

Public Document Pack

Mid Devon District Council

Audit Committee

Tuesday, 11 August 2020 at 5.30 pm
Remote meeting

Next ordinary meeting
Tuesday, 22 September 2020 at 5.30 pm

Important - this meeting will be conducted and recorded by Zoom only. Please do not attend Phoenix House. The attached Protocol for Remote Meetings explains how this will work.

To join the Zoom Meeting please use the following link:

<https://zoom.us/j/97728830334?pwd=TTFQdDhCRDdCWklzZXMvZGdpTTdmdz09>

Meeting ID: 977 2883 0334
Password: 835712

One tap mobile

08000315717,,97728830334#,,,0#,,835712# United Kingdom Toll-free

08002605801,,97728830334#,,,0#,,835712# United Kingdom Toll-free

Dial by your location

0 800 031 5717 United Kingdom Toll-free

0 800 260 5801 United Kingdom Toll-free

0 800 358 2817 United Kingdom Toll-free

Meeting ID: 977 2883 0334
Password: 835712

Membership

Cllr R Evans (Chairman)

Cllr Mrs C Collis

Cllr B A Moore

Cllr D F Pugsley

Cllr A Wilce

Cllr J Wright

Cllr A Wyer

AGENDA

Members are reminded of the need to make declarations of interest prior to any discussion which may take place

1. **Apologies**
To receive any apologies for absence.
2. **Protocol for Remote Meetings (Pages 5 - 10)**
Committee to note the protocol for holding remote meetings.
3. **Public Question Time**
To receive any questions relating to items on the Agenda from members of the public and replies thereto.
4. **Declaration of Interests under the Code of Conduct**
Councillors are reminded of the requirement to declare any interest, including the type of interest, and reason for that interest, either at this stage of the meeting or as soon as they become aware of that interest.
5. **Minutes of the previous meeting (Pages 11 - 16)**
Members to consider whether to approve the minutes as a correct record of the meeting held on 23 June 2020.
6. **Chairman's Announcements**
To receive any announcements that the Chairman may wish to make.
7. **Update on Climate Change Declaration and associated risks**
The Cabinet Member for Climate Change will be present to assist the Committee in understanding what actions have been identified as easy to do, what maybe more medium term, plus any high investment opportunities whilst also recognising the severe restrictions on the Council's budget.
8. **Procedures used for the checking of the Covid 19 grants administered by MDDC**
Initial verbal discussion to take place as to whether there are adequate checking procedures in place for the administration of Covid 19 grants undertaken by this authority.
9. **Performance and Risk (Pages 17 - 52)**
To receive a report from the Group Manager for Performance, Governance and Data Security providing the Committee with an update on performance against the Corporate Plan and local service targets for 2020-21 as well as providing an update on the key business risks.
10. **Annual Governance Statement for 2019/2020 and Corporate Governance Framework (Pages 53 - 86)**
To receive a report from the Group Manager for Performance, Governance and Data Security presenting the Committee with the

finalised Annual Governance Statement and Action Plan (Appendix A) and accompanying Corporate Governance Framework (Appendix B) for 2019/20.

11. **Annual Report and Accounts for 2019/2020**

To receive a report from the Deputy Chief Executive (S151) presenting the final version of the annual Statement of Accounts to Members.

(To follow).

12. **Grant Thornton Audit Findings 2019/2020**

To receive a report from Grant Thornton (the Council's external auditors) presenting their audit findings for 2019 / 2020.

(To follow).

13. **Letter of Representation from Grant Thornton**

To receive the annual Letter of Representation form Grant Thornton.

(To follow).

14. **Identification of items for the next meeting**

Members are asked to note that the following items are already identified in the work programme for the next meeting:

- Performance and Risk
- Progress update on the Annual Governance Statement Action Plan
- Internal Audit Progress Report
- External Audit Progress Report and Update

Note: This item is limited to 10 minutes. There should be no discussion on the items raised.

Stephen Walford
Chief Executive
Monday 3 August 2020

Covid-19 and meetings

The Council will be holding some meetings in the next few weeks, but these will not be in person at Phoenix House until the Covid-19 crisis eases. Instead, the meetings will be held remotely via Zoom and you will be able to join these meetings via the internet. Please see the instructions on each agenda and read the Protocol on Remote Meetings before you join.

If you want to ask a question or speak, email your full name to Committee@middevon.gov.uk by **no later than 4pm on the day before the meeting**. This will ensure that your name is on the list to speak and will help us ensure that you are not missed – as you can imagine, it is easier to see and manage public speaking when everyone is physically present in the same room. Notification in this way will ensure the meeting runs as smoothly as possible.

If you require any further information, please contact Sarah Lees on:
slees@middevon.gov.uk

Mid Devon District Council - Remote Meetings Protocol

1. Introduction

The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations permit remote attendance in Local Authority meetings.

Remote attendance is permitted as long as certain conditions are satisfied. These include that the Member is able to hear and be heard by the other Members in attendance. Also, being able to hear and be heard by any members of the public entitled to attend the meeting (in line with the public participation scheme). A visual solution is preferred, but audio is sufficient.

This also relates to members of the public attending the meeting also being heard. The regulations are clear that a meeting is not limited to those present in the same place, but includes electronic, digital or virtual locations (internet locations, web addresses or conference call telephone numbers).

2. Zoom

Zoom is the system the Council will be using for the time-being to host remote / virtual meetings. It has functionality for audio, video, and screen sharing and you do not need to be a member of the Council or have a Zoom account to join a Zoom meeting.

3. Access to documents

Member Services will publish the agenda and reports for committee meetings on the Council's website in line with usual practice. Paper copies of agendas will only be made available to those who have previously requested this and also the Chair of a virtual meeting.

If any other Member wishes to have a paper copy, they must notify the Member Services before the agenda is published, so they can arrange to post directly – it may take longer to organise printing, so as much notice as possible is appreciated. Printed copies will not be available for inspection at the Council's offices and this requirement was removed by the Regulations.

4. Setting up the Meeting

This will be done by Member Services. They will send a meeting request via Outlook which will appear in Members' Outlook calendar. Members will receive a URL link to click on to join the meeting.

5. Public Access

Members of the public will be able to use a weblink and standard internet browser. This will be displayed on the front of the agenda.

6. Joining the Meeting

Councillors must join the meeting early (i.e. at least **five** minutes before the scheduled start time) in order to avoid disrupting or delaying the meeting. Councillors should remember that they may be visible and heard by others, including the public, during this time.

7. Starting the Meeting

At the start of the meeting, the Member Services Officer will check all required attendees are present (viewing the participant list) and that there is a quorum. If there is no quorum, the meeting will be adjourned. This applies if, during the meeting, it becomes inquorate for whatever reason.

The Chair will remind all Members, Officers and the Public that **all microphones will be automatically muted**, unless and until they are speaking. This prevents background noise, coughing etc. which is intrusive and disruptive during the meeting. The Hosting Officer will enforce this and will be able to turn off participant mics when they are not in use. Members would then need to turn their microphones back on when they wish to speak.

8. Public Participation

Participation by members of the public will continue in line with the Council's current arrangements as far as is practicable. However, to ensure that the meeting runs smoothly and that no member of the public is missed, all those who wish to speak must register **by 4pm on the day before the meeting**. They should email their full name to Committee@middevon.gov.uk. If they wish to circulate their question in advance, that would be helpful.

At public question time, the Chair will invite the public by name to speak at the appropriate time. At that point, all public microphones will be enabled. This means that, to avoid private conversations being overheard, no member of the public should speak until it is their turn and they should then refrain from speaking until the end of public question time, when all microphones will be muted again. In the normal way, the public should state their full name, the agenda item they wish to speak to **before** they proceed with their question.

Unless they have registered, a member of the public will not be called to speak.

If a member of the public wishes to ask a question but cannot attend the meeting for whatever reason, there is nothing to prevent them from emailing members of the Committee with their question, views or concern in advance. However, if they do so, it would be helpful if a copy could be sent to Committee@middevon.gov.uk as well.

9. Declaration of Interests

Councillors should declare their interests in the usual way. A councillor with a disclosable pecuniary interest is required to leave the room. For remote meetings, this means that they will be moved to a break-out room for the duration

of this item and will only be invited back into the meeting when discussion on the relevant item has finished.

10. The Meeting and Debate

The Council will not be using the Chat function.

The Chair will call each member of the Committee to speak - the Chair can choose to do this either by calling (i) each member in turn and continuing in this way until no member has anything more to add, or (ii) only those members who indicate a wish to speak using the 'raise hand' function within Zoom. This choice will be left entirely to the Chair's discretion depending on how they wish to manage the meeting and how comfortable they are using the one or the other approach.

Members are discouraged from physically raising their hand in the video to indicate a wish to speak – it can be distracting and easily missed/misinterpreted. No decision or outcome will be invalidated by a failure of the Chair to call a member to speak – the remote management of meetings is intensive and it is reasonable to expect that some requests will be inadvertently missed from time to time.

When referring to reports or making specific comments, Councillors should refer to the report and page number, so that all Members of the Committee have a clear understanding of what is being discussed at all times.

11. Voting

On a recommendation or motion being put to the vote, the Chair (or the Member Services Officer) will go round the virtual room and ask each member entitled to vote to say whether they are for or against or whether they abstain. The Member Services Officer will announce the numerical result of the vote.

12. Meeting Etiquette Reminder

- Mute your microphone – you will still be able to hear what is being said.
- Only speak when invited to do so by the Chair.
- Speak clearly and please state your name each time you speak
- If you're referring to a specific page, mention the page number.

13. Part 2 Reports and Debate

There are times when council meetings are not open to the public, when confidential, or "exempt" issues – as defined in Schedule 12A of the Local Government Act 1972 – are under consideration. It is important to ensure that there are no members of the public at remote locations able to hear or see the proceedings during such meetings.

Any Councillor in remote attendance must ensure that there is no other person present – a failure to do so could be in breach of the Council's Code of Conduct.

If there are members of the public and press listening to the open part of the meeting, then the Member Services Officer will, at the appropriate time, remove them to a break-out room for the duration of that item. They can then be invited back in when the business returns to Part 1.

Please turn off smart speakers such as Amazon Echo (Alexa), Google Home or smart music devices. These could inadvertently record phone or video conversations, which would not be appropriate during the consideration of confidential items.

14. Interpretation of standing orders

Where the Chair is required to interpret the Council's Constitution and procedural rules in light of the requirements of remote participation, they may take advice from the Member Services Officer or Monitoring Officer prior to making a ruling. However, the Chair's decision shall be final.

15. Disorderly Conduct by Members

If a Member behaves in the manner as outlined in the Constitution (persistently ignoring or disobeying the ruling of the Chair or behaving irregularly, improperly or offensively or deliberately obstructs the business of the meeting), any other Member may move 'That the member named be not further heard' which, if seconded, must be put to the vote without discussion.

If the same behaviour persists and a Motion is approved 'that the member named do leave the meeting', then they will be removed as a participant by the Member Services Officer.

16. Disturbance from Members of the Public

If any member of the public interrupts a meeting the Chair will warn them accordingly. If that person continues to interrupt or disrupt proceedings the Chair will ask the Member Services Officer to remove them as a participant from the meeting.

17. After the meeting

Please ensure you leave the meeting promptly by clicking on the red phone button to hang up.

18. Technical issues

In the event that the Chair, the Hosting Officer or the Member Services Officer identifies a problem with the systems from the Council's side, the Chair should declare a recess while the fault is addressed. If it is not possible to address the fault and the meeting becomes inquorate through this fault, the meeting will be adjourned until such time as it can be reconvened.

If the meeting was due to determine an urgent matter or one which is time-limited and it has not been possible to continue because of technical difficulties, the Chief Executive, Leader and relevant Cabinet Member, in consultation with the Monitoring Officer, shall explore such other means of taking the decision as may be permitted by the Council's constitution.

For members of the public and press who experience problems during the course of a meeting e.g. through internet connectivity or otherwise, the meeting will not be suspended or adjourned.

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MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **AUDIT COMMITTEE** held on 23 June 2020 at 5.30 pm

Present

Councillors

R Evans (Chairman)
Mrs C Collis, B A Moore, D F Pugsley, A Wilce, J Wright
and A Wyer

Also Present

Councillors

G Barnell, S J Clist, L J Cruwys, N V Davey, Mrs C P Daw,
R M Deed, R J Dolley, F W Letch, R F Radford, L D Taylor,
B G J Warren and Mrs N Woollatt

Present

Officers

Stephen Walford (Chief Executive), Andrew Jarrett (Deputy Chief Executive (S151)), Kathryn Tebbey (Head of Legal (Monitoring Officer)), Catherine Yandle (Group Manager for Performance, Governance and Data Security), Ian Chilver (Group Manager for Financial Services), David Curnow (Deputy Head of Devon Audit Partnership), Elizabeth Palmer (Solicitor) and Sarah Lees (Member Services Officer)

19. **Apologies (00:02:35)**

There were no apologies for absence.

20. **Remote Meetings Protocol (00:02:46)**

The protocol for remote meetings was noted.

21. **Public Question Time (00:03:08)**

The Chairman read out a question from Mr Nick Quinn, a local resident, concerning item numbers 7 and 8 on the Agenda – Exclusion of the Public and the discussion of the 3 Rivers Governance Report. The question was as follows:

I read in the Constitution that Audit Committee has a duty to: *Provide independent scrutiny of the authority's financial and non-financial performance to the extent that it affects the authority's exposure to risk and weakens the control environment;*

In the case of the Council and 3 Rivers, there is a very large exposure to risk on both sides, which has not been well controlled - hence the report before you.

The public look to Audit Committee to ensure proper controls are in place and that any risk is minimised and properly managed. However, it appears that the Council's Risk Management processes have broken down.

Monitoring checks that were supposed to manage these risks are clearly ineffective, since the last report to Cabinet was a year ago and the quarterly Officer Management Board does not appear to report to anybody.

There is a lot of public interest in the operation and performance of 3 Rivers because significant costs are being passed on to the Council Tax payer. However, the public are continually excluded from any reports on the company.

Because of the way this report is written, both Cabinet and Scrutiny Committee passed public exclusion resolutions. So, once again, a 3 Rivers report is being discussed in private and the outcomes from these discussions are not being published in minutes open to the public.

Audit Committee may also feel they must discuss this report in closed session. If they do so, whilst it may not be normal practice, I would like to ask:

In view of the impact 3 Rivers is having on the Council Tax payer and to uphold the Nolan Principles of Accountability and Openness - will the Audit Committee please state that their recommendations/resolutions are to be published in the open minutes?

In answering this question the Chairman responded by informing those present that he had taken advice from the Monitoring Officer and he hoped that what he would be proposing would assist both Members and the public regarding the treatment of Part II minutes in the future.

His proposal was that this Council's approach to Part II minutes was consistent across the board. The Council did not publish details of the discussion and the resolutions. He did not think it would be appropriate for a single committee to take a different approach unilaterally. However, he recognised that this was an important point and should be looked at. He had spoken to the Monitoring Officer about it and understood that the Cabinet was also interested in this issue. For these reasons, he would be inviting the Monitoring Officer to present a report to full Council on this issue for discussion and debate.

The Committee were in full agreement that this should take place.

Cllr A Wilce stated that the MDDC Constitution section 9.1, Audit Committee: General Role says:

Within their terms of reference, the Audit Committee may:

- (a) Provide independent assurance of the adequacy of the risk management framework and the associated control environment including (from the perspective of the Council) those partnership or joint working arrangements the Council has with other bodies and how their risk management and controls might impact the Council.

I find it bizarre that this function is permissive according to the Constitution and not a duty or function specifically directed by the Council, to be carried out by this

Committee. Certainly, in my mind, the Audit Committee has a duty to examine and comment on risks to the Council.

With this in mind, I ask members to carefully consider what was said in the report to the Cabinet of the previous administration, setting up 3RDL on 30th March 2017. This report was about 3RDL was considered in private, as usual, but it was released on the order of the Information Commissioner. Notwithstanding that, it is not available in the meeting pack. In it, in as many words, it was stated 3RDL would not be allowed to fail.

5.5There may be a risk that it may not be able to recover any loans or property which has transferred to the company but it is very unlikely a council owned wholly owned company would be willing to allow the company to reach the point of insolvency.

This Council has to date paid 3RDL circa £10M of public money, with an option for many millions more; originally another £99 million but reduced to £12.1 million by the current administration.

Is this Committee able to give taxpayers assurance that this was done with due diligence and competence by MDDC officers, fully in accordance with the usual business risk management processes and in particular, in accordance with Section 5.17 of that report, in which it was stated that:

5.17..... The council will develop robust agreements between the council and the company to ensure the council does not cover the company's full liabilities and indebtedness.

The Deputy Chief Executive and S151 Officer stated that a full and thorough response would be provided to Cllr Wilce and the members of the Committee as soon as was practicable.

22. Declaration of Interests under the Code of Conduct (00:14:45)

There were no interests declared under this item.

23. Minutes of the previous meeting (00:14:58)

The minutes of the meeting held on 2 June 2020 were confirmed as a true and accurate record.

24. Chairman's Announcements (00:16:05)

The Chairman had no announcements to make.

25. Access to Information - Exclusion of the Press and Public (00:16:18)

Prior to considering the following item on the agenda discussion took place as to whether it was necessary to pass the following resolution to exclude the press and public having reflected on Article 15 15.02 (d) (a presumption in favour of openness) of the Constitution with the following issues being raised:

- Whether in future it would be possible to separate out Part II information from Part I as part of the reports agenda pack.
- When a proposal could be considered and moved given the wording on the agenda.
- The public interest given the amount of money being discussed.
- Possible conflicts of interest by the proper officer in making the recommendations.
- The possibility of publishing the agenda pack without disclosing sensitive information.
- The fact that Cabinet discussions about 3 Rivers had all taken place in Part II.
- The need to restore public trust and confidence regarding 3 Rivers.
- The need for the Committee to assess the sensitive nature of the information provided within the reports which included legal advice, commercial proceedings, cash flow information, personal information and the business interests of the Council.

The Committee decided that in all circumstances of the case, the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

It was therefore:

RESOLVED that: under section 100A (4) of the Local Government Act 1972 the public be excluded from the next item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 1 namely information relating to any individual; paragraph 3 respectively of Part 1 of Schedule 12A of the Act, namely information relating to the financial or business affairs of any particular person (including the authority holding that information) and paragraph 5 namely information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

(Proposed by the Chairman)

26. **3 Rivers Development Limited Governance Review (00:38:10)**

The Committee had been requested by the Cabinet to review the reports and recommendations / actions listed within Appendix D of the agenda pack and to report their findings and any suggested further changes not already addressed, to the Cabinet for their subsequent consideration. It had been requested that this be done in time for Cabinet to receive any reports back to its meeting scheduled for 9th July 2020.

Following consideration of the documents supplied, the Audit Committee returned to open session with the Chairman stating that the Committee had made a number of recommendations that would be put before the Cabinet for further consideration.

Note: *Recommendations previously circulated

(The meeting ended at 7.15 pm)

CHAIRMAN

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AUDIT COMMITTEE 11 AUGUST 2020

PERFORMANCE AND RISK REPORT

Cabinet Member Cllr Bob Deed
Responsible Officer Catherine Yandle, Group Manager for Performance, Governance and Data Security

Reason for Report: To provide Members with an update on performance against the corporate plan and local service targets for 2020-21 as well as providing an update on the key business risks.

RECOMMENDATION: That the Committee reviews the Performance Indicators and Risks that are outlined in this report and feeds back any areas of concern.

Relationship to Corporate Plan: Corporate Plan priorities and targets are effectively maintained through the use of appropriate performance indicators and regular monitoring.

Financial Implications: None identified

Legal Implications: None

Risk Assessment: If performance is not monitored we may fail to meet our corporate and local service plan targets or to take appropriate corrective action where necessary. If key business risks are not identified and monitored they cannot be mitigated effectively.

Equality Impact Assessment: No equality issues identified for this report.

Impact on Climate Change: No impacts identified for this report.

1.0 Introduction

- 1.1 Appendices 1-5 provide Members with details of performance against the Corporate Plan and local service targets for the 2020-21 financial year. **The Committee is invited to suggest measures they would like to see included in the future for consideration.**
- 1.2 Appendix 6 shows the higher impact risks from the Corporate Risk Register. See 3.0 below.
- 1.3 Appendix 7 shows the risk matrix for the Council.
- 1.4 All appendices are produced from the Corporate Service Performance And Risk Management system (SPAR).
- 1.5 When benchmarking information is available it is included.

2.0 Performance

Please note that for all areas of the Council the results since March will have been understandably impacted by the effects of the Covid 19 pandemic. There are specific comments on the attached appendices reflecting this.

Environment Portfolio - Appendix 1

Environment

- 2.1 Regarding the Corporate Plan Aim: **Increase recycling and reduce the amount of waste**; all the waste KPIs on Appendix 1 are better than target except the residual waste per household. Covid 19 has had an impact on the amount of waste created by households, the increase per household was 2.53% compared to the same period last year. These figures have yet to be verified by DCC as is usual.

Climate Change

- 2.2 The Council are part of the tactical group for the Devon-wide carbon plan; Devon Climate Emergency (DCE). The group met most recently on 9 June 2020. DCE put out a call for evidence to contribute to the Devon Carbon Plan - the group received almost 900 submissions, mostly from individuals. Some of the suggestions have been reviewed and incorporated into our own emerging plan and others will need to be discussed as part of our Net Zero Advisory Group (NZAG) and our "Mid Devon Climate Conversations".
- 2.3 NZAG: This has been set up following Cabinet approval at its meeting on the 23 April 2020. Terms of reference will be progressed for the group, membership has been confirmed and the first meeting took place on 25 June.

Homes Portfolio - Appendix 2

- 2.4 Regarding the Corporate Plan Aim: Deliver Housing: these measures are all quarterly. The target for annual housing completions has been updated to reflect the Local Plan target although this hasn't yet been adopted by Full Council.
- 2.5 Regarding the Corporate Plan Aim: Private Sector Housing: Bringing Empty homes into use is a little below target as at the end of May. Due to funding changes this is the last year that this measure will be reported.
- 2.6 Regarding the Corporate Plan Aim: Council Housing: all measures are either at or just below target. In terms of gas servicing compliance this has been affected by Covid 29 and we currently have 25 properties with expired LGSRs. We still have an extremely high compliance % compared to our peers.
- 2.7 Housing performance remains in the top quartile compared with HouseMark.

Economy Portfolio - Appendix 3

- 2.8 Regarding the Corporate Plan Aim: **Improve and regenerate our Town Centres: Empty Shops**; it should be noted that the vacancy count is done at the start of each quarter but it was not done in April due to Covid 19. It is hoped to be able to do a full shop survey at the end of July once all shops and services are permitted to open, and it becomes clearer which units are temporarily closed, and which units are technically empty.
- 2.9 Data on units owned by MDDC has now been added to Appendix 1.
- 2.10 Our town centres and high streets faced structural issues before Covid-19 but the challenge just got even harder. There was a growing consensus that high streets based on retail needed to shift to include a mix of leisure, entertainment, cafes, gyms and beauty salons. However, the conclusions of Grimsey and others suggest that a recovery based on retail and consumption will not work. Covid-19 could provide the catalyst to do something different, but the window of opportunity is small. This has implications for national and local policy making.
- 2.11 **Other:** The Council has received a report from the Planning Inspectorate, confirming that the Mid Devon Local Plan Review 2013 – 2033 provides an appropriate base for the planning of the District and with a number of main modifications, is sound and capable of adoption.

Community Portfolio - Appendix 4

- 2.12 No Performance and Risk report went to this PDG in July.

Corporate - Appendix 5

- 2.13 **Working days lost due to sickness** is better than expected for the first quarter of 2020.
- 2.14 The **Response to FOI requests** have been 100% on time since April 2019.
- 2.15 The **% total Council Tax collected** and **% total NNDR collected** are both slightly below target. This has deteriorated since due to the pandemic. Staff have suspended collections work and concentrated on processing small business grants and the council tax relief hardship fund.
- 2.16 The Council has received a report from the Planning Inspectorate, confirming that the Mid Devon Local Plan Review 2013 – 2033 provides an appropriate base for the planning of the District and with a number of main modifications, is sound and capable of adoption.

3.0 Risk

Some risk scores have increased due to the Covid 19 pandemic especially as regards financing, homelessness and the economic outlook.

- 3.1 The Corporate risk register is regularly reviewed by Group Managers and Leadership Team and updated as required.
- 3.2 Risk reports to committees include strategic risks with a current score of 10 or more in accordance with the Risk and Opportunity Management Strategy. (Appendix 6)
- 3.3 Appendix 7 shows the risk matrix for MDDC for this quarter. If risks are not scored they are included in the matrix at their inherent score which will be higher than their current score would be.
- 3.4 Operational risk assessments are job specific and flow through to safe systems of work. These risks go to the Health and Safety Committee biannually with escalation to committees where serious concerns are raised.

4.0 Conclusion and Recommendation

- 4.1 That the Committee reviews the performance indicators and any risks that are outlined in this report and feeds back any areas of concern.

Contact for more Information: Catherine Yandle Group Manager for Performance, Governance and Data Security ext 4975

Circulation of the Report: Leadership Team and Cabinet Member

Corporate Plan PI Report Environment

Monthly report for 2020-2021
 Arranged by Aims
 Filtered by Aim: Priorities Environment
 For MDDC - Services

Key to Performance Status:

Performance Indicators:

No Data

Well below
target

Below target

On target

Above target

Well above
target

*
 Indicates that an entity is linked to the Aim by its parent Service

Corporate Plan PI Report Environment																
Priorities: Environment																
Aims: Increase recycling and reduce the amount of waste																
Performance Indicators																
Title	Prev Year (Period)	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Group Manager	Officer Notes
<u>Residual household waste per household (measured in Kilograms) (figures have to be verified by DCC)</u>	66.32 (2/12)	362	39	68											Stuart Noyce	(April - May) Covid-19 'Stay at Home' guidance has impacted on the amount of waste created by households. The increase per household was 2.53% compared to the same period last year. (LD)
<u>Number of Fixed Penalty Notices (FPNs) Issued (Environment)</u>	4 (2/12)	No Target	0	0											Stuart Noyce	(May) Due to carrying one vacancy in the team which is now being recruited to and the remaining team assisting with other critical services such as waste during covid enforcement has been minimal during the 1st quarter. (LD)
<u>% of Household Waste Reused, Recycled and Composted (figures have to be verified by DCC)</u>	52.90% (2/12)	54.5%	54.9%	55.1%											Stuart Noyce	(May) The rate is above target. Most dry recycling materials have increased during April and May due to COVID and an increase in
Printed by: Catherine Yandle																
SPAR.net																
Print Date: 03 July 2020 10:02																

Corporate Plan PI Report Environment																	
Priorities: Environment																	
Aims: Increase recycling and reduce the amount of waste																	
Performance Indicators																	
Title	Prev Year (Period)	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Group Manager	Officer Notes	
																GW customers has been seen. However there has also been an increase in residual waste so recycling rates are similar to the same period last year. (LD)	
<u>Number of Households on Chargeable Garden Waste</u>	10,102 (2/12)		10,007	10,837											Stuart Noyce	(May) An increase of 830 customers since March 2019. A reflection of the 'stay at home' guidance. (LD)	
<u>% of missed collections reported (refuse and organic waste)</u>	0.01% (2/12)	0.03%	0.01%	0.02%											Stuart Noyce	(May) Remaining within target (LD)	
<u>% of Missed Collections logged (recycling)</u>	0.02% (2/12)	0.03%	0.03%	0.03%											Stuart Noyce	(May) Remaining on target for the year to date (LD)	

Corporate Plan PI Report Homes

Monthly report for 2020-2021
 Arranged by Aims
 Filtered by Aim: Priorities Homes
 For MDDC - Services

Key to Performance Status:

Performance Indicators:

No Data

Well below
target

Below target

On target

Above target

Well above
target

* indicates that an entity is linked to the Aim by its parent Service

Corporate Plan PI Report Homes

Priorities: Homes

Aims: Deliver Housing

Performance Indicators

Title	Prev Year (Period)	Prev Year End	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Group Manager	Officer Notes
<u>Net additional homes provided</u>	n/a	n/a	393	n/a	n/a		n/a	n/a		n/a	n/a		n/a	n/a		Jenny Clifford	
<u>Number of affordable homes delivered (gross)</u>	(1/4)	85		n/a	n/a		n/a	n/a		n/a	n/a		n/a	n/a		Angela Haigh	
<u>Build Council Houses</u>	(3/12)	26		n/a	n/a		n/a	n/a		n/a	n/a		n/a	n/a		Angela Haigh	

Aims: Private Sector Housing

Performance Indicators

Title	Prev Year (Period)	Prev Year End	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Group Manager	Officer Notes
<u>Deliver homes by bringing Empty Houses into use</u>	33 (2/12)	138	72	1	9											Simon Newcombe	

Aims: Council Housing

Performance Indicators

Title	Prev Year (Period)	Prev Year End	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Group Manager	Officer Notes
<u>% Properties With a Valid Gas Safety Certificate</u>	99.91% (3/12)	99.82%	100.0%	99.6%	99.4%	98.9%										Angela Haigh	
<u>% Complaints Responded to On Time</u>	100.0% (3/12)	100.0%	99.0%	100.0%	100.0%	100.0%										Angela Haigh	
<u>% Emergency Repairs Completed on Time</u>	100.0% (2/12)	100.0%	100.0%	100.0%	100.0%											Angela Haigh	
<u>% Urgent Repairs Completed on Time</u>	100.0% (2/12)	99.9%	100.0%	100.0%	100.0%											Angela Haigh	
<u>% Routine</u>	99.3% (2/12)	99.8%	100.0%	100.0%	100.0%											Angela	

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Corporate Plan PI Report Homes																	
Priorities: Homes																	
Aims: Council Housing																	
Performance Indicators																	
Title	Prev Year (Period)	Prev Year End	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Group Manager	Officer Notes
<u>Repairs Completed on Time</u>																Haigh	
<u>% Repair Jobs Where an Appointment Was Kept</u>	100.0% (2/12)	99.8%	100.0%	100.0%	100.0%											Angela Haigh	

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Corporate Plan PI Report Economy

Monthly report for 2020-2021
 Arranged by Aims
 Filtered by Aim: Priorities Economy
 For MDDC - Services

Key to Performance Status:

Performance
Indicators:

No Data	Well below target	Below target	On target	Above target	Well above target
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* indicates that an entity is linked to the Aim by its parent Service

Corporate Plan PI Report Economy																
Priorities: Economy																
Aims: Improve and regenerate our town centres																
Performance Indicators																
Title	Prev Year (Period)	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Group Manager	Officer Notes
<u>West Exe North and South</u>	n/a		n/a	n/a	12	n/a	n/a		n/a	n/a		n/a	n/a		Andrew Busby	(Quarter 1) 92% 1 vacant unit (CY)
<u>Fore St Tiverton</u>	n/a		n/a	n/a	2	n/a	n/a		n/a	n/a		n/a	n/a		Andrew Busby	(Quarter 1) 67% 1 unit vacant (CY)
<u>Market Walk Tiverton</u>	n/a		n/a	n/a	13	n/a	n/a		n/a	n/a		n/a	n/a		Andrew Busby	(Quarter 1) 87% 2 vacant, 1 under offer (CY)
<u>Tiverton Other</u>	n/a		n/a	n/a	8	n/a	n/a		n/a	n/a		n/a	n/a		Andrew Busby	(Quarter 1) 100% (CY)
<u>The Number of Empty Shops (TIVERTON)</u>	(1/4)	18	n/a	n/a		n/a	n/a		n/a	n/a		n/a	n/a		Adrian Welsh	(Quarter 1) Count not done in Q1 due to covid 19 (CY)
<u>The Number of Empty Shops (CREDITON)</u>	(1/4)	8	n/a	n/a		n/a	n/a		n/a	n/a		n/a	n/a		Adrian Welsh	
<u>The Number of Empty Shops (CULLOMPTON)</u>	(1/4)	8	n/a	n/a		n/a	n/a		n/a	n/a		n/a	n/a		Adrian Welsh	

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Corporate Plan PI Report Corporate

Monthly report for 2020-2021

Arranged by Aims

Filtered by Aim: Priorities Delivering a Well-Managed Council
For MDDC - Services

Key to Performance Status:

Performance Indicators:	No Data	Well below target	Below target	On target	Above target	Well above target
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* Indicates that an entity is linked to the Aim by its parent Service

Corporate Plan PI Report Corporate																	
Priorities: Delivering a Well-Managed Council																	
Aims: Economic Development																	
Performance Indicators																	
Title	Prev Year (Period)	Prev Year End	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Group Manager	Officer Notes
% of complaints resolved w/in timescales (10 days - 12 weeks)	95% (3/12)	94%	90%	100%	100%	80%										Lisa Lewis	(June) 15 closed after 4 wks (RT)
Number of Complaints	33 (3/12)	26		5	11	15										Lisa Lewis	
New Performance Planning Guarantee determine within 26 weeks	99% (1/4)	100%	100%	n/a	n/a	100%	n/a	n/a		n/a	n/a		n/a	n/a		Jenny Clifford, Eileen Paterson	(Quarter 1) COVID- 19 (RP)
Major applications overturned at appeal (over last 2 years)	0% (1/4)	2%	10%	n/a	n/a	4%	n/a	n/a		n/a	n/a		n/a	n/a		Jenny Clifford, Eileen Paterson	
Major applications overturned at appeal % of appeals	0.00% (1/4)	10.00%		n/a	n/a	100%	n/a	n/a		n/a	n/a		n/a	n/a		Jenny Clifford	
Minor applications overturned at appeal (over last 2 years)	0% (1/4)	0%	10%	n/a	n/a	0%	n/a	n/a		n/a	n/a		n/a	n/a		Jenny Clifford, Eileen Paterson	
Minor applications overturned at appeal % of appeals	0% (1/4)	13%		n/a	n/a	0.25%	n/a	n/a		n/a	n/a		n/a	n/a		Jenny Clifford	
Response to FOI Requests (within 20 working days)	100% (3/12)	100%	100%	100%	100%	100%										Catherine Yandle	
FOI/EIR Requests where the information was granted in full	28 (3/12)	31		15	24	34										Catherine Yandle	
ICO Decision Notices	2 (4/12)	3		0	0	0	0									Catherine Yandle	
Working	1.55days (3/12)	8.12days	7.00days	n/a	n/a	1.41days	n/a	n/a		n/a	n/a		n/a	n/a		Matthew	
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Corporate Plan PI Report Corporate																	
Priorities: Delivering a Well-Managed Council																	
Aims: Economic Development																	
Performance Indicators																	
Title	Prev Year (Period)	Prev Year End	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Group Manager	Officer Notes
<u>Days Lost Due to Sickness Absence</u>																Page	
<u>% total Council tax collected - monthly</u>	29.29% (3/12)	98.50%		10.71%	19.36%	28.02%										Dean Emery	
<u>% total NNDR collected - monthly</u>	33.07% (3/12)	99.20%		10.09%	16.52%	31.01%										Dean Emery	

Aims: Planning																	
Performance Indicators																	
Title	Prev Year (Period)	Prev Year End	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Group Manager	Officer Notes
<u>Local Plan Review</u>	n/a	n/a		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Jenny Clifford	

Aims: Other																	
Performance Indicators																	
Title	Prev Year (Period)	Prev Year End	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Group Manager	Officer Notes
<u>Community Infrastructure Levy</u>	n/a	n/a		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Jenny Clifford	

Corporate Risk Management Report - Appendix 6

Report for 2020-2021

Filtered by Prefix: Exclude Risk Prefix: OP, PR, EV

Filtered by Flag: Include: * Corporate Risk Register

For MDDC - Services

Filtered by Performance Status: Exclude Risk Status: Low

Not Including Risk Child Projects records, Including Mitigating Action records

Key to Performance Status:

Mitigating Action:

Milestone
Missed

Behind
schedule

In progress

Completed
and
evaluated

No Data
available

Risks: No Data (0+)

High (15+)

Medium (6+)

Low (1+)

Corporate Risk Management Report - Appendix 6

Risk: Affordable and Council Housing Demand Housing supply does not meet local demand or reflect demographic shifts like increased demand for single occupancy

Service: Housing Services

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
Completed and evaluated	Detailed Analysis of Housing Need	Provision of 'heat map' to show where housing need is gathered by geographical area	Claire Fry	28/05/2013	12/05/2020	Fully effective (1)
In progress	Review of Housing Register	The register is regularly reviewed to minimise the incidence of fraud and to ensure that it represents a true picture of housing need. We also participate in the NFI waiting list matches.	Claire Fry	31/12/2019	12/05/2020	Positive(2)

Current Status: High (16) Current Risk Severity: 4 - High Current Risk Likelihood: 4 - High

Service Manager: Claire Fry

Corporate Risk Management Report - Appendix 6

Risk: Climate Change Declaration The implications to the Council's strategic, budget and medium term financial plans are not yet fully explored and understood. This introduces an increased level of uncertainty. Impact of climate change on the financial viability of the Council.

Service: Governance

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
Completed and evaluated	Cabinet Member for Climate Change	Was appointed in January 2020 with specific responsibility for the climate change agenda.	Catherine Yandle	17/02/2020	18/05/2020	Fully effective (1)
In progress	Consideration by the Environment PDG	This PDG has been tasked with considering the Council's own policy response (s) to the Climate Change Declaration made at Full Council on 26 June 2019.	Catherine Yandle	19/07/2019	18/05/2020	Positive(2)
In progress	Devon Climate Emergency – Tactical Group	MDDC are part of the tactical group for the climate emergency that has strategic links to our own plans. The group met most recently on 6 May 2020.	Catherine Yandle	18/05/2020	18/05/2020	Positive(2)
In progress	Net Zero Advisory Group	This was approved by Cabinet on 23 April terms of reference to be progressed for the group, membership confirmed and a date of the first meeting to be scheduled.	Catherine Yandle	18/05/2020	18/05/2020	Positive(2)
Current Status: High (20)		Current Risk Severity: 5 - Very High		Current Risk Likelihood: 4 - High		
Service Manager: Catherine Yandle						

Corporate Risk Management Report - Appendix 6

Risk: Commercial Land supply Insufficient diversity in commercial land provided to meet changing business needs

Service: Planning

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
No Data available	Business and landowner engagement	Continued brokering of sites and identification of creative opportunities to meet business demands can be very effective in addressing this risk	Adrian Welsh	10/06/2019	12/05/2020	No Score(0)
No Data available	Incubator/Flexible workspace project	This project should help identify opportunities to help the delivery of new flexible workspace	Adrian Welsh	10/06/2019	12/05/2020	No Score(0)
In progress	Plan for recovery	Develop a recovery plan/ strategy in conjunction with partners	Jenny Clifford	12/05/2020	12/05/2020	Positive (2)
Current Status: High (15)		Current Risk Severity: 5 - Very High		Current Risk Likelihood: 3 - Medium		
Service Manager: Jenny Clifford						

Corporate Risk Management Report - Appendix 6

Risk: Coronavirus Pandemic There is now a significant risk to MDDC's ability to conduct business as usual

Service: Public Health

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
Completed and evaluated	Business Continuity Planning (BCP)	BCPs have been reviewed. Regular updates are being obtained from Public Health England and the Local Resilience Forum. Weekly meetings of managers and Leadership Team via Skype.	Catherine Yandle	06/03/2020	06/07/2020	Fully effective (1)
Behind schedule	Financial and Economic effects monitoring	To ensure that local authorities including MDDC are reimbursed in full for the Covid 19 response by Central government. At present we have been given approx. 20% of the costs to date in extra funding. Announcement re additional funding of 75p in the £1 on 3 July is encouraging.	Catherine Yandle	13/05/2020	06/07/2020	Poor - action required(3)
Current Status: High (15)		Current Risk Severity: 5 - Very High		Current Risk Likelihood: 3 - Medium		
Service Manager: Simon Newcombe						

Corporate Risk Management Report - Appendix 6

Risk: Culm Garden Village Possible discontinuance of Government funding support

Service: Planning

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
No Data available	Further bids for capacity funding	To continue to secure external funding to support the project	Jenny Clifford	29/03/2019	02/06/2020	No Score(0)

Current Status: High (16) Current Risk Severity: 4 - High Current Risk Likelihood: 4 - High

Service Manager: Ian Chilver

Corporate Risk Management Report - Appendix 6

Risk: Cyber Security Inadequate Cyber Security could lead to breaches of confidential information, damaged or corrupted data and ultimately Denial of Service. If the Council fails to have an effective ICT security strategy in place.

Risk of monetary penalties and fines, and legal action by affected parties

Service: I C T

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
Completed and evaluated	Email and Protective DNS	ICT have applied the all levels of the government secure email policy, which ensures secure email exchange with government agencies operating at OFFICIAL. PSN DNS has been configured at the Internet gateway, which ensures the validity of websites and blocks known sites.	Lisa Lewis	06/06/2019	15/05/2020	Fully effective (1)
Completed and evaluated	Information Security Policy in place, with update training	Information Security Policy reviewed. LMS (online policy system) included in induction.	Catherine Yandle	22/10/2015	15/05/2020	Fully effective (1)
In progress	Regular user awareness training	Staff and Member updates help to reduce the risk	Catherine Yandle	03/01/2019	15/05/2020	Positive(2)
Completed and evaluated	Technical controls in place	Required to maintain Public Sector Network certification	Lisa Lewis	03/01/2019	15/05/2020	Fully effective (1)
Current Status: High (20)		Current Risk Severity: 5 - Very High		Current Risk Likelihood: 4 - High		
Service Manager: Lisa Lewis						

Corporate Risk Management Report - Appendix 6

Risk: Economic Development Service The macro economic position might necessitate a reactive response, impacting on the Council's resourcing and reducing its ability to deploy resources as planned.

Service: Growth, Economy and Development

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
In progress	Distribution and processing of Gov business support funding.	To assist businesses through these difficult initial stages.	Adrian Welsh	12/05/2020	12/05/2020	Positive (2)
No Data available	Hardship funding	To support individuals/households but also crucial for self employed and furloughed staff	Adrian Welsh	12/05/2020	12/05/2020	No Score (0)
In progress	Recovery plans	Work underway to develop recovery plans to assist positive impacts on local economy.	Adrian Welsh	12/05/2020	12/05/2020	No Score (0)
Current Status: High (25)		Current Risk Severity: 5 - Very High		Current Risk Likelihood: 5 - Very High		
Service Manager: Adrian Welsh						

Corporate Risk Management Report - Appendix 6

Risk: Economic Strategy Failure to deliver projects/outcomes in Economic Strategy

Service: Growth, Economy and Development

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
In progress	Continue to seek out existing and new funding opportunities	To assist in ensuring adequate funding for delivery.	Adrian Welsh	10/06/2019	12/05/2020	Positive(2)
In progress	partnership working	Continue to work closely with delivery partners to gain advance warning of difficulties so as to seek to mitigate	Adrian Welsh	10/06/2019	12/05/2020	Positive(2)
In progress	Project Management	Continue rigorous project management, monitoring and reporting	Adrian Welsh	10/06/2019	12/05/2020	Positive(2)
In progress	Recovery Plans	Recovery Plans will be put in place to aid recovery.	Adrian Welsh	12/05/2020	12/05/2020	Positive (2)
In progress	Review and reprioritisation	Part of review of projects for Year 2 actions. This will consider maximising investment and prioritising officer time.	Adrian Welsh	31/01/2020	12/05/2020	Positive(2)
Current Status: High (20)		Current Risk Severity: 4 - High		Current Risk Likelihood: 5 - Very High		
Service Manager: Jenny Clifford						

Corporate Risk Management Report - Appendix 6

Risk: Funding Insufficient resources (including funding) to deliver growth aspirations of Corporate Plan.

Service: Growth, Economy and Development

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
In progress	Lobbying	Officers will continue to review funding opportunities and seek opportunities to work closely with local partners and the HotSWLEP to seek additional funding support for key infrastructure.	Adrian Welsh	12/05/2020	12/05/2020	Positive (2)
In progress	Officers have reprioritised work programmes to explore new funding opportunities	End of European funding sources	Adrian Welsh	10/06/2019	12/05/2020	Positive(2)
Current Status: High (16) Current Risk Severity: 4 - High Current Risk Likelihood: 4 - High Service Manager: Adrian Welsh						

Risk: GDPR compliance That the Council cannot demonstrate that we are compliant with GDPR requirements.

Service: Governance

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
In progress	IDOX Records Handling Plan	To utilize IDOX bulk data handling tool across the Council services using Uniform	Catherine Yandle	01/03/2019	06/07/2020	Positive(2)
In progress	Records Management Action Plan	To improve identified issues with records management	Catherine Yandle	15/06/2018	06/07/2020	Positive(2)
Current Status: Medium (10) Current Risk Severity: 5 - Very High Current Risk Likelihood: 2 - Low Service Manager: Catherine Yandle						

Corporate Risk Management Report - Appendix 6

Risk: Health and Safety Inadequate Health and Safety Policies or Risk Assessments and decision-making could lead to Mid Devon failing to mitigate serious health and safety issues

Service: Governance

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
Completed and evaluated	Risk Assessments	Review risk assessments and procedures to ensure that we have robust arrangements in place. In progress ready for September reports.	Catherine Yandle	28/05/2013	20/11/2019	Fully effective (1)
In progress	Risk assessments	Group Managers contacted with request to update the outstanding risk reviews	Catherine Yandle	20/09/2019	20/11/2019	Positive(2)
Current Status: Medium (10)		Current Risk Severity: 5 - Very High		Current Risk Likelihood: 2 - Low		
Service Manager: Catherine Yandle						

Corporate Risk Management Report - Appendix 6

Risk: Homelessness Insufficient resources to support an increased homeless population could result in failure to meet statutory duty to provide advice and assistance to anyone who is homeless.

Service: Housing Services

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
Completed and evaluated	Computer System	New ICT system for recording homelessness data procured and fully functional including reporting facility.	Claire Fry	05/09/2017	12/05/2020	Fully effective (1)
Completed and evaluated	Staff Support	Officers are trained and knowledgeable and the structure of Housing Options team to be reviewed to build resilience. Homelessness strategy was reviewed Autumn 2019.	Claire Fry	22/06/2017	12/05/2020	Fully effective (1)

Current Status: High (16) Current Risk Severity: 4 - High Current Risk Likelihood: 4 - High
Service Manager: Claire Fry

Corporate Risk Management Report - Appendix 6

Risk: Information Security Inadequate data protection could lead to breaches of confidential information and ultimately enforcement action by the ICO.

Service: Governance

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
In progress	Awareness and Training	Attend team meetings and other meetings such as Tenants Together to provide training and answer questions on request. Articles in the Link on an ad hoc basis.	Catherine Yandle	09/08/2019	06/07/2020	Positive(2)
In progress	Breach notification	Security breaches are logged via the helpdesk and monitored for developing trends. Training and advice is offered in response to items logged.	Catherine Yandle	09/08/2019	06/07/2020	Positive(2)
Current Status: Medium (10)		Current Risk Severity: 5 - Very High			Current Risk Likelihood: 2 - Low	
Service Manager: Catherine Yandle						

Corporate Risk Management Report - Appendix 6

Risk: Infrastructure delivery Inability to deliver, or delay in delivering, key transport infrastructure to unlock planned growth

Service: Growth, Economy and Development

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
In progress	Partnership working	Close working with delivery partners to attempt to mitigate risks.	Adrian Welsh	12/05/2020	12/05/2020	Positive (2)
In progress	Partnership working with infrastructure providers and statutory bodies	Reduce risk of delays and communication.	Adrian Welsh	10/06/2019	12/05/2020	Positive(2)
In progress	target funding opportunities	To seek to bring forward delivery	Adrian Welsh	10/06/2019	12/05/2020	Positive(2)
Current Status: High (16) Current Risk Severity: 4 - High Current Risk Likelihood: 4 - High						
Service Manager: Jenny Clifford						

Risk: Localism Act - Community Right to Buy / Challenge Transference of services to the community could enable the Council to identify cost savings

Service: Financial Services

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
In progress	This is an opportunity - Communication with third parties needed		Ian Chilver	02/08/2019	02/08/2019	Positive(2)
Current Status: Medium (12) Current Risk Severity: 4 - High Current Risk Likelihood: 3 - Medium						
Service Manager: Ian Chilver						

Corporate Risk Management Report - Appendix 6

Risk: Overall Funding Availability Changes to Revenue Support Grant, Business Rates, New Homes Bonus and other funding streams in order to finance ongoing expenditure needs.

Service: Financial Services

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
In progress	Engaging in commercial activities		Ian Chilver	28/09/2017	15/05/2020	Positive(2)
In progress	Medium term planning		Ian Chilver	28/09/2017	15/05/2020	Positive(2)
Current Status: High (15)		Current Risk Severity: 5 - Very High			Current Risk Likelihood: 3 - Medium	
Service Manager: Ian Chilver						

Corporate Risk Management Report - Appendix 6

Risk: Reduced Funding - Budget Cuts We are subject to continuing budget reductions. If we concentrate on short term cost savings, it may increase long term impact of decisions

Service: Financial Services

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
In progress	Business Plans	Service Business Plans are reviewed each financial year with suggestions for revised performance targets based on budget to be agreed by Cabinet Member and PDG.	Andrew Jarrett	28/05/2013	15/05/2020	Positive(2)
In progress	Identify Efficiencies	Taking proactive steps to increase income and reduce expenditure through efficiencies, vacancies that arise and delivering services in a different way.	Andrew Jarrett	28/05/2013	15/05/2020	Positive(2)
In progress	Reserves	Cabinet have taken the decision to recommend a minimum general reserve balance of 25% of Net annual budget.	Andrew Jarrett	28/05/2013	15/05/2020	Positive(2)
In progress	Set Budget	Each year as part of the budget setting process, members are consulted via PDGs in time to evaluate savings proposals, ahead of the November draft budget.	Andrew Jarrett	28/05/2013	15/05/2020	Positive(2)

Current Status: High (16) Current Risk Severity: 4 - High Current Risk Likelihood: 4 - High

Service Manager: Ian Chilver

Corporate Risk Management Report - Appendix 6

Risk: Reputational damage - social media impact of reputational damage through social media is a significant risk that warrants inclusion on the Authority's risk register.

Service: Communications

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
No Data available	Monitoring social media	Two members of the communications team monitor the main corporate social media accounts on a rota basis. Alerts are also set up so the team receives notification of comments and can respond as appropriate. This is monitored in office hours only and the team does not provide 24 hour monitoring or a call out function. The Comms Team also works with other local authorities and takes part in social media training with other local authorities as the opportunities arise budgets permitting.	Jane Lewis	05/06/2019	18/05/2020	No Score(0)
Current Status: Medium (10)		Current Risk Severity: 5 - Very High		Current Risk Likelihood: 2 - Low		
Service Manager: Jane Lewis						

Corporate Risk Management Report - Appendix 6

Risk: S106 Agreement Inability of the legacy systems to provide a full overview of the 'trigger points' for all of the s106 agreements

Service: Planning

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
In progress	S106 improvement project	A S106 improvement project is taking place to build a new system that will be able to effectively manage the process and provide better visibility over the information on S106 agreements and monies held/spent/expected.	Jenny Clifford	04/10/2019	15/05/2020	Positive(2)
Current Status: Medium (10)		Current Risk Severity: 5 - Very High		Current Risk Likelihood: 2 - Low		
Service Manager: Jenny Clifford						

Corporate Risk Management Report - Appendix 6

Risk: SPV - 3 Rivers - Failure of the Company This will depend on Economic factors and the Company's success in the marketplace commercially.

For MDDC the impacts will be:

3 Rivers are unable to service and repay the loan from MDDC

Not receiving the forecast additional income

Not supporting corporate objectives.

Service: Financial Services

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
In progress	Quarterly Officer Programme Board	Will receive detailed project updates and will ensure performance correlates with existing metrics, budgets, timetable and considers any specific material project risks that have been identified. Anything materially o/s of project confines would then be reported to Cabinet	Andrew Jarrett	13/06/2019	15/05/2020	Positive(2)
In progress	Regular monitoring	The Board of 3 Rivers deliver a half yearly report to the Cabinet which provides an update on their delivery against their business plan. We charge interest to them at a commercial rate in order to maintain an "arms-length" relationship and the interest provides some mitigation to the outstanding principal.	Andrew Jarrett	30/05/2019	15/05/2020	Positive(2)
Current Status: High (20)		Current Risk Severity: 5 - Very High		Current Risk Likelihood: 4 - High		
Service Manager: Ian Chilver						

Corporate Risk Management Report - Appendix 6

Risk: SPV Disclosure requirements - 3 Rivers Failing to maintain the balance between commercial sensitivity and the transparency and openness requirements of a wholly owned entity.

Service: Financial Services

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
In progress	Employed services of Ichabod	We can refer technical matters regarding group accounts etc. to our retained technical advisor. This is a cost effective way of receiving technical updates.	Ian Chilver	02/01/2018	15/05/2020	Positive(2)
In progress	Liaison with External Auditors and 3 Rivers	We have regular discussions with our external auditors to ensure that we are providing the correct information for decision making purposes. We are mindful of the need to maintain commercial sensitivity but we are also aware that Members must be appraised to an appropriate level to be able to make informed decisions.	Ian Chilver	06/01/2020	15/05/2020	Positive(2)
Current Status: Medium (12)		Current Risk Severity: 4 - High		Current Risk Likelihood: 3 - Medium		
Service Manager: Ian Chilver						

Corporate Risk Management Report - Appendix 6

Risk: SPV Governance Arrangements - 3 Rivers Not being able to demonstrate robust challenge and decision-making.

Service: Governance

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
Behind schedule	External Review	Several recommendations have been recommended. All have been approved between Cabinet, Audit and Scrutiny. Action Plan will be put in place after Cabinet 9 July meeting.	Catherine Yandle	06/07/2020	06/07/2020	Poor - action required (3)
In progress	Included on AGS	This issue has been included on the Annual Governance Statement Action Plan so we do not lose sight of the issue throughout the year.	Catherine Yandle	15/07/2019	06/07/2020	Positive(2)
In progress	Openness and Transparency	Regular reports to Cabinet in open session where possible. Need to balance commercial interests with Nolan principles.	Catherine Yandle	20/05/2019	06/07/2020	Positive(2)
Current Status: High (20)		Current Risk Severity: 5 - Very High		Current Risk Likelihood: 4 - High		
Service Manager: Catherine Yandle						

Corporate Risk Management Report - Appendix 6

Risk: Tiverton Pannier Market Failure to maximise the economic potential of Tiverton Pannier Market

Service: Growth, Economy and Development

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
In progress	Continue to retain and prioritise market budget	To ensure most efficient use of resources	Adrian Welsh	10/06/2019	12/05/2020	Positive(2)
In progress	continue to work with traders on promotion	To increase footfall.	Adrian Welsh	10/06/2019	12/05/2020	Positive(2)
In progress	Implement and review market strategy	Implementation of strategy will increase market's financial success and help fulfill its function as a key driver for the town.	Adrian Welsh	10/06/2019	12/05/2020	Positive(2)
In progress	Masterplan Implementation	To realise benefits from the Masterplan to increase visibility of market and increase footfall.	Adrian Welsh	10/06/2019	12/05/2020	Poor - action required(3)

Current Status: High (16) Current Risk Severity: 4 - High Current Risk Likelihood: 4 - High

Service Manager: Jenny Clifford

Corporate Risk Management Report - Appendix 6

Risk: Tiverton Town Centre Masterplan Failure to adopt and implement the Tiverton Town Centre Masterplan

Service: Planning

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
In progress	Community and political engagement	Through the masterplanning process engagement is taking place with key stakeholders over the emerging masterplan. A further period of public consultation is also yet to take place.	Adrian Welsh	07/10/2019	12/05/2020	No Score(0)
In progress	Review first draft of masterplan	A review of draft masterplan and interventions/actions is being undertaken in light of the likely impacts of the pandemic	Jenny Clifford	12/05/2020	12/05/2020	No Score(0)
Current Status: Medium (12)		Current Risk Severity: 4 - High		Current Risk Likelihood: 3 - Medium		
Service Manager: Jenny Clifford						

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Risk Matrix

Report

Filtered by Prefix: Exclude Risk Prefix: OP, EV
For MDDC - Services
Current settings

Risk Likelihood	5 - Very High	No Risks	No Risks	No Risks	1 Risk	2 Risks
	4 - High	No Risks	No Risks	No Risks	9 Risks	4 Risks
	3 - Medium	1 Risk	No Risks	8 Risks	6 Risks	3 Risks
	2 - Low	No Risks	1 Risk	10 Risks	11 Risks	6 Risks
	1 - Very Low	4 Risks	1 Risk	2 Risks	1 Risk	5 Risks
		1 - Very Low	2 - Low	3 - Medium	4 - High	5 - Very High
Risk Severity						

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AUDIT COMMITTEE 11 AUGUST 2020

ANNUAL GOVERNANCE STATEMENT

Cabinet Member Cllr Bob Deed
Responsible Officer Catherine Yandle, Group Manager for Performance, Governance and Data Security

Reason for Report: To present the Committee with the finalised Annual Governance Statement and Action Plan (Appendix A) and accompanying Corporate Governance Framework (Appendix B) for 2019/20.

RECOMMENDATION(S): That the Committee approve the Annual Governance Statement and the Leader of the Council and the Chief Executive sign the Statement as per the statutory guidance.

Relationship to Corporate Plan: Having good governance arrangements and an effective internal control environment is a fundamental element of being a well-managed council.

Financial Implications: None

Legal Implications: None

Risk Assessment: Failure to produce an Annual Governance Statement would result in the Council breaching the Accounts and Audit Regulations 2015.

Equality Impact Assessment: No equality issues identified for this report.

Impact on Climate Change: No impacts identified for this report.

1.0 Introduction

- 1.1 Mid Devon District Council is required to prepare an Annual Governance Statement as per the requirements laid out in the Delivering Good Governance in Local Government: Framework (2016) and the CIPFA/LASAAC Code of Practice on Local Authority Accounting.
- 1.2 In addition Regulation 6(1)(a) of the Accounts and Audit Regulations 2015 require an authority to conduct a review at least once a year of the effectiveness of its system of internal control, and to include a statement reporting on the review with any published Statement of Accounts. Regulation 6(1)(b) of the Accounts and Audit Regulations 2015 require that for a local authority in England the statement is an Annual Governance Statement (AGS).
- 1.3 The Good Governance Framework sets out seven principles of Corporate Governance which are underpinned by supporting principles and requirements. Authorities are expected to comply with the requirements of the Framework and thus meet the principles of good Corporate Governance, which are:

- Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
- Ensuring openness and comprehensive stakeholder engagement
- Defining outcomes in terms of sustainable economic, social and environmental benefits
- Determining the interventions necessary to optimise the achievement of the intended outcomes
- Developing the entity's capacity, including the capability of its leadership and the individuals within it
- Managing risks and performance through robust internal control and strong public financial management
- Implementing good practices in transparency, reporting and audit to deliver effective accountability.

2.0 What is an Annual Governance Statement?

2.1 The AGS should be an open and honest self-assessment of an authority's performance across all of its activities, with a clear statement of the actions being taken or that are required to address areas of concern. The AGS has been prepared in accordance with the CIPFA guidance entitled '*Delivering Good Governance in Local Government*'.

2.2 The AGS includes the following:

- An acknowledgement of responsibility for ensuring there is a sound system of governance (incorporating the system of internal control)
- A description of the key elements of the systems and processes that comprise the governance arrangements
- A brief description of the process that has been applied in maintaining and reviewing the effectiveness of the governance arrangements
- An outline of the proposed actions to be taken to deal with significant governance issues, including an action plan.

2.3 This year there is an additional section, H regarding the Council's Covid 19 response in so far as it affects governance.

3.0 Conclusion

3.1 Following the review of the sources of assurance and evidence to support the AGS, it is the opinion of the Group Manager for Performance, Governance and Data Security that the Council's control environment was adequate in the 2019/20 financial year.

3.2 The areas where improvements are required are highlighted in the Action Plan accompanying the AGS. The action plan includes reference to the lead officers for each action and the target date for completion. The Committee will receive an update on the progress made against this action plan at their meetings throughout 2020/21.

3.3 It is a statutory requirement that the AGS is signed off by the Chief Executive (as most senior officer) and the Leader of the Council (as most senior member),

along with the Report and Accounts once they have been approved by the Audit Committee on the 11 August 2020.

- 3.4 The AGS has been subject to review by the Council's external auditor and their comments have been reflected in this document.

Contact for more Information: Catherine Yandle Group Manager for Performance, Governance and Data Security ext. 4975

Circulation of the Report: Management Team and Cllr Bob Deed

List of Background Papers: None

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Annual Governance Statement (2019/20)

This gives the results of our yearly assessment of how well we are managing and controlling risks, achieving our aims and meeting the responsibilities we have by law.

We are responsible for making sure that we:

- carry out our business in line with the law and proper standards;
- protect public money and account for it properly; and
- use public money economically, efficiently and effectively.

Regulation 6(1)(a) of the Accounts and Audit Regulations 2015, require an authority to conduct a review at least once in a year of the effectiveness of its system of internal control, and to include a statement reporting on the review with any published Statement of Accounts. Regulation 6(1) (b) of the Accounts and Audit Regulations 2015 require that for a local authority in England the statement is an Annual Governance Statement.

In England, the Accounts and Audit Regulations 2015 stipulate that the Annual Governance Statement (AGS) must be “prepared in accordance with proper practices in relation to accounts”. Therefore for a local authority in England this requires the statement to be in accordance with Delivering Good Governance in Local Government: Framework (2016) and the CIPFA/LASAAC Code of Practice on Local Authority Accounting for ~~2016~~2019/20~~2017~~. In preparing and publishing this Statement, we therefore meet these statutory requirements.

The framework is intended to assist authorities individually in reviewing and accounting for their own unique approach. The overall aim is to ensure that resources are directed in accordance with agreed policy and according to priorities, that there is sound and inclusive decision making and that there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Mid Devon District Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised. It ensures they are managed efficiently, effectively and economically.

Annual Governance Statement (2019/20)

The review of internal controls provides assurance that the Statement of Accounts gives a true and fair view of the Authority's financial position at the reporting date and its financial performance during the year.

The assurance opinions derived from the work of Internal Audit are among the significant items that inform the AGS. The Head of Internal Audit's Opinion statement for 20198/2019~~20~~ stated:

Overall, based on work performed during 20198/2019 and our experience from previous years' audit, the Head of Internal Audit's Opinion is of "Substantial Assurance" on the adequacy and effectiveness of the Authority's internal control framework. The exception to this is in relation to the Council's governance arrangements over its investment exposure associated to it's property development operation where our opinion is of 'improvements required'.

The governance framework has been in place for the whole of the year ended 31 March 202019 and up to the date of approval of the Statement of Accounts. MDDC continually seeks to improve its governance arrangements and evidence of continued "best practice" is found within the governance review below. Arrangements are reviewed on a continual basis and where weaknesses have been found they are addressed as is demonstrated below in the Action Plan.

The Policy Development Groups are asked to feedback areas of concern to Cabinet, the Scrutiny Committee can and does challenge Cabinet decisions and the Audit Committee can and does challenge management over areas of concern identified in audit reports throughout the year.

This is the ~~first~~-second full year that the Council's wholly owned subsidiary 3 Rivers Developments Ltd (3 Rivers) has been in operation, the Council has prepared group accounts. The shareholders' agreement with 3 Rivers includes mechanisms to ensure the Company is accountable to the Council but is also able to function as an arms-length development company however the Council recognises that this company exposes us to new risks.

During the year progress against the previous year's AGS Action Plan is taken to every Audit Committee so that the action points can be monitored, not all the action points from the 20172018/19~~8~~ AGS Action Plan have been completed at this time; one item is not due for completion yet but 3-1 were was and required more work. All were partially addressed and are included below in the Action Plan for 20198/19~~20~~.

Overall the Authority has a robust Governance Framework and is not afraid to subject itself and its decisions to scrutiny or Peer review, this enables the Council to have assurance that its governance arrangements are sound but also treated as a live and evolving framework which can respond to the environment it finds itself in.

Annual Governance Statement (2019/20)

Covid 19

The Authority has of course been significantly affected by the Coronavirus pandemic, the main impacts were not felt until March 2020 although planning to deal with the effects of the pandemic had started before then. The approach taken to the AGS has been to update sections A-G with any changes in 2019/20 while it was business as usual (first 11 months). A separate section at the end (H) specifically addresses the Authority's Coronavirus response and any resultant governance changes and new risk areas.

Conclusion

Following a review of the sources of assurance and evidence to support the AGS, it is the opinion of the Group Manager for Performance, Governance and Data Security that the Council's control environment was adequate in the 2019/20 financial year.

😊 = Assurance Received 😞 = Some additional work required

Approved by the Leader of the Council

Bob Deed

Date

Approved by the Chief Executive

Stephen Walford

Date

Annual Governance Statement (2019/20)

Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law		
How We Meet these Principles	Where You Can See Governance in action	Assurance Received and Issues Identified
Behaving with integrity <ul style="list-style-type: none"> We operate an appraisal scheme for all staff to identify development and skills needs and assess performance. We provide new Members and staff with induction training on appointment. We have Codes of Conduct for Members and Staff Declarations of interest made at meetings are published with minutes and on our website. We have registers of interests and gifts & hospitality for Members and Staff. Our Whistleblowing policy was extensively rewritten in 2017 it is next due for review in March 2021⁹. We have a clear complaints procedure on our website and an up-to-date Customer Care Policy. 	<p>New Councillors Induction Programme</p> <p>Staff Induction Policy</p> <p>Constitution</p> <p>Your Councillors - MIDDEVON.GOV.UK</p> <p>Fraud, Money Laundering and Whistleblowing</p> <p>Complaints Procedure</p> <p>Customer Care Policy</p>	<p>😊</p> <p>Gifts & Hospitality and Declarations are audited regularly by Internal Audit</p> <p>Adherence to legislation is confirmed in each audit undertaken</p> <p>The Code of Conduct for Councillors and Co-opted Members was recommended to Full Council for Approval in April 2017</p> <p>Members Code of Conduct training is carried out by the Monitoring Officer</p> <p>Alertcom (Lone working) system implemented. Procedures embedded. Risk assessments in place. 121s / team meetings used to address this. Staff survey action plan.</p> <p>😞</p> <p>Increasedd ethics awareness training in the staff induction process; the new "Evolve" project is wrapping up these themes.</p>



Annual Governance Statement (2019/20)

<p>Respecting the rule of law</p> <ul style="list-style-type: none"> • The Constitution is under continuous review. • We ensure we comply with Statutory Provisions. • Compliance with CIPFA's <i>Statement on the Role of the Chief Financial Officer in Local Government</i> (CIPFA, 2015) • We have effective and up-to-date anti-fraud and corruption policies and procedures • Legal advice is given either as a stand-alone piece of advice or in relation to a case on which Legal Services are instructed to advise. • We recognised the importance of having effective arrangements in place for the Monitoring Officer function by updating and strengthening the role of the Monitoring Officer in the Council and recruiting a suitably qualified person for the post. 	<p>Staff Charter</p> <p>Constitution</p> <p>The role of the Chief Financial Officer in local government</p> <p>Policies & Strategies - Home</p>	
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Annual Governance Statement (2019/20)

Principle B: Ensuring openness and comprehensive stakeholder engagement		
How We Meet these Principles	Where You Can See Governance in action	Assurance Received and Issues Identified
<p>Openness</p> <ul style="list-style-type: none"> We publish agendas and minutes for all our meetings on our website. We publish key decisions on the website We have a FOI publication scheme We have a standard report template We have a calendar of dates for submitting, publishing and distributing timely reports. <p>Engaging comprehensively with institutional stakeholders</p> <ul style="list-style-type: none"> We meet with our local colleges of FE and key local employers to discuss how the Council can support their work <p>Engaging with individual citizens and service users effectively</p>	<p>Browse Meetings, MIDDEVON.GOV.UK</p> <p>Forthcoming Decisions</p> <p>Publication Scheme - MIDDEVON.GOV.UK</p> <p>Report template</p> <p>Committee Report Procedure</p> <p>Community Engagement Strategy and Action Plan</p>	<p>😊</p> <p>We publish recordings of all our meetings on the website (with the exception of Part 2 business <u>and in certain other limited circumstances on an exceptional basis</u>).</p> <p>We sometimes send out policies which are being reviewed to partner agencies for comment. Eg Income Management policy review will be sent to CHAT, Wiser£money etc for comment. Homelessness strategy – we held a meeting for external stakeholders including the Police.</p>

Annual Governance Statement (2019/20)

<ul style="list-style-type: none"> • We publish details of consultations and petitions on our website • We have policies for communication and Social Media • We have an active Tenant involvement group – Tenants Together which produces regular newsletters • Mid Devon Gypsy and Traveller Forum established 	Consultation & Involvement Communication strategy Housing News 4U	
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Annual Governance Statement (2019/20)

Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits		
How We Meet these Principles	Where You Can See Governance in action	Assurance Received and Issues Identified
<p>Defining outcomes</p> <ul style="list-style-type: none"> We have a new vision-focus for the Corporate Plan 2016-20202020-2024: Your council, your future<u>Sustainability</u> We have an agreed Corporate Plan for 2016-20202020-2024 <p>Sustainable economic, social and environmental benefits</p> <ul style="list-style-type: none"> We have a capital asset management group which aims to maximise the return on our capital assets Optimising sustainability and taking a long term view We We treat everyone fairly and equally. <u>Climate Change Declaration made at Full Council on 26 June 2019</u> 	<p><u>Our Corporate Plan</u></p> <p><u>The new Corporate Plan for 2020-2024 was recommended to Council for adoption by Cabinet and was duly adopted on 26 February 2020</u></p> <p><u>Asset Management & Capital Plan</u></p> <p>10 year design plan for open spaces</p> <p>Medium Term Financial strategy</p> <p><u>Equality and Diversity</u></p> <p>The Housing Service has a comprehensive set of policies which ensures consistency in service delivery. We use the Devon Home Choice Scheme to assess housing need and to allocate</p>	<p>😊</p> <p>Regular reports on progress against the Corporate Plan including a set of agreed standard measures</p> <p>Corporate plan priorities and targets are cascaded throughout the Council</p> <p>Public Sector Equality Duty training sessions have been run for Members and staff</p> <p><u>There were 2 meetings of the Equality forum during 2019/20</u></p> <p>😞</p> <p>The Equality Objective for 2018/19 to review the work of, and work towards the revival of, the Corporate Equalities Group has not yet been completed. Although some progress has been made this will continue to be the Equality Objective for 2019/20.</p>

Annual Governance Statement (2019/20)

	<p>our homes. This ensures consistency and is also open and transparent.</p> <p><u>Cabinet Member for Climate Change appointed in January 2020</u></p>	
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Annual Governance Statement (2019/20)

Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes		
How We Meet these Principles	Where You Can See Governance in action	Assurance Received and Issues Identified
<p>Determining interventions</p> <ul style="list-style-type: none"> Our governance structure is based on the strong leader and Cabinet with Policy Development Groups (PDGs) and Scrutiny Committee providing robust challenge. The call in process for Scrutiny and reviews of performance by PDGs. 3 Rivers shall prepare a Business Plan to include such content as the Council may require from time to time and notify to 3 Rivers in writing. The Business Plan shall cover a period of 5 years and shall be updated annually <p>Planning interventions</p> <ul style="list-style-type: none"> Calendar of dates for developing and submitting plans and reports that are adhered to. We publish details of consultations and petitions on our website. 	<p><u>These Executive arrangements are currently under review and a Governance Working Group has been established which held its first meeting in March 2020</u></p> <p>Committee Report Procedure</p>	<p>😊</p> <p>Regular reports on progress against the Corporate Plan including a set of agreed standard measures to Councillors and staff</p> <p>The process for aligning service budgets, plans and objectives has been reviewed and is more effective</p> <p><u>Financial information is now regularly included in performance and risk reports</u></p> <p><u>Internal Audit progress reports showing areas reviewed, assurance opinion and key actions arising.</u></p> <p><u>External Auditors report on the Statement of Accounts, including an opinion on Value for Money for the Council.</u></p>

Annual Governance Statement (2019/20)

<ul style="list-style-type: none"> • Key Performance Indicators have been established and approved for each service element and included in the service plan and are reported upon regularly to Committees. <p>Optimising achievement of intended outcomes</p> <ul style="list-style-type: none"> • budgeting medium term • financial strategy • <u>process is all-inclusive, taking into account the full cost of operations over the medium and longer term</u> • <u>Risk management and performance monitoring are key measures to support interventions.</u> • <u>The Audit Committee is supported by independent internal audit assurance reports provided by Internal Audit (DAP), and the External Auditors' annual opinion on the statement of accounts.</u> 	<p>Consultation & Involvement</p> <p>Medium Term Financial Plan</p> <p><u>Audit Committee meetings are held in a public forum.</u></p> <p><u>The plans of work for both Internal and External Audit are considered and approved by the Committee.</u></p> <p><u>The Committee will receive regular update reports from both sets of Auditors and will hold management to account for any correcting action that may be required.</u></p>	<p>☹</p> <p>Continue to strengthen the link between finance and performance during 2019/20, particularly in the light of budget cuts and cost savings requirements</p> <p><u>External legal and financial reviews have been undertaken on 3 Rivers at the request of Cabinet. A number of recommendations have come from this work regarding improving governance arrangements. These were all approved by Cabinet at their meetings of 11 June and, after consultation with Scrutiny and Audit committees, 9 July. An action plan is in place to address the recommendations</u></p>
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Annual Governance Statement (2019/20)

Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it		
How We Meet these Principles	Where You Can See Governance in action	Assurance Received and Issues Identified
<p>Developing the entity's capacity</p> <ul style="list-style-type: none"> We are committed to improving staff welfare which should reduce our sickness absence which is a direct cost to the Council. All Managers have been put through a Management Training Programme <p>Developing the capability of the entity's leadership and other individuals</p> <ul style="list-style-type: none"> We provide all staff with job descriptions setting out their duties clearly and document the personal qualities and attributes required for each post. We operate an appraisal scheme for all staff to identify development and skills needs and assess performance. We operate a protocol to govern the relationship between Members and 	<p>Constitution Equality and Diversity</p>	<p>😊</p> <p>A programme of training and briefing sessions for elected Members has been agreed to ensure Members remain up to date with current issues, are clear about their roles, and have sufficient information to make informed decisions.</p> <p>Members have signed up to the Developing Your Leadership Potential Programme being run as part of a shared Member development service with other Devon and Somerset Authorities.</p> <p>The qualifications, skills, behaviours and personal attributes required by staff in their roles are identified and documented, and reviewed regularly.</p> <p>😞</p> <p>The current economic situation is likely to continue to cause a reduction in the</p>


Annual Governance Statement (2019/20)

<p>officers which ensures access to appropriate information.</p> <ul style="list-style-type: none"> • We treat everyone fairly and equally. • We take the Health and Safety of our Staff extremely seriously. • We provide new Members with induction training on appointment. • We evaluate the training needs of Members and run briefings on key topics to ensure they have the knowledge and information to make effective decisions. • The Corporate Peer Challenge report in 2017 identified the extent to which we have radically-improved and confirms that we are in a strong position to address future challenges. • The Head of Paid Service has an annual appraisal and is set performance targets by the Cabinet 	<p>New Councillors Induction Programme</p> <p>Member Development Policy</p>	<p>number of staff employed by the Authority. We have identified that this presents a potential risk to our ability to retain the skills and experience needed. The new “Evolve” project is wrapping up these themes.</p>
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Annual Governance Statement (2019/20)

Principle F: Managing risks and performance through robust internal control and strong public financial management		
How We Meet these Principles	Where You Can See Governance in action	Assurance Received and Issues Identified
<p>Managing risk</p> <ul style="list-style-type: none"> • All reports which go to Committee include a risk assessment as part of the required components on our report template. • Our Risk & Opportunity Management Strategy was reviewed and approved by Audit Committee on 2019 March 20198. • Risks on our risk register are allocated to individual managers who are named on reports. • The Audit Committee actively monitors risks and controls at their meetings. <p>Managing performance</p> <ul style="list-style-type: none"> • Our Performance has been mapped to the Corporate Plan; all our Aims have performance measures. • Benchmarking information is included where available; a Council –wide subscription to LG Inform Plus is 	<p>Report Template</p> <p>Risk & Opportunity Management Strategy</p>	<p>😊</p> <p>The Leader's annual report to Scrutiny is mapped against the Corporate Plan priorities to make the link easier to see.</p> <p>We entered into internal audit management arrangements with Devon Audit Partnership which has further strengthened the effectiveness of our Internal Audit Service.</p> <p>The internal annual audit report and opinion supports this as does training provided by DAP to the Audit Committee.</p> <p>Housemark - the Housing Service subscribes to this. This may assume greater importance should the Government implement changes mooted in the Social Housing Green Paper last year.</p> <p><u>An Internal Audit report on the main accounting system was of a good standard of assurance.</u></p>

Annual Governance Statement (2019/20)

<p>improving the use of benchmarking and is regularly promoted at Group Manager Team meetings.</p> <ul style="list-style-type: none"> • Calendar of dates for submitting, publishing and distributing timely reports that are adhered to. • All agenda and minutes of Scrutiny committee are published on our websites, including recordings of the meetings. • 3 Rivers shall ensure that the Managing Director shall attend meetings or parts of meeting(s) up to a maximum of four times per year as the Council may require on not less than 5 Business Days' notice and shall answer questions put by the Council and provide information regarding its activities as reasonably requested. • Performance and Risk Reports go to PDGs, Cabinet, Audit and Scrutiny Committees. • Leadership Team is committed to the performance framework. 	<p>Committee Report Procedure</p> <p>Meetings, agendas, and minutes - MIDDEVON.GOV.UK</p>	<p style="text-align: center;"></p> <p>The 2018/19 Internal Audit report for Development Control identified "Improvements Required" with regard to the inability of the legacy systems to provide a full overview of the 'trigger points' for all of the s106 agreements.</p> <p>A follow up review took place in 2019/20: the assurance opinion remains at "improvements required" where the risks around identification of S106, income management and utilisation of funds remain. We do, however, consider that weaknesses previously reported are being addressed and therefore the direction of travel is positive.</p> <p>The 2018/19 internal audit report on risk management opinion was "The quality of information about risks and the mitigating action of those risks required significant improvement to enable the risk register and risk management framework to be an effective tool to protect the Council's activities".There has been good progress</p>
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Annual Governance Statement (2019/20)

<p>Robust internal control</p> <ul style="list-style-type: none"> • Our Risk & Opportunity Management Strategy was reviewed and approved by Audit Committee on 19 March 2019. • We have effective and up-to-date anti-fraud and corruption policies and procedures • We have entered into a partnership to provide our Internal Audit Service in-house. • Our Audit Committee attend training offered internally and externally. <p>Managing data</p> <ul style="list-style-type: none"> • We have Data Protection and Information Security Policies in place. • We have mandatory Data Protection and Information Security training for all staff, Members and contractors (with access to our computer network) • We have a Data Quality Policy in place. 	<p>Risk & Opportunity Management Strategy</p> <p>Fraud, Money Laundering and Whistleblowing</p> <p>Policies & Strategies - Home</p> <p>Learning Management System</p> <p>Policies & Strategies - Home</p>	<p><u>although further improvements needed. Audit Committees need to further challenge the adequacy of mitigating actions recorded and monitoring of progress</u></p> <p>An Internal Audit Report on 3 Rivers states "We consider that the current developing position of the Company and the level of risk and investment into this new venture represents a significant risk to the Authority." <u>We have reviewed the risks on the Corporate Risk Register to reflect the findings of the Internal and External audit reports. This will be regularly monitored and updated where appropriate.</u></p> <p><u>A draft Internal Audit report on counter fraud indicates "improvements required". There are some key messages in that report about policy and strategy and the absence of monitoring and reporting of fraud in the Council.</u></p>
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<ul style="list-style-type: none">• We check performance information as part of every audit we do. <p>Strong public financial management</p> <ul style="list-style-type: none">• We publish a Medium Term Financial Strategy covering 5 years each year.• We publish Monitoring Reports from July to February each year• The budget book is published on the website	<p>medium term financial strategy</p> <p>Budgets - MIDDEVON.GOV.UK</p>	
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Annual Governance Statement (2019/20)

Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability		
How We Meet these Principles	Where You Can See Governance in action	Assurance Received and Issues Identified
<p>Implementing good practice in transparency</p> <ul style="list-style-type: none"> We publish our Statement of Accounts on our website. <p>Implementing good practices in reporting</p> <ul style="list-style-type: none"> We report regularly on our performance to PDGs, Cabinet, Audit and Scrutiny Committees We publish our Annual Governance Statement and Action Plan on our website and take Progress reports on the Action Plan to every audit Committee meeting. <p>Assurance and effective accountability</p> <ul style="list-style-type: none"> Our Internal Audit Manager complies with the CIPFA Statement on the Role of the Head of Internal audit 	<p>Statement of Accounts</p> <p>Annual Governance Statement</p> <p>The Role of the Head of Internal Audit CIPFA</p>	<p>☹️</p> <p>Separate bodies created by local authorities should abide by the Nolan principle of openness, and publish their board agendas and minutes and annual reports in an accessible place.</p> <p>Best Practice 14 from Ethical Standards in Local Government – A Review by the Committee on Standards in Public Life January 2019</p>

Annual Governance Statement (2019/20)

We completed our annual self-assessment against the Public Sector Internal Audit Standards		
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Annual Governance Statement (2019/20)

H: Operational and Governance matters due to the Covid 19 Pandemic		
Impact on Governance	What we have done	Assurance Received and Issues Identified
<p>Significant organisational disruption with new emergency responsibilities, increased staff absence and also staff working from home</p> <p>Impact on business as usual in the delivery of services</p> <p>New areas of activity as part of the national response to coronavirus and any governance issues arising</p> <p>Implementation of new policies and processes</p> <p>Emergency assistance</p> <p>New collaborative arrangements</p>	<p>We have held weekly Incident Management Meetings since 6 March</p> <p>We have a Business Continuity Action Plan which has been updated every week since 6 March</p> <p>Our Leisure centres were closed on 20 March</p> <p>Staff numbers have stabilised with 30% working on site, 40% working from home, 20% furloughed and 10% absent</p> <p>Chief Executive is making operational decisions to respond effectively to emergency situation.</p> <p>Daily briefings to Members were initiated by the Chief Executive on 12/03/20 and these continued until the end of April. (Since then reverting to regular, but lower, frequencies depending on requirements).</p>	<p></p> <p>We have been able to claim for furloughed staff from HMRC</p> <p>Data sharing agreements and privacy notices have been updated as necessary to reflect different ways of working and new initiatives</p> <p></p> <p>Significant work will be required to re-balance the budgets for 2020/21 and beyond. A revised budget will be presented to Cabinet in September to reflect the impact Covid 19 has had on the Council's financial position</p> <p>Significant loss of income from Leisure centres and other fees and charges including parking charges</p> <p>Funding has been received but does not cover the full extent of the losses however further funding is anticipated</p>

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<p>The funding and logistical consequences of delivering the local government response</p> <p>Changes to decision making arrangements and the conduct of meetings Funding and cash flow challenges</p> <p>Assessment of the longer term disruption and consequences arising from the coronavirus pandemic</p> <p>Existing projects and programmes have been put on hold New priorities and objectives introduced New risks identified or existing risks escalated</p>	<p>Leaders and Chiefs from across Devon working collaboratively to ensure shared visibility and commonality of approach wherever possible.</p> <p>Redeployment of staff to assist with the business grant schemes</p> <p>Working with CHAT, Navigate and local supermarkets to support vulnerable residents</p> <p>Several Committee meetings were cancelled but they re-commenced virtually from 23 April once legislation was changed to permit this</p> <p>Cashflows have been successfully managed</p>	<p>Zoom style meetings are likely to continue for the long term maybe with a mix of on site and remote attendance. This may be seen as affecting the democratic process as debate is <u>may be</u> reduced but business can and is being conducted</p>
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Annual Governance Statement (2019/20)

	<p>A significant amount of council business has been delayed, such as policies, but work has commenced on re-scheduling key decisions</p> <p>Recovery and enforcement work has been postponed</p> <p>The Covid 19 risk of economic damage to the Council has been escalated to the maximum score of 25</p>	
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Annual Governance Statement 2019-20 Action Plan				
Issues Identified	Action to be taken	By whom and progress	When	Status
<p>1. The 2018/19 Internal Audit report for Development Control identified “Improvements Required” with regard to the inability of the legacy systems to provide a full overview of the ‘trigger points’ for all of the s106 agreements.</p> <p>A follow up review took place in 2019/20; the assurance opinion remains at “improvements required” where the risks around identification of S106, income management and utilisation of funds remain.</p>	<p>A project to address this is ongoing through use of specialised software, although populating the system is time consuming as many of the s106 agreements are complex.</p>	<p>The Head of Planning, Economy and Regeneration</p> <p>Proposed S106 governance arrangements have not yet been agreed by Members. A working group of PPAG has been<u>is being</u> set up to consider proposals in more detail</p>	<p><u>Scrutiny 17 August</u></p> <p><u>Cabinet 3 September</u></p>	
<p>2. External legal and financial reviews have been undertaken on 3 Rivers at the request of the Leader. A number of recommendations have come from this work regarding improving governance arrangements. These were all approved by Cabinet at their meetings of</p>	<p>Progress will be monitored by Cabinet and in this action plan</p>	<p>Chief Executive</p>	<p>Not yet set</p>	

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11 June and, after consultation with Scrutiny and Audit committees, 9 July. An action plan is in place to address the recommendations				
3. Continue to strengthen the link between finance and performance during 2019/20, particularly in the light of budget cuts and cost savings requirements.	Financial information is now regularly included in performance and risk reports Further integration with financial monitoring reports	Deputy Chief Executive	31 December 2020	
4. The 2018/19 internal audit report on risk management opinion was "The quality of information about risks and the mitigating action of those risks required significant improvement to enable the risk register and risk management framework to be an effective tool to protect the Council's activities".	There has been good progress although further improvements needed. Audit Committees need to further challenge the adequacy of mitigating actions recorded and monitoring of progress	Director of Business Transformation and Corporate Affairs	31 December 2020	
5. An Internal Audit Report on 3 Rivers states "We consider that the current developing position of the Company and the level of risk and investment into this	We have reviewed the risks on the Corporate Risk Register to reflect the findings of the Internal and External audit reports. This will be regularly	Deputy Chief Executive	Linked to No.2	

Annual Governance Statement (2019/20)

new venture represents a significant risk to the Authority.”	monitored and updated where appropriate.			
6. A draft Internal Audit report on counter fraud indicates “improvements required”. There are some key messages in that report about policy and strategy and the absence of monitoring and reporting of fraud in the Council.	Actions to be taken will be agreed when the audit report is finalised	Director of Business Transformation and Corporate Affairs	<u>Not yet set</u> N/A	
7. The current economic situation is likely to continue to see a reduction in the number of staff employed by the Authority. We have identified that this presents a potential risk to our ability to retain the skills and experience needed. Measures are being implemented to combat this risk.	Skills Audit to be completed by collecting information as part of the appraisal process and utilisation of the LMS system to record qualifications and experience. The new “Evolve” project is wrapping up these themes.	Director of Business Transformation and Corporate Affairs The GM for HR has set out a series of practical steps to ensure “Evolve” is fully implemented. This includes the following: bove process The implementation of a new Appraisal and Competency process followed by completion of the skills audit	<u>30</u> September 2020 <u>31 December 2020</u>	

Green is completed

Amber is in Progress

Red is not completed

White is not due for completion yet

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CORPORATE GOVERNANCE FRAMEWORK

Purpose of the Governance Framework

The governance framework comprises the systems and processes and culture and values by which the Council is directed and controlled; also the activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

Annual Documents

- Annual Governance Statement
- Annual Outturn Performance and Finance Reports
- Business Plans
- Committee Report Procedure
- Corporate Plan Performance Report
- Corporate Risk Register
- Delegations from/to Directors
- Equality Information
- Medium Term Financial Plan
- Members Allowances Scheme
- PSIAS checklist
- Single Equalities Scheme
- Statement of Accounts
- Treasury Management Strategy Statement and Annual Investment Strategy

Periodic Documents

- Anti-Fraud and Corruption Policy
- Business Continuity Plans
- Communications Strategy
- Community Engagement Framework
- Constitution
- Corporate Plan 2020-2024
- Data Quality Policy
- Declarations of Independence
- Financial Regulations
- Health and Safety Policies
- Information Governance Framework
- Information Security Policy
- Internet Transparency Pages
- Member/Officer Relations Protocol
- Members' Code of Conduct
- Officer Employment Procedure Rules
- Officers' Code of Conduct
- Performance Management Framework
- Record of Decisions
- Register of interests
- Risk & Opportunity Management Policy
- Staff Charter
- Statement of Community Involvement
- Whistle Blowing Policy

Contributory Processes

- Audit Committee
- Budget Monitoring Process
- Corporate Asset Strategy Group
- Corporate H&S
- Corporate Intranet
- Council Tax Leaflet/Information
- Customer Feedback Process
- Data Protection Officer
- Director of Finance, Assets and Resources (S151)
- Consultative Forums
- Equalities Forum
- External Audit
- Finance and Resources
- Gypsy and Traveller Forum
- Head of Paid Service
- H&S Committee
- Impact (staff consultation group)
- Independent Remuneration Panel
- Internal Audit
- Job Descriptions
- Job Evaluation Process
- Law & Governance
- Member Training Scheme
- Monitoring Officer
- Net Zero Advisory Group
- Partnership arrangements
- Planning Policy Advisory Group
- Report Template
- Schedule of Council Meetings
- Scrutiny Framework
- Standards Committee
- Staff Induction
- Staff Surveys
- Tenants Together

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