

The AGS – SOURCES OF ASSESSMENT - COVERAGE

Risk Ref	Risk Category	Risk	Scrutiny	Internal Audit	External Agencies	Director / Risk Owner	Statutory Officers
1	Planning and Performance	Failure to establish and communicate clear plans and objectives and monitor performance	✓	✓	✓	✓	
2	Service Delivery	Failure to maintain day to day service provision	✓	✓	✓	✓	✓
3	Corporate Governance	Failure to maintain effective corporate governance arrangements	✓	✓	✓	✓	✓
4	Human Resources	Failure to resource safely, effectively and efficiently – manage the implications of a reducing headcount – handle poor performance	✓	✓		✓	✓
5	Organisational Development	Failure to ensure the workforce has the appropriate knowledge and skill set	✓	✓		✓	
6	Health and Safety	Failure to protect staff / third parties from injury	✓	✓	✓	✓	✓
7	Procurement	Failure of ensure the procurement process provides best value	✓	✓		✓	✓
8	Law, Democracy and Information Governance	Failure to comply with key legislation or legal requirements	✓	✓	✓	✓	✓

9/10	Financial Management	Failure to provide sufficient finance to enable the Council to meet its objectives and ensure income and expenditure is contained within the budget and is properly accounted for	✓	✓	✓	✓	✓
11	Transformation and Change Management	Failure to manage corporate projects and organisational change	✓	✓	✓	✓	
12	Information Management	Failure to transform services throughout Staffordshire by the innovative use of ICT	✓	✓	✓	✓	
13	Asset Management	Failure to provide, protect and maintain property that will deliver a suitable and safe working environment for staff and visitors	✓	✓	✓	✓	
14	Business Continuity	Failure to maintain service delivery in the event of major disruption	✓	✓	✓	✓	

Notes:

- (1) Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, controls and governance processes (*UK Public Sector Internal Audit Standards and CIPFA Local Government Application Note*).

- (2) External audit evaluate significant financial systems, and the associated internal financial controls, for the purpose of giving an opinion on the financial statements. Where external audit identifies any weaknesses in such systems, external audit will draw them to the attention of the Council, but external audit cannot be expected to identify all weaknesses that exist. External audit are not responsible for forming an opinion on the adequacy of systems of internal control and were appointed by Public Sector Auditor Appointments (PSAA).

ADDITIONAL SOURCES OF ASSURANCE - STATUTORY OFFICERS

The Chief Finance Officer (Executive Director of Resources and Corporate Services)

Any major organisation requires a set of clearly understood rules and regulations for the management of its financial affairs. In response to the requirements of Section 151 of the Local Government Act 1972, the Council has designated the Executive Director of Resources and Corporate Services to be responsible for the administration of these affairs.

In response to the requirements of Section 25 of the Local Government Act 2003, the S151 Officer has a duty to report to the Council on:

- the adequacy of the proposed reserves
- the robustness of the budget

In response to Section 114 of the Local Government Finance Act 1988, the S151 Officer has a duty to report to the Council if the Council or one of its officers:

- has made, or is about to make, a decision which involves incurring unlawful expenditure
- has taken, or is about to take, an unlawful action which has or would result in a loss or deficiency to the Authority
- is about to make an unlawful entry in the Council's accounts

In addition, the S151 Officer is required to make a report under Section 114 if it appears that the expenditure incurred and/or proposed in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.

The Monitoring Officer

The role of the Monitoring Officer is a statutory one, the office having been created under Section 5 of the Local Government and Housing Act 1989. Every Local Authority must have a Monitoring Officer and since 2001 that office cannot be held by the person who is the Council's Head of Paid Service, nor by the Section 151 Officer, though there are no other formal qualification requirements.

If it at any time appears to (the Monitoring Officer) him that any proposal, decision or omission

- by the Council;

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- by any Committee or Sub-committee of the Council;
- by any person holding any office or employment under the Council;
- by any Joint Committee on which the Council is represented, or;
- in the course of the discharge of functions of the Council by or on behalf of the Council's Executive.

constitutes, has given rise to or is likely to or would give rise to –

- a contravention of any enactment or rule of law by the Council, by any Committee or Sub-committee of the Council, by any person holding any office or employment under the Council, by any such Joint Committee, or by the Council's Executive or any person on behalf of the Executive, or
- any such maladministration or injustice as is mentioned in Part 3 of the Local Government Act 1974 where the Ombudsman has conducted an investigation;

then the Monitoring Officer is required to prepare a report to the Council's Executive (if it relates to executive functions), or in all other cases to Full Council, with respect to that proposal, decision or omission, and in doing so is required to consult so far as practicable with the Council's Head of Paid Service and the S151 Officer.

Conclusion

Neither the Monitoring Officer nor the Section 151 Officer Finance has had occasion to use their statutory powers of intervention in 2023/24.

OTHER SOURCES OF ASSURANCE – MISCELLANEOUS

SECTION A SCRUTINY COMMITTEES

We have effective processes in place. We have five Overview & Scrutiny Committees, the responsibilities of which reflect our focus on key outcomes. We make sure Executive Lead Members are held accountable for their actions and we give members an opportunity to assess the impact of the Council's work in their local area. We will continue to develop these initiatives. Annual reports from each Scrutiny Committee are produced and submitted to Full Council. **Currently, no significant governance issues have been highlighted to date.**

Monthly budget monitoring reports are presented to the Scrutiny Committee for Corporate & Resources and the Executive.

A Performance Report is produced quarterly and presented to the Executive. Both of these reports provide an overview of progress, performance, and financial position in delivery against the Council Plan.

SECTION B EXECUTIVE DIRECTORS AND SERVICE DIRECTORS

Assurance Statements are in the process of being prepared as part of the review of our Risk Management processes and the wider governance review by the Statutory Officers Board.

SECTION C STRATEGIC RISK REGISTER

The arrangements for the production of the Strategic Risk Register are currently being reviewed to improve embedding and compliance across the Council. The Council has Risk Management software and the system is populated with key risks facing the organisation and this will continue throughout 2024/25. This provides a digital solution for the production of the Strategic Risk Register. Risk owners are responsible for the completion and update of their digital service risks which feeds directly into the strategic risk register on a continuous basis. This enables the level and frequency of reporting and scrutiny of both risks and mitigations.

The Audit Committee has received ongoing updates regarding significant risks during 2023/24.

The Audit Committee received and approved its Annual Report for 2022/23. There were no major issues raised and the report was presented to Full Council in July 2023. The 2023/24 Annual Report will be presented in July 2024.

SECTION D EXTERNAL REVIEWS/INSPECTIONS

SECTION E STANDARDS / OMBUDSMAN REPORTS

The Standards Committee received an Annual Report in July 2023 (covering the period June 2022 to June 2023) on the management of elected member related complaints. No significant matters were identified. Whilst there was no underlying theme to the nature of complaints the annual report highlighted that a number relate to comments made by members either in meetings or publicly e.g., the Press. The Code of Conduct calls on members to exercise Respect towards others. When complaints are considered regarding comments made by members distinction is drawn between respect being exercised and the importance of being able to express views and opinions freely.

Any whistleblowing issues are considered by the Monitoring Officer.

The Constitution & Governance Committee has led the annual review of the Council's Constitution throughout 2023/24 in conjunction with the Monitoring Officer. This has been supplemented by the Monitoring Officer improving awareness and understanding of the Scheme of Delegation (SoD).

Compliance with the CIPFA Financial Management Code via a self-assessment review was performed during 2023/24 to assess the extent to which the Council's financial management arrangements complied with the FM Code. This review confirmed Compliance will continue to be monitored and updated as required.