



Audit and Governance Committee

Date: Monday, 15 April 2024
Time: 10.00 am
Venue: Council Chamber, County Hall, Dorchester, DT1 1XJ

Members (Quorum: 3)

Richard Biggs (Chairman), Susan Cocking (Vice-Chairman), Rod Adkins, Pauline Batstone, Belinda Bawden, Simon Christopher, Barry Goringe, David Gray, Robin Legg and Bill Trite.

Co-opted Members: R Ong and S Roach.

Chief Executive: Matt Prosser, County Hall, Dorchester, Dorset DT1 1XJ

For more information about this agenda please contact Democratic Services Meeting Contact john.miles@dorsetcouncil.gov.uk

Members of the public are welcome to attend this meeting, apart from any items listed in the exempt part of this agenda.

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Agenda

Item	Pages
1. APOLOGIES	
To receive any apologies for absence.	
2. MINUTES	5 - 8
To confirm the minutes of the meeting held on 25 th March 2024.	
3. DECLARATIONS OF INTEREST	
To disclose any pecuniary, other registrable or non-registrable interest as set out in the adopted Code of Conduct. In making their decision councillors are asked to state the agenda item, the nature of the interest and any action they propose to take as part of their declaration.	

If required, further advice should be sought from the Monitoring Officer in advance of the meeting.

4. PUBLIC PARTICIPATION

Representatives of town or parish councils and members of the public who live, work, or represent an organisation within the Dorset Council area are welcome to submit either 1 question or 1 statement for each meeting. You are welcome to attend the meeting in person or via MS Teams to read out your question and to receive the response. If you submit a statement for the committee this will be circulated to all members of the committee in advance of the meeting as a supplement to the agenda and appended to the minutes for the formal record but will not be read out at the meeting. The first 8 questions and the first 8 statements received from members of the public or organisations for each meeting will be accepted on a first come first served basis in accordance with the deadline set out below.

All submissions must be emailed in full to john.miles@dorsetcouncil.gov.uk by 8.30 am on 10th April 2024.

When submitting your question or statement please note that:

- You can submit 1 question or 1 statement.
- A question may include a short pre-amble to set the context.
- It must be a single question and any sub-divided questions will not be permitted.
- Each question will consist of no more than 450 words, and you will be given up to 3 minutes to present your question.
- When submitting a question please indicate who the question is for (e.g., the name of the committee or Portfolio Holder)
- Include your name, address, and contact details. Only your name will be published but we may need your other details to contact you about your question or statement in advance of the meeting.
- Questions and statements received in line with the council's rules for public participation will be published as a supplement to the agenda.
- All questions, statements and responses will be published in full within the minutes of the meeting.

5. MINUTES OF THE AUDIT & GOVERNANCE SUB-COMMITTEE

To note the minutes of the Audit & Governance Hearing Sub-committee (if any meetings have been held).

6. ANNUAL GOVERNANCE STATEMENT – 2023/24

9 - 52

To receive a report by Marc Eyre, Service Manager for Assurance.

7. STATUS UPDATE REPORT TO THE AUDIT AND GOVERNANCE COMMITTEE ON THE 2021/22 AUDIT.

53 - 58

To receive a report by Ian Howse, Deloitte Audit and Assurance.

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|------------|---|--------------|
| 8. | REPORT OF INTERNAL AUDIT ACTIVITY | 59 - 64 |
| | To receive a report by Angie Hooper, Principal Auditor for SWAP. | |
| 9. | INTERNAL AUDIT ANNUAL OPINION REPORT 2023/24 | 65 - 82 |
| | To receive a report by Angie Hooper, Principal Auditor for SWAP. | |
| 10. | APPROACH TO INTERNAL AUDIT PLANNING 2024/25 | 83 - 88 |
| | To receive a report by Sally White, Assistant Director for SWAP. | |
| 11. | RISK MANAGEMENT UPDATE | 89 - 98 |
| | To receive a report by Chris Swain, Risk Management and Reporting Officer. | |
| 12. | SEXUAL HARASSMENT POLICY | 99 - 130 |
| | To receive a report by Jonathan Mair, Director Legal and Democratic. | |
| 13. | CONSTITUTIONAL UPDATE | |
| | To receive a Constitutional Update by Jonathan Mair, Director Legal and Democratic. | |
| 14. | WORK PROGRAMME | 131 -
134 |
| | To consider the work programme for the Committee. | |
| 15. | 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. | |
| 16. | EXEMPT BUSINESS | |
| | There is no exempt business. | |

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AUDIT AND GOVERNANCE COMMITTEE

MINUTES OF MEETING HELD ON MONDAY 25 MARCH 2024

Present: Cllrs Richard Biggs (Chairman), Susan Cocking (Vice-Chairman), Pauline Batstone, Belinda Bawden, Simon Christopher, Barry Goringe and David Gray

Co-opted Members: R Ong and S Roach

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

Sean Cremer (Corporate Director for Finance and Commercial), Aidan Dunn (Executive Director - Corporate Development S151), John Miles (Democratic Services Officer), Megan Rochester (Democratic Services Officer) and Chris Swain (Risk Management and Reporting Officer).

Also present: Ian Howse (Deloitte Audit and Assurance).

Officers present remotely (for all or part of the meeting): Angela Hooper (Principal Auditor SWAP)

64. **Apologies**

An apology for absence was received from Cllr Trite.

65. **Minutes**

The minutes of the meeting held on 15th January 2024 were confirmed and signed.

66. **Declarations of Interest**

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

67. **Public Participation**

There was no public participation.

68. **Minutes of the Audit & Governance Sub-committee**

The Audit and Governance Sub-Committee minutes for 11th Jan 2024 and 22nd Feb 2024 were noted by the committee.

Cllr Christopher questioned the financial cost of Audit and Governance Sub-Committees hearings and investigations and how much they had cost Dorset Council particularly in respect to officer time, legal services, democratic services, and the wider cost of the hearings.

The Executive Director for Corporate Development confirmed that he would create indicative costings for the committee to aid understanding.

Cllr Biggs highlighted that the sub-committees quite often cancelled at the last minute due to illness. Which was a burden for members that had to read lengthy reports only for the date to be cancelled.

69. **Planning Report to the Audit and Governance Committee for the Year Ending 31 March 2022**

Ian Howse presented and covered the highlights of the report on the 2021-22 Audit. Since the committee first met the 2020-21 Audit was signed off.

The planning report set out the significant risks that were identified in relation to the audit of financial statements. There was no significant risk of fraud in relation to revenue recognition grant income. An additional fraud risk was identified for 21/22 in relation to the capitalisation of infrastructure assets and assets under construction, given the level of judgement required to correctly identify capital spend. For value for money, work was on-going as there was a national movement to report on all years of audit that had not been reported on in one report which would be issued this summer. It would cover value for money in the years 2021, 21-22, 22-23 and would be the auditors annual report. He went through the potential impacts of Covid-19 and felt that for this year's audit there would be less of an impact.

In response to questions from the committee, Ian Howse informed that the audit was tailored to the organisation and although he understood the points being made around timeliness due to national issues that led to delays. Significant progress had been made on the audit as most of the detail testing would be finished by the end of the month and then move onto the review process of the work over April and early May.

Cllr Grey requested that the reports be written in plainer English to aid better understanding. He recommended that the Scrutiny Committee should review car parks within the next few years to look at the value of car parks.

Cllr Christopher informed that residents were concerned about the value of misstatements identified in the previous year. The Executive Director for Corporate Development responded that £1.4 million misstatements had been identified in the previous year and to put this into context of Dorset Council's £370 million of net budget, the £4 billion pension fund and over 1000 assets. Given the scale of the organisation, he informed that this was a reasonable result.

In response to Cllr Cocking's question regarding what controls were in place so that Dorset Council did not incur any fees for the next Audit. Ian Howse responded that the process in place was, if the scope of the work changes, then there would be additional fees. The additional fees were proposed to the finance team, and they would then put their view on whether it was a valid fee. If there was no agreement then the PSAA would review the fees, the extra work conducted and give their opinion. The continuous improvement process and control environment

helped to reduce fees. The Executive Director Corporate Development added that the fee regime was set by PSAA a national body, and performance, funding, and milestones, so there was little room for Dorset Council to set rates as part of a national agreement.

Cllr Christopher requested that the contract letter between Deloitte and PSAA which sets out the contractual relationship between the external auditors, should be shared with the independent members to help their understanding.

Noted.

70. Report to the Audit and Governance Committee on the 2020/21 Audit

The Executive Director for Corporate Development in response to questions regarding the dedicated school grant and whether the negotiations with the department of education would be concluded and what would be the outcome. Informed that the latest conversation was a joint inspection with Ofsted and QCQ inspecting special educational needs services. It had been agreed with the department to wait so that plans could be adapted accordingly and be factored into financial modelling. The latest proposal was towards the end of June.

Cllr Biggs and Mr Roach raised concerns around IT privileged access and the controls that were in place, whether they were robust and requested that a piece of work come to the committee.

Ian Howse responded to Cllr Christopher's previous question pertaining to the County Farms Valuation. The Council was required to value all its assets over a 5-year sequel basis. It was up to the council to choose how it obtained the valuation and whether it went out to an external valuer or used an in-house valuer. Deloitte then brings in its own property valuation specialist to challenge the valuation, hence the issues raised with the car park valuation.

Noted.

71. Quarter 3 Financial Management Report 2023/24

Cllr Biggs introduced the report, he informed that the report had been through Cabinet and was a part of the budget setting process.

Cllr Grey enquired about the process of writing off debts. He also looked for reassurance for the next Council in terms of the Capital Program, to build in contingencies. The Corporate Director for Finance and Commercial responded that there was £7.66 million allocated to contingency funds to deal with raising prices, changing priorities and unanticipated new projects. For time and alternative planning, when identified we would look at plan B, C, D, some of the slippage related to the COVID pandemic in which, a number of construction players went out of business, rapid inflation and this caused the council to look for alternative suppliers or delivery routes for projects. For larger projects, the service looked at competitive procurement exercise and alternative routes to market to attract people to deliver. The Executive Director for Corporate Development added that

there were two dimensions, the cost of some of the projects overrunning like increasing costs and not fully spending capital budget due to capacity constraints.

Cllr Biggs raised concerns about overspend and wanted to be reassured that spot-checking was taking place for projects under £2 million.

In response to questions from the committee, the Corporate Director for Finance and Commercial informed that as part of the monthly finance report, he was liaising with project managers to get latest forecasts and status updates.

Noted.

72. Constitutional Update

The Director Legal and Democratic was unable to attend the meeting and sent his apologies.

73. Work Programme

74. Urgent items

There were no urgent items.

75. Exempt Business

There was no exempt business.

Duration of meeting: 10.00 - 11.49 am

Chairman

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Audit and Governance Committee

15 April 2024

Annual Governance Statement – 2023/24

For Review and Consultation

Portfolio Holder: Cllr S Flower, Leader of the Council

Executive Director: J Mair, Director of Legal & Democratic

Report Author: Marc Eyre
Title: Service Manager for Assurance
Tel: 01305 224358
Email: marc.eyre@dorsetcouncil.gov.uk

Report Status: Public

Brief 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) covers financial year 2023-24 and 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. Much of the evidence supporting the AGS is found within our Local Code of Corporate Governance which is included as an appendix. The AGS also sights the extreme risks noted within the Council’s risk register.

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, signed off by both 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.

At previous meetings, the Committee has challenged the report author to explore how this document can be made more accessible to the reader. This draft therefore adopts a different style to previous years’ statements.

Recommendation: The Committee is asked to consider and comment on the draft Annual Governance Statement (AGS) for 2023-24.

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. **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.

2. **Environmental Implications**

None

3. **Well-being and Health Implications**

None

4. **Other Implications**

None

5. **Risk Assessment**

The AGS references risks on the Council's corporate risk register which have been assessed as being "High" or "Extreme".

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**

Annual Governance Statement 2023/24

Local Code of Corporate Governance

8. **Background Papers**

None



Dorset
Council

Annual Governance Statement 2023/24

Supported by:

Appendix A – Local Code of Corporate Governance

WELCOME TO DORSET COUNCIL'S ANNUAL GOVERNANCE STATEMENT FOR FINANCIAL YEAR 2023/24

Governance arrangements in the public services are keenly observed and sometimes criticised. 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. Dorset 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, efficiently, and effectively. This statutory document explains the processes and procedures in place to enable the council to conduct its functions effectively, whilst seeking continuous improvement with a commitment to transformation and as a learning organisation.

The Chartered Institute of Public Finance and the Society of Local Authority Chief Executives (CIPFA/SOLACE) “Delivering Good Governance” publication (2016) describes principles of good governance to be applied in the public sector, and this document measures the arrangements that Dorset Council has established against the seven core principles that underpin that framework.

The Council is satisfied that this Annual Governance Statement provides a substantial level of assurance that good governance is in place in Dorset Council, but also recognising areas where the Council can improve further. Progress on these improvements and on mitigating our most significant risks will be monitored through the year by senior officers and elected councillors of Dorset Council.



Matt Prosser, Chief Executive



Cllr Spencer Flower, Leader

The Governance Framework

The governance framework comprises the systems and processes, and culture and values, by which the authority is directed and controlled, together with the activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

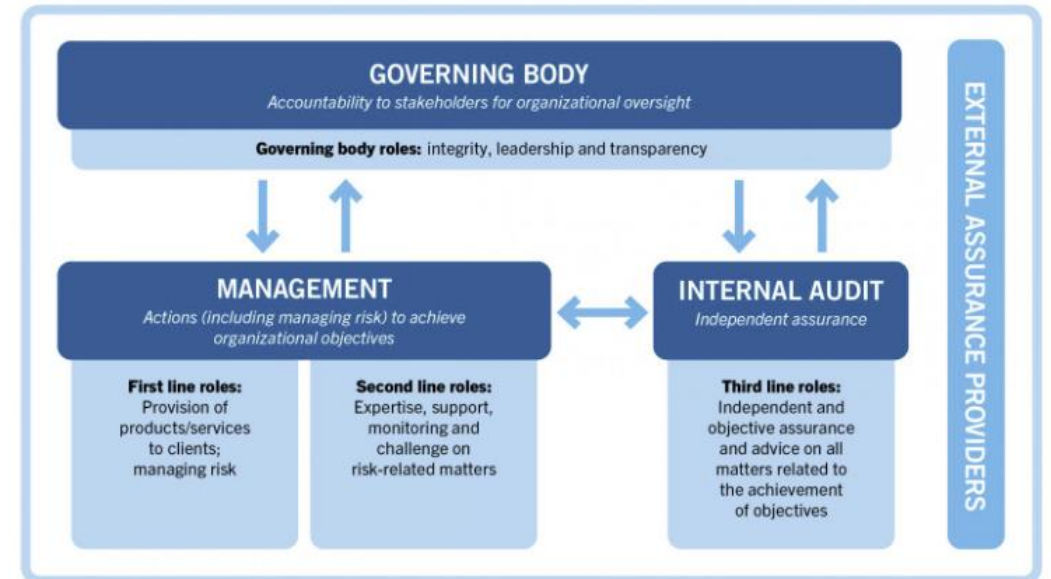
The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to meet the targets in our policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Dorset Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at Dorset Council for the year ended 31 March 2024 and up to the date of approval of the annual statement of accounts.

Page 13



The IIA's Three Lines Model (2020)

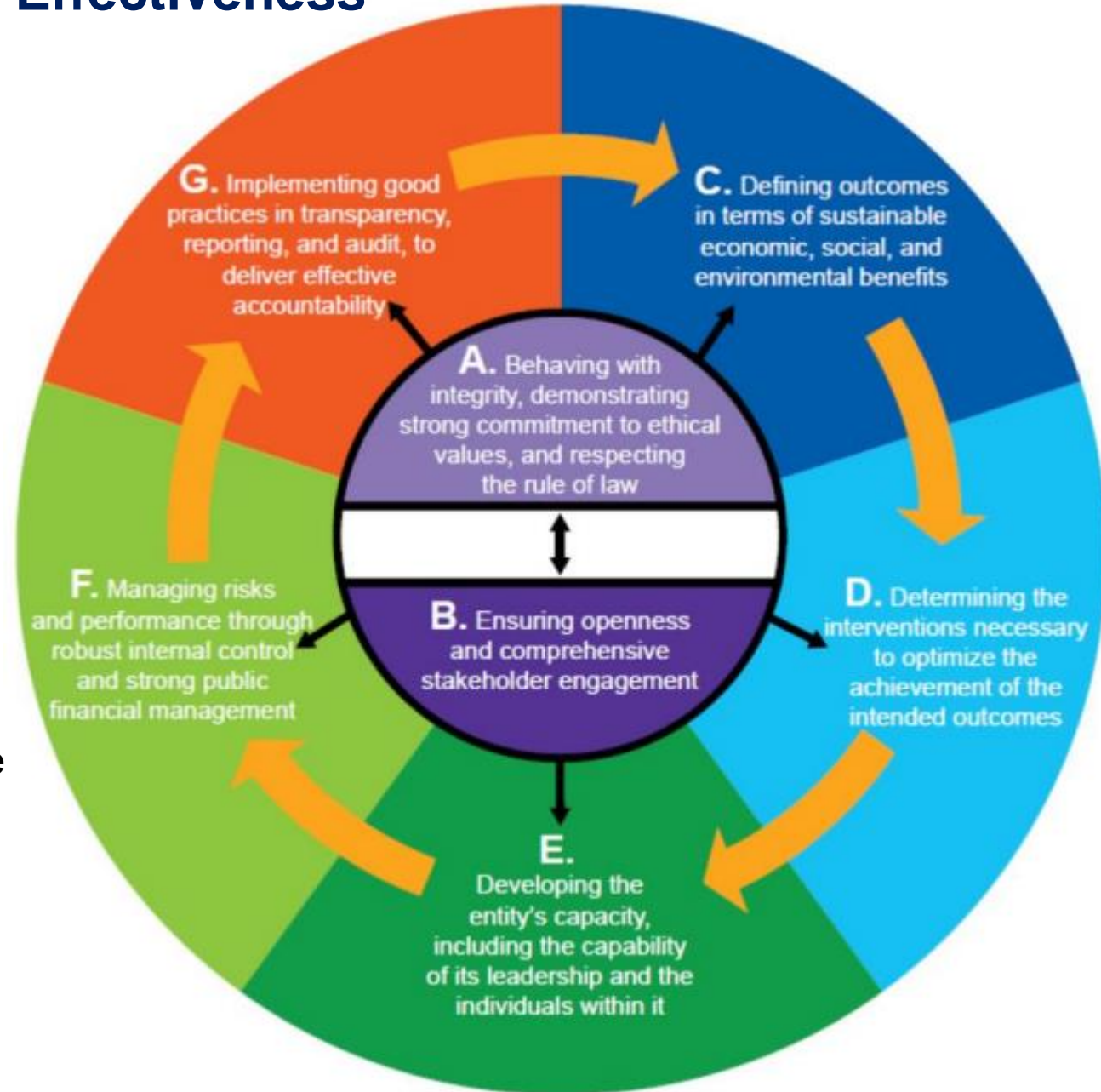


KEY: ↑ Accountability, reporting ↓ Delegation, direction, resources, oversight ↔ Alignment, communication coordination, collaboration

Review of Effectiveness

Review and monitoring of governance arrangements across the Council is an ongoing process. This Statement explains how the Council has complied with its Local Code of Corporate Governance 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.

Dorset Council is committed to the seven core principles of good practice contained in CIPFA/SOLACE Governance Framework. A more detailed assessment can be found in the Council's Local Code of Corporate Governance that supports this Annual Governance Statement.



A) Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

Our [Constitution](#) establishes the roles and responsibilities for members of the executive (the Cabinet), Overview, Scrutiny, Audit and Governance and Regulatory Committees, together with officer functions. It includes details of delegation arrangements, codes of conduct and protocols for member/officer relations. The Constitution is kept under review to ensure that it continues to be fit for purpose, with any proposed changes being considered by the Audit and Governance Committee.

The [Constitution](#) also contains procedure rules, standing orders and financial regulations that define clearly how decisions are taken and where authority lies for decisions. The statutory roles of Head of Paid Service, Monitoring Officer, and Chief Financial Officer (S151) are described together with their respective roles and contributions to provide for robust assurance on governance and to ensure that expenditure is lawful and in line with approved budgets and procedures.

The [Head of Paid Service](#) is the Chief Executive and is responsible for all Council employees. The Executive Director for Corporate Development is the Council's [Chief Financial Officer](#) and is responsible for safeguarding the Council's financial position and ensuring value for money. The Director for Legal and Democratic is the [Monitoring Officer](#) and is responsible for ensuring legality and promoting exacting 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. Dorset Council have in place both Executive Directors for People ([Adults & Children](#)). Alongside these officers, the Executive Director of [Place](#) and the [Director of Public Health](#) comprise the Council's senior leadership team.

The Council's [Constitution](#) 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 (Chief Officer is defined as: Chief Executive; Executive Director; Director or Corporate Director). Each chief officer has a scheme of nomination setting out the powers that others may exercise on their behalf.

A) Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

The [Members' Code of Conduct](#) advises an elected member (or co-opted member) what conduct is expected of them and whether their conduct constitutes a criminal offence. A Code of Conduct also exists for staff which sets out the standards of conduct expected of all council employees and prevents employees from being in a situation where they may be vulnerable to an accusation of favouritism or bias or other improper motives, whether this is real or perceived. Arrangements are in place for dealing with any [Code of Conduct complaints](#) made against councillors.

The Council operates under an Executive ([Cabinet](#)) model, which oversees the formulation of all major policies, strategies, and plans. The Cabinet also lead on the preparation of the Council's budget. The primary counterbalance to our Cabinet is through the two Overview Committees ([People & Health](#) and [Place & Resources](#)), the two Scrutiny Committees ([People & Health](#) and [Place & Resources](#)), and the [Audit and Governance Committee](#). These Committees are in place to provide support and a robust level of challenge to the Executive.

We are committed to promoting equality of opportunity, valuing diversity, and eliminating discrimination. An **Equality, Diversity and Inclusion** Strategic Board oversees equality, diversity, and inclusion within our organisation and in our external work. It also supports the implementation of the council's [Equality, Diversity, and Inclusion Strategy](#) by prioritising activity within its action plan and monitoring progress.

What improvements will we make in 2024/25?

Induction of new councillors following elections in May 2024 will include code of conduct

B) Ensuring openness and comprehensive stakeholder engagement

What improvements have we made in 2023/24?

Improvements to Subject Access Requests processes with improved performance

Members of the public are now able to attend Committee meeting virtually or in person to ask questions during the public participation sections of meetings.

A [complaints](#) procedure and a [whistle-blowing policy](#) and procedure are maintained and kept under review, providing the opportunity for members of the public and staff to raise issues when they believe that appropriate standards have not been met. An annual report analysing complaints received and their resolution is presented to the Scrutiny Committees. The Audit and Governance Committee has responsibility for overseeing the investigation of complaints against members.

[Committee meetings](#) are open to the public, and agenda papers and minutes are transparently available on the internet. Meetings are streamed on Youtube and members of the public can attend virtually or in-person

Public consultation plays a key part in the decision making process, across the full range of the Councils services

Our **Communications** team provides a wide range of support for the whole council including using social media, internal communications, marketing and promotions advice, media relations

Minutes for the two **Stakeholder committees**, [Care Dorset Holdings Ltd](#) and [Dorset Centre of Excellence](#), are available on the Council's website.

A [disclosure log](#) has been added to the Council's website, transparently including responses to Freedom of Information requests received.

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.

What improvements will we make in 2024/25?

The complaints policy will be reviewed following issue of the Local Government and Social Care Ombudsman's revised code

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

What improvements have we made in 2023/24?

New climate decision-wheel embedded into all committee papers, ensuring that environmental and climate considerations are taken into account when making decisions. The wheel also takes into consideration the economic and social implications of decisions, in-line with the council plan priorities

Page 18

Our [council plan](#) sets out the contribution we will make to enabling communities in working together for a successful Dorset. Delivery of this plan is supported by service plans, team plans and individual performance development reviews. These all include targets and, where appropriate, service standards against which service quality and improvement can be judged.

A **performance** management framework is operated to underpin and monitor the council plan, with supporting dashboards. Committees receive quarterly monitoring reports to assess the performance of the Council and inform scrutiny.

Our [data strategy](#) provides strategic direction to the council's next steps in our ambitions to place the use of data and intelligence at the core of decision making and policy development.

Committee reports are assessed for their impact of the **climate and environment**, via a new "Climate Decision Wheel"

What improvements will we make in 2024/25?

The strategic performance and risk framework will be updated, incorporating a risk strategy

The Council plan and associated metrics will be updated

D) Determining the interventions necessary to optimize the achievement of the intended outcomes

What improvements have we made in 2023/24?

The Our Future Council programme was commenced, aimed at delivering our council vision and priority to become a more responsive, customer focused council.

The OFC programme puts customers first and explores new ways of working so that we can continue to deliver impactful change, whilst doing so in a financially sustainable way. Making us more resilient and ready for 2030 and beyond

A **value for money** framework sets out how to develop value for money service benchmarking across the council. 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.'

Each Cabinet member has been assigned as a specific **Portfolio Holder** with roles and responsibility for different themes: Adult Social Care, Health and Housing; Children, Education, Skills and Early Help; Corporate Development and Transformation; Culture and Communities; Assets and Property; Finance, Commercial and Capital Strategy; Highways, Travel and Environment; and Planning. Support is provided by **Lead Members**.

The **Leader of the Council** is the portfolio holder for Governance, Performance and Communications, business insight and performance, policy, democratic services and elections, legal services, and assurance.

What improvements will we make in 2024/25?

Embedding a new strategic performance framework and reporting tool, to include enhanced 'customer voice/feedback' monitoring/KPIs and risk dashboarding.

Implement the corporate performance framework that links financial planning and assumptions to service performance and emerging risks

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

What improvements have we made in 2023/24?

Improved compliance rates for mandatory training

Page 20

Appraisal and review processes (including "My Roadmap") are the general means of identifying the training needs of members and officers. Appropriate training is made available to staff to ensure that individuals are able to undertake their present role effectively and that they have the opportunity to develop to meet their and the Council's needs.

The **Employee Wellbeing** team provide support to all employees and can offer links to a wide range of external sources of support for employees to look after both their physical and mental wellbeing.

The **Staffing Committee** determines staff terms and conditions; appoints and manages performances issues relating to senior officers.

An extensive **member induction** programme is put in place after the County Council elections to ensure that newly elected members can quickly make an effective contribution to the work of the authority. This is supported by regular member briefing sessions to ensure that members are kept up to date on key issues.

The **behaviours** we demonstrate and the approaches we take at work are key to the success of Dorset Council and our vision to be an employer of choice. Our **behaviours framework** has been developed in partnership with members of our Employee Forum.

What improvements will we make in 2024/25?

Induction of new councillors, post May elections

Complete governance review.

Work with Our Future Council programme on enhanced partnership working

Further improve mandatory training compliance rates

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

What improvements have we made in 2023/24?

Approval of the Council's data strategy

Embedded the new Strategic Information Governance Board and its supporting working groups

Rollout of the Information Asset Register

Risk Registers are maintained at a corporate (theme), service and project level to ensure that the authority is able to make risk informed decisions, with reporting to Audit and Governance and the two Scrutiny Committees

The Council is committed to achieving high standards of integrity and accountability. Our [Anti-fraud, Bribery and Corruption Strategy](#) sets out our zero policy approach to such acts and records a clear commitment to deal with any cases robustly.

The Council's monetary **management arrangements** conform with the governance requirements of the CIPFA (Chartered Institute of Public Finance and Accountancy) "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 (a role 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 senior 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).

What improvements will we make in 2024/25?

Respond to internal audit actions on embedding risk management, including reassessment of Council's risk appetite

Embed an enhanced corporate performance framework linking financial planning and assumptions to service performance and emerging risks

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

The Council's approach to [information governance](#) is led by a Strategic Information Governance Board, chaired by the Senior Information Risk Owner (the Director for Legal and Democratic). The work of the Board is supported by four working groups: i) Operational Information Governance Group; ii) Cyber Security Technical Group; iii) Digital Applications Governance Group; and iv) an Organisational Compliance and Risk Learning Group

The Council's **Emergency Planning** function sits within the Assurance Service and works in conjunction with Local Resilience Forum partners to plan, respond and learn from civil emergencies.



Dorset Council continues to experience **funding pressures** through central government annual settlements, limited increases in its council tax and under funding from the current business rates distribution methodology and the collateral ongoing impact surrounding Covid 19 Pandemic. Since the UK left the European Union in December 2020 the UK has been adjusting to the changing trade arrangements, reacting to the wider global economic impacts and Covid restrictions. The global economic challenges, and Ukraine conflict is placing cost of living pressure on households and businesses.

Dorset Council is supporting Ukrainian refugees and is offering support to the Ukrainian families living and working in Dorset. We also recognise the impact that the conflict in Ukraine is having on our wider EU communities, many of whom have links to neighbouring countries who are also affected. As a result of the conflict, energy and fuel prices are surging.

What improvements will we make in 2024/25?

Develop and roll out the action plan to support the Council's data and business intelligence strategy

Embed an enhanced corporate performance framework linking financial planning and assumptions to service performance and emerging risks.

Evolve the Scrutiny Committee interactive performance and risk dashboarding/reporting

G) Implementing good practice in transparency, reporting, and audit, to deliver effective accountability

Our operational **internal audit** work has been carried out under contract by [SWAP Internal Audit Services](#). This includes an annual independent and objective opinion to the Authority on its risk management, governance and control environment. Their work aligns with the **aims and objectives** of the council, considering key risks, operations, and changes. The plan is flexible in adapting audit plans to manage changing risks, priorities, and challenges.

External Audit are required to audit the annual financial statements and undertake a Value for Money Audit as per the code of practice of on Local Authority Accounting. As with many other local authorities, there remain delays in the external auditor completing their work on the 21/22 and 22/23 annual statements. This delay is primarily due to capacity shortfalls in the external audit sector. To clear the backlog of historical accounts and 'reset' the system, the Department for Levelling Up, Housing and Communities (DLUHC) proposes putting a date in law (the “backstop date”) – 30 September 2024 – by which point local bodies would publish audited accounts for all outstanding years up to and including 2022/23. The implications of this are currently being explored.

We aim to provide an open environment whereby employees and those working for the Council can raise issues that they believe to be in the public interest. Our [Whistleblowing Policy](#) provides protection from any harassment, victimisation, or other detriment to any whistleblowing on serious wrongdoing.

What improvements will we make in 2024/25?

Audit action tracking built into new strategic reporting tools/dashboards as part of the wider corporate performance framework

Respond to recommendations from external inspections and peer reviews

Work with Deloitte to finalise outstanding financial statements



Dorset Council learns from external inspection and peer reviews. During 2023/24 this included [Care Leavers](#); Ofsted SEND and an [LGA peer review](#)

Our Most Significant Risks Moving in to 2024/25

Failure to stabilise the budget for the High Needs Block

What are we doing? Failure to stabilise the pressures in the High Needs Block budget will result in a further increase in the deficit in the Dedicated Schools Grant and could potentially affect the Council's financial position. 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. This work will be wrapped up in the Dedicated Schools Grant recovery plan.

There is a business continuity risk from delayed ICT recovery after a disruption such as a power failure

What are we doing? Scoping for the first exercise since LGR is being undertaken. Controlled power down is no longer required so this exercise will test core infrastructure services. Core services are the foundation of the recovery process and the recovery procedure will be tested as part of the exercise to ensure it is fit for purpose.

Loss of ICT service or data through a cyber-attack

What are we doing? The implementation of vulnerability management technologies has reduced by 82% since the introduction of vulnerability management technology.

The council's identity management (multifactor, conditional access and account permission) has been reviewed with the support of specialist technology. A considerable number of vulnerabilities have been removed from the council identity management technologies. An external review of this technology is also being scoped.

Local Code of Corporate Governance

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 Council's Code of Corporate Governance is based upon the CIPFA / SOLACE publication entitled "Delivering Good Governance in Local Government: Framework 2016 Edition." This revised framework emphasises the importance of considering the longer term and the links between governance and public financial management. The overall aim to demonstrate 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.

Corporate Governance

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.

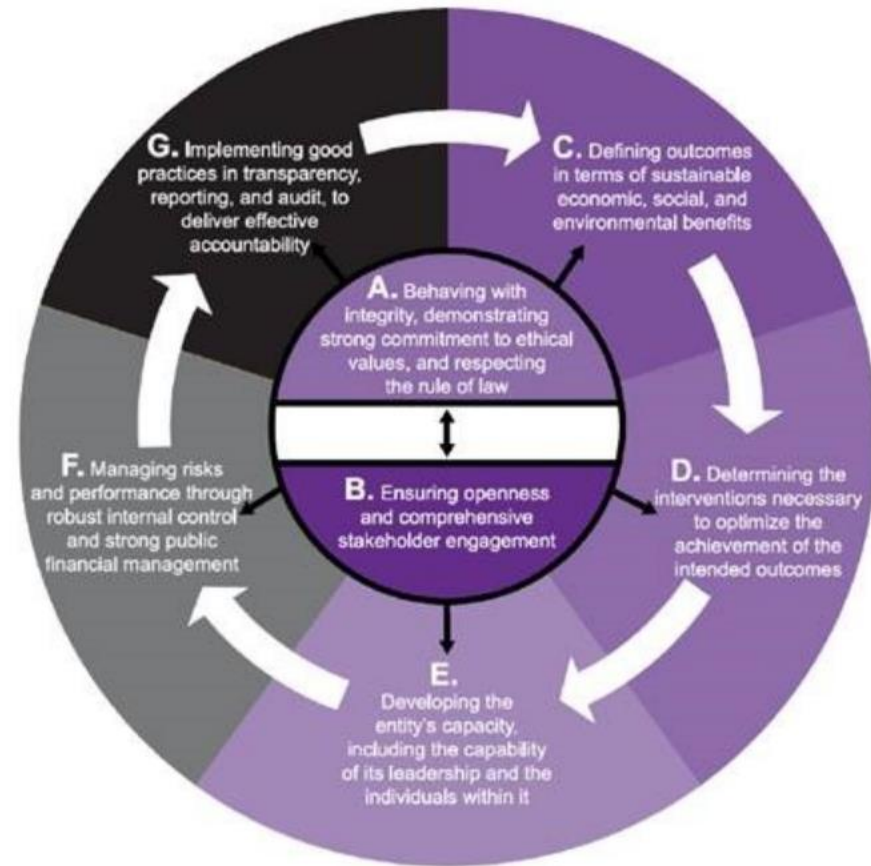
Dorset Council is committed to the seven core principles of good practice contained in the CIPFA framework.

The CIPFA/ SOLACE Governance Framework states that: ‘Principles A and B permeate implementation of Principles C to G. The diagram opposite illustrates that good governance is dynamic and that an entity should be committed to improving governance on a continuing basis through a process of evaluation and review.’

To confirm this, we evaluate 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.

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.



Governance Structure and Responsibilities	
<u>Dorset Council</u>	<ul style="list-style-type: none"> • Dorset Council consists of 82 Councillors. A member role includes representing the needs, priorities and aspirations of the Dorset Council and the people of the Dorset Council area. • Approves the budget and policy framework. • Approves the Constitution (including Standing Orders and Financial Regulations). • Establishes committees to discharge non-executive functions.
<u>Cabinet</u>	<ul style="list-style-type: none"> • The main decision-making body of the Council responsible for executive functions. • Leader of the Council appointed by the council with responsibility for executive functions and who appoints a Deputy Leader and Cabinet members who have responsibility for portfolios.
<u>Audit and Governance Committee</u>	<ul style="list-style-type: none"> • Provides independent assurance to the Council on the adequacy and effectiveness of the governance, risk management framework and internal control environment. • Approves the Local Code of Corporate Governance, Annual Statement of Accounts and Annual Governance Statement.
<u>Overview and Scrutiny Committees</u>	<ul style="list-style-type: none"> • Overview and scrutiny are a statutory activity, and the Council will appoint members to 2 Overview Committees and 2 Scrutiny Committees - People and Health Overview Committee; People and Health Scrutiny Committee; Place and Resources Overview Committee; and Place and Resources Scrutiny Committee.
<u>Head of Paid Service</u>	<ul style="list-style-type: none"> • Overall corporate management and operational responsibility for the council (including management for all employees) • The provision of professional advice to all parties in the decision-making process and, responsibility for a system of record keeping for all the council's decisions, representing the council on partnerships and external bodies. • The Head of Paid Service will determine how the council's functions are discharged, the number and grade of Officers required to discharge the functions and how Officers are organised.
<u>Chief Finance Officer</u>	<ul style="list-style-type: none"> • Accountable for developing and maintaining the council's governance, risks, and control framework. • Ensuring lawfulness and financial prudence of decision making and the administration of financial affairs. • Providing advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and budget and policy framework issues, and will support and advise Councillors and Officers in their respective roles. • Contributes to the effective corporate management and governance of the council.

(s151)	
<u>Monitoring Officer</u>	<ul style="list-style-type: none"> • Monitoring, reviewing, and maintaining the Constitution. • Ensuring lawfulness and fairness of decision making. • Supporting Joint Standards Committee, conducting investigations, and undertaking other actions in respect of matters referred to him/her by the Joint Standards Committee. • Proper Officer for access to information. • Advising whether decisions are within the budget and policy framework. • Providing advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and budget and policy framework issues. • Contributes to the effective corporate management and governance of the council. • Contributes to all the effective corporate management and governance of the council.
<u>Senior Leadership Team</u>	<ul style="list-style-type: none"> • Implements the policy and budgetary framework set by the Council and provides advice to Cabinet and the Council on the development of future policy and budgetary issues. • Oversees the delivery of the Council's Corporate Plan and implementation of Council Policy.
Heads of Service and Service managers	<ul style="list-style-type: none"> • Responsible for developing, maintaining, and implementing the Council's governance, risk, and control framework. • Contribute to the effective corporate management and governance of the Council.

PRINCIPLE A. Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of the law.

To behave with integrity

(Lead – Jonathan Mair, Director for Legal and Democratic)

- Ensure that councillors and staff behave with integrity and lead a culture where acting in the public interest is visible and consistently demonstrated thereby protecting the reputation of the council;
- Ensure that councillors take the lead in establishing values for the council and its staff and that they are communicated and understood. These will build on the Seven Principles of Public Life (The Nolan Principles);
- Lead by example and use values as a framework for decision-making and other actions; and
- Demonstrate, communicate and embed the standard operating principles or values through appropriate policies and processes which will be reviewed on a regular basis to ensure they are operating effectively.

Evidenced by:

- [Dorset Council constitution](#)
- [Scheme of Delegation](#)
- [Contract procedural Rules](#)
- [Officer and member codes of conduct](#)
- [Behaviours framework](#)
- [Anti-fraud and corruption strategy](#)
- Complaints policies ([corporate, childrens social care, adults](#)) and Annual Report
- [Managing Unreasonable Customer Behaviour Protocol](#)
- [Policy schedule](#)

Identified Improvement for 2024/25

To demonstrate strong commitment to ethical values (Lead – Jonathan Mair, Director for Legal and Democratic)		
<ul style="list-style-type: none"> • Seek to establish, monitor and maintain the council’s ethical standards and performance; The documents that make up this framework provide the structures and guidance that our members and employees require to ensure effective governance across the council. • Underpin personal behaviour with Council values and ensure they permeate all aspects of the council’s culture and operation; • Develop and maintain robust policies and procedures which place emphasis on agreed ethical values; and • Ensure that external providers of services on behalf of the organisation are required to act with integrity and in compliance with ethical standards expected by the council. 	<p>Evidenced by:</p> <p>Officer and member codes of conduct</p> <p>Behaviour framework</p> <p>Whistleblowing policy</p> <p>Commercial strategy</p> <p>Equality, Diversity and Inclusion Strategic Board and Strategy</p> <p>Job evaluation scheme (Internal link)</p> <p>Protocol for officer and member relations</p> <p>Audit and Governance Committee</p> <p>Anti-fraud, Bribery and Corruption policy</p> <p>Caldicott Guardian</p>	<p>Identified Improvement for <u>2024/25</u></p>

To respect the rule of law (Lead – Jonathan Mair, Director for Legal and Democratic / Grace Evans, Head of Legal Services)		
<ul style="list-style-type: none"> • Ensure councillors and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations; • Create the conditions to ensure that the statutory officers, other key post holders and councillors are able to fulfil their responsibilities in accordance with legislative and regulatory provisions; • Strive to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders; • Deal with breaches of legal and regulatory provisions effectively; and • Ensure corruption and misuse of power is dealt with effectively. 	<p>Evidenced by:</p> <p>Monitoring Officer</p> <p>Legal Services</p> <p>Committee report clearance process and Democratic Services Hub (Internal Link)</p> <p>Financial regulations</p> <p>Audit and Governance Committee</p> <p>Codes of conduct</p> <p>Register of Interests</p> <p>Register of Gifts and Hospitality</p> <p>Compliments and Complaints Procedure (corporate, childrens social care, adults)</p> <p>Constitution</p> <p>Equality, Diversity and Inclusion Strategic Board and Strategy</p>	<p>Identified Improvement for 2024/25</p>

	<u>Anti-fraud, Bribery and Corruption policy</u>	
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PRINCIPLE B. Ensuring openness and comprehensive stakeholder engagement.

To ensure openness

(Lead - Jen Lewis, Head of Strategic Comms and Engagement / Jacqui Andrews, Head of Democratic and Electoral Services)

- Ensure an open culture through demonstrating, documenting and communicating the council’s commitment to openness;
- Make decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption will be for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential will be provided;
- Provide clear reasoning and evidence for decisions in both public records and explanation to stakeholders and will be explicit about the criteria, rationale and considerations used. In due course, the council will ensure that the impact and consequences of those decisions are clear; and
- Use formal and informal consultation and engagement to determine the most appropriate and effective interventions / courses of action.

Evidenced by:

- [Committee Meetings open to the public and streamed \(unless exempt\). Members of the public can attend virtually or in person to ask questions](#)
- [Committee papers published](#)
- [Consultation and engagement activities](#)
- [Dorset Council constitution](#)
- [Council Plan](#) and communications to residents across a range of channels
- [Behaviour and Performance Management Framework](#)
- [Freedom of Information compliance and disclosure log](#)
- [Right of Access Compliance \(Subject Access Requests\)](#)
- [Open data](#)

Identified Improvement for 2024/25

To engage comprehensively with stakeholders (Lead - Jen Lewis, Head of Strategic Comms and Engagement)		
<ul style="list-style-type: none"> Effectively engage with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably; Develop formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively; Ensure that partnerships are based on trust, a shared commitment to change, a culture that promotes and accepts challenge among partners and that the added value of partnership working is explicit; Establish a clear policy on the type of issues that the council will meaningfully consult with or involve communities, individual citizens, service users and other stakeholders to ensure that service provision is contributing towards the achievement of the intended outcomes; Ensure that communication methods are effective, and that councillors and staff are clear about their roles with regard to community engagement; Encourage, collect and evaluate the views and experiences of customers, communities, citizens, service users and organisations of different backgrounds including reference to future needs; Implement effective feedback mechanisms in order to demonstrate how their views have been taken into account; Balance feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity; and 	<p>Evidenced by:</p> <p>Consultation and engagement policy</p> <p>Public consultations on key decisions</p> <p>Equality, Diversity and Inclusion Strategic Board and Strategy</p> <p>Residents' survey</p> <p>Dorset Council news magazine</p> <p>Dorset Council constitution</p> <p>Complaints policy (corporate, childrens social care, adults) and Annual Report</p>	<p>Identified Improvement for <u>2024/25</u></p>

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| <ul style="list-style-type: none">• Take account of the interests of future generations of tax payers and service users. | | |
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PRINCIPLE C. Defining outcomes in terms of sustainable economic, social, and environmental benefits

To define outcomes

(Lead – David Bonner, Service Manager for Business Intelligence and Performance)

- Have a clear vision, which is an agreed formal statement of the council’s purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the council’s overall strategy, planning and other decisions;
- Specify 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;
- Deliver defined outcomes on a sustainable basis within the resources that will be available;
- Identify and manage risks to the achievement of outcomes; and
- Manage customers/service users’ expectations effectively with regard to determining priorities and making the best use of the resources available.

Evidenced by:

Golden thread running through [Council Plan](#), [Service Plans](#) and “My Road Map” appraisals.

[Equality Diversity and Inclusion Strategy](#)

Performance and risk reporting

Team meetings

[Statement of Accounts](#)

[Budget Reports](#)

[Data & BI Strategy](#)

Identified Improvement for 2024/25

Update the strategic performance and risk framework including an updated risk strategy.

Update the Council Plan and associated metrics/delivery

To enable sustainable economic, social, and environmental benefits

(Lead – Steve Ford, Corporate Director for Strategy, Performance and Sustainability)

- Consider and balance the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision;
- Take a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the council’s

Evidenced by:

[Committee report impacts sheet.](#)

Identified Improvement for 2024/25

<p>intended outcomes and short-term factors such as the political cycle or financial constraints;</p> <ul style="list-style-type: none"> • Determine 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; and • Ensure fair access to services. 	<p>Risk management</p> <p><u>Climate and Ecological Emergency Strategy</u></p> <p><u>Commercial Strategy</u></p> <p><u>Equality Diversity and Inclusion Strategy</u></p> <p><u>Climate decision-wheel embedded into committee papers</u></p>	
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PRINCIPLE D. Determining the interventions necessary to optimise the achievement of the intended outcomes.

To determine and plan interventions

(Lead – David Bonner, Service Manager for Business Intelligence and Performance / Sean Cremer, Corporate Director for Finance and Commercial)

<ul style="list-style-type: none"> • Ensure decision makers receive objective and rigorous analysis of a variety of options indicating how the intended outcomes would be achieved and including the risks associated with those options. Therefore, ensuring best value is achieved regardless of how services are provided; • Consider feedback from customers, citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts. • Establish and implement robust planning and control cycles that cover strategic and operational plans, priorities and targets; • Engage with internal and external stakeholders in determining how services and other courses of action should be planned and delivered; • Consider and monitor risks facing each partner when working collaboratively, including shared risks; • Ensure arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances; • Establish 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; 	<p><u>Evidenced by:</u></p> <p><u>Dorset Council constitution</u></p> <p>Service risk registers</p> <p><u>Committee report clearance process and Democratic Services Hub (Internal Link)</u></p> <p><u>Portfolio holders</u></p> <p>Climate change decision making</p> <p>Service risk registers</p> <p><u>Consultation and engagement policy</u></p> <p>Quarterly Reports</p> <p><u>Financial Strategy - reviewed annually.</u></p> <p><u>Business Continuity Plans</u> (internal link)</p>	<p><u>Identified Improvement for 2024/25</u></p> <p>Embedding a new strategic performance framework and reporting tool, to include enhanced ‘customer voice/feedback’ monitoring/KPIs and risk dashboarding.</p>
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<ul style="list-style-type: none"> • Ensure capacity exists to generate the information required to review service quality regularly; • Prepare budgets in accordance with organisational objectives, strategies and the medium-term financial plan; and • 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>Assurance Service Lessons Learnt processes (Emergency Planning / complaints)</p> <p><u>Anti-fraud, Bribery and Corruption policy</u></p> <p><u>Anti Money Laundering Policy</u></p> <p>Organisational Compliance and Risk Learning Group</p> <p><u>Equality Impact Assessments</u></p> <p><u>Transformation plan and supporting programme</u></p> <p>Budget cafes for councillors</p> <p><u>Capital Strategy</u></p> <p><u>Property Strategy and Asset Management Plan</u></p>	
<p>To optimise achievement of intended outcomes (Lead – Sean Cremer, Corporate Director for Finance and Commercial / Steve Ford, Corporate Director for Strategy, Performance and Sustainability)</p>		
<ul style="list-style-type: none"> • Ensure the medium-term financial strategy integrates and balances service priorities, affordability and other resource constraints; • Ensure the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer-term; • Ensure the medium-term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment 	<p>Evidenced by:</p> <p><u>Medium Term Financial Strategy</u></p> <p><u>Annual Audit and Inspection letter</u></p> <p><u>Scrutiny Committees</u></p>	<p>Identified Improvement for <u>2024/25</u></p> <p>Implement the corporate performance framework that links financial planning and assumptions to service</p>

that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage		performance and emerging risks.
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PRINCIPLE E. Developing the entity’s capacity, including the capability of its leadership and the individuals within it.		
To develop capacity (Lead – Steve Ford, Corporate Director for Strategy, Performance and Sustainability)		
<ul style="list-style-type: none"> • Improve resource use through appropriate application of techniques such as benchmarking and other options in order to determine how the council’s resources are allocated so that outcomes are achieved effectively and efficiently; • Recognise the benefits of partnerships and collaborative working where added value can be achieved; • Develop and maintain an effective workforce plan to enhance the strategic allocation of resources. 	<p style="text-align: center;"><u>Evidenced by:</u></p> <p style="text-align: center;"><u>People strategy</u> and ‘My Roadmap’ appraisals</p> <p style="text-align: center;">Staff Development Scheme</p> <p style="text-align: center;">Learning and Development Plans</p> <p style="text-align: center;"><u>Chief Executive role defined in Authority Procedural Rules</u></p> <p style="text-align: center;"><u>Staffing Committee</u></p> <p style="text-align: center;"><u>Partnership working</u></p>	<p style="text-align: center;"><u>Identified Improvement for 2024/25</u></p> <p>Improve compliance rates for mandatory training.</p> <p>Complete governance review.</p> <p>Work with Our Future Council programme on enhanced partnership working.</p>
To develop the capability of the leadership and other individuals (Lead – Sheralyn Towner, Head of Organisational Development / Chris Matthews, Head of HR / Jacqui Andrews, Service Manager for Democratic and Electoral Services)		
<ul style="list-style-type: none"> • Develop protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained; 	<p style="text-align: center;"><u>Evidenced by:</u></p> <p style="text-align: center;"><u>Roles set out in the Council’s constitution</u></p> <p style="text-align: center;"><u>People Strategy</u></p>	<p style="text-align: center;"><u>Identified Improvement for 2024/25</u></p> <p>Induction of new councillors, post May elections</p>

<ul style="list-style-type: none"> • Publish a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body; • Ensure the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads the council in implementing its strategy and managing the delivery of services and other outputs set by councillors and each provides a check and a balance for each other’s authority; • Develop the capabilities of councillors and senior management to achieve effective shared leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by: <ul style="list-style-type: none"> ○ ensuring councillors and staff have access to appropriate induction tailored to their role and that ongoing learning and development that matches individual and organisational requirements is available and encouraged; ○ ensuring councillors and staff have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis; and ○ ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external. • Ensure that there are structures in place to encourage public participation; • Take steps to consider the leadership’s own effectiveness and ensure leaders are open to constructive feedback from peer review and inspections; • Hold staff to account through regular performance reviews which take account of learning or development needs; and 	<p><u>Scheme of Delegation</u></p> <p>My Roadmap’ appraisals and 1to1s</p> <p>Induction</p> <p>Mentoring and coaching</p> <p>Peer reviews and external inspections</p> <p>Staff consultative panels</p> <p>Leadership and <u>Employee Forums</u> (internal link)</p> <p><u>HR policy framework</u> (internal link)</p> <p>Member Development and Support Officer</p> <p>Staff Surveys</p> <p><u>Management Academy</u> (internal link)</p>	
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<ul style="list-style-type: none">• Ensure arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing.		
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PRINCIPLE F. Managing risks and performance through robust internal control and strong public monetary management

To manage risks

(Lead – David Bonner, Service Manager for Business Intelligence and Performance / Marc Eyre, Service Manager for Assurance)

- Recognise that risk management is an integral part of all activities and must be considered in all aspects of decision making;
- Implement robust and integrated risk management arrangements and ensure that they are working effectively; and
- Ensure 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](#)

[Business continuity framework](#) (internal link)

[Emergency Response Plan / Command and Control structure](#) (internal link)

[Performance Management Framework](#)

Local Code of Corporate Governance

Annual Governance Statement

Risk Management and Reporting Officer

Identified Improvement for 2024/25

Respond to internal audit actions on embedding risk management, including reassessment of Council's risk appetite.

Embed an enhanced corporate performance framework linking financial planning and assumptions to service performance and emerging risks.

To manage performance Lead – David Bonner, Service Manager for Business Intelligence and Performance		
<ul style="list-style-type: none"> • Monitor service delivery effectively including planning, specification, execution and independent post implementation review; • Make decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the council’s financial, social and environmental position and outlook; • Ensure an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made - thereby enhancing the council’s performance and that of any organisation for which it is responsible; • Provide councillors and senior management with regular reports on service delivery plans and on progress towards outcome achievement; and • Ensure there is consistency between specification stages (such as budgets) and post implementation reporting (e.g. financial statements). 	<p>Evidenced by:</p> <p>Performance Management Framework and dashboards</p> <p>Separate Overview and Scrutiny Committees</p> <p>Council Plan</p> <p>Transformation plan and supporting programme</p> <p>Delivery Plan</p> <p>Supporting strategies</p> <p>Data and BI strategy</p>	<p>Identified Improvement for 2024/25</p> <p>Develop and roll out the action plan to support the Council’s data and business intelligence strategy</p> <p>Embed an enhanced corporate performance framework linking financial planning and assumptions to service performance and emerging risks.</p> <p>Evolve the Scrutiny Committee interactive performance and risk dashboarding/reporting</p>
To ensure robust internal control (Lead – Marc Eyre, Service Manager for Assurance)		
<ul style="list-style-type: none"> • Align the risk management strategy and policies on internal control with achieving objectives; • Evaluate and monitor the council’s risk management and internal control arrangements on a regular basis; • Ensure effective counter fraud and anti-corruption arrangements are in place; 	<p>Evidenced by:</p> <p>SWAP Internal Audit Services</p> <p>Chief Internal Auditors report</p>	<p>Identified Improvement for 2024/25</p>

<ul style="list-style-type: none"> • Ensure additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor; • Ensure an Audit & Governance Committee which is independent of the executive and accountable to the council: <ul 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><u>Anti-fraud and corruption policy</u></p> <p><u>Anti Money Laundering Policy</u></p> <p><u>Whistleblowing Policy</u></p> <p>Quarterly reporting to elected members</p> <p><u>Audit and Governance Committee</u></p>	
<p>To manage data (Lead – Marc Eyre, Service Manager for Assurance / David Bonner, Service Manager for Business Intelligence and Performance)</p>		
<ul style="list-style-type: none"> • Ensure effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data; • Ensure effective arrangements are in place and operating effectively when sharing data with other bodies; and • Review and audit regularly the quality and accuracy of data used in decision making and performance monitoring 	<p>Evidenced by:</p> <p><u>Information Compliance Team and Data Protection Officer</u></p> <p><u>Senior Information Risk Owner</u></p> <p><u>Caldicott Guardian</u></p> <p><u>Strategic Information Governance Board and supporting groups.</u></p> <p><u>Data sharing agreements</u></p>	<p>Identified Improvement for 2024/25</p> <p>Develop and roll out the action plan to support the Council's data and business intelligence strategy</p>

	<p>Annual Information Governance report</p> <p>Mandatory data protection and cyber security training</p> <p>Information Governance Policy Framework</p> <p>Cyber security and ICT continuity Lead</p> <p>Data Protection Impact Assessments</p> <p>Record retention policy and identified Information Asset Owners</p>	
<p>To ensure strong public monetary management (Lead – Sean Cremer, Corporate Director for Finance and Commercial)</p>		
<ul style="list-style-type: none"> • Ensure financial management supports both long-term achievement of outcomes and short-term financial and operational performance; and • Ensure well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls. 	<p><u>Evidenced by:</u></p> <p>Section 151 Officer</p> <p>Performance Management Framework</p> <p>Medium Term Financial Plan</p> <p>Budget update reports to committee</p> <p>Pay Policy Statement</p>	<p><u>Identified Improvement for 2024/25</u></p>

	<p>Annual Governance Statement</p> <p><u>Annual Outturn and Financial Statements</u></p> <p>Quarterly Report including performance</p>	
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PRINCIPLE G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

To demonstrate good practice with transparency

(Lead – Marc Eyre, Service Manager for Assurance / Jacqui Andrews, Service Manager for Democratic and Electoral Services)

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

Evidenced by:

Annual Governance Statement

[Member allowances scheme](#)

[Annual Internal Audit Opinion report](#)

[Freedom of Information and Disclosure system](#)

Independent remuneration panel

[Committee report clearance process and Democratic Services Hub \(Internal Link\)](#)

[Committee reports published and meetings open to the public, including streaming \(unless exempt\)](#)

Identified Improvement for 2024/25

To implement good practices in reporting

(Lead – David Bonner, Service Manager for Business Intelligence and Performance)

- Report at least annually on performance, value for money and the stewardship of its resources to stakeholders in a timely and understandable way;

Evidenced by:

Identified Improvement for 2024/25

<ul style="list-style-type: none"> • Ensure councillors and senior management own the results; • Ensure robust arrangements for assessing the extent to which the principles contained in this framework have been applied and publish the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (Annual Governance Statement); • Ensure that the framework is applied to jointly managed or shared service organisations as appropriate; and • Ensure 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><u>Council plan</u> and supporting performance reporting.</p> <p>Accountable officers for performance indicators</p> <p>Accountable officers for risks</p>	
<p>To provide assurance and effective accountability</p> <p>(Lead – Marc Eyre, Service Manager for Assurance / David Bonner, Service Manager for Business Intelligence and Performance)</p>		
<ul style="list-style-type: none"> • Ensure that recommendations for corrective action made by external audit are acted upon; • Ensure an effective internal audit service with direct access to councillors is in place which provides assurance with regard to governance arrangements and that recommendations are acted upon; • Welcome peer challenge, reviews and inspections from regulatory bodies and implement recommendations; • Gain assurance on risks associated with delivering services through third parties and evidence this in the Annual Governance Statement; and • Ensure that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised and met 	<p><u>Evidenced by:</u></p> <p><u>Audit and Governance Committee</u></p> <p><u>Internal audit delivered by SWAP Internal Audit Services.</u></p> <p>Monitoring and reporting of audit recommendations</p> <p>Quarterly audit reporting to <u>Audit and Governance Committee</u></p>	<p><u>Identified Improvement for 2024/25</u></p> <p>Audit action tracking built into new strategic reporting tools/dashboards as part of the wider corporate performance framework</p>

	External audit Periodic peer reviews	
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Status update report to the Audit and Governance Committee on the 2021/22 audit

Issued March 27 for the Audit and Governance Committee meeting on 15 April 2024

Partner introduction

The key messages in this report

I have pleasure in presenting our status report to the Audit and Governance Committee for the 2021/22 audit. The scope of our audit was set out within our planning report presented to the Committee in March 2024. I would like to draw your attention to the key messages of this paper:

Status of the audit

Our audit testing is progressing well. However, before we conclude our audit, we have a number of procedures that we are required to perform. We have listed below the outstanding procedures relating to our significant risk testing:

- **Management override of controls** – We have used our Spotlight analytic tool to identify a sample of journals of audit interest. These have been communicated to management and testing of these items is ongoing.
- **Completeness and accuracy of accrued expenditure** – We have undertaken our sample testing of accruals, post year end payments and post year end invoices, and this is now progressing through reviews.
- **Capitalisation of infrastructure and assets under construction** – We have selected samples which have been communicated to management and the testing of these items is ongoing.
- **Property valuations** - We are awaiting a response from the Council’s property valuers, Bruton Knowles, to queries raised by our internal property valuations specialist, Deloitte Real Asset Advisory, on the Council’s property valuations as at 31 March 2022.
- **Accounting for property valuations** – We have raised a number of queries regarding the accounting treatment with management who have provided responses which we are working through. Our testing is ongoing.
- **Valuation of the pension fund liability** - The Council has obtained a revised pension valuation as at 31 March 2022. This updated valuation takes into account updated membership numbers which were identified following the completion of the Pension Fund triennial valuation. The updated pension valuation has resulted in a material £17,805k increase in the net pension liability for the Council from £867,796k to £885,601k. As a result of the material movement, we have asked that the Council updates the accounts to reflect the updated valuation. We have also requested that our actuarial specialists review the updated pension valuation in order to review and challenge the assumptions used in the valuation. We are also awaiting a response to our IAS 19 letter from the pension fund auditors.

Other principal items to complete include our reviews of the updated financial statements, receipt of signed management representation letter, our review of events since 31 March 2022 through to the date of signing.

Partner introduction

The key messages in this report (continued)

In addition to the significant risk areas listed on the previous page, our audit testing is currently progressing through our internal quality reviews. This process will result in additional queries being raised on the testing that has been performed. We will provide any additional queries that require management's input promptly. However, until this process is complete we are unable to finalise our audit.

Value for money

Our Value for Money work is ongoing, and will be reported in our Auditor's Annual Report, which will be released in a combined report with the 2020/21, 2021/22 and 2022/23 years, in line with the National Audit Office Auditor Guidance Note 3.

From our work to date, we have not identified any significant weaknesses in the Council's arrangements to secure economy, efficiency and effectiveness in the use of resources.

Our opinion will state that our Value for Money work is ongoing.

National consultations

On 8 February 2024, both DLUHC and the NAO issued consultations on the proposed measures that aim to deal with the backlog of audits that has developed within the local government sector. These proposals include the requirement for all local authorities to publish audited accounts for all years up to 2022/23 by 30 September 2024. In addition, under the proposals, auditors will also be required to report on value for money for all open years by 30 September 2024.

The outcome of the consultation has not yet been published, however we are working constructively with management and the Council's new auditors to plan for the potential impact of the outcome. This includes discussing realistically achievable timeframes and the potential scope of work that we will be required to complete.

Duties as public auditor

We have not identified any matters that would require us to issue a public interest report. We have not had to exercise any other audit powers under the Local Audit and Accountability Act 2014.

Ian Howse
Lead audit partner

Purpose of our report and responsibility statement

Our report is designed to help you meet your governance duties

What we report

Our report is designed to help the Audit and Governance Committee and the Council discharge their governance duties. It also represents one way in which we fulfil our obligations under ISA (UK) 260 to communicate with you regarding your oversight of the financial reporting process and your governance requirements. Our report includes:

- Results of our work to date on key audit judgements and our observations on the quality of your draft Annual Report.
- Other insights we have identified from our audit.

The scope of our work

Our observations are developed in the context of our audit of the financial statements.

Use of this report

This report has been prepared for the Council, as a body, and we therefore accept responsibility to you alone for its contents. We accept no duty, responsibility or liability to any other parties, since this report has not been prepared, and is not intended, for any other purpose. Except where required by law or regulation, it should not be made available to any other parties without our prior written consent.

What we don't report

As you will be aware, our audit was not designed to identify all matters that may be relevant to the board.

Also, there will be further information you need to discharge your governance responsibilities, such as matters reported on by management or by other specialist advisers.

Finally, our views on internal controls and business risk assessment should not be taken as comprehensive or as an opinion on effectiveness since they have been based solely on the audit procedures performed in the audit of the financial statements and the other procedures performed in fulfilling our audit plan.

We welcome the opportunity to discuss our report with you and receive your feedback.

Deloitte LLP

Cardiff | 27 March 2024

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Dorset Council

Report of Internal Audit Activity

Progress Report 2023/24 – April 2024

Page 59

Agenda Item 8

Executive Summary

As part of our update reports, we will provide an ongoing opinion to support our end of year annual opinion.

We will also provide details of any significant risks that we have identified in our work, along with the progress of mitigating previously identified significant risks.

The contacts at SWAP in connection with this report are:

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SWAP is an internal audit partnership covering 22 organisations. Dorset Council is a part-owner of SWAP, and we provide the internal audit service to the Council.

For further details see:
<https://www.swapaudit.co.uk/>



Audit Opinion, Significant Risks, and Audit Follow Up Work

Audit Opinion:

This is our final update report for 2023/24 financial year. As this update can be viewed together with information provided within the Internal Audit Annual Opinion Report this update report has been shortened to contain essential elements only.

Since our last progress report in January 2024, we have issued **two Limited** assurance opinions on the areas and activities we have been auditing. Further details on this can be found on pages 3 and 4 below. Agreed action plans are in place to improve internal controls in these areas, which we will follow up through our usual processes.

Significant Corporate Risks

Update on Response to Climate Emergency

Due to the nature of the actions, long implementation dates were agreed with the majority not due until 2024/25. Three actions were due to be implemented at the end of April 2024 and we can report that all three actions have already been completed. In addition, good progress is also being made to implement the remaining actions that are due by the end of April 2025, and we commend the team for the level of work undertaken. We will conduct another follow up nearer that time. The follow up report can be found on page 5.

Update on Premises related Health and Safety

In January, we reported that three actions were still outstanding and that revised implementation dates had been agreed for the end of February and end of March. We have met with the Head of Assets and Property and whilst he has advised that work is progressing on all three actions, unfortunately they are still outstanding with proposed revised implementation dates of the end of May, end of September and end of December. We will update the Committee at the meeting in July 2024.

The role of SWAP as the internal auditors for Dorset Council is to provide independent assurance that the Council’s risk management, governance and internal control processes are operating effectively. In order for senior management and members to be able to appreciate the implications of the assurance provided within an audit report, SWAP provide an assurance opinion. The four opinion ratings are defined as follows:

Assurance Definitions	
No Assurance	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.
Limited	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited
Reasonable	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Substantial	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.

Page 61

In addition to the assurance definitions above we also provide an ‘**assurance dial**’ which indicates on a range of high medium or low where within the range of that assurance a particular audit assurance sits.



As can be seen in this example the assurance provided is low limited as the dial is sitting on the lower end of the limited scale. It could equally have been a medium limited assurance where the dial sits midway or high limited when it is sitting at the upper end close to the reasonable assurance.

The Committee is able to view a record of all internal audit work on the Rolling Plan dashboard held in AuditBoard [AuditBoard | Login \(auditboardapp.com\)](https://auditboardapp.com) including work in progress and all completed work that would have previously been reported to the Committee in a table form. To provide the Committee with additional insight we include our one-page audit report in full for Limited assurance audits.

Children with a Disability (CWAD) Service – Final – January 2024



Audit Objective

To review the effectiveness of controls and processes for the commissioning, review and monitoring of packages of care for children with a disability.

Executive Summary

	Assurance Opinion	Management Actions	Organisational Risk Assessment	Medium
	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.	Priority 1	0	Our audit work includes areas that we consider have a medium Organizational risk and potential impact. The key audit conclusions and resulting outcomes warrant further discussion and attention at senior management level.
		Priority 2	3	
		Priority 3	4	
		Total	7	

Key Conclusions

	Current finance monitoring data is not fully accurate and relies upon the manual amalgamation of data from both the finance system and Mosaic, causing discrepancies. Further review is recommended to ensure all relevant information is captured in monitoring reports.
	Testing carried out on invoices paid found inconsistencies between agreed care hours and hours that providers have invoiced for. The service should implement a new process to investigate differences prior to payment.
	Yearly reviews are conducted by the social or family worker to ensure children’s needs are being met and are recorded in monitoring reports, which the CWAD manager has limited oversight of. Regular distribution of these reports to the CWAD manager would ensure continuous monitoring.
	Current panel minutes inputted onto Mosaic don’t demonstrate clear corroboration with final decisions and review need. Out-of-panel decisions are not managed accordingly and result in inappropriate extended allocation. A new process is recommended to ensure a standardised approach for decision rationale and timescales for package reviews are implemented.
	A legally compliant process for allocating support is in place and packages of support continue to be provided unless the case is returned to Panel, or the Service Manager agrees to an out-of-panel request. The service is implementing a new process for suppliers to ensure those going forward are on the New Framework. This process focuses on formal review times and incorporates clear KPI’s and outcomes, which will directly support in accurate monitoring, reviewing, and reporting.

Audit Scope

The audit reviewed the following:

- How packages of support are commissioned, including the rationale for selection of suppliers.
- The decision-making framework in place for the commissioning of packages of care.
- Processes for review of packages and suppliers.
- Budget monitoring activities in place and oversight by senior management.
- Processes for recording and reporting data for monitoring purposes.

Where possible, data analysis was undertaken to inform audit testing and to provide additional insight.

The Joint Funding Arrangements audit has reviewed the controls around ensuring that contributions from Health partners for children with a disability are received.

Other Relevant Information

Three actions have already been implemented by the CWAD team during the course of the audit and the remaining actions will be followed-up in line with their allocated timescales.

Page 62

RMMSCW Framework – Final Report – March 2024



Audit Objective To provide assurance that the Repairs, Maintenance, Minor and Small Capital Works (RMMSCW) Framework is being adhered to.

Executive Summary

	Assurance Opinion	Management Actions		Organisational Risk Assessment	Medium
	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage the risks to the achievement of objectives in the area audited.	Priority 1	0	Our audit work includes areas that we consider have a medium organisational risk and potential impact. The key audit conclusions and resulting outcomes warrant further discussion and attention at senior management level.	
		Priority 2	12		
		Priority 3	1		
		Total	13		

Key Conclusions

	There doesn't appear to be established, consistent systems in place for requesting estimates, authorising spend over the set limits or ensuring that works are assigned to the correct Lot. Documents are generally held by individuals and if a surveyor leaves there is no formal handover and access to required documents, such as estimates. All of these issues identified indicates that the Framework is not being consistently adhered to.	Audit Scope The audit has reviewed the following: <ul style="list-style-type: none"> Processes in place from the identification of a required piece of work through to the award and payment for the work Differences in original estimates through to actual costs and how these are managed Analysis of payments made to contractors through the RMMSCW to ensure that only approved contractors are being used for the category of works Authorisation levels for the different works being carried out, looking at whether a contract should be in place Scope Exclusion - It should be noted that the current Framework is being reviewed and this was not included within the scope of this audit. Due to a lack of records, we were unable to confirm estimates to national federation rates.
	Management oversight and monitoring needs strengthening to gain assurance that the correct processes are being followed. This could be achieved through spot checks of invoices paid.	
	Contracts are not being managed effectively and the monitoring spreadsheet requires an oversight to ensure that meetings are being held. There is no formal process for when a contractor retires from a Lot to appoint a replacement on the Framework.	
	A tender exercise is being undertaken to set up a new framework for repairs and maintenance. Issues identified within this audit report should be taken into account when formalising the tender to ensure all appropriate areas are included.	

Next Steps

The actions raised can be found within the Findings and Action Plan and there are agreed timescales for their implementation which will be followed up in due course. An analysis of spend for the past three years was also shared with the service.

Page 63

Response to Climate Emergency Follow Up – Final Report – March 2024



Follow Up Audit Objective

To provide assurance that agreed actions to mitigate against risk exposure identified within the 2022/23 Limited opinion audit of the Response to Climate Emergency report have been implemented.

Follow Up Progress Summary				
Priority	Complete	In Progress	Not Started	Summary
Priority 1	1	1	0	2
Priority 2	5	1	0	6
Priority 3	0	0	0	0
Total	6	2	0	8

Follow Up Assessment

The original audit was completed and reported in January 2023 and received a Limited assurance opinion. A follow up audit was undertaken in June 2023 which closed off two actions. This follow up audit has found that a further four actions are now complete with just two remaining which are in progress. These two actions are not due to be fully implemented until 2025. Key findings have been summarised below.

Follow Up Scope

Testing has been performed in relation to all priority 1 and 2 actions and supporting evidence obtained to support implementation of actions.

Key Findings



There has been significant work undertaken by the Climate and Ecological Sustainability team since the last follow up. The climate and ecological decision tool has now been fully embedded into the decisions being made by the council. There have been significant bids for further resources to third parties to support the council with their plans and enable more work to be undertaken. The Climate team have done a deep dive into the data they have been using for the BEIS return to understand it better. This includes any limitations of the data source. From this deeper understanding they have been able to put in place better measures to reduce the emissions of the council. There is further work for the council to do with the formation of the Climate and Ecological Operational group to drive forward the changes needed to achieve the 2040 target. Also there is more work needed on scope 3 and the challenges represented by this, however we would commend the team for the level of work undertaken at this stage.

Further Follow Up Required

A third follow up will be undertaken to enable the service to demonstrate implementation towards completion of the two actions which are due to be implemented by 30th April 2025. A summary of the key findings from our review will be presented to the Audit and Governance Committee on 15th April 2024. Progress of outstanding actions will be reported to Audit and Governance Committee during 2024 and 2025.

Dorset Council

Internal Audit Annual Opinion Report 2023-24

Page 65

Agenda Item 9

Internal Audit Annual Opinion – 2023/24: 'At a Glance'



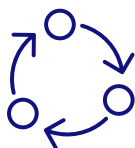
Reasonable internal audit opinion provided;



At least some internal audit work across each of the Council's corporate risk themes;



Ten Limited assurance opinions issued with none of these identified as a Significant Risk;
(Appropriate actions have been planned in all instances)



Process of continuous follow up of agreed actions continues however, numbers of outstanding overdue actions has increased.

Page 66

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;
- provide the opportunity to review the work actually undertaken during the year, 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. New Global Internal Audit Standards are being introduced in 2025, however during 2023/24 SWAP work was completed to comply with the current framework, 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 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 2023/24 year.

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



Annual Opinion

I have considered the balance of 2023/24 audit work for Dorset Council, enhanced by the work of external agencies and am able to offer **Reasonable Assurance** in respect of the areas reviewed during the year, as most were found to be adequately controlled. Generally, risks are well managed, however whilst some areas require the introduction or improvement of internal controls to ensure the achievement of the Council's objectives; the normally robust approach to implementation of audit actions has been part of the considerations in forming this annual opinion. During the year, **ten limited assurance opinions** have been reported to the Committee. In addition, we have continued to monitor and report back to the committee on the two significant corporate risks that were identified during 2022/23 and whilst these risks have not yet been adequately mitigated, work continues to implement agreed actions.

During the year the need for demand driven COVID related grant certifications has stopped which has enabled us to continue our process of working with Directorate Management Teams in order to identify priority internal audit work through a process of risk assessment. We have also received requests for a number of high priority unplanned pieces of assurance work which we have undertaken at short notice resulting in a re-prioritisation of other work. This flexible, responsive approach ensures we are auditing the right areas at the right time.

The table at [Figure 1](#) below, captures our audit coverage this year, mapped against the Authority's corporate risk themes. Furthermore, we have then overlayed the audit assurance outcomes of those risk areas that we have reviewed. The table demonstrates that we have provided some level of audit work across all the areas of corporate risk themes during the last year.

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 the corporate risk themes within 2023/24.

Figure 1: Audit Coverage by Corporate Risk Theme

Strategic Risk	Coverage (Completed Audits)	Average Opinion of Completed Audits
DC R01 - Finance	Good	Reasonable
DC R02 - Compliance	Adequate	Limited
DC R03 - Health, Safety, Wellbeing	Some	Reasonable
DC R04 - Communities	Some	Reasonable
DC R05 - Digital & Technology	Some	Reasonable
DC R06 - Safeguarding	Some	Limited
DC R07 - Transformation	Some	Limited
DC R08 - Workforce	Some	Limited
DC R09 - Political & Leadership	Some	Limited
DC R10 - Service Delivery	Good	Limited

Coverage Key	
Good	Good audit coverage completed
Adequate	Adequate audit coverage completed
Some	Some aspects of audit coverage completed
In progress	Some aspects of audit coverage in progress
None	No audit coverage to date

Assurance Key	
Substantial	Sound system of governance, risk management and controls exist
Reasonable	Generally sound system of governance, risk management and control in place
Limited	Significant gaps, weaknesses or non-compliance were identified
No Assurance	Fundamental gaps, weaknesses or non-compliance identified
In progress	Work is currently ongoing
Non-Assurance Audit Work	Audit work undertaken does not result in an audit opinion being delivered such as advisory or grant certification work, but such work can contribute to internal audit's annual opinion

Executive Summary

Implementation of Agreed Actions

It is the responsibility of internal audit to establish a process to monitor and ensure that management actions have been effectively implemented.

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 remedial action this should be brought to the attention of the Audit Committee.

Implementation of Agreed Actions and Risks Accepted

The process of follow up which embedded the responsibility of ensuring the implementation of agreed audit actions within directorates themselves and tracked the progress of implementation on a continuous basis has been in place for over two years now.

We have had valuable support from the Council’s Senior Leadership Team which has been key to developing a culture where implementation of agreed audit actions is becoming a priority across the whole organisation. However, the Committee will be aware from our regular update reports that despite this, the number of overdue actions has increased over the past year from 10 in April 2023 to 23 at 3rd April 2024, although this peaked at 30 in November, so numbers are starting to decrease. There has also been an increase in the number of actions that have been outstanding for more than 180 days, which has increased from two to seven over the year. We have seen during the year that some officers have set short timescales for the implementation of actions, and this has been a contributing factor to the increase.

You will be aware of the **Action Tracker** which can be viewed by clicking on [this link](#). The tracker will show the latest position on overdue actions. We are now regularly reporting this to the committee as part of internal audit’s performance measures and is included as part of the council’s suite of performance indicators.

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, for the third year in succession there were **no** audit actions that were ‘risk accepted’ during 2023/24. We believe that instances of risk acceptance are likely to have been mitigated by the collaborative and inclusive agile auditing approach now used by the SWAP team.

Audit Outcomes

Summary of Audit Opinions

At the conclusion of an audit assurance 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
- **Limited** – 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

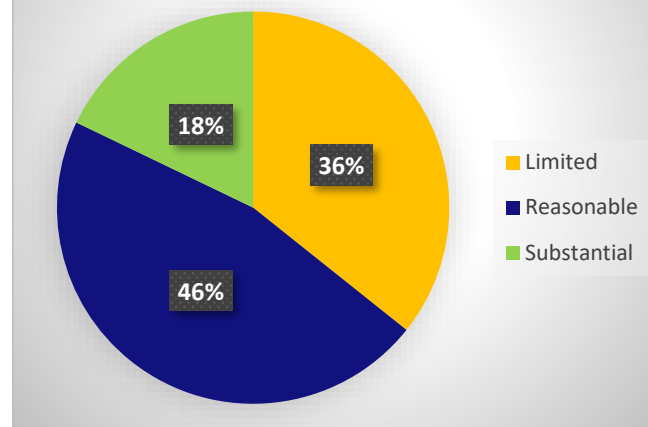
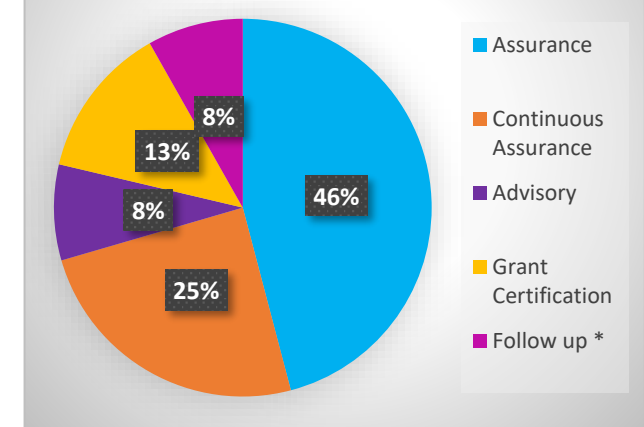


Table 2: Audit Work by Type



**Percentage of follow up work is low due to the successful implementation of new follow up process*

Table 1 above indicates the spread of assurance opinions across our work completed during the past year. The Council’s willingness and openness to identify areas for review naturally results in a larger number of Limited Assurance opinions and provides assurance that SWAP is focussing its limited resources in the correct areas.

Table 2 indicates the audit work by type. Whilst assurance work is the main focus of internal audit, in an ever-changing landscape, internal audit has the knowledge and skills to be able to provide advisory work that supports the organisation in understanding these changes. In addition, the requirement for grant certification work, and in particular, COVID related government grants available to the council and the requirement for the Head of Internal Audit to provide certification of these grant awards has decreased in comparison to 2022/23.

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.

CIFAS data Matching

SWAP has paid an annual subscription of £12,880 for 2023/24 to enable Dorset Council to be part of CIFAS. This data matching service will help the Council to both prevent and detect fraud. SWAP, working with both CIFAS and the council have facilitated data matching work in the following areas across the Council:

- Adults & Housing - Adults Service Users (Direct Payments)
- Place – Licensing
- Adults & Housing – Homelessness applications

Data matching has been successfully up and running within a number of other areas including Insurance, Agency Staff, Contractors which has had a positive impact with some matches being identified resulting in either an agency worker not being employed, or a supplier being removed from a procurement exercise. SWAP is currently progressing Adults micro providers, existing Adults high-risk contracts, Financial Agents and Power of Attorneys, and Housing Register applications.

Benchmarking, Surveys and Data Analytics

During the year as part of our audit work, we have looked to provide additional information on top of our standard audit report. This might be benchmarking across the SWAP partnership or the wider reach of the Chief Internal Auditors Network. It could also take the form of undertaking surveys across appropriate internal groups to further evidence and enhance our work and using the SWAP's Data Analytics team to undertake analysis and enhance the way in which this is presented to the Council. Examples of this added value work are:

- DLEP Grant Certification – identification of an additional invoice that was eligible to be spent under this grant.
- Effectiveness of Manager Self-Serve – data analytics and presentation of analysis as part of our reporting.
- Fostering Panel Processes – data analytics and presentation of analysis as part of our reporting.
- Homelessness Front Door Services – data analytics used to inform audit findings.
- Accounts Payable Continuous Auditing – data analytics used to inform audit findings.

- Debt Recovery – Access to Data for Collaborative Working - data analytics and presentation of analysis as part of our reporting.
- Transport Operations - data analytics used to inform audit findings.
- Parking Appeals - data analytics used to inform audit findings and presentation of analysis as part of our reporting.
- Use of Consultants & Temporary Staff - data analytics and presentation of analysis as part of our reporting.
- Hearing & Vision Shared Service – benchmarking exercise undertaken and presented as part of our reporting.
- Blue Badges - benchmarking exercise undertaken and cross comparison report provided.
- Children with a Disability Service - data analytics used to inform audit findings.
- Parking Enforcement - benchmarking exercise undertaken and presented as part of our reporting.
- RMMSCW Framework – data analytics and presentation of analysis as part of our reporting.

Regular updates

To help key officers in the Council keep abreast of changes SWAP produces a monthly newsletter that provides information on topical areas of interest for public sector organisations.

Counter Fraud Team

SWAP's Counter Fraud team have completed two investigations and one special review during the year which have either been the result of whistleblowing or requests from the Council's Monitoring Officer, together with providing specialist fraud expertise. Furthermore, the team also provide regular fraud bulletins to our partners on the latest intelligence on fraud targets.

Audit Performance 2023/24

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

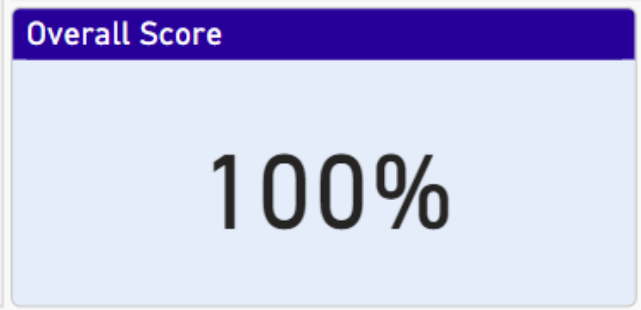
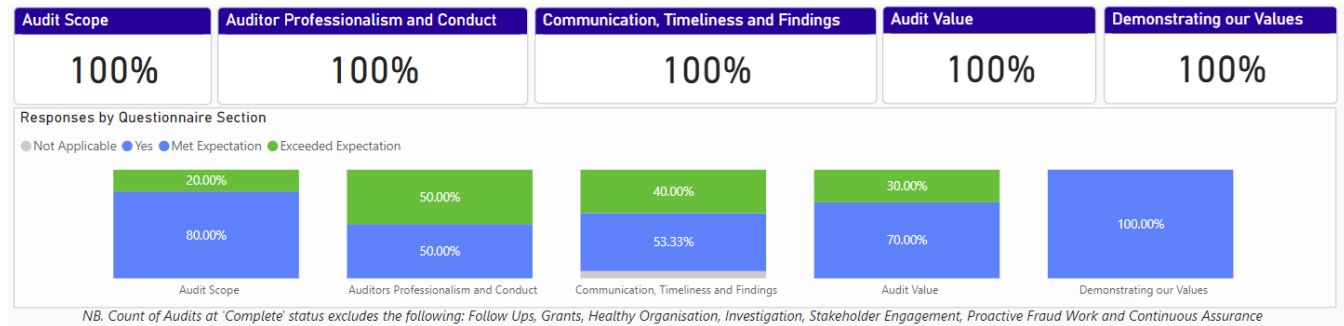


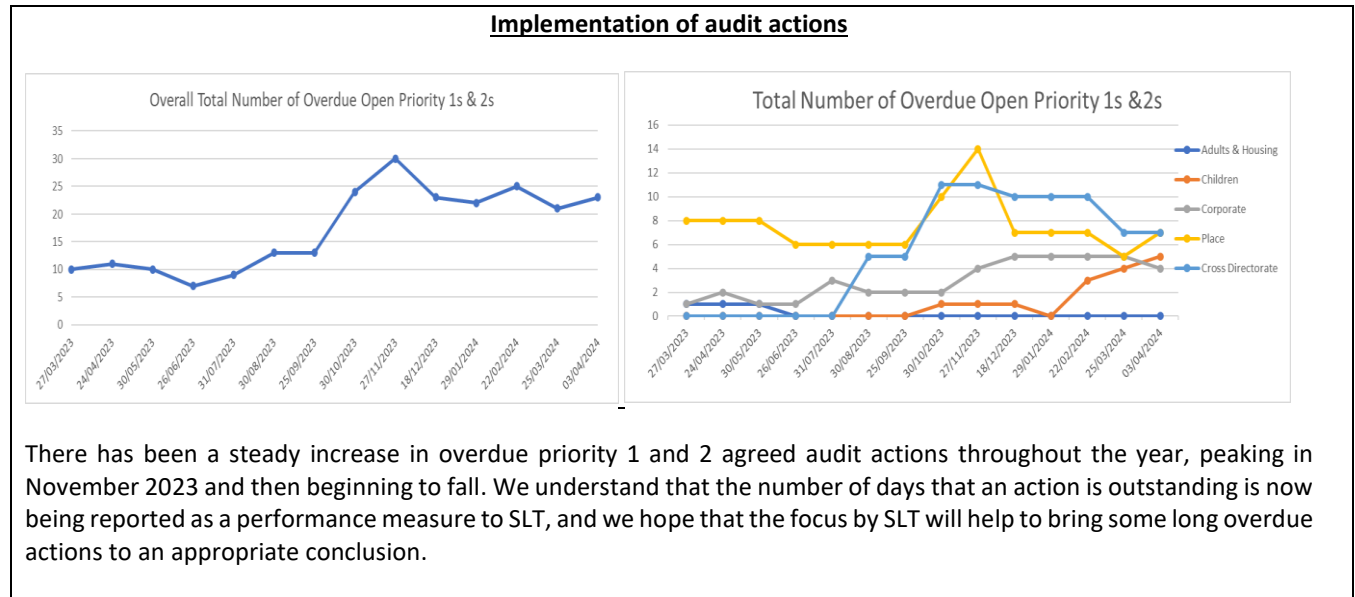
SWAP Performance

SWAP's performance is subject to regular monitoring and review by both the Board of Directors and Owners Board.

Client Feedback

The performance for Dorset Council for the 2023/24 year is as follows:





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. 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. As the International Professional Practices Framework has recently been reviewed and replaced with the new Global Internal Audit Standards, SWAP is considering when it will undertake its next External Assessment which is not formally required until March 2025.

Summary of Internal Audit Work 2023/24

The schedule below contains the audit work undertaken in 2023/24, along with the respective outturn. Alternatively, the Rolling Plan dashboard is available through our audit management system AuditBoard [AuditBoard | Login \(auditboardapp.com\)](https://auditboardapp.com) 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 Agreed Actions	1 = Major	↔	3 = Medium
					Recommendation		
					1	2	3
Assurance/Targeted Follow up Work							
Operational	Accounts Receivable Annual Assurance 2022/23	Final	Medium Reasonable	2	0	0	2
Operational	Payroll	Final	High Substantial	0	0	0	0
Operational	Data Quality & Information Governance	Final	High Limited	6	0	3	3
Operational	Fostering Panel Processes	Final	Medium Reasonable	5	0	1	4
Operational	Homelessness – Front Door Services	Final	High Limited	10	0	4	6
Operational	Accounts Payable Annual Assurance 2022/23	Final	Medium Reasonable	0	0	0	0
Operational	Procurement Cards	Final	Medium Reasonable	6	0	1	5
Operational	Effectiveness of Manager Self-Serve	Final	Medium Limited	7	0	6	1
Operational	Premises Health & Safety – Follow Up 1	Final	N/A	7	1	5	1

Summary of Internal Audit Work 2023/24

Audit Type	Audit Area	Status	Opinion	No of Agreed Actions	1 = Major	↔	3 = Medium
					Recommendation		
					1	2	3
Operational	Response to Climate Emergency – Follow Up 1	Final	N/A	6	2	4	0
Operational	Debt Recovery – Access to Data for Collaborative Working	Final	Medium Limited	4	0	3	1
Operational	Transport Operations	Final	Medium Limited	11	0	8	3
Operational	Parking Appeals	Final	Medium Reasonable	5	0	0	5
Operational	SEND Transport	Final	Medium Limited	11	0	7	4
Operational	Revenues and Benefits Project Benefits Realisation	Final	Medium Substantial	0	0	0	0
Operational	Public Health – Third Party Supplier Management	Final	Low Substantial	0	0	0	0
Operational	Use of Consultants and Temporary Staff	Final	High Limited	7	0	6	1
Operational	User Access Management	Final	Low Reasonable	3	0	1	2
Operational	Joint Funding Arrangements	Final	High Limited	5	0	5	0
Operational	Premises Health & Safety – Follow Up 2	Final	N/A	3	1	2	0
Operational	Hearing & Vision Shared Service	Final	Medium Reasonable	3	0	0	3
Operational	Lessons Learned from SEND Tribunals Follow Up	Final	N/A	0	0	0	0
Operational	Housing Standards & Statutory Obligations	Final	Medium Reasonable	4	0	1	3
Operational	Children with a Disability Service	Final	High Limited	7	0	3	4

Summary of Internal Audit Work 2023/24

Audit Type	Audit Area	Status	Opinion	No of Agreed Actions	1 = Major	↔	3 = Medium
					Recommendation		
					1	2	3
Operational	Revenues & Benefits Annual Assurance	Final	Medium Substantial	0	0	0	0
Operational	Payroll Annual Assurance	Final	High Substantial	0	0	0	0
Operational	Planning Enforcement	Final	Low Reasonable	9	0	1	8
Operational	RMMSCW Framework	Final	Low Limited	13	0	12	1
Operational	Accounts Receivable Annual Assurance	Final	Medium Reasonable	2	0	0	2
Operational	Main Accounting Annual Assurance	Final	Medium Reasonable	3	0	0	3
Operational	Accounts Payable Annual Assurance	Final	High Reasonable	1	0	0	1
Follow Up	Response to Climate Emergency Follow Up 2	Final	N/A	2	1	1	0
Operational	Treasury Management Annual Assurance	Final	High Reasonable	2	0	1	1
Operational	Application Portfolio Management	Final	Advisory				
Operational	Compliance with GDS Standard	Final	Advisory				
Operational	Cifas (National Fraud Database) – Adults Service Users (Direct Payments)	Final	Advisory				
Operational	Cifas (National Fraud Database) - Licensing	Final	Advisory				

Summary of Internal Audit Work 2023/24

Audit Type	Audit Area	Status	Opinion	No of Agreed Actions	1 = Major	↔	3 = Medium
					Recommendation		
					1	2	3
Operational	Cifas (National Fraud Database) – Homelessness Applications	Final	Advisory				
Grant Certification							
Grant Certification	DLEP Gateway	Final	Grant Certification				
Grant Certification	Rough Sleeping Accommodation Programme	Final	Grant Certification				
Grant Certification	Next Steps Accommodation Programme	Final	Grant Certification				
Grant Certification	BDUK (Ultrafast Broadband Project)	Final	Grant Certification				
Grant Certification	Supporting Families Grant Certification – June Claim	Final	Grant Certification				
Grant Certification	Supporting Families Grant Certification – Sept Claim	Final	Grant Certification				
Grant Certification	Supporting Families Grant Certification – Dec Claim	Final	Grant Certification				
Grant Certification	Supporting Families Grant Certification – March Claim	Final	Grant Certification				
Continuous Assurance							
Operational	Main Accounting (Quarter 4 2022/23 & Quarter 1 2023/24)	Final	Continuous Assurance				
Operational	Main Accounting (Quarter 2 2023/24 & Quarter 3 2023/24)	Final	Continuous Assurance				
Operational	Treasury Management (Quarter 4 2022/23)	Final	Continuous Assurance				

Summary of Internal Audit Work 2023/24

Audit Type	Audit Area	Status	Opinion	No of Agreed Actions	1 = Major	↔	3 = Medium
					Recommendation		
					1	2	3
Operational	Treasury Management (Quarter 1 2023/24)	Final	Continuous Assurance				
Operational	Treasury Management (Quarter 2 2023/24)	Final	Continuous Assurance				
Operational	Treasury Management (Quarter 3 2023/24)	Final	Continuous Assurance				
Operational	Accounts Receivable (Quarter 4 2022/23 & Quarter 1 2023/24)	Final	Continuous Assurance				
Operational	Accounts Receivable (Quarter 2 & Quarter 3 2023/24)	Final	Continuous Assurance				
Operational	Revenues & Benefits (Quarter 4 2022/23)	Final	Continuous Assurance				
Operational	Revenues & Benefits (Quarter 1 & Quarter 2 2023/24)	Final	Continuous Assurance				
Operational	Revenues & Benefits (Quarter 3 2023/24)	Final	Continuous Assurance				
Operational	Payroll (Quarter 1 & Quarter 2 2023/24)	Final	Continuous Assurance				
Operational	Payroll (Quarter 3 2023/24)	Final	Continuous Assurance				
Operational	Accounts Payable (Quarter 4 2022/23 & Quarter 1 2023/24)	Final	Continuous Assurance				
Operational	Accounts Payable (Quarter 2 & Quarter 3 2023/24)	Final	Continuous Assurance				
Work In Progress							
Operational	Dignity at Work (Place)	In progress					

Summary of Internal Audit Work 2023/24

Audit Type	Audit Area	Status	Opinion	No of Agreed Actions	1 = Major	↔	3 = Medium
					Recommendation		
					1	2	3
Operational	Delivery of the Support for Carers	In Progress					
Operational	Estates Income & Debt Management	In Progress					
Operational	Establishment Control	In Progress					

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Dorset Council

Approach to Internal Audit Planning 2024/25

Page 83

Agenda Item 10

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 A&G 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 2024/25

For a number of years SWAP have been delivering a fully flexible and responsive approach to audit planning. The fast paced and changing environments in which local authorities now work requires us to be able to adapt, re-prioritise and shift focus and whilst traditionally internal audit functions have delivered annual audit plans, the need for flexibility in an ever-changing landscape has demanded a change of approach to audit planning. Our planning ensures that we are supporting the Council by collaboratively aligning our work to the Council's aims, objectives and key risks. This helps to 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.

To accommodate the need for flexibility we build our plan in conjunction with management as the year progresses. We believe this approach has worked well in past years and has earned the support of both senior management and the audit committee. As such we propose to continue with this planning approach in 2024/25.

The resulting programme of work 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 is 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. The results of our risk assessments will be regularly shared with Senior Management in Directorates through our Audit Business Partners to obtain their view on the value of internal audit involvement in identified areas. 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 continuous access to our rolling plan recorded on our Audit management system, AuditBoard 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.

Annually we provide you with our Internal Audit Charter, for your approval, that reflects the role and responsibilities, of us as internal auditors within your organisation. Traditionally our Charter accompanies this planning paper.

However, there have been some significant changes to the Internal Audit Charter, as a result of the introduction of new Global Internal Audit Standards. The Charter will now include an Internal Audit Mandate that will specifically cover our roles and responsibilities and the Charter will move to detailing the scope of the internal audit work within your authority.

SWAP is looking to base our Charter on the model Charter provided by the Institute of Internal Auditors (IIA), which is expected to be released later this quarter. It therefore makes sense to share one Charter that will cover the whole of 2024-2025 ensuring we have included all the mandatory elements of the new Standards. In the meantime, we will continue to operate in accordance with our existing charter.

We would encourage SLT and the Audit & Governance Committee to regularly review the dashboard in AuditBoard in order 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 assessment of risks.

A Rolling & 'Live' Programme of Audit Work

Throughout 2023/24 we have continued to use our live rolling planning dashboard which is now held on SWAP's Audit Management system AuditBoard. Senior Management and members of the Audit and Governance Committee have access to the system in order to view our rolling plan.

To access our rolling plan dashboard please click on this link <https://swap.auditboardapp.com/login>

This dashboard 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 risk themes and a table demonstrating the audit coverage and assurances can be found on the first tab.

The rolling plan dashboard details all work we have completed across the year, and any work that is in progress along with the status of that work.

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 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 22 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:

- Exceed expectations;
- Be pragmatic and focus on what matters;
- Be inventive and offer creative solutions;
- Be visible and responsive

Your Internal Audit Service

Audit Resources

The 2024/25 internal audit programme of work will be delivered within an overall budget of £444,509 as agreed by the S151 officer and Service Manager for Assurance. No budget cuts have been proposed for the forthcoming year.

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. We would encourage alternative sources of assurance to 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:

Sally White, Assistant Director – sally.white@swapaudit.co.uk, 07720312469

Angie Hooper, Principal Auditor – angela.hooper@swapaudit.co.uk 07536 453271

External Quality Assurance

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

As required within the IPPF SWAP is subject to an External Quality Assessment (EQA) of Internal Audit Activity at least every 5 years. The last of these was carried out in March 2020 which confirmed 'General Conformance' with the IPPF. SWAP is currently considering when it will undertake the next EQA bearing in mind the introduction of the new Global Internal Auditing Standards to be applicable in 2025.

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 detailed rolling plan dashboard 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.

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Audit and Governance Committee

15 April 2024

Risk Management Update

For Review and Consultation

Portfolio Holder: Cllr S Flower, Leader of the Council

Executive Director: A Dunn, Executive Director, Corporate Development

Report Author: Chris Swain

Job Title: Risk Management & Reporting Officer

Tel: 01305 228691

Email: chris.swain@dorsetcouncil.gov.uk

Report Status: Public

Brief 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. The Senior Leadership Team own strategic risk management, with an agreed risk management framework and appetite statement both of which set out the Councils commitment. The focus of this report is to provide an overview of the highest-level risks identified within the service risk registers.

Recommendation: The Audit and Governance Committee note the key risks identified in the risk registers, with escalation to Scrutiny Committees where appropriate.

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. **Report**

- 1.1 A [PowerBI dashboard](#) has been developed by colleagues within the Business and Intelligence team that helps to present improved graphical focus and accessible information surrounding risk management across directorates and teams.
- 1.2 There are ten strategic risk themes informed by operational service level risks owned by Heads of Service and Service Managers.

Current Risk Themes	
Communities	Political & Leadership
Compliance	Safeguarding
Digital & Technology	Service Delivery
Finance	Transformation
Health, Safety & Wellbeing	Workforce

- 1.3 Councillors can view the full schedule of risks by theme from [this link](#).
- 1.4 Both the People and Health Scrutiny Committee and Place and Resources Scrutiny Committee consider the detail of individual risks. The role of Audit and Governance Committee is to satisfy itself over the adequacy of the risk management framework.
- 1.5 As reported at previous meetings, an action plan has been developed to respond to recommendations from the Southwest Audit Partnership review of the Council’s risk management arrangements. This report recognised that the Council has developed and refined a functional system of risk management between officers and elected members, and that stakeholders cited the support provided positively. However, it was recognised that further work was necessary to embed risk management across services, which presented resourcing challenges.
- 1.6 The previous Audit and Governance Committee Risk Management Update, presented on the 15 January 2024 showed the overall level of risks overdue at 59%, on the 27 December 2023. As of the 19 March 2024 this stands at 10% overdue following renewed efforts by colleagues in Business Intelligence and Performance in prompting and coaching Risk

Owners as well as the support of the Risk Management & Reporting Officer.

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. Natural Environment, Climate & Ecology Implications

None specifically, however the risk register itself identifies several climate related risks.

4. Well-being and Health Implications

Health, safety, and wellbeing is identified as one of our corporate risk themes.

5. Other Implications

None.

6. Risk Assessment

HAVING CONSIDERED: the risks associated with this decision; the level of risk has been identified as:

Current Risk: N/A

Residual Risk: N/A

This is a report detailing the Risks faced by Dorset Council and therefore does not have a rating to consider relating to a decision. Appendix A provides an update on those Extreme level risks which are currently identified within the Council's risk register.

7. Equalities Impact Assessment

None specifically, however the risk register itself identifies several equality related risks.

8. Appendices

Appendix A - Summary of Extreme Risks

9. **Background Papers**

None.

10. **Report Sign Off**

11.1 This report has been through the internal report clearance process and has been signed off by the Director for Legal and Democratic (Monitoring Officer), the Executive Director for Corporate Development (Section 151 Officer) and the appropriate Portfolio Holder(s)

Audit and Governance Committee

15 April 2024



Risk Management Exception - Quarterly Update Report

Extreme Risks

As at 19 March 2024

Impact	Catastrophic	5	10	15	20	25
	Major	4	8	12	16	20
	Moderate	3	6	9	12	15
	Slight	2	4	6	8	10
	Limited	1	2	3	4	5
		Very Unlikely	Unlikely	Possible	Likely	Certain
Likelihood						

Assessing Likelihood

In assessing likelihood, the following 1 to 5 scoring system is to be followed:

Likelihood	Certain Score 5	Reasonable to expect that the event WILL happen, recur, possibly or frequently
	Likely Score 4	Event is MORE THAN LIKELY to occur. Will Probably happen, recur, but is not a persisting issue.
	Possible Score 3	LITTLE LIKELIHOOD of event occurring. It might happen or recur occasionally.
	Unlikely Score 2	Event NOT EXPECTED. Do not expect it to happen or recur, but it is possible that it might do so.
	Very Unlikely Score 1	EXCEPTIONAL event. This will probably never happen or recur.

Assessing Impact

In assessing Impact, the following 1 to 5 scoring system is to be followed:

Impact	Catastrophic Score 5	Multiple deaths of employees or those in the Council's care; Inability to function effectively, Council-wide; Will lead to resignation of Chief Executive and/or Leader; Corporate Manslaughter charges; Service delivery must be taken over by Central Government; Front page news story in National Press; Financial loss over £10m
	Major Score 4	Suspicious death in Council's care; Major disruption to Council's critical services for more than 48hrs; Noticeable impact achieving strategic objectives; Will lead to resignation of Senior Officers and/or Cabinet Member; Adverse coverage in National press/Front page news locally; Financial loss £5m-£10m
	Moderate Score 3	Serious Injury to employees or those in the Council's care; Disruption to one critical Council Service for more than 48hrs; Will lead to resignation of Head of Service/Project Manager; Adverse coverage in local press; Financial loss £1m-£5m
	Slight Score 2	Minor Injury to employees or those in the Council's care; Manageable disruption to services; Disciplinary action against employee; Financial loss £100k-£1m
	Limited Score 1	Day-to-day operational problems; Financial loss less than £100k

OVERALL RISK SUMMARY – As at 19 March 2024

		Likelihood					10% Overdue Review
		Very unlikely	Unlikely	Possible	Likely	Certain	
Impact	Catastrophic	1	6	6	3	0	
	Major	5	48	23	22	0	
	Moderate	13	55	89	15	1	
	Slight	3	81	18	8	1	
	Limited	1	1	0	1	0	

People Directorate for Adults and Housing

Impact	Likelihood					5% Overdue Review
	Very unlikely	Unlikely	Possible	Likely	Certain	
Catastrophic	0	0	0	0	0	
Major	0	0	3	3	0	
Moderate	2	9	12	2	0	
Slight	1	8	0	3	0	
Limited	0	0	0	0	0	

Adults and Housing Extreme Risks - None

People Directorate for Children's Services

Impact	Likelihood					4% Overdue Review
	Very unlikely	Unlikely	Possible	Likely	Certain	
Catastrophic	0	1	0	1	0	
Major	0	3	5	1	0	
Moderate	0	2	3	1	0	
Slight	0	4	2	2	0	
Limited	0	1	0	0	0	

Children's Services Extreme Risks:

[Risk 272 - Failure to stabilise the budget for the High Needs Block](#)

Corporate Development

		Likelihood					8% Overdue Review
		Very unlikely	Unlikely	Possible	Likely	Certain	
Impact	Catastrophic	1	1	0	2	0	
	Major	2	20	8	4	0	
	Moderate	2	18	38	8	0	
	Slight	1	45	9	1	0	
	Limited	1	0	0	0	0	

Corporate Development Extreme Risks:

[Risk 286 - Loss of ICT service or data through a cyber-attack](#)

[Risk 348 - There is a business continuity risk from delayed ICT recovery after a disruption such as a power failure.](#)

Place

		Likelihood					14% Overdue Review
		Very unlikely	Unlikely	Possible	Likely	Certain	
Impact	Catastrophic	0	4	6	0	0	
	Major	3	25	7	14	0	
	Moderate	9	26	34	3	0	
	Slight	1	23	7	2	1	
	Limited	0	0	0	1	0	

Place Extreme Risks - None

Public Health

		Likelihood				
		Very unlikely	Unlikely	Possible	Likely	Certain
Impact	Catastrophic	0	0	0	0	0
	Major	0	0	0	0	0
	Moderate	0	0	2	1	1
	Slight	0	1	0	0	0
	Limited	0	0	0	0	0

(Blank)
Overdue Review

Public Health Extreme Risks - None

Audit and Governance Committee

15 April 2024

Sexual Harassment Policy

For Decision

Portfolio Holder: Cllr S Flower, Leader of the Council

Local Councillor(s): **All Councillors**

Executive Director: J Mair, Director of Legal & Democratic

Report Author: Jonathan Mair
Job Title: Director of Legal and Democratic
Tel: 01305 838074
Email: jonathan.mair@dorsetcouncil.gov.uk

Report Status: Public Choose an item.

Brief Summary:

This report seeks endorsement from the Committee for the publication of Guidance to Councillors about the Council's Sexual Harassment Policy.

If supported by the Committee the Guidance to Councillors will sit alongside the Councillor Code of Conduct and the Staff Sexual Harassment Policy, providing a further demonstration of the Council's zero-tolerance approach to sexual harassment and the Council's commitment to providing a supportive working environment for all.

Recommendation:

That the Audit and Governance Committee endorse the publication of Guidance to Councillors about the Council's Sexual Harassment Policy

Reason for Recommendation:

The Equality Act 2010 provides legal protections for workers from sexual harassment at work. The staff policy explains how the Council fulfils its legal obligations but does more than that and aims to enable a safe culture at work, free from sexual harassment.

Endorsement by the Audit and Governance Committee of guidance to councillors further strengthens this commitment and will enable the guidance to form part of the induction of councillors after elections in May 2024.

1. **Financial Implications**

None.

2. **Natural Environment, Climate & Ecology Implications**

None.

3. **Well-being and Health Implications**

Any form of harassment is unacceptable with the potential for significant impacts on a person's well-being and their health. The staff policy recognises the importance of:

- prompt and appropriate action in response to any allegation of sexual harassment
- ensuring that everyone understands what sexual harassment is, that we can openly and confidently discuss concerns about inappropriate behaviour in the workplace, and are clear on Dorset Council's policy and practices.
- educating and informing managers about the potential signs of and impact of sexual harassment in the workplace, and how they can support individuals at work.
- reinforcing the council's role in setting a wider example to our communities, aiming to set an example as part of wider change in the community regarding sexual harassment and assault.

Publication of the councillor guidance will widen understanding and demonstrates the Council's commitment at the highest level to preventing and, where it occurs, addressing and challenging sexual harassment.

4. **Risk Assessment**

4.1 **HAVING CONSIDERED:** the risks associated with this decision; the level of risk has been identified as:

Current Risk: Medium

Residual Risk: Medium

Expectations of high standards of ethical conduct have been at the forefront of how we work ever since the formation of Dorset Council. The recent experience of other public sector bodies has though demonstrated how the behaviour of a minority can taint the reputation an entire organisation.

An independent review of workplace culture in the Dorset and Wiltshire Fire and Rescue Service concluded that:

“DWFRS has a minority of people who are damaging the reputation of the hardworking decent people who want to create an inclusive workplace and make a positive difference to their communities. It also has some people who stand by, knowing and observing poor behaviour, yet not protecting those who are the victims of such behaviour. It is vital that everyone in the organisation understands their personal responsibility for standing up and challenging poor and inappropriate behaviour. The adage what you permit you promote should be understood by all.”

Applying that conclusion to our own organisation guidance to councillors, as well as guidance to staff, is part of ensuring that we all understand our responsibility for standing up to and challenging poor and inappropriate behaviour

5. **Equalities Impact Assessment**

No additional impact assessment has been undertaken for the extension of the officer policy as guidance to councillors.

6. **Appendices**

- (1) Sexual Harassment Policy (January 2023)
- (2) Draft Guidance to Councillors about the Council’s Sexual Harassment Policy

7. **Background Papers**

None.

8. **Report Sign Off**

- 8.1 This report has been through the internal report clearance process and has been signed off by the Director for Legal and Democratic (Monitoring Officer), the Executive Director for Corporate Development (Section 151 Officer) and the appropriate Portfolio Holder(s)



Sexual Harassment policy

January 2023

Policy reviewed: March 2023

CONTENTS

Introduction, Scope and Aims	3
What is sexual harassment?	4
The law on sexual harassment	5
Roles and responsibilities	6
Manager guidance	7
Employee guidance	13
External links	18

INTERACTIVE KEY



Click on the specific chapter in the contents that you'd like to go to.



Click on the home icon to take you back to the contents page.

INTRODUCTION

Dorset Council is committed to providing an inclusive and supportive working environment for everyone who works here. This includes a zero-tolerance approach to sexual harassment and what appropriate steps should be taken to achieve this.

All workplaces should be free from any form of harassment and Dorset Council is no exception. We will treat such matters very seriously, and this policy sets out how all our employees can seek support and report any unwanted behaviours.

This policy focuses specifically on the issue of sexual harassment. The policy aims to enable employees to challenge any unwanted behaviour in the workplace, and to outline how we will deal with any complaints of sexual harassment that we receive. The policy aims to further enable a safe culture at work, free from sexual harassment, and one in which employs an open and non-judgemental approach to disclosures.

The policy is part of Dorset Council's commitment to equality and diversity. We are committed to creating a workplace that respects and values differences, that promotes dignity and combats prejudice, discrimination, and harassment.

The policy aims to make clear the standards of behaviour we expect from all who work here, consistent with the council's core behaviours (<https://www.dorsetcouncil.gov.uk/jobs-and-careers/recruitment/our-behaviours>). We do not tolerate sexual harassment at Dorset Council, and we will always investigate and take appropriate action.

SCOPE

This policy applies to all Dorset Council employees, excluding school-based employees. This policy is supported by and has been developed with the recognised trade unions, The Employee Networks and Sexual Trauma and Recovery Services (STARS).

It will be communicated to employees using a variety of methods, including training, information, and ongoing publicity.

This policy should be read in conjunction with the council's Dignity at Work Policy, Grievance Policy and our Modern-Day Slavery statement.

AIMS

- to reinforce Dorset Council's commitment to take prompt and appropriate action in response to any allegation of sexual harassment
- ensure everyone understands what sexual harassment is, can openly and confidently discuss concerns about inappropriate behaviour in the workplace, and are clear on Dorset Council's policy and practices.
- educate and inform managers about the potential signs of and impact of sexual harassment in the workplace, and how they can support individuals at work.

- to reinforce the council's role in setting a wider example to our communities, aiming to set a structural example as part of wider change in the community regarding sexual harassment and assault

What is sexual harassment?

Sexual harassment is unwanted behaviour of a sexual nature.

The law (Equality Act 2010) protects the following people against sexual harassment at work:

- employees
- agency workers and contractors
- self-employed people hired to personally work for the council
- job applicants

To be sexual harassment, the unwanted behaviour must have either:

- violated someone's dignity, whether it was intended or not
- created an intimidating, hostile, degrading, humiliating or offensive environment for them, whether it was intended or not

It can be carried out or experienced by anyone of the same gender or different gender.

You could experience sexual harassment from anyone you encounter because of your job, including someone you work with, a manager, supervisor, or someone else in a position of authority or someone high profile or influential. You can also experience sexual harassment from a customer, client or member of the public.

The person engaging in unwelcome behaviour does not have to intend to be sexually harassing the other person for the behaviour to be considered sexual harassment. Regardless of what was intended, sexual harassment is defined by the nature and the impact of the behaviour, not the intention behind it.

A key element of sexual harassment is that it is unwelcome.

It is important to note that if a person does not object to inappropriate behaviour at the time; it should not be assumed that they are giving their consent. Consent exists where clear and unambiguous consent has been freely given and continues to be given.

It can happen anywhere in the workplace, such as the canteen, toilets, staff room or office. It can also occur away from the workplace, such as client's homes, at conferences, training courses, staff parties and other social events related to work. It may take place in private or in public. Whatever form it takes, it is unwarranted and unwelcome to the individual.

It is possible that a person does not object to inappropriate behaviour at the time due to reasons such as, feeling of shame, powerlessness, embarrassment, lack of confidence and inability to feel as though they can challenge a colleague or superior.

Sexual harassment has many forms of variable seriousness. A person sexually harasses someone when they:

- insinuate, propose or demand sexual favours of any kind.
- invade another person's personal space (e.g., inappropriate touching.)

- stalk, intimidate, coerce, or threaten another person to get them to engage in sexual acts.
- send or display sexually explicit objects or messages.
- online sexual harassment, where digital technologies are used to facilitate both virtual and face to face harassment, for example the sharing of unsolicited sexual images, videos, messages, the non-consensual creation and/or distribution of sexual images, or sexual coercion, threats and intimidation online
- comment on someone's looks, dress, sexual orientation, or gender in a derogatory or objectifying manner or a manner that makes them uncomfortable.
- make obscene comments, jokes or gestures that humiliate or offend someone.
- pursue or flirt with another person persistently without the other person's willing participation. Also, flirting with someone at an inappropriate time (e.g., in a team meeting) is considered sexual harassment, even when these advances may have been welcome in a different setting.

The most extreme form of sexual harassment is sexual assault. This is a serious crime and Dorset Council will support employees who want to press charges against offenders.

The Law on Harassment

The Equality Act 2010 protects people against sexual harassment and harassment related to 'protected characteristics', for example a person's sex.

Someone could experience both types of harassment at the same time, or separately.

Example 1

Employee A is the only person of their sex in the team.

Their supervisor regularly makes comments about their gender that they find insulting. This is harassment related to a person's sex.

The Manager starts making sexual comments about Employee A's body, getting very close to them, and resting their hand on their arm. It makes Employee A feel very uncomfortable and intimidated. This is sexual harassment.

Employee A makes a complaint that includes both types of harassment.¹

Example 2

During a training session the trainer directs a number of remarks of a sexist nature to the group as a whole. Employee B finds the comments offensive and humiliating. They would be able to make a claim for harassment related to sex, even though the remarks were not specifically directed at them.²

¹ Case study taken from the ACAS website guidance on sexual harassment.

² Case study taken from the EHRC guidance on sexual harassment.

Example 3

Employee C has a relationship with their manager. On seeing them with another colleague, the manager suspects they are having an affair. As a result, the manager makes their working life difficult by continually criticising them at work in an offensive manner. The behaviour is not because of the sex of the Employee C, but because of the suspected affair which is related to their sex. This could amount to harassment related to sex.³

³ Case study taken from the EHRC guidance on sexual harassment.

ROLES AND RESPONSIBILITIES



Employees:

All employees are responsible for:

- modelling appropriate behaviour
- taking personal responsibility to raise concerns about any sexual harassment in the workplace, whether this was experienced personally or witnessed. Concerns should be raised with an appropriate manager or a Dignity at Work Adviser
- contributing to a respectful and productive working environment
- being willing to help and support their colleagues
- treating any allegations or complaints of sexual harassment with appropriate confidentiality
- ensuring that a person is not victimised for making or being involved in a complaint of sexual harassment



Line Managers

All line managers will:


- model appropriate behaviour
- undertake training to ensure they understand what sexual harassment is and their responsibilities for eliminating this in the workplace
- monitor the workplace environment to ensure as far as practicable standards of conduct are always maintained, and that sexual harassment is not tolerated
- promote awareness of the avenues for advice and the complaints procedures with respect to sexual harassment as set out in this Policy
- treat complaints and behaviour which may constitute sexual harassment seriously and taking immediate action
- treat complaints of sexual harassment with appropriate sensitivity and confidentiality
- ensure that a person is not victimised for making, or being involved in, a complaint of sexual harassment



Human Resources Service

The Human Resources Service will be responsible for:

- ensuring that there are clear processes in place for raising complaints
- promoting positive working relationships in the council
- clearly communicating and promoting these processes amongst employees
- identifying potential risk factors and taking prompt, reasonable action to minimise those risks
- ensuring information and training to support the effective implementation of this Policy is accessible
- monitoring and evaluating the effectiveness of this policy
- offer guidance to employees and managers on the interpretation of this policy and guidance.



Sexual Harassment manager guidance

Manager guidance

PREVENTION IS BETTER THAN CURE

When dealing with harassment at work, prevention is better than cure. Engaging with employees on the issue and raising awareness of Dorset Council's stance on unacceptable behaviour are key to avoiding incidences of sexual harassment occurring in the first place. A workplace environment which values difference, is free from hostility and based on tolerance, will enable people to contribute more effectively and achieve higher levels of job satisfaction. People cannot make their best contribution if they are working in fear of harassment. As a manager you should promote the importance of respect between employees at every level of the council, encouraging a supportive and inclusive culture so that people's behaviour reflects the council's values and behaviours.

You have a defining influence on the working culture and set the tone for expectations around dignity and respect. You need to take a visible lead on the issue and set the tone for fostering a working environment where people feel empowered to speak up. The role-modelling of respectful behaviour will be instrumental in setting the right expectations for everyone.

HANDLING A SEXUAL HARASSMENT COMPLAINT

As a manager, you should:

- take any complaint of sexual harassment very seriously
- think very carefully about the way you handle a complaint, to make sure you do it fairly and sensitively and follow the right procedures
- report the incident to the HR Service and seek advice
- tell everyone involved in the complaint what the process will be. Each person involved should be informed separately
- handle the complaint as quickly as possible
- ensure the matter is dealt with confidentially, only sharing information where absolutely necessary

HOW SOMEONE MIGHT MAKE A COMPLAINT

The employee or worker making the complaint may talk to you to try and resolve the problem informally. They may wish to raise this formally through the council's Dignity at Work policy and procedure instead if they feel that either:

- raising it informally will not or has not resolved the issue
- it does not seem appropriate in the circumstances to raise it informally

The complaint might come from:

- the person who's experienced sexual harassment
- someone who's witnessed it.

TALKING TO THE PERSON WHO HAS MADE THE COMPLAINT

When you're talking to someone about their sexual harassment complaint, think carefully about what you say to them. Listen carefully to what they say, thank them for coming to you to share their experience and acknowledge that it's not an easy thing to do. Make it clear that you don't consider their reaction to be over-sensitive nor the incident to be trivial, and that you are prepared to help.

Make a specific appointment in a confidential space, allowing enough time for a full conversation.

Explain the process at the start of the conversation, including explaining the process, what remains confidential and what will be shared

Be sure to check out if anyone else is involved or potentially at risk.

Some things will not be appropriate or acceptable.

For example:

- do not tell someone it could be a long and difficult process, or ask them if they're sure they want to go ahead – this could imply you think they should not carry on with the complaint
- do not say their complaint does not seem that serious – you should treat all complaints very seriously

KEEP AN OPEN MIND

It's important to remember that sexual harassment is unwanted behaviour of a sexual nature.

To be sexual harassment, the unwanted behaviour must have either:

- violated the person's dignity, whether it was intended or not
- created an intimidating, hostile, degrading, humiliating or offensive environment for the person, whether it was intended or not

You should not let your own views influence a situation or dismiss a concern. For example:

- if you get on well with the person accused of sexual harassment, or think they're a decent person, this should not influence how you handle the situation
- behaviour you personally do not find offensive or unwanted might have a very different effect on someone else

You should not doubt a sexual harassment complaint simply because it happened away from other people or nobody else witnessed it.

You must not ignore or cover up a sexual harassment complaint. If you do this disciplinary action may be taken.

MANAGING THE COMPLAINT

Any complaints should be managed in accordance with the council's Dignity at Work Policy and Procedure.

The Dignity at Work Policy and Procedure encourages issues to be resolved informally (Stage 1) but also provides scope for any complaint to be dealt with formally (Stage 4).

In some cases, you may only have the word of the person making the complaint against the word of the person they're accusing. For example, if the incident happened away from other people or nobody saw it.

After hearing the evidence from both sides in a fair process, you can still decide the case is valid if you believe the person who made the complaint. It is important that you seek advice from the HR Service when making a decision.

WHEN IT'S A CRIME

If someone tells you they have been sexually assaulted or raped at work, they may want to report it to the police.

You should talk to them about whether they want to tell the police and you should support them if they choose to report it. This should be done in a sensitive and non-judgemental way and provide reassurance that reporting any incident to the police will not result in penalisation at work.

Before doing this, you should seek advice from the HR Service and/or the council's Local Authority Designated Officer (LADO).

You should not put any pressure on them to make any particular decision. If they do not want to tell the police, they do not have to. In most cases, you should go along with their decision. However, you might decide you have to tell the police yourself in some circumstances.

For example, this might include if you or the person who's made the complaint think there's likely to be:

- an ongoing risk to their safety or the safety of others
- an increased risk to their safety because they're a vulnerable person, for example they have a mental health condition

Before telling the police, you should talk about it with the person who's made the complaint. You should also let them know once you've told the police.

If you're not sure what to do, you should make sure you speak to a colleague in the HR Service or the council's Local Authority Designated Officer (LADO)

If it's been reported to the police or it's going through a court, It's unlikely you'll have to wait for the criminal process to finish to:

- investigate the complaint
- carry out a workplace disciplinary procedure

But you should check with the police before doing either of these things, and speak to a colleague in the HR Service, to make sure there is no risk of prejudicing the criminal process.

You should give information to the police if they ask for it.

If you wait for the criminal process to end and it does not result in a conviction, you may still be able to take disciplinary action.

This is because the level of evidence needed to prove a crime is higher for a conviction than for an employer's disciplinary process to decide that a workplace disciplinary offence has been committed.

SUPPORTING SOMONE WHO'S MADE A COMPLAINT

Being sexually harassed is extremely distressing and can be life-changing.

The person making the complaint may be very worried that:

- they will not be taken seriously
- you will try to make them confront the person they say sexually harassed them
- they might be quizzed about their personal life
- other people will find out
- personal information about them they will be victimised for making a complaint

You must make sure none of those things happen.

You should make sure that:

- reporting sexual harassment is as easy as possible
- the person who's experienced it or witnessed it feels safe and protected. Often people will not feel safe, so you should have a discussion with the person to understand what would make them/help them to feel safer.
- you encourage the person to access the council's Employee Wellbeing offer, ensuring they get the right support to help them with the impact of their experience on their mental health and wellbeing
- you talk to them privately and allow plenty of time
- the person investigating the complaint is impartial and trained for the role

SUPPORTING SOMONE WHO'S BEEN ACCUSED

It's likely to be very distressing for an employee to be accused of sexual harassment. It's a very serious matter for them too.

You must:

- carry out a fair and thorough investigation and handle it very carefully
- not presume the accusation is either true or false

It's important to offer support and sensitivity to the person accused so your handling of the complaint is balanced.

They may be very worried that:

- what they say will not be taken seriously
- you may try to make them confront the person who accused them of sexual harassment
- they might be quizzed about their personal life other people will find out personal information about them
- they will experience discrimination at work as a result of coming forward, and of how they may be treated by management and other colleagues

You must make sure none of those things happen.

You should make sure that you offer the same kind of support that you would for someone who's made the complaint.

For example:

- talk to them privately and allow plenty of time
- you encourage the person to access the council's Employee Wellbeing offer, ensuring they get the right support to help them with the impact of their experience on their mental health and wellbeing
- assure them that the person investigating the complaint is impartial and trained for the role

Training

Training will be provided to managers as part of the Leadership and Management Development Academy, to ensure all managers have a clear awareness of their roles and responsibilities with regards to sexual harassment. You should ensure that you undertake all training available to you.



Sexual Harassment employee guidance

Manager guidance

IF YOU'VE BEEN SEXUALLY HARASSED AT WORK

If you've experienced sexual harassment at work, you can make a complaint.

Dorset Council will:

- take your complaint very seriously
- handle it fairly and sensitively

MAKE A NOTE OF WHAT HAPPENED

It's a good idea to make a note of what's happened. This should include dates, times and names, including any witnesses. Making a note can be especially helpful if you find talking about the experience particularly distressing.

If you're thinking about recording what's happened you should be aware of the risks of recording, or secretly recording, what's happened – for example on your phone. This is a complicated area of the law. It is advised that you follow guidance provided by Dorset Police or the Sexual Trauma and Recovery Service (STARS).

GETTING ADVICE ON YOUR OPTIONS

You might want to talk to someone to get advice and support before deciding whether to make a sexual harassment complaint.

This could be:

- someone you trust at work, for example a colleague or manager
- A Dignity at Work Adviser
- a trade union representative if you're a trade union member
- a colleague in the HR Service

WITNESSING SEXUAL HARASSMENT IN THE WORKPLACE

If you see someone being sexually harassed at work, you could step in and try to stop it happening, if you feel it's safe to do so.

After it's happened, you can:

- support a complaint made by the person who experienced the sexual harassment
- report what you've seen
- give evidence as a witness, for example at a hearing
- make a sexual harassment complaint yourself because what you've seen has violated your dignity or created an intimidating, hostile, degrading, humiliating or offensive environment for you

If you're making a complaint yourself, you do not need the permission of the person who's been sexually harassed.

You must not be victimised if you make or support a complaint, or act as a witness. This means you must not be:

- stopped from giving evidence
- treated unfairly because you've made a complaint, given evidence or supported a complaint

Ways you could support someone else's complaint include things like:

- making a statement, which may or may not mean you appear as a witness at a hearing
- giving evidence that the person accused of sexual harassment had also sexually harassed you in another incident
- comforting or supporting someone who's experienced sexual harassment

BYSTANDER INTERVENTION

Bystanders, including colleagues, who witness or are aware of sexual harassment, can play an important role in preventing sexual harassment in the workplace. When grounded in behaviours of integrity and respect, action taken by colleagues can positively impact on defining workplace culture.

When safe to do so, bystanders that are aware of sexual harassment are encouraged to:

- provide support to the colleague who is being subjected to sexual harassment,
- challenge concerning behaviour, and
- report sexual harassment

In some situations, a witness may wish to remain anonymous and where appropriate, anonymity will be provided. However, it may not be possible in all circumstances to keep the identity of a person, or people providing information, confidential.

In some situations, it may be the case that full details of allegations are required for appropriate inquiries to be made or so that a respondent is afforded procedural fairness and natural justice.

If you are witness to a problematic or potentially problematic situation you should:

- Notice: pay attention to what is going on around you
- See it as a problem: recognise the situation as a problem
- Assume personal responsibility: do not assume someone else will do something]
- Know how to help: make sure you can keep yourself safe
- Implement the help: act in one of the following ways:
 - Direct – this involves direct intervention, for example, going and talking in a calm way to the people involved
 - Distract – point out something else, distract the instigator, for example with re-directing them with a work issue
 - Delegate – if there is someone else with more power available, make the aware
 - Delay – always make sure that the person who experienced harassment is ok afterwards and check in on them

REPORTING OR MAKING A COMPLAINT

You can report or make a complaint about any instance of sexual harassment to your manager, Head of Service or Corporate Director, or to the council's HR Service.

Dorset Council takes any allegations of sexual harassment seriously.

The procedures for dealing with allegations of sexual harassment and possible consequences regarding any breach of this Policy are managed and investigated in accordance with the council's Dignity at Work Policy.

You are encouraged to report any allegations of sexual harassment by using the internal complaints processes.

If you make a complaint of sexual harassment, or sexual harassment is observed or brought to the attention of your manager, it will be acted upon immediately and managed in a sensitive and confidential manner.

Where a complaint of sexual harassment is found to be substantiated, the consequences for the person against whom the complaint is made will depend on the circumstances.

The consequences may include an apology, undertaking training, or disciplinary action which may include termination of employment.

You may also wish to contact your union for representation and support.

CONFIDENTIALITY

Disclosures of sexual harassment will be treated in confidence to protect an employee's privacy. However, in some instances, a matter may need to be escalated or referred without agreement from the employee, particularly in circumstances that may:

- constitute a criminal offence,
- constitute an occupational health and safety risk, or
- require disciplinary action

If a matter needs to be escalated or referred, the person handling the matter will notify the person who made the disclosure of who has been informed of the disclosure.

HELP AFTER SEXUAL ASSAULT OR RAPE

You can get help and information from:

- [Galop](#) – LGBT+ sexual violence support
- [Rape Crisis England and Wales](#)
- [the Survivors Trust](#)
- [SurvivorsUK](#) – male rape and sexual abuse support
- [Victim Support](#)
- STARS [Sexual Trauma and Recovery Services \(STARS\) \(starsdorset.org\)](#)

Find out about other help after rape and sexual assault on the [NHS website](#).

To contact the police:

- call 999 if you or someone else is in immediate danger
- call 101 if it's not an emergency

To report a crime online, visit:

- [Police.uk](#) for England and Wales

When you're reporting a crime, you can ask to speak to a specialist officer who's trained to deal with sexual violence.

Related content

[/supporting-mental-health-workplace](#)

EXTERNAL LINKS

Equality and Human Rights Commission. [Sexual Harassment in the Workplace.](#)

ACAS. [What Sexual harassment is](#)



Sexual Harassment policy

Guidance for councillors

Contents

Introduction	3
What is sexual harassment?	3
Roles and responsibilities	4
If you've been sexually harassed at the council.....	5
Make a note of what happened	5
Witnessing sexual harassment in the council	5
Bystander intervention	6
Confidentiality	6
Help after sexual assault or rape.....	7
External links	7

DRAFT

Introduction

Dorset Council is committed to providing an inclusive and supportive working environment for everyone who works here including officers and councillors. This includes a zero-tolerance approach to sexual harassment and what appropriate steps should be taken to achieve this. All workplaces should be free from any form of harassment and Dorset Council is no exception. We will treat such matters very seriously.

A separate policy on sexual harassment is available to officers. This document is based on the officer policy but is specifically focused towards councillors and includes ways that members can seek support and report any unwanted behaviours.

The policy aims to:

- reinforce Dorset Council's commitment to take prompt and appropriate action in response to any allegation of sexual harassment
- ensure everyone understands what sexual harassment is, can openly and confidently discuss concerns about inappropriate behaviour in the workplace, and are clear on Dorset Council's policy and practices.
- reinforce the council's role in setting a wider example to our communities, aiming to set a structural example as part of wider change in the community regarding sexual harassment and assault.

The policy is part of Dorset Council's commitment to equality and diversity. We are committed to creating a workplace that respects and values differences, that promotes dignity and combats prejudice, discrimination, and harassment.

Councillors are not employees but the policy aims to make clear the standards of behaviour expected from councillors, consistent with the [council's core behaviours](#) and the [LGA's model code of conduct](#).

Issuing this guidance to councillors is one of the ways in which the Chief Executive as Head of Paid Service discharges his duty of care and responsibility to ensure a safe working environment for employees.

We do not tolerate sexual harassment at Dorset Council, and we will always investigate and take appropriate action.

What is sexual harassment?

Sexual harassment is unwanted behaviour of a sexual nature.

The law (Equality Act 2010) protects the following people against sexual harassment at work:

- employees
- agency workers and contractors
- self-employed people hired to personally work for the council
- job applicants

While not employees or other types of workers referred to in the Act, we also expect our councillors to be able to carry out their duties within the council without harassment.

To be classed as sexual harassment, the unwanted behaviour must have either:

- violated someone's dignity, whether it was intended or not
- created an intimidating, hostile, degrading, humiliating or offensive environment for them, whether it was intended or not

It can be carried out or experienced by anyone of the same gender or different gender. The person engaging in unwelcome behaviour does not have to intend to be sexually harassing the other person for the behaviour to be considered sexual harassment. Regardless of what was intended, sexual harassment is defined by the nature and the impact of the behaviour, not the intention behind it.

A key element of sexual harassment is that it is unwelcome.

It is important to note that if a person does not object to inappropriate behaviour at the time; it should not be assumed that they are giving their consent. Consent exists where clear and unambiguous consent has been freely given and continues to be given.

It is possible that a person does not object to inappropriate behaviour at the time due to reasons such as, feeling of shame, powerlessness, embarrassment, lack of confidence and inability to feel as though they can challenge a colleague or superior.

Sexual harassment has many forms of variable seriousness. A person sexually harasses someone when they:

- insinuate, propose or demand sexual favours of any kind.
- invade another person's personal space (e.g. inappropriate touching).
- stalk, intimidate, coerce, or threaten another person to get them to engage in sexual acts.
- send or display sexually explicit objects or messages.
- online sexual harassment, where digital technologies are used to facilitate both virtual and face to face harassment, for example the sharing of unsolicited sexual images, videos, messages, the non-consensual creation and/or distribution of sexual images, or sexual coercion, threats and intimidation online.
- comment on someone's looks, dress, sexual orientation, or gender in a derogatory or objectifying manner or a manner that makes them uncomfortable.
- make obscene comments, jokes or gestures that humiliate or offend someone.
- pursue or flirt with another person persistently without the other person's willing participation. Also, flirting with someone at an inappropriate time (e.g. in a meeting) is considered sexual harassment, even when these advances may have been welcome in a different setting.

The most extreme form of sexual harassment is sexual assault. This is a serious crime and Dorset Council will support employees and councillors who want to press charges against offenders.

Roles and responsibilities

All councillors are responsible for:

- modelling appropriate behaviour
- taking personal responsibility to raise concerns about any sexual harassment in the workplace, whether this was experienced personally or witnessed. Concerns should be raised with the Monitoring Officer or the Deputy Monitoring Officer
- contributing to a respectful and productive working environment
- being willing to help and support their colleagues
- treating any allegations or complaints of sexual harassment with appropriate confidentiality
- ensuring that a person is not victimised for making or being involved in a complaint of sexual harassment

Councillors have a defining influence on the working culture and setting the tone for expectations around dignity and respect. It is expected that councillors will take a visible lead on the issue and set the tone for fostering a working environment where people feel empowered to speak up. The role-modelling of respectful behaviour will be instrumental in setting the right expectations for everyone.

If you've been sexually harassed at the council

If you've experienced sexual harassment at the council from an officer, councillor or member of the public, you can make a complaint. Please inform Jonathan Mair, the Monitoring Officer. (01305 838074 or jonathan.mair@dorsetcouncil.gov.uk) or Grace Evans, Deputy Monitoring Officer (01305 225021 or grace.evans@dorsetcouncil.gov.uk)

Dorset Council will take your complaint very seriously and will handle it fairly, sensitively and confidentially.

Make a note of what happened

It's a good idea to make a note of what's happened. This should include dates, times and names, including any witnesses. Making a note can be especially helpful if you find talking about the experience particularly distressing.

If you're thinking about recording what's happened you should be aware of the risks of recording, or secretly recording – for example on your phone. This is a complicated area of the law. It is advised that you follow guidance provided by Dorset Police or the [Sexual Trauma and Recovery Service \(STARS\)](#).

Witnessing sexual harassment in the council

If you see someone being sexually harassed at the council, you could step in and try to stop it happening, if you feel it's safe to do so.

After it's happened, you can:

- support a complaint made by the person who experienced the sexual harassment
- report what you've seen
- give evidence as a witness, for example at a hearing
- make a sexual harassment complaint yourself because what you've seen has violated your dignity or created an intimidating, hostile, degrading, humiliating or offensive environment for you

If you're making a complaint yourself, you do not need the permission of the person who's been sexually harassed.

You must not be victimised if you make or support a complaint, or act as a witness. This means you must not be:

- stopped from giving evidence
- treated unfairly because you've made a complaint, given evidence or supported a complaint

Ways you could support someone else's complaint include things like:

- making a statement, which may or may not mean you appear as a witness at a hearing

- giving evidence that the person accused of sexual harassment had also sexually harassed you in another incident
- comforting or supporting someone who's experienced sexual harassment

Bystander intervention

Bystanders, including colleagues, who witness or are aware of sexual harassment, can play an important role in preventing sexual harassment in the workplace. When grounded in behaviours of integrity and respect, action taken by colleagues can positively impact on defining workplace culture.

When safe to do so, bystanders that are aware of sexual harassment are encouraged to:

- provide support to the colleague who is being subjected to sexual harassment,
- challenge concerning behaviour, and
- report sexual harassment

In some situations, a witness may wish to remain anonymous and where appropriate, anonymity will be provided. However, it may not be possible in all circumstances to keep the identity of a person, or people providing information, confidential.

In some situations, it may be the case that full details of allegations are required for appropriate inquiries to be made or so that a respondent is afforded procedural fairness and natural justice.

If you are witness to a problematic or potentially problematic situation you should:

- Notice: pay attention to what is going on around you
- See it as a problem: recognise the situation as a problem
- Assume personal responsibility: do not assume someone else will do something
- Know how to help: make sure you can keep yourself safe
- Implement the help: act in one of the following ways:
 - Direct – this involves direct intervention, for example, going and talking in a calm way to the people involved
 - Distract – point out something else, distract the instigator, for example with re-directing them with a work issue
 - Delegate – if there is someone else with more power available, make them aware
 - Delay – always make sure that the person who experienced harassment is ok afterwards and check in on them

Confidentiality

Disclosures of sexual harassment will be treated in confidence. However, in some instances, a matter may need to be escalated or referred without agreement from the employee, particularly in circumstances that may:

- constitute a criminal offence,
- constitute an occupational health and safety risk, or
- require disciplinary action

If for instance a complaint needs to be escalated to the police we will work with them to ensure that the confidentiality of victims and witnesses are respected as part of their processes. If we need to escalate a complaint we will notify the person who made the disclosure who it is we have escalated it to and why.

Help after sexual assault or rape

You can get help and information from:

- [Galop](#) – LGBT+ sexual violence support
- [Rape Crisis England and Wales](#)
- [the Survivors Trust](#)
- [SurvivorsUK](#) – male rape and sexual abuse support
- [Victim Support](#)
- STARS [Sexual Trauma and Recovery Services \(STARS\) \(starsdorset.org\)](#)

Find out about other help after rape and sexual assault on the [NHS website](#).

To contact the police:

- call 999 if you or someone else is in immediate danger
- call 101 if it's not an emergency

To report a crime online, visit:

- [Police.uk](#) for England and Wales

When you're reporting a crime, you can ask to speak to a specialist officer who's trained to deal with sexual violence.

External links

Equality and Human Rights Commission. [Sexual Harassment in the Workplace](#).
ACAS. [What Sexual harassment is](#)

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Audit and Governance Committee Work Programme 2024-25

15 April 2024		
Annual Governance Statement	Report	Officer Contact- Marc Eyre
Update on the 2021/22 Accounts	Update Report	Officer Contact- Ian Howse/Heather Lappin
Internal Audit Update	Update Report	Officer Contact- Sally White/Angie Hooper.
Internal Audit Annual Opinion Report 2023/24	Report	Officer Contact- Sally White/Angie Hooper.
Approach to Internal Audit Planning 2024/25	Report	Officer Contact- Sally White/Angie Hooper.
Quarterly Risk Management Report	Report	Officer Contact- David Bonner/Chris Swain
Sexual Harassment Policy	Report	Officer Contact- Jonathan Mair
Constitution Update	Update	Officer Contact- Jonathan Mair

24 June 2024		
Annual Fraud and Whistleblowing Report	Report	Officer Contact- Marc Eyre
Annual Information Governance Report	Report	Officer Contact- Marc Eyre
External Audit Plan for 2023/24	Report	Officer Contact- Sam Harding/Heather Lappin
ISA 260 2021/22 Accounts	Report	Officer Contact- Ian Howse/Heather Lappin

22 July 2024		
Annual Emergency Planning Report	Report	Officer Contact- Marc Eyre
Quarterly Risk Management Update	Update Report	Officer Contact- David Bonner/ Chris Swain

SWAP Update Report	Update Report	Officer Contact- Sally White/Angie Hooper
Q4 2023/24 Budget Monitoring Report	Report	Officer Contact- Sean Cremer

23 September 2024		
Quarterly Risk Management Update	Update Report	Officer Contact- David Bonner/ Chris Swain
SWAP Update Report	Update Report	Officer Contact- Sally White/ Angie Hooper
Q1 2024/25 Budget Monitoring Report	Report	Officer Contact- Sean Cremer

11 November 2024		

13 January 2025		
Quarterly Risk Management Update	Update Report	Officer Contact- David Bonner/ Chris Swain
SWAP Update Report	Update Report	Officer Contact- Sally White/ Angie Hooper
Q2 2024/25 Budget Monitoring Report	Report	Officer Contact- Sean Cremer

24 February 2025		
Q3 2024/25 Budget Monitoring Report	Report	Officer Contact- Sean Creamer

14 April 2025		
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Annual Governance Statement	Statement	Officer Contact- Marc Eyre
Quarterly Risk Management Update	Update Report	Officer Contact- David Bonner/Chris Swain
Planning Paper for 2025-26	Planning Paper	Officer Contact- Sally White/ Angie Hooper
Annual Internal Audit Opinion 2024-25	Opinion Report	Officer Contact- Sally White/Angie Hooper
SWAP Update Report	Update Report	Officer Contact- Sally White/Angie Hooper

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

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