

**AUDIT COMMITTEE - Table of Outstanding Issues (January 2019) - GENERAL**

Governance Area	Activity / Subject	Recommendation / Issue	Lead / Service	Progress /Comments	Status – Target Date
<b>Risk Management</b>	Effective Management of the Council's Property Portfolio	Following the Audit Committee's training session on 23 October 2014, Officers were requested to keep the Committee up to date with the property risk audit that is to be undertaken in partnership with the Council's insurers.	Head of Finance, Revenues and Benefits	Recommendations / observations were received from the Council's insurers earlier in the financial year following the completion of their property risk 'audit'.  Actions identified and the Council's responses are set out in <b>Appendix C</b> of this report.	<b>January 2019</b>
<b>Risk Management</b>	Review of Risks within Corporate Risk Register	Following the Audit Committee's consideration of the Corporate Risk Register at their 26 July 2018 meeting, they requested officers to explore whether the following should be treated as separate risks within the register given their potential impact in the Council:  1) The delivery of the Waste and Recycling Service given recent events elsewhere in the country and the failure of large contractors nationally.  2) The delivery of the Planning Service as loss of key staff could contribute towards the failure to comply with legislative requirements.  3) Emergency Planning arrangements, in respect of flooding or some other	Relevant Director	The associated review has now been completed with the outcome set out within the Corporate Risk Register Report elsewhere on the agenda.	<b>January 2019</b>

		<p>major incident, could result in the Council providing a significant number of alternative residences for a protracted period. This could seriously divert Council Officers from various departments and significantly deplete the financial reserves of the Council in the medium term.</p> <p>The Council should also be mindful that, in these circumstances, experience shows that the Council will potentially be the target of financial fraud. This would also divert Officers from their normal responsibilities and deplete Council funds.</p>			
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**AUDIT COMMITTEE - Table of Outstanding Issues (January 2019) – ANNUAL GOVERNANCE STATEMENT ACTIONS**

Governance Issue	Action	Current Position / Update
<p><b>Managing risks and performance through robust internal control and strong public financial management</b></p> <p>The Council adopted a new ten year approach to budgeting in 2017, aimed at maximising savings opportunities whilst delivering growth in underlying income to deliver a balanced budget over a ten year forecast.</p> <p>The plan depends upon the use of a reserve specifically established to support the long term financial plan which is estimated to provide up to £3.7 million of funding over the plan period.</p> <p>Risks exist to the plan should income generation schemes not materialise while using non-recurrent reserves to addressing budget gaps is not sustainable should austerity continue.</p>	<p>Continue to develop the long term forecast with a focus on:</p> <ul style="list-style-type: none"> <li>• Ensuring the robustness of assumptions used in financial planning/forecasting.</li> <li>• Prioritising resources whilst maintaining services wherever possible.</li> <li>• Develop a new way of reporting progress against the new long term forecast including an assessment of risk.</li> <li>• Delivery a balanced budget in 2019/20 in-line with the forecast.</li> </ul>	<p>A revised approach to reporting the progress against the new long term forecast has been developed with the reports presented to Cabinet on 14 September 2018 and 9 November 2018.</p> <p>The report brings together a number of strands of financial information in to one place are being reported to Management Team and Members on a regular basis. Detailed estimates and a comprehensive outturn position will continue to be reported to Members in February and May respectively.</p> <p>The long term financial plan remains based on a robust approach with no optimism bias built in and includes an assessment of risk that covers each line of the forecast.</p> <p>The detailed estimates for 2019/20 based on the revised approach adopted were considered by Cabinet on 18 January 2019 for recommending onto Full Council in February 2019</p>
<p><b>Implementing good practices in transparency, reporting, and audit to deliver effective accountability</b></p> <p><b>Developing the entity's capacity, including the capacity of its leadership and the individuals within it</b></p> <p>Council continuing to demonstrate Value for</p>	<p>To develop a robust project management approach to governance arrangements and reporting against the expected benefits / outcomes of the Council's use of resources.</p> <p>To enhance the business planning process to ensure mandates are</p>	<p>This action remains under development in consultation with the Acting Audit and Governance Manager. It is proposed to roll out a revised business planning / project management approach during 2019/20, which is slightly later than originally planned.</p>

<p>Money in the use of its resources and delivery of major projects, for example, Garden Communities and Jaywick Sands.</p>	<p>achieved for initial scoping and developing business cases for deployment and profiling of resources.</p> <p>This will include a review of the Cabinet Report template and issue refreshed guidance on ensuring equalities implications and alternative options are fully incorporated through early considerations.</p> <p>Progress against associated projects to be reported via the Council's performance management framework</p>	
<p><b>Developing the entity's capacity, including the capacity of its leadership and the individuals within it</b></p> <p><i>(Continue the Delivery of the Transforming the Way We Work Project)</i></p> <p>There are four main strands to this project with work already underway:</p> <ul style="list-style-type: none"> <li>• Digital</li> <li>• Customer Service/channel shift</li> <li>• Office Accommodation</li> <li>• People</li> </ul>	<p>Continue to deliver against the project aims and objectives with regular reporting via the Council's performance management framework, including the establishment of Project Boards.</p>	<p>Delivery Boards are in operation and cover the major projects currently underway in the Council. Membership of the boards includes senior management along with the Acting Audit and Governance Manager.</p> <p>Updates against the key projects will continue to be reported via the Council's existing performance management framework.</p>
<p><b>Developing the entity's capacity, including the capacity of its leadership and the individuals within it</b></p>	<p>Embed and develop the new Committee Structure during 2018/19.</p>	<p>The new structure is fully operational and a number of meetings (including task and finish groups) have been held this year. This approach will continue to evolve over time with the aim of enhancing and strengthening</p>

<p>The Council's Committee Structure is reducing to two Overview and Scrutiny Committees focusing on external and internal arrangements</p>		<p>this important function of the Council so it is fully embedded by the time the district wide elections are held in May next year.</p>
<p><b>Managing risks and performance through robust internal control and strong public financial management</b></p> <p>Robust information security arrangements, including the implementation of GDPR</p>	<p>To implement and embed the new requirements introduced via the new responsibilities placed on the Council by the General Data Protection Requirements.</p>	<p>An audit approach was taken to identify the various areas of the Council where the new GDPR arrangements would have an impact with a full compliance gap analysis undertaken. An action plan was developed which is being monitored by the Council's Governance and Policy Group.</p>
<p><b>Determining the interventions necessary to optimise the achievement of the intended outcomes</b></p> <p>Outcomes from Peer Review</p>	<p>To develop an action plan for implementation in response to outcomes from the recent review including effective reporting of progress against each action identified.</p>	<p>An action plan has been developed which was approved by Cabinet at its 18 May 2018 meeting. Further updates will be presented to Cabinet over the course of the year, the latest being considered by them at their 9 November 2018 meeting.</p>