

Borough Council of
**King's Lynn &
West Norfolk**



Audit Committee

Agenda

Monday, 17th April, 2023
at 4.30 pm

in the

**Council Chamber
Town Hall
Saturday Market Place
King's Lynn**

Available to view on: <https://www.youtube.com/user/WestNorfolkBC>



King's Court, Chapel Street, King's Lynn, Norfolk, PE30 1EX
Telephone: 01553 616200

5 April 2023

Dear Member

Audit Committee

You are invited to attend a meeting of the above-mentioned Committee which will be held on **Monday, 17th April, 2023 at 4.30 pm** in the **Council Chamber, Town Hall, Saturday Market Place, King's Lynn PE30 5DQ** to discuss the business shown below.

Yours sincerely

Chief Executive

AGENDA

1. Apologies

2. Minutes (Pages 4 - 13)

To approve the minutes from the Audit Committee held on 20 February 2023.

3. Declarations of Interest

Please indicate if there are any interests which should be declared. A declaration of an interest should indicate the nature of the interest (if not already declared on the Register of Interests) and the agenda item to which it relates. If a disclosable pecuniary interest is declared, the Member should withdraw from the room whilst the matter is discussed.

These declarations apply to all Members present, whether the Member is part of the meeting, attending to speak as a local Member on any item or simply observing the meeting from the public seating area.

4. Urgent Business Under Standing Order 7

To consider any business which, by reason of special circumstances, the Chairman proposed to accept as urgent under Section 100(b)(4)(b) of the

Local Government Act 1972.

5. **Members Present Pursuant to Standing Order 34**

Members wishing to speak pursuant to Standing Order 34 should inform the Chair of their intention to do so and on what items they wish to be heard before a decision on that item is taken.

6. **Chair's Correspondence (if any)**

7. **Strategic Internal Audit Plan for the Financial Year 2023/2024**
(Pages 14 - 46)

8. **Update on External Audit - REPORT TO FOLLOW**

9. **Period 10 Finance Monitoring Report** (Pages 47 - 85)

10. **Cabinet Forward Decisions List** (Pages 86 - 90)

11. **Committee Work Programme 2023/2024** (Pages 91 - 95)

To note the Committee's Work Programme 2023/2024.

12. **Date of Next Meeting**

To note that the date of the next meeting of the Audit Committee will take place on 21 June 2023 at 4.30 pm in the Council Chamber, Town Hall, King's Lynn.

To:

Audit Committee: Councillors Mrs J Collingham, I Devereux (Chair), P Gidney, J Lowe, C Manning (Vice Chair), C Morley, J Rust, A Ryves and M Storey

Portfolio Holder:

Mrs A Dickinson, Finance

Officers:

Alexa Baker, Monitoring Officer

Michelle Drewery, Assistant Director – Resources/Management Team Representative

Faye Haywood, Internal Audit Manager

Jamie Hay, Senior Internal Auditor

Carl Holland, Financial Services Manager

BOROUGH COUNCIL OF KING'S LYNN & WEST NORFOLK

AUDIT COMMITTEE

Minutes from the Meeting of the Audit Committee held on Monday, 20th February, 2023 at 4.30 pm in the Assembly Room, Town Hall, Saturday Market Place, King's Lynn PE30 5DQ

PRESENT:

Councillors A Bubb (substitute Councillor I Devereux), Mrs J Collingham, P Gidney, J Moriarty (substitute Councillor A Ryves), C Morley, J Rust, M Storey, A Ware (substitute Councillor J Lowe) and D Whitby (substitute Councillor C Manning)

Portfolio Holder:

Councillor Mrs A Dickinson, Finance

Officers:

Michelle Drewery, Assistant Director – Resources/Management Team Representative

Ged Greaves, Senior Policy and Performance Officer

Faye Haywood, Internal Audit Manager

Carl Holland Financial Services Manager

Wendy Vincent, Democratic Services Officer

A62 **APPOINTMENT OF CHAIR**

RESOLVED: That Councillor Mrs J Collingham be appointed Chair for the meeting.

A63 **APPOINTMENT OF VICE-CHAIR**

RESOLVED: Councillor C Morley was appointed Vice-Chair for the meeting.

A64 **APOLOGIES**

Apologies for absence were received from Councillors I Devereux, J Lowe, C Manning and A Ryves.

A65 **MINUTES**

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The minutes of the meeting held on 21 November 2022 were agreed as a correct record and signed by the Chair.

A66 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

A67 **URGENT BUSINESS UNDER STANDING ORDER 7**

There was no urgent business.

A68 **MEMBERS PRESENT PURSUANT TO STANDING ORDER 34**

There were no Members present under Standing Order 34.

A69 **CHAIR'S CORRESPONDENCE**

There was no Chair's correspondence.

A70 **CORPORATE RISK REGISTER**

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The Committee was provided with background on what the Corporate Risk Register was and how it was developed and how it had been reshaped reducing the number of entries from 40 to 14 strategic risks.

The Corporate Performance Manager explained that the report presented an updated version of the register as at December 2022. The report gave details of the risks falling into the 'Very High' category and the associated work being progressed to mitigate the effects.

The key issues/changes were outlined as set out in the report.

The Corporate Performance Manager referred to an idea raised in a sifting meeting for the Committee and since been explored by Management Team was whether the Committee may be minded to rather than review entire risk register at each meeting to take one or two risks to have a deeper dive and the relevant officers be in attendance to answer any questions from the Committee.

The Chair thanked the Corporate Performance Manager for the report and commented that previous discussion of the Committee had been to pair Members to take a subject heading. In response, the Corporate Performance Manager explained that could be an alternative approach. The Chair invited the Committee who was present at the previous meeting for views on how this could be taken forward. Councillor Rust added that it was felt a good idea to address in this way but believed there may have been concern expressed in doing so. In conclusion, the Chair explained that it was a very detailed report and she was keen

to split off the areas of the risk register either by considering a subject heading at each meeting or divide into pairs to consider a subject.

Councillor Morley explained that the Audit Committee had said that an executive summary would be useful and for Members to look at the groupings of risks, for example, finance, devolution, etc in depth. Councillor Morley referred to the Corporate Business Plan – the 6 groupings and added that the Committee could look at those groupings and associated risks meeting the corporate objectives. Councillor Morley stated that it was difficult to connect the Corporate Business Plan, Corporate Risk Register and performance indicators.

The Chair, Councillors Mrs J Collingham favoured the approach to take the Risk Register by topic and explore the associated risks as explained by the Corporate Performance Manager.

Councillor Rust asked if any decisions made by the Committee would be taken forward following the May 2023 election. Councillor Rust referred to the Shareholder Committee and asked if an entry was included within the risk register as it was the responsibility of the Audit Committee. In response, the Corporate Performance Manager responded to say that this was a specific risk relating to the Council's wholly owned companies and the Shareholder Committee was a mitigation measure. The Chair, Councillor Mrs Collingham commented that the Committee should plough on and would like to make a strong recommendation to look at topic headings at each future meeting.

In response to comments and questions from the Committee, the Internal Audit Manager highlighted that the Internal Audit team were required to support the Committee by looking at the corporate aims and objectives, ascertaining performance in relation to those and reviewing the associated risks. The team was responsible for providing a view on whether risks were being mitigated by providing independent assurance back to the Committee.

The Corporate Performance Manager explained that one of the considerations was for the relevant officers being present to support the Committee's deliberations and questions about particular risks. Councillor Devereux, Chair of the Audit Committee had suggested that work programme could be developed over a period and the topics could be split out of the risk register and look at a high risk at each Audit Committee meeting.

Councillor Gidney added that it was a complex document and that his view he would like to concrete on the areas at risk rather than the whole register and asked if the register could be summarised and highlight the areas at risk, etc.

The Chair, Councillors Mrs Collingham stated that the Committee would like to look at how to reorganise/format the risk register so that Members could identify the areas which were most at risk.

The Assistant Director, Resources responded to questions from Councillor Moriarty in relation to the Pension Fund and upfront payments and advised that there was a recommendation in the Financial Plan which would be considered by Full Council on 23 February 2023 . Councillor Rust highlighted the importance of understanding the implications on the pay award 2023/24 at the earliest opportunity. The Assistant Director, Resources undertook to discuss the comments made with the relevant Assistant Director and respond to the Committee.

In response to comments made by Councillor Moriarty on page 28 – progress against the National housing delivery figures published in November being assessed as part of the Local Plan review process and date of the anticipated Examination and how much up dating was going on, the Corporate Performance Manager explained that he had tried to do distinguish between new and old text, new text was in italics and undertook to discuss this point with the relevant Assistant Director for a more up to date response and forward the information to the Committee.

Councillor Moriarty stated that he had a number of questions to ask and would send an email to the Corporate Performance Manager for a response and advised that he would circulate both the questions to the Committee.

Councillor Morley recommended that for those Councillors on the Audit Committee post the May 2023 elections that they read the Government Orange Book and that Members should focus on the outcomes from Internal Audit and undertake a deep dive as appropriate. In conclusion, Councillor Morley commented that the Audit Committee should signpost Members on the next Audit Committee as appropriate.

The Chair, Councillor Collingham outlined the importance of the current Audit Committee signposting Members on the Audit Committee post May 2023 Elections.

RESOLVED: The Committee considered the Corporate Risk Register as at December 2022 and confirmed agreement with Management Team’s assessment of the risks to the corporate business plan.

A71

AUDIT COMMITTEE INDEPENDENT PERSONS

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The Internal Audit Manager presented the report which outlined the proposal for appointing Independent Person(s) to the Audit Committee.

The Committee’s attention was drawn to the key issues set out in the report.

The Chair, Councillor Mrs Collingham commented that the Committee would benefit from the input of an Independent Person and asked questions on the recruitment process.

Councillor Morley added that he was in favour of an Independent Person and outlined the benefits to the Audit Committee. Councillor Morley commented that the present Audit Committee could signpost the next Administration to appoint an Independent Person.

Councillor Rust commented that it was a good idea and stated that two other Norfolk Councils who had appointed an Independent Person offered a modest allowance together with travel and subsistence expenses. The demand for an Independent Person could be high but supported the appointment of an Independent person to enable openness and transparency.

The Chair, Councillor Mrs Collingham concurred with the comments made by Councillors Morley and Rust.

In response to questions from Councillor Moriarty on experience from other councils, the Internal Audit Manager explained that she was aware that other Councils had opted to appoint two independent persons at once but locally the decision had been made to appoint one after the elections.

The Chair, Councillor Mrs Collingham thanked the Internal Audit Manager for the report.

RESOLVED: The Committee discussed the report and if in principle agreed the appointment of an Independent Person(s) to the Audit Committee.

A72

AUDIT COMMITTEE SELF-ASSESSMENT QUESTIONNAIRE/ OUTCOMES

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The Internal Audit Manager explained that the Audit Committee carried out a self-assessment discussion on 26 September 2022 facilitated by the Internal Audit Manager. The results of the assessment were provided within the report, to allow the Committee to track progress made against agreed actions and to make any amendments based on the current position.

It was noted that this was the first time the Audit Committee had undertaken a self-assessment exercise and as a result, actions had been identified to ensure full compliance with best practice.

The Internal Audit Manager advised that in conclusion, the Audit Committee self-assessment had indicated that the Committee felt it was acting broadly in line with best practice and could demonstrate that it was adding value to the Council through its role and terms of reference. This exercise would be carried out annually and improvement actions tracked in the Audit Committee work plan to ensure completion.

In response to questions from Councillor Bubb on the questionnaire, the Internal Audit Manager explained that she had facilitated a self-assessment exercise in September 2022 and had used the CIPFA documentation. Members of the Audit Committee had answered questions and had different views as to what worked in reflection to the Committee's Terms of Reference.

Councillor Moriarty commented that previously a training session/briefing had been the first item on the Agenda and asked why this had not been continued. In response, the Internal Audit Manager outlined the areas of training that could be offered to the Committee.

The Chair, Councillor Mrs Collingham added that the Committee used to having training prior to the formal meeting and highlighted the importance of training on a regular basis. In response, the Internal Audit Manager explained that she had noted the request for regular training as an action to take forward.

Councillor Morley referred to a meeting held in 2017 when it had been recommended that training should be undertaken by Members of the Audit Committee and substitutes.

Councillor Morley stated that the data presented to the Audit Committee should be in an understandable format and not too technical and that training was required to understand the facts being presented.

In response to questions raised regarding the gaps in knowledge within the self-assessment questionnaire, the Assistant Director – Resources explained that there was an officer action plan which would deliver the correct training and added that audit training had also been included in the Members Induction Programme following the May 2023 elections.

Councillor Rust welcomed audit training being included in the Members Induction Programme and commented that it was necessary to undertake the self-assessment exercise to ascertain if the Committee was doing their job properly and concurred with the views expressed on the importance for regular training.

Councillor Storey added that he was in favour of receiving regular training in relation to topics considered by the Committee and commented that in his view it was up to the individual Councillors to ask officers if they did not understand the information to be presented.

Councillor Gidney stated that he was also in favour of receiving training to assist the Committee to understand the data presented.

Councillor Morley proposed an additional recommendation c) which was seconded by Councillor Mrs Collingham and agreed by the Committee:

It is mandatory for Audit Committee Members to undertake appropriate induction and regular refresher training and that officers present data in a manner which is more understandable.

RESOLVED: In reviewing the areas of partial and non-compliance identified by the self-assessment process and reported at Appendix 1 to the Report, the Audit Committee resolved that:

- (a) the Improvement Plan for outcomes which would deliver and therefore demonstrate, that best practice in Audit had been adopted, would be put into practice;
- (b) it shall be mandatory, for Members to be eligible to vote at Audit Committee, to undertake appropriate induction and regular refresher training; and
- (c) Officers will present reports and data in a manner which is more concise, understandable and complimentary with and to, the training programme.

A73

MID-YEAR TREASURY REPORT 2022/2023

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The Financial Services Manager presented the report and explained that the Council had formally adopted the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2021) and remained fully compliant with its requirements. One of the primary requirements of the Code was receipt by Council of a Mid-Year Review Report.

It was explained that the Mid-Year Review Report had been prepared in compliance with CIPFA's Code of Practice, and covered the following:

- A review of the Treasury Management Strategy.
- The Council's capital expenditure (prudential indicators).
- An economic update for the first six months of 2022/23.

Additional Supporting Information:

- Appendix 1 – Economic Outlook.

- Appendix 2 – Investments as of 30 October 2022.
- Appendix 3 – Borrowing as of 30 October 2022.
- Appendix 4 – Prudential Indicators.

The Financial Services Manager and Assistant Director, Resources responded to questions and comments in relation to

- Capital Programme forecast and expenditure.
- Working capital available and cash flow.
- Impact of the rise in interest rates on Council services.
- Investments
- Reserves set out in the current financial plan.
- General Fund required to balance the budget.

The Chair, Councillor Mrs Collingham thanked the Financial Services Manager for the report.

RESOLVED: The Committee noted the report and the treasury activity.

A74

MONTHLY BUDGET MONITORING REPORT FOR PERIOD 7

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The Committee was informed that the report had been published on Mod Gov on 23 January 2023.

The Financial Services Manager presented the Budget Monitoring Report – October 2022 and highlighted the following sections of the report:

- Summary.
- Revenue Budget 2022/2023 – Budget Summary, Turnover Savings, Opportunities, Risks.
- Capital – Budget and Spend 2022/23, Notes to Capital Budget Revisions and Movement table.
- Reserves – Budget Revisions and Movements: Ring Fenced Reserves, Service Delivery.
- Age Debt Analysis
- Council Tax and Business Rates.
- Treasury Management 2022/23 – Prudential Indicators, Loans, Investments.
- Conclusion.
- Appendix A – Budget Monitoring Variances October 2022.
- Appendix B – Capital Programme 2021/2026.
- Appendix C – Limits and Purposes for Earmarked Reserves.
- Appendix D – Age Debt Analysis – Period 7.

The Financial Services Manager responded to questions from Councillors Morley and Moriarty in relation to service charges including trade waste.

In response to questions from Councillor Rust regarding the income received from the Pontoons, the Financial Services Manager advised that he did not have the information to hand but would email a response.

Following a question from Councillor Rust on Appendix A and the cost of the Pontoons to the Council, the Financial Services Manager undertook to forward the information requested to the Audit Committee.

The Financial Services Manager responded to questions from Councillor Rust on the budget variance and items which had not been budgeted for example, business rates cleaning, rent for careline, etc.

In response to a question from the Chair on why there had been a reduction in the income from Careline, the Financial Services Manager explained that there had been a change in demand and had therefore not generated the same level of income as previously.

The Assistant Director, Resources responded to questions from Councillor Morley on the Council renting out office accommodation to external organisations and provided an overview of the work currently being undertaken with regard to hybrid/flexible working arrangements.

RESOLVED: The Committee noted the Budget Monitoring Report – October 2022.

A75

UPDATE ON AUDIT PROGRESS AND TIMETABLE

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The Assistant Director, Resources provided a verbal update and explained that contact had been made with the External Auditors for dates to complete the 2019/2020 Statement of Accounts and to progress work on the 2020/2021 Statement of Accounts and advised that a holding response had been received explaining that potential dates were being looked at but not yet scheduled.

RESOLVED: The Committee noted the update report.

A76

COMMITTEE WORK PROGRAMME

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Officers advised that the items scheduled for 13 March 2023 would not be available and would need to be considered at the April meeting. It

was proposed that the 13 March meeting be cancelled subject to consultation and agreement with the Chair of the Audit Committee.

The Committee noted the work programme.

A77 **CABINET FORWARD DECISIONS LIST**

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The Committee noted the Cabinet Forward Decisions List.

A78 **DATE OF NEXT MEETING**

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Subject to consultation with the Chair it was proposed and agreed by the Committee to cancel the 13 March meeting, the next meeting of the Audit Committee will take place on 17 April 2023 at 4.30 pm in the Council Chamber, Town Hall, Saturday Market Place, King's Lynn.

The meeting closed at 6.29 pm

AUDIT COMMITTEE REPORT

REPORT TO:	Audit Committee		
DATE:	17 April 2023		
TITLE:	Strategic and Annual Internal Audit Plans 2023/24		
TYPE OF REPORT:	For approval		
PORTFOLIO(S):	All		
REPORT AUTHOR:	Faye Haywood, Internal Audit Manager		
OPEN/EXEMPT	Open	WILL BE SUBJECT TO A FUTURE CABINET REPORT:	No

REPORT SUMMARY/COVER PAGE

PURPOSE OF REPORT/SUMMARY:
This report provides the proposed Strategic Internal Audit Plan for 2023/24 to 2026/27 the Annual Internal Audit Plan for 2023/24 and the Internal Audit Charter. The plan will provide the basis for the Annual Audit Opinion on the overall adequacy and effectiveness of the council’s framework of governance, risk management.
KEY ISSUES:
The current position and any suggested improvements are shown within the attached report.
OPTIONS CONSIDERED:
<i>Not applicable</i>
RECOMMENDATIONS:
<p>For Audit Committee to approve the following;</p> <ul style="list-style-type: none"> a) Internal Audit Charter 2023/24 b) The Internal Audit Strategy 2023/24 c) The Strategic Plan 2023/24 to 2026/27 d) For Audit Committee to consider each audit area for the year ahead and approve the plan of work for 2023/24.
REASONS FOR RECOMMENDATIONS:
In receiving this report and approving the Internal Audit Plan for 2023/24 the Committee is ensuring that the Internal Audit Service remains compliant with professional auditing standards and are fulfilling their terms of reference.

Eastern Internal Audit Services



BOROUGH OF KINGS LYNN AND WEST NORFOLK COUNCIL

Strategic and Annual Internal Audit Plans 2023/24

Responsible Officer: Faye Haywood, Internal Audit Manager

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1. INTRODUCTION

- 1.1 The Accounts and Audit Regulations 2015 require that “a relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance”.
- 1.2 The Public Sector Internal Audit Standards (PSIAS) mandate a periodic preparation of a risk-based plan, which must incorporate or be linked to a strategic high-level statement on how the internal audit service will be delivered and developed in accordance with the charter and how it links to the organisational objectives and priorities, this is set out in the Internal Audit Strategy.
- 1.3 The development of a risk-based plan takes into account the organisation's risk management framework. The process identifies the assurance (and consulting) assignments for a specific period, by identifying and prioritising all those areas on which objective assurance is required. This is then also applied when carrying out individual risk-based assignments to provide assurance on part of the risk management framework, including the mitigation of individual or groups of risks.
- 1.4 The following factors are also taken into account when developing the internal audit plan:
 - The risk profile and maturity of the Council;
 - Previous assurance gradings given in each area;
 - Any declarations to avoid conflicts of interest;
 - The requirements of the use of specialists e.g., IT auditors;
 - Striking the right balance over the range of reviews needing to be delivered, for example systems and risk-based reviews, specific key controls testing, value for money and added value reviews;
 - Allowing contingency time to undertake ad-hoc reviews or fraud investigations as necessary;
 - The time required to carry out the audit planning process effectively as well as regular reporting to and attendance at Audit Committee, the development of the annual report and opinion and the Quality Assurance and Improvement Programme.
- 1.5 In accordance with best practice the Audit Committee should ‘*review and assess the annual internal audit work plan*’.

2. INTERNAL AUDIT CHARTER

- 2.1 There is an obligation under the PSIAS for the Charter to be periodically reviewed and presented. This Charter is therefore reviewed annually by the Head of Internal Audit to confirm its ongoing validity and completeness, and presented to Senior Management and the Audit Committee for review. The Charter is provided at **Appendix 1**.

3. INTERNAL AUDIT STRATEGY

- 3.1 The purpose of the Internal Audit Strategy (**see Appendix 2**) is to confirm:
 - How internal audit services will be delivered;
 - How internal audit services will be developed in accordance with the internal audit charter;
 - How internal audit services links to organisational objectives and priorities; and

- How the internal audit resource requirements have been assessed and how they will be enhanced.

4. STRATEGIC INTERNAL AUDIT PLAN

- 4.1 The overarching objective of the Strategic Internal Audit Plan **see Appendix 3**, is to provide a comprehensive programme of review work over the next four years, with each year providing sufficient audit coverage to give annual opinions, which can be used to inform the organisation's Annual Governance Statement.
- 4.2 The coverage over the forthcoming four years has been discussed with the Management Team to ensure audits are undertaken at the right time, at a time where value can be added, as well as ensuring sufficient coverage for an Annual Opinion on the framework of governance, risk management and control. The discussions also went into greater detail in relation to the scope of the audits for the forthcoming financial year.

5. ANNUAL INTERNAL AUDIT PLAN

- 5.1 Having developed the Strategic Internal Audit Plan, the Annual Internal Audit Plan is an extract of this for the forthcoming financial year **Appendix 4**. The plan includes the areas being reviewed by Internal Audit, the number of days for each review, the quarter during which the audit will take place and a brief summary and purpose of the review.
- 5.2 The Annual Internal Audit Plan for 2023/24 totals 323 audit days. A total of 21 Internal Audit reviews will be completed, three of which cover IT processes. A total of 50 days have been assigned to audit management work in accordance with the agreement between the Council and Eastern Internal Audit Services for tasks such as quality assurance, follow up, advice and guidance, Audit Committee papers and attendance.

6. ASSURANCE MAPPING

- 6.1 The 2022/23 External Quality Assessment of the Internal Audit function has now concluded, and a report produced demonstrating the service is delivered in conformance with the Public Sector Internal Audit Standards. Assurance Mapping has been highlighted as an area requiring development.
- 6.2 Assurance mapping is an emerging area of internal audit practice which involves mapping a visual representation of assurance activities as they apply to a specific set of risks or compliance requirements facing an organisation.
- 6.3 This exercise is particularly useful to undertake as part of Internal Audit Planning as it allows Internal Audit to determine to what extent it can rely on and co-ordinate its activities with other assurance providers to enhance value and prevent duplication.
- 6.4 Following discussions with Senior Management, the Internal Audit team have been able to map the types of assurance available for the top five strategic risks facing the Council in each of the three assurance categories listed below.

6.5 **Three lines of defence**

<p>1. The first line of defence (functions that own and manage risks)</p> <p>Assurances in this area are provided by managers and staff who are responsible for identifying and managing risk as part of their accountability for achieving objectives.</p>	<p>2. The second line of defence (functions that oversee or who specialise in compliance or the management of risk)</p> <p>Assurances in this area are provided by those that monitor frameworks, enable risk and compliance to be managed in the first line. Second line assurance functions are often involved in monitoring the effectiveness in the first line ensuring risks are managed consistently.</p>	<p>3. The third line of defence (functions that provide independent assurance)</p> <p>Assurances at this level are typically provided by internal audit. Sitting outside the risk management processes of the first two lines of defence. The main role of this defence line is to provide an evaluation of the effectiveness of the organisations approach to governance, risk management and control.</p>
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6.6 The assurance map provided at **Appendix 5** of this report highlights what assurances are available in each of the three lines for the top 5 scoring strategic risks. This has been used to provide justification to the areas included within the strategic and annual internal audit plans.

APPENDIX 1 – INTERNAL AUDIT CHARTER 2023/24

BOROUGH COUNCIL OF KING'S LYNN AND WEST NORFOLK

1. Introduction

- 1.1 The Public Sector Internal Audit Standards (PSIAS) came into effect from 1st April 2013; these provide a consolidated approach across the public sector encouraging continuity, sound corporate governance and transparency.
- 1.2 The Standards require all internal audit services to implement, monitor and review an Internal Audit Charter; this formally defines Internal Audit's purpose, authority and responsibility, and is a mandatory document.
- 1.3 The Charter also displays formal commitment to and recognises the mandatory nature of the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics and the Standards, i.e. the International Professional Practices Framework (IPPF).
- 1.4 This Internal Audit Charter is applicable to all staff members both internal and externally sourced responsible for the Internal Audit function at the Borough Council of King's Lynn and West Norfolk.
- 1.5 The Accounts and Audit Regulations 2015 set out that:
A relevant authority must ensure that it has a sound system of internal control which:
 - (a) facilitates the effective exercise of its functions and the achievement of its aims and objectives;
 - (b) ensures that the financial and operational management of the authority is effective; and
 - (c) includes effective arrangements for the management of risk.

A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account Public Sector Internal Auditing Standards or guidance.

A relevant authority must, each financial year:

- (a) conduct a review of the effectiveness of the system of internal control required by regulation 3; and
- (b) prepare an Annual Governance Statement.

1.6 Mission Statement

Standards require the Internal Audit function to articulate its overall purpose and summarise the way it will provide value to the organisation. The mission statement for the Internal Audit function is as follows:

"Adding value to Borough of Kings Lynn and West Norfolk Council through our detailed understanding. We provide independent assurance, focused insight and aim to protect the Council against the impact of and possibility of fraud"

1.7 This Charter:

- Establishes the position and reporting lines of Internal Audit.
- Outlines provision for unrestricted access to information, officers, management and Members as appropriate;
- Sets the tone for Internal Audit activities;
- Defines the nature and scope of Internal Audit services, in particular assurance and consultancy services; and
- Sets out the nature and scope of assurance provided to other parties.

1.8 The Charter is to be periodically reviewed and presented to Senior Management and the Board for approval. The Charter will be reviewed annually by the Chief Audit Executive to confirm its ongoing completeness and validity and presented to Senior Management and the Board.

2 Purpose, Authority and Responsibility

2.1 Purpose

2.1.1 Internal auditing is best summarised through its definition with the Standards, *“an independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes”*.

2.1.2 In the Council, Internal Audit provides independent and objective assurance to the organisation, its Members, Senior Management (defined as the Management Team) and in particular the Assistant Director Resources (S151 Officer) to help discharge her responsibilities under S151 of the Local Government Act 1972, relating to the proper administration of the Council’s financial affairs.

2.1.3 In addition, the Accounts & Audit Regulations 2015 specifically require the provision of an Internal Audit service. In line with regulations, Internal Audit provides independent assurance on the adequacy of the Council’s governance, risk management and internal control systems.

2.1.4 Internal Audit is required to comply with the Public Sector Internal Audit Standards (PSIAS) in undertaking its work. Internal Audit operates, in accordance with PSIAS, a Quality Assurance & Improvement Programme (QAIP) to provide assurance as to Internal Audit’s continuing compliance with PSIAS.

2.2 Authority

2.2.1 The Accounts and Audit Regulations (England) 2015, states that the relevant body must; *“undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance”*. The statutory requirement for internal audit is recognised in the Constitution of each Local Authority and the internal auditing standards in this regard are the Public Sector Internal Audit Standards.

2.3 Responsibility

- 2.3.1 The responsibility for maintaining an adequate and effective internal audit to evaluate risk management, control and governance processes lies with each Local Authority's Chief Finance Officer (the Section 151 Officer).
- 2.3.2 The Local Authority and its Members must be satisfied about the adequacy of the advice and support it receives from Internal Audit.
- 2.3.3 Internal Audit is provided by an in-house Internal Audit team, with the Chief Audit Executive responsible for ensuring the Internal Audit activity is undertaken in accordance with the Definition of Internal Auditing, the Code of Ethics and the Standards.
- 2.3.4 Senior Management are responsible for ensuring that internal control, risk management and governance arrangements are sufficient to address the risks facing the Local Authority. Accountability for responding to Internal Audit rests with Senior Management who either accept and implement the recommendations, or formally reject them. Any advice that is rejected will be formally reported.

3 Key Relationships and Position in the Organisation

3.1 The standards require the terms 'Chief Audit Executive', 'Board' and 'Senior Management' to be defined in the context of the governance arrangements in each public sector organisation in order to safeguard the independence and objectivity of Internal Audit. The following interpretations are applied.

3.2 Chief Audit Executive

3.2.1 The Chief Audit Executive is based at South Norfolk Council and provides the Internal Audit Manager role to the Borough Council of King's Lynn and West Norfolk through a Section 113 Agreement.

3.2.2 The Internal Audit Manager is an independent CMIIA qualified individual reporting administratively to the Chief of Staff at South Norfolk Council and functionally to the Assistant Director Resources (S151 Officer) at the Borough Council of King's Lynn and West Norfolk.

3.2.3 The Internal Audit Manager also has a direct line of reporting and unfettered access to the Chief Executive, Senior Management and the Chair of the Board.

3.2.4 The delivery of the Annual Audit Plans and any specified ad-hoc assignments is provided by an in-house team. The Senior Internal Auditor of the in-house team reports functionally to the Internal Audit Manager and administratively to the Assistant Director Resources.

3.3 Board

3.3.1 In the context of overseeing the work of Internal Audit, the 'Board' will be the Audit Committee, which has been established as part of the governance arrangements of the Council. The Audit Committee's responsibilities are discharged through the Constitution and are explicitly referred to in its terms of reference.

3.3.2 In the context of Internal Audit, the Audit Committee are responsible for:

- Consider the effectiveness of the Council's risk management arrangements, the control environment and associated anti-fraud and anti-corruption arrangements.
- Monitor action taken on risk-related issues identified by auditors.

- Review Internal Audit's strategy and plan, and monitor performance.
- Review summary Internal Audit reports and the main issues arising, and seek assurance that action has been taken where necessary.
- Receive the Annual Report of the Audit Manager.
- Ensure that there are effective relationships between External and Internal Audit, inspection agencies and other relevant bodies, and that the value of the audit process is actively promoted.
- Monitor management action in response to any issues raised by Internal Audit.

3.3.3 Internal Audit works closely with the Chair and Members of the Audit Committee to facilitate and support their activities, part of which includes facilitating a self-assessment and providing training.

3.4 Senior Management

3.4.1 'Senior Management' known as 'Management Team' is those individuals responsible for the leadership and direction of the organisation, including Statutory Officers who are responsible for specific aspects of internal control, risk management and governance arrangements. There is effective liaison between Internal Audit and Management Team to ensure that independence remains, and provides for a critical challenge.

3.4.2 The Internal Audit Manager meets regularly with the Section 151 Officer to ensure organisational awareness is maintained, to discuss progress with the agreed Internal Audit Plan and to maintain a good working relationship. These arrangements facilitate discussions in relation to the current and emerging risks and issues to ensure that the Internal Audit plan of work remains reflective and responds as required.

3.5 External Audit

3.5.1 Regular liaison is maintained with External Audit to consult on audit plans, and to discuss matters of mutual interest. The external auditors have the opportunity to take account of the work of Internal Audit where appropriate.

4 Rights of Access

4.1 Internal Audit, with strict accountability for confidentiality and safeguarding records and information, is authorised to have the right of access to all records, assets, personnel and premises and has authority to obtain such information and explanations as it considers necessary to fulfil its responsibilities. This access is full, free and unrestricted and is set out within the constitution.

4.2 Such access shall be granted on demand and shall not be subject to prior notice, although in principle, the provision of prior notice will be given wherever possible and appropriate, unless circumstances dictate otherwise.

5 Objective and Scope

5.1 The provision of assurance services is the primary role of Internal Audit, thus allowing the Internal Audit Manager to provide an annual audit opinion on the adequacy and effectiveness of the Local Authority's framework of governance, risk management and control, together with reasons if the opinion is unfavourable.

- 5.2 Internal Audit will also provide consultancy services, at the request of management. These reviews are advisory in nature and generally performed to facilitate improved governance, risk management and control. This work may contribute to the Annual Audit Opinion.
- 5.3 Whichever role / remit is carried out by Internal Audit the scope is to be determined by Internal Audit, through discussions with Senior Management; however, this scope will not be unduly biased, nor shall it be restricted.
- 5.4 A risk based Strategic Internal Audit Plan will be developed each year to determine an appropriate level of risk-based audit coverage required to generate an Annual Audit Opinion. The plan will be derived from risk assessments, discussions with Senior Management and Audit Committee taking prior year's assurance results into account. Internal Audit's remit extends to the entire control environment of the Council.
- 5.5 Each audit review will be designed to provide evidence-based assurance over the management of risk and controls within that area. The results of each review will be shared with management so that any required improvements can be actioned to restore satisfactory systems of internal control.
- 5.6 It is management's responsibility to control the risk of fraud and corruption; however, Internal Audit will be alert to such risks in all the work that is undertaken. The Senior Internal Auditor is responsible for managing the delivery of the Council's anti-fraud and anti-corruption policy and responsibilities included within this role are referenced within section 6.2 of the Internal Audit Charter.

6 Independence and Objectivity

- 6.1 Internal Audit must be sufficiently independent of the activities that are audited to enable an impartial, unbiased and effective professional judgement. All internal auditors annually confirm their adherence to the Code of Ethics, which sets out the minimum standards for performance and conduct. The four core principles are integrity, objectivity, confidentiality and competency.
- 6.2 The Senior Internal Auditor is responsible for the Counter Fraud and Corruption policy at the Council. This represents 50% of the role and this individual undertakes the following:
- Delivery of the Council's Anti-Fraud and Anti-Corruption policy including risk assessment and anti-fraud and corruption plan.
 - Reporting to the Audit Committee on the adequacy of the Council's approach to Anti-Fraud and Corruption.
 - Fraud investigations.
 - Coordinating the National Fraud Initiative data matching exercise.
 - Assisting Revenues and Benefits teams with fraud investigations and providing advice.
 - Policy update and review.
 - Anti-Fraud and Anti-Corruption Risk Register for the Council.

The Internal Audit Manager will provide independent objective assurance over the adequacy of the Anti-Fraud and Anti-Corruption arrangements periodically as part of the risk-based planning process to safeguard independence of the Internal Audit function.

- 6.3 Internal Audit has no operational responsibility or authority over any other activities which they are required to review. They do not engage in any other activity, which would impair

their judgement, objectivity or independence. Any identified threats to independence or objectivity of individual auditors or the Internal Audit function will be managed by the Internal Audit Manager and reported to the Assistant Director Resources and / or Audit Committee.

- 6.4 If the independence or objectivity of the Internal Audit Manager is impaired, or appears to be, the details of the impairment will be disclosed to the Assistant Director Resources and / or Management Team. The nature of the disclosure will depend upon the impairment.

7 Professional Standards

- 7.1 The Internal Audit function and all Internal Audit staff operate in accordance with all mandatory guidance within the PSIAS including the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the Standards and Definition of Internal Auditing. Internal Auditors also have regard for the principles contained within the Standards of Public Life.

8 Internal Audit Resources

- 8.1 The staffing of Internal Audit will be kept under review by the Assistant Director Resources (S151 Officer) and the Internal Audit Manager, bearing in mind the resource requirements identified in the strategic audit plan and the overall needs of the Council.
- 8.2 If the Internal Audit Manager or those charged with governance consider that the level of audit resources limits the scope of Internal Audit, or prejudice the ability of Internal Audit to deliver an appropriate service, they should advise the Council accordingly.
- 8.3 The Internal Audit Manager is professionally qualified CMIIA and has wide ranging internal audit management experience to enable them to deliver the responsibilities of the role.
- 8.4 The Internal Audit Manager is supported by the Senior Internal Auditor in ensuring the Internal Audit function has access to a team of staff who have the appropriate range of knowledge, skills and experience to deliver the audit plan.

9 Audit Planning

- 9.1 The Strategic and Annual Internal Audit Plan of work, is derived using a risk-based approach by the Internal Audit Manager. This is discussed with Management Team and approved by the Audit Committee. The Internal Audit Manager is responsible for the delivery of the Internal Audit Plan, which will be kept under regular review and reported to the Audit Committee.

10. Audit Reporting

- 10.1 On conclusion of each assurance review included within the Annual Internal Audit Plan, a report will be provided to management giving an opinion on the adequacy of controls in place to manage risk. This report will provide an assurance level and associated recommendations to ensure that risks are appropriately addressed.
- 10.2 Management can choose not to accept / implement the recommendations raised; in all instances this will be reported through to the Audit Committee, especially in instances whereby there are no compensating controls justifying the course of action.

- 10.3 A Progress Report is periodically presented to the Audit Committee which includes the Executive Summary of all final reports, any significant changes to the approved plan and the performance of the Internal Audit team relative to completing the agreed plan.
- 10.4 A Recommendations Follow-Up Report is also periodically produced for Management Team and the Audit Committee showing management progress against the implementation of agreed recommendations arising from Internal Audit assurance reports. The Internal Audit Team will verify and obtain evidence to demonstrate recommendation completion from responsible officers.
- 10.5 An Internal Audit Annual Report and Opinion is produced for Management Team and the Audit Committee following the completion of the Annual Audit Plan each financial year. This report includes a summary of all Internal Audit work carried out, details of recommendations that have been implemented by management and the Annual Opinion.
- 10.6 The Annual Opinion is based on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control during the financial year, together with reasons if the opinion is unfavourable. This opinion is reached by considering the results from assurance reviews undertaken throughout the year.
- 10.7 The report also highlights any issues that are deemed particularly relevant to the Annual Governance Statement (AGS) and the results of the review of the effectiveness of Internal Audit.

11 Quality Assurance and Improvement Programme

- 11.1 The Standards require a Quality Assurance and Improvement Programme to be developed that covers all aspects of Internal Audit, including both internal and external assessments.
- 11.2 If an improvement plan is required as a result of the internal or external assessment, the Internal Audit Manager will coordinate appropriate action and report this to Management Team and the Audit Committee, as part of the Annual Report and Opinion.
- 11.3 Internal Assessment
 - 11.3.1 Internal assessment includes the ongoing monitoring of the performance through the performance measures. These form a key part of management information on the adequacy of the Internal Audit function and are subject to quarterly reporting to the Internal Audit Manager and Assistant Director Resources for review.
 - 11.3.2 On conclusion of audit reviews a feedback form is provided to the key officer identified during the audit process. Outcomes are reviewed and relevant improvements discussed with each auditor.
 - 11.3.3 The Standards also require periodic self-assessment in relation to the effectiveness of Internal Audit, the detail and outcomes of which are then forwarded to the Assistant Director Resources for independent scrutiny, before the summary of which is provided to the Audit Committee as part of the Annual Report and Opinion. This information enables the Committee to be assured that the Internal Audit service is operating in accordance with best practice.
- 11.4 External Assessment

11.4.1 External assessments must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the Organisation. This can be in the form of a full external quality assessment that involves interviews with relevant stakeholders, supported by examination of the internal audit approach and methodology leading to the completion of an independent report, or a validated self-assessment, which the Internal Audit Manager compiles against the PSIAS assessment tool, which is then validated by an external assessor/team. The full external quality assessment is the chosen option for Eastern Internal Audit Services.

11.4.2 An external assessment will:

- Provide an assessment on the internal audit function's conformance to the standards;
- Assess the performance of the internal audit activity in light of its charter, the expectations of the various boards and executive management;
- Identify opportunities and offer ideas and counsel for improving the performance of the internal audit activity, raising the value that internal audit provides to the organisation; and
- Benchmark the activities of the internal audit function against best practice.

11.4.3 In October 2022 the Internal Audit service was fully assessed by the Chartered Institute of Internal Auditors. The conclusion of the review was:

"EIAS conforms with the vast majority of the Standards, as well as the Definition, Core Principles and the Code of Ethics, which form the mandatory elements of the PSIAS and the Institute of Internal Auditors' International Professional Practices Framework (IPPF), the globally recognised standard of quality in Internal Auditing".

11.4.4 The next External Quality Assessment is scheduled for October 2027.

APPENDIX 2 – INTERNAL AUDIT STRATEGY 2023/24

BOROUGH COUNCIL KINGS LYNN AND WEST NORFOLK

1. Introduction

- 1.1 The Internal Audit Strategy is a high-level statement of;
- how the internal audit service will be delivered;
 - how internal audit services will be developed in accordance with the internal audit charter;
 - how internal audit services links to the organisational objectives and priorities; and
 - how the internal audit resource requirements have been assessed.

The provision of such a strategy is set out in the Public Sector Internal Audit Standards (PSIAS).

- 1.2 The purpose of the strategy is to define the objectives, function, the approach, resources and processes needed to achieve Internal audit service, providing a clear link between the Charter and the annual plan.
- 1.3 Throughout this strategy the term ‘The Council’ or ‘Council’ references the Borough Council of Kings Lynn and West Norfolk.

2. How the internal audit service will be delivered

- 2.1 The Council has an in-house internal audit resource responsible for delivering the internal audit plan, responding to requests for advisory work and investigations. The team consists of a Senior Internal Auditor and two auditors.

Role	FTE
Senior Internal Auditor	0.5 FTE (0.5 allocated to delivering counter fraud services)
Auditor	1 FTE
Auditor	0.7 FTE

The role of the Internal Audit Manager is provided by South Norfolk Council through an agreement between the two Councils. A total of 50 days is delivered each year to support the management of the internal audit service.

2.2 In addition to the above, where specialist resources are required in areas such as IT the Council will make arrangements to appoint a specialist auditor in accordance with the Councils CSO's.

3. How internal audit services will be developed in accordance with the internal audit charter

3.1 Internal Audit objective and outcomes

3.1.1 Internal audit is an independent, objective assurance and consulting activity designed to add value and improve the Council's operations. It helps the Council to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

3.1.2 The outcomes of the internal audit service are detailed in the Internal Audit Charter and can be summarised as; delivering a risk-based audit plan in a professional, independent manner, to provide the Council with an opinion on the level of assurance it can place upon the internal control environment, systems of risk management and corporate governance arrangements, and to make recommendations to improve these provisions, where further development would be beneficial.

3.1.3 The reporting of the outcomes from internal audit is through direct reports to senior management in respect of the areas reviewed under their remit, in the form of an audit report. The Audit Committee and the Management Team also receive:

- The Audit Plans Report, which is risk based and forms the next financial year's plan of work; and
- The Annual Report and Opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control.
- Information regarding the internal audit team's performance against agreed indicators.

3.2 Internal Audit Planning

3.2.1 A risk-based internal audit plan (RBIA) is established in consultation with senior management that identifies where assurance and consultancy is required.

3.2.2 The audit plan establishes a link between the proposed audit areas and the priorities and risks of the Council considering:

- Stakeholder expectations, and feedback from senior and operational managers;
- Objectives set in the strategic plan and business plans;
- Risk maturity in the organisation to provide an indication of the reliability of risk registers;
- Management's identification and response to risk, including risk mitigation strategies and levels of residual risk;
- Legal and regulatory requirements;
- The audit universe – all of the audits that could be performed; and
- Previous Internal Audit plans and the results of audit engagements.

3.2.3 In order to ensure that the internal audit service adds value to the Council, assurance should be provided that major business risks are being managed appropriately, along with providing assurance over the system of internal control, risk management and governance processes.

3.2.4 Risk based internal audit planning starts with the Council's Business Plan, linking through to the priority areas and the related high-level objectives. The focus is then on the risks, and

opportunities, that may hinder, or help, the achievement of the objectives. The approach also focuses on the upcoming projects and developments for the Council.

- 3.2.5 The approach ensures; better and earlier identification of risks and increased ability to control them; greater coherence with the Council's priorities; an opportunity to engage with stakeholders; the Committee and Senior Management better understand how the internal audit service helps to accomplish its objectives; and this ensures that best practice is followed.
- 3.2.6 The key distinction with establishing plans derived from a risk based internal audit approach is that the focus should be to understand and analyse management's assessment of risk and to base audit plans and efforts around that process.
- 3.2.7 Consultation with Senior Management takes place through discussion during which current and future developments, changes, risks and areas of concern are considered and the plan amended accordingly to take these into account.
- 3.2.8 The outcome of this populates the annual internal audit plan, which is discussed with and approved by senior management prior to these being approved by the Audit Committee.

3.3 Internal Audit Annual Opinion

- 3.3.1 The annual opinion provides Management Team and the Audit Committee with an assessment of the overall adequacy and effectiveness of the Council's framework of governance, risk management and control.
- 3.3.2 The opinion is based upon:
 - The summary of the internal audit work carried out;
 - The follow up of management action taken to ensure implementation of agreed action as at financial year end;
 - Any reliance placed upon third party assurances;
 - Any issues that are deemed particularly relevant to the Annual Governance Statement (AGS);
 - The Annual Review of the Effectiveness of Internal Audit, which includes;
 - A statement on conformance with the PSIAS and the results of any quality assurance and improvement programme,
 - the outcomes of the performance indicators
- 3.3.3 In order to achieve the above, Internal Audit operates within the standards and uses a risk based approach to audit planning and to each audit assignment undertaken. The control environment for each audit area reviewed is assessed for its adequacy and effectiveness of the controls and an assurance rating applied.

4. How internal audit services links to the organisational objectives and priorities

- 4.1 In addition to the approach taken as outlined in section 3.2 (Internal Audit Planning), which ensures that the service links to the Council's objectives and priorities and thereby through the risk-based approach adds value, internal audit also ensure an awareness is maintained of local and national issues and risks.
- 4.2 The annual audit planning process ensures that new or emerging risks are identified and considered at a local level. This strategy ensures that the planning process is all encompassing and reviews the records held by the Council in respect of risks and issue logs

and registers, reports that are taken through the Council Committee meetings, and through discussions with senior management.

- 4.3 Awareness of national issues is maintained through regular “horizon scanning” updates, and annually a particular focus provided on issues to be considered during the planning process. Membership and subscription to professional bodies such as the Institute of Internal Auditors and the CIPFA on-line query service, liaison with External Audit, and networking, all help to ensure developments are noted and incorporated where appropriate.
- 4.4 The Council’s risk profile will be evaluated throughout each year, and if required, amendments to the Internal Audit Plan will suggested for approval to ensure that Internal Audit coverage continues to focus on providing assurance over the Council’s key risks.
- 4.5 Coverage and testing plans for each audit are determined using the following principles:
- The number of days allocated to each review is considered based on the complexity of the area being audited factoring in audit scoping, testing time and quality assurance processes.
 - Key management assurance controls will be prioritised during testing to confirm that risks identified by the service area and internal audit during scoping are being monitored and managed.
 - Ordinarily, samples for each control tested will be selected to cover a 12-month period to ensure that internal audit coverage supports the annual internal audit opinion.
 - Testing sample sizes will ordinarily be based on the frequency of the control. By way of example; for each key financial control carried out weekly, a sample of four, one in each quarter across the year will be selected.
 - Testing samples will be selected randomly and objectively to provide a balanced view on the strength of the controls in place.
 - Where applicable data analytics will be used to test 100% of the available sample. The Internal Audit team will aim to increase the opportunities to adopt data analytics in their work to provide greater levels of assurance.

5. How internal audit resource requirements have been assessed

- 5.1 The in-house Internal Audit team at the Council consists of a senior internal auditor and two internal auditors. The Council receives internal audit management support from a chartered professional and Internal Audit Trainee at South Norfolk Council.
- 5.2 The risk based internal audit plan is developed with consideration of the above available resource. A chargeable time calculation for the year ahead is carried out to ensure that the team has allocated sufficient time to providing assurance over the Council’s key risks but that contingency time is also built in to ensure the team can respond to requests for advisory or investigatory work. A proportion of the team’s time is also allocated to enhancing skills and knowledge to ensure conformance with competency standards.
- 5.3 If a shortfall is identified when comparing the assurance needs of the Council with the available resources, Management Team and Audit Committee would be notified and action plan developed to safeguard the Internal Audit team’s ability to provide an opinion at year end.

- 5.4 In accordance with competency standards within the PSIAS, the internal audit team should ensure that they have the necessary knowledge, skills and experience to carry out the audits to which they are assigned. Our auditors are therefore encouraged to continually develop their skills and knowledge through various training routes; formal courses of study, in-house training, seminars and webinars.
- 5.5 The team's Quality Assurance and Improvement Plan contains a commitment in 2023/24 to obtaining and maintaining professional qualifications. Qualifications such as a Level 5 Diploma in Leadership and Management and the Certificate in Internal Audit and Business Risk are currently ongoing with a range of other webinars and articles from relevant bodies being utilised as appropriate.
- 5.6 It is often unrealistic to expect a small internal audit team to recruit and retain a specialist auditor to provide assurance risks such as Information Technology and Cyber Security. Where assurances are required in these areas, the team will first seek to rely upon third party independent specialist assurance obtained by the Council. If further assurances are required outsourcing options will be explored.
- 5.7 The recent External Quality Assessment has highlighted that that the internal audit team needs to invest in skills relating to Data Analytics to ensure audits are carried out to take full advantage of the benefits that can be realised from this audit technique.
- 5.8 In 2022/23, the team made the first steps to develop a data analytics strategy by undertaking training in this area. A commitment is made to ensure that by 2025/26 each internal audit review regardless of area will incorporate some data analytics testing. Where systems data is not available to support such tests, a recommendation will be highlighted with the aim of encouraging the development of data maturity.
- 5.9 In addition to the above, in order to support the internal audit function to deliver the service using the latest best practice from the internal auditing profession, subject matter leads have been assigned to each new subject area such as climate and sustainability, culture and AI Data Analytics. Each subject matter lead will proactively seek training and guidance for their assigned area and will be responsible for upskilling the rest of the team.
- 5.10 The above-mentioned arrangements ensure that the Internal Audit Service can respond effectively to the assurance needs of each Council whilst ensuring that the team are sufficiently qualified and experienced.

APPENDIX 2 – STRATEGIC INTERNAL AUDIT PLAN

Audit Area	Last review & assurance	Associated Risk	2023/24	2024/25	2025/26	2026/27	Justification
Annual Opinion and Corporate audits							
Corporate Governance	2022/23 - Deferral	High Risk - The risk of failures in systems of governance within the council, within council owned/influenced organisations and partnerships and other collaboration arrangements, leading to governance issues, fraud and corruption, failures in management systems, poor policy and decision making.	12		12		High risk area and considered key for the Annual Opinion.
Data Protection incl. CCTV	2018/19 - Substantial 2021/22 - Substantial	High Risk - Data management and security - Deliberate or unintentional loss/disclosure of personal, sensitive, confidential or business critical information or breach of information governance legislation.		10			Data protection is transferring back to the Council from East Law this year. We will therefore provide assurance in 2024/25. Third party assurance has been provided over CCTV arrangements.
Risk Management	2018/19 - Substantial	Essential to work of annual opinion on governance risk management and control		12		10	
Capital Programme	2016/17 - Substantial 2021/22 - Limited		12		12		Limited assurance report. Full follow up to be provided in 2023/24.
Procurement and Contract Management	2018/19 - Substantial 2022/23 - Limited	High Risk - Contract/supply failure - managing contracts with key suppliers to ensure the continued delivery of an effective service and ensure delivery of the council's priorities and objectives.		15		15	Audit carried out in 2022/23, recommendations will be followed up throughout 2023/24. Audit scheduled for 2024/25.
Key Controls and Assurance	2022/23 - TBC	Essential work for annual opinion on governance risk management and control	15	15	15	15	
Annual Governance Statement	2019/20 - Substantial				8		

Audit Area	Last review & assurance	Associated Risk	2023/24	2024/25	2025/26	2026/27	Justification
Annual Opinion and Corporate audits							
Business Planning & Performance Management	2012/13 - Full 2022/23 - Reasonable	High Risk - Reputation management - the risk that the council's reputation is damaged by major service failure, failure to respond to a significant incident(s), governance issues, dispute with a key partner, failure to deliver corporate business plan.		12		12	Audit carried out in 2022/23, recommendations will be followed up throughout 2023/24.
Complaints and FOI	Not recently reviewed	High Risk - Reputation management - the risk that the council's reputation is damaged by major service failure, failure to respond to a significant incident(s), governance issues, dispute with a key partner, failure to deliver corporate business plan.	12			12	Coverage planned for 2023/24 to provide assurance on high scoring risk.
Policies	2015/16 - Limited 2021/22 - Reasonable					8	
Project Management Framework	2022/23 - Position Statement	High Risk - Significant programmes/projects - impact on the delivery of council services due to the failure of major programmes/projects. A major programme/project being any project that can cause significant financial, legal, reputational or compliance issues or prevent the council from delivering a strategic priority or key objective.		10		10	Coverage provided in 2022/23 plan.
Safeguarding	2018/19 - Substantial				10		
Legal Services	2018/19 - Substantial			10			
Counter Fraud and Corruption Framework	2019/20 - Substantial		10			10	
Cost Management Programme	2018/19 - Substantial	Very High - Financial Sustainability - ineffective management of finances leading to a lack of financial resilience as government funding reduces and demand increases.	12		12		Coverage suggested for 2023/24.
Corporate Health and Safety	2020/21 - Substantial 2022/23 - Substantial	High Risk - Statutory compliance - implementation and maintenance of statutory compliance management systems. E.g. health and safety, service related legal obligations.		12			This area has been reviewed in 2022/23. Compliance with other statutory compliance areas are included in the 2023/24 audit plan.
Elections and Electoral Registration	2010/11 - Full 2020/21 - Substantial			10			

Audit Area	Last review & assurance	Associated Risk	2023/24	2024/25	2025/26	2026/27	Justification
Fundamental Financial Systems							
Accountancy Services includes control accounts, banking, bank reconciliation, asset management / capital expenditure, budgetary control and treasury management	Treasury 2019/20 - Substantial Budget Control 2015/16 - Full Asset Register 2015/16 - Substantial 2022/23 - TBC	Very High - Financial Sustainability - ineffective management of finances leading to a lack of financial resilience as government funding reduces and demand increases.		16		16	Accountancy Services coverage provided in 2022/23 plan.
Accounts Payable	2016/17 - Substantial 2021/22 - Reasonable			12		12	
Accounts Receivable	2017/18 - Full 2022/23 - TBC			10		10	
Income	2022/23 - Reasonable			7		7	
Council Tax and National Non-Domestic Rates	2015/16 - Substantial 2021/22 - Reasonable	High Risk - Cost of living - The cost of living crisis caused by rapidly rising inflation (energy, food, household items, etc) and interest rates may result in more families and households experiencing poverty and unemployment.	15		15		
Local Council Tax Support and Housing Benefits	2015/16 - Substantial	High Risk - Cost of living - The cost of living crisis caused by rapidly rising inflation (energy, food, household items, etc) and interest rates may result in more families and households experiencing poverty and unemployment.	15		15		
Financial Management System	2015/16 - Full 2021/22 - Reasonable				10		
Payroll and Human Resources	2016/17 - Full 2021/22 - Substantial		15		15		

Audit Area	Last review & assurance	Associated Risk	2023/24	2024/25	2025/26	2026/27	Justification
Service Area audits							
Central Services							
Organisational Development - Training	2011/12 - Full	Very High - Organisational change - Ensuring that the council, its members and its workforce have the skills, resources, ability and capacity to adequately respond to current and future organisational change meaning the council is able to deliver its services in the most efficient and effective manner.	12		10		
Communications						8	
Equality and Accessibility				12			
Democratic Services	2014/15 - Substantial					10	
Customer Services	Not recently reviewed				12		
Programme and Project							
West Norfolk Housing Company Ltd	Not recently reviewed	High Risk - Council owned companies - managing performance, finances, liabilities and the relationship between the Council and its wholly owned companies in accordance with the governance agreements.	15			10	Coverage suggested 2023/24
Major Housing Projects				15			
West Norfolk Property Ltd	Not recently reviewed	High Risk - Council owned companies - managing performance, finances, liabilities and the relationship between the Council and its wholly owned companies in accordance with the governance agreements.	15			10	Coverage suggested 2023/24

Audit Area	Last review & assurance	Associated Risk	2023/24	2024/25	2025/26	2026/27	Justification
Operations and Commercial							
Burial Services - Crematorium	2017/18 - Substantial			8			
Markets	Not recently reviewed				10		
Public Open Space incl. play areas, tree management	Not recently reviewed	High Risk - Statutory compliance - implementation and maintenance of statutory compliance management systems. E.g. health and safety, service related legal obligations.	15				
Events					15		
Car Parking and Civil Enforcement	2020/21 - Substantial			12			
Waste Management including contract / agreement monitoring, income collection & monitoring, refuse collection, street cleansing, recycling, clinical waste, abandoned vehicles and grounds maintenance	2016/17 - Limited 2021/22 - Limited		10		10		
Health, Wellbeing and Public Protection							
Housing Standards - HMO	2018/19 - Limited 2021/22 - Reasonable	High Risk - Statutory compliance - implementation and maintenance of statutory compliance management systems. E.g. health and safety, service related legal obligations.	12				
DFGs - Care and Repair Agency	2019/20 Substantial			12		12	
Careline Community Services	2015/16 - Substantial			10			
Homelessness and Housing Options	2016/17 - Substantial 2022/23 - Deferral.	High Risk - Cost of living - The cost of living crisis caused by rapidly rising inflation (energy, food, household items, etc) and interest rates may result in more families and households experiencing poverty and unemployment.	12			12	
Anti Social Behaviour - Community Safety and Neighbourhood Nuisance	2014/15 - Full 2022/23 - Substantial	Very High - Community issues - The risk of various communities within the borough feeling excluded, disengaged or being unable to access available services and opportunities including, rural, deprived, minority and vulnerable communities and local businesses etc. Services and opportunities to include health and wellbeing, early intervention and prevention. Immediate and longer term economic and societal impact of Covid-19 global pandemic on BCKLWN communities.		12			Assurance provided for 2022/23

Audit Area	Last review & assurance	Associated Risk	2023/24	2024/25	2025/26	2026/27	Justification
Alive West Norfolk							
Alive West Norfolk	2020/21 - Substantial 2021/22 - Limited	High Risk - Council owned companies - managing performance, finances, liabilities and the relationship between the Council and its wholly owned companies in accordance with the governance agreements.		10			Internal Audit will continue to follow up internal audit recommendations raised for Alive West Norfolk.
Regeneration Housing and Place							
Tourism and Place Marketing	2021/22 - Substantial				10		
Economic Growth	2012/13 - Full 2022/23 - TBC	Very High - Facilitating and enabling growth - the inability of the council to facilitate and enable the market to deliver the council's growth agenda. This failure may reduce investment in infrastructure, inward investment, job opportunities, new housing and commercial development therefore impacting on communities and businesses.	12			12	
Housing Strategy	2019/20 - Full			10			
Culture Heritage & the Arts	New Area				10		
Towns Fund	2022/23 - TBC				12		
Property and Projects							
Property Services Commercial Portfolio	Not recently reviewed			10			

Audit Area	Last review & assurance	Associated Risk	2023/24	2024/25	2025/26	2026/27	Justification
Environment and Planning							
Flood and Water Management	Not recently reviewed			10			
Climate Sustainability	2022/23 - TBC	High Risk - Climate change, mitigation and adaptation - inability to mitigate and adapt to climate change - increased coastal erosion and flooding and failure to meet net zero target with consequent reputational issues.		8		10	Assurance provided for 2022/23.
Licensing	2016/17 - Substantial 2021/22 - Substantial				10		
Food Health and Safety	2016/17 - Substantial 2021/22 - Substantial	High Risk - Statutory compliance - implementation and maintenance of statutory compliance management systems. E.g. health and safety, service related legal obligations.		10			Food Standards Agency involved in reviewing recovery plan from Covid 19.
Corporate Business Continuity and Emergency Planning	2016/17 Substantial 2022/23 - Reasonable	High Risk - Continuity of service - the council's ability to effectively respond to a major emergency and maintain that response without affecting essential day to day service delivery.			12		Assurance provided for 2022/23.
Building Control	New Area			6			
Contaminated Land and Air Quality - Environmental Quality	2022/23 - Reasonable	High Risk - Statutory compliance - implementation and maintenance of statutory compliance management systems. E.g. health and safety, service related legal obligations.			10		Assurance provided for 2022/23.
Planning Policy and Local Plan	New Area					10	
Planning Control, technical support and Enforcement	2017/18 - Limited 2021/22 - Substantial			12			
Land Charges	2021/22 Substantial		10				
S106 Agreements				10			
Community Infrastructure Levy (CIL)	2019/20 - Substantial		12				

Audit Area	Last review & assurance	Associated Risk	2023/24	2024/25	2025/26	2026/27	Justification
ICT Audits							
Network Infrastructure and Security	2013/14 Substantial 2022/23 - Deferred				10		
Starters Movers Leavers	New Area		10				
Change and Patch Management	New Area				10		
IT Strategy	New Area				10		
Software Licencing	2022/23 - TBC						
IT Governance	2022/23 - Deferral		10				
Remote Access	New Area						
Disaster Recovery	2016/17 - Substantial 2021/22 - Reasonable			12			
Service Desk	New Area			6			
Cyber Security	2021/22 - Substantial			12			
IT Coverage to be determined			10	0	0	30	
Audit Management							
EIAS Audit Management including follow up, advice and guidance, committee papers and attendance, consultancy work.			50	50	50	50	
Total number of days			323	398	325	311	

APPENDIX 4 ANNUAL INTERNAL AUDIT PLAN 2023/24

Audit Area	No of days	Q1	Q2	Q3	Q4	Notes
Annual Opinion / Governance audits						
Corporate Governance	12		12			This audit was deferred from the 2022/23 plan. Assurance is typically provided on corporate governance every other year to support the annual opinion. A high scoring risk has been raised in the corporate risk register in regards to failure in systems of governance within the Council. This audit will provide assurance that decision making is undertaken in accordance with the Council's Constitution and that board and committee structures are functioning adequately in line with agreed terms of reference.
Key Controls and Assurance	15				15	This is an annual review of key controls and feeds into the Statement of Accounts, for those systems not subject to an audit review within the year more coverage will be provided in those areas. This year we will cover Accountancy Services, Accounts Payable, Accounts Receivable, Income in more detail.
Complaints and FOI	12		12			A high scoring risk has been raised in the corporate risk register in relation to reputation management. Our review will evaluate the controls in place to handle complaints and FOI requests in a timely manner to prevent non compliance with policy and the FOI Act.

Audit Area	No of days	Q1	Q2	Q3	Q4	Notes
Annual Opinion / Governance audits						
Counter Fraud and Corruption Framework	10	10				The latest Fighting Fraud and Corruption Strategy has highlighted an increasing threat of fraud related risks for local authorities. Our review will examine the Council's approach to Fraud in line with the checklist provided as part of this new strategy and suggest practical recommendations for improvement where required. Our view will cover the Councils RIPA policy as part of this work.
Cost Management Programme	12			12		This audit was deferred from the 2022/23 plan. A very high risk has been raised relating to Financial Sustainability. One of the controls measures identified is for a cost management programme to be developed. Internal Audit will provide independent assurance over the delivery and reporting process to demonstrate progress.
Fundamental Financial Systems						
Council Tax and National Non-Domestic Rates	15				15	These key financial systems feed into the Internal Audit Opinion and Statement of Accounts and require regular review to confirm the adequacy and effectiveness of controls. Where reviews are undertaken in earlier quarters, top up testing will be completed if required in the key controls audit to provide adequate coverage. A high scoring risk has been raised in the corporate risk register in relation to the Cost of Living Crisis and the impact this could have on levels of service demand on the Council. We consider there may be a risk levels of debt and increased demand for Council Tax Support and Housing Benefit.
Local Council Tax Support and Housing Benefits	15			15		
Payroll and HR	15			15		

Audit Area	No of days	Q1	Q2	Q3	Q4	Notes
Service area audits						
Organisational Development - Training	12	12				A very high scoring risk has been raised in relation to member and officer skills and capacity and the Council's ability to support change management. Internal Audit will carry out a position statement ahead of the peer review in the autumn to provide suggestions about workforce planning and member and officer training needs and delivery.
Capital Programme	12			12		A limited assurance grading was given in this area in 2021/22. This audit will re-visit the original findings raised and provide assurances over progress made to address the risks.
West Norfolk Housing Company Ltd	15		15			A high scoring risk has been raised by the Council in relation to its council owned companies and the management of performance, finances, liabilities and governance arrangements. A position statement will be provided covering the arrangements at West Norfolk Housing Company Ltd using examples of best practice such as the Local Authority Company Review Guidance.
West Norfolk Property Ltd	15		15			
Public Open Space incl. play areas, tree management	15	15				This area has not been audited recently. A high scoring risk has been raised in the corporate risk register in regards to statutory compliance. A review is scheduled for 2023/24 to provide assurance that Health and Safety inspections and maintenance procedures are effective.

Audit Area	No of days	Q1	Q2	Q3	Q4	Notes
Service area audits						
Waste Management	10		10			A limited assurance grading was raised in this area in 2021/22. This audit will provide assurance that the risks raised have been mitigated. Controls regarding performance reporting and contract management arrangements will be covered.
Housing Standards/HMO	12			12		A high scoring risk has been raised for the implementation and maintenance of statutory compliance. The Council's adherence to relevant legislation and its arrangements for tackling damp and mould risk with private landlords will be evaluated.
Homelessness and Housing Options	12				12	A high scoring risk has been raised in the corporate risk register in relation to the Cost of Living Crisis and the impact this could have on levels of service demand on the Council. An audit was last carried out in this area in 2016/17, resulting in Substantial assurance. This audit will focus on the Council's management of homelessness and preparedness for any increase in demand for housing.
Economic Growth	12				12	A high scoring risk is highlighted in the corporate risk register about the Council's ability to facilitate and enable growth in the Borough. The Council has recently received the following; levelling up funding, UK Shared Prosperity Funds and a Rural England Prosperity grant to achieve its aims in this area. Our review will therefore provide assurance that these grant streams are being managed in accordance with the terms of the grant and provide an insight into progress within a sample of key projects.

Audit Area	No of days	Q1	Q2	Q3	Q4	Notes
Land Charges	10	10				The service must transfer to the Land Registry in the next two years, this audit will provide assurance that actions to prepare for this are progressing. To ensure the accuracy of the local land charge register data, prior to its transfer. The audit will evaluate the process for additions, amendments, and deletions and will provide assurance on the management of income.
Community Infrastructure Levy	12		12			This area was last audited in 2019/20. This audit will provide assurance that all CIL obligations are being accurately managed within the Council's software with trigger points being flagged for attention and income being appropriately received and monitored.
ICT Audits						
Starters, Movers, Leavers	10	10				This area has not been audited at the Council recently. We will evaluate whether the IT department is given information in a timely manner to enable them to add, remove or update staff access to Council systems.
IT Governance	10				10	This audit was deferred from the 2022/23 plan. This audit will seek to compare IT Governance arrangements against the COBIT (Control Objectives for Information Technologies) framework, to provide assurance over strategy, risk and performance management.
IT Coverage to be determined	10				10	
Audit Management						
EIAS Audit Management including follow up, advice and guidance, committee papers and attendance, consultancy work.	50	12.5	12.5	12.5	12.5	
Total number of days	323	69.5	88.5	78.5	86.5	

APPENDIX 5 – BOROUGH COUNCIL KINGS LYNN AND WEST NORFOLK ASSURANCE MAP TOP 5 STRATEGIC RISKS 2023/24

Risk	First Line Assurance	Second Line Assurance	Third Line Assurance
<p>1. Financial Sustainability - Ineffective management of finances leading to a lack of financial resilience as government funding reduces and demand increases</p>	<p>Finance is a standing item on Management Team and Cabinet Briefings to align with the annual financial estimates cycle.</p> <p>Cost management programme.</p>	<p>Continue to monitor potential areas of risk and work with LGA and business rates specialists where possible.</p> <p>Treasury advisors support the Council and their report feeds into design of Council's treasury policy.</p>	<p>An audit of the cost management programme was deferred from the 2022/23 plan. This has been scheduled for Q3 of 2023/24. Internal Audit work will also continue to provide assurance on key financial controls including budgetary control.</p>
<p>2. Facilitating enabling growth - The inability of the council to facilitate and enable the market to deliver the council's growth agenda. This failure may reduce investment in infrastructure, inward investment, job opportunities, new housing and commercial development therefore impacting on communities and businesses</p>	<p>Project and programme management approach to managing projects reporting back to grant bodies where appropriate such as DLUHC.</p> <p>Regular reporting to Project Development Group. Member Major Projects Board and Officer Major Projects Board.</p>	<p>Housing - Additional due-diligence from East of England Talent Bank</p>	<p>The Internal Audit team have undertaken work on Towns Fund and Economic Development for 2022/23. Another audit is proposed for 2023/24 to look at the management of the levelling up fund, UKSPF and Rural England grant.</p>

Risk	First Line Assurance	Second Line Assurance	Third Line Assurance
<p>3. Community issues - The risk of various communities within the borough feeling excluded, disengaged or being unable to access available services and opportunities including, rural, deprived, minority and vulnerable communities and local businesses etc. Services and opportunities to include health and wellbeing, early intervention and prevention. Immediate and longer term economic and societal impact of Covid-19 global pandemic on BCKLWN communities.</p>	<p>Corporate Plan Monitoring Report presented to Cabinet covering progress against actions.</p> <p>Preventing Homelessness - Strategic Housing Market Assessment identifies increasing prevalence of families sharing accommodation with families.</p> <p>Measures with Freebridge to support quick void turn around.</p> <p>Active participation on relevant Boards/ Groups.</p>	<p>Working with Norfolk County Council to develop strategic policies that identify needs, gaps in services.</p>	<p>An internal audit of anti Social Behaviour - Community Safety has been undertaken for 2022/23. For 2023/24 the assurance plan will focus on the councils ability to mitigate risks associated with an increase in homelessness in the Borough.</p>
<p>4. Organisational change - Ensuring that the council, its members and its workforce have the skills, resources, ability and capacity to adequately respond to current and future organisational change meaning the council is able to deliver its services in the most efficient and effective manner.</p>	<p>Absence management information reported to Management Team</p> <p>Training programmes developed.</p>	<p>Monitoring reports to Management Team and Cabinet regarding national pay award.</p>	<p>Internal Audit will carry out a position statement 202324 to provide suggestions about workforce planning and training needs assessment and training delivery.</p>
<p>5. Cost of living - The cost of living crisis caused by rapidly rising inflation (energy, food, household items, etc) and interest rates may result in more families and households experiencing poverty and unemployment, which may lead to increased levels of service demand on the Council and place additional pressure on front-line services, staff and councillors</p>	<p>Cost of Living - Standing item at Management Team.</p> <p>Corporate officer established lead by Assistant to Chief Exec</p> <p>Corporate Plan Monitoring Report presented to Cabinet covering progress against actions.</p>	<p>Council using advice and resources from LGA.</p>	<p>Internal Audit will provide assurance on this risk within our Homelessness and Housing Options audit, evaluate debt recovery processes for our audit of Council Tax and NNDR and the councils ability to process an increase in Housing Benefit claims.</p>



The Budget 2022/2023

Monitoring Report

January 2023

Michelle Drewery
Assistant Director Resources
Section 151 Officer

The Budget 2022/2023

Monitoring Report – January 2023 – Period 10

Summary

The budget for 2022/2023 was presented to Cabinet on 9th February 2022 and approved by Council on 23rd February 2022 in accordance with the process for approving the financial plan 2021/2026.

There is continuing uncertainty as to the expected levels of inflation and its impact on the Council and the cost of living for individuals and businesses. Whilst the Government has removed all Covid response legislation relating to social and business restrictions from 24 February 2022, the lasting effects on the local economy, the council, its residents, and businesses remain uncertain. As the war in Ukraine continues it is putting further upward pressure on commodity and fuel prices, for residents, businesses, and the Council. The risk from inflationary factors is being monitored in terms of effects from increasing revenue costs to the Council's services, risk to recovery of monies collected by the Council and risk that could delay and increase the cost of capital projects. This budgetary control monitoring report has been prepared and provides a summarised update of any variances against the original budget for 2022/2023.

The council is currently estimating a contribution to the General Fund Reserves of £830,754, a favourable movement of £223,764 against a budgeted transfer of £526,990 increasing the estimated balance as at 31st March 2023 to £9,734,514.

	Original Budget 2022/23 £	Forecast 31 January 2023 £	Variance Pd10 £	Variance Pd7 £
Borough Spend	21,028,070	20,804,306	(223,764)	864,220
Financing	(21,555,060)	(21,555,060)	0	0
Contributions to/(from) General Fund Balance	526,990	750,754	223,764	(864,220)

The Capital Programme 2021/2026 was updated at Council on 23rd February 2022. The current spend is £18,897,755 against a revised budget of £33,416,370. Major Projects comprises of 59% of the revised budget for the Capital Programme. The Council's Member Major Projects Board holds meetings throughout the year to monitor and receive updates for these projects. Officers of the Council are reviewing the impact on the timing and funding of programme reflecting specifically recovery from the pandemic and inflation. See section 3 of report for details of the Capital Programme.

If further information relating to any budget highlighted within this report is required, please do not hesitate to contact Carl Holland on Ext. 6549

1. Introduction

The report provides an assessment of the council's financial performance against its approved 2022/2023 budget, incorporating key financial risks, issues, and opportunities since 1 April 2022 for revenue and capital. The year-end forecasts are based on actual expenditure from 1 April 2022 to 31 October 2022.

The key sections of the report are laid out as follows:

- General Fund (Revenue) – Section 2 and Appendix A
- Capital – Section 3 and Appendix B
- Reserves – Section 4 and Appendix C
- Age Debtors Analysis – Section 5 and Appendix D
- Council Tax and Business Rates Collection– Section 6
- Treasury – Section 7

2. Revenue Budget 2022/2023

2.1 Budget Summary

2.1.1 A summary of the budget position as of 31 January 2023 is shown below. Note this has been restated following a restructure of service areas between that reported to Council on 23 February 2022 and 1 April 2022. A summary is shown in Appendix A of the movements.

P7 Forecast Outturn Position	Budget Agreed by Council 23 February 2022	Budgetary Control Monitoring Report January 2022/2023	Report Variance (Budget to January 2023)	Report Variance (Budget to October 2022)	Movement Pd7 to Pd10
Service	£	£	£	£	£
Central Services	3,186,180	3,275,940	89,760	19,390	70,370
Health Wellbeing and Public Protection	401,030	406,920	5,890	(16,730)	22,620
Programme and Project Delivery	234,530	(32,080)	(266,610)	(17,550)	(249,060)
Legal	486,440	515,050	28,610	(23,810)	52,420
Environment and Planning	1,630,900	1,217,440	(413,460)	(129,720)	(283,740)
Operations and Commercial	1,174,410	1,567,968	393,558	267,330	126,228
Property and Projects	(1,441,660)	(1,473,830)	(32,170)	117,290	(149,460)
Regeneration Housing & Place	867,590	896,150	28,560	38,440	(9,880)
Resources	7,982,060	8,072,058	89,998	77,160	12,838
Chief Executive	101,300	101,300	0	0	0
Leisure and Community Facilities	1,075,400	1,499,440	424,040	532,420	(108,380)
Financing Adjustment	2,320,670	1,748,730	(571,940)	0	(571,940)
Internal Drainage Boards	3,009,220	3,009,220	0	0	0
Borough Spend	21,028,070	20,804,306	(223,764)	864,220	(1,087,984)
Contributions to/(from) General Fund Balance	526,990	750,754	223,764	(864,220)	1,087,984
Borough Requirement	21,555,060	21,555,060	0	0	0
Revenue Support Grant	(647,530)	(647,530)	0	0	0
Rural Service Delivery Grant	(485,690)	(485,690)	0	0	0

P7 Forecast Outturn Position	Budget Agreed by Council 23 February 2022	Budgetary Control Monitoring Report January 2022/2023	Report Variance (Budget to January 2023)	Report Variance (Budget to October 2022)	Movement Pd7 to Pd10
New Homes Bonus	(589,610)	(589,610)	0	0	0
Other Government Grants	(629,760)	(629,760)	0	0	0
Business Rates Retention Additional Funding	(7,888,830)	(7,888,830)	0	0	0
Business Rates Renewable Energy	(2,811,280)	(2,811,280)	0	0	0
Contribution from Business Rate Reserves	(552,090)	(552,090)	0	0	0
Business Rates Pool – Council Share	(592,870)	(592,870)	0	0	0
Collection Fund	(25,000)	(25,000)	0	0	0
Council Tax	(7,332,400)	(7,332,400)	0	0	0
Total Funding	(21,555,060)	(21,555,060)	0	0	0
Funding Position	0	(0)	0	0	0

2.3 Turnover Savings

The Turnover Saving Target is the savings anticipated from a service's ability to hold a position vacant for a short time following an employee leaving. Savings in some posts cannot be achieved due to the critical need to have that post filled promptly to maintain timely service provision. As a result, savings are offset by cost of temporary staff, overtime and costs of recruitment.

The budgeted turnover savings for 2022/2023 are (£550,000). Following the decision of the Council on 1 December 2022 to finalise its pay award to its employees, an estimate of its impact on employee costs has been included in this report. As at the 27 January 2023 the Council had 63 vacant posts of which 28 were in active recruitment phases. Of those not in active recruitment phases at the time, there were 35 in total, consisting of 3 covered by agency workers/contractors, 32 on hold pending further instruction from the service. The table below shows these costs and savings. This calculation is based on an estimate for the impact of the cost of living pay award, assumes that the current level of vacant posts will remain similar for the remainder of the financial year and estimates the spend on other costs to the end of the year.

	Budget	Estimate Outturn	Variance
Salaries	18,933,730	17,529,892	(1,403,838)
Provision of Pay Award 2022/2023	457,180	1,178,360	721,180
Recruitment	3,640	136,280	132,640
Consultants Fees	13,260	32,464	19,204
Professional Fees	366,150	430,310	64,160
Agency Fees	279,290	304,252	24,962
Cost Total	20,053,250	19,611,557	(441,693)
Turnover Saving	(550,000)	0	550,000
Net Total	19,503,250	19,611,557	108,307

The costs above include the estimated costs of the:-

- The majority of the Cost of Living Pay award is currently included, with a drawdown of £108,307 from reserves.
- Bio-diversity Task Group £37k agreed at Cabinet 15 March 2022
- Tourism Working Group £20k agreed at Regeneration and Development Panel 8 November 2022
- Resource costs to manage and deliver funds and grants in respect of the Rural England Prosperity Fund £80k

2.4 Opportunities/Risks

2.4.1 This report includes £463,840 additional forecast spend as a result of increasing costs for gas and electricity utilities. This reflects a review of usage volumes and increasing unit costs for around 60 sites and the increase in part is due to an increase in consumption, particularly for water, reflecting an increasing return to pre-pandemic consumption levels. The Council is eligible for protection against increases beyond the capped unit price, set by Government, for gas and electricity for the period 1 October 2022 and 31 March 2023. When setting the Electricity and Gas budgets for 2022/2023 the Council increased budgets by 10% and 12% respectively. The Council's purchase of gas is mitigated further through a future purchase model that means that future commitments are made at lower rates prevalent at the time. In relation to the heat pump project, the expectation is that there will be an increase in running costs over the short-medium term, but with gas prices having increased, the heat pumps are expected to be cheaper to run than the conventional gas-fired plant.

2.4.2 The table shows the movements in estimated forecast for Gas and Electricity by service area.

Service	Movements previously reported £	Movements this period £	Cumulative Movements to date £
Programme and Project Delivery	2,290	4,700	6,990
Environment and Planning	2,800		2,800
Operations and Commercial	249,540	(20,300)	229,240
Property and Projects	157,630	(52,300)	105,330
Regeneration, Housing and Place	1,780		1,780
Leisure and Community Facilities	50,430	67,270	117,700
Total	464,470	(630)	463,840

2.4.3 Vehicle fuel costs in July 2022 were 49.7% higher than at the same time in the previous year. It is not known at this stage if prices will remain at these high levels and therefore an estimated increase of 36% over 2021/22 actuals has been assumed at this point in time, to reflect a decrease in prices as the year progresses, which will be kept under review. This is an estimated increase of £50,000 above 2022/2023 budgeted spend.

2.4.4 In relation to fees and charges forecasts are based on actuals to date, the position shows that service income is back to pre-pandemic levels for budgeted income. There has been a change in demand where Town Centre Car Parking is below Pre-pandemic levels, but this reduction is offset by an increase in Resort Car Parking. This continues to be monitored along with a review in preparation of the 2022-2027 Financial Plan with consideration to the impact of inflation on service provision and asset maintenance costs.

2.4.5 The Housing Options Service has had significantly higher than budgeted demand for temporary accommodation. Reflecting the impact from the increasing cost of living on individuals in the Borough. The net costs above budget are an additional pressure of £151k. These costs can be fully offset by a contribution from Housing Options - Homeless Reduction Reserve. An analysis of housing grants received in-year is also being undertaken at year-end to ensure these are used where appropriate to reduce this additional cost.

2.4.6 In this period a review has been undertaken of budgeted revenue contributions towards capital items. the movement this period is summarised in the table below. Direct revenue funding of the capital programme is used to funded parts of the Capital Programme for assets that have a replacement lifecycle of 5 to 10 years or less and are portable (not fixed in pace). In many cases the movement reflects a rephasing of the planned replacement for the asset more detail is provided in Appendix A.

Service	Movements this period £
Community & Partnerships	(18,820)
Environment & Planning	1,420
Operations & Commercial	(79,510)
Property & Projects	(11,640)
Leisure & Community Facilities	(106,120)
Financing Requirement	(31,940)
Grand Total	(246,610)

3. Capital

3.1 The Capital Programme 2022/2023 original budget of £64,853,540 was approved at Council on 23 February 2022. This figure has been revised to £35,016,370, as reported to Cabinet at its meeting on 7 February 2023, to incorporate amounts rephased from the 2022/2023 Capital outturn. The Capital Budget has been significantly reviewed in the preparation of this report and the budget has been revised for 2022/2023 by £33,617,700 to £35,016,370. The reduction in budget has been re-profiled to future years. The below table reports the revised budget for 2022/2023 and actual spend.

3.2 Capital Budget and Spend 2022/2023.

Capital Expenditure	Revised Budget (Estimates Cabinet 7th February)	January Budget Movement	Revised Budget January 2022/2023	Note	Actual as at 31st Jan 2023	Spend Percentage
	£	£	£		£	%
Major Projects	21,350,500	(1,600,000)	19,750,500	1	12,552,215	64%
Community and Partnerships	2,453,830	0	2,453,830		1,734,234	71%
Resources	383,460	0	383,460		100,425	26%
Programme and Projects	301,400	0	301,400		100,501	33%
Property and Projects	329,810	0	329,810		205,114	62%
Operational and Commercial Services	1,253,830	0	1,253,830		319,602	25%
Leisure and Community Facilities	856,740	0	856,740		211,997	25%
Central Services	0	0	0		0	-
Total Excluding Exempt	26,929,570	(1,600,000)	25,329,570		15,224,088	60%
Exempt Schemes	8,086,800	0	8,086,800		3,673,667	45%
Total Including Exempt	35,016,370	(1,600,000)	33,416,370		18,897,755	57%

3.2.2 Notes to Capital Budget Revisions and Movement table

Major Projects: Overall the Budgets have been reprofiled by £1,600,000 into 2023/24 for the following Projects:

- Enterprise Zone Infrastructure £1,000,000, delays in delivery. Now expected to be completed three months into next financial year i.e. July 2023
- Town Deal in total £400k, a number of projects have been reprofiled and all have Business Cases signed off by Department of Levelling Up Housing and Communities (DLUHC) i.e. Public Realm £100k, Guildhall £200k Riverfront Regeneration £100k
- NORA Remediation – reprofiled by £200k as currently not required in this financial year.

4. Reserves

4.1 The main reasons the Council holds reserves are to:

- Manage known financial risks
- Hold funding as one-off contributions to expenditure, allowing ongoing revenue budget reductions
- Manage timing difference between the receipt of funding and actual spend
- Hold ring-fenced funds such as specific grants

4.2 As reported to Council in February 2022, the budget set out an estimated contribution to the General Fund Reserve of £526,990. The position is now a contribution to reserves of £666,640, because of the changes set out in this report. The revised impact on balances is detailed in the table below.

Projected Movements in General Fund Balances	2022/2023 £
Balance brought forward 1 April 2022	8,983,760
Estimated contribution to/(from) Balances	750,754
Projected General Fund Balance 31 March 2023	9,734,514

4.3 The projected balance for 2022/2023 remains above the minimum level of £1,128,410 required of the Council. However, it should be noted that the audit for the financial statements of 2019/2020 and 2020/2021 are not concluded and a possible outcome could result in a financial adjustment to the accounts which require further drawdown from the general fund balance

4.4 The General Fund Balance is held at a higher level than it might normally be, enabling provision for a planned and measured response to the reduction in grant funding that is estimated to occur in the medium term. Significant draws from the general funding balance remain necessary in future years of the medium-term financial plan in order to set a balanced budget.

4.5 The table below shows the reserves balances based on actual spending and budgeted spend in the year. The opening balance is as per the Revenue Outturn report reported to Cabinet at its meeting 2 August 2022. Following further accounting movements in compilation of the Council's draft Statement of Accounts for 2021/2022 published 1 August 2022. The Policy on Earmarked Reserves and General Fund Working Balance was considered and approved by Cabinet at its meeting of 7 February 2023. These limits are updated in Appendix C to this report.

Reserves	Opening balance 1 April 2022	Budgeted movements (To)/From Revenue	Capital Transfers	In year movements (To)/From Revenue	Note	Forecast Outturn Balance 31 March 2023
Ring Fenced Reserves						
Amenity Areas	(2,350)			0		(2,350)
Capital Programme Resources	(782,702)	(4,480)		0		(787,182)
Collection Fund Adjustment Reserve	(10,692,516)	0		552,090	1	(10,140,426)
Grants Reserves	(2,600,139)	5,850		129,213	2	(2,465,076)
Holding Accounts	(116,765)			(3,000)	3	(119,765)
Other	(166,064)			0		(166,064)
Planning Reserves	(436,079)	64,330		(34,000)	4	(405,749)
Repairs and Renewal Reserves	(608,782)	29,850		41,500	5	(537,432)
Ring Fenced Reserves	(3,622,807)	(2,395,620)		(7,000)	6	(6,025,427)
Educational Skills Attainment	(878,979)	227,500		(162,500)	7	(813,979)
Sub Total	(19,907,183)	(2,072,570)	0	516,303		(21,463,450)
Risk Management						
Capital Programme	(71,324)			0		(71,324)
Holding Accounts	(109,616)			0		(109,616)
Insurance	(225,661)	(10,000)		0		(235,661)
Planning Reserves	(25,410)			0		(25,410)
Ring Fenced Reserves	(50,000)			0		(50,000)
Sub Total	(482,010)	(10,000)	0	0		(492,010)
Service Delivery						
Capital Programme Resources	(4,716,049)	(346,360)	1,838,490	95,610	8	(3,128,309)
Climate Change Strategy	(1,246,482)	313,160		0		(933,322)
Grants Reserves	(2,015,842)	(37,000)		62,000	9	(1,990,842)
Holding Accounts	(1,878,538)	(20,000)		37,180	10	(1,861,358)

Reserves	Opening balance 1 April 2022	Budgeted movements (To)/From Revenue	Capital Transfers	In year movements (To)/From Revenue	Note	Forecast Outturn Balance 31 March 2023
Ukrainian Community Support	(7,000)			0		(7,000)
Internal Audit Services	(3,770)			0		(3,770)
Planning Reserves	(86,249)	126,980		0		40,731
Project Reserves	(3,864,687)		114,000	40,000	11	(3,710,687)
Repairs and Renewal Reserves	(1,303,008)	(23,050)	477,410	104,780	12	(743,868)
Restructuring Reserve	(484,200)			0		(484,200)
Ring Fenced Reserves	(310,512)	(10,000)		12,960	13	(307,552)
Sub Total	(15,916,339)	3,730	2,429,900	352,530		(13,130,179)
Grand Total	(36,305,532)	(2,078,840)	2,429,900	868,833		(35,085,639)

4.6 Notes to Reserves budget revisions and movements

Ring Fenced Reserves

Note 1 Collection Fund Adjustment Reserve – Increased contribution from reserve for NNDR £552,090 based on estimated outturn for 2021/2022.

Note 2 Grants Reserves - £65,522 Revenue and Benefits overtime from New Burdens Funding, £99,602 contribution from new Burdens to pick up Community Projects, £7,361 for Northgate Single Person Discount compliance review, £3,662 for ICT hardware/software and £2,670 Omicron Grant Spend. £33,900 budgeted transfer estimated but not required to reserves for collection of rent deposits. £1,177 for Eastlaw costs in relation to Housing. (£84,681) contribution to New Burdens Fund for Energy Rebate.

Note 3 Holding Accounts – (£3,000) to new reserve for Norfolk Climate Change Partnership.

Note 4 Planning – reduce contribution from planning income (£34,000)

Note 5 Repair and Renewal Reserve - £21,500 District Direct Grant balance drawdown for Home Improvement Agency for Care and Repair. Contribution from reserve of £20,000 funding for Lily 5 carry forward from 2021-22 drawdown from reserves.

Note 6 Ring Fenced Reserves – Contribution to reserves of (£7,000) from lottery West Norfolk Wins.

Note 7 Educational Skills Attainment – (£212,500) reduced drawdown from reserves for Corporate but £50,000 from reserves to cover improving attainment.

Service Delivery

Note 8 Capital Programme Resources –£20,000 for additional licence costs for ICT, £4,750 bakery wall repair cost, £55,000 contribution towards Summer of Play costs, Furniture Hire Contributions to reserves (£16,740). £28,820 Agency Costs for Support in Financial Services, (£23,000) Additional Income from Heacham Car Park Income, £526,780 VAT reclaim from last year moved from reserve

into revenue, £80,000 contribution from Careline removed due to reduced levels of income, (£100,000) contribution to reserves from Dry Box Collection Scheme to help fund future Depot works. Drawdown of (£250,000) for Technology and Other Equipment provision no longer being actioned, £170,000 drawn down from reserves for Town Hall repairs.

Note 9 Grants Reserve - £37,000 no longer to be transferred to Neighbourhood Planning Reserve as no surplus generated in 2022-23 plus a drawdown of £25,000 to cover increase agency costs.

Note 10 Holding Accounts - £37,180 from Events reserve towards HM Jubilee costs.

Note 11 Project Reserves - £20,000 for car park promotions and £20,000 for Hunstanton Advisory Group.

Note 12 Repairs and Renewals Reserve - £51,540 for compact cooler at crematorium, £23,240 for painting at resort seafront and £30,000 for essential repair at Putting and Crazy Golf Pavillion.

Note 13 Ring Fenced Reserves - £12,960 Community Safety & Nuisance, Cost of Norsonics (noise monitoring Equipment).

5. Age Debt Analysis

5.1 The effective management and collection of debt is an essential contributor to the councils' financial resources. In accordance with good accounting practice, the Council makes appropriate provision for bad debts. Debt recovery levels have been and continue to be affected by the Pandemic and inflation. Debt recovery activity will be kept under heightened review to ensure resources are focussed on reducing debt levels and further comparators for debt recovery action will be added to future Monitoring Reports.

5.2 The following information can be found in Appendix D

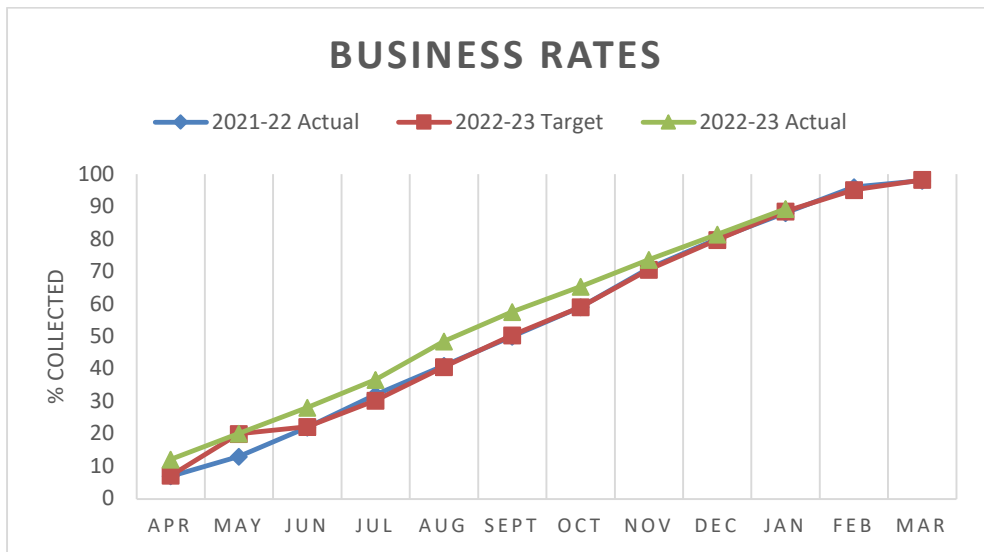
- Overdue Debtor Income by Customer Group
- Age debt movement between current and previous period
- Housing Benefit Recovery Payments

6. Council Tax and Business Rates

6.1 As of 31 January 2023 92.22% of council tax has been collected against the target of 92.25%. See Chart below with comparison to 2021/22 actuals. The pressures from the increased cost of living on individuals and business are increasingly apparent in customer contract activity but had not impacted collection rates at the end of September 2022.



6.2 89.32% of business rates has been collected against the target of 88.48%, as of 31 January 2023. See chart below with comparison to 2021/22 actuals.

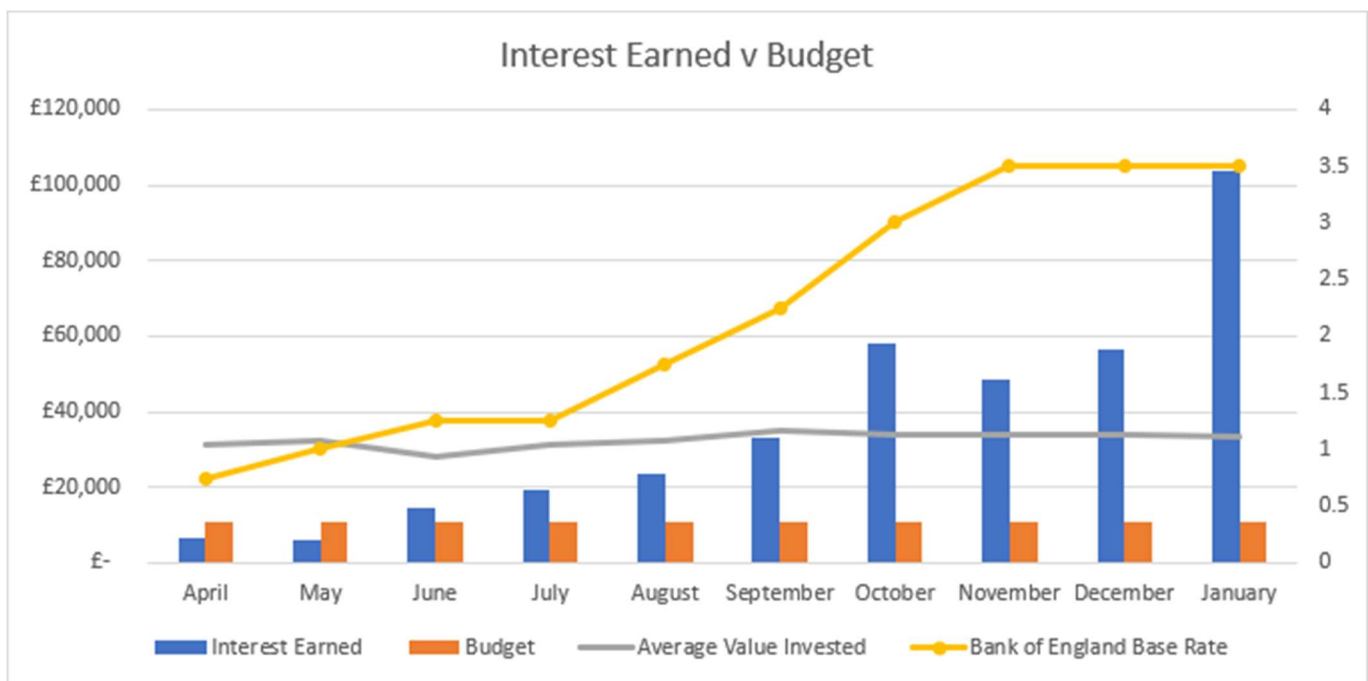


7. Treasury Management 2022/2023

7.1 The “Treasury Management Strategy Statement and Annual Investment Strategy 2022/2023” was approved by Council on 9 February 2022. The Council’s Treasury Management Strategy will be updated as appropriate for any changes made to the code of practice by CIPFA.

7.2 The graph below compares the average interest earned each month to the forecasted budget. The budget is shown on an even twelfth/straight-line basis. Also shown is the bank interest rate for April 2022 to January 2023.

The average value invested each month is displayed.



- 7.3 The monitoring report includes prudential indicators, updates on movements in borrowing and investments during the period.

Prudential Indicators

Indicator	Original Limit 2022/2022	Actual Borrowing 31 January 2023
Operational Boundary (Limit of borrowing)	£77m	£10m
Short-term and variable rates borrowing limits	40%	0%

Loans

Institution	Principal £	Rate %
Short Term borrowing	0	
Total Short Term	0	
Barclays	5,000,000	3.810%
Barclays	5,000,000	3.810%
Total Long Term	10,000,000	
Total Borrowing	10,000,000	

Investments

Institution	Principal £	Rate %
Aberdeen Standard - MMF	3,990,000	3.400%
BNP (Banque Nationale de Paris) – MMF	4,000,000	3.480%
Federated PR – MMF	4,000,000	3.395%
HSBC Sterling – MMF	4,000,000	3.425%
LGIM - MMF	1,680,000	3.331%
Total Money Market Fund Investment	17,670,000	
Barclays FIBCA	4,000,000	3.350%
Landesbank Hessen-Thuringen Girozentrale (Heleba)	4,000,000	3.450%
Lancashire County Council	4,000,000	2.100%
North Lanarkshire Council	4,000,000	1.970%
Total Other Investments	16,000,000	
Overall Investments	33,670,000	

8. Conclusion

- 8.1 The primary objective of this report is to monitor service area performance against allocated budgets and to consider variances to the budget figure in the light of current circumstances.
- 8.2 Careful budgetary control throughout the year ensures that resources are applied as planned, fulfilling the goal to secure the long-term economic future of the borough. Budgetary control is applied in a consistent manner across all budgets, and individual decisions to be taken during the financial year are reviewed for impact on a case-by-case basis before they are taken, so that any identified impact can be considered and taken into account at the appropriate time.
- 8.3 The content of this budget monitoring report is designed to enable Councillors and Senior Officers to see the financial position of the Council as a whole, as required by the Local Government Act 2003.

Appendix A

Budget Monitoring Variances January 2023

Following changes to reporting tools in the current year, Budget Monitoring reviews are better able to focus attention on both prior year actuals and current year to date actuals. This has resulted in challenge to the level of budgets in current and future years leading to budgets being reduced or removed, which then better reflects both current spending and income needs

Amounts in (Brackets) are favourable and others are adverse movements.

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Central Services – deficit £89,760				
Adobe Licence Fee for Graphics not been budgeted for	2,250			Yes
Training income budget removed as delivery of training to other parties not generating levels of income	5,000			Yes
At Homes event has been postponed for the last 2 years due to covid, this will mean 2 events taking place this year. Increase in budget to cover the additional costs in year.	1,950			No
Print room business rates and Cleaning Contract not been budgeted for, following move to new premises from King's Court.	9,090			Yes
Reallocation of apprenticeship budget ³		58,970		No
Increase apprentice levy following review of actual		7,000		No
Recharge to cover expenditure from Civics events		3,500		No
Miscellaneous ⁵	1,100	900		Yes

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Total	19,390	70,370	89,760	
Health, Wellbeing and Public Protection – deficit £5,890				
Careline – Rent for industrial unit not budgeted for this year	1,620			Yes
Financial Assistance – Cost of car parking passes for King's Lynn Festival staff. Expected to be the last year of funding this cost.	2,370			No
Community Safety and Neighbourhood Nuisance – as agreed at Cabinet – 16 th November 2021, a new revenue budget to be included for additional vehicle running costs and associated IT and ancillary costs associated with new Enforcement posts in relation to Clean Neighbourhoods, Fly-Tipping and Environmental Enforcement.	17,500			Yes
Re-allocation of budgeted employee costs to reflect recharges based on actual workload. increase is covered by reduction in Legal Services ¹	12,000			Yes

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
The Council's Lily support service is grant and council funded. Following successful bid for further funding the funding transitions from phase 4 to phase 5 resulting in a reduced cost to the Council by removing the old budget.	(50,220)			Yes
Reduce income from Careline income target unachievable due to large numbers of cancellations	80,000			Yes
Removal of transfer to reserves budget due to increasing cancellations and decreasing income	(80,000)			Yes
Handy Person Scheme vehicle replacement funding reprioritised to future years ⁴		(18,820)		Yes
Drainage works cost less in year so budget not required before 31 March 2023		(3,500)		No
Additional allocation from lottery for allocation from Financial Assistance Reserve – West Norfolk Wins		7,000		No
Reallocation of apprenticeship budget ³		(15,480)		No

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Careline income is less than budgeted as a result of higher than estimated customers going into care, passing away, moving in with relatives, with new residents not taking up the option along with others perhaps cancelling in order to manage household costs		52,750		Yes
Miscellaneous ⁵		670		No
Total	(16,730)	22,620	5,890	
Programme and Project Delivery – Surplus £266,610				
Increased costs from increased unit costs for gas and electricity consumption to capped limits.	2,290			Yes
Income from Boston BC for contribution to procurement services not budgeted for. Contracted up to and including 2024-25.	(19,840)			Yes
Budget for West Norfolk Housing Company costs rechargeable from the Borough Council – not previously budgeted for		(22,290)		Yes
Increased income from West Norfolk Property lease payments due to new properties being taken on for lease from the Council in year		(116,370)		Yes

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Budget for costs rechargeable from Borough Council and West Norfolk Property – no formal Service Level Agreement has previously been in place		(115,100)		Yes
Increase gas budget in line with actuals recoverable from West Norfolk Housing Company service level agreement		4,700		No
Total	(17,550)	(249,060)	(266,610)	
Legal Services – deficit £28,610				
Recharge of costs budgeted in Legal Services to reflect actual workload in other services. ¹	(23,810)			Yes
Increase external legal fees -There have been costs associated with the governance of the companies which was not factored into the original budget totalling £6,300, and increased costs for the legal software, "Iken", in excess of £8k above previous year spend.		27,500		Yes
Budget to cover 50% of LG futures subscription (new in year) and subscription for law books/legal material		9,000		Yes
Income from third parties for legal administration on property and leases is lower than budget		6,270		No

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Reduce legal cost recovery budget as will not realistically be met in year. Budget is dependent on scale of legal cases in year		8,110		No
Increase postage recharge budget in line with actuals		1,540		No
Total	(23,810)	52,420	28,610	
Environment and Planning – Surplus £493,460				
Rent of an industrial unit used by Emergency Planning not in budget for this year, has been in budget last two years but appears to have been removed in error	2,500			Yes
Re-allocation of budgeted employee costs to reflect recharges based on actual workload. increase is covered by reduction in Legal Services ¹	11,810			Yes
Increased costs from increased unit costs for gas and electricity consumption to capped limits.	2,800			Yes
New document scanner required at a cost of approximately £5,000 in the Corporate Scanning team. Replacement of existing equipment expected to reduce current spend on maintenance and call out costs.	3,000			No

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Planning income has increased over the course of 2022-23, due to a number of windfarm applications and large-scale builds. This amount is net of 20% transferred to Planning earmarked reserve.	(160,000)	(320,000)		Yes
Revised fees for technical support on pollution and prevention control.	8,870			Yes
Enforcement Income is forecasted to be lower than budget for Air Quality in year.	4,500			No
Street Naming & Numbering – grant from Royal Mail & Geoplace for maintenance of address data	(3,000)			No
Increase postage recharge budget in line with actuals, see other services for offset of cost		(3,520)		No
Full budget for consultant's fees unlikely to be required for specialist cases.		(6,000)		Yes
Costs for applications taken to appeal and court cases e.g. barrister fees		45,780		Yes
Due to the number of vacancies within the Planning Policy team, additional spend with Capita necessary to cover the Planning Policy function		42,000		Yes

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Two Neighbourhood Plans claimed for in year and not three as originally anticipated. Income will therefore be reduced by £20k		20,000		No
Code must be net zero and due to less neighbourhood plans claimed for, and increase in agency costs, further funding will be required from reserves		(25,000)		No
As above – no surplus expected to be able to transfer to reserves		(37,000)		No
Miscellaneous ⁵	(200)			No
Total	(129,720)	(283,740)	(413,460)	
Operations and Commercial – deficit £393,558				
Adjustments to CCTV internal recharges to other service areas following review. Some areas have not had a CPI (Consumer Price Index) increase applied, have not been charged when should have been and an increase in cameras at some sites ²	(32,800)			Yes
Correction of budget to £17,500 to cover cost of leasing two visitor Pontoons from the Kings Lynn Harbour Authority, budget was incorrect last year	5,000			Yes

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Income budget removed for Sunday Market 'regular' tolls only casual market tolls paid for the Sunday Market	13,700			Yes
Vehicle fuel costs in July 2022 are 49.7% higher than at the same time in the previous year. It is not known at this stage if prices will remain at these high levels and therefore an estimated increase of 36% over 2021/22 actuals, which assumes that prices will reduce later in the year	50,000			Yes
New Crazy Golf at The Walks generating additional income for council, no budget originally. To be extended into future years.	(1,800)			Yes
Successful reclaim of VAT on non-BC Car Parks from HMRC	(126,780)			No
Waste collection (brown bins) – net impact of 1,400 tones less than budgeted following extremely hot summer.	56,600			Yes
Increased costs from increased unit costs for gas and electricity consumption to capped limits.	249,540			Yes
Reduced parking permit requirements from corporate clients, i.e. Freebridge and NHS Norfolk and Waveney CCG	19,590			Yes

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Business Rates for depot at Old Meadow Road (Factory) whilst property vacant 2022-23	25,300			No
Cleaning of bunded fuel tank at depot as a result of a condition inspection – one off cost	5,890			Yes
Maintenance of the Forklift Trucks no budget provision previously made	4,340			Yes
CCTV Room Upgrade, Car parks resurfacing and ticket machines, support vehicles; partly rephased funding for capital items to future years ⁴		(79,510)		Yes
Increase gas budget in line with actuals		24,700		Yes
Decrease Electricity budget in line with actuals		(45,000)		Yes
Crematorium Fee income not achieved in year, not quite back to pre-pandemic levels		37,600		No
Increase income for abated credits for Crem - selling to Great Yarmouth at an increased rate		(20,923)		No
Increase water budget in line with actuals		12,000		No
Fees for hire of Tennis Courts £3,950 paid back to customer following cancellation of tournament in 2020 and in 2021		3,950		No

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Reduced parking income based on actuals to date lower than revised budget by 4%		193,886		Yes
Miscellaneous ⁵	(1,250)	(475)		Yes
Total	267,330	126,228	393,558	
Property and Projects – surplus £32,170				
A realignment of budgets for Property Services. This comprises of budgets for postage £600, water bills, contract cleaning and minor adjustments to repairs and equipment budgets, to reflect the running costs of let premises.	(10,110)			Yes
A contribution to reserves is made each year for King's Court furniture hired by DWP who are tenants of the building, this is provided under the SLA. But had not been budgeted for	16,740			Yes
No budget provision for annual subscription for Property Services. To be corrected from next year	1,740			Yes

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
A loss of income for shops, offices and units is forecast for the first quarter due to vacant properties following loss of tenants, the properties are being marketed to be re let, will be reviewed	9,820			Yes
Increase in business rates for general properties in use by the Council.	23,180			Yes
Reduction of travel budget in Property Services reflecting actuals. Amount of travel has reduced, compared to historic expectations	(7,080)			Yes
Increased costs from increased unit costs for gas and electricity consumption to capped limits.	157,630			Yes
Business Rates budget decreased as DWP have been paying the rates for the ground floor of the building at King's Court for over 3 years and budget is now up to date to reflect this	(65,900)			Yes
Priory Centre – Premises now let, impact on Business Rates and Lease Income	(22,270)			Yes
Further loss of income from shops, offices, and units due to vacant properties following loss of tenants.	19,820	(3,580)		Yes
Income for Legal Fees in relation to lease agreements	(5,100)			Yes

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Decrease electricity budget in line with actuals for various premises		(75,000)		Yes
Increase gas budget in line with actuals		22,700		Yes
Sewerage treatment works refurbishment funding rephased to future years ⁴		(10,220)		Yes
Unbudgeted rates bill for Boal Quay/mooring premises		6,120		Yes
Ditches & dykes contract has recently been retendered at £107,144 over 3 years.		35,710		Yes
Increase rents budget in line with new tenants and rents currently charged following rent reviews and good levels of occupancy.		(71,700)		Yes
Extension for agreement on Saddlebow Lane paid as one-off income		(37,830)		No
Reallocate apprentice estimates ³		(15,480)		No
Miscellaneous ⁵	(1,180)	(180)		
Total	117,290	(149,460)	(32,170)	
Regeneration, Housing and Place – deficit £28,560				
An increase in internal recharges for CCTV following review ²	2,210			Yes
Estimated savings following reduced need by Economic development for room hire	(1,200)			Yes

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Increased costs from increased unit costs for gas and electricity consumption to capped limits.	1,780			Yes
Tourism – income removed for brochures, and leaflet. No longer doing West Norfolk Holiday Guide and Where to go in West Norfolk leaflet. Costs now focused towards on-line presence.	35,250			Yes
Reduce repairs and maintenance budget for Greyfriars Tower as not anticipated to be fully required for the year		(8,000)		No
Bring in budget to match recharge for “Abovo licence fees” 21/22. This related to West Norfolk Housing Company but was not picked up in 21/22 so recharged in 22/23 instead		(2,750)		No
Increase postage recharge budget in line with actuals		1,380		Yes
Miscellaneous ⁵	400	(510)		Yes
Total	38,440	(9,880)	28,560	
Resources – deficit £89,998				
Adjustment following notification of current year’s Housing Benefit Subsidies and Grant adjusted from estimated levels.	(35,060)			Yes

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Removal of professional fees budget within Revenues and Benefits as no longer required	(1,000)			Yes
Welfare Reform – Professional Fees realigned following review	14,240			No
DWP Welfare Reform grant increased in line with actuals	27,770			Yes
Increased expenditure for software maintenance and for telephones to work through Microsoft Teams	3,050			Yes
Loss of income from rental property, vacated with no immediate plans to remarket as pending redevelopment.	21,840			Yes
Increase in bank charges budget to match increased charges in year, similar spend last year. Charges on income from card transactions, recently retendered to reduce fees.	52,600			Yes
Mains electrical room batteries, to support uninterruptible power supply for IT not budgeted for in ICT hardware maintenance	10,000			Yes
Increased expenditure for cost of software maintenance subscriptions and licences.	5,000			No

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Internal Audit Support costs charges at actual rate lower than budgeted.	(5,160)			Yes
Remove/reduce various staff travel budgets as no longer required due to reduced travel	(9,860)			No
Reduce budget in line with actuals - income generated from advertising of properties on the Home Choice Portal - fewer properties advertised in year		30,000		No
Additional External Audit costs not accounted for 2019-20 2020-21, Housing Benefits Balance for 2020-21 and 2021-22 audits		58,000		No
Reallocate apprentice estimates ³		(28,010)		No
Revised to match amounts Subsidy received and social benefits distributed this year		(57,325)		Yes
Funding from Norfolk County Council to support staffing costs for a counter fraud review of Single Person Discount and Void premises		(17,732)		Yes
Low value debts written-off for 2022-23 based on actuals to date		18,000		No
Bring in budget to cover annual subscription cost for Home Connections choice-based lettings service		6,450		Yes
Miscellaneous ⁵	(6,260)	3,455		No
Total	77,160	12,838	89,998	

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Leisure and Community Facilities – deficit £424,040				
An increase in internal recharges for CCTV following review ²	31,730			Yes
Increased costs from increased unit costs for gas and electricity consumption to capped limits.	50,430			Yes
As a result of uncertainty around the level of support that AWN required in 2021/2022 a provision was made in the 2022/ 2023 budget to recover the grant but was in fact recovered in 2021/2022. The net effect is zero across the two accounting periods	450,000	(80,070)		No
Increase Gas budget in line with actuals		8,800		Yes
increase electricity in line with actuals		36,000		Yes
Decrease business rates budget in line with actuals		(11,650)		Yes
Leisure sites refurbishment work funding rephased to future years ⁴		(106,120)		Yes
Reduced budget relating to school sports hall hire at Downham Market – review to be undertaken		35,360		Yes
Reduce budget for project costs at Stories of Lynn, as do not anticipate spending full budget by end of year		(17,500)		No

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Increase repairs and maintenance budget for Dutton Pavilion as not sufficient		4,030		No
Remove budget - not used for previous years or current year to date. Following discussions & review of planned property maintenance schedule, this service is responsibility of Property Services		(5,510)		Yes
Legacy budget from when Alive Management Leisure and Trust - Utility costs not recharged for AWN under current arrangement		22,470		Yes
Dutton Pavilion - Increase budget to cover lump sum rent recharged in 22/23, as previous years income was not recharged		(11,600)		No
Increase water budget at Downham market in line with actuals		6,000		Yes
Reduce lettings budget as South Lynn Community Centre still occupied by Borough Council staff so rooms cannot be hired out for external		11,500		No
Reduce budget at Fairstead Community Centre to reflect actual income generated from room hirings in year. Slow pick up for hirings post covid/increased virtual training etc therefore no need for hire of rooms for training		8,500		No

Movements	Movements previously reported £	Movements this period £	Cumulative Movements to date £	Impact on Financial Planning
Reduce budget in line with actuals - recharge of AWN staff for cleaning/support at Fairstead Community Centre		(5,440)		No
Miscellaneous ⁵	260	(3,150)		No
Total	532,420	(108,380)	424,040	
Financing requirement – Surplus £571,940				
Vehicle replacement funding rephased to future years ⁴		(31,940)		Yes
Additional interest earned on invested cash balances as a result of increasing interest rates		(540,000)		No
Total	0	(571,940)	(571,940)	
Grand Total	864,220	(1,087,984)	(223,764)	
Impact on Financial Planning				
Yes	497,910	(542,485)	(44,575)	
No	366,310	(545,499)	(179,189)	

Notes

¹Movement of staffing budget across service areas – net nil impact

²Adjustment in recharges for CCTV across service areas – a net impact of £1k increase across budgets

³Movement of Apprenticeship costs – net nil impact

⁴Unsupported Borrowings to fund Capital programme reflecting actual spend resulting from re-prioritisation of programme – net impact £246,610 favourable in year

⁵ Miscellaneous items include other movements that in total within each Assistant Director Area amount to less than £5,000

Capital Programme 2022/2027	Total Historical Spend	Actuals to date 2022/2023	Revised Projected Outturn 2022/2023 (Estimates)	January Amendments	January Revised Projected Outturn 2022/2023
APPENDIX 1	£	£	£		£
MAJOR PROJECTS					
Enterprise Zone					
Project Mmgt / Marketing	128,980	16,953	38,970		38,970
Roads / Infrastructure	3,072,907	512,522	3,208,270	(1,000,000)	2,208,270
Premises	91,803	6,760	0		0
					0
Total Enterprise Zone (AD Property and Projects)	3,293,690	536,235	3,247,240	(1,000,000)	2,247,240
					0
Major Housing Development					0
Salters Road - Contractor Cost	2,504,005	1,545,555	2,036,870		2,036,870
Alex'dra Rd Hun'ton BCKLWNCost	93,646	2,883	15,370		15,370
Phase 3-Lynnsport 1	457,939	245,948	103,810		103,810
Phase 2 -Lynnsport 4 /5	14,997,651	58,712	174,530		174,530
Major Housing Management	672,802	3,113	8,000		8,000
MHP Unallocated Budget	0		68,090		68,090
Parkway - Gaywood	4,064,129	1,018,725	1,404,310		1,404,310
Nora Phase 4	9,400,415	5,562,787	6,536,730		6,536,730
Nora Phase 5	1,738	9,288	383,640		383,640
					0
Hunstanton Regeneration Bus Station & NCC Library	786,832	33,027	12,000		12,000
					0
Hunstanton Regeneration Southend Road Car Park	635,654	1,370,471	1,892,700		1,892,700
					0
Total Major Housing Development (AD Companies and Housing)	33,614,811	9,850,507	12,636,050	0	12,636,050
					0
Other Major Projects					0
					0
Towns Fund					0
Town Centre Public Realm	28,430	7,864	216,570	(100,000)	116,570
					0
St Georges Guildhall Complex	77,601	17,061	321,060	(200,000)	121,060
					0
Active and Clean Connectivity	219,328	101,430	144,000		144,000
					0
Riverfront Regeneration	0	77,608	300,000	(100,000)	200,000
Multi User Community Hub	22,324	461,600	727,680		727,680
Programme Management	34,572	83,632	84,430		84,430
					0
Total Towns Fund	382,255	749,194	1,793,740	(400,000)	1,393,740
					0
Purfleet Floating Restaurant	16,006		0		0
					0
NORA Remediation	136,662		216,480	(200,000)	16,480
					0
South Quay Somerfield Thomas Silo	43,532	304,349	517,530		517,530
Factory Unit 1 - New Depot Site	120,393	124,186	192,310		192,310
					0
Air Source Heat Pump Project - Enterprise Works	0	13,489	296,720		296,720
					0
Total for AD Property and Projects	316,594	442,025	1,223,040	(200,000)	1,023,040
					0
Decarbonisation Re:Fit 2	0	914,463	942,730		942,730
					0
Total for AD Planning	0	914,463	942,730	0	942,730
					0
Southgate Regen Area Business Rate Pool Contrib	0	25,435	540,560		540,560
					0
ICI/Active Travel Hub (KLIC2)	364,963	20,265	141,320		141,320
					0
Nelson Quay Redevelopment	689,668		0		0
Chapel Street	0	14,090	14,090		14,090
South Quay Stage 3	0		120,000		120,000
					0
UK Shared Prosperity Fund	0		55,720		55,720
Rural England Prosperity Fund	0		0		0
					0
Total for AD Regeneration	1,054,631	59,790	871,690	0	871,690
					0
Re:Fit Project	1,132,525		636,010		636,010
L/Sport New 3G Pitch	84,000		0		0

Capital Programme 2022/2027	Total Historical Spend	Actuals to date 2022/2023	Revised Projected Outturn 2022/2023 (Estimates)	January Amendments	January Revised Projected Outturn 2022/2023
APPENDIX 1	£	£	£		£
Total for Leisure and Community Facilities	1,216,525	0	636,010	0	636,010
Total Major Projects	39,878,507	12,552,215	21,350,500	(1,600,000)	19,750,500
OPERATIONAL SCHEMES					
AD Community and Partnerships					
Disabled Facilities Grant	6,406,785	545,354	618,200		618,200
Adapt Grant	7,660,012	941,613	1,445,840		1,445,840
	14,066,797	1,486,966	2,064,040	0	2,064,040
Preventative Works					
Home Repair Assistance Load	44,809		0		0
Emergency Repair Grant	31,135	1,500	0		0
Careline Grant	164,883	4,021	25,000		25,000
Safe and Secure Grant	193,392	40,260	0		0
Discretionary Adaptation Assistance	195,673		0		0
Low Level Prevention Fund	684,946	158,885	125,000		125,000
Preventative Works Total	1,314,839	204,665	150,000	0	150,000
Total Private Sector Housing Assistance	15,381,636	1,691,631	2,214,040	0	2,214,040
Careline-Replacement Alarm Uni	328,063		60,000		60,000
Careline - Replacement Vehicles	23,528		0		0
Community Projects	349,238	42,603	78,890		78,890
Community Projects - Members	0		70,900		70,900
Community Safety Vehicle	0		30,000		30,000
Total for AD Community & Partnerships	16,082,464	1,734,234	2,453,830	0	2,453,830
AD Resources (S151 Officer)					
ICT Development Programme	1,059,241	94,870	356,180		356,180
Standard Desktop Refresh	27,720	5,555	27,280		27,280
Total for AD Resources (S151 Officer)	1,086,961	100,425	383,460	0	383,460
AD Programme and Projects					
Heacham Toilets South Beach	8,061	100,501	101,400		101,400
Downham Market Public Conveniences	0	0	200,000		200,000
Total for AD Programme and Projects	8,061	100,501	301,400	0	301,400
AD Property and Projects					
Arts Centre Complex	132,347	17,980	17,980		17,980
Princess Theatre Roof Replacement	20,000	150,634	246,600		246,600
Sewage Treatment Works Refurb/Connect Public Sewer	18,576		0		0
Estate Roads - Resurfacing	11,545		30,500		30,500
Kings Court Flat Roof	76,492	36,500	34,730		34,730
Total for AD Property and Projects	469,293	205,114	329,810	0	329,810
AD Operational and Commercial Services					
Car Parks					
Resurfacing (various car parks)			0		0
Car Parks P&D Machine Replace	77,310		60,000		60,000
Car Pk MS Barrier Ticket Mach	111,869		38,130		38,130
Car Prk MS Lighting + Controls	7,957		192,000		192,000
Mintlyn Crem - Extend Car Park	6,620		0		0
Heacham North Beach P&D Infrastructure	0		23,000		23,000
Decrim Car Park Fiesta Vans		23,041	49,150		49,150
CCTV					
CCTV Control Room Upgrade	138,043		71,050		71,050
CCTV Kettlewell Gadens	20,062		24,840		24,840
CCTV Multistorey	43,645		9,890		9,890
CCTV Crem	32,966		7,730		7,730

Capital Programme 2022/2027	Total Historical Spend	Actuals to date 2022/2023	Revised Projected Outturn 2022/2023 (Estimates)	January Amendments	January Revised Projected Outturn 2022/2023
	£	£	£		£
APPENDIX 1					
Christmas Lights Replacement	7,452		0		0
Parking/Gladstone Server Upgrade	37,068		0		0
Digital Signage Installation - NTP	0		43,000		43,000
High Street Public Realm TF Accelerated project	160,265	25,154	45,120		45,120
NSF Events Equipment	0		135,000		135,000
Refuse and Recycling					
Refuse - Black Bins	1,446,586	35,881	40,000		40,000
Brown Bins/Compost	315,027	21,758	40,000		40,000
Green Bins/Recycling	311,570	25,434	40,000		40,000
Trade Bins	136,739	43,621	40,000		40,000
Refuse Vehicles	0		0		0
Replacement Play Area Equipment	73,229	12,511	40,000		40,000
Play Area Equipment - King's Lynn (KLAC)	41,963		8,000		8,000
Replacement Dog Bins	0		21,000		21,000
Downham Market Play Equipment	0	98,707	100,000		100,000
Resort Replacement Play Area Equipment	0		0		0
Resort - Beach Safety Signage	0		15,000		15,000
Resort - Visitor Digital Sign	0		0		0
Tourist Signs A47	4,000		0		0
Grounds Maintenance Equipment	505,120	33,495	53,500		53,500
Grounds Maintenance Vehicles	184,929		157,420		157,420
Public Cleansing Vehicles	1,096,141		0		0
Total for AD Operations and Commercial	4,948,087	319,602	1,253,830	0	1,253,830
Leisure and Community Facilities					
Corn Exchange					
Corn Exchange -Internal Dec	24,887	6,774	10,000		10,000
Corn Exchange -Refurbish Seating	49,111	9,027	15,000		15,000
Corn Exchange - Replace Speakers	0	94,940	100,000		100,000
Downham Market Leisure Centre					
DMLC - Replacement Spin Bikes	0		23,000		23,000
DMLC - Replace Heat/Cool AHU Dance Studio	0		0		0
DMLC - Fitness Room Flooring	0	28,826	30,000		30,000
DMLC - HallDance Studio Reseal	10,750		0		0
DMLC - Fitness Equipment	0		60,000		60,000
Lynnsport					
Lynnsport - Fitness Equipment	10,169		108,000		108,000
L/Sport - Floor Surface Reseal	72,130	23,030	23,000		23,000
L/Sport Fire Alarm Upgrade	8,550		0		0
L/sport Boilers & Plant	0		0		0
L/Sport Athletics Cage replacement and athletics lighting upgrade	0	36,286	66,290		66,290
L/Sport Toilets & Changing Room	54,083		0		0
L/Sport Spin Bikes	0		17,000		17,000
L/Sport Spin Room	0		10,000		10,000
L/Sport Female Changing Room Sauna	0		0		0
L/Sport Wellness Studio	0		150,000		150,000
L/Sport Spin Ventilation	0	8,175	35,000		35,000
L/Sport Fitness Flooring	0		40,000		40,000
St James Pool					
St James - Floor/Surface Replace	132		25,000		25,000
St James Fitness Equipment	0		30,000		30,000
St James Pool Covers	7,109		0		0
St James Spin Bikes	0		20,000		20,000
St James Replacement Plant	3,548		9,450		9,450
Oasis					
Oasis Fire Doors	0	4,940	15,000		15,000
Oasis Fitness Equipment	0		50,000		50,000
Oasis Fitness Flooring	0		20,000		20,000
	0				
Total for Leisure and Community Facilities	240,468	211,997	856,740	0	856,740

Capital Programme 2022/2027	Total Historical Spend	Actuals to date 2022/2023	Revised Projected Outturn 2022/2023 (Estimates)	January Amendments	January Revised Projected Outturn 2022/2023
APPENDIX 1	£	£	£		£
AD Central Services					
Technology and Other Equipment (Flexible Working)	0		0		0
Total AD Central Services	0	0	0	0	0
Total Operational Schemes	22,835,334	2,671,874	5,579,070	0	5,579,070
Total Capital Programme (Non Exempt)	62,713,841	15,224,088	26,929,570	(1,600,000)	25,329,570
Exempt Schemes					
Total Commercially Sensitive Schemes (Exempt)	1,773,503	3,673,667	8,086,800	0	8,086,800
TOTAL CAPITAL PROGRAMME	64,487,344	18,897,755	35,016,370	(1,600,000)	33,416,370

Appendix C - Limits and Purposes for Earmarked Reserves

The table below provides a note on the purpose for each reserve and the recommended minimum and maximum levels to be held.

The minimum / maximum level of balances was last reviewed at the Cabinet meeting on the 7 February 2023 as part of the Medium-Term Financial Strategy for 2022 – 2027.

Reserves Policy Area	Balances 1 April 2022 £'000	Minimum Balance £'000	Maximum Balance £'000
Amenity Areas	2	0	300
Capital Programme Resources	5,570	0	9,000
Educational Skills Attainment	879	0	1,100
Insurance Reserve	226	50	300
Restructuring Reserve	484	150	1,000
Repairs and Renewals Reserve	1,912	500	2,000
Holding Accounts	2,105	200	2,600
Ring Fenced Reserves	3,983	50	4,200
Climate Change Strategy	1,246	0	1,250
Planning Reserves	548	0	800
Grants Reserves	4,616	0	4,800
Collection Fund Adjustment Reserve	10,693	0	11,500
Projects Reserve	3,865	0	4,200
Other Total	177	0	500
Total	36,306	950	43,550

Purpose of Reserve

Amenity Areas Reserve – used to maintain amenity land on housing and other sites.

Capital Programme Resources Reserve – used to fund the Capital Programme including replacement of vehicles and personal computers. It has been established by annual

contributions from the revenue budget and is a combination of various specific capital reserves.

Education Skills Attainment – tackles problems affecting residents of West Norfolk in a joint initiative between public, private and voluntary sector organisations.

Insurance Reserve – was established to fund expenditure required as necessary by our Insurance Company and also to meet areas of risk management expenditure.

Restructuring Reserve – meets any future in-year costs arising through service reviews and changes in staffing structure.

Repairs and Renewals Reserve – are maintained to help equalise the impact on the revenue accounts of programmed repairs. Annual contributions help to maintain the levels of the funds.

Holding Accounts – there are a number of reserves included under this heading, the main reserves include: housing reserves, Homelessness Projects, reserves for cleansing and refuse/recycling, Legal Commissioning Reserve, Elections Reserve.

Ring Fenced Reserve - can only be used for specific purposes. Included are Section 106 Funds, the Building Control account and Trust Funds that are administered by the Council on behalf of trustees.

Climate Change Strategy - allow implementation of smaller schemes; help fund preparation for larger capital scheme funding bids and also fund feasibility reports on potential options in support of the Council's Emissions Reduction Strategy and Action Plan.

Planning Reserve – used to enable the Council to fulfil its planning role.

Grants Reserves - money received from external bodies for specific tasks.

Collection Fund Adjustment Reserve – this reserve holds the accounting adjustments necessary for the Council's NNDR Safety Net and Levy payments.

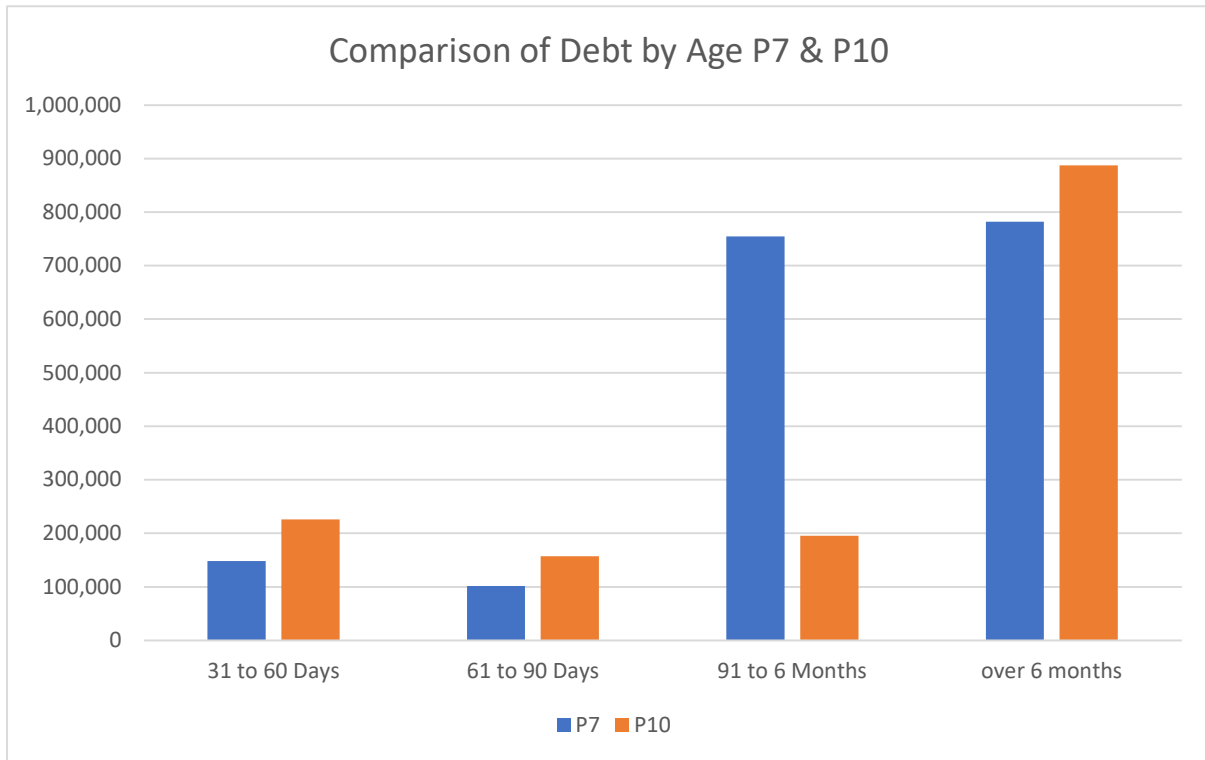
Project Reserves – to be used for implementation costs on future projects.

Other – other varying uncertain risk for which funding has been set-a-side.

Appendix D – Age Debt Analysis – Period 10

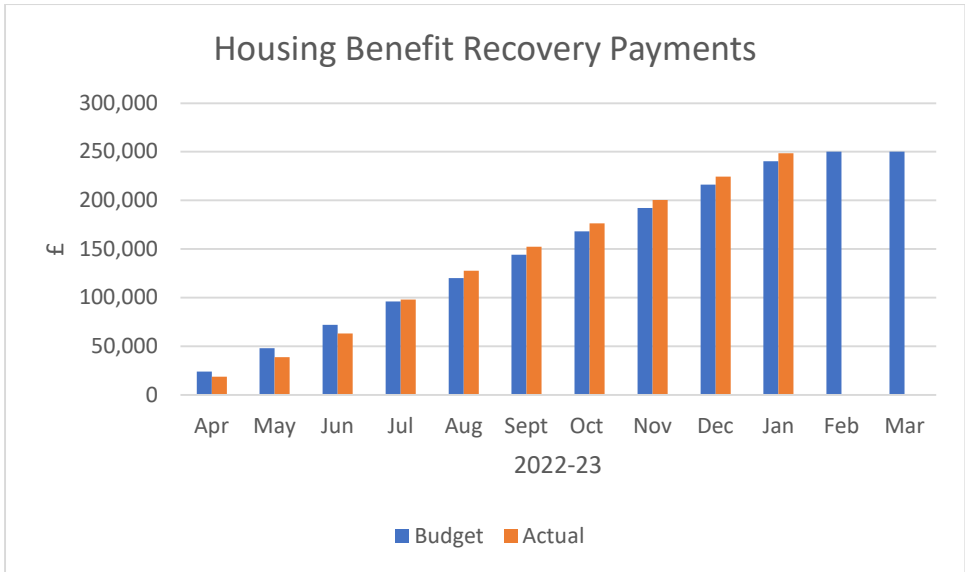
Data for performance reporting continues to be developed in conjunction with a review of the corporate policy on debt recovery.

The table below shows the level of overdue debt for each age category between period 7 and 10.



Debt recovery activity is under heightened review to ensure resources are focussed on reducing debt levels and further comparators for debt recovery action will be added to future Monitoring Reports.

In relation to Housing benefits overpayment recovery the target as of 31 January 2023 is £240,000 and £248,305 has been raised in invoices. See table below showing monthly against budget for 2022/23.



FORWARD DECISIONS LIST

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
18 April 2023	Asset Management – Land and Property - Nar Ouse Report and NHS ICB	Key	Cabinet	Property Exec Dir – O Judges		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)
	Southgates Regeneration Area Development Brief and Next Steps	Key	Council	Development and Regeneration Asst Dir – D Hall		Public
	Towns Fund Local Assurance Framework	Non	Cabinet	Business Culture & Heritage Asst Director – D Hall		Public
05	Members ICT	Non	Cabinet	Corporate Asst Dir – M Drewery		Public
	Notice of Motion 16/22 – Peer Review	Non	Cabinet	Leader Chief Executive		Public
	Parking Operations – Back Office Operations	Non	Cabinet	Corporate Asst Director – M Chisholm		Private Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
20 June 2023	Assets of Community Value	Non	Council	Leader Monitoring Officer		Public
	5 Year Mart Agreement	Non	Cabinet	Business Culture & Heritage Exec Dir – G Hall		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)
	Staff Pay Award 2023/24	Key	Council	Leader Asst Dir – B Box		Public
87	Members Allowances	Key	Council	Leader Monitoring Officer		Public
	Alive West Norfolk Fees and Charges	Non	Cabinet	People and Communities Alive West Norfolk		Public
	Southend Road Hunstanton	Key	Cabinet	Development and Regeneration Asst Dir – D Ousby		Public
	CIL Report- application for Docking Pavilion Refurb	Non	Cabinet	Regeneration & Development Asst Dir S Ashworth		Public
	Officer Major Project Board Terms of Reference	Non	Cabinet	Asst Dir – A Baker		Public
	LAHF Allocations Policy	Non	Cabinet	Asst Dir D Hall		Public
	Continuation of the Borough Council as part of the CNC Building Control Partnership	Non	Cabinet	Asst Dir S Ashworth		Public

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
1 August 2023	West Winch Collaboration Agreement	Non	Cabinet	Development and Regeneration Exec Dir – G Hall		Public
	King's Lynn Town Football Club	Non	Cabinet	Property Asst Dir – M Henry		Private- Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
26 September 2023	Overnight Campervan parking in Hunstanton	Non	Cabinet	Leader Asst Director – M Chisholm		Public

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
31 October 2023						

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
5 December 2023						

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting

15 January 2024						
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Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
6 February 2024						

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
5 March 2024						

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
23 April 2024						

Items to be scheduled

	Notice of Motion 7-21 – Councillor Kemp – Equalities	Non	Council	Leader Asst Dir B Box		Public
	Procurement Strategy	Non	Cabinet	Finance Asst Dir – D Ousby		Public
	Review of Planning Scheme of Delegation (summer 23)	Non	Council	Development and Regeneration Asst Dir – S Ashworth		Public
	Lynnsport One (summer 23)	Key	Council	Regeneration & Development Asst Dir Companies & Housing Delivery – D Ousby		Public
	Redundancy Policy	Non	Council	Leader Exec Dir – D Gates		Public

	Custom and Self Build Site – Stoke Ferry	Non	Cabinet	Regeneration and Development Assistant Director - D Hall		Public
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AUDIT COMMITTEE WORK PROGRAMME 2023/2024

DATE OF MEETING	TITLE	TYPE OF REPORT	LEAD OFFICER	OBJECTIVES AND DESIRED OUTCOMES
21 June 2023	Appointment of Vice Chair for the Municipal Year 2023/2024			To appoint a Vice Chair for the Municipal Year 2023/2024.
21 June 2023	Strategic External Audit Plan for the following financial year	Annual	External Auditors	External Auditors to present strategic external audit plan – TBC following closure of 2019/20 audit.
21 June 2023	External Auditors Report (ISA260) for 2019/20	Annual	External Auditors	To be confirmed.
21 June 2023	Statement of Accounts for 2019/20	Annual	C Holland	To be confirmed.
21 June 2023	Annual Governance Statement 2019/20	Annual	G Greaves	To be confirmed.
21 June 2023	Corporate Risk Register Update (April 2023)	Update	G Greaves	
21 June 2023	Year End Internal Audit Progress and Follow Up Report	Year End	F Haywood	
21 June 2023	Year End Internal Audit Opinion	Year End	F Haywood	

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DATE OF MEETING	TITLE	TYPE OF REPORT	LEAD OFFICER	OBJECTIVES AND DESIRED OUTCOMES
21 June 2023	Annual Fraud Progress Update 2022/2023	Annual	J Hay	
21 June 2023	Annual Certification Report - Housing Benefit Subsidy Claim for previous financial year	Annual	J Stanton	To receive the annual report covering the previous financial year
21 June 2023	Cabinet Forward Decisions List			To identify any items to be considered by the Audit Committee.
21 June 2023	Work Programme 2023/2024			To identify any items for the work programme.
TRAINING SESSION TO WHICH ALL MEMBERS ARE INVITED TO ATTEND ALL AUDIT COMMITTEE MEMBERS SHOULD ATTEND				
6 July 2023 2 pm on Zoom	Draft Statement of Accounts 2022/2023			
7 August 2023	DRAFT Statement of Accounts 2022/2023		M Drewery/ C Holland	Training session to be delivered prior to meeting.
7 August 2023	Period 3 Monitoring Report 2023/24	Monitoring	C Holland	
7 August 2023	Cabinet Forward Decisions List			To identify any items to be considered by the Audit Committee.

DATE OF MEETING	TITLE	TYPE OF REPORT	LEAD OFFICER	OBJECTIVES AND DESIRED OUTCOMES
7 August 2023	Work Programme 2023/2024			To identify any items for the work programme.
18 September 2023	Latest Budget Monitoring Report 2023/24		C Holland	
18 September 2023	Cabinet Forward Decisions List			To identify any items to be considered by the Audit Committee.
18 September 2023	Work Programme 2023/2024			To identify any items for the work programme.
27 November 2023	2023/24 Fraud and Error Half Year Progress Report	Half Year Progress Report	J Hay	
27 November 2023	Corporate Risk Register Update (August 2023)	Update	G Greaves	
27 November 2023	Latest Budget Monitoring Report 2023/24	Monitoring	C Holland	
27 November 2023	Mid-Year Treasury Report 2023/24		C Holland	
27 November 2023	Cabinet Forward Decisions List			To identify any items to be considered by the Audit Committee.

DATE OF MEETING	TITLE	TYPE OF REPORT	LEAD OFFICER	OBJECTIVES AND DESIRED OUTCOMES
27 November 2023	Work Programme 2023/2024			To identify any items for the work programme.
15 January 2024	Latest Budget Monitoring Report 2023/24	Monitoring	C Holland	
15 January 2024	Cabinet Forward Decisions List			To identify any items to be considered by the Audit Committee.
15 January 2024	Work Programme 2023/2024			To identify any items for the work programme.
11 March 2024	Corporate Risk Register Update (December 2023)	Update	G Greaves	
11 March 2024	Cabinet Forward Decisions List			To identify any items to be considered by the Audit Committee.
11 March 2024	Work Programme 2023/2024			

Potential Future Training Sessions

Audit Committee – Potential changes for the new Administration 2023 and process improvement

Annual Governance Statement 2022

Reserves

Potential Future Agenda Items

Other External Audit Reports and training to be added once plan/timetable received from Ernst Young

Understand risks relating to major projects.

Identifying an effective way to reach the crux of the issue/resolution in the audit Committee.

Scope to look at process/criteria Business Plans where external third parties were involved to eliminate the risks and ensure a standardised process that would be followed through.

Audit the process of the Member Major Projects Board/risk registers.

Gantt chart of the internal audit 2020/21.