

**FINANCE & PERFORMANCE SCRUTINY COMMITTEE - TUESDAY, 28
NOVEMBER 2023**

Report of the Director Finance, Governance and Contracts

Part A

WORK PROGRAMME

Purpose of Report

To review and plan the scrutiny work the Committee will undertake going forward.

Recommendation

To review and agree the Committee's scrutiny work programme.

Reason

To enable the Council's scrutiny arrangements to operate efficiently and effectively.

Policy Justification and Previous Decisions

The Council's Corporate Plan 2022-2024 commits the Council to continue to improved customer service and deliver outstanding services.

This Committee can identify and schedule items for its own scrutiny work programme without needing the approval of the Scrutiny Commission if those items fall within its area of responsibility. If the Committee identifies a topic for scrutiny that is outside its area of responsibility, it can make a recommendation to the Scrutiny Commission that it is added to its scrutiny work programme or that a scrutiny panel be established.

Implementation Timetable including Future Decisions

Any decisions made during the meeting will be implemented as appropriate.

Report Implications

Financial Implications

None

Risk Management

There are no specific risks associated with this decision'

Equality and Diversity

None identified

Climate Change and Carbon Impact

None identified

Crime and Disorder

None identified

Wards Affected

Not applicable

Publicity Arrangements

Not applicable

Consultations

Not applicable

Links to the Corporate Strategy

Caring for the Environment	Yes (if relevant items scrutinised)
Healthy Communities	Yes (if relevant items scrutinised)
A Thriving Economy	Yes (if relevant items scrutinised)
Your Council	Yes (if relevant items scrutinised)

Key Decision: N

Background Papers: Risk Register report and appendix, Audit Committee, 19th September 2023

<https://charnwood.moderngov.co.uk/documents/s12417/Risk%20Management%20Risk%20Register.pdf>

<https://charnwood.moderngov.co.uk/documents/s12418/Enc.%201%20for%20Risk%20Management%20Risk%20Register.pdf>

Appendices: Finance & Performance Scrutiny Work Programme

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Part B

Changes since the last meeting

There have been none.

Audit Committee response

At the meeting of the Finance and Performance Scrutiny Committee held on 12th September 2023, Members discussed the Council's preparedness for cyber-attacks (min 16.2 2023-24 refers). The Audit Committee met and considered the matter at its meeting on 19th September 2023.

Prior to this meeting a copy of the Exempt Cyber Security and IT Health Check report considered by the Audit Committee at its meeting on 11th July 2023 has been circulated to the Committee. The links to the Risk Register (published on the Council's website) are included above as background papers.

Audit Committee Minute text (min 27, 2023-24 refers):

At a recent meeting of the Finance and Performance Scrutiny Committee on 12th September 2023, the Committee had considered that annual cyber insurance costs seemed high at £107,000. It was unclear how this compared to other local authorities, but costs were increasing due to risks of cyber-attacks. Information regarding insurance coverage would be provided but the Committee considered further scrutiny was required regarding whether it was fit for purpose and training for employees on cyber disaster recovery mitigation strategies and as it was under the remit of the Audit Committee as part of its consideration of the Council's Risk Register on a quarterly basis, asked the Audit Committee to review the Council's preparedness for cyberattacks.

The Finance and Performance Scrutiny Committee had resolved that the Audit Committee be asked to review the Council's preparedness for cyber-attacks.

Summary of the Audit Committee's discussion:

- *Data security was included in Strategic Risk 7 and contained extensive information on the current treatments and controls which included data protection training for councillors and officers;*
- *Business continuity was covered within Strategic Risk 1 and dealt with what would happen if there was a cyber-attack;*
- *Strategic Risks 1 and 7 covered risk mitigation and recovery measures;*
- *IT/Cyber Security was covered by Internal Audit in 2022/23;*
- *Mandatory data breach training was in place for Councillors and Officers and regular phishing testing was carried out and follow-up training offered to those who failed. In addition, mandatory training would be reviewed by internal Audit during the current financial year;*
- *The Council's IT systems had been moved to a cloud system in a secure network and the firewall protected the Council from the majority of cyberattacks;*
- *Serious security breaches had been highlighted in the media and by the Local Government Association and as a result cyber security and insurance premiums had increased;*

- *It was confirmed that annual penetration testing had not been carried out regularly in recent years due to delays caused by the Covid pandemic, however it was currently back on track with independent penetration testing completed earlier in 2023 which had been reported to Audit Committee at its last meeting on 11th July 2023 and would be reported annually in July going forward with the IT Annual Health-check.*

In conclusion to the discussion and in response to the question from Finance and Performance Scrutiny Committee, the Audit Committee were concerned that annual penetration testing had not been taking place annually and that they would want to ensure this happened going forward. Cyber-security and the IT Health-check had been reported in July to the Audit Committee and the Audit Manager would share this report with Finance and Performance Scrutiny Committee. It was confirmed that IT security training would be covered within the Work Programme for Internal Audit and that any issues would be reported back to Audit Committee.

RESOLVED *that the report on the implementation of the cyber-security and IT Health-check recommendations be circulated with the Finance and Performance Scrutiny Committee*

Reason

To ensure that members of the Finance and Performance Scrutiny Committee are informed of the Audit Committee's views on the Council's preparedness for cyber-attacks