

## **Service Assurance Statement 2020/21 – Finance and Asset Management**

### **Overall Assessment**

During the course of the Covid-19 pandemic, this has placed a significant challenge on council services not only to respond to the impact of the pandemic but to maintain core service delivery. Whilst responding to this challenge, it is important an adequate system of internal control is exercised including arrangements for the management of risk and ensuring key governance frameworks continue to operate effectively.

It is recognised that the system of internal control can only manage, not eliminate, risk and that it cannot guarantee that any system or process is free from defect and does not prevent or detect irregularities. This service assurance statement is therefore prepared to the best of my knowledge.

Based upon the undertakings of my services during the year my assessment on the adequacy of the internal control environment has been informed by:

- The performance management arrangements for my services;
- The risk management processes in place within my services;
- Other corporate management, monitoring and review processes; and
- Review work undertaken by any third party, for example, external audit, review agencies or other assurance providers.

### **I confirm that within my areas of responsibility I am not aware of any of the following:**

- Any irregularities in accounting practices or systems of internal control.
- The override or non-compliance of any key internal controls in place.
- Any communications from regulatory agencies concerning non-compliance with, or deficiencies in, reporting practices.
- Any non-compliance issues regarding the application of rules and regulations such as the Council's financial procedure rules or contract procedure rules.
- Any plans or intentions that may affect the valuation or classification of Council property or equipment and liabilities e.g. change in use or significant damage to an asset.
- Any large debts, fines, claims or other potential financial obligations.
- Any pending or threatened litigation relating to any of my service activities.

|           |                                    |
|-----------|------------------------------------|
|           | Head of Service                    |
| Job Title | Head of Finance & Asset Management |
| Date      | 10 <sup>th</sup> August 2021       |

| 2020/21 Service Assurance Statement |  | Responses |    |         |  |
|-------------------------------------|--|-----------|----|---------|--|
|                                     |  | Yes       | No | Partial | Provide comment, particularly on any responses of 'partial' or 'no'. Please feel free to add a comment on 'yes' responses to support the response. |
| <b>1.Risk Management</b>            |  |           |    |         |  |
| 1.1                                 | Whilst there is not a requirement to maintain an operational risk register I am satisfied there are arrangements in place to identify and mitigate risks where appropriate, for example in relation to any key projects. | x         |    |         | All significant projects subject to detailed risk management processes – see heat replacement project for latest example.                          |
| 1.2                                 | Any significant risks identified have been escalated to corporate management team and if necessary included within the corporate risk register.  | x         |    |         | Funding for the carbon reduction action plan has been included in the corporate risk register  |
| <b>2. Internal Control</b>          |  |           |    |         |  |
| 2.1                                 | I am satisfied my service areas are kept up to date with updates and changes to relevant Council policies and procedures.  | x         |    |         | Weekly team meetings held to disseminate information   |
| 2.2                                 | I am satisfied my services routinely monitor compliance with prescribed processes (Council policy, agreed procedures, statutory returns etc.)  | x         |    |         | Increased returns in 20/21, particularly covid financial reporting and business grants returns   |
| 2.3                                 | I am satisfied my services fully understand and comply with all legislation that is relevant to our operations.  | x         |    |         | Both financial and building management legislation   |
| 2.4                                 | Communication and reporting channels exist to allow timely reporting of operational issues to the relevant body e.g. corporate management team. Including appropriate escalation of incidents.                           | x         |    |         | Improved reporting following management restructure  |
| 2.5                                 | I am satisfied there has been no circumvention of any key internal controls during the year or the complete removal of any key controls.   | x         |    |         |  |
| <b>3. Key Governance Framework</b>  |  |           |    |         |  |
| 3.1                                 | I am satisfied my services fully understand and comply with their health and safety responsibilities.  | x         |    |         | 43 health & safety risk assessments completed by Asset Management. Both operational managers attend Keep Safe; Stay Healthy                        |

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|---|---|---|--|--|---|
| 3.2                                     | I am satisfied my team comply with information management and security requirements, in particular, awareness and compliance to General Data Protection Regulation (GDPR).                                      | x |  |  |   |
| 3.3                                     | I am satisfied my services team are aware of and fulfil our responsibilities in respect of safeguarding children, young people and vulnerable adults.   | x |  |  |   |
| 3.4                                     | Any cases of fraud or whistleblowing allegations have been reported in accordance with relevant policies and remedial action taken where necessary.   | x |  |  | Work of business cell to pinpoint potentially fraudulent cases and pass to Counter Fraud Unit     |
| 3.5                                     | I am satisfied that any key projects are delivered in accordance with the council's project management framework.   | x |  |  | All projects that meet definition are reported to the councils project management board           |
| 3.6                                     | I am satisfied that all my service areas have awareness to and where necessary make declarations in respect of policies such as Code of Conduct, Gifts and Hospitality, other employment etc.                   | x |  |  |   |
| <b>4. Financial System and Controls</b> |   |   |  |  |   |
| 4.1                                     | I am satisfied there is adequate budgetary and financial controls in place across my service areas particularly around the monitoring of budgets and taking appropriate action when required.                   | x |  |  | This includes the overall council budget monitoring and reporting                                 |
| 4.2                                     | In relation to the above all expenditure is legitimate and checked before authorisation – this includes expenditure types such as corporate procurement cards, travel and overtime/additional hours claims etc. | x |  |  |   |
| 4.3                                     | I am not aware of any instances where the council's financial procedure rules or contract procedure rules have not been complied to.  | x |  |  |   |
| 4.4                                     | All recruitment has been undertaken in accordance with the council's recruitment procedures.  | x |  |  |   |
| 4.5                                     | Any grant schemes set up or grants received have been approved in accordance with the council's financial procedure rules.  | x |  |  | Urgency powers utilized to approve business grant schemes and test and trace discretionary scheme |
| <b>5. Control over Assets</b>           |   |   |  |  |   |
| 5.1                                     | I am satisfied my services are aware and compliant with procedures that ensure the protection of assets from loss, damage and misuse.   | x |  |  |   |

|  |  |   |  |  |  |
|--|--|---|--|--|--|
| 5.2  | I am satisfied my services review and report instances of loss, damage and misuse of assets and take appropriate management action where necessary.  | x |  |  |  |
| 5.3  | I am satisfied that any disposal of assets have been approved in accordance with the council's financial procedure rules.  | x |  |  |  |
| <b>6. Partnerships</b>                                   |  |   |  |  |  |
| 6.1  | I am satisfied that any key partnerships which my services are part of have the necessary governance arrangements in place to ensure the effectiveness of that partnership.  | x |  |  |  |
| <b>7. Any other issues to note (please give details)</b> |  |   |  |  |  |
| 7.1  | Review of CIPFA financial management code of practice did not take place in 20/21 as a result of officer redeployment. This action has been carried over to the new year and highlighted in significant governance weaknesses. |   |  |  |  |