

Risk and Audit Service: Performance

Audit and Governance Committee
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1. Executive Summary

1.1 This report summarises the performance and activity of the Risk and Audit Service for the period 1 May 2024 to 31 July 2024.

1.2 The report covers each of the areas of the service:

- Internal Audit
- Health and Safety
- Insurance
- Risk and Resilience.
- Counter Fraud

1.3 The report highlights the following key points:

- This has continued to be a busy period for the Service, with the completion of a number of key pieces of work. The performance indicators and key data in this report reflect this positive progress.
- The service continues to seek to support the effective management of risk, which is especially pertinent as the Council transforms.
- The development of the service continues, with a number of improvements having been completed in the period.

2. Introduction

- 2.1 The Risk and Audit Service is managed by the Chief Internal Auditor.
- 2.2 The mission of the Service is *“to deliver a first-class risk and audit service that is highly respected and valued by Sefton and is the envy of our peers”* and the Service has the following objectives:
- To lead the Council in embedding a system of internal control and risk management that facilitates the achievement of the organisation’s objectives.
 - To be a valued corporate influence in promoting the due consideration of risk in Council decisions, strategies, and plans
 - To align the service with the Council’s changing needs.
- 2.3 In delivering this mission and objectives, the Service encapsulates the following teams:
- **Internal Audit** – this statutory service provides the internal audit function for all areas of the Council, including maintained schools. Internal Audit can be defined as: “an independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. Internal Audit helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.” (Public Sector Internal Audit Standards)
 - **Health and Safety** – supports Council officers and members in providing an effective health and safety management system that meets the Council’s statutory health and safety duties; thereby controlling the risks of injury and ill health to staff and others affected by the Council’s activities.
 - **Insurance** – fulfils the duty to provide an appropriate insurance service for the Council, including claims management, advice on insurance issues and the management of insurable risk.
 - **Risk and Resilience** – develops risk management and mitigation strategies for the Council on emergency planning (ensuring that the Council meets its statutory responsibilities as a Category 1 responder under the Civil Contingencies Act 2004), public safety and business continuity issues.

- **Assurance Team** – will develop a Counter Fraud strategy and co-ordinate the development of counter fraud services across the Council.

1.4 This report summarises the main aspects of the performance of the Service for the period 1 May 2024 to 31 July 2024, covering the following areas:

- Internal Audit:
 - work undertaken in the period, including a summary of work completed and an outline of the high priority recommendations made.
 - performance against Key Performance Indicators
 - anti-fraud update
 - developments relating to this part of the Service.
- Health and Safety, Insurance, Risk and Resilience and Assurance and Counter Fraud:
 - work undertaken in the period, with key data provided where applicable.
 - developments relating to these parts of the Service.

2.5 The report concludes by looking ahead to the challenges which will be addressed in the forthcoming period.

3. Internal Audit: Performance Update

3.1 Completion of Audit Plan

Since the last update to the Committee, the team have progressed a range of engagements. The table below outlines the audits in the Audit Plan that have progressed during the year. For engagements where a draft or final report is issued, the Audit Opinion and number of recommendations are identified.

Audit Engagement	Audit Opinion	Recommendations			Current Audit Engagements		
		High	Medium	Low	Draft	Final	Progress since last update
Freshfield Primary	Moderate	0	1	3	26-02-24		Draft Report issued, 23/24 Audit plan
Our Lady of Compassion	Moderate	0	3	1	26-02-24	22.07.24	Final Report issued, 23/24 Audit Plan
Our Lady of Walsingham Primary School	Moderate	0	2	1	19-04-24		Draft Report issued, 23/24 Audit Plan
Our Lady Queen of Peace	Minor	0	1	1	19.04.24		Draft Report issued, 23/24 Audit Plan
St Philips CE Primary	Moderate	0	1	3	19.04.24		Draft Report issued, 23/24 Audit Plan
Maricourt High School	Negligible Risk	0	0	1	19.04.24	23.07.24	Final Report issued, 23/24 Audit Plan
Birkdale	Minor risk	0	1	3	03.12.23	23.07.24	Final Report issued, 23/24 Audit Plan
Northway Primary School	Moderate	0	2	2	11.07.24	22.07.24	Draft report.23/24 audit plan
St Lukes Primary School	Moderate	0	5	1	11.07.24		Draft report.23/24 audit plan

Audit Engagement	Audit Opinion	Recommendations			Current Audit Engagements		
		High	Medium	Low	Draft	Final	Progress since last update
Ursuline Primary School	Minor	0	2	1	10.07.24		Draft report. 23/24 Audit Plan
Summerhill Primary School	Minor	0	1	2	10.07.24	30.07.24	Draft report issued. 23/24 Audit Plan
Petty Cash	Moderate	0	2	5	21.03.24	24.06.24	Final report issued. 23/24 Audit Plan.
Social Value	Moderate	0	5	1	30.05.24	24.06.24	Final report issued. 23/24 Audit Plan
Major Construction Projects	Moderate	1	4	0	29.05.24	21.06.24	Final Report issued. 23/24 Audit Plan
Waste Management	Moderate	0	5	1	05.07.24	06.08.24	Final report issued. 23/24 Audit Plan
Sefton New Directions Risk Management	Moderate	0	3	0	29.05.24	24.06.24	Draft Report issued. 23/24 Audit Plan
SHOL Risk Management	Major	3	1	0	29.05.24	13.06.24	Final report issued. 23/24 Audit Plan
Corporate Governance Review 2023/24	Moderate	0	3	3	07.05.24	02.07.24	Final Report issued. 24/25 Audit Plan
Leisure Centres	Moderate	0	8	2	31.05.24	04.07.24	Draft report issued. 23/24 Audit Plan
Trinity St Peter	Minor	0	0	4	13.05.24		Draft report issued. 23/24 Audit Plan
Merefield	Minor	0	0	1	13.06.24	22.07.24	Draft report issued. 23/24 Audit Plan
Greenacre	Minor	0	1	1	13.06.24		Draft report issued. 23/24 Audit Plan
Jigsaw PRU	Minor	0	0	2	19.06.24	22.07.24	Draft report issued. 23/24 Audit Plan
English Martyrs	Minor	0	0	1	19.06.24		Draft report issued. 23/24 Audit Plan

Audit Engagement	Audit Opinion	Recommendations			Current Audit Engagements		
		High	Medium	Low	Draft	Final	Progress since last update
Crossens Nursery	Minor	0	2	3	19.06.24	23.07.24	Draft report issued. 23/24 Audit Plan
Kings Meadow	Minor	0	0	1	19.06.24	22.07.24	Draft report issued. 23/24 Audit Plan
Christ the King	Minor	0	1	3	19.06.24		Draft report issued. 23/24 Audit Plan
Holy Family High School	Minor	0	0	2	25.06.24	30.07.24	Draft report issued. 23/24 Audit Plan
Fuel Cards	Major	3	5	2	18.07.24		Draft report issued
Procurement New Legislation	Major	2	3	0	17.07.24	31.07.24	Interim report. Further assurance work will be undertaken in early October 2024
ASC – Inspection Preparation	Negligible	0	1	0	29.07.24		Draft report issued, 23/24 Audit Plan
Sefton New Directions 22/23	Moderate	5	8	0	25-01-24	11-07-24	Final Report issued.
Risk Management Health Check	n/a				29-04-24		Draft report issued to Chief Internal Auditor for consideration. Five short- and medium-term recommendations and two longer term recommendations. Response has been provided to external contractor.
Tree Management (External Review)							Following up with Management to ensure that recommendations from the review will be addressed. Historically there has been a fragmented approach to tree management which the review has identified and tried to address. The Risk and Audit Team have produced a joint report with Green Sefton, that was presented to ELT for discussion in December 2023. The outcome if that the Assistant Director of Operational In House Services is the duty holder for trees and the report has been shared with the aim that

Audit Engagement	Audit Opinion	Recommendations			Current Audit Engagements		
		High	Medium	Low	Draft	Final	Progress since last update
					this is included within the proposed workplan to implement tree management across the Council.		
Code of Conduct					Planning completed and fieldwork commenced		
Credit and Debit Cards					Planning completed and field work commenced		
ASC recruitment and retention					Planning completed and field work commenced		
CSC Procurement					Planning commenced		
Marine Lakeside Event Centre					Planning undertaken however management have requested to delay the commencement of the review until another review completed.		
Bulky Waste					Planning commenced on review		
Planning Financials					Planning completed and field work commenced		
Sundry Debtors					Planning commenced		
Council Tax					Planning completed and field work commenced		
Children with disabilities					Planning commenced on review		
Home to School transport					Planning completed and field work commenced		
Out of Area Placements- ASC					Testing commenced on review. Delay due to staff focused on CQC preparation.		
Home to School Transport					Planning commenced		

Audit Engagement	Audit Opinion	Recommendations			Current Audit Engagements		
		High	Medium	Low	Draft	Final	Progress since last update
Community Football Pitches					Planning commenced on review. Postponed following notice that key staff unavailable to sign off the brief and provide information.		
ASC Finance					Planning commenced		
Freedom of Information					Planning completed and fieldwork has commenced		
Consultancy / Management Support – Children’s Services					Finalising revised draft reports for fact finding exercise regarding contract expenditure, procurement of agency workers; Code of Conduct and mandatory training.		

Details of the grants certified are detailed in the table below.

Grants Certified	Value Certified
Maritime Corridor 2023/24 – Q4 Claim	£200k
CRSTS Highways and Non-Highways Maintenance Work 2023/24 - Q4 Claim	£3.2 million
Southport Eastern Access Corridor 2023/24 – Q4 claim	£91k
CRSTS Highways and Non-Highways Maintenance Work 2024/25 - Q1 Claim	£202k
Lord Street 2023/24 – Q1 Claim	£5k
Lord Street 2023/24 – Q2 Claim.	£nil
Lord Street 2023/24 – Q3 Claim	£5k
Lord Street 2023/24 – Q4 Claim	£nil

3.2 High Priority Recommendations

There are the following high priority recommendations made in the final reports issued since the last update to the Committee and management responses on progress with addressing the recommendations.

Procurement – New Regulations –

- Regular monitoring of their attendance and completion of the training via the TPP update reports should take place to provide assurance to ELT on progress.
- ELT should receive update reports on the progress made in implementing the Action Plan on a monthly basis.

Management response on progress: There is still some confusion from the Cabinet Office concerning the implementation dates of the Procurement Act 2023 due to the recent change in Government. However, we are continuing to work towards the 28 October 2024, unless advised to the contrary by the Cabinet Office.

The Sefton Legal and Procurement Teams are working with the Government Training College. The majority of our Legal and Procurement staff now have their ten training sessions certification. They are all progressing to the top-level qualification which will identify them as experts within the Council in time for the implementation of the new legislation by 28 October 2024. Likewise, Service Team staff involved in the procurement processes and procedures (particularly high value contracts) are progressing towards their certification, depending on their levels of involvement in procurement. From a Council wide training perspective, there will be training, and updates provided to all staff so we may ensure awareness and understanding of the implications of the new legislation and who to contact with any new legislation related queries.

The Legal and Procurement Teams are working closely to ensure we have our updated Public Procurement Regulations (PCR) available on time for the implementation date. We continue to have regular meetings to progress the revised and updated documentation. A meeting with our external advisers is scheduled for week commencing 9 September 2024 when we expect to review the final draft of the revised PCR prior to seeking Council approval.”

Major Construction Projects

- Management should agree the end to end processes that are required to be completed for all major construction projects delivered across the Council, including the supporting documents / templates that should be used. This could be achieved by adopting the project lifecycle and templates contained within the GSI Programme Manual for all construction projects.

Management response on progress: The report proposes opportunity for increased focus on consistency of approach to capital project development and delivery, regardless of which service area is leading the project. The Regeneration, Economy and Assets portfolio is progressing this work to ensure the required capacity, expertise and associated processes are in place for a central service delivering this approach, funded by a mix of capital and revenue. Further related areas of review (such as procurement and health and safety) have also been identified, where more detailed and sector-specific review will be beneficial.

SHOL Risk Management

- A Risk Management Policy / Handbook should be developed outlining SHOL's approach to risk management, including the processes in place to identify, record, assess, respond to, monitor and report risks in accordance with CIPFA good practice. Management may wish to adopt Sefton's Risk Management Policy and tailor the document to reflect SHOL's arrangements.
- A Corporate Risk Register should be developed to formally record SHOLs significant risks and risk details including, but not limited to, risk assessments, risk scores, current controls, actions to mitigate risks and risk owners. Management may wish to adopt Sefton's Corporate Risk Register template and tailor the template where appropriate.
- Risk monitoring and reporting arrangements should be established to ensure that the Corporate Risk Register is routinely reviewed, updated and presented to appropriate committee/ board meetings.

Management response on progress: -The report identifies relevant action areas that will be progressed by management after the peak summer season for the business, when capacity allows. The measures identified will be very robust for a business of SHOL's size, and consistent with other council-owned companies.

Sefton New Directions

- Ensure that Articles of Association and changes to Directors are notified to Companies House within statutory timescales. (two recommendations)
- Draft budget for the year should be approved before 1 April, start of the financial year, each year.
- The directors' mandatory training programme should be extended to include all statutory responsibilities.
- The Risk Management Policy should be developed and presented to the Board.

Management response on progress: - The actions relating to mandatory training and Risk Management Policy are now complete. The Company will also ensure that Companies House is notified as and when required. The Company will also approve a draft budget in advance of the financial year, working with the Council to understand the likely level of contract uplift for the year.

3.3 Commissioned Health Check Review of Risk Management undertaken by Gallagher Bassett

The response to the draft report received on 29 April 2024 has not been completed at the time of writing the report and shared with Gallagher Bassett however the key recommendations include:

- Providing more developmental opportunities for staff at all levels to raise understanding particularly amongst front line leaders.
- Updating the Corporate Risk Management Handbook (and appendices) so that it is more user friendly and is clearly recommunicated and available.
- Raising the profile of risk management by publicly celebrating risk management successes within the Council, as well as publishing lessons learned from failures.
- Identifying ways of integrating risk management more overtly so people are aware it's importance within their roles.
- If cross cutting operational risks are being adequately identified and evaluated in a collective / corporate way.
- In the longer term continue to develop the suite of KPI's associated with measuring the performance of the risk management journey and how it can be used more proactively to exploit opportunities.

A response has been provided to Gallagher Bassetts and a further update after the final report has been agreed will be provided to Members at the December meeting.

3.4 2023/24 Resources and Performance

The following table outlines the Audit Team's performance against the Key Performance Indicators outlined in the Audit Plan agreed by the Committee in March 2023.

Description and Purpose	Target	Actual	Variance and Explanation
This measures the extent to which the Internal Audit Plan agreed by this Committee is being delivered. The delivery of the Plan is vital in ensuring that an appropriate level of assurance is being provided across the Council's systems.	See graph below.	See graph below and narrative.	1% variance. Commentary on the performance is noted below.

Description and Purpose	Target	Actual	Variance and Explanation
Percentage of Audit Plan completed.	33%	32%	
Percentage of Client Survey responses indicating a “very good” or “good” opinion This measures the feedback received on the service provided and seeks to provide assurance that Internal Auditors conduct their duties in a professional manner.	100%	100%	One client survey received during quarter.
Percentage of recommendations made in the period which have been agreed to by management. This measures the extent to which managers feel that the recommendations made are appropriate and valuable in strengthening the control environment.	100%	100%	No variance

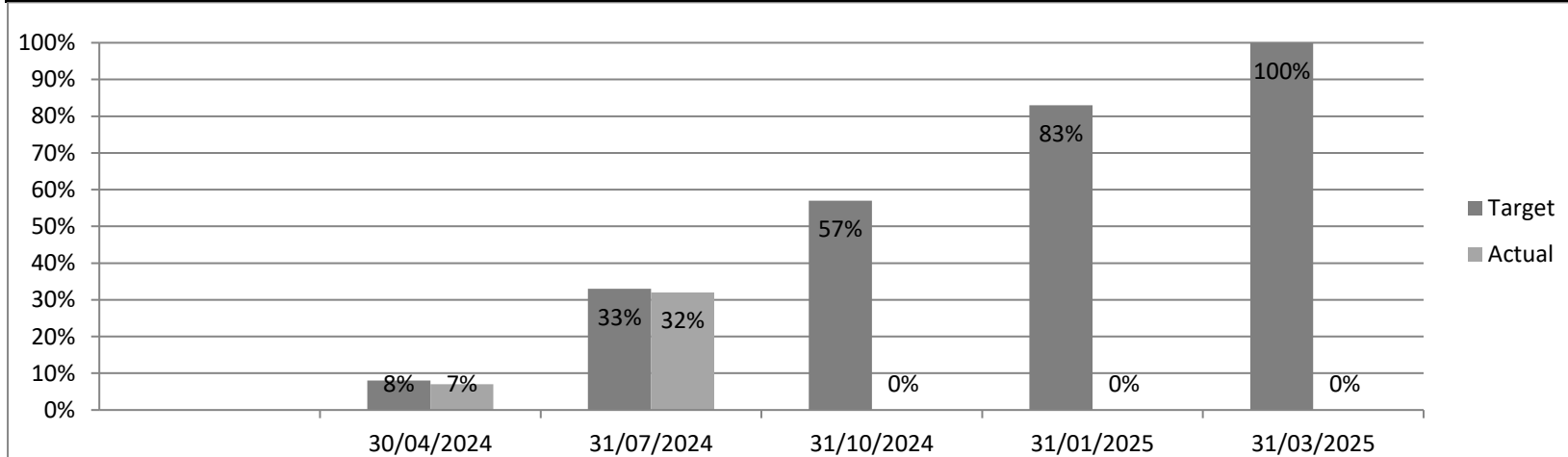


Fig 1: % of 2024/25 Internal Audit Plan completed as at 31 July 2024.

Figure 1 above shows that 32% of the audit plan was completed during the period against a target of 33%. Although close to target overall, some audit areas have taken longer than planned:

- Grant Funding - reflects a larger volume of grants than planned.
- Work carried over from 23/24 audit plan – to be picked up in next year's planning.
- Alleyway Clearance -discussed with auditor

Whilst a number of audits from Quarter 1 have not necessarily been fully completed the auditors are undertaking audits in Quarter 2 as part of an ongoing portfolio of 4/5 audits at anyone time to ensure that the team can work around the organisation's capability and capacity to respond. Therefore, the auditors are more broadly spread across two quarters work.

As reported previously to the Committee, in January 2024, a Principal Auditor joined the team, and we have also obtained the services of a second new agency Principal Auditor for up to six months from June 2024 who joined a first temporary Principal Auditor who started in April 2024. Currently, the team comprises Audit Manager, four Principal Auditors of which two are temporary, a new CIPFA trainee and a vacancy for a Trainee ICT-Auditor.

- A new CIPFA trainee joined the Audit team in April 2024 and a handover of responsibilities has occurred from the previous post holder.
- As per the 2024/25 Audit Plan resources two temporary Principal Auditors have been recruited with one in April 2024 and a second in June 2024. Although the recruitment market for temporary auditors is better than in recent years there is a lack of deeply experienced and qualified staff in the market particularly at the current salary point used for temporary staff and there is significant opportunity for candidates in the market to obtain premium "day rates" from other Public Sector bodies.
- Following the re-structure discussed in the last update the previous Trainee ICT Auditor has moved into another post in the Risk and Audit Team and we have advertised and appointed a Trainee ICT Auditor working through the local universities. The post holder is due to start in September 2024.
- We are currently recruiting to fill the last vacancy from the re-structure, a Principal Auditor.
- In practice, there is a lead time for new members of the team before they are 100% productive in the delivery of audit engagements. During this time, they complete their formal induction, all the necessary mandatory training courses, learn the Internal Audit process (there are similarities and differences between organisations) and are also starting two or three audits engagements which can be fragmented. New starters will not be in the normal ebb and flow of the audit process for several weeks and we estimate there to be approximately ten development days where new starters are not delivering to their full capacity. Whilst we factor this into the audit planning process it is a judgement call on getting the staff member to start into

post and being able to get auditees to provide information with the right timing. Currently, three members of the team have been in post for less than three months, one since January 2024 and two members of the team have been in post for more than a year.

- For the period 1 April to 31 July 2024 there were 12 days lost due to sickness. Two of the absences are ongoing currently and may continue longer which could impinge on the delivery of the audit plan approved in March 2024. A further update will be provided to members at the Committee.

The proposed re-structure of the Risk and Audit Team has implications for the Audit Team which includes a new Principal Auditor and the recruitment to the existing Trainee ICT Auditor post as the post holder moves to another position within the Risk and Audit Team. As we recruit to fill these gaps it should be noted that the focus will be on operational delivery as the Team will consist of two staff members who have little experience of audit and one new staff member who will need to adopt our ways of working and will require substantial management support.

3.5 Public Sector Internal Audit Standards (PSIAS)

In March 2018 the Internal Audit Service was externally evaluated against the PSIAS and was found to generally comply. We report annually to the Committee on our progress and develop an Improvement Plan to further enhance our systems and processes. During 2022/23, the planned external assessment could not be conducted, due to resourcing issues, which has impacted our five-year planning cycle and as a result the service no longer complies with the PSIAS. Despite this, we have completed our annual self-assessment, which will inform our ongoing improvement efforts. Some of the improvements are reported below in 3.10. We are now scheduling an external validation for Q4 2024/25 to ensure compliance with the standards and have contact CIPFA to obtain a review.

3.6 Institute of Internal Auditors International Professional Practices Framework

Internal audit professionals around the globe rely on the International Standards for the Professional Practice of Internal Auditing (Standards) and the International Professional Practices Framework (IPPF) to help navigate the complex world of risk management, governance, and control. For more than a generation, these documents from The Institute of Internal Auditors (IIA), which flow through to the UK Public Sector Internal Audit Standards, have guided practitioners in providing internal audit assurance and advice that is independent, objective, effective, efficient, ethical, and of the highest quality.

We reported in December 2023 that the IIA had released a draft that dramatically changes how the *Standards* and other elements of the IPPF are presented and explained. The new *Global Internal Audit Standards*[™] more clearly articulate the keys to effective internal auditing by grouping the *Standards* into five domains:

- Domain I: Purpose of Internal Auditing
- Domain II: Ethics and Professionalism
- Domain III: Governing the Internal Audit Function
- Domain IV: Managing the Internal Audit Function
- Domain V: Performing Internal Audit Services

In January 2024, the Global Internal Audit Standards were issued which will replace the 2017 International Standards for Professional Practice. The 2017 Standards remain in effect for a 12-month transition period until 9 January 2025. The standards apply to any individual or function that provides internal audit services. The Chief Internal Auditor is accountable for the internal audit function's implementation of and conformance with all principals and standards. All internal auditors are responsible for conforming with the principals and standards relevant to performing their duties. CIPFA have confirmed that revised Public Sector Internal Audit Standards are being developed and will be effective from 1 April 2025.

On January 9, 2024, the Global Internal Audit Standards (GIAS) were issued, which are set to become effective globally on January 9, 2025. These standards, developed by the Institute of Internal Auditors (IIA), will replace the existing International Professional Practice Framework (IPPF), forming the basis for the current UK Public Sector Internal Auditing Standards (PSIAS). This transition marks a significant shift in the regulatory landscape of internal auditing within the UK public sector.

The Relevant Internal Audit Standard Setters (RIASS), comprising HM Treasury, the Scottish Government, the Department of Finance Northern Ireland, the Welsh Government, the Department of Health and Social Care, and the Chartered Institute of Public Finance and Accountancy (CIPFA), have agreed to adopt the new GIAS. This collaboration underscores a unified approach towards enhancing internal audit practices across central government, local government, and the health sector within the UK.

The UK Public Sector Internal Audit Standards Advisory Board (IASAB) has been tasked with reviewing the new standards to tailor them for UK public sector use. This involves identifying sector-specific interpretations and additional material to ensure the standards' applicability and effectiveness. The IASAB aims to issue consultation material by September 2024, allowing for at least an eight-week consultation period to gather feedback from stakeholders in the UK public sector internal auditing community.

Additionally, CIPFA is introducing a Code of Practice for the Governance of Internal Audit in UK Local Government. This new code will align with the GIAS, ensuring that internal audit governance within local authorities meets robust standards. The code aims to establish conditions for effective internal audit arrangements, supporting resource optimization and robust governance.

CIPFA's proposed code addresses the governance of internal audit, detailing responsibilities for heads of internal audit and those charged with governance within local government bodies. The code draws on existing CIPFA guidance and sets forth a roadmap to achieve conformity with the global standards, but tailored specifically for UK local government needs. This initiative also includes practical guidance for local authorities, ensuring that audit committees and senior management understand the critical role and value of internal audit functions.

The transition to the new standards is scheduled for April 1, 2025, aligning with the financial year and facilitating smooth integration into annual audit planning and governance frameworks. Both the IASAB and CIPFA will conduct consultations in the autumn of 2024 to finalize the standards and the code of practice, ensuring comprehensive engagement with all relevant stakeholders.

3.7 Developments and Improvements

We reported in December 2023 that an improvement plan for Internal Audit had been developed. Since the last Audit and Governance Report, Internal Audit has:

- Involvement in the development of an across Risk and Audit Report on Driving Standards and their implementation including eligibility and competency of staff to drive Council vehicles including the use of electric vehicles
- Continued to monitor staff wellbeing during the prolonged period of home working maintaining frequent regular contact with all team members.
- Completed induction process for one new temporary Principal Auditor.
- Recruitment for Trainee ICT Auditor and staff member appointed
- Recruitment for Principal Auditor started
- Continued to implement dedicated team office days to further strengthen our already strong team dynamics.
- Team is now focused on delivering the revised 2024/25 Audit Plan.
- Trialling shorter weekly update meetings with the team.

In the next quarter, the planned development for the service includes:

- Continue with preparations for upcoming Public Sector Internal Audit External Assessment due in coming year.
- Continue with the implementation of the Internal Audit Improvement Plan.
- Begin the process of reviewing the Global Internal Audit Standards to identify gaps in current processes and documentation and add to the existing Internal Audit Improvement Plan.
- Review the approach to school audits.

4. Health and Safety: Performance Update

4.1 Progress

- 4.1.1 The Corporate Health and Safety team consists of four team members, supporting nearly 8,000 staff (including maintained school staff and schools with a Service Level Agreement) in day-to-day health and safety, advising on accidents, incidents and investigations as well as playing the lead role in seven Health and Safety Sub Committees and the main Corporate Health and Safety Committee. This includes providing advice relating to agency staff, contractors and volunteers working on behalf of the Council. The team is also involved in advising upon events (internally led and external) that occur on council land, as well as overseeing the authorisation process of school visits where they are of an adventurous, overseas or residential nature.
- 4.1.2 The Team continues to deliver a range of services across all departments and schools, which can generally be divided into three main areas:
- Policy and communication
 - Operational reactive and proactive response
 - Active monitoring.
- 4.1.3 Health and safety objectives and key performance indicators have been aligned to the council's 'Vision 2030' and 'One Council' initiatives and core values. These are continually reviewed and drive the programme of work, not only for the team but for services areas through the health and safety sub-committees.
- 4.1.4 Health and safety consultation arrangements remain in place, with the Corporate Health and Safety Committee (CHSC) playing a key role in conjunction with the Departmental Health and Safety Sub-Committees. The next scheduled CHSC meeting will take place in September 2024. Seven sub-committees are held and attended by health and safety ahead of the main meeting where salient points raised feed into the main meeting for further discussion and consideration. The structure provides a good avenue for the dissemination of information relating to that particular department and the wider dissemination via the full Committee.

- 4.1.4 The Corporate Health and Safety Policy has been reviewed and updated and now includes measures to bridge a number of loopholes created by current health and safety SLA arrangements.
- 4.1.5 The Health and Safety Team's improvement plan for 2024/25 is well under way, with changes to the schools inspections proposed for September onwards. These will now be targeted instead of all encompassing, concentrating upon such matters as asbestos management, risk assessment and manual handling.
- 4.1.6 The Radiation Protection Officer service will be re-launched by the new team to assure compliance with the storage of low-level radiation products utilised by A level Physics students in schools.
- 4.1.7 An intensive plan of inspections across the civic and Property Service led corporate buildings is also scheduled, with a number of non-civic buildings also being inspected.
- 4.1.8 The Health and Safety team continues to engage in a thorough review of asbestos management both in its council buildings and the schools. This has involved inspections of premises and their accompanying documentation, as well as reactive response upon discovering issues and liaising closely with Building Services. The vast majority of schools have now received asbestos management training by a third-party trainer in Environmental Essentials. Those who have not yet been through have been highlighted to Education Excellence and are subject to a further mop-up exercise. Along with the training, a new Asbestos Management Plan has been drawn up for the schools to follow. Adherence and understanding of the plan will be monitored during inspections, where asbestos management forms part of a targeted audit.
- 4.1.9 There is now a requirement for asbestos management roll out across the corporate estate of the council for which a report has been compiled for the attention of the Executive Leadership Team. This report focusses upon the need to identify duty holders on behalf of the council, as well as Responsible Persons in relevant buildings. This will allow day to day on-site management once those identified have received relevant training. Upon receipt of nominated names, the Health and Safety team will coordinate the training with our supplier, Environmental Essentials
- 4.1.10 There have been two near misses involving fallen trees in the last couple of months which has reaffirmed the Team's focus back to tree management, responsibility for which currently sits with Green Sefton. One of those near misses could have potentially involved a double fatality. Following a report from Gallagher Bassett highlighting improvements that should be put in place an action plan was produced. The Health and Safety Team continue to work with the Operational In-House Services service to establish an effective way forward regarding tree management and the subsequent prioritisation of actions identified.

- 4.1.11 The team has been reviewing procedures relating to the management of grey fleet across the Council, and in particular the responsibility of managers to monitor and check the status of driving documents. The responsibility for checking driving licences and ensuring cars are fit for purpose stem from the longstanding Health and Safety Act's statutory duty of care we have to other road users as a result of actions taken by our employees even if they drive their own vehicles. The Health and Safety team has identified that improvements are required to ensure adequate checks are undertaken consistently across the Council. Proposals will be presented for consideration by ELT to ensure the current procedures are improved and applied consistently.
- 4.1.12 The Team are active members of Sefton Event Safety Advisory Group (SESAG) advising other stakeholders on the Group, as well as event organisers in relation to their responsibilities and best practice. 2023/24 brought about a full schedule of events held across Sefton's parklands and other associated sites, which included everything from music to comedy, food, drink, flowers, fireworks and air displays. All of these have boosted tourism and rejuvenated some of our more disadvantaged neighbourhoods. Whilst most events are relatively low risk in nature, some of the activities incorporated within may be deemed higher risk and require further consideration. Fair rides, inflatables and daredevil stunts are examples of activities that can raise the risk levels of an event and thereby attract the attention of the team. The volume of documentation that can be submitted for such events can be significant. Following an incident at the 2023 Southport Food and Drink Festival, guidance has been formulated relating to the use of inflatable attractions on Sefton land.
- 4.1.13 The Team has recently been involved in the initial planning of Martyn's Law which will affect a number of premises across Sefton's estate. This has led to the identification of those premises and the managers that will be overseeing the process. Free online training programmes have been tested and believed appropriate for incorporation into Sefton's training model. This would require all relevant staff in identified buildings (standard and enhanced tiers) sitting an online course (approx. one hour) in terrorism awareness, with supervisory staff (especially in the enhanced tier) conducting a further one-hour security course.
- 4.1.14 Visits to schools continued throughout the last quarter. This concentrated in the main on those maintained schools that abstained from receiving a health and safety audit in 2023/24 and who continued to abstain in the 2024/25 period. This is another anomaly being addressed in the reviewed Corporate Health and Safety Policy.
- 4.1.15 Visits that have been conducted in schools opting in have generally been well received and the team intends to build upon this success for the 24/25 period. A review of the schools' health and safety SLA was undertaken to maximise the effect of the service, retain current customers and stave off approaches from third party competitors. Instead of a full inspection occurring each year that tied the school and our inspecting team member up for a full day (thereby putting some schools off), audits will now be limited to half a day and run over a three-year cycle. A significant number of our maintained schools (around 17) are in

the process of becoming academies which will impact upon revenue generated by the team, as academies tend to utilise their own health and safety consultants.

4.1.16 Risk assessment remains the mainstay of health and safety and the team receive such documents for review from a range of sources, including corporate departments, schools' external events organisers (via the Evolve database) and from public event organisers (via the Sefton Events Safety Advisory Group). There is a wide range of differing standards when it comes to risk assessment submissions and advice is given upon receipt to strengthen the quality of those submitted. Risk assessments and safe systems of work should be reviewed following accidents or incidents and this message is regularly disseminated by the team to wider management to secure a more robust due diligence system. The team has also been working closely with Property Services to develop its latest risk assessment across the Council's corporate buildings. The standard of risk assessment in most schools has been identified as requiring improvement and will therefore be a major feature for this year's targeted audit.

4.1.17 The team continues to work alongside other Service Areas to review existing practice and establish best practice. Examples of such cross - departmental work include:

- Property Services in relation to:
 - o Fire marshal and first aid provision.
 - o PAT testing.
 - o Security and aggression in public facing council buildings.
 - o Asbestos management / Training
 - o Building etiquette
 - o Review of corporate buildings risk assessments.
- Various parties on the Workforce Wellbeing Group.
- Operational In-House Services and Environmental Health in relation to an Oil Pollution Plan for incidents occurring on our beaches.
- Operational In-House Services and Communities in relation to RIDDOR, tree management and the correct wearing of PPE amongst waste services.
- Various teams in relation to Martyn's Law.
- The Health Unit – in relation to the establishment of health monitoring and provisions for hand / arm vibration.
- Sefton Cleaning and Catering Service in relation to hazards discovered in some school kitchens.
- Sefton Central Training Unit in relation to hazards found within a former school.

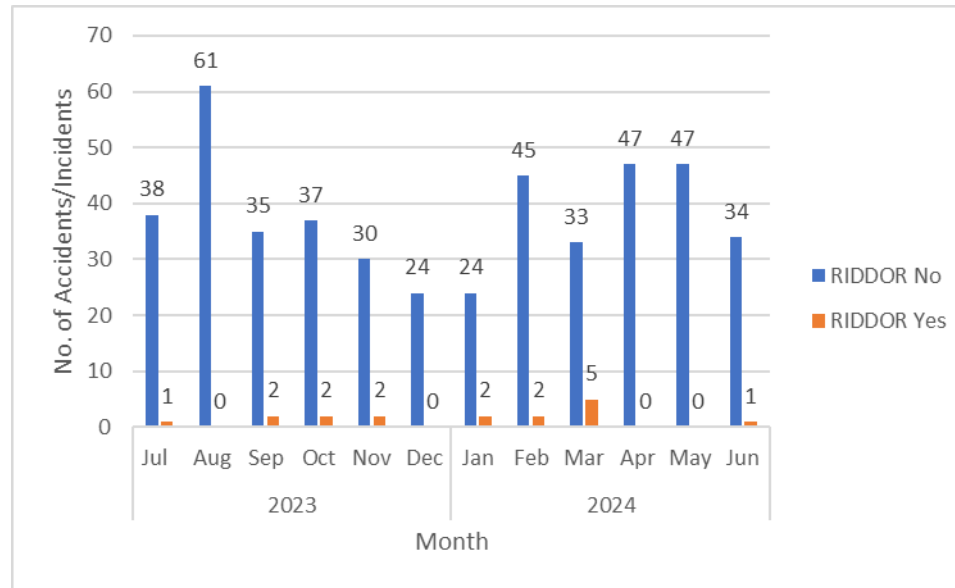
4.1.18 Along with some of the broader projects, the team remains busy with more specific / individual enquiries from both the schools and corporate side. These cover such areas as:

- Pregnancy Risk Assessments
- Stress Risk Assessments
- School's struggling to access the CLEAPSS and Evolve systems.
- The formation of Green / Blue Algae on Crosby Lakeside Adventure Centre.
- The failure of air handling units and excessive temperatures at one of our swimming pools.

4.2 Key Incident Data

4.2.1 The Health and Safety Team continue to manage the Council's incident reporting system which records work-related accidents and incidents involving employees, agency workers, contractors, volunteers, and members of the public.

4.2.2 **Graph 1 below shows the number of Reporting of Injuries Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR) against Non-RIDDOR accident and incident data for the Council over the past 12 months, from 1 July 2023 to 30 June 2024.**

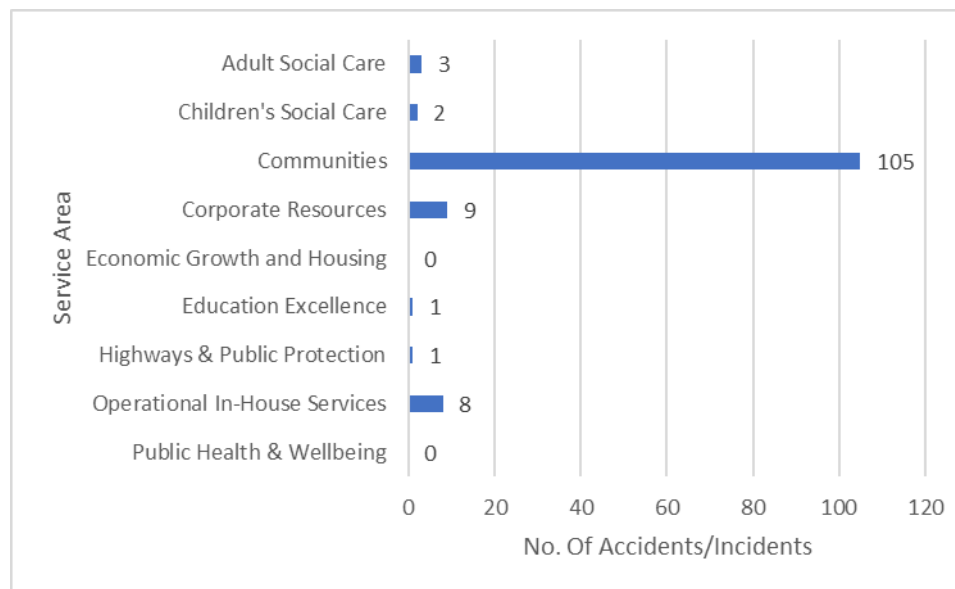


This shows 455 accidents / incidents being reported (not including schools) over a twelve-month period. This is a similar number to those reported over recent 12-month periods of which 17 of these incidents were RIDDOR reportable which were notified to the HSE. The Health and Safety team stipulate that all RIDDOR reports must be discussed with them ahead of sending them out to minimise the potential for mistake. Whilst some teams are now beginning to engage in this, the message continues to be communicated via the health and safety sub-committees. There was a noticeable increase in RIDDOR reports in March, which related to:

- Fracture of ankle whilst walking
- Missed footing whilst mopping stairs.
- Fall of child off play equipment
- Member of Public becoming injured whilst playing sport.
- Injury to eyes during inspection

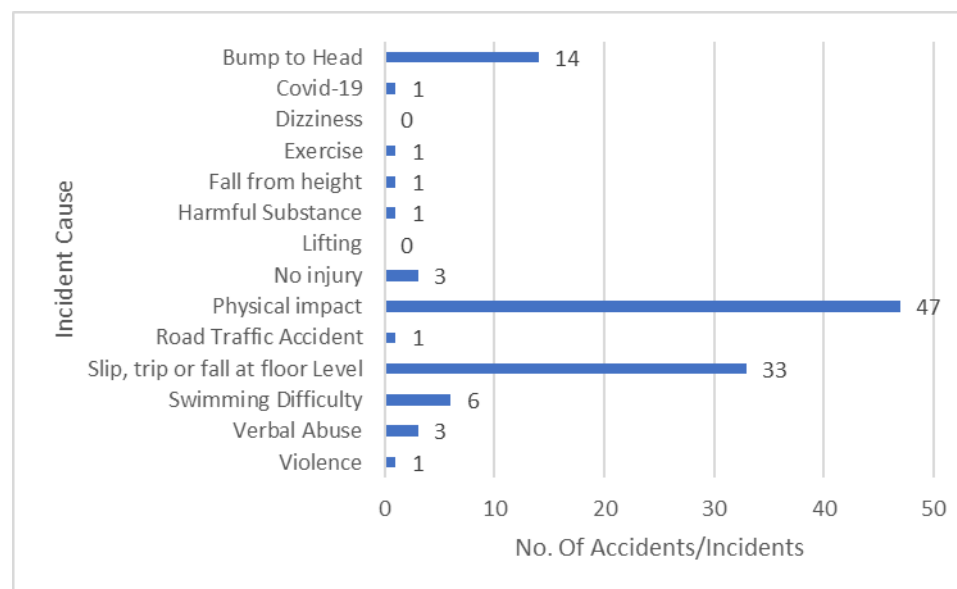
Whilst two of the above incidents are undoubtable RIDDOR's, one is borderline, with the other two unlikely to meet the criteria.

4.2.3 Graph 2 shows Accident and incident data comparisons for Service Areas between 1 April 2024 and 30 June 2024



4.2.4 As can clearly be seen, certain departments continue to under report, despite a 12-month campaign to increase reporting and usage of the database over a 12-month period. Communities is always the highest in terms of reporting, due to their better reporting ethos and the nature of their activities – i.e. always being busy, dealing with children, wet surfaces, sports etc. Corporate Resources figures relate in the main to aggression and incidents faced in Magdalen House and Bootle One Stop Shop. Reported figures for both Adult and Childrens Social Services are below to be expected for the size of the teams and the activities that they undertake. In addition, the reported incident figures for Operational In-House Services are sub optimal and given their duties, working in all weather, traffic and the equipment used, it is believed that these figures should be higher over a three-month reporting period.

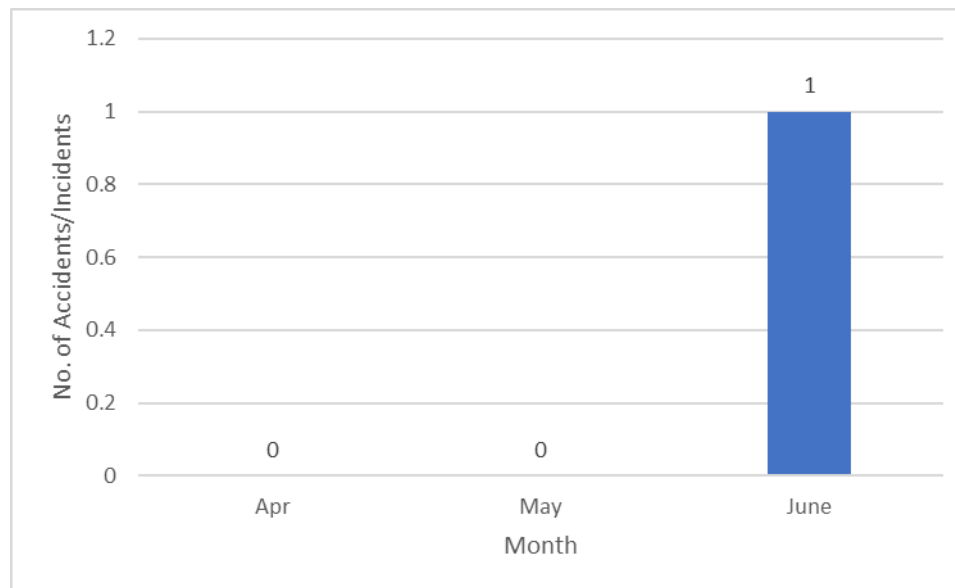
4.2.5 Graph 3: Reported causes of accidents/ incidents reported across Sefton Council from 1 April 2024 and 30 June 2024



4.2.6 Physical Impact is always top in terms of injury causes. This relates in the main to incidents within Communities and members of the public coming into contact with another surface as a result of their activity. Occasionally, it will relate to issues such as stored equipment falling against the side of a person or a bin coming away from its housing on a refuse wagon.

4.2.7 No injury includes near misses which are important as learnings, however, with only three reported across the council in a three-month period, this can only be described as poor. It is a drop from 17 in the last quarter, where, even then, there was a need for improvement. Bump to head generally relates to incidents within Communities – e.g. bump to head whilst playing football or swimming etc.

4.2.8 Graph 4: The number of notifications made to enforcement authorities and insurers under the Regulations 2013 (RIDDOR), between 1 April 2024 and 30 June 2024



4.2.9 RIDDOR reports generally relate to more serious incidents or where a staff member has been injured and is subsequently absent from work for more than seven days, due to a work-related injury. This is the key part in any RIDDOR consideration - that the injury stems from a work-related injury and not just merely from it occurring in work. This misunderstanding leads to a number of invalid submissions for which again, the team continues to work with relevant teams to improve understanding. Something that the team has requested over recent quarters is that accidents which are deemed to be RIDDOR's are first discussed with the health and safety team.

4.3 Developments

4.3.1 A reviewed Health and Safety Improvement Plan has been formulated for the coming year with focus now on delivering that plan. The team will be working with the health and safety sub-committees to develop their own service area improvement plans, considering lessons learnt and areas of good practice.

4.3.2 The Corporate Health and Safety Team will:

- Continue to support managers and head teachers with the review and implementation of satisfactory health and safety management systems.
- Review relevant Health and Safety Standards and Policies, creating and publishing new ones where required. Recently formulated guidance included that relating to conducting home visits, use of inflatables and working from home.
- Continue to review and develop the council wide training needs assessment which will include the creation of accident and incident reporting and dynamic risk assessment into the training provision.
- Focus on improving the accuracy of incident reporting, investigation and implementation of controls and monitoring to prevent reoccurrence. Work with managers to ensure incidents of threatening and abusive behaviours towards staff are reported and investigated.
- Support the review of event management by Green Sefton and Tourism as well as Open Water safety by Green Sefton and Leisure.
- Continue to deliver a health and safety monitoring regime across the council, to schools where the council retains responsibility for the health and safety as the employer and those schools with a Service Level Agreement with the Councils Corporate Health and Safety Team. This will provide assurance that health and safety management systems remain suitable and effective.
- Monitor outdoor education activities, offering advice and reviewing risk assessments for off-site visits and adventurous activities involving young people in schools. This is managed by the EVOLVE system which schools can purchase as part of the Service Level Agreement offering.
- Instigate its responsibilities to conduct visits under the radiation protection officer (RPO) duty in schools.

5. Insurance: Performance Update

5.1 Work Completed

5.1.1 During the period, the following key pieces of work/projects have been undertaken:

5.1.2 As previously advised, cyber insurance policies were being considered using the Council's Insurance Brokers. The exercise launched with schools produced a very limited response in appetite, and also to the quotes that were received. However, a policy has now been incepted for one primary school. In addition, and following extensive discussions with the ICT Team, a policy has now been agreed and put in place for similar cover for the Council, albeit on a larger scale.

5.1.3 The Team have spent a considerable time on preparation for the upcoming renewal of insurances for the Council and associated subsidiary companies (Sefton New Directions, Sandway Homes and Sefton Hospitality Operations Limited). After collaborating with all service areas and senior management proposal forms have been completed and sent to Brokers in order that they can present insurers views on cover, rates, and premiums prior to the renewal date of 29 September 2024. The current insurance market, in part, remains challenging with insurers focused on technical prices to ensure profitability over market share with varying appetites or risks. This is apparent in terms already received in relation to the Material Damage policy where indexation of sums insured have increased by 5%, and, as indicated in the 2023 Tender exercise, ratings will increase by 12.5% which in turn creates higher premiums. The Team will ensure that any further proposed adverse increases in other policy renewal premiums are challenged appropriately with, and via, the Council's Brokers and will report further in the next update.

5.1.4 The Council continues to defend cases robustly to protect the public purse and, where necessary, will enlist the assistance of Weightmans, the Council's liability insurance solicitor, to act in the Council's best interest and provide litigation support for appropriate claims.

Since the last update, Weightmans have been successful at court on two occasions involving Highways slip/trip/fall claims. In the first matter, although the claim was dismissed by the Judge as he felt that the claimant was mistaken on the locus of the where the incident occurred. Although the Council are required to pay their own costs in this matter of approximately £9k, it is pleasing to see that the success provided cost avoidance of £34k which had been reserved against damages and costs for the claimant.

The second success was due to inconsistencies in the claimant's account of where the fall actually took place, and on this occasion the reserve had been set at £20k. An order was made for the claimant to pay the Council's costs in this matter.

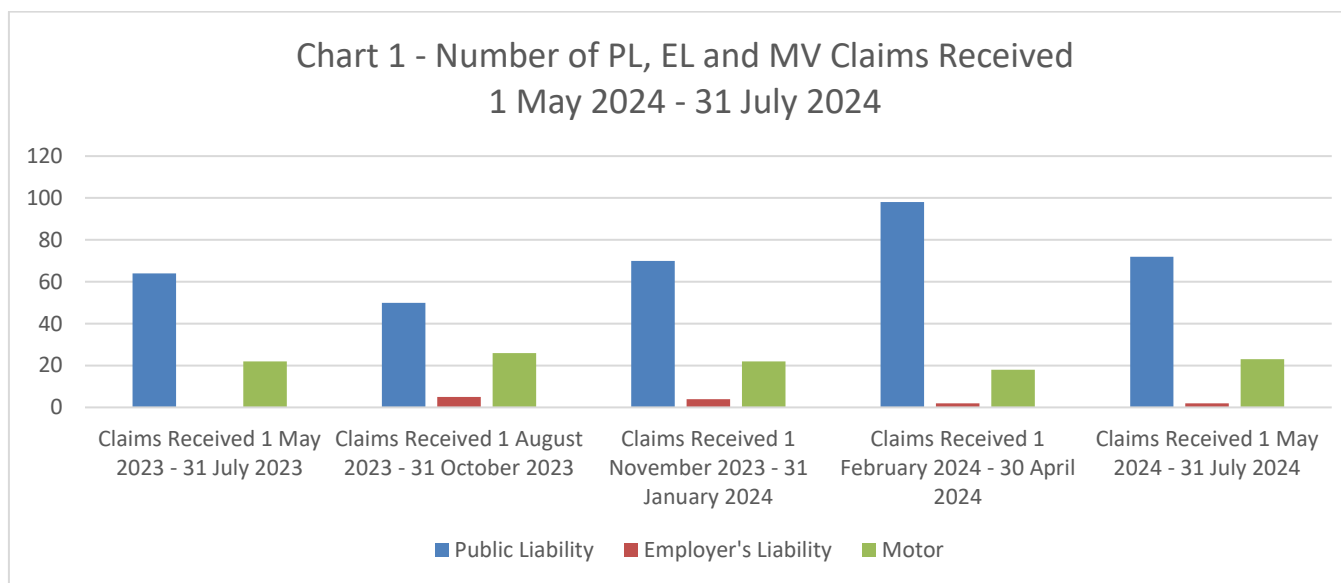
5.1.5 The Insurance Team, where necessary, will continue to work with service areas to improve the management of insurable risk especially in areas where there are high numbers of claims or areas of concern. The Council generally has high defensibility rates, and such risk management activity will assist in maintaining and potentially improving the position further. The Team are currently working with Highways colleagues in relation to the inspection and risk management of Council car parks.

5.2 Key Claims Data

5.2.1 The following charts outline the insurance performance and include:

- Numbers of claims for Public Liability (PL), Employers Liability (EL) and Motor (MV) received by Sefton Council for the period 1 May 2023 to 31 July 2024.
- Value of the reserves for PL, EL and MV claims received by Sefton Council for the period 1 May 2023 to 31 July 2024.
- The average reserve value for PL, EL and MV claims received by Sefton Council for the period 1 May 2023 to 31 July 2024.

Chart 1 below outlines the number of claims for PL, EL and MV received for the period 1 May 2023 to 31 July 2024.



5.2.2 The number of PL claims has decreased by 27% since the peak of the last quarter however has increased by 13% since the first quarter. Personal injury claims represent 53% of the claims received with the remainder being third party property damage. Claims for the Highways service area represent 75% of the overall claims received with 52% of these relating to personal injury and 48% to property damage. Claims received for property damage allegedly caused by tree root ingress represents 7% of the overall number received.

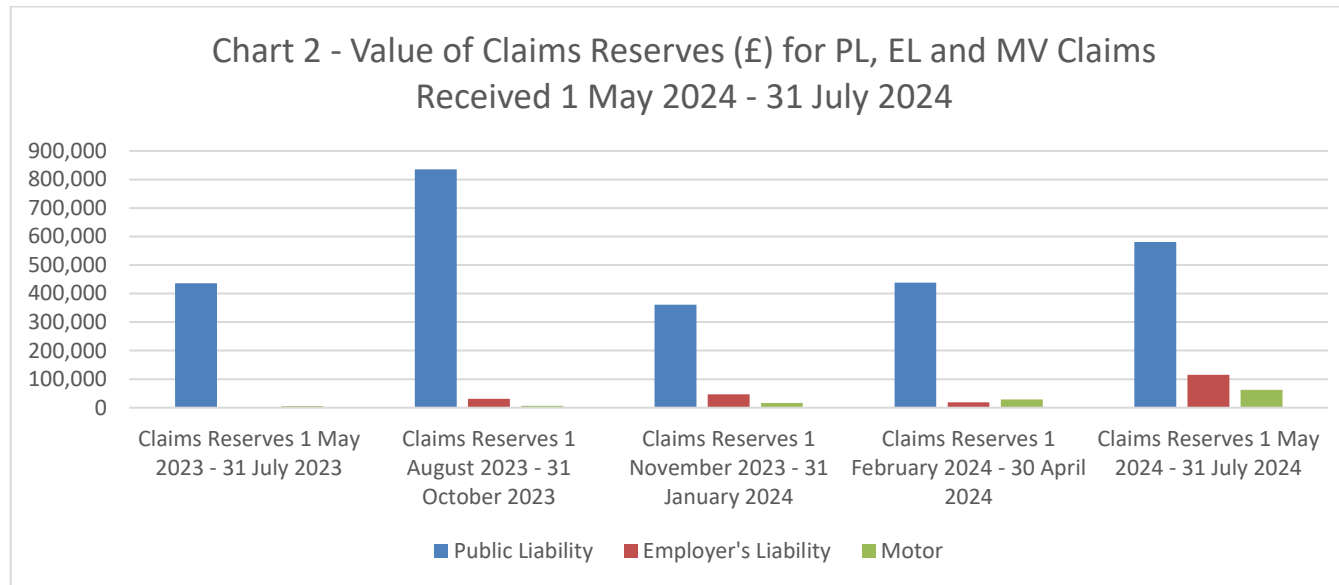
5.2.3 EL claim numbers remain low, and consistent in number with the previous quarter.

5.2.4 The number of MV claims has increased by 28% from the last quarter and is the second highest of the overall period. The number received this quarter however represents a decrease of 12% from the second quarter which has the highest number in the overall reporting period. Overall, own damage claims count for 48% of the claims received with the remainder being for damage occasioned to third party vehicles. No injury claims have been received. As would be expected, due to the size of

the fleet, the Waste and Cleansing service area account for 57% of the claims received with the Specialist Transport Unit being the second highest at 17%.

5.2.5 The current profile in all three areas presents no cause for concern however claim numbers will be monitored for any changes in trend.

Chart 2 below outlines the value of the reserves for PL, EL and MV claims received for the period 1 May 2023 to 31 July 2024.



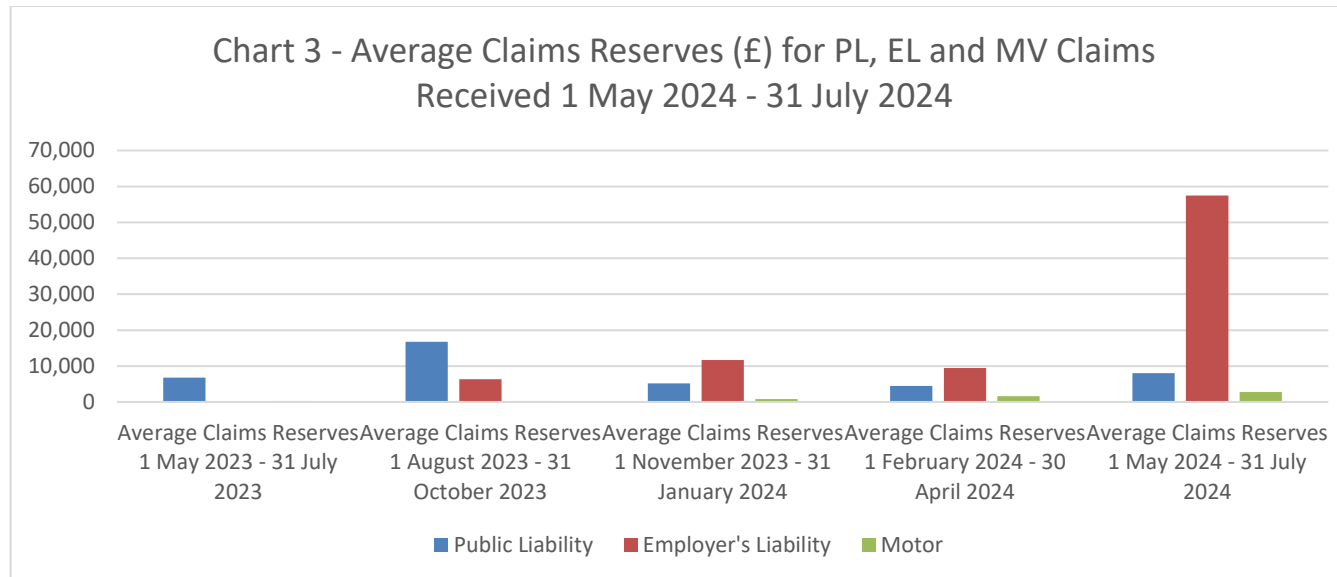
5.2.6 Claim reserves are allocated by the insurers and/or claims handlers independent of the Council and are determined by the type of injury sustained by the third parties and/or damage occasioned to their property.

5.2.7 Despite a decrease in claim numbers, values of PL claim reserves are the second highest of the overall period at an increase of 32% from the last quarter. They do however end in a decrease of 31% from the peak in the second quarter. In addition to the type of third party injury or damage sustained, the reserves also reflect the addition of further claims received in relation to the class action for historical abuse that has been reported previously .

5.2.8 Despite claim numbers remaining the same, EL total reserves have seen a seismic increase of 511% from the last quarter to end at the highest of the overall reporting period. Claims handlers have placed a high cautious reserve on one of the claims received due to its infancy and the nature of the alleged incident and injury for which the claimant required surgery. This reserve may be subject to amendment dependent on the contents of further medical reports.

5.2.9 Although MV claim numbers have increased by 28% this quarter, claim reserves are the highest of the overall reporting period having increased by a more significant 114% since the previous quarter and 110% since the first quarter. As no injury claims have been received this reflects the repair costs to own fleet and third party vehicles. Of the overall reserve, 54% relates to one incident where two Waste and Cleansing vehicles unfortunately came into contact due to having to avoid a dog running into the pathway of the first vehicle. Following inspection by appointed external engineers, the repair costs have been deemed economical and will be undertaken as soon as possible.

Chart 3 below outlines the average value of the reserves for PL, EL and MV claims for the period 1 May 2023 to 31 July 2024.



- 5.2.10 The average reserve for PL claims shows an increase of 80% since the last quarter, being the second highest of the overall period.
- 5.2.11 The average reserve for EL claims has increased by 511% since the previous quarter and is the highest in the overall period.
- 5.2.12 The average MV claims reserve, which is the highest of the overall reporting period, has increased by 68% from the previous quarter. This has been caused mainly by the receipt of the claim involving two fleet vehicles as mentioned in 5.2.9 above.
- 5.2.13 Trends in claims performance will continue to be monitored.

5.3 Developments

- 5.3.1 It was reported in the previous update following the Roman Catholic Voluntary Aided (RCVA) Schools being brought into the Council's insurance portfolio that the Team were in contact with the Schools and the Catholic Insurance Service (CIS) to gain assurance on valuations and subsequent adequate indexing of the sums insured. Unfortunately, that assurance was not adequately provided by the CIS and the Team therefore engaged with the Archdiocese (the responsible body to insure, as included in the Schools Standard Framework 1998) and provided them with a number of options to consider. It was subsequently agreed that the Council would arrange on site valuations and recharge the costs to Schools over a two year period. Although there are a total of 25 RCVA Schools, only 20 will be valued as five are proposing to convert to academy status later this year when Council insurance coverage will cease and will therefore not form part of this exercise. It is hoped that the valuations will take place with the Council's preferred supplier as soon as possible following the start of the new school year in September 2024. Schools have also been asked to review their contents values and report back to the Team with any amended total values. Progress will be provided in future updates.
- 5.3.2 The class action claim previously reported has now received additional historical claims of abuse bringing the total in number to 65. The Chief Legal and Democratic Officer continues to liaise with the Council's solicitors and Counsel and although only a total of 16 claims have been settled to date, further interim third party costs have now been negotiated. Discussions will continue as seen appropriate by Weightmans and any progress will be provided in future updates.
- 5.3.3 As the Council continues to change and commercialism develops, discussions will continue with the Insurance Broker to ensure that all new risks/liabilities to the Council are identified, and, if required, relevant insurance cover is sourced and procured to provide appropriate protection.

- 5.3.4 The Team, and the Risk & Audit Team in general, will continue to make use of the allocation of free of charge risk management days made available as part of the liability, material damage and motor insurance contracts. These are utilised to provide service areas with training or advice for their specific roles and to strengthen areas of the Council where relevant. Whilst the current year's days have already been utilised, further days will become available once the new insurance year commences on 29 September 2024.
- 5.3.5 To build on the already strong relationships forged, and to ensure the smooth running of all relevant contracts to provide value for money, regular meetings continue with external suppliers to the Team – Brokers, Insurers, Claims Handlers, and Solicitors. Attendance at webinars will also be accepted where content is relevant and of interest to the Team and the organisation as whole.

6. Risk and Resilience: Performance Update

6.1 Work Completed

- 6.1.1 The Risk and Resilience Team (Team) continue to ensure progressive development across the key areas of Business Continuity, Emergency Planning and Risk Management and an improvement plan for each portfolio area has been produced for the forthcoming year.
- 6.1.2 The re-structure of the Risk and Audit Team has provided an additional part-time resource for the Risk and Resilience Team as the previous Trainee ICT Auditor has now moved into the role of Risk and Resilience Support Officer.
- 6.1.3 The Emergency Planning function of the Team is delivered at both singular organisation (Council) and multi-agency (local resilience forum) levels. Both officers of the Team remain fully engaged with the planning, preparedness, response, recovery training and exercise activities of both the Council and partner agencies of the Merseyside Resilience Forum (MRF). Sefton's Risk and Resilience Team maintain strong working relationships and quarterly attendance at all ten subgroups to fulfil participation in the planning and delivery of multi-agency activities and ensure continuation of partnership links.
- 6.1.4 A training event for the Crisis Response Team (CRT) is being planned. The CRT volunteer to support the council's response to a civil emergency in a variety of ways. The team has recently been expanded through recruitment and an in-person event will be organised for all members to meet and discuss the roles in Autumn 2024.
- 6.1.5 The team attended the event planning group for Southport Air Show which was held in July 2024. A contingency plan was produced to support the regular emergency planning arrangements and provide additional internal resource in the event of an incident at the show.
- 6.1.6 The Team are members of Sefton Events Safety Advisory Group (SESAG) and have continued to participate in reviews and meetings with event organisers. The Group meet regularly at this time of year to review the summer calendar of events. As a multi-agency team, they provide advice on the safety of events being held within the borough through consideration of organiser's presentations, event plans and risk assessments submitted and site visits where appropriate.

- 6.1.7 Merseyside Resilience Forum (MRF) have reestablished six monthly meetings to plan for Operation London Bridge. Central Government have issued new guidance, this has prompted a review of Sefton's existing plan to align to new arrangements. A meeting with appropriate colleagues has been arranged to consider the relevance of the original plan.
- 6.1.8 The Team attended a methodology training event for completing the National Security Risk Assessment (NSRA). This document forms the basis of Merseyside Community Risk Register which in turn, directs the workstreams from the MRF on an annual basis. Further sessions will follow throughout the Autumn to review the content of the risk register, the local authorities have responsibility for reviewing specific risks and these will then be presented and updated in November 2024 at a risk assessment workshop day.
- 6.1.9 In September 2023 an MRF multi-agency plan for shoreline pollution was signed off and validated. Following this, a Sefton Council internal contingency plan for the local authority's role in a shoreline pollution clean-up has been developed and is to be circulated internally for consultation with those who contributed to the creation of the plan or are involved in the response to an incident. Next steps will be to share the plan with SLB/ELT and to organise a walkthrough of the plan for validation in the near future.
- 6.1.10 In preparation for forthcoming legislation of Martyn's Law a working group has been established to identify buildings and locations that may be in scope of the proposed standard/advanced tier system. This will advance progress with compliance with the security criteria detailed in the proposed legislation. The group have also started to consider appropriate training sources for managers to roll out to relevant staff. Further work will commence in September 2024.
- 6.1.11 An update of each service area's Business Continuity plan continues to be facilitated by the Team in consultation with the plan owners. The service plans will, in turn, each be fully reviewed by ensuring the information captured at team level and included in the Business Impact Analysis documents is up to date.
- 6.1.12 A member of the team attended a Cyber Exercise to test the Council's response to a cyber-attack. The session was hosted by the Senior Manager for ICT and Digital and colleagues from Agilisys. As a result of the exercise, it was realised that further work needs to be done to make ICT considerations included in Service BC plans more robust.
- 6.1.13 Work has begun to source a Business Continuity consultant to deliver a bespoke BC exercise for the Senior Leadership Team. An exercise of this nature is held annually to promote awareness and good practice for the Council's response to disruption of its priority business activities.

- 6.1.14 Following a scoping meeting, the Business Continuity Plan for Children’s Social Care is being updated. The leadership team within CSC continues to review content and will feedback to progress the plan further.
- 6.1.15 The Risk Management review by Gallagher Bassett produced a report which was analysed by the Team and the Chief Internal Auditor. A response to the report has been drafted and has currently been shared with the Executive Director for Corporate Services and Commercial for consideration and next steps.
- 6.1.16 A recommendation of the Gallagher Bassett report related to the content of the Corporate Risk Management Handbook (CRMH). Easier to complete actions from the recommendations have been actioned and an updated version of the CRMH was approved by Audit and Governance Committee in June 2024 and now published on the Council’s intranet.
- 6.1.17 The Team provide a resource page for schools on the SLA Online platform. The resource content has been revised following the updates to the risk management materials.
- 6.1.18 The eLearning course “Risk Management for Staff and Members” has been finalised and is available on the Me Learning platform. The course is publicised on our intranet homepage and through the Managers Briefing and One Council brief. All elected members have been notified of the course and given a link to access through an email shared by Democratic Services. Course take up rates will be monitored and reported to ELT and Audit and Governance Committee in the future.
- 6.1.19 Following work by the Team to introduce and inform of a Risk Appetite Framework, Democratic Services have launched a revised Committee meeting header sheet and Leader note which includes consideration of risk and risk appetite.
- 6.1.20 The Team offered to support the reviews of all Service and Operational Risk Registers during the quarter. The take up for this was greatly received and the team attended DMTs/SMTs for several service areas to discuss the importance of formal risk recording and encouraged ways to improve content.
- 6.1.21 A phase approach has been agreed with The Executive Director for Children’s Services to introduce Operational Risk Registers (ORRs) across all teams within the service. This will ensure alignment to the Council’s Corporate Risk Management Framework. Work began in December with the first two teams and varying progress has been made to draft and develop the ORRs with managers from each team. Due to the number of ORRs to be completed within Children’s Social Care, a stepped plan to undertake work with a couple of teams each cycle will be adopted, and further teams brought on board each quarter.

6.1.22 Both Risk and Resilience Officers have been nominated to complete Procurement Act 2023 Training, delivered by The Government Commercial College. The training consists of ten hour long modules of learning and a certification module to confirm competence. The training has to be completed before the launch of the Act on 28 October 2024.

6.2 Developments

- Following the tragic events in Southport on 29 July 2024, the team have supported the Emergency Duty Co-ordinator to establish an appropriate response to the incident, working in partnership at a multi-agency level.
- Major incident plans and processes will continue to be reviewed and updated as necessary or following learning from any incidents.
- Reintroduce quarterly Emergency Duty Coordinator (EDC) briefings to increase knowledge and awareness of EP arrangements.
- Review and formalise an internal Incident debrief process.
- Continued engagement and proportionate preparation for introduction of Martyn's Law and associated workstreams.
- The Team have Shoreline Pollution training in early October 2024 for understanding how to manage a beach clean-up operation and will attend a two day beach supervisor course with multi-agency partners and relevant council colleagues
- Ongoing review of the business continuity plans with particular focus on supporting the updating of Business Impact Analyses.
- Working with the Executive Leadership Team to refine the priority activities within the Corporate Business Continuity Plan
- Further development of risk registers from all teams/services, including a qualitative exercise to ensure escalation of risks from Service Risk Registers to the Corporate Risk Register where appropriate.

7. Assurance and Counter Fraud: Performance Update

7.1 Work Completed

- 7.1.1 Previous reports to Committee have highlighted that due to the retirement of a previous counter fraud resource and the recruitment freeze instigated across the Council for 2022/23 and 2022/24 there has been limited dedicated resources on counter fraud.
- 7.1.2 Permission to undertake a re-structure of the Risk and Audit Team was provided in advance of the 2024/25 financial year. The re-structure was completed in June 2024 which created a new one FTE Counter Fraud Investigator which an existing staff member was appointed to. The new role started with effect from 1 July 2024.

Since the restructure of the team and the post holder being in post the following activity has been undertaken:

- An action plan has been drawn up to implement the outstanding actions from the CIPFA Fraud self-assessment.
- A draft Counter Fraud Strategy has been developed and will be presented to ELT/ Cabinet Member and Cabinet over the next three months.
- Research on a sanctions policy has been undertaken with Legal Services
- A benchmarking exercise on counter fraud resources, qualifications and target outputs has been undertaken across North West Local Authority “Heads of Internal Audit”.
- Evaluation of the benchmarking exercise to determine proposals on resourcing for Counter Fraud and qualifications for the Counter Fraud Investigator has been shared with management.
- Training resources from a neighbouring local authority have been evaluated by both the team and Workforce Learning colleagues. We have used this free resource to set up two fraud awareness eLearning courses:
 - Introduction to fraud and
 - Introduction to Bribery and Corruption
- A Fraud Reporting form and mailbox has been set up to assist staff in reporting any suspected fraud.
- Requests for completion of Fraud Risk Assessments has been provided to all Assistant Directors and the wholly owned companies. We have had documents from the majority of the Assistant Directors or a timescale when they have been completed and are following up the outstanding areas.
- We have worked with colleagues in HR to incorporate counter fraud as a topic in the induction process and promote the fraud related eLearning training courses found in the Me Learning library.
- We have worked with Communications team to advertise the fraud awareness eLearning training.
- We have developed a Communication Plan to raise awareness of counter fraud in the organisation.

7.2 Developments

Now that the Counter Fraud Investigator is in post, the intention is to consider how additional support can be provided from across the Risk and Audit team, in light of the benchmarking, to provide additional capacity.

The focus on the next quarter is to:

- Work with the Communications team to develop a fraud newsletter we can circulate regularly.
- Work with Legal Services and other colleagues to develop a draft Sanctions Policy for consideration by ELT before presentation to Cabinet.
- Obtain the outstanding Fraud Risk Assessments and evaluate the information provided.
- Research and develop a Fraud Risk Register from the completed Fraud Risk Assessments
- Progress the action plan from the CIPFA Self – assessment on fraud.

8. Looking Ahead

8.1 The Service continues to develop, with a number of key projects being undertaken to embed the role and influence of the team over the next quarter:

- The completion of the re-structure to re-direct resources into Internal Audit, Risk and Resilience and Counter Fraud and undertake recruitment for vacant posts.
- The embedding of regular risk management reviews across the Council to ensure that Operational and Service Risk Registers are updated on a regular basis. Other work includes the completion of the external review of risk management and the horizon scanning session.
- Finalising the Assurance Mapping exercise should assist in providing assurance on the key risks affecting the delivery of the Council's strategic objectives.
- The finalisation of the Risk Appetite Framework inclusion on the Committee header sheets.
- Continued delivery of the Internal Audit Plans for 2024/25, focusing attention on reviewing the key risks to the organisation, which will evolve as the Council changes.
- Implement the actions from the BC exercise in March 2024, finalising of the Corporate BC plan and finalising the planning for a BC in March 2024.
- Completion of the review of the Health and Safety Policy, work on developing wider occupational health, safety and wellbeing of staff.
- Delivering on the service improvement plans for the Risk and Audit Team.

9. Conclusions

- 9.1 Internal Audit has made reasonable progress in the completion of the approved Internal Audit Plan 2024/25 despite the underlying difficulties in recruiting suitable internal audit staff and unplanned absences. There are some further planned recruitment and current absences which may impact on the delivery of the audit plan.
- 9.2 The Council's accident record continues to be positive, although reported incidents remain below expected and there are plans to improve the risk management further by working with colleagues across the organisation with improved training offer.
- 9.3 The Health and Safety team is continuing to focus on incident reporting, review of risk assessments and the review of event management.
- 9.4 The Council's insurance claims performance remains good.
- 9.5 We will continue to ensure that there are risk registers are in place in line with the Corporate Risk Management Handbook.
- 9.6 Progress has been made in embedding business continuity with a focus this year of reviewing the existing BC plans clear road map for the completion of the outstanding business continuity plans shortly and a focus over the remainder of the financial year at testing and exercising the BC plans.
- 9.7 We have developed improvement places across each of the service areas to deliver improvements which will result in improved risk services as well as an integrated risk and audit approach.