

Thurrock: A place of opportunity, enterprise and excellence, where individuals, communities and businesses flourish

## Standards and Audit Committee

The meeting will be held at **7.00 pm** on **14 June 2016**

**Committee Room 1, Civic Offices, New Road, Grays, Essex, RM17 6SL**

### Membership:

Councillors John Kent (Chair), Jack Duffin, Graham Hamilton, Ben Maney, Tunde Ojetola and Barbara Rice

Rhona Long, Co-Opted Member  
Jason Oliver, Co-Opted Member  
Stephen Rosser, Co-Opted Member

### Substitutes:

Councillors Gary Collins and Luke Spillman

### Agenda

Open to Public and Press

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<b>2 Minutes</b>	<b>5 - 14</b>
To approve as a correct record the minutes of the Standards and Audit Committee meeting held on 15 March 2016.	
<b>3 Items of Urgent Business</b>	
To receive additional items that the Chair is of the opinion should be considered as a matter of urgency, in accordance with Section 100B (4) (b) of the Local Government Act 1972.	
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**Queries regarding this Agenda or notification of apologies:**

Please contact Jessica Feeney, Senior Democratic Services Officer by sending an email to [Direct.Democracy@thurrock.gov.uk](mailto:Direct.Democracy@thurrock.gov.uk)

Agenda published on: **6 June 2016**

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# DECLARING INTERESTS FLOWCHART – QUESTIONS TO ASK YOURSELF

Breaching those parts identified as a pecuniary interest is potentially a criminal offence

## Helpful Reminders for Members

- *Is your register of interests up to date?*
- *In particular have you declared to the Monitoring Officer all disclosable pecuniary interests?*
- *Have you checked the register to ensure that they have been recorded correctly?*

## When should you declare an interest *at a meeting*?

- **What matters are being discussed at the meeting?** (including Council, Cabinet, Committees, Subs, Joint Committees and Joint Subs); or
- If you are a Cabinet Member making decisions other than in Cabinet **what matter is before you for single member decision?**



Does the business to be transacted at the meeting

- relate to; or
- likely to affect

any of your registered interests and in particular any of your Disclosable Pecuniary Interests?

Disclosable Pecuniary Interests shall include your interests or those of:

- your spouse or civil partner's
- a person you are living with as husband/ wife
- a person you are living with as if you were civil partners

where you are aware that this other person has the interest.

A detailed description of a disclosable pecuniary interest is included in the Members Code of Conduct at Chapter 7 of the Constitution. **Please seek advice from the Monitoring Officer about disclosable pecuniary interests.**

**What is a Non-Pecuniary interest?** – this is an interest which is not pecuniary (as defined) but is nonetheless so significant that a member of the public with knowledge of the relevant facts, would reasonably regard to be so significant that it would materially impact upon your judgement of the public interest.

### Pecuniary

If the interest is not already in the register you must (unless the interest has been agreed by the Monitoring Officer to be sensitive) disclose the existence and nature of the interest to the meeting

If the Interest is not entered in the register and is not the subject of a pending notification you must within 28 days notify the Monitoring Officer of the interest for inclusion in the register

Unless you have received dispensation upon previous application from the Monitoring Officer, you must:

- Not participate or participate further in any discussion of the matter at a meeting;
- Not participate in any vote or further vote taken at the meeting; and
- leave the room while the item is being considered/voted upon

If you are a Cabinet Member you may make arrangements for the matter to be dealt with by a third person but take no further steps

### Non- pecuniary

Declare the nature and extent of your interest including enough detail to allow a member of the public to understand its nature



You may participate and vote in the usual way but you should seek advice on Predetermination and Bias from the Monitoring Officer.

**Vision: Thurrock:** A place of **opportunity**, **enterprise** and **excellence**, where **individuals**, **communities** and **businesses** flourish.

To achieve our vision, we have identified five strategic priorities:

**1. Create** a great place for learning and opportunity

- Ensure that every place of learning is rated “Good” or better
- Raise levels of aspiration and attainment so that residents can take advantage of local job opportunities
- Support families to give children the best possible start in life

**2. Encourage** and promote job creation and economic prosperity

- Promote Thurrock and encourage inward investment to enable and sustain growth
- Support business and develop the local skilled workforce they require
- Work with partners to secure improved infrastructure and built environment

**3. Build** pride, responsibility and respect

- Create welcoming, safe, and resilient communities which value fairness
- Work in partnership with communities to help them take responsibility for shaping their quality of life
- Empower residents through choice and independence to improve their health and well-being

**4. Improve** health and well-being

- Ensure people stay healthy longer, adding years to life and life to years
- Reduce inequalities in health and well-being and safeguard the most vulnerable people with timely intervention and care accessed closer to home
- Enhance quality of life through improved housing, employment and opportunity

**5. Promote** and protect our clean and green environment

- Enhance access to Thurrock's river frontage, cultural assets and leisure opportunities
- Promote Thurrock's natural environment and biodiversity
- Inspire high quality design and standards in our buildings and public space

## Minutes of the Meeting of the Standards and Audit Committee held on 15 March 2016 at 7.00 pm

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**Present:** Councillors Tunde Ojetola (Chair), Graham Hamilton (Vice-Chair), Yash Gupta (MBE), Barry Johnson, Cathy Kent and Robert Ray

Jason Oliver, Co-Opted Member

**Apologies:** Rhona Long, Co-Opted Member

**In attendance:** Sean Clark, Director of Finance & IT  
Gary Clifford, Client Manager for Audit Services  
Debbie Hanson, Ernst and Young  
Daniel Helps, Investigations Manager  
Lee Henley, Information Manager  
David Kleinberg, Group Manager, Counter Fraud and Investigation  
Andy Owen, Corporate Risk Officer  
Jonathon Wilson, Chief Accountant, Finance  
Jenny Shade, Senior Democratic Services Officer

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Before the start of the Meeting, all present were advised that the meeting may be filmed and was being recorded, with the audio recording to be made available on the Council's website.

### **37. Minutes**

The Minutes from the Standards and Audit Committee held on the 8 December 2015 were approved as a correct record.

### **38. Items of Urgent Business**

There were no items of urgent business.

### **39. Declaration of Interests**

Councillor Johnson declared a non-pecuniary in relation to Item 13, Partnerships and Assurance, as he works in a partnership role with London Borough of Barking and Dagenham and the Council's Legal Services.

### **40. Counter Fraud & Investigation Annual Report, Policy & Strategy**

The Group Manager, Counter Fraud & Investigations, presented the report and detailed for Members the progress made over the last 12 months. Highlights referred to were Housing Tenancy Fraud, Right to Buy and Social Care.

It was reported that:

- Housing Tenancy Fraud investigations resulted in 45 properties being recovered where these had been misused, which equated to a loss of 8 hundred thousand pounds to the Council
- 4 applications for Right to Buy were stopped this year which would have resulted in a loss of 3 hundred thousand pounds to the Council if they had gone ahead

Members were informed that the Council had applied powers under the Proceeds of Crime Act to take money back from criminals who had obtained money fraudulently from the Council. This year to date £194,000 has been awarded by the courts in the form of compensation orders, confiscation orders and ARIS monies.

Members were also referred to Appendix 3 and 4 that set out the various work streams that the section were progressing.

Appendix 1 stated that 6 orders were made in 2015/16 and those offenders get approximately 3 to 6 months to repay the money. Some offenders could go back to the court to get a Certificate of Adequacy if their circumstances changed but noted that the Council is in the mercy of the court on these decisions.

The Officer confirmed that confiscation orders were not always property (i.e. houses) and in a majority of cases the Council had identified the Court of hidden assets which the Court will take into account on the order.

The Compensation monies received would go straight back into the department that the money came from, in the past this had been to departments such as benefits.

The ARIS money were given by the Home Office to Thurrock Council as an incentive to continue to carry out the investigative work, this money is taken directly from the court orders.

The Co-Opted Member questioned if there were opportunities to open up revenue schemes for compensation which had not been explored previously. The Officer stated that this area was in the process of being addressed with a number of staff being referred to each directorate to become experts in that area.

The Chair stated that overall it was good that this work was being undertaken at Thurrock Council.

## **RESOLVED**

- 1.1 That the Committee noted the performance of the Counter Fraud and Investigation Directorate.**



**1.2 That the Committee noted the acknowledgement of the services provided by the Counter Fraud and Investigation Directorate.**

**41. Complaints Report - April 2015 to September 2015**

The Information Manager presented the report and provided Members with an overview of the number of corporate complaints received within the period April 2015 and September 2015. Due to complex analysis of the data and information, this report was not available for the December 2015 committee.

The areas highlighted were:

- A total of 942 complaints had been received for this period compared to 790 for the same period last year.
- A total of 1353 concerns had been received for this period compared to 1126 for the same period last year.
- Combined total of complaints and concerns were 2295 compared to 1916 for the same period last year.
- Areas that received the highest volume of concerns and complaints were Housing Repairs, Council Tax, Estate Management and Missed Bins.

The Information Manager referred Members to Appendix 1 which provided detailed feedback on the common types of complaints and trends received.

It was clarified that Missed Bins meant that when bins were not being collected on the correct collection day and drew Members to the detailed feedback provided in the report and that work was still on-going to undertake additional root causes.

With regard to the complaints received the Co-Optee member enquired as to what channels were used so that the Audit Committee could see if the new channels were working or if more complaints were received because the Council was not performing as well. It was confirmed that the team working closely with the communications team and that Twitter feedbacks and comments were received and routed to the team. From a management information view, work needs to be done on firming up on the digital type approaches.

A debate between Members and Officers took place on how the process of complaints received through the casework undertaken by Members and how these complaints were being recorded.

Members noted their concern that if these complaints were being recorded as a member's enquiry the number of complaints would have been higher.

There was also concern that if a member of the public rang the Council with a complaint, that person should be informed if their issue will be classed as a complaint or a service request.

Members requested that the Officer provided the Committee with a definition of complaints, concerns, member's enquiries and service requests.

The Co-Optee Member suggested that this would be a good time for the Officers to look at the process of all complaints/concerns/enquiries and service requests received.

The Chair stated that comparative figures on the number of compliments would be nice to see.

#### **RESOLVED**

- 1. That the statistics and performance for the reporting period be noted.**
- 2. That the further work was on-going with a number of service areas to establish the root cause for concerns/complaints received, reasons for complaint escalation and reasons why complaints were upheld be noted.**
- 3. That the Officer would provide definitions of a complaint/concern/enquiries and service request.**

#### **42. Regulation of Investigatory Powers Act (RIPA) 2000 - Quarterly Activity Report**

The Information Manager presented this report that provided Members with an update on the usage and activity of Regulation of Investigatory Powers during October 2015 to December 2015 (Quarter 3).

Members were informed that there were 2 Regulation of Investigatory Powers directed surveillance authorisations processed from 2015/16 Year to date compared to 3 in the period October 2015 to December 2015.

The Chair noted that up to date figures from December 2015 would have been more relevant to members.

Members were advised that this figure was low as the methods of surveillance used were very intrusive and would only be actioned as a last result.

#### **RESOLVED**

**The Committee noted the statistical information relating to the use of Regulation of Investigatory Powers Act from October 2015 to December 2015.**

#### **43. Annual Review of Risk and Opportunity Management and the Policy, Strategy and Framework**

The Corporate Risk Officer presented the report and informed Members that Risk and Opportunity Management is recognised as a good management practice and that it is an integral part of the Council's Corporate Governance and Performance Management arrangements.

To enable Standards and Audit Committee to consider the effectiveness of the Council's Risk and Opportunity Management arrangements the report was presented to the committee on an annual basis.

The report provided Members with details of how the Council's Risk and Opportunity Management arrangements compared against good practice, outlined the current Risk Opportunity Management activity, the proposals to maintain/improve the practice across the organisation and included the updated Risk and Opportunity Management Policy, Strategy and Framework.

The Officer referred Members to a summary of Thurrock's overall scores for the Enabler criteria and compared these to the table of scores for the years 2011 to 2015.

A change to recommendation 2 to remove the words "to note" was agreed by all members.

All Members and Co-Optee Members agreed that the report was encouraging to see progressive improvements being made each year and that this continued.

The Chair queried what the process would be if the committee wanted to make any changes to this report. It was confirmed that any comments received by this committee would be fed back to the Directors Board.

## **RESOLVED**

- 1. That Standards and Audit Committee noted and commented on the results of the review, the current Risk and Opportunity Management activity and proposals to maintain and improve the practice across the organisation.**
- 2. That Standards and Audit Committee approved the updated Risk and Opportunity Management Policy, Strategy and Framework.**
- 3. The compliment made by Members and Co-Optee Members were noted and agreed.**

*Andy Owen left the committee room at 8.04pm.*

## **44. External Audit Plan 2015/2016**

Debbie Hanson from Ernst & Young introduced the Audit Plan that covers the audit of the 2015/2016 financial statements and the assessment of the Council's arrangements to secure economy, efficiency and effectiveness. The financial statements and the value for money risk appendices within the report were briefly covered.

The plan set out the audit process and that the auditors will report their findings to the Committee in September 2016.

The plan also set out the key risks and the areas the auditors focused on and the key financial statement risks identified were:

- Risk of Fraud in Revenue Recognition
- Risk of Management Override
- The Valuation of Surplus Assets
- Accounting for Gloriana Thurrock Limited

The value for money risk identified were on the Pressures from the Economic Downturn.

The new criteria which auditors were assessing Councils against had changed and Debbie Hanson drew this to the Members attention.

The requirement to determine whether there were any risks that were significant and this definition was explained to Members that it was not just the larger spends that the auditors would be looking at, for example if negative inspections of the service could affect the reputation of the Council.

In response to a question from Members, the Director of Finance and IT stated Thurrock Council took out Lender Option Borrower Option Loans many years ago when their interest rates appeared to be low. Due to the excessive charges on early repayment the Council continue to hold these but the opportunity to redeem early is regularly reviewed.

The Director of Finance and IT confirmed the SERCO figures on pension payment quoted in the report related to the period 2015/16 budget position which had been reported to Cabinet over the last year.

It was confirmed that the Analytics tool had been used by Ernst & Young over the last 3 years to undertake audit analysis on payroll and the general ledger data.

The Chief Accountant stated there were 2 generic risks which applied to all Councils, those were in respect of revenue recognition and the risk of management override and work were underway with Ernst & Young to discuss the issues.

**RESOLVED:**

**That the External Audit Plan 2015/16 report be noted.**

*Lee Henley left the committee room at 8.35pm*

**45. Report from Ernest and Young: Certification of Claims and Returns Annual Report 2014/15**

Debbie Hanson, Ernst & Young, briefly presented the report to Members on the Certification of Claims and Returns Annual Report 2014/15 which was issued in February 2016 and summarised the results of the work undertaken by Ernst & Young on Thurrock Council's 2014/15 claims.

It was stated that the report was shorter than previously received this was due to only one claim being audited now which is the Housing Benefit claim which is probably the largest claim that Thurrock Council has. The report was very positive and commented that the claim was complex and that the number of errors found had reduced compared to previous years.

Other assurance work undertaken during 2014/15 included the following schemes:

- Teachers Pensions which had been concluded at the time of the committee.
- Housing Pooling Return which related to Right to Buy Sales and was currently in the process of being concluded.

**RESOLVED:**

**That the report attached at Appendix 1 be agreed and actions noted.**

**46. Strategy for Internal Audit 2016/17 to 2018/19 and Annual Internal Audit Plan 2016/17**

The Internal Audit Manager presented the report which provided Members with some background information that in October 2006 following a tendering process the Council's Internal Audit Service was outsourced to Baker Tilly. This contract expired on 31 March 2015. As a result, the decision was taken by the Directors Board to transfer the Internal Audit Team back into the Council from the 1 April 2015.

The Strategy for Internal Audit 2016/17 to 2018/19 and Annual Internal Audit Plan 2016/17 was the first year since that transition took place. As part of the planning process an Audit Needs Assessment will be carried out on an annual basis with senior management within Thurrock Council. From this Audit Needs Assessment process, the three year strategy and an annual audit plan will be produced.

In January 2016 a comprehensive Audit Needs Assessment process was started by attending each of the Directorate Management Teams to discuss the risk and priorities with directors, heads of service and strategic leads. Also

as part of the planning process checks were undertaken on the risk register and reports issued by the external auditors.

It was confirmed that with the team now in-house, Internal Audit will continue to revisit the strategy and plan, to reflect any changes that may occur through restructure, new legislation and changes in working practices.

Members thanked the Internal Audit Manager and his team for the excellent report.

## **RESOLVED**

**That the Committee received and agreed the Strategy for Internal Audit 2016/17 to 2018/19 and the Annual Internal Audit Plan 2015/16.**

### **47. Internal Audit Progress Report 2015/16**

The report was introduced to the Committee by the Internal Audit Manager and set out the progress against the Internal Audit Plan 2015/16. The reported detailed audit reviews issued as final since the last meeting in December 2015.

An update given on Bonnygate Primary School was that the head teacher had been on maternity leave and had expressed concern at the outcome of the report on her return. The head teacher had spoken to Education Finance who were supporting the school to address the recommendations. The head teacher had reacted positively and a review had taken place with staff. The Internal Audit Manager plans to visit Bonnygate Primary School on the 24 May 2016 to ensure that all recommendations had been implemented.

The Internal Audit Manager confirmed that there was no suggestion that the school was in breach of data protection only that the school's registration had lapsed and not been followed up.

It was enquired by the Chair if the Audit Team were only required to look at local authority schools in Thurrock. The Internal Audit Manager confirmed that this was the case. However, to help generate income, Internal Audit are looking at offering a service to all academy schools. One academy has already expressed an interest and been visited by the Internal Audit Manager.

## **RESOLVED:**

**That the Standards & Audit Committee considered the reports issued by Internal Audit in relation to the 2015/16 audit plan.**

### **48. Partnerships and Assurance**

The report was introduced to the Committee by the Internal Audit Manager following a request from Members that this item return to the Committee

following the 16 July 2015 meeting where concerns were expressed around the Council's management of the School Catering contract.

The contract with London Borough of Havering required them to provide an overall management and monitoring arrangements for the delivery of that service through a service level agreement. Following concerns around the management of the service, the London Borough of Havering undertook an internal investigation and asked Thurrock to assist by providing additional information.

All staff below manager level were employed by Thurrock Council and fulfilled an administrative function whilst staff at manager level and above were employed directly by Havering Council. It was identified that a manager employed by Havering was a budget holder against a Thurrock Council budget and could authorise expenditure up to £10,000.

It was noted that there were a large number of services within the Council that have commissioning arrangements in place.

The Director of Finance & IT stated that he was satisfied that there were arrangements in place to manage and monitor these contracts and those senior managers of Thurrock Council know their obligations to manage contracts, spend money correctly and obtain value for money.

Moving forward it had been identified that there was a need to refocus and increase resources and provide additional assurance to senior management and members around the governance of partnerships.

## **RESOLVED**

**That the Standards & Audit Committee agreed that the current approach would result in more internal audit resource being focussed on reviewing the governance arrangements around partnerships which would increase the assurance provided to senior management and members.**

### **49. Work Programme**

The Chair requested that any items for the work programme 2016/17 are directed through the democratic services clerk.

The Chair thanked all members for their contributions to the Standards and Audit Committee and wished Members well in the elections.

The Chair wished Councillor Gupta well in his retirement.

**The meeting finished at 9.05 pm**

Approved as a true and correct record

**CHAIR**

**DATE**

**Any queries regarding these Minutes, please contact  
Democratic Services at [Direct.Democracy@thurrock.gov.uk](mailto:Direct.Democracy@thurrock.gov.uk)**



<b>2.</b>	<b>STANDARDS AND AUDIT COMMITTEE</b>	
<b>Appointed by:</b>	<b>Number of Elected Members:</b>	
The Council, in accordance with the provisions of S101 & S102 Local Government Act 1972 and Regulations made thereunder.	6 elected Members (of whom 1 member may be a member of the Executive nominated by the Leader of the Council)	
<b>Chair and Vice-Chair appointed by:</b>	<b>Political Proportionality:</b>	
1. The Chair will be appointed by Council.	Rules of political proportionality apply.	
2. There will be one Vice Chair, who will be appointed by Council	<b>Substitutes:</b>	
3. The Vice-Chair shall deputise for the Chair in his or her absence.	Substitutes are permitted for the Standards and Audit Committee.	
	<b>Frequency:</b>	
	At least quarterly.	
	<b>Venue:</b>	
	As set out in the approved Calendar of Meetings.	
<b>Quorum:</b>	<b>Co-opted Members to be appointed by the Committee:</b>	
At least 3 voting Members of the Committee	Six, non-voting, to be appointed by the Committee	
	<b>Independent Person to be appointed by the Council:</b>	
	Appointment approved by full Council in accordance with the provisions of Section 28(6) and (7) of the Localism Act 2011	
	The Independent Person shall be invited to attend the meetings of the Standards and Audit Committee	
<b>Terms of Reference:</b>		
The Standards and Audit Committee will have the following roles and functions:		
<b>Standards functions determined by the Council</b>		
1.1 promoting and maintaining high standards of conduct by Members and Co-Opted Members of the authority;		
1.2 receiving periodic reports from the Monitoring Officer on dispensations granted / refused, complaints received against Members, complaints resolved informally, complaints resolved after an investigation and a Members Advisory Panel Hearing and assessing the operation and effectiveness of the Members' Code of Conduct;		
1.3 advising on training or arranging to train Members and Co-Opted Members on matters relating to the Members' Code of Conduct;		
1.4 assisting Councillors and co-opted Members to observe the Members' Code of Conduct;		
1.5 to receive referrals from the Monitoring Officer into allegations of misconduct in accordance with the authority's assessment criteria		
1.6 advising the Council upon the contents of and requirements for codes/protocols/other		

procedures relating to standards of conduct throughout the Council

- 1.7 maintaining oversight of the Council's arrangements for dealing with complaints
- 1.8 informing Council and the Chief Executive of relevant issues arising from the determination of Code of Conduct complaints.
- 1.9 appointment of Members' Advisory Panel (a Working Group of the Committee) to hear and make recommendations to the Monitoring Officer concerning complaints about Members and Co-Opted Members referred to it by the Monitoring Officer
- 1.10 on referral by the Monitoring Officer to grant dispensations after consultation with the Independent Person pursuant to S33(2) (b), (c) and (e) of the Localism Act 2011
- 1.11 hear and determine appeals against refusal to grant dispensations by the Monitoring Officer pursuant to S33(2)(a) and (d) of the Localism Act 2011

**Audit functions determined by the Council**

- 1.12 providing independent assurance that the Authority's financial and risk management is adequate and effective and that there is a sound system of internal control that facilitates the effective exercise of its functions, including:
  - 1.12.1 keeping under review the Authority's own audit standards and whether they are relevant and represent best practice;
  - 1.12.2 considering or reviewing the following and the action taken on them and advising the Council and/or the Cabinet, as appropriate:
    - (a) internal and external audit plans and progress against plans
    - (b) summaries of external and internal audit reports and progress against recommendations made in audit reports
    - (c) the annual report of the internal auditor and the Annual Governance Statement
    - (d) approving the annual statement of accounts and whether appropriate accounting policies have been followed
    - (e) reports from inspection agencies, including the external auditor's Annual Management letter and report to those charged with governance issues
    - (f) keeping under review the Authority's control environment and anti fraud and anticorruption arrangements, including compliance with the Financial and Contracts Procedure Rules
    - (g) keeping under review the relationships between external and internal audit and other inspection agencies.
- 1.13 reviewing the performance of the Council's appointed Internal Audit provider.

<b>14 June 2016</b>	<b>ITEM: 6</b>
<b>Standards and Audit Committee</b>	
<b>Refresh of the Strategic/Corporate Risk and Opportunity Register</b>	
<b>Wards and communities affected:</b> All	<b>Key Decision:</b> Non key
<b>Report of:</b> Andy Owen, Interim Insurance & Risk Manager	
<b>Accountable Head of Service:</b> N/A	
<b>Accountable Director:</b> Sean Clark, Director of Finance and IT	
<b>This report is</b> a public report	

## Executive Summary

One of the functions of the Standards and Audit Committee under the Terms of Reference of the Constitution is to provide independent assurance that the Authority's risk management arrangements are adequate and effective.

To enable the Standards and Audit Committee to consider the effectiveness of the Council's risk and opportunity management arrangements the report is presented on a bi annual basis and provides details of how the key risks and opportunities facing the Authority are identified and managed.

The Corporate Risk Officer has worked with Services, Department Management Teams, Performance Board and Directors Board during March to May to refresh the Strategic/Corporate Risk and Opportunity Register.

This report provides Standards and Audit Committee with the key risks and opportunities identified by the review and the revised Strategic/Corporate Risk and Opportunity Register.

### 1. Recommendation(s)

- 1.1 That Standards and Audit Committee note the items and details contained in the Dashboard (Appendix 1).
- 1.2 That Standards and Audit Committee note the 'In Focus' report (Appendix 2), which includes the items identified by Corporate Risk Management, Performance Board and Directors Board that Standards and Audit Committee should focus on this quarter.

## **2. Introduction and Background**

- 2.1 Risk and Opportunity Management (ROM) describes the planned and systematic approach used to identify, evaluate and manage the risks to and the opportunities for the achievement of the Council's objectives.
- 2.2 ROM makes a significant contribution to the sound Corporate Governance arrangements to meet the requirements set out in the Account and Audit Regulations and is an important part of the Council's overall Performance Management Framework.
- 2.3 In accordance with the ROM Policy Strategy and Framework regular reviews of the Strategic/Corporate Risk and Opportunity register were undertaken during 2015/16 and reported to Directors Board and Standards & Audit Committee (quarter reports to DB and bi annual reports to S&AC).
- 2.4 The annual review of the Council's ROM arrangements was undertaken in the last quarter of 2015/16. As part of the review the ROM Policy, Strategy and Framework were updated and reported to Standards and Audit Committee 18<sup>th</sup> March 2016, via Directors Board 23<sup>rd</sup> February 2016.
- 2.5 The refresh of the Strategic/Corporate Risk and Opportunity Register is the first exercise under the updated ROM Framework. The Interim Insurance and Risk Manager has worked with Services, Department Management Teams and Performance Board during March to May to refresh the Strategic/Corporate Risk and Opportunity Register.
- 2.6 The review has resulted in some changes to the register. 16 items have been refreshed, 4 new items added and 4 items removed.

## **3. Issues, Options and Analysis of Options**

- 3.1 The outcome of the review is shown in the Dashboard (Appendix 1), In Focus report (Appendix 2) and the following tables.
- 3.2 Appendix 1 – Dashboard  
The refreshed and new items are included in the dashboard table. The dashboard provides a summary of the items in the register mapped against the Council's priorities, shows the developments to date and the management targets/timeframes.
- 3.3 Appendix 2 – Risks and Opportunities In Focus report  
This document includes the items identified by Corporate Risk Management, Performance Board and Directors Board that Standards and Audit Committee should focus on this quarter.

The rationale for items being in focus is based on the numeric value of the rating. Any risks/opportunities which are currently rated 16 or 12 automatically become in focus, and any which are currently rated 9 or 8 would be considered on a case by case basis for the in focus report.

A summary of the position for each in focus item is included below:

**Risk - In priority (rating) and then reference number order.**

**Adult Social Care, Cost & Quality Standards - Risk 1**

(Rating: 12 Critical/Likely)

The risk evaluates the impact of a combination of issues on the maintenance of care quality standards and the ability to meet the needs of service users who meet Adult Social Care eligibility criteria. The risk is rated at the higher level due to the financial pressures on local authorities and the impact this has in turn on providers – e.g. reduced teams for critical processes such as contract management, inability to uplift prices to counter competition for workers, inflationary pressures etc.). In 2015-16, the Council agreed to provide residential providers for older people with an uplift of 1% and the possibility of a further 1% linked to performance. Whilst contingencies are and continue to be considered, the current Council financial situation makes finding a workable solution increasingly difficult – particularly with the added pressure of the National Living Wage. 2015/16 also saw two domiciliary care providers unable remain viable, and the Council having to take a considerable number of hours back in-house. The service and the market place is extremely stretched, and this risk remains a significant threat to the Council's ability to provide continuity and high quality care packages.

**Health and Social Care Transformation - Risk 2**

(Rating: 12 Critical/Likely)

Significant programme management capacity and expertise is required to deliver both the Adult Social Care Transformation Programme and the Health and Social Care Integration Programme. There are also challenges to overcome to progress integration with health. This includes current pressures on the Essex-wide health economy, a 'local' health agenda which is geographically broader than Thurrock, and how decisions made by non-Thurrock parts of the Essex-wide system will impact upon what Thurrock wants and needs to achieve. Thurrock is a very low spending authority per capita on adult social care and also faces significant on-going reductions to funding. Risks of non-delivery of any, or all, of these important programmes are exacerbated by these factors. Migration in the form of securing resources in the short-term to provide adequate programme management, delivery and specialist expertise where required is necessary.

**Welfare Reforms - Risk 3**

(Rating: 12 Critical/Likely)

The impact of the changes is being monitored by the Welfare Reform Group. In terms of the specific areas :

- The Essential Living Fund has had a lower take-up than expected (largely because it is cashless) and the arrangements with Southend are working well. The scheme will continue as per Cabinet approval in December for 2015/16.
- The social sector size criteria has affected nearly 1,000 people. Discretionary Housing Payment has been used to minimise the impact; Housing Benefit arrears have been lower than expected; around 40 households have moved. The risk is over maintaining this position;
- The benefit cap only affected a very small number of people and has had minimal impact;
- The move from Disability Living Allowance to Personal Independent Plan is being monitored & numbers will grow as people switch at their review point. Delays remain the biggest problem.
- Localised Council Tax Support – again arrears are lower than expected but it is causing financial hardship for significant numbers of people, the long-term impact of which is hard to assess at this stage; The 2015/16 scheme has now been approved by full Council as at January and will remain the same as the last 2 years.
- Universal Credit – We know now that UC will be rolled out in Thurrock from March 16th 2015. This will be for new claims from single jobseekers such as people entitled to Job Seekers Allowance, and will include; Housing Costs and Tax Credits. The roll-out to all other categories of people including Couple's and families with children is continuing in a phased process in all chosen pilot arrears, but is expected to be completed by 2016/2017.
- Universal Credit has faced significant delays because of IT and other implementation problems. There are opportunities to see if we can get joined up professional Benefits, Money and Employment advice and support services between the Council and the Job Centre Plus/Dept of Works & Pensions. The start of this has been to join up Housing Assessments and DWP assessments on the ground floor of the Civic Offices. This went live at the end of January 2015

Following a three years period in which changes to the welfare system were made, significant further changes were made recently; including suggestions of ending life-term social tenancies and replacing them with fixed ones of a maximum of five years, social tenants expected to pay higher rent (near market value) and the likelihood of rolling Universal Credit quicker than originally announced and anticipated. At this stage there is no clear evaluating indicator that can be offered

to appreciate the impacts of such changes are likely to have since details of such recent announcements are not published yet. Nonetheless, early indications suggests that a considerable impact on services and the local community will pursue, and the likelihood of increasing the risk.

A full review of the Council's approach and response to the Welfare Reforms is planned to address the key challenges presented by the recent and further changes to the reforms. The risk document and management action plan has been refreshed and generically addresses the welfare agenda and thus provides a robust overview of the impacts such changes will have.

**CSC, Service Standards & Inspection Outcome - Risk 6** (Rating: 12 Critical/Likely)

This risk evaluates the impact of increased demand and resource pressures on children's social care quality of service and provision. The pressures outlined throughout previous years remain acute. They include increased volumes, increased complexity and ongoing activity to review high cost placements. The implementation of the early help service model and the Thurrock multi-agency safeguarding hub (MASH) has been successful although as anticipated it has led to an increase in the volume of work to children's social care, this is ongoing. The service continues to maximize the external investment and opportunities presented through the Troubled Families Programme and continuously measures impact of the MASH. Ongoing savings to be made across Children's Services including from the Children's Social care budget will be risk assessed to mitigate the impact on front line services.

The service has to be demand and needs lead and cannot fail to respond to the needs of a child due to budget or resource constraints. Changes on a local, regional and national level can have a significant impact on the demand for services. War and international factors can result in an unplanned increase in the number of unaccompanied asylum seeking children or families with no recourse to public funds. Geographical movement of families across the Eastern Region and London can see a rise in families needing services, including large sibling groups. An incident of civil disorder could result in more young people being placed in custody and a resulting increase in remand costs to the local authority.

Caseloads are too high in some teams and this represents a pressing safeguarding concern. Areas for improvement have been identified within the recent Ofsted (SIF).

The level and complexity of some children and young people's needs and the lack of available national resources (specialist placements) to meet those needs is driving up cost pressures. As the Council continues to improve practice regarding the identification and tackling of Child Sexual Exploitation there is an increase in demand for service provision in terms of intervention; prevention and victim support. Current and new duties in terms of radicalization also place pressures on the service in terms of workforce capacity. Trends can be predicted based on previous levels of demand but these are subject to variance.

The pressures outlined above will not be alleviated in the short term and the risk rating will remain at the higher (red) level for the period covered. A target date of 31/03/17 has been applied to the risk, which is the time when the documentation will be fully reviewed, refreshed and updated.

**CSC, Safeguarding & Protecting C&YP - Risk 7** (Rating: 12 Critical/Likely)

The nature of the work in terms of safeguarding and supporting children at risk of harm means that this will always be a high risk area although through the application of the S.E.T (Southend, Essex & Thurrock) Child Protection procedures the department actively works to mitigate this risk and reduce the likelihood.

The risk of children and young people coming to harm cannot be completely eliminated and the risk level needs to remain high and ensure clear vigilance across the council and partner agencies. New and emerging risk factors will arise and there is always a potential for agencies 'not knowing, what they don't know' that needs to be guarded against.

Embedding the Multi Agency Safeguarding Hub and Early Offer of Help has supported earlier identification of risk through a multi-agency approach enabling the department to work to intervene at an earlier stage and reduce the risk of harm in some cases.

The impact for individual children and families, particularly in cases of child death is significant and whilst actions to reduce the likelihood are implemented the impact will remain as critical. There is also a critical impact score in terms of reputational damage should a child death or serious injury occur.

The ongoing nature of risk in child protection and safeguarding is such that despite effective mitigation the acknowledgement of the risk needs to remain high and will not reduce. This is not to say that the risks are unmanageable but for effective management the gravity and complexity of the risk needs to be acknowledged.

Within the context of this work we have a high level and critical risk that is being proactively managed. The management of the risk across partner agencies is reducing the likelihood of such risk, where the potential for such risks are known but cannot reduce the potential magnitude for the child in incidents such as child death or permanent disability. The unknown element of risk for families not known to the service means that overall the likelihood remains high. Families are also not static and risk is a constant changing variable within known families.

Managing this risk places inherent pressures on the Children's Social Care budget as a demand led budget. The current trend has seen increasing numbers of children requiring child protection plans, children in need plans and children who the council is required to look after (children in care). Effective demand and resource management remain a priority for the service within an overriding context of keeping children safe.

The risk rating will remain as a constant throughout the period covered.

### **Business Continuity Planning - Risk 8**

(Rating: 12 Critical/Likely)

The risk evaluates the position if business continuity plans are not coordinated and maintained, which would lead to business continuity planning arrangements across the Council becoming inconsistent, outdated and ineffective in times of a disruption affecting the authority.

The Business Continuity Planning (BCP) and Disaster Recovery (DR) Group have undertaken some work with Service Areas during 2015/16 to identify priority functions/ICT systems and to update service business continuity plans. An analysis of the information has been completed and an interim solution for ICT Disaster recovery arrangements was presented to and agreed by Directors Board in March 2016. The interim solution for ICT DR when implemented and updated service Business Continuity Plans put the Council in a fair position to deal with a significant disruption.

However the risk is expected to remain at the higher level until assurance is obtained that the business continuity plans for the critical functions identified are adequate and effective. The ongoing approach for Business Continuity Management is to be considered by Directors Board in April 2016. Following agreement of the preferred approach by Directors Board an action plan (including a test programme for BCP) will be developed. It is anticipated that this will not be implemented in the short term and a target date of 31/03/17 and target rating of Critical/Likely has therefore been applied to the risk.

### **ICT Disaster Recovery Planning - Risk 11**

(Rating: 12 Critical/Likely)

A proposal to install a basic DR capability to support up to 100 concurrent users at Southend has been provisionally approved by Directors Board. The main caveat is that all services need to confirm that they can operate with this minimal capability in the event of it having to be invoked. ICT are still awaiting confirmation to proceed. A link between the two sites is currently being provisioned.

In parallel the council will be reviewing its strategic infrastructure requirement, but deploying the tactical solution will ensure this exercise is driven by service requirements rather than a DR imperative.

### **Delivery of MTFS 2017/18 - 2018/19 - Risk 13**

(Rating: 12 Critical/Likely)

MTFS established. Balanced budget for 2016/17 agreed and forecast for the financial years 2017/18 through to 2019/20 reported to Cabinet February 2016. Work underway to develop a transformational approach to tackling the budget position and support the council in achieving financial self-sustainability. A framework on delivering the MTFS has been agreed by Directors Board. The framework relies on functions such as income generation, demand management, more or same for less, contract management and transformation rather than the more traditional top slice approach allocating targets direct to services. The key strands of this function framework are currently being populated with tangible projects and current work streams.

### **Opportunity** - In priority (rating) and then reference number order.

#### **S. E. Local Enterprise Partnership - Opportunity 18** (Rating: 12 Exceptional/Likely)

The Council successfully secured around £92.5m through round one of the Local Growth Fund in support of the A13 widening, Stanford-le-Hope/London Gateway access improvements, cycling initiatives and sustainable travel. Further funds have been secured for Purfleet (£5m) in round two.

Further details of LGF 3 have now been released. Submissions expected towards the end of the summer 2016. Work already underway to develop business cases for top priority projects.

- 3.4 For members information the Criteria Guide for Impact and Likelihood levels are included under Appendix 3 to show the guidelines used to rate and prioritise the items.
- 3.5 A number of items have been removed from the register as a result of the refresh. The items along with the rationale for their removal are summarised in the following table:

### **Risk** - In alphabetical order

#### **Failure to Implement the Care Act**

When the risk was established, there were significant concerns regarding the impact of part 2 of the Act in particular. Part 2 of the Act concerned how much service users would be expected to pay for their care, and placed a cap on the total amount an individual would be expected to contribute regardless of their ability to pay. The Government announced that Part 2 of the Act – originally due to commence from April 2016 – would be postponed until at least 2020. Whilst there are still risks concerned with the ability of the Council to meet the requirements of Part 1 of the Act, the postponement of Part 2 means that the risk rating can be downgraded sufficiently to no longer warrant corporate risk status. The risk will still be kept under review as part monitoring arrangements for the Adult Social Care service plan.

#### **ICT Infrastructure**

The new Storage Area Network (SAN) is now deployed meaning that all core infrastructure is within age. The architecture and infrastructure capabilities are adequate for a local authority of our size, and whilst they do need reviewing in the context of service transformation, they do not pose a significant risk in their own right.

The infrastructure is not resilient, but this is being managed under a separate risk for ICT Disaster Recovery Planning. It is therefore proposed that this risk is closed down and removed from the strategic/corporate risk and opportunity register.

#### **Managing Change / Capacity for Change**

The management action taken to mitigate the risks was in the context of a balanced budget, limited need for staff reductions and delivery of the corporate Transformation Programmes. Despite these interventions the residual risk remains categorised at 9 (Substantial/Likely) as the council now faces increased challenges.

However, for 2016/17 this risk will be re-focussed specifically on staff engagement. Therefore this particular risk will be deleted and replaced by a new item headed Staff Engagement and Capacity for Change.

#### **Reputation and Profile**

A recent restructure of the corporate communications team is enabling a more strategic approach to managing communications across the Council and support to services. It is increasingly clear that despite the changes, capacity is a risk especially when dealing with numerous high profile issues e.g. Lower Thames Crossing, Civic Awards etc. We are monitoring this and the target date was revised to the end of the year at the Quarter 3 review and the target rating adjusted to be more realistic. Although there are still some issues regarding this it is felt that this can be monitored at service level from now onwards, and instead of new Strategic Opportunity headed Raising Our Profile & Image will be monitored during 2016/17 focussing on the opportunity that the growth agenda gives us to raise the profile and image of the area. Therefore this particular risk scenario can now be closed.



- 3.6 The whole register has been filed on Objective under the following shared file:

*Thurrock Corporate File Plan\Risk management & insurance\Risk management\Risk & Opportunity Management Systems\Risk & Opportunity Management Share Across Services File\Strategic/Corporate Risk & Opportunity Register.*

#### **4. Reasons for Recommendation**

- 4.1 One of the functions of the Standards and Audit Committee under the Terms of Reference of the Constitution is to provide independent assurance that the Authority's risk management arrangements are adequate and effective
- 4.2 To enable the Standards and Audit Committee to consider the effectiveness of the Council's risk and opportunity management arrangements the report is presented on a bi annual basis and provides details of how the key risks and opportunities facing the Authority are identified and managed.

#### **5. Consultation (including Overview and Scrutiny, if applicable)**

- 5.1 The Corporate Risk Officer has engaged with Services, Department Management Teams, Performance Board and Directors Board to refresh the Strategic Corporate Risk and Opportunity Register.
- 5.2 The refreshed Strategic/Corporate Risk and Opportunity Register was presented to Directors Board 17<sup>th</sup> May 2016, via Performance Board 3<sup>rd</sup> May 2016.

#### **6. Impact on corporate policies, priorities, performance and community impact**

- 6.1 ROM is recognised as a good management practice and how successful the Council is in managing the risks and opportunities it faces will have a major impact on the achievement of the Council's priorities and objectives.

#### **7. Implications**

##### **7.1 Financial**

Implications verified by: Laura Last,  
Senior Finance Officer

Effective risk and opportunity management and the processes underpinning it will provide a more robust means to identify, manage and reduce the likelihood of financial claims and/or loss faced by the Council.

##### **7.2 Legal**

Implications verified by: David Lawson,  
Deputy Head of Law & Governance

Effective risk and opportunity management and the processes underpinning it will provide a more robust means to identify, manage and reduce the likelihood of legal claims or regulatory challenges against the Council

### 7.3 **Diversity and Equality**

Implications verified by: Natalie Warren,  
Community Development & Equalities Manager

The management of risk and opportunities provides an effective mechanism for monitoring key equality and human right risks associated with a range of service and business activities undertaken by the Council. It also provides a method for reducing the likelihood of breaching our statutory equality duties.

### 7.4 **Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

Risk and opportunity management contributes towards the Council meeting the requirements of Corporate Governance and the Account & Audit Regulations.

### 8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- Strategic/Corporate Risk and Opportunity Register, April 2016. The document can be accessed via the following shared file on Objective:

*Thurrock Corporate File Plan\Risk management & insurance\Risk management\Risk & Opportunity Management Systems\Risk & Opportunity Management Share Across Services File\Strategic/Corporate Risk & Opportunity Register.*

### 9. **Appendices to the report**

- Appendix 1 - Dashboard
- Appendix 2 - In Focus report
- Appendix 3 - Criteria Guide for Impact and Likelihood

#### **Report Author:**

Andy Owen

Interim Insurance & Risk Manager

Dashboard - Strategic/Corporate Risk & Opportunity Register April 2016

Appendix 1

Strategic Risks									
Risk Ref / Priority	Risk Heading	Director / Head of Service	Previous Ratings			Latest Rating	DOT	Target	
			Qtr 2 (2015/16)	Qtr 3 (2015/16)	Qtr 4 (2015/16)	Qtr 1 (2016/17)		Rating	Date
Priority - Create a great place for learning and opportunity									
6	CSC Service Standards & Inspection Outcome (refreshed)	Andrew Carter	12	12	12	12	➔	12	31/03/17*
Priority - Encourage and promote job creation and economic prosperity									
-	-	-	-	-	-	-	-	-	-
Priority - Build pride, responsibility and respect									
3	Welfare Reforms (refreshed)	Roger Harris	12	12	12	12	➔	9	31/03/17*
7	CSC Safeguarding & Protection C&YP (refreshed)	Andrew Carter	12	12	12	12	➔	12	31/03/17*
9	Emergency Planning & Response (refreshed)	Gavin Dennett	9	9	9	9	➔	9	31/03/17*
Priority - Improve health and well-being									
1	Adult Social Care, Cost & Quality Standards (refreshed)	Les Billingham	12	12	12	12	➔	12	31/03/17*
2	Health & Social Care Transformation (refreshed)	Roger Harris	12	12	12	12	➔	9	31/03/17*
5	Housing Needs and Homelessness (refreshed)	Dermot Moloney	9	9	9	9	➔	9	31/03/17*
Priority - Promote and protect our clean and green environment									
-	-	-	-	-	-	-	-	-	-
Organisational Risks									
Risk Ref / Priority	Risk Heading	Director / Head of Service	Previous Ratings			Latest Rating	DOT	Target	
			Qtr 2 (2015/16)	Qtr 3 (2015/16)	Qtr 4 (2015/16)	Qtr 1 (2016/17)		Rating	Date
Theme - A well-run organisation									
8	Business Continuity Planning (refreshed)	Directors Board	12	12	12	12	➔	12	31/03/17*
11	ICT Disaster Recovery Planning (refreshed)	Murray James	8	12	12	12	➔	4	31/03/18
12	Delivery of MTFs 2016/17 (new)	Sean Clark	-	-	-	8	N/A	6	28/02/17
13	Delivery of MTFs 2017/18 - 2019/20 (new)	Sean Clark	-	-	-	12	N/A	8	28/02/17
14	Sickness Absence (refreshed)	Jackie Hinchliffe	9	9	9	9	➔	6	31/03/17
16	Employee Engagement & Capacity for Change (new)	Jackie Hinchliffe	-	-	-	9	N/A	6	31/03/17
19	Property Ownership Liability (refreshed)	Matthew Essex	8	8	8	8	➔	4	31/03/17

Footnote: Target Date: Retained = The risk is managed to the required level (risk appetite) but ongoing monitoring/review required via the S/C R&O Register.  
 Removed = The risk is removed from the S/C R&O Register (e.g. risk realised or managed to the required level - risk appetite). For items managed to the required level any ongoing monitoring to be undertaken by Dept., if needed.  
 \* = The date applies to when the risk/management action plan documentation will be refreshed (e.g. used for medium/long term risks, where the risk circumstances are expected to change over a period of time).  
 Priority: **Red** = High, **Amber** = Medium, **Green** = Low. Ratings: Lower is best DOT: Latest v Previous Rating (➔ Static, ⬆ Increased, ⬇ Decreased)

Strategic Opportunities									
Risk Ref / Priority	Risk Heading	Director / Head of Service	Previous Ratings			Latest Rating	DOT	Target	
			Qtr 2 (2015/16)	Qtr 3 (2015/16)	Qtr 4 (2015/16)	Qtr 1 (2016/17)		Rating	Date
Priority - Create a great place for learning and opportunity									
-	-	-	-	-	-	-	-	-	-
Priority - Encourage and promote job creation and economic prosperity									
10	Gloriana Thurrock Ltd (refreshed)	Steve Cox	16	16	16	9	↓	12	31/03/18*
18	South East Local Enterprise Partnership (refreshed)	Matthew Essex	12	12	12	12	→	16	31/03/17*
20	Business/NNDR Growth (refreshed)	Matthew Essex	9	9	9	9	→	16	31/03/17*
Priority - Build pride, responsibility and respect									
4	Community Hubs (refreshed)	Natalie Warren	9	9	9	6	↓	9	31/03/17
Priority - Improve health and well-being									
-	-	-	-	-	-	-	-	-	-
Priority - Promote and protect our clean and green environment									
-	-	-	-	-	-	-	-	-	-
Organisational Opportunities									
Risk Ref / Priority	Risk Heading	Director / Head of Service	Previous Ratings			Latest Rating	DOT	Target	
			Qtr 2 (2015/16)	Qtr 3 (2015/16)	Qtr 4 (2015/16)	Qtr 1 (2016/17)		Rating	Date
Theme - A well-run organisation									
15	Digital Council Programme (refreshed)	Jackie Hinchliffe	8	8	8	8	→	12	31/03/17*
17	Raising Our Profile & Image (new)	Karen Wheeler	-	-	-	6	N/A	12	31/03/17

Footnote: Target Date: Retained = The opportunity is managed to the required level but ongoing monitoring/review required via the S/C R&O Register.  
 Removed = The opportunity is removed from the S/C R&O Register (e.g. opportunity realised or managed to the required level). For items managed to the required level any ongoing monitoring to be undertaken by Dept., if needed.  
 \* = The date applies to when the opportunity/management action plan documentation will be refreshed (e.g. used for medium/long term opportunities, where the opportunity circumstances are expected to change over a period of time).  
 Priority: **Gold** = High, **Silver** = Medium, **Bronze** = Low. Ratings: Higher is best DOT: Latest v Previous Rating (→ Static, ↑ Increased, ↓ Decreased)

# **Strategic/Corporate Risk & Opportunity Register April 2016**

## **In Focus Report**

*The Items are Split Between Risk & Opportunity and Listed in Priority (Rating) and then Reference Number Order.*

## **Risks In Focus**

UNMANAGED / INHERENT RISK

Risk Description		Risk Owner	
<p>Balancing the cost of care and maintaining minimum quality standards – the risk is that a combination of the following on-going pressures – financial pressures on local authorities (e.g. reduced teams for critical processes such as contract management and monitoring, inability to uplift prices to counter competition for workers and inflationary increases etc.), a significant failing of a current provider, significant and continued pressures on hospital A&amp;E and periods of ‘black alert’, market-wide decrease in the number of care workers due to ongoing poor employment conditions, ongoing issues in providing temporary care staff through local framework agreement and continued economic pressure on care providers leads to a drop in care quality/standards and failure of providers to maintain basis or minimum standards for service users. Ultimately results in risk to service users’ health, reputational damage to the Council and increased costs in managing escalated care and health needs and council intervention as a result. Neighbouring boroughs where contract monitoring was reduced have experienced care home failures, and in one home alone it was estimated that over 4,500 hours have been spent addressing this. Estimates indicate that the cost of this professional involvement were approximately £140k. Reductions in the number of contract officers from 4 to 2 and the senior contract officers from 2 to 1 means that monitoring cannot take place as frequently as it used to. Also the introduction of new team responsibilities means that the senior and team manager are covering both areas. The implementation of the National Living Wage from April 2016 has added a further pressure to already stretched resources.</p>		Les Billingham	
Link to Corporate Priority			
Improve health and wellbeing			
Inherent Risk Rating	Date:	01/04/2016	Impact: Critical (4)
	Likelihood:	Very likely (4)	Rating: 16

DASHBOARD

Inherent Risk Rating & Date: 01/04/2016	Residual Risk Rating as at: 21/04/2016	Residual Risk Rating as at:	Residual Risk Rating as at:	Residual Risk Rating as at:	Target Risk Rating & Target Date: 31/03/2017																																																																																																																												
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Comments
The risk evaluates the impact of a combination of issues on the maintenance of care quality standards and the ability to meet the needs of service users who meet Adult Social Care eligibility criteria. The risk is rated at the higher level due to the financial pressures on local authorities and the impact this has in turn on providers – e.g. reduced teams for critical processes such as contract management, inability to uplift prices to counter competition for workers, inflationary pressures etc.). In 2015-16, the Council agreed to provide residential providers for older people with an uplift of 1% and the possibility of a further 1% linked to performance. Whilst contingencies are and continue to be considered, the current Council financial situation makes finding a workable solution increasingly difficult – particularly with the added pressure of the National Living Wage. 2015/16 also saw two domiciliary care providers unable remain viable, and the Council having to take a considerable number of hours back in-house. The service and the market place is extremely stretched, and this risk remains a significant threat to the Council's ability to provide continuity and high quality care packages.

EXISTING ACTION / RESIDUAL RISK

Management Action or Mitigation Already in Place	Date Implemented
1. Comprehensive compliance monitoring and audit process in place.	2013/14
2. Quarterly information sharing meetings with Care Quality commission (CQC) to identify and share concerns/risks. Quarterly Quality Surveillance Group (QSG) meetings with health colleagues and CQC to identify and manage risks across the whole system.	2013/14
3. Develop a comprehensive accommodation-based programme to deliver choice and quality in the local market.	From 2013
4. Compliance with the Care Act regarding market failure and service interruption	From Apr 2015
5. Provision of increase (1% plus 1% for performance) for OP residential providers	From Apr 2015
6. Bring back in-house domiciliary care packages of failed providers	From 2015
<b>Residual Risk Rating</b>	<b>Date:</b> 21/04/2016
<b>Residual Risk Rating</b>	<b>Impact:</b> Critical (4)
<b>Residual Risk Rating</b>	<b>Likelihood:</b> Likely (3)
<b>Residual Risk Rating</b>	<b>Rating:</b> 12

FURTHER ACTION / TARGET RISK / REVISED RESIDUAL RISK

Further Management or Mitigating Action	Implementation Date	Progress
7. Development of specification and tender for domiciliary care contract – 'Living Well in Thurrock'	Throughout 2016/17	
8. Implementation of 2% increase on fees paid to care home providers for older people with a 1% performance enhancement for any of these providers obtaining an excellent rating following their contract compliance visit	April 2016	
9. Development and implementation of Enhanced Care Homes pilot	July 2016	
10. Continued work to manage demand via the ASC Transformation Programme and Better Care Fund Plan	Throughout 2016/17	
<b>Target Risk Rating</b>	<b>Target Date:</b> Refresh 31/03/2017	<b>Impact:</b> Critical (4)
<b>Target Risk Rating</b>	<b>Likelihood:</b> Likely (3)	<b>Rating:</b> 12
<b>Revised Residual Risk Rating</b>	<b>Date:</b>	<b>Impact:</b>
<b>Revised Residual Risk Rating</b>	<b>Likelihood:</b>	<b>Rating:</b>



UNMANAGED / INHERENT RISK

Risk Description		Risk Owner	
<p>Adult Social Care and the NHS are finding it increasingly difficult to meet demand for services, particularly when resource continues to decrease. With the expected ageing and growth of the population, we can expect age-related disease to continue to rise. Dementia for example is predicted to rise steeply in Thurrock, and by 2033 the population aged 85+ is projected to double. Two thirds of the resource spent on social care nationally is already spent on individuals with at least one-term condition. Lifestyle factors too will continue to compound the problem with Thurrock levels for smoking and obesity being significantly higher than the national average. Alongside a system that was designed in the 1940s and is no longer fit for purpose and a change in the way that local government is funded in the future, major transformation is required.</p> <p>The Council, working in partnership with NHS Thurrock Clinical Commissioning Group (CCG) has developed a joint transformation programme which is overseen via an Integrated Commissioning Executive (Better Care Fund Plan). Integration though continues to be a significant challenge. As such, the Directorate has also established its own Adults Transformation Programme. Failure of the programmes to achieve their objectives will lead to the inability of social care and health to be able to meet demand within existing resources. For adult social care, this would mean either not providing services to those people who were eligible to receive them – which would leave the Council open to challenge and also result in a failure to meet statutory duties – or continue to provide services to those who qualify but exceeding the available budget.</p>		Roger Harris	
Link to Corporate Priority			
Improve Health and Wellbeing			
Inherent Risk Rating	Date:	01/04/2016	Impact: Critical (4)
	Likelihood:	Very Likely (4)	Rating: 16

DASHBOARD

Inherent Risk Rating & Date: 01/04/2016	Residual Risk Rating as at: 22/04/2016	Residual Risk Rating as at:	Residual Risk Rating as at:	Residual Risk Rating as at:	Target Risk Rating & Target Date: 31/03/2017

Comments
Significant programme management capacity and expertise is required to deliver both the Adult Social Care Transformation Programme and the Health and Social Care Integration Programme. There are also challenges to overcome to progress integration with health. This includes current pressures on the Essex-wide health economy, a 'local' health agenda which is geographically broader than Thurrock, and how decisions made by non-Thurrock parts of the Essex-wide system will impact upon what Thurrock wants and needs to achieve. Thurrock is a very low spending authority per capita on adult social care and also faces significant on-going reductions to funding. Risks of non-delivery of any, or all, of these important programmes are exacerbated by these factors. Migration in the form of securing resources in the short-term to provide adequate programme management, delivery and specialist expertise where required is necessary.

EXISTING ACTION / RESIDUAL RISK

Management Action or Mitigation Already in Place	Date Implemented
1. Programme Management arrangements in place	2014/15
2. Programme Initiation Document established and agreed	"
3. Close partnership working with Thurrock CCG established	"
4. Separate risk register developed as part of the Programme Management arrangements	"
5. Integrated Commissioning Executive established to oversee the development of work between health and social care	"
<b>Residual Risk Rating</b>	Date: 22/04/2016
	Impact: Critical (4)
	Likelihood: Likely (3)
	Rating: 12

FURTHER ACTION / TARGET RISK / REVISED RESIDUAL RISK

Further Management or Mitigating Action	Implementation Date	Progress
6. Continue programme arrangements	April 2016	
7. Complete refresh of Better Care Fund 2016-17	May 2016	
8. Delivery of 2016-17 work programme for ASC Transformation Programme	June 2016	
9. Development of action plans to support the implementation of the Health and Wellbeing Strategy	July 2016	
<b>Target Risk Rating</b>	Target Date: Refresh 31/03/2017	Impact: Substantial (3)
		Likelihood: Likely (3)
		Rating: 9
<b>Revised Residual Risk Rating</b>	Date:	Impact:
		Likelihood:
		Rating:

## UNMANAGED / INHERENT RISK

Risk Description	Risk Owner
<p>The Welfare Reform Act 2012, the Local Government Finance Act 2012, the 2015 autumn budget, and the currently debated Housing and Planning bill have resulted in major changes to the welfare scheme, aiming to reduce the UK's welfare benefit costs by £18 billion over the next five years and promote work as more beneficial than claiming benefit. Embedded in the Acts are a range of measures designed to simplify, streamline and reform the payment of out of work, income, housing and disability related benefits; re-assess the fitness or otherwise of claimants to work; and provide employment related support.</p> <p>These changes have introduced significant reforms to the current system that have a direct impact on Council services.</p> <p>The reforms seek to re-assess the fitness or otherwise of claimants to work; and provide employment related support.</p> <p>Below is a list of the key welfare changes:</p> <ul style="list-style-type: none"> <li>➤ Both Acts have introduced significant reforms to the current system that have a direct impact on Council services.</li> <li>➤ The replacement of Council Tax Benefit with Localised Council Tax Support (April 2013).</li> <li>➤ The introduction of a "size criteria" and limitation of Housing Benefit within the social rented sector (April 2013)</li> <li>➤ The limitation of total benefits through an overall household "Benefit Cap" (July 2013).</li> <li>➤ The reform of the Disability Living Allowance and its replacement with Personal Independence Plans (October 2013).</li> <li>➤ The replacement of all working age benefits (Income Support, income-related Employment and Support Allowance, income-based Jobseeker's Allowance, Housing Benefit, Child Tax Credits and Working Tax Credit) with a single unified benefit known as Universal Credit (to be completely in place by 2020).</li> <li>➤ Compulsory Fixed-term Social Tenancies (2-5 year assured fixed term tenancies).</li> <li>➤ Reduction of Social Housing rent.</li> <li>➤ Restrictions of HB for band age 18-21, and Income Support stopping at three rather than five years old.</li> <li>➤ Restrictions of HB for band age U35 subject to LHA</li> <li>➤ Restrictions on backdating HB to maximum of one month, and 3 months for pensioners (April 16).</li> <li>➤ Abolition of work related activity component of ESA effectively claimants losing £30.00 per week (April 17).</li> <li>➤ Freezing of income based benefit (including HB and Tax Credit LHA rates) (April 16).</li> <li>➤ Reduction of income threshold for Tax Credit, and restriction of eligibility for the first two children (April 2017)</li> <li>➤ Pay to Stay (applying market or near market value rent to social tenants where household's income exceeds £30,000).</li> <li>➤ Funding reduction to Temporary Accommodation (loss of management fee and changing funding).</li> <li>➤ Attendance Allowance being transferred to local authorities to administer.</li> <li>➤ Council Tax Support CTS could fall under Universal Credit.</li> <li>➤ The replacement of the abolished elements of the Social Fund which was administered by the Department of Works and Pensions (DWP), by a local scheme.</li> <li>➤ The Council was allocated funding for 2013/2014 and 2014/2015 to create a local scheme to replace: Crisis Loans and Community Care Grants which had been part of the social fund.</li> <li>➤ The council set up a grant based scheme known as Essential Living Fund to replace these parts of the Social Fund.</li> </ul>	Roger Harris

**Link to Corporate Priority**

Improve Health and Wellbeing / Encourage and Promote Job Creation and Economic Prosperity / Build Pride, Responsibility and Respect to Create Safer Communities.

<b>Inherent Risk Rating</b>	Date:	01/04/2016	Impact:	Critical (4)	Likelihood:	Very Likely (4)	Rating:	16
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**DASHBOARD**

<b>Inherent Risk Rating &amp; Date:</b> 01/04/2016	<b>Residual Risk Rating as at:</b> 18/04/2016	<b>Residual Risk Rating as at:</b>	<b>Residual Risk Rating as at:</b>	<b>Residual Risk Rating as at:</b>	<b>Target Risk Rating &amp; Target Date:</b> 31/03/2017																																																																																																																												
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**Comments**

The impact of the changes is being monitored by the Welfare Reform Group. In terms of the specific areas :

- The Essential Living Fund has had a lower take-up than expected (largely because it is cashless) and the arrangements with Southend are working well. The scheme will continue as per Cabinet approval in December for 2015/16.
- The social sector size criteria has affected nearly 1,000 people. Discretionary Housing Payment has been used to minimise the impact; Housing Benefit arrears have been lower than expected; around 40 households have moved. The risk is over maintaining this position;
- The benefit cap only affected a very small number of people and has had minimal impact;
- The move from Disability Living Allowance to Personal Independent Plan is being monitored and numbers will grow as people switch at their review point. Delays remain the biggest problem.
- Localised Council Tax Support – again arrears are lower than expected but it is causing financial hardship for significant numbers of people, the long-term impact of which is hard to assess at this stage; The 2015/16 scheme has now been approved by full Council as at January and will remain the same as the last 2 years.
- Universal Credit – We know now that UC will be rolled out in Thurrock from March 16th 2015. This will be for new claims from single jobseekers such as people entitled to Job Seekers Allowance, and will include; Housing Costs and Tax Credits. The roll-out to all other categories of people including Couple’s and families with children is continuing in a phased process in all chosen pilot areas, but is expected to be completed by 2016/2017.
- Universal Credit has faced significant delays because of IT and other implementation problems. There are opportunities to see if we can get joined up professional Benefits, Money and Employment advice and support services between the Council and the Job Centre Plus/Dept of Works & Pensions. The start of this has been to join up Housing Assessments and DWP assessments on the ground floor of the Civic Offices. This went live at the end of January 2015

Following a three years period in which changes to the welfare system were made, significant further changes were made recently; including suggestions of ending life-term social tenancies and replacing them with fixed ones of a maximum of five years, social tenants expected to pay higher rent (near market value) and the likelihood of rolling Universal Credit quicker than originally announced and anticipated. At this stage there is no clear evaluating indicator that can be offered to appreciate the impacts of such

changes are likely to have since details of such recent announcements are not published yet. Nonetheless, early indications suggests that a considerable impact on services and the local community will pursue, and the likelihood of increasing the risk.

A full review of the Council's approach and response to the Welfare Reforms is planned to address the key challenges presented by the recent and further changes to the reforms. The risk document and management action plan has been refreshed and generically addresses the welfare agenda and thus provides a robust overview of the impacts such changes will have.

EXISTING ACTION / RESIDUAL RISK

Management Action or Mitigation Already in Place	Date Implemented
1. Welfare Reform Strategy Group and monthly meetings established.	From Apr 2013
2. Discretionary Housing Payment (DHP) policy and budget regularly reviewed by Benefits and Housing Services	From Apr 2013
3. Universal Credit Programme Board working with the Department of Works and Pensions and Job Centre Plus to plan and prepare for the impact of Universal Credit.	From Apr 2013
4. Council Tax Debt Management Team review of fair debt policy to ensure individuals impacted by Welfare Reform receive appropriate support during the Bailiff and Court Summons process to recover unpaid council Tax.	From Apr 2013
5. Service Level Agreement with Southend Council for the Essential Living Fund established for the year 2013/14 and renewed for the years 2014/15 and 2015/16.	From Apr 2013
6. Universal Credit Programme board working with the Department of Work and Pensions and job Centre Plus to plan and prepare for the impact of Universal Credit	From Apr 2014
7. A Delivery Partnership Agreement (DPA) was signed by Thurrock Council and the DWP, taking effect from the 16th of March 2015. Agreement covers: the support provided by the DWP to the Authority for the development/implementation of local service provisions, the monitoring of and ongoing action to address the impact of the reforms, the support for potential housing cost issues (e.g. Personal Budgeting Support Scheme), the support to claimants to go online and stay online, the processing of Local Council Tax Reduction Scheme, the support for claimants with complex needs, the working with Universal Credit Programme to inform and assist Landlords' through the current and prospective changes	From Mar 2015
<p>8. Housing Service:</p> <p>(i) Provide benefits, debt and money advice to council tenants affected by the Benefit cap and Social Sector Size Criteria / Under Occupancy. Examples include: Visits to residents at home and at outreach centres, partnership with Family Mosaic established to provide tenancy, financial advice and other support services to residents.</p> <p>(ii) Undertake monitoring and management of potential <u>increased rent arrears/evictions</u>:</p> <ul style="list-style-type: none"> <li>- <u>Rents and Welfare team monitoring the level of rent arrears and endeavour to make contacts with those affected and provide advice and assistance in order to assist in sustaining their tenancies.</u></li> <li>- <u>Finance inclusion officer working with tenants affected by the changes, maximizing income and reducing expenditure</u> and Family Mosaic (partner) to providing tenancy, financial advice and other supporting services to resident.</li> <li>- Eviction &amp; Prevention Panel tracking all evictions in the social sector resulting from the welfare reform and Head of Service undertaking evaluations to inform judgements on whether to proceed with the eviction process.</li> </ul>	From Apr 2013

- (iii) Cap on Housing Benefit, Size Criteria (Including exclusion from entitlement to larger property than household requirement):
  - Housing Solutions teams provide assistance to tenants affected by the cap on housing benefit..
  - Welfare Coordinator appointed Jan 2015 to oversee the implementation of the next phase of Universal Credit in Thurrock:
    - Minimizing disruptions leading to service users being detrimentally affected by such changes.
    - The development of a multi-agency approach strategy.
    - Creating closer inter-departmental working relationships and with key stakeholders such as DWP and HRMC (DPA agreed and in place since March 2016).
    - DPA endeavours to provide relevant services to vulnerable claimants, and those who require it. This plan is predominantly funded by DWP to facilitate the process of claims being made online.
    - Learning from best practices and other pilot schemes.
- (iv) Homelessness and Temporary Accommodation – Thurrock Private Housing Sector team working with private landlords to promote to maintain standards, and to make affordable properties available for letting.

9. A full detailed Welfare Reform Impact Assessment was carried out in March 2016 (report addressed Welfare reforms impact on Housing in Thurrock). Mar 2016

<b>Residual Risk Rating</b>	Date:	18/04/2016	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12
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FURTHER ACTION / TARGET RISK / REVISED RESIDUAL RISK

Further Management or Mitigating Action	Implementation Date	Progress						
10. Ongoing implementation and/or application of actions 1 to 8 above 11. Revision of the Local Authority approach and response to Welfare Reforms to address the key challenges presented by the recent and further changes made to the reforms and system. Including:  (i) Consideration of best option to proactively address Welfare Reforms anticipated challenges including setting up a gateway system for support, where service users are supported throughout the journey. (A recent visit to Croydon is currently being analysed).  (ii) Re-designing the welfare reforms groups as a result of the anticipated intense impact the reforms will have on local services in Thurrock.  (iii) A full revision of the risk and services affected by the reforms is required once further details of the reforms are made available.	From Apr 2016  From Apr 2016							
<b>Target Risk Rating</b>	Target Date:	Refresh 31/03/2017	Impact:	Substantial (3)	Likelihood:	Likely (3)	Rating:	9
<b>Revised Residual Risk Rating</b>	Date:		Impact:		Likelihood:		Rating:	

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INHERENT RISK

Risk Description							Risk Owner	
Failure to manage the increases in demand and budget/ resource pressures for Children's Social Care could lead to a breakdown in the quality or performance of the service provided to vulnerable children and results in less favourable outcomes from inspection and damage to reputation of the service does meet the required standards							Andrew Carter	
Link to Corporate Priority								
- Create a great place for learning and opportunity - Improve health and wellbeing								
Inherent Risk Rating	Date:	01/04/2016	Impact:	Critical (4)	Likelihood:	Very Likely (4)	Rating:	16

DASHBOARD

Inherent Risk Rating & Date: 01/04/2016	Residual Risk Rating as at: 29/04/2016	Residual Risk Rating as at:	Residual Risk Rating as at:	Residual Risk Rating as at:	Target Risk Rating & Target Date: 31/03/2017

Comments
<p>This risk evaluates the impact of increased demand and resource pressures on children's social care quality of service and provision. The pressures outlined throughout previous years remain acute. They include increased volumes, increased complexity and ongoing activity to review high cost placements. The implementation of the early help service model and the Thurrock multi-agency safeguarding hub (MASH) has been successful although as anticipated it has led to an increase in the volume of work to children's social care, this is ongoing. The service continues to maximize the external investment and opportunities presented through the Troubled Families Programme and continuously measures impact of the MASH. Ongoing savings to be made across Children's Services including from the Children's Social care budget will be risk assessed to mitigate the impact on front line services.</p> <p>The service has to be demand and needs lead and cannot fail to respond to the needs of a child due to budget or resource constraints. Changes on a local, regional and national level can have a significant impact on the demand for services. War and international factors can result in an unplanned increase in the number of unaccompanied asylum seeking children or families with no recourse to public funds. Geographical movement of families across the Eastern Region and London can see a rise in families needing services, including large sibling groups. An incident of civil disorder could result in more young people being placed in custody and a resulting increase in remand costs to the</p>

local authority.

Caseloads are too high in some teams and this represents a pressing safeguarding concern. Areas for improvement have been identified within the recent Ofsted (SIF).

The level and complexity of some children and young people's needs and the lack of available national resources (specialist placements) to meet those needs is driving up cost pressures. As the Council continues to improve practice regarding the identification and tackling of Child Sexual Exploitation there is an increase in demand for service provision in terms of intervention; prevention and victim support. Current and new duties in terms of radicalization also place pressures on the service in terms of workforce capacity. Trends can be predicted based on previous levels of demand but these are subject to variance.

The pressures outlined above will not be alleviated in the short term and the risk rating will remain at the higher (red) level for the period covered. A target date of 31/03/17 has been applied to the risk, which is the time when the documentation will be fully reviewed, refreshed and updated.

EXISTING ACTION / RESIDUAL RISK

Management Action or Mitigation Already in Place								Date Implemented
1. Quality Assurance and Safeguarding functions are in place and robustly applied. Functions extended to include the establishment of an Improvements Board.								Ongoing
2. Trix Policies and Procedures have been introduced across Children's Social care. All procedures to be subject to review and updating.								Completed / ongoing
4. Joint delivery of the 'Early Offer of Help Strategy' and associated services are now embedded to meet the new the duty placed on Council's to coordinate an early offer of help to families who do not meet the criteria for social care services and ensure that the 'step down and step up' processes are robustly managed. Further improvements in these services have been identified within the Ofsted SIF. A service redesign is planned based on the SIF findings and work by iMPOWER.								Ongoing
5. Internal quality assurance audits to evidence appropriate application of thresholds.								Ongoing
6. Ongoing data analysis to enable us to benchmark and target areas for improvement; complete redesign of PKI and trends analysis.								From Apr 2016
7. Placement Review – an external reviews of high cost placements.								Ongoing
Residual Risk Rating	Date:	29/04/2016	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

FURTHER ACTION / TARGET RISK / REVISED RESIDUAL RISK

Further Management or Mitigating Action			Implementation Date	Progress				
8. Ongoing implementation and/or application of actions 1 - 7 above.			From Apr 2016					
Target Risk Rating	Target Date:	Refresh 31/03/2017	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12
Revised Residual Risk Rating	Date:		Impact:		Likelihood:		Rating:	



INHERENT RISK

Risk Description							Risk Owner	
Failure to ensure that all children and young people in need of help or protection are safeguarded and supported could result in them not achieving their full potential and increasing the risk of a child death or serious injury.							Andrew Carter	
Link to Corporate Priority								
<ul style="list-style-type: none"> <li>- Build pride, responsibility and respect</li> <li>- Create a great place for learning and opportunity</li> <li>- Improve health and wellbeing</li> </ul>								
Inherent Risk Rating	Date:	01/04/2016	Impact:	Critical (4)	Likelihood:	Very Likely (4)	Rating:	16

DASHBOARD

Inherent Risk Rating & Date: 01/04/2016	Residual Risk Rating as at: 29/04/2016	Residual Risk Rating as at:	Residual Risk Rating as at:	Residual Risk Rating as at:	Target Risk Rating & Target Date: 31/03/2017
<p>Page 39</p>					

Comments
<p>The nature of the work in terms of safeguarding and supporting children at risk of harm means that this will always be a high risk area although through the application of the S.E.T (Southend, Essex &amp; Thurrock) Child Protection procedures the department actively works to mitigate this risk and reduce the likelihood.</p> <p>The risk of children and young people coming to harm cannot be completely eliminated and the risk level needs to remain high and ensure clear vigilance across the council and partner agencies. New and emerging risk factors will arise and there is always a potential for agencies 'not knowing, what they don't know' that needs to be guarded against.</p> <p>Embedding the Multi Agency Safeguarding Hub and Early Offer of Help has supported earlier identification of risk through a multi-agency approach enabling the department to work to intervene at an earlier stage and reduce the risk of harm in some cases.</p> <p>The impact for individual children and families, particularly in cases of child death is significant and whilst actions to reduce the likelihood are implemented the impact will remain as critical. There is also a critical impact score in terms of reputational damage should a child death or serious injury occur.</p> <p>The ongoing nature of risk in child protection and safeguarding is such that despite effective mitigation the acknowledgement of the risk needs to remain high and will not reduce.</p>

This is not to say that the risks are unmanageable but for effective management the gravity and complexity of the risk needs to be acknowledged.

Within the context of this work we have a high level and critical risk that is being proactively managed. The management of the risk across partner agencies is reducing the likelihood of such risk, where the potential for such risks are known but cannot reduce the potential magnitude for the child in incidents such as child death or permanent disability. The unknown element of risk for families not known to the service means that overall the likelihood remains high. Families are also not static and risk is a constant changing variable within known families.

Managing this risk places inherent pressures on the Children’s Social Care budget as a demand led budget. The current trend has seen increasing numbers of children requiring child protection plans, children in need plans and children who the council is required to look after (children in care). Effective demand and resource management remain a priority for the service within an overriding context of keeping children safe.

The risk rating will remain as a constant throughout the period covered.

EXISTING ACTION / RESIDUAL RISK

Management Action or Mitigation Already in Place								Date Implemented
1. Application of the Southend, Essex & Thurrock Child Protection procedures								Ongoing
2. Local Safeguarding Children’s Board established, progress reported annually and guidance reviewed								Ongoing
3. Quality assurance and safeguarding function of Children’s Social Care.								Ongoing
4. Legal framework and court action								Ongoing
5. Continue to strengthen the Thurrock Multi Agency Safeguarding Hub introduced Sept 2014 and services commissioned as part of the Early Offer of Help strategy								Ongoing
6. Case Audits								Ongoing
7. Quality assurance framework								Ongoing
<b>Residual Risk Rating</b>	Date:	29/04/2016	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

FURTHER ACTION / TARGET RISK / REVISED RESIDUAL RISK

Further Management or Mitigating Action			Implementation Date	Progress				
8. Ongoing implementation and/or application of actions 4 - 7 above.			From Apr 2016					
9. Improvement plan in-line with Ofsted SIF inspection and iMPOWER consultation.								
<b>Target Risk Rating</b>	Target Date:	Refresh 31/03/2017	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12
<b>Revised Residual Risk Rating</b>	Date:		Impact:		Likelihood:		Rating:	

UNMANAGED / INHERENT RISK

Risk Description							Risk Owner	
From the 1 <sup>st</sup> April 2015 the responsibility for Business Continuity Planning transferred from the Public Protection Team to Service Managers. Failure of the Council and/or service managers to coordinate and maintain Business Continuity Planning would lead to the business continuity management arrangements across the Council becoming inconsistent, outdated and ineffective in times of a disruption affecting Thurrock.							Directors Board	
Link to Corporate Priority								
A well-run organisation.								
Inherent Risk Rating	Date:	01/04/2016	Impact:	Critical (4)	Likelihood:	Very Likely (4)	Rating:	16

DASHBOARD

Inherent Risk Rating & Date: 01/04/2016	Residual Risk Rating as at: 18/04/2016	Residual Risk Rating as at:	Residual Risk Rating as at:	Residual Risk Rating as at:	Target Risk Rating & Target Date: 31/03/2017

Comments
<p>The risk evaluates the position if business continuity plans are not coordinated and maintained, which would lead to business continuity planning arrangements across the Council becoming inconsistent, outdated and ineffective in times of a disruption affecting the authority.</p> <p>The Business Continuity Planning (BCP) and Disaster Recovery (DR) Group have undertaken some work with Service Areas during 2015/16 to identify priority functions/ICT systems and to update service business continuity plans. An analysis of the information has been completed and an interim solution for ICT Disaster recovery arrangements was presented to and agreed by Directors Board in March 2016. The interim solution for ICT DR when implemented and updated service BCPs put the Council in a fair position to deal with a significant disruption.</p> <p>However the risk is expected to remain at the higher level until assurance is obtained that the business continuity plans for the critical functions identified are adequate and effective. The ongoing approach for Business Continuity Management is to be considered by Directors Board in April 2016. Following agreement of the preferred approach by Directors Board an action plan (including a test programme for BCP) will be developed. It is anticipated that this will not be implemented in the short term and a target date of 31/03/17 and target rating of Critical/Likely has therefore been applied to the risk.</p>

EXISTING ACTION / RESIDUAL RISK

Management Action or Mitigation Already in Place								Date Implemented	
1. Review of Business Continuity Plans – Exercise undertaken between April and October 2014. 75% of BCPs reviewed and returned to Public Protection								Apr - Oct 2014	
2. Programme for the development and implementation of critical incident plans for schools commenced March 2014. BC team working with Education Department the development and implementation of critical incident plans for schools to ensure that Thurrock Schools are resilient in their operation.								Ongoing from March	
3. Programme of BC Exercises commenced of critical functions and services. Five reviews of service BCPs undertaken between April to October 2014, with consideration given to Third Party suppliers and their BC arrangements. Further BC exercise of Highways & Transportation function undertaken in December 2014.								Apr - Dec 2014	
4. Further review of Business Continuity Plans commissioned Feb 2015 to update plans to take into account office moves, restructures, closure of the Culver Centre, etc. As at 20/03/2015 only four updated plans submitted to the Emergency Planning Team.								From Feb 2015	
5. BC Review of Team function – Review of BC team undertaken. Decision taken to transfer the BC function from the Emergency Planning Team to Service Managers with effect from 1 <sup>st</sup> April, 2015.								Dec 2014 - March 2015	
6. Approach for the 2015/16 review of Business Continuity Plans (and ICT Disaster Recovery arrangements) developed and agreed by the Director of Planning and Transportation.								June 2015	
7. BCP & DR Group established to oversee the 2015/16 review of BCP and ICT Disaster Recovery arrangements. Group made up of Directorate representatives and supported by Corporate Risk Officer and ICT Commercial Manager. Ongoing monthly review meetings from Sept 2015.								From Sept 2015	
8. Report on the approach for the 2015/16 review of BCP and ICT Disaster Recovery arrangements presented to Standards & Audit committee via Directors Board and Digital Board								Sept 2015	
9. Business Impact Analysis undertaken by Service Areas to identify (i) Priority functions and the time frames for reinstatement (ii) Priority IT applications and order/speed of restoration and Service Business Continuity Plans updated.								Oct 2015 - Feb 2016	
10. Analysis of priority functions/IT applications undertaken by ICT Service and report on the interim solution for ICT DR arrangements presented to Directors Board, via Digital Board								Feb – March 2016	
<b>Residual Risk Rating</b>		Date:	18/04/2016	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

FURTHER ACTION / TARGET RISK / REVISED RESIDUAL RISK

Further Management or Mitigating Action			Implementation Date		Progress				
11. Outcome of review to update BCPs (and ICT DR arrangements) to be reported to Directors Board along with the potential way forward for the ongoing management of business continuity across the Council.			April 2016						
12. Develop and implement plan for the ongoing management of business continuity following agreement of the preferred approach by Directors Board			Post Apr 2016						
13. Council to implement interim solution for ICT Disaster Recovery arrangements			Post Apr 2016.						
14. Services to review and update BCPs to reflect the ICT DR arrangements (interim solution).			Post Apr 2016						
<b>Target Risk Rating</b>		Target Date:	Refresh 31/03/2017	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12
<b>Revised Residual Risk Rating</b>		Date:		Impact:		Likelihood:		Rating:	

UNMANAGED / INHERENT RISK

Risk Description								Risk Owner	
The Council is running at a high risk by not having a fully resilient infrastructure resulting in an inadequate DR capability. Whilst key data is backed up and taken off site regularly, should a major incident affect the primary Data Centre in the Civic Offices, Grays, it would take many weeks to recover key service delivery systems, information and Services from an alternative site. The reputational and financial impact to the Council would be significant								Murray James	
Link to Corporate Priority									
A well-run organisation.									
Inherent Risk Rating		Date:	01/04/2016	Impact:	Critical (4)	Likelihood:	Very Likely (4)	Rating:	16

DASHBOARD

Inherent Risk Rating & Date: 01/04/2016	Residual Risk Rating as at: 11/04/2016	Residual Risk Rating as at:	Residual Risk Rating as at :	Residual Risk Rating as at	Target Risk Rating & Target Date: 31/03/2018
<p>44</p> <p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>

Comments
<p>A proposal to install a basic DR capability to support up to 100 concurrent users at Southend has been provisionally approved by Directors Board. The main caveat is that all services need to confirm that they can operate with this minimal capability in the event of it having to be invoked. ICT are still awaiting confirmation to proceed. A link between the two sites is currently being provisioned.</p> <p>In parallel the council will be reviewing its strategic infrastructure requirement, but deploying the tactical solution will ensure this exercise is driven by service requirements rather than a DR imperative.</p>

EXISTING ACTION / RESIDUAL RISK

Management Action or Mitigation Already in Place	Date Implemented
1. An ICT DR plan (v4.2.1) exists.	Nov 2014
2. Establish a BCP/DR Support Group.	Sept 2015
3. Approach for the review of Business Impact Analysis, Business Continuity Plans developed by the BCP/DR Support Group	Sept 2015
4. Approach for the review of BIAs/BCPs introduced to Directors Board	June –Sept 2015
5. Review of Business Impact Analysis and Business continuity Plans undertaken by individual Council Services to identify: (i). Their current critical service functions and applications in use. (a). The Recovery Point Objective (RPO = the maximum point in time they can roll back to in the event of data loss) (b). The Recovery Time Objective (RTO = the maximum time sustainable to reach the RPO).	Feb 2016
6. BCP/DR Support Group reviewed feedback from each Council Service to ensure returns complete and realistic.	Mar 2016
7. ICT options, proposals and costs developed and submitted for Short, Medium and Long term DR scenarios.	From Apr 2016
8. Proposal to support critical applications for up to 100 users provisionally approved by Directors Board, subject to services agreeing the numbers are workable.	April 2016
<b>Residual Risk Rating</b>	Date: 11/04/2016 Impact: Critical (4) Likelihood: Likely (3) Rating: 12

FURTHER ACTION / TARGET RISK / REVISED RESIDUAL RISK

Further Management or Mitigating Action	Implementation Date	Progress
9. Ongoing development/consideration of Medium and Long term DR solutions and delivery of fully resilient ICT strategic infrastructure. Programme forms part of the capital plan, spread over 2 years	From April 2016 – Mar 2018	
10. Implementation of DR ICT Technology for short term solution following agreement that proposal is workable	Jun 2016	
11. DR test of short term solution/system	Jul 2016	
12. Power redundancy back up system to be restored in main Civic Offices communications room to increase resilience and manage the risk.	Jun 2016	
<b>Target Risk Rating</b>	Target Date: 31/03/2018 Impact: Marginal (2) Likelihood: Unlikely (2) Rating: 4	
<b>Revised Residual Risk Rating</b>	Date: Impact: Likelihood: Rating:	

UNMANAGED / INHERENT RISK

Risk Description		Risk Owner						
<p>The Council faces significant budget pressures due significant funding reductions from central government and increasing demand in services. These budget pressures remain and the Council in now concentrating on the period 2017/18 through to 2019/20.</p> <p>Failure to develop plans to set and maintain a balanced budget and to deliver the associated savings for the period 2017/18 to 2019/20 could lead to ill informed decisions on service reductions, unplanned efficiencies and in year overspends and result in service delivery impacts, negative feedback or publicity and unexpected contributions from reserves to balance the budget or, in the worse case, an ultra vires deficit budget position.</p>		Sean Clark / Directors Board						
Link to Corporate Priority								
A well run organisation								
Inherent Risk Rating	Date:	01/04/2016	Impact:	Critical (4)	Likelihood:	Very Likely (4)	Rating:	16

DASHBOARD

Inherent Risk Rating & Date: 01/04/2016	Residual Risk Rating as at: 07/04/2016	Residual Risk Rating as at:	Residual Risk Rating as at:	Residual Risk Rating as at:	Target Risk Rating & Target Date: 28/02/2017

Comments
<p>MTFS established. Balanced budget for 2016/17 agreed and forecast for the financial years 2017/18 through to 2019/20 reported to Cabinet February 2016. Work underway to develop a transformational approach to tackling the budget position and support the council in achieving financial self-sustainability. A framework on delivering the MTFs has been agreed by Directors Board. The framework relies on functions such as income generation, demand management, more or same for less, contract management and transformation rather than the more traditional top slice approach allocating targets direct to services. The key strands of this function framework are currently being populated with tangible projects and current work streams.</p>



EXISTING ACTION / RESIDUAL RISK

Management Action or Mitigation Already in Place								Date Implemented
1. MTFS established and reported to Cabinet February 2016. Balanced budget for 2016/17 agreed and forecast for the financial years 2017/18 through to 2019/20 (including budget deficits) noted.								Feb 2016
2. Provision to support the Council in achieving financial self-sustainability identified and work underway to develop a transformational approach to tackling the budget pressures and position								From Feb 2016
Residual Risk Rating	Date:	07/04/2016	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

FURTHER ACTION / TARGET RISK / REVISED RESIDUAL RISK

Further Management or Mitigating Action	Implementation Date	Progress						
3. Ongoing regular budget monitoring reports to Cabinet , via Directors Board and Management Teams on MTFS and budget position	From Apr 2016							
4. Ongoing identification, development and implementation of transformational projects and other schemes to support the Council in achieving financial self-sustainability (e.g. income generation, contract reviews, spend to save initiatives, alternative delivery models, etc.)	From Apr 2016							
5. Regular consideration of budget position by Leadership Group	From Apr 2016							
6. Regular review of budget position, proposals and implementation plans by Budget Review Panel	From June 2016							
7. Undertake public consultation including Overview & Scrutiny on proposals	From July 2016							
8. Agreement and reporting of Budget 2017/18 (and 2018/19+?)	Nov 2016 – Feb 2017							
Target Risk Rating	Target Date:	28/02/2017	Impact:	Critical (4)	Likelihood:	Unlikely (2)	Rating:	8
Revised Residual Risk Rating	Date:		Impact:		Likelihood:		Rating:	

## **Opportunities In Focus**

UNMANAGED / INHERENT OPPORTUNITY

Opportunity Description								Opportunity Owner	
Opportunity to secure significant capital funds through the South East Local Enterprise Partnership's Strategic Economic Plan.								Growth Board (Matthew Essex)	
Link to Corporate Priority									
Encourage and promote job creation and economic prosperity									
Inherent Opportunity Rating		Date:	01/04/2016	Impact:	Exceptional (4)	Likelihood:	Very Unlikely (1)	Rating:	4

DASHBOARD

Inherent Opp. Rating & Date: 01/04/2016	Residual Opp. Rating as at: 29/04/2016	Residual Opp. Rating as at:	Residual Opp. Rating as at:	Residual Opp. Rating as at:	Target Opp. Rating & Target Date: 31/03/2017																																																																																																
<div style="display: flex; align-items: center;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg); font-weight: bold; margin-right: 5px;">Page 49</div> <table border="1" style="border-collapse: collapse; text-align: center;"> <tr><td>16</td><td>12</td><td>8</td><td>4</td></tr> <tr><td>12</td><td>9</td><td>6</td><td>3</td></tr> <tr><td>8</td><td>6</td><td>4</td><td>2</td></tr> <tr><td>4</td><td>3</td><td>2</td><td>1</td></tr> </table> <div style="margin-left: 5px; writing-mode: vertical-rl; transform: rotate(180deg); font-weight: bold;">Likelihood</div> </div> <p style="text-align: center;">Impact</p>	16	12	8	4	12	9	6	3	8	6	4	2	4	3	2	1	<table border="1" style="border-collapse: collapse; text-align: center;"> <tr><td>16</td><td>12</td><td>8</td><td>4</td></tr> <tr><td>12</td><td>9</td><td>6</td><td>3</td></tr> <tr><td>8</td><td>6</td><td>4</td><td>2</td></tr> <tr><td>4</td><td>3</td><td>2</td><td>1</td></tr> </table> <div style="margin-left: 5px; writing-mode: vertical-rl; transform: rotate(180deg); font-weight: bold;">Likelihood</div> <p style="text-align: center;">Impact</p>	16	12	8	4	12	9	6	3	8	6	4	2	4	3	2	1	<table border="1" style="border-collapse: collapse; text-align: center;"> <tr><td>16</td><td>12</td><td>8</td><td>4</td></tr> <tr><td>12</td><td>9</td><td>6</td><td>3</td></tr> <tr><td>8</td><td>6</td><td>4</td><td>2</td></tr> <tr><td>4</td><td>3</td><td>2</td><td>1</td></tr> </table> <div style="margin-left: 5px; writing-mode: vertical-rl; transform: rotate(180deg); font-weight: bold;">Likelihood</div> <p style="text-align: center;">Impact</p>	16	12	8	4	12	9	6	3	8	6	4	2	4	3	2	1	<table border="1" style="border-collapse: collapse; text-align: center;"> <tr><td>16</td><td>12</td><td>8</td><td>4</td></tr> <tr><td>12</td><td>9</td><td>6</td><td>3</td></tr> <tr><td>8</td><td>6</td><td>4</td><td>2</td></tr> <tr><td>4</td><td>3</td><td>2</td><td>1</td></tr> </table> <div style="margin-left: 5px; writing-mode: vertical-rl; transform: rotate(180deg); font-weight: bold;">Likelihood</div> <p style="text-align: center;">Impact</p>	16	12	8	4	12	9	6	3	8	6	4	2	4	3	2	1	<table border="1" style="border-collapse: collapse; text-align: center;"> <tr><td>16</td><td>12</td><td>8</td><td>4</td></tr> <tr><td>12</td><td>9</td><td>6</td><td>3</td></tr> <tr><td>8</td><td>6</td><td>4</td><td>2</td></tr> <tr><td>4</td><td>3</td><td>2</td><td>1</td></tr> </table> <div style="margin-left: 5px; writing-mode: vertical-rl; transform: rotate(180deg); font-weight: bold;">Likelihood</div> <p style="text-align: center;">Impact</p>	16	12	8	4	12	9	6	3	8	6	4	2	4	3	2	1	<table border="1" style="border-collapse: collapse; text-align: center;"> <tr><td>16</td><td>12</td><td>8</td><td>4</td></tr> <tr><td>12</td><td>9</td><td>6</td><td>3</td></tr> <tr><td>8</td><td>6</td><td>4</td><td>2</td></tr> <tr><td>4</td><td>3</td><td>2</td><td>1</td></tr> </table> <div style="margin-left: 5px; writing-mode: vertical-rl; transform: rotate(180deg); font-weight: bold;">Likelihood</div> <p style="text-align: center;">Impact</p>	16	12	8	4	12	9	6	3	8	6	4	2	4	3	2	1
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Comments
<p>The Council successfully secured around £92.5m through round one of the Local Growth Fund in support of the A13 widening, Stanford-le-Hope/London Gateway access improvements, cycling initiatives and sustainable travel. Further funds have been secured for Purfleet (£5m) in round two.</p> <p>Further details of LGF 3 have now been released. Submissions expected towards the end of the summer 2016. Work already underway to develop business cases for top priority projects.</p>

EXISTING ACTION / RESIDUAL OPPORTUNITY

Management Action Already in Place							Date Implemented	
1. Thurrock input coordinated through Growth Board to ensure strong strategic ownership and a common approach							Ongoing from 2013	
2. Designate a single point of contact for TGSE through to the LEP to ensure quality control and consistency of message.							2013/14	
3. The initial submission for Strategic Local Growth Fund monies submitted to Government							March 2014	
4. Review, develop plans and undertake negotiations with Government and LEP with regard to Government feedback/announcements on the submission							Apr - Jul 2014	
5. Confirmation received from Government that the Council successfully secured £92.5M through round one of the local growth fund to support of the A13 widening, Stanford-le-Hope/London Gateway access improvements, cycling initiatives and sustainable travel.							Jul 2014	
6. Preparation and submission of round two bid for local growth fund monies to Government. Priorities identified include Purfleet Centre and Lakeside expansion.							Dec 2014	
7. Confirmed by Government that the Council was successful in securing £5M of grant funding for the Purfleet Centre Scheme							Jan 2015	
8. Details of LGF3 announced							Apr 2016	
Residual Opportunity Rating	Date:	29/04/2016	Impact:	Exceptional (4)	Likelihood:	Likely (3)	Rating:	12

FURTHER ACTION / TARGET OPPORTUNITY / REVISED RESIDUAL OPPORTUNITY

Further Management Action		Implementation Date	Progress					
9. Review position and develop plans and submissions/business cases.		From Apr 2016						
Target Opportunity Rating	Target Date:	Refresh 31/03/2017	Impact:	Exceptional (4)	Likelihood:	Very Likely (4)	Rating:	16
Revised Residual Opportunity Rating	Date:		Impact:		Likelihood:		Rating:	

## Criteria Guide for Impact and Likelihood

## Appendix 3

Criteria Guide for Impact Levels

### Risk

Negative Impact	Description
<b>4 Critical</b>	<ul style="list-style-type: none"> <li>• Inability to deliver a number of strategic objectives or a priority.</li> <li>• Major loss of service, including several important service areas</li> <li>• Major reputation damage - adverse central government response, involving threat of / removal of delegated powers or adverse and persistent national media coverage</li> <li>• Loss of Life</li> <li>• Major personal privacy infringement - All personal details compromised / revealed</li> <li>• Huge financial loss/cost - &gt;£1M in a year. Up to 75% of budget.</li> <li>• Major disruption to project / huge impact on ability to achieve project objectives.</li> </ul>
<b>3 Substantial</b>	<ul style="list-style-type: none"> <li>• Inability to deliver an organisational priority or strategic objective.</li> <li>• Major disruption to important service or a number of service areas.</li> <li>• Significant reputation damage - adverse publicity in professional/municipal press or adverse local publicity of a major and persistent nature.</li> <li>• Major injury.</li> <li>• Many individual personal details compromised / revealed</li> <li>• Major financial loss/cost - &gt;£500K - &lt;£1M in a year. Up to 50% of budget</li> <li>• Significant disruption to project / significant impact on ability to achieve the project's objectives.</li> </ul>
<b>2 Marginal</b>	<ul style="list-style-type: none"> <li>• Significant disruption to important service or major disruption to non crucial service.</li> <li>• Moderate reputation damage - adverse local publicity / local public awareness</li> <li>• Serious injury</li> <li>• Some individual personal details compromised / revealed</li> <li>• High financial loss/cost – &gt;£100K - &lt;£500K in a year. Up to 25% of budget</li> <li>• Moderate disruption to project / moderate impact on ability to achieve the project's objectives.</li> </ul>
<b>1 Negligible</b>	<ul style="list-style-type: none"> <li>• Brief disruption to important service or significant disruption to non crucial service.</li> <li>• Minimal reputation damage - no external publicity and contained within Council</li> <li>• Minor injury or discomfort.</li> <li>• Isolated individual personal detail compromised/ revealed</li> <li>• Low or medium financial loss/cost &lt;£100K in a year. Up to 10% of budget</li> <li>• Minor disruption to project / minor impact on ability to achieve the project's objectives.</li> </ul>

### Opportunity

Positive Impact	Description
<b>4 Exceptional</b>	<ul style="list-style-type: none"> <li>• Exceptional improvement to service(s) (e.g. quality, level, speed, cost, etc) and/or delivery of strategic objectives/priorities</li> <li>• National award or recognition/elevated status by national government</li> <li>• Positive national press/media coverage</li> <li>• Major improvement to the health, welfare &amp; safety of stakeholders</li> <li>• Income/savings of &gt;£500K in a year or exceptional saving of resource (e.g. time and labour)</li> </ul>
<b>3 Major</b>	<ul style="list-style-type: none"> <li>• Major improvement to service(s) (e.g. quality, level, speed, cost, etc) and/or delivery of strategic objective/priority.</li> <li>• Regional recognition for initiative, partnership or arrangement.</li> <li>• Positive publicity in professional/municipal press or sustained positive local publicity.</li> <li>• Significant improvement to the health, welfare &amp; safety of stakeholders</li> <li>• Income and/or savings of &gt;£250K - &lt;£500K in a year or major savings of resource (e.g. time and labour).</li> </ul>
<b>2 Moderate</b>	<ul style="list-style-type: none"> <li>• Moderate improvement to service(s) (e.g. quality, level, speed, cost, etc) and/or delivery of strategic objective/priority.</li> <li>• Borough or County wide recognition for initiative, partnership or arrangement.</li> <li>• Positive local publicity / local public awareness</li> <li>• Moderate improvement to the health, welfare &amp; safety of stakeholders.</li> <li>• Income and/or savings of &gt;£100K - &lt;£250K in a year or moderate savings of resource (e.g. time and labour).</li> </ul>
<b>1 Minor</b>	<ul style="list-style-type: none"> <li>• Minor improvement to service(s) (e.g. quality, level, speed, cost, etc) and/or delivery of strategic objective/priority.</li> <li>• Local level recognition for initiative, partnership or arrangement.</li> <li>• Minor positive local publicity</li> <li>• Minor improvement to the health, welfare &amp; safety of stakeholders.</li> <li>• Income and/or savings of &lt;£100K in a year or minor saving of resource (e.g. time and labour)</li> </ul>



<b>14 June 2016</b>	<b>ITEM: 7</b>
<b>Standards and Audit Committee</b>	
<b>Regulation of Investigatory Powers Act (RIPA) 2000 – 2015/16 Activity Report</b>	
<b>Wards and communities affected:</b> N/A	<b>Key Decision:</b> N/A
<b>Report of:</b> Lee Henley – Information Manager	
<b>Accountable Head of Service:</b> Fiona Taylor, Head of Legal and Democratic Services	
<b>Accountable Director:</b> Lyn Carpenter - Chief Executive	
<b>This report is public</b>	

## Executive Summary

This report:

- Provides an update on the usage and activity of RIPA requests during 2015/16.
- Summarises training activity during the reporting period.
- Confirms that a review has been undertaken of Thurrock’s RIPA Policy which resulted in no significant changes to the Policy.

### 1. Recommendation(s)

- 1.1 To note the statistical information relating to the use of RIPA for 2015/16.
- 1.2 To note training activity undertaken during 2015/16.
- 1.3 To note that following on from a review of the RIPA policy by our Legal Services Department, no significant changes to this RIPA policy are required.
- 1.4 To note that due to the low numbers of RIPA Activity, the frequency of reporting to Committee may change following consultation with the Office of the Surveillance Commissioner (OSC).

### 2. Introduction and Background

- 2.1 The Regulation of Investigatory Powers Act 2000 (RIPA), and the Protection of Freedoms Act 2012, legislates for the use of local authorities of covert methods of surveillance and information gathering to assist in the detection and prevention of crime in relation to an authority’s core functions.

- 2.2 The council's use of these powers is subject to regular inspection and audit by the Office of the Surveillance Commissioner (OSC) in respect of covert surveillance authorisations under RIPA, and the Interception of Communications Commissioner (IOCCO) in respect of communications data. During these inspections, authorisations and procedures are closely examined and Authorising Officers are interviewed by the inspectors.
- 2.3 The RIPA Single Point of Contact (SPOC) maintains a RIPA register of all directed surveillance RIPA requests and approvals across the council.

### 3. Issues, Options and Analysis of Options

#### 3.1 RIPA Activity

- 3.1.1 The number of Thurrock RIPA directed surveillance authorisations processed during 2015/16 is 3. Below is a breakdown showing the areas the authorisations relate to for this period (along with previous year's figures):

	2015/16	2014/15
Trading Standards	1	2
Fraud	2	3
Covert Human Intelligence Source (CHIS authorisations)	0	0
<b>Total</b>	<b>3</b>	<b>5</b>

- 3.1.2 The outcomes of the 3 RIPA directed surveillance authorisations cannot be summarised in detail. This is due to Data Protection requirements and to ensure that any on-going investigations are not compromised due to the disclosure of information.
- 3.1.3 The table below shows the number of requests made to the National Anti-Fraud Network (NAFN) for Communication Data requests:

Application Type:	2015/16
Service Data	0
Subscriber Data	1 (Trading Standards)
Combined	2 (Fraud)
<b>Totals</b>	<b>3</b>

#### Notes in relation to NAFN applications:

- Service Data – Is information held by a telecom or postal service provider including itemised telephone bills and/or outgoing call data.
- Subscriber Data – Includes any other information or account details that a telecom provider holds e.g billing information.



- Combined – Includes applications that contain both service and subscriber data.

### **3.2 Training and Process**

3.2.1 During 2015/16, RIPA training was delivered to 27 officers across the council. This training covered the RIPA process that must be followed.

### **3.3 Policy**

3.3.1 During May 2016, the council's RIPA policy was reviewed by the Legal Services Department and this review has not resulted in any significant changes to this policy. The policy is attached as Appendix A and a summary of changes made are highlighted below:

- The removal of the requirement for our Chief Executive to undertake quarterly RIPA Audits. This decision was taken as checks are undertaken (prior to any directed surveillance requests being approved) by the Single Point of Contact, the Senior Responsible Officer and the Authorising Officer.
- The inclusion that Authorising Officers' at Thurrock can approve RIPA activity within other organisations due to shared working arrangements of our Corporate Fraud Team. However it should be noted that other agencies/organisations RIPA activity will not be included within Thurrock's statistics.
- Authorising Officers details within Appendix 5 have been updated.

### **3.4 Frequency of reports to Committee**

3.4.1 Following an inspection back in November 2013 by the OSC, the Inspector expressed a preference that RIPA Activity Reports are brought to Members on a quarterly basis. However due to the low numbers of RIPA Activity the Council will now consult with the OSC to establish if reporting to Members can take place on a six monthly basis.

## **4. Reasons for Recommendation**

4.1 This report provides an update on the usage and activity of RIPA requests for 2015/16.

## **5. Consultation (including Overview and Scrutiny, if applicable)**

5.1 The RIPA SPOC has consulted with the relevant departments to obtain the data set out in this report.

## **6. Impact on corporate policies, priorities, performance and community impact**

6.1 Monitoring compliance with the Regulation of Investigatory Powers Act 2000, and the Protection of Freedoms Act 2012, supports the council's approach to corporate governance. Ensuring the appropriate use of RIPA in taking action to tackle crime and disorder supports the corporate priority of ensuring a safe, clean and green environment.

## **7. Implications**

### **7.1 Financial**

Implications verified by: **Mike Jones**  
**Management Accountant**

There are no financial implications directly related to this report.

### **7.2 Legal**

Implications verified by: **Chris Pickering**  
**Principal Solicitor – Employment and Litigation**

Legal implications comments are contained within this report above.

### **7.3 Diversity and Equality**

Implications verified by: **Natalie Warren**  
**Community Development and Equalities Manager**

There are no such implications directly related to this report.

### **7.4 Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

Compliance with the requirements of RIPA legislation will ensure the proper balance of maintaining order against protecting the rights of constituents within the borough. There are no implications other than contained in this report.

## **8. Background papers used in preparing the report** (including their location on the council's website or identification whether any are exempt or protected by copyright):

- None.

## **9. Appendices to the report** Appendix A - RIPA Policy

**Report Author:**

Lee Henley

Information Manager

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# Regulation of Investigatory Powers Act 2000 (RIPA) Corporate Policy

USE OF DIRECTED SURVEILLANCE COVERT HUMAN  
INTELLIGENCE SOURCES AND COMMUNICATIONS DATA  
ACQUISITION FOR THE PREVENTION AND DETECTION  
OF CRIME OR THE PREVENTION OF DISORDER

## Version Control Sheet

<b><i>Title:</i></b>	RIPA Policy.
<b><i>Purpose:</i></b>	To advise staff of the procedures and principles to follow to comply with the RIPA Act.
<b><i>Author:</i></b>	Chris Pickering – Legal Services.
<b><i>Owner:</i></b>	Fiona Taylor – Head of Legal & Democratic Services.
<b><i>Approved by:</i></b>	Standards and Audit Committee.
<b><i>Date:</i></b>	14 June 2016.
<b><i>Version Number:</i></b>	1.0
<b><i>Status:</i></b>	Final.
<b><i>Review Frequency:</i></b>	Annually.
<b><i>Next review date:</i></b>	2017

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## 1. A brief overview of RIPA

(For text in **bold**, see glossary of terms – Appendix 1)

The Regulation of Investigatory Powers Act (the Act) was introduced by Parliament in 2000. The Act sets out the reasons for which the use of **directed surveillance** (DS) and **covert human intelligence source** (CHIS) may be authorised.

Local Authorities' abilities to use these investigation methods are restricted in nature and may only be used for the prevention and detection of crime or the prevention of disorder. Local Authorities are not able to use **intrusive surveillance**.

Widespread, and often misinformed, reporting led to public criticism of the use of surveillance by some Local Authority enforcement officers and investigators. Concerns were also raised about the trivial nature of some of the 'crimes' being investigated. This led to a review of the legislation and ultimately the introduction of the Protection of Freedoms Act 2012 and the RIPA (Directed Surveillance and CHIS) (Amendment) Order 2012 (Appendix 2).

In addition to defining the circumstances when these investigation methods may be used, the Act also directs how applications will be made and how, and by whom, they may be approved, reviewed, renewed, cancelled and retained.

The Act must be considered in tandem with associated legislation including the Human Rights Act (HRA) (Appendix 3), and the Data Protection Act (DPA) (Appendix 4).

The purpose of Part II of the Act is to protect the privacy rights of anyone in a Council's area, but only to the extent that those rights are protected by the HRA. A public authority, such as the Council, has the ability to infringe those rights provided that it does so in accordance with the rules, which are contained within Part II of the Act. Should the public authority not follow the rules, the authority loses the impunity otherwise available to it. This impunity may be a defense to a claim for damages or a complaint to supervisory bodies, or as an answer to a challenge to the admissibility of evidence in a trial.

Further, a Local Authority may only engage the Act when performing its 'core functions'. For example, a Local Authority may rely on the Act when conducting a criminal investigation as this would be considered a 'core function', whereas the disciplining of an employee would be considered a 'non-core' or 'ordinary' function.

Examples of when local authorities may use RIPA and CHIS are as follows:

- Trading standards – action against loan sharks, rogue traders, consumer scams, deceptive advertising, counterfeit goods, unsafe toys and electrical goods;
- Enforcement of anti-social behaviour orders and legislation relating to unlawful child labour;



- Housing/planning – interventions to stop and make remedial action against unregulated and unsafe buildings, breaches of preservation orders, cases of landlord harassment;
- Counter Fraud – investigating allegations of fraud, bribery, corruption and theft committed against the Council; and
- Environment protection – action to stop large-scale waste dumping, the sale of unfit food and illegal ‘raves’.

The examples do not replace the key principles of necessity and proportionality or the advice and guidance available from the relevant oversight Commissioners.

The RIPA (Communications Data) order came into force in 2004. It allows Local Authorities to acquire communications data, namely service data and subscriber details for limited purposes. This order was updated by the Regulation of Investigatory Powers Communications Data) Order 2010.

## **2. Directed Surveillance**

This policy relates to all staff directly employed by Thurrock Council when conducting relevant investigations for the purposes of preventing and detecting crime or preventing disorder, and to all contractors and external agencies that may be used for this purpose as well as to those members of staff tasked with the authorisation and monitoring of the use of directed surveillance, CHIS and the acquisition of communications data.

The policy will be reviewed annually and whenever changes are made to relevant legislation and codes of practice.

‘It is essential that the Chief Executive, or Head of Paid Service, together with the Directors and the Heads of Units should have an awareness of the basic requirements of RIPA and also an understanding of how it might apply to the work of individual council departments. Without this knowledge at senior level, it is unlikely that any authority will be able to develop satisfactory systems to deal with the legislation. Those who need to use or conduct directed surveillance or CHIS on a regular basis will require more detailed specialised training (Office of Surveillance Commissioners).

The use of directed surveillance or a CHIS must be necessary and proportionate to the alleged crime or disorder. Usually, it will be considered to be a tool of last resort, to be used only when all other less intrusive means have been used or considered.

### **Necessary**

A person granting an authorisation for directed surveillance must consider *why* it is necessary to use covert surveillance in the investigation *and* believe that the activities to be authorised are necessary on one or more statutory grounds.

If the activities are deemed necessary, the authoriser must also believe that they are proportionate to what is being sought to be achieved by carrying them out. This involves balancing the seriousness of the intrusion into the privacy of the subject of the operation (or any other person who may be affected) against the need for the activity in investigative and operational terms.

## **Proportionate**

The authorisation will not be proportionate if it is excessive in the overall circumstances of the case. Each action authorised should bring an expected benefit to the investigation or operation and should not be disproportionate or arbitrary. The fact that a suspected offence may be serious will not alone render intrusive actions proportionate. Similarly, an offence may be so minor that any deployment of covert techniques would be disproportionate. No activity should be considered proportionate if the information which is sought could reasonably be obtained by other less intrusive means.

The following elements of proportionality should therefore be considered:

- balancing the size and scope of the proposed activity against the gravity and extent of the perceived crime or offence;
- explaining how and why the methods to be adopted will cause the least possible intrusion on the subject and others;
- considering whether the activity is an appropriate use of the legislation and a reasonable way, having considered all reasonable alternatives, of obtaining the necessary result;
- evidencing, as far as reasonably practicable, what other methods had been considered and why they were not implemented.

The Council will conduct its directed surveillance operations in strict compliance with the DPA principles and limit them to the exceptions permitted by the HRA and RIPA, and solely for the purposes of preventing and detecting crime or preventing disorder.

The **Senior Responsible Officer** (SRO) (as named in Appendix 5) will be able to give advice and guidance on this legislation. The SRO will appoint a **RIPA Coordinating Officer** (RCO) (as named in Appendix 5) The RCO will be responsible for the maintenance of a **central register** that will be available for inspection by the Office of the Surveillance Commissioners (OSC). The format of the central register is set out in Appendix 6.

The use of hand-held cameras and binoculars can greatly assist a directed surveillance operation in public places. However, if they afford the investigator a view into private premises that would not be possible with the naked eye, the surveillance becomes intrusive and is not permitted. Best practice for compliance with evidential rules relating to photographs and video/CCTV footage is contained in Appendix 8. Directed surveillance may be conducted from

private premises. If they are used, the applicant must obtain the owner's permission, in writing, before authorisation is given. If a prosecution then ensues, the applicant's line manager must visit the owner to discuss the implications and obtain written authority for the evidence to be used. (See R v Johnson (Kenneth) 1988 1 WLR 1377 CA (Appendix 10).

The general usage of the council's CCTV system is not affected by this policy. However, if cameras are specifically targeted for the purpose of directed surveillance, a RIPA authorisation must be obtained.

Wherever knowledge of **confidential information** is likely to be acquired or if a vulnerable person or juvenile is to be used as a CHIS, the authorisation must be made by the Chief Executive, who is the Head of Paid Service (or in their absence whoever deputises for this role).

Directed surveillance that is carried out in relation to a **legal consultation** on certain premises will be treated as intrusive surveillance, regardless of whether legal privilege applies or not. These premises include prisons, police stations, courts, tribunals and the premises of a professional legal advisor. Local Authorities are not able to use intrusive surveillance. Operations will only be authorised when there is sufficient, documented, evidence that the alleged crime or disorder exists and when directed surveillance is considered to be a necessary and proportionate step to take in order to secure further evidence.

Low level surveillance, such as 'drive-bys' or everyday activity observed by officers in the course of their normal duties in public places, does not need RIPA authority. If surveillance activity is conducted in immediate response to an unforeseen activity, RIPA authorisation is not required. However, if repeated visits are made for a specific purpose, authorisation may be required. In cases of doubt, legal advice should be taken.

When vehicles are being used for directed surveillance purposes, drivers must at all times comply with relevant traffic legislation.

### **Crime Threshold**

An additional barrier to authorising directed surveillance is set out in the Regulation of Investigatory Powers (Directed Surveillance and CHIS) (Amendment) Order 2012. This provides a 'Crime Threshold' whereby only crimes which are either punishable by a maximum term of at least 6 months' imprisonment (whether on summary conviction or indictment) or are related to the underage sale of alcohol or tobacco can be investigated through Directed Surveillance.

The crime threshold applies only to the authorisation of directed surveillance by local authorities under RIPA, not to the authorisation of local authority use of CHIS or their acquisition of CD. The threshold came into effect on 1 November 2012.

Thurrock **cannot** authorise directed surveillance for the purpose of preventing disorder unless this involves a criminal offence(s) punishable (whether on summary conviction or indictment) by a maximum term of at least 6 months' imprisonment.

Thurrock may therefore continue to authorise use of directed surveillance in more serious cases as long as the other tests are met – i.e. that it is necessary and proportionate and where prior approval from a Magistrate has been granted. Examples of cases where the offence being investigated attracts a maximum custodial sentence of six months or more could include more serious criminal damage, dangerous waste dumping and serious or serial fraud.

Thurrock may also continue to authorise the use of directed surveillance for the purpose of preventing or detecting specified criminal offences relating to the underage sale of alcohol and tobacco where the necessity and proportionality test is met and prior approval from a JP has been granted.

A local authority such as Thurrock **may not authorise** the use of directed surveillance under RIPA to investigate disorder that does not involve criminal offences.

### **3. Covert Human Intelligence Sources (CHIS)**

A person who reports suspicion of an offence is not a CHIS, nor do they become a CHIS if they are asked if they can provide additional information, e.g. details of the suspect's vehicle or the time that they leave for work. It is only if they establish or maintain a personal relationship with another person for the purpose of covertly obtaining or disclosing information that they become a CHIS.

If it is deemed unnecessary to obtain RIPA authorisation in relation to the proposed use of a CHIS for test purchasing, the applicant should complete the council's CHIS form and submit to an Authorising Officer for authorisation. Once authorised, any such forms must be kept on the relevant investigation file, in compliance with the Criminal Procedure for Investigations Act 1996 ("CPIA").

The times when a local authority will use a CHIS are limited. The most common usage is for test-purchasing under the supervision of suitably trained officers.

Officers considering the use of a CHIS under the age of 18, and those authorising such activity must be aware of the additional safeguards identified in The Regulation of Investigatory Powers (Juveniles) Order 2000 and its Code of Practice.

A vulnerable individual should only be authorised to act as a CHIS in the most exceptional circumstances. A vulnerable individual is a person who is or may be in need of community care services by reason of mental or other disability, age or illness, and who is or may not be able to take care of himself. The Authorising Officer in such cases must be the Chief

Executive, who is the Head of Paid Service, or in their absence whoever deputises for this role.

Any deployment of a CHIS should take into account the safety and welfare of that CHIS. Before authorising the use or conduct of a CHIS, the authorising officer should ensure that an appropriate bespoke risk assessment is carried out to determine the risk to the CHIS of any assignment and the likely consequences should the role of the CHIS become known. This risk assessment must be specific to the case in question. The ongoing security and welfare of the CHIS, after the cancellation of the authorisation, should also be considered at the outset.

A CHIS handler is responsible for bringing to the attention of a CHIS controller any concerns about the personal circumstances of the CHIS, insofar as they might affect the validity of the risk assessment, the conduct of the CHIS, and the safety and welfare of the CHIS.

The process for applications and authorisations have similarities to those for directed surveillance but there are also significant differences, namely that the following arrangements must be in place at all times in relation to the use of a CHIS:

- There will be an appropriate officer of the Council who has day-to-day responsibility for dealing with the CHIS, and for the security and welfare of the CHIS; and
- There will be a second appropriate officer of the use made of the CHIS, and who will have responsibility for maintaining a record of this use. These records must also include information prescribed by the Regulation of Investigatory Powers (Source Records) Regulations 2000. Any records that disclose the identity of the CHIS must not be available to anyone who does not have a need to access these records.

An Authorising Officer's Aide-Memoire has been produced to assist Authorising Officers when considering applications for directed surveillance.

#### **4. The Authorisation Process**

The processes for applications and authorisations for CHIS are similar as for directed surveillance, but note the differences set out in the CHIS section above. Directed Surveillance applications and CHIS applications are made using forms that have been set up in a shared network drive by the council. These forms must not be amended and applications will not be accepted if the approved forms are not completed.

The authorisation process involves the following steps:

##### Investigation Officer

1. A risk assessment will be conducted by the Investigation Officer before an application is drafted. This assessment will include the number of officers required for the

operation; whether the area involved is suitable for directed surveillance; what equipment might be necessary, health and safety concerns of all those involved and affected by the operation and insurance issues. Particular care must be taken when considering surveillance activity close to schools or in other sensitive areas. If it is necessary to conduct surveillance around school premises, the applicant should inform the head teacher of the nature and duration of the proposed activity, in advance. A PNC check on those targets should be conducted as part of this assessment by the Counter Fraud & Investigation team.

2. The Investigation Officer prepares an application. When completing the forms, Investigation Officers must fully set out details of the covert activity for which authorisation is sought to enable the Authorising Officer to make an informed judgment. Consideration should be given to consultation with a lawyer concerning the activity to be undertaken (including scripting and tasking).
3. The Investigation Officer will obtain a unique reference number (URN) from the central register before submitting an application.
4. The Investigation Officer will submit the application form to an authorising officer for approval (see Appendix 5).
5. All applications to conduct directed surveillance (other than under urgency provisions – see below) must be made in writing in the approved format.

#### Authorising Officer (AO)

6. The AO considers the application and if it is considered complete the application is signed off and forwarded to the SRO for review and counter approval.
7. An Authorising Officer's Aide-Memoire has been produced to assist AO's when considering applications for directed surveillance.
8. If there are any deficiencies in the application further information may be sought from the Investigation Officer, prior to sign off.
9. Once final approval has been received from the SRO (see below), the AO and the Investigation Officer will retain copies and will create an appropriate diary method to ensure that any additional documents are submitted in good time.

#### Senior Responsible Officer (SRO)

10. The SRO then reviews the AO's approval and countersigns it.
11. If the application requires amendment the SRO will return this to the AO for the necessary revisions to be made prior to sign off. Once the SRO is satisfied that

concludes the internal authorisation procedure and he or she will countersign the application.

#### Application to JPs Court

12. The countersigned application form will form the basis of the application to the JPs Court (see further below)

#### Authorised Activity

13. Authorisation takes effect from the date and time of the approval from the JPs Court.

14. Where possible, private vehicles used for directed surveillance purposes should have keeper details blocked by the Counter Fraud & Investigation team.

15. Notification of the operation will be made to the relevant police force intelligence units where the target of the operation is located in their force area. Contact details for each force intelligence unit are held by the Group Manager Counter Fraud & Investigation - Counter Fraud & Investigation team.

16. Before directed surveillance activity commences, the Investigation Officer will brief all those taking part in the operation. The briefing will include details of the roles to be played by each officer, a summary of the alleged offence(s), the name and/or description of the subject of the directed surveillance (if known), a communications check, a plan for discontinuing the operation and an emergency rendezvous point. A copy of the briefing report (Appendix 7) will be retained by the Investigation Officer.

17. Where 3 or more officers are involved in an operation, officers conducting directed surveillance will complete a daily log of activity an example shown at Appendix 9. Evidential notes will also be made in the pocket notebook of all officers engaged in the operation regardless of the number of officers on an operation. These documents will be kept in accordance with the appropriate retention guidelines and CPIA.

18. Where a contractor or external agency is employed to undertake any investigation on behalf of the Council, the Investigation Officer will ensure that any third party is adequately informed of the extent of the authorisation and how they should exercise their duties under that authorisation.

#### Conclusion of Activities

19. As soon as the authorised activity has concluded the Investigation Officer will complete a Cancellation Form.

20. The original document of the complete application will be retained with the central register.

## **5. SRO Review and Sign Off**

The SRO will review the AO approval prior to it being submitted for Magistrates/JP authorisation.

If in the SRO's opinion there are inconsistencies, errors or deficiencies, in the application such that the AO's approval requires amendments or augmentation, the SRO will return the application form to the AO with recommendation for alternative wording or further information and the AO will incorporate the same.

The form will then be returned to the SRO for countersigning.

Once the SRO has countersigned the form this will form the basis of the application to the Magistrates Court for authorisation.

## **6. Judicial Authorisation**

From 1 November 2012, sections 37 and 38 of the Protection of Freedoms Act 2012 are in force. This will mean that a local authority who wishes to authorise the use of directed surveillance, acquisition of Communication Data (CD) and use of a CHIS under RIPA will need to obtain an order approving the grant or renewal of an authorisation or notice from a JP (a District Judge or lay magistrate) before it can take effect. If the JP is satisfied that the statutory tests have been met and that the use of the technique is necessary and proportionate he/she will issue an order approving the grant or renewal for the use of the technique as described in the application.

The new judicial approval mechanism is in addition to the existing authorisation process under the relevant parts of RIPA as outlined above and in this section. The current process of assessing necessity and proportionality, completing the RIPA authorisation/application form and seeking approval from an authorising officer/designated person will therefore remain the same.

The appropriate officer from Thurrock will provide the JP with a copy of the original RIPA authorisation or notice and the supporting documents setting out the case. This forms the basis of the application to the JP and should contain all information that is relied upon. For communications data requests the RIPA authorisation or notice may seek to acquire consequential acquisition of specific subscriber information. The necessity and proportionality of acquiring consequential acquisition will be assessed by the JP as part of their consideration.

The original RIPA authorisation or notice should be shown to the JP but also be retained by Thurrock Council so that it is available for inspection by the Commissioners' officers and in the event of any legal challenge or investigations by the Investigatory Powers Tribunal (IPT).



The Court may also wish to keep a copy so an extra copy should be made available to the Court.

Importantly, the appropriate officer will also need to provide the JP with a partially completed judicial application/order form.

Although the officer is required to provide a brief summary of the circumstances of the case on the judicial application form, this is supplementary to and does not replace the need to supply the original RIPA authorisation as well.

The order section of the form will be completed by the JP and will be the official record of the JP's decision. The officer from Thurrock will need to obtain judicial approval for all initial RIPA authorisations/applications and renewals and will need to retain a copy of the judicial application/order form after it has been signed by the JP. There is no requirement for the JP to consider either cancellations or internal reviews.

The authorisation will take effect from the date and time of the JP granting approval and Thurrock may proceed to use the techniques approved in that case.

It will be important for each officer seeking authorisation to establish contact with Her Majesty's Court and Tribunals Service (HMCTS) administration at the magistrates' court. HMCTS administration will be the first point of contact for the officer when seeking a JP approval. Thurrock will need to inform HMCTS administration as soon as possible to request a hearing for this stage of the authorisation.

On the rare occasions where out of hours access to a JP is required then it will be for the officer to make local arrangements with the relevant HMCTS legal staff. In these cases we will need to provide two partially completed judicial application/order forms so that one can be retained by the JP. They should provide the court with a copy of the signed judicial application/order form the next working day.

In most emergency situations where the police have power to act, then they are able to authorise activity under RIPA without prior JP approval. No RIPA authority is required in immediate response to events or situations where it is not reasonably practicable to obtain it (for instance when criminal activity is observed during routine duties and officers conceal themselves to observe what is happening).

Where renewals are timetabled to fall outside of court hours, for example during a holiday period, it is the local authority's responsibility to ensure that the renewal is completed ahead of the deadline. Out of hours procedures are for emergencies and should not be used because a renewal has not been processed in time.

The hearing is a 'legal proceeding' and therefore our officers need to be formally designated to appear, be sworn in and present evidence or provide information as required by the JP.

The hearing will be in private and heard by a single JP who will read and consider the RIPA authorisation or notice and the judicial application/order form. He/she may have questions to clarify points or require additional reassurance on particular matters.

The attending officer will need to be able to answer the JP's questions on the policy and practice of conducting covert operations and the detail of the case itself. Thurrock's officers may consider it appropriate for the SPoC (single point of contact) to attend for applications for CD/RIPA authorisations. This does not, however, remove or reduce in any way the duty of the authorising officer to determine whether the tests of necessity and proportionality have been met. Similarly, it does not remove or reduce the need for the forms and supporting papers that the authorising officer has considered and which are provided to the JP to make the case (see paragraphs 47-48).

It is not Thurrock's policy that legally trained personnel are required to make the case to the JP.

The forms and supporting papers must by themselves make the case. It is not sufficient for the local authority to provide oral evidence where this is not reflected or supported in the papers provided. The JP may note on the form any additional information he or she has received during the course of the hearing but information fundamental to the case should not be submitted in this manner.

If more information is required to determine whether the authorisation or notice has met the tests then the JP will refuse the authorisation. If an application is refused the local authority should consider whether they can reapply, for example, if there was information to support the application which was available to the local authority, but not included in the papers provided at the hearing.

The JP will record his/her decision on the order section of the judicial application/order form. HMCTS administration will retain a copy of the local authority RIPA authorisation or notice and the judicial application/order form. This information will be retained securely. Magistrates' Courts are not public authorities for the purposes of the Freedom of Information Act 2000.

Thurrock will need to provide a copy of the order to the communications the SPoC (Single Point of Contact) for all CD requests. SPoCs must not acquire the CD requested, either via the CSP or automated systems until the JP has signed the order approving the grant.

## **7. Authorisation periods**

The authorisation will take effect from the date and time of the JP granting approval and Thurrock may proceed to use the techniques approved in that case.

A written authorisation (unless renewed or cancelled) will cease to have effect after 3 months. Urgent oral or written authorisations, unless renewed, cease to have effect after 72 hours, beginning with the time when the authorisation was granted.

Renewals should not normally be granted more than seven days before the original expiry date. If the circumstances described in the application alter, the applicant must submit a review document before activity continues.

As soon as the operation has obtained the information needed to prove, or disprove, the allegation, the applicant must submit a cancellation document and the authorised activity must cease.

CHIS authorisations will (unless renewed or cancelled) cease to have effect 12 months from the day on which authorisation took effect, except in the case of juvenile CHIS which will cease to have effect after 1 month. Urgent oral authorisations or authorisations will unless renewed, cease to have effect after 72 hours.

## **8. Urgency**

The law has been changed so that urgent cases can no longer be authorised orally. Approval for directed surveillance in an emergency must now be obtained in written form. Oral approvals are no longer permitted. In cases where emergency approval is required an AO must be visited by the applicant with two completed RIPA application forms. The AO will then assess the proportionality, necessity and legality of the application. If the application is approved then the applicant must then contact the out-of-hours HMCTS representative to seek approval from a Magistrate. The applicant must then take two signed RIPA application forms and the judicial approval form to the Magistrate for the hearing to take place.

As with a standard application the test of necessity, proportionality and the crime threshold must be satisfied. A case is not normally to be regarded as urgent unless the delay would, in the judgment of the person giving the authorisation, be likely to endanger life or jeopardise the investigation or operation. Examples of situations where emergency authorisation may be sought would be where there is intelligence to suggest that there is a substantial risk that evidence may be lost, a person suspected of a crime is likely to abscond, further offences are likely to take place and/or assets are being dissipated in a criminal investigation and money laundering offences may be occurring. An authorisation is not considered urgent if the need for authorisation has been neglected or the urgency is due to the authorising officer or applicant's own doing.

## **9. Telecommunications Data - NAFN**

The RIPA (Communications Data) Order 2003 came into law in January 2004. It allows Local Authorities to acquire limited information in respect of subscriber details and service data. It

does NOT allow Local Authorities to intercept, record or otherwise monitor communications data.

Applications to use this legislation must be submitted to a Home Office accredited Single Point of Contact (SPOC). The Council uses the services of NAFN (the National Anti-fraud Network) for this purpose.

Officers may make the application by accessing the NAFN website. The application will first be vetted by NAFN for consistency, before being forwarded by NAFN to the Council's Designated Persons for the purposes of approving the online application. The Council will ensure that Designated Persons receive appropriate training when becoming a Designated Person.

The Council's Designated Persons are presently the relevant Heads of Service, CEO and the Council's Monitoring Officer. NAFN will inform the Designated Persons jointly once the application is ready to be reviewed by the Designated Persons.

The relevant Designated Persons responsible for the area to which the application relates, will then access the restricted area of the NAFN website using a special code, in order to review and approve the application. When approving the application, the Designated Person must be satisfied that the acquiring of the information is necessary and proportionate. Approvals are documented by the Designated Person completing the online document and resubmitting it by following the steps outlined on the site by NAFN. This online documentation is retained by NAFN who are inspected and audited by the Office Surveillance Commissioner (OSC).

When submitting an online application, the officer must also inform the relevant Designated Person, in order that they are aware that the NAFN application is pending.

#### **10. Handling of material and use of material as evidence**

Material obtained from properly authorised directed surveillance or a source may be used in other investigations. Arrangements shall be in place for the handling, storage and destruction of material obtained through the use of directed surveillance, a source or the obtaining or disclosure of communications data, following relevant legislation such as the Criminal Procedure and Investigations Act (CPIA). Authorising Officers must ensure compliance with the appropriate data protection and CPIA requirements, having due regard to the Public Interest Immunity test and any relevant Corporate Procedures relating to the handling and storage of material.

Where the product of surveillance could be relevant to pending or future proceedings, it should be retained in accordance with established disclosure requirements for a suitable period and subject to review.

## **11. Training**

Officers conducting directed surveillance operations, using a CHIS or acquiring communications data must have an appropriate accreditation or be otherwise suitably qualified or trained.

Authorising Officers (Appendix 5) will be appointed by the Chief Executive and will have received training that has been approved by the Senior Responsible Officer. The Senior Responsible Officer will have appointed the RIPA Coordinating Officer who will be responsible for arranging suitable training for those conducting surveillance activity or using a CHIS.

All training will take place at reasonable intervals to be determined by the SRO or RSO, but it is envisaged that an update will usually be necessary following legislative or good practice developments or otherwise every 12 months.

## **12. Surveillance Equipment**

All mobile surveillance equipment is kept in secure premises of each investigation and enforcement team in the Civic Offices. Access to the area is controlled by the relevant team, who maintain a spreadsheet log of all equipment taken from and returned to the area.

## **13. The Inspection Process**

The OSC will make periodic inspections during which the inspector will wish to interview a sample of key personnel; examine RIPA and CHIS applications and authorisations; the central register and policy documents. The inspector will also make an evaluation of processes and procedures.

## **14. Shared Arrangements**

Thurrock conducts Counter Fraud & Investigation activities to protect other public authorities who have no counter fraud function but have an ongoing statutory duty to protect the public funds they administer. In rare instances, where activity governed by RIPA is required to support that Counter Fraud work, only officers employed by Thurrock Council are used to conduct that activity, as the tasking agency. Thurrock therefore follows its own RIPA policy which will result in its Authorising Officers' signing off other agencies RIPA surveillance requests.

## **15. Resources**

Full Codes of Practice can be found on the Home Office website:

<http://www.homeoffice.gov.uk/>

Covert Surveillance & Property Interference:

<https://www.gov.uk/government/publications/code-of-practice-for-covert-surveillance-and-property-interference>

CHIS: <https://www.gov.uk/government/publications/code-of-practice-for-the-use-of-human-intelligence-sources>

Acquisition and Disclosure of Communications Data:

<https://www.gov.uk/government/publications/code-of-practice-for-the-acquisition-and-disclosure-of-communications-data>

Further information can also be found on The Office of Surveillance Commissioners website.

<http://www.surveillancecommissioners.gov.uk/index.html>

## GLOSSARY OF TERMS

### **Collateral intrusion**

The likelihood of obtaining private information about someone who is not the subject of the directed surveillance operation.

### **Confidential information**

This covers confidential journalistic material, matters subject to legal privilege, and information relating to a person (living or dead) relating to their physical or mental health; spiritual counselling or which has been acquired or created in the course of a trade/profession/occupation or for the purposes of any paid/unpaid office.

### **Covert relationship**

A relationship in which one side is unaware of the purpose for which the relationship is being conducted by the other.

### **Directed Surveillance**

Surveillance carried out in relation to a specific operation which is likely to result in obtaining private information about a person in a way that they are unaware that it is happening. It excludes surveillance of anything taking part in residential premises or in any private vehicle.

### **Intrusive Surveillance**

Surveillance which takes place on any residential premises or in any private vehicle. A Local Authority cannot use intrusive surveillance.

### **Legal Consultation**

A consultation between a professional legal adviser and his client or any person representing his client, or a consultation between a professional legal adviser or his client or representative and a medical practitioner made in relation to current or future legal proceedings.

### **Residential premises**

Any premises occupied by any person as residential or living accommodation, excluding common areas to such premises, e.g. stairwells and communal entrance halls.

### **Senior Responsible Officer (SRO)**

The SRO is responsible for the integrity of the processes in order for the Council to ensure compliance when using Directed Surveillance or CHIS.

### **Service data**

Data held by a communications service provider relating to a customer's use of their service, including dates of provision of service; records of activity such as calls made, recorded delivery records and top-ups for pre-paid mobile phones.

### **Surveillance device**

Anything designed or adapted for surveillance purposes.

**Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010**

The Order consolidates four previous Orders relating to directed surveillance and the use or conduct of covert human intelligence sources by public authorities under Part II of the Regulation of Investigatory Powers Act 2000 (RIPA) and to reflect the outcome of a public consultation which took place between April and July 2009.

It identifies the 'relevant public authorities' authorised to conduct RIPA and CHIS activities. This list includes local authorities in England and Wales. It also gives examples of such activity, as shown on page 3 of this document.



**The Human Rights Act 1998**

Articles 6 and 8 of the Human Rights Act are relevant to RIPA.

If it is proposed that directed surveillance evidence is to be used in a prosecution, or other form of sanction, the subject of the surveillance should be informed during an interview under caution.

**The Data Protection Act 1998 (DPA)**

The eight principles of the Act relating to the acquisition of personal data need to be observed when using RIPA. To ensure compliance, the information must:

- Be fairly and lawfully obtained and processed
- Be processed for specified purposes only
- Be adequate, relevant and not excessive
- Be accurate
- Not be kept for longer than is necessary
- Be processed in accordance with an individual's rights
- Be secure
- Not be transferred to non EEA countries without adequate protection.

### List of Authorising Officers

The following post holders may authorise RIPA applications where there is a likelihood of obtaining Confidential Information: Chief Executive or deputy.

The following post holders may authorise the use of a vulnerable person or a juvenile to be used as a Covert Human Intelligence Source: Chief Executive, as Head of Paid Service or his or her deputy.

The following post holders may authorise applications, reviews, renewals and cancellations of Directed Covert Surveillance of Covert Human Intelligence Sources: Chief Executives and Directors, or in their absence, the Head of Legal and Democratic Services.

#### Principal RIPA Officers

David Lawson Deputy Head of Legal & Deputy Monitoring Officer	Senior Responsible Officer (SRO)	01375 652087
Lee Henley Information Manager	RIPA Co-ordinating Officer (Single Point of Contact)	01375 652500

#### Authorising Officers

Chief Executive	Authorising Officer	01375 652390
Lucy Magill Acting Head of Residents Services	Authorising Officer	01375 652581
Sean Clark Director of Finance & IT	Authorising Officer	01375 652010
David Lawson Deputy Head of Legal & Deputy Monitoring Officer	Authorising Officer	01375 652087

### **Central Register**

A central register will be maintained by the RIPA single point of contact. The register will contain details of all RIPA and CHIS applications (whether approved or not) and all reviews, renewals and cancellations.

Each operation will be given a unique reference number (URN) from which the department involved and the year of the operation may be readily identified.

The register will also contain the following information:

- The operation reference name or number
- The name of the applicant
- The name of the subject of the surveillance or CHIS activity (for internal enquiries a pseudonym may be used)
- The date and time that the activity was authorised
- The date and time of any reviews that are to be conducted
- The date and time of any renewals of authorisations
- The date and time of the cancellations of any authorisations

Kept in conjunction with the register will be the details of the training and updates delivered to authorising officers, a list of authorising officers, a copy of the RIPA policy and copies of all relevant legislation.

The original of all documents will also be held with the register, which must be available for inspection by the Office of the Surveillance Commissioners.

**Briefing Report**

Before any RIPA or CHIS operation commences, all staff will be briefed by the officer in charge of the case using the format of this briefing report. The original will be retained with the investigation file.

RIPA URN .....

Name and number to identify operation .....

Date, time and location of briefing .....

.....

Persons present at briefing .....

.....

**Information** (Sufficient background information of the investigation to date to enable all those taking part in the operation to fully understand their role).

**Intention** (What is the operation seeking to achieve?).

**Method** (How will individuals achieve this? If camcorders are to be used, remind officers that any conversations close to the camera will be recorded).

**Administration** (To include details of who will be responsible for maintenance of the log sheet and collection of evidence; any identified health and safety issues; the operation; an agreed stand down procedure – NOTE It will be the responsibility of the officer in charge of the investigation to determine if and when an operation should be discontinued due to reasons of safety or cost-effectiveness – and an emergency rendezvous point. On mobile surveillance operations, all those involved will be reminded that at ALL times speed limits and mandatory road signs MUST be complied with and that drivers must NOT use radios or telephones when driving unless the equipment is ‘hands free’).

**Communications** (Effective communications between all members of the team will be established before the operation commences).

### Best practice regarding photographic and video evidence

Photographic or video evidence can be used to support the verbal evidence of what the officer conducting surveillance actually saw. There will also be occasions when video footage may be obtained without an officer being present at the scene. However it is obtained, it must properly documented and retained in order to ensure evidential continuity. All such material will be disclosable in the event that a prosecution ensues.

Considerations should be given as to how the evidence will eventually be produced. This may require photographs to be developed by an outside laboratory. Arrangements should be made in advance to ensure continuity of evidence at all stages of its production. A new film, tape or memory card should be used for each operation.

If video footage is to be used start it with a verbal introduction to include day, date, time and place and names of officers present. Try to include footage of the location, e.g. street name or other landmark so as to place the subject of the surveillance.

A record should be maintained to include the following points:

- Details of the equipment used
- Confirmation that the date & time on the equipment is correct
- Name of the officer who inserted the film, tape or memory card into the camera
- Details of anyone else to whom the camera may have been passed
- Name of officer removing film, tape or memory card
- Statement to cover the collection, storage and movement of the film, tape or memory card
- Statement from the person who developed or created the material to be used as evidence

As soon as possible the original recording should be copied and the master retained securely as an exhibit. If the master is a tape, the record protect tab should be removed once the tape has been copied. Do not edit anything from the master. If using tapes, only copy on a machine that is known to be working properly. Failure to do so may result in damage to the master.

Stills may be taken from video. They are a useful addition to the video evidence.

**Surveillance Log**

Daily log of activity, to be kept by each operator or pair of operators.

A – Amount of time under observation

D – Distance from subject

V - Visibility

O - Obstruction

K – Known, or seen before

A – Any reason to remember, subject or incident

T – Time elapsed between sighting and note taking

E – Error or material discrepancy – e.g. description, vehicle reg etc.

Operation name or number .....

Date .....

Time of activity (from) ..... (to) .....

Briefing location and time .....

Name of operator(s) relating to THIS log .....

.....

Details of what was seen, to include ADVOKATE (as above).

.....

.....

.....

.....

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.....

.....

**R v Johnson**

R. v. Johnson [1988] 1 WLR 1377 laid down the correct procedure when using observation posts:

- The police officer in charge of the observation, who should be of no lesser rank than sergeant, should testify that he had visited the observation posts & ascertained the attitude of the occupiers to the use of the premises & to disclosure which might lead to their identification. (It is suggested that 'Sergeant' could be replaced by section manager).
- An inspector should then testify that immediately before the trial he visited those places & ascertained whether the occupiers were the same persons as those at the time of the observations. (It is suggested that 'inspector' could be replaced by head of department).
- If they were not he, should testify as to their attitude to the use made of the premises and to possible disclosure which might lead to their identification.
- The judge should explain to the jury when summing up or at some other point the effect of his ruling to exclude the evidence of the location.

Public Interest Immunity (PII) protects the identity of a person who has permitted surveillance to be conducted from private premise, so this extends to the address and any other information that could reveal their identity. If, however, the location can be revealed without identifying the occupier, then it should be.



<b>14 June 2016</b>	<b>ITEM: 8</b>
<b>Standards and Audit Committee</b>	
<b>Financial Statements and Annual Governance Statement Update</b>	
<b>Wards and communities affected:</b> All	<b>Key Decision:</b> Non - Key
<b>Report of:</b> Sean Clark, Director of Finance and IT	
<b>Accountable Head of Service:</b> N/A	
<b>Accountable Director:</b> Lyn Carpenter, Chief Executive	
<b>This report is Public</b>	

## Executive Summary

This report is for noting: The 2015/16 Financial Statement and Annual Governance Statement will be submitted by the statutory deadline of 30 June 2016 and the external audit will commence in July 2016. The results of the audit will be reported back to this committee in September.

Officers will circulate the Financial Statement and Annual Governance Statement for members to review the documents prior to the committee meeting in September. The Statements will then be approved by the committee following this meeting.

### 1. Recommendation(s)

**1.1 That members note the Draft Annual Governance Statement and Financial Statements are in the process of being completed in advance of the statutory deadlines in place.**

### 2. Introduction and Background

2.1 The Financial Statements has been completed in accordance with statutory deadlines and reflect the requirements of the CIPFA/LASAAC Code of Practise on Local Authority Accounting (The Code).

2.2 The council has maintained the general fund balance at £8m in 2015/16. The Council has funded the financial pressures arising from the termination of the contract with the strategic services partner and the overspends in Childrens Services from useable reserves.

- 2.3 In 2014/15 there was one uncorrected items relating a capital invoice received after the year-end which should have been reflected in 2015/16. While this was not material to the Council this has been accounted for in 2015/16 and forms part of the fixed assets of the Council.
- 2.4 The Council is preparing for the upcoming audit and has liaised with the auditors to discuss any issues arising in advance for the audit. Their interim audit work is substantially complete with no significant issues highlighted to date. Similarly the audit of the IT systems is largely complete and no issues have been highlighted to date.
- 2.5 The Annual Governance Statement requires approval by the committee under the Accounts and Audit Regulations 2011. It is noted as good practice by CIPFA to complete this before the approval of the Financial Statements. Consequently the final statement will be approved at the same meeting in September.
- 2.6 The Annual Governance Statement reflects the continuous improvement made by the Council in resolving governance issues. The actions identified in the 2014/15 Statement have been reviewed and addressed within the year where possible. The governance framework remains sound and continues to support the delivery of priorities in the borough.

### **3. Issues, Options and Analysis of Options**

- 3.1 There are no issues arising from this report. The Financial Statements and Annual Governance Statement have been submitted for audit and the committee will receive a report back in September, accompanied by a report by Ernst and Young.

### **4. Reasons for Recommendation**

- 4.1 For the committee to note the completion of both statements

### **5. Consultation (including Overview and Scrutiny, if applicable)**

- 5.1 All services and senior management have been consulted in the compilation of both documents.

### **6. Impact on corporate policies, priorities, performance and community impact**

- 6.1 The level of resources and how they are allocated will affect the amounts available towards the Council's overall aims and objectives.

### **7. Implications**

- 7.1 **Financial**

Implications verified by: **Sean Clark**  
**Head of Corporate Finance**

The statements are largely governed by the code. Apart from reporting the Council's financial position as at 31 March 2015, there are no financial implications arising directly from this report.

## 7.2 **Legal**

Implications verified by: **Paul Feild**  
**Senior Corporate Governance Lawyer**

There are no legal implications from this report.

## 7.3 **Diversity and Equality**

Implications verified by: **Natalie Warren**  
**Community Development and Equalities  
Manager**

There are no diversity and equality implications from this report.

## 7.4 **Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

There are no other implications from this report.

## 8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- There are detailed working papers to support the financial accounts in Corporate Finance.
- The Annual Governance Statement draws on a range of documents from around the Council.

## 9. **Appendices to the report**

- There are no appendices to this report

### **Report Author:**

Sean Clark  
Head of Corporate Finance



<b>14 June 2016</b>	<b>ITEM: 9</b>
<b>Standards and Audit Committee</b>	
<b>Head of Internal Audit Annual Report – Year ended 31 March 2016</b>	
<b>Wards and communities affected:</b> All	<b>Key Decision:</b> Non-key
<b>Report of:</b> Gary Clifford – Internal Audit Manager (acting in the role of Head of Internal Audit)	
<b>Accountable Head of Service:</b> N/A	
<b>Accountable Director:</b> Sean Clark – Director of Finance & IT	
<b>This report is public</b>	

## Executive Summary

Under the Public Sector Internal Audit Standards, the Head of Internal is required to provide the Section 151 Officer and the Standards & Audit Committee with an opinion on the adequacy and effectiveness of the organisation’s governance, risk management and control arrangements. In giving this opinion it should be noted that assurance can never be absolute. The most that the internal audit service can provide is a reasonable assurance that there are no major weaknesses in the risk management, governance and control processes.

The audit opinions that are provided on a review by review basis during the year and are presented to the Standards & Audit Committee as part of the regular internal audit progress reports, form part of the framework of assurances that assist the Council in preparing an informed annual governance statement.

### 1. Recommendation(s)

**1.1 That the Standards & Audit Committee considers and comments on the Head of Internal Audit Annual Report – Year ended 31<sup>st</sup> March 2016.**

### 2. Introduction and Background

2.1 The role of internal audit is to provide management with an objective assessment of the adequacy and effectiveness of internal control, risk management and governance arrangements. Internal audit is therefore a key part of Thurrock Council’s internal control system and integral to the framework of assurance that the Standards & Audit Committee can place reliance on to assess its internal control system.

- 2.2 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. This responsibility has been delegated to the Director of Finance & IT (Section 151 Officer) under the Council's Executive Scheme of Delegation and is delivered through the Head of Audit in consultation with the Director of Finance & IT.
- 2.3 In April 2013, a revised standard for Public Sector Internal Audit Standards (PSIAS) came into effect, compliance against which is seen as fundamental to demonstrating the adequacy and effectiveness of internal audit, in order to meet statutory requirements as set out in the Accounts & Audit (England) Regulations 2011. The procedures and practices that Internal Audit operates at Thurrock are designed to reflect adherence to these standards. However, following the internal audit service being brought back in house from April 2015, an external assessment of compliance with the standards needs to be carried out by March 2020.
- 2.4 The provision of assurance services is the primary role for internal audit in the UK public sector. This role requires the Head of Internal Audit to provide an annual internal audit opinion based on an objective assessment of the framework of governance, risk management and control. Consulting services are advisory in nature and are generally performed at the specific request of the organisation, with the aim of improving governance, risk management and control and contributing to the overall opinion.

### **3. Issues, Options and Analysis of Options**

- 3.1 During the year, internal audit have finalised and issued a total of 28 assurance reports as final. We have also issued 1 advisory report on Special Guardianship. We were requested to carry out and assist with a number of investigations involving staff employed by, or working for, the Council. We also provided advice and guidance around procurement cards and special guardianship in an advisory capacity.
- 3.2 In total, we issued 24 reports with a positive assurance opinion and 4 reports with an Amber/Red assurance opinion. Following discussions with members and the Director of Finance & IT, Amber/Red assurance opinions are no longer given a positive assurance opinion to reflect that there are either high risk recommendations or a number of medium recommendations which indicate weaknesses across the service area.
- 3.3 It should be noted that we have not provided an opinion on the risk management framework. The Insurance and Risk Management Team was working under a shared service arrangement with the London Borough of Barking & Dagenham (LBBDD) which was terminated part way through the year. Resourcing issues within the team and the additional tasks taken on by the Risk Management Officer meant that this has been deferred until 2016/17.

However, nothing has been brought to our attention to suggest the Council needs to be concerned around the risk management environment.

- 3.4 We have assessed that there has been no significant change from last year for governance which remains Green. Despite the changes in the Amber/Red assurance opinions no longer being seen as positive, we have concluded that the control environment remains Green as no Red reports were issued during 2015/16.

#### **4. Reasons for Recommendation**

- 4.1 The Head of Internal Audit's Annual Report – Year ended 31<sup>st</sup> March 2016 is presented for the Standards & Audit Committee to consider and comment on and supports the Annual Governance Statement.

#### **5. Consultation (including Overview and Scrutiny, if applicable)**

- 5.1 The Head of Internal Audit's Annual Report – Year ended 31<sup>st</sup> March 2016 provides an independent opinion on the Council's governance, risk management and internal control processes. There is no consultation as it is based on work completed during the year which is widely reported to officers and members.

#### **6. Impact on corporate policies, priorities, performance and community impact**

- 6.1 The achievement of corporate priorities is a key consideration of the Corporate Directors, senior management and internal audit when they are planning the years' work. A positive opinion in the Head of Internal Audit Annual Report provides an independent assurance that the Authority has adequate control and risk management processes in place.

#### **7. Implications**

##### **7.1 Financial**

Implications verified by: **J Wilson**  
**Chief Accountant**

There are no direct financial implications arising from this report.

##### **7.2 Legal**

Implications verified by: **D Lawson**  
**Deputy Head of Legal Services & Monitoring Officer**

The contents of this report and appendixes form part of the Council's responsibility to comply with the Audit Commission Act 1998 and the Accounts and Audit Regulations 2015 to at least annually 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 Council has delegated responsibility for ensuring this is taking place to the Standards & Audit Committee. There are no adverse legal implications relating to the reporting progress.

**7.3 Diversity and Equality**

Implications verified by: **R Price**  
**Community Development Officer**

There are no direct diversity implications arising from this report.

**7.4 Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

In terms of risk and opportunity management, the Head of Internal Audit's Annual Report and its outcomes are a key part of the Council's risk management and assurance framework.

**8. Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- Internal Audit Reports issued in 2015/16.

**9. Appendices to the report**

- Appendix 1 - Head of Internal Audit's Annual Report – Year ended 31<sup>st</sup> March 2016.

**Report Author:**

Gary Clifford

Internal Audit Manager (acting in the role of Head of Internal Audit)

Thurrock Council Internal Audit Service, Corporate Finance



# Thurrock Council

## Head of Internal Audit's Annual Report Year ended 31<sup>st</sup> March 2016

Presented at the Standards & Audit Committee meeting of 14<sup>th</sup>  
June 2016

## Contents

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## 1. Introduction

In April 2015, a decision was made to end the contract with the previous contractor and bring the Internal Audit service back in house. As a result, the Internal Audit Manager currently fulfils the role of the Head of Internal Audit (HoIA) for reporting purposes.

In accordance with Public Sector Internal Audit Standards, the HoIA is required to provide an annual opinion, based upon and limited to the work performed, on the overall adequacy and effectiveness of the organisation's risk management, control and governance processes.

This is achieved through a risk-based plan of work, agreed with management and approved by the Standards & Audit Committee, which should provide a reasonable level of assurance, subject to the inherent limitations described below.

The opinion does not imply that internal audit has reviewed all risks and assurances relating to the organisation. The opinion is substantially derived from the conduct of risk-based plans generated from a robust and organisation-led assurance framework. As such, the assurance framework is one component that the Council takes into account in making its annual governance statement (AGS).

In giving our opinion it should be noted that assurance can never be absolute. The most that the internal audit service can provide is a reasonable assurance that there are no major weaknesses in risk management, governance and control processes.

The AGS is an annual statement by the Director of Finance & IT (Section 151 Officer), on behalf of the Council, setting out:

- How the individual responsibilities of the Section 151 Officer are discharged with regard to maintaining a sound system of internal control that supports the achievement of policies, aims and objectives;
- The purpose of the system of internal control as evidenced by a description of the risk management and review processes, including the assurance framework process; and

- The conduct and results of the review of the effectiveness of the system of internal control including any disclosures of significant control failures together with assurances that actions are, or will be taken where appropriate, to address issues arising.

## 2. Internal Audit Overall Opinion

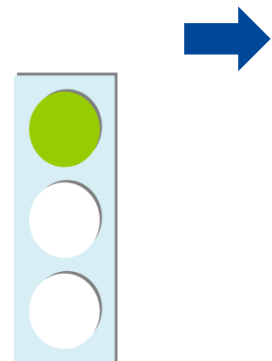
The purpose of the annual Head of Internal Audit Opinion is to contribute to the assurances available to the Section 151 Officer and the Council through the Standards & Audit Committee. This opinion will in turn assist the Council in the preparation of its annual governance statement.

We are satisfied that sufficient internal audit work has been undertaken to allow us to draw a reasonable conclusion on the adequacy and effectiveness of Thurrock Council's arrangements.

For the 12 months ended 31 March 2016, based on the work we have undertaken, our opinion below details the adequacy and effectiveness of your organisation's risk management, internal control and governance arrangements. We also show below the direction of travel of our opinions.

### Governance

During 2015/16 we conducted a review of the Register of Gifts, Interests and Hospitality for senior officers and members and provided a substantial assurance (Green) opinion. We have also looked at the governance arrangements in specific areas of the Council's operations and where we have identified issues, the Council has reacted swiftly to address them. In addition, the Council had to make a number of difficult decisions around the arrangements with its main strategic partner resulting in the termination of the contract from December 2015. It also looked at options to improve services and reduce costs including partnership working with other local authorities. These decisions were made with the full involvement of both officers and members and showed that governance was robust. Therefore, our overall opinion on Governance remains as **Green**.



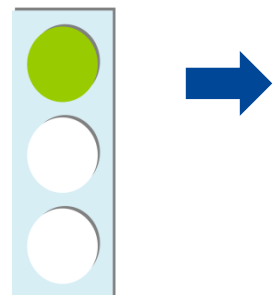
### Risk Management

We did not undertake a review of risk management during 2015/16 as the service went through a period of change with the shared management arrangement with the London Borough of Barking and Dagenham being terminated part way through the year. However, it was noted that the results of the annual self-assessment against the CIPFA/SOLACE Risk Management Benchmarking Model showed a continued improvement on the previous year. This was reported to the Standards & Audit Committee on 15<sup>th</sup> March 2016. Risk management reports are also regularly presented to the Standards & Audit Committee. It has been agreed with the Director of Finance & IT that a review of risk management and insurance will be undertaken once the departmental restructure is completed during 2016/17.

No opinion given

### Internal Control

It was agreed with members and the Director of Finance and IT that changes were needed to the assurance opinions provided in 2015/16. Under the previous contractor, Green, Amber/Green and Amber/Red were considered positive opinions, with Red being a negative opinion. However, it was agreed that an Amber/Red opinion should not be positive. On this basis, positive assurance opinions were provided in 24 of the 28 assurance reports issued in 2015/16 (excluding the 1 advisory review). 4 reports were issued with an Amber/Red opinion and no Red reports were issued. Moving forward, this will be used as the benchmark for future annual opinions. However, as these would have all been positive opinions under the previous methodology, the direction of travel is maintained and as a result, the overall opinion on Control remains as **Green**.



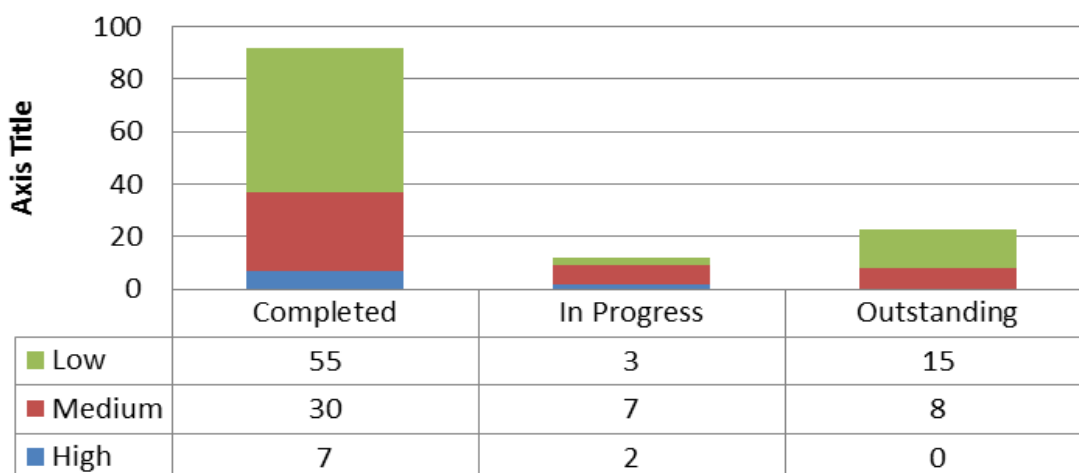
## 3. Acceptance of Internal Audit Recommendations

All of the recommendations made during the year and included within the agreed action plan were accepted by management. Where recommendations were not accepted due to compensating controls, cost etc., these were captured in the findings and recommendations.

## 4. Implementation of Internal Audit Recommendations

Our follow up of the recommendations from previous years and current audit assignments where the implementation date has been reached indicate that the Council has made good progress in implementing the agreed actions. This is in line with 2014/15.

### Implementation of Recommendations 2015/16



As can be seen from the chart, 92 recommendations had been implemented, 12 had not reached the due date so were in progress and 23 were still outstanding. Of the high and medium recommendations, all the high and 82% of the medium recommendations had been implemented or not reached their due date. Of the 23 medium and low recommendations still outstanding, 6 medium and 6 low related to schools, some of whom have since converted to academies.

## 5. Internal Audit Performance

### Delivery of value-added services

During 2015/16, the Internal Audit team provided significant resources and knowledge in assisting with a number of key investigations involving staff directly employed by the Council or employed as consultants, either directly or through agencies. Some of these cases are on-going investigations so cannot be commented on further.

As a result of the work around consultants, further work has been programmed in for 2016/17 to review contractual arrangements when procuring consultancy services and 2 contractors had their contracts terminated due to the rolling nature of their employment i.e. they moved from one project to another within the same directorate, without any competitive procurement process being undertaken.

At the request of members following the issue of an Amber/Red report on Procurement Cards in May 2015, Internal Audit acted as a facilitator to set up a working group involving Corporate Finance and Procurement, to review the processes around the administration and use of the cards, with input around controls from Internal Audit. A new system is currently being developed which will enhance the controls, improve the administration and monitoring processes and will add additional safeguards around the application process and lockdown the use of the cards based on business need.

Internal Audit was asked to undertake an internal review of the controls in place to manage the user access rights and responsibilities to the Oracle Financials database; including the budget approvals process. A review of the existing user's access rights and responsibilities identified a number of users with high levels of access to purchasing functions within the database; potentially enabling them to set up suppliers and budget approvers, with the potential to pay suppliers. The financial limits applied to those users and budget code ranges were also significant. As a result, additional controls were put in place to provide a greater separation of duties and some access rights were removed so no staff with TC Purchasing Super User access can set up or approve payments.

## Conflicts of Interest

Internal Audit staff have not undertaken any work or activity during 2015/16 that would require them to declare any declaration of interest.

## Compliance with Internal Audit Standards

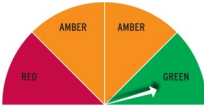
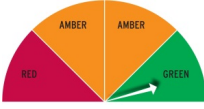
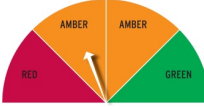
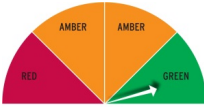
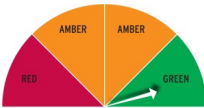
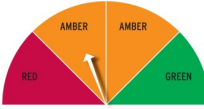
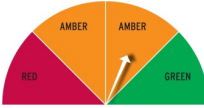
The service came back in-house from April 2015. Under the Public Sector Internal Audit Standards (PSIAS), the Internal Audit service is required to have an external assessment every five years (by March 2020). Whilst the current service is designed to conform to the PSIAS, we will be looking to carry out a self-assessment of our compliance during 2017/18. This will allow us to develop an improvement plan and action any issues before having a formal external assessment in 2018/19.

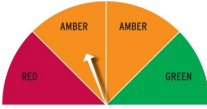
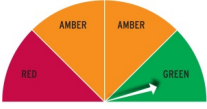
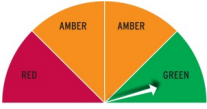
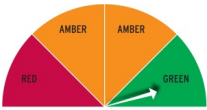
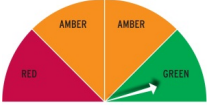
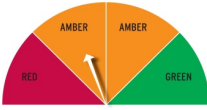
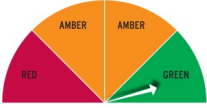
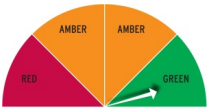
## Performance Indicators

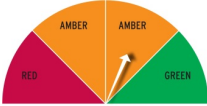
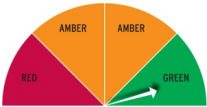
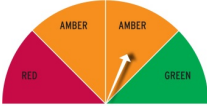
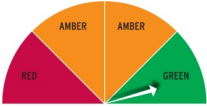
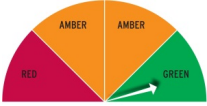
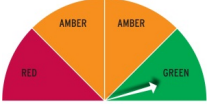
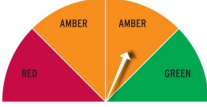
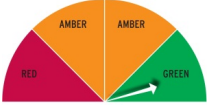
Indicator	Target	Actual	Comments
Audits commenced in line with original timescales	Yes	No	Some reviews deferred by client due to changes to structure and budget cuts.
Draft reports issued within 10 days of debrief	80%	76%	
Management responses received within 10 days of draft report	80%	66%	Slight improvement on 2014/15. Number of issues including restructures, annual leave etc. Regular chasing took place. Audit protocol agreed includes escalation process.
Final report issued within 5 days of management response	90%	90%	
% of high and medium recommendations followed up	95%	93%	
5 of staff with professional qualification or studying towards	>25%	33%	Internal Audit Manager (CMIIA and AAT)
Turnover of staff	<10%	13%	Retirement of member of staff March 2016.
Response time for general enquiries (2 working days)	100%	100%	
Response time for emergencies or potential fraud (1 working day)	100%	100%	

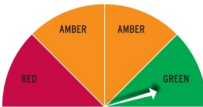
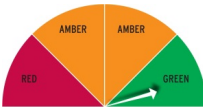
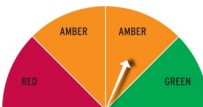
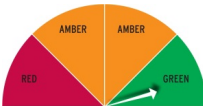
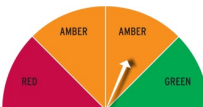
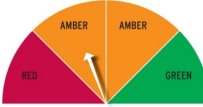
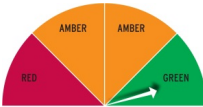


## 6. Internal Audit Opinion and Recommendations 2015/16

Assignment Objective	Client Lead	Opinion	Recommendations		
			H	M	L
<b>Accounts Payable</b> - All expenditure is committed, approved and accounted for in line with the organisation's financial regulations, and creditors are paid in a timely manner in accordance with targets.	<b>Director of Finance &amp; IT</b>		0	1	3
<b>Accounts Receivable</b> - To ensure controls over the debtors function are robust, all monies owed to the organisation are recovered in a timely manner and controls are in place to monitor and reduce levels of outstanding debt.	<b>Director of Finance &amp; IT</b>		0	1	2
<b>Adult's Direct Payments</b> - Direct Payments are managed effectively as per legislation and Council guidance.	<b>Corporate Director of Adults, Housing &amp; Health</b>		1	2	1
<b>Adult Social Care Expenditure</b> - The processes in place to control and manage expenditure on care packages may not be adequate.	<b>Corporate Director of Adults, Housing &amp; Health</b>		0	2	1
<b>Adult Social Care Income</b> - To review the systems and procedures in place to control and manage income received towards the cost of care packages and ensure that debt recovery is robust.	<b>Corporate Director of Adults, Housing &amp; Health</b>		0	2	1
<b>Safeguarding of Assets (Appointeeship and Deputyship)</b> - The Council has a transparent and consistent approach when managing the affairs of vulnerable individuals.	<b>Director of Finance &amp; IT</b>		1	4	2
<b>Arthur Bugler Primary School</b> - To ensure the school is administered in the most economic, efficient and effective way possible in accordance with Central Government and Local Authority guidelines.	<b>Corporate Director – Children's Services</b>		0	3	4

Assignment Objective	Client Lead	Opinion	Recommendations		
			H	M	L
<b>Bonnygate Primary School</b> - To ensure the school is administered in the most economic, efficient and effective way possible in accordance with Central Government and Local Authority guidelines.	<b>Corporate Director – Children's Services</b>		0	5	6
<b>Bonnygate Primary School Follow Up</b> – Requested by the headteacher following the Amber/Red report.	<b>Corporate Director – Children's Services</b>		0	1	2
<b>Cash &amp; Banking</b> - To ensure the Council accurately records and accounts for all cash income and the banking arrangements of the organisation are secure.	<b>Director of Finance &amp; IT</b>		0	0	3
<b>Chadwell St Mary Primary School</b> - To ensure the school is administered in the most economic, efficient and effective way possible in accordance with Central Government and Local Authority guidelines.	<b>Corporate Director – Children's Services</b>		0	1	2
<b>Children's Centres</b> - Following the commissioning out of some Children's Centres, to review the revised strategy and ensure there are processes in place to monitor service provision and ensure the Council is obtaining value for money.	<b>Corporate Director – Children's Services</b>		0	2	2
<b>Children's Direct Payments</b> - Direct Payments are managed effectively as per legislation and Council guidance.	<b>Corporate Director – Children's Services</b>		2	2	0
<b>Council Tax</b> - All properties are recorded on the Council Tax Database completely and accurately, ensuring that all income is collected and receipted for in a timely manner.	<b>Director of Finance &amp; IT</b>		0	0	1
<b>Education Transport (Post 16 and Denominational)</b> - To carry out a review to assess whether new policies and procedures have been implemented properly and are being followed.	<b>Corporate Director of Adults, Housing &amp; Health</b>		0	0	1

Assignment Objective	Client Lead	Opinion	Recommendations		
			H	M	L
<b>Fostering</b> - There are appropriate controls around the appointment of Foster Carers. Allowances and other payments made are appropriate.	<b>Corporate Director – Children's Services</b>		0	3	0
<b>Housing Benefit</b> - To ensure accurate and timely processing and payment of Housing Benefits to eligible claimants.	<b>Director of Finance &amp; IT</b>		0	0	5
<b>Horndon-on-the-Hill Primary School</b> - To ensure the school is administered in the most economic, efficient and effective way possible in accordance with Central Government and Local Authority guidelines.	<b>Corporate Director – Children's Services</b>		0	2	4
<b>Holy Cross Catholic Primary School</b> - To ensure the school is administered in the most economic, efficient and effective way possible in accordance with Central Government and Local Authority guidelines.	<b>Corporate Director – Children's Services</b>		0	2	2
<b>Housing Rents</b> - To review the systems and procedures in place relating to the administration and management of housing rents.	<b>Corporate Director of Adults, Housing &amp; Health</b>		0	1	1
<b>NNDR</b> - To ensure the Council provides an effective and efficient Business Rates, Billing, Collection and Recovery operation, and Valuation and Inspections service for Business Rates.	<b>Director of Finance &amp; IT</b>		0	0	0
<b>Orsett Primary School</b> - To ensure the school is administered in the most economic, efficient and effective way possible in accordance with Central Government and Local Authority guidelines.	<b>Corporate Director – Children's Services</b>		0	3	4
<b>Payroll (including HR)</b> - To ensure that staff are paid correctly each month in a timely manner and that the organisation is correctly recording and accounting for its payroll costs.	<b>Director of HR, OD and Transformation</b>		0	2	2

Assignment Objective	Client Lead	Opinion	Recommendations		
			H	M	L
<b>Register of Gifts, Interests and Hospitality</b> – To ensure compliance with the Council's Constitution and Code of Conduct.	<b>Deputy Head of Legal Services</b>		0	0	2
<b>School Condition Funding</b> - To ensure the processes for the use of School Condition Funding is administered in the most economic, efficient and effective way and benefits those schools in greatest need.	<b>Corporate Director – Children's Services</b>		0	0	0
<b>Somers Heath Primary School</b> - To ensure the school is administered in the most economic, efficient and effective way possible in accordance with Central Government and Local Authority guidelines.	<b>Corporate Director – Children's Services</b>		0	3	2
<b>Special Guardianship</b> - There are appropriate controls to ensure that payments for Special Guardianship are appropriate.	<b>Corporate Director – Children's Services</b>	<b>Advisory</b>	4	0	0
<b>St Joseph's RC Primary School</b> - To ensure the school is administered in the most economic, efficient and effective way possible in accordance with Central Government and Local Authority guidelines.	<b>Corporate Director – Children's Services</b>		0	2	2
<b>Street Lighting</b> - To confirm that the procurement of the street lighting contract is in compliance with legislation and the Council's Constitution and backed up by appropriate documentation and evidence.	<b>Head of Transportation and Highways</b>		0	3	1
<b>Supported Living</b> - To confirm that the procurement of contracts is in compliance with legislation and the Council's Constitution and backed up by appropriate documentation and evidence.	<b>Corporate Director of Adults, Housing &amp; Health</b>		1	3	1
<b>Warren Primary School</b> - To ensure the school is administered in the most economic, efficient and effective way possible in accordance with Central Government and Local Authority guidelines.	<b>Corporate Director – Children's Services</b>		0	1	2

<b>14 June 2016</b>	<b>ITEM: 10</b>
<b>Standards and Audit Committee</b>	
<b>Internal Audit Progress Report 2015/16</b>	
<b>Wards and communities affected:</b> All	<b>Key Decision:</b> Non-key
<b>Report of:</b> Gary Clifford – Internal Audit Manager	
<b>Accountable Head of Service:</b> N/A	
<b>Accountable Director:</b> Sean Clark – Director of Finance & IT	
<b>This report is public</b>	

## Executive Summary

The Internal Audit Plan 2015/16 was discussed by the Standards & Audit Committee at their meeting of 8<sup>th</sup> July 2015. This report is the final progress report for 2015/16. It details audit reviews issued as final since the last progress report presented to the Committee on the 15<sup>th</sup> March 2016.

### 1. Recommendation(s)

#### 1.1 That the Standards & Audit Committee:

**Consider reports issued by Internal Audit in relation to the 2015/16 audit plan.**

### 2. Introduction and Background

2.1 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.

2.2 The Internal Audit Service carries out the work to satisfy this legislative requirement and part of this is reporting the outcome of its work to the Standards & Audit Committee.

2.3 The Standards & Audit Committee has a responsibility for reviewing the Council's corporate governance arrangements, including internal control and formally approving the Annual Governance Statement. The audit work carried out by the Internal Audit Service is a key source of assurance to the

Standards & Audit Committee about the operation of the internal control environment.

- 2.4 The audits contained in the Internal Audit Plan 2015/16 are based on an assessment of risk for each system or operational area. The assessment of risk includes elements such as the level of corporate importance, materiality, service delivery/importance and sensitivity.

### **3. Issues, Options and Analysis of Options**

- 3.1 The reports issued by Internal Audit provide 4 levels of assurance opinion. The 4 opinions use a Red/Amber/Green (RAG) assurance level and reports are now categorised as: Green; Amber/Green (positive assurance opinions); Amber/Red (some assurance but a number of weaknesses) and Red (negative assurance opinion).
- 3.2 We have summarised below (3.3 to 3.5), those reports that have been issued as final since the last report in March 2016. The key findings of these reports are shown at Appendix 1.
- 3.3 The following reports received a **Green** assurance rating for the control frameworks in their area:
- Bonnygate Primary School Follow up
  - Accounts Receivable
  - Accounts Payable
  - Adult Social Care Income
  - Council Tax
  - NNDR (National Non Domestic Rates)
  - Payroll
- 3.4 No reports were issued with an **Amber/Green** assurance rating for the control framework in their area during this period.
- 3.5 One report received an **Amber/Red** assurance rating for the control framework in its area. This was the review of Safeguarding of Assets (Deputyship and Appointeeship). The management summary and action plan with management responses has been included in more detail at the end of Appendix 1.
- 3.6 At the request of members of the Standards & Audit Committee, an update on the progress being made to address reports with a number of high risk recommendations or those issued with an Amber/Red opinion are also included.

### **4. Reasons for Recommendation**

- 4.1 To assist the Standards & Audit Committee in satisfying itself that progress against the Internal Audit Plan is sufficient as one of the means of assuring itself of the effective operation of internal controls.

## **5. Consultation (including Overview and Scrutiny, if applicable)**

- 5.1 The audit risk assessment and the plan are periodically discussed with the Chief Executive, Corporate Directors, Directors and Heads of Service before being reported to Directors Board and the Standards & Audit Committee.
- 5.2 All terms of reference and draft reports are discussed and agreed with the relevant Corporate Directors, Directors, Heads of Service and/or management before being finalised.
- 5.3 The Internal Audit Service also consults with the Council's External Auditors to ensure that respective audit plans provide full coverage whilst avoiding duplication.

## **6. Impact on corporate policies, priorities, performance and community impact**

- 6.1 The Council's corporate priorities were used to inform the annual audit plan 2015-16. Recommendations made are designed to further the implementation of these corporate priorities.

## **7. Implications**

### **7.1 Financial**

Implications verified by: **Jonathan Wilson**  
**Chief Accountant**

Whilst there are no direct financial implications arising from this report, it is important that the authority maintains adequate internal controls to safeguard the authority's assets. This is not to say that audit recommendations do not have financial implications but these are for management to identify and contain within existing budgets.

### **7.2 Legal**

Implications verified by: **David Lawson**  
**Deputy Head of Legal Services & Monitoring Officer**

The contents of this report and appendixes form part of the Council's responsibility to comply with the Audit Commission Act 1998 and the Accounts and Audit Regulations 2015 to at least annually 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 Council has delegated responsibility for ensuring this is taking place to the Standards & Audit Committee. There are no adverse legal implications relating to this progress report.

### 7.3 **Diversity and Equality**

Implications verified by: **Rebecca Price**  
**Community Development Officer**

This report includes information on an audit of the council's Safeguarding of Assets (Appointeeship and Deputyship) service that provides support to vulnerable residents to manage their financial affairs. An Amber/Red assurance rating has now prompted the development of an action plan with a series of recommendations and management actions to mitigate the potential risks highlighted through the service audit. Updates on the implementation of the action plan will be reported to Standards & Audit Committee at the request of members.

### 7.4 **Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

In terms of risk and opportunity management, the Internal Audit Plan and its outcomes are a key part of the Council's risk management and assurance framework. The Internal Audit Plan is based on risk assessments that include a review of the Council's risk and opportunity register.

## 8. **Background papers used in preparing the report:**

- Strategy for Internal Audit 2015/16 to 2017/18 and Internal Audit Plan 2015/16
- Internal Audit Reports issued in 2015/16.

## 9. **Appendices to the report**

- Appendix 1 – Internal Audit Progress Report.

### **Report Author:**

Gary Clifford

Internal Audit Manager

Thurrock Council Internal Audit Service, Corporate Finance



# Thurrock Council

## Standards & Audit Committee

## Internal Audit Progress Report 2015/16

Date of Committee: 14<sup>th</sup> June 2016

## Introduction

The internal audit plan for 2015/16 was presented to the Standards & Audit Committee on 16<sup>th</sup> July 2015. This report provides the final update on progress against that plan since the 15<sup>th</sup> March 2016 meeting.

### **Table showing Reports issued as Final**

Assignment	Status	Opinion	Actions Agreed (by priority)		
			High	Medium	Low
Audits to address specific risks					
Bonnygate Primary School – Follow up	Final	Green	0	1	2
Safeguarding of Assets (Appointeeship and Deputyship)	Final	Amber/Red	1	4	2
<b>Core Assurance</b>					
NNDR (National Non Domestic Rates)	Final	Green	0	0	0
Council Tax	Final	Green	0	0	1
Payroll	Final	Green	0	2	2
Adult Social Care Income	Final	Green	0	2	1
Accounts Receivable	Final	Green	0	1	2
Accounts Payable	Final	Green	0	1	3

As previously reported to the March Committee, a follow up review on the implementation of recommendations made as part of the Bonnygate Primary School audit was undertaken on the 24<sup>th</sup> May 2016. As a result, only 1 medium and 2 low recommendations were outstanding and both were work in progress. This represents good progress and the opinion has now been updated to reflect a green assurance rating.

At the request of members following the issue of an Amber/Red report on Procurement Cards in May 2015, further work was undertaken to review what the cards were being used to purchase. As a result, a group was set up involving Corporate Finance and Procurement, with input around controls from Internal Audit, to develop a new system moving forward. In the past, all setting up and monitoring of spend fell on Corporate Finance. However, it has now been agreed that Procurement will lead on setting up and monitoring spend. Procurement are developing a new form requiring managers to provide a business case detailing the reason the member of staff needs a card, the specific areas they would need to spend against and the expected value of spend. The individual cards could then be locked down to these specific areas which provide far greater control over their use.

In respect of the Supported Living review which received an Amber/Red assurance opinion and was reported to members at the September Committee, the long term absence of a senior manager for personal reasons resulted in the date of implementation of the recommendations having to be extended. The service has now confirmed that the following actions have been agreed and will be completed by August 2016:

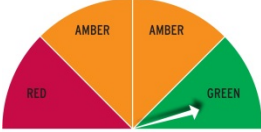
- Resources to be increased in the contract compliance function to ensure the contract can be managed appropriately and ensure that value for money has been obtained;
- Reducing the complexity of the contract as it is extremely laborious to manage;
- The purchase order for this year has already been raised for the correct amount (actioned);
- Change the signing off procedure to ensure that senior management have oversight of payments that are made for the block provision by PO and the additional services that have been commissioned; and
- Work with the performance team to ensure that the satisfaction surveys and quarterly returns are periodically checked to ensure they are accurate.

These actions will address the main issues raised within the report.

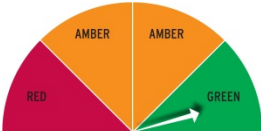
Progress has been made on the implementation of the recommendations of the Safeguarding of Assets (Appointeeship & Deputyship), which is included in detail at the end of this report. At the date of this report, 1 low and 2 medium recommendations had been actioned; 1 was superseded due to the change of bank and the process for dealing with the estates of deceased clients which is now handled directly by the bank; and, 3 recommendations had not reached their implementation date. A further update will be provided as part of the next progress report.

The Internal Audit Service has also been supporting the Corporate Fraud & Investigation Directorate on two on-going investigations.

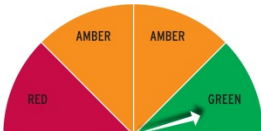
**Key Findings from Internal Audit Work**

<p><b>Assignment: Bonnygate Primary School Follow Up</b></p>	<p><b>Opinion: Green</b></p>	
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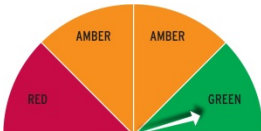
**Headline Findings:** At the request of the headteacher, Internal Audit carried out a follow up review of Bonnygate Primary School and retested the 5 medium and 5 low recommendations identified during the audit carried out in January 2016, which resulted in the issuing of an Amber/Red assurance opinion. At the time of the follow up (24<sup>th</sup> May 2016), there was only 1 medium and 2 low recommendations outstanding. Two of these were work in progress with the marking of IT equipment and updating of the IT register to identify older stock currently being worked on. The 3<sup>rd</sup> recommendation related to the need to review and update if necessary, the schools Financial Regulations. This had been deferred as the governors felt that they did not need to be amended and would need to be totally reviewed when the school becomes an academy.

<p><b>Assignment: NNDR (National Non Domestic Rates)</b></p>	<p><b>Opinion: Green</b></p>	
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**Headline Findings:** Our review of NNDR did not identify any issues or areas of concern around the adequacy of the control framework. There were good controls around the following areas which were reviewed as part of the audit process: policies and procedures; accuracy and completeness of the NNDR database; receipting; amendments to accounts; clearing suspense promptly; refunds; system access; reductions and exemptions; inspections; management of arrears; and write offs. The 1 medium recommendation from the previous audit had been implemented.

<p><b>Assignment: Council Tax</b></p>	<p><b>Opinion: Green</b></p>	
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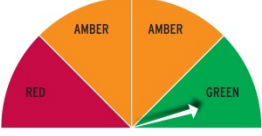
**Headline Findings:** Our review of Council Tax did not identify any issues or areas of concern, with only 1 low recommendation being identified around the adequacy of the control framework. The areas covered where there were good controls were the same as those identified above in the NNDR review. The 1 medium and 2 low recommendations from the previous audit had been implemented.

<p><b>Assignment: Payroll (including HR)</b></p>	<p><b>Opinion: Green</b></p>	
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**Headline Findings:** Our review of Payroll (including HR) identified 2 medium and 2 low recommendations around the adequacy of the control framework. The 1 medium and 3 low recommendations from the previous audit had been implemented.

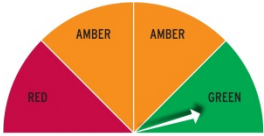
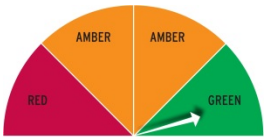
Action and Response	Responsible Officer	Date
<p><b>Action</b> - The number of superusers should be reduced to a maximum of 4 and this level maintained. Users' access rights to the Payroll System should be reviewed regularly, at least annually, to ensure employees who have left or no longer require access are removed. This reduces the likelihood of fraud and/or unauthorised access.</p> <p><b>Response</b> – Accessibility would need to be streamlined so that only certain payroll functionalities are performed by specific users. Proper documentation will need to be drawn up with review dates taken into account. Look at options for tailoring access i.e. where the system enables full or restricted access.</p>	<p>Payroll Manager</p>	<p>April 2016</p>

<p><b>Action</b> – Managers must inform HR, so they can inform Payroll, in advance of an employee leaving to reduce the likelihood of overpayments occurring. Debtors should be immediately notified by Payroll of any instances where an overpayment has not been recovered through the employee or ex-employee’s salary. This will allow them to raise invoices promptly and take appropriate recovery action. This reduces the risk of debts not being recovered.</p> <p><b>Response</b> – Process reviewed with checklist to ensure appropriate workflow and timely notifications are captured within the current procedures. Robust checking by payroll to prevent overpayments but where this occurs, the recovery process should also be robust. Proposed payroll approvers for service managers to ensure accountability prior to submission to Payroll. Oracle will resolve these issues moving forward.</p>	<p>Operational Service HR and Payroll Service Lead with Payroll Manager</p>	<p>May 2016</p>
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<p><b>Assignment: Adult Social Care Income</b></p>	<p><b>Opinion: Green</b></p>	
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**Headline Findings:** Our review of Adult Social Care Income identified 3 medium and 1 low recommendation around the adequacy of the control framework. There has been no previous audit which is comparable to this review.

<p><b>Action and Response</b></p>	<p><b>Responsible Officer</b></p>	<p><b>Date</b></p>
<p><b>Action</b> - When transferring the information into Objective, the section should ensure that all documentation is up-to-date and consent forms which are missing should be completed and signed by clients at the next review. This ensures there is an appropriate audit trail in place to support the assessments.</p> <p><b>Response</b> – In principle this is sound. We would like to look at the least administratively burdensome approach by seeking to change the wording in the agreement to something along the lines “permission is given until withdrawn” but this would be subject to legal input.</p>	<p>Project Manager – Care Act Funding Reforms and Charging Policies</p>	<p>July 2016</p>
<p><b>Action</b> - When a client dies owing money and their estate is in probate, an online check of the wills, probate and inheritance section of the gov.uk website should be carried out on a regular basis to determine when probate is obtained so the debt can then be collected promptly. This reduces the likelihood of funds being distributed before outstanding debts to the Council are paid.</p> <p><b>Response</b> – Though this only makes sense when it is cost effective to do so. If the estate is below £5k (approx.) no grant of probate or letters of administration are required. The timing of this would be difficult due to common law obligations for the “executor’s year” therefore implementation could prove difficult. I would suggest this be taken to the next debt management meeting for discussion.</p>	<p>Debt Officer</p>	<p>July 2016</p>

<b>Assignment: Accounts Receivable</b>	<b>Opinion: Green</b>	
<b>Headline Findings:</b> Our review of Accounts Receivable identified 1 medium and 2 low recommendations around the adequacy of the control framework. Of the 1 medium and 2 low recommendations from the previous audit, the medium recommendation was still outstanding and has been repeated in this review.		
<b>Action and Response</b>	<b>Responsible Officer</b>	<b>Date</b>
<p><b>Action</b> - It is recommended that a monthly report is produced which identifies all cases where a request form has not been raised in line with prescribed timescales. This report should be escalated to senior management so they can address persistent non-conformance issues.</p> <p><b>Response</b> – Agreed, we advised the auditor this was in process. The date of supply is captured on the invoice request form, but up until transfer was not captured on the system. As advised we requested a field in Oracle to capture the date of supply via a footprint through PDG (Oracle support) which was confirmed recently. Next steps are to request the field is added to the new data extract so we can create a template, much like the BVPI08, to report on processing delays by debt type (which will identify the originating department).</p>	Section Manager	Commence June 16 (subject to PDG timescales)
<b>Assignment: Accounts Payable</b>	<b>Opinion: Green</b>	
<b>Headline Findings:</b> Our review of Accounts Payable identified 1 medium and 3 low recommendations around the adequacy of the control framework. Of the 1 medium and 3 low recommendations from the previous audit, the medium and 1 low recommendation were still outstanding and have been repeated in this review.		
<b>Action and Response</b>	<b>Responsible Officer</b>	<b>Date</b>
<p><b>Action</b> - It is recommended that invoices which should have a corresponding purchase order but do not have one, are not processed until the order has been raised and approved appropriately. Staff are to be reminded that purchase orders need to be raised on the iProcurement system.</p> <p><b>Response</b> – All supplier invoices are returned to the ordering department if the invoice does not have a PO number, the policy is no PO no pay. The only exceptions to this are those agreed by Sean Clark, which are predominantly payments to individuals such as refunds etc. We will draft an email to all requisitioners advising that orders should be raised prior to receiving goods or services, as opposed to retrospective. The %age of retrospective orders is monitored for manual invoices and reported to Senior Management as part of the BVPI08.</p>	Section Manager	May 2016

# 1 Executive Summary

## 1.1 INTRODUCTION

An audit of Safeguarding of Assets (Appointeeship & Deputyship) was undertaken as part of the approved internal audit periodic plan for 2015/16.

The Council acts in the role of Appointee by applying to the Department for Work and Pensions (DWP), or, Deputy by applying to the Court of Protection (COP), to manage the financial affairs of clients lacking mental capacity who are unable to engage family members or close friends to undertake the role. These are discretionary roles and there is no legal requirement on the Council to provide the service. However, the Council recognises the importance of supporting some of the Boroughs most vulnerable people to effectively manage their finances and to protect them from potential (or actual) financial abuse.

In the role of Appointee, the Council is authorised by the DWP to claim, collect and use welfare benefits on behalf of a service user who lacks the mental capacity to manage their own affairs or is at risk of, or subject to, financial abuse. Where a person lacks mental capacity and has other assets, or income other than payments received from the DWP, then the Council have to apply for Deputyship to the COP to make decisions about the client's property and affairs and/or health and welfare. The Deputy's powers are awarded through the issuing of a court order.

Currently, the Safeguarding Adults Team manages the accounts of 80 Appointees, 44 Court of Protection orders and 19 Deceased estates. However, it was stated that these numbers could increase as the Section have been made aware that there could be a further 20 new referrals.

The total amount held on behalf of clients in their receivership accounts as at 24<sup>th</sup> Sept 2015, was approximately £1.6 million. Apart from their receivership accounts, COP clients have various other assets including 5 properties, around 80 bank accounts, 13 private pensions and 16 other investments which have to be managed by the Section. There is currently not an accurate figure for these other assets as they have not all been included on the Casper software, which is designed to manage Deputyship, but their value is likely to be fairly substantial.

The cost of providing the service last year was £110,000 and the income was £17,681, resulting in a net cost of £92,319. The section is currently made up of 3 team members but they have just recruited a new staff member. However, the recruitment process, which started in February 2015, took some time to complete due to the nature of the post, with the person recruited only starting in early December.

Earlier this year the section had a visit from the Office of the Public Guardian, their 4<sup>th</sup> such visit and they were very impressed by the Financial Management Officer's commitment to managing client's affairs in accordance with the principles of the Mental Capacity Act 2005 including 3 examples of what was considered to be best practice. These were:

- Adapting delivery/provision of cash for clients in different ways to meet their needs.
- Ensuring that learning disability clients were helped to keep their cash in separate tranches by means of envelopes with pictures.
- Communicating with a depressed client with the use of coloured pencils in furtherance of the presumption of capacity.

<b>Objective</b>	The Council has a transparent and consistent approach when managing the affairs of vulnerable individuals.
<b>Risk 1</b>	Procedures for the receipt and recording of cash, valuables and property may not be in place or adhered to.
<b>Risk 2</b>	Sufficient checks may not have been undertaken to ensure correct balances were transferred to client's individual Bank Accounts.
<b>Risk 3</b>	The best price may not be obtained when disposing of client's property
<b>Risk 4</b>	Client's excess funds may not be properly invested.
<b>Risk 5</b>	The affairs of deceased clients may not be wound up promptly.
<b>Risk 6</b>	Income may not be maximised.

## 1.2 SCOPE OF THE REVIEW

To provide an overall opinion on the control framework and risk management arrangements within the area under review by evaluating the extent to which controls have been applied. Control activities are put in place to ensure that risks to the achievement of the organisation's objectives are managed effectively. When planning the audit, the following controls to be reviewed and limitations to the scope of the work were agreed during the audit planning process:

### Control activities to be tested:

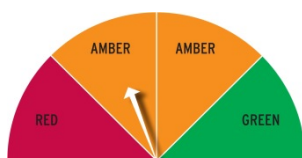
Procedures – Handling of Finances

### Limitations to the scope of the audit:

- Testing will be sample based and therefore any findings will be based on this sample.
- In addition, our work does not provide any guarantee against material errors, loss or fraud or provide an absolute assurance that material error, loss or fraud does not exist.

The approach taken for this audit was a Risk-Based Audit.

## 1.3 CONCLUSION



Taking account of the issues identified, whilst the Council can take some assurance that the controls upon which it relies to manage the risk(s) are suitably designed, consistently applied and effective, action needs to be taken to ensure any risk is managed.

The above conclusions feeding into the overall assurance level are based on the evidence obtained during the review. The key findings from this review are as follows:

### Overall Effectiveness and Design of control framework

- All transactions regarding cash payments and writing of cheques demonstrated that there was a clear separation of duties.
- Sufficient checks had been undertaken to ensure correct balances were transferred to client's individual bank accounts and that all ongoing transactions e.g. direct debits and standing orders had been actioned appropriately.
- There was not a formal policy which described the Council's approach to handling client's money.



- There were not sufficient documented procedures in place to support the actions taken by the section for the administration of client's moneys from their accounts.
- Client's surplus funds were not profitably invested.
- Affairs of the deceased were not always dealt with promptly.

#### **Application of and compliance with control framework**

- The correct procedures were adopted when selling a client's property. The sold property price in the area was checked and it was confirmed the right price had been obtained.
- Bank reconciliations were carried out on a weekly basis and signed off by the Financial Management Officer on a monthly basis. The file was up to date.
- Council's invoices for residential care were not always paid promptly.
- Investment income may not have been maximised.

### **1.4 RECOMMENDATIONS SUMMARY**

The following tables highlight the number and categories of recommendations made. The Action Plan at Section 2 details the specific recommendations made as well as agreed management actions to implement them.

#### **Recommendations made during this audit:**

The recommendations address the risks within the scope of the audit as set out below:

<b>Risk</b>	<b>Priority</b>		
	<b>High</b>	<b>Medium</b>	<b>Low</b>
Procedures for the receipt and recording of cash, valuables and property may not be in place or adhered to.	0	0	2
Sufficient checks may not have been undertaken to ensure correct balances were transferred to client's individual bank accounts.	0	0	0
The best price may not be obtained when disposing of client's property	0	0	0
Client's excess funds may not be properly invested.	0	2	0
The affairs of deceased clients may not be wound up promptly.	0	1	0
Income may not be maximised.	1	1	0
<b>TOTAL</b>	<b>1</b>	<b>4</b>	<b>2</b>

### **1.5 ACKNOWLEDGEMENT**

We would like to thank all staff who assisted in this review.

## 2 Action Plan

The priority of the recommendations made is as follows:

Priority	Description
High	Recommendations are prioritised to reflect our assessment of risk associated with the control weaknesses.
Medium	
Low	
Suggestion	These are used to highlight good practice or provide management with ideas or suggestions that they may wish to implement. Suggestions do not appear in the Action Plan and do not impact on our overall opinion.

Ref	Recommendation	Risk Rating	Agreed (Y/N)	Management Action to address recommendations	Completion Date	Responsible Person
1.1	Whilst acknowledging that the current staff are very experienced, written procedures should be prepared which cover all aspects of work carried out by the Appointeeship/Deputyship Service. Not only will this ensure consistency of approach but will also be a useful reference and training document for any new staff joining the team.	Low	Y	Whilst there are no formal written procedures, there are some tick sheets which give staff guidance on what to do if someone dies. These are kept in a folder and any new member of staff is required to read them. The new member of staff has also been shadowed due to the complexity and varied nature of individual cases. Moving forward, it is intended to pull all the guidance together but the change from one bank account for all clients to one for each had to take priority.	Complete	Financial Management Officer
1.3	Safe audits should be carried out on a bi-monthly basis and be signed off by 2 people, with physical items being reconciled against seal references within property lists. Wherever possible, only small amounts of cash (e.g. no more than	Low	Y	Safe audits will be carried out. All items to be bagged and sealed against an individual seal number (as per the seals used by cashiers and schools). Audits can then be carried out against the sealed	May 16	Financial Management Officer

Ref	Recommendation	Risk Rating	Agreed (Y/N)	Management Action to address recommendations	Completion Date	Responsible Person
	£50) should be kept in the safe with any surplus amounts being paid into the relevant client's bank account. This will allow any discrepancies to be identified and rectified in a timely manner. It is acknowledged that where a protection of property search identifies cash, the Council have no control over this until they are appointed as the appointee or deputy so in certain instances, the amount may be larger.			property. Regular audits would ensure that money was not held for longer than necessary.		
4.1 Page 121	Whilst acknowledging that the Financial Management Officer and her team are committed to providing the best service they can with the resources and skills available, it is recommended that an independent investment manager, with the appropriate knowledge and membership of a recognised professional body, should be appointed to assess and action opportunities to improve client's returns. A balance should be retained on the clients' receivership account to cover planned expenditure for the next 12 months. Whilst this should help maximise income for the client, the investments must be secure and be readily accessible should the need arise. In addition, receipts and invoices should be obtained for all expenditure and retained on file.	Medium	Y	A financial review process is to be put in place in line with the Court review periods. This will show anticipated annual expenditure against assets held and reviews the current investment position. This should prompt any changes to flag up if independent financial advice or local investment advice is required depending on the investment levels and expected expenditure. Chase De Vere has been appointed to review those clients with high value assets. Two initial client's details have been prepared for independent financial advice, the outcome of which, will assist reviewing other cases that may benefit from this.	Complete	Financial Management Officer
4.2	It is recommended that the Casper system is fully populated and staff are	Medium	Y	Future training in respect of Casper was scheduled for January 2016.	July 16	Financial Management

Ref	Recommendation	Risk Rating	Agreed (Y/N)	Management Action to address recommendations	Completion Date	Responsible Person
	trained in its use. This will provide a complete integrated client record eliminating the need for spreadsheets and paper files and thus reduce staff time spent manually managing the accounts.			This will involve complete account reconciliation for each client. At the annual financial review, all records held on Casper will be checked and updated if necessary.		Officer
5.1	It is recommended that clear procedures for dealing with the affairs of deceased clients in an efficient manner are developed. These should include timescales for carrying out different elements of the process. Invoices for any outstanding debts should be raised promptly to ensure the Council are included as a debtor prior to the final settlement of the estate.	Medium	Y	Following the change of banks in September 2015, with all clients now having individual accounts, the process is that NatWest will now deal with the distribution of estates to the next of kin and executors directly.  NatWest will release funds below £25K under indemnity and over £25K upon receipt of probate.  The Council will only be required to pass on details of the next of kin or executor. If there is no known next of kin or will, then a referral will continue to be made to the Treasury Solicitor.	Superseded	Financial Management Officer
6.1	It is recommended that invoices raised by the Council for any costs associated with providing services to clients are paid regularly. This reduces the likelihood that debts accumulate and are not paid or, cannot be recovered until an estate is settled.	High	Y	Bi-monthly meetings will be established with the Debtors team to monitor cases more closely and action payments promptly.	June 16	Financial Management Officer
6.2	Whilst acknowledging the importance of supporting vulnerable people to effectively manage their finances and to protect them from potential (or actual) financial abuse, this is a discretionary	Medium	Y	A piece of work is currently under review. Whilst we acknowledge that the Council can charge for work it carries out as an Appointee, there	Complete	Financial Management Officer

Ref	Recommendation	Risk Rating	Agreed (Y/N)	Management Action to address recommendations	Completion Date	Responsible Person
Page 123	<p>service which most users could contribute towards. Therefore, it is recommended that the Council should consider introducing fees and charges where possible. Not only would this help to ensure there are sufficient resources available to continue offering the service, but it would also help to pay for financial advice to benefit the clients and improve the service.</p>			<p>is no framework for this set out in legislation. The Appointee status was established for those who are most vulnerable and only receive state benefits.</p> <p>Any charges that could be introduced would not increase the Council's overall income by much as when assessments are made in respect of an individual's contribution to care, these charges need to be considered and charges reduced to reflect these due to disability related income.</p> <p>For Court of Protection clients, a schedule of fees is to be drawn up to ensure they are maximised. Fees are currently prompted when annual reports are created but historically this has only been for some of the case load, as clients with Court supervision level 3 did not require these to be done. Court regulations are changing and a report will be required for each client in future. This will prompt fee taking and also generate income for completing the report.</p>		

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**Standards and Audit Committee  
Work Programme  
2016/17**

Dates of Meetings: 14 June 2016, 8 September 2016, 15 November 2016, 28 February 2017.

<b>Topic</b>	<b>Lead Officer</b>	<b>Requested by Officer/Member</b>
<b>14 June 2016</b>		
Refresh of the Strategic/Corporate Risk and Opportunity Register	Andy Owen	Officer
Final Progress Report	Gary Clifford	Officer
Head of Internal Audit Annual Report 15/16	Gary Clifford	Officer
Annual RIPA Report	Lee Henley	Officer
Financial Statement Update	Johnathon Wilson	Officer
Internal Audit: Red Reports (as required)	Relevant Director	Officer
Work Programme	Democratic Services Officer	Officer
<b>8 September 2016</b>		
2015/16 Complaints Report	Lee Henley	Officer
2015/16 Access to Records Report	Lee Henley	Officer
Quarter 1 RIPA Activity Report	Lee Henley	Officer
Annual Governance Statement 2015/16	Ernst & Young and Johnathon Wilson	Officer
Audit Results Report 2015/16	Ernst & Young and Sean Clark	Officer
Internal Audit: Red Reports (as required)	Relevant Director	Officer

Work Programme	Democratic Services Officer	Officer
<b>15 November 2016</b>		
Annual Audit Letter 2015/16	Ernst & Young and Sean Clark	Officer
Quarter 2 RIPA Activity Report	Lee Henley	Officer
Review of the Strategic/Corporate Risk and Opportunity Register In Quarter 3 Report.	Andy Owen	Officer
Internal Audit Progress Report	Gary Clifford	Officer
Internal Audit Service Update Report	Gary Clifford	Officer
Internal Audit: Red Reports (as required)	Relevant Director	Officer
Work Programme	Democratic Services Officer	Officer
<b>28 February 2017</b>		
Audit Planning Report 2016/17 and Certification of Claims Report 2015/16.	Ernst & Young and Sean Clark	Officer
Quarter 3 RIPA Activity Report	Lee Henley	Officer
Six Monthly Complaints Report	Lee Henley	Officer
Internal Audit 3 Year Strategy and Draft Internal Audit Plan 2017/18	Gary Clifford	Officer
Internal Audit Progress Report	Gary Clifford	Officer
Risk and Opportunity Management – Annual Review	Andy Owen	Officer
Internal Audit: Red Reports (as required)	Relevant Director	Officer
Work Programme	Democratic Services Officer	Officer