

**Appendices:**

1. Governance Report
2. Q3 Corporate risk register
3. Position statement on vacant posts



**NORTHAMPTON**  
BOROUGH COUNCIL

## AUDIT COMMITTEE REPORT

<b>Report Title</b>	<b>Governance Report Update</b>
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**AGENDA STATUS: PUBLIC**

**Audit Committee Meeting Date: 18th March 2019**

**Policy Document: Governance Report**

**Services: Chief Finance Officer**

**Accountable Cabinet Member: Jonathan Nunn - Leader**

### 1. Purpose

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1.1.1 This report introduces the Governance Report which will be presented quarterly to the Audit Committee.

### 2. Recommendations

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2.1 That the Committee review, comment and request additional information be included or, if not required, items are omitted for future quarterly Governance Reports.

2.2 That the Committee agree that the Governance report will be presented quarterly with appendices where relevant.

### 3. Issues and Choices

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#### 3.1 Report Background

Previously, the Audit Committee was presented with the Governance Action plan that was introduced in 2016. This has now, in the main, been completed and it has been identified that a quarterly governance statement is required to give assurance of controls and process improvements within NBC.

## 3.2 Issues

### Q3 Corporate Risk register

Risk management is a key priority for the Council. Critical to the development of better risk management is the development of a tighter culture of risk identification, assessment and mitigation at all levels of the Council, including at the corporate level, with proper and regular updates to assessments of potential risks.

3.2.1 18 risks were stated on the corporate risk register as of December 2018. Of these 17% are rated red, 78% amber and 5% rated green.

3.2.2 Two new risks were identified and added in Q3 both in relation to Brexit:

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1. The impact of Brexit on NBC services
2. The impact of Brexit on Northampton economy.

3.2.3 **Risk#16:** the Local Government Reform (LGR) risk recorded at Q2 was removed with the view that this will now be included within the main LGR project risk register.

3.2.4 Two items have had a reduction in the risk rating in Q3:

**Risk #1:** Failure to deliver a balance budget - reduced from 16 to 12 reflect the involvement from Officers and Members in relation to budget away days and workshops.

**Risk #6:** Legal obligations under the Data Protection Act 1998 (and also the superseding GDPR EU Regulations in 2018) are breached – reduced from 12 to 9 to reflect GDPR implementation work that has been progressed by the Data Protection Officer.

3.2.5 An amendment was made to the format of the risk matrix on the first page to show the direction of travel of each risk from the previous period.

3.2.6 The corporate risk register will be updated for Q4 2018/19 during March 2019. Any significant changes will be reported to Cabinet.

## 4. Implications (including financial implications)

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### 4.1 Policy

4.1.1 There are no policy changes as a result of this report.

4.1.2 There may be various impacts and changes to current policies. The governance report will assure Audit Committee that policies and procedures are being strengthened to contribute to building a strong control environment at the Council.

4.1.3 Compliance with policies will be monitored through the Internal Control reviews and reported upon through the governance structure and to the Audit Committee starting in the new financial year.

#### **4.2 Resources and Risk**

4.2.1 The Governance team are fully resourced to cover the areas reported within the Governance report, temporary staff have been engaged to assist with GDPR. Financial implications will be reported through the budget process.

#### **4.3 Legal**

4.3.1 None to report at present.

#### **4.4 Equality**

4.4.1 Whilst there are no specific equality implications at this stage, various policies will be reviewed through the improvements in procedures throughout NBC. All reviews will be supported by equality and community impact assessments.

#### **4.5 Consultees (Internal and External)**

4.5.1 Internal consultation has taken place with Corporate Management Board and other senior officers where required.

#### **4.6 Other Implications**

4.6.1 None specifically

### **5. Background Papers**

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5.1 None at present

**Joanne Bonham, Governance & Risk Manager**