 are producing a much higher level of political disagreements at parish level than seen previously and both the Monitoring Officer and Deputy Monitoring Officer's services are being called upon to assist with inevitable resource impacts for other areas of their work.

High and Medium Risks only with Control Action (SR & OR)

Risk: Licensing function not functioning effectively Licensing breaches (for example disturbance to neighbours caused by drinking after hours in public houses, or unlicensed taxis) may cause nuisance and/or health and safety hazards.

Pure Status: High (12)	Pure Risk Impact: Serious	Pure Risk Likelihood: Very Likely
Residual Status: Medium (6)	Residual Risk Impact: Serious	Residual Risk Likelihood: Unlikely
Date Identified: 28 Oct 2009		Service: Legal, Licensing and Democratic Services

Control Action records

Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Inspections	Inspection of licensed premises and vehicles	John Tippin	29/10/2009	31/03/2013
No Data available	none		John Tippin	29/10/2009	31/03/2013
in Planning / Progress	Staff training and development	Service Plan, Performance Excellence reviews; staff 121s	John Tippin	29/10/2009	31/03/2013

Responsible Officer: Rachel Pocock

Review Note:

Risk: Council officers and/or members fail to take legal advice Financial, reputational and legal losses may result from illegal and/or unlawful actions.

Pure Status: Medium (6)	Pure Risk Impact: Serious	Pure Risk Likelihood: Unlikely
Residual Status: Medium (6)	Residual Risk Impact: Serious	Residual Risk Likelihood: Unlikely
Date Identified: 11 Nov 2009		Service: Legal, Licensing and Democratic Services

Control Action records

Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	All reports to committee require legal implications		Rachel Pocock	02/03/2010	31/03/2013

Responsible Officer: Henry Gordon Lennox, Rachel Pocock

Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Major Changes in Localism Act not implemented lawfully Major Changes in Localism Act not implemented lawfully

Pure Status: Medium (6)	Pure Risk Impact: Serious	Pure Risk Likelihood: Unlikely
Residual Status: Medium (6)	Residual Risk Impact: Serious	Residual Risk Likelihood: Unlikely
Date Identified: 05 Jan 2012		Service: Legal, Licensing and Democratic Services

Control Action records

Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
in Planning / Progress	Liaison with elected members	Close liaison with elected members to ensure any resource or organisational issues are addressed at an early stage	Rachel Pocock	05/01/2012	31/03/2013

Responsible Officer: Henry Gordon Lennox, Rachel Pocock

Review Note:

Risk: Ability to respond to single issue pressure groups Our ability to respond to single issue pressure groups as financial resources further constrict

Pure Status: Medium (6)	Pure Risk Impact: Significant	Pure Risk Likelihood: Likely
Residual Status: Medium (6)	Residual Risk Impact: Significant	Residual Risk Likelihood: Likely
Date Identified: 31 Mar 2013		Service: Legal, Licensing and Democratic Services

Control Action records

Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
in Planning / Progress	Use corporate communication	Use corporate communication channels to help us deal with demand.	Rachel Pocock	31/03/2013	01/04/2013

Responsible Officer: Henry Gordon Lennox, Rachel Pocock

Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Absence management Loss of productivity and adverse impact on colleagues and customers through high staff absence.

Pure Status: High (12) **Pure Risk Impact: Serious** **Pure Risk Likelihood: Very Likely**

Residual Status: Medium (6) **Residual Risk Impact: Significant** **Residual Risk Likelihood: Likely**

Date Identified: 14 Sep 2009 **Service: Org Dev**

Control Action records

Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
No Data available	Case management and trigger reports	HR team manage their own cases with managers. Trigger reports provide the basis for regular discussions between HR and managers to determine the course of action which we should be taking in each ind	Karen Jenkins	15/09/2009	31/03/2013
No Data available	Happy Healthy Here and well being activity	This activity is aimed at ensuring employee well being by offering Happy Healthy Here opportunities which provide education and advice to staff on health issues. These include keep fit, smoking cessation advice and health checks. STaff pay for any activity which incurs a cost.	Karen Jenkins	15/09/2009	31/03/2013
Working and Effective	Monthly monitoring of Absence by Executive Board	This is calculated in average days per person.	Karen Jenkins	15/09/2009	31/03/2013
No Data available	Quarterly reports	If absence exceeds 8 days annually quarterly absence report goes to SMT, Cabinet and to Overview and Scrutiny. This identifies absence levels, trends and action.	Karen Jenkins	15/09/2009	31/03/2013
No Data available	Return to work interviews	Managers are required to undertake return to work interviews to review absence and manage issues going forward.	Karen Jenkins	15/09/2009	31/03/2013

Responsible Officer: Karen Jenkins

Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Failure to manage the Council's reputation through engagement with the press This risk is associated with the need to communicate effectively externally to promote the Council and safeguard its reputation.

Pure Status: High (12)	Pure Risk Impact: Serious	Pure Risk Likelihood: Very Likely
Residual Status: High (12)	Residual Risk Impact: Serious	Residual Risk Likelihood: Very Likely
Date Identified: 17 Sep 2009		Service: Org Dev

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Completed	Communciation Officer in post	<p>The Communication Officer deals with external PR and press to help manage the Council's reputation and communicate the services that the Council provides.</p> <p>Currently this resource is insufficient and EDDC needs to manage reputation more effectively through proactive communications. Recommendations have been made to Cabinet for an additional resource which will implement the revised Communication Plan.</p>	Karen Jenkins	18/09/2009	31/03/2013

Responsible Officer: Karen Jenkins
Review Note:

Risk: Failure to ensure community engagement The Council needs to ensure community engagement to deliver our vision of 'outstanding and sustainable quality of life for everyone in East Devon'.

Pure Status: High (16)	Pure Risk Impact: Major	Pure Risk Likelihood: Very Likely
Residual Status: Medium (6)	Residual Risk Impact: Serious	Residual Risk Likelihood: Unlikely
Date Identified: 17 Sep 2009		Service: Org Dev

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
No Data available	Community Engagement Policy	This policy outlines how the Council ensures that it involves local persons or their presentatives in routine functions and one off decisions.	Karen Jenkins	18/09/2009	31/03/2013
No Data available	Use of community engagement toolkit	Use of community engagement toolkit to support corporate and service based projects.	Jamie Buckley	31/03/2013	31/03/2013

Responsible Officer: Jamie Buckley
Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Staff engagement and morale Staff engagement and morale

Pure Status: Medium (6)	Pure Risk Impact: Significant	Pure Risk Likelihood: Likely
Residual Status: Medium (6)	Residual Risk Impact: Significant	Residual Risk Likelihood: Likely
Date Identified: 05 Jan 2012		Service: Org Dev

Control Action records

Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
No Data available	Continued action planning from Staff Engagement Survey		Karen Jenkins	05/01/2012	31/03/2013
No Data available	Good working practices that support staff		Karen Jenkins	05/01/2012	31/03/2013
No Data available	Seeking Gold IIP accreditation		Jo Avery	31/03/2012	31/03/2013

Responsible Officer: Karen Jenkins

Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Failure to ensure required standards of construction and safety within the District. Failure to ensure adequate standards could result in a variety of different scenarios ranging from a loss of public confidence and a down-turn in service provision to the injury or death of a citizen.

Pure Status: High (16)	Pure Risk Impact: Major	Pure Risk Likelihood: Very Likely
Residual Status: Medium (8)	Residual Risk Impact: Major	Residual Risk Likelihood: Unlikely
Date Identified: 05 Aug 2009		Service: Planning

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
in Planning / Progress	Building Control Manager Post	Building Control Manager post to be filled, which is currently covered by the Principal Building Control Surveyor.	Paul Seager	23/03/2010	31/03/2013
No longer required	Charter Mark	Maintain 3 year Charter Mark Action Plan - now named Customer Service Excellence Award. This has been completed and no longer required as Corporate decision not to renew Charter Mark accreditation.	Paul Seager	05/08/2009	31/03/2013
Working and Effective	Dangerous Structures	Maintain formal dangerous structures & demolition 'out of hours' rota and payment for overtime system.	Paul Seager	05/08/2009	31/03/2013
Working and Effective	Dangerous Structures	Policy and Procedure review relating to Dangerous Structures and Enforcement.	Paul Seager	23/03/2010	31/03/2013
in Planning / Progress	Improve ICT Systems	Maintain, develop and improve ICT systems to facilitate remote working for mobile and ensure business continuity management	Donna Bedwell	05/08/2009	31/03/2013
No Data available	Insurance	Ensure adequate insurance (corporate and personal/professional indemnity)	Paul Seager	05/08/2009	31/03/2013
in Planning / Progress	New Technology	As the technology becomes available Building Control need to be equipped appropriately to do their job.	Paul Seager	23/03/2010	31/03/2013
Working and Effective	Quality Management System	Introduce & maintain Quality Management System and registration under BS ISO 9001:2008	Paul Seager	05/08/2009	31/03/2013

Responsible Officer: Paul Seager

Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Safety of employees on site visits Safety of employees and/or others could be jeopardised by a number of different variables, including working on dangerous construction sites, working in isolated properties and working 'out of hours'.

Pure Status: High (16)	Pure Risk Impact: Major	Pure Risk Likelihood: Very Likely
Residual Status: Medium (9)	Residual Risk Impact: Serious	Residual Risk Likelihood: Likely
Date Identified: 05 Aug 2009		Service: Planning

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
No Data available	Adequate Insurance	Ensure adequate insurance cover is maintained for all staff members and members of the public	Paul Seager	05/08/2009	31/03/2013
No Data available	End of day call in system in place		Paul Seager	26/08/2011	31/03/2013
Working and Effective	Mobile Communications	Improve mobile communications and ensure management responsibilities are maintained when staff are doing lone working. Management procedures in place for contact with staff who are working out of the	Paul Seager	05/08/2009	31/03/2013
No Data available	Regular review of lone workers procedures		Paul Seager	26/08/2011	31/03/2013
in Planning / Progress	Training	Ensure adequate training is available and taken up. Construction Skills Certification Scheme. (Health & Safety) Training is planned for future.	Paul Seager	05/08/2009	31/03/2013

Responsible Officer: Paul Seager

Review Note:

High and Medium Risks only with Control Action (SR & OR)

Risk: Perceived reputation of the service by local community causes preventable demand through complaints. Perceived reputation of the service by local community causes preventable demand through complaints.

Pure Status: Medium (6)	Pure Risk Impact: Significant	Pure Risk Likelihood: Likely
Residual Status: High (16)	Residual Risk Impact: Major	Residual Risk Likelihood: Very Likely
Date Identified: 26 Aug 2011		Service: Planning

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Formal Complaint System	Formal Complaint System	Ed Freeman	26/08/2011	31/03/2013
Completed	Overview & Scrutiny TAFF review of planning system.	Overview & Scrutiny TAFF review of planning system.	Ed Freeman	26/08/2011	31/03/2013
Working and Effective	Performance Management with real time data	Performance Management with real time data	Ed Freeman	26/08/2011	31/03/2013
in Planning / Progress	Systems review of conservation service	Systems review of conservation service	Ed Freeman	26/08/2011	31/03/2013
Working and Effective	Team management of cases	Team management of cases	Ed Freeman	26/08/2011	31/03/2013

Responsible Officer: Ed Freeman

Review Note: This risk has been re-scored in light of the recent events in relation to former Cllr Graham Brown which will have implications for our reputation in the future. His actions however are considered to be a one off with a limited risk of a repeat.

Risk: Failure of correct procedures and practices causing challenges to decisions. Failure of correct procedures and practices causing challenges to decisions.

Pure Status: Medium (6)	Pure Risk Impact: Serious	Pure Risk Likelihood: Unlikely
Residual Status: Medium (6)	Residual Risk Impact: Serious	Residual Risk Likelihood: Unlikely
Date Identified: 26 Aug 2011		Service: Planning

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Working and Effective	Regular review of procedures and practices through team sessions	Regular review of procedures and practices through team sessions	Ed Freeman	26/08/2011	31/03/2013
Working and Effective	Team, not individual, decision making with management oversight of decisions.	Team, not individual, decision making with management oversight of decisions.	Ed Freeman	26/08/2011	31/03/2013

Responsible Officer: Ed Freeman

Review Note: It is considered that this risk has increased due to the higher number of major controversial applications where decisions are likely to be challenged and the higher profile of the planning service. It is however considered that while the risk of challenge has increased, adequate procedures and safe guards are in place to ensure the risk of being found at fault remains unlikely.

High and Medium Risks only with Control Action (SR & OR)

Risk: Failure to adopt Local Plan by end of 2014 could result in development in an unplanned fashion Failure to adopt Local Plan by end of 2014 could result in development in an unplanned fashion

Pure Status: Medium (9)	Pure Risk Impact: Serious	Pure Risk Likelihood: Likely
Residual Status: Medium (6)	Residual Risk Impact: Serious	Residual Risk Likelihood: Unlikely
Date Identified: 26 Aug 2011		Service: Planning Policy

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
Completed	Preferred options feedback assessed	Preferred options feedback assessed	Matt Dickins	26/08/2011	31/03/2013
Completed	Programme of Futures Panel set up to assess evidence base.	Programme of Futures Panel set up to assess evidence base.	Matt Dickins	26/08/2011	31/03/2013
Completed	Review Staff resources	Review Staff resources	Matt Dickins	26/08/2011	31/03/2013
Completed	Work Programme mapped out	Work Programme mapped out	Matt Dickins	26/08/2011	31/03/2013

Responsible Officer: Matt Dickins

Review Note: Local plan progressing through adoption process its is expected to be adopted this year.

High and Medium Risks only with Control Action (SR & OR)

Risk: Failure to maintain Street Scene Assets Maintain the assets managed by Street Scene to a standard which ensure that they are safe and fit for purpose.

Pure Status: High (16)	Pure Risk Impact: Major	Pure Risk Likelihood: Very Likely
Residual Status: Medium (9)	Residual Risk Impact: Serious	Residual Risk Likelihood: Likely
Date Identified: 21 Sep 2009		Service: StreetScene

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
No Data available	Ascertain ownership	Implement a mechanism to establish which section within Street Scene owns each asset. Current action being undertaken is to investigate DTE data collection and management following the implementation of DTE Play subject to capital investment.	Keith Steel	21/09/2009	31/03/2013
in Planning / Progress	Digitally map and survey assets to establish their state of repair.	This work is ongoing. Tasks have been prioritised but are dependent upon revenue and capital budget allocation.	Keith Steel	21/09/2009	31/03/2013
Working and Effective	Planned and reactive maintenance programmes for Property Assets	Property assets have both planned and reactive maintenance programmes funded through revenue and capital budgets. This work is ongoing.	Brian Kohl	21/09/2009	31/03/2013
in Planning / Progress	Programme of inspection for Car Parks, Play Grounds and Bridges	The DTE computer system is being upgraded with the PLAY module and once this has happened, data from inspections can be captured and retained.	Keith Steel	31/03/2010	31/03/2013
Working and Effective	Programme of inspection for Council-owned trees	Council-owned trees have a programme of inspection where work has been identified to meet public safety requirements. Ongoing	Andrew Hancock	21/09/2009	31/03/2013
Working and Effective	Programme of inspection for Memorials and Cemetary Maintenance	Memorials and cemeteries are inspected on a regular basis. If memorials are found to be unstable / in a poor state work is carried out to make them safe. Funded out of current revenue budget. This work was started in 2009 and completed in March 2010. Inspections will start again in 2014/15 when capital funding will be required.	Andrew Hancock	21/09/2009	31/03/2013
in Planning / Progress	Programme of inspection for Structures and infra-structure	Some structures and infra-structure is inspected on a regular basis and have a programme of planned maintenance in place. This needs to be expanded to include all structures and infra-structure. Awaiting implementation of PLAY module on DTE system which could be used to capture information. This is subject to capital funding.	Keith Steel	21/09/2009	31/03/2013

Responsible Officer: Andrew Hancock

Review Note: We now have a Technical Officer mapping all streetscene assets on Arc GIS and a Junior Technical assistant in Engineers who will be doing the same for bridges and structures. This information has an inspected date and we hope to put this into a maintenance system when one is identified.

The project to map all of our assets and start annual inspections is likely to take 18 months to 2 years.

High and Medium Risks only with Control Action (SR & OR)

Risk: Economic downturn is affecting price per tonne for recyclate, reducing income. Economic downturn is affecting price per tonne for recyclate, reducing income.

Pure Status: Medium (6)	Pure Risk Impact: Significant	Pure Risk Likelihood: Likely
Residual Status: Medium (6)	Residual Risk Impact: Significant	Residual Risk Likelihood: Likely
Date Identified: 31 Mar 2013		Service: StreetScene

Control Action records					
Control Status	Control Action	Info	Responsible Person	Date Identified	Last Review Date
in Planning / Progress	Monitor the prices of recyclate	Monitor the prices received for our recyclate and work to get best deals	Paul Deakin	31/03/2013	31/03/2013

Responsible Officer: Paul Deakin

Review Note: Reduced price per tonne is reducing our income, increasing the overall cost of the service. Beyond our control unless we increase range of recyclates we collect (which has a cost).

Low and no data risks (SR & OR)

Annual report for 2012/2013

Arranged by Service

Filtered by Flag: Include: Strategic Risks, Operational Risk

Exclude: Archive

Filtered by Performance Status: Include Risk Status: Low

Key to Performance Status:

Risks: No Data (0+) High (12+) Medium (6+) Low (1+)

Low and no data risks (SR & OR)

Service: Econ Dev

Risks			
Status	Title	Description	Notes
Low (4)	<u>Failure to ensure the cleanliness of public buildings</u>	Maintain the cleanliness of public buildings to an acceptable standard	Notice boards in toilets - posters will link to our new toilet cleaning app. to show the public when the facility was last cleaned. The toilet cleaning app. has reduced public reports of defects from an average of 30 a month to just 4, and increased reports from our own staff to around 30 a month. Soon we will be launching a Citizen app. which will give the public the ability to report defects on any Council assets - further improving our reporting and response to issues.
Low (4)	<u>Lack of budget to adequately maintain Council Property</u>	Lack of budget to adequately maintain Council Property	
Low (4)	<u>Danger to users of Public Buildings including Legionella and Asbestos</u>	Danger to users of Public Buildings including Legionella and Asbestos	
Low (4)	<u>Long term financial support for NGP Team. Staff on short term contracts.</u>	Long term financial support for NGP Team. Staff on short term contracts.	Funding for team now secured for 3 years from ECC and EDDC.
Low (4)	<u>Securing up-front funding for major infrastructure in the west end</u>	Securing up-front funding for major infrastructure in the west end to serve both East Devon and Exeter's needs.	Funding now secured from Regional Growth Fund.
Low (4)	<u>Implications of Equity Share</u>	Implications of Equity Share holding	New contract has been drawn up for the Science Park which limits our liability, also

Low and no data risks (SR & OR)

Service: Econ Dev

Risks

Status	Title	Description	Notes
	<u>holding in Science Park Company.</u>	in Science Park Company.	further Government funding from the Growing Places Fund has reduced our liability.

Service: Planning

Risks

Status	Title	Description	Notes
Low (3)	<u>Loss of building control fee income to "Approved Inspectors"</u>	Loss of income due to various circumstances, including the loss of business to the private sector and the impact of 'Approved Inspectors' operating in the area.	

Service: Planning Policy

Risks

Status	Title	Description	Notes
Low (4)	<u>Failure to implement a Community Infrastructure Levy (CIL) charging schedule by 2014</u>	Failure to implement a Community Infrastructure Levy (CIL) charging schedule by 2014 (mandatory start date)	We are going into second stage consultation with the CIL Charging Schedule and we aim to submit the resulting document to the Planning Inspectorate in the summer 2013
Low (4)	<u>Lack of funding and other resources for neighbourhood planning work</u>	Lack of funding and other resources for neighbourhood planning work	

Service: Countryside

Risks

Status	Title	Description	Notes
Low (2)	<u>Arboricultural professional liability for dangerous trees</u>	The granting of a TPO (Tree Preservation Order) to a tree which is in a dangerous state could result in a landowner mitigating his responsibility by citing the Council. Trees not receiving the attention and protection they need and or accident or incident on Council land or Local Nature Reserve.	
Low (4)	<u>Safety of staff using dangerous equipment</u>	Safety of staff using dangerous equipment off-site, on nature reserves and other countryside land.	

Service: Env Health

Risks

Status	Title	Description	Notes
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Low and no data risks (SR & OR)

Service: Env Health

Risks

Status	Title	Description	Notes
Low (4)	<u>Failure to carry out public health duties and powers effectively</u>	The functions of the environmental health service center upon protection of public health. Failure to carry out these functions appropriately will expose the Council to risk to reputation, legal and financial risks	
Low (4)	<u>Incorrect decisions on contaminated land</u>	Failure to correctly address areas of contaminated land which could risk the health of residents and expose the Council to litigation and financial claims.	

Service: StreetScene

Risks

Status	Title	Description	Notes
Low (3)	<u>Failure to maintain a clean and safe environment - fleet, machinery, plant and play equipment</u>	Failure to maintain a clean and safe environment because of a lack of fleet, machinery and/or plant and also failing to maintain play equipment to acceptable safety standards.	Continuous rolling reviews of equipment and fleet are part of our culture and well established. Risk Assess Assets - We still need a corporate overview of RA's and codes of practice similar to SSDC. Condition surveys of our assets are still a risk although we are working on mapping all assets and annual reviews. New streetscene apps. will launch shortly across the section providing much more robust fleet management, daily vehicle logs and service reminders.
Low (4)	<u>Failure to ensure adequate sea defences and flood alleviation schemes</u>	Failure of Council-owned sea defences and flood alleviation schemes resulting in flood damage to property and risk to life and limb. Also, failure to develop newly identified sea defences and flood alleviation schemes due to them not meeting nationally assessed requirements to attract funding.	
Low (2)	<u>The continuity of the refuse and recycling service</u>	Failure of the contractors to deliver the service through strike action, company liquidation, legal prohibitions and/or other similar circumstances that render this contractor unable to continue with the contract.	

Service: Audit

Low and no data risks (SR & OR)

Service: Audit

Risks

Status	Title	Description	Notes
Low (2)	<u>The provision of an efficient and effective audit and governance service by SWAP</u>	Failure to provide an efficient and effective audit and governance service, with the right mix of professional staff to cope with the wide variety of complex and contentious work contained within the plans of the Service will have an adverse effect on the Council's governance arrangements.	
Low (4)	<u>Fraud, theft and/or irregularity of financial resources</u>	The risk of fraud, theft and or irregularity of the Council's financial resources and the opportunities to disguise and cover up the fraudulent act.	
Low (4)	<u>Fraud, theft and/or irregularity of physical assets</u>	The risk of theft and or irregularity with regards the Council's physical assets, including mis-use of assets, and the opportunities to disguise and cover up the theft and/or irregularity.	

Service: Finance

Risks

Status	Title	Description	Notes
Low (3)	<u>Funding from grants not received risk impacting on the Council budget</u>	That the Council does not receive grants and contributions to which it is entitled to meet, or help meet, its expenses having a negative impact on the Council's budget.	
Low (3)	<u>Security of cash in transit</u>	Failure to ensure the security of cash and the physical safety of those who transport it.	
Low (4)	<u>Electronic transfer/payment of monies</u>	Failure to ensure the correct amounts are paid and reach the correct destination.	
Low (4)	<u>Failure to set a Council Budget</u>	Failure to set a budget on time which provides the finances to deliver the Council's strategy and services for its customers would lead to financial crisis and damage the Council's reputation.	
Low (4)	<u>Failure to monitor budgets</u>	Failure to keep the Council's spending within approved budgets and resources available to it could lead to financial and reputational ruin.	
Low (3)	<u>Business sustainability of LED</u>	Failure of LED through budget, legal, or reputational issues	
Low (4)	<u>If the Council does not prudentially borrowing there could be a serious impact on its budget</u>	Councils are able to borrow money based on their own calculation of affordability, rather than Government controlled as before. There is a risk that the Council could over borrow with consequences on its revenue budget.	
Low (4)	<u>Delay in processing and administrating Housing Benefit payments</u>	Failure to pay the correct amount to the right person on time.	
Low (4)	<u>Housing Benefit take up</u>	To help alleviate hardship the availability of housing benefit by promoted through take up	

Low and no data risks (SR & OR)

Service: Finance

Risks

Status	Title	Description	Notes
		campaigns	
Low (4)	<u>Failure to collect all income due to the council - council tax, business rates, rent & fines</u>	Failure to calculate, record, bill and collect sums due to the council from taxpayers and businesses, rent due and car parking fines could have a negative impact on the Council's budget.	
Low (4)	<u>If the Council does not have adequate insurance in place losses incurred could not be accommodated</u>	If the Council does not have adequate insurance in place there is a risk that losses incurred could not be accommodated within financial reserves held by the Council.	
Low (4)	<u>HRA Business Plan</u>	A new financial regime has been introduced for the HRA which has the advantage of the Council keeping all its revenue, however there is no longer a fall back to government if income or expenditure significantly alters to that envisaged.	

Service: Housing

Risks

Status	Title	Description	Notes
Low (4)	<u>Fraud re housing grants</u>	Without appropriate controls on approving grants and monitoring budgets there is risk of fraud and to the Council's finances	SWAP audit report will be available June/July on Financial Assistance both DFG's and Loans processes. The conclusion of the report is 2 star which is reasonable assurance that there are adequate controls in place.
Low (4)	<u>Failure to achieve Housing Strategy targets</u>	Housing Strategy not being 'fit for purpose' and/or targets and actions contained within the action plan are not delivered, damaging our reputation and the housing opportunities for residents.	Target for housing development has been met
Low (3)	<u>Maintain a Housing Register</u>	Comply with the legislation and guidance in respect of access to housing through a Housing Register.	Devon Home Choice/Abritas system maintains the Council's housing register and is maintained by Housing Needs staff
Low (4)	<u>Fraud re Rent Collection</u>	Lack of segregation of officers who create and collect debts gives rise to a potential for fraud.	
Low (3)	<u>Lone working - Housing Needs and Strategy</u>	Lone Working	No incidents this year
Low	<u>Lone</u>	Lone Working	Home Safeguard are rolling out training

Low and no data risks (SR & OR)

Service: Housing

Risks

Status	Title	Description	Notes
(4)	<u>Working - Private Sector Housing</u>		on the PNC6 system and all my team have registered with them, so just awaiting training dates. The bespoke system is still operating and is checked regularly to ensure all staff members in Private Sector Housing are using it.
Low (4)	<u>Right to Buy</u>	Right to Buy sales differ from the predictions in the HRA Business Plan	RTB sales have increased as a result of Government making the scheme more attractive to potential purchasers. As a result numbers completing a purchase are significantly higher than predicted originally. This has not however had a major effect on HRA finances.

Service: Information Technology

Risks

Status	Title	Description	Notes
Low (4)	<u>ICT support capability</u>	Capability to provide user support for incidents and service requests.	The changes made to the processes and the new staff have made a positive difference to the turnaround time of incidents and service requests.
Low (2)	<u>IT Systems meet the Council business needs</u>	IT systems must be procured, developed and managed in order to meet the needs of the service units across the council.	Major changes are not frequent. The latest is the Housing system and this is following the normal procedure for a system of this scale.
Low (4)	<u>ICT Change Management</u>	Upgrades and improvements to IT systems are constantly required. With any change there is an inherent risk of disruption and error and so processes need to be in place to mitigate for this.	The change processes are in place and are suitable for the level of resources available to the council. No significant problems have arisen in the course of projects.
Low (4)	<u>Budget cuts needed in ICT costs</u>	Budget cuts	The range of technologies being used to run a typical council is outstripping the ability to fund the IT organisation required to manage it properly. While funds are available extra staff or external support contracts are being brought in but the way forward is to combine resources with other councils.

Service: Electoral Services

Low and no data risks (SR & OR)

Service: Electoral Services

Risks

Status	Title	Description	Notes
Low (3)	<u>Incapacitation of all staff for protracted period re Elections</u>	In the event that all election staff were absent for a prolonged period the Council would fail to complete the canvass, fail to publish a revised register and fail to produce accurate data and registers for elections. In the event that the Electoral Services Officer/Manager was absent for a prolonged period it is unlikely that existing staff resources would accept managerial responsibilities.	

Service: Legal, Licensing and Democratic Services

Risks

Status	Title	Description	Notes
Low (4)	<u>Failure to promote democratic engagement</u>	Not working with towns and parish councils, young people and others to develop participation in and influence upon the development of the Council's democratic and decision-making processes.	
Low (4)	<u>Failure to plan and organise meetings in line with statutory requirements</u>	A risk of missing statutory deadlines through a lack of organisation or effective communication with/by other services.	
Low (4)	<u>Failure to engage staff in organisational change</u>	Uncertainty of local government structure and/or plans for internal change within the authority not managed well by the authority.	
Low (4)	<u>Inadequate resources in the legal service</u>	Inadequate resources on the legal service to meet the workload	

Service: Org Dev

Risks

Status	Title	Description	Notes
Low (4)	<u>Workforce planning and development</u>	Planning and development activity to ensure we have the right people, with the right skills at the right time.	
Low (4)	<u>Compliance with employment legislation</u>	Ensuring that employment legislation is complied with in such a way that minimises the Council's risks of successful tribunal challenges, fines for contravening right to work legislation or problems with employee engagement/morale.	
Low (4)	<u>Failure to pay the right people, the right salary on time</u>	The payroll service pays salaries and administers benefits for EDDC, and two parish councils - Budleigh and Exmouth. Failure to pay people on time and correctly would result in employee morale issues, legal challenges and risks to reputation.	

Low and no data risks (SR & OR)

Service: Org Dev

Risks

Status	Title	Description	Notes
Low (4)	<u>Failure to meet statutory duties in relation to payroll</u>	Failure to comply with statutory duty to submit all documentation relating to tax, national insurance, pensions and end of year documentation.	
Low (4)	<u>Failure to process information in accordance with FOI and Data Protection legislation</u>	Failure to process information requests in accordance with legislation relating to Data Protection and Freedom of Information can lead to financial fines as well as risk to reputation.	
Low (1)	<u>Failure to manage and monitor organisational performance may compromise the Council's reputation</u>	A failure to monitor performance may result in customer complaints, poor service delivery and may compromise the Council's reputation. Need to ensure that organisational performance is monitored internally using a range of leading and lagging performance measures.	Through 2012-13 the formats for both the Monthly and Quarterly Reports have been revised to make them more accessible.
Low (4)	<u>Failure to properly administer the Local Government Pension Scheme</u>	Failure to properly administer the pension scheme for the administering authority Devon County Council which could result in failure to meet statutory duties and cause detriment to individuals within the scheme.	
Low (4)	<u>Employee screening</u>	Risk exists around incurring fines and employing staff illegally which may put customers and vulnerable people at risk or employing people who do not have the right to work in the UK.	
Low (4)	<u>Industrial Action</u>	Industrial action relating to pension reform	

Service: Strategic Risks

Risks

Status	Title	Description	Notes
Low (4)	<u>Adequate human resources</u>	The Council fails to plan and maintain resources at a level and skill to meet its key objectives and service requirements	
Low (4)	<u>Service provision jeopardised through unexpected major loss of income</u>	The Council suffers an unexpected major and irrecoverable loss of income (e.g. loss of government grant/subsidy or lower investment return due to lower	

Low and no data risks (SR & OR)

Service: Strategic Risks

Risks

Status	Title	Description	Notes
		interest rates)	
Low (4)	<u>ICT is not suitable for corporate needs</u>	Failure to ensure ICT investment in applications and hardware meets the computer and communications needs of users, both internal and external	The service planning has been overtaken by a more regular review of projects at SMT although projects budgets are still reviewed at budget time. The SLA has been overtaken by systems thinking measures but we still need to work out a customer survey method.

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Appendix C - Explanations and definitions

Appendix A - Risk report showing high and medium risks with control information

1. Pure Status - this is the risk in its raw state without any control actions in place. These scores were agreed at the time the risk was drawn up.
2. Residual Status – this is the risk score that remains after the risk review has been carried out and control actions have been put in place.
3. High risks are those that score 12 and above on the risk matrix
4. Medium risks are those that score 6 - 9 on the risk matrix
5. Control Status – this is the current status of the control action/s that have been put in place to mitigate the risk, the status options are: Not yet started, No data available, Not effective, In planning / progress, Completed, Working & effective.

Appendix B - Risk Report showing low and no data risk

1. Status – this is the residual risk score that remains after the risk review has been carried out and control actions have been put in place.
2. Low risks are those that score 1- 4 on the risk matrix
3. No Data are those risks which have yet to be reviewed

The risk matrix and guidance given for choosing likelihood and impact scores is shown overleaf

The Risk Matrix and guidance for choosing Likelihood and Impact Scores

RISK MATRIX

IMPACT	4	8	12	16
	3	6	9	12
	2	4	6	8
	1	2	3	4
LIKELIHOOD				

LIKELIHOOD SCORES

LIKELIHOOD - GUIDE TO ASSESSMENT				
Likelihood of Occurrence	Score	Chance	Description	Indicators
Very Likely	4	>75%	Almost certain to happen within six months	Happens frequently and/or encountered on a daily, weekly or monthly basis or will happen within 6 months.
Likely	3	40-75%	Will probably happen within 12 months	Happens occasionally, expected to occur at some point over the next 12 months
Unlikely	2	10-40%	Possible – may happen. However, not expected between 1 - 3 years	Not expected to happen in the next 1 - 3 years
Remote	1	Less than 10%	Rare – do not believe this will happen except in exceptional circumstances. Not expected between 3 – 10 years.	Has happened rarely in the past or never before

IMPACT SCORES

Financial loss and/or outcomes with financial implications	Failure to provide statutory duties / meet legal obligations	Reputation	Service Disruption (days)	Performance	Health & Safety
SCORE 4 MAJOR - IMPACT / OUTCOME (One or a combination of the following)					
Errors or omissions affecting relevant separate budgets >25k or > 75% of budget, (whichever the smaller) Loss of external grants and funding in > £25k	Litigation / Claims / Fines Directorate > £125k Corporate > £250k	Adverse national media interest leading to : Officer(s) and / or member(s) forced to resign Failure to attract or retain suitable partners or suppliers	Service disruption of over 3 days	Failure to provide an excellent level of customer service Failure to identify external opportunities and threats Failure to learn from mistakes that have council wide implications	Death of an individual or several people Permanent disability caused to an individual or several people
SCORE 3 SERIOUS - IMPACT / OUTCOME (One or a combination of the following)					
Errors or omissions affecting relevant separate budgets from £10k - £25k or 50-75% budget (whichever the smaller) Loss of external grants and funding from £10k - £25k	Litigation / Claims / Fines Directorate £25k - £125k Corporate £50k - £250k	Adverse local or regional media interest leading to : Public embarrassment for Council Members or staff Recruitment and retention difficulties affecting one service due to low staff morale	Service disruption of between 2-3 days	Failure to provide an adequate level of customer service Failure to identify internal opportunities and threats affecting the whole council Failure to learn from mistakes that have directorate wide implications	Major injury to an individual or several people
SCORE 2 SIGNIFICANT - IMPACT / OUTCOME (One or a combination of the following)					
Errors or omissions affecting relevant separate budgets from £1k - £10k or 25 – 50% of budget (whichever the smaller) Loss of external grants and funding from £1k - £10k	Litigation / Claims / Fines Departmental £1k- £25k Corporate £10k - £50k	Contained within the Council (Questions raised by members) Embarrassment for council Members or staff, not public Some impact on staff morale in more than one service with no effect on recruitment or retention	Service disruption of between 1-2 days	Failure to identify and utilise staff potential within individual services Failure to identify system inefficiencies and bottlenecks Failure to learn from mistakes that have service wide implications	Minor injury to an individual or several people
SCORE 1 MINOR - IMPACT / OUTCOME (One or a combination of the following)					
Errors or omissions affecting relevant separate budgets up to £1k or 25% of budget (whichever the smaller) Loss of external grants and funding up to £1k	Litigation / Claims / Fines Departmental < £1k Corporate < £10k Scrutiny by regulatory body	Contained within the Service (Letters from the public) Some impact on staff morale in one service with no effect on recruitment or retention	Service disruption of less than 1 day	Failure to learn from mistakes that have implications for individual members of staff	Discomfort caused to an individual or several people

Agenda Item: 12

Audit and Governance Committee

27 June 2013

Partnership Review Information for 2012/13



Partnership Review 2012/13

Summary

Partnership information for the 2012/13 financial year until March 2013 is supplied to allow the Audit and Governance Committee to monitor the status of our partnerships. This follows the year end review of partnerships by responsible officers for 2012/13.

Recommendation

That the Audit and Governance Committee considers the current status of partnerships until March 2014.

a) Reasons for Recommendation

To ensure that the Partnership Management Policy and Guidance is being followed and all partnership are being monitored.

b) Alternative Options

None

c) Risk Considerations

Failure to assess, monitor and review our partnerships could impact negatively (i.e. financial, reputational, operationally) on the council.

d) Policy and Budgetary Considerations

Our Partnership Policy and Guidance recommends that risks are reported to the Audit and Governance Committee on an annual basis.

e) Date for Review of Decision

The next Annual Review March 2014.

1 Main Body of the Report

1. The EDDC's Partnership Policy requires all partnerships identified by the council to be reviewed annually. There are currently 10 partnerships as defined by our policy which states that EDDC uses the following as the definition of a partnership: "An agreement between two or more independent bodies to work collectively to achieve an objective."

Also a partnership must reflect the following criteria:

- critical to the delivery of the Council's corporate priorities

- strategic in nature
 - require significant resource input from the Council
 - have constitution and governance arrangements in place
 - have multi-agency membership
2. For this Year End Review for 2012/13 all lead officers involved with a partnership were asked to assess the overall partnership, reviewing budget issues, achievements, forward plans and the ongoing benefit of continuing engagement with the Partnership.
3. All of the partnerships are active and meet at least quarterly, some more often. There are no current budget issues with any of the partnerships although most receive some funding from EDDC. It is recommended that our involvement with each of the partnerships continues with benefits of continued engagement with each being outlined below.

Partnership	Benefit of continued engagement
Exeter Science Park	Important partnership working towards the creation of new skilled employment in East Devon.
Exmouth Regeneration Board	Exmouth regeneration, new employment, retail and leisure improvement, public realm improvements.
Seaton Regeneration Board	New business and economic activity, a more resilient high street, public realm improvement, greater visitor attraction and revenues.
Blackdown Hills ANOB	Ongoing conservation and enhancement of this Area of Outstanding Natural Beauty
East Devon ANOB	Ongoing conservation and enhancement of this Area of Outstanding Natural Beauty
Crime and Disorder Partnership	Statutory requirement
Leisure East Devon	Fulfils members ambitions for health, sport and leisure
Exeter and Heart of Devon Growth Board	Delivery of major housing and employment sites in the West End of the District
Devon Rural Housing Partnership	Assist the Council in meeting housing targets and corporate commitments
Devon Strategic Housing Partnership	Assist the Council in meeting housing targets and corporate commitments

4. A report showing the partnerships detail appears in Appendix A.

Legal Implications

There are no legal comments.

Financial Implications

There are no direct financial implications contained within this Report

Consultation on Reports to the Executive

Relevant Heads and officers have contributed to the appendices.

Background Papers

- [Appendix A - The Partnership Review report for Year End 2012/13.](#)
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Audit and Governance Committee
27 June 2013

Partnership Review Year End 2012/13

Partnership	Responsible officer	Active or inactive partnership	How often did you meet in 2012/13	Any budget issues arising from the Partnership?	Achievements from 2012-13	Forward Plans for 2013-14	Benefit of continued engagement
Exeter Science Park	Lead Officer Simon Davey Member – Ian Thomas	Active	6+ times	Payments within the Council approved contribution of £250k	<ul style="list-style-type: none"> • Business Plan agreed for Science Park Centre • Extra Government loan secured • Onsite build starting 2013/14 	<ul style="list-style-type: none"> • Monitoring of build progress • Letting of accommodation 	Important partnership working towards the creation of new skilled employment in East Devon.
Exmouth Regeneration Board	Lead Officer Richard Cohen Member – Andrew Moulding	Active	4 times	Forum considers projects some of which have budget implications but spend decisions are taken by the Exec Team	<ul style="list-style-type: none"> • Marketing and selection of preferred developer for Elizabeth Hall Site • Public consultation and further progress on Splash Zone options • Rugby club relocation agreed in principle • Mamhead Slipway project commenced 	<ul style="list-style-type: none"> • Sale of Elizabeth Hall site subject to planning permission • Douglas Av Playing Field planning application and Estuary side development options • Splash Zone planning application and marketing • Mamhead Slipway redevelopment preferred option identification and fund identification • Strand completion 	Exmouth regeneration, new employment, retail and leisure improvement, public realm improvements
Seaton Regeneration	Lead Officer- Richard	Active	Three times	Forum considers	<ul style="list-style-type: none"> • Selection of preferred provider of Discovery Centre 	<ul style="list-style-type: none"> • Ongoing development of Discovery Centre and pursuit of 	New business and economic

Partnership	Responsible officer	Active or inactive partnership	How often did you meet in 2012/13	Any budget issues arising from the Partnership?	Achievements from 2012-13	Forward Plans for 2013-14	Benefit of continued engagement
Board	Cohen Member – Graham Godbeer			projects some of which have budget implications but spend decisions are taken by the Exec Team	<ul style="list-style-type: none"> • Chamber of Commerce/business support manager • Contribution to design project for Seaton Seafront • Elizabeth Road new play facilities 	Heritage Lottery Fund bid <ul style="list-style-type: none"> • Negotiation of development and new lease with Tramway • Further support to Chamber of Commerce planned • Completion of Stop Line Way • Harepath Road sports facilities 	activity, a more resilient high street, public realm improvement, greater visitor attraction and revenues.
Blackdown Hills Area of Outstanding Natural Beauty (ANOB)	Lead Officer Charlie Plowden	Active	Quarterly	EDDC contribution £10,000	<ul style="list-style-type: none"> • Delivery of AONB Business Plan; • SDF projects; 	<ul style="list-style-type: none"> • Agreed targets within AONB Business Plan submitted to Defra 	Ongoing conservation and enhancement of AONB
East Devon Area of Outstanding Natural Beauty (ANOB)	Lead Officer Charlie Plowden	Active	Quarterly	EDDC contribution £20,345	<ul style="list-style-type: none"> • Delivery of AONB Business Plan; • SDF Projects • HLF Orlando Hutchison project 	<ul style="list-style-type: none"> • Agreed targets within AONB Business Plan submitted to Defra 	Ongoing conservation and enhancement of AONB
Crime and Disorder Partnership	Lead Officer Mark Williams	Active	Quarterly	None	Working towards our priorities for 2012-13: <ul style="list-style-type: none"> • Raising awareness of the issues 	These are the Community Safety Partnership Priorities for 2013 –14: <ul style="list-style-type: none"> • Raising awareness of the 	Statutory requirement

Partnership	Responsible officer	Active or inactive partnership	How often did you meet in 2012/13	Any budget issues arising from the Partnership?	Achievements from 2012-13	Forward Plans for 2013-14	Benefit of continued engagement
					<p>of Domestic Abuse and the support services available</p> <ul style="list-style-type: none"> • Problem Alcohol Misuse • Reducing incidents of Anti-social Behaviour • Promoting and developing the work of the Local Action Groups <p>Details on the actives from 2012/13 see the following link www.eastdevon.gov.uk/communitiesafety</p>	<p>issues of Domestic Abuse and the support services available</p> <ul style="list-style-type: none"> • Problem Alcohol Misuse • Reducing incidents of Anti-social Behaviour • Promoting and developing the work of the Local Action Groups • Rural Crime - new priority added April 2013 	
Leisure East Devon	Lead Officer Mark Williams	Active	Quarterly	Ongoing and significant revenue contribution			Fulfil members ambitions for health, sport and leisure
Exeter and Heart of Devon Growth Board	Lead Officer Andrew Wood	Active	Quarterly	Contribution to funding of Growth Point Team	<ul style="list-style-type: none"> • Continued coordination of the delivery of the major development programme and associated infrastructure improvements • Partnership seen as both mature and effective which has 	<ul style="list-style-type: none"> • Deployment of Regional Growth Fund monies • Continued progress on addressing barriers to the delivery of growth • Accelerated delivery of the Cranbrook new community 	Delivery of major housing and employment sites in the West End of the District

Partnership	Responsible officer	Active or inactive partnership	How often did you meet in 2012/13	Any budget issues arising from the Partnership?	Achievements from 2012-13	Forward Plans for 2013-14	Benefit of continued engagement
					<p>helped to secure additional funding including £8m from Regional Growth Fund to support the delivery of new jobs</p> <ul style="list-style-type: none"> • Active engagement with a wide range of partners .e.g. BT/Local Enterprise Partnership 		
Devon Rural Housing Partnership	Lead Officer John Golding	Active	Bimonthly	EDDC contribution £5000 p.a.	<ul style="list-style-type: none"> • Undertaking rural housing needs surveys • Enabling rural affordable housing, including scheme delivery in Woodbury Salterton • Liaison with Town and Parish Councils • Promoting rural affordable housing and producing a newsletter 	<ul style="list-style-type: none"> • Rural housing needs surveys • Rural housing enabling • Site finding/evaluation • Promoting Community Land Trusts and older peoples housing • Liaison with the Homes and Communities Agency 	Assist the Council in meeting housing targets and corporate commitments
Devon Strategic Housing Partnership	Lead Officer John Golding	Active	Monthly	A contribution is made towards the Homelessness Coordinator	<ul style="list-style-type: none"> • Sharing good practice • Input into the Health and Wellbeing Strategy • Producing a Devon Housing Plan and leaflet • Peer Review 	<ul style="list-style-type: none"> • Promoting the housing agenda in Devon • Running sub groups and assisting the spread of good practice 	Assist the Council in meeting housing targets and corporate

Partnership	Responsible officer	Active or inactive partnership	How often did you meet in 2012/13	Any budget issues arising from the Partnership?	Achievements from 2012-13	Forward Plans for 2013-14	Benefit of continued engagement
				post circa. £5000 pa	<ul style="list-style-type: none"> • Coordinating sub groups such as the Homeless Officers and Devon Home Choice • Producing a framework Tenancy Strategy • Liaising with and lobby the Homes and Communities Agency 		commitments

Agenda Item 13

Audit and Governance Committee

27 June 2013

GT



Five Year Land Supply in East Devon

Summary

This report updates the Council's five year land supply position in the light of more recent housing commitment and completion data. Key facts are that: following the appeal inspector's recommendations, housing land supply for East Devon is below the required six years at just 4.71 years worth of supply; but that once the new Local Plan has been adopted post-examination, there will in fact be a sufficient supply of housing land at 6.24 years worth of supply.

Recommendation

That Committee:

- a) notes that the Council does not currently have a five year land supply;
- b) but also notes that if the Local Plan is endorsed, as currently written, by the Planning Inspector at Examination then the Council will have a Five Year land supply.

a) Reasons for Recommendation

To ensure that the Council are aware of the importance of a five year land supply and that this issue will need to continue to be recognised as a material consideration in determining planning applications.

b) Alternative Options

The Ottery St Mary appeal suggests that until circumstances change (such as sufficient planning permissions are granted, new homes are built or the Local Plan and its allocated sites make further progress to adoption/is adopted) the Council would not be able to attach weight to land supply arguments in refusing planning permissions.

c) Risk Considerations

The risks to the Council, should we not approve more applications, are identified as:

- i. Not enough new homes being built to meet housing needs; and/or
- ii. If permissions are refused more schemes going to and being lost at appeal.

d) Policy and Budgetary Considerations

Appeals have cost implications and the building of new homes can generate jobs and money for the Council through New Homes Bonus and other sources. Granting permissions that are not on accordance with policy would, by definition, be contrary to policy.

e) Date for Review of Decision

Late 2013/Early 2014 – when we can expect the Inspector’s report into the local plan examination.

1 Summary of Five Year Land Supply Position

1.1 In support of Local Plan work an updated technical paper has been produced assessing land supply. This report can be viewed through the following link:
www.eastdevon.gov.uk/housingpaper2013.pdf.

1.2 The following key points are drawn from the technical report and summarise the position in respect of five year land supply considerations:

- a) Applying the reasoning used by the Inspector at Ottery St Mary, in respect of:
 - housing need (numbers of houses we should be building), and
 - current land supply (what he considered as sources of supply that can acceptably/reasonably be included in predictions of what will be built, we do not have a five year supply (plus 20% - i.e. 6 year supply).
- b) Applying the Ottery St Mary Inspector’s approach/logic we can show a 4.71 year supply.
- c) With recent permissions granted we are getting closer to the relevant supply than we were but we still fall some way off. We would need, in fact, to see additional permissions granted to accommodate development of 1,438 extra homes (over and above those already accounted for) over the five year period from 1 April 2013 to 31 March 2018.
- d) There are differing mathematical approaches to calculating land supply, particularly in respect of the point in time at which any past underdevelopment should be built in the future. Some planning authorities have taken the view that any undersupply should be met in totality in the next five years and others that it should be spread out across a longer time period. This issue impacts on the ‘numbers of houses we should be building’ (i.e. the need side of the equation). We have taken the view that the undersupply should be spread out over a longer time period. But this approach could be successfully challenged at appeal and if it were the years supply figure would fall.

- e) However, assuming the Inspector at local plan examination endorses our emerging local plan as currently written, we should have the relevant five year land supply under that plans policies. This is because:
- we have in emerging policy a lower housing need than the Ottery Inspector applied, and;
 - we will be counting sites that do not currently have a permission, but are allocations in our emerging local plan, in our site supply assessment.
- f) Once the new Local Plan is adopted (using 31 March 2013 base data) we would be able to demonstrate 6.24 years supply of land for housing.
- g) The Local Plan should be examined in 2013.
- h) It is not until after plan adoption (2014) that we will be able to apply full weight to local plan policy.
- i) Until local plan adoption we would be extremely vulnerable to losing a planning appeal if our case (and the only issue we were arguing) was that we have a relevant and appropriate supply of housing land. But as we move towards local plan verbal examination hearing sessions this might be a less clear cut issue. New housing needs assessment data (lower rather than higher figures) might help us to some extent but it is debatable how much weight an Inspector would attach to any new data.

1.3 Future annual monitoring of housing completions will continue to update the Five Year Land Supply position on a yearly basis. Once the Local Plan has been adopted there should not be a problem showing a five year supply of land as the annual requirement will reduce as development takes place. Five-yearly plan reviews will take place and these will pick up any issues that may affect housing land supply for instance if it becomes evident that certain allocations are not looking likely to come through – alternative sites may be allocated. The main reason for our lack of a five year supply currently is that we do not have an up to date plan. So long as the plan is kept up to date and sufficient appropriate schemes are granted permission then there should not be a reason to fall short of housing land supply requirements in the future.

Legal Implications

To be advised at the Committee

Financial Implications

To be advised at the Committee

Agenda Item: 14

Audit and Governance Committee

27 June 2013



Audit and Governance Committee

Forward Plan 2013/14

Date of Committee	Report	Lead Officer
26 September 2013	<ul style="list-style-type: none">• Internal Audit Activity – Quarters 1& 2 2013/14• Statement of Accounts• Report to those charged with Governance	SWAP Head of Finance Grant Thornton
7 November 2013		
16 January 2014	<ul style="list-style-type: none">• Annual Audit Letter• Certification Report• Internal Audit Activity – Quarter 3 2013/14	Grant Thornton Grant Thornton SWAP
13 March 2014	<ul style="list-style-type: none">• Annual Audit Plan 2014/15	SWAP