

The background of the slide features a large, light blue outline of the Coat of Arms of the Government of Nunavut. The crest includes a crown at the top with four floral motifs. The shield is divided into four quadrants: top-left shows a diagonal line of Inuit houses; top-right shows a caribou head; bottom-left shows a sailing ship; bottom-right shows an eagle. A banner at the bottom contains the motto 'ANE FOR A'.

## **Agenda Item 7**

### **Progress Update on the 2021/22 Annual Governance Statement (AGS) Action Plan**

Falkirk Council

**Title:** Progress Update on the 2021/22 Annual Governance Statement (AGS) Action Plan

**Meeting:** Audit Committee

**Date:** 17 April 2023

**Submitted By:** Internal Audit, Risk, and Corporate Fraud Manager

**1. Purpose of Report**

- 1.1. The purpose of this report is to provide the Audit Committee with an update on progress with the actions which were set out within the 2021/22 Annual Governance Statement (AGS) Action Plan.
- 1.2. This report contributes to the Best Value priority of effective Leadership and Governance.

**2. Recommendations**

- 2.1 **The Audit Committee are asked to note progress with planned actions and to seek further assurance from Chief Officers on progress with the 2021/22 Annual Governance Statement (AGS) Action Plan.**

**3. Climate Change**

- 3.1 This paper has no impact on the Council's climate emissions or targets.

**4. Background**

- 4.1 The Annual Governance Statement (AGS) formed part of the [2021/22 Annual Accounts](#), which were considered by the Audit Committee in October 2022.
- 4.2 The Audit Committee agreed that the action plan would be reviewed by March 2023 to monitor progress. This will assist in ensuring Officers take forward any outstanding actions so an up-to-date picture can be reported in the 2022/23 AGS which will form part of the Annual Accounts (Unaudited Accounts need to be ready for the June 2023 Audit Committee).

**5. Considerations**

- 5.1 An updated AGS Action Plan can be found at Appendix 1. This is based on Lead Officers' progress updates on the Corporate Risk Register at March 2023; and the risks are grouped around the 7 CIPFA Good Governance Principles.

- 5.2 A RAG Status has been inserted against each Corporate Risk, and this reflects the current Assurance Levels shown in the Corporate Risk Register. There has been significant progress on most actions. There continues to be, however, some areas which are limited assurance and/or require more detailed updates, including climate change, health and safety, and business continuity.
- 5.3 The action plan takes into account a wide range of assurance reviews, including the findings and actions that are contained within:
- First Line Assurance reviews: including Quarterly Service Risk Assurance Statements;
  - Second Line Assurance reviews: including reviews by Managers who advise, support, and challenge Services on the implementation of risk controls; and
  - Third Line Assurance: including reviews by Internal Audit, External Audit, and Inspection Bodies.
- 5.4 There are broad timescales shown on most actions; and Lead Officers have also been asked to confirm measurable timescales on all corporate risks by the end of March 2023. These will feed into the Corporate Risk Management Group's reviews of corporate risk actions and Services' Annual Assurance Statements in April 2023.

## **6. Consultation**

- 6.1 Lead Officers provided updates on the 2021/22 AGS Action Plan in March 2023.

## **7. Implications**

### **Financial**

- 7.1 There are no direct financial implications linked to the recommendations. However, it is recognised that effective risk management should help to avoid wider financial sustainability issues associated with the non-delivery of projects and policies.

### **Legal**

- 7.2 There are no legal implications arising from this report.

### **Risk**

- 7.3 The actions outlined in this report help to improve corporate governance.

### **Equalities**

- 7.4 This report does not present any equality issues. However, effective risk management should minimise the risk of equality issues arising for the Council.

## **Climate Change Impact**

7.5 This report does not have any direct climate change impacts.

## **8. Conclusions**

8.1. The purpose of this report is to provide the Audit Committee with an update on progress with the 2021/22 Annual Governance Statement (AGS) Action Plan (at Appendix 1); and to ask them to seek further assurance, as necessary.

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## **Internal Audit, Risk, and Corporate Fraud Manager**

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Date: 04 April 2023

## **Appendices**

- Appendix 1: 2021/22 Annual Governance Statement Action Plan March 2023 Update

## **List of Background Papers:**

- Annual Governance Statement (part of [2021/22 Annual Accounts](#)) .

## Annual Governance Statement Progress on the Agreed Actions at March 2023

Action Title and Assurance Level	Issues Raised in 2021/22 Strengths and Weaknesses	Agreed Management Action in 2021/22 AGS	Progress Update in March 2023
<b>CIPFA Principle A: Behaving with integrity; demonstrating strong commitment to ethical values; and respecting the rule of law.</b>			
Community and Council Priorities  Assurance Level: • <b>Substantial / Limited</b>	In 2021/22, the Community Planning Partnership reviewed the Falkirk Plan 2021-2031, and the Council agreed a Corporate Plan 2020-22, Interim Business Plan, and Medium-Term Financial Plan.	(a) A new Council Plan will be presented to Council for approval in September 2022, aligning to the Falkirk Plan.  (b) Service Plans will be developed, and these will be aligned to the Council Plan priorities and corporate risks.	(a) Council approved the Council Plan for 2022-2027 in September 2022; and an annual refresh is due in Sept 2023.  (b) Service Plans are in place, although work is still required to align these with risks.
Leadership, Decision Making, and Governance  Assurance Level: • <b>Substantial / Limited</b>	In 2021/22, the Council's Standing Orders and Risk Management Assurance Policy and Framework were reviewed.  The Council also developed a Best Value Improvement Plan and started to implement this.	(a) Best Value Actions will continue to be implemented during 2022/23, including training and ongoing support and development for elected Members, work on collaborative leadership, performance reporting, governance of the capital programme, development of our approach to equalities and a review of transformation.  (b) The <a href="#">Gifts and Hospitality Registers</a> and <a href="#">Code of Conduct for Members and Officers</a> will be reviewed / combined; and Formal Trade Union and elected Member agreement to the combined Policy will be sought during 2022/23.	(a) Progress is detailed within a report to the Executive on 11 April 2023. A further self assessment of the impact of this progress may lead to future tasks which will be actioned thereafter.  (b) Work is ongoing to combine the <a href="#">Gifts and Hospitality Registers</a> and <a href="#">Code of Conduct for Members and Officers</a> . This is also shown as a priority within Corporate Fraud Updates to the Audit Committee in April 2023.
Legal Duties: Equalities  Assurance Level: • <b>Substantial</b>	An Internal Audit report in 2019/20 found that there were significant improvements required to meet the Council's Equalities duties obligations.  And in 2021/22, the Best Value Review highlighted the need for further improvement and an Equalities Group was established. The Group has undertaken a self-assessment which forms part of the Best Value Action Plan.	An Equalities Action Plan will be implemented, and this will feed into the publication of a revised Equalities Mainstreaming Report during 2022/23.	The Equality and Human Rights Working Group was established in 2022. There has been progress with the Best Value Action Plan and they have developed an Equalities Improvement Plan.  The Council are due to publish the Mainstreaming Report by June 2023. The Group will then develop the Council's Equalities Outcomes and monitor going forward following statutory timescales.  Training on equalities, and in particular Equalities and Poverty Impact Assessments (EPIAs), was delivered in February 2023 to Elected Members and Senior Officers; and further training will be delivered on a regular basis.

Action Title and Assurance Level	Issues Raised in 2021/22 Strengths and Weaknesses	Agreed Management Action in 2021/22 AGS	Progress Update in March 2023
<p>Legal Duties: Health and Safety</p> <p>Assurance Level:</p> <ul style="list-style-type: none"> <li>Substantial / Limited</li> </ul>	<p>Improvements were made in the management of staff wellbeing, and a new health and safety reporting system was introduced. Health and Safety, however, has been a limited assurance as part of Corporate Risk Updates since 2019, due to significant weaknesses in premises management risks.</p> <p>In 2022, the Health and Safety Executive issued contravention and improvement notices in relation to two accidents. The Council has subsequently written to the HSE to confirm the actions taken in response to the notices.</p>	<p>Premises management improvements will be implemented and Service Health and Safety Management arrangements will be improved (alongside a Corporate Landlord approach to assets).</p> <p>(b) An extensive programme of work is underway to respond to the HSE notices.</p> <p><b>Note: The comments about HSE Notices and Actions were not included in the original AGS Action Plan. The comments were, however, included with in the body of the published AGS and hence they've been included here.</b></p>	<p>Premises Management compliance continues to be weak across a number of areas in the Council, specifically in areas where Services are responsible for providing Premises Managers. A Fire Safety Advisor post has been created and will be advertised in March / April 2023.</p> <p>Health, Safety and Wellbeing KPIs are currently being developed for each Service. In addition, a Health and Safety Improvement Plan has been drafted for CMT and this will be finalised after consultation with Services in April 2023.</p> <p>Action Plans are progressing with updates provided.</p>
<b>CIPFA Principle B: Ensuring openness and comprehensive stakeholder engagement, including: Engaging comprehensively with institutional stakeholders; Engaging with individual citizens and service users effectively</b>			
<p>Community Planning</p> <p>Assurance Level:</p> <ul style="list-style-type: none"> <li>Substantial</li> </ul>	<p>Community Planning has been rated as limited assurance in Corporate Risk Updates since 2019. In 2021/22 the Best Value Review highlighted the need for further improvement and, since then, a self-assessment has been completed and significant progress has been made on the actions.</p>	<p>The Community Planning Best Value actions will be implemented during 2022/23.</p>	<p>The assurance and risk controls are much improved because governance and monitoring is in place and working; positive impacts are being reported through the Falkirk Plan. The Community Planning Board continue to focus on learning and improvement, and they are meeting their statutory requirements under the Community Empowerment Act (2015) Scotland.</p> <p>Key improvements in 2022/23 include:</p> <p>(a) The Community Planning Board's Improvement Plan was agreed in February 2022, and since then this has been a standing agenda item at every second meeting for monitoring progress.</p> <p>(b) Refreshed self-evaluation sessions are planned for 2023 to 'deep dive' into the more difficult areas / topics for improvement.</p> <p>(c) A review of localities was completed (to reduce their size); and then a review of Community Action Planning was completed in January 2023. This was to embed the new locality structures and deepen the ongoing approach to working with Communities as partners.</p>

Action Title and Assurance Level	Issues Raised in 2021/22 Strengths and Weaknesses	Agreed Management Action in 2021/22 AGS	Progress Update in March 2023
Participation  Assurance Level: • <b>Substantial</b>	Participation has been rated as limited assurance in Corporate Risk Updates since 2019. In 2021/22, improvements have been implemented. Public Consultations are published on the Council's Website (here) and there are ongoing consultations with stakeholders, including housing tenants, employees, and trades unions and these feed into Annual Service or Governance Group Self-Assessments.	The Participation Group's action plan will be implemented during 2022/23.	<p>There has been substantial investment in participation, and this has contributed to significant improvement in the assurance level. The improvements in 2022/23 include investment in a Community Partnership Team; a new engagement platform is being procured; the Community Choices program is being developed; and a review of the Strategy for Community Engagement is ongoing.</p> <p>Key metrics of empowerment progress include asset transfers, capacity building, and community 'anchor' organisations. The <a href="#">Closer to Communities and Community Choices report</a> to the Executive (in November 2021) explains that over a three-year timeline (ending March 2024), we will establish fifteen anchor organisations with the knowledge, skills and confidence to take leadership in their own community development and organisational management. This will reduce the need for direct Council development support and increase community capacity to collaborate with Falkirk Council to meet shared aims.</p>
Procurement  Corporate Assurance Level: • <b>Substantial</b>  Social Work Adult Services' Assurance Level: • <b>Limited</b>	<p>Contract Standing Orders and Procurement Guidance were reviewed; and the Procurement Board provided substantial assurance within their annual assurance report to the Scottish Government.</p> <p>In 2021/22, however, Social Work Adult Services provided limited assurance on compliance with some care contracts.</p>	The procurement issues raised in Social Work Adult Services will be addressed as part of the Integration Joint Board's (IJB)'s Strategic Commissioning Plan review during 2022/23.	<p>The IJB Chief Finance Officer (CFO) has been confirmed as the Procurement Board representative for Adult Services; and the Social Work actions below feed into the ongoing review of the IJB's Strategic Commissioning Plan:</p> <p>(a) Re-tender of Home Care contract: This has been delayed, and now planned for April 2024. The Head of Integration is leading the User Intelligence Group that will implement the contract.</p> <p>(b) Concern about reduction in corporate procurement advice and support following retiral of senior Officers. The IJB Head of Integration and IJB Chief Finance Officer will explore options with Corporate Procurement, and they are aiming to address by June / July 2023.</p> <p>(c) Concern raised about potential compliance issues in relation to residential services for younger adults and day care services. The IJB Chief Finance Officer and Legal Services are reviewing this. The HSCP are considering local and national framework options to mitigate the issues above. The position will become clearer once Scotland Excel announce their framework intentions in Quarter 2 of 2023.</p>

Action Title and Assurance Level	Issues Raised in 2021/22 Strengths and Weaknesses	Agreed Management Action in 2021/22 AGS	Progress Update in March 2023
Public Protection Assurance Level: <ul style="list-style-type: none"> <li>Substantial</li> </ul> Gender Based Violence (GBV) Assurance Level: <ul style="list-style-type: none"> <li>Limited</li> </ul> National Care Service Assurance <ul style="list-style-type: none"> <li>To be confirmed</li> </ul>	The Chief Social Work Officer (CSWO)'s Annual Report, which also reflects the outcomes of the Care Inspectorate's Adult Support and Protection Inspection, provided substantial assurance. In addition, relevant Council and IJB Committees continue to review ongoing assurance include for example, care homes audits and inspections.	(a) Adult Support and Protection and Gender Based Violence Partnership action plans will be implemented during 2022/23.  (b) The Council will continue to engage on plans to establish a National Care Service (NCS) which are expected to continue at a pace. And will continue at pace in Scotland. And the Council will continue to respond to any issues and lessons arising from the national child abuse enquiry.	(a) Adult Support and Protection provide substantial assurance and their ongoing action plans and risk registers address the issues raised in the Care Inspectorate review in 2021/22. Gender Based Violence (GBV) continues to be limited assurance, and it has been added as a stand-alone item on the Corporate Risk Register because it is a specific Council priority. Good progress has been made on self-assessments, and these will inform a new GBV Action Plan and Risk Register in 2023/24.  (b) The potential impacts of a National Care Service (NCS) are still rated as high risk due to the potential impacts on the Council and IJB. Next steps at national level are awaited. The Council continue to participate in consultations. Recent announcement from Scottish Government confirmed that there has been a national pause on the project until at least June 2023.
<b>CIPFA Principle C: Defining outcomes in terms of sustainable economic, social, and environmental benefits. These take into account the long-term impacts of current decisions on future generations</b>			
Climate Change Assurance Level: <ul style="list-style-type: none"> <li>No Assurance</li> </ul>	Internal Audit provide assurance on Climate Change Public Duties Reports (which relates to past emissions) on an annual basis. Since 2019, there has been limited assurance on meeting the Council's Climate Emergency Declaration (2030-45 targets). In 2021/22 a Climate Emergency Action Plan was agreed, but a key challenge remains the gap in capital budgets to deliver climate projects.	The Director of Place Services will provide a report to Executive on climate change by December 2022, in advance of the budget setting process, which will set out progress, and the actions and funding required to deliver on climate change.	The Climate Change Update report to the Executive in October 2022 outlined the Council's position in terms of meeting the organisational net zero target. It also highlighted that significant investment is required to achieve emissions reduction and it is highly likely the Council will not meet the net zero 2030 target. The Executive will receive a further update in Quarter 2 of 2023.  In March 2023, the Lead Officer amended this risk from limited to no assurance, because of lack of funding to deliver on the Council's Climate Emergency Declaration and Action Plans.  Revenue carbon budgeting continues to be trialled, which aims to set targets for each service area. The roll out to Services is uncertain because of the planned introduction of a corporate landlord model (which would centralise control of properties and more carbon reduction activity).



Action Title and Assurance Level	Issues Raised in 2021/22 Strengths and Weaknesses	Agreed Management Action in 2021/22 AGS	Progress Update in March 2023
<p>Economic Risks</p> <p>Assurance Level:</p> <ul style="list-style-type: none"> <li>Limited</li> </ul>	<p>Growth Deal funding was agreed during 2021/22. The Best Value Review, however, also highlighted the need to make decisions on local regeneration.</p> <p>Note: in March 2023 this corporate risk was renamed “Sustainable Growth, Economic, and Employment Opportunities”</p>	<p>(a) In 2022/23, Place Services will deliver the Town Centre Regeneration programme, monitor Falkirk Towns Ltd and BID company, and deliver the Revitalising Falkirk Action Plan. Other economic actions that will be taken forward include a Green Free Port bid and the Tax Incremental Financing project.</p> <p>(b) In June 2022 the Executive considered reports on Local Authority Covid Economic Recovery (LACER) Funds and the UK Shared Prosperity Funds. Both reports set out a series of actions to be implemented.</p>	<p>The Council's Executive continue to receive updates on economic development activity. A new lead officer is to be appointed in Quarter 2 of 2023. In addition, the Economic Partnership and Programme Boards' Annual Self-Assessments have been deferred from March to June 2023.</p> <p>Meantime, the assurance level has been kept as Limited Assurance because of the complexity and volume of capital works, including uncertainty on costs, resource availability, and timescales. The Corporate Risk Register has been updated to reflect the Council Plan and Place Service Plan priorities.</p>
<p>Social: Poverty and Children's Services Risks</p> <p>Assurance Level:</p> <ul style="list-style-type: none"> <li>Substantial</li> </ul>	<p>The Fairer Falkirk Strategy and Action Plan was reviewed, and Children's Services made significant progress on early years expansion, free school meals roll-out, and mental wellbeing in schools. There continues to be significant challenges, however, including fuel poverty, social work demand, and uncertainty on the long-term impacts of Covid-19.</p>	<p>(a) Executive have agreed that Officers should develop a longer-term strategy for income maximisation to align with the existing Fairer Falkirk Strategy to be brought back to members for approval.</p> <p>(b) Children's Services and Social Work will continue to assess and respond to the short and long-term impacts of Covid-19 during 2022/23.</p>	<p>(a) The Executive considered a report entitled 'Tackling Poverty in Falkirk, including Additional Support to Low Income Households', in June 2022. A further update report went to Council in December 2022. In addition, an Income Maximisation Strategy is being developed and will be reported to Executive on 11 April 2023, for approval. Furthermore, the most recent reports to the Education, Children, and Young People's Executive (ECYPE), in March 2023, included updates on:</p> <p>(1) Whole Family Wellbeing Funding (WFWF); and</p> <p>(2) School Leaver Destinations and Attainment.</p> <p>(b) Children's Services and Social Work continue to assess and respond to the short and long-term impacts of Covid-19 during 2022/23, including monitoring the impacts and providing additional support on wellbeing and education. The Scrutiny Committee also receive annual reports on attainment (as part of their annual review of the Local Government Benchmarking Framework).</p>
<b>CIPFA Principle D - Determining the actions necessary to optimise the achievement of the intended outcomes, including: Determining actions; Planning actions; and Optimising achievement of intended outcomes.</b>			
<p>Transformational Change</p> <p>Assurance Level:</p> <ul style="list-style-type: none"> <li>Limited</li> </ul>	<p>The Best Value Review emphasised the need to accelerate the pace of change; and an Internal Audit on Savings Tracking is ongoing.</p>	<p>Actions on transformation change from the Best Value Review and the Internal Audit on Savings Tracking will be implemented during 2022/23.</p>	<p>The Best Value Review of Transformation for the Council of the Future (COTF) Change Programme was completed in June 2022. The Corporate Management Team (CMT) approved the recommendations to make the programme concentrate on driving forward savings proposals, reviewing projects in scope, improving governance, enhancing performance reporting and updating the approach to the Change Fund. This was agreed by the Executive in August 2022. The Self-assessment of Best Value Strategic Action Plan being reported to Scrutiny in June 2023.</p> <p>The Internal Audit review is currently at draft report stage.</p>

Action Title and Assurance Level	Issues Raised in 2021/22 Strengths and Weaknesses	Agreed Management Action in 2021/22 AGS	Progress Update in March 2023
Planning, Performance, and Outcomes  Assurance Level: • <b>Substantial</b>	The Best Value Review emphasised the need to improve performance arrangements and several improvements have been implemented. This includes the development of the 'Falkirk Performs' area of the Council's website.	(a) The Falkirk Performs section of the Council's website will be continuously reviewed and updated; and  (b) the Best Value Actions on performance and plans (including the new Council Plan and Service Plans) will be completed during the year.	(a) Falkirk Performs is regularly reviewed and updated.  (b) Most Best Value performance actions have been completed, or have been incorporated into work being undertaken on the use of data and performance information. Further details are contained in the Best Value Strategic Action Plan Update to the Executive in April 2023. In addition, the Performance Forum's annual self-assessment is due to be completed in Quarter 2 of 2023.
<b>CIPFA Principle E - Developing the Council's capacity, including the capability of its leadership and the individuals within it: Developing the Council's capacity; Developing the capability of the Council's leadership</b>			
HR and Workforce Planning  Assurance Level: • <b>Substantial</b>	The Best Value Review confirmed that Workforce Planning was effective; however, it also identified the need to improve leadership.	(a) Best Value Actions on leadership will be implemented by March 2023, including training for elected Members and officers, and ongoing support and development.  (b) Service Workforce Plans will be further developed and linked to the Council's updated Council Plan to support service planning and delivery during 2022/23.	(a) Further work has been done during 2022/23 to support Officers and elected Members with partnership working. In addition, formal appraisals (360 Feedback) were completed for Chief Officers in Dec 2022, and will be rolled out to Managers by 2024. Also, continuous briefings and training are in place for Officers and Members; and an Organisational Development resource has been appointed and is in post in March 2023 to take forward the work on Cultural Change. Further details are contained in the Best Value Strategic Action Plan Update to the Executive in March 2023.  (b) The Council Workforce Plan and Service Workforce Plans will be reviewed in line with the Council Plan and Financial Strategy. Work on this has commenced; and Officers are working towards a revised plan in place for Oct 2023.
<b>CIPFA Principle F: Managing risks and performance through robust internal control and strong public financial management, including: Robust internal control; Strong public financial management; Managing risk; and Managing data.</b>			
Financial Sustainability  Assurance Level: • <b>Limited</b>	The Council agreed a Medium-Term Financial Plan in 2021/22, and quarterly updates are provided to the Executive on the capital program, budgets and financial position, and treasury management. The Best Value Review also emphasised the need to improve capital planning; and since then a Strategic Asset Modernisation Board has been formed.	(a) The Financial Strategy will be refreshed alongside the Council Plan  (b) The Strategic Asset Modernisation Board will work to improve oversight of capital planning and program delivery during 2022/23.	Financial Sustainability risk remains high with a target of medium. It is unlikely to reach medium for some time yet with financial pressures building externally (inflation and interest rates for example).

Action Title and Assurance Level	Issues Raised in 2021/22 Strengths and Weaknesses	Agreed Management Action in 2021/22 AGS	Progress Update in March 2023
<p>Financial Controls</p> <p>Assurance Level:</p> <ul style="list-style-type: none"> <li>Substantial</li> </ul>	<p>The Financial Regulations and Contract Standing Orders were updated; and Corporate Fraud updates and Service fraud assurance statements were introduced. In addition, substantial assurance on financial controls is provided within Internal Audit and External Audit reports.</p>	<p>The Audit Committee will continue to receive regular updates from External Audit and the Internal Audit, Risk, and Corporate Fraud Manager. This will include the Internal Audit and External Audit annual assurance reports in September 2022.</p>	<p>The accounts of the Council and the Pension Fund for 2021/22 were unqualified with no significant concerns raised over financial controls. The risk, however, remains inherently medium.</p> <p>The Internal Audit Annual Assurance report went to Audit in November 2022 along with a fraud update. Reporting to Audit Committee was disrupted during 2022/23 in part due to staff absences/shortage. Those issue resolved and normal reporting will resume in 2023/24.</p> <p>Strategic Asset Modernisation Board (SAMB) meets regularly. Their role includes overseeing progress on capital projects, and they will complete an annual self-assessment in Quarter 2 of 2023. In addition, a review of the Council's financial arrangements will be undertaken against the CIPFA Financial Management Code and this will also feed into the Finance Improvement Plan.</p>
<p>Corporate Risk Management</p> <p>Assurance Level:</p> <ul style="list-style-type: none"> <li>Substantial / Limited</li> </ul>	<p>In 2021/22, the Council's Risk Management and Assurance Policy and Framework was reviewed, and the Audit Committee and Executive received regular Corporate Risk updates. The corporate risk action plan, however, was only partly completed because the actions noted below were carried forward to 2022/23.</p>	<p>The Council will continue to improve the approach to risk management, including a refresh of risk training, risk appetite, and risk reporting during 2022/23. The Corporate Risk Register will also be assessed against, and linked to, the new Council Plan; and Service Assurance Statements will link to Service Plans.</p>	<p>CMT, Audit Committee, and the Executive receive regular CRM updates. This includes a review of the Corporate Risk Register, Service Risk Assurance (Exceptions), and progress on the Risk Management Improvement Plan. The key improvement areas outstanding are measurable action plans on high risks and areas of limited assurance, risk training, and horizon scanning (which were due to be completed in March 2023 and are now scheduled for June 2023).</p> <p>A Risk Management Internal Audit is underway by West Lothian Council, and this focusses on the role and effectiveness of CRMG and a sample of Services and Governance Groups. The CRMG Annual Self-Assessment will be completed after the Internal Audit (in Quarter 2 of 2023) and outputs from all corporate risk reviews will feed into the Annual Governance Statement in June 2023.</p>

Action Title and Assurance Level	Issues Raised in 2021/22 Strengths and Weaknesses	Agreed Management Action in 2021/22 AGS	Progress Update in March 2023
<p>Resilience: Covid-19 and Business Continuity</p> <p>Assurance Level:</p> <ul style="list-style-type: none"> <li>Limited</li> </ul>	<p>Covid-19 impacts and actions continue to be assessed and reported within the Corporate Risk Register. In addition, the Scrutiny Committee considered Covid-19 updates throughout the year. Business Continuity, however, continues to be rated as limited assurance since 2018 because of gaps in plans and reviews.</p>	<p>The Business Continuity improvement plan will be implemented by March 2023.</p>	<p>Limited Assurance continues to be provided on Business Continuity Management (BCM) since 2018 and a measurable improvement plan is to be provided to CMT as soon as possible.</p> <p>In 2022/23, a BCM working group was established, a Resilience Framework was developed and approved, and a BCM Strategy was drafted. The outstanding actions, as at March 2023, include:</p> <ol style="list-style-type: none"> <li>(1) finalising and implementing the BCM strategy;</li> <li>(2) further developing and implementing the BCM system;</li> <li>(3) completing the BCM Group's annual self-assessment; and</li> <li>(4) Implementing an annual program of BCM reviews, including training, plan reviews / development, audits, and exercising.</li> </ol>
<p>Information Assets</p> <p>Assurance Level:</p> <ul style="list-style-type: none"> <li>Substantial</li> </ul>	<p>The Information Management Group provided substantial assurance on areas such as data protection, ICT, and Cyber security controls. CMT also reviewed the lessons learnt from the SEPA Cyber Attack and agreed a Cyber Action Plan.</p>	<p>(a) A Senior Information Risk Officer (SIRO) Annual Report will be completed</p> <p>(b) Cyber Action Plan (SEPA Lessons Learnt) will be implemented.</p>	<p>(a) Information Management risks remain medium. There is ongoing work on improving compliance with Freedom of Information (FOI) statutory timescales; developing an Information Management Strategy; and reviewing the role of the IMWG as governance group for cyber-security (as per September 2022 internal audit report).</p> <p>(b) The Cyber Action Plan continues to be implemented, following a review of SEPA lessons and an Internal Audit in 2022/23. CMT reviewed the lessons and agreed key actions in Feb 2022; and a more detailed action plan was developed in 2022, and will be completed during 2023/24. Meantime, substantial assurance is provided based on current assurance reviews (including Cyber Essentials accreditation). Internal Audit Actions also continue to be implemented.</p>

Action Title and Assurance Level	Issues Raised in 2021/22 Strengths and Weaknesses	Agreed Management Action in 2021/22 AGS	Progress Update in March 2023
<b>CIPFA Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability.</b>			
Assurance  Assurance Level: <b>Substantial</b>	Significant internal and external audit issues raised during 2021/22 are captured above and within the External and Internal Audit Annual Reports (which will be considered by the Audit Committee in September 2022).	The Audit Committee will continue to receive updates from External Audit and the Internal Audit, Risk, and Corporate Fraud Manager.	Audit Committee meeting in 2022/23 including the following items:  <a href="#">22/08/2022</a> <ul style="list-style-type: none"><li>Falkirk Council Annual Accounts 2021/22</li></ul> <a href="#">27/10/2022</a> <ul style="list-style-type: none"><li>[External Auditors'] Report to Members and the Controller of Audit on the 2021/22 Audit</li></ul> <a href="#">07/11/2022</a> <ul style="list-style-type: none"><li>Internal Audit Charter.</li><li>Internal Audit Annual Assurance Report 2021/22.</li><li>Internal Audit Plan 2022/23.</li><li>Corporate Fraud Update.</li><li>Risk Management Assurance Policy and Framework.</li><li>Corporate Risk Management Update.</li></ul> The Audit Committee papers in April 2023 include updates on Internal Audit, Corporate Risk, and Corporate Fraud.
Health and Social Care Partnership (HSCP)  Assurance Level: <ul style="list-style-type: none"><li><b>Limited</b></li></ul>	An Internal Audit report on IJB risk management arrangements provided limited assurance, and the IJB Risk Management Action Plan is being taken forward as part of the 2021/22 and 2022/23 programmes of work.  The IJB's Audit Committee considered the IJB's 2021/22 Unaudited Accounts, including the IJB Annual Governance Statement in June 2022. In addition, the IJB Audit Committee receive regular updates on strategic risks, internal audits, external audits, and inspections.	The IJB Risk Management Improvement Plan will be completed by March 2023. This includes a review of risk appetite, training, and partners' assurance.	The IJB Risk Management Improvement Plan will continue to be progressed in 2023/24. Currently most items are still in progress and rated as a mixture of completed or overdue. A progress update will be provided to the IJB Audit Committee in June 2023, as part of the IJB's Annual Risk Performance Report.  The IJB Strategic Risk Register was most recently reported to the IJB Audit Committee in March 2023, and most risks continue to be high risk due to the complexity and nature of the risks.  IJB Audit Committee meetings in 2022/23 including updates on audits and inspections at each of their meetings on: <ul style="list-style-type: none"><li><a href="#">17/06/2022</a></li><li><a href="#">23/09/2022</a></li><li><a href="#">02/12/2022</a></li><li><a href="#">17/03/2023</a></li></ul>