



Agenda

Meeting: Audit Committee

**Venue: Brierley Room, County Hall,
Northallerton
DL7 8AD (See location plan at last
page of pack)**

**Date: Thursday, 01 December 2016 at
13:30**

Members are invited to attend private informal meetings, in the Brierley Room, with representatives of Veritau (Internal Audit) at 12.00pm and with representatives of KPMG (External Audit) at 12:30pm. A buffet lunch will be provided at 13:00.

Recording is allowed at County Council, committee and sub-committee meetings which are open to the public. Please give due regard to the Council's protocol on audio/visual recording and photography at public meetings, a copy of which is available to download below. Anyone wishing to record is asked to contact, prior to the start of the meeting, the Officer whose details are at the foot of the first page of the Agenda. We ask that any recording is clearly visible to anyone at the meeting and that it is non-disruptive. <http://democracy.northyorks.gov.uk/>

Enquiries relating to this agenda please contact **Ruth Gladstone** Tel: **01609 532555** or e-mail Ruth.Gladstone@northyorks.gov.uk Website: www.northyorks.gov.uk

Business

- 1 **Minutes of the meeting held on 29 September 2016** Page
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Documents Attached:
[2016-09-29 Audit Minutes.pdf](#)

- 2 **Any Declarations of Interest**

- 3 **Public Questions or Statements**

Members of the public may ask questions or make statements at this meeting if they have delivered notice (to include the text of the question/statement) to the officer whose contact details are at the foot of the first page of this Agenda **by midday on Monday 28 November 2016**. Each speaker should limit themselves to 3 minutes on any item. Members of the public who have given notice will be invited to speak:-

- at this point in the meeting if their questions/statements relate to matters which are not otherwise on the Agenda (subject to an overall time limit of 30 minutes);
- when the relevant Agenda item is being considered if they wish to speak on a matter which is on the Agenda for this meeting.

If you are exercising your right to speak at this meeting, but do not wish to be recorded, please inform the Chairman who will instruct those taking a recording to cease while you speak.

- 4 **Progress on Issues Raised by the Committee** Page
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Joint report of the Corporate Director - Strategic Resources and the Assistant Chief Executive (Legal and Democratic Services)

Documents Attached:
[Progress on Issues Raised by the Committee.pdf](#)

- 5 **External Auditor Annual Audit Letter 2015-16** Page
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Documents Attached:
[External Auditor Annual Audit Letter 2015-16.pdf](#)

- 6 **Contract Management** Page
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Report of the Corporate Director - Strategic Resources

Documents Attached:
[Contract Management.pdf](#)

- 7 **Audit Committee Terms of Reference** Page 32

Report of the Corporate Director - Strategic Resources

Documents Attached:
[Audit Committee Terms of Reference.pdf](#)

- 8 **Business and Environmental Services Directorate - Internal Audit Work** Page 36

Report of the Head of Internal Audit

Documents Attached:
[Internal Audit Work for the Business and Environmental Services Directorate.pdf](#)

- 9 **Business and Environmental Services Directorate - Internal Control Matters** Page 46

Report of the Corporate Director - Business and Environmental Services

Documents Attached:
[Internal Control Matters for the Business and Environmental Services Directorate.pdf](#)

- 10 **Progress on 2016/17 Internal Audit Plan** Page 72

Report of the Head of Internal Audit

Documents Attached:
[Progress on 2016-17 Internal Audit Plan.pdf](#)

- 11 **Risk Management - Progress** Page 77

Report of the Corporate Director - Strategic Resources

Documents Attached:
[Risk Management - Progress Report.pdf](#)

12 **Programme of Work 2016-17**

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Report of the Corporate Director - Strategic Resources

Documents Attached:

[Programme of Work 2016-17.pdf](#)

13 **Other business which the Chairman agrees should be considered as a matter of urgency because of special circumstances**

Barry Khan
Assistant Chief Executive (Legal and Democratic Services)

County Hall
Northallerton

Note: Emergency Procedures for Meetings in the Brierley Building at County Hall

Fire

The fire evacuation alarm is a continuous Klaxon. On hearing this you should leave the building by the nearest safe fire exit. Once outside the building please proceed to the fire assembly point in front of the main entrance to the Brierley Building. Persons should not re-enter the building until authorised to do so by the Fire and Rescue Service or the Emergency Co-ordinator.

An intermittent alarm indicates an emergency in nearby building. It is not necessary to evacuate the building but you should be ready for instructions from the Fire Warden.

Accident or Illness

First Aid treatment can be obtained by telephoning Extension 7575.

Audit Committee

Membership

County Councillors (8)

Councillors Name	Chairman/Vice Chairman	Political Group	Electoral Division
ATKINSON, Margaret	Vice Chairman	Conservative	Masham and Fountains division
BAKER, Robert		Conservative	Sowerby division
BLACKIE, John		NY Independent	Upper Dales division
BROADBENT, Eric		Labour	Northstead division
CLARK, Jim		Conservative	Harrogate Harlow division
FORT BEM, John		Conservative	Pateley Bridge division
GRANT, Helen		NY Independent	Central Richmondshire division
JORDAN, Mike	Chairman	Conservative	South Selby division

Members other than County Councillors – (3) Non Voting

Name of Member	Representation
MARSH, David	Independent Member
PORTLOCK, David	Independent Member
VACANCY, Vacancy	

Total Membership – (11)

Substitute Members

Name of Member	Group
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HARRISON-TOPHAM, Roger	Conservative
METCALFE, Chris	Conservative
SANDERSON, Janet	Conservative
SHAW-WRIGHT, Steven	Labour
DE COURCEY-BAYLEY, Margaret-Ann	Liberal Democrat
JEFFERSON, Janet	NY Independent

North Yorkshire County Council

Audit Committee

Minutes of the meeting held on Thursday 29 September 2016 at 1.30 pm at County Hall, Northallerton.

Present:-

County Councillor Members of the Committee:-

County Councillor Mike Jordan (in the Chair), County Councillors Margaret Atkinson, Robert Baker, Eric Broadbent, Jim Clark, John Fort BEM and Helen Grant.

External Members of the Committee:-

Mr David Marsh and Mr David Portlock.

In Attendance:-

KPMG Officers: Rashpal Khangura and Alastair Newall.

Veritau Ltd Officer: Max Thomas (Head of Internal Audit).

County Council Officers: Paul Cresswell (Assistant Director - Strategic Resources), Gary Fielding (Corporate Director – Strategic Resources), Ruth Gladstone (Principal Democratic Services Officer), Karen Iveson (Assistant Director - Strategic Resources), Tom Morrison (Head of Commercial and Investments), John Raine (Head of Technical Finance) and Fiona Sowerby (Corporate Risk and Insurance Manager).

Apology for Absence:-

An apology for absence was received from County Councillor John Blackie.

Copies of all documents considered are in the Minute Book

196. Minutes

Resolved -

The Minutes of the meetings held on 23 June and 14 July 2016, having been printed and circulated, be taken as read and be confirmed and signed by the Chairman as a correct record, subject to “deficient” in the second bullet point within the preamble to Minute 192 being replaced with “deficit”.

197. Any Declarations of Interest

There were no declarations of interest.

198. Public Questions or Statements

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

199. Progress on Issues Raised by the Committee

Considered -

The joint report of the Corporate Director - Strategic Resources and the Assistant Chief Executive (Legal and Democratic Services) which advised of progress on issues which the Committee had raised at previous meetings, together with Treasury Management issues.

The Corporate Director - Strategic Resources reported orally that 21 employees should have, but had not, completed the Information Governance mandatory online learning course by 31 March 2016. An instruction had been issued to their managers to remove a salary increment from each of them with effect from 1 October 2016. Approximately 6,000 employees had completed the course as required.

The Corporate Director - Strategic Resources clarified that the Head of Procurement and Contract Management would inform Committee Members, prior to 1 December 2016, whether the County Council now had more suppliers as a consequence of the simplification of procurement and contracting rules.

Resolved -

That the report be noted.

200. External Audit Report 2015/16 - North Yorkshire County Council and North Yorkshire Pension Fund

Considered -

The report of KPMG (the County Council's External Auditors) which summarised the key issues identified during KPMG's audit of the financial statements for the year ended 31 March 2016 for both the County Council and North Yorkshire Pension Fund and set out KPMG's assessment of the County Council's arrangements to secure value for money.

Rashpal Khangura (KPMG) introduced the report, highlighting that this had been KPMG's first year as the County Council's External Auditor, the first year of preparation of the accounts using the new financial ledger, and the first year since changes had been made to the County Council's Financial structure. Positive relationships were developing and there were generally good working papers. A detailed de-brief was planned between KPMG and the County Council's Financial staff which would address areas where work could be done differently in future.

Rashpal Khangura (KPMG) highlighted that, subject to KPMG receiving signed financial statements and a Letter of Representation, he was in a position to issue an unqualified opinion on the financial statements, including the Pension Fund accounts, and an unqualified value for money conclusion. These were both positive outcomes. He highlighted that there were a small number of adjustments and recommendations, as set out in the report. Alastair Newall (KPMG) introduced the more detailed issues set out in the report.

During discussion, the following issues were noted:-

- ◆ Due to timing differences, Pension Fund Managers' fund valuations would probably differ to the Custodian's valuation. KPMG was satisfied that the action taken by the Pension Fund, in using the Custodian's valuations, was the most prudent approach.

- ◆ KPMG and Council officers would be discussing, at their forthcoming de-brief, the future shortened timescale for preparation and audit of the accounts.
- ◆ Challenges could always be anticipated in the first year when any Council had a new External Auditor. It was pleasing that good quality relationships had already been established between KPMG and the County Council's officers. Alastair Newall (KPMG) asked for it to be formally recorded that KPMG thanked the County Council's officers for all the help and assistance they had provided to KPMG during 2015/16. The Corporate Director - Strategic Resources thanked KPMG for being very open and up front in their work.

Resolved -

- (a) That the report be noted.
- (b) That Ruth Gladstone (Principal Democratic Services Officer) forward dates of future Audit Committee meetings to Mr David Marsh and Mr David Portlock as soon as meeting dates are finalised.

201. North Yorkshire Pension Fund Annual Report 2015/16

Considered -

The report of the Corporate Director - Strategic Resources which set out the North Yorkshire Pension Fund Annual Report for the financial year 2015/16.

The Corporate Director - Strategic Resources introduced the report, highlighting that the Pension Fund Annual Report had been reviewed by the Pension Fund Committee on 15 September 2016 and that, subsequently, with the exception of a small number of minor amendments to wording, no changes had been made.

The Corporate Director - Strategic Resources and Rashpal Khangura (KPMG) reported orally that the document at Appendix B to the Annual Report, namely the Statement from the External Auditor, was the statement relating to the previous year. A copy of the correct statement, relating to the year ended 31 March 2016, was presented to the meeting.

In response to questions, the Corporate Director - Strategic Resources confirmed that the Pension Fund Committee was fully aware of the deficit on the Pension Fund and was intending to make further reductions to that deficit. The Corporate Director - Strategic Resources also provided confirmation that Pension Fund Committee Members were aware that the triennial valuation would not be completed until the end of 2016 or early 2017 and that changes in circumstances might mean that the situation might be different to the one currently reported.

Resolved -

That the North Yorkshire Pension Fund Annual Report 2015/16 be noted.

202. Review of Statement of Final Accounts (incorporating Annual Governance Statement) – Report of the Members' Working Group

Considered -

The report of Audit Committee's Members' Working Group which advised of:- issues identified by the Members' Working Group in reviewing the draft Statements of Final Accounts and the draft Annual Governance Statement; actions taken as a result of issues being identified; and the opinion of the Members' Working Group concerning the draft Statement of Final Accounts and draft Annual Governance Statement for 2015/16.

Members thanked the Committee's Chairman, County Councillor Helen Grant and Mr David Portlock for serving on the Members' Working Group.

Resolved -

That the report be noted.

203. Statement of Final Accounts for 2015/16 including Letter of Representation

Considered -

The report of the Corporate Director - Strategic Resources which sought the Committee's approval of:- a Letter of Representation for submission to the External Auditor; a Statement of Final Accounts for 2015/16 following completion of the external audit of those accounts; and the Annual Governance Statement for 2015/16.

Karen Iveson (Assistant Director - Strategic Resources) reported orally that two very minor changes had been made to the Statement of Accounts 2015/16 subsequent to publication of the papers for this meeting. The changes were:-

- Within the Independent Auditor's report at page 34 of the Statement, the reference to "pages 19 to 150" had been replaced with "pages 19 to 33 and 38 to 152".
- Within note 41 to the Accounts, on page 96 of the Statement, the first sentence of the second paragraph had been replaced with "The Statement of Accounts for 2015/16 was authorised for issue by 29th September 2016 by the Corporate Director – Strategic Resources".

Rashpal Khangura (KPMG) highlighted that it was the Audit Committee's responsibility to approve the Letter of Representation, as set out at Appendix A to the report, although the Letter, if approved, would be signed by the Committee's Chairman and the Corporate Director – Strategic Resources.

In response to a question, the Corporate Director – Strategic Resources confirmed that he was happy to sign the Letter of Representation and the Statement of Responsibilities for the Statement of Accounts.

Resolved -

- (a) That the Letter of Representation, as set out at Appendix A to the report, be approved and the Chairman be authorised to sign that Letter on behalf of the Committee.
- (b) That, in relation to the Statement of Final Accounts 2015/16:-
 - the changes as set out in paragraph 4 of the report and Appendix B to the report, together with the changes reported orally at this meeting by the Assistant Director - Strategic Resources, be noted;

- the Statement of Final Accounts for 2015/16 be approved, subject to the changes reported orally at this meeting by the Assistant Director - Strategic Resources; and
 - the Chairman be authorised to sign the Statement of Responsibilities for the Statement of Accounts, as set out at Appendix C to the report.
- (c) That the Annual Governance Statement 2015/16 be approved and the Chairman be authorised to sign the Annual Governance Statement on the Committee's behalf.

204. Annual Report of the Audit Committee

Considered -

The report of the Chairman of the Audit Committee which invited the Committee to consider the draft Annual Report of the Audit Committee for the year ended 30 September 2016, prior to its submission to the County Council.

Resolved -

- (a) That the report be noted.
- (b) That the draft Annual Report of the Audit Committee, as appended to the report of the Committee's Chairman, be approved for submission to the County Council, subject to the removal of the highlighting.

205. Health and Adult Services Directorate - Internal Audit Work and Internal Control Matters

Considered -

- (a) The report of the Head of Internal Audit which advised of the internal audit work performed during the year ended 31 August 2016 for the Health and Adult Services Directorate and reported that the overall opinion of the Head of Internal Audit concerning the framework of governance, risk management and control operated within that Directorate was that they provided Substantial Assurance.
- (b) The report of the Corporate Director – Health and Adult Services which provided details of the draft Risk Register for the Health and Adult Services Directorate.

Max Thomas (Head of Internal Audit) and Paul Cresswell (Assistant Director - Strategic Resources) responded to Members' questions.

Resolved -

- (a) That it be noted that this Committee, having considered the report of the Head of Internal Audit, is satisfied that the internal control environment operating in the Health and Adult Services Directorate is both adequate and effective.
- (b) That the draft Risk Register for the Health and Adult Services Directorate be noted.

206. Internal Audit Report on Information Technology, Corporate Themes and Contracts

Considered -

The report of the Head of Internal Audit which advised of the internal audit work completed during the year to 31 August 2016 in respect of information technology, corporate themes and contracts, and reported that the overall opinion of the Head of Internal Audit concerning the framework of governance, risk management and control operated across the three functional areas was that it provided Substantial Assurance. Specialist IT audit services from Audit North were engaged to support the delivery of this aspect of audit work.

During discussion, a Member asked whether there was external back-up for Schools' ICT. The Head of Internal Audit advised that he would check the situation and advise Members of the outcome. The Corporate Director – Strategic Resources reported that the County Council had arrangements for disaster recovery and back-up and that the County Council was currently looking, along with other councils and Schools' ICT, to review their resilience arrangements. He also clarified that the plan which the County Council had was sound and ensured integrity of data.

Also during discussion, it was noted that the controls over non-County Council staff having IT access included user Business Units defining the level of access and limitations which were relevant; a review of training requirements for roles; and review of an end date for a System Access Request.

Resolved -

- (a) That it be noted that this Committee, having considered the report of the Head of Internal Audit, is satisfied that the internal control environment operating in respect of information technology, corporate and contract arrangements is both adequate and effective.
- (b) That the Head of Internal Audit provide further information to Members about external back-up for Schools' ICT.

207. Progress on the 2016/17 Internal Audit Plan

Considered -

The report of the Head of Internal Audit which advised of progress made in delivering the 2016/17 Internal Audit Plan and any developments likely to impact on the Plan throughout the remainder of the financial year.

The Head of Internal Audit, in introducing the report, highlighted that there were no specific issues or concerns which he wished to raise with the Committee.

Resolved -

That the progress made in delivering the 2016/17 Internal Audit programme of work and the variations agreed by the client officer be noted.

208. Programme of Work

Resolved -

That the programme of work be approved, subject to the Corporate Director – Strategic Resources arranging a briefing for Mr David Marsh (External Member) concerning procurement.

The meeting concluded at 15:34.

RAG/JR

NORTH YORKSHIRE COUNTY COUNCIL

AUDIT COMMITTEE

1 December 2016

PROGRESS ON ISSUES RAISED BY THE COMMITTEE

**Joint Report of the Corporate Director – Strategic Resources
and the Assistant Chief Executive (Legal and Democratic Services)**

1.0 PURPOSE OF THE REPORT

1.1 To advise Members of

- (i) progress on issues which the Committee has raised at previous meetings
- (ii) other matters that have arisen since the last meeting and that relate to the work of the Committee

2.0 BACKGROUND

2.1 This report is submitted to each meeting listing the Committee's previous Resolutions and / or when it requested further information be submitted to future meetings. The table below represents the list of issues which were identified at previous Audit Committee meetings and which have not yet been resolved. The table also indicates where the issues are regarded as completed and will therefore not be carried forward to this agenda item at the next Audit Committee meeting.

Date	Minute number and subject	Audit Committee Resolution	Comment	Complete?
23/09/15	146 – Internal Audit Work and related Internal Control Matters for the Health and Adult Services Directorate.	That the Corporate Director – Strategic Directors discuss the timing of the next governance review of the Health and Wellbeing Board and Integrated Commissioning Board with the Assistant Director – Strategic Resources and the Head of Internal Audit.	Awaiting latest set of guidelines for Better Care Fund and on-going discussions with Health. Optimum timing will then be determined. A verbal update was provided to the Committee at the last meeting. This issue is such that it is unlikely that a single action will address. It is suggested that verbal updates continue to be provided and the focus on HAS for the September meeting provides opportunity to explore further.	X

Date	Minute number and subject	Audit Committee Resolution	Comment	Complete?
23/06/16	179 – Progress on Issues Raised by the Committee	That the precise number of employees who should have, but had not, completed the Information Governance mandatory online learning course by the 31 March 2016 deadline be reported to a future meeting, together with information concerning the action which had been taken as a consequence of non-completion.	Verbal update was provided at meeting of 29 Sept 2016	✓
	186 – Business Continuity Plan - update	That Members' comments be fed into Management Board as part of the validation of the Corporate Business Continuity Plan	Business Continuity not been on Management Board agenda subsequently as yet.	x
	187 - Corporate Procurement Strategy	That the Head of Procurement and Contract Management research whether the County Council now has more suppliers as a consequence of the simplification of the rules.	Kevin Draisey to provide response at the appropriate time. It is suggested that this analysis be carried out after a year of the new arrangements – suggested March 2017.	X
29/09/2016	200 – External Audit Report 2015/16 – North Yorkshire County Council and North Yorkshire Pension Fund	That Ruth Gladstone (Principal Democratic Services Officer) forward dates of future Audit Committee meetings to Mr David Marsh and Mr David Portlock as soon as meeting dates are finalised.	This has now been actioned	✓
	206 – Internal Audit Report on Information Technology, Corporate Themes and Contracts	That the Head of Internal Audit provide further information to Members about external back-up for Schools ICT.	Response provided on 4 October. Extract = "Jon Learoyd, who is a manger in Technology and Change, has confirmed that the systems are covered by the council's general back up arrangements. Non-sensitive data is also saved to the cloud. Highfield House is currently used by the school's ICT team. The team provides IT support to approximately 400 schools. Highfield	✓

Date	Minute number and subject	Audit Committee Resolution	Comment	Complete?
			House is used as a training facility and hosts the servers used by the team. The plan is to relocate all the staff and equipment based at Highfield House into County Hall in the new year. This will address the physical and environmental problems identified in the report.”	
	208 – Programme of Work	That the programme of work be approved, subject to the Corporate Director, Strategic Resources arranging a briefing for Mr David Marsh (External Member) concerning procurement.	To arrange on rising of Audit Cttee	X

3.0 TREASURY MANAGEMENT

- 3.1 The Bank of England Monetary Policy Committee left Bank Rate unchanged at 0.25% and other monetary policy measures also remained unaltered following the meeting on 3 November 2016. This was in line with market expectations, but a major change from the previous quarterly Inflation Report meeting in August, which had given a strong steer in its forward guidance that it was likely to cut Bank Rate again, probably by the end of the year if economic data turned out as forecast by the Bank.
- 3.2 The latest Bank of England decision included a forward view that Bank Rate could go either up or down depending on how economic data evolves in the coming months.
- 3.3 As a result, Capita Asset Services – Treasury Solutions provided an updated interest rate forecast on 15 November 2016. The forecast now anticipates that Base Rate will remain at 0.25% until June 2019, when it will rise to 0.50% and then a further increase to 0.75% in December 2019.
- 3.4 It should be noted, however, there are many potential economic headwinds which could blow the UK economy one way or the other as well as political developments in the UK, (especially over the terms of Brexit), EU, US and beyond, which could have a major impact on this forecast.
- 3.5 The Corporate Director – Strategic Resources authorised the addition of Standard Chartered Bank to the Approved Lending List under delegated powers in October 2016 with a maximum investment limit of £40m.

4.0 RECOMMENDATION

4.1 That the Committee considers whether any further follow-up action is required on any of the matters referred to in this report.

GARY FIELDING
Corporate Director – Strategic Resources

BARRY KHAN
Assistant Chief Executive
(Legal and Democratic Services)

County Hall
NORTHALLERTON

1 December 2016

Background Documents: Report to, and Minutes of, Audit Committee meeting held on 29 September 2016

North Yorkshire County Council

Audit Committee

1 December 2016

External Auditor Annual Audit Letter 2015/16



Annual Audit Letter 2015/16

North Yorkshire County Council

—

October 2016



Contents

The contacts at KPMG in connection with this report are:

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Report sections

— Headlines

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Appendices

1. Summary of reports issued

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2. Audit fees

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This report is addressed to the Council and has been prepared for the sole use of the Council. We take no responsibility to any member of staff acting in their individual capacities, or to third parties. Public Sector Audit Appointments issued a document entitled Statement of Responsibilities of Auditors and Audited Bodies summarising where the responsibilities of auditors begin and end and what is expected from audited bodies. We draw your attention to this document which is available on Public Sector Audit Appointment's website (www.psaa.co.uk).

External auditors do not act as a substitute for the audited body's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

We are committed to providing you with a high quality service. If you have any concerns or are dissatisfied with any part of KPMG's work, in the first instance you should contact Rashpal Khangura, the engagement lead to the Council, who will try to resolve your complaint. If you are dissatisfied with your response please contact the national lead partner for all of KPMG's work under our contract with Public Sector Audit Appointments Limited, Andrew Sayers (andrew.sayers@kpmg.co.uk). After this, if you are still dissatisfied with how your complaint has been handled you can access PSAA's complaints procedure by emailing generalenquiries@psaa.co.uk, by telephoning 020 7072 7445 or by writing to Public Sector Audit Appointments Limited, 3rd Floor, Local Government House, Smith Square, London, SW1P 3HZ.

<p>This Annual Audit Letter summarises the outcome from our audit work at North Yorkshire County Council in relation to the 2015/16 audit year.</p> <p>Although it is addressed to Members of the Council, it is also intended to communicate these key messages to key external stakeholders, including members of the public, and will be placed on the Council's website.</p>	<p>VFM conclusion</p>	<p>We issued an unqualified conclusion on the Council's arrangements to secure value for money (VFM conclusion) for 2015/16 on 29 September 2016. This means we are satisfied that during the year the Council had appropriate arrangements for securing economy, efficiency and effectiveness in the use of its resources.</p> <p>To arrive at our conclusion we looked at the Council's arrangements to make informed decision making, sustainable resource deployment and working with partners and third parties.</p>
	<p>VFM risk areas</p>	<p>We undertook a risk assessment as part of our VFM audit work to identify the key areas impacting on our VFM conclusion and considered the arrangements you have put in place to mitigate these risks.</p> <p>We updated our risk assessment at the year end, and did not identify any significant risks as a result of this update. There were no matters of any significance arising as result of our audit work in these VFM risk areas.</p> <p>In assessing the Council's VFM arrangements we considered the following key elements:</p> <ul style="list-style-type: none"> — The Council's approach to medium term financial planning; — The Council's approach to partnership working; and — The outcome to the Council's LGA Peer Review.
	<p>Audit opinion</p>	<p>We issued an unqualified opinion on the Council's financial statements on 29 September 2016. This means that we believe the financial statements give a true and fair view of the financial position of the Council and of its expenditure and income for the year. The financial statements also include those of the North Yorkshire Pension Fund and the County Council's Group, which consists of the Council itself and its subsidiary companies.</p>
	<p>Financial statements audit</p>	<p>Our audit identified a number of audit adjustments in excess of our reporting threshold of £750,000. The Council has amended all of these except one relating to the cash flow statement for which it does not have the relevant information. None of these adjustments impacted on the general fund balance, the surplus on provision of services, or the net worth of the Council.</p> <p>We carried out work to satisfy ourselves that the following significant financial statements audit risks had been appropriately addressed by the Council in the financial statements:</p> <ul style="list-style-type: none"> — New financial system, implemented from 1st April 2015; and — Accounting impact of the flooding in the county in December 2015. <p>We worked with officers to understand the impact of these risks and there were no matters of any significance arising as a result of our audit work in these key risk areas.</p>

Headlines (cont)

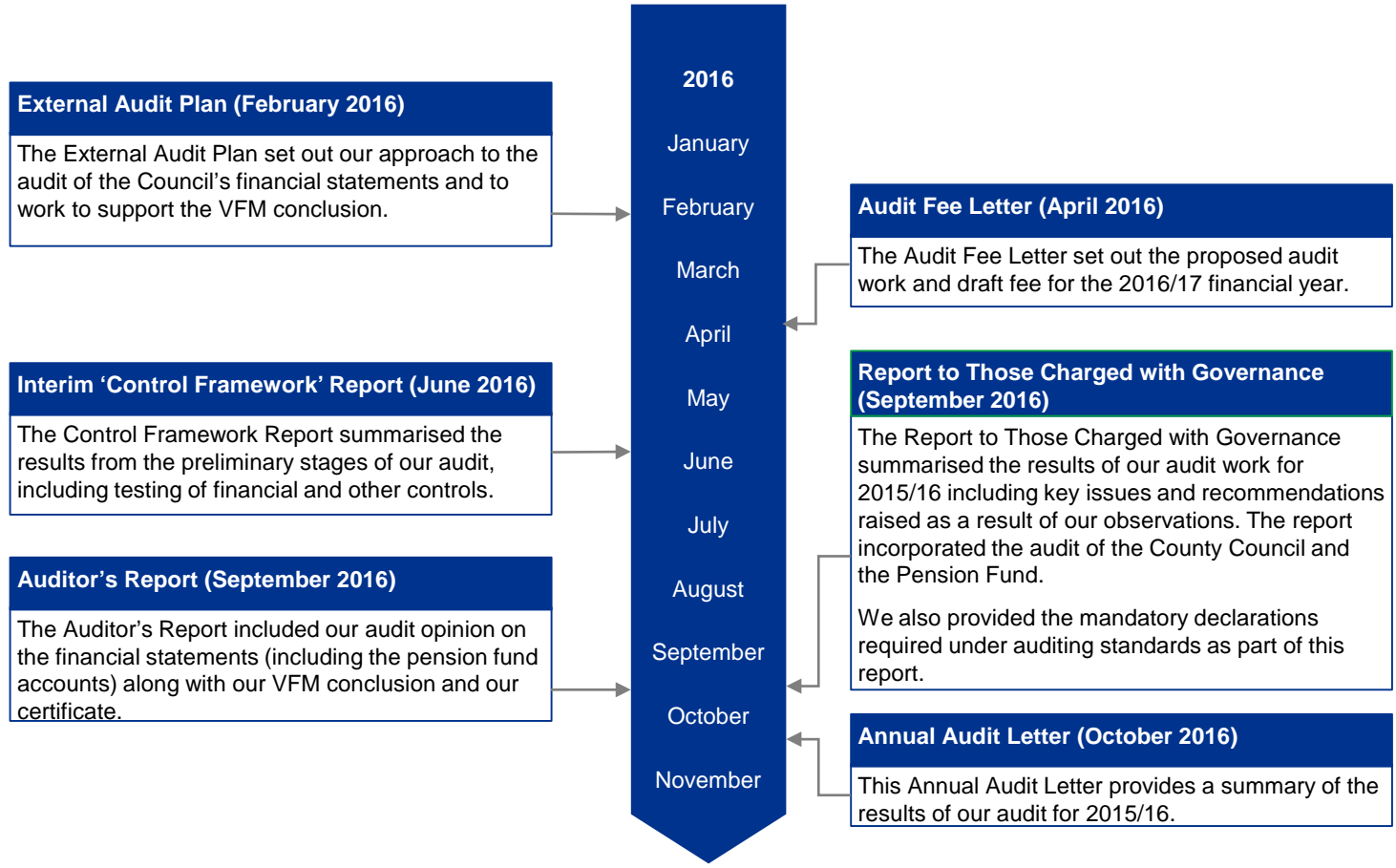
We have issued our certificate to confirm the completion of our audit responsibilities for the 2015/16 audit year.

Other information accompanying the financial statements	Whilst not explicitly covered by our audit opinion, we review other information that accompanies the financial statements to consider its material consistency with the audited accounts. This year we reviewed the Annual Governance Statement and Narrative Report. We concluded that they were consistent with our understanding and did not identify any issues.
Pension fund audit	There were no significant issues arising from our audit of the pension fund and we issued an unqualified opinion on the pension fund financial statements as part of our audit report.
Whole of Government Accounts	We reviewed the consolidation pack which the Council prepared to support the production of Whole of Government Accounts by HM Treasury. We reported that the Council's pack was consistent with the audited financial statements.
High priority recommendations	We raised five recommendations during our 2015/16 audit work. None of these were rated as High Priority recommendations. We will formally follow up these recommendations as part of our 2016/17 work.
Certificate	We issued our certificate on 29 September 2016. The certificate confirms that we have concluded the audit for 2015/16 in accordance with the requirements of the Local Audit & Accountability Act 2014 and the Code of Audit Practice.
Audit fee	Our fee for Council's audit for 2015/16 was £97,481, excluding VAT. Our fee for the Pension Fund audit for 2015/16 was £29,939. Further detail is contained in Appendix 2.

Appendix 1: Summary of reports issued

This appendix summarises the reports we issued in 2015/16.

These reports can be accessed via the Audit Committee pages on the Council's website at www.northyorks.gov.uk.



Appendix 2: Audit fees

This appendix provides information on our final fees for the 2015/16 audit.

To ensure transparency about the extent of our fee relationship with the Council we have summarised below the outturn against the 2015/16 planned audit fee.

External audit

Our final fee for the 2015/16 audit of the County Council was £97,481. This compares to a planned fee of £94,490.

The additional fee in 2015/16 of £2,991 reflects the additional work we carried out over the Council's new financial system.

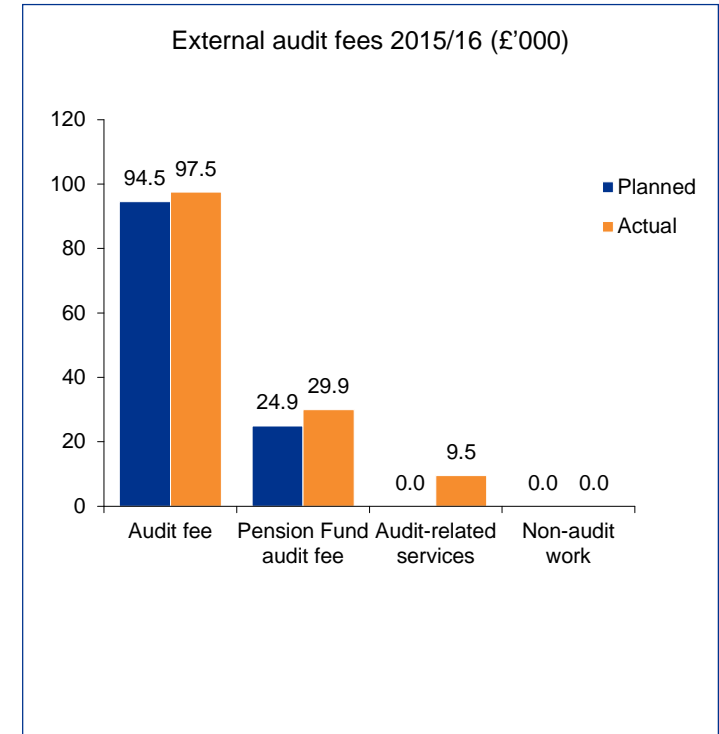
Our final fee for the 2015/16 audit of the Pension Fund was £29,939. This compares to the planned fee of £24,943.

The additional fee in 2015/16 of £4,996 reflects the additional work we were required to carry out for other auditors of admitted bodies under arrangements put in place by Public Sector Audit Appointments.

Other services

We charged the Council an additional £3,500 for additional audit-related services relating to the assurance report required by Department for Transport (DfT) under their Major Schemes funding for 2014/15.

During November and December 2016 we will also be carrying out work to provide an assurance report for the DfT Major Schemes for 2015/16, and to provide an assurance report for Teachers' Pensions on the Council's 2015/16 TP return. The fees for these will be £2,500 and £3,500 respectively.





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NORTH YORKSHIRE COUNTY COUNCIL**AUDIT COMMITTEE****DECEMBER 2016****REPORT ON CONTRACT MANAGEMENT****Report from Corporate Director, Strategic Resources****1.0 PURPOSE OF THE REPORT**

- 1.1 To inform Members of the arrangements relating to contract management within the County Council and the principles of good contract management.
- 1.2 To describe the strategic direction of the Corporate Procurement Group to improving contract management within the Council.
- 1.3 To provide Members with an analysis of the future challenges and risks the Council faces in terms of contract management.
- 1.4 To inform Members of recent activity and next steps.

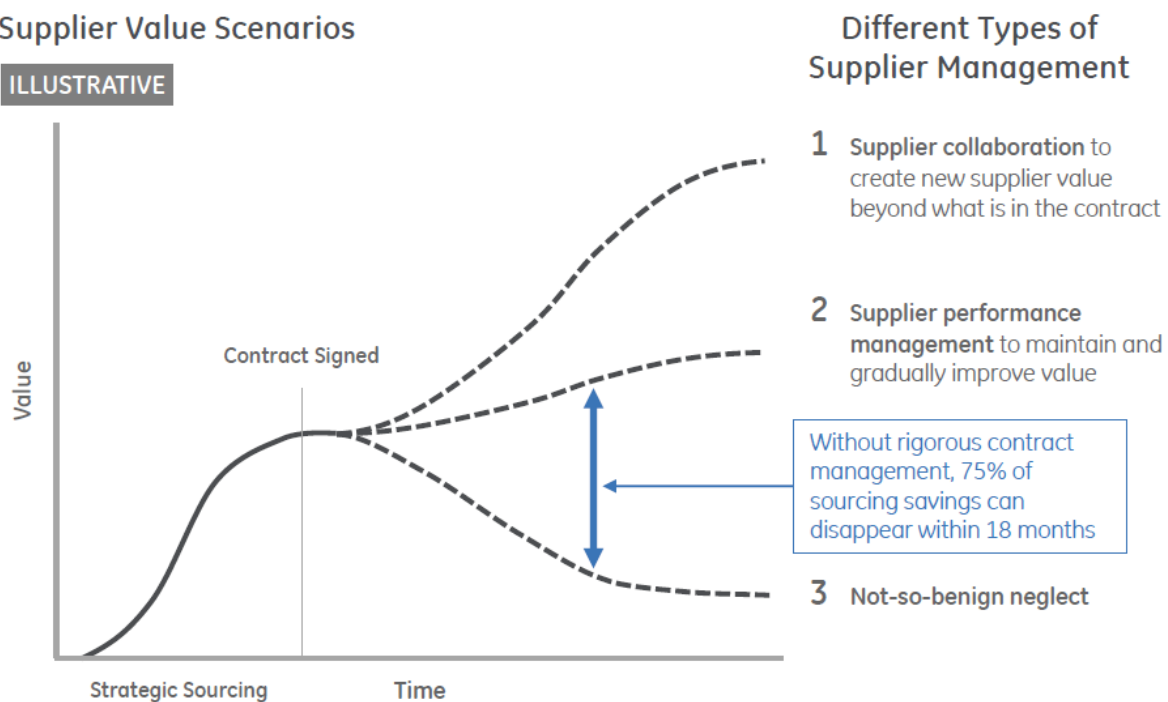
2.0 BACKGROUND

- 2.1 Contract Management is about the way in which contracts are developed, agreed and managed, in order for them to achieve the benefits expected of them. The Council has contractual arrangements valued at over £300m/year with third party contractors covering products, services and works.
- 2.2 The Council has visibility on its current contracts with them being captured on the Council's Contracts Register which is updated quarterly. Future spending plans are proactively managed through the use of the Directorate Forward Procurement Plans (FPPs).
- 2.3 As the Council enters into more third party arrangements to find savings good contract management becomes increasingly more important, not only in ensuring suppliers meet their contractual obligations, but in helping to identify its own and supplier risks to achieve savings and continuous improvement throughout the life of the contract. It is important that any savings delivered through the procurement are not "lost" as a result of ineffective contract management.
- 2.4 The benefits to effective contract management are immense for both the Council and contractor. Good contract management can ensure cost effective, reliable and timely services will be provided at an agreed price and a level of quality consistent with a Councils requirements. Contract management also ensures that legal standards, financial probity and management accountability are adhered to whilst maintaining good customer relationships.

- 2.5 A key strand running through the corporate procurement strategy is a need to strengthen both early engagement with suppliers and to ensure that Council officers are well equipped to manage contracts post award. In doing so it recognises that many staff will be more experienced and confident in professional or service delivery arrangements rather than managing a contract with an external supplier.
- 2.6 The illustration below highlights the importance of getting contract management right, showing how value is lost through poor supplier management. Neglecting suppliers post contract award leads to a state of constant firefighting and the loss of savings generated, both through the original procurement process and those available through good supplier performance management.

Supplier Value Scenarios

ILLUSTRATIVE



3.0 THE PRINCIPLES OF GOOD CONTRACT MANAGEMENT

3.1 The following areas are features of good contract and supplier management although the list should not necessarily be regarded as exhaustive:-

- provide corporate support for contract management
- aim to get continuous improvement in NYCC and contractor's performance
- invest in developing commercial skills
- collaborate to maximise gains
- monitor benchmark costs and performance

3.2 Good contract management does require "whole life" thinking about the contract. starting from identifying the need for provision, running through procurement of the goods / services; followed by ensuring delivery of the contract to specification, improving the contract; and ending in a review of the effectiveness of the arrangements.

- 3.3 Contract managers must challenge contracts that are not delivering with insufficient time being spent on re-negotiation and improvement of the provision due to issues such as cultural fear to challenge, lack of time and insufficient skillset to deal effectively with the supplier.
- 3.4 A good contract management approach allows for the Contract Manager to explore improvements with the supplier and to adopt a more strategic approach to Contract Management. This in turn improves the likelihood that the next time the contract is put out to procurement the competitive exercise delivers a fit for purpose contract.

4.0 STRATEGIC DIRECTION

- 4.1 Contract Management is an important strand of the Corporate Procurement Strategy for the period 2014 to 2020, with the following areas being particularly pertinent:-

What we need to achieve the vision

Contract management should be developed in a manner which demonstrates that contracts are governed, written and managed to help deliver the Council priorities.

Ensure that the service being provided is being delivered as agreed, to the required level of performance and quality

Maintaining the contract administration and changes to the contract documentation

Maintain the relationship between the two parties as open and constructive, aiming to resolve tensions and identify problems early and to deliver continuous improvement

Add value throughout the life of the contract

- 4.2 An action plan has been developed in order to address all of the above areas. Key themes in the action plans include the following:-
- Identifying staff who carry out the role of Contract Manager and performing a skills audit to identify training gaps
 - Improving commercial awareness across the Council as a whole and particularly those with Contract Management responsibilities
 - Designated contract management support available for strategic contracts focusing on relationship management.
- 4.3 The Contract Management strand of the Procurement Strategy Action Plan is now led by a specific post relating to Contract Management. This was filled on an invest to save basis. The cost of engagement was recovered within the first 3 months of a 12 month trial period. The role has been made permanent, and to date has saved a total of £528,765.
- 4.4 The Contract Management post has also contributed to income generation for the Procurement Service. The post holder is currently undertaking a short piece of national work for the Local Government Association on contract management,

delivering an income of £6,000. We believe this work will lead to further and greater income generation opportunities.

- 4.5 Work within the Contract Management strand of the Procurement Strategy Action Plan is progressing well. There continues to be close liaison between Procurement and Audit with regular meetings discussing areas of concern and appropriate actions, such as resource support. Further support to contract managers will be available both in terms of direct links from the new procurement manual to contract management tools and formal NYCC contract management resource delivering training to internal colleagues. Procurement professionals will also be provided with workshops to train and improve their contract management skills with concepts and initiatives being reviewed and applied where appropriate from professional bodies, such as the International Association for Contract and Commercial Management (IACCM).

5.0 CHALLENGES FACING THE COUNCIL ON CONTRACT MANAGEMENT

- 5.1 During this period of austerity there is greater emphasis on the need to be good at contract management but, at the same time, we are presented with some increased pressures. Some of these themes are explored further in the remainder of this section.

Council capacity – staffing numbers have consistently reduced over the last 4 years as a result of the Council’s savings programmes. This raises the prospect of less time being spent on managing a contract with a subsequent increased scope of contract “drift” with adverse impacts for the Council

Council skills – The Council is a multi-functional organisation where many of its suppliers are dedicated to particular services or products. As a result, suppliers can often be more knowledgeable and / or more commercially orientated. In such cases, there is a heightened risk that suppliers are exercising more control in the contract than is desirable.

Contractor behaviour – as the Council has been seeking savings, beneficial prices have been secured in many procurements (as witnessed through analysis of forward procurement plans). Suppliers cannot fail to have understood the need for the public sector to make savings and therefore understand that they need to be more competitive at the point of procurement. Suppliers may, however, have identified opportunities to increase margins following appointment through contract variations. Whilst such behaviours should be tested as much as possible during procurement, such practice can only be picked up at contract management stage and requires robust management on the part of the Council.

Poor quality contracts – some suppliers may well ensure delivery within the financial envelope but seek to reduce their costs by providing goods / services at a quality below the threshold set out in the contract.

Contract management given insufficient attention by staff – there is a risk that contract management is seen as a ceremonial role, or an “add- on” to the day job. Some staff are likely to be managing contracts but have come to this arrangement

with little in the way of commercial experience. Some staff may regard contract management as part of the procurement function and therefore falling within the remit of Procurement. It is therefore essential that there is clarity of responsibility and support is provided accordingly.

- 5.2 A systematic approach across the Council is required to identify those areas of highest risk and to deploy resources effectively in order to understand the commercial realities involved in contractual relationships.

6.0 NEXT STEPS

- 6.1 As the Audit Committee will be aware, Internal Audit already carry out reviews into contract management which are reported on an annual basis. Issues are picked up accordingly and fed into the Corporate Procurement Strategy. A member of Internal Audit management is now part of the Corporate Procurement Group to ensure that there is good two way knowledge transfer.
- 6.2 The Corporate Procurement Strategy features many of the actions identified above and a targeted delivery plan for contract management training has already begun. In the last twelve months, 111 officers have received training, including 20 from Hambleton District Council.
- 6.3 The Action Plan for the Corporate Procurement Strategy has been produced on a SMART basis with clear actions; a key accountable officer; and a specific date for delivery. Monitoring of this action plan will therefore be undertaken alongside all of the embedded procurement disciplines such as Forward Procurement Plans and the Gateway approach.
- 6.4 The Procurement Service has now been insourced from YPO, and will be restructured to follow a category management model. The proposed structure includes a specific role for Contract Management. This role, as now, will continue to have oversight for Contract Management across the Council, and continue to share best practice and training to Officers. The role will also take responsibility for managing a number of corporate contracts, including the operational hand over to the procure to pay system (Oracle). This continued investment shows the importance the Council places in good contract management.
- 6.5 Through the new Procurement Service and the Corporate Procurement Strategy we are committed to improving our approach to contract management and will continue to develop our approach over the next four years. We will ensure that our approach to contract management is appropriately commercial and our processes stand up to scrutiny and challenge.

7.0 RECOMMENDATIONS

- 7.1 Members are asked to:-
- (i) note the content of this report.
 - (ii) identify areas and provide comments in order to further add value to the ongoing work on Contract Management.

Gary Fielding
Corporate Director, Strategic Resources

Author of Report –

Kevin Draisey
Head of Procurement and Contract Management
16 November 2016

NORTH YORKSHIRE COUNTY COUNCIL**AUDIT COMMITTEE****1 December 2016****Audit Committee Terms of Reference****Report of the Corporate Director – Strategic Resources****1.0 PURPOSE OF THE REPORT**

- 1.1 To consider possible changes to the Audit Committee's Terms of Reference in line with the requirement to review the Terms of Reference on an annual basis.
- 1.2 To consider whether the Audit Committee should conduct a review of its own effectiveness.

2.0 BACKGROUND

- 2.1 The Audit Committee last reviewed its Terms of Reference at its meeting on 3 December 2015. At that time no changes were considered necessary.
- 2.2 It is best practice to formally review the Terms of Reference on a regular basis and to make changes as necessary. This report therefore seeks to identify any changes that may now be required as a result of recent legislation or developments in recommended best practice. Members' views are also sought on whether the current Terms of Reference enable the Committee to discharge its responsibilities effectively.
- 2.3 The Chartered Institute of Public Finance and Accountancy (CIPFA) produced updated guidance in 2012 on the purpose, core functions and characteristics of an effective audit committee. The guidance recommends that audit committees should periodically review their own effectiveness to ensure that they are continuing to fulfil their responsibilities.
- 2.4 This Committee last reviewed its own effectiveness in 2009/10. The review was conducted by a member working party with support from officers. The results of the review were reported to this Committee in April 2010. Given the period of time that has elapsed and recognising that best practice guidance has evolved since the last review, the Committee may consider that a further review of its effectiveness is now required.

3.0 CURRENT TERMS OF REFERENCE

- 3.1 The full Terms of Reference are attached as **Appendix A**. In summary, the paragraphs relate to the following areas –
 - 1. Internal Audit
 - 2. External Audit

3. Contract, Finance and Property Procedure Rules
4. Financial Statements (includes Statement of Final Accounts)
5. Corporate Governance
6. Risk Management
7. Information Governance
8. Treasury Management
9. Value for Money
10. Terms of Reference
11. Any other relevant matter referred
12. Audit and Counter Fraud

3.2 A number of the areas identified above are responsibilities discharged by the Audit Committee on behalf of the County Council where there is a statutory obligation. In addition, there are areas where the Audit Committee is fulfilling a role which ensures that Members and the public receive assurance about the County Council's framework of governance, risk management and internal control. It is important that these areas remain in place.

3.3 It is not felt that there are any areas that currently merit change in the Terms of Reference. However, it is recognised that Members may wish to focus the Committee's work programme on a number of emerging issues and priorities affecting the County Council, including the integration of health and social care, the development of new ways of working and service delivery, the possible impact of devolution, and the need to maintain good information governance standards.

4.0 RECOMMENDATION

4.1 The Audit Committee are requested to:

- i. Approve (i.e. no changes) the existing Terms of Reference for the Audit Committee
- ii. Consider whether it would be beneficial to undertake a review of the Committee's own effectiveness and, if so, the format and timing of such a review.

GARY FIELDING
Corporate Director – Strategic Resources

County Hall
NORTHALLERTON

4 November 2016

Background Documents:

None

AUDIT COMMITTEE

TERMS OF REFERENCE

1. In respect of Internal Audit
 - ◆ to approve the Internal Audit Strategy, Annual Audit Plan and performance criteria for the Internal Audit Service.
 - ◆ to review summary findings and the main issues arising from internal audit reports and seek assurance that management action has been taken where necessary.
 - ◆ to review the effectiveness of the anti-fraud and corruption arrangements throughout the County Council.
 - ◆ consider the annual report from the Head of Internal Audit.
 - ◆ to review the effectiveness of the system of Internal Audit and the Committee itself on an annual basis.
2. To review the workplan and performance of External Audit.
3. To review, and recommend to the Executive, changes to Contract, Finance and Property Procedure Rules.

4. In respect of **financial statements**

For both the County Council and the North Yorkshire Pension Fund

- ◆ to approve the respective annual Statements of Final Accounts
 - ◆ to receive and review the Annual Audit Letters and associated documents issued by the External Auditor
 - ◆ to review changes in accounting policy.
5. In respect of **Corporate Governance**
 - ◆ to assess the effectiveness of the County Council's Corporate Governance arrangements
 - ◆ to review progress on the implementation of Corporate Governance arrangements throughout the County Council
 - ◆ to approve Annual Governance Statements for both the County Council and the North Yorkshire Pension Fund
 - ◆ to review the annual Statements of Assurance provided by the Chief Executive, Management Board and Corporate Directors
 - ◆ to liaise, as necessary, with the Standards Committee on any matter(s) relating to the Codes of Conduct or both Members and Officers.

6. In respect of **Risk Management**
 - ♦ to assess the effectiveness of the County Council's Risk Management arrangements
 - ♦ to review progress on the implementation of Risk Management throughout the County Council.

7. In respect of **Information Governance**
 - ♦ to review all corporate policies and procedures in relation to Information Governance
 - ♦ to oversee the implementation of Information Governance policies and procedures throughout the County Council.

8. In respect of **Treasury Management**
 - ♦ to be responsible for ensuring effective scrutiny of the County Council's Treasury Management strategy and policies as required by the CIPFA Treasury Management Code of Practice
 - ♦ to review these Treasury Management strategies, policies and arrangements and make appropriate recommendations to the Executive.

9. In respect of **Value for Money**
 - ♦ to have oversight of the arrangements across the County Council in securing Value for Money

10. To meet not less than four times a year on normal business and review its Terms of Reference on an annual basis.

11. To consider any other relevant matter referred to it by the County Council, Executive or any other Committee. In addition any matter of concern can be raised by this Committee to the full County Council, Executive or any other Member body.

12. To exercise all functions in relation to the making and changing of policy relating to such audit and counter-fraud matters which fall within the remit of the Committee (save as may be delegated otherwise).

NORTH YORKSHIRE COUNTY COUNCIL

AUDIT COMMITTEE

1 DECEMBER 2016

INTERNAL AUDIT WORK FOR THE BUSINESS AND ENVIRONMENTAL SERVICES
DIRECTORATE

Report of the Head of Internal Audit

1.0 PURPOSE OF THE REPORT

- 1.1 To inform Members of the **internal audit work** performed during the year ended 30 November 2016 for the Business and Environmental Services (BES) directorate and to give an opinion on the systems of internal control in respect of this area.

2.0 BACKGROUND

- 2.1 The Audit Committee is required to assess the quality and effectiveness of the corporate governance arrangements operating within the County Council. In relation to the BES directorate, the Committee receives assurance through the work of internal audit (as provided by Veritau), as well as receiving a copy of the latest directorate risk register and the relevant Statement of Assurance.
- 2.2 This agenda item is considered in two parts. This first report considers the work carried out by Veritau and is presented by the Head of Internal Audit. The second part is presented by the Corporate Director and considers the risks relevant to the directorate and the actions being taken to manage those risks.

3.0 WORK DONE DURING THE YEAR ENDED 30 NOVEMBER 2016

- 3.1 Details of the work undertaken for the directorate and the outcomes of these audits are provided in **Appendix 1**.
- 3.2 Veritau has also been involved in carrying out a number of other assignments for the directorate. This work has included;
- Providing ad-hoc advice on various control issues;
 - Auditing and certifying a number of grant returns such as the Local Transport Plan, the Pothole Fund Grant and the Local Authority Bus Subsidy Grant. We review relevant supporting information to ensure expenditure has been incurred in accordance with grant conditions;
 - Meeting with BES management and maintaining ongoing awareness and understanding of key risk areas such as the long term waste service and the highways maintenance contract.

- 3.3 As with previous audit reports, an overall opinion has been given for each of the specific systems or areas under review. The opinion given has been based on an assessment of the risks associated with any weaknesses in control identified. Where weaknesses are identified then remedial actions will be agreed with management. Each agreed action has been given a priority ranking. The opinions and priority rankings used by Veritau are detailed in **Appendix 2**. Where the audits undertaken focused on value for money or the review of specific risks as requested by management then no audit opinion will have been given.
- 3.4 It is important that agreed actions are formally followed up to ensure that they have been implemented. Veritau follow up all agreed actions on a regular basis, taking account of the timescales previously agreed with management for implementation. **On the basis of the follow up work undertaken during the year, the Head of Internal Audit is satisfied with the progress that has been made by management to implement previously agreed actions necessary to address identified control weaknesses.**
- 3.5 The annual internal audit plan is based on an assessment of risk. Areas that are assessed as well controlled or low risk are reviewed less often with audit work instead focused on the areas of highest risk. Veritau's auditors work closely with directorate senior managers to address any areas of known concern.

4.0 **AUDIT OPINION**

- 4.1 Veritau performs its work in accordance with the Public Sector Internal Audit Standards (PSIAS). In connection with reporting, the relevant standard (2450) states that the chief audit executive (CAE)¹ should provide an annual report to the board². The report should include:
- (a) details of the scope of the work undertaken and the time period to which the opinion refers (together with disclosure of any restrictions in the scope of that work)
 - (b) a summary of the audit work from which the opinion is derived (including details of the reliance placed on the work of other assurance bodies)
 - (c) an opinion on the overall adequacy and effectiveness of the organisation's governance, risk and control framework (i.e. the control environment)
 - (d) disclosure of any qualifications to that opinion, together with the reasons for that qualification
 - (e) details of any issues which the CAE judges are of particular relevance to the preparation of the Annual Governance Statement
 - (f) a statement on conformance with the PSIAS and the results of the internal audit Quality Assurance and Improvement Programme.
- 4.2 The overall opinion of the Head of Internal Audit on the framework of governance, risk management and control operating in the Business and Environmental Services directorate is that it provides **substantial assurance**. There are no

¹ The PSIAS refers to the chief audit executive. This is taken to be the Head of Internal Audit.

² The PSIAS refers to the board. This is taken to be the Audit Committee.

qualifications to this opinion and no reliance was placed on the work of other assurance bodies in reaching that opinion.

5.0 RECOMMENDATION

- 5.1 That Members consider the information provided in this report and determine whether they are satisfied that the internal control environment operating in the Business and Environment Services Directorate is both adequate and effective.

MAX THOMAS
Head of Internal Audit

Veritau Ltd
County Hall
Northallerton

14 November 2016

BACKGROUND DOCUMENTS

Relevant audit reports kept by Veritau Ltd at 50 South Parade, Northallerton.

Report prepared by Stuart Cutts, Internal Audit Manager, Veritau and presented by Max Thomas, Head of Internal Audit.

FINAL AUDIT REPORTS ISSUED IN THE YEAR ENDED 30 NOVEMBER 2016

System/Area	Audit Opinion	Areas Reviewed	Date Finalised	Comments	Action Taken
A	Integrated Passenger Transport (IPT)	Reasonable Assurance	March 2016	<p>The monitoring of operator performance was found to be resource intensive and did not allow for effective performance reporting.</p> <p>We found heavy reliance on the use of spreadsheets and these spreadsheets were not always working effectively (for example spreadsheets used to plan operator inspection visits and insurance).</p> <p>We also found improvements were required to the operator inspection visits. The officers completing the visits did not have access to all relevant information. The scope of the checks (including reviewing tax and driving licences) was also too limited. The processes used by the Compliance Team for the monitoring of DBS clearance were also limited in their effectiveness.</p> <p>For the future, we recommended that the IPT service should consider whether the current inspection visits to schools and operators are the best way to obtain assurance that the key parts of IPT contracts are being delivered in line with expectations.</p>	<p>Two P2 and thirteen P3 actions were agreed.</p> <p>These actions have been considered by the new Assistant Director (Transport, Waste and Countryside) following appointment in April 2016. It is accepted there is a need to review the approach to contract management of transport provision.</p> <p>Changes to the structures and ways of working of the department are ongoing with a revised structure currently subject to staff consultation. Once implemented the new structure will increase contract management capacity within the service to help deliver revised ways of working.</p> <p>A follow up audit recently started in November 2016.</p>

System/Area		Audit Opinion	Areas Reviewed	Date Finalised	Comments	Action Taken
B	Bedale, Aiskew and Leeming Bar (BALB) by-pass	High Assurance	<p>The audit was the fourth and last in a number of planned audits over the life cycle of the project. The audit assessed the extent to which:</p> <ul style="list-style-type: none"> • Contract management arrangements were robust • Performance management as agreed under the contract has been followed. • Arrangements are in place to manage any future potential compensation allocations • Findings from previous audits have been fully addressed. 	April 2016	Audit work found that the arrangements in place for each of the areas were working effectively. No issues were identified.	No actions were reported that require further action.
C	Local Enterprise Partnership	Substantial Assurance	<p>North Yorkshire County Council is the Accountable Body for the LEP partnership. Our audit built on our review from the previous year and examined whether:</p> <ul style="list-style-type: none"> • Management actions from our last report have been addressed. • Suitable Governance arrangements were in place to manage any NYCC risks as the Accountable Body 	May 2016	<p>We found all the agreed actions from the 2015 audit review had been completed satisfactorily.</p> <p>The Local Assurance Framework was agreed by the LEP Board in May 2015. We noted a small number of updates were required. There was also no review programme to ensure this framework is kept up to date. LEP management were to perform a review of the framework in the near future.</p> <p>Monitoring arrangements for the Growing Places fund were good.</p>	<p>Four P3 actions were agreed.</p> <p>A review has been completed and updated Local Assurance Framework produced.</p> <p>The LEP is in the process of carrying out a restructure of the team as a whole. Matters such as segregating of duties are being considered as part of that review.</p>

System/Area	Audit Opinion	Areas Reviewed	Date Finalised	Comments	Action Taken	
		<ul style="list-style-type: none"> • Suitable monitoring arrangements were in place for the Growing Places fund awards • Funding secured from EU and Government is correctly accounted for, with terms and conditions that apply to that funding being complied with. • The LEP/County Council has established arrangements in place to ensure the expected outcomes of schemes are being/can be achieved 		<p>Members of the LEP team (who liaise with the applicants before and after schemes are assessed) should avoid also carrying out scheme appraisals (to assess the success of the scheme) as they might have a perceived conflict of interest.</p> <p>We also noted some areas where 'lessons have been learnt' by the LEP. For example, contract management for some schemes could be improved by having a robust business case and/or having a key person of appropriate seniority within partners to take overall control of the scheme.</p>		
D	Sandsend Coastal Protection Scheme Contract Review	High Assurance	The audit reviewed the scheme and assessed the extent to which appropriate management arrangements (covering risk, financial, performance and contract management) were in place.	May 2016	<p>There is a directorate risk register that includes a section on capital projects. We found relevant Sandsend project risks had been identified. Regular meetings of the project team were being held. These meetings included both verbal updates but also a monthly update document which outlined the current position of the works and any risks/issues.</p> <p>There was a clear understanding of the costs for the actual development part of the scheme.</p> <p>A procedure for compensation events (CE) was in place and all CE's were</p>	<p>One P3 action was agreed.</p> <p>It was agreed for future schemes the authorisation levels will be set before the start of the project. The finding was also brought to the wider attention of the BES Management Team for further scheme consideration.</p>

System/Area	Audit Opinion	Areas Reviewed	Date Finalised	Comments	Action Taken
				finalised within the set deadlines. However, it was noted that no formal authorisation levels for compensation events had been established until after the project had started and after the first event was authorised. For future schemes it would be beneficial to have appropriate authorisation levels set before the project commences.	
E	Highways Maintenance Contract	Substantial Assurance	July 2016	<p>This audit found good progress has been made. Contract Performance Indicators have been significantly streamlined since April 2015. This work has enabled NYCC and Ringway to agree accurately the contract performance on a monthly basis.</p> <p>The time taken for agreement of 'pain and gain' figures for each scheme included within the contract has improved. A new system for when highway maintenance schemes are prepared for start on site was beginning to be used. Improvements have also been made between Symology and the Ringway Operations Hub which are helping to ensure orders are in line with contract requirements.</p> <p>The County Council has begun a process for managing the amount of work awarded to Ringway under the</p>	<p>One P2 action was agreed.</p> <p>Management are introducing frameworks to ensure work awarded is subject to appropriate controls and to help maximise value for money.</p>

	System/Area	Audit Opinion	Areas Reviewed	Date Finalised	Comments	Action Taken
					contract so as not to exceed HMC total contractual values.	
F	Symology	Substantial Assurance	<p>Symology is a computer system that helps to manage the Council's infrastructure assets, including highways, land and property, bridges and structures, street lighting, and distribution networks.</p> <p>The system allows BES to maintain records of the condition of the highway, arrange and record surveys, order repairs, pay for completed work, record the work of utility companies on the network and update records held for each of these categories.</p> <p>We reviewed the key procedures and controls within the system.</p>	July 2016	<p>The majority of areas we reviewed were operating well. Suitable and accurate records were being maintained to support any activities undertaken on the highway.</p> <p>Appropriate controls were seen to be in place and most were working as designed. We highlighted two areas for improvement.</p> <p>Staff at each area office should be checking street work notices received from utilities and updating Symology. This check is to ensure that works are suitably planned and controlled, including appropriate traffic management and road closures. We found there was a significant backlog in completing this work.</p> <p>The works ordering system requires authorisation by the Area Maintenance Manager when orders exceed £1,500. We saw instances where orders were initially below this value but had additional work added to them. These orders were not being subject to authorisation.</p>	<p>Two P2 actions were agreed.</p> <p>A new network co-ordinator has been recruited and is to be responsible for assessing all planned works and minimising potential conflicts.</p> <p>New controls will be introduced into Symology in respect of authorisation.</p>

Audit Opinions and Priorities for Actions

Audit Opinions	
<p>Audit work is based on sampling transactions to test the operation of systems. It cannot guarantee the elimination of fraud or error. Our opinion is based on the risks we identify at the time of the audit.</p> <p>Our overall audit opinion is based on 5 grades of opinion, as set out below.</p>	
Opinion	Assessment of internal control
High Assurance	Overall, very good management of risk. An effective control environment appears to be in operation.
Substantial Assurance	Overall, good management of risk with few weaknesses identified. An effective control environment is in operation but there is scope for further improvement in the areas identified.
Reasonable Assurance	Overall, satisfactory management of risk with a number of weaknesses identified. An acceptable control environment is in operation but there are a number of improvements that could be made.
Limited Assurance	Overall, poor management of risk with significant control weaknesses in key areas and major improvements required before an effective control environment will be in operation.
No Assurance	Overall, there is a fundamental failure in control and risks are not being effectively managed. A number of key areas require substantial improvement to protect the system from error and abuse.

Priorities for Actions	
Priority 1	A fundamental system weakness, which presents unacceptable risk to the system objectives and requires urgent attention by management.
Priority 2	A significant system weakness, whose impact or frequency presents risks to the system objectives, which needs to be addressed by management.
Priority 3	The system objectives are not exposed to significant risk, but the issue merits attention by management.

NORTH YORKSHIRE COUNTY COUNCIL**AUDIT COMMITTEE****1 DECEMBER 2016****INTERNAL CONTROL MATTERS FOR THE BUSINESS AND ENVIRONMENTAL SERVICES DIRECTORATE****Report of the Corporate Director – Business & Environmental Services****1.0 PURPOSE OF THE REPORT**

- 1.1 To provide an update to members of progress against the areas for improvement identified in the Business & Environmental Services (BES) Directorate's Statement of Assurance.
- 1.2 To provide details of the latest Risk Register for the BES Directorate.

2.0 BACKGROUND

- 2.1 The Audit Committee is required to assess the quality and effectiveness of the corporate governance arrangements operating within the County Council. In relation to the BES Directorate, the Committee receives assurance through the work of internal audit (detailed in a separate report to the Committee), details of the Statement of Assurance provided by the Corporate Director, together with the Directorate Risk Register.
- 2.2 To ensure governance and internal control matters are monitored on an on-going basis the BES Management Team receives and considers a report on a quarterly basis. This covers performance, finance, Statement of Assurance, risk and internal audit.

3.0 STATEMENT OF ASSURANCE

- 3.1 Management Board, the Chief Executive and each Corporate Director produce a Statement of Assurance (SoA) at the end of each financial year. In this statement the Corporate Director identifies those items that may give rise to internal control or performance risk issues for the Directorate in the coming financial year. These issues feed into the process to produce the Annual Governance Statement prepared for the County Council.
- 3.2 The SoA for the BES Directorate identified a number of areas for improvement for 2016/17 together with proposed actions. The relevant part of the SoA is attached as **Appendix A** together with comments and updates on progress since that meeting.

4.0 DIRECTORATE RISK REGISTER

4.1 The Directorate Risk Register (DRR) is produced initially from a review of risks at Service level, which are then aggregated via a sieving process to Directorate level. This end product similarly aggregates these Directorate level risks into the Corporate Risk Register.

4.2 The Risk Prioritisation System adopted to derive risk registers categorises risks as follows:

- Category 1 and 2 are high risk (RED)
- Category 3 and 4 are medium risk (AMBER)
- Category 5 is low risk (GREEN)

These categories are relative and not absolute assessments. The DRR represents the principal risks being managed in BES that may materially impact on the performance, financial and reputational outcomes of the Directorate.

4.3 The latest detailed DRR is shown at **Appendix B**. This shows a range of key risks and the risk reduction actions designed to minimise them together with a ranking of the risks both at the present time and after mitigating action.

4.4 A summary of the DRR is also attached at **Appendix C**. As well as providing a quick overview of the risks and their ranking, it also provides details of the change or movement in the ranking of the risk since the last review in the left hand column.

4.5 A review of the BES DRR took place at the end of September and was signed off by the Directorate Management Team. A further formal update review of the register will take place in Q4 of 2016/17.

4.6 A new risk has been added to the DRR since December 2015 (date of last progress report to the Committee) and is as follows:

- 7/232 – Growth. This risk wholly concentrates on the ambition of Sustainable Economic Growth.

4.7 A risk that has been deleted from the DRR since December 2014 and is as follows:

- 7/22 – LEP Strategy and Growth Deal. The new risk above has taken over from this previous risk

4.8 All other risks have been updated from Service risk registers. The individual assessment of the probability and impacts for these risks may have altered but the overall ranking of the risks has remained the same, apart from one of them. The risk which is titled Delivering Change Programmes within BES has reduced on the second ranking because it is felt that the actions to be done will keep this risk under control. The wording has also been slightly altered to reflect change as an on-going process which will continue beyond 2020.

5.0 RECOMMENDATIONS

5.1 That the Committee:

- i) Note the position on the Business & Environmental Services Directorate Statement of Assurance;
- ii) Note the Directorate Risk Register for the Business & Environmental Services Directorate; and
- iii) Provide feedback and comments on the Statement of Assurance and Directorate Risk Register and any other related internal control issues.

DAVID BOWE

Corporate Director – Business & Environmental Services

December 2016

Report prepared by Michael Leah

**AREAS FOR FURTHER DEVELOPMENT IDENTIFIED
BUSINESS & ENVIRONMENTAL SERVICES DIRECTORATE**

Areas for Development as Identified in 2015/16	Action Proposed	November 2016 Update
<p>A</p> <p>2020 North Yorkshire</p> <p>By May 2016 BES has delivered approximately £10m of savings against a target of £10.5m. The remaining £0.5m is on track to be delivered as planned by 1/4/2017.</p> <p>An ideas generation process launched in late 2015 has identified a range of new initiatives that could deliver at least a further £3m. Key projects include:</p> <ul style="list-style-type: none"> • Generating more income across a range of services, maximising opportunities from the Teckal arrangements (see Waste Management Strategy below), • Service and contract reviews • Review of sourcing of materials for Highways • Accelerating capital replacement programmes for street lighting and traffic signals to deliver early revenue savings. 	<p>a) Deliver outstanding 2020 savings projects by April 2017 - income generation in Highways and Transportation and Trading Standards restructure.</p> <p>b) Deliver outstanding projects to support the 2020 Customer programme – “Parish Portal”, PROW review, County Searches review, Online License applications by April 2017.</p> <p>c) Continue to develop, when appropriate, robust business cases to support each new proposal in the BES directorate. Project briefs for ideas to be taken forward at this stage to be completed and approved by autumn 2016; then progressed to outline business case (owner & timing specific to project).</p> <p>d) Accurately cost services provided to third parties to maximise income, as and when bids go forward.</p>	<p>The income generation project in H&T and Trading Standards restructure project are both flagged as amber in terms of timing of delivery, i.e. behind schedule; however, they are both still targeting to achieve the value required.</p> <p>New PROW processes continue to be embedded with a focus on maximising the use of volunteers in the service and better approaches to managing customer questions. Phase 1 of Parish Portal has been completed and Phase 2 will begin development in January 2017. Online Licenses and County Search work continues.</p> <p>By 7th December, the majority of ideas put forward by BES to help achieve corporate savings target will have a project brief and a view of when cashable savings will be delivered.</p>

Areas for Development as Identified in 2015/16		Action Proposed	November 2016 Update
B	<p>Business Intelligence & Reporting</p> <p>The LGA review of highways service, as part of the Highways Maintenance Efficiency Programme (HMEP), concluded that we are data rich and there is a potential opportunity to further exploit that.</p>	<p>a) Develop an asset management data strategy as a way of standardizing the recording of highways assets and realizing further potential for utilizing the assets for improvement to the service. This development is not directly required to achieve Band 3 within HMEP but rather compliments other improvements. The work will be completed by October 2016.</p>	<p>The Highways team have concluded their approach will be to target areas where use of data can be improved, for example the team completed a project cleansing gully asset data; revised data is being used as the basis for an efficiency saving in the delivery of the service.</p>
C	<p>Strategic Economic Development</p> <p>Following the completion of a Spatial Plan for York, North Yorkshire and East Riding, a Spatial Framework is being developed.</p> <p>LEP funding streams continue to support the economic development of the county, including the Local Growth Deal funding of £123m</p>	<p>a) The BES Strategy & Planning team will commission development of a Spatial Framework to be complete by November 2016. This work will update the previous plan by looking forward to 2050 and provide a more strategic approach to future planning and infrastructure development.</p> <p>b) In order to achieve economic growth in the region NYCC will engage, influence and support key partners, including the LEP and Districts Councils. Within the Autumn Statement (expected November</p>	<p>Since the LGA review in March 2016, the BES team have reviewed the senior management structure in the directorate and in October appointed an Assistant Director of Growth, Planning & Trading Standards. The focus of this role is to develop NYCC's strategy for economic growth.</p> <p>Development of a Spatial Framework is now targeting completion by December 2016.</p> <p>Twelve projects have been identified, prioritised & submitted for the Local Growth Fund deal. When the outcome of that process is announced in the</p>

Areas for Development as Identified in 2015/16		Action Proposed	November 2016 Update
		2016) the outcome of the Local Growth Fund deal will be announced; NYCC, as accountable body, will need to work with the LEP to bring those projects into the existing capital programme, to help ensure delivery.	Autumn Statement, the LEP will have greater certainty on which projects will be taken forward and over what timeframe.
D	<p>Waste Management Strategy</p> <p>To deliver the long term waste strategy including:</p> <ul style="list-style-type: none"> • The construction and operation of Allerton Waste Recovery Park with a construction completion date of early 2018. • To develop Teckal arrangements for Yorwaste to achieve the best value from the Waste PPP Project at Allerton Waste Recovery Park. <p><i>The Teckal arrangement allows NYCC to award Yorwaste contracted work without requiring a full, open competitive procurement process. There is an established EU principle which permits this as long as the parties can demonstrate the control test (NYCC and CYC have more than 50% of Yorwaste board members) and the function test (which requires that</i></p>	<p>a) Complete time limited s106 planning agreement obligations and planning conditions during the construction phase (before Autumn 2017).</p> <p>b) Ensure the County Council complies with commissioning obligations from the Waste PPP contract (anticipate start of commissioning in Summer 2017).</p> <p>c) Work closely with Yorwaste to monitor levels of waste throughput to ensure that these optimise the Authority's deliveries to Allerton Waste Recovery Park. This is ongoing but the initial requirement is by operating live of the plan in Feb 2018.</p> <p>d) Prior to Allerton Waste Recovery Park becoming operational in 2018 put in</p>	<p>The AWRP project continues on target and the dates in the "Action Proposed" column remain as is.</p>

Areas for Development as Identified in 2015/16		Action Proposed	November 2016 Update
	<i>greater than 80% of the company's activity is through public sector bodies).</i>	place contract management systems to enable close observation of risks and to assist with the pricing mechanism with AmeyCespa.	
E	<p>Contract Management</p> <p>Additional work is focused on ensuring we maximize the value from our contracts which represents over 70% of gross expenditure in BES, including changing the remit of the Commercial Services Unit to focus on the management of Highways contracts, e.g. Highways Maintenance Contract (HMC2012).</p> <p>Resource is being utilised to review our key contracts to identify opportunities for savings, improving contractor/client relationships and effective performance management.</p>	<p>Civil Engineering Contractors Frameworks</p> <p>a) Benchmark the new frameworks against the existing HMC2012 to demonstrate VFM. Compare the costs of delivery over the financial year 2016/17. The findings of this will be available in April 2017.</p> <p>HMC2012 – have in place the following items by April 2017:</p> <p>b) Monthly review, management & agreement of performance through the new simplified Performance Management Framework.</p> <p>c) Monitor and record the quality and productivity of Ringway Infrastructure Services and their sub-contractors in relation to basic maintenance works. This is presented annually in May to the BES Exec members.</p>	<p>The annual performance review was presented to BES Exec members in May and, as a result of the adequate performance of the contractor against the KPI's, a decision was taken to neither award or remove a year from the contract.</p> <p>Re BS11000, the DfT has softened their requirement for this within HMEP, however there are elements that need to be embedded within training for highways staff, for example a more robust appraisal process is needed. The team are reviewing this changed position with a view to create an action plan by the end of November 2016.</p>

Areas for Development as Identified in 2015/16		Action Proposed	November 2016 Update
		<p>d) Introduction of 360° Relationship Development Plan with monthly/quarterly/annual reviews.</p> <p>Professional Services</p> <p>e) Record and report KPI's relating to Mouchel performance.</p> <p>f) BS11000 accreditation for NYCC which will contribute towards achieving HMEP Band 3, which will be complete by November 2016.</p> <p>g) Benchmarking Mouchel fees against internal service and previous provider. This work will be undertaken when 6 months' worth of information is available, therefore will start in January 2017 and target completion of end of March 2017.</p>	
F	<p>Highways Maintenance - Capital Funding</p> <p>In future years up to £5m of the Council's DfT Highways capital funding will be dependent on meeting the requirements of "Incentive element" which are around efficiency and asset management. Authorities are required to carry out a self-</p>	<p>a) In order to move from Band 2 to Band 3, a gap analysis was completed in June 2016. The recommendation of that report, amongst others, requires working with external partners to implement improvements. It is anticipated this work</p>	<p>The 2016 HMEP self-assessment is in progress and is targeting end of November completion for internal management review, followed by end of December 2016 report to DfT. The team are still aiming to achieve Band 3 rating.</p>

Areas for Development as Identified in 2015/16		Action Proposed	November 2016 Update
	assessment against a set of national criteria and can be placed in either Band 1, Band 2 or Band 3 with the latter being the most efficient. The Department for Transport recognises the need for all authorities to go through their own improvement journey and therefore the requirement to achieve a certain banding to retain the full 'incentive element' increases over time.	<p>will be concluded in the same timescales as achieving Band 3 above.</p> <p>b) Achieve a Band 3 rating by the date of the HMEP self- assessment due November 2016 (the previous self- assessment in 2015 had the council marked as Band 2).</p>	
G	<p>Minerals and Waste Joint Plan</p> <p>The development of the Minerals and Waste Joint Plan as the basis for development control decision making.</p>	<p>a) Revise draft policy content for oil and gas development following completion of the joint Scrutiny Committee review on fracking, draft report to be tabled at Executive in October 2016.</p> <p>b) Complete other actions required to produce a final draft Plan for submission for examination in public, including updating the evidence base and undertaking key tasks required through recent 'critical friend' review by March 2017.</p>	The draft Minerals & Waste Joint Plan was reviewed & approved at Executive in October 2016 and is currently out to formal consultation. The team are still targeting March 2017 for the final approved plan.

BES Directorate

Risk Register: **Month 0 (August 2016) – detailed**

Report Date: 14th November 2016 (pw)

Phase 1 - Identification												
Risk Number	7/24	Risk Title	7/24 - Capital Programme				Risk Owner	CD BES	Manager	AD SR (BES/CS) & Perf		
Description	Ineffective management of capital programme including BALB, LEP, LTP, LTB, Waste Management and projects resulting in significant overspend/underspend, weak use of resources, loss of reputation and performance.					Risk Group	Financial	Risk Type	H&T 9/195			
Phase 2 - Current Assessment												
Current Control Measures			Project managers/sponsors for each project; regular financial and programme and project monitoring and reporting of the programmes; operational and strategic management/monitoring, project planning; Gateway training carried out; Capital Projects Board in operation; sub group of Capital Projects Board in place when required, risk assessment carried out in Capital Plan reports feed into MTFS; Finance Officer support to Capital; risk register for major schemes and schemes in the capital works programme; project board for major schemes; IDSG; appropriate actions and contingencies dependent on risks established and reported to BESMT on a regular basis; risk assessment for major schemes; additional and effective highways capital programme resource / manager to drive delivery of the programme implemented; Specific and ongoing training in financial and project management for key BES staff; PIR of major projects; Schemes portal, assurance framework for LEP in place, contract management health measurement and reporting in place; 2 year LTP works programme with realistic targets and alignment of internal and external delivery resources; assurance framework for LEP in place;						Effectiveness			
Probability	M	Objectives	M	Financial	H	Services	M	Reputation	M	Category	2	
Phase 3 - Risk Reduction Actions												
							Action Manager	Action by	Completed			
Reduction	7/175 - Ensure high quality, timely reports to Capital Projects Board and Exec members covering key service and financial risk items (ongoing)						AD SR (BES/CS) & Perf	Sat-30-Sep-17				
Reduction	7/259 - Continue to introduce efficiency measures for capital projects and programmes where relevant – focus on highways capital works programme for structural maintenance taking into account HMEP self assessment outcomes to achieve optimal use of funding (ongoing)						AD SR (BES/CS) & Perf BES AD H&T	Sat-30-Sep-17				
Reduction	9/450 - Seek to integrate Oracle/Planning Tool/Symology strategic capital programme monitoring						BES AD H&T BES H&T P&IO	Mon-31-Jul-17				
Reduction	9/551 - hNY Improvement Action Plan: End to end External Review of the Capital Programme						BES H&T NSM	Wed-30-Nov-16				
Reduction	9/555 - hNY Improvement Action Plan: Lean review of Capital Programme (pending completion of External Review)						BES AD H&T BES H&T HoCS	Fri-31-Mar-17				
Reduction	9/592 - Specific monitoring of separately funded capital works, eg Pothole Action Fund, LGF and GWB funded works						BES H&T NSM	Sat-30-Sep-17				
Reduction	11/180 - Advice and support for the LEP on financial and partnership governance (ongoing)						AD SR (BES/CS) & Perf	Sat-30-Sep-17				
Reduction	11/182 - Continue to assess current capabilities and put in place any requirements necessary to enable effective delivery of capital projects (ongoing)						AD SR (BES/CS) & Perf	Sat-30-Sep-17				

BES Directorate

Risk Register: **Month 0 (August 2016) – detailed**

Report Date: 14th November 2016 (pw)

Reduction	11/268 - Explore the introduction of moving to single portfolio management for existing and future capital projects to ensure best practice		AD SR (BES/CS) & Perf BES AD H&T	Sat-30-Sep-17							
Phase 4 - Post Risk Reduction Assessment											
Probability	L	Objectives	M	Financial	H	Services	M	Reputation	M	Category	3
Phase 5 - Fallback Plan											
						Action Manager					
Fallback Plan	7/72 - Review of all resources and procedures; media management; member engagement; intervention by Capital Projects Board									CD BES	



BES Directorate

Risk Register: **Month 0 (August 2016) – detailed**

Report Date: 14th November 2016 (pw)

Phase 1 - Identification											
Risk Number	7/173	Risk Title	7/173 - Minerals and Waste Development Framework			Risk Owner	CD BES		Manager	BES AD GP&TS	
Description	Failure to submit a Minerals and Waste Development Framework by end of March 2017 as the basis for development control decision-making resulting in risk of legal challenge through judicial review, appeals with resulting financial and workload implications, adverse implications for the local economy, risk of National Government passing on European fines - The current review by the jt sub committee has the potential to delay the production of the plan, particularly should it request significant changes or evidence gathering in relation to the section on fracking				Risk Group	Performance		Risk Type	TS&P 13/31		
Phase 2 - Current Assessment											
Current Control Measures		Performance monitoring; awareness of new developments; resource monitoring; briefing of BESMT; delivery of in house sustainability appraisal work and appointment of consultants to support the work; memorandum of understanding to govern principles of joint working; Exec approval to move date; preferred options consultation completed;						Effectiveness			
Probability	M	Objectives	M	Financial	M	Services	M	Reputation	H	Category	2
Phase 3 - Risk Reduction Actions											
						Action Manager	Action by	Completed			
Reduction	7/267 - Work closely with City of York Council and the North Yorks Moors National Park Authority on joint Minerals and Waste Development Strategy				BES AD GP&TS		Fri-31-Mar-17				
Reduction	13/54 - Continue to review progress against LDF milestones, review and update milestones as necessary, particularly in light of Duty to Co-operate				BES AD GP&TS		Fri-31-Mar-17				
Reduction	13/333 - Review position re further amendment or evidence gathering required for the fracking section following June 2016 scrutiny sub-committee report to Exec and develop appropriate policy response for the Plan.				BES AD GP&TS		Fri-30-Sep-16				
Reduction	13/519 - Continue to keep budget priorities under review				BES AD GP&TS		Fri-31-Mar-17				
Reduction	13/523 - Continue to monitor new developments eg fracking, using planning officers society and peer groups in particular the Duty to Co-operate				BES AD GP&TS		Fri-31-Mar-17				
Reduction	13/753 - Launch publication version of plan				BES AD GP&TS		Wed-30-Nov-16				
Phase 4 - Post Risk Reduction Assessment											
Probability	L	Objectives	M	Financial	M	Services	M	Reputation	H	Category	3
Phase 5 - Fallback Plan											
Fallback Plan									Action Manager		

BES Directorate

Risk Register: **Month 0 (August 2016) – detailed**

Report Date: 14th November 2016 (pw)

Phase 1 - Identification												
Risk Number	7/189	Risk Title	7/189 - Delivery of transport schemes within the LEP's Strategic Economic Plan					Risk Owner	CD BES		Manager	BES AD H&T
Description	Failure to deliver the programme of transport schemes within the LEP's Strategic Economic Plan results in reputational damage to the County Council and impacts upon the potential to secure funding for transport schemes in future rounds of the Local Growth Fund. There is a direct role for H&T to deliver the schemes promoted by the County Council and support the LEP in the Transport role, but also a supporting role to assist third party scheme promoters specifically the district councils.					Risk Group	Performance		Risk Type	Dir Only		
Phase 2 - Current Assessment												
Current Control Measures			Programme in place for delivery of County Council promoted schemes; support being provided to the third party scheme promoters; risk analysis for each scheme undertaken; effective engagement with LEP; Senior Transport Planning Officer (Transport projects) now in post to support the LEP and NYCC in delivery of SEP funded schemes;						Effectiveness			
Probability	M	Objectives	M	Financial	H	Services	L	Reputation	H	Category	2	
Phase 3 - Risk Reduction Actions												
							Action Manager	Action by	Completed			
Reduction	7/318 - Continue to engage with the LEP and support them to manage risks associated with specific scheme programmes (ongoing)						CD BES	Sat-30-Sep-17				
Reduction	7/436 - Continue to ensure sufficient resource in H&T to effectively promote County Council schemes (ongoing)						BES AD H&T	Sat-30-Sep-17				
Reduction	9/580 - Ensure annual budget for advanced design of major schemes						BES AD H&T	Fri-31-Mar-17				
Reduction	9/583 - Ensure NYCC identify appropriate sources of funding to provide at least a minimum of 10% local capital contribution to the scheme implementation costs						BES AD H&T BES H&T NSM	Fri-31-Mar-17				
Reduction	9/585 - Ensure framework consultant has sufficient and appropriate resources available to undertake the necessary advanced design of major schemes						BES AD H&T	Fri-31-Mar-17				
Phase 4 - Post Risk Reduction Assessment												
Probability	L	Objectives	M	Financial	H	Services	L	Reputation	H	Category	3	
Phase 5 - Fallback Plan												
Fallback Plan	7/537 - LEP to consider re-profiling Local Growth Fund programme									Action Manager		CD BES

BES Directorate

Risk Register: **Month 0 (August 2016) – detailed**

Report Date: 14th November 2016 (pw)

Phase 1 - Identification											
Risk Number	7/7	Risk Title	7/7 - Statutory Duties				Risk Owner	CD BES	Manager	CD BES	
Description	Failure to carry out statutory duties or meet statutory deadlines (e.g. Health and Safety, safe guarding, information governance, prevention of waste pollution, planning responsibilities, statutory property related issues, driver/vehicle guidance) resulting in Corporate Manslaughter, increased cost/claims, fines/prosecution and criticism.					Risk Group	Performance	Risk Type	Dir Only		
Phase 2 - Current Assessment											
Current Control Measures			Service plans; service unit risk registers; allocation of responsibility training for key staff; prof. bodies incl. HSE; CPD; CDM; RMWGs; routine inspections; contractor selection proc; NYCC legal and safety advisers; annual contractor training; Designated Directorate H&S Manager and support; regular item on BESMT; SMTs; Partnership and contract managers group; Directorate H&S working group; risk assessment; incident feedback; previous risk assessment on most sites; landfill gas perimeter controls; annual review of all sites (monitoring results); regular monitoring; use of consultants; agency staff; documented proc; record of dec. actions; audit and review of proc/compliance, inspections, actions and training; corporate policies, procedures and champions; services to employ sufficient numbers of professionally trained/qualified officers; prioritisation matrix for resources in place in Trad Stds; training relating to new CDM Regulations for construction work; Incident plan for former landfill sites;					Effectiveness			
Probability	M	Objectives	M	Financial	M	Services	M	Reputation	H	Category	2
Phase 3 - Risk Reduction Actions											
						Action Manager	Action by	Completed			
Reduction	7/458 - Ensure that the current H&S procedures are audited to ensure compliance (ongoing)					CD BES	Sat-30-Sep-17				
Reduction	7/459 - Review the H&S arrangements of Contractors and Partner organisations (ongoing)					BES AD H&T	Sat-30-Sep-17				
Reduction	7/461 - To monitor all service plans and risk registers and ensure they are checked on a regular basis (ongoing)					BES MT	Sat-30-Sep-17				
Reduction	7/462 - Review incidents and claims statistics including large losses and develop action plans (ongoing)					BES MT	Sat-30-Sep-17				
Reduction	7/480 - Review the Prioritisation matrix for Trading Standards resources, matrix reviewed and changes signed off by Exec Member					BES AD GP&TS	Fri-1-Apr-16	Fri-1-Apr-16			
Reduction	7/483 - Continue to source and deliver relevant contracts to TS work to mitigate against budget cuts and maintain service resilience (ongoing)					BES AD GP&TS	Sat-30-Sep-17				
Reduction	7/500 - Complete training relating to new CDM Regulations for construction work					BES AD H&T	Thu-31-Dec-15	Thu-31-Dec-15			
Phase 4 - Post Risk Reduction Assessment											
Probability	L	Objectives	M	Financial	M	Services	M	Reputation	H	Category	3
Phase 5 - Fallback Plan											



BES Directorate

Risk Register: **Month 0 (August 2016) – detailed**

Report Date: 14th November 2016 (pw)

		Action Manager
Fallback Plan	7/78 - Implement appropriate management and contingency plans; review priorities and reprioritise service delivery; media management	CD BES



BES Directorate

Risk Register: **Month 0 (August 2016) – detailed**
 Report Date: 14th November 2016 (pw)

Phase 1 - Identification											
Risk Number	7/232	Risk Title	7/232 - Growth				Risk Owner	CD BES	Manager	AD SR (BES/CS) & Perf BES AD GP&TS	
Description	Failure to deliver the ambition of Sustainable Economic Growth through the delivery of the right housing, transport, and connectivity infrastructure, whilst protecting the outstanding environment and heritage, and within the context of two-tier local government structure and wider macro-economic policy and processes. This results in an inability to attract, retain and grow businesses, increase the house building rate, raise living standards and increase spending power.					Risk Group	Strategic	Risk Type			
Phase 2 - Current Assessment											
Current Control Measures			Direct contribution and support, including through provision of accountable body function, to the YNYER Local Enterprise Partnership; Establishment of an Economic Growth Function within BES; Proactive engagement in LGNY partnership working including through Directors of Development, Chief Housing Officers, and Economic Development Officer Groups; Lead role in enabling and developing YNYER Spatial Framework; Lead role in supporting and developing the NYCC Infrastructure Delivery Steering Group; Lead role in initiating and developing the NYCC Economic Growth Plan; Work to secure Combined Authority / Devolution deal with Government;					Effectiveness			
Probability	M	Objectives	H	Financial	H	Services	H	Reputation	H	Category	2
Phase 3 - Risk Reduction Actions											
						Action Manager	Action by	Completed			
Reduction	7/1505 - Development, agreement and corporate implementation of NYCC Economic Growth and Delivery Plan including secure sign-off by Management Board and senior Elected Members					BES AD GP&TS BES GP&TS HoSP&EG	Sat-31-Dec-16				
Reduction	7/1958 - Develop and implement enhanced collaborative working arrangements with District Councils - Date TBA					BES AD GP&TS					
Reduction	7/1959 - Development and agreement of YNYER Spatial Framework to enable effective long-term planning and investment of infrastructure for growth.					BES AD GP&TS	Fri-31-Mar-17				
Reduction	7/1960 - Maintain good working relationship with the LEP (ongoing)					CD BES	Sat-30-Sep-17				
Reduction	7/1961 - Understand and investigate any impacts of Brexit and ensure opportunities are taken					BES AD EPU CD BES	Sun-30-Sep-18				
Phase 4 - Post Risk Reduction Assessment											
Probability	L	Objectives	H	Financial	H	Services	H	Reputation	H	Category	3
Phase 5 - Fallback Plan											
Fallback Plan	7/551 - Review and revise existing arrangements for sustainable economic growth						Action Manager				
							BES AD GP&TS				

BES Directorate

Risk Register: **Month 0 (August 2016) – detailed**

Report Date: 14th November 2016 (pw)

Phase 1 - Identification											
Risk Number	7/174	Risk Title	7/174 - Opportunities for Devolution in North Yorkshire and Consideration of a Combined Authority				Risk Owner	CD BES	Manager	CD BES	
Description	Failure to take advantage of Devolution opportunities in North Yorkshire resulting in reduced investment and impact on the growth and jobs across North Yorkshire.				Risk Group	Strategic	Risk Type	EPU 176/211			
Phase 2 - Current Assessment											
Current Control Measures		Devolution proposals submitted to Govt., LEP strategic economic plan in place; NYCC retains the Infrastructure Delivery Steering Group; NYCC wide co-ordination of development needs linked to District plans; local authorities are moving towards a joint committee & considering a combined authority; LA Director group in place; plan detailing powers and funding developed;						Effectiveness			
Probability	M	Objectives	H	Financial	H	Services	M	Reputation	H	Category	2
Phase 3 - Risk Reduction Actions											
						Action Manager	Action by	Completed			
Reduction	176/280 - Gain political support both locally and nationally (ongoing)					Chief Exec	Sat-31-Dec-16				
Reduction	176/286 - Directors of Development Group to support the Devolution deal					CD BES	Wed-16-Mar-16	Wed-16-Mar-16			
Reduction	176/320 - Negotiate the economic barriers and opportunities which Devolution can take advantage of with Government					CD BES	Sat-31-Dec-16				
Reduction	176/460 - Establish the geography on which to secure Devolution					Chief Exec	Sat-31-Dec-16				
Reduction	176/469 - Develop detailed business cases for all requirements					Chief Exec	Sat-31-Dec-16				
Phase 4 - Post Risk Reduction Assessment											
Probability	L	Objectives	L	Financial	M	Services	L	Reputation	M	Category	5
Phase 5 - Fallback Plan											
								Action Manager			
Fallback Plan	176/544 - Consider a North Yorkshire deal						CD BES				

BES Directorate

Risk Register: **Month 0 (August 2016) – detailed**

Report Date: 14th November 2016 (pw)

Phase 1 - Identification											
Risk Number	7/23	Risk Title	7/23 - Major Incident and Business Continuity				Risk Owner	CD BES	Manager	CD BES	
Description	Failure to plan and respond effectively to a major incident without major impact upon routine service performance or longer term impact on service delivery. Such incidents may include animal health disease, flooding and other severe weather, Service breakdown including critical resources (eg property, people and ICT) resulting in the need to deliver additional service in order to ensure effective enforcement/containment and minimal disruption to critical services.					Risk Group	Performance	Risk Type			
Phase 2 - Current Assessment											
Current Control Measures		Leadership of BES Management Team and appropriate lead manager; work with other appropriate partners; appropriate major incident and emergency plans; inspection monitoring programmes; systems resilience & back up arrangements in place; business impact analyses and incident management plans are in place; disaster recovery plan; NYCC silver command exercises carried out; implementation of solutions based upon lessons learned from previous major incidents; BES RMG; biannual multi-agency training events; command structure / information flow for business continuity incidents finalised; emergency protocol agreed with Kier and Yorwaste in the event that sites to be open on days when they may otherwise be shut;						Effectiveness			
Probability	L	Objectives	M	Financial	H	Services	H	Reputation	M	Category	3
Phase 3 - Risk Reduction Actions											
						Action Manager	Action by	Completed			
Reduction	7/98 - Review, standardisation and update of business impact analyses and incident management					AD SR (BES/CS) & Perf	Thu-31-Dec-15	Thu-31-Dec-15			
Reduction	7/374 - Ensure that resources are flexible enough to manage unexpected major and business continuity incidents (ongoing)					BES MT	Thu-31-Aug-17				
Reduction	7/444 - Continually review procedures plans and training in relation to major incidents (ongoing)					BES MT	Thu-31-Aug-17				
Reduction	7/446 - Annual live or desk top exercises to test plans (ongoing)					BES MT	Thu-31-Aug-17				
Reduction	7/447 - Finalise command structure / information flow for business continuity incidents					BES MT	Thu-31-Dec-15	Thu-31-Dec-15			
Reduction	7/448 - Carry out silver command exercise including BES representatives					BES MT	Sat-31-Oct-15	Thu-31-Dec-15			
Reduction	7/1957 - Develop a critical infrastructure network in line with HMEP recommendations					BES AD H&T	Wed-30-Nov-16				
Reduction	14/122 - Work with Kier and Yorwaste to develop an emergency protocol in the event that we require sites to be open on days when they may otherwise be shut					BES W&CS WCM BES W&CS WSM	Thu-31-Mar-16	Thu-31-Mar-16			
Phase 4 - Post Risk Reduction Assessment											
Probability	L	Objectives	M	Financial	H	Services	H	Reputation	M	Category	3



BES Directorate

Risk Register: **Month 0 (August 2016) – detailed**

Report Date: 14th November 2016 (pw)

Phase 5 - Fallback Plan		Action Manager
Fallback Plan	7/75 - Review the plans, media management, advise Members	CD BES



BES Directorate

Risk Register: **Month 0 (August 2016) – detailed**

Report Date: 14th November 2016 (pw)

Phase 1 - Identification											
Risk Number	7/18	Risk Title	7/18 - Long Term Waste Service Strategy				Risk Owner	CD BES	Manager	CD BES	
Description	Failure to deliver the long term waste service strategy including: overseeing and managing AmeyCespa in their delivery of AWRP and delivery of waste transfer infrastructure, resulting in programme slippage, delays to Service Commencement Date, increased costs potential from involvement in claims, additional procurement costs, reputational damage, potential failure of Project Agreement, impact on partnering arrangements with CoYC, impact on district councils' collection systems, reduced efficiency, criticism from districts and media.					Risk Group	Performance	Risk Type	W&CS 14/168		
Phase 2 - Current Assessment											
Current Control Measures		AWRP: Signed Project Agreement; property secured; planning permission in place; robust governance through SPV; integrated document management system in use (4projects); Infrastructure Development Manager in post and carrying out weekly site visits/meetings; Independent Tester joint appointment between AmeyCespa NYCC and the funders; access to external advisors; Contract Management Manual/Register of Obligations; suite of monitoring documents in place; Project Board in place; monthly project team meetings; Amey Cespa control of Sub-Contractors; S106 and S278 delivery arrangements in place; Interim framework contract procured; Teckal compliant company; network of Amey Cespa clients; monthly compliance monitoring check; Waste Transfer: Five of seven built (but not controlled); planning application gained for one and being prepared for one other; site secured for two; internal environmental advice obtained; agreed approach with districts; existing contracts in place; Yorwaste cooperating; extensive modelling; new procurements beginning in 13/14 for successor contracts; project board and team including CoYC; agreement for Teckal					Effectiveness				
Probability	L	Objectives	L	Financial	H	Services	L	Reputation	H	Category	3
Phase 3 - Risk Reduction Actions											
						Action Manager	Action by	Completed			
Reduction	7/373 - Seek to formalise joint contract management arrangements with CoY Council including development of devolved plans					BES AD W&CS	Sun-31-Dec-17				
Reduction	7/375 - AWRP – Monitor the AWRP project risk register					BES AD W&CS	Sat-31-Mar-18				
Reduction	7/376 - AWRP – Work with the independent tester to enable Certification of the readiness (July 2017) and takeover (Jan 2018)					BES AD W&CS	Wed-31-Jan-18				
Reduction	14/214 - WT – Confirm business case for new transfer station or procure an alternative solution for Kirby Misperton including identification of source of required additional funding					BES AD W&CS	Sun-30-Apr-17				
Reduction	14/221 - WT – Explore opportunities for sharing with districts (via co-location &/or financial contribution) (ongoing)					BES AD W&CS	Sat-31-Mar-18				
Reduction	14/222 - WT – Confirm business case for new transfer station or procure an alternative solution for Selby including identification of source of require additional funding					BES AD W&CS	Sun-30-Apr-17				
Reduction	14/343 - WT - Complete collaboration agreement with Craven DC					BES AD W&CS	Sat-31-Dec-16				

BES Directorate

Risk Register: **Month 0 (August 2016) – detailed**

Report Date: 14th November 2016 (pw)

Reduction	14/344 - WT - Secure planning consent for Selby (date to be advised when action 14/222 completed)	BES AD W&CS		
Reduction	14/448 - AWRP - Completion of Certification Matrices to ensure the contractor has delivered their obligations where they go beyond the requirements of the independent tester (36% compliance 1116)	BES AD W&CS	Mon-31-Jul-17	
Reduction	14/482 - AWRP - Regular review of key dates schedules / programme & register of obligations	BES AD W&CS	Mon-31-Jul-17	
Reduction	14/483 - AWRP - Develop contingency plan for procurement of alternatives	BES W&CS WSM	Sun-31-Jul-16	Sun-31-Jul-16
Reduction	14/484 - AWRP - Continually monitor delivery of planning requirements and conditions, including S106 and S278 agreements; s278s now complete	BES W&CS WCM	Mon-31-Jul-17	
Reduction	14/793 - AWRP - Monitor the Amey Cespa PPP project risk register	BES W&CS WSM	Sat-31-Mar-18	
Phase 4 - Post Risk Reduction Assessment				
Probability	L	Objectives	L	Financial
			H	Services
			L	Reputation
			M	Category
				3
Phase 5 - Fallback Plan				
				Action Manager
Fallback Plan	7/73 - Rely short term on recently procured arrangements, review strategy, media management			CD BES

BES Directorate

Risk Register: **Month 0 (August 2016) – detailed**

Report Date: 14th November 2016 (pw)

Phase 1 - Identification											
Risk Number	7/175	Risk Title	7/175 - Delivering Change Programmes within BES				Risk Owner	CD BES	Manager	BES MT	
Description	Failure to embed a strong change culture, processes and supporting capacity to deliver ongoing programmes of change in BES e.g. the BES 2020 Change Programme. This could result in adverse impact on service delivery, inability to fully meet current and future financial requirements, internal and external criticism.					Risk Group	Change Mgt	Risk Type			
Phase 2 - Current Assessment											
Current Control Measures			CD BES Staff Updates; reps on 2020NY workstreams; key messages; cascade of 2020NY vision and approach; monitoring of impacts on performance; monitoring of impacts on savings target; 2020 North Yorkshire plans submitted; Savings programme developed; political agreement and acknowledgement of risks; Performance Management framework development; BES Transformation Steering Group; Performance Management Review in BES; BES MT engagement on budget and 2020NY approach; Transformation and VFM; 4 year programme; ICT Strategy; staff survey outcomes partly implemented; Programme transformational rather than savings focussed; ideas generation and review process established; new programme of changes identified and agreed;					Effectiveness			
Probability	L	Objectives	H	Financial	M	Services	H	Reputation	L	Category	3
Phase 3 - Risk Reduction Actions											
							Action Manager	Action by	Completed		
Reduction	7/93 - Continue communication/engagement arrangements with staff on 2020 North Yorkshire programme (ongoing)						BES MT	Sat-30-Sep-17			
Reduction	7/260 - Continue to monitor impacts of BES 2020 Programme (ongoing)						BES MT	Sat-30-Sep-17			
Reduction	7/265 - Promote and embed cultural change through key messages, KIs, manager and non-manager objectives, regular reporting on progress of change projects and impacts of daily operations on delivery of aims (ongoing)						BES MT	Sat-30-Sep-17			
Reduction	7/426 - Carry out staff survey and review results						AD SR (BES/CS) & Perf	Thu-31-Dec-15	Thu-31-Dec-15		
Reduction	7/450 - Continue to deliver savings plan as agreed in MTFS / Budget including the 4% shortfall in 2016/17 (review each year)						AD SR (BES/CS) & Perf	Fri-31-Mar-17			
Reduction	7/451 - Ensure appropriate allocation of resources to deliver change projects (ongoing)						AD SR (BES/CS) & Perf	Sat-30-Sep-17			
Reduction	7/1502 - Support the new ways of working (Modern Council) project as a catalyst for change						BES MT	Sun-30-Apr-17			
Reduction	7/1503 - Develop an approach to portfolio management with BES to position programme as transformational rather than savings focussed						BES MT	Thu-31-Dec-15	Thu-31-Dec-15		
Reduction	7/1504 - Continue with implementation of the action plan developed following the staff survey (ongoing)						BES MT	Sat-30-Sep-17			

BES Directorate

Risk Register: **Month 0 (August 2016) – detailed**
 Report Date: 14th November 2016 (pw)

Phase 4 - Post Risk Reduction Assessment											
Probability	L	Objectives	M	Financial	M	Services	M	Reputation	L	Category	5
Phase 5 - Fallback Plan											
									Action Manager		
Fallback Plan	7/539 - Review approach to 2020 NY Change Programme and cultural change management within BES									CD BES	



BES Directorate

Risk Register: **Month 0 (August 2016) – summary**




Report Date: 14th November 2016 (pw)

Identity			Person		Classification												Fallback Plan			
Change	Risk Title	Risk Description	Risk Owner	Risk Manager	Pre						RR		Post						FBPlan	Action Manager
					Prob	Obj	Fin	Serv	Rep	Cat	RRs	Next Action	Prob	Obj	Fin	Serv	Rep	Cat		
◀▶	7/24 - Capital Programme	Ineffective management of capital programme including BALB, LEP, LTP, LTB, Waste Management and projects resulting in significant overspend/underspend, weak use of resources, loss of reputation and performance.	CD BES	AD SR (BES/CS) & Perf	M	M	H	M	M	2	9	30/11/2016	L	M	H	M	M	3	Y	CD BES
◀▶	7/173 - Minerals and Waste Development Framework	Failure to submit a Minerals and Waste Development Framework by end of March 2017 as the basis for development control decision-making resulting in risk of legal challenge through judicial review, appeals with resulting financial and workload implications, adverse implications for the local economy, risk of National Government passing on European fines - The current review by the jt sub committee has the potential to delay the production of the plan, particularly should it request significant changes or evidence gathering in relation to the section on fracking	CD BES	BES AD GP&TS	M	M	M	M	H	2	6	30/09/2016	L	M	M	M	H	3	N	
◀▶	7/189 - Delivery of transport schemes within the LEP's Strategic Economic Plan	Failure to deliver the programme of transport schemes within the LEP's Strategic Economic Plan results in reputational damage to the County Council and impacts upon the potential to secure funding for transport schemes in future rounds of the Local Growth Fund. There is a direct role for H&T to deliver the schemes promoted by the County Council and support the LEP in the Transport role, but also a supporting role to assist third party scheme promoters specifically the district councils.	CD BES	BES AD H&T	M	M	H	L	H	2	5	31/03/2017	L	M	H	L	H	3	Y	CD BES
◀▶	7/7 - Statutory Duties	Failure to carry out statutory duties or meet statutory deadlines (e.g. Health and Safety, safe guarding, information governance, prevention of waste pollution, planning responsibilities, statutory property related issues, driver/vehicle guidance) resulting in Corporate Manslaughter, increased cost/claims, fines/prosecution and criticism.	CD BES	CD BES	M	M	M	M	H	2	7	30/09/2017	L	M	M	M	H	3	Y	CD BES

BES Directorate

Risk Register: **Month 0 (August 2016) – summary**

Report Date: 14th November 2016 (pw)

Identity			Person		Classification											Fallback Plan				
Change	Risk Title	Risk Description	Risk Owner	Risk Manager	Pre						RR		Post						FBPlan	Action Manager
					Prob	Obj	Fin	Serv	Rep	Cat	RRs	Next Action	Prob	Obj	Fin	Serv	Rep	Cat		
- new -	7/232 - Growth	Failure to deliver the ambition of Sustainable Economic Growth through the delivery of the right housing, transport, and connectivity infrastructure, whilst protecting the outstanding environment and heritage, and within the context of two-tier local government structure and wider macro-economic policy and processes. This results in an inability to attract, retain and grow businesses, increase the house building rate, raise living standards and increase spending power.	CD BES	AD SR (BES/CS) & Perf BES AD GP&TS	M	H	H	H	H	2	5	31/12/2016	L	H	H	H	H	3	Y	BES AD GP&TS
	7/174 - Opportunities for Devolution in North Yorkshire and Consideration of a Combined Authority	Failure to take advantage of Devolution opportunities in North Yorkshire resulting in reduced investment and impact on the growth and jobs across North Yorkshire.	CD BES	CD BES	M	H	H	M	H	2	5	31/12/2016	L	L	M	L	M	5	Y	CD BES
	7/23 - Major Incident and Business Continuity	Failure to plan and respond effectively to a major incident without major impact upon routine service performance or longer term impact on service delivery. Such incidents may include animal health disease, flooding and other severe weather, Service breakdown including critical resources (eg property, people and ICT) resulting in the need to deliver additional service in order to ensure effective enforcement/containment and minimal disruption to critical services.	CD BES	CD BES	L	M	H	H	M	3	8	30/11/2016	L	M	H	H	M	3	Y	CD BES
	7/18 - Long Term Waste Service Strategy	Failure to deliver the long term waste service strategy including: overseeing and managing AmeyCespa in their delivery of AWRP and delivery of waste transfer infrastructure, resulting in programme slippage, delays to Service Commencement Date, increased costs potential from involvement in claims, additional procurement costs, reputational damage, potential failure of Project Agreement, impact on partnering arrangements with CoYC, impact on district councils' collection systems, reduced efficiency, criticism from districts and media.	CD BES	CD BES	L	L	H	L	H	3	13	31/07/2016	L	L	H	L	M	3	Y	CD BES

BES Directorate

Risk Register: **Month 0 (August 2016) – summary**

Report Date: 14th November 2016 (pw)

Identity			Person		Classification											Fallback Plan				
Change	Risk Title	Risk Description	Risk Owner	Risk Manager	Pre						RR		Post					FBPlan	Action Manager	
					Prob	Obj	Fin	Serv	Rep	Cat	RRs	Next Action	Prob	Obj	Fin	Serv	Rep			Cat
▼	7/175 - Delivering Change Programmes within BES	Failure to embed a strong change culture, processes and supporting capacity to deliver ongoing programmes of change in BES e.g. the BES 2020 Change Programme. This could result in adverse impact on service delivery, inability to fully meet current and future financial requirements, internal and external criticism.	CD BES	BES MT	L	H	M	H	L	3	9	31/03/2017	L	M	M	M	L	5	Y	CD BES

Key	
▲	Risk Ranking has worsened since last review.
▼	Risk Ranking has improved since last review
◀▶	Risk Ranking is same as last review
- new -	New or significantly altered risk

NORTH YORKSHIRE COUNTY COUNCIL**AUDIT COMMITTEE****1 DECEMBER 2016****PROGRESS ON 2016/17 INTERNAL AUDIT PLAN****Report of the Head of Internal Audit****1.0 PURPOSE OF THE REPORT**

- 1.1 To inform Members of the progress made to date in delivering the 2016/17 Internal Audit Plan and any developments likely to impact on the Plan throughout the remainder of the financial year.

2.0 BACKGROUND

- 2.1 Members approved the 2016/17 Audit Plan on the 23 June 2016. The total number of planned audit days for 2016/17 is 1,290 (plus 912 days for other work including counter fraud and information governance). The performance target for Veritau is to deliver 93% of the agreed Audit Plan.
- 2.2 This report provides details of how work on the 2016/17 Audit Plan is progressing.

3.0 INTERNAL AUDIT PLAN PROGRESS BY 31 OCTOBER 2016

- 3.1 The internal audit performance targets for 2016/17 were set by the County Council's client officer. Progress against these performance targets, as at 31 October 2016, is detailed in **Appendix 1**.
- 3.2 Work is ongoing to complete the agreed programme of work. It is anticipated that the 93% target for the year will be exceeded by the end of April 2017 (the cut off point for 2016/17 audits). **Appendix 2** provides details of the final reports issued in the period. A further 6 audit reports have been issued but are still in draft.

Contingency and Counter Fraud Work

- 3.3 Veritau continues to handle cases of suspected fraud or malpractice. Such assignments are carried out in response to issues raised by staff or members of the public via the Whistleblower Hotline, or as a result of management raising concerns. Since the start of the current financial year, 40 cases of suspected fraud or malpractice have been referred to Veritau for investigation. 12 of these are internal fraud cases, 9 social care and 4 external fraud. A further 15 cases relate to applications for school places. A number of these investigations are still ongoing. Work is also progressing with the North Yorkshire and York counter fraud initiative which has been grant funded by the Department for Communities and Local Government (DCLG). The project involves proactive data matching designed to identify and prevent fraud losses within high risks areas such as social care, council

tax, NNDR and procurement. To date the project has helped to recover fraud totalling £493k.

Information Governance

- 3.4 Veritau's Information Governance Team (IGT) continues to handle a significant number of information requests submitted under the Freedom of Information and Data Protection Acts. The number of FOI requests received between 1 April 2016 and 31 October 2016 is 734 compared with 710 requests received during the corresponding period in 2015/16. The IGT is currently exceeding the performance response target of 95% for 2016/17 with 97.3% of requests so far being answered within the statutory 20 day deadline. The IGT also coordinates the County Council's subject access requests and has received 136 such requests between 1 April 2016 and 31 October 2016 (note this figure has increased on previous years because we are now able to report on all subject access requests received by the Council rather than just those managed by Veritau).
- 3.5 Veritau is continuing to assist with the implementation of the County Council's information governance framework. As part of this, Veritau auditors continue to undertake a programme of unannounced audit visits to County Council premises in order to assess staff awareness of the need to secure personal and sensitive information.

Variations to the 2016/17 Audit Plan

- 3.6 All proposed variations to the agreed Audit Plan arising as the result of emerging issues and/or requests from directorates are subject to a Change Control process. Where the variation exceeds 5 days then the change must be authorised by the client officer. Any significant variations will then be communicated to the Audit Committee for information. The following variations have been authorised since the plan was approved. The variations follow discussions with management and reflect changes in current priorities:

Add compliance visits to Wilf Ward Trust establishments	+12 days
Add review of bed returns / payments to residential and nursing homes	+20 days
Additional time for Continuing Healthcare audit	+5 days
Provide support to the Assessment, Billing and Contracts project	+15 days
Reduce time allocation for review of LiquidLogic/ContrOCC	-15 days
Defer post implementation review of LiquidLogic/ContrOCC (to 2017/18)	-15 days
Reduce time allocation for review of financial assessments	-7 days
Delete Best Practice and Benchmarking review	-20 days
Contingency (15 days remaining)	+5 days
Net change to plan	nil

Follow Up of Agreed Actions

- 3.7 Veritau follow up all agreed actions on a regular basis, taking account of the timescales previously agreed with management for implementation. A new escalation procedure has been introduced to formalise the reporting process in the

event that agreed actions are not implemented or management fail to provide adequate information to enable an assessment to be made. At this stage in the year, there are no actions which have needed to be escalated. On the basis of the follow up work undertaken during the year to date, the Head of Internal Audit is therefore satisfied with the progress that has been made by management to implement previously agreed actions necessary to address identified control weaknesses.

4.0 **RECOMMENDATION**

4.1 Members are asked to note the progress made in delivering the 2016/17 Internal Audit programme of work and the variations agreed by the client officer.

Report prepared and presented by Max Thomas, Head of Internal Audit

Max Thomas
Head of Internal Audit
Veritau Limited
County Hall
Northallerton

14 November 2016

Background Documents: Relevant audit reports kept by Veritau at 50 South Parade, Northallerton.

PROGRESS AGAINST 2016/17 PERFORMANCE TARGETS (AS AT 31/10/2016)

Indicator	Milestone	Position at 31/10/2016
To deliver 93% of the agreed Internal Audit Plan	93% by 30/4/17	36.45%
To achieve a positive customer satisfaction rating of 95%	95% by 31/3/17	100%
To ensure 95% of Priority 1 recommendations made are agreed	95% by 31/3/17	100%
To ensure 95% of FOI requests are answered within the Statutory deadline of 20 working days	95% by 31/3/17	97.28% ¹

¹ Performance to 30/9/16

FINAL 2016/17 AUDIT REPORTS ISSUED TO DATE

Audit Area	Directorate	Overall Opinion
Information security incidents x 4	Corporate	N/A
Information security compliance (Jesmond House, Harrogate)	Corporate	Limited assurance
Information security compliance (Manor Road, Knaresborough)	Corporate	Limited assurance
Contracts with Dalewood Trust	Contract	N/A
Best Value Forms compliance	Contract	N/A
Care home visit (The Orchards, Wistow)	HAS	Substantial assurance
Care home visit (Craegmore Priory)	HAS	High assurance
Care home visit (Henshaws, Harrogate)	HAS	Substantial assurance
Care home visit (Conroy Close, Easingwold)	HAS	High assurance
Wilf Ward Trust (Winton Road)	HAS	Substantial assurance
Wilf Ward Trust (Newsham Way)	HAS	Substantial assurance
Local Welfare Assistance Scheme	CS	Substantial assurance
IT schools IT data centre (Highfield House)	ICT	Limited assurance

NORTH YORKSHIRE COUNTY COUNCIL**AUDIT COMMITTEE****1 December 2016****RISK MANAGEMENT – PROGRESS REPORT****Report of the Corporate Director – Strategic Resources****1.0 PURPOSE OF THE REPORT**

- 1.1 To receive details of the updated Corporate Risk Register.
- 1.2 To note progress on other Risk Management related matters

2.0 BACKGROUND

- 2.1 According to the Terms of Reference of the Audit Committee, its role in risk management is:
 - (i) to assess the effectiveness of the authority's risk management arrangements and
 - (ii) to review progress on the implementation of risk management throughout the authority.
- 2.2 Following a recommendation by this Committee, the Leader of the County Council and the Executive Member for Central Services formally approved a revised Corporate Risk Management Policy on 3 March 2015 with a provision that it will be reviewed and updated every three years.
- 2.3 Regular reports to this Committee therefore cover the implementation of the Policy and associated Strategy as well as other related risk management matters in order to fulfill this role.

3.0 CORPORATE RISK REGISTER

- 3.1 The Corporate Risk Register (CRR) is fully reviewed every year and updated by the Chief Executive and Management Board in October/November. A six monthly review is then carried out in April.
- 3.2 An annual update of the Corporate Risk Register was carried out in November – see attached at **Appendix A**. This involved reviewing the risks, risk controls, risk reductions and risk rankings that had been identified for each of the risks and making amendments to the Register where necessary.

3.3 The significant amendments that were made to the Register since last time are as follows:

New risks

- Schools Organisation Policy and Place Planning
- Growth

Deleted risks

- Performance Management – this risk is no longer considered to be at the corporate level although it is recognised that there is more to be done.
- Educational Outcomes – this risk has been taken off as approximately 90% of North Yorkshire schools are good or outstanding. It is still considered at Directorate level.
- Major Emergencies in the Community – this risk has been taken off the corporate risk register as it is felt that the risk is managed well and planning for emergencies is in place. It is still considered at Directorate level.

Significantly Changed Risks

- 2020 North Yorkshire Change Programme and Beyond – the ranking of this risk has worsened from 2:3 to 1:2.
- Economic Development and Opportunities for Devolution in North Yorkshire – the ranking has worsened from 2:5 to 1:4.

The rankings of all the remaining risks remained the same (as shown on the summary in the left hand column of **Appendix A**). However please see the table at the bottom of **Appendix A** for an explanation of the left hand column.

3.4 To assist Members interpret **Appendix A**

- Risks are identified by Management Board during a prep meeting and workshop
- Each risk has then to be ranked based on the following:
 - existing risk controls in place
 - probability of the risk occurring (based on existing controls)
 - impact of the risk occurring (based on existing controls)
 - further risk controls which may reduce current probability or impact
- The prioritisation system follows a fairly traditional risk evaluation approach in that the **probability** and **severity** of risks is measured using High, Medium and Low categories

- However, to facilitate the assessment of the severity of each risk this is done in relation to 4 distinct **impact areas**:-
 - failure to meet key service **objectives** and standards – reflecting current service plans
 - **financial** impact
 - **service** delivery
 - loss of image or **reputation**

- As each risk is ranked with reference to current controls and then future controls, the risk prioritisation system can compute a “score” in the range of 1 to 5
 - 1 and 2 being a ‘red’ risk
 - 3 and 4 being an ‘amber’ risk and
 - 5 being a ‘green’ risk

One of the key things to look for in the Register is the movement of the score (described as Classification on the summary in **Appendix A**) as between the ‘Pre’ (i.e. present stage) and ‘Post’ (i.e. after risk mitigations are in place). For certain risks, however, this does not change as the risk mitigations cannot prevent the event (e.g. severe flood) but can address/reduce its impact.

4.0 TENDER FOR INSURANCES

- 4.1 The annual insurance renewals for the County Council take place on 1 October each year. The previous contract period expired this year and so a procurement exercise was carried out. The tender process that was used was the OJEU Process – Open Procedure.
- 4.2 The following insurances and associated claims handling service were procured:
- Casualty Insurance (including employer’s liability, public liability, official’s indemnity and professional indemnity), plus associated claims handling.
 - Property (including material damage for buildings and contents and business interruption – additional expenses).
 - Motor (comprehensive cover), plus associated motor liability claims handling.
 - Personal Accident and Travel (including business travel and school journey insurance).
 - Engineering Inspection (not insurance).

4.3 The outcome of the exercise in terms of type of cover, excess and insurer is as follows:

- Casualty (£250,000 excess)
- Motor (£75,000 excess reduced from £100,000)
- Property (£100,000 excess)
- Personal Accident/Travel (mainly purchased for schools as part of Traded Service)
- Engineering inspections (not insurance)
- RMP/QBE
- Travelers/Top Mark
- Zurich Municipal
- RMP/AIG
- RMP/HSB

4.4 The total premium net of 10% Insurance Premium Tax is approximately £1,329,470. The total anticipated savings net of Insurance Premium Tax is £104,416. Some of the saving on the Property insurance is attributable to a reduction in the sum insured for buildings. This is due to schools converting to academies. However most of the saving has been reduced due to an increase in Insurance Premium Tax from 6% to 10% with effect from 1 October 2016.

5.0 RECOMMENDATIONS

That the Committee:

- (i) notes the updated Corporate Risk Register (**Appendix A**).
- (ii) notes the position on other Risk Management related matters

GARY FIELDING
Corporate Director – Strategic Resources

County Hall, Northallerton

December 2016




Author of report: Fiona Sowerby, Corporate Risk and Insurance Manager
Tel 01609 532400

Background papers: None

Corporate Risk Register

Appendix A

Risk Register: **month 0 (November 2016) – summary**
 Report Date: 10th November 2016 (pw)

Identity			Person		Classification												Fallback Plan			
Change	Risk Title	Risk Description	Risk Owner	Risk Manager	Pre						RR		Post						FBPlan	Action Manager
					Prob	Obj	Fin	Serv	Rep	Cat	RRs	Next Action	Prob	Obj	Fin	Serv	Rep	Cat		
	20/207 - 2020 North Yorkshire Change Programme and beyond	Failure to successfully implement the Programme and Modern Council ways of working resulting in inability to meet financial savings requirements, sub-optimal decision making and poorer quality of services.	Chief Exec	CSD SR AD T&C	H	H	H	H	H	1	13	31/12/2016	M	H	H	H	H	2	Y	All Mgt Board
	20/1 - Funding Challenges	Inadequate funding available to the County Council to discharge its statutory responsibilities and to meet public expectation for the remainder of the decade resulting in legal challenge, unbalanced budget and public dissatisfaction	Chief Exec	CD SR	H	H	H	H	H	1	7	31/01/2017	M	H	H	M	M	2	Y	All Mgt Board
	20/194 - Major Failure due to Quality and/or Economic Issues in the Care Market	Major failure of provider/key providers results in the Directorate being unable to meet service user needs. This could be caused by economic performance or resource capabilities including recruitment and retention. The impact could include loss of trust in the Care Market, increased budgetary implications and issues of service user safety.	CD HAS	HAS AD Q&E	H	M	H	M	H	1	14	31/10/2016	H	M	M	M	M	2	Y	HAS AD Q&E
- new -	20/205 - Schools Organisation Policy and Place Planning	Failure to assess and manage the combined effects of changes in the national school policy and funding framework, demographics (both rising and falling as a result of housing market changes) and national and local political circumstances, resulting in a fragmentation of the network of services for children, growing numbers of unsustainable and/or failing schools, insufficient school places, fragmentation due to academisation, increased public dissatisfaction, and loss of confidence in the County Council as local authority.	Chief Exec	CD CYPS	H	M	H	M	M	1	12	31/07/2017	M	M	H	M	M	2	Y	CD CYPS

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Risk Register: **month 0 (November 2016) – summary**
 Report Date: 10th November 2016 (pw)

Identity			Person		Classification												Fallback Plan			
Change	Risk Title	Risk Description	Risk Owner	Risk Manager	Pre						RR		Post						FBPlan	Action Manager
					Prob	Obj	Fin	Serv	Rep	Cat	RRs	Next Action	Prob	Obj	Fin	Serv	Rep	Cat		
◀▶	20/187 - Information Governance	Ineffective information governance arrangements lead to unacceptable levels of unauthorised disclosure of personal and sensitive data, poor quality or delayed responses to FoI requests, and inability to locate key data upon which the Council relies resulting in loss of reputation, poor decision making, fine, etc	Chief Exec	CD SR	H	M	M	M	H	1	6	31/12/2016	M	L	M	L	M	4	Y	CD SR
▲	20/334 - Opportunities for Devolution in North Yorkshire and Consideration of a Combined Authority	Failure to take advantage of Devolution opportunities in North Yorkshire resulting in reduced investment and impact on the growth and jobs across the whole of North Yorkshire.	Chief Exec	CD BES	H	M	H	M	M	1	4	31/12/2016	M	L	M	M	L	4	Y	Chief Exec CD BES
◀▶	20/47 - Partnership and Integration with the NHS	Failure to agree outline integration plans by 2017 leading to full integration plans by 2020 with the NHS, in the context of managing 3 ST Plans and failure to develop and implement new models of care. This could result in a negative impact on Devolution proposals, fragmentation of NY partnership planning and delivery arrangements, increased costs and inconsistent / poorer service delivery to local people	Chief Exec	CD HAS	M	M	H	M	M	2	22	31/10/2016	M	M	H	M	M	2	Y	CD HAS
◀▶	20/189 - Safeguarding Arrangements	Failure to have a robust Safeguarding service in place results in risk to vulnerable children, adults and families and not protecting them from harm.	Chief Exec	CD HAS CD CYPS	M	H	M	M	H	2	21	31/10/2016	L	H	M	M	H	3	Y	CD CYPS CD HAS

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Risk Register: **month 0 (November 2016) – summary**
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Identity			Person		Classification												Fallback Plan			
Change	Risk Title	Risk Description	Risk Owner	Risk Manager	Pre						RR		Post						FBPlan	Action Manager
					Prob	Obj	Fin	Serv	Rep	Cat	RRs	Next Action	Prob	Obj	Fin	Serv	Rep	Cat		
- new -	20/206 - Growth	Failure to deliver the ambition of Sustainable Economic Growth through the delivery of the right housing, transport, and connectivity infrastructure, whilst protecting the outstanding environment and heritage, and within the context of two-tier local government structure and wider macro-economic policy and processes. This results in an inability to attract, retain and grow businesses, increase the house building rate, raise living standards and increase spending power.	Chief Exec	CD BES	M	M	H	H	H	2	5	31/12/2016	M	M	M	M	M	4	Y	CD BES
	20/389 - Health and Safety	Major Corporate Health and Safety failure resulting in injuries, claims, reputational and service delivery impact and possible prosecution	Chief Exec	CD SR	L	M	M	M	H	3	7	31/03/2017	L	M	M	M	H	3	Y	CSD SR HoH SRM

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Risk Register: month 0 (November 2016) – detailed

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Phase 1 - Identification											
Risk Number	20/207	Risk Title	20/207 - 2020 North Yorkshire Change Programme and beyond				Risk Owner	Chief Exec	Manager	CSD SR AD T&C	
Description	Failure to successfully implement the Programme and Modern Council ways of working resulting in inability to meet financial savings requirements, sub-optimal decision making and poorer quality of services.					Risk Group	Strategic	Risk Type	CS 15/11		
Phase 2 - Current Assessment											
Current Control Measures		2020 North Yorkshire Programme Plan in place and regularly reviewed/updated; Members workshops & political group sessions completed; briefings of Cabinet; regular Mgt Board/Programme Board meetings; staff communication constantly reviewed via intranet and new 'all staff' e mail Directorate and cross cutting themes programme board continue to meet and follow the governance structure; quarterly meetings with finance ADs and programme managers to align savings against programme budgets; Oracle improvements; Behaviour & skills framework reviewed; LGA corporate peer review; review carried out of governance and areas of future focus for Programme Board; all major change programmes are captured within this Programme to better manage dependencies and resources;						Effectiveness			
Probability	H	Objectives	H	Financial	H	Services	H	Reputation	H	Category	1
Phase 3 - Risk Reduction Actions											
						Action Manager	Action by	Completed			
Reduction	15/54 - Regularly review the ICT strategy in light of changes in the organisation both before and after 2020 (ongoing)					CSD SR AD T&C		Thu-31-Aug-17			
Reduction	15/245 - Embed modern council principles through engagement and delivery of Service Operation Model (SOM), implementation of technology, property and OD measures, and a robust review process to measure impact and improvement.					CSD SR T&C SPM (JB)		Sun-30-Apr-17			
Reduction	15/394 - Review and implement action plan following peer review					AD SR (BES/CS) & Perf CSD SR AD T&C		Fri-31-Mar-17			
Reduction	15/406 - Continue to embed cultural change and new ways of working (transformational rather than as a savings programme)					CSD SR AD T&C		Tue-31-Mar-20			
Reduction	15/429 - Continually review capacity and capability within services and the impact upon the workforce of the future					CSD SR AD T&C		Thu-31-Aug-17			
Reduction	15/831 - Continue to monitor delay of Programmes and the effect on benefits (ongoing)					CSD SR AD T&C		Thu-31-Aug-17			
Reduction	15/837 - Continue to implement the Stronger Communities programme to mitigate against proposed budget cuts, support communities to take over local services, and promote community and individual resilience (ongoing)					CSD AD PP		Thu-31-Aug-17			
Reduction	20/250 - Implement the delivery plan for rationalisation of property in line with new ways of working including further refining of plan and securing resources for Northallerton and delivery of plan in Scarborough					AD SR (CYPS) & Prop		Thu-31-Aug-17			
Reduction	20/403 - Carry out monthly monitoring of communications and engagement plan including key messages and themes (ongoing)					CSD HoC		Thu-31-Aug-17			
Reduction	20/405 - Continue with the implementation plan for Customer Theme in line with new ways of working					Chief Exec		Thu-31-Aug-17			

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Reduction	20/461 - Monitor joined up approach between 'Living Well', CYPS Prevention team and Stronger Communities team and escalate issues to Programme Board if necessary	CSD SR AD T&C	Thu-31-Aug-17									
Reduction	20/463 - Revisit the 2020 Vision and Strategy and produce a draft which replaces the previous version and the Council Plan	Chief Exec	Sat-31-Dec-16									
Reduction	20/505 - Develop new projects to cover the 4% challenge and innovate new ideas to cover the shortfall in expected savings (ongoing)	CSD Mgt Team	Fri-31-Mar-17									
Phase 4 - Post Risk Reduction Assessment												
Probability	M	Objectives	H	Financial	H	Services	H	Reputation	H	Category	2	
Phase 5 - Fallback Plan												
										Action Manager		
Fallback Plan	20/529 - Reprioritisation of savings, further consideration of structures and ways of working										All Mgt Board	



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Phase 1 - Identification											
Risk Number	20/1	Risk Title	20/1 - Funding Challenges				Risk Owner	Chief Exec	Manager	CD SR	
Description	Inadequate funding available to the County Council to discharge its statutory responsibilities and to meet public expectation for the remainder of the decade resulting in legal challenge, unbalanced budget and public dissatisfaction					Risk Group	Resources	Risk Type			
Phase 2 - Current Assessment											
Current Control Measures	Existing MTFS; Members Budget seminars; modelling carried out on implications of CSR and other funds; 2020 North Yorkshire Programme & constituent elements including service reviews; review of 2020NY in Members seminars, Cabinet, and Overview and Scrutiny Committees where Directorate based; 2020NY Programme Management Office; 2020NY Programme Governance; modelling on implications of external funding levels (eg Spending Review Settlement); next phase of savings ideas generated;							Effectiveness			
Probability	H	Objectives	H	Financial	H	Services	H	Reputation	H	Category	1
Phase 3 - Risk Reduction Actions											
						Action Manager	Action by	Completed			
Reduction	20/42 - Carry out annual cycle of base budget reviews of specific services					CD SR	Sat-30-Sep-17				
Reduction	20/46 - Ensure effective consultation/communication with staff, public and Members about ongoing savings requirements					All Mgt Board	Sat-30-Sep-17				
Reduction	20/251 - Identify other savings to feed into the supplementary budget report					All Mgt Board	Sun-31-Jul-16	Fri-30-Sep-16			
Reduction	20/261 - SmartSolutions- attempt to increase contributions/surplus through planned development with a targeted approach					CD SR	Tue-31-Jan-17				
Reduction	20/491 - Identify and target additional savings through corporate procurement Strategy (ongoing)					CD SR	Sat-30-Sep-17				
Reduction	20/554 - Carry out modelling on implications of external funding levels (eg Spending Review Settlement)					CD SR	Tue-31-Jan-17	Fri-14-Oct-16			
Reduction	20/972 - Carry out intensive discussions with CCGs through the Health and Well Being Board in order to secure Better Care Fund for supporting Adult Social Care					CD HAS	Sun-31-Jul-16	Sun-31-Jul-16			
Phase 4 - Post Risk Reduction Assessment											
Probability	M	Objectives	H	Financial	H	Services	M	Reputation	M	Category	2
Phase 5 - Fallback Plan											
Fallback Plan	20/504 - Further fundamental review in order to discharge statutory responsibilities							Action Manager	All Mgt Board		





Phase 1 - Identification											
Risk Number	20/194	Risk Title	20/194 - Major Failure due to Quality and/or Economic Issues in the Care Market				Risk Owner	CD HAS	Manager	HAS AD Q&E	
Description	Major failure of provider/key providers results in the Directorate being unable to meet service user needs. This could be caused by economic performance or resource capabilities including recruitment and retention. The impact could include loss of trust in the Care Market, increased budgetary implications and issues of service user safety.					Risk Group	Legislative	Risk Type	HAS Dir 3/162		
Phase 2 - Current Assessment											
Current Control Measures			Regular review and monitoring contracts; standard contract terms; approvals process; regular meetings to share best practice; experienced staff; regular communication with providers; bulletins; customer feedback; Engagement Group; legal services; CQC; Financial Services & insurance consultation; market analysis; capacity planning; alerts system including brokerage; Service Unit & provider BCPs; QA Framework developed; guidance and ongoing training for purchasing staff; engage with AD ASS; reg meetings with Q&M, Health Commissioner and police; robust comms with CCGs; quality monitoring embedded in Dir perf monitoring; market position statement; reviewed the actual cost of care exercise to incorporate the impact of the national living wage;					Effectiveness			
Probability	H	Objectives	M	Financial	H	Services	M	Reputation	H	Category	I
Phase 3 - Risk Reduction Actions											
Reduction	20/467 - Develop and implement new model for personal care and support at home					Action Manager	HAS AD Com HAS AD Q&E	Action by	Fri-31-Mar-17	Completed	
Reduction	20/468 - Continue to revise and update a market position statement					Action Manager	HAS AD Com	Action by	Thu-31-Aug-17	Completed	
Reduction	20/469 - Jointly with Health continue to monitor baseline assessments QA framework and risk profiles of providers; targets are reviewed at quarterly officer meetings and info fed into engagement group					Action Manager	HAS AD Q&E	Action by	Wed-31-May-17	Completed	
Reduction	20/470 - Re-establish quarterly Partnership and Partner Liaison meetings (market development board), market analysis and mapping and information sharing					Action Manager	HAS AD Q&E	Action by	Fri-31-Mar-17	Completed	
Reduction	20/471 - Continue with regular engagement meetings with CQC locally and engage with CQCs national programme of identifying providers where there is significant risk of failure					Action Manager	HAS AD Q&E	Action by	Wed-31-May-17	Completed	
Reduction	20/473 - Continue to engage in ADASS work to manage major problems occurring, such as financial issues in the care provider market and ensure robust contingency planning and to learn lessons from serious case reviews at a national level					Action Manager	HAS AD Q&E	Action by	Wed-31-May-17	Completed	
Reduction	20/474 - Work with Veritau on audits of individual suppliers (ongoing)					Action Manager	HAS AD Q&E	Action by	Wed-31-May-17	Completed	
Reduction	20/484 - Consider and implement the recommendations from the actual cost of care exercise; interim payment made awaiting acceptance. Carry out a formal consultation with providers and make decision with HAS Executive Member					Action Manager	HAS AD Q&E	Action by	Mon-31-Oct-16	Completed	
Reduction	20/485 - Complete heat map action plan					Action Manager	HAS HoHR	Action by	Thu-30-Jun-16	Thu-30-Jun-16	
Reduction	20/486 - Implement action plan following outcome of heat map exercise and ensure inclusion of NHS and Partners					Action Manager	HAS HoHR	Action by	Fri-31-Mar-17	Completed	

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Reduction	20/523 - 2020 Market shaping/development project	HAS AD Com HAS AD Q&E	Sat-31-Mar-18								
Reduction	20/524 - Workforce group to develop and support workforce across the sector	HAS AD Q&E HAS HoHR	Sat-31-Mar-18								
Reduction	20/525 - Begin scoping an intervention team	HAS AD Q&E	Wed-31-May-17								
Reduction	20/526 - Introduction of the Q&M database and planning for electronic solutions; awaiting provider list renewal	HAS AD Q&E	Sat-30-Sep-17								
Phase 4 - Post Risk Reduction Assessment											
Probability	H	Objectives	M	Financial	M	Services	M	Reputation	M	Category	2
Phase 5 - Fallback Plan											
Fallback Plan	20/548 - Make client safe, crisis meeting, implement relevant steps, consultation with senior staff and relevant organisations (e.g. Police CQC). Effective communication to relevant parties, utilise established failure plan.									Action Manager	HAS AD Q&E



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Phase 1 - Identification											
Risk Number	20/205	Risk Title	20/205 - Schools Organisation Policy and Place Planning				Risk Owner	Chief Exec	Manager	CD CYPS	
Description	Failure to assess and manage the combined effects of changes in the national school policy and funding framework, demographics (both rising and falling as a result of housing market changes) and national and local political circumstances, resulting in a fragmentation of the network of services for children, growing numbers of unsustainable and/or failing schools, insufficient school places, fragmentation due to academisation, increased public dissatisfaction, and loss of confidence in the County Council as local authority.					Risk Group	Strategic	Risk Type			
Phase 2 - Current Assessment											
Current Control Measures			Consistent monitoring of forecast numbers; Links with District Councils and developers over major housing developments (including ISDG work); Cross-directorate "Strategic Priority Schools" approach; Work with the Education Partnership; Keep up to date with current publications, email, etc; Reg review of DfE and other critical websites; Liaison with other LAs and RSC (Schools Commission); Early assessment of resource implications of new development; Advocacy of NYCC case for funding; new procedures for grant & award acceptance; involvement in appropriate national conferences; participation in DfE priorities when possible; collaboration guidance and toolkit; framework for prioritisation of school organisation issues; briefings provided for elected Members and NY Education Partnership;					Effectiveness			
Probability	H	Objectives	M	Financial	H	Services	M	Reputation	M	Category	1
Phase 3 - Risk Reduction Actions											
						Action Manager	Action by	Completed			
Reduction	20/537 - Carry out modelling of a range of scenarios to understand implications of funding and demographic changes					AD SR (CYPS) & Prop CYPS AD S&C	Sun-31- Jul-16	Sun-31-Jul-16			
Reduction	20/538 - Continue to work with and use effective lobbying channels - ongoing work					AD SR (CYPS) & Prop CYPS AD S&C	Thu-31- Aug-17				
Reduction	20/539 - Develop arrangements to support the process of academisation, where it has been started, to ensure smooth transfer of schools. Assist groups of schools, where appropriate, to develop Multi Academy Trust arrangements					CYPS AD S&C	Thu-31- Aug-17				
Reduction	20/540 - Respond to consultation of Early Years funding and assess implications for the market, seeking to ensure an adequate supply of Early Years places					CYPS AD S&C	Sat-30- Sep-17				
Reduction	20/541 - Continue to encourage, support and build capacity to enable schools to work collaboratively to seek to ensure continued viability					CYPS AD S&C	Thu-31- Aug-17				
Reduction	20/542 - Continue to support alternative models of school leadership including mergers, federations and informal partnerships which is an S&C lead (ongoing)					CYPS AD S&C	Mon-31- Jul-17				
Reduction	20/543 - Ensure appropriate resource is available to schools looking at alternative methods of delivery (ongoing)					CYPS AD S&C	Mon-31- Jul-17				
Reduction	20/544 - Ensure consistent approach corporately to CIL infrastructure funding					CYPS AD S&C	Thu-31- Aug-17				
Reduction	20/545 - Continual review of the estate including maintenance requirement (ongoing)					AD SR (CYPS) & Prop	Thu-31- Aug-17				

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Reduction	20/546 - Exploit alternative sources of funding for the delivery of new school places	CYPS AD S&C	Thu-31-Aug-17								
Reduction	20/547 - Develop constructive relationships with the Regional Schools Commissioner	CYPS AD S&C	Thu-31-Aug-17								
Reduction	20/548 - Work with the Property team to mitigate risks to the delivery of the 2016/17 and 2017/18 capital plans arising from the transfer of the contract with Mouchel to an in-house arrangement	CYPS AD S&C	Thu-31-Aug-17								
Phase 4 - Post Risk Reduction Assessment											
Probability	M	Objectives	M	Financial	H	Services	M	Reputation	M	Category	2
Phase 5 - Fallback Plan											
										Action Manager	
Fallback Plan	20/629 - Investigate failure and resolve; member briefings; media mgt									CD CYPS	

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Phase 1 - Identification												
Risk Number	20/187	Risk Title	20/187 - Information Governance				Risk Owner	Chief Exec	Manager	CD SR		
Description	Ineffective information governance arrangements lead to unacceptable levels of unauthorised disclosure of personal and sensitive data, poor quality or delayed responses to FoI requests, and inability to locate key data upon which the Council relies resulting in loss of reputation, poor decision making, fine, etc					Risk Group	Legislative	Risk Type	CS 15/161			
Phase 2 - Current Assessment												
Current Control Measures			Information Governance Strategy including the associated Policy and Procedure Framework; CIGG Action Plan; data breach process; messages from senior management; on-line training; staff induction; Information Asset Owners identified; information asset registers; DIGCs; posters; intranet information; regular monitoring of electronic communication by ICT; series of unannounced security compliance visits by internal audit; application of all the features of the Information Security Management System (ISMS); FoI – controls include central monitoring of receipt and progress, regular review by Veritau and review of outstanding cases by the Chief Exec on a monthly basis; proactive monitoring of all data; terms of reference reviewed; Directorate virtual group; internal audit support investigation of significant data breaches; CIGG consider reasons for data breaches and cascade lessons learned; secure physical storage and internal info transfer issues resolved; Non NYCC Network Access Policy produced; e learning training packages refreshed; Data Sharing Protocol in place						Effectiveness			
Probability	H	Objectives	M	Financial	M	Services	M	Reputation	H	Category	1	
Phase 3 - Risk Reduction Actions												
							Action Manager	Action by	Completed			
Reduction	15/423 - Continue to emphasise personal responsibility of staff for all information in this area and consider disciplinary action in cases of data breaches						CD SR CSD ACE BS	Thu-31-Aug-17				
Reduction	15/424 - Review and update service information asset registers in line with policy guidelines						Ho Int Audit	Fri-31-Mar-17				
Reduction	15/426 - Ensure individual information sharing agreements completed for each data sharing activity (some agreements are already in place) - (ongoing)						Ho Int Audit	Thu-31-Aug-17				
Reduction	15/431 - Work within services in a prioritised order to ensure information is secure and transferred securely						CSD SR AD T&C	Fri-31-Mar-17				
Reduction	15/432 - Review existing training approach and investigate additional team based reviews to embed practice						CSD SR AD T&C Ho Int Audit	Sat-31-Dec-16				
Reduction	15/433 - Continue communications to staff to ensure good Information Governance including messages from Management Board and associated campaigns (ongoing)						CSD SR AD T&C Ho Int Audit	Thu-31-Aug-17				
Phase 4 - Post Risk Reduction Assessment												
Probability	M	Objectives	L	Financial	M	Services	L	Reputation	M	Category	4	
Phase 5 - Fallback Plan												
									Action Manager			
Fallback Plan	15/514 - Review Action Plan and new technology and continue to raise awareness. Invite ICO to carry out an audit of NYCC IG systems							CD SR				



Phase 1 - Identification												
Risk Number	20/334	Risk Title	20/334 - Opportunities for Devolution in North Yorkshire and Consideration of a Combined Authority					Risk Owner	Chief Exec		Manager	CD BES
Description	Failure to take advantage of Devolution opportunities in North Yorkshire resulting in reduced investment and impact on the growth and jobs across the whole of North Yorkshire.						Risk Group	Strategic		Risk Type		
Phase 2 - Current Assessment												
Current Control Measures			Devolution proposals submitted to Govt., LEP strategic economic plan in place; NYCC retains the Infrastructure Delivery Steering Group; NYCC wide co-ordination of development needs linked to District plans; local authorities are moving towards a joint committee & considering a combined authority; LA Director group in place; plan detailing powers and funding developed;						Effectiveness			
Probability	H	Objectives	M	Financial	H	Services	M	Reputation	M	Category	1	
Phase 3 - Risk Reduction Actions												
							Action Manager	Action by	Completed			
Reduction	20/364 - Gain political support both locally and nationally (ongoing)						Chief Exec		Sat-31-Dec-16			
Reduction	20/916 - Establish the geography on which to secure Devolution						Chief Exec		Sat-31-Dec-16			
Reduction	20/917 - Develop detailed business cases for all requirements						Chief Exec		Sat-31-Dec-16			
Reduction	20/1397 - Negotiate the economic barriers and opportunities which Devolution can take advantage of with Government						CD BES		Sat-31-Dec-16			
Phase 4 - Post Risk Reduction Assessment												
Probability	M	Objectives	L	Financial	M	Services	M	Reputation	L	Category	4	
Phase 5 - Fallback Plan												
										Action Manager		
Fallback Plan	20/551 - Consider a North Yorkshire deal									Chief Exec CD BES		

Phase 1 - Identification									
Risk Number	20/47	Risk Title	20/47 - Partnership and Integration with the NHS			Risk Owner	Chief Exec	Manager	CD HAS
Description	Failure to agree outline integration plans by 2017 leading to full integration plans by 2020 with the NHS, in the context of managing 3 ST Plans and failure to develop and implement new models of care. This could result in a negative impact on Devolution proposals, fragmentation of NY partnership planning and delivery arrangements, increased costs and inconsistent / poorer service delivery to local people				Risk Group	Partnerships	Risk Type	CYPS 24/221 HAS 3/180	

Phase 2 - Current Assessment											
Current Control Measures		<p>HAS: Effective HWB partnership with clear governance providing strategic leadership with a shared performance dashboard; chief Officer representation influencing the development of STPs; HASLT locality delivery model in place actively shaping local integration plans; Joint leadership in Harrogate delivering a new model of care and in Scarborough developing a new model of care; agreement in 2016/17 to protect social care through the Better Care Fund; agreement with NY Commissioner Forum to develop a joint commissioning strategy that will include CHC and other areas; Health and Well-being Strategy in place</p> <p>CYPS: H&W Board; Children's Trust Board; Public Health team; CYPLT; Dir of partnership Commissioning; joint post of Commissioning Manager; joint post of Public Health analyst; CYPS Plan; Health and Well-being Strategy refreshed with children's health as a priority and aligned with the CYPS Plan; JSNA; CYPLT fully briefed and up to date with the changing commissioning landscape and the different roles involved; appropriate engagement secured with CCGs and PCU for commissioning affecting children and young people and their families; services recommissioned for 0-5 and 5 - 19 Healthy Child Programme to ensure close alignment with Preventative Services; children's health performance reviewed at the Children's Trust Board to monitor the impact of changes on children's health outcomes in North Yorkshire; Work with Public Health to embed PH outcomes into the work of CYPS; Director of PH annual 2015 report focussing on children's health; arrangements for services for children with speech, language and communication needs in place and currently remaining under joint review; specifications for 0-5 healthy child service in place; CCGs 'future in mind' plans 2015/16 reflects the needs of Children and Young People in N Yorkshire; tender process for future contracts;</p>					Effectiveness				
Probability	M	Objectives	M	Financial	H	Services	M	Reputation	M	Category	2

Phase 3 - Risk Reduction Actions					
			Action Manager	Action by	Completed
Reduction	20/60 - Ensure new S75 agreement signed by CCGs 2016/17 (ongoing)		AD SR (HAS) & Proc	Wed-30-Nov-16	
Reduction	20/362 - Ensure NHS partners are fully aware of the democratic and political environment they are operating within and liaise with Scrutiny colleagues to ensure a positive outcome (ongoing)		CD HAS	Thu-31-Aug-17	
Reduction	20/363 - Actively monitor relationships, priorities and communications and ensure that HAS managers are fully engaged at appropriate level and review at HAS WLT on a regular basis (ongoing)		CD HAS	Thu-31-Aug-17	
Reduction	20/399 - Develop and implement outline integration plans with CCGs		HAS AD Integration	Fri-30-Jun-17	
Reduction	20/400 - Arrange a HB workshop on the challenges of managing the health and social care economy in N Yorkshire		HAS AD Integration	Wed-30-Nov-16	
Reduction	20/450 - Ensure effective monitoring arrangements for the 0-5 contract are in place		CYPS S&C CMH	Fri-31-Mar-17	

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Reduction	20/451 - Agree and implement new models of care in preparation of 2017 Integration plans in all CCG localities incl. Vanguard (HaRD) Ambitions for Health	CD HAS	Fri-31-Mar-17	
Reduction	20/452 - Engage wider HASLT in testing the implications of different integration models	HAS AD Com HAS AD Integration	Fri-31-Mar-17	
Reduction	20/453 - Contribute to 3 STP draft plans	HAS AD Integration	Mon-31-Oct-16	
Reduction	20/457 - Improve the DToC (Delayed Transfer of Care) performance to avoid financial penalties and reputational issues. Put in place affordable DToC (Delayed Transfer of Care) plans that avoid financial penalties	HAS AD C&SHAS AD Com	Fri-30-Jun-17	
Reduction	20/458 - Consider the viability of a local Risk Share Agreement with NHS Partners (ongoing)	AD SR (HAS) & Proc HAS AD Integration	Thu-31-Aug-17	
Reduction	20/459 - Review governance arrangements for the Health and Wellbeing Board to ensure delivery of the joint H & W Strategy	HAS AD Integration	Fri-31-Mar-17	
Reduction	20/477 - Ensure Healthy Child team and Prevention team collaborate effectively to deliver improved outcomes of Children, Young People and Families	CYPS C&F HoPrev	Sat-30-Sep-17	
Reduction	20/479 - Ensure that the CCGs refreshed 'future in mind' plans 2016/17 reflect the needs of Children and Young People in N Yorkshire	CYPS AD S&C	Fri-31-Mar-17	
Reduction	20/481 - Continue to contribute to the delivery of the workplan for the Health and Well-being Board in relation to children's health priorities and ensure strategic decision making in Health is influenced through alignment with the JSNA and the Children and Young People's Plan (ongoing)	CD CYPS	Sat-30-Sep-17	
Reduction	20/482 - Contribute to the review of the Partnership Commissioning Unit	CD CYPS CYPS Incl HoIE	Fri-31-Mar-17	
Reduction	20/483 - Contribute to the review of delivery arrangements for Health and Wellbeing Board to support implementation of reporting and performance arrangements (joint with HAS)	CD CYPS	Thu-30-Jun-16	Fri-30-Sep-16
Reduction	20/527 - Work with the commissioned provider to ensure Mental Health services are effective	CYPS C&F HoRes	Sun-30-Apr-17	
Reduction	20/528 - Address lessons learned from the SEND inspection to strengthen the partnership with Health	CYPS AD Incl	Mon-31-Jul-17	
Reduction	20/529 - Carry out focussed in depth analyses of children's health in N Yorkshire, raising awareness and seeking actions from partner agencies to mitigate risks around children's physical and mental health, and to inform commissioning decisions	CYPS AD S&C	Wed-30-Nov-16	
Reduction	20/531 - Hold regular contract monitoring and quality assurance meetings with providers including on site commissioning visits	CYPS S&C CMH	Thu-31-Aug-17	
Reduction	20/909 - Carry out tender process for future contracts	CYPS S&C CMH	Tue-31-May-16	Thu-30-Jun-16

Phase 4 - Post Risk Reduction Assessment

Probability	M	Objectives	M	Financial	H	Services	M	Reputation	M	Category	2
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Phase 5 - Fallback Plan

Fallback Plan	20/210 - Escalation to CMB and Executive Members, further engagement with senior tiers in NHS locally, regionally and nationally.	Action Manager
		CD HAS





Corporate Risk Register

Appendix A

Risk Register: **month 0 (November 2016) – detailed**
 Report Date: 10th November 2016 (pw)

Phase 1 - Identification											
Risk Number	20/189	Risk Title	20/189 - Safeguarding Arrangements				Risk Owner	Chief Exec	Manager	CD HAS CD CYPS	
Description	Failure to have a robust Safeguarding service in place results in risk to vulnerable children, adults and families and not protecting them from harm.					Risk Group	Safeguarding	Risk Type	CYPS 24/250 HAS 3/27		
Phase 2 - Current Assessment											
Current Control Measures	<p>CYPS – Safeguarding website; regularly reviewed procedures; monthly performance data for monitoring; audit regime; manager authorisation of all assessments; ICS; family intervention team; training strategy; clear supervision process which is audited on a regular basis; customer contact screening team; OFSTED 'good' categorisation; delivery and implementation of the Child Sexual Exploitation (CSE) strategy with the LSCB;</p> <p>HAS - Detailed action plan; Safeguarding review for the County; revised Safeguarding Boards and sub groups linked to new Care Act provisions; Safeguarding Head of Locality and team; strengthening of Safeguarding policy team; case file audit and review; training plan; best interest assessors in post; better understanding & embedding of Mental Capacity Act Forum; independent chair to Safeguarding Board in place; risk enablement panel developed; countywide safeguarding general manager in place; testing of initial performance metrics for Safeguarding Board has taken place; safeguarding procedures reviewed linked to consultation in light of the Care Act; safeguarding board performance framework; protocol for the relationship between Adults Social Care (and Children's Trust) and the Health and Wellbeing Board agreed and implemented; risk assessment tool launched;</p>							Effectiveness			
Probability	M	Objectives	H	Financial	M	Services	M	Reputation	H	Category	2
Phase 3 - Risk Reduction Actions											
Reduction	20/374 - Ensure compliance with Safeguarding Board and Children and Families' procedures [CYPS]					Action Manager	CYPS AD C&F	Action by	Mon-31-Jul-17	Completed	
Reduction	20/375 - Commission external placements and negotiate specific competencies of staff plus additional medical resources for complex Young People [CYPS]					Action Manager	CYPS C&F HoS&LAC	Action by	Mon-31-Oct-16	Completed	
Reduction	20/376 - Continue to raise awareness of the escalation procedures relating to children missing and at risk of being VEMT [CYPS]					Action Manager	CYPS C&F HoS&LAC	Action by	Mon-31-Jul-17	Completed	
Reduction	20/377 - Ensure all cases of children at risk of CSE are flagged on LCS [CYPS]					Action Manager	CYPS C&F HoS&LAC	Action by	Mon-31-Jul-17	Completed	
Reduction	20/378 - Ongoing Mgt file audit of case files against established assessment standards and staff supervision files [CYPS]					Action Manager	CYPS C&F SMT	Action by	Mon-31-Jul-17	Completed	
Reduction	20/379 - Monitoring and management of performance against agreed targets in the SMT action plan [CYPS]					Action Manager	CYPS C&F SMT	Action by	Mon-31-Jul-17	Completed	
Reduction	20/381 - Implementation of the VEMT (Vulnerable, Exploited, Missing, Trafficked) process through the LSCB (CYPS)					Action Manager	CYPS C&F HoS&LAC	Action by	Mon-31-Oct-16	Completed	
Reduction	20/382 - Feed into review of EDT arrangements (adult lead) (CYPS)					Action Manager	CYPS AD C&F	Action by	Fri-30-Jun-17	Completed	



Corporate Risk Register

Appendix A

Risk Register: **month 0 (November 2016) – detailed**
 Report Date: 10th November 2016 (pw)

Reduction	20/384 - Review of planning structure for Local Safeguarding Board (CYPS)	CYPS C&F SUM	Sat-31-Dec-16								
Reduction	20/385 - Develop an information framework for serious incident data, eg drug death etc [HAS]	AD SR (HAS) & Proc HAS AD Q&E	Sat-31-Dec-16								
Reduction	20/456 - Continued vigilance to ensure our supervisory body role adheres to good practice and national guidance, evidenced by regular reports to HASLT and members [HAS]	HAS AD Q&E	Wed-31-May-17								
Reduction	20/487 - Continue to work with Quality and Engagement team to improve quality assurance; including work with CQC, Health and Healthwatch [HAS]	HAS AD C&S HAS AD Q&E	Thu-31-Aug-17								
Reduction	20/488 - Revise and implement the Quality Assurance Framework [HAS]	HAS Q&E Ho Q&M	Sun-31-Jul-16	Sun-31-Jul-16							
Reduction	20/489 - Ongoing joint work with CYPS to carry out review of approach to domestic abuse and Prevent [HAS]	HAS AD Q&E	Fri-31-Mar-17								
Reduction	20/490 - Complete training in respect of safeguarding policies and procedures and wider awareness training for groups such as elected Members [HAS]	HAS AD C&S	Sat-31-Dec-16								
Reduction	20/532 - Bringing in further experienced staff whenever possible [HAS]	HAS AD C&S	Wed-31-May-17								
Reduction	20/533 - Revise existing safeguarding policies and procedures in light of operational experience [HAS]	HAS AD C&S	Fri-31-Mar-17								
Reduction	20/534 - Carry out the supervisory body role for DoLS to ensure the system works; within priorities agreed [HAS]	HAS AD Q&E	Wed-31-May-17								
Reduction	20/535 - Continue to ensure partners are fully engaged with Safeguarding boards centrally and locally, particularly new health partners (CCGs) - ongoing, two board development days held [HAS]	HAS AD C&S HAS AD Q&E	Wed-31-May-17								
Reduction	20/536 - Embedding safeguarding work to deliver the Transforming Care programme incl. embedding the care act role of Principal Social Worker and Safeguarding Board Manager [HAS]	HAS AD C&S	Wed-31-May-17								
Reduction	20/1176 - Ongoing work to implement the concordat following Winterbourne View [HAS]	HAS AD C&S	Wed-31-May-17								
Phase 4 - Post Risk Reduction Assessment											
Probability	L	Objectives	H	Financial	M	Services	M	Reputation	H	Category	3
Phase 5 - Fallback Plan											
Fallback Plan	20/545 - Carry out necessary review of approach, target underperforming areas and take on lessons learned from any serious case reviews									Action Manager	
										CD CYPS CD HAS	

Corporate Risk Register

Appendix A

Risk Register: **month 0 (November 2016) – detailed**
 Report Date: 10th November 2016 (pw)

Phase 1 - Identification											
Risk Number	20/206	Risk Title	20/206 - Growth				Risk Owner	Chief Exec		Manager	CD BES
Description	Failure to deliver the ambition of Sustainable Economic Growth through the delivery of the right housing, transport, and connectivity infrastructure, whilst protecting the outstanding environment and heritage, and within the context of two-tier local government structure and wider macro-economic policy and processes. This results in an inability to attract, retain and grow businesses, increase the house building rate, raise living standards and increase spending power.					Risk Group	Strategic		Risk Type		
Phase 2 - Current Assessment											
Current Control Measures			Direct contribution and support, including through provision of accountable body function, to the YNYER Local Enterprise Partnership; Establishment of an Economic Growth Function within BES; Proactive engagement in LGNYYP partnership working including through Directors of Development, Chief Housing Officers, and Economic Development Officer Groups; Lead role in enabling and developing YNYER Spatial Framework; Lead role in supporting and developing the NYCC Infrastructure Delivery Steering Group; Lead role in initiating and developing the NYCC Economic Growth Plan; Work to secure Combined Authority / Devolution deal with Government;					Effectiveness			
Probability	M	Objectives	M	Financial	H	Services	H	Reputation	H	Category	2
Phase 3 - Risk Reduction Actions											
						Action Manager	Action by	Completed			
Reduction	20/549 - Development, agreement and corporate implementation of NYCC Economic Growth and Delivery Plan including secure sign-off by Management Board and senior Elected Members					BES AD GP&TS BES GP&TS HoSP&EG	Sat-31- Dec-16				
Reduction	20/550 - Develop and implement enhanced collaborative working arrangements with District Councils - Date TBA					BES AD GP&TS	Sat-31- Dec-16				
Reduction	20/551 - Development and agreement of YNYER Spatial Framework to enable effective long-term planning and investment of infrastructure for growth.					BES AD GP&TS	Fri-31- Mar-17				
Reduction	20/552 - Maintain good working relationship with the LEP (ongoing)					CD BES	Sat-30- Sep-17				
Reduction	20/553 - Understand and investigate any impacts of Brexit and ensure opportunities are taken					BES AD EPU CD BES	Sun-30- Sep-18				
Phase 4 - Post Risk Reduction Assessment											
Probability	M	Objectives	M	Financial	M	Services	M	Reputation	M	Category	4
Phase 5 - Fallback Plan											
									Action Manager		
Fallback Plan	20/553 - Review and revise existing arrangements for sustainable economic growth								CD BES		

Corporate Risk Register

Appendix A

Risk Register: **month 0 (November 2016) – detailed**
 Report Date: 10th November 2016 (pw)

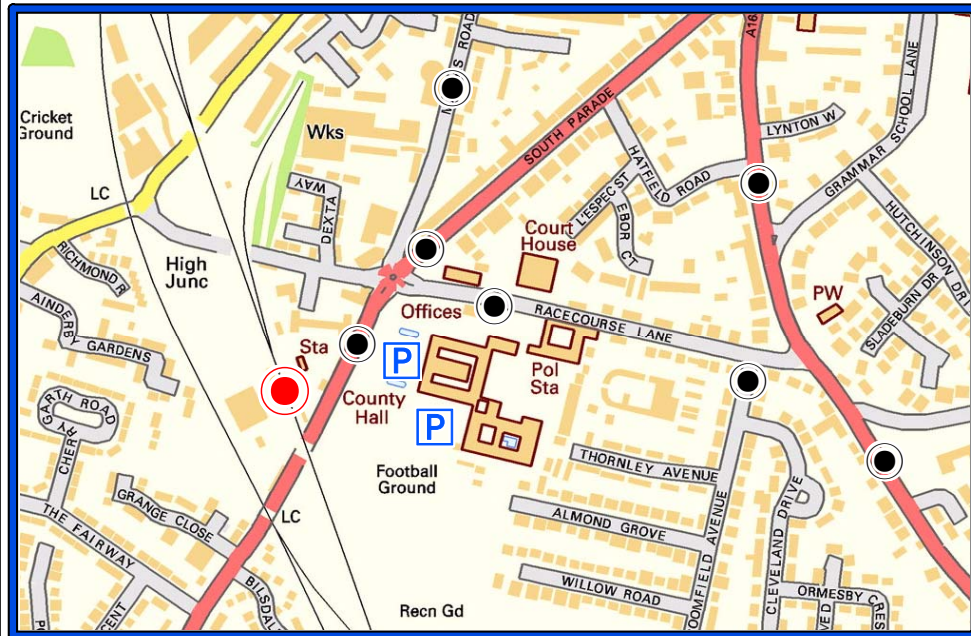
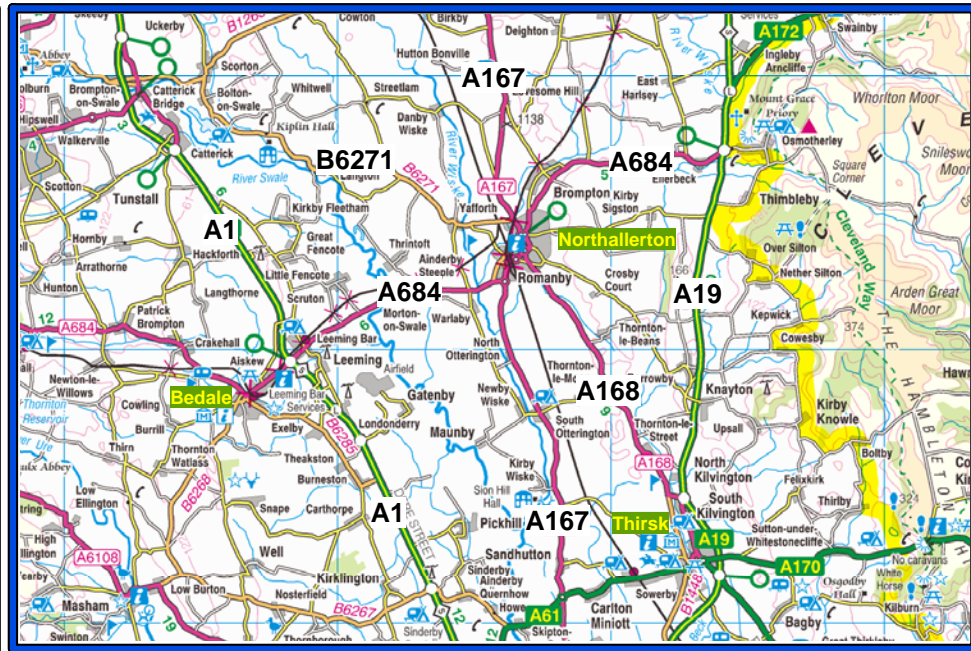
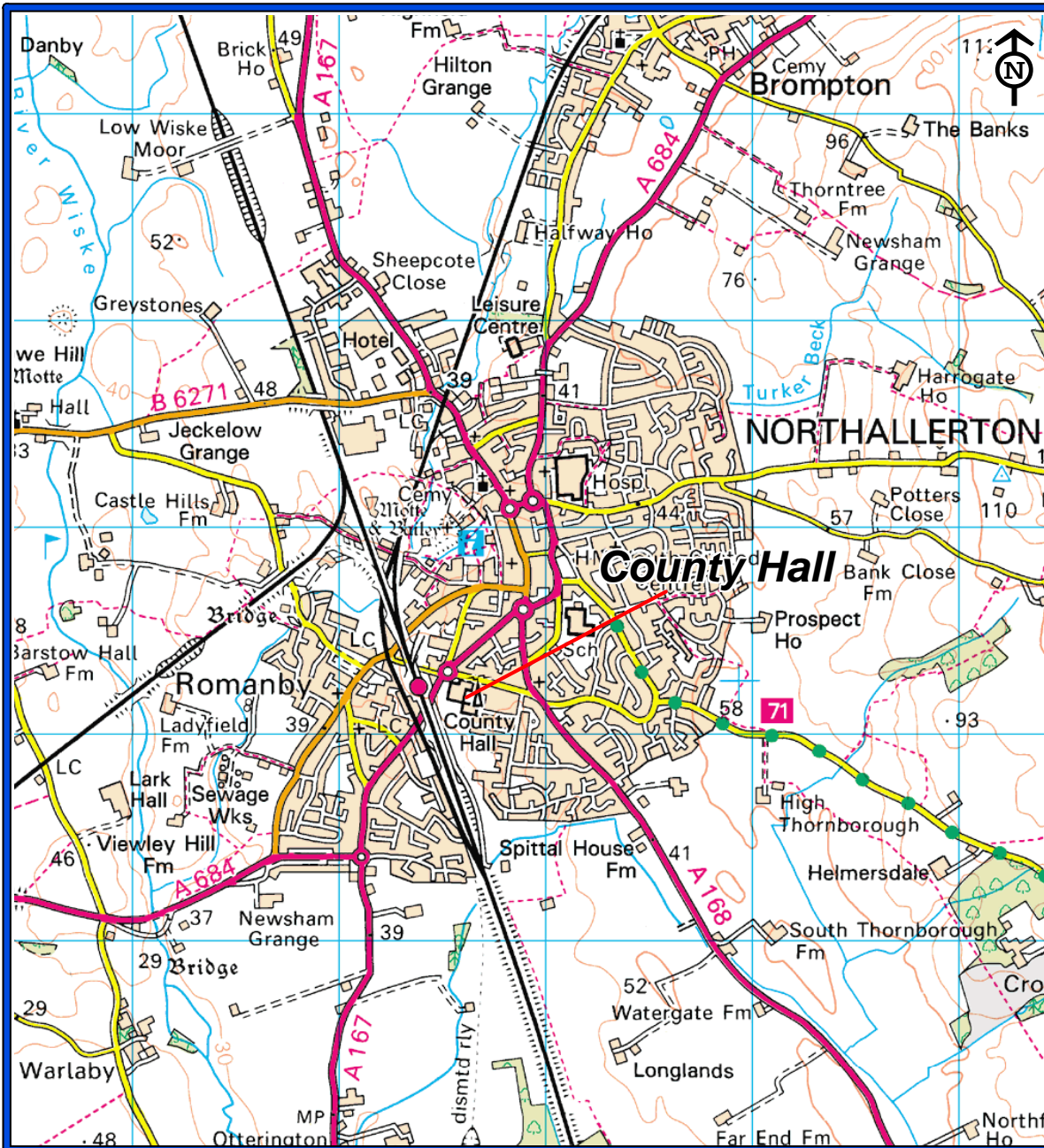
Phase 1 - Identification											
Risk Number	20/389	Risk Title	20/389 - Health and Safety				Risk Owner	Chief Exec		Manager	CD SR
Description	Major Corporate Health and Safety failure resulting in injuries, claims, reputational and service delivery impact and possible prosecution					Risk Group	Legislative		Risk Type	CS 15/183	
Phase 2 - Current Assessment											
Current Control Measures		HSRM Service Plan feeding into Directorate Action Plans; H&S team; Corporate H&S Policy; Corporate and Directorate H&S procedures; intranet and cyps.info sites; Directorate RM groups; RM Working groups; H&S Champions and lead officers; reporting on a regular basis; on-going H&S risk assessment, training, monitoring and audit; corporate H&S training; managers' online H&S training and other modules revised; health and safety function within NYCC (2nd stage) reviewed; Work with City of York Council to agree the new structure for the shared service;							Effectiveness		
Probability	L	Objectives	M	Financial	M	Services	M	Reputation	H	Category	3
Phase 3 - Risk Reduction Actions											
							Action Manager	Action by	Completed		
Reduction	15/248 - Continue delivery of the programme of H&S monitoring (ongoing)						AD SR (CYPS) & Prop	Thu-31-Aug-17			
Reduction	15/249 - Implement the revised directorate H&S action plans in line with the top 10 risks agreed at CRMG and report performance						AD SR (CYPS) & Prop	Thu-31-Aug-17			
Reduction	15/255 - Ensure appropriate operating standards of H&S risk assessments exist and are being implemented locally (linked to 15/249 above)						AD SR (CYPS) & Prop	Thu-31-Aug-17			
Reduction	15/257 - Review and revise the corporate H&S procedures alongside alignment with the safety management system						CSD SR HoHSRM	Fri-31-Mar-17			
Reduction	15/408 - Implement arrangements for H&S function following the agreement of the structure for shared services with City of York Council						AD SR (CYPS) & Prop	Fri-31-Mar-17			
Reduction	15/417 - Carry out review of the health and safety function – 3rd stage						AD SR (CYPS) & Prop	Fri-31-Mar-17			
Reduction	15/427 - Review and revise the employees' online H&S training and other modules						AD SR (CYPS) & Prop	Fri-31-Mar-17			
Phase 4 - Post Risk Reduction Assessment											
Probability	L	Objectives	M	Financial	M	Services	M	Reputation	H	Category	3
Phase 5 - Fallback Plan											
									Action Manager		
Fallback Plan	20/628 - Liaise with HSE, media management, implement fatal/serious injury response guide							CSD SR HoHSRM			

AUDIT COMMITTEE - PROGRAMME OF WORK 2016 / 17

ANNUAL WORKPLAN		JULY 16	SEPT 16	DEC 16	MAR 17	JUNE 17	JULY 17	SEPT 17	DEC 17
Audit Committee Agenda Items									
A	Training for Members (as necessary)	3	1	2	TBA	TBA	TBA	TBA	TBA
	Annual Internal Audit Plan 2016/17				*	*			
	Annual report of Head of Internal Audit 2015/16					*			
	Progress Report on Annual Internal Audit Plan 2015/16		*	*	*			*	*
	Internal Audit report on Children and YP's Service					*			
	Internal Audit report on Computer Audit/Corporate Themes/Contracts		*					*	
	Internal Audit report on Health and Adult Services		*					*	
Internal Audit report on BES			*					*	
Internal Audit report on Central Services				*					
B	Annual Audit Letter			*					*
	Annual Audit Plan 2015/16 (NYCC & NYPF)				*				
	Annual Report / Letter of the External Auditor		*					*	
	Interim Audit Report					*			
	Discussion with External Auditor on 1-to-1 basis								
C	Statement of Final Accounts including AGS (NYCC + NYPF)	*	*				*	*	
	Letter of Representation		*					*	
	Chairman's Annual Report		*					*	
	Effectiveness of Audit Committee					*			
	Changes in Accounting Policies				*				
	Corporate Governance – review of Local Code + AGS					*			
	– progress report inc re AGS					*			
	Risk Management (inc Corporate R/R) – progress report			*		*			*
	Partnership Governance – progress report	*					*		
	Information Governance – progress report				*				
	Review of Finance./Contract/Property Procedure Rules								
	Service Continuity Planning					*			
	Audit Committee Terms of Reference			*					*
	Counter Fraud				*				
	Contract Management			*					*
Treasury Management – Executive February				*					
Corporate Procurement Strategy					*				
VFM Review			*						
D	Work Programme	*	*	*	*	*	*	*	*
	Progress on issues raised by the Committee (inc Treasury Management)		*	*	*	*	*	*	*
E	Agenda planning / briefing meeting	29/06	14/09	16/11					
	Audit Committee Agenda/Reports deadline	04/07	19/09	21/11	17/01				
	Audit Committee Meeting Dates	14/07	29/09	01/12	02/03	22/06	13/07	07/09	30/11

A = Internal Audit
B = External Audit
C = Statement of Final Accounts / Governance
D = Other
E = Dates

◊ before formal meeting
 1 LGPS
 2 Internal / External Auditors
 3 Waste Teckal
 Sessions to be sorted



Visitor Parking at County Hall



Northallerton National Rail Station



Bus Stops

County Hall

Northallerton
North Yorkshire
DL7 8AD



North Yorkshire County Council

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