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# **Informal Consultative Meeting of Audit Committee**

**Thursday 28th July 2022**

**10.00 am**

**A virtual meeting via Zoom Meeting  
Software**

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The following members are requested to attend this meeting:

Robin Bastable  
Mike Best  
Dave Bulmer  
Brian Hamilton

Mike Hewitson  
Tim Kerley  
Tony Lock  
Paul Maxwell

Colin Winder  
Vacancy  
Derek Yeomans (IM)

Any members of the public wishing to address the meeting at Public Question Time need to email [democracy@southsomerset.gov.uk](mailto:democracy@southsomerset.gov.uk) by 9.00am Wednesday 27<sup>th</sup> July 2022.

The meeting will be viewable online by selecting the committee meeting at:  
**[https://www.youtube.com/channel/UCSDst3IHGj9WoGnwJGF\\_soA](https://www.youtube.com/channel/UCSDst3IHGj9WoGnwJGF_soA)**

For further information on the items to be discussed, please contact  
[democracy@southsomerset.gov.uk](mailto:democracy@southsomerset.gov.uk)

This Agenda was issued on Wednesday 20 July 2022.

*Jane Portman, Chief Executive Officer*

**This information is also available on our website  
[www.southsomerset.gov.uk](http://www.southsomerset.gov.uk) and via the mod.gov app**

## Information for the Public

In light of the coronavirus pandemic (COVID-19), Audit Committee will meet virtually via video-conferencing to consider reports. As of 7 May 2021 some interim arrangements are in place for committee meetings.

At the meeting of Full Council on 15 April 2021 it was agreed to make the following changes to the Council's Constitution:

- a) To continue to enable members to hold remote, virtual meetings using available technology;
- b) To amend Part 3 (Responsibility for Functions) of the Council's Constitution to allow those remote meetings to function as consultative bodies and delegate decisions, including Executive and Quasi-Judicial decisions, that would have been taken by those meetings if the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020 had continued in force to the Chief Executive (or the relevant Director in the Chief Executive's absence) in consultation with those meetings and those members to whom the decision would otherwise have been delegated under Part 3 of the Constitution;
- c) The delegated authority given under (b) will expire on 31 July 2021 unless continued by a future decision of this Council;

For full details and to view the report please see -

<https://modgov.southsomerset.gov.uk/ieListDocuments.aspx?CId=137&MId=2981&Ver=4>

Further to the above, at the meeting of Full Council on 8 July 2021, it was agreed to extend the arrangements for a further 6 months to 8 January 2022. For full details and to view the report please see -

<https://modgov.southsomerset.gov.uk/ieListDocuments.aspx?CId=137&MId=3033&Ver=4>

Further to the above, at the meeting of Full Council on 16 December 2021, it was agreed to extend the arrangements for a further 6 months to 8 July 2022 for all meetings apart from Full Council - Full Council will be in person. For full details and to view the report please see -

<https://modgov.southsomerset.gov.uk/ieListDocuments.aspx?CId=137&MId=2991&Ver=4>

Further to the above, at the meeting of Full Council on 16 June 2022, it was agreed to extend the arrangements to 21 July 2022 for all meetings apart from Full Council – Full Council will be in person. For full details and to view the report please see –

<https://modgov.southsomerset.gov.uk/ieListDocuments.aspx?CId=137&MId=3233&Ver=4>

## Information about Audit Committee

### Statement of purpose

Our audit committee is a key component of South Somerset District Council's corporate governance. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

The purpose of our audit committee is to provide independent assurance to the members of the adequacy of the risk management framework and the internal control environment. It provides independent review of South Somerset District Council's governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. It

oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.

The Terms of Reference of the Audit Committee are (as revised and agreed at Full Council in March 2022):

## **1. Governance, risk and control**

- 1.1 To review the council's corporate governance arrangements against the good governance framework, including the ethical framework and consider the local code of governance.
- 1.2 To review the AGS prior to approval and consider whether it properly reflects the risk environment and supporting assurances, taking into account internal audit's opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control.
- 1.3 To consider the council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
- 1.4 To consider the council's framework of assurance and ensure that it adequately addresses the risks and priorities of the council.
- 1.5 To monitor the effective development and operation of risk management in the council.
- 1.6 To monitor progress in addressing risk-related issues reported to the committee.
- 1.7 To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.
- 1.8 To review the assessment of fraud risks and potential harm to the council from fraud and corruption.
- 1.9 To monitor the counter-fraud strategy, actions and resources.
- 1.10 To review the governance and assurance arrangements for significant partnerships or collaborations.

## **2. Internal audit**

- 2.1 To approve the internal audit charter.
- 2.2 To review proposals made in relation to the appointment of external providers of internal audit services and to make recommendations.
- 2.3 To approve the risk-based internal audit plan, including internal audit's resource requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources.
- 2.4 To approve significant interim changes to the risk-based internal audit plan and resource requirements.
- 2.5 To make appropriate enquiries of both management and the head of internal audit to determine if there are any inappropriate scope or resource limitations.
- 2.6 To consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing of the head of internal audit. To approve and periodically review safeguards to limit such impairments.
- 2.7 To consider reports from the head of internal audit on internal audit's performance during the year, including the performance of external providers of internal audit services. These will include:
  - a) updates on the work of internal audit including key findings, issues of concern and action in hand as a result of internal audit work
  - b) regular reports on the results of the QAIP
  - c) reports on instances where the internal audit function does not conform to the PSIAS and LGAN, considering whether the non-conformance is significant enough that it must be included in the AGS.

- 2.8 To consider the head of internal audit's annual report:
- a) The statement of the level of conformance with the PSIAS and LGAN and the results of the QAIP that support the statement – these will indicate the reliability of the conclusions of internal audit.
  - b) The opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control together with the summary of the work supporting the opinion – these will assist the committee in reviewing the AGS.
- 2.9 To consider summaries of specific internal audit reports as requested.
- 2.10 To receive reports outlining the action taken where the head of internal audit has concluded that management has accepted a level of risk that may be unacceptable to the authority or there are concerns about progress with the implementation of agreed actions.
- 2.11 To contribute to the QAIP and in particular, to the external quality assessment of internal audit that takes place at least once every five years.
- 2.12 To consider a report on the effectiveness of internal audit to support the AGS, where required to do so by the Accounts and Audit Regulations (see Appendix A).
- 2.13 To provide free and unfettered access to the audit committee chair for the head of internal audit, including the opportunity for a private meeting with the committee.

### **3. External audit**

- 3.1 To support the independence of external audit through consideration of the external auditor's annual assessment of its independence and review of any issues raised by PSAA or the authority's auditor panel as appropriate.
- 3.2 To consider the external auditor's annual letter, relevant reports and the report to those charged with governance.
- 3.3 To consider specific reports as agreed with the external auditor.
- 3.4 To comment on the scope and depth of external audit work and to ensure it gives value for money.
- 3.5 To commission work from internal and external audit.
- 3.6 To advise and recommend on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies.

### **4. Financial reporting**

- 4.1 To review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the council.
- 4.2 To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.
- 4.3 To review and recommend to Council changes to Financial Procedure Rules and Procurement Procedure Rules.

### **5. Treasury Management**

- 5.1 To provide a scrutiny role in Treasury Management matters including regular monitoring of treasury activity and practices.

- 5.2 The committee will also review and recommend the Annual Treasury Management Strategy Statement and Investment Strategy, MRP Strategy, and Prudential Indicators to Council.

## **6. Accountability arrangements**

- 6.1 To report to those charged with governance on the committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control frameworks, financial reporting arrangements, and internal and external audit functions.
- 6.2 To report to full council on a regular basis on the committee's performance in relation to the terms of reference and the effectiveness of the committee in meeting its purpose.
- 6.3 To publish an annual report on the work of the committee.

## **Members questions on reports prior to the Meeting**

Members of the Committee are requested to contact report authors on points of clarification prior to the Committee meeting.

## **Audit Committee**

Meetings of the Audit Committee are usually held bi-monthly including at least one meeting with the Council's external auditor, although in practice the external auditor attends more frequently. However during the coronavirus pandemic these meetings will be held remotely via Zoom video-conferencing and the starting time may vary.

Agendas and minutes of this committee are published on the Council's website at <http://modgov.southsomerset.gov.uk/ieDocHome.aspx?bcr=1>

Agendas and minutes can also be viewed via the mod.gov app (free) available for iPads and Android devices. Search for 'mod.gov' in the app store for your device, install, and select 'South Somerset' from the list of publishers and then select the committees of interest. A wi-fi signal will be required for a very short time to download an agenda but once downloaded, documents will be viewable offline.

## **Public participation at meetings (held via Zoom)**

### **Public question time**

We recognise that these are challenging times but we still value the public's contribution to our virtual meetings.

If you would like to address the virtual meeting during Public Question Time, please email [democracy@southsomerset.gov.uk](mailto:democracy@southsomerset.gov.uk) by 9.00am on Wednesday 27<sup>th</sup> July 2022. When you have registered, the Chairman will invite you to speak at the appropriate time during the virtual meeting.

The period allowed for participation in Public Question Time shall not exceed 15 minutes except with the consent of the Chairman and members of the Committee. Each individual speaker shall be restricted to a total of three minutes.

This meeting will be streamed online via YouTube at:  
[https://www.youtube.com/channel/UCSDst3IHGj9WoGnwJGF\\_soA](https://www.youtube.com/channel/UCSDst3IHGj9WoGnwJGF_soA)

#### **Virtual meeting etiquette:**

- Consider joining the meeting early to ensure your technology is working correctly.
- Please note that we will mute all public attendees to minimise background noise. If you have registered to speak during the virtual meeting, the Chairman or Administrator will un-mute your microphone at the appropriate time. We also respectfully request that you turn off video cameras until asked to speak.
- Each individual speaker shall be restricted to a total of three minutes.
- When speaking, keep your points clear and concise.
- Please speak clearly – the Councillors are interested in your comments.

### **Recording and photography at council meetings**

Recording of council meetings is permitted, however anyone wishing to do so should let the Chairperson of the meeting know prior to the start of the meeting. The recording should be overt and clearly visible to anyone at the meeting, but non-disruptive. If someone is recording the meeting, the Chairman will make an announcement at the beginning of the meeting. If anyone making public representation does not wish to be recorded they must let the Chairperson know.

The full 'Policy on Audio/Visual Recording and Photography at Council Meetings' can be viewed online at:

<http://modgov.southsomerset.gov.uk/documents/s3327/Policy%20on%20the%20recording%20of%20council%20meetings.pdf>

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# **Informal Consultative Meeting of Audit Committee**

**Thursday 28 July 2022**

## **Agenda**

### *Preliminary Items*

**1. Minutes**

To approve as a correct record the minutes of the previous meeting held on 30<sup>th</sup> June 2022.

**2. Apologies for Absence**

**3. Declarations of Interest**

In accordance with the Council's current Code of Conduct (as amended 26 February 2015), which includes all the provisions relating to Disclosable Pecuniary Interests (DPI), personal and prejudicial interests, Members are asked to declare any DPI and also any personal interests (and whether or not such personal interests are also "prejudicial") in relation to any matter on the agenda for this meeting.

**4. Public Question Time**

**5. Date of Next Meeting**

Councillors are requested to note that there will be a Special Meeting of the Audit Committee at 10.00am on Friday 2<sup>nd</sup> September 2022.

The next scheduled meeting of the Audit Committee will be held at 10.00am on Thursday 22<sup>nd</sup> September 2022.

### *Items for Discussion*

**6. Briefing on Progress on Preparing the 2021/22 Statement of Accounts & Update on 2020/21 Audit of Accounts (Pages 8 - 11)**

**7. Risk Management Update Q1 2022/23 (Pages 12 - 34)**

**8. Audit Committee Forward Plan (Pages 35 - 38)**



## **Briefing on Progress on Preparing the 2021/22 Statement of Accounts & Update on 2020/21 Audit of Accounts**

Officers will provide a verbal update on progress regarding preparation of the 2021/22 statement of accounts.

There will also be a joint update from officers of Grant Thornton and SSDC on the position of the 2020/21 audit of Accounts.

An external audit update from Grant Thornton is attached for information.



# External Audit Update for South Somerset District Council

Year ended 31 March 2021

South Somerset District Council

8 July 2022

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# 1. External Audit Progress at 20 July 2022

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2020-21

As discussed with the Audit Committee at the meeting on 9 May 2022, we were working towards completion of the audit work in time to sign the accounts on 28 July 2022. This report provides a further update on the progress of the audit and sets out the reasons why this revised timescale will not be met.

In order to be in a position to issue our opinion we allocated two weeks worth of resources to the audit to complete the outstanding tasks. While a number of these were able to be completed, we received an updated set of draft accounts where we could not trace the amendments processed by the Council back to the changes that we had previously agreed. We are still awaiting an explanation from officers as to what these unexpected amendments relate to, although we have received verbal assurances that these are all appropriate and can be fully explained.

In other respects, good progress has been made and the outstanding audit work is now limited to:

- the outcome of our internal expert's review of the Opium Power valuation model being received and any issues arising being satisfactorily addressed by officers. We obtained an updated model from management in early June 2022. However, the review of this was delayed due to sickness, annual leave commitments and the need for a clarification meeting between officers and our internal expert. Our detailed review of the model commenced in early July 2022.
- Given changes may be required to the Group accounts as a result of the Opium power review, our work over the group statements will be completed after we are satisfied with the valuation of Group PPE.
- We are awaiting a final set of accounts with all adjustments explained so that we can reconcile them to our audit work.

We have agreed with management that we are now seeking to complete the audit in time for an extraordinary Audit Committee at the end of August 2022.

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## Risk Management Update Q1 2022/23

Strategic Director: Nicola Hix - Strategy and Commissioning  
Service Manager: Brendan Downes - Lead Specialist, Procurement, Performance & Change  
Lead Officer: Brendan Downes - Lead Specialist, Procurement, Performance & Change  
Contact Details: brendan.downes@southsomerset.gov.uk

## Purpose of the Report

This report is provided to inform Audit Committee of status of the Strategic and Corporate Risk Register at close of Q1 22/23.

## Public Interest

Effective risk management will help to ensure that the Council maximises its opportunities and minimises the impact of the risks it faces, thereby improving our ability to deliver key priorities, improve outcomes for residents, maintain good governance and minimise any damage to its reputation.

## Recommendations

1. Audit Committee note and comment to the SSSC Strategic & Corporate Risk profile at close of Q1 22/23.
2. Audit Committee advise what level of detail on individual risks they require in future reports.

## Background

Risk: "The effect of uncertainty on objectives, often described by an event or a change in circumstances"

Risk Management: "Coordinated activities to direct and control an organisation with regard to risk"

## Report Detail

3. The attached report provides a summary of the SSSC strategic and corporate risks as recorded in the authorities risk system on the 11<sup>th</sup> July 2022. This consists of 11 strategic and 22 corporate risks.



4. Strategic risks would typically include material risks to the organisation, community or the overarching corporate objectives, with a longer-term perspective (usually a future impact over 3 to 5 years). Strategic risks also include any category risks that have been escalated. Strategic risks are owned and managed by members of the Senior Leadership Team.
5. Category Risk can be described as common risks that may impact across a number of areas of the organisation and that require a consolidated corporate response or action plan, and where their impact will be in the shorter term (1-2 years). These risks are typically managed by members of the Leadership Management Team.
6. The summary pages of the attached report illustrate the overall risk position and risk exposure across the 7 groups of risk recorded at the council, a comparison risk matrix ("5x5 tables") showing the inherent and residual risk positions, as well as a table which will illustrate any changes in residual risk score since the previous reporting quarter.
7. The report then provides further detail on specific risks under each category. This includes risk title, risk owners, cause and effect statements as well as the inherent risk score (risk assessment before any existing control actions have been applied) and the residual risk score (risk assessment taking existing controls into account.) Note that the risk report does not currently provide detail on existing risk controls or specific risk mitigations / action plans, but this detail can be provided on request.
8. For context it may be of interest to advise that – in addition to the 33 strategic and corporate risks included in the report - the full risk data-set for the authority now includes a further 168 active project risks which have been identified across 20 capital projects. These are reported through their own project governance and are also integral to the new platform for monitoring delivery of corporate projects so are excluded from this report, but further detail on project risks can be provided on request. It is expected that integrating project risk registers into the same risk data set as strategic and corporate risks will help reduce duplications of risks across the council, provide greater oversight for the organisation of the councils' overall risk exposure and focus attention on the most impactful risks and delivery of their mitigating actions.

## **Financial Implications**

None

## Council Plan Implications

Include links to Council Plan 2020 – 2024 – which can be found on the staff portal at this link: [Council Plan | South Somerset District Council](#)

## Carbon Emissions and Climate Change Implications

None

## Equality and Diversity Implications

<i>An Equality Impact Relevance Check Form has been completed in respect of the Proposal?</i>	No
<i>The Impact Relevance Check indicated that a full EIA was required?</i>	No
<i>If an EIA was <b>not</b> required please attach the Impact Relevance Check Form as an Appendix to this report and provide a brief summary of its findings in the comments box below.</i>	
<i>If an EIA <b>was</b> required please attach the completed EIA form as an Appendix to this report and provide a brief summary of the result of your Equality Impact Assessment in the comment box below.</i>	
<b>Additional Comments</b>	
<i><b>It is my understanding that a risk report does not require assessment.</b></i>	

## Background Papers

Presentation showing status of the Strategic and Corporate risks register at close of Q1 22/23.



# SSDC Strategic and Corporate Risks

## Status on Q1. 2022-23

Page 15

**Brendan Downes**

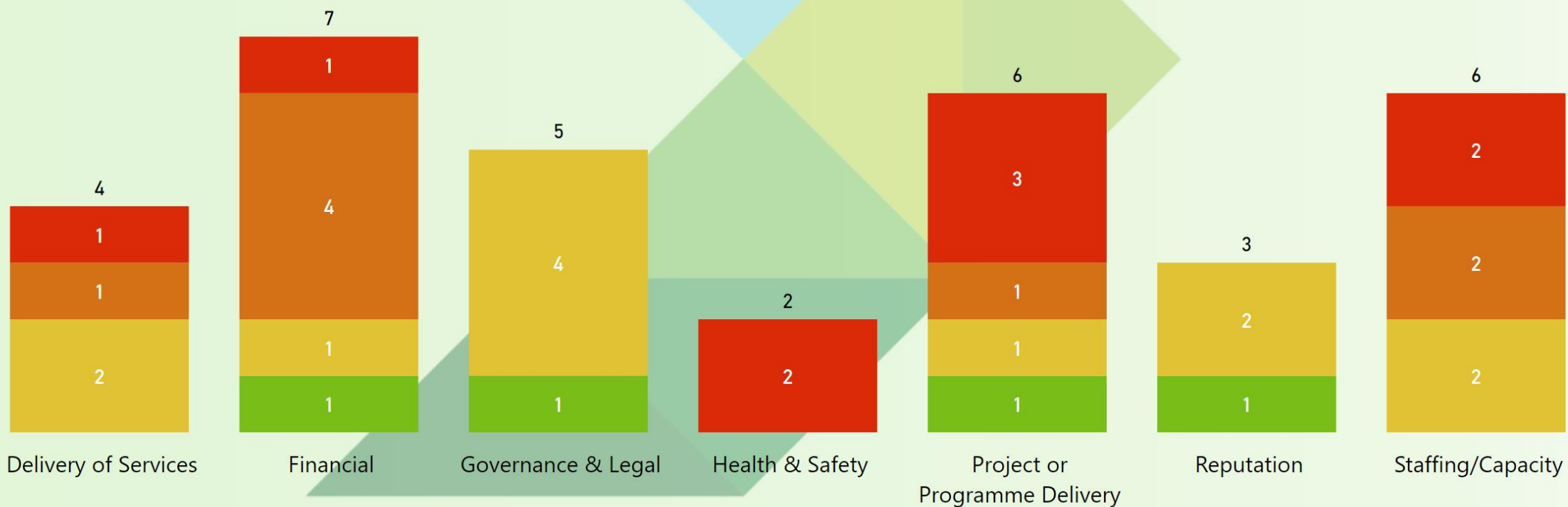
**Lead Specialist – Procurement, Performance and Change**

**South Somerset District Council**

# Risk Report Summary



Page 16







Inherent Score

Residual Score

LIKELIHOOD (A) Page 17	5 Certain >80% chance	0	0	0	6	5
	4 Probable 51 to 80% chance	0	0	2	5	2
	3 Possible 21 - 50% chance	0	0	3	5	4
	2 Unlikely 6 - 20% chance	0	0	0	1	0
	1 Remote 0-5% chance	0	0	0	0	0
		Minimal 1	Limited 2	Moderate 3	Significant 4	Catastrophic 5
IMPACT (B)						

LIKELIHOOD (A)	5 Certain >80% chance	0	0	1	5	1
	4 Probable 51 to 80% chance	0	0	2	3	0
	3 Possible 21 - 50% chance	0	2	4	3	3
	2 Unlikely 6 - 20% chance	0	2	5	1	0
	1 Remote 0-5% chance	0	0	0	1	0
		Minimal 1	Limited 2	Moderate 3	Significant 4	Catastrophic 5
IMPACT (B)						

33

Total Risks

Title	Risk Title	Risk Owner	RiskLevel	Category	Score
DOS-02	Increasing numbers of public needing our services	Kirsty Larkins	(2) Corporate	Delivery of Services	25
HAS-01	Failures in Statutory compliance and practice - Health & Safety	Nicola Hix	(1) Strategic	Health & Safety	23
HAS-02	Poor implementation or failure of new Health and Safety framework (systems and infrastructure)	Jess Power	(2) Corporate	Health & Safety	23
PAP-04	Poor or partial planning and execution of strategic priority projects	Natalie Fortt	(2) Corporate	Project or Programme Delivery	23
FIN-03	Lower Business Rates Income than anticipated	Karen Watling	(2) Corporate	Financial	21
PAP-01	LGR programme creates tensions shifting priorities / tensions between BAU & LGR work	Jan Gamon	(1) Strategic	Project or Programme Delivery	21
PAP-02	Capital costs are spiralling	Jan Gamon	(1) Strategic	Project or Programme Delivery	21
PEOPLE-03	Inability to recruit to meet resourcing needs	Amanda Kotvics	(2) Corporate	Staffing/Capacity	21
PEOPLE-04	Staff morale & wellbeing affected by organisational pressures and unitary transition	Amanda Kotvics	(2) Corporate	Staffing/Capacity	21
FIN-01	Rising costs of borrowing adding increased pressure on budgets	Karen Watling	(2) Corporate	Financial	20
FIN-02	Increase in inflation risking cost overspends	Karen Watling	(2) Corporate	Financial	20
PEOPLE-05	SSDC staff have a lack of change readiness/resilience to the LGR transition period	Amanda Kotvics	(2) Corporate	Staffing/Capacity	20
DOS-04	Risk to the confidentiality, integrity or availability of information assets due to malicious activity or user error.	Toffer Beattie	(2) Corporate	Delivery of Services	19
FIN-05	Further local or national pandemic restrictions impacting daily council business	Karen Watling	(2) Corporate	Financial	19
PAP-06	External project funding is less than anticipated	Natalie Fortt	(2) Corporate	Project or Programme Delivery	19
FIN-06	Management of commercial Investments	Karen Watling	(1) Strategic	Financial	18
PEOPLE-06	Risk of deterioration in quality of work being delivered by staff	Amanda Kotvics	(2) Corporate	Staffing/Capacity	16
GAL-05	Failure to deliver mandatory statutory functions (e.g. planning, licensing)	Kirsty Larkins	(2) Corporate	Governance & Legal	15
PEOPLE-01	Risk of a potential lack of organisational capacity to deliver key objectives.	Nicola Hix	(1) Strategic	Staffing/Capacity	15

Title	Risk Title	Risk Owner	RiskLevel	Category	Score
DOS-03	Ineffective or inadequate delivery to customers through SSDC partnerships	Kirsty Larkins	(1) Strategic	Delivery of Services	14
GAL-01	Failure in Statutory compliance and practice - Information Governance	Jill Byron	(1) Strategic	Governance & Legal	14
PAP-05	Loss of stakeholder support to projects	Natalie Fortt	(2) Corporate	Project or Programme Delivery	14
PEOPLE-02	Risk of failing to retain staff	Amanda Kotvics	(2) Corporate	Staffing/Capacity	14
DOS-01	COVID - Risk of SSDC not being prepared for Business continuity issues / Civil contingency enactment	Nicola Hix	(1) Strategic	Delivery of Services	13
GAL-02	Failure in Statutory compliance and practice - Equalities	Jan Gamon	(1) Strategic	Governance & Legal	13
GAL-03	Risk of officer or member inducement, bribery or corruption	Jill Byron	(2) Corporate	Governance & Legal	13
REP-01	Risk that SSDC members lose engagement and focus on strategic priorities post election during unitary transition	Jane Portman	(1) Strategic	Reputation	13
REP-03	Risk of reputational damage if regeneration projects are not delivered or proposed changes are not well presented.	Natalie Fortt	(2) Corporate	Reputation	13
FIN-04	Financial system risks	Paul Matravers	(2) Corporate	Financial	12
GAL-04	Failure to comply with corporate procedures	Jane Portman	(2) Corporate	Governance & Legal	9
REP-02	Risk of reputational harm to SSDC due to all ongoing issues	Richard Birch	(2) Corporate	Reputation	9
FIN-07	Governance and decision making around use of public money	Karen Watling	(1) Strategic	Financial	8
PAP-03	Lack of organisational knowledge base on projects	Natalie Fortt	(2) Corporate	Project or Programme Delivery	8



# Quarterly Strategic & Corporate Risk Movements



RiskLevel	Title	Category	RiskTitle	Owner	April	July
(1) Strategic	DOS-01	Delivery of Services	COVID - Risk of SSDC not being prepared for Business continuity issues / Civil contingency enactment	Nicola Hix	14	13
	DOS-03	Delivery of Services	Ineffective or inadequate delivery to customers through SSDC partnerships	Kirsty Larkins	14	14
	FIN-06	Financial	Management of commercial Investments	Karen Watling	1	18
	FIN-07	Financial	Governance and decision making around use of public money	Karen Watling	8	8
	GAL-01	Governance & Legal	Failure in Statutory compliance and practice - Information Governance	Jill Byron	15	14
	GAL-02	Governance & Legal	Failure in Statutory compliance and practice - Equalities	Jan Gamon	14	13
	HAS-01	Health & Safety	Failures in Statutory compliance and practice - Health & Safety	Nicola Hix	23	23
	PAP-01	Project or Programme Delivery	LGR programe creates tensions shifting priorities / tensions between BAU & LGR work	Jan Gamon	20	21
	PAP-02	Project or Programme Delivery	Capital costs are spiralling	Jan Gamon	20	21
	PEOPLE-01	Staffing/Capacity	Risk of a potential lack of organisational capacity to deliver key objectives.	Nicola Hix	15	15
(2) Corporate	REP-01	Reputation	Risk that SSDC members lose engagement and focus on strategic priorities post election during unitary transition	Jane Portman	18	13
	DOS-02	Delivery of Services	Increasing numbers of public needing our services	Kirsty Larkins	25	25
	DOS-04	Delivery of Services	Risk to the confidentiality, integrity or availability of information assets due to malicious activity or user error.	Toffer Beattie	19	19
	FIN-01	Financial	Rising costs of borrowing adding increased pressure on budgets	Karen Watling	20	20
	FIN-02	Financial	Increase in inflation risking cost overspends	Karen Watling	20	20
	FIN-03	Financial	Lower Business Rates Income than anticipated	Karen Watling	21	21
	FIN-04	Financial	Financial system risks	Paul Matravers	12	12
	FIN-05	Financial	Further local or national pandemic restrictions impacting daily council business	Karen Watling	19	19
	GAL-03	Governance & Legal	Risk of officer or member inducement, bribery or corruption	Jill Byron	13	13
	GAL-04	Governance & Legal	Failure to comply with corporate procedures	Jane Portman	9	9
	GAL-05	Governance & Legal	Failure to deliver mandatory statutory functions (e.g. planning, licensing)	Kirsty Larkins	15	15
	HAS-02	Health & Safety	Poor implementation or failure of new Health and Safety framework (systems and infrastructure)	Jess Power	23	23
	PAP-03	Project or Programme Delivery	Lack of organisational knowledge base on projects	Natalie Fortt	8	8
	PAP-04	Project or Programme Delivery	Poor or partial planning and execution of strategic priority projects	Natalie Fortt	23	23
	PAP-05	Project or Programme Delivery	Loss of stakeholder support to projects	Natalie Fortt	14	14
	PAP-06	Project or Programme Delivery	External project funding is less than anticipated	Natalie Fortt	19	19
	PEOPLE-02	Staffing/Capacity	Risk of failing to retain staff	Amanda Kotvics	14	14
	PEOPLE-03	Staffing/Capacity	Inability to recruit to meet resourcing needs	Amanda Kotvics	21	21
	PEOPLE-04	Staffing/Capacity	Staff morale & wellbeing affected by organisational pressures and unitary transition	Amanda Kotvics	21	21
	PEOPLE-05	Staffing/Capacity	SSDC staff have a lack of change readiness/resilience to the LGR transition period	Amanda Kotvics	20	20
	PEOPLE-06	Staffing/Capacity	Risk of deterioration in quality of work being delivered by staff	Amanda Kotvics	16	16
	REP-02	Reputation	Risk of reputational harm to SSDC due to all ongoing issues	Richard Birch	1	9
	REP-03	Reputation	Risk of reputational damage if regeneration projects are not delivered or proposed changes are not well presented.	Natalie Fortt	13	13

# Strategic & Corporate Risk: Delivery of Service Q1 2022



Title	RiskTitle	RiskLevel	Owner	Cause	Effect	InherentScore	ResidualScore
DOS-02	Increasing numbers of public needing our services	(2) Corporate	Kirsty Larkins	<b>Cause:</b> - COVID has increased stresses for low-income / families in poverty - Significant community impacts from COVID on the most vulnerable - increasing numbers of residents experiencing homelessness, food poverty, domestic violence, redundancy...	<b>Effect:</b> - Increased demands on services - Increased service costs - shortfall in revenues - Increase in staffing requirements across all service areas	25	25
DOS-04	Risk to the confidentiality, integrity or availability of information assets due to malicious activity or user error.	(2) Corporate	Toffer Beattie	<b>Cause:</b> - Compromise of the network by malicious actor leading to the introduction of malicious software (malware) - Unlawful or negligent use of data by members or officers - Breach of confidentiality on information or data SSDC holds	<b>Effect:</b> - Inability to deliver services (customer and corporate) owing to loss of access to key computer systems - Inability to deliver services owing to the malicious encryption of data (Ransomware). - Loss of connection to the Government Network - Financial losses from legal action for breach of duty of confidence - Reputational harm for the authority - Inability to process payments - Loss of Data	23	19



# Strategic & Corporate Risk: Delivery of Service Q1 2022



Title	RiskTitle	RiskLevel	Owner	Cause	Effect	InherentScore	ResidualScore
DOS-03	Ineffective or inadequate delivery to customers through SSDC partnerships	(1) Strategic	Kirsty Larkins	<ul style="list-style-type: none"> <li>Partnerships - LA / Private / strain &amp; stress during transition phase</li> <li>Partners concerns about the future</li> <li>Poor partner selection and management</li> <li>key partners don't contribute fully</li> </ul>	<ul style="list-style-type: none"> <li>- Partners withdraw services or cease operations</li> <li>- Increase in SSDC costs having to go to commercial partners or self fund</li> <li>- Services to vulnerable customers reduced or not available</li> <li>- Additional benefits not realised for community.</li> </ul>	20	14
DOS-01	COVID - Risk of SSDC not being prepared for Business continuity issues / Civil contingency enactment	(1) Strategic	Nicola Hix	<ul style="list-style-type: none"> <li>- Council not sufficiently prepared for major business continuity issues / business disruption</li> <li>- catastrophic event (accident, fire, flood, sabotage, contamination (pollution) or other restrictions</li> <li>- Environmental factors affect the access to and from the depot</li> <li>- Damage to council buildings, sites or facilities</li> <li>- Systems vulnerability to business disruption</li> <li>- Insufficient system and data resilience</li> </ul> <p>Under COVID restrictions:</p> <ul style="list-style-type: none"> <li>- Concurrent emergency event during COVID lockdown</li> <li>- Failure to formalise the revised planning &amp; protocols for the evacuation of residents during the Covid-19 emergency situation.</li> <li>- PPE not available where and when required</li> </ul>	<ul style="list-style-type: none"> <li>- Public denied access to council sites</li> <li>- Loss of function of a large proportion of staff</li> <li>- Staff unable to provide services to the public /Service provision failure</li> <li>- Failure to provide statutory services</li> <li>- Unable to fulfil financial obligations.</li> <li>- Unable to provide services to customers at the first point of contact</li> <li>- Failure of work flow for many council services</li> </ul> <p>Under COVID restrictions:</p> <ul style="list-style-type: none"> <li>- Health risk to residents and emergency responders,</li> <li>- Inadequate shelter (rest centre, temp accommodation) provision for those that need to be isolated.</li> </ul>	19	13





Title	RiskTitle	RiskLevel	Owner	Cause	Effect	InherentScore	ResidualScore
FIN-03	Lower Business Rates Income than anticipated	(2) Corporate	Karen Watling	<p><b>Cause:</b></p> <ul style="list-style-type: none"> <li>- Funding from business rates is based on the accurate calculation of the NNDR1 form.</li> <li>- There is volatility in the estimates due to various factors, such as anticipated discretionary and mandatory reliefs, growth in the rateable value, bad debts, and volume of appeals.</li> <li>- All of these factors can affect the surplus or deficit position on the collection fund</li> </ul>	<p><b>Effect:</b></p> <ul style="list-style-type: none"> <li>- Potentially more use of reserves than anticipated</li> <li>- Organisational effort in collecting debts</li> </ul>	25	21
FIN-01	Rising costs of borrowing adding increased pressure on budgets	(2) Corporate	Karen Watling	<p><b>Cause:</b></p> <ul style="list-style-type: none"> <li>- Interest Rate rises or reductions. (Whilst interest rates remain low at 0.5% there is now an expectation that they will rise to at least 1% over the next two financial years to help curb rising inflation rates.)</li> <li>- SSDC has a high Capital Financing Requirement (indebtedness) and currently borrows on a short term basis through peer-to-peer lending,</li> <li>- Impact of LGR on making longer term borrowing decisions</li> </ul>	<p><b>Effect:</b></p> <ul style="list-style-type: none"> <li>- Challenge to viability of Regeneration projects</li> <li>- Additional pressure on revenue budgets due to increased borrowing costs or reduced investment income</li> <li>- Future impacts to new somerset council of not thinking longer term with regards to borrowing needs</li> </ul>	20	20
FIN-06	Management of commercial Investments	(1) Strategic	Karen Watling	<p>Substantial amount of capital invested to deliver a yield and annual income</p> <p>New Prudential Code hinders ability of SSDC to manage the portfolio in a commercial way to maximise income</p> <p>Over reliant on key individuals with specific skills in this area</p>	<p>Loss of income / revenue yield</p> <p>Impairment of asset value</p> <p>Tenant management not to market standard</p>	23	18



# Strategic & Corporate Risk: Finance Q1 2022



Title	RiskTitle	RiskLevel	Owner	Cause	Effect	InherentScore	ResidualScore
FIN-02	Increase in inflation risking cost overspends	(2) Corporate	Karen Watling	<p>- General inflation is expected to peak at 7% in the first quarter of the 2022/23 financial year</p> <p>- Inflation on fuel, gas and electricity is even higher (for example inflation on gas prices was some 28% in December 2021).</p> <p>Construction Projects- Construction inflation is currently running at 20% to 40%.</p> <p>Pay Awards:</p> <p>- 2021/22 pay award for local government services employees remains unresolved as the unions have rejected the employer's offer.</p> <p>- Negotiations on the pay award for 2022-23 do not form part of this year's dispute and will be considered separately once the pay award for 1 April 2021 has been finalised.</p>	<p>- Cost Overspend</p> <p>- unviable projects</p> <p>- 22/23 pay award maybe above the amounts estimated in these budget proposals.</p>	20	20
FIN-04	Further local or national pandemic restrictions impacting daily council business	(2) Corporate	Karen Watling	<p>Cause</p> <p>- Pandemic could continue in 2022/23 and in future years in a way that requires further responses</p>	<p>Effect</p> <p>- impacts on the Councils service provision and/or financial standing.</p> <p>- Impact on delivery of priority projects</p> <p>- Need to redirect resources to essential front line services &amp; vulnerable customers.</p>	19	19





Title	RiskTitle	RiskLevel	Owner	Cause	Effect	InherentScore	ResidualScore
FIN-04	Financial system risks	(2) Corporate	Paul Matravers	<b>Cause:</b> - Breakdown in financial systems controls - Financial security regulations for card payments not met - Failure to produce accurate financial information leading to inability to produce financial accounts - Inappropriate access to systems by external or internal staff - payment of fraudulent invoices / Claim of fraudulent credit note - Counter and Cheque Fraud, - Counterparty risk in financial institutions collapsing that SSDC has lent money to.	<b>Effect:</b> - Audit Challenge - Reputational - Innappropriate use / access of council systems	19	12
FIN-07	Governance and decision making around use of public money	(1) Strategic	Karen Watling	- Officers pushing / rushing to get projects completed / money spent - Committing to projects that won't deliver pre April 2023 - Insufficient governance & decision making - Loss of sight of priorities	Not achieveing VfM outputs across SSDC during transiton phase	23	8



# Strategic & Corporate Risk: Governance & Legal Q1 2022



Title	RiskTitle	RiskLevel	Owner	Cause	Effect	InherentScore	ResidualScore
GAL-05	Failure to deliver mandatory statutory functions (e.g. planning, licensing)	(2) Corporate	Kirsty Larkins	<p>This risk relates to tactical/ Operational Procedures e.g. Planning, Environmental Health. Only to Statutory Duties where we are obliged to act, not statutory powers, for which we have a discretion.</p> <p>Cause:</p> <ul style="list-style-type: none"> <li>- Failure to horizon scan changes in statutory duties</li> <li>- Insufficient resilience or resources in the service to maintain functions</li> <li>- Increased workloads through increased scope of duties (eg public residential building)</li> <li>- Employment Market challenges and pay</li> </ul>	<p>Effect:</p> <ul style="list-style-type: none"> <li>- Resources and financial implications</li> <li>- Reputational Harm</li> <li>- Penalties</li> <li>- Judicial review / - Legal Challenge</li> <li>- Complaints to ombudsman</li> <li>- Potential for public harm</li> <li>- Increased costs to developers due to increased uncertaintyeffective regulation</li> </ul>	21	15
GAL-01	Failure in Statutory compliance and practice - Information Governance	(1) Strategic	Jill Byron	<p>Failure to comply with GDPR requirements</p> <p>Failure to comply with FOI requirements</p> <p>Failure to comply with environmental regulations (EIR)</p>	<p>Escalation to ICO</p> <p>Exposure to Penalties</p> <p>Potential reputational harm</p>	20	14
GAL-02	Failure in Statutory compliance and practice - Equalities	(1) Strategic	Jan Gamon	<p>Insufficinet account is taken of the needs of those with protected characteristics in the way we design services, develop projects or programmes.</p>	<p>Customers/Communities/Staff members are disadvantaged by our actions</p>	15	13
GAL-03	Risk of officer or member inducement, bribery or corruption	(2) Corporate	Jill Byron	<p>Cause:</p> <ul style="list-style-type: none"> <li>- Officers open to bribery from contractor, friend, family etc.</li> <li>- Inappropriate use of position as an officer to gain advantage for self or others, or disadvantage others.</li> <li>- Inappropriate use of position as a member o gain advantage for self or others, or disadvantage others. (Impacts reputation also)</li> </ul>	<p>Effect:</p> <p>Can impact many areas, examples being</p> <ul style="list-style-type: none"> <li>- Inappropriate leniency when issuing completion certificates and/or approvals (Building Control),</li> <li>- reduced quotations for a favoured client or for financial gain (Building Control),</li> <li>- Inappropriate leniency when processing grant and loan applications.(Environmental Health)</li> <li>- Retrospective investigation on previous member decisions / Judicial Review.</li> <li>- Prosecution or penalties for organisation or individuals</li> </ul>	15	13



Title	RiskTitle	RiskLevel	Owner	Cause	Effect	InherentScore	ResidualScore
GAL-04	Failure to comply with corporate procedures	(2) Corporate	Jane Portman	<b>Cause:</b> <ul style="list-style-type: none"> <li>- Onerous / Unworkable/Outdated policies and procedures</li> <li>- Perception that internal processes can stifle opportunity and are not strictly enforced</li> <li>- Lack of clarity and visibility on requirements</li> <li>- Perceived complexity of legislation (e.g. EU Procurement rules)</li> <li>- Lack of visibility or understanding of procedures by staff</li> <li>- outdated systems and policies</li> <li>- Lack of effective sanctions for non-compliance with procedures</li> <li>- Management failure to challenge poor practices</li> </ul>	<b>Effect:</b> <ul style="list-style-type: none"> <li>- Non compliance in operations</li> <li>- financial losses</li> <li>- Cost of mitigation of breaches</li> <li>- Disciplinary actions leading to dismissal of staff.</li> <li>- Reputational damage</li> </ul>	14	9



# Strategic & Corporate Risk: Health & Safety\_Q1\_2022



Title	RiskTitle	RiskLevel	Owner	Cause	Effect	InherentScore	ResidualScore
HAS-01	Failures in Statutory compliance and practice - Health & Safety	(1) Strategic	Nicola Hix	<p>Lack of up to date Policy and compliance documents in high risk areas eg Lufton</p> <p>Single point of failure eg O license holder</p> <p>Newly adopted Health &amp; Safety policy not yet embedded</p> <p>Individual service health &amp; safety polices (chapter 4) to be completed or updated</p> <p>Newly adopted Fire Safety and First aid provision not yet embedded</p> <p>Statutory LMS training not yet completed</p> <p>Service training matrix in need of development</p>	<p>Higher level of accidents and incidents</p> <p>Financial exposure (insurance claims)</p> <p>inability to deliver services through non compliance eg fleet and O license</p> <p>Lack of staff awareness and an increased risk to staff due to lack of training</p> <p>Potential unsafe working practices due to lack of policy development</p>	24	23
HAS-02	Poor implementation or failure of new Health and Safety framework (systems and infrastructure)	(2) Corporate	Jess Power	<p>This Health and Safety risk is about the (potential) limitations of the system/infrastructure of H&amp;S management at the Council</p> <ul style="list-style-type: none"> <li>• Failure to manage the health and safety risk of the Council's undertakings</li> <li>• Lack of Health and Safety training</li> <li>• Lack of awareness and understanding of duties and responsibilities</li> <li>• Lack of staff resources to carry out the required Health and Safety tasks</li> <li>• Failure of operational teams to adopt and implement the new Health and Safety framework</li> </ul>	<ul style="list-style-type: none"> <li>• Failure to protect the Public and Staff (Health and Safety)</li> <li>• Increase in the number of health and safety incidents/accidents and near misses</li> <li>• Inability to carry out roles safely and effectively</li> <li>• Potential Impact of Death or injury</li> <li>• Damage to reputation</li> <li>• Key Health and Safety work is delayed or missed</li> <li>• Litigation or prosecutions</li> <li>• Financial claims and increasing insurance premiums</li> </ul>	24	23



# Strategic & Corporate Risk: Project or Programme Delivery Q1 2022



Title	RiskTitle	RiskLevel	Owner	Cause	Effect	InherentScore	ResidualScore
PAP-04	Poor or partial planning and execution of strategic priority projects	(2) Corporate	Natalie Fortt	<b>Cause:</b> - Funds withdrawn and no improvements planned or interventions undertaken - Insufficient PM expertise within SSDC with sufficient knowledge, experience and time to deliver proposals - Insufficient Organisational in-house resources to inhabit project team structure - Inadequate Project (Planning methodologies) - Lack of organisational capacity to have fully scoped project teams - Inefficient decision making processes (e.g. tolerances not defined, not reporting by exception, lack of empowerment.)	<b>Effect:</b> - Project (or part) could be abandoned - delays, poor quality schemes with additional costs - Projects fail to deliver required project outputs or programme outcomes - Reputational harm - Member dissatisfaction - Project dependencies affected: e.g. non delivery of council priorities. - Deteriorating Staff morale	23	23
PAP-01	LGR progame creates tensions shifting priorities / tensions between BAU & LGR work	(1) Strategic	Jan Gamon	Transition between current arrangements and new unitary.  LGR Discovery work highlights areas of existing weakness/gaps that need immediate attention	Officers are put under undue pressure to meet competing priorities, with attendant increase in recorded absence  Officers seek employment outside of SSDC, with	21	21
PAP-02	Capital costs are spiralling	(1) Strategic	Jan Gamon	<b>COVID</b> - Inability to procure construction contractors (compaby failures) - Lack of availability of materials as a result of suspension of manufacture and competition - Potential restrictions being reintroduced which impact BAU on facilities/construction sites <b>INFLATION</b> Inflation has now reached c.9% generally and c.15% in construction industry	Increased cost of materials Delays in delivery of materials, which in turn leads to increased cost Increased cost of supply, due to demand-led environment	25	21

# Strategic & Corporate Risk: Project or Programme Delivery Q1 2022



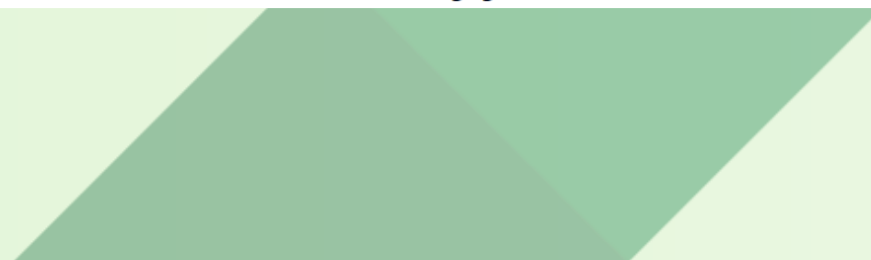
Title	RiskTitle	RiskLevel	Owner	Cause	Effect	InherentScore	ResidualScore
PAP-06	External project funding is less than anticipated	(2) Corporate	Natalie Fortt	<ul style="list-style-type: none"> <li>- Government's approach to town centres and regeneration could change, leading to, for example, to the reallocation of the Future High Streets Fund monies being allocated elsewhere.</li> <li>- Inability to create own funding from asset sales</li> </ul>	Inability to deliver all or part of agreed projects	19	19
PAP-05	Loss of stakeholder support to projects	(2) Corporate	Natalie Fortt	<ul style="list-style-type: none"> <li>- Stakeholders do not support plans for progression or cannot reach consensus (4)</li> <li>- Political impact, pressures and changes to member composition of Council, together with elections (5)</li> <li>- Failure of relationships with delivery partners (3)</li> </ul>	<ul style="list-style-type: none"> <li>- Regeneration proposals cannot be delivered, e.g. Highways Authority does not support public realm schemes (3)</li> <li>- Impacts on delivery of Heritage and Conservation projects, which require stakeholder support e.g. South West Heritage Trust, English Heritage</li> </ul>	21	14



# Strategic & Corporate Risk: Reputation Q1 2022



Title	RiskTitle	RiskLevel	Owner	Cause	Effect	InherentScore	ResidualScore
REP-01	Risk that SSDC members lose engagement and focus on strategic priorities post election during unitary transition	(1) Strategic	Jane Portman	<p>Member led authority (60 members) Some Members elected to SCC, others not. Those not elected may lose their current level of engagement Political Tensions - Twin hatted members may focus on their role in SCC and the implementation of the new authority rather than SSDC Conflict between Member Priorities v Strategic ambitions - Members wanting to deliver on their priorities rather than priorities set out in the corporate paln</p>	<p>Political oversight weakens during transition Lose engagement &amp; oversight post elections Weakens our focus on strategic priorities we are committed to Member resignation</p>	14	13
REP-03	Risk of reputational damage if regeneration projects are not delivered or proposed changes are not well presented.	(2) Corporate	Natalie Fortt	<p>- Adverse publicity - Decisions could still be made by boards which are unpalatable for wider stakeholders...</p>	<p>- Damages perceived value of programme delivery - Detracts from positive impacts - Could negatively impact on wider council, not only on programme</p>	19	13
REP-02	Risk of reputational harm to SSDC due to all ongoing issues	(2) Corporate	Richard Birch	<p>LGR pressure exposing existing areas of weakness - taking eye off BAU Reduced organisational scrutiny due to capacity Increased external scrutiny around performance and controls Could lead to an event causing further reputational harm to SSDC Significant changes to political landscape affecting members engagement.</p>	<p>Reduces resources, weakens perception of organisational controls and position of SSDC place at the LGR table; ineffective communications when behaviour change is required (external – residents, businesses, stakeholders/partners) leading to increased strain on Connect or other services</p>	14	9



# Strategic & Corporate Risk: Staffing/Capacity\_Q1\_2022



Title	RiskTitle	RiskLevel	Owner	Cause	Effect	InherentScore	ResidualScore
PEOPLE-03	Inability to recruit to meet resourcing needs	(2) Corporate	Amanda Kotvics	<p>Market Challenges (Payrates) LGR - uncertainty Current fixed term strategy Reputation in some professional / technical area Shortages and demographiic shift in come professional fields (planning, ) South Somerset is not geographically well placed to recruit.</p>	<p>Impact on BAU delivery Stresses on existing workload to backfill gaps Customer and stakeholder impacts Turnover, sickness and retention challenges Reliance on temporary staff</p>	25	21
PEOPLE-04	Staff morale & wellbeing affected by organisational pressures and unitary transition	(2) Corporate	Amanda Kotvics	<p>Uncertainty around LGR Transition Organisational pressures. The impact on staff of the speed and additional work that has to be undertaken through transition</p> <ul style="list-style-type: none"> <li>- Poor care of staff</li> <li>- Perceived lack of leadership understanding and action to address employee concerns/uncertainty (volumes of work, uncertainty of the future)</li> <li>- Lack of understanding on when the LGR unknowns will become clear</li> <li>- Disruption to existing teams due to redeployment to LGR</li> <li>- Increasingly individualised organisational culture (self protection)</li> <li>- Loss of SSDC Cultural strengths which could be of support</li> <li>- Lack of social / workplace connection</li> </ul>	<p>Falling Retention Sickness rates Employee Disengagement Failure of services Staff Burnout</p> <ul style="list-style-type: none"> <li>- Loss of capacity due to illness</li> <li>- Loss of capacity due to turnover/ attrition</li> <li>- Inability to deliver services</li> <li>- Impacts of support services</li> <li>- Poor behaviours leading to employee relations issues</li> <li>- Productivity impacts</li> <li>- Demand on wellbeing/advisory services</li> </ul>	21	21
PEOPLE-05	SSDC staff have a lack of change readiness/resilience to the LGR transition period	(2) Corporate	Amanda Kotvics	<p>LGR Programme SSDC will have to go through TUPE Some teams and individuals still recovering from Transformation No dedicated internal change management resource</p>	<p>SSDC staff fail to adopt the change culture /mentality that is rquired / expected of them Wellbing impacts Potential for Resistance to change effort (becomes harder to move programme forward intrenally) Missed transition opportunities Lack of engagement to the programme or existing BAU.</p>	20	20



# Strategic & Corporate Risk: Staffing/Capacity\_Q1\_2022



Title	RiskTitle	RiskLevel	Owner	Cause	Effect	InherentScore	ResidualScore
PEOPLE-06	Risk of deterioration in quality of work being delivered by staff	(2) Corporate	Amanda Kotvics	<b>Cause:</b> <ul style="list-style-type: none"> <li>- Staff sickness &amp; absence</li> <li>- Workload pressures leading to shortcuts being taken and errors made</li> <li>- inadequate training</li> <li>- increase in number of staff giving advise other than experts (e.g. Pest Officers)</li> <li>- Lack of Multi-skilling / cross functional training. (Single point of failure)</li> <li>- burn out from additional tasks and increased workload - LGR effort is on top of BAU, resources are the same.</li> </ul>	<b>Effect:</b> <ul style="list-style-type: none"> <li>- Customer dissatisfaction and Complaints</li> <li>- Failure to give correct advice/guidance</li> <li>- Inappropriate Professional Advice</li> <li>- Failing to meet timescales/limitation periods,</li> </ul>	21	16
PEOPLE-01	Risk of a potential lack of organisational capacity to deliver key objectives.	(1) Strategic	Nicola Hix	<ul style="list-style-type: none"> <li>- Inability to retain staff and attract new recruits</li> <li>- Poor resilience and staff unable to cope with change</li> <li>- Over Reliance on Key staff / Single Points of Failure</li> <li>- Recruitment shortage in key areas where national issue</li> <li>- COVID impacts</li> <li>- LGR transition workstreams</li> <li>- Delays in internal financial approvals to recruitments.</li> <li>- Number of staff on contracts ending April 2023.</li> <li>- Wellbeing, illness and burnout of staff</li> <li>- Reduction in discretionary effort</li> </ul>	<ul style="list-style-type: none"> <li>- Inability to deliver the BAU services.</li> <li>- Impact on LGR programme delivery</li> <li>- Initiatives and work becomes delayed, Jeopardising future delivery</li> <li>- productivity losses</li> <li>- Insufficient availability of appropriate skills within the organisation to deliver</li> <li>- Low morale and motivation in the workforce</li> <li>- stress and mental health issues.</li> <li>- Reshuffle and organisational effort to backfill/redeploy/recruit to vacancies</li> </ul>	21	15



# Strategic & Corporate Risk: Staffing/Capacity\_Q1\_2022



Title	RiskTitle	RiskLevel	Owner	Cause	Effect	InherentScore	ResidualScore
PEOPLE-02	Risk of failing to retain staff	(2) Corporate	Amanda Kotvics	<b>Cause:</b> <ul style="list-style-type: none"> <li>- Morale of staff (low enjoyment levels, too much pressure, too little capacity, lack of tools / job role design)</li> <li>- Organisation moving faster than staff can cope with</li> <li>- Better pay available in private sector</li> <li>- Colleagues who left in transformation positive about life after SSDC</li> <li>- professional development and growth to staff who then move outside the organisation</li> <li>- Age profile of staff</li> <li>- Gaps in resource + backlogs forming</li> <li>- Added uncertainty around LGR</li> <li>- Use of fixed term contracts (lower job security)</li> </ul>	<b>Effect:</b> <ul style="list-style-type: none"> <li>- Limited resilience, poor wellbeing</li> <li>- Unmet resource demand in the future</li> <li>- Inadequate service delivery to community</li> <li>- Losing the goodwill of staff who have identified themselves as available but yet to be redeployed/ engagement across the system</li> <li>- Insufficient workforce capacity to fill critical roles</li> <li>- Significant HR resource needed having to repeat recruitment activity into posts.</li>   <li>- Service provision failure</li> <li>- Higher spending on external resources</li> <li>- Reputational risk - SSDC not employer of choice</li> <li>- Financial impact due to overspend of missing income target</li> <li>- Customer can't get Housing benefits payments and risk losing home</li> <li>- Homelessness not prevented</li> <li>- Planning delays</li> <li>- Council can't collect council tax / business rates</li> </ul>	25	14





## **Audit Committee Forward Plan**

SLT Lead: Karen Watling, Chief Finance Officer  
Lead Officer: Michelle Mainwaring, Case Officer (Strategy & Commissioning)  
Contact Details: michelle.mainwaring@southsomerset.gov.uk

## **Purpose of the Report**

This report informs Members of the agreed Audit Committee Forward Plan.

## **Recommendations**

Members are asked to note and comment upon the proposed Audit Committee Forward Plan as attached.

## **Audit Committee Forward Plan**

The forward plan sets out items and issues to be discussed over the coming few months and is reviewed annually.

Items marked *in italics* are not yet confirmed.

## **Background Papers**

None.

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## Audit Committee Forward Plan

Meeting Date	Item	Responsible Officer
<b>2<sup>nd</sup> September 2022</b>	2020/21 External Audit Findings Report	Barrie Morris, Director, and Beth Garner, Manager (Grant Thornton)
	2020/21 External Auditors' Annual Report (to go to full Council)	Barrie Morris, Director, and Beth Garner, Manager (Grant Thornton)
	Management Response to 2020/21 External Audit Findings and Annual Report (tbc)	Chief Executive Chief Finance Officer Monitoring Officer
	Approval of 2020/21 audited Statement of Accounts	Chief Finance Officer and Lead Specialist – Finance (Deputy S151 Officer)
	Approval of 2020/21 Annual Governance Statement	Chief Executive and Monitoring Officer
	2020/21 VFM Audit	Chief Executive, Chief Finance Officer & Monitoring Officer
	Informing the Audit Risk Assessment for the 2021-22 external audit	Chief Finance Officer, Monitoring Officer and Chief Executive
	2020/21 Housing Benefits Certificate of Claims Report	Lead Specialist Finance (Deputy S151 Officer)
<b>22<sup>nd</sup> September 2022</b>	2021/22 unaudited Statement of Accounts for 2021/22	Chief Finance Officer and Lead Specialist – Finance (Deputy S151 Officer)
	2021/22 Draft Annual Governance Statement	Chief Executive, Monitoring Officer, and Chief Finance Officer
	2022/23 Q2: Internal Audit Progress Report	Alistair Woodland, Assistant Director (SWAP)
	Risk Management Update Q2 2022/23	Lead Specialist, PPC
	A briefing on SSDC Opium Power Ltd	Chief Finance Officer, Lead Specialist - Finance (Deputy S151 Officer)



<p><b>24<sup>th</sup> November 2022</b></p>	<p>2022/23 Treasury Management mid-year treasury performance and strategy update</p>	<p>Lead Specialist Finance (Deputy S151 Officer)</p>
<p><b>26<sup>th</sup> January 2023</b></p>	<p>2021/22 External Audit Findings Report</p>	<p>Barrie Morris, Director, and Beth Garner, Manager (Grant Thornton)</p>
	<p>2021/22 External Auditors' Annual Report (to go to full Council)</p>	<p>Barrie Morris, Director, and Beth Garner, Manager (Grant Thornton)</p>
	<p>Approval of 2021/22 audited Statement of Accounts</p>	<p>Chief Finance Officer and Lead Specialist – Finance (Deputy S151 Officer)</p>
	<p>Approval of 2021/22 Annual Governance Statement</p>	<p>Chief Executive, Monitoring Officer and Chief Finance Officer</p>
	<p>2021/22 Housing Benefits Certificate of Claims Report (<i>tbc</i>)</p>	<p>Lead Specialist Finance (Deputy S151 Officer)</p>
	<p>2022/23 Q3: Internal Audit Progress Report</p>	<p>Alistair Woodland, Assistant Director (SWAP)</p>
	<p>Risk Management Update Q3 2022/23</p>	<p>Lead Specialist, PPC</p>
	<p>Update on Improving Environmental Services and Corporate Governance</p>	<p>Chief Executive, Director Strategy Support and Environmental Services</p>
<p><b>23<sup>rd</sup> March 2023</b></p>	<p>2022/23 Annual Health &amp; Safety Update</p>	<p>Lead Specialist – Strategic Planning</p>
	<p>2022/23 Annual Civil Contingencies</p>	<p>Lead Specialist – Strategic Planning</p>
	<p>2022/23 Annual Whistleblowing Update</p>	<p>Monitoring Officer</p>
	<p>2022/23 Internal Audit Outturn Report</p>	<p>Alistair Woodland, Assistant Director (SWAP)</p>
	<p>2022/23 Q4 Risk Management Update</p>	<p>Lead Specialist, PPC</p>



	2022/23 Internal Audit Annual Opinion Report	Alistair Woodland, Assistant Director (SWAP)
	2022/23 Draft Annual Governance Statement  Note: expect supplementary change order provisions will require the dissolving councils to prepare and approve their final Annual Governance Statement by 31 March 2023	Chief Executive, Monitoring Officer and Chief Finance Officer