



Audit and Governance Committee

Date: Monday, 19 April 2021
Time: 10.00 am
Venue: A link to the meeting can be found on the front page of the agenda.

Membership: (Quorum 3)

Matthew Hall (Chairman), Richard Biggs (Vice-Chairman), Susan Cocking, Rod Adkins, Janet Dover, Barry Goringe, Mike Parkes, Bill Pipe, Clare Sutton and Bill Trite

Chief Executive: Matt Prosser, South Walks House, South Walks Road, Dorchester, Dorset DT1 1UZ (Sat Nav DT1 1EE)

For more information about this agenda please contact Democratic Services on 01305 252216 - susan.dallison@dorsetcouncil.gov.uk



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[Link to meeting](#)

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A G E N D A

Page No.

1 APOLOGIES

To receive any apologies for absence.

2 MINUTES

5 - 8

To confirm the minutes of the meeting held on 22 February 2021.

3 DECLARATIONS OF INTEREST

To receive any declarations of interest.

4 PUBLIC PARTICIPATION

To receive questions or statements on the business of the committee from town and parish councils and members of the public.

OR

To receive questions or statements on the business of the committee from town and parish councils and members of the public.

Public speaking has been suspended for virtual committee meetings during the Covid-19 crisis and public participation will be dealt with through written submissions only.

Members of the public who live, work or represent an organisation within the Dorset Council area, may submit up to two questions or a statement of up to a maximum of 450 words. All submissions must be sent electronically to susan.dallison@dorsetcouncil.gov.uk by the deadline set out below.

When submitting a question please indicate who the question is for and include your name, address and contact details. Questions and statements received in line with the council's rules for public participation will be published as a supplement to the agenda.

Questions will be read out by an officer of the council and a response given by the appropriate Portfolio Holder or officer at the meeting. All questions, statements and responses will be published in full within the minutes of the meeting.

The deadline for submission of the full text of a question or statement is 8.30am on 14 April 2021.

5	INTERNAL AUDIT ANNUAL OPINION REPORT 2020-21	9 - 26
	To receive a report from the South West Audit Partnership (SWAP).	
6	SWAP APPROACH TO INTERNAL AUDIT PLANNING 2021-22	27 - 36
	To receive a report from the South West Audit Partnership (SWAP).	
7	ANNUAL GOVERNANCE STATEMENT 2020-21	37 - 90
	To consider the Annual Governance Statement.	
8	RISK MANAGEMENT UPDATE	91 - 122
	To consider the Risk Management Update report.	
9	EXTERNAL AUDIT UPDATE	
	To receive an update from the Executive Director, Corporate Development & S151.	
10	FORWARD PLAN	123 - 124
	To consider the work programme for the Committee.	
11	URGENT ITEMS	
	To consider any items of business which the Chairman has had prior notification and considers to be urgent pursuant to section 100B (4) b) of the Local Government Act 1972. The reason for the urgency shall be recorded in the minutes.	
12	EXEMPT BUSINESS	
	To move the exclusion of the press and the public for the following item in view of the likely disclosure of exempt information within the meaning of paragraph 3 of schedule 12 A to the Local Government Act 1972 (as amended).	
	The public and the press will be asked to leave the meeting whilst the item of business is considered.	

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DORSET COUNCIL - AUDIT AND GOVERNANCE COMMITTEE

MINUTES OF MEETING HELD ON MONDAY 22 FEBRUARY 2021

Present: Cllrs Matthew Hall (Chairman), Richard Biggs (Vice-Chairman), Susan Cocking, Rod Adkins, Barry Goringe, Mike Parkes, Bill Pipe, Clare Sutton and Bill Trite

Apologies: Cllr Janet Dover

Also present: Ian Howse (Deloitte)

Officers present (for all or part of the meeting):

Aidan Dunn (Executive Director - Corporate Development S151), Jonathan Mair (Corporate Director - Legal & Democratic Service Monitoring Officer), Susan Dallison (Democratic Services Team Leader), Heather Lappin (Head of Strategic Finance), Tony Meadows (Head of Commissioning), Sian White (Service Manager, Finance), David Wilkes (Service Manager for Treasury and Investments) and Andrew Billany (Corporate Director of Housing, Dorset Council)

The recording of the meeting can be viewed here:

[click here](#)

53. Minutes

The minutes of the meeting held on 18th January 2021 were confirmed as a correct record.

54. Declarations of Interest

No declarations of disclosable pecuniary interests were made at the meeting.

55. Public Participation

There were no questions or statements from members of the public.

56. Update on the accounts from the External Auditor

Aidan Dunn, Executive Director, Corporate Development provided an update on the latest position regarding the completion of the 2019/20 accounts. Members were advised that the valuation of fixed assets had not been finalised which was holding up the completion of the accounts; Deloitte were working hard with the Finance Team to finalise the accounts and the committee was assured that this had no impact upon the council tax or the budget.

57. **Quarter 3 Financial Management Report**

The Executive Director, Corporate Development, introduced the report which covered the capital and revenue position for the quarter 3 period April to December 2020. The financial management report was predicting a forecast overspend of £18.6m for 2020/21. The Covid-19 pandemic had had a significant impact on income and expenditure levels and there was a £13m shortfall on council tax and business rates collection, it had also been a very challenging time for adult social care services.

The members of the committee asked a number of questions and discussed the following topics:

What action was being taken to recover council tax and business rates;

The funding or the correct elements of disability and health care and the utilisation of all areas of support, for example hospital discharge;

High needs block of the Dedicated Schools Grant (DSG) and the political avenues being progressed to address the important financial issue of the DSG;

In respect of a question on the usual collection rates for business rates and council tax, the Executive Director, Corporate Development agreed that a written response would be provided to the committee.

58. **Councillor Code of Conduct Arrangements**

Jonathan Mair, Corporate Director of Legal & Democratic presented a report on proposals to adopt the new Local Government Association Model Councillor Code of Conduct and new arrangements for dealing with Code of Conduct complaints against councillors. The committee was supportive of all of the recommendations and the Corporate Director agreed to look at the most suitable meeting date for submitting the annual monitoring report to the committee as there was no scheduled meeting in May.

Recommendation to Full Council

1. That the Local Government Association Model Councillor Code of Conduct including those provisions of the Model Code relating to other registrable interests be adopted;
2. That Dorset's Town and Parish Councils be invited to consider adopting the LGA Model Code;
3. That the proposed new arrangements for dealing with Code of Conduct complaints against councillors be adopted.

Decision

That the committee be updated at each of its meetings about code of conduct Complaints received and that an annual monitoring report should be presented to the committee each year.

59. Review of the Council's borrowing

David Wilkes, Service Manager for Treasury and Investments presented his report which reviewed the council's borrowing position and activity in accordance with the requirement to ensure that money and resources were used wisely.

Cllr M Parkes thanked David Wilkes for providing an informative and comprehensive report on the council's borrowing activity.

60. Forward Plan

The committee noted the Forward Plan.

61. Urgent items

There were not urgent items.

62. Exempt Business

There were no items of exempt business.

Duration of meeting: 10.00 - 11.22 am

Chairman

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Dorset Council

Internal Audit Annual Opinion Report 2020-21

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Agenda Item 5

Internal Audit Annual Opinion – 2020/21: 'At a Glance'



Reasonable internal audit opinion provided

(although breadth of audit work significantly reduced and limited in 2020/21 due to COVID)



Internal audit staff redeployed directly into Council areas to assist with the COVID response

(Revenues & Benefits, Registration Services, Adult Social Care)

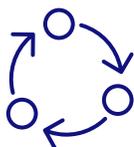


Two Significant Risks identified in year

(although subsequent follow up work has demonstrated that these risks have now been adequately mitigated)



£118,00 financial savings identified as a result of our internal audit work over the year



Percentage of agreed actions not implemented when we come to follow up currently higher than would ideally want



Range of innovations and enhancements made to our internal audit process throughout the year

– one-page audit report, introduction of Agile auditing and planning, live audit tracker introduced

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Internal Audit provides an independent and objective opinion on the effectiveness of the Authority's risk management, control and governance processes.



Purpose

The Head of Internal Audit should provide a written annual report to those charged with governance to support the authority's Annual Governance Statement (AGS). This report should include the following:

- an opinion on the overall adequacy and effectiveness of the organisation's governance, risk management 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, criteria and standards
- 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 Dorset Council is provided by the SWAP Internal Audit Services. SWAP work is completed to comply with the International Professional Practices Framework of the Institute of Internal Auditors, further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS) and the CIPFA Local Government Application Note. Internal audit work is guided by the Internal Audit Charter which is reviewed annually. Internal audit provides an independent and objective opinion on the Authority's control environment by evaluating its effectiveness. This report summarises the activity of SWAP for the 2020/21 year.

The Assistant Director is required to provide an opinion to support the Annual Governance Statement.



Annual Opinion

In forming our annual opinion for the 2020/21 year there are some key factors that need to be taken into consideration. At the point of the first national lockdown, SWAP was asked to pause all audit work until further notice, as the Council focused on responding to the pandemic. In response to this, SWAP volunteered its staff and three members of staff were redeployed in frontline services in Revenues and Benefits, and the Registration Service. We also provided pieces of COVID related advisory work. During the second national lockdown in November 2020 two of our staff again re-joined the Revenues and Benefits team providing assistance with payment of grants to businesses. They have remained as a resource to Dorset Council since that time with a further member of the team providing assistance to the Adult Services Commissioning team from mid-February.

Throughout a challenging year, we have tried to ensure a balance between providing direct assistance to the Council, and maintaining a continuum of audit work. However, the breadth and range of our audit work this year is in no way comparable to previous or 'normal' years. The table at [Figure 1](#) below attempts to capture our audit coverage this year, mapped against the Authority's key risks. Furthermore we have then overlaid the audit assurance outcomes of those risk areas that we have reviewed.

The Authority was responsible for processing and paying a significant sum of expenditure in relation to business grants as part of the COVID response throughout 2020/21. It should be noted that SWAP have not provided assurance over this expenditure; with assurances instead being coordinated, managed and provided internally.

With reduced auditor resource throughout 2020/21, the Senior Leadership Team & Senior Management within the Authority have increasingly directed our work towards areas of likely risk or known issues which is extremely positive. This has naturally resulted in an increased number of Limited Assurance opinions being provided.

On the balance of our 2020/21 audit work for Dorset Council, enhanced by the work of external agencies, I am able to offer **Reasonable Assurance** in respect of the restricted number of areas reviewed during the year. Whilst a number of these areas require the introduction or improvement of internal controls to ensure the achievement of objectives, the Councils willingness and openness to identify areas for review is seen as a positive approach, which has been taken into account in forming this annual opinion. During the year, two areas of significant corporate risk have been reported to the committee. However, where priority findings have been identified, on the whole these have been appropriately addressed. Further details of these significant risks can be found below.

Executive Summary

Internal audit coverage should be aligned to key corporate priorities and key corporate risks.

Figure 1 highlights our assessment of internal audit coverage against key corporate risks within 2020/21.

As highlighted in our Opinion above, due to the COVID pandemic, our ability to provide reasonable coverage across a broader range of areas has been impacted. Our annual opinion should therefore be considered in this context.

Figure 1: Audit Coverage by Corporate Risk

Corporate Risk	Coverage	Assurance assessment based on completed internal audit work
CRR 01 - Budget	Partial internal audit coverage	Limited
CRR 02 - Cyber Attack	Reasonable internal audit coverage	Reasonable
CRR 03 - Recruit/ Retain/ Develop Workforce	No recent internal audit coverage	
CRR 04 - GDPR	Reasonable internal audit coverage	Limited
CRR 05 - Emergency Response	No recent internal audit coverage	
CRR 06 - BREXIT	No recent internal audit coverage	
CRR 07 - Infrastructure	No recent internal audit coverage	
CRR 08 - Education	No recent internal audit coverage	
CRR 09 - Transformation	No recent internal audit coverage	
CRR 10 - Corporate Knowledge	Partial internal audit coverage	
CRR 11 - Climate Change	No recent internal audit coverage	
CRR 12 - Breach of Statutory Duty	Partial internal audit coverage	Advice & Guidance
CRR 13 - Health, Safety, Wellbeing	Partial internal audit coverage	Limited
CRR 14 - Safeguarding	Reasonable internal audit coverage	Limited
CRR 15 - Commissioning	Partial internal audit coverage	Limited
CRR 16 - Officer/ Member Interface	No recent internal audit coverage	
CRR 17 - School Transport	Reasonable internal audit coverage	Limited
CRR 18 - Evidence Base	Partial internal audit coverage	
CRR 19 - Partnerships	No recent internal audit coverage	
CRR 20 - Election	No recent internal audit coverage	
CRR 21 - COVID-19 Response	Partial internal audit coverage	Advice & Guidance

Table Key	
Reasonable internal audit coverage	
Partial internal audit coverage	
No recent internal audit coverage	
Proposed internal audit coverage removed	

Risks Accepted

Where control weaknesses have been brought to the attention of senior management and a decision is taken by them to accept the risk and not implement audit's recommendation this should be brought to the attention of the Audit Committee

Implementation of Agreed Actions and Risks Accepted

Over the year SWAP have found management across Dorset Council to be supportive of SWAP findings and generally responsive to agreed actions. When we undertake follow up audits, we would ideally hope to find all the agreed actions implemented, however increasingly this is often not the case, sometimes for good reason. We monitor and report to members the percentage of high priority (priority 1 and 2) actions that are not implemented at the time of our follow up audits despite the implementation date having passed.

In order to help improve this percentage figure, which has been stubbornly high during the past 18 months, we have introduced a process within directorates whereby services are encouraged to provide regular updates on agreed actions. We hope that in time this process will improve the implementation of agreed audit actions.

It is recognised that there will be occasions where audit make recommendations to mitigate risk exposure and after consideration of the proposed action, the service decide to accept the risk. On a positive note, there were no audit actions that were 'risk accepted' during 2020/21. Indeed, the one risk accepted reported in the 2019-20 Annual Opinion Report has now been reviewed as part of our follow up process and a mitigating control has been agreed.

Significant Corporate Risks

Identified Significant Corporate Risks should be brought to the attention of senior management and the Audit Committee.

Definitions of Risk:

High

Issues that we consider need to be brought to the attention of senior management and the Audit Committee

Medium

Issues which should be addressed by management in their areas of responsibility

Low

Issues of a minor nature or best practice where some improvement can be made



Significant Corporate Risks

For those audits which have reached report stage through the year, we have assessed the following risks as High:

Virtual School

An audit of the use of **Pupil Premium Plus (PPP) Grant by the Virtual School (VS) for Looked After Children (LAC)** found that it was not possible to evidence that the grant is used effectively in every instance to provide the best value for money for the Council and achieve improved educational outcomes for LAC. This results in Looked After young people potentially making poorer educational progress than might have been possible with more effective oversight and control in place. Following our first follow up in July 2020 it was not possible to confirm that the significant risk had been mitigated due to the number of actions that were still incomplete. However, with a new Virtual School head in place there has been significant progress against the agreed actions. Whilst more time is needed for the new systems to be fully embedded, we now believe that the significant corporate risk has been mitigated.

Home to School Transport

SWAP was asked to undertake audit work to assess the reasons for a largely unpredicted budget overspend in 2019-20 for both SEN and Mainstream **Home to School Transport**. The overspends were £1.3m and £419k respectively. Our work led us to identify key factors that contributed to this situation occurring. As a result of our work a Member Officer Task and Finish Group was formed to provide scrutiny and challenge around this area. Our follow up work has identified that implementation of the actions has been undertaken within a short timescale. The remaining two actions are in progress and are planned to be implemented by 30th April 2021 which we will continue to monitor to ensure they are completed.

Whilst we would suggest that the significant risks highlighted within our original work have been adequately mitigated, Home to School Transport remains a concern for the authority generally.

Audit Outcomes

Summary of Audit Opinions

At the conclusion of an audit assignment each review is awarded an Audit Assurance Opinion:

- **Substantial** – A sound system of governance, risk management and control exists
- **Reasonable** – There is a generally sound system of governance, risk management and control in place
- **Partial** – Significant gaps, weaknesses or non-compliance were identified
- **No** – Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified



Summary of Audit Opinions and Audit Work by Type

Table 1: Summary of Audit Opinions

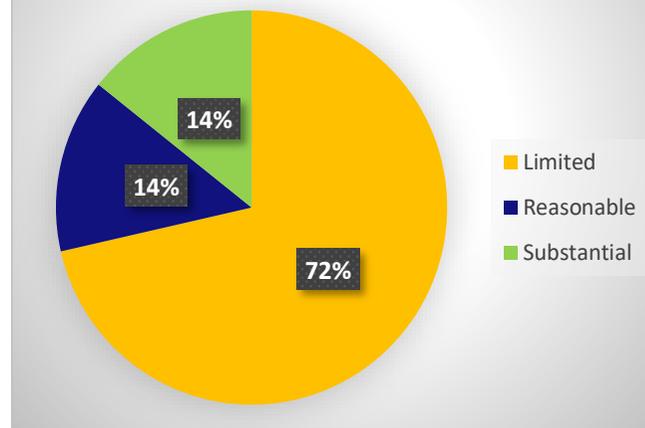


Table 1 above indicates the spread of assurance opinions across our work during the past year. The Council’s willingness and openness to identify areas for review has naturally resulted in an increased number of Limited Assurance opinions.

Table 2: Audit Work by Type

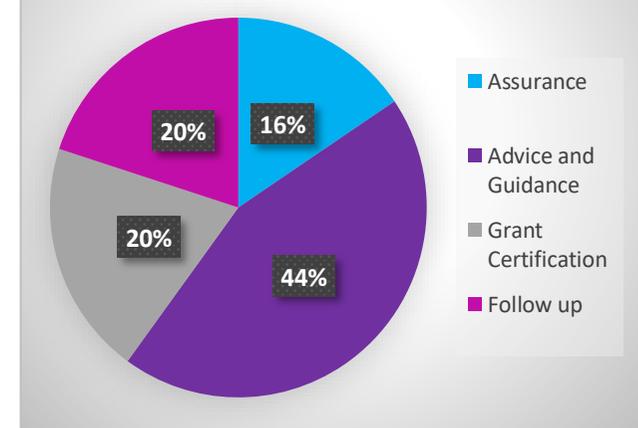


Table 2 indicates the audit work by type. Whilst assurance work is the main focus of internal audit, in a time of crisis such as the pandemic, internal audit has the knowledge and skills to be able to provide advisory work that supports the organisation through such turbulence. In additional it was possible to progress Covid related advisory work whilst our normal assurance work was temporarily paused.

Value Added

'Extra feature(s) of an item of interest (product, service, person etc.) that go beyond the standard expectations and provide something more while adding little or nothing to its cost.'



Value Added

Throughout the year, SWAP strives to add value wherever possible i.e. going beyond the standard expectations and providing something 'more' while adding little or nothing to the cost.

Savings During the Year Directly attributable to SWAP work

As part of our audit work there are sometimes occasions when we identify cash savings that are directly attributable to our work, that potentially may not have been identified by any other means. This year there has been three instances where this has been case which has resulted in an additional **£118,000** being available to the Council as a direct result of SWAP's work:

- Through our regular duplicate payments work we have been able to identify payments amounting to in excess of £40,000 of recovered duplicate payments, directly attributable to the SWAP work (see further detail below).
- SWAP was asked to undertake verification work around the additional support payments to be made to the Dorset Leisure Centres run by management companies on behalf of the Council. As a result of this work payments to two providers were reduced by in excess of £28,000.
- SWAP undertook grant certification work around claims made to central government for lost income due to Covid-19. As part of this work SWAP identified an additional £50,000 that had been omitted from the claim.

CIFAS data Matching

SWAP has paid an annual subscription of £4,650 for 2020/21 to enable Dorset Council to be part of the CIFAS. This data matching service will help the Council to both prevent and detect fraud. SWAP is working with both CIFAS and the council to facilitate data matching work in the following areas:

- Insurance – to identify whether claimants have been recorded within the database as attempting to perpetrate fraud.
- Human Resources – to identify whether existing staff or staff offered a vacant position through the recruitment process have been identified as attempting to perpetrate fraud.
- Adult Services, residential homes and domiciliary services – to identify whether contractors are continuing to claim for deceased service users.

Benchmarking

During the year we have provided benchmarking data across either the SWAP partnership or the wider reach of the Chief Auditors Network for:

- Processes around the operation of Business Grants
- Value for Money
- Corporate Criminal Offence
- Unregistered Placements
- Protection of Property
- Contract Management

In addition, as part of our audit on contract management we undertook a survey of contract managers across the Council to inform our audit work in this area.

Innovations and Enhancements to our Audit Process

During this exceptional year, we have taken the opportunity to implement and introduce a number of innovations and enhancements to our audit process. This has included:

Introducing the concept of '*Agile Auditing*' to our audit process. With increased collaboration and a joint commitment with the service under review, it is possible to complete audits faster and more efficiently. We have used this concept to complete a number of audits this year and have had positive feedback from the senior managers working with us on these reviews.

With the help of SWAP's two newly appointed Data Analysts, we are looking to include analysis of data as part of our auditing wherever possible. This allows us not only the opportunity to test whole populations of data, but where this is not possible or appropriate, to be able to use data analytics to target our testing in a more effective manner.

Introduced a new one-page audit report, that summarises all the key messages of the audit on one page for ease of consumption as well as increasing impact. Feedback on the report style has again been extremely positive.

Introduced a new continuous audit planning and risk assessment process, incorporating a 'live' audit tracker.

Identifying Duplicate Payments

Members will be aware that we have regularly reported our supportive data analytical work around duplicate payments. From last Autumn the Council introduced new software that identifies potential duplicates as part of a payment run process. This is an enhancement on SWAP’s analytical work which was always post payment and therefore required recovery of duplicate payments identified, whereas this work aims to prevent the duplicate payment being made.

To support Account Payable’s (AP) work in this area alongside the new software running potential duplicates for investigation, we also undertook our usual data analytics work at the end of the quarter 3 period. This produced pleasing results identifying just £26,584 of duplicates paid. The AP team were already aware of £26,573 of these and have recovered the majority. Work is to be undertaken to identify how these duplicates were processed. The system still relies on staff either blocking or dismissing potential duplicates highlighted by the system, so it is possible that this was human error, but when compared to the duplicate payments initially made in Q2 of £133,141 this is a significant reduction and further work will be undertaken in order to ensure that those duplicate payments did not occur as a result of a failure in the software.

SWAP intends to undertake a similar exercise at the end of this financial year and hopes to find equally promising results. Very successful work has been ongoing by AP to recover outstanding duplicate payments from previous SWAP exercises as follows:

Period	Total Duplicate Payments Identified*	Total Amount Recovered	Total Amount Outstanding
2017/18 (DCC)	£295,907.10	£293,972.70	£1,934.40
2018/19 (DCC)	£382,922.10	£382,722.10	£150.00
2019/20 (DC)	£259,577.40	£259,130.87	£446.53
2020/21 (Q1-3) (DC)	£349,705.70	£349,562.90	£142.80
TOTAL	£1,288,112.30	£1,285,438.57	£2,673.73

The amount outstanding up to the end of 2019/20 of £2,530.93 has been written off and attempts to recover the outstanding amount of £142.80 for 2020/21 will continue.

**It should be noted that the above duplicate payments identified represent an extremely small fraction of total payments processed by the Council, with the vast majority of this fraction then subsequently recovered.*

The Chief Executive of SWAP reports overall performance of the company on a regular basis to the SWAP Board of Directors.



SWAP Performance

SWAP’s performance is subject to regular monitoring and review by both the Board of Directors and Owners Board. The performance for Dorset Council for the 2020/21 year is as follows:

Performance Target	Performance Outturn
<u>Outcomes from Follow Up Audit Work</u>	
Percentage of Priority 1&2 recommendations for limited assurance audits, that remain outstanding when the follow up audit is undertaken for the whole year 2020/21 (It is possible that the pandemic will have impacted on services ability to implement audit actions at a time of significant pressure)	54% (35/65)
<u>Value to the Organisation</u>	
Client view of whether our audit work met or exceeded expectations, in terms of value to their area (average across whole year 2020/21)	98.86%

Internal audit is responsible for conducting its work in accordance with the Code of Ethics and Standards for the Professional Practice Framework 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). Both standards require an Internal and External Assessments (Standard 1300) of the Internal Audit function.

The standards require an External Assessment to be carried out at least every five years. SWAP exceeds this with an assessment undertaken every three years. The latest assessment undertaken in March 2020 found SWAP to be ‘Generally Conforming’ with the International Professional Practices Framework and the Public Sector Internal Auditing Standards (PSIAS) and is the highest level of performance awarded. A summary of the report was reported to the Audit & Governance Committee in October 2020. As a result of the External Assessment, a Quality Assessment Improvement Plan (QAIP) is produced and maintained. This document is a live document, reviewed regularly by the SWAP Board to ensure continuous improvement.

Summary of Internal Audit Work 2020/21

The schedule below contains the audit work undertaken in 2020/21, along with the respective outturn. Alternatively, to view the [live audit tracker](#) please go to the Dorset Council Teams site. By visiting the Audit Channel under files, you should be able to view all our audits on a continuous live basis.

At the conclusion of audit assignment work each review is given an Audit Assurance; a summary of the assurance levels is as follows:

- Substantial – A sound system of governance, risk management and control in place
- Reasonable – A generally sound system of governance, risk management and control in place
- Limited – Significant gaps, weaknesses or non-compliance were identified
- No Assurance – Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified

Audit Type	Audit Area	Status	Opinion	No of Rec	1 =	↔		3 =
					Major	Recommendation		Medium
					1	2	3	
Completed Work								
Operational	Public Conveniences Investigations	Final	N/A	Advice and Guidance				
Operational	Financial Support to Leisure Centres	Final	N/A	Advice and Guidance				
Operational	Financial Reconciliations	Final	Follow up	3	0	2	1	
Operational	Financial Reconciliations -Further Follow up	Final	Follow up	2	0	1	1	
Operational	School Transport	Final	Low Limited	12	4	6	2	
Operational	School Transport	Final	Follow up	2	0	1	1	
Operational	Operation of Business Grant Benchmarking	Final	N/A	Advice and Guidance				
Grant Certification	Troubled Families – Submission 1	Final	N/A	N/A				
Operational	Audit Committee Skill Assessment – Best Practice	Final	N/A	Advice and Guidance				

Summary of Internal Audit Work 2020/21

Audit Type	Audit Area	Status	Opinion	No of Rec	1 =	↔	3 =
					Major		Medium
					Recommendation		
Operational	Distribution of Redundant Laptops in Community	Final	N/A	Advice and Guidance			
Operational	One time vendors Checking Exercise	Final	N/A	Advice and Guidance			
Grant Certification	Local Enterprise Partnership	Final	N/A	N/A			
Operational	Generation and use of Surplus Car Parking funds	Final	N/A	Advice and Guidance			
Operational	Virtual School	Final	Follow up	12	3	6	3
Operational	Duplicate Payments checking Quarter 1	Final	N/A	Advice and Guidance			
Operational	Data Protection Training	Final	Medium Limited	5	0	4	1
Grant Certification	Troubled Families – Submission 2	Final	N/A	N/A			
Operational	Protection of Property	Final	Low Limited	5	0	4	1
Operational	Review of Accounts Payable Forensics Software	Final	N/A	Advice and Guidance			
Operational	Value for Money Advisory Work	Final	N/A	Advice and Guidance			
Grant Certification	Troubled Families – Submission 3	Final	N/A	N/A			
Operational	Effectiveness of Social Care Practice	Final	Follow Up	N/A	0	1	0
Operational	Whistleblowing investigation	Final	N/A	Advice and Guidance			
Operational	Debt Management	Final	Follow up	N/A	0	2	0

Summary of Internal Audit Work 2020/21

Audit Type	Audit Area	Status	Opinion	No of Rec	1 =	↔	3 =
					Major		Medium
					Recommendation		
Grant Certification	Disabled Facilities Grant Certification	Final	N/A	N/A			
Grant Certification	Troubled Families – Submission 4	Final	N/A	N/A			
Operational	Payroll	Final	Medium Substantial	1	0	0	1
Operational	Corporate Criminal Offence Benchmarking	Final	N/A	Advice and Guidance			
Operational	Transport Operators Licence	Final	Low Limited	13	0	2	11
Operational	Duplicate Payments checking Quarter 2	Final	N/A	Advice and Guidance			
Operational	Coroner's Service	Final	High Limited	7	0	5	2
Operational	Complaints Investigation	Final	N/A	Advice and Guidance			
Operational	High Cost Placements	Final	High Limited	8	0	3	5
Grant Certification	Troubled Families – Submission 5	Final	N/A	N/A			
Grant Certification	Claim for lost income as a result of COVID-19	Final	N/A	N/A			
Operational	Policy Convergence	Final	Follow up	4	0	2	2
Operational	Fostering	Final	Follow up	1	0	0	1
Operational	Whistleblowing Investigation 2	Final	N/A	Advice and Guidance			
Operational	Unregistered Placements	Final	N/A	Advice and Guidance			

Summary of Internal Audit Work 2020/21

Audit Type	Audit Area	Status	Opinion	No of Rec	1 =	↔	3 =
					Major		Medium
					Recommendation		
Operational	Portesham School	Final	Follow up	9	0	4	5
Operational	Leisure Centre Claim Validation	Final	N/A	Advice and Guidance			
Operational	Duplicate Payments checking Quarter 3	Final	N/A	Advice and Guidance			
Operational	Software Licencing	Final	Medium Reasonable	3	0	2	1
Operational	Grant Assurance Benchmarking	Final	N/A	Advice and Guidance			
Grant Certification	Troubled Families – Submission 6 and Verification	Final	N/A	N/A			
Reporting							
Operational	IR35 Compliance	Draft	Follow Up				
Operational	Management of Fraud & Reporting	Draft					
Operational	Contract Management	Draft					
Operational	Continuous Audit Accounts Payable	Draft					
Operational	Multi-Agency Safeguarding Hub	Draft					
In Progress							
Operational	Enterprise Zone	In Progress	Follow up				
Operational	CiFAS Data Matching	In Progress					

Summary of Internal Audit Work 2020/21

Audit Type	Audit Area	Status	Opinion	No of Rec	1 =	↔	3 =
					Major		Medium
					Recommendation		
					1	2	3
Operational	Insurance Strategy Benchmarking	In Progress					
Grant Certification	Covid-19 Grant Certification Tracking	In Progress					
Operational	Virtual School	Fieldwork Completed	Follow up				
Operational	Protection of Property	In Progress	Follow up				

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Dorset Council

Approach to Internal Audit Planning 2021/22

and Internal Audit Charter

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Agenda Item 6

The work of internal audit should align strategically with the aims and objectives of the organisation; taking into account key risks, operations and changes.

In order to do this Internal Audit needs to be flexible in adapting audit plans to handle rapidly changing risks, priorities and challenges.

It is the responsibility of the Senior Leadership Team, and the Audit & Governance Committee to ensure that the audit work scheduled and completed throughout the year contains sufficient and appropriate coverage of key risks.

Approach to Internal Audit Planning 2021/22

Background

Over the past year, as a result of the COVID pandemic, SWAP, like Dorset council, has had to adapt, re-prioritise, and shift focus. Whilst 2020/21 was an exceptional year, it has demonstrated the need for a fully flexible and responsive approach to audit planning. Although 2021/22 is likely to offer more stability in operations, we are looking to build on our new planning approach, ensuring that we are supporting the Council by collaboratively aligning our work to its aims, objectives and key risks. This should ensure that we are auditing the right things, at the right time; enabling us to provide insight and value when and where it is required.

Approach to Internal Audit Planning 2021/22

Our approach to internal audit planning throughout 2021/22 will be a continuous risk assessment and rolling plan approach. Rather than present a proposed annual plan at the start of the year, which is subject to a high level of uncertainty and change, we will build our plan in conjunction with management as the year progresses.

The resulting programme will be a combination of requested audit work aligned to service priorities, combined with audit work recommended by SWAP driven by our continuous risk assessment. This risk assessment will be based on the live status of both the Council's strategic and service risk registers, as well as the Council's performance management data. Overlaid onto this assessment will be SWAP's sector-wide top 10 risk areas, and consideration of the eight strands of our 'Healthy Organisation' framework. The results of our risk assessments will be shared with Senior Management in Directorates through our Audit Business Partners to obtain their view on the value of internal audit involvement. In developing risk assessments, we will also take account of other sources of assurance, where relevant.

As the year progresses, we will update the committee through our usual quarterly update report on internal audit activity. It will be through this process and through regular access to the [live audit tracker](#) that the Senior Leadership Team and Audit & Governance Committee members will be able to assess whether the audit work building throughout the year provides sufficient and appropriate coverage of key risks.

Delivery of an internal audit programme of work that provides sufficient and appropriate coverage of key risks, will enable us to satisfy our requirement to provide a well-informed and comprehensive year-end annual internal audit opinion. Our audit work is governed by our Internal Audit Charter, attached at Appendix 1.

We would encourage SLT and the Audit & Governance Committee to regularly review our live audit plan to assess our rolling internal audit coverage.

This will help to confirm:

- That the internal audit plan builds throughout the year to provide adequate coverage of the key risks faced by the organisation
- That sufficient assurance is being received to monitor the organisation's risk profile effectively; and
- That the areas included on the Future Proposed Audits remain appropriate, with an accurate priority and risk assessment.



A Rolling & 'Live' Programme of Audit Work

A 'live' record of our internal audit programme – Planned, In Progress & Completed work

Throughout 2020/21 we have developed and refined a live audit tracker document which is held on the Council's Audit, Fraud and Risk Management [Teams site](#) ('Audit' Channel > Files > Internal Audit Plan and Tracker).

This document provides an assessment of how our audit work is building throughout the year to enable SWAP to provide an annual opinion on the Council's governance, risk management and control environment. The continuous risk assessment and planning approach highlighted above, aims to ensure that we have a reasonable and equitable spread of work covering the Authority's key strategic risks.

The tracker document contains all work we have completed across the year, and any work is in progress along with the status of that work.

We also highlight within the tracker any work that has been 'Deferred' or 'Removed' from our programme of work, and the reasons for this.

The final key tab is the 'Future Proposed Audits'. This is our rolling audit plan and details audit work that we plan to undertake in future, along with an assessment of the priority and timing of that work.

SWAP Internal Audit Services is a public sector, not-for-profit partnership, owned by the public sector partners that it serves. The SWAP Partnership now includes 25 public sector partners.

Over and above our internal audit service delivery, SWAP will look to add value throughout the year wherever possible. This will include:

- Benchmarking and sharing of best-practice between our public-sector Partners
- Regular updates containing emerging issues, risks and fraud alerts identified across the SWAP partnership and beyond

As a company, SWAP has adopted the following values, which we ask our clients to assess us against following every piece of work that we do:

- Candid
- Relevant
- Inclusive
- Innovative
- Dedicated



Your Internal Audit Service

Audit Resources

The 2021/22 internal audit programme of work will be equivalent to 1,464 days, as agreed by the s151 officer and Service Manager for Assurance. This represents a reduction of approximately 254 audit days (15%) from 2020/21.

The current internal audit resources available represent a sufficient and appropriate mix of seniority and skill to be effectively deployed to deliver the expected work. Clearly with a reduction in the audit budget for 2020/21, there will be a reduction in the breadth of coverage we are able to provide. Alternative sources of assurance should be sought/ identified where internal audit coverage of key risks has not been undertaken.

The key contacts in respect of your internal audit service for Dorset Council are:

Rupert Bamberger, Assistant Director – rupert.bamberger@swapaudit.co.uk, 07720 312464

Sally White, Principal Auditor – sally.white@swapaudit.co.uk, 07823 473648

External Quality Assurance

SWAP work is completed to comply with the International Professional Practices Framework of the Institute of Internal Auditors (IPPF).

Every three years, SWAP is subject to an External Quality Assessment of Internal Audit Activity. The last of these was carried out in March 2020 which confirmed 'General Conformance' with the IPPF.

Conflicts of Interest

We are not aware of any conflicts of interest within Dorset Council that would present an impairment to our independence or objectivity. Furthermore, we are satisfied that we will conform with our IIA Code of Ethics in relation to Integrity, Objectivity, Confidentiality, & Competency.

Our Reporting

A summary of internal audit activity will be reported quarterly to Senior Leadership Team (SLT) and the Audit & Governance Committee (*as well as our 'live' audit tracker highlighted above being available throughout the year*). Our reporting to SLT and the Audit & Governance Committee will include any significant risk and control issues, governance issues, and other matters that require the attention of SLT and/or the Audit & Governance Committee. We will also report any response from management to a risk we have highlighted that, in our view, may be unacceptable to the organisation.

Dorset Council

Internal Audit Charter

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INTERNAL AUDIT CHARTER

Purpose

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

Approval

This Charter will be presented for approval by the Audit & Governance Committee on 19th April 2021 and is reviewed each year to confirm it remains accurate and up to date. It was last reviewed by the Audit & Governance Committee on 7th July 2020.

Provision of Internal Audit Services

The internal audit service is provided by SWAP Internal Audit Services (SWAP). This charter should be read in conjunction with the Service Agreement, which forms part of the legal agreement between the SWAP partners and other key documents including the Data Sharing Protocol.

The budget for the provision of the internal audit service is determined by Dorset 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 organisation, and may only be amended by unanimous agreement of the Members Meeting. The budget is based on an audit needs assessment which is reviewed each year by the Service Manager for Assurance and S151 Officer in consultation with the Chief Executive of SWAP.

Role of Internal Audit

The Accounts and Audit (England) Regulations, state that: *“A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account the public sector internal auditing standards or guidance.”*

Internal audit is an independent, objective assurance and consulting activity designed to add value and improve the Organisation’s operations. It helps Dorset 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, Audit & Governance Committee and Internal Audit

Management¹

Management is responsible for ensuring SWAP has:

- the support of management and the organisation;

¹ In this instance Management refers to the Senior Leadership Team and Statutory Officers.

- direct access and freedom to report to senior management, including the Chief Executive and the Audit & Governance Committee; and
- Notification of suspected or detected fraud, corruption or impropriety.

Management is responsible for establishing (including the tracking and implementation of Internal Audit recommendations) and maintaining internal controls, including proper accounting records and other management information and is also responsible for the appropriate and effective management of risk.

AUDIT & GOVERNANCE COMMITTEE²

The Audit & Governance Committee is responsible for approving the scope of internal audit work, receiving communications from the SWAP Assistant Director (as Head of Internal Audit³) on the progress of work undertaken, reviewing the independence, objectivity, performance, professionalism and effectiveness of the Internal Audit function, and obtaining reassurance from the SWAP Assistant Director as to whether there are any limitations on scope or resources.

Internal Audit

The SWAP Assistant Director, is responsible for determining the scope, except where specified by statute, of internal audit work and for recommending the action to be taken on the outcome of, or findings from, their work designed to provide assurance and add value.

Internal audit is responsible for operating under the policies established by management in line with good practice. A range of SWAP policies exist to underpin staff and service development, including to seek out and implement new innovative audit techniques and increase technological solutions to ensure provision of an efficient and effective service and consolidate the role of Trusted Advisor.

Internal audit is responsible for conducting its work in accordance with the mandatory elements of 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) and the CIPFA Local Government Application Note. SWAP has been independently assessed and found to conform with the Standards.

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. SWAP staff who have previously worked for the organisation will not be asked to review any aspects of their previous department's work until a minimum of one year has elapsed.

Relationship with the External Auditors/Other Regulatory Bodies

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

² In this instance, the Audit & Governance Committee relates to "The Board" referred to in the PSIAS.

³ PSIAS refers to the 'chief audit executive'.

Status of Internal Audit in the Organisation

The Chief Executive of SWAP is responsible to the SWAP Board of Directors and the Members Meeting. Appointment or removal of the Chief Executive of SWAP is the sole responsibility of the Members Meeting.

The Chief Executive for SWAP and Assistant Director also report to the Service Manager for Assurance, Monitoring Officer & Section 151 Officer, and report to the Audit & Governance Committee as set out below.

The Assistant Director will be the first and primary point of contact for the organisation for all matters relating to the Audit & Governance Committee, including the provision of periodic reports, as per company policy. The Assistant Director is also responsible for the design, development and delivery of audit plans, subject to the agreement of Dorset Council.

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 the organisation.

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

- reviewing the reliability and integrity of financial and operating information used for operational and strategic decision making, 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 and communication of risks;
- appraise the effectiveness and reliability of the enterprise risk management framework and recommend improvements where necessary;
- assist management and Members to identify risks and controls with regard to the objectives of the organisation 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 the organisation 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, with performance and accountabilities established.
- reviewing the operations of the organisation in support of their anti-fraud and corruption policy, ethical expectations and corporate values (and investigating where necessary) ethical expectations and corporate, social and environmental values and responsibilities; and.

- at the specific request of management, internal audit may provide consultancy services (including e.g. data analytics, benchmarking, strategic/project reviews/investigations etc) provided:
 - the internal auditor's independence is not compromised
 - the internal audit service has the necessary skills to conduct the assignment, or can obtain such skills without undue cost or delay
 - the scope of the consultancy assignment is clearly defined and management can resource the work.management understand that the work being undertaken is not internal audit work although the outcomes may contribute to the annual opinion.

Planning and Reporting

SWAP will develop an internal audit plan with Management and the Audit & Governance Committee for approval, which will be produced with reference to current and emerging risks. The plan will be reviewed on a continuous basis to ensure it remains relevant and adequately resourced.

SWAP will carry out the work as agreed, report the outcomes and findings both during and on completion of reviews, and agree actions to be taken with appropriate officers; copied to the S151 Officer. SWAP will present a regular summary of their work to Management and the Audit & Governance Committee, including assessing the organisation's implementation of previous actions along with any significant, persistent and outstanding issues.

Internal audit reporting will normally comprise a brief presentation to relevant officers, accompanied by a written report, with the format tailored as necessary to the nature of the work. The report will also be copied to the Section 151 Officer and to other relevant management.

The Assistant Director will submit an annual report to the Audit & Governance Committee providing an overall opinion of the status of risk and internal control within Dorset Council, based upon, and limited to, internal audit activity conducted during the previous year.

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

Revised September 2020

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Audit and Governance Committee 19 April 2021 Annual Governance Statement

For Review and Consultation

Portfolio Holder: Cllr S Flower, Leader of the Council

Executive Director: J Mair, Corporate Director, Legal & Democratic

Report Author: Marc Eyre

Title: Service Manager for Assurance

Tel: 01305 224358

Email: marc.eyre@dorsetcouncil.gov.uk

David Trotter

Risk & Resilience Officer

01305 228692

Report Status: Public

Recommendation: The Committee is asked to consider and comment on the revised draft Annual Governance Statement (AGS) for 2020-21

Reason for Recommendation: Approval and publication of an Annual Governance Statement by the Council is a statutory requirement and provides evidence that Dorset Council maintains high standards of governance and addresses significant shortcomings and risks.

1. Executive Summary

The Accounts and Audit (England) Regulations 2015 require a body such as the Council to “approve an annual governance statement, prepared in accordance with proper practices in relation to internal control.” The attached draft Annual Governance Statement (AGS) for 2020-21 sets out key features of the governance framework in place in the Authority and provides a review of its effectiveness. It has been prepared in line with the recommendations published by CIPFA and SOLACE, which were revised in 2016. It should be noted that the Local Code of Corporate Governance and schedule of High risks are included as Appendices to the Annual Governance Statement.

The “Review of Effectiveness” within the draft AGS is informed by the Council’s Local Code of Corporate Governance Compliance Assessment 2020-21 (Appendix A). The AGS also discusses those risks that are contained in the Councils Corporate Risk Register which are classified as ‘high’ and, as such, represent potential significant governance issues that the Council is currently facing and actively seeking to address. The risk

registers will be included within the final document and will follow the format used within the appendices for the Risk Management report elsewhere on this agenda.

Under the regulations, the accounts are not approved by the Council (or the Committee to which the responsibility is delegated) until after the external audit has been carried out. At this stage this draft allows members an early view and an ability to inform the content. Final adoption of the AGS will take place, alongside the accounts, by the Council and any areas of improvement will be identified. The final statement will be signed by the Council Leader and Chief Executive. As the AGS must reflect any significant issues that arise prior to its final approval, if necessary, subsequent amendments will be made to the draft document to reflect them and reported to this Committee.

2. Financial Implications

There are no budget requirements arising directly from this report. The overall financial position of the Council is one of the significant issues covered in the AGS. Addressing other issues identified in the compliance assessment or the AGS may have budgetary implications, which will be considered in the relevant action plans.

3. Well-being and Health Implications

None.

4. Climate implications

None

5. Other Implications

The “Review of Effectiveness” within the draft AGS explains any significant governance issues facing the Council.

6. Risk Assessment

The AGS references risks on the Council’s corporate risk register which have been assessed as being HIGH.

7. Equalities Impact Assessment

Considering equalities issues is a key aspect of good governance, but there are no equalities issues arising directly from this report.

8. Appendices

9. Background Papers

Footnote:

Issues relating to financial, legal, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.

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Annual Governance Statement 2020-21

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Good Governance is about how the Council strives to do the right things, in the right way and for the benefit of the residents it serves.

PLEASE NOTE THAT MUCH OF THE DETAIL ON HOW YOUR COUNCIL OPERATES CAN BE FOUND IN THE LOCAL CODE OF CORPORATE GOVERNANCE THAT SUPPORTS THIS STATEMENT

Supported by:

Appendix A – Local Code of Corporate Governance

Appendix B – Summary of High Corporate - Service Risks

Foreword: Dorset Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards. It needs to ensure that public money is safeguarded, properly accounted for, and used economically, efficiently, and effectively. The Accounts and Audit Regulations (2015) require the Council to conduct a review, at least once a year, on the effectiveness of its system of internal control and include an Annual Governance Statement reporting on the review with the Statement of Accounts.

Please note that this document is the second Annual Governance Statement for Dorset Council, following its inception on 1 April 2019. The CIPFA/SOLACE Delivering Good Governance publication (2016) defines the various principles of good governance in the public sector and this document sets out seven core principles that underpin the governance framework.

Dorset Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and used economically, efficiently, and effectively. The Council also has a duty under the Local Government Act 1999 to decide to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency, and effectiveness.

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Matt Prosser
Chief Executive
Dorset Council



Cllr Spencer Flower
Leader
Dorset Council

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1. Key Elements of the Council's Governance Framework

- 1.1 In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions. The Governance Framework is comprised of the systems and processes, and culture and values, by which the Council is directed, and its activities through which it is accountable to, engages with and leads the community.
- 1.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The process of review and monitoring of governance arrangements across Dorset Council is an ongoing process with updates provided throughout the year to stakeholders. The outputs from this process have also been a primary source of information for the preparation of the Annual Governance Statement (AGS). This Statement explains how the Council has complied with The Code and meets the requirements of Accounts and Audit (England) Regulations 2015 regulation 6, in relation to conducting a review of the effectiveness of the system of internal control and the publication of an annual governance statement.

2. Overview of Dorset Councils Governance framework

- 2.1 The sections below provide an overview of the Councils key governance arrangements.

Council, Cabinet and Leader	<ul style="list-style-type: none"> • Provide leadership, approve the budget, develop, and set policy • Approve the Constitution which sets out how the council operates • Agree Council Plan priorities, developed in consultation with residents and stakeholders
Decision making	<ul style="list-style-type: none"> • All decisions made in compliance with law and council constitution • All committee meetings are accessible to public, other than for exempt business • Decisions are recorded on the council website
Scrutiny and review	<ul style="list-style-type: none"> • The Scrutiny Committee structure review council policy and challenge decisions. • The Audit and Governance Committee reviews governance and promotes and maintains high standards of conduct by councillors
Risk Management	<ul style="list-style-type: none"> • A risk management policy and strategy set out a clear approach to management of risks • Risk registers identify strategic, operational and project risks

3. Leadership

- 3.1 Senior Leadership Team - Head of Paid Service is the Chief Executive and is responsible for all council employees and serving an effective county organisation. Executive Director for Corporate Development is the Council's Section 151 Officer and is responsible for safeguarding the Council's financial position and ensuring value for money. The Corporate Director (Legal and Democratic Services Monitoring Officer) who is responsible for ensuring legality and promoting high standards of conduct in public life. Under Section 18(2) of the Children Act 2004, Local Authorities in England have a duty to appoint a Director of Children's Services. Local Authorities in England are also required to appoint a Director of Adult Services. The Council's Constitution is updated throughout the year and sets out how the Council operates. It states what matters are reserved for decision by the whole Council, the responsibilities of the Cabinet and the matters reserved for collective and individual decision, and the powers delegated to panels, committees, and partners. Decision making powers not reserved for councillors are delegated to chief officers and heads of service. Elected members scrutinise decisions made by the Cabinet, and those delegated to officers, and review services provided by the Council and its partners.
- 3.2 The Council's committee structure as set out in the Constitution was reviewed by Full Council on 18 February 2020 and replaced the four overview and scrutiny committees with two overview committees and two scrutiny committees. The Council's overall policy is represented through the Council Plan which was formally adopted by Full Council on 18 February 2020. The plan developed alongside the budget through consultation with residents and other stakeholders in the county, and which sets out how Dorset Council priorities will be delivered. We understand that effective performance management relies on close monitoring and assessment of a variety of measures from across the Council. These range from the highest-level strategic measures – the council's key performance indicators (KPIs), through to the multitude of lower level metrics and measures which support individual services and teams. Strategic level outcomes associated with measuring the successful delivery of the council plan and oversight of the Council's overall performance. The strategic reporting consists of:

Quarterly reporting	<ul style="list-style-type: none"> Progress with the Dorset Council Plan to the Corporate Leadership Team and the Cabinet
Balanced scorecard reporting	<ul style="list-style-type: none"> Service performance: monthly to Corporate Leadership Team; monthly to Performance Leadership Group (executive directors and portfolio holders); and quarterly to the Place and Resource Overview Committee and the People and Health Overview Committee
Quarterly risk management and internal audit updates	<ul style="list-style-type: none"> Audit and Governance Committee. The Committee has an assurance role on this overarching framework and will refer any areas of high-level concern to the appropriate overview committee.

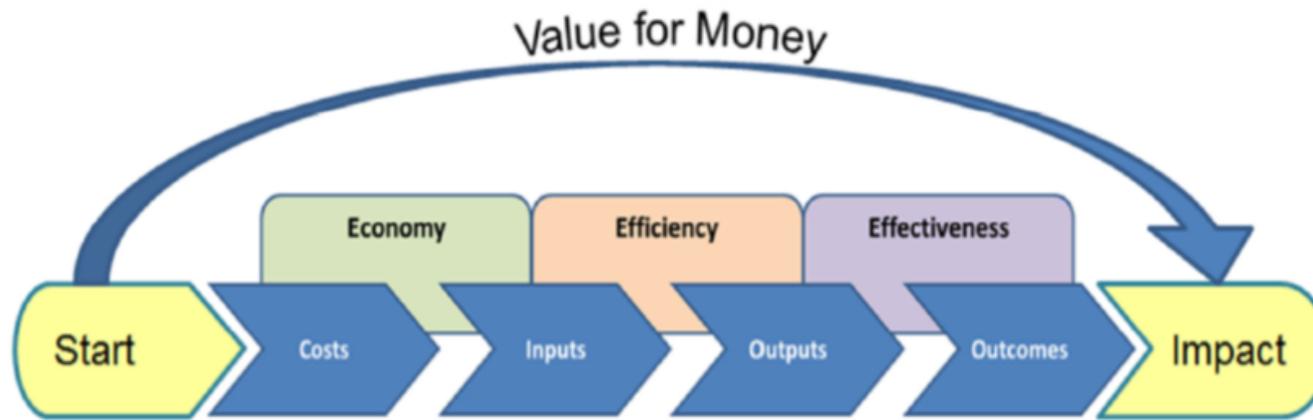
- 3.3 Service level reporting provides monthly management information in a range of formats determined by the senior leadership teams of each of the Council's directorates: People – Adults and Housing; People – Children; Place; and Corporate Development.
- 3.4 To measure our performance, it is important to recognise that we carefully consider, amongst other things: statutory requirements, priorities, resources and how we compare to other places. We continue to strive to be open and transparent, and in line with our efforts to maximise the value in our business intelligence and information. The council provides a performance dashboard using a Power BI application that helps to provide an insight into council activities that build on a data collection database from services that feed into an overall reporting system. Work continues to further develop the performance dashboard and the hope is to link into Power Bi and create a multifunctioning evidence and supporting database.
- 3.5 Statutory performance (including reporting to agencies and partners) need to be returned to central government as part of the statutory reporting process - this type of information is useful for benchmarking against other authorities operating in statistically comparable populations. The framework makes use of a reporting by exception process whereby measures which are identified as off-track require explanation from accountable managers. This will require:
- an explanation of why a target is off-track
 - an action plan identifying how this will be rectified
 - a timeline for returning to within tolerance (path to green)
 - an accountable officer

These actions are tracked through a dedicated action tracking process with regular status updates at subsequent performance meetings. New actions will be identified as part of the performance management meeting and added into the tracking process.

- 3.6 The Council has a whistleblowing policy, which encourages employees and other concerned parties to report any instances of suspected unlawful conduct, financial malpractice, or actions that are dangerous to the public or environment. The Council expects the highest standards of conduct and personal behaviour from councillors and employees. These standards are defined and communicated through codes of conduct, protocols, and other documents.

- 3.7 The Council's financial management arrangements conform with the governance requirements of the CIPFA "Statement on the Role of the Chief Financial Officer in Local Government" (2010) as set out in the "Application Note to Delivering Good Governance in Local Government: Framework". The Chief Financial Officer (performed by the Executive Director for Corporate Development) has statutory responsibility for the proper management of the Council's finances and is a key member of the leadership team. The Council's assurance arrangements conform with the governance requirements of the CIPFA "Statement on the Role of the Head of Internal Audit in Public Service Organisations" (2010).
- 3.8 We recognise that Risk Management is an essential part of delivering good governance and reduces the uncertainty of achieving outcomes as set out in the Council Plan. The Council remains committed to driving the organisation forward to achieve a risk aware culture and in doing so Dorset Council has identified ways to manage risk which enable us to make effective decisions to meet the Council's aspirations and to further safeguard the Council's assets. Effective risk management is essential for a Council to demonstrate that it is acting in the best interests of its residents.
- 3.9 When risks are identified, an agreement takes place on how they will be managed and mitigated and keep the Council's risk profile under review and satisfied that management's systems include appropriate controls, and that it has adequate sources of assurance. It is acknowledged that with such systems in place it will not eliminate all risks, but having systems, mitigations and controls will help to provide a robust process that considers any such risks. The council has appropriate arrangements in place to deal with fraud and corruption risks and is committed to maintaining its vigilance to tackle fraud.
- 3.10 Dorset Council continues to work to better embed and help raise awareness of the principles of risk management and to assist officers, at all levels, in applying sound risk management principles and practices. Work continues to develop the council stance towards risk management to better assist colleagues, at all levels, in applying sound risk management principles and practices. Reports are received by the Audit and Governance Committee on a quarterly basis.
- 3.11 Risk update reports provide a quarterly view on HIGH risks identified across all services, with separate schedules for Adults and Housing, Children's Services, Corporate Services and Place Services. A summary page (Snapshot on Performance) also helps to provide focus on all the services with a series of graphs and headline statements.

- 3.12 The Council continues to develop its value for money framework. With scarce resources, it is recognised to be essential that the council ensures that it secures best value for all its expenditure. Value for money considerations are implicit in a range of routine council activities such as budget setting, budget monitoring and contract management. A value for money framework sets out how to develop value for money service benchmarking across the council. A key piece of work will be the drive to benchmark services across the council to identify strong and weak areas of performance and cost. This will enable a prioritisation exercise to deliver a timeline for fundamental service review.
- 3.13 Local Government bodies, auditors are required to give a conclusion on whether the council has proper arrangements in place to secure value for money and guidance identifies one single criterion for auditors to evaluate:
- 'In all significant respects, the audited body takes properly informed decisions and deploys resources to achieve planned and sustainable outcomes for taxpayers and local people.'
- 3.14 Those risks requiring audit consideration and procedures to address the likelihood that proper arrangements are not in place at the council to deliver value for money. Dorset Council has experienced reductions in grant funding and limited increases in its council tax and business rates precept income in recent years together with pressures surrounding Covid 19 and EU Exit. At the same time, the council has been experiencing cost pressures in relation to the range of services it delivers and uncertainty over future funding. The council is nevertheless obligated, under statute, to set a balanced budget for each financial year and has an internal policy to maintain positive reserves and deliver its efficiency plan. Our view is therefore that delivery of financial plans and future sustainability is a key Value for Money risk. Local government in Dorset has undergone a huge change with the county's nine councils being replaced by two entirely new organisations. This resulted in a reduction in costs by cutting duplication. The money saved is being reinvested into important services for residents including housing, road maintenance, schools, social care, and waste collection. You can find out more about these changes and what it means for you at [Dorset Council](#) External Audit review and report on the Council's financial statements (including the Annual Governance Statement) and provide an opinion on the accounts together with the use of resources including providing a value for money opinion.



4. COVID-19

4.1 We are all now painfully aware the Covid-19 is a new strain of the coronavirus that was first identified in Wuhan City, China in December 2019. The virus has spread rapidly prompting the World Health Organization’s declaration that this is a pandemic and a public health emergency of international concern. The Covid-19 pandemic has significantly impacted Dorset Council and our residents, requiring us to change the way we deliver services, and driving the creation of new services to meet the needs of Dorset residents. During 2020 Dorset Council had had a significant role in responding to the Covid-19 outbreak, as a Category One responder under the Civil Contingencies Act. This has resulted in some temporary changes to governance arrangements, including postponement of some Committee meetings, and prioritisation of service delivery to cope with changing demand. Dorset Council continues to work with NHS partners to take all the necessary steps to contain and delay the virus to ensure we are well prepared for any potential spread.

4.2 The Council shared messages with the workforce and residents as to how they can help minimise the spread of germs and the Coronavirus in Dorset. It is important to note that NHS services and Public Health were prepared for outbreaks of infectious diseases such as COVID-19. Dorset Council was also well prepared. The Council put in place a set of emergency governance measures to monitor and respond to the Covid-19 pandemic, which has very quickly had an extraordinary impact across the Council, our services, residents and communities, these measures are outlined below:

- In line with national Emergency Management protocol, Dorset implemented its Gold –Silver command structure to facilitate clarity on roles and responsibilities and the quick implementation of activities in response to the emergency. This has also given clarity to local, regional, and national stakeholders and counterparts to ensure a joined-up response with others.
- The Council enacted its business continuity processes, identified its essential services, and prioritised the minimum level of resources required to provide them. During 2020-21 the Council participated in a range of exercises to demonstrate how it continues to respond to Covid-19 and the
- delivery of core Council services.
- Within days of lockdown arrangements, the Council was able to ensure that the majority of the workforce were able to work from home, utilising digital tools such as Microsoft Teams, which has been an essential element in our ability to continue to respond quickly, stay in touch with the workforce, and ensure essential meetings could continue with relatively few issues. During this period, all employees and elected members have been able to work from home safely and securely.
- In addition, in line with the business continuity planning arrangements, the Council implemented measures whereby only key or essential workers would need to work from an office or building location. The Council also implemented shielding arrangements for those employees at high risk.
- The Communications service has been fully mobilised to ensure communications through all channels to support public health advice / information and council service and support information to reach audiences externally and internally. The approach helped to quickly identify and understand our resident's needs, tailoring services to meet these changing needs, whilst ensuring that key issues and challenges are identified and managed.
- Local Resilience Forum Recovery Group is now meeting, chaired by Dorset Council's Executive Director for Place.

4.3 In-line with the Council's approach to the management and preparation for the UK's exit from the EU, Dorset undertook a pro-active approach to ensuring that it continued to manage, coordinate and communicate activity as effectively as possible – working around the specific challenges that Covid-19 presented. The Council recognises that the Covid-19 crisis has had a significant financial impact and will have a long-term effect on the level of resources available to the Council.

4.4 In response to the Covid-19 emergency, the Government announced financial support packages for small businesses, and those in the retail, hospitality, and leisure sectors. The support took the form of two grant funding schemes: The Small Business Grant Fund (SBGF) and the Retail, Hospitality and Leisure Grant Fund (RHLG). Local authorities were responsible for administering these schemes, and the Government have committed to providing the funding for these payments. As we move forward we will continue to analyse the impact of Covid-19 and understand how the pandemic has impacted our strategic priorities as highlighted within the Council Plan, we will need to understand and manage a variety of impacts, including financial, service delivery, and health and wellbeing.

- 4.5 Workforce arrangements continue to be reviewed on a constant basis, and as guidance is updated, frequent communications and FAQ's are issued. A specific electronic update for members and staff continues to be produced via the Communications Department and Chief Executive on a regular basis. Information and support are provided explaining health messages and activity being carried out to tackle the pandemic and including contact information. This work was done in conjunction with colleagues in the CCG to ensure health and well-being was at the forefront of the communications approach.
- 4.6 Dorset Council have been able to identify and seize the opportunities that arose by embracing new ways of working and delivering services to ensure good governance, decision making and transparency whilst maintaining critical services and supporting our partners across the whole of the public sector community. Notably however, is the impact Covid 19 has had on our local communities including our business and economic community and this forms part of the ongoing works of the Local Resilience Forum Recovery Group. Work continues to mitigate the impact in these areas. The Council remains committed to ensuring adequate resources are provided to address the opportunities, challenges, and issues Covid 19 presents.

5. EU Exit

- 5.1 Following the exit of the United Kingdom (UK) from the European Union (EU) 31 January 2020, the UK and the EU entered a transition period for the negotiation of the future relationship. This transition period ended on 31 December 2020 and a trade deal was reached. The UK left the EU on 31 January but has benefited from continued membership of the single market and customs union over the last year. The end of the transition period has brought about widespread changes for British businesses and citizens, as a new chapter in the country's relationship with its neighbours begins. The Council operated an EU Exit Group to concentrate on relevant preparations.
- 5.2 Whilst there has been no legal cliff edge in January as most EU rules and laws have or will be converted into UK law, there are other changes for councils including new responsibilities for regulatory services, possible changes in data governance and proposals for new UK migration rules which have a bearing on staff recruitment processes. The Cabinet Office has also taken the opportunity of EU Exit to review EU procurement law and is seeking greater local flexibilities in these processes. In line with Government guidance Dorset Council has provide information about the EU Settlement Scheme for EU citizens living in the area. It has sought to ensure awareness of the Scheme and to signpost EU citizens requiring further information or advice to Citizens Advice Bournemouth, Christchurch and Poole who are providing a EUSS support service across both the Dorset Council and BCP council areas, their contract has recently been extended by the Home Office to March 2021.

- 5.3 Regular communications about the EU Settlement Scheme was shared internally for Dorset Council employees, encouraging them to register and use the services of Citizens Advice if necessary. Where appropriate looked after children and care leavers who would need to apply for settled status are supported by Children's Services to do so.
- 5.4 A huge amount of work has been done at national level to ensure a usable legal framework is in place to regulate businesses in respect of the supply of food and consumer goods. Dorset Council's Trading Standards and Environmental Health Officers remain conversant with legal changes to support local business and ensure compliance. A significant additional burden will fall to the Food, Safety and Port Health Team with them needing to issue Fish Export Health Certificates to allow Dorset fish exporters, notably two major ones, to sell every consignment they export to the EU. Officers will also have to initially inspect and register all fishing vessels used to catch fish that goes to other UK distributors that export.
- 5.5 Public Procurement Rules Reforms are being undertaken by the Government Cabinet Office with the aim to establish a new, more simplistic, UK procurement law based on Government Procurement Agreement (GPA) as set by the World Trade Organisation (WTO). It is currently anticipated that any new UK procurement law will not be in place until 2024. The UK public sector remains and will continue to remain under any new UK procurement law, bound by the GPA which opens £1.3 trillion in public procurement opportunities in more than 48 countries to British businesses. It is the intention that the Council will explore any opportunities that arise because of any change to public sector procurement.

6. Our Behaviours

- 6.1 There are [four behaviours](#) that Dorset Council expects every employee to demonstrate. All employees are encouraged to lead by example to encourage and inspire each other through these behaviours. This framework has been designed to aid discussions across Dorset Council, to help all work towards a positive workplace culture. The behaviours we demonstrate, the attitudes we hold and the approaches we take at work are key to the success of Dorset Council and our vision to be an employer of choice. We recognise that our people make our organisation, which is why our behaviours have been developed in partnership with members of our Employee Forum. Behaviours are the attitudes and approaches we bring to our work. They include how we do things; what we say and how we say it; how we treat people; and how we expect to be treated.

7. Key Achievements during 2020-21

7.1 The Council continued to carry out significant transformation and restructuring as it began to harmonise the services inherited from the predecessor councils. These achievements included:

5G Rural Dorset	Won a £4.5m grant for 5G Rural Dorset project
Road Safety Weymouth	£1.1m secured in Government funding to improve road safety in Weymouth
Recognised Awards	<p>We won a national award for work to inform residents of the Dorset Council merger</p> <p>Five Dorset parks and green spaces were awarded a Green Flag</p> <p>Won the Digital Skills Award at the Connected Britain Awards</p> <p>The Family Information Service won a national award for their Family Information Directory</p> <p>LGC Awarded both Dorset Council and BCP for works to create two unitary authorities</p> <p>Assets and Property Team won an award for the exterior lighting of Wimborne First School</p> <p>Building Control team received national recognition</p> <p>At the National Visit England Awards colleagues at Durlston Country Park received Gold in the Accessible and Inclusive Tourism category</p>
Homelessness	Received funding from the Government's Next Steps to Accommodation programme to help tackle homelessness in Dorset
Digital Technology	Dorset residents registered for Festival of The Future to learn about the benefits of digital technology
Safer Homes	Signed a five-year contract to deliver innovative care technology services to support and help people stay safely in their homes

COVID Support	<p>Supported residents, businesses, vulnerable people and provided essential services - 250 colleagues were redeployed to help deal with the crisis</p> <p>Shifted committee meetings online to keep the democratic processes running</p> <p>Thousands of pieces of office equipment were delivered to employees at home</p> <p>Delivered food, prescriptions, and PPE</p> <p>Ensured that children and young people travelled to and from school safely and supported families with free school meals</p> <p>Reconditioned more than 250 laptops for children and young people</p> <p>Community Shield work with volunteers helped Dorset Council to respond to thousands of calls and emails, and kept in touch with those who were shielding</p> <p>Successfully launched a click and collect service at our libraries</p> <p>Kept children active through lockdown and organised a Summer in Dorset activity programme</p> <p>Thanks to the launch of the Digital Hotline, volunteers helped more than 550 people get online.'</p> <p>Conducted socially distanced weddings</p> <p>Distributed grants to support local businesses</p> <p>Launched an appeal to give coats and PJs to children who need them</p>
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Independent Living	Opened relocatable housing units in Wareham to help adults with learning difficulties, disabilities and the homeless live independently Converted the old Sturminster Newton Social Services offices into 18 new independent living flats for adults with learning needs
Road Network	Received a £9.1m from the Department for Transport (DfT) to help improve the condition of Dorset roads
Low Carbon Dorset	Secured an additional £5m to extend the Low Carbon Dorset Programme

8. Review of Effectiveness

8.1 The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded, properly accounted for, and used economically and efficiently. The governance framework comprises the rules, procedures, systems, and processes by which the Council is controlled. The quality of governance arrangements underpins the levels of trust in public services and is fundamental to the Council's statutory and democratic obligations. Good governance allows the council to be clear about how it discharges its responsibilities and to show this for members, partners, and residents. As mentioned above the council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The system of internal control is a significant part of the framework and is designed to ensure risks are managed within the Council's appetite. We cannot eliminate all risk of failure to achieve policies and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness.

8.2 The effectiveness of the framework is monitored and assured through routine performance monitoring and by internal and external audit. The key elements of the review of effectiveness are:

- The Council's internal management processes, such as performance monitoring and reporting; the employees performance appraisal framework. My ROAD map is the framework in place to support employees and managers to hold good conversations. Objectives can be prepared before each 1-1 to help reflect on achievements and career goals.
- The Local Code of Corporate Governance Self-Assessment, confirming that the Code of Conduct, Financial Regulations, and other corporate governance processes have operated as intended within services throughout the year

- Corporate, Service and Project Risk Registers which identify significant exposures together with action plans intended to bring the level of risk down to an acceptable level. The work of the audit and governance committee which includes responsibility for monitoring the development and operation of corporate governance in the council
- Quarterly Audit Improvement monitoring reports, Annual Internal Audit Reports and External Audit (ISA260), reviews by external inspection regimes (such as Ofsted and optional peer challenges). The Internal Annual Audit Opinion for 2020-21 identified two significant risks (virtual school; Home to school transport). It is noted that the significant risks are believed to have been mitigated but some further actions remain outstanding.



9 What actions have been taken in response to 2019-20 Annual Governance Statement

- 9.1 The mandatory e-learning module for General Data Protection Regulations has been redeveloped and further promoted. Completion rates are now subject to a reporting KPI. Completion rates remain low and further work is underway to resolve this. A further action is reflected within the 2020-21 action plan.
- 9.2 The finance team have progressed work on developing a Corporate Criminal Offence policy. Ownership has passed to the Service Manger for Assurance to embed as part of the wider framework of fraud related policies and training. The whistleblowing policy has been subject to wider promotion but a further action is reflected within the 2020-21 action plan to address internal audit findings from March 21.
- 9.3 2019-20 has seen significant improvements made to the risk management reporting process, including links to the performance framework. Ownership for service risks are clearly defined.
- 9.4 A series debrief sessions continue to be held to capture lessons learnt during the Covid-19 response, both at a Council and Local Resilience Forum level. Regular exercises have been held on specific scenarios to provide assurance over the Council and partners ability to respond.
- 9.5 The Peer Review implementation plan is actively monitored.

10 What actions will be taken in response to this 2020-21 Annual Governance Statement

- 10.1 Specific opportunities for improvement in governance and internal controls identified as part of the assurance processes have been addressed or are included in action plans for the relevant managers. Focus will be placed on the following issues during 2020-21 as we continue the journey following the transition into Dorset Council.
- 10.2 A March 21 internal audit on Fraud and Whistleblowing has identified Priority 2 actions. These will be addressed by the Fraud task and finish group, with a focus on training.
- **Action** – Service Manager for Assurance.

10.3 The format of future committee meetings will be subject to further discussion, once there is clarification on legislation post May 21.

- **Action** – Service Manager for Electoral and Democratic Services.

10.4 Dorset Operations Group to manage and focus on Summer planning.

- **Action** – Covid Silver

10.5 Compliance with mandatory data protection training remains low (circa 40%). The training module has been improved and further communication and monitoring established, including a KPI on compliance.

- **Action** – Service Manager for Assurance.

10.6 Following local government organisation and transition into Dorset Council, time is right to undertake a thorough assurance mapping exercise.

- **Action** – Service Manager for Assurance

11. Approval of the Annual Governance Statement 2020-21

The Council is satisfied that this statement provides a substantial level of assurance that good governance is in place in Dorset Council and that appropriate arrangements are in place to address improvements in our review of compliance. Progress on these improvements and on addressing any mitigating the risks will be monitored through the year by senior officers and elected councillors of Dorset Council.

Supported by:

Appendix A – Local Code of Corporate Governance

Appendix B – Summary of “High” Service Risks

Foreword - Dorset Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards. It needs to ensure that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. The Accounts and Audit Regulations (2015) require the Council to conduct a review, at least once a year, on the effectiveness of its system of internal control and include an Annual Governance Statement reporting on the review with the Statement of Accounts.

1. Good Governance in the Public Sector

1.1 In 2014, the Chartered Institute of Public Finance and Accountancy (CIPFA) and the International Federation of Accountants (IFAC) collaborated to produce The International Framework: Good Governance in the Public Sector. The diagram (table 1) illustrates the core principles of good governance in the public sector and how they relate to each other: Principles A and B permeates implementation of principles C to G. The Framework sets the standard for local authority governance in the UK. The purpose of the Framework is to assist authorities individually in reviewing and accounting for their own unique approach, with the overall aim to ensure that:

- Resources are directed in accordance with agreed policy and according to priorities
- There is sound and inclusive decision making
- There is clear accountability for the use of those resources to achieve desired outcomes for service users and communities

2. Corporate Governance

2.1 Corporate governance is about how we ensure that we are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. Good governance means that we have the right systems, processes, cultures and values in place, to ensure that we account to, engage with and, where appropriate, lead our communities. It also means that our elected members and staff will conduct themselves in accordance with the highest standards of conduct. We are committed to effective corporate governance.

- 2.2 Dorset Council embraces the following three over-arching elements of good corporate governance and continually works to ensure that they underpin the delivery of the services:
- Openness and inclusivity - being open through consultation with stakeholders providing access to accurate and clear information. To ensure that all can engage effectively with the decision-making processes and actions of Dorset Council.
 - Integrity - based upon honesty, selflessness and objectivity. High standards of propriety and transparency in the stewardship of funds and management of the council's business.
 - Accountability - members and officers are responsible for their decisions and actions.
- 2.3 Dorset Council remains committed to the principles of good corporate governance and confirms its ongoing commitment and intentions through the development, adoption, monitoring and maintenance of its code of corporate governance. The council recognises that achieving high standards of corporate governance encourages stakeholders to have confidence in the authority and helps to enable the council to undertake its leadership role.
- 2.4 The chief executive and leader will prepare the annual governance statement as part of the annual statement of accounts giving their opinion on whether the corporate governance arrangements are adequate and are operating effectively.
- 2.5 The council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. In discharging this accountability, members and senior officers are responsible for putting in place proper arrangements for the governance of the Council's business and the stewardship of the resources at its disposal. It requires having in place a framework of overarching strategic policies and objectives underpinned by robust systems, processes and structures for delivering these.
- 2.6 We recognise that the delivery of our strategic policies and objectives cannot be done in isolation. We continue to engage with other statutory bodies and the voluntary and community sector as well as private companies commissioned to deliver services. As such Dorset Council has an interest in ensuring that these partners have in place good governance arrangements.

**Achieving the Intended Outcomes
While Acting in the Public Interest at all Times**

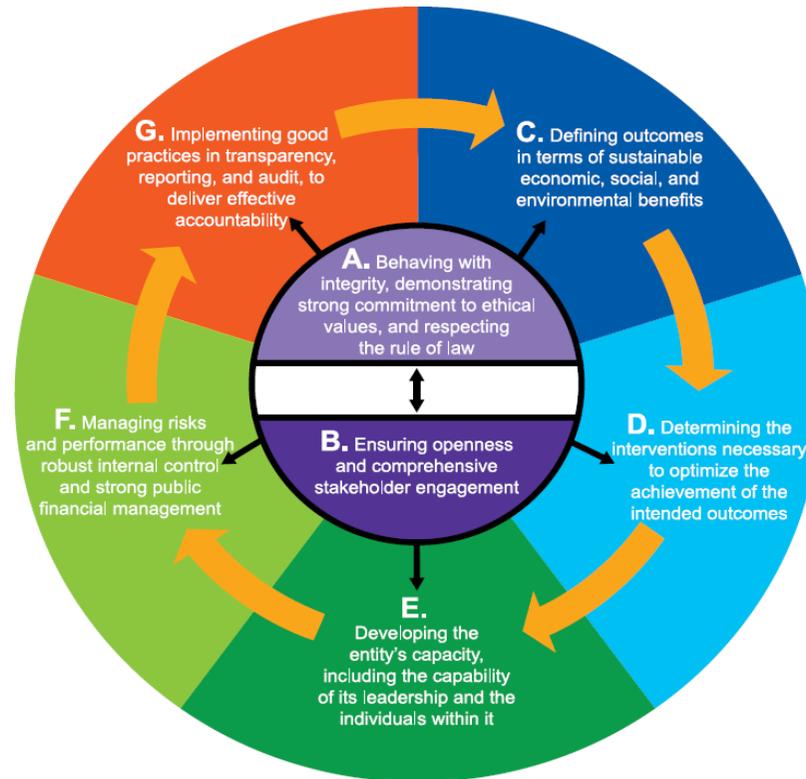


Table 1 - Dorset Council is committed to the seven core principles of good practice contained in the CIPFA framework. To confirm this, we test our governance arrangements by developing and maintaining an up-to-date local code of governance, including arrangements for ensuring ongoing effectiveness. Our Local Code has been written to reflect the Council's own structure, functions, and the governance arrangements in existence. It's comprised of the policies, procedures, behaviours, actions and values by which the Council is controlled and governed. Reviewing existing governance arrangements. The Council will monitor its governance arrangements for their effectiveness in practice and will review them on a continuing basis to ensure that they are up to date.

2.7 This review will include an assessment of the effectiveness of the processes contained within the Local Code and includes annual assessments:

- Departments' and corporate reviews of assurance arrangements - Internal Audit Annual Report including an opinion on the risk, governance and control environment and framework
- The opinions of other review agencies and inspectorates, including governance issues via ad hoc cases / disciplinary issues, police investigations

Reporting publicly on compliance with our own code on an annual basis and on how we have monitored the effectiveness of our governance arrangements in the year and on planned changes. Regulation 6(1)(a) of the Accounts and Audit Regulations 2015 requires the Council to conduct a review at least once in a year of the effectiveness of our systems of internal control and include a statement reporting on the review with our published statement of Accounts. This is known as the Annual Governance Statement.

2.8 The Chief Executive and Leader of the Council certify the Annual Governance Statement to accompany the Annual Accounts which will assess how the Council has complied with our Local Code. An opinion on the effectiveness of the Council's governance arrangements will be provided together with details of how continual improvement in the systems of governance will be achieved.

Dorset Council’s Local Code is based on the following principles which we are always working towards with the overall aim of ‘Achieving the intended outcomes while acting in the public interest

Principles	
A. Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of the law	
Sub-Principals	
<ul style="list-style-type: none"> • Behaving with integrity • Demonstrating strong commitment to ethical values • Respecting the rule of law 	
Dorset Council’s commitment to achieving good governance:	
To behave with integrity:	
<ul style="list-style-type: none"> • Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation; • Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood; • Leading by example and using the above standard operating principles or values as a framework for decision making and other actions; • Demonstrating and communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively 	Evidenced by: <ul style="list-style-type: none"> • Dorset Council constitution; • Scheme of Delegation; • Contract Standing Orders; • Officer and member codes of conduct; • Anti fraud and corruption strategy; • Complaints policy
To demonstrate strong commitment to ethical values	
<ul style="list-style-type: none"> • Seeking to establish, monitor and maintain the organisation's ethical standards and performance; • Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation; 	Evidenced by: <ul style="list-style-type: none"> • Whistleblowing policy • Procurement strategy • Equality plan; • Job evaluation scheme;

<ul style="list-style-type: none"> • Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values; • Ensuring that external provider service on behalf of the organisation are required to act with integrity and in compliance with ethical standards expected by the organisation 	<ul style="list-style-type: none"> • Protocol for officer and member relations; • Behaviour framework; • Audit & Governance Committee
<p>To respect the rule of law</p>	
<ul style="list-style-type: none"> • Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations; • Creating the conditions to ensure that the statutory officers, other key post holders, and members, and can fulfil their responsibilities in accordance with legislative and regulatory requirements; • Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders; • Dealing with breaches of legal and regulatory provisions effectively; • Ensuring corruption and misuse of power are dealt with effectively 	<p>Evidenced by:</p> <ul style="list-style-type: none"> • Financial regulations; • Audit & Governance Committee; • Officer and member codes of conduct;

Principles

B. Ensuring openness and comprehensive stakeholder engagement

Sub-Principals

- Openness
- Engaging comprehensively with institutional stakeholders
- Engaging with individual citizens and service users effectively

Dorset Council’s commitment to achieving good governance:

To ensure openness

- Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness;
- Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided;
- Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear;
- Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/courses of action;

Evidenced by:

- Consultation and communication strategy;
- Dorset Council constitution;
- Freedom of Information compliance;
- Council plan;
- Dorset Council website;
- “Your Dorset” publication
- Pay statement
- Behaviour framework

To engage comprehensively with stakeholders

- Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that the outcomes are achieved successfully and sustainably;
- Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively;
- Ensuring that partnerships are based on i) trust; ii) a shared commitment to change; iii) a culture that promotes and accepts challenge among partners; and that the added value of partnership working is explicit;

Evidenced by :

- Consultation and communication strategy
- Public consultations on key decisions / changes to policy;
- Equalities framework;
- Residents survey;
- Local Resilience Forum;
- Dorset Council constitution

- Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve communities, individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes;
- Ensuring that communication methods are effective, and that members and officers are clear about their roles about community engagement;
- Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds, including reference to future needs;
- Implementing effective feedback mechanisms in order to demonstrate how views have been considered;
- Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity;
- Taking account of the impact of decisions on future generations of taxpayers and service users

Principles

C. Defining outcomes in terms of sustainable economic, social, and environmental benefits

Sub-Principals

- Defining outcomes
- Sustainable economic, social and environmental benefits

Dorset Council’s commitment to achieving good governance:

To define outcomes

- Having a clear vision, which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provide the basis for the organisation's overall strategy, planning and other decisions;
- Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer;
- Delivering defined outcomes on a sustainable basis within the resources that will be available;
- Identifying and managing risks to the achievement of outcomes;
- Managing service users' expectations effectively about determining priorities and making the best use of the resources available

Evidenced by:

- Council plan;
- Equality & Diversity Action Group;
- Performance and risk reporting

To enable sustainable economic, social and environmental benefits

- Considering and balancing the combined economic, social and environmental impact of policies and plans when taking decisions about service provision;
- Taking a longer-term view about decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors, such as the political cycle or financial constraints;
- Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits through consultation where possible, in order to ensure appropriate trade-offs;
- Ensuring fair access to services

Evidenced by:

- Committee report impacts sheet;
- Risk management;

D. Determining the interventions necessary to optimise the achievement of the intended outcomes

Sub-Principals

- Determining interventions
- Planning interventions
- Optimising achievement of intended outcomes

Dorset Council's commitment to achieving good governance:

To determine interventions

- Ensuring decision makers receive objective and rigorous analysis of a variety of options, indicating how intended outcomes would be achieved and associated risks. Therefore, ensuring best value is achieved however services are provided;
- Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands with limited resources available including people, skills, land and assets and bearing in mind future impacts

Evidenced by:

- Dorset Council constitution;
- Council plan;
- Service risk registers;
- Committee report and clearance process;
- Questions from the public agenda item;
- Overview committees
- Programme/Project management

To plan interventions

- Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets;
- Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered;
- Considering and monitoring risks facing each partner when working collaboratively, including shared risks;
- Ensuring arrangements are flexible and agile so that the mechanisms for delivering goods and services can be adapted to changing circumstances;

Evidenced by:

- Member briefings;
- Portfolio holders;
- Service risk registers;
- Public consultations on key decisions / changes to policy;
- Programme/project management

<ul style="list-style-type: none"> • Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured; • Ensuring capacity exists to generate the information required to review service quality regularly; • Preparing budgets in accordance with objectives, strategies and the medium-term financial plan; • Inform medium- and long-term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy 	
<p>To optimise achievement of intended outcomes</p>	
<ul style="list-style-type: none"> • Ensuring the medium-term financial strategy integrates and balances service priorities, affordability and other resource constraints; • Ensuring the budgeting process is all-inclusive, considering the full cost of operations over the medium and longer term; • Ensuring the medium-term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period for outcomes to be achieved while optimising resource usage; • Ensuring the achievement of 'social value' through service planning and commissioning 	<p>Evidenced by:</p> <ul style="list-style-type: none"> • Medium Term Financial Strategy; • Annual Audit and Inspection letter • Scrutiny Committees

Principles

E. Developing the entity’s capacity, including the capability of its leadership and the individuals within it

Sub-Principals

- Developing the entity’s capacity
- Developing the entity’s leadership
- Developing the capability of individuals within the entity

Dorset Council’s commitment to achieving good governance:

To develop capacity

- Reviewing operations, performance and use of assets on a regular basis to ensure their continuing effectiveness;
- Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how resources are allocated so that defined outcomes are achieved effectively and efficiently;
- Recognising the benefits of partnerships and collaborative working where added value can be achieved;
- Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources

Evidenced by:

- People strategy;
- Business intelligence team;
- Council plan;
- “My Roadmap” appraisals

To develop the capability of the leadership and other individuals

- Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early in the relationship and that a shared understanding of roles and objectives is maintained;
- Publishing a statement that specifies the type of decisions that are delegated and those that are reserve for the collective decision making of the governing body;
- Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads in implementing strategy and managing the delivery of service and other outputs set by members and each provides a check and balance for each other's authority;
- Developing the capabilities of members and senior management to achieve effective leadership and to enable the organisation to respond

Evidenced by:

- People strategy;
- Wellbeing strategy;
- Scheme of Delegation;
- “My Roadmap” appraisals and 1to1s;
- Close working with unions;
- Learning hub;
- Staffing Committee;
- Centralised HR team with business partner model;

successfully to changing legal and policy demands as well as economic, political and environmental and changing risks by:

- i. ensuring officers and members have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged.
 - ii. ensuring members and officers have the appropriate skills, knowledge and resources and support to fulfil their roles and responsibilities and ensuring that they can update their knowledge on a continuing basis.
 - iii. ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external
- Ensuring that there are structures in place to encourage public participation;
 - Taking steps to consider the leadership's own effectiveness and ensuring leaders are responsive to constructive feedback from peer review and inspections;
 - Holding staff to account through regular performance reviews which take account of learning and development needs;
 - Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing

- Mentoring and coaching;
- Peer reviews and external inspections
- Staff consultative panels

Principles

F. Managing risks and performance through robust internal control and strong public financial management

Sub-Principals

- Managing risk
- Managing performance
- Robust internal control
- Managing Data
- Strong public financial management

Dorset Council's commitment to achieving good governance:

To manage risks

- Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making;
- Implementing robust and integrated risk management arrangements and ensuring that they are working effectively;
- Ensuring that responsibilities for managing individual risks are clearly allocated

Evidenced by:

- Risk management policy statement
- Corporate and service risk registers, with clear risk owners
- Risk considerations within committee reports
- Reporting of significant risks to senior leadership teams and Audit and Governance Committee
- Business continuity framework
- Emergency plan

To manage performance

- Monitoring service delivery effectively including planning, specification, execution and independent post implementation review;
- Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook;

Evidenced by:

- Performance reporting to Senior Leadership Team and Scrutiny Committees

<ul style="list-style-type: none"> • Ensuring an effective scrutiny or oversight function is in place which provides constructive challenge and debate on policies and objectives before, during and after decisions are made, thereby enhancing the organisation's performance and that of any organisation for which it is responsible; • Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement; • Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (financial statements) 	<ul style="list-style-type: none"> • Impact/Risk considerations within committee reports • Separate Overview and Scrutiny Committees • Portfolio holders
<p>To ensure robust internal control</p>	
<ul style="list-style-type: none"> • Aligning the risk management strategy and policies on internal control with achieving objectives; • Evaluating and monitoring risk management and internal control on a regular basis; • Ensuring effective counter fraud and anti-corruption arrangements are in place; • Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and internal control is provided by the internal auditor; • Ensuring an audit committee or equivalent group / function, which is independent of the executive and accountable to the governing body: <ol style="list-style-type: none"> provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment; and that its recommendations are listened to and acted upon 	<p>Evidenced by:</p> <ul style="list-style-type: none"> • South West Audit Partnership • Chief Internal Auditors annual report • Internal audit plan aligned to corporate risk register themes • Anti-fraud and corruption policy • Whistleblowing policy • Quarterly reporting to Audit and Governance Committee • SWAP attendance at senior leadership teams
<p>To manage data</p>	
<ul style="list-style-type: none"> • Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data; • Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies; • Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring 	<p>Evidenced by:</p> <ul style="list-style-type: none"> • Information Compliance Team • Information Governance Board • Senior Information Risk Owner • Data sharing agreements • Information governance policies (including data protection)

	<ul style="list-style-type: none"> Information governance KPIs, reporting to Senior Leadership Team
To ensure strong public financial management	
<ul style="list-style-type: none"> Ensuring financial management supports both long term achievement of outcomes and short-term financial and operational performance Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls 	<p>Evidenced by:</p> <ul style="list-style-type: none"> CPMI reports Medium Term Financial Plan Budget update reports to committee

Principles

G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability

Sub-Principals

- Implementing good practice in transparency
- Implementing good practices in reporting
- Assurance and effective accountability

Dorset Council's commitment to achieving good governance in practice includes:

To demonstrate good practice with transparency

- Writing and communicating reports for the public and other stakeholders in a fair, balanced and understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate;
- Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand;

Evidenced by:

- Annual Governance Statement;
- Member allowances scheme;
- Annual audit report;
- Freedom of Information;
- Independent remuneration panel;
- Committee reports and clearance process;
- Mod Gov committee reports;

To implement good practices in reporting

- Report at least annually on performance, value for money and the stewardship of its resources to stakeholders in a timely and understandable way;
- Ensuring members and senior management own the results reported;
- Ensuring robust arrangements for assessing the extent to which the principles contained in this framework have been applied and publishing the results on this assessment, including an action plan for improvement and evidence to demonstrate good governance (the annual governance statement);
- Ensuring that this Framework is applied to jointly managed or shared service organisations as appropriate;

Evidenced by:

- Council plan and supporting performance reporting
- Accountable officers for performance indicators
- Accountable officers for risks

<ul style="list-style-type: none"> • Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar organisations 	
<p>To provide assurance and effective accountability</p>	
<ul style="list-style-type: none"> • Ensuring that recommendations for corrective action made by external audit are acted upon; • Ensuring an effective internal audit service with direct access to members is in place, providing assurance about governance arrangements and that recommendations are acted upon; • Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations; • Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement; • Ensuring that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met 	<p>Evidenced by:</p> <ul style="list-style-type: none"> • Audit and Governance Committee • Internal audit delivered by SWAP; • Monitoring and reporting of audit recommendations;

Dorset Council's Local Code is based on principles which we are always working towards with the overall aim of achieving the intended outcomes while acting in the public interest – we have matched those principles here against key evidence

Key Evidence and Owner	Description	Gaps in Internal Control and Key improvements for 2021 - 22														
Annual Accounts	The Annual Financial Statements are compiled, published to timetable and included on the council's website.	As at March 2021 the audit process for 2019-20 accounts has not yet been completed and they have not yet been signed-off.														
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 12.5%;">A</td> <td style="width: 12.5%;">B</td> <td style="width: 12.5%;">C</td> <td style="width: 12.5%;">D</td> <td style="width: 12.5%;">E</td> <td style="width: 12.5%;">F</td> <td style="width: 12.5%;">G</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td style="text-align: center;">X</td> </tr> </table>			A	B	C	D	E	F	G							X
A			B	C	D	E	F	G								
						X										
Corporate Director for Finance and Commercial																
Annual Governance Statement	The Annual Government Statement (AGS) sets out the council's governance framework and the results of the annual review of the effectiveness of the council's arrangements.															
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 12.5%;">A</td> <td style="width: 12.5%;">B</td> <td style="width: 12.5%;">C</td> <td style="width: 12.5%;">D</td> <td style="width: 12.5%;">E</td> <td style="width: 12.5%;">F</td> <td style="width: 12.5%;">G</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td style="text-align: center;">X</td> <td></td> </tr> </table>			A	B	C	D	E	F	G						X	
A			B	C	D	E	F	G								
					X											
Service Manager for Assurance																
Anti-fraud and corruption policy	The Council has in place an Anti-Fraud and Corruption Policy Statement and Strategy and has also implemented policies and procedures to mitigate the risks of bribery and corruption and money-laundering to conform with requirements of the CIPFA Code of Practice – 'Managing the Risk of Fraud and Corruption' (2014) which are publicised across the organisation. A task and finish 'fraud' group has been established to oversee further development of the strategy. The Council has joined Cifas, the UK's largest cross sector fraud sharing organization. The Council is establishing a policy and supporting training framework for Corporate Criminal Offence.	During March 2021 an internal audit on Fraud and Whistleblowing identified a number of Priority 2 actions. These actions will be addressed by the fraud task and finish group.														
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 12.5%;">A</td> <td style="width: 12.5%;">B</td> <td style="width: 12.5%;">C</td> <td style="width: 12.5%;">D</td> <td style="width: 12.5%;">E</td> <td style="width: 12.5%;">F</td> <td style="width: 12.5%;">G</td> </tr> <tr> <td style="text-align: center;">X</td> <td></td> <td></td> <td></td> <td></td> <td style="text-align: center;">X</td> <td></td> </tr> </table>			A	B	C	D	E	F	G	X					X	
A			B	C	D	E	F	G								
X					X											
Service Manager for Assurance																
Business continuity	A business continuity framework has been developed, and a review undertaken during 2020 to ensure effective for critical services. These have also been subject to an external challenge by risk consultants as part of a risk support facility contained within the insurance contract.															
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 12.5%;">A</td> <td style="width: 12.5%;">B</td> <td style="width: 12.5%;">C</td> <td style="width: 12.5%;">D</td> <td style="width: 12.5%;">E</td> <td style="width: 12.5%;">F</td> <td style="width: 12.5%;">G</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td style="text-align: center;">X</td> <td></td> </tr> </table>			A	B	C	D	E	F	G						X	
A			B	C	D	E	F	G								
					X											
Service Manager for Assurance																

Key Evidence and Owner	Description	Gaps in Internal Control and Key improvements for 2021 - 22														
Code of Conduct <table border="1" data-bbox="192 405 636 475"> <tr> <td>A</td> <td>B</td> <td>C</td> <td>D</td> <td>E</td> <td>F</td> <td>G</td> </tr> <tr> <td>X</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </table>	A	B	C	D	E	F	G	X							<p>Dorset Council's Constitution contains Codes of Conduct for both Councillors and Officers to ensure that high standards of conduct are maintained. Dorset Council support and promotes the maintenance of high standards of conduct by Members and has agreed criteria for assessing complaints against Members, which is published on the Council's website. The Employee's (Officer's) Code of Conduct sets out standards of behavior and conduct that the Council expects of its employees. This includes confidentiality, data protection and fraud prevention.</p> <p>The Member Code of Conduct includes Principles and rules of behaviour which cover, Integrity; Selflessness; Objectivity; Accountability; Openness; Honesty and Leadership. Members, in signing the Code, agree to comply with these principles. Employees Code of Conduct and Part 5B of the Constitution refers to the key principles in public life and standards. The promotion of high standards of conduct is one of the key areas of responsibility for the Audit and Governance Committee.</p>	
A	B	C	D	E	F	G										
X																
Corporate Director for Legal and Democratic																
Committee Meetings <table border="1" data-bbox="192 948 636 1018"> <tr> <td>A</td> <td>B</td> <td>C</td> <td>D</td> <td>E</td> <td>F</td> <td>G</td> </tr> <tr> <td>X</td> <td>X</td> <td>X</td> <td>X</td> <td></td> <td>X</td> <td>X</td> </tr> </table>	A	B	C	D	E	F	G	X	X	X	X		X	X	<p>The Council's Political Structure and Roles are available on the Council's website and includes membership details and functions of all major committees as well as roles and responsibilities of Cabinet and other members. Appropriate Officers monitor reports to ensure propriety of decision making and that legal advice is included where necessary and appropriate. All members and Chief Officers are required to complete the 'Related Party Disclosure Form'. The Council maintains records of legal advice provided by officers to ensure it respects the rule of law.</p> <p>Due to the Covid-19 outbreak, all committees were cancelled, whilst legislation was established to permit virtual meetings. Virtual meetings were phased back in and a full schedule of virtual committees operative from 1 September 2020. These committees are viewable by the public, both with live streaming and afterwards.</p>	<p>The format of future committee meetings will be subject to further discussion, once there is clarification on legislation post May 2021.</p>
A	B	C	D	E	F	G										
X	X	X	X		X	X										
Service Manager for Elections and Democratic Services																

Key Evidence and Owner	Description	Gaps in Internal Control and Key improvements for 2021 - 22														
Committee Meetings (Cont'd)	<p>Adoption of a clear and consistent reporting format in relation to committee reports. Agendas, reports (and minutes) are also published on the council's website in advance. Meetings are open to the public except in relation to exempt items. A 'forward plan' of items is in place and dates for submitting, publishing and distributing timely reports are set and adhered to. Records of decisions and supporting materials are available which can be found on the Council's website.</p> <p>Reports to and decisions taken by the Council, Cabinet, Scrutiny Bodies and Regulatory Board are available on the Council's website. With Committees being held virtually during the Covid-19 pandemic, meeting can also be viewed online, with both live streaming and access to recordings. Committee reports require report writers to identify options including how the intended actions would be achieved and associated risks. A committee clearance process ensures that portfolio holders and statutory officers can comment and challenge content ahead of publication. There are opportunities for all members (including non-executive) to inform/influence decision-making and policy development - The constitution sets out the opportunities for Members to formally participate in the democratic process.</p>															
Complaint management	There are feedback and complaints mechanisms/reports in place to allow quality issues to be identified. A formal complaints policy which is publicly accessible is in place and an annual report on complaints is produced for all areas and is published, with quarterly reporting also established for both Scrutiny committees September 2020. The Assurance Service has implemented a culture of organisational learning into the complaints process.															
<table border="1"> <tr> <td>A</td> <td>B</td> <td>C</td> <td>D</td> <td>E</td> <td>F</td> <td>G</td> </tr> <tr> <td>X</td> <td></td> <td></td> <td>X</td> <td></td> <td></td> <td></td> </tr> </table>			A	B	C	D	E	F	G	X			X			
A			B	C	D	E	F	G								
X			X													
Service Manager for Assurance																

Key Evidence and Owner	Description	Gaps in Internal Control and Key improvements for 2021 - 22														
Communication	The Council uses social media to reach a growing number of residents and stakeholders. It also publishes a council magazine and has an active website.															
<table border="1"> <tr> <td>A</td> <td>B</td> <td>C</td> <td>D</td> <td>E</td> <td>F</td> <td>G</td> </tr> <tr> <td></td> <td>X</td> <td></td> <td></td> <td></td> <td></td> <td>X</td> </tr> </table>	A		B	C	D	E	F	G		X					X	Writing and communicating reports for the public and other stakeholders in a fair, balanced and understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate. Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand. Regular press releases and briefings with good press coverage. Council newsletter produced for all residents.
A	B		C	D	E	F	G									
	X						X									
Service Manager for Communication and Engagement																
Consultation and engagement	A variety of arrangements are in place to engage with and involve other stakeholders including the business sector, health agencies, the Police, town & parish councils, rural communities and the voluntary and community sector.															
<table border="1"> <tr> <td>A</td> <td>B</td> <td>C</td> <td>D</td> <td>E</td> <td>F</td> <td>G</td> </tr> <tr> <td></td> <td>X</td> <td></td> <td>X</td> <td></td> <td></td> <td>X</td> </tr> </table>	A	B	C	D	E	F	G		X		X			X	Engaging with customers before planning and commissioning services is encouraged by the Council's Communications team. Regular media and web monitoring are in place to pick up informal feedback.	
A	B	C	D	E	F	G										
	X		X			X										
Service Manager for Communication and Engagement	The Council has adopted a clear framework for residents, service users and employees about public consultations. We have in house expertise in communication, engagement, research and survey design, equalities issues and legal issues, provides support and guidance and co-ordinates resources to ensure robust public consultations. Results of major consultations are published in bespoke reports, which are available HERE															

Key Evidence and Owner								Description	Gaps in Internal Control and Key improvements for 2021 - 22
Constitution								A revision of the constitution approved by full Council on 18 February 2020 included separating out overview and scrutiny functions. The new overview and scrutiny committees have been operative since September 2020.	
A	B	C	D	E	F	G			
X	X		X						
Corporate Director for Legal and Democratic								The Member and Officer protocol in the Constitution that sets out the formal basis of member-officer relationships.	
Contract Procedural Rules								The Council's Contract Procedure Rules requires that when procuring a service due regard is paid as to how the contract will improve the economic, social and environmental well-being of Dorset as required by the Public Service (Social Value) Act 2012. Achievement of social value is monitored regularly. A Strategic Commissioning and contracting approach are being embedded into the organisation including commissioning strategies and a clear commissioning cycle involving service review, evidence and consultation.	
A	B	C	D	E	F	G			
X			X						
Corporate Director for Legal and Democratic									
Council Plan								The Council's overall vision is reflected in the Council Plan. The Council communicates with and takes account of feedback to review outcomes, so they reflect progress and wider changes. A variety of engagement, consultation and communication channels are in place to ensure that service users are aware of the financial and policy context and to help manage expectations. Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits through consultation where possible, to ensure appropriate trade-offs.	
A	B	C	D	E	F	G			
X	X	X	X	X	X	X			
Head of Business Intelligence and Communications								Reports showing progress against the Council Plan is published and scrutinised.	

Key Evidence and Owner								Description	Gaps in Internal Control and Key improvements for 2021 - 22
Declarations of interest								Registers of Members' interests and records of gifts and hospitality are published on the Council's website. Members' Declarations of Disclosable Pecuniary Interests and Personal Interests that might lead to bias are recorded in minutes of meetings which are available on the Council's website. The Members' Register of Interests including gifts and hospitality is made available for public inspection and published on the Council's website.	
A	B	C	D	E	F	G			
X									
Service Manager for Elections and Democratic								An employee policy is in place for acceptance of gifts and hospitality. The Monitoring Officer reviews the registers of interests and gifts and hospitality on an annual basis. Regular items appear on the Council's intranet reminding all employees of the Register of Interests, Register of Gifts and Hospitality and the Whistleblowing Procedure and arrangements are in place to enable employees to raise issues of concern and report any wrongdoing.	
Elected members								Cabinet members each have a responsibility for a portfolio. Regular meetings are held with relevant Lead Members to brief them on developments in their service area and of issues of concern. The induction and member development programme were designed to ensure that members were equipped with the relevant knowledge and skills they require to perform their role to the benefit of the council and local communities. There was a significant level of engagement, consultation and preparation formulating the induction and training plan for the elected members of Dorset Council (DC) due to the volume of information needing to be communicated. The induction was then devised from this feedback and from conversations with a large range of officers. Approval for the plan was sought from both officers and outgoing councillors. Internal audit of the induction plan provided a "substantial" assurance that the council has robust arrangements in place for the induction and training of elected Members.	
A	B	C	D	E	F	G			
	X			X					
Service Manager for Elections and Democratic									

Key Evidence and Owner								Description	Gaps in Internal Control and Key improvements for 2021 - 22
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Key Evidence and Owner	Description	Gaps in Internal Control and Key improvements for 2021 - 22																					
Elected members (Cont'd)	<p>Learning and development opportunities are provided to elected councillors in accordance with its agreed Member Learning and Development Strategy. Compulsory training is provided to relevant members on Planning and Regulatory Matters and on Pensions. Regular briefings are provided to members on the key issues and challenges facing the Council.</p> <p>Mentoring is taking place within political groups and additional mentoring is available for councillors with specific portfolios or roles.</p>																						
<table border="1" data-bbox="192 560 636 667"> <tr> <td colspan="7">Emergency planning and response</td> </tr> <tr> <td>A</td> <td>B</td> <td>C</td> <td>D</td> <td>E</td> <td>F</td> <td>G</td> </tr> <tr> <td></td> <td></td> <td></td> <td>X</td> <td></td> <td>X</td> <td></td> </tr> </table> <p>Service Manager for Assurance</p>	Emergency planning and response							A	B	C	D	E	F	G				X		X		<p>The 2020/21 financial year has been dominated by the Covid-19 response. The Command and Control structure has been effective to-date throughout the Covid-19 response and concurrent incidents. Debriefing and lessons learnt processes have been held at both an authority and multi-agency (Local Resilience Forum) perspective with emergency response plans updated where appropriate.</p> <p>The Council has been an active part of the multi-agency Local Resilience Forum, with Strategic and Tactical Coordinating Groups coordinating the collective response and a Recovery Group. Senior Leadership Team held weekly (and more regularly when required) Covid focused meetings. An Incident Management Team operates weekly, feeding in (via the Silver officer) to both the multi-agency and senior leadership teams.</p>	Dorset Operations Group has been convened by the Council to manage and focus on Summer planning.
Emergency planning and response																							
A	B	C	D	E	F	G																	
			X		X																		
<table border="1" data-bbox="192 1027 636 1134"> <tr> <td colspan="7">Equality and diversity</td> </tr> <tr> <td>A</td> <td>B</td> <td>C</td> <td>D</td> <td>E</td> <td>F</td> <td>G</td> </tr> <tr> <td>X</td> <td>X</td> <td>X</td> <td></td> <td>X</td> <td></td> <td></td> </tr> </table> <p>Service Manager for Business Intelligence</p>	Equality and diversity							A	B	C	D	E	F	G	X	X	X		X			<p>The Council encourages and supports a diverse workforce and variety of workplace support groups, such that it has been recognised as a sector leader by Stonewall. The Council's Equalities Board actively monitors and supports a diverse workforce and recruitment processes have been strengthened to ensure fair representation of different groups. A series of equality, diversity and inclusion workshops have been held through 2020-21 and a new equality and diversity strategy approved.</p>	
Equality and diversity																							
A	B	C	D	E	F	G																	
X	X	X		X																			

Key Evidence and Owner								Description	Gaps in Internal Control and Key improvements for 2021 - 22
External audit, inspections and review								External Audit provides an annual opinion on the Council's financial statements and arrangements. The Council engages in peer challenge, reviews, accreditations and inspections from regulatory bodies to ensure it remains accountable for the quality of services its delivers as well to support continuous improvement.	As at March 2021 the audit process for 2019-20 accounts has not yet been completed and they have not yet been signed-off.
A	B	C	D	E	F	G			
					X	X			
Executive Director for Corporate Development								The information compliance team coordinates the Council's information governance arrangements, headed up by the Data Protection Officer. This includes coordinating freedom of information requests and data breaches. Information Governance Board has been established, chaired by the Senior Information Risk Officer with cross-Directorate representation.	Compliance with mandatory data protection training remains low (circa 40%). The training module has been improved and further communication and monitoring established, including a KPI on compliance. Work is ongoing to improve compliance.
Information governance									
A	B	C	D	E	F	G			
X					X		Service Manager for Assurance	Mandatory training for managers has been implemented on data protection and information management as well as cyber risk training. A partnership information sharing protocol, and information sharing agreements are put in place where required. Policies that govern the use of data, and corporate data standards are in place.	
Internal audit									
A	B	C	D	E	F	G			
					X	X	Service Manager for Assurance	Effectiveness of the Council's internal control environment is tested throughout the year through the implementation of a risk based Internal Audit Annual Plan and by operational audits. The internal audit function is delivered by South West Audit Partnership, and reports on a quarterly basis to the Audit and Governance Committee. SWAP and Assurance Team are working together to ensure that senior managers are addressing report recommendations. The audit plan is aligned to the 21 key risk themes identified in the corporate risk register.	
Service Manager for Assurance									
The Audit Service abides with the principles of the Public Sector Internal Audit Standards, but some development is required before full conformance can be claimed.									

Key Evidence and Owner	Description	Gaps in Internal Control and Key improvements for 2021 - 22																
Medium Term Financial Strategy	<p>The medium-term financial strategy integrates and balances service priorities, affordability and other resource constraints. This includes ensuring that the budgeting process is all-inclusive and considers the full cost of operations. Budgets are prepared in accordance with objectives, strategies. Monthly budget monitoring reports on the MTFS (capital and revenue) are provided to senior management and committees. The performance framework makes use of a reporting by exception which require:</p> <ul style="list-style-type: none"> • an explanation of why a target is being missed/an item is off-track - an action plan identifying how this will be rectified • timeline for returning to within tolerance (path to green) - an accountable officer 																	
<table border="1"> <tr> <td>A</td><td>B</td><td>C</td><td>D</td><td>E</td><td>F</td><td>G</td> </tr> <tr> <td>X</td><td></td><td>X</td><td>X</td><td></td><td></td><td></td> </tr> </table>			A	B	C	D	E	F	G	X		X	X					
A			B	C	D	E	F	G										
X		X	X															
Corporate Director for Finance and Commercial																		
People strategy and delivery plan	<p>The Council's People Strategy and Delivery Plan is in place. As with all the goals, there is a commitment to achieve them. Some of the commitments for engaging our people are facilitate meaningful 'big conversations' through our employee forum, which is open to all employees</p> <ul style="list-style-type: none"> • establish a leadership forum, to bring together our people leaders on a regular basis • undertake regular, valuable, two-way engagement, through a range of internal communications channel <p>The more employees can see on how their feedback is used positively, the more engaged they will be – leading us to be more motivated and more productive. Council Learning and Development plans are informed by the MTFS; Strategic Vision; Departmental key aims; service plans. Induction training is provided for all new employees with access to on-going Learning and Development activities to enhance skills.</p> <p>We have a mentoring and coaching offering for staff. The Council has introduced regular Hive Staff Surveys during 2020. You can find out more about Hive here</p>																	
<table border="1"> <tr> <td>A</td><td>B</td><td>C</td><td>D</td><td>E</td><td>F</td><td>G</td> </tr> <tr> <td></td><td></td><td></td><td></td><td>X</td><td></td><td></td> </tr> </table>			A	B	C	D	E	F	G					X				
A			B	C	D	E	F	G										
				X														
Head of Organisational Development																		

Key Evidence and Owner								Description	Gaps in Internal Control and Key improvements for 2021 - 22
Performance monitoring								<p>Outcomes associated with measuring the successful delivery of the council plan and oversight of the council's overall performance reporting consists of:</p> <ul style="list-style-type: none"> Quarterly reporting on progress with the Dorset Council Plan to the Senior Leadership Team (SLT) and the Cabinet. Reporting on performance: monthly to CLT/ SLT; monthly to performance leadership group and quarterly to members. Quarterly risk management and internal audit updates to Audit and Governance Committee. The Committee has an assurance role. <p>These actions are tracked through a dedicated action tracking process with regular status updates at subsequent performance meetings. New actions will be identified as part of the performance management meeting and added into the tracking process. All indicators have a nominated lead officer.</p>	
A	B	C	D	E	F	G			
			X		X				
Service Manager for Business Intelligence									
Policy framework								<p>Demonstrating and communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively.</p> <p>Leading by example and using the above standard operating principles or values as a framework for decision making and other actions.</p>	
A	B	C	D	E	F	G			
X									
Service Manager for Business Intelligence									
Risk Management								<p>The Risk and Resilience Officer has been liaising with the Audit and Governance committee to develop a new approach to risk management. Work is underway to develop a training regime. The corporate risk register identifies 21 key risk themes, which are underpinned by detailed service level risks. Progress has been made with the audit plan and work continues to provide a better understanding for accountable officers on service risks and the effectiveness of internal controls. SWAP will provide any necessary challenge and support. Risk management update reports are considered by Audit and Governance Committee on a quarterly basis.</p>	<p>Following local government organisation and transition into Dorset Council, time is right to undertake a thorough assurance mapping exercise, aligned to the risk and internal audit frameworks.</p>
A	B	C	D	E	F	G			
		X	X		X				
Service Manager for Assurance									

Key Evidence and Owner	Description	Gaps in Internal Control and Key improvements for 2021 - 22																					
Risk Management (Cont'd)	<p>A revised Risk Management Strategy was produced that helped to provide information on risk development and helped to provide a better understanding.</p> <p>These reports provide a view on High risks across all directorate services. A summary page (Snapshot on Performance) also helps to provide focus with a series of graphs and headline statements. Through regular reporting we aim to provide assurance that:</p> <ul style="list-style-type: none"> • the Council continues to consider the adequacy and effectiveness of the risk management arrangements • regular update reports on all risk management activities will be produced • the development and management of the implementation of an integrated risk management framework • a review and development of the council's risk management approach be undertaken • the ethos and, promotion of the effectiveness of good risk management throughout the Council be delivered through risk management training <p>A key performance indicator and supporting commentary on risk forms part of the performance management reporting to senior leadership teams and elected members.</p>																						
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="7" style="text-align: center;">Statutory officers</td> </tr> <tr> <td style="text-align: center;">A</td> <td style="text-align: center;">B</td> <td style="text-align: center;">C</td> <td style="text-align: center;">D</td> <td style="text-align: center;">E</td> <td style="text-align: center;">F</td> <td style="text-align: center;">G</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td style="text-align: center;">X</td> </tr> </table>	Statutory officers							A	B	C	D	E	F	G							X	Head of Paid Service is the Chief Executive and is responsible for all council employees and serving an effective county organisation.	
Statutory officers																							
A	B	C	D	E	F	G																	
						X																	
Corporate Director for Legal and Democratic	<p>Executive Director for Corporate Development is the Council's Section 151 Officer responsible for safeguarding the Council's financial position and ensuring value for money. There is compliance with CIPFA Statements on the Role of the Chief Financial Officer 2016.</p> <p>The Corporate Director (Legal and Democratic Services Monitoring Officer) is responsible for ensuring legality and promoting high standards of conduct in</p>																						

Key Evidence and Owner								Description	Gaps in Internal Control and Key improvements for 2021 - 22
Statutory officers (cont)								<p>public life.</p> <p>Under Section 18(2) of the Children Act 2004, Local Authorities in England have a duty to appoint a Director of Children’s Services. Section 6(1) of the Children Act 2004 requires Local Authorities in England to appoint a Director of Adult Services.</p>	
Transformation								<p>Ensuring fair access to services. Our transformation programme includes management of our property and assets as a key theme. The Plan provides the long - term strategy within which the Council manages and maintains its transport network. During October 2020 Local Government Chronicle Awards 2020 Dorset Council won an award for Business Transformation – for creating the two new unitary councils (jointly with BCP). We were delighted to have been recognised and win an award jointly with BCP Council for the programme to create the two new unitary councils. Everyone involved acknowledged that it was an enormous task to undertake and that all employees had played a part in the creation of Dorset Council.</p>	
A	B	C	D	E	F	G			
		X							
Service Manager for Transformation									
Transparency								<p>Agendas, reports and minutes are published on the council’s website. Committee reports, and debates are made available online to the public. During the Covid-19 response, essential Committee meetings have been maintained and carried out virtually. These remain transparent and available for viewing by the public. The Annual Financial Statements are compiled, published to timetable and included on the council’s website. A pay policy statement is published annually.</p> <p>Freedom of Information practices are in place to publish responses to requests. Important data is published in accordance with the Local Government Transparency Code (2015), as are our performance reports and findings. Local Government Transparency Code 2015 is issued to meet the Government’s desire to place more power into citizens’ hands to increase democratic accountability and make it easier for local people to contribute to the local decision-making process and help shape public services.</p>	
A	B	C	D	E	F	G			
	X					X			
Service Manager for Communication and Consultation / Service Manager for Assurance									

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Audit and Governance Committee

March 2021 - Risk Management Update

For Decision

Portfolio Holder: Cllr S Flower, Leader of the Council

Executive Director: Jonathan Mair, Corporate Director, Legal & Democratic

Name: David Trotter, Risk and Resilience Officer - Assurance; Tel: 01305 228692

Email : david.trotter@dorsetcouncil.gov.uk

Name: Marc Eyre, Service Manager Assurance; Tel: 01305 224358

Email : marc.eyre@dorsetcouncil.gov.uk

Report Status: Public

Recommendation: That Audit and Governance Committee review the key risks identified in the risk registers.

Reason for Recommendation: To ensure that the Council's risk management methodologies remain current, proportionate, and effective in enabling risk informed decisions to be made.

1. Executive Summary

The continual development and promotion of risk management will ensure that Dorset Council remains well placed to demonstrate that objective and informed decisions are taken. This will help ensure that the Council is ultimately in a strong position to successfully face and address the varied challenges ahead.

Strategic risk management is owned by the Senior Leadership Team, with an agreed risk management policy statement setting out the Council's commitment. Corporate Directors are accountable for the top-level strategic risks. These are informed by operational service level risks owned by Heads of Service and Service Managers.

Previously the committee instructed the Risk and Resilience Officer to look to develop a revised risk scoring matrix and works surrounding the request are ongoing with a draft proposal currently with lead officers for comment. It is intended to adopt the new risk scoring by the next Risk Management update.

The risk register process is still maturing, but as the attachments demonstrate we are generally getting a good buy-in with services, with up-to-date management responses. There are a number of risks that have not been updated, and the Risk and Resilience

Officer will work with these services. As the risk management process matures, owners of service risks are starting to make judgements on the effectiveness of internal controls. Good progress has also been made on following up actions from internal audits, with a SharePoint site sitting alongside the risk register. The Risk and Resilience Officer is currently building a training package to support the Council's approach to risk management.

2. Financial Implications

No budget implications specifically, although unmanaged risks may pose a threat to the Council's financial stability. Identified risk improvement measures may also have direct budget implications, each of which need to be subject to a cost/benefit analysis prior to implementation.

3. Climate implications

"Failure to protect our environment and adapt services and communities to the impacts of a changing climate" is identified as one of the 20 corporate risk themes.

4. Other Implications

None

5. Risk Assessment

Having considered the risks associated with this decision using the Council's approved risk management methodology, the level of risk has been identified as:

Current Risk: HIGH

Residual Risk: HIGH

The risk level is identified as High as Appendix B provides an update on those High-level risks which are currently identified within the Corporate Risk Register

6. Equalities Impact Assessment

Considering equalities issues is a key aspect of good governance, but there are no equalities issues arising directly from this report.

7. Appendices

Appendix A – Summary of Dorset Council corporate and service risks, including the snapshot of risk status scoring matrices.

Appendix B – Adults and Housing High Risks

Appendix C – Childrens High Risks

Appendix D – Corporate Services High Risks

Appendix E – Place High Risks

8. Background Papers

None

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Overall Risk Management by Service – March 2021 The following is provided to summarise the current position against each risk service area. This will help the council to identify and focus upon potential areas for further scrutiny. Successful risk management is about ensuring that we have the correct level of control in place to provide sufficient protection from harm, without stifling our development.

Dorset Council					Risks Current Status			Risks Direction of Travel			
No. of Risks 234 - 48 High Risks (21%)											
Impact	Likelihood										
		L	M	H							
	H	42	29	9							
	M	50	51	10							
L	30	12	1								

Adults and Housing Services					Risks Current Status			Risks Direction of Travel			
No. of Risks 38 - 7 High Risks (18%)											
Impact	Likelihood										
		L	M	H							
	H	3	4	2							
	M	8	9	1							
L	7	3	1								

Children's Services					Risks Current Status			Risks Direction of Travel			
No. of Risks 26 - 8 High Risks (31%)											
Impact	Likelihood										
		L	M	H							
	H	4	5	2							
	M	6	4	1							
L	2	2									

Corporate Services No. of Risks 27 - 4 High Risks (15%)	Risks Current Status	Risks Direction of Travel																																							
<table border="1"> <thead> <tr> <th colspan="2" rowspan="2"></th> <th colspan="3">Likelihood</th> </tr> <tr> <th>L</th> <th>M</th> <th>H</th> </tr> </thead> <tbody> <tr> <th rowspan="3">Impact</th> <th>H</th> <td>9</td> <td>3</td> <td></td> </tr> <tr> <th>M</th> <td>2</td> <td>9</td> <td>1</td> </tr> <tr> <th>L</th> <td>2</td> <td>1</td> <td></td> </tr> </tbody> </table>			Likelihood			L	M	H	Impact	H	9	3		M	2	9	1	L	2	1		<table border="1"> <thead> <tr> <th>Current Status</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>High</td> <td>15%</td> </tr> <tr> <td>Medium</td> <td>66%</td> </tr> <tr> <td>Low</td> <td>19%</td> </tr> </tbody> </table>	Current Status	Percentage	High	15%	Medium	66%	Low	19%	<table border="1"> <thead> <tr> <th>Direction of Travel</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Worse</td> <td>8%</td> </tr> <tr> <td>Improved</td> <td>22%</td> </tr> <tr> <td>No Change</td> <td>70%</td> </tr> <tr> <td>New Risk</td> <td></td> </tr> </tbody> </table>	Direction of Travel	Percentage	Worse	8%	Improved	22%	No Change	70%	New Risk	
			Likelihood																																						
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Urgent ATTENTION: Focus required on Place Directorate risks.

Directorate Update Reports contain the relevant detail on the current HIGH RISKS



PEOPLE (April 2021) - Adults and Housing

The continual development and promotion of risk management will ensure that the Council is well placed to demonstrate that objective and informed decisions are taken and that the Council is ultimately in a strong position to successfully face and address the challenges ahead.

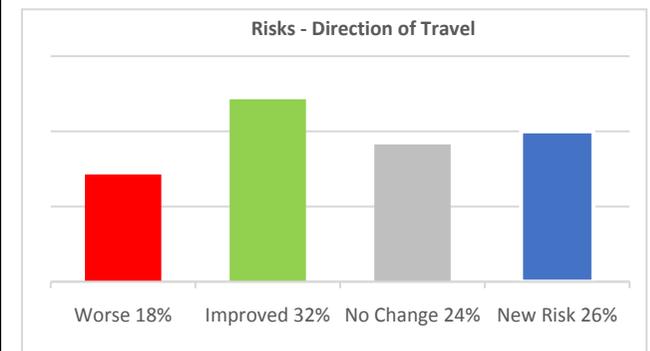
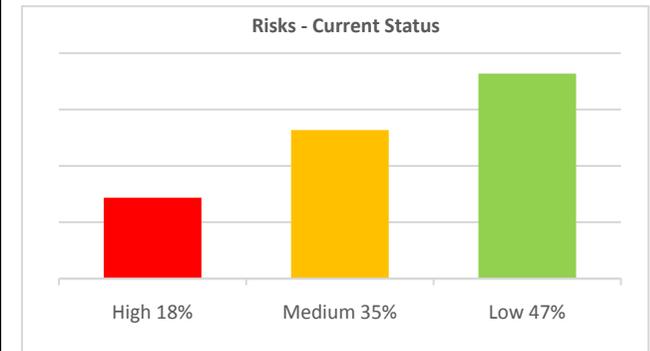
Adults and Housing Service Risk Profile					
		Likelihood			High Risks 7 in total
		L	M	H	
Impact	H	3	4	2	Number of Risk: 38
	M	8	9	1	
	L	7	3	1	

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Score IMPACT	Financial	Legal / Compliance	Strategic	Safety, Wellbeing & Safeguarding	Reputation	Service Delivery
HIGH	Over £500k	Non-compliance with legislation or regulatory breach Significant regulatory impact	Complete failure of a strategic priority Major impact on a strategic priority	Fatality or life-changing injury / illness; Significant safeguarding breach Major injury / illness; moderate safeguarding breach	Complete failure in confidence (local or national) Long term media attention (local or national)	Complete failure to deliver critical services (safeguarding; urgent statutory responsibilities etc) Major impact on delivering critical services (safeguarding; urgent statutory responsibilities etc)
MEDIUM	£300k to £500k	Moderate regulatory impact	Moderate impact on a strategic priority	Moderate injury / illness	Medium term negative impact on public memory	Serious disruption to less critical services
LOW	£0k to £300k	Minimal regulatory impact No legal or regulatory impacts	Minor impact on a strategic priority Negligible impact on a strategic priority	Injury or illness requiring minimal intervention / treatment No health and safety impact	Short term negative impact on public memory Minor complaints or rumours	Minor disruption to services Negligible disruption to service delivery

Version 2 – 6 April 2021

Score	LOW	MEDIUM	HIGH
LIKELIHOOD	0 to 40%	41% to 60%	61% to 100%
Description	Unlikely	Possible	Likely



People Directorate - Adults and Housing - Overall

		Likelihood			Commentary: High Risks = 7 The new format for risk reporting was agreed by Audit and Governance Committee at the May meeting. It was requested that closer links are enabled between the risk and performance measures. Also, members wanted to be able to see what updates more clearly have been made to the risk since the last report. Relevant changes were incorporated into reports with links to the control environment.
		L	M	H	
Impact	H	3	4	2	
	M	8	9	1	
	L	7	3	1	

People Directorate - Adults and Housing - Adult Care

		Likelihood			The People Directorate - Adults and Housing delivers adult social care, housing, and community safety services to people living in Dorset within the context of the Council Plan. We invested over £1million through our Better Care funding to deliver increased capacity for Adult Care Operations and Commissioning. Dorset Council is one of the 4 pioneer authorities for Sustainability and Transformation Planning delivering a joint vision for working across the NHS and Local Authorities in Dorset around acute care, an integrated care system, and prevention at scale across our adult social care and health and commissioning functions.
		L	M	H	
Impact	H	1	3	1	
	M	2	3		
	L		2	1	

High Risk: 125) Gap exists between amount of available resource and post-COVID statutory demand - Accountable Officer – Corporate Director for Adults / Head of Commissioning	Direction of Travel	Improved
	Last Reviewed	5 April 2021

COVID-19 is likely to bring a legacy of increased risk of provider failure across all areas of adult social care provision. Strategic planning with system partners is ongoing to support appropriate levels of intervention to deliver the council's statutory responsibility for market shaping under the Care Act 2014. The increased demand for care and support services is increasing the pressure upon provider workforce capacity.

As part of the 'A Better Life' Programme (known as ABL), there is a workforce stream which is developing a Dorset social care initiative to enable improved recruitment training and retention plus a clear career pathway.

One of the financial impacts of COVID-19 may be that our collection rate for service user contributions and third-party contributions drops. COVID grant support for the provider market is continuing into quarter 1 of the new financial year, however we are still awaiting details regarding how national funding will support the long-term funding of care. We have looked at demand and activity data, and from that prioritised the work which needs to be done now and that which needs to stop and slow down. Following the easing of the first COVID wave contacts into adult social care doubled in the first month and took another quarter to reduce. This pattern is anticipated to repeat and consequently capacity is constantly under review. The amount of unused annual leave across the service and the impact on service delivery of spacing requests is being analysed.

The increased cost of statutory services especially in the Care Home market during COVID puts at risk the ABL savings plan.

Managers are focused on budget management and there is evidence from the staff survey that staff understand the importance of using resources efficiently to meet people's needs. Savings and budget spend are closely managed. Review of high cost packages are being undertaken in locality teams.

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High Risk: 165) Capacity, capability and focus within the Adult Social Care workforce is not appropriate to deliver statutory responsibilities and key priorities to an acceptable standard - Accountable Officer – Corporate Director for Adults	Direction of Travel	No Change
	Last Reviewed	21 March 2021
<p>Although the impact of the 2nd wave of COVID-19 is easing there is a potential for a third wave peaking in June so preparation will continue to develop the system-wide Hospital Discharge process and resilience in the wider service. Following the easing of the first COVID wave, contacts into adult social care doubled in the first month and took another quarter to reduce. This pattern is anticipated at this point and so capacity is being looked at. The amount of unused annual leave across the service and the impact on service delivery of spacing requests is being analysed. The significant additional demands resulting from COVID-19, in particular delivering the Phase 1 Home First Model, increased safeguarding, Approved Mental Health Professional and Deprivation Of Liberty Safeguards referrals have had significant impact on the capacity within adult social care to deliver business as usual alongside the transformation required to deliver improved outcomes for vulnerable people and savings. Capacity is affected both by new COVID workload and by the impact of COVID on the availability of staff. For example, because they are themselves ill or because they have caring responsibilities.</p> <p>The hospital discharge COVID requirements have increased the number of people we are commissioning/contracting for across the system. This has impacted upon commissioning and brokerage functions, business intelligence and the finance teams who are required to recording and track cases to claim COVID funding support. For finance, the increase in workload alongside workforce changes and subsequent gaps may be a significant risk to the Council. We have developed an action plan for operational activities focused on the highest risk and stopping some lower priority work. We have brought in interim resources to support some of the COVID work and we are also looking to bring in resources to support us to deliver the 'A Better Life' (ABL) Transformation programme. Within the ABL programme we also have a workforce group looking to proactively address recruitment and retention and the issues of an ageing workforce.</p>		
High Risk: 5) Failure to manage and shape the provider market results in increases in service costs and poor service - Accountable Officer Head of Commissioning	Direction of Travel	Worse
	Last Reviewed	5 April 2021
<p>This risk is one of the Directorate's most volatile and challenging to control risks. The risk 'likelihood' was originally 'High' but was then re-assessed as being 'Low' in March 2020 after a review of the controls and mitigating actions that had been introduced (see 'List of existing controls'). This reduced the overall risk score.</p> <p>Now, in March 2021, the risk has deteriorated due to the impact on the provider market of the COVID-19 pandemic. It is likely that the council will see an increase in quality and safeguarding concerns as care settings become more available for physical visits. The factors detailed in Risk 125 also apply to this risk. The mitigation that we have includes increased oversight of the market, (capacity etc) and the protocols in place to manage provider failure (extraordinary claims process, care home closure protocol).</p> <p>Since the pandemic began, the level of engagement and support that the Commissioning Team (including Quality and Brokerage) have been undertaking has significantly increased, there have been dedicated web pages created to support the sector. Moving forward the team will be focusing on working with providers on shaping their offer to reflect the changes in requirements, movement from the public to stay at home longer. Some care home providers may no longer be financially viable during and/or post-COVID. As we make the necessary transitions in the way in which service users' needs are met, there are risks that, for example, we do not fully meet the needs of carers for people receiving support that was previously provided in a buildings-based day service.</p> <p>Controls - Frameworks are in place with fixed rates for domiciliary care, both for older people and those with a learning disability. A tariff is in place for residential care placements, this is used as a starting position for any placements with providers outside of those on the Framework and accepting the tariff. Any new providers joining our Dorset Care Frameworks must sign up to accept the tariff rates. Regular Engagement events are held with the provider market to keep them informed of the Council budgetary position, strategic intentions, and the direction of travel.</p>		

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High Risk: 16) Breach of information rights legislation - Accountable Officer – Corporate Director for Adults	Direction of Travel	Worse
	Last Reviewed	5 April 2021

There have been 2 recent data breaches by council employees in their daily duties. Both have been reported to the Information Commissioners Office (known as the ICO). No further action is being taken by the ICO at this point and action is in place to reduce the likelihood of further breaches through staff training and quality assurance processes.

Information rights are given under at least 10 pieces of UK legislation. These pieces of legislation include the Data Protection Act, the Freedom of Information Act, the GDPR and the RIPA. Rights are given to individual members of the public and to nominated officers of the Council. There is a risk of breach as we work towards full compliance with the expectations that are set out in the Information Commissioner's Accountability Framework. The risk is classified as 'deteriorating' because it has been reassessed to consider that our Information Asset Registers are overdue for review and update.

Several actions have already happened, are planned and/or proposed to improve compliance and a full list is summarised on the corporate risk register.

<u>People Directorate - Adults and Housing - Brexit</u>					
		Likelihood			The UK left the EU on 31 January 2020.
		L	M	H	
Priority 100	H	2			The EU–UK Trade and Cooperation Agreement (TCA) is a free trade agreement signed on 30 December 2020, between the European Union (EU), the European Atomic Energy Community (Euratom) and the United Kingdom (UK).
	M	1			
	L	3			
High Risks					

<u>People Directorate - Adults and Housing - Community Safety Services</u>					
		Likelihood			The Dorset Community Safety Partnership (CSP) aims to - reduce crime and the fear of crime - address risk, threat and harm to victims and local communities; and facilitate the strengthening of Dorset's communities in the delivery of local initiatives. Find out more about the Dorset Community Safety Partnership CSPs are required to have three-year Community Safety Plans that are refreshed annually. This latest refresh of the 2017-2020 Plan sets out partners' current priorities based on the most recent assessment of community safety issues.
		L	M	H	
Impact	H				
	M		3		
	L				
No High Risks					

People Directorate - Adults and Housing - Housing Services

		Likelihood			There are over 300 households in temporary accommodation and an ongoing demand for assistance from people either facing homelessness or being homeless. This is in addition to over 6,000 households waiting on the Housing Register for a social or affordable rented home. The availability of those permanent lettings falls far below the demand from homeless people or those in housing need. Options and work to prevent homelessness are in train, but there are many households who are in the position where they need to be housed, and there is a shortfall in settled provision.
		L	M	H	
Impact	H			1	
	M	4	2	1	
	L	2			

High Risk: 247) Temporary Accommodation is insufficient to meet community need - Accountable Officer – Service Manager for Housing Solutions	Direction of Travel	Improved
	Last Reviewed	5 April 2021

The Covid-19 pandemic has seen the Council's dependence on B&B accommodation for homeless households increase by over 50%. As of the 7 August 2020 the Council had 349 households in temporary accommodation of which 139 households are in B&B accommodation. The use of B&B has a direct revenue impact on the budget. The Council has an Accommodation Finder who is an officer in the Housing team who sources new properties for leasing from the private sector and continues to be successful in sourcing new properties which will help reduce the number in Bed and Breakfast and has had her part-time hours increased to full-time, additional capacity is being sourced for the team. However, as soon as someone moves on from B&B another person needs Council support. On average 10 homeless households per week are seeking support from the Council and are being accommodated.

Officers are preparing a bid to Ministry of Housing, Communities and Local Government (known as MHCLG) to obtain capital grant funding to purchase additional accommodation. However, the Council will also need to contribute capital funding to the project and a report is being prepared for Cabinet.

Dorset Council successful in bid for Next Steps Accommodation Programme funding £600K and Dorset Council capital funding £1 million to support the purchase of new accommodation and support services related to cohort of homeless and rough sleepers accommodated during first Covid19 measures 'Everyone In'. Several properties are purchased or nearly completed, projects to refurbish newly leased properties are ongoing. The total number of households in temporary accommodation including bed and breakfast is 285. Of those, 87 are in bed and breakfast. Families with children or pregnant women in bed and breakfast are being moved to more suitable temporary accommodation as quickly as possible and currently there are 9 families with children in bed and breakfast.

There is a direct cost to the Council for every household placed in B&B accommodation in housing benefit top up. Additional temporary accommodation takes the pressure off B&B placements and results in a cost avoidance.

High Risk: 180) Increased homeless population - Accountable Officer – Service Manager for Housing Solutions	Direction of Travel	Worse
	Last Reviewed	5 April 2021

Risk of homelessness increasing due to the release of the ban on landlords taking possession proceedings to Court (eviction), income loss due to rises in unemployment and income loss due to the £20 Universal Credit top up being removed. Protections have been in place during the lockdown period, since March 2020, to prevent eviction and to top up income shortfalls through furlough or Universal Credit.

Controls - Advice and guidance available within the community and via website. Support to complete residency available at Citizens Advice Bureau and Race Equality group. Should additional people then become homeless they are not eligible for service and this should be considered as part of wider community strategy in partnership with all community and voluntary agencies. Clear engagement work required with relevant agencies to support this cohort.

People Directorate - Adults and Housing - A Better Life Transformation Programme

	Likelihood			A Better Life (ABL) is the transformation programme in the Adults and Housing Directorate. It takes the work we started in 2020 and the learning from COVID-19 through accelerated change. This is an evolving programme with a clear focus.
	L	M	H	
H		1		
M	1	1		
L	2	1		

High Risk: 306) The impact of hospital pressures - Accountable Officer – Change Programme Manager	Direction of Travel	New
	Last Reviewed	8 March 2021

There are several impacts of COVID-19 for the development of the Home First model. In the effort to discharge patients, some processes may not be followed; and recording and monitoring can be imperfect. In turn, this has impacts on the development of a successful Brokerage Model and on the opportunities to engage with providers - including through brokerage.

The mitigations include closer working with Operational Teams and the development of reliable data sets. There is also an opportunity to use current COVID-19 pressures to drive forward Home First at a faster pace.



CHILDREN'S (March 2021)

The continual development and promotion of risk management will ensure that the Council is well placed to demonstrate that objective and informed decisions are taken and that the Council is ultimately in a strong position to successfully face and address the challenges ahead.

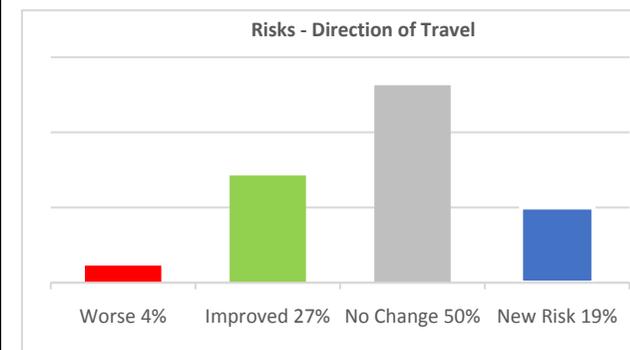
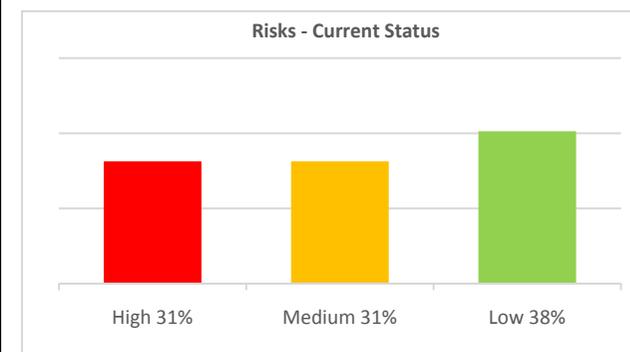
Children's Service Risk Profile					
		Likelihood			High Risks 8 in total
		L	M	H	
Impact	H	4	5	2	Number of Risk: 26
	M	6	4	1	
	L	2	2		

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Score IMPACT	Financial	Legal / Compliance	Strategic	Safety, Wellbeing & Safeguarding	Reputation	Service Delivery
HIGH	Over £500k	Non-compliance with legislation or regulatory breach Significant regulatory impact	Complete failure of a strategic priority Major impact on a strategic priority	Fatality or life-changing injury / illness; Significant safeguarding breach Major injury / illness; moderate safeguarding breach	Complete failure in confidence (local or national) Long term media attention (local or national)	Complete failure to deliver critical services (safeguarding; urgent statutory responsibilities etc) Major impact on delivering critical services (safeguarding; urgent statutory responsibilities etc)
MEDIUM	£300k to £500k	Moderate regulatory impact	Moderate impact on a strategic priority	Moderate injury / illness	Medium term negative impact on public memory	Serious disruption to less critical services
LOW	£0k to £300k	Minimal regulatory impact No legal or regulatory impacts	Minor impact on a strategic priority Negligible impact on a strategic priority	Injury or illness requiring minimal intervention / treatment No health and safety impact	Short term negative impact on public memory Minor complaints or rumours	Minor disruption to services Negligible disruption to service delivery

Version 1 – 25 March 2021

Score	LOW	MEDIUM	HIGH
LIKELIHOOD	0 to 40%	41% to 60%	61% to 100%
Description	Unlikely	Possible	Likely



CHILDREN'S SERVICES - Overall

		Likelihood			Commentary: High Risks = 8
		L	M	H	
Impact	H	4	5	2	The new format for risk reporting was agreed by Audit and Governance Committee at its May meeting. It was requested that closer links are enabled between the risk and performance measures. Also, members wanted to be able to see what updates more clearly have been made to the risk since the last report. Changes have been incorporated into reports together with links with the control environment.
	M	6	4	1	
	L	2	2		

Children's Care and Protection

		Likelihood			Child protection helps protect children and young people from bad things that are happening in their lives.
		L	M	H	
Impact	H	1	3	1	It helps everyone understand who is doing what to help keep children safe. It's a way to get help and make things better. It helps to make sure that children are eating healthy food, have clean clothes, are protected from abuse, have good physical and emotional health, and have a good education.
	M	1	2		
	L		1		

High Risk: 104) A lack of sufficiency and resilience (placements/residential/foster care) impacts negatively on the demands led budget for children in care Accountable Officer – Assistant Director for Care & Protection	Direction of Travel	New
	Last Reviewed	23 March 2021

Page 104
 Ensuring sufficient local placements for our children in care, closer to their families and communities, is a priority within our Strengthening Services for Children and Families Plan. We are continuing focused initiatives during Spring and Summer 2021 to further enhance our campaigns to promote Foster Care in Dorset, this has included social media and radio campaigns. We have an active group of Foster Carers who are continually helping us to shape our services and support. We are also continuing to deliver our Looked After Children Reduction Strategy. This strategy explicitly states our commitment to reducing the number of children in our care.

Current Controls: Early help strategy; commissioning strategy for placements; performance management; prevention is a priority within the Children & Young Peoples plan ensuring partner engagement; budgetary controls set within monthly tracking and performance meeting; FT for Children's Services includes a "Sufficiency (Care)" workstream.

High Risk: 105) Failure to keep children safe that are known to, or in the care of, Dorset Council - Accountable Officer – Assistant Director for Care & Protection	Direction of Travel	No Change
	Last Reviewed	17 March 2021

We are undertaking work to further strengthen practice and services through our Strengthening Services for Children and Families Programme.

Current Controls: Participation in sector improvement programme, self-assessment processes, improvement plans; Supervision processes; case file audits; performance management with report to CLT/Safeguarding Overview and Scrutiny Committee; policies and process; case audits by peer groups/senior managers.

High Risk: 106) Failure to understand and respond to the changing nature of exploitation results in a safeguarding failure - Accountable Officer – Assistant Director for Care & Protection	Direction of Travel	Improved
	Last Reviewed	1 February 2021

Our new Pan-Dorset Safeguarding Partnership arrangements are now in place including the appointment of a highly regarded and experienced national sector leader as Independent Scrutineer. We, along with partners across Dorset County have published our new Child Exploitation Strategy 2020-2022 setting out how together we will ensure an effective and coordinated response to children and young people at risk of, or linked to exploitation, identifying potential risk early to reduce risk and harm. Multi-agency strategy agreed and tactical group in place to oversee this work

High Risk: 107) Inadequate evidence bases (including Partnership data) to determine service need for children’s care and protection - Accountable Officer – Assistant Director for Care & Protection	Direction of Travel	Improved
	Last Reviewed	18 March 2021
<p>We are undertaking significant work to further strengthen practice and services through our Strengthening Services for Children and Families Programme. The developments in Business Intelligence are supporting us to understand and model service need and we will continue to develop this approach.</p> <p>Controls - Business Intelligence Team is improving the approach to collection and sharing information; Joint Strategic Needs Assessment currently being undertaken</p>		

Children's Commissioning and Partnerships					
Impact	Likelihood			<p>Early action, both early in life and early in a challenging episode for a child, young person or family is the most cost-effective way to address emerging issues. Services need to make sure they provide a targeted intervention according to need and that service users receive personalised packages of support. This will ensure that we efficiently provide the right amount of service to bring about change. We need to commission the right services, delivered at the right time and in places where people can use them, and Family Partnership Zones are integral to making this happen.</p>	
		L	M		H
	H	1	2		
	M	2	1		1
	L	1			
High Risk: 281) Financial viability of nursery and after school provision unaffordable - Accountable Officer – Corporate Director for Commissioning & Partnerships					
			Direction of Travel	Worse	
			Last Reviewed	23 March 2021	
<p>The position of schools and early years settings is such that full DFE grant income continues to be made available irrespective of opening status. There are some pressures on school budgets that are covered by exceptional DFE grants. Early years settings are commercial settings and have in some cases responded by closure and furlough. Other settings are working closely with the Council to ensure they remain viable. The financial viability of settings has been further impacted by Covid and there is some uncertainty over demand because of furloughing. There is new support coming from the DfE on Holiday Provision and Wrap around support, so we are undertaking some further analysis of the requirements and impact of this. A review of nursery provision is on the Work Programme for the Commissioning service in 2021.</p>					
High Risk: 277) Insufficient availability of local placements and supported accommodation to meet local needs - Accountable Officer – Corporate Director for Commissioning & Partnerships					
			Direction of Travel	Improved	
			Last Reviewed	23 March 2021	
<p>Ensuring sufficient local placements for our children in care closer to their families and communities and ensuring sufficient accommodation options for young people leaving care and other vulnerable young people is a priority within our Strengthening Services for Children and Families Plan. We have developed and published the Dorset Young People’s Protocol between Housing and Children’s Services, this is a joint protocol that describes how Housing and Children’s Services will work together jointly to address the needs of 16- and 17-year olds. Planning permission has been secured to build additional local residential provision. The placement sufficiency strategy was approved by Cabinet in January 2021 and is a 3-year plan for delivery of additional placements.</p> <p>Controls - Development of local provision internally through the building of new children's residential provision. Development of local provision internally through the repurposing of existing council premises for the provision of residential care. Working with external providers to encourage the opening of new provision locally through offering lease arrangements on DC buildings. Working with external providers to encourage the opening of new provision locally through sharing local intelligence on needs and supporting registration and consideration of block contracts where appropriate. Developing our in-house fostering provision - increasing the timeliness of assessment and the quality of support.</p>					

High Risk: 278) Major safeguarding failure by placement providers - Accountable Officer – Corporate Director for Commissioning & Partnerships	Direction of Travel	No Change
	Last Reviewed	23 March 2021
<p>Regular contract management is in place as part of regional and local frameworks. Due diligence on providers takes place prior to making a placement through checking of Ofsted reports and location risk assessments. We have appointed a QA officer to work with operational services to identify early warning signs that can be addressed with providers. Ofsted Assurance visits have increased and are identifying poor practice.</p> <p>Controls - Due diligence checks prior to making placements. Regular contract review meetings. Visits by social workers, IROs and other professionals. QA of Reg 44 visits. Monitoring of Ofsted assurance visit reports and notifications of restrictions and closures</p>		

Children's Schools and Learning					
Impact		Likelihood			<p>All children have a right to an education. Schools must provide each child with the help they need so that they can do well. This helps them to become confident adults. Schools can help all children by making sure that they provide high quality teaching, assess children's progress often and target areas of difficulty and adjust work for children who are struggling.</p> <p>Schools must also help children and young people with disabilities or medical conditions.</p>
		L	M	H	
	H	2	1	1	
	M	3	1	1	
	L	2			
High Risk: 272) Failure to stabilise the budget for the High Needs Block - Accountable Officer – Corporate Director for Schools & Learning					
		Direction of Travel		No Change	
		Last Reviewed		18 March 2021	
<p>Failure to stabilise the pressures in the HNB budget will result in a further increase in the deficit in the DSG. Legally this deficit sits with the DSG and is not part of the LAs budget, however, this does not absolve the LA of working with all schools to support actions to create an inclusive culture of support for pupils with additional and special educational needs in all Dorset schools.</p> <p>Work is being undertaken to move to early intervention and support for families across Dorset; to identify pupil needs earlier so that remedial support can be put in place quickly and thus try to stop expensive support later; to create specialist support in all schools and highly specialist support in local schools to reduce the need for pupils to be placed in the independent sector.</p>					



CORPORATE SERVICES (March 21)

The continual development and promotion of risk management will ensure that the Council is well placed to demonstrate that objective and informed decisions are taken and that the Council is ultimately in a strong position to successfully face and address the challenges ahead.

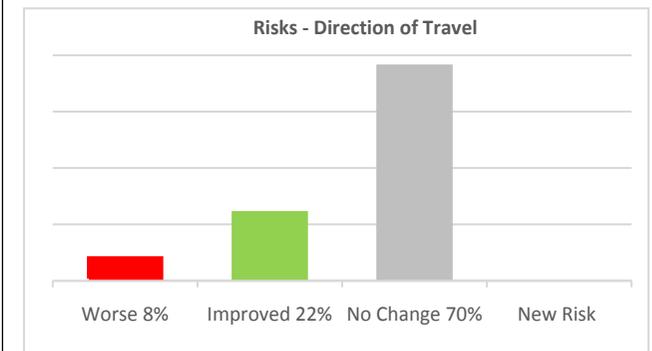
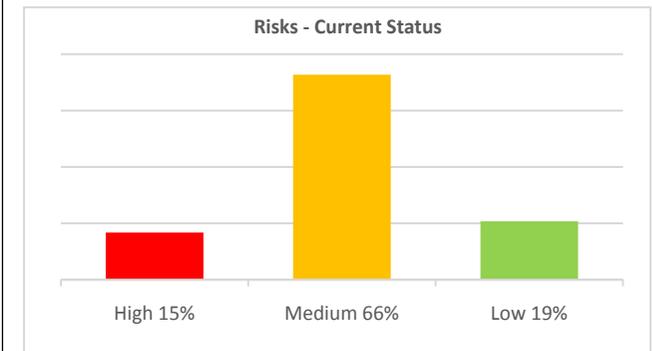
Corporate Services Risk Profile					
		Likelihood			High Risks 4 in total
		L	M	H	
Impact	H	9	3		Number of Risk: 27
	M	2	9	1	
	L	2	1		

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Score IMPACT	Financial	Legal / Compliance	Strategic	Safety, Wellbeing & Safeguarding	Reputation	Service Delivery
HIGH	Over £500k	Non-compliance with legislation or regulatory breach Significant regulatory impact	Complete failure of a strategic priority Major impact on a strategic priority	Fatality or life-changing injury / illness; Significant safeguarding breach Major injury / illness; moderate safeguarding breach	Complete failure in confidence (local or national) Long term media attention (local or national)	Complete failure to deliver critical services (safeguarding; urgent statutory responsibilities etc) Major impact on delivering critical services (safeguarding; urgent statutory responsibilities etc)
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LOW	£0k to £300k	Minimal regulatory impact No legal or regulatory impacts	Minor impact on a strategic priority Negligible impact on a strategic priority	Injury or illness requiring minimal intervention / treatment No health and safety impact	Short term negative impact on public memory Minor complaints or rumours	Minor disruption to services Negligible disruption to service delivery

Version 2 – 30 March 2021

Score	LOW	MEDIUM	HIGH
LIKELIHOOD	0 to 40%	41% to 60%	61% to 100%
Description	Unlikely	Possible	Likely



Corporate Services - Overall

		Likelihood			Commentary: High Risks = 4 The new format for risk reporting was agreed by Audit & Governance Committee at its May meeting. It was requested that closer links are enabled between the risk and performance measures. Also, members wanted to be able to see what updates more clearly have been made to the risk since the last report. Changes have been incorporated into reports with links with the control environment. Most services provided by Corporate Services are central support functions to the council's service areas.
		L	M	H	
Impact	H	9	3		
	M	2	9	1	
	L	2	1		

Digital & Change

		Likelihood			The main risks to the programme are that the individual work streams can't be delivered as anticipated and that there might be insufficient capacity internally to deliver the IT and service changes required. In addition, there is the scope for some reluctance from staff and stakeholders to adopt new methods of working. Further risk is the potential inability for the Council to recruit technical competent IT staff. In the event of any of these risks becoming a reality then the anticipated savings may not be delivered.
		L	M	H	
Impact	H				
	M				
	L				

Work continues the development of risks and it is recognised that relevant risks will reflect projects with a focus on all constraints, overrunning on time and budget, and then delivering a final product. A simple project with a limited scope can still have extensive quality control. Some alternatives to the triple constraint do distinguish between scope and quality. Others put quality at the centre of a time/cost/scope.

Customers tend to think in terms of deliverables. Deliverables are defined as 'qualities/features that make the product fit for purpose'. To customers, the product is higher quality if it has more working features. So, if you think of scope as 'what the project team can achieve', it makes sense for quality to also fall under that definition. The ongoing work on the creation of the right risks that fit Dorset Council Digital and Change are being discussed within the relevant service areas.

Business Insight and Corporate Communications

		Likelihood			To enhance the understanding of the people that live and work in Dorset. The goal to have the right information to make intelligent choices about the design of services and the best use of resources. To work in partnership with others to transform the way information, analysis and insight is provided to the council to enable more effective decision-making, helping to achieve the ambitions set out in the Council Plan. Performance data is a vital part of running a high performing organisation and we strive for excellence in performance management and champion open data.
		L	M	H	
Impact	H				
	M				
	L				

Risks are being developed that help focus on the goal to have the right information to make intelligent choices about the design of services and the best use of resources.

ICT Operations

		Likelihood			ICT Operations looks to support and maintain the current network environment and continue to develop the use of new technologies to support the Council’s drive to a ‘digital by default’ model wherever possible. Much work focuses around support calls that cover a wide range of disciplines, provide clear advice and support to customers from a non-technical background and carry out daily maintenance tasks as required. There is a drive for the configuration, monitoring, management, and development of the various technologies employed by the Operations team to support the functionality of Dorset Council.
		L	M	H	
Impact	H	Yellow	Red 1	Red	
	M	Green	Yellow 2	Red	
	L	Green	Green	Yellow	

High Risk: 286) Loss of ICT service or data through a cyber-attack – Accountable Officer - Head of ICT Operations	Direction of Travel	No Change
	Last Reviewed	29 March 2021

Countermeasures for this risk can be split into 2 categories, Likelihood reduction and Impact reduction.

- Likelihood reduction: The most likely risk trigger is a successful phishing attempt that yields user credentials or allows malware to be installed on a device. Current industry data suggests that successful phishing campaigns account for up to 80% of all cyber breaches. LGA grant funding has been secured to provide user awareness training and phishing simulation capabilities for one year. A product has now been implemented. Phishing simulation allows the authority to raise user awareness to increase their ability to identify malicious contact and content. The need to sustain this capability will be included in future ICT Operations budget setting. There has been a focus on identity management and protection in the last 3 months, a new password policy has been implemented along with mandatory multifactor authentication and conditional access technologies. We have also implemented Vulnerability Management capabilities which allows the ICT Operations team to be proactive in identifying and removing weaknesses across our ICT infrastructure.
- Impact Reduction: The Council’s overall approach to cyber security management has been under review since the end of Corporate Development Tranche 2 restructuring which confirmed the Cyber Security & ICT Continuity Lead appointment. A new strategy and policy are being drafted. These documents will outline the approach for the Council over the next few years and lay the foundation for comprehensive, interlocking countermeasures for this risk. The planned changes will allow the organisation to reduce its attack surface (likelihood) and to react quickly to a breach which can drastically reduce the overall impact of the incident. The convergence of the ICT platforms of the former councils will be complete by the Autumn 2021 – with many of the complexities already having been removed – the converged infrastructure reduces risk by removing complexity and the potential for gaps in and between legacy services. The ICT operations team will implement a Security Incident and Event Monitoring capability (SIEM) in the summer of 2021 – this confirms to recognised National Cyber Security Centre best practice guidance and provides early warning to the ICT response team of unexpected or malicious activity across our networks, increasing the speed within which we can react to minimise the impact of a cyber security event. A further mitigation being explored for 2021 is the possibility of introducing immutable backup (offline backups) which protect backup data from sophisticated cyber-attacks that also corrupt or deny access to backup data.

Human Resources and Organisational Development						
		Likelihood			Risks need to be reviewed	
		L	M	H		
Impact	H					
	M			1		
	L	1	1			
High Risk: 119) The period of uncertainty and transition results in difficulties retaining and motivating staff – Accountable Officer - Corporate Director for Human Resources					Direction of Travel	No Change
					Last Reviewed	30 December 2020
Some employees may choose to leave during period of major change causing further demand on remaining employees. Uncertainty of the future may impact upon motivation and affect performance.						
Mitigation - Ongoing Communications and Engagement with all employees (Newsletters, Intranet, etc). Employee Forums established, Wellbeing and L&D support in place.						

Strategic Finance					
		Likelihood			The service purpose is to maintain high standards of financial management and control, contribute to corporate management and leadership and support officers and members in an effective and responsive manner.
		L	M	H	
Impact	H	4			
	M				
	L				
No High Risks					This is achieved by providing strategic financial advice, accounting and budgeting services, treasury management.

Legal & Democratic Services

		Likelihood			Dorset Council's in-house legal team deals with a wide range of matters, both providing legal advice to departments within the council, and representing the Council in legal actions. Our Democratic Services Unit looks after all the procedures around ensuring the democratic process is administered correctly and within the law (Give advice to councillors and officers about the formal decision-making process and the Overview and Scrutiny function - Service council meetings, producing agendas, minutes and archive records - Maintain and update our Constitution, supporting the interface between the various parts of the political structure - Handle formal complaints). The key laws governing the work are (The Local Government Act 1972, as amended by Access to Information Legislation 1985 - The Local Government and Housing Act 1989 - The Local Government Act 2000 and ensuing regulations)
		L	M	H	
Impact	H	5	2		
	M	2	7		
	L	1			

High Risk: 102) Failure to respond to a major event or civil emergency that impacts on the community, the environment and/or the Council – Accountable Officer - Service Manager for Assurance	Direction of Travel	No Change
	Last Reviewed	30 March 2021

The Dorset Council Emergency Response Plan and supporting Command and Control structure was approved for Day One of Dorset Council. There is ongoing work by Local Resilience Forum (LRF) workstreams and task & finish group leads on specific multi agency projects.

There has been a thorough training programme for the Command and Control Structure, including running several pandemic flu and BREXIT focussed exercises during 2019 and 2020. DC hosted and led a multi-agency summer operations exercise during March 2021. Further Gold and Silver familiarisation sessions are scheduled for 2021. The LRF has also run several multi-agency exercises, based around concurrent risks to the current Covid response. The full Command and Control structure at authority and LRF level has been in operation throughout the Covid-19 outbreak. There is confidence that the command and control structure is strong, however due to the threat of concurrent risks arising whilst the Council is in response to the current Covid-19 outbreak this risk remains identified as High.

Controls - Dorset Council Emergency Response Plan (and supporting scenario specific plans), 24/7 Command and Control Structure (Gold, Silver, DEPO, LALOs), Civil Contingencies Unit, Local Authority Liaison Officers (Bronze support at sites), Out of hours contacts for key service areas, via SharePoint Emergency Planning Hub and Exercises.

High Risk: 212) Inadequate information governance culture and framework and culture (policy; training; monitoring etc) results in a significant data breach - Accountable Officer - Service Manager for Assurance	Direction of Travel	No Change
	Last Reviewed	30 March 2021

The Shaping Dorset Council programme included a workstream on information governance to ensure that key policies and processes were harmonised, which has transformed into an Information Governance working group since 1 April 2020, chaired by the Senior Information Risk Officer. The Information Compliance team are formulating an action plan, which will be owned by the board.

A new data protection training module has been developed and is a mandatory requirement for all staff. The Council is currently recording "red" performance for meeting Subject Access Request timescales. Work is underway with Children's Services to identify how this position can be improved.

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PLACE (March 2021)



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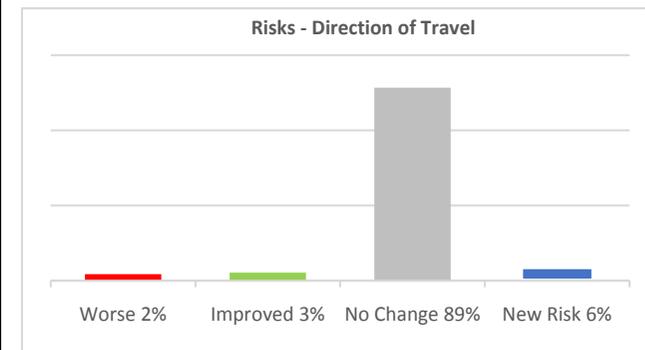
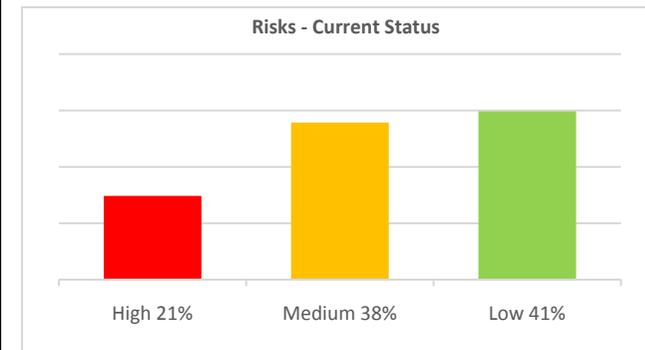
PLACE Service Risk Profile					
		Likelihood			High Risks 29 in total
		L	M	H	
Impact	H	26	17	5	Number of Risk: 143
	M	34	29	7	
	L	19	6		

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Score IMPACT	Financial	Legal / Compliance	Strategic	Safety, Wellbeing & Safeguarding	Reputation	Service Delivery
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Version 1 – 25 March 2021

Score	LOW	MEDIUM	HIGH
LIKELIHOOD	0 to 40%	41% to 60%	61% to 100%
Description	Unlikely	Possible	Likely



PLACE - Overall					
		Likelihood			Commentary: High Risks currently 29 The new format for risk reporting was agreed by Audit & Governance Committee at its May meeting. It was requested that closer links are enabled between the risk and performance measures. Also, members wanted to be able to see what updates more clearly have been made to the risk since the last report. Both changes will be incorporated into future reports, as will links with the control environment.
		L	M	H	
Impact	H	26	17	5	
	M	34	29	7	
	L	19	6		

Economic, Growth and Infrastructure – PLANNING					
		Likelihood			Outstanding Update: 141) Changes to national planning policy lead to delays to prep of the Local Plan Review.
		L	M	H	
Impact	H	1	1		
	M	4	5	1	
	L	7	1		

High Risk: 141) Changes to national planning policy lead to delays to prep of the Local Plan Review - Accountable Officer – Head of Planning	Direction of Travel	No Change
	Last Reviewed	30 December 2019

Management update to be reviewed with Risk Owner		
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High Risk: 191) Lack of five-year housing land supply, or failure to meet Housing Delivery Test, means that policies are considered out of date and there is risk of having to allow more applications and of losing planning appeals - Accountable Officer – Service Manager for Spatial Planning	Direction of Travel	No Change
	Last Reviewed	28 August 2020

Management update to be reviewed with Risk Owner		
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Economic, Growth and Infrastructure – HIGHWAYS

		Likelihood			Outstanding Returns:
		L	M	H	
Impact	H	5	3	1	A small number of risks have not been reviewed recently and some remain unassigned
	M	12	8		
	L		1		

High Risk: 63) Inability to maintain the highways infrastructure to an acceptable standard in the face of changing circumstances (e.g. budget reductions; climate change - Accountable Officer – Service Manager for Network Operations	Direction of Travel	No Change
	Last Reviewed	16 May 2020

Management update to be reviewed with Risk Owner

High Risk: 73) Failure to attract funding for asset maintenance – Accountable Officer - Service Manager for Infrastructure & Assets	Direction of Travel	Improved
	Last Reviewed	10 February 2021

The new HAMP/AMP review will help us to understand whole life cost better; Inspection regimes for cycleway schemes are needed where we are legally responsible for their upkeep; We are not going to be allowed to charge commuted sums for SUDs adoption;

Further actions:

- * Development of the HAMP.
- * Working with WSP and other authorities to share best practice.
- * Changes to processes so future maintenance funding is considered when bidding for funds.
- * Cycleway assets - digitised in a way that allows defects to be assigned in confirm.
- * Avoid over specifying schemes.
- * Develop inspection regime for cycleways.
- * Design schemes in the most suitable/low maintenance way.
- * More robust contractual agreements where we are funding assets/equipment used by 3rd parties (i.e. so they cannot be moved out of the county, etc).

High Risk: 84) Failure to deliver a safe and suitable alternative to the current arrangements for Wareham Level Crossing - Accountable Officer - Service Manager for Infrastructure & Assets	Direction of Travel	No Change
	Last Reviewed	8 February 2021
<p>Dorset Council assumed responsibility from Dorset County Council (DCC) to manage the pedestrian level crossing in Wareham. The lease agreement between Network Rail and Dorset Council for the level crossing runs until 2038; this crossing will close in 2038 as per the terms of the lease. If no suitable alternative is delivered before 2038 Dorset Council would be found to be breaching Equalities legislation. In 2008/9 The Office for Road and Rail (ORR) raised safety concerns with the pedestrian level crossing in Wareham. The ORR stated that mitigating measures had to be put in place or they would force the closure of the crossing. As a result, DCC paid for the provision of security guards at the crossing to improve compliance and safety at the crossing. In more recent years, following an additional review by the ORR the crossing has been managed with electronic gates closed by security guards when a train is approaching. The crossing is currently managed between 6am and 1am (19hours) seven days a week. The provision of security staff is provided by third party contractors STM Security Ltd. The crossing is locked closed between 1am and 6am each day.</p> <p>Network Rail and the Council have tried twice before to resolve this by proposing ramped bridges adjacent to the existing footbridge but failed to obtain planning permission from the then Purbeck District Council owing to local objections. The crossing continues to be a financial commitment with ongoing reputational concerns as there is no suitable alternative means for all to cross the rail lines if the crossing is closed – there is a stepped footbridge adjacent to the crossing. A parallel footway/cycleway along the A351 is being explored in the area to address an existing network deficiency. There remains commitment from Dorset Council and Network Rail to finding a resolution. Commitment from central government appeared more likely following a visit by the Minister for Rail to the site and meeting with key stakeholders on 23 January 2020. The Minister for Rail stated that he was committed to finding a solution and that safety and accessibility were of paramount importance which would likely mean that a degree of compromise is required when considering suitable alternatives. Network Rail have agreed to explore and exhaust all possible technological options for providing an automated level crossing, however, it is more likely that an alternative step free route over the rail lines will be the most viable solution. Feb 2021 - No definitive permanent plans are proposed, or funding secured for a suitable alternative. Procurement of level crossing security contract being progressed to make revenue savings for council to continue to deliver service. This has been an ongoing issue for 25 years. Network Rail have tried twice before to resolve this but failed due to planning issues; Currently costing the authority £120,000 per year for security guards (with costs rising); Introduce ramps, with crossing fenced off, and removal of security guards; Continued lobbying and negotiations with Network Rail; Implement main recommendation of ramped solution; Open public meeting held in the evening chaired by MP. Ramp proposal met with overwhelmingly hostile local reaction; Working to modify Network Rail asset, the existing bridge, has triggered more demanding NR assurance requirements; Introduction of ramps (main recommendation) failed to get planning permission; Access for All funding bid by South West Railways and Network Rail for DfT funding to install lifts failed; The crossing continues to be a high risk for safety, continuing financial commitment and reputational damage. Risk being realised with recent crossing incidents, lack of attendants and crossing closure.</p> <p>Cause: Failure to get planning agreement. Failure to get agreement on funding. Lack of Member/Cabinet support. Opposition from Town Trust, etc.</p> <p>Consequence: Closure of crossing by Office of Road & Rail. Legal action against DC. Death. Serious injury. Reputational damage. Financial impact - either due to incidents or ongoing maintenance/management. Negative publicity. Customer dissatisfaction. Public liability claims.</p>		
High Risk: 292) Winter Service budget pressures - Accountable Officer - Service Manager for Network Operations	Direction of Travel	Improved
	Last Reviewed	18 August 2020
<p>The legal position relating to the Highway Authority's responsibility in respect of the winter service is set out in an amendment to Section 41(1) Highways Act 1980 (c.66) (duty of highway authority to maintain the highway). (1A) details that a highway authority is under a duty to ensure, so far as is reasonably practicable, the safe passage along a highway is not endangered by ice or snow. The current budget provision to the Highway Service is suitable to cover the cost of normal salting operations and up to 24 hours of snow clearance. There is no budget allocation to cover the cost of snow clearance beyond this point. Clarity has been requested from the Corporate Director for Economic Growth and Infrastructure that the required budget provision will be provided or that any operational costs will be met corporately should they be realised.</p>		

Economy Infrastructure and Growth – TRAVEL DORSET

		Likelihood			Outstanding Returns:				
		L	M	H					
Impact	H	1	1		These risks need to be reviewed – latest review 15 January 2020				
	M			4					
	L								
High Risk: 151) Major safeguarding incident (including death or serious injury) arises on adult transport due to lack of supervision - Accountable Officer - Service Manager for Travel Operations					<table border="1"> <tr> <td>Direction of Travel</td> <td>No Change</td> </tr> <tr> <td>Last Reviewed</td> <td>30 December 2019</td> </tr> </table>	Direction of Travel	No Change	Last Reviewed	30 December 2019
Direction of Travel	No Change								
Last Reviewed	30 December 2019								
Management update to be reviewed with Risk Owner									
High Risk: 203) Loss/severe reduction of key public transport route(s) - e.g. no longer commercially viable, change to bus operator strategic direction - Accountable Officer - Service Manager for Travel Operations					<table border="1"> <tr> <td>Direction of Travel</td> <td>No Change</td> </tr> <tr> <td>Last Reviewed</td> <td>30 December 2019</td> </tr> </table>	Direction of Travel	No Change	Last Reviewed	30 December 2019
Direction of Travel	No Change								
Last Reviewed	30 December 2019								
Management update to be reviewed with Risk Owner									
High Risk: 204) Dorset Travel fails to procure and implement a suitable replacement for its core transport management system (Trapeze) by Nov 2020 - Accountable Officer - Service Manager for Travel Operations					<table border="1"> <tr> <td>Direction of Travel</td> <td>No Change</td> </tr> <tr> <td>Last Reviewed</td> <td>15 January 2020</td> </tr> </table>	Direction of Travel	No Change	Last Reviewed	15 January 2020
Direction of Travel	No Change								
Last Reviewed	15 January 2020								
<p>D Procuring a more effective replacement for Trapeze is key to any service efficiencies, savings, and improvements in future. We have agreed a rolling 6 monthly contract extension with Trapeze (approved by Procurement team) who has also been able to make some temporary short-term improvements to the current system.</p> <p>S</p> <p>E</p> <p>1 As part of the Dorset Travel transformation programme, we have worked with colleagues in ICT to confirm that the current system is not fit for purpose, operates on out of date technology and therefore needs to be replaced. We are also working with the procurement team on what procurement method is appropriate/ available for a new system and working to finalise the specification. Timescales will depend on which procurement route is chosen. We will also need to finalise the business case to ensure the funding</p>									
High Risk: 205) Unviability of school bus services caused by failure to cut back overhanging trees and vegetation along routes (e.g. those operated by First Wessex) - Accountable Officer - Service Manager for Travel Operations					<table border="1"> <tr> <td>Direction of Travel</td> <td>No Change</td> </tr> <tr> <td>Last Reviewed</td> <td>30 December 2019</td> </tr> </table>	Direction of Travel	No Change	Last Reviewed	30 December 2019
Direction of Travel	No Change								
Last Reviewed	30 December 2019								
Management update to be reviewed with Risk Owner									
High Risk: 206) Changes to legislation around community transport groups operating under Section 19 and Section 22 licences could significantly affect the viability of community transport in future - Accountable Officer - Head of Travel Dorset					<table border="1"> <tr> <td>Direction of Travel</td> <td>No Change</td> </tr> <tr> <td>Last Reviewed</td> <td>30 December 2019</td> </tr> </table>	Direction of Travel	No Change	Last Reviewed	30 December 2019
Direction of Travel	No Change								
Last Reviewed	30 December 2019								
Management update to be reviewed with Risk Owner									

Place Based Services – ENVIRONMENT & WELLBEING						
		Likelihood			Outstanding Update:	
		L	M	H		
Impact	H	4	1		These risks need to be reviewed – latest review 1 March 2020	
	M	2				
	L	1				
High Risk: 140) Failure to adapt services and communities to the impacts of a changing climate - Accountable Officer - Service Manager for Coast and Greenspace					Direction of Travel	No Change
Management update to be reviewed with Risk Owner					Last Reviewed	30 December 2019

Place Based Services – COMMUNITY & PUBLIC PROTECTION						
		Likelihood			Outstanding Returns:	
		L	M	H		
Impact	H	4	3		Only risks reviewed being within Trading Standards and Registration Services	
	M	7	8			
	L	7	1			
High Risk: 190) Significant Health and Safety incident / accident investigation and subsequent prosecution taking significant officer time away from normal duties resulting in lack of resource and risk to public health along with significant legal costs for the council – Accountable Officer - Service Manager for Food, Safety & Port Health					Direction of Travel	No Change
Management update to be reviewed with Risk Owner.					Last Reviewed	29 July 2020
High Risk: 178) Failure to issue new Export Health Certificates for fish leading to business block/ failure and /or other service disruption - Accountable Officer - Service Manager for Food, H&S and Port Health					Direction of Travel	No Change
DEFRA grant secured for £25k and second grant of £30K and being used to provide backfilling. Eight officers now authorised as Certifying Officers (CO) and access to the APHA system for the Export Certificates in place. Visits made to businesses intending to export fish to the EU by CO's. Further Actions - Contact with Insurers to ensure that we have indemnity insurance in place.					Last Reviewed	10 March 2021
High Risk: 28) Loss of pet passport allowing movement of pets may lead to increase pet smuggling / disease. New Pet Passport arrangements take much longer to be able to use and vet examination is needed (Est £100). This may lead to avoidance. - Accountable Officer - Service Manager for Trading Standards					Direction of Travel	No Change
Communication to educate the public on pet passport rules. Alternative measures in place and are on Gov website. Previously pet owners could move their animals within Europe. With a slower more costly facility there could be an increased risk of pet owners attempting to 'smuggle' their animals into the UK without rabies vaccinations. This could increase the risk of the disease being introduced into the UK (rabies in endemic in a few Eastern European countries).					Last Reviewed	12 March 2021
There may be disruption from suspected illegal landings. There is no evidence of this to date, but holiday travel is limited by Covid.						
Communication and publicising by various bodies of current rules at key entry points. Liaison with Harbour Masters.						

<u>Place Based Services – WASTE & OPERATIONS</u>						
		Likelihood			Outstanding Returns:	
		L	M	H		
Impact	H	3	1	1	New Risk – 175) Waste Services (Fuel) – Impact HIGH Likelihood LOW	
	M	2	1			
	L					
High Risk: 62) Traffic Commissioner Revoking, Curtailing, Suspending or Restricting DCC's Operators Licence (Goods and/or Passenger Carrying Operators Licence) - Accountable Officer - Head of Waste & Operations					Direction of Travel	Worse
					Last Reviewed	21 April 2020
Management update to be reviewed with Risk Owner						
High Risk: 83) PUWER Regulations - non-compliance of PUWER Regulations (H&S Provision and Use of Work Equipment Regulations 1998) - Accountable Officer - Head of Waste & Operations					Direction of Travel	Worse
					Last Reviewed	21 April 2020
Management update to be reviewed with Risk Owner						

<u>Place Based Services – COMMERCIAL WASTE & STRATEGY</u>						
		Likelihood			Outstanding Returns:	
		L	M	H		
Impact	H		4	2		
	M	1		1		
	L					
High Risk: 154) Failure to achieve capital and revenue budget / savings targets for the MTFP - Accountable Officer - Head of Commercial Waste and Strategy					Direction of Travel	No Change
					Last Reviewed	24 March 2021
Continue to promote educational campaigns, such as, 'Right Stuff, Right Bin' to maintain and increase material capture rates for recycling and composting. Use the new in-cab BARTEC system to help further drive efficiencies from the existing Recycle for Dorset Service. Maintain project register and continue to work on savings projects, such as changing collection points, working patterns and infrastructure (invest to save).						
Move ahead with the development of a central strategic waste transfer station to avoid an uncompetitive situation for disposal/treatment prices in Dorset. This will also build in contingency for Dorset Council as our landfill sites have closed and our disposal options become increasingly limited. Ensure greater transfer capacity is at the heart of infrastructure programme. Work to reduce waste arisings and residual waste through educational campaigns (Right Stuff, Right Bin). Risk of second wave or local lockdown of Covid-19. Not being able to deliver campaigns.						

High Risk: 208) Gaining sites and planning to provide infrastructure leads to failure to deliver service - Accountable Officer - Head of Commercial Waste and Strategy	Direction of Travel	No Change
	Last Reviewed	24 March 2021
Currently commissioned planning to conduct a site search for a new HRC in the East of the County. Planning Application submitted for a replacement HRC and waste transfer station in Blandford. Involved in the recent property review of depots across Dorset. Waste infrastructure review has been completed to provide a baseline of requirements.		
High Risk: 209) Change of government policy through the new DEFRA national waste strategy could impact what, and how, waste is collected and increasing costs - Accountable Officer - Head of Commercial Waste and Strategy	Direction of Travel	No Change
	Last Reviewed	23 March 2021
Need to respond to further consultations when they are published- next consultations have been delayed until Spring 2021. These documents will give more details of minimum collection standards which will be enforced nationally.		
High Risk: 210) Commodity prices for recycle leads to increase in costs - Accountable Officer - Head of Commercial Waste and Strategy	Direction of Travel	No Change
	Last Reviewed	24 March 2021
Ensure continued investment in communication and educational resources. Focus on reducing contamination to improve basket price.		
High Risk: 211) Failure to maintain high recycling and waste therefore diverted to more expensive disposal - Accountable Officer - Head of Commercial Waste and Strategy	Direction of Travel	No Change
	Last Reviewed	26 August 2020
Management update to be reviewed with Risk Owner		
High Risk: 293) Failure to secure capital to develop and maintain waste infrastructure - Accountable Officer - Head of Commercial Waste and Strategy	Direction of Travel	No Change
	Last Reviewed	24 March 2021
Development of waste management centre (HRC and transfer facility) in Blandford and the need to address the lack of waste management infrastructure in the East. Improvement in depot infrastructure to enable further income generation activities and services.		
High Risk: 294) Increase in cost of residual waste from HRC's - Accountable Officer - Head of Commercial Waste and Strategy - Accountable Officer - Head of Commercial Waste and Strategy	Direction of Travel	No Change
	Last Reviewed	24 March 2021
Recent market testing indicates that there's a large gap in what we're currently paying in our contract and the market rate. ~£40-£50/tonne difference on 13,000 tonnes of waste. Short term risk in contract and long-term risk out of contract. Contract ends August 2024.		

CUSTOMER SERVICES, LIBRARIES & ARCHIVES					
		Likelihood			Outstanding Returns:
		L	M	H	
Impact	H	2			These risks need to be reviewed – latest review 10 January 2020
	M	4	1		
	L	4	2		
High Risk: No High Risks					

GROWTH & ECONOMIC REGENERATION						
		Likelihood			Outstanding Returns:	
		L	M	H		
Impact	H	6	1		These risks need to be reviewed – majority not reviewed since December 2019	
	M	1	4	1		
	L					
Page 21	High Risk: 228) Changing funding landscape and ability to secure investment funding for Dorset - Accountable Officer - Service Manager for Growth & Economic Regeneration				Direction of Travel	No Change
	Management update to be reviewed with Risk Owner				Last Reviewed	6 December 2020
Page 21	High Risk: 231) Securing enough and appropriate skills and resources through restructuring of service to deliver DC economic growth Strategy - Accountable Officer - Service Manager for Growth & Economic Regeneration				Direction of Travel	No Change
	Management update to be reviewed with Risk Owner				Last Reviewed	6 December 2020

ASSETS & PROPERTY

		Likelihood			Outstanding Returns:	
		L	M	H		
Impact	H		2	1	These risks need to be reviewed – latest review 18 May 2020	
	M	1	2			
	L		1			
High Risk: 138) Breach of health and safety at an occupied premise (Directorate Duty Holder) – Accountable Officer - Head of Assets & Property					Direction of Travel	No Change
					Last Reviewed	18 May 2020
Management update to be reviewed with Risk Owner						
High Risk: 201) Climate change effects on sea level rise and uncertainty could lead to low lying areas such as Weymouth being uneconomic to defend - Accountable Officer - Service Manager for Engineering & Special Projects					Direction of Travel	No Change
					Last Reviewed	18 May 2020
Management update to be reviewed with Risk Owner						
High Risk: 202) Loss of professional engineering staff who provide advice could lead to poor decision making and potentially leave the Council liable for insurance claims if assets are not maintained or the appropriate response to emergency situations given - Accountable Officer - Service Manager for Engineering & Special Projects					Direction of Travel	No Change
					Last Reviewed	18 May 2020
Management update to be reviewed with Risk Owner						

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Audit and Governance Committee Forward Plan 2021

Date of Meeting	Item	Purpose / Key lines of Enquiry	Lead councillor / officer
9 July 2021			
	Value for Money Report	6 monthly update	Portfolio Holder – Corporate Development & Change Officer contact – Head of Business Intelligence and Corporate Communications Rebecca Forrester
	SWAP Audit Report SEND Transport	To consider the actions which have and are being taken forward in response to the audit.	Portfolio Holder – Cllr Andrew Parry / Cllr Ray Bryan Officer contact – John Sellgren / Matt Piles
	Annual Whistle Blowing Report	Annual Report	Portfolio Holder – Cllr Spencer Flower Officer contact – Marc Eyre
	Corporate Complaints	Annual Report	Portfolio Holder – Cllr Spencer Flower Officer contact – Marc Eyre
	Presentation on the business grants	Presentation	Officer contact – Jim Mcmanus
	Cyber Security	Briefing to be held after the formal meeting for councillors only	Officer contact – Aidan Dunn

Other items raised by Audit and Governance Committee requiring further consideration

Issue	Notes	Date raised
Workforce stress / mental health issues	The committee have raised this as a potential area of work but note that it is linked to current transformation work	At committee on 7 November 2019
How Dorset Council holds and shares information	<p>It is understood that some work is being undertaken in this area.</p> <p>A councillor workshop on the Dorset Council transformation programmes is being held on 10 January 2020. The suggestion is that councillors attend this session and following this, the committee give further consideration to whether any further work is required in this area</p>	At committee on 7 November 2019
Schedule of debt	Jim Mcmanus agreed to produce a schedule of debt and the areas in the Capital Budget funded by borrowing.	At pre-meeting on 8 February 2021