Thurrock - An ambitious and collaborative community which is proud of its heritage and excited by its diverse opportunities and future

Standards and Audit Committee

The meeting will be held at **7.00 pm** on **19 December 2019**

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

Membership:

Councillors Gerard Rice (Chair), David Potter (Vice-Chair), Gary Collins, Barry Johnson, Cathy Kent and Sara Muldowney

Substitutes:

Councillors Abbie Akinbohun, Garry Hague, Tom Kelly, Luke Spillman and Lynn Worrall

Agenda

Open to Public and Press

		Page
1	**Apologies for Absence**	
2	**Minutes**	5 - 10
	To approve as a correct record the minutes of the Standards and Audit Committee meeting held on 12 September 2019.	
3	**Items of Urgent Business**	
	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.	
4	**Declaration of Interests**	
5	**Regulation of Investigatory Powers Act (RIPA) - Activity Report April 2019 - September 2019**	11 - 14

6	**Mid-Year Review of the Strategic/Corporate Risk and Opportunity Register**	**15 - 48**
7	**Internal Audit Protocol 2019**	**49 - 60**
8	**Internal Audit Progress Report 2019/20**	**61 - 72**
9	**Counter Fraud & Investigation Quarterly Update (Q2)**	**73 - 82**
10	**Work Programme**	**83 - 86**

Queries regarding this Agenda or notification of apologies:

Please contact Jenny Shade, Senior Democratic Services Officer by sending an email to Direct.Democracy@thurrock.gov.uk

Agenda published on: **11 December 2019**

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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?**

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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

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

Our Vision and Priorities for Thurrock

An ambitious and collaborative community which is proud of its heritage and excited by its diverse opportunities and future.

1. **People** – a borough where people of all ages are proud to work and play, live and stay

   - High quality, consistent and accessible public services which are right first time
   - Build on our partnerships with statutory, community, voluntary and faith groups to work together to improve health and wellbeing
   - Communities are empowered to make choices and be safer and stronger together

2. **Place** – a heritage-rich borough which is ambitious for its future

   - Roads, houses and public spaces that connect people and places
   - Clean environments that everyone has reason to take pride in
   - Fewer public buildings with better services

3. **Prosperity** – a borough which enables everyone to achieve their aspirations

   - Attractive opportunities for businesses and investors to enhance the local economy
   - Vocational and academic education, skills and job opportunities for all
   - Commercial, entrepreneurial and connected public services

Minutes of the Meeting of the Standards and Audit Committee held on 12 September 2019 at 7.00 pm

Present:	Councillors Gerard Rice (Chair), David Potter (Vice-Chair), Gary Collins, Oliver Gerrish, Barry Johnson and Jane Pothecary
In attendance:	Sean Clark, Director of Finance & IT Lisa Clampin, Binder Dijke Otte (BDO) Representative Gary Clifford, Chief Internal Auditor Lee Henley, Strategic Lead, Information Management David Kleinberg, Assistant Director, Fraud and Investigation Jenny Shade, Senior Democratic Services Officer

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.

12. Minutes

The minutes of the Standard and Audit Committee held on the 18 July 2019 were approved as a correct record.

Councillor Gerrish asked for an update on the recruitment of the Co-Opted seats to the committee. Sean Clark stated that a job description had now been approved and democratic services were corresponding with HR Recruitment Team and had hoped to have a person in place for the December committee.

13. Items of Urgent Business

There were no items of urgent business.

14. Declaration of Interests

There were no declarations of interest.

15. Annual Complaints & Enquiries Report 2018/19

Lee Henley, Strategic Lead Information Management, presented the report that set out the Council's complaints statistics for the period 1 April 2018 to 31 March 2019. With the number of complaints received for the reporting period was 1483 and compared to the same period last year had represented a reduction in the number of complaints received. During this reporting period 43% of the complaints had been upheld which had been a slight increase compared with the same period last year. Lee Henley directed Members to Appendix 1 of the report which detailed the Top Ten Complaint Themes.

Councillor Pothecary asked when an update would be available on the Housing – Complaint Dashboard 2018-19, Focus on Fire Safety and Estate improvement within areas of the 15 Tower Blocks. Lee Henley stated he would refer back, establish this information and would feedback to Members.

Councillor Collins questioned whether the Housing Repairs shown on the Top Ten Complaint Themes had been due to the refurbishment work being undertaken in Corringham. Lee Henley referred Councillor Collins to the further analyse in the report but stated the figures were based on themes rather than individual wards.

RESOLVED:

That the Standard and Audit Committee noted the statistics and performance for the reporting period.

16. Internal Audit Progress Report 2019/20

Gary Clifford, Chief Internal Auditor, stated that Internal Audit Plan for 2019/20 had been discussed at the Standards and Audit Committee on the 14 March 2019 and stated this was a progress report that covered work undertaken since the start of the plan year. Members were referred to the four levels of assurance opinions and how these were categorised and referenced in the Appendix to the report. Gary Clifford referred Members to the table displaying the final, in draft and work in progress reports, explained the work and other issues for which no reports would be generated and changes to the Annual Plan. In particular, he anticipated that a significant impact would be made on resources due to the additional work undertaken on the troubled family's programme.

Councillor Pothecary questioned how the deadlines and timeframes worked for the Air Quality Officers Task Group. Gary Clifford stated timeframes were agreed with management but would depend on the level of the recommendation and when it could realistically be implemented.

RESOLVED

That the Standard and Audit Committee considered reports issued and the work being carried out by Internal Audit in relation to the 2019/20 audit plan.

17. Internal Audit Charter 2019

Gary Clifford, Chief Internal Auditor, presented the Internal Audit Charter which was the formal document that defined the internal audit services purpose, authority and responsibility. The Internal Audit Charter established internal audit's position within the council.

The Chair, Councillor Rice, signed the Charter on behalf of the Standard and Audit Committee.

RESOLVED

That the Standards and Audit Committee approved the Internal Audit Charter 2019 and the Chair of the Standards and Audit Committee singed the Charter on behalf of the Committee.

18. Counter Fraud and Investigation - Q1 Update

David Kleinberg, Assistant Director for Fraud and Investigation, presented the report that outlined the performance of the Counter Fraud and Investigation Department over the last quarter for Thurrock Council as a whole as well as the work the team had delivered nationally for other public bodies. Members were referenced to the performance figures for Quarter 1 of 2019/20 in particular to the five social housing properties that had been recovered and to the new e-Learning Package for Countering Fraud, Bribery, Corruption and Money Laundering which would be rolled out in September 2019.

Councillor Collins asked what the recovery of the five social housing properties meant. David Kleinberg stated that this covered the investigation work that had taken place, the gathering of evidence, the team working with the housing department and putting that property back into circulation.

Councillor Collins questioned what Act this would fall under. David Kleinberg stated this would be covered by the Prevention of Social Housing Fraud Act 2013. Councillor Collins asked whether the Proceeds of Crime Act 2002 would be used. David Kleinberg stated that although effective the process was very time consuming and the recovery was difficult.

RESOLVED:

1. **That the Standards and Audit Committee commented on the performance of the Counter Fraud and Investigation Department.**

2. **That the Standards and Audit Committee agreed to the edited Work Plan for 2019/20.**

19. Thurrock Annual Audit Letter 2018/19

Sean Clark, Director of Finance and IT, reported on the Thurrock Annual Audit Letter 2018/19 and highlighted the responsibilities of the external auditors. With the Letter summarising the work and conclusions alongside the wider areas of work completed. Members were referred to the Appendix report. Sean Clark stated that the content of the Letter had been largely reported on at the July 2019 Standard and Audit Committee as part of the Audit Results Report which confirmed:

- The Council received an unmodified audit opinion on the 2018/19 financial statements.
- The Council received an unmodified value for money conclusion.

- The Annual Government Statement was consistent with external audit's knowledge of the Council.

Sean Clark stated that work had been undertaken with the External Auditors and a modified version of Accounts and Value for Money Statement had been produced. Members were informed that the funds in reserve had not changed.

Lisa Clampin, Binder Dijke Otte (BDO), stated the Letter had summarised the key issues arising from the work that had been undertaken in respect of the year ended 31 March 2019 and took Members through the Financial Statements, Final Materiality, the four Material Misstatements and Unadjusted Audit Differences stated in the report. Members were informed that the Audit Certificate could not be issued until they had completed the review of the Whole of Government Accounts return.

Lisa Clampin recognised the efforts of both sides and was grateful to the Finance Team for their support through the process and that a de-brief session between both parties would be organised.

Councillor Rice queried the Pension Liability Valuation with the liability that this could increase by £5 million. Lisa Clampin stated that this money had already been accounted for and Sean Clark stating that there was some uncertainty if it would be £4.7 as this figure had been based on assumptions.

Councillor Rice questioned whether an explanation should be added to the report that was available on the website. Sean Clark agreed to take that away as an action point.

Councillor Johnson questioned why the 12 unadjusted audit differences had been mentioned when the Council had already agreed not to adjust. Lisa Clampin responded by stating that the report had to report everything to highlight those issues adjusted and that some of those 12 unadjustments had been quite high. Under regulations these findings had to be reported but the external auditors had concurred with the views of the Council to not amend the accounts.

Councillor Collins questioned when the dead line would be for the certificate to be issued and what would happen if this was not met. Sean Clark stated that the 31 July had been set by Government and there would be no significant consequences for not meeting this and explained that Thurrock Council would not be the only Council in this position as many Councils had a changes of auditors that impacted on meeting this deadline.

Councillor Pothecary asked for clarification from the External Auditor regarding the materiality level of £6.3 million and that the Council had no obligation to adjust them. Lisa Clampin stated that this figure had been based on materiality levels but stated that Thurrock would be out by £1.9 million for the financial year 2018/19.

Councillor Pothecary questioned the misstatements and the additional fees incurred and asked what measures would be in place going forward. Lisa Clampin stated that this would form part of the de-brief with the Finance Team and could have been due to the different opinions of auditors and different approaches but lessons would be learned where applicable.

RESOLVED:

That the Standards and Audit Committee considered the comments of our external auditors as set out in the attached report and noted their findings.

20. Work Programme

Members discussed the Standards and Audit Committee work programme.

The meeting finished at 7.50 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

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19 December 2019	ITEM: 5
Standards & Audit Committee	
Regulation of Investigatory Powers Act (RIPA) - Activity Report April 2019 – September 2019	
Wards and communities affected: N/A	**Key Decision:** N/A
Report of: Lee Henley – Strategic Lead – Information Management	
Accountable Strategic Lead: Lee Henley – Strategic Lead – Information Management	
Accountable Director: Tim Hallam – Assistant Director of Law and Interim Monitoring Officer	
This report is public	

Executive Summary

This report:

- Provides an update on the usage and activity of RIPA requests during 1 April 2019 to 30 September 2019

1. Recommendation(s)

1.1 To note the statistical information relating to the use of RIPA for the period 1 April 2019 – 30 September 2019

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 On the 1st September 2017, The Office of Surveillance Commissioners, The Intelligence Services Commissioner's Office and The Interception of Communications Commissioner's Office were abolished by the Investigatory Powers Act 2016. The Investigatory Powers Commissioner's Office (IPCO) is now responsible for the judicial oversight of the use of covert surveillance by public authorities throughout the United Kingdom.

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 surveillance authorisations processed during 1 April 2019 to 30 September 2019 is 1. Below is a breakdown showing the areas the authorisations relate to for this period (along with previous full year's figures):

	2019/20 (April-Sept)	**2018/19 (full year figures)**
Trading Standards	0	2
Fraud	1	3
Covert Human Intelligence Source (CHIS) authorisations	0	0
Total	**1**	**5**

3.1.2 The outcomes of the above 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 Low numbers of RIPA authorisations are a result of the Council utilising other forms of investigation due to our collaboration with the police and/or enforcement work being more overt rather than covert.

3.1.4 The table below shows the number of requests made to the National Anti-Fraud Network (NAFN) for Communication Data requests:

Application Type:	**2019/20 (April-Sept)**	**2018/19 (full year figures)**
Service Data	0	0
Subscriber Data	0	3 (Fraud x3)
Combined	0	0
Totals	**0**	**3**

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.

4. Reasons for Recommendation

4.1 This report provides an update on the usage and activity of RIPA requests for the reporting period 1 April 2019 – 30 September 2019.

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 RIPA supports the council's approach to corporate governance and will ensure the proper balance of maintaining order against protecting the rights of constituents within the borough.

7. Implications

7.1 **Financial**

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

There are no financial implications directly related to this report.

7.2 **Legal**

Implications verified by: **Paul Field**
Senior Employment Lawyer

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.

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

None

Report Author:

Lee Henley
Strategic Lead - Information Management

19 December 2019	ITEM: 6
Standards & Audit Committee	
Mid-Year Review of the Strategic/Corporate Risk and Opportunity Register	
Wards and communities affected: All	**Key Decision:** Non key
Report of: Andy Owen, Corporate Risk and Insurance Manager	
Accountable Assistant Director: Jonathan Wilson, Assistant Director of Finance	
Accountable Director: Sean Clark, Director of Finance and IT	
This report is 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 and Insurance Manager has engaged with Services, Department Management Teams, Performance Board and Directors Board during October and November to review 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 highlights the higher priority items identified by the review.

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 2018/19 and reported to Directors Board and Standards & Audit Committee

2.4 The annual review of the council's ROM arrangements was undertaken in the last quarter of 2018/19. As part of the review the ROM Policy, Strategy and Framework were updated and reported to Standards and Audit Committee 14 March 2019, via Directors Board 26 February 2019 and Performance Board 12 February 2019.

2.5 The Strategic/Corporate Risk and Opportunity Register was refreshed in April 2019 and the details reported to Standards & Audit Committee 18th July 2019, via Directors Board 2nd July 2019 and Performance Board 18th June 2019.

2.6 For the Mid-Year Review the Corporate Risk and Insurance Manager has engaged with Services, Department Management Teams, Performance Board and Directors Board during October and November 2019 to update the Strategic/Corporate Risk and Opportunity Register.

2.7 The review has resulted in some changes to the register and the main points are outlined below:

- Following completion of the management actions for the ICT Disaster Recovery item (Risk 17) the residual risk has been rated in the lower band and is in line with the forecast rating. The item is to be removed from the register and ongoing monitoring of the position will be undertaken at department level by the ICT service.
- One new item for the Waste Strategy for Thurrock (Risk 27) has been identified by the exercise and the details are included in the In Focus report (see 3.3 and Appendix 2).

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 dashboard provides a summary of the items in the register mapped against the council's priorities, shows the significance of the risks and opportunities, along with the developments to date and the management time frames.

3.3 Appendix 2 – Risks and Opportunities In Focus report
This document highlights the higher priority items identified by the review.

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 Stability and Market Failure - Risk 6 (Rating: 12 Critical/Likely)

Adult Social Care has received additional funding in recent years – through a precept as part of the Council Tax and also through the Improved Better Care Fund. A significant proportion of this money has been used to stabilise the market place and deliver sustainability for care providers. This has included increasing the capacity of the contract and brokerage team to ensure contract compliance visits and monitoring to take place in a timely manner – reducing or aiding early identification of risks. The introduction of a Brokerage function has also meant that more realistic costs and fees are negotiated. In addition uplifts have been provided (as described in the risk description) to improve stability and domiciliary care has been retendered. Through the Better Care Fund, we have also been able to enhance capacity through investment in a Bridging Service and through enhancing existing services to ensure that people can come out of hospital when medically fit to do so – even when they are unable to return home. This has helped to reduce Delayed Transfers of Care and Waiting Lists.

Work is progressing to overcome current challenges. This includes developing a new model of care for domiciliary care. At the beginning of 2018, the new domiciliary care contract started with providers now well established within the Borough. Work has also taking place on alternative approaches to traditional domiciliary care, with two Wellbeing Teams developed and one already launched. Wellbeing Teams will enable us to identify the model required and will focus on enhancing Wellbeing and not just on meeting needs. It will also look at how to encourage people in to the care industry and to professionalise a caring role. In addition, Thurrock is allocated additional funding for the Winter Period which is traditionally a very difficult time for the health and care system. This means that our local system is functioning as well as possible. Despite the work taking place, current pressures are placing an increased strain on this year's financial outturn which unlike previous years may not deliver within budget.

Further work will continue during 19-20 that will contribute towards the stability and sustainability of the market place – including diversification. Despite this, the risk of market failure remains high.

CSC, Service Standards & Inspection Outcome - Risk 7 (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. The service continues to maximize the external investment and opportunities presented through the Troubled Families Programme and continuously measures impact of the MASH.

The service is demand led 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. Areas for improvement have been identified in the Ofsted (SIF) 2016 and the focused visit in 2018

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.

CSC, Safeguarding & Protecting Children & YP - Risk 8 (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 Southend, Essex & Thurrock (SET) 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 development and implementation of the Thurrock Local Safeguarding Children Partnership arrangements will further improve the inter-agency arrangements to safeguard and promote the welfare of children and young people living in Thurrock.

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.

Managing this risk places inherent pressures on the Children's Social Care budget as a demand led budget. Effective demand and resource management remain a priority for the service within an overriding context of keeping children safe.

Risk will remain constant throughout the period covered.

Property Ownership Liability - Risk 12 (Rating: 12 Critical/Likely)

There has been a long standing lack of clarity over the roles and responsibilities regarding building compliance between the different departments, particularly where the building involves activities crossing more than one discipline within the council. In April 2016, Directors Board approved a proposal to move to a Corporate Landlord model whereby the Corporate Property Team will take on direct management responsibility for all operational properties (excluding HRA properties and parks, etc).

The review of the property service by East of England Local Government Association (EELGA) highlighted an action to review the compliance of Council buildings & remains a key area of focus for the Corporate Property Team.

The council properties (except for HRA and parks) have moved to a new corporate function for repair, maintenance planning and the budgets transferred. The handing over of buildings to Corporate Property has highlighted some inconsistencies with the management of buildings and there are cases of no formal documentation on compliance, utilities, occupational data and operational costs. Records regarding the cut off of utilities are poor particularly in properties that are vacant and liable to unauthorised trespass.

The council are undertaking condition and compliance surveys on 16 corporate landlord buildings. Condition and compliance surveys are also being undertaken on void properties, village halls and properties where a public facing and vulnerable user group are present ensuring that the buildings are surveyed in a priority order against a perceived risk to users. Initial findings are of a concern

however and remedial works are planned to address. Training has been undertaken by members of the team on compliance liability to ascertain risk areas and make informed decisions.

The delays experienced in implementing property procedure rules, asset management strategy, restructure and asset management database has hindered progress to manage the risk. Risk rating remains as 12.

Fraud - Risk 20 (Rating: 12 Critical/Likely)

The Counter Fraud & Investigation service has an organisational-wide strategy and proactive work plan to monitor and manage the identified risks. A persistent training and education regime is in place, where experts from the service work with staff, contractors, Members and in the council's supply chain to identify and mitigate the risks, and increase awareness.

The council has current and effective policies on Counter Fraud, Bribery & Corruption and Money Laundering which are kept under constant review. These policies acknowledge the threats and install an action plan in identified incidents including, civil & criminal litigation and redress to recover any identified losses. Any control weaknesses identified in investigations are rectified in collaboration with the affected services and Internal Audit through SMART Action Plans.

Business Continuity Planning - Risk 24 (Rating: 12 Critical/Likely)

The risk evaluates the position if business continuity plans are not coordinated and maintained, which would lead to service delivery arrangements across the council being ineffective in times of a disruption affecting the council and Thurrock e.g. loss of ICT, loss of use of the Civic Offices.

Oversight of Business Continuity Management is now being provided by Performance Board. The list of current Business Continuity Plans (BCPs) and critical functions has been updated and will form the basis of ongoing review process by Performance Board and service areas. BCPs are the responsibility of individual service areas.

The Strategic Business Continuity Plan has now been updated and links as appropriate have been made with the emergency planning team. However, Performance Board are continuing their work with services to confirm all areas have up to date BCPs so until that work has concluded, the risk rating will remain the same. Work is also ongoing to update the BCP template and to rollout to DMTs and managers.

Waste Strategy for Thurrock - Risk 27 (Rating: 12 Critical/Likely)

Cleaner, Greener and Safer Overview and Scrutiny Committee agreed July 2019 to form a cross-party working group (CPWG) to review the waste management arrangements. The recently formed CPWG have met on several occasions and have determined the need for a Public Consultation exercise to better gauge public opinion on a number of influential elements being considered for inclusion within the draft strategy being prepared for July 2020. A briefing-paper presented to Directors Board for consideration and support of a Consultation exercise, was approved in October 2019. Officers have provided information including collection methodologies & regimes, information & educational options and treatment & disposal technologies for consideration by the CPWG. The CPWG approved a final draft of the Consultation structure and wording with a view to launching during January to allow analysis of the results for consideration of inclusion within the draft strategy due in July 2020.

A forecast date of 31/07/2020 and forecast rating of 12 has been applied for the risk. The rationale for the evaluation is that the actions to develop and present the draft Waste Strategy are planned to be completed by the end of July 2020 but there is a balance of risk relating to the work that will be undertaken to establish a proposed new site for the depot. The position is scheduled to be reconsidered in the Quarter 1 risk review (scheduled for Apr 2020) and the risk/action plan refreshed accordingly.

Delivery of Capital Projects - Risk 15 (Rating: 12 Substantial/Very Likely)

The Thurrock growth programme crosses many disciplines within the Council. It requires significant programme management capacity from the Regeneration team to lead the programme alongside a joined up approach with other areas of the authority to ensure that relevant specialisms are brought in as required and programmes and strategies are complementary. Investment needs to be committed to project development stages before outputs and benefits are realised, significant levels of funding are committed at risk to prove feasibility and investment then needs to continue to secure the benefits from the initial funding. External funding is committed to numerous projects, whilst this reduces the financial burden to the Council, compliance with funding agreements must be achieved to ensure the Council is not exposed financially via claw

back mechanisms. Projects span numerous financial years and have to be able to respond to changing market, policy and financial conditions. Strong project and programme managers are essential to ensuring that delivery stays on track and investment secures value for money outputs. Increasing resource capacity in the team via Matrix has provided some additional support and approval has been received to secure 1 additional FTE. The project portfolio could benefit from significant external funding in 2020/21 which will put additional pressure on the existing staff resource as more projects are developed. Momentum needs to be maintained in the ongoing restructure to improve working cultures and secure additional resource.

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

Treasury Management/Investment Strategy - Opportunity 19a (Rating: 12 Exceptional/Likely) Investments identified as having the greater ability to make significant income with the minimum of impact on service provision. Treasury Management and Investment Strategy established. Review undertaken and position reported to Council Feb 2019. Ongoing development, review, monitoring and reporting of investment programme (e.g. Cabinet Member report for Finance to Council Jul 2019 and Revenue budget monitoring report to Cabinet Sept 2019).

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 The whole register has been filed on Objective under the shared file for Risk and Opportunity Management.

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 and Insurance Manager has engaged with Services, Department Management Teams, Performance Board and Directors Board to review the Strategic/Corporate Risk and Opportunity Register.

5.2 The updated Strategic/Corporate Risk and Opportunity Register was presented to Directors Board 3rd December 2019, via Performance Board representatives 12th November 2019.

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: **Dammy Adewole**

Senior Management Accountant

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: **Courage Emovon**

Acting Strategic Lead / Deputy Head of Legal Services / Deputy Monitoring Officer

Legal Services will provide advice as and when required and any implications. Effective risk and opportunity management and the processes underpinning it allows a more robust means to identify, manage, reduce and mitigate the likelihood of legal claims or regulatory challenges against the council.

7.3 **Diversity and Equality**

Implications verified by: **Becky Price**

Team Manager, Community Development & Equalities

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, October 2019. The document can be accessed via the following shared Risk and Opportunity Management file on Objective: *https://edrms.thurrock.gov.uk:443/id:fA1213633*

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
Corporate Risk and Insurance Manager

Dashboard, Table 1 - Strategic/Corporate Risk & Opportunity Register October 2019

Appendix 1

Risks									
Risk Ref / Priority	Risk Heading	Director / Head of Service	Previous Ratings			Latest Rating	DOT	Forecast	
			Mid Year (2018/19)	In Qtr 4 (2018/19)	In Qtr 1 (2019/20)	Mid Year (2019/20)		Rating	Date
People - A borough where people of all ages are proud to work and play, live and stay									
• High quality, consistent and accessible public services which are right first time									
5	Fire Safety Housing Stock	Carol Hinvest	8	8	8	8	➔	8	*31/03/20
9	Emergency Planning	Gavin Dennett	6	6	6	6	➔	6	*31/03/20
17	ICT Disaster Recovery Planning	Andy Best	9	9	9	4	↓	4	30/06/19 Removed
18	Cyber Security	Andy Best	9	6	6	6	➔	6	31/12/19
20	Fraud	David Kleinberg	12	12	12	12	➔	12	*31/03/20
24	Business Continuity Planning	Performance Board	12	12	12	12	➔	8	*31/03/20
27	Waste Strategy for Thurrock (new)	Julie Rogers	-	-	-	12	N/A	12	*31/07/20
• Build on our partnerships with statutory, community, voluntary and faith groups to work together to improve health and wellbeing									
2	Welfare Reforms	Carol Hinvest	9	9	9	9	➔	9	*31/03/20
4	Housing Needs and Homelessness	Carol Hinvest	9	9	9	9	➔	9	*31/03/20
6	ASC Stability and Market Failure	Les Billingham	12	12	12	12	➔	12	*31/03/20
7	CSC Service Standards & Inspection Outcome	Sheila Murphy	12	12	12	12	➔	12	*31/03/20
8	CSC Safeguarding & Protecting Children &Young People	Sheila Murphy	12	12	12	12	➔	12	*31/03/20
Place - A heritage-rich borough which is ambitious for its future									
• Roads, houses and public spaces that connect people and places									
14	Lower Thames Crossing	Anna Eastgate	9	9	9	9	➔	9	*31/03/20
16	Local Plan	Andy Millard	9	9	9	9	➔	9	*31/03/20
22	Highway Funding and Standard	Julie Nelder	9	6	6	6	➔	6	*31/03/20
• Fewer public buildings with better services									
12	Property Ownership Liability	Michelle Thompson	8	12	12	12	➔	8	*31/03/20
Prosperity - A borough which enables everyone to achieve their aspirations									
• Attractive opportunities for businesses and investors to enhance the local economy									
15	Delivery of Capital Projects	Detlev Munster	9	12	12	12	➔	12	*31/03/20
• Commercial, entrepreneurial and connected public services									
19b	Treasury Management & Investment Strategy	Sean Clark	8	8	8	8	➔	8	*28/02/20
All Priorities - People, Place & Prosperity									
25	Political Balance of the Council	Karen Wheeler	8	8	8	8	➔	6	31/03/20
26	Impact of UK Withdrawal from EU	Karen Wheeler	12	12	9	9	➔	6	31/01/20

Footnote:

Forecast 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)

Dashboard Table 1 - Strategic/Corporate Risk & Opportunity Register October 2019

Appendix 1

Opportunities									
Opp Ref / Priority	Opportunity Heading	Director / Head of Service	Previous Ratings			Latest Rating	DOT	Forecast	
			Mid Year (2018/19)	In Qtr 4 (2018/19)	In Qtr 1 (2019/20)	Mid Year (2019/20)		Rating	Date
People - A borough where people of all ages are proud to work and play, live and stay									
• High quality, consistent and accessible public services which are right first time									
21	Digital Council Programme	Jackie Hinchliffe	9	9	9	9	➔	9	*31/03/20
• Build on our partnerships with statutory, community, voluntary and faith groups to work together to improve health and wellbeing									
1	Health & Social Care Transformation	Les Billingham	-	-	6	6	➔	12	31/03/22
3	Alignment of Libraries and Community Hubs	Natalie Warren	9	9	9	9	➔	12	30/09/20
Place - A heritage-rich borough which is ambitious for its future									
• Roads, houses and public spaces that connect people and places									
10	Thurrock Regeneration Ltd	Helen McCabe	-	-	6	6	➔	12	*31/03/21
Prosperity - A borough which enables everyone to achieve their aspirations									
• Attractive opportunities for businesses and investors to enhance the local economy									
11	Investment in Growth	Stephen Taylor	8	8	8	8	➔	8	*31/03/20
13	Thurrock Growth Programme	Stephen Taylor	-	-	6	6	➔	6	*31/03/20
23	Raising Thurrock's Profile & Image	Karen Wheeler	9	9	9	9	➔	12	31/03/20
• Commercial, entrepreneurial and connected public services									
9a	Treasury Management & Investment Strategy	Sean Clark	12	12	12	12	➔	12	*28/02/20

Footnote:

Forecast 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
October 2019

In Focus Report

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

Risks In Focus

Corporate Risk No. 6 / Heading - Adult Social Care Stability and Market Failure 2019 / 20

UNMANAGED / INHERENT RISK

Risk Description	Risk Owner
The risk is that a combination of on-going pressures will result in lack of stability in the care market place resulting ultimately in market failure. Whilst the Council has given additional resource in the form of uplifts, they fall short of what is requested. The domiciliary care rate has been increased with the retender of the domiciliary care contract – this has resulted in greater stability, but difficulties remain. For example, issues concerning recruitment and retention. Hospital capacity is still an issue, but our ability to move people on more quickly has increased as a result of increased investment arising from additional adult social care monies – e.g. improved better care fund and social care precept. The additional funding is however limited which is likely to be an additional risk to stability. There is also a risk that additional capacity is used inappropriately as a backstop due to lack of capacity in domiciliary care. For providers, fees and rates are still an issue and as a result – compounded by the National Living Wage, and despite activity over the last 18 months, the risk of failure is still very real.	Les Billingham

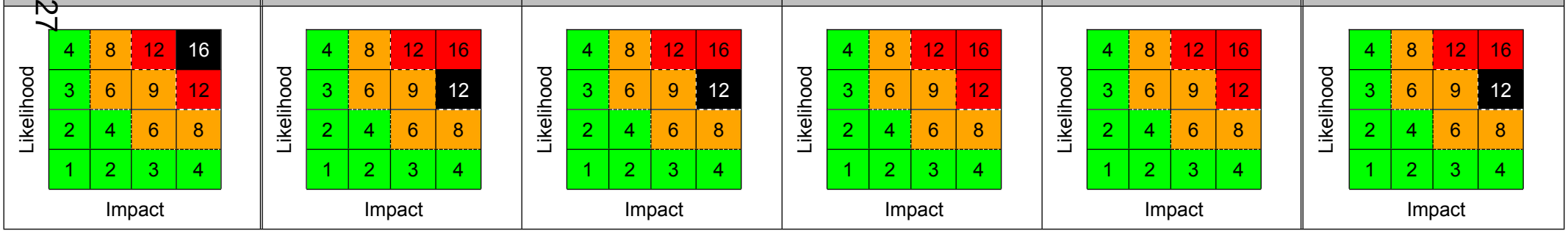
Link to Corporate Priority

People - A borough where people of all ages are proud to work and play, live and stay - Build on our partnerships with statutory, community, voluntary and faith groups to work together to improve health and wellbeing.

Inherent Risk Rating	Date:	13/05/2019	Impact:	Critical (4)	Likelihood:	Very Likely (4)	Rating:	16

DASHBOARD

Inherent Risk Rating & Date:13/05/2019	Residual Risk Rating as at:13/05/2019	Residual Risk Rating as at: 22/10/2019	Residual Risk Rating as at:	Residual Risk Rating as at:	Forecast Risk Rating & Date: 31/03/2020



Comments

Adult Social Care has received additional funding in recent years – through a precept as part of the Council Tax and also through the Improved Better Care Fund. A significant proportion of this money has been used to stabilise the market place and deliver sustainability for care providers. This has included increasing the capacity of the contract and brokerage team to ensure contract compliance visits and monitoring to take place in a timely manner – reducing or aiding early identification of risks. The introduction of a Brokerage function has also meant that more realistic costs and fees are negotiated. In addition uplifts have been provided (as described in the risk description) to improve stability and domiciliary care has been retendered. Through the Better Care Fund, we have also been able to enhance capacity through investment in a Bridging Service and through enhancing existing services to ensure that people can come out of hospital when medically fit to do so – even when they are unable to return home. This has helped to reduce Delayed Transfers of Care and Waiting Lists.

Work is progressing to overcome current challenges. This includes developing a new model of care for domiciliary care. At the beginning of 2018, the new domiciliary care contract started with providers now well established within the Borough. Work has also taking place on alternative approaches to traditional domiciliary care, with two Wellbeing Teams developed and one already launched. Wellbeing Teams will enable us to identify the model required and will focus on enhancing Wellbeing and not just on meeting needs. It will also look at how to encourage people in to the care industry and to professionalise a caring role. In addition, Thurrock is allocated additional funding for the Winter Period which is traditionally a very difficult time for the health and care system. This means that our local system is functioning as well as possible. Despite the work taking place, current pressures are placing an increased strain on this year's financial outturn which unlike previous years may not deliver within budget.

Further work will continue during 19-20 that will contribute towards the stability and sustainability of the market place – including diversification. Despite this, the risk of market failure remains high.

EXISTING ACTION / RESIDUAL RISK

Management Action or Mitigation Already in Place								**Date Implemented**
1. New Domiciliary Care Contract 2. Uplifts for providers 3. Development of New Model of Care – Wellbeing Teams 4. Prevention agenda – e.g. Stronger Together, identification and management of Long Term Conditions, Enhanced Primary Care 5. Market Development Strategy 6. Market Diversification – e.g. through Micro Enterprises, Shared Lives 7. Better Care Together Health and Social Care Transformation Programme								In place or ongoing
Residual Risk Rating	Date:	13/05/2019	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

FURTHER ACTION / FORECAST RISK / REVISED RESIDUAL RISK

Further Management or Mitigating Action			**Implementation Date**	**Progress**				
8. Implementation of Wellbeing Teams pilot 9. Evaluation of Wellbeing Teams pilot 10. Review use of Better Care Fund for 2019-23 11. Review of Winter Planning 12. Market Place Diversification			Throughout 2019/20	Two pilot teams are in place Continual evaluation of the pilot and the service is working with Birmingham University, PHE and the LSE. The BCF has been refreshed and submitted for 2020-2021 Winter Planning has been reviewed as part of the BCF refresh Work continues to diversify the market place including the continued development of micro enterprises and conversations with existing providers about development requirements.				
Forecast Risk Rating	Forecast Date:	Refresh 31/03/2020	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12
Revised Residual Risk Rating	Date:	22/10/2019	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

Corporate Risk No. 7 / Heading - Children's Social Care, Service Standards & Inspection Outcome 2019 / 20

UNMANAGED / INHERENT RISK

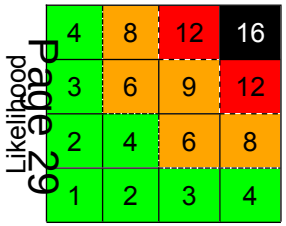
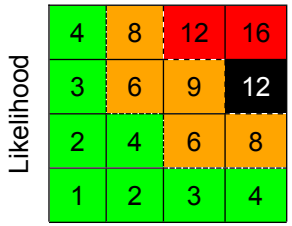
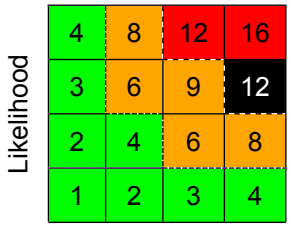
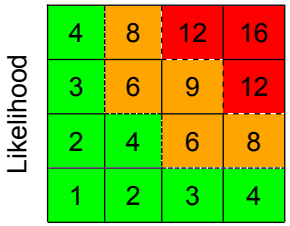
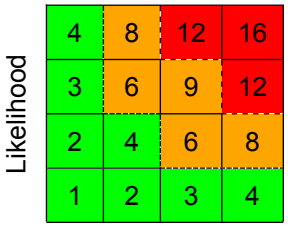
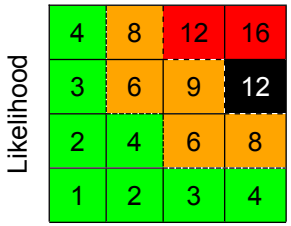
Risk Description	Risk Owner
Failure to manage the increases in demand and budget/resource pressures for Children's Social Care could lead to a breakdown in the quality or performance of the service provided to vulnerable children and results in less favourable outcomes from inspection and damage to reputation of the service does meet the required standards	Sheila Murphy

Link to Corporate Priority

People - A borough where people of all ages are proud to work and play, live and stay – Build on our partnerships with statutory, community, voluntary and faith groups to work together to improve health and wellbeing.

Inherent Risk Rating	Date:	16/04/2019	Impact:	Critical (4)	Likelihood:	Very Likely (4)	Rating:	16

DASHBOARD

Inherent Risk Rating & Date: 16/04/2019	Residual Risk Rating as at: 16/04/2019	Residual Risk Rating as at: 07/10/2019	Residual Risk Rating as at:	Residual Risk Rating as at:	Forecast Risk Rating & Date: 31/03/2020
					

Comments

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. The service continues to maximize the external investment and opportunities presented through the Troubled Families Programme and continuously measures impact of the MASH.

The service is demand led 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. Areas for improvement have been identified in the Ofsted (SIF) 2016 and the focused visit in 2018

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.

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 a Development Board.	Ongoing
2. Trix Policies and Procedures have been introduced across Children's Social care. All procedures are subject to review and updating.	Ongoing
3. 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.	Ongoing
4. Internal quality assurance audits to evidence appropriate application of thresholds. .	Ongoing
5. Ongoing data analysis to enable us to benchmark and target areas for improvement; complete redesign of PKI and trends analysis.	Ongoing
6. Ofsted inspections and action plans to address recommendations included in inspection reports. Updated October 2018.	Ongoing

Residual Risk Rating	Date:	16/04/2019	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

FURTHER ACTION / FORECAST RISK / REVISED RESIDUAL RISK

Further Management or Mitigating Action	Implementation Date	Progress
7. Ongoing implementation and/or application of actions 1 - 6 above.	From Apr 2019	Ongoing

Forecast Risk Rating	Forecast Date:	Refresh 31/03/2020	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12
Revised Residual Risk Rating	Date:	07/10/2019	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

Corporate Risk No. 8 / Heading - Children's Social Care, Safeguarding & Protecting Children & Young People 2019 / 20

UNMANAGED / INHERENT RISK

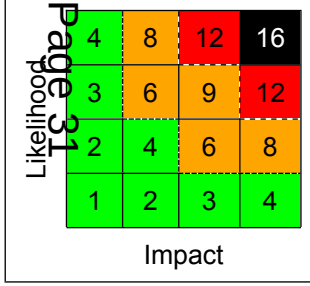
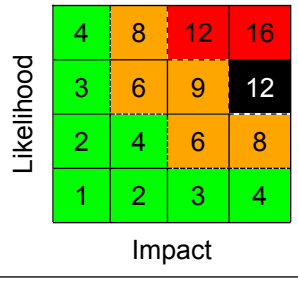
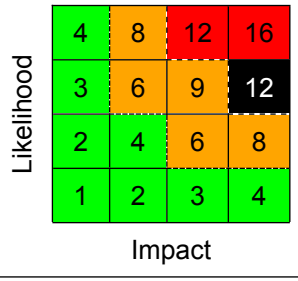
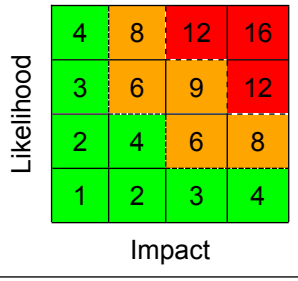
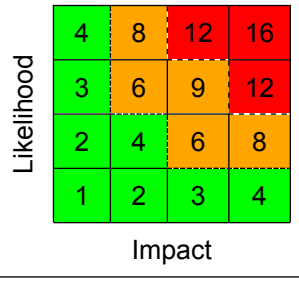
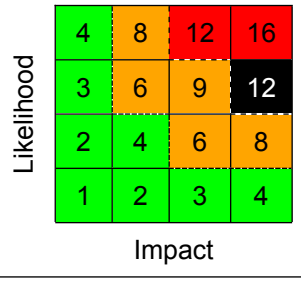
Risk Description	Risk Owner
Failure to ensure that all children and young people in need of help or protection are safeguarded and supported could result in them not achieving their full potential and increasing the risk of a child death or serious injury.	Sheila Murphy

Link to Corporate Priority

People – A borough where people of all ages are proud to work and play, live and stay – Build on our partnerships with statutory, community, voluntary and faith groups to work together to improve health and wellbeing.

Inherent Risk Rating	Date:	16/04/2019	Impact:	Critical (4)	Likelihood:	Very Likely (4)	Rating:	16

DASHBOARD

Inherent Risk Rating & Date: 16/04/2019	Residual Risk Rating as at: 16/04/2019	Residual Risk Rating as at: 07/10/2019	Residual Risk Rating as at:	Residual Risk Rating as at:	Forecast Risk Rating & Date: 31/03/2020
					

Comments

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 development and implementation of the Thurrock Local Safeguarding Children Partnership arrangements will further improve the inter-agency arrangements to safeguard and promote the welfare of children and young people living in Thurrock.

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.

Managing this risk places inherent pressures on the Children's Social Care budget as a demand led budget. Effective demand and resource management remain a priority for the service within an overriding context of keeping children safe.

Risk will remain constant throughout the period covered.

EXISTING ACTION / RESIDUAL RISK

Management Action or Mitigation Already in Place	Date Implemented
1. Local Safeguarding Children's Board arrangements established	Up to Apr 2019
2. Application of the Southend, Essex & Thurrock Child Protection procedures	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
8. Improvement plan in line with Ofsted inspection and iMPOWER consultation	From Feb 2016
9. Development of new safeguarding arrangements to meet statutory requirements	Nov 2017 - Feb 2019

Residual Risk Rating	Date:	16/04/2019	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

FURTHER ACTION / FORECAST RISK / REVISED RESIDUAL RISK

Further Management or Mitigating Action	Implementation Date	Progress
10. Ongoing implementation and/or application of actions 2-8 above	From Apr 2019	Ongoing
11. Implementation of Thurrock Local Safeguarding Children Partnership arrangements.	May 2019	Ongoing

Forecast Risk Rating	Forecast Date:	Refresh 31/03/2020	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12
Revised Residual Risk Rating	Date:	07/10/2019	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

Corporate Risk No. 12 / Heading - Property Ownership Liability 2019 / 20

UNMANAGED / INHERENT RISK

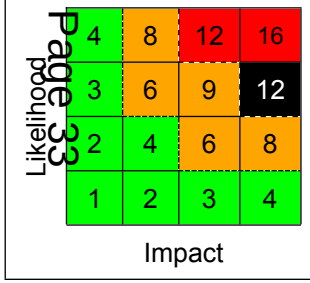
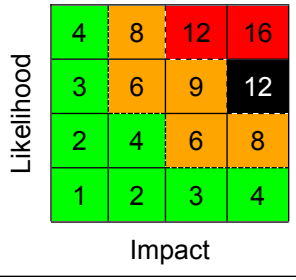
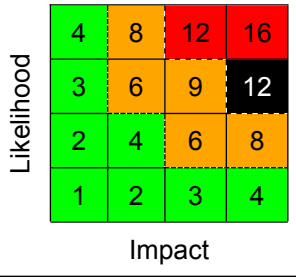
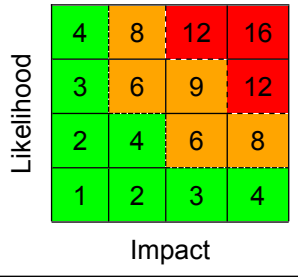
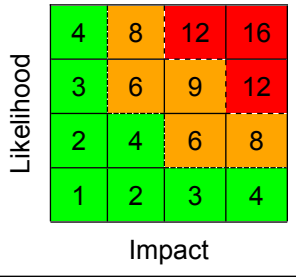
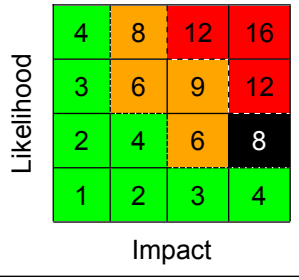
Risk Description	Risk Owner
The Council is a significant owner and user of operational property and ensuring that buildings comply with appropriate statutory, regulatory and corporate standards is a significant challenge. In addition to the direct consequences of any incident arising from buildings non-compliance, the Council could be faced with damage to its reputation, financial loss, and individual officers facing legal proceedings and in the worst case, the loss of lives of building users. It is therefore imperative that systems are in place to ensure compliance and manage these risks.	Michelle Thompson Property Manager

Link to Corporate Priority

Place – A heritage-rich borough which is ambitious for its future. Fewer public buildings with better services
People – A borough where people of all ages are proud to work and play, live and stay – High quality, consistent and accessible public services which are right first time.

Inherent Risk Rating	Date:	30/05/2019	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

DASHBOARD

Inherent Risk Rating & Date: 30/05/2019	Residual Risk Rating as at: 30/05/2019	Residual Risk Rating as at: 17/10/2019	Residual Risk Rating as at:	Residual Risk Rating as at:	Forecast Risk Rating & Date: 31/03/2020
					

Comments

There has been a long standing lack of clarity over the roles and responsibilities regarding building compliance between the different departments, particularly where the building involves activities crossing more than one discipline within the council. In April 2016, Directors Board approved a proposal to move to a Corporate Landlord model whereby the Corporate Property Team will take on direct management responsibility for all operational properties (excluding HRA properties and parks, etc).

The review of the property service by East of England Local Government Association (EELGA) highlighted an action to review the compliance of Council buildings & remains a key area of focus for the Corporate Property Team.

The council properties (except for HRA and parks) have moved to a new corporate function for repair, maintenance planning and the budgets transferred. The handing over of buildings to Corporate Property has highlighted some inconsistencies with the management of buildings and there are cases of no formal documentation on compliance, utilities, occupational data and operational costs. Records regarding the cut off of utilities are poor particularly in properties that are vacant and liable to unauthorised trespass.

The council are undertaking condition and compliance surveys on 16 corporate landlord buildings. Condition and compliance surveys are also being undertaken on void properties, village halls and properties where a public facing and vulnerable user group are present ensuring that the buildings are surveyed in a priority order against a perceived risk to users. Initial findings are of a concern however and remedial works are planned to address. Training has been undertaken by members of the team on compliance liability

to ascertain risk areas and make informed decisions. The delays experienced in implementing property procedure rules, asset management strategy, restructure and asset management database has hindered progress to manage the risk. Risk rating remains as 12.

EXISTING ACTION / RESIDUAL RISK

Management Action or Mitigation Already in Place	Date Implemented
1. Corporate Health and Safety Committee in place	Ongoing
2. Asset Management Strategy compiled and final draft awaiting DB approval	2018
3. Comprehensive Asbestos Register in place – review being undertaken to ensure accurate building information in place	2018
4. Property Procedure Rules compiled and implemented	Ongoing
5. Scheme of Delegations reviewed, amended and implemented	Ongoing
6. Restructure of Regeneration and Assets Service	From Mar 2019
7. First phase of budget transfer (libraries) undertaken.	June 2018
8. Implementation of planned maintenance for first phase (libraries)	June 2018
9. Regular updates on progress and compliance presented to Property Board	July 2018
10. Retain, Release, Reuse programme for assets implemented	June 2018
11. Implementation of new asset management database to capture all assets and information in one central core	June 2018
12. Corporate Landlord Working Group established	2018

Residual Risk Rating	Date:	30/05/2019	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

FURTHER ACTION / FORECAST RISK / REVISED RESIDUAL RISK

Further Management or Mitigating Action	Implementation Date	Progress
13. Ongoing implementation and/or application of actions 1 - 12 above	From Apr 2019	1. Committee established 2, 3, 9 7 11 Ongoing 4. Procedure rules compiled. 5. Scheme reviewed Oct 2019. 6. Assets transferred to Finance & IT Sept 2019 7. Transfer of all phases complete. 8. Planned maintenance undertaken. 10. Reviewed Oct 2019 as part of 5 above. 12. Group established and regular quarterly meetings

Forecast Risk Rating	Forecast Date:	Refresh 31/03/2020	Impact:	Critical (4)	Likelihood:	Unlikely (2)	Rating:	8
Revised Residual Risk Rating	Date:	17/10/2019	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

Corporate Risk No. 20 / Heading - Fraud

2019 / 20

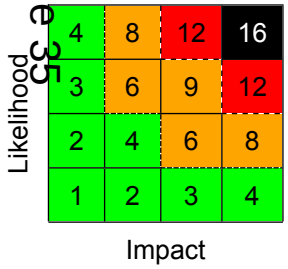
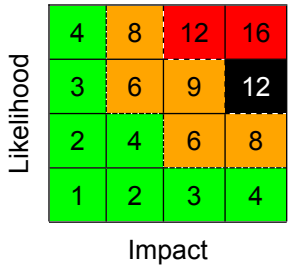
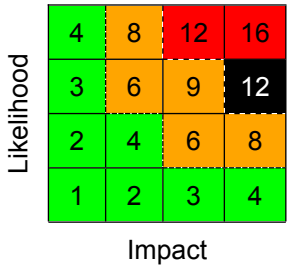
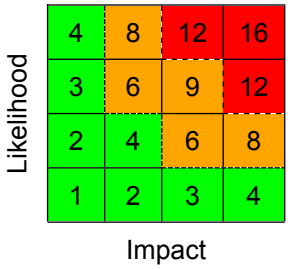
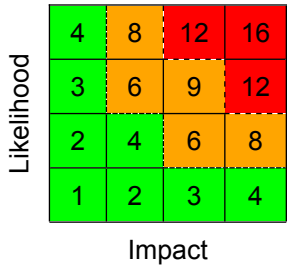
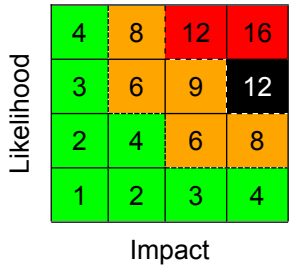
UNMANAGED / INHERENT RISK

Risk Description	Risk Owner
The Council is responsible for and provides a wide range of functions and services. There is a risk that the Authority experiences significant incidents of fraud, bribery, corruption or other economic crime as well as cases of money laundering. This can subsequently result in losses from the delivery of Council functions and services.	David Kleinberg

Link to Corporate Priority
People – a borough where people of all ages are proud to work and play, live and stay. High quality, consistent and accessible public services which are right first time.

Inherent Risk Rating	Date:	23/05/2019	Impact:	Critical (4)	Likelihood:	Very Likely (4)	Rating:	16

DASHBOARD

Inherent Risk Rating & Date: 23/05/2019	Residual Risk Rating as at: 23/05/2019	Residual Risk Rating as at: 17/10/2019	Residual Risk Rating as at:	Residual Risk Rating as at:	Forecast Risk Rating & Date: 31/03/2020
					

Comments
The Counter Fraud & Investigation service has an organisational-wide strategy and proactive work plan to monitor and manage the identified risks. A persistent training and education regime is in place, where experts from the service work with staff, contractors, members and in the council's supply chain to identify and mitigate the risks, and increase awareness. The council has current and effective policies on Counter Fraud, Bribery & Corruption and Money Laundering which are kept under constant review. These policies acknowledge the threats and install an action plan in identified incidents including, civil & criminal litigation and redress to recover any identified losses. Any control weaknesses identified in investigations are rectified in collaboration with the affected services and Internal Audit through SMART Action Plans.

EXISTING ACTION / RESIDUAL RISK

Management Action or Mitigation Already in Place	Date Implemented
1. Establishment & proactive enhancement of CFID	Nov 2014
2. Fraud and Corruption Policy established and maintained from 2014	From 2014
3. Counter Fraud Work Plan established and maintained	2017
4. Regular review of policies and procedures from within the council to ensure that it can prevent, detect and deter and fraud and other economic crime.	From Nov 2014
5. Counter Fraud and Money Laundering Policies Established and maintained.	2017
6. Corporate-wide Bribery & Corruption Risk Review	From Oct 2018
7. Corporate-wide Cyber Crime Risk Review	From Dec 2018
8. Fraud risk matrix/loss assessment development and roll out	From Jul 2018
9. Review of supply chain against identified national crime risks	Oct 2018
10. Ad-hoc services to prevent/detect fraud (e.g. operations to prevent/detect housing tenancy fraud, counter money laundering & social care fraud)	From Oct 2018
11. Enhanced intelligence programme	Feb 2019

Residual Risk Rating	Date:	23/05/2019	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

FURTHER ACTION / FORECAST RISK / REVISED RESIDUAL RISK

Further Management or Mitigating Action	Implementation Date	Progress
12. Ongoing application of actions 1-11 above	From Apr 2019	1-3. Ongoing 4. E-Learning package for countering fraud, bribery, corruption & money laundering to be developed and implemented 5&6. Work to enhance counter fraud and money laundering controls for Social Care Finance scheduled for Nov 2019. Renewed education and marketing campaign ('see it, report it, stop it') for countering fraud, bribery, corruption and money laundering to be developed and implemented by Jan 2020 7. Data asset registers received and identify where data stored. Analysis of high risk areas to be undertaken Nov 2019 8. Early intervention risk matrix for social housing tenants targeted criminality developed & forecast date for completion March 2020. 9, 10 & 11. Data matching solution to compare NNDR data with law enforcement data to be developed and implemented. National Fraud Initiative (NFI) results to be analysed and appropriate criminal investigations to be followed up by National Investigation Service (NATIS)

Forecast Risk Rating	Forecast Date:	Refresh 31/03/2020	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12
Revised Residual Risk Rating	Date:	18/10/2019	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

Corporate Risk No. 24 / Heading - Business Continuity Planning 2019 / 20

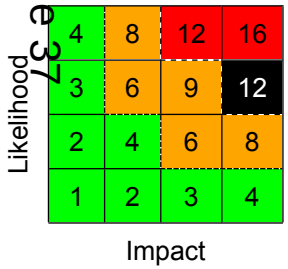
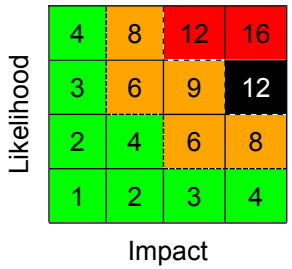
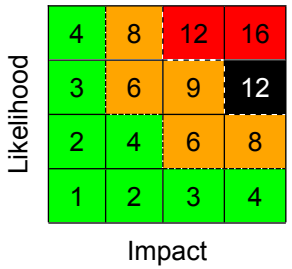
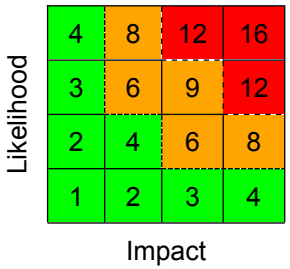
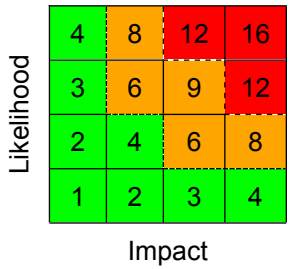
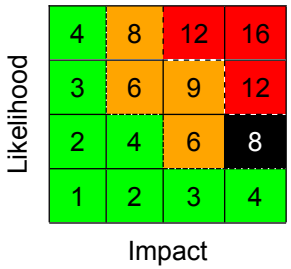
UNMANAGED / INHERENT RISK

Risk Description	Risk Owner
Failure of the council and / or service managers to coordinate and maintain business continuity plans would lead to service delivery arrangements across the council being ineffective in times of a disruption affecting the council and Thurrock.	Performance Board

Link to Corporate Priority
People - A borough where people of all ages are proud to work and place, live and stay – High quality, consistent and accessible public services which are right first time.

Inherent Risk Rating	Date:	01/04/2019	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

DASHBOARD

Inherent Risk Rating & Date: 01/04/2019	Residual Risk Rating as at: 01/04/2019	Residual Risk Rating as at: 01/10/2019	Residual Risk Rating as at:	Residual Risk Rating as at:	Forecast Risk Rating & Date: 31/03/2020
					

Comments
The risk evaluates the position if business continuity plans are not coordinated and maintained, which would lead to service delivery arrangements across the council being ineffective in times of a disruption affecting the council and Thurrock e.g. loss of ICT, loss of use of the Civic Offices. Oversight of Business Continuity Management is now being provided by Performance Board. The list of current BCPs and critical functions has been updated and will form the basis of ongoing review process by Performance Board and service areas. BCPs are the responsibility of individual service areas. The Strategic Business Continuity Plan has now been updated and links as appropriate have been made with the emergency planning team. However, Performance Board are continuing their work with services to confirm all areas have up to date BCPs so until that work has concluded, the risk rating will remain the same. Work is also ongoing to update the BCP template and to rollout to DMTs and managers.

EXISTING ACTION / RESIDUAL RISK

Management Action or Mitigation Already in Place	Date Implemented
1. 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 April, 2015	April 2015
2. 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
3. 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
4. Outcome of review along with proposals to strengthen BCM arrangements across the Council submitted to Directors Board in April 2016. Performance Board to provide oversight role for Business Continuity Planning from July 2016	April 2016
5. Quality assurance process for Business Continuity Plans for critical functions considered by PB Aug 2016. List of current BCPs and critical functions to be established and to form the basis of ongoing review process by PB and service areas	August 2016 – March 2017
6. Quality assurance of all BCPs undertaken by services	Apr 2017
7. Audit of outdated service level BCPs undertaken by Performance Board in conjunction with the services Aug 2018 to Feb 2019	February 2019
8. Strategic Business Continuity Plan updated	October 2018
9. Updated the BCP template to incorporate a clear definition of meeting points and alternative working arrangements in line with new ways of working. Also updated the BIA to be used as guidance when completing the BCP	April 2019

Residual Risk Rating	Date:	01/04/2019	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

FURTHER ACTION / FORECAST RISK / REVISED RESIDUAL RISK

Further Management or Mitigating Action	Implementation Date	Progress
10. Ongoing review of BCP list by Performance Board	Throughout 2019/20	Ongoing quarterly review
11. Internal Audit report of BCP process concluded	Sept 2019	Completed
12. Implement recommendations highlighted by Internal Audit report	January 2020	Ongoing (Action Plan to be drafted & agreed by Performance Board).
13. Recruitment of Senior Business Continuity Officer	December 2019	Interviews to be held on 10th October 2019
14. Review of BC Plans for high risks areas likely to be impacted by Brexit. These include Highways (Operations, Maintenance, Fleet and Network Management), Adult Social Care, and Commissioning.	By 28th October 2019	Ongoing
15. Accreditation to be gained by 3 officers within Emergency Planning & Resilience Team	March 2020	This will be a priority post Brexit.

Forecast Risk Rating	Forecast Date:	Refresh 31/03/2020	Impact:	Critical (4)	Likelihood:	Unlikely (2)	Rating:	8
Revised Residual Risk Rating	Date:	01/10/2019	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

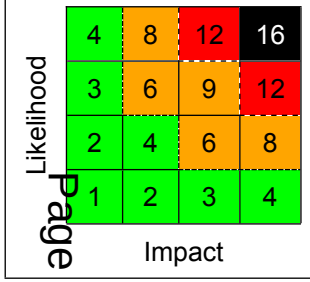
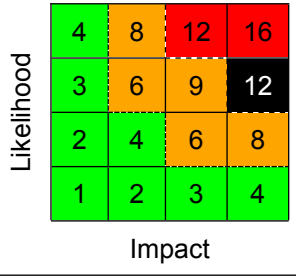
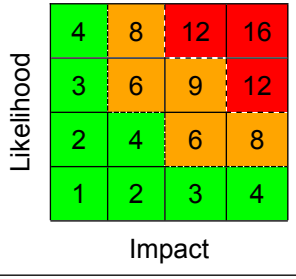
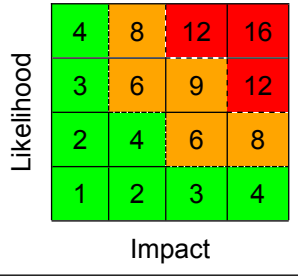
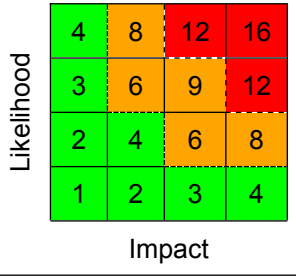
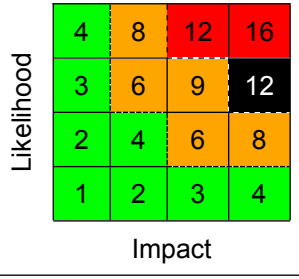
Corporate Risk No. 27 / Heading - Waste Strategy for Thurrock 2019 / 20

UNMANAGED / INHERENT RISK

Risk Description	Risk Owner
Thurrock Council's Waste Strategy for Thurrock (2008 - 2020) is due to expire in the coming year and requires reviewing and updating to ensure the Strategy continues to be both fit for purpose and will guide and drive forward the way the Council are to meet and exceed the National Targets for Recycling, as laid down in the Waste Strategy For England. Alongside this, a strategic review of the Council's numerous waste disposal contracts that are also due to expire in December 2020, with the exception of the Waste to Energy Recovery contract which runs until March 2024. Central Government have consulted on a number of issues around waste collections, producer responsibilities, a potential of designated waste streams and national consistencies of collection-container identification. Local aspirations are to build a further 32,000 houses within Thurrock over the coming 20 years. A Cross-Party Working Group (CPWG) has been formed, that is made up of elected members of all political parties, and is tasked to create a Vision Statement, which will guide the direction of the Waste Strategy document. Areas of consideration are to include existing and alternative waste collection regimes such as differing collection schedules, waste streams and containerisation options. In addition, alternative options for the treatment & disposal of waste and recyclable materials. Key Risks are as follows: • **Timeline**: The Vision Statement is to be presented to CGS in February 2020 for approval in order to allow time to produce the revised Waste Strategy document for approval by June 2020. The timeline from Vision Statement approval to producing the Waste Strategy is challenging considering the complexity of the process with the numerous elements for consideration. • **Government Influences**: Regardless of any outcome from the CPWG, central government may exert direct influence on the direction of the Strategy by means of revised legislation around materials collected, container standardisation and new recycling targets. • **Political differences:** Political agreement is vital to the progression and production of a Waste Strategy that will fulfil the needs of the Council for the next decade. All parties have manifesto's that determines their course of action and while the ultimate aim of increasing recycling rates is a common one, the route by which individual parties do so may be very different and therefore be potentially challenging to reach common ground. A number of elections are scheduled over the coming year and some difficult decisions have to be made to facilitate meeting and exceeding the expectations of a Waste Strategy striving to improve on recycling rates. • **Waste Collection Fleet**: The Council's Waste Collection fleet was renewed over 2018 at a capital cost of c: £4.5M and any major changes to come from the Strategy review and collection methods may require an early review of the vehicles being used. There is a potential to avoid any major expenditure and choose to tailor a service to fit existing resources, which may not produce the expected outcomes. • **Oliver Rd/St Clements Way Depot:** The existing site is at capacity and is no longer fit for purpose to support the service delivery, to meet measures of the central government waste strategy and the increased demand for the service linked to the growth in the borough. • **Public Opinion:** There is the potential where any considerable changes to existing waste collection regimes in Thurrock, while being proposed by the CPWG as a way forward that the Public are not willing to accept, despite early consultation.	Julie Rogers

Link to Corporate Priority								
Place - a heritage-rich borough that is ambitious for its future. Fewer public buildings with better services **People** – a borough where people of all ages are proud to work and play, live and stay. High quality, consistent and accessible public services that are right first time. **Prosperity** – a borough that enables everyone to achieve their aspirations. Commercial, entrepreneurial and connected public services.								
Inherent Risk Rating	Date:	14/10/2019	Impact:	Critical (4)	Likelihood:	Very Likely (4)	Rating:	16

DASHBOARD

Inherent Risk Rating & Date: 14/10/2019	**Residual Risk Rating as at:** 14/10/2019	**Residual Risk Rating as at:**	**Residual Risk Rating as at:**	**Residual Risk Rating as at:**	**Forecast Risk Rating & Date:** 31/07/2020
					

Comments

Cleaner, Greener and Safer Overview and Scrutiny Committee agreed July 2019 to form a cross-party working group (CPWG) to review the waste management arrangements. The recently formed CPWG have met on several occasions and have determined the need for a Public Consultation exercise to better gauge public opinion on a number of influential elements being considered for inclusion within the draft strategy being prepared for July 2020. A briefing-paper presented to Directors Board for consideration and support of a Consultation exercise, was approved in October 2019. Officers have provided information including collection methodologies & regimes, information & educational options and treatment & disposal technologies for consideration by the CPWG. The CPWG approved a final draft of the Consultation structure and wording with a view to launching during January to allow analysis of the results for consideration of inclusion within the draft strategy due in July 2020.

A forecast date of 31/07/2020 and forecast rating of 12 has been applied for the risk. The rationale for the evaluation is that the actions to develop and present the draft Waste Strategy are planned to be completed by the end of July 2020 but there is a balance of risk relating to the work that will be undertaken to establish a proposed new site for the depot. The position is scheduled to be reconsidered in the Quarter 1 risk review (scheduled for Apr 2020) and the risk/action plan refreshed accordingly.

EXISTING ACTION / RESIDUAL RISK

Management Action or Mitigation Already in Place								Date Implemented
1. Cross Party Waste Management Group set up to develop outline proposal for Vision Statement & Waste Strategy, following agreement by Cleaner, Greener and Safer Overview and Scrutiny Committee.								From Jul 2019 to Nov 2019
Residual Risk Rating	Date:	14/10/2019	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

FURTHER ACTION / FORECAST RISK / REVISED RESIDUAL RISK

Further Management or Mitigating Action	Implementation Date	Progress
2. Ongoing application of action 1 above	From Oct	Ongoing.
3. Identification of suitable depot premises/site and submission of capital bid for financial year commencing 2020 for feasibility study.	Oct 2019	Completed
4. Presentation of a draft strategy to Cleaner, Greener and Safer Overview and Scrutiny Committee	Jul 2020	
5. Feasibility study for proposed depot/premises site	From Apr 2020	
6. Position and way forward with regard to proposed depot/premises site to be reviewed upon completion of feasibility study.	End of March 2021	

Forecast Risk Rating	Forecast Date:	Refresh 31/07/2020	Impact:	Critical (4)	Likelihood:	Very Likely (3)	Rating:	12
Revised Residual Risk Rating	Date:		Impact:		Likelihood:		Rating:	

Corporate Risk No. 15 / Heading - Delivery of Capital Projects 2019 / 2020

UNMANAGED / INHERENT RISK

Risk Description	Risk Owner
The growth programme in Thurrock continues to be one of the largest and most exciting opportunities in the country. Thurrock's reputation as a place full of opportunity has helped attract a number of large scale projects including London Distribution Park at the Port of Tilbury, the continuing investment at DP World London Gateway, expansion of Lakeside, Purfleet Regeneration, etc. As a direct result of the scale of the growth agenda in Thurrock the Council will be involved in three National Infrastructure Projects over the coming years. Managing these projects alongside the other key regeneration projects will place significant demands on the Council and ensuring the authority have capacity in key areas is important in maintaining momentum and maximising opportunity for the borough. Failure to increase capacity to meet current, future or competing demands could impact the successful delivery of the major schemes and projects.	Detlev Munster

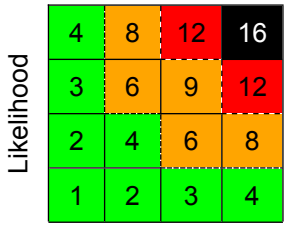
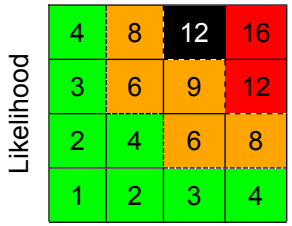
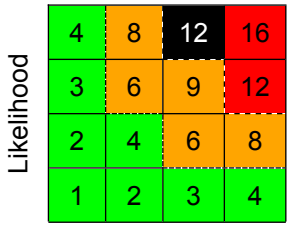
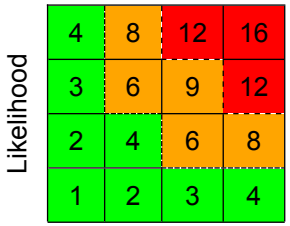
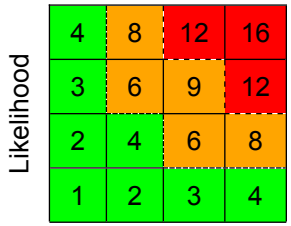
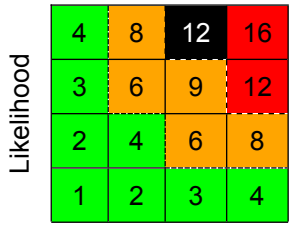
Link to Corporate Priority

Prosperity – a borough which enables everyone to achieve their aspirations:
- Attractive opportunities for businesses and investors to enhance the local economy
- Vocational and academic education skills and job opportunities for all.

Place – a heritage rich borough which is ambitious for its future:
- Roads, houses and public spaces that connect people and places
- Fewer public buildings with better services

Inherent Risk Rating	Date:	25/04/2019	Impact:	Critical (4)	Likelihood:	Very Likely (4)	Rating:	16

DASHBOARD

Inherent Risk Rating & Date: 25/04/2019	Residual Risk Rating as at: 25/04/2019	Residual Risk Rating as at: 03/10/2019	Residual Risk Rating as at:	Residual Risk Rating as at:	Forecast Risk Rating & Date: ~~30/09/2019~~ 31/03/2020
					

Comments

The Thurrock growth programme crosses many disciplines within the Council. It requires significant programme management capacity from the Regeneration team to lead the programme alongside a joined up approach with other areas of the authority to ensure that relevant specialisms are brought in as required and programmes and strategies are complementary. Investment needs to be committed to project development stages before outputs and benefits are realised, significant levels of funding are committed at risk to prove feasibility and investment then needs to continue to secure the benefits from the initial funding. External funding is committed to numerous projects, whilst this reduces the

financial burden to the Council, compliance with funding agreements must be achieved to ensure the Council is not exposed financially via claw back mechanisms. Projects span numerous financial years and have to be able to respond to changing market, policy and financial conditions. Strong project and programme managers are essential to ensuring that delivery stays on track and investment secures value for money outputs. Increasing resource capacity in the team via Matrix has provided some additional support and approval has been received to secure 1 additional FTE. The project portfolio could benefit from significant external funding in 2020/21 which will put additional pressure on the existing staff resource as more projects are developed. Momentum needs to be maintained in the ongoing restructure to improve working cultures and secure additional resource.

EXISTING ACTION / RESIDUAL RISK

Management Action or Mitigation Already in Place	Date Implemented
1. Appropriately qualified team in place.	Ongoing
2. Specialist expertise brought in on a consultancy basis as required.	Ongoing
3. Programme Management methods in place with all projects having a project programme, budget and risk register set up from the outset.	Ongoing
4. Area based Programme Boards operational to ensure cross department buy in.	Ongoing
5. Funding agreements managed to ensure compliance and reduce risk of claw back	Ongoing
6. Include Brexit contingency in all project budgets to cover the potential for increased construction costs due to potential increases in labour/material costs.	From Oct 2018
7. Increase of capacity required in team (additional FTEs)	Mar 2019

Residual Risk Rating	Date:	25/04/2019	Impact:	Substantial (3)	Likelihood:	Very Likely (4)	Rating:	12

Page 43

FURTHER ACTION / FORECAST RISK / REVISED RESIDUAL RISK

Further Management or Mitigating Action	Implementation Date	Progress
8. Ongoing implementation of actions 1-7 above	From Apr	New agency Programme Managers x2 (June and Aug 2019) and Interim Assistant Director for Place Delivery (Sept 2019) brought into the team.
9. Establish a ring fenced budget to provide seed funding ensuring that ongoing projects can quickly address any issues arising and new opportunities can be quickly realised.	May 2019	Capital bids submitted for individual projects rather than establishing a feasibility pot. Known projects covered but new opportunities may create in year budget pressures.
10. Ensure all major capital projects are led by the Regeneration Team	Jun 2019	September 2019, restructure has considered service alignments; project allocation across teams needs to be addressed.
11. Consider Implementation of a standardised project management software solution.	Jun 2019	Not progressed

Forecast Risk Rating	Forecast Date:	Refresh ~~30/09/2019~~ 31/03/2020	Impact:	Substantial (3)	Likelihood:	Very Likely (4)	Rating:	12
Revised Residual Risk Rating	Date:	03/10/2019	Impact:	Substantial (3)	Likelihood:	Very Likely (4)	Rating:	12

Opportunities In Focus

Corporate Opportunity No. 19a / Heading - Treasury Management & Investment Strategy 2019 / 20

UNMANAGED / INHERENT OPPORTUNITY

Opportunity Description	Opportunity Owner
A mix of approaches (e.g. service reviews, expenditure efficiencies, general income increases, managing demand, transformation, investment, etc.) have been adopted to deliver future balanced budgets and enable services to continue to be provided to meet the needs of residents. All the approaches are important to maintain balanced budgets for the life of the Medium Term Financial Strategy (MTFS) and it is recognised that investments have the greater ability to make significant income with the minimum of impact on service provision (e.g. in recent years the treasury function and activities have contributed approx. £13.7M per annum towards savings/income. The development and implementation of the Treasury Management Strategy and Investment Programme continues to provide the Council with further opportunities to generate significant additional income and contributions towards the delivery of Council services	Sean Clark

Link to Corporate Priority
Prosperity – a borough which enables everyone to achieve their aspirations. Commercial, entrepreneurial and connected public services. People – a borough where people of all ages are proud to work and play, live and stay. High quality, consistent and accessible public services which are right first time.

Inherent Opportunity Rating	Date:	24/05/2019	Impact:	Exceptional (4)	Likelihood:	Unlikely (2)	Rating:	8

DASHBOARD

Inherent Opp. Rating & Date: 24/05/2019	Residual Opp. Rating as at: 24/05/2019	Residual Opp. Rating as at: 17/10/2019	Residual Opp. Rating as at:	Residual Opp. Rating as at:	Forecast Opp. Rating & Date: 28/02/2020
16 12 8 4 12 9 6 3 8 6 4 2 4 3 2 1 Likelihood / Impact	16 12 8 4 12 9 6 3 8 6 4 2 4 3 2 1 Likelihood / Impact	16 12 8 4 12 9 6 3 8 6 4 2 4 3 2 1 Likelihood / Impact	16 12 8 4 12 9 6 3 8 6 4 2 4 3 2 1 Likelihood / Impact	16 12 8 4 12 9 6 3 8 6 4 2 4 3 2 1 Likelihood / Impact	16 12 8 4 12 9 6 3 8 6 4 2 4 3 2 1 Likelihood / Impact

Comments
Investments identified as having the greater ability to make significant income with the minimum of impact on service provision. Treasury Management and Investment Strategy established. Review undertaken and position reported to Council Feb 2019. Ongoing development, review, monitoring and reporting of investment programme (e.g. Cabinet Member report for Finance to Council Jul 2019 and Revenue budget monitoring report to Cabinet Sept 2019).

EXISTING ACTION / RESIDUAL OPPORTUNITY

Management Action Already in Place	Date Implemented
1. Update on the Medium Term Financial Strategy and proposed investment approach (including principles) reported to and agreed by Cabinet 11th Oct 2017.	Oct 2017
2. Follow up on the investment approach and the revisions required to the Treasury Management Strategy reported to and agreed by Council 25th Oct 2017, including increases to the parameters for how much the council can borrow/invest and changes required to bolster the investment programme (e.g. capital cash investments/expenditure, acquisition or development of revenue generating assets, bringing more sites forward for development through Thurrock Regeneration Ltd).	Oct 2017
3. Capital Strategy (incl Treasury Management Strategy), Annual Minimum Revenue Provision Statement, proposed Prudential Indicators and Treasury Management projections reported to and agreed by Council 27 February 2019, via Cabinet 12 February 2019 and Corporate Overview & Scrutiny Committee 31rd January 2019	Feb 2019
4. Continue to develop investment programme in line with codes of practice and guidance to Identify further investment opportunities and achieve a balanced portfolio.	From Feb 2019
5. Manage current and explore, develop and implement new opportunities.	From Feb 2019
6. Regularly review/monitor and report on all investments, including new items.	From Feb 2019

Residual Opportunity Rating	Date:	24/05/2019	Impact:	Exceptional (4)	Likelihood:	Likely (3)	Rating:	12

FURTHER ACTION / FORECAST OPPORTUNITY / REVISED RESIDUAL OPPORTUNITY

Further Management Action	Implementation Date	Progress
7. Ongoing implementation or application of actions 4, 5, 6 above	From Apr 2019	4 & 5 Ongoing 6. Regular reporting to Directors Board. Cabinet Member report for Finance (including update on treasury and finance) reported to Council Jul 2019. Revenue budget monitoring report (including treasury and finance position) presented to Cabinet Sept 2019.
8. Review and report Treasury Management Strategy, Annual Minimum Revenue Provision Statement & Prudential Indicators to Council Feb 2020.	Feb 2020	

Forecast Opportunity Rating	Forecast Date:	Refresh 28/02/2020	Impact:	Exceptional (4)	Likelihood:	Likely (4)	Rating:	12
Revised Residual Opportunity Rating	Date:	17/10/2019	Impact:	Exceptional (4)	Likelihood:	Likely (3)	Rating:	12

Criteria Guide for Impact and Likelihood

Appendix 3

Criteria Guide for Impact Levels

Risk

Negative Impact	Description
4 Critical	• Inability to deliver a number of strategic objectives or a priority. • Major loss of service, including several important service areas • Major reputation damage - adverse central government response, involving threat of / removal of delegated powers or adverse and persistent national media coverage • Loss of Life • Major personal privacy infringement - All personal details compromised / revealed • Huge financial loss/cost - >£1M in a year. Up to 75% of budget. • Major disruption to project / huge impact on ability to achieve project objectives.
3 Substantial	• Inability to deliver an organisational priority or strategic objective. • Major disruption to important service or a number of service areas. • Significant reputation damage - adverse publicity in professional/municipal press or adverse local publicity of a major and persistent nature. • Major injury. • Many individual personal details compromised / revealed • Major financial loss/cost - >£500K - <£1M in a year. Up to 50% of budget • Significant disruption to project / significant impact on ability to achieve the project's objectives.
2 Marginal	• Significant disruption to important service or major disruption to non crucial service. • Moderate reputation damage - adverse local publicity / local public awareness • Serious injury • Some individual personal details compromised / revealed • High financial loss/cost – >£100K - <£500K in a year. Up to 25% of budget • Moderate disruption to project / moderate impact on ability to achieve the project's objectives.
1 Negligible	• Brief disruption to important service or significant disruption to non crucial service. • Minimal reputation damage - no external publicity and contained within Council • Minor injury or discomfort. • Isolated individual personal detail compromised/ revealed • Low or medium financial loss/cost <£100K in a year. Up to 10% of budget • Minor disruption to project / minor impact on ability to achieve the project's objectives.

Opportunity

Positive Impact	Description
4 Exceptional	• Exceptional improvement to service(s) (e.g. quality, level, speed, cost, etc) and/or delivery of strategic objectives/priorities • National award or recognition/elevated status by national government • Positive national press/media coverage • Major improvement to the health, welfare & safety of stakeholders • Income/savings of >£500K in a year or exceptional saving of resource (e.g. time and labour)
3 Major	• Major improvement to service(s) (e.g. quality, level, speed, cost, etc) and/or delivery of strategic objective/priority. • Regional recognition for initiative, partnership or arrangement. • Positive publicity in professional/municipal press or sustained positive local publicity. • Significant improvement to the health, welfare & safety of stakeholders • Income and/or savings of >£250K - <£500K in a year or major savings of resource (e.g. time and labour).
2 Moderate	• Moderate improvement to service(s) (e.g. quality, level, speed, cost, etc) and/or delivery of strategic objective/priority. • Borough or County wide recognition for initiative, partnership or arrangement. • Positive local publicity / local public awareness • Moderate improvement to the health, welfare & safety of stakeholders. • Income and/or savings of >£100K - <£250K in a year or moderate savings of resource (e.g. time and labour).
1 Minor	• Minor improvement to service(s) (e.g. quality, level, speed, cost, etc) and/or delivery of strategic objective/priority. • Local level recognition for initiative, partnership or arrangement. • Minor positive local publicity • Minor improvement to the health, welfare & safety of stakeholders. • Income and/or savings of <£100K in a year or minor saving of resource (e.g. time and labour)

Criteria Guide for Likelihood Levels

Risk

Likelihood	Description
4 Very Likely	• More than 75% chance of occurrence • Will probably occur at some time or in most circumstances. • Circumstances frequently encountered - daily, weekly, monthly and quarterly.
3 Likely	• Between 40% and 75% chance of occurrence. • Fairly likely to occur at some time or in some circumstances. • Circumstances occasionally encountered - occurs once every 1 to 2 years.
2 Unlikely	• Between 10% and 40% chance of occurrence. • Fairly unlikely to occur, but could occur at some time. • Occurs once every 2 to 3 years
1 Very Unlikely	• Less than 10% chance of occurrence. • May occur only in exceptional circumstances. • Has never or very rarely happened before.

Opportunity

Likelihood	Description
4 Very Likely	• More than 75% chance of happening. • A clear opportunity already apparent, which can easily be achieved with a bit of further work or management. • Achievable in under 1 year (12 months)
3 Likely	• Between 40% and 75% chance of happening. • An opportunity that has been identified and/or explored and may be achievable but will require some further work or management. • Achievable between 1 to 2 years
2 Unlikely	• Between 10% and 40% chance of happening • Opportunity that is fairly unlikely to happen that will need full investigation and require considerable work or management. • Achievable between 2 to 3 years
1 Very Unlikely	• Less than 1% chance of happening. • Opportunity that is very unlikely to happen that will need full investigation and require considerable work or management. • Achievable in more than 3 years

Risk/Opportunity Matrix & Priority Table

Risk

		1 Negligible	2 Marginal	3 Substantial	4 Critical
Very Likely	**4**	4	8	12	16
Likely	**3**	3	6	9	12
Unlikely	**2**	2	4	6	8
Very Unlikely	**1**	1	2	3	4

Opportunity

	4 Exceptional	3 Major	2 Moderate	1 Minor		
High Priority	16	12	8	4	**4**	*Very Likely*
	12	9	6	3	**3**	*Likely*
Medium Priority	8	6	4	2	**2**	*Unlikely*
Low Priority	4	3	2	1	**1**	*Very Unlikely*

Priority Risk	Rating	Priority Opp.
High	12 - 16	High
Medium	6 - 9	Medium
Low	1 - 4	Low

19 December 2019	ITEM: 7
Standards & Audit Committee	
Internal Audit Protocol 2019	
Wards and communities affected: All	**Key Decision:** Non-key
Report of: Gary Clifford – Chief Internal Auditor	
Accountable Director: Sean Clark – Director of Finance, Governance & Property	
This report is public	

Executive Summary

This report provides the Standards & Audit Committee with information on the Internal Audit Protocol which gives some general guidance on responsibilities of Members, Officers and the Internal Audit team. It also provides detailed guidance on specific issues around the internal audit processes, such as turnaround times for reports and the timeliness of management responses.

1. Recommendation(s)

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

Agree that the Internal Audit Protocol provides the council and the Internal Audit Service with a process for improving the timeliness of reporting arrangements and sets out a formal escalation process for non-compliance.

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, and 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 Internal Audit Protocol will help to provide the Standards & Audit Committee with a level of assurance around the internal audit reporting process.

3. Issues, Options and Analysis of Options

3.1 The Protocol has been reviewed and updated to reflect changes to the Amber/Red assurance opinion from a positive to a negative opinion. This will enhance the reporting process and assist in providing a more effective Internal Audit Service which will meet the requirements of the Public Sector Internal Auditing Standards.

4. Reasons for Recommendation

4.1 To provide the Standards & Audit Committee with assurance that the Internal Audit Service and council staff are aware of their roles and responsibilities around the timely reporting of, and response to, internal audit recommendations.

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

5.1 The Internal Audit Protocol has been circulated to Directors' Board and the Director of Finance, Governance and Property as part of the consultation process.

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

6.1 The achievement of corporate priorities is a key consideration of members, senior management and internal audit and the Protocol should assist this by providing a more robust and timely reporting process.

7. Implications

7.1 Financial

Implications verified by: **J Wilson**

Assistant Director - Finance

As this report is for information, there are no direct financial implications arising from this report.

7.2 Legal

Implications verified by: **T Hallam**

Acting Head of Law, Assistant Director of Law and Governance and Monitoring Officer

As this report is for information, there are no adverse legal implications arising from this report.

7.3 **Diversity and Equality**

Implications verified by: **R Lee**

Team Manager – Community Development & Equalities

There are no direct diversity implications arising from this report as it is for information purposes only.

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

As this report is for information, there are no other implications arising 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):

- Public Sector Internal Audit Standards (PSIAS)
- CIPFA – PSIAS Local Government Application Note
- Internal Audit Protocol 2015

9. Appendices to the report

Appendix 1 – Internal Audit Protocol 2019

Report Author:

Gary Clifford
Chief Internal Auditor
Thurrock Council Internal Audit Service, Finance, Governance & Property

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Thurrock Council

Internal Audit Protocol 2019

December 2019

To be presented to Standards and Audit Committee on the 19th December 2019

Contents

	Page
Introduction	1
Responsibilities Explained:	
• Cabinet Members	1
• Senior Management	1
• Standards & Audit Committee	2
• External Audit	2
• Internal Audit	3
• Assignment Planning Stage	3
• Debrief Meeting	4
• Draft Report	4
• Final Report	5
• Follow up	5
• Advisory or Consultancy Reviews	6
• Escalation Process	6
Joint working between External and Internal Audit	6

Distribution

Copies of this Protocol will be provided to all members of the Standards & Audit Committee, Chief Executive and Directors Board, Assistant Directors and all staff by being made available on the Council's intranet site.

Who to contact to find out more:

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Version – 3 - Next review date December 2021 or as required by changes to working practices or legislation.

Introduction

Thurrock Council's Commitment to Good Governance

Thurrock Council is responsible for significant expenditure of public money and places great importance on maintaining the highest standards of probity, financial management and accountability.

External and Internal Audit assist in providing the Council with independent assurance that assets and resources are properly applied and used wisely.

This Protocol explains how our audit arrangements operate and sets out the responsibilities of Members and senior management for ensuring that the audit requirements of the Council are met and recommendations made are fully implemented.

For the purposes of this Protocol, the Chief Internal Auditor fulfils the role of the Council's Head of Internal Audit (HoIA) and is referred to as such throughout the document.

Responsibilities Explained

Cabinet Members

Cabinet must ensure the Council's audit arrangements are effectively applied. Cabinet do this through:

- The Cabinet Portfolio Member with responsibility for Central Services and Communities.
- The Council's Standards & Audit Committee.
- Approving the Council's Action Plan arising from the External Auditor's Annual Audit Letter, after this has been reviewed by the Standards & Audit Committee.

Senior Management

Directors, Assistant Directors and individual managers are responsible for exercising proper internal control over their areas of responsibility.

Copies of External and Internal Audit reports referring to departmental issues will be sent to and monitored by individual Directors and Assistant Directors.

Those reports referring to corporate issues, or which could have a negative impact on the reputation of the Council will be reported to Directors Board for initial consideration before being referred to whichever working group or individual the Board deems to be most appropriate.

Where a Red assurance report is issued, the relevant Director or Assistant Director will be responsible for writing a covering report and presenting the report to the next meeting of the Standards & Audit Committee. Directors will also be responsible for discussing the contents of these reports and the actions they are taking to address the issues raised, at the regular meetings they hold with their relevant portfolio holder.

Where an Amber/Red assurance report is issued, the attendance of a relevant Director/Assistant Director/senior manager will be determined following the pre-meeting with the Chair of the Standards & Audit Committee, which is held prior to the committee meeting.

Standards & Audit Committee

The purpose of the Standards & Audit Committee is to provide independent monitoring of the adequacy of the risk management framework, as well as independent scrutiny of the authority's financial and non-financial performance. The Committee also oversee the financial reporting process. This assists the Committee in focussing External and Internal Audit resources to ensure that the Council's main risks are independently reviewed. The Committee will do this by:

- Reviewing the External and Internal Audit annual plans prior to these being formally approved.
- Ensuring the Internal Audit function is properly resourced.
- Confirming effective co-ordination between the External Audit provider and Internal Audit.
- Confirming that the Audit Protocol is being properly applied.
- Ensuring that the Council's risk management strategy is fully operational and reviewing the Risk Register on a periodic basis.

The Standards & Audit Committee will also keep under review the operation of the Council's financial and information systems. It will do this by:

- Receiving and considering the External Auditor's Annual Audit Letter which will incorporate the Council's responses and recommend the management action plan to Cabinet for formal approval.
- Monitoring implementation of management action plans.
- Receiving and considering Internal Audit's annual assurance report which comments on the adequacy and effectiveness of internal control systems within the Council.
- Considering Red and Amber/Red assurance reports issued by Internal Audit to relevant Directors, together with management responses and monitor the implementation of agreed recommendations.
- Promoting an anti-fraud culture.

The Council takes audit matters very seriously. If the Standards & Audit Committee has specific concerns that important issues raised by External or Internal Audit are not being addressed, including the implementation of agreed recommendations, the Standards & Audit Committee will refer this formally to the Chief Executive, Monitoring Officer, Section 151 Officer or appropriate Director/Assistant Director for an explanation.

External Audit

The Council's External Auditor is required by the Code of Audit Practice to make an independent assessment about:

- The Council's Statement of Accounts.
- Corporate Governance.
- Performance Management Arrangements.

External Audit provides:

- A statement that the audit of the accounts has been completed in accordance with statutory requirements.
- A conclusion on the Council's arrangements for securing economy, efficiency and effectiveness in the use of resources.
- Where appropriate, a report dealing with matters that the auditor considers to be in the public interest.
- Progress reports on matters arising from specific aspects of the Auditors' work.
- An Annual Audit Letter, addressed to the Council, which summarises the most important matters arising from the audit work completed over the year. This will be considered by Standards & Audit Committee, who will monitor progress against key recommendations, through the reporting process. The results of the Annual Audit Letter are published and made available through the council's website.

The annual Internal Audit Plan is discussed in detail with External Audit. External Audit also receives copies of audit reviews of the key financial systems.

Internal Audit

Under the Accounts and Audit Regulations 2015, the Council is required to 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.

Internal Audit provides an independent appraisal function which reviews the internal control arrangements of the Council, helps to ensure resources are used wisely and value for money is secured.

Internal Audit provides:

- A progress report detailing the audits that have been completed, the level of assurance provided and a summary of the key findings and recommendations.
- The HoIA's Annual Report on the adequacy of financial and non-financial controls.
- A mechanism for following up on recommendations to determine the status of their implementation.

The work of Internal Audit is targeted through a three year internal audit strategy and a detailed annual plan.

Internal Audit consults with Directors, Assistant Directors and other relevant senior managers on the annual plan and review progress with the Section 151 Officer on a regular basis. Internal Audit may also attend Directorate Management Team (DMT) meetings to provide updates. The draft Internal Audit Annual Plan is reviewed and agreed by Directors Board before being submitted to the Standards & Audit Committee each year.

Assignment Planning Stage

For each audit review, an audit brief will be prepared, discussed, agreed and signed off (manually or electronically) by the relevant Director/Assistant Director/senior manager and the HoIA and copied in to the service manager responsible for the area being reviewed. This will set out the terms of reference of the review, the scope of the work being undertaken and any limitations to the scope. This provides the auditor with the authority to liaise directly with the manager to undertake the fieldwork stage of the review process.

Debrief Meeting

On completion of the fieldwork, the auditor will arrange a debrief meeting and prepare a first draft report and/or debrief document detailing their findings and recommendations, which will be reviewed by the HoIA. Dependent on the assurance level provided as a result of this initial assessment, the following attendees will be invited to the debrief meeting:

- Green assurance opinion – relevant service manager(s) and auditor
- Amber/Green assurance opinion – relevant service manager(s) and auditor
- Amber/Red assurance opinion – relevant Assistant Director/senior manager, service manager(s), HoIA and auditor.
- Red assurance opinion – relevant Director, Assistant Director, service manager(s), HoIA and auditor.

During the debrief meeting, Internal Audit will discuss their findings with management and obtain responses to the actions required to address any recommendations, agree implementation dates and allocate responsibility to relevant officers. These will be recorded on the action plan within the draft plan or debrief document, which is then signed off by the relevant officer. Debrief meetings will be arranged within 10 days of completion of the fieldwork for Green, Amber/Green and Amber/Red reports and 15 days for Red reports.

Draft Reports

Draft reports will be issued on major assignments and all audit recommendations will be discussed and agreed before the issue of the final report. An action plan will be included for each audit report, incorporating agreed implementation dates and responsible officers against each of the recommendations made.

- Green and Amber/Green Assurance Opinions

  In respect of Green and Amber/Green assurance reports, the final draft report will be issued to the relevant Assistant Director and/or manager(s) within 10 working days of the debrief meeting taking place so they can check the report is factually accurate and that the action plan reflects the actions and timeframes agreed during the debrief process.

- Amber/Red Assurance Opinions

  For Amber/Red assurance reports, the final draft will generally be issued within 10 working days of the debrief meeting taking place. However, dependant on the potential impact of the recommendations made, a second draft may be required and presented to Directors' Board.

- Red Reports

  As soon as Internal Audit identifies circumstances likely to lead to the issue of a Red assurance audit opinion, they will raise their concerns with the relevant Director, Assistant Director and the Section 151 Officer. A debrief meeting will then be arranged with the Director, Assistant Director and Manager within 10 days and a second draft report will be issued within 5 days of this debrief meeting.

  Once agreed, a copy of the second draft will be presented and discussed at Directors' Board.

  For Red reports, this timeframe may be extended at the request of the Directors' Board.

Final Reports

- Green, Amber/Green and Amber/Red Assurance Opinions

  For Green, Amber/Green and Amber/Red reports, a final report will be issued within 5 days of getting the responses back. These reports will be presented to the Standards & Audit Committee as part of a standard progress report in line with the Committee's agreed work programme. For Green and Amber/Green reports, this will be a summary of the main findings. For Amber/Red reports, the management summary and action plan (including management responses) will be provided in detail and an update on progress to date will be sought from a relevant senior manager, Assistant Director or Director and will be included within the internal audit progress report for the next Standards & Audit Committee.

- Red Reports

  After the draft Red report has been discussed at Directors Board, the final report will be issued within 5 working days, unless further work is requested. A Red assurance final report will then be presented to the next Standards & Audit Committee meeting as a separate agenda item. This will require the relevant Director/Assistant Director to complete and present the covering report and provide members of the committee with an update on their responses to the implementation of recommendations and report on any actions taken, or being taken, to address the concerns raised within the report.

Follow up

Management assurances will be sought on the status of recommendations within 1 month of their implementation date. Evidence will be sought for all recommendations categorised as high risk. For medium and low risk recommendations, management responses will be accepted without the need to provide further evidence. If high risk recommendations relating to key controls have not been implemented within the agreed timescale, this will be reported, in the first instance, to the Section 151 Officer who will raise their concerns with the relevant Director.

Where a Red assurance report has been issued, the area will be revisited as part of the following years' annual plan.

Advisory or Consultancy Reviews

Where Internal Audit undertakes work of an advisory or consultancy nature, an assurance opinion will not be provided. However, recommendations will still be made and an action plan agreed with senior management. These reviews will be reported to the Standards & Audit Committee as part of the standard progress report.

Escalation Process

Management failure to meet the deadlines detailed within this Protocol will result in an escalation to the relevant Assistant Director and/or Director. If no response is received within a further 10 days, reports may be finalised without management comment. This will be reported to the Section 151 Officer and the Standards & Audit Committee, which could result in the Director/Assistant Director being called to the meeting at which the report is being presented to explain the reason for any delays.

Joint working between External and Internal Audit

External and Internal Audit work closely together to achieve their respective objectives and agree audit plans. This avoids any duplication of effort which is efficient and cost effective. It enables the External Auditor to place some reliance on the work of Internal Audit, particularly regarding the arrangements for ensuring the adequacy of systems.

Specific joint initiatives include:

- Annual audit planning meetings.
- Meetings to discuss testing strategies around key financial systems.
- Sharing information about fraud.

Regular meetings take place to discuss matters of mutual interest and access is provided to audit files, system notes and working papers.

19 December 2019	ITEM: 8
Standards & Audit Committee	
Internal Audit Progress Report 2019/20	
Wards and communities affected: All	**Key Decision:** Non-key
Report of: Gary Clifford – Chief Internal Auditor	
Accountable Director: Sean Clark – Director of Finance, Governance & Property	
This report is public	

Executive Summary

The Internal Audit Plan 2019/20 was discussed by the Standards & Audit Committee at their meeting of 14 March 2019. This progress report covers work undertaken since the last progress report presented to the Committee on 12 September 2019.

1. Recommendation(s)

1.1 That the Standards & Audit Committee:

Consider reports issued and the work being carried out by Internal Audit in relation to the 2019/20 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 2019/20 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 (negative assurance opinion that provides some assurance but a number of weaknesses were identified); and
- Red (negative assurance opinion).

3.2 The purpose of this progress report is not only to highlight reports issued as final but to provide members with an update on work which has reached the draft report stage and work currently in progress. The status of work currently being undertaken is shown at Appendix 1.

3.3 During the period being reported on, we have finalised 7 reports. 3 of these were assurance reports and 2 received a Green (positive) assurance opinion. These were Trading Standards and Gas Safety Inspections. The third report covered Business Continuity Management and received an Amber/Green (positive) opinion.

3.4 The remaining 4 reports were consultancy reports to check and confirm Environmental Services' compliance against the requirements to continue to receive the British Standards Institution (BSI) ISO 9001 accreditation which demonstrates an organisations ability to consistently provide products and services that meet customer and regulatory requirements. The areas reviewed in these reports were Highways, Waste Collection, Street Cleaning and the Depot's Quality Management System (QMS). In all instances, apart from the QMS, there were no non-conformance issues. Some minor recommendations were made to enhance the control processes. In respect of the QMS, 1 minor non-conformance issue was identified and there is an action plan to address this.

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 Assistant Directors 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, Assistant Directors 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 2019-20. Recommendations made are designed to further the implementation of these corporate priorities.

7. Implications

7.1 Financial

Implications verified by: **J Wilson**

Assistant Director - Finance

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. The costs associated with the implementation of audit recommendations will be considered and, where possible, met from existing budgets.

7.2 Legal

Implications verified by: **T Hallam**

Acting Head of Law, Assistant Director of Law and Governance and Monitoring Officer

The contents of this report and appendixes form part of the council's responsibility to comply with the Local Audit and Accountability Act 2014 and the Accounts and Audit Regulations 2015, including to at least annually undertake an effective internal audit to, amongst other things, 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 legal implications directly arising from this report.

7.3 Diversity and Equality

Implications verified by: **R Lee**

Team Manager – Community Development & Equalities

There are no direct diversity or equality 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 Internal Audit Plan and its outcomes are a key part of the council's risk management and assurance frameworks. 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 2017/18 to 2019/20 and Internal Audit Plan 2019/20
- Internal Audit Reports issued in 2019/20.

9. Appendices to the report

Appendix 1 – Internal Audit Progress Report.

Report Author:

Gary Clifford
Chief Internal Auditor
Thurrock Council Internal Audit Service, Finance, Governance & Property

Thurrock Council

Standards & Audit Committee

Internal Audit Progress Report 2019/20

Date of Committee: 19th December 2019

Introduction

The internal audit plan for 2019/20 was presented to the Standards & Audit Committee on 14th March 2019. This report provides an update since the last progress report presented to the Committee on 12th September 2019.

Table showing reports issued as Final, in Draft and Work in Progress (WIP)

Assignment	Status	Opinion	Actions Agreed (by priority)		
			High	Medium	Low
Audits to address specific risks					
Business Continuity Management	Final	Amber/ Green	0	5	1
Trading Standards	Final	Green	0	1	4
Gas Safety Inspections	Final	Green	0	1	0
BSI ISO 9001 - Highways	Final	Consultancy	N/A	N/A	N/A
BSI ISO 9001 – Waste Collection	Final	Consultancy	N/A	N/A	N/A
BSI ISO 9001 – Street Cleaning	Final	Consultancy	N/A	N/A	N/A
BSI ISO 9001 – Quality Management System	Final	Consultancy	N/A	N/A	N/A
Mileage	Draft	N/A	N/A	N/A	N/A
Housing Rents	Draft	N/A	N/A	N/A	N/A
Purchase Cards	Draft	N/A	N/A	N/A	N/A
Accounts Payable	Draft	N/A	N/A	N/A	N/A
Accounts Receivable	Draft	N/A	N/A	N/A	N/A
Extra Care	Draft	N/A	N/A	N/A	N/A
Payroll (including HR)	WIP	N/A	N/A	N/A	N/A
Corporate Health and Safety	WIP	N/A	N/A	N/A	N/A
Housing Allocations	WIP	N/A	N/A	N/A	N/A
Electrical Safety Inspections	WIP	N/A	N/A	N/A	N/A
Council Tax	WIP	N/A	N/A	N/A	N/A

Work and other issues for which no reports are generated

The work around the payment by results funding provided as part of the troubled families programme continues.

The Chief Internal Auditor has completed 2 grievance investigations. 1 investigation is still ongoing.

Audits of 3 grant returns for Bus Subsidy Grant 18/19, Pothole and Flood Resilience Funds 18/19 and Local Resilience Forum Brexit Contingency Grant 2019/20 Financial Year have been carried out to determine that they were spent in accordance with the

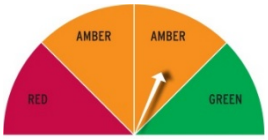
grant requirements. The value of the grants were £45,263, £104,519 and £160,000 respectively and all had been spent and accounted for correctly.

Changes to the Annual Plan

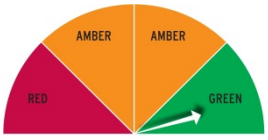
It is anticipated there will continue to be a significant impact on resources due to the additional work being under taken on the troubled family's programme which may result in other audits being deferred or taken out of the plan. However, increased confidence in the process could mean we reduce our sample size. This will be discussed with the Director of Finance, Governance & Property and the service lead officer.

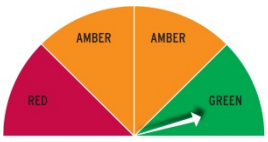
Internal Audit were approached to undertake a series of audits for Environmental Health to enable them to retain their British Standards Institution (BSI) ISO 9001 accreditation. These are ongoing and 4 more of these reviews form part of this progress report. The reviews involve testing the policies, procedures, processes, risk management and quality management arrangements in each of the service areas. Initially, whilst the staff are familiarising themselves with these services, the process is likely to be fairly resource intensive but this will reduce as they gain more knowledge and skills.

Key Findings from Internal Audit Work

Assignment: Business Continuity Management	Opinion: Amber/Green	
Headline Findings: Our review of the **Business Continuity Management** identified 5 medium and 1 low recommendation around the adequacy of the control framework. Thurrock Council, as a category 1 responder, under the Civil Contingencies Act 2004, is required to maintain plans to ensure they can continue to provide vital services in the event of a full or partial disruption to normal operations. The objective of this audit was to evaluate the effectiveness of the governance, risk management and control processes over business continuity management. The focus of the audit was on the review of control procedures aimed at ensuring the recovery from a partial or total loss of business services in a timely and controlled manner. There has not been an audit in this area for a few years and changes to responsibilities around business continuity meant there were no previous recommendations to follow up on.		
Action and Response	**Responsible Officer**	**Date**
Action – The council should develop a training programme for managers with responsibility for Business Continuity Management (BCM) to ensure they have the right skills and knowledge to take ownership and deliver critical elements of the BCM programme such as the Business Impact Assessment (BIA), within their service areas and Performance Board should be empowered to take full control, and not just coordination, of the council's BCM programme. The BIA template and step-by-step guide should be reviewed and updated to make them more user-friendly. **Response** - Senior Business Continuity Officer recruited to start on 25th November 2019. Three officers within the Emergency Planning & Resilience team to be CBCI accredited. The Emergency Planning College will provide training for key team BC leads. BIA and BC plan templates will be reviewed by the Emergency Planning & Resilience Manager.	Emergency Planning & Resilience Manager	March 2020
Action – A communication programme designed to build and maintain staff awareness of business continuity should be developed and implemented across the council, and managers in critical service areas should ensure that staff are involved in the implementation of the service BCP are kept adequately informed of their roles and responsibilities. **Response** - This will be incorporated into the training and exercise programme.	Emergency Planning & Resilience Manager	March 2020
Action – An objective process of resource allocation that is based on a business impact assessment and prioritisation of critical services should be developed to ensure that adequate resources are available whenever needed to deal with any event causing disruption to the council's operations. Where mutual agreement for provision of staff, premises or other resources have been made with other organisations these should be documented and regularly reviewed and renewed to keep them up to date. **Response** - This is part of the planning process so will be captured as part the BIA process and incorporated into all BC plans.	Emergency Planning & Resilience Manager	March 2020
Action and Response	**Responsible**	**Date**

	Officer	
Action – A business impact assessment of the council's ICT systems should be undertaken and the results used as a basis for reviewing and updating the current ICT strategic Business Continuity (disaster recovery) Plan to bring it in line with the existing ICT organisational structure **Response** - Thurrock ICT Strategic Business Continuity Plan- version 4.6 - September 2019 now in place and reflects existing ICT structure.	Service Delivery Manager, ICT and information systems	Complete
Action – A council-wide BCP exercising programme should be developed and implemented to improve staff familiarity with the response and recovery strategies designed to ensure a timely and efficient recovery from a disruption **Response** - Council wide exercise programme to be developed by Senior Business Continuity Officer & Emergency Planning & Resilience Manager	Emergency Planning & Resilience Manager	March 2020

Assignment: Trading Standards	**Opinion: Green**	
Headline Findings: Our review of the **Trading Standards** identified 1 medium and 4 low recommendations around the adequacy of the control framework. The objective of the audit was to provide assurance that the council complies with legislative requirements by ensuring that effective inspection and monitoring processes are in place to create a fair and equitable trading environment, in which businesses can succeed and consumers are protected from unfair trading practices. The Trading Standards services play an important role in promoting the well-being of their local communities by ensuring that: • Consumers are protected and not cheated or treated unfairly by traders; and • Traders are protected from unfair competition from other traders who knowingly break the law. There has not been an audit in this area for a number of years so there were no recommendations to follow up.		
Action and Response	**Responsible Officer**	**Date**
Action – Adequate segregation procedures that cover recording and access to seized goods in storage should be developed and implemented to reduce exposure to the risk of fraud or theft. In addition, procedures that provide clear accountability and transparency over the disposal of seized goods, or goods that have been voluntarily released by traders for destruction, should be developed. **Response** - A new procedure will be put in place to ensure there is overall monitoring of access to the evidence storage. It is worth noting that during the time period this audit relates to the TS team was comprised of only a small number Senior Trading Standards Officers who are all experienced, qualified and competent in this area of work. It would have been operational almost impossible to have a segregation procedure for seized goods due to officers often working on their own due to lack of resources. This situation has now changed and we have had three additional members of staff join us.	Trading Standards Manager	December 2019

Assignment: Gas Safety Inspections	Opinion: Green	

Headline Findings: Our review of the **Gas Safety Inspections** identified 1 medium recommendations around the adequacy of the control framework. Gas Safety Inspections is a legal requirement under the Gas Safety (Installation and Use) Regulation 1998. Government introduced the regulation in order to minimise the possibility of injury or death from carbon monoxide poisoning or gas escapes and in particular to ensure landlords are made responsible for ensuring gas appliances and associated pipework are maintained adequately. According to the regulation landlords are required to maintain all gas appliances and related pipework that a tenant cannot legally remove from the property. The objective of the review was to ensure regular safety inspections are undertaken in compliance with regulatory and council requirements. The 4 low recommendations from the previous audit had been implemented.

Action and Response	Responsible Officer	Date
Action – A system that will enable the council to demonstrate that records of gas safety checks are given to tenants should be developed and implemented to satisfy regulatory requirements. **Response** - We identified as part of the Audit undertaken by Corgi that there was a gap in relation to checking the residents receive a copy of the LGSR. This has now been written into the gas servicing process to ensure that a spreadsheet of all post inspections undertaken by a technical engineer is completed and that 10% of all residents are called to confirm they have received their certificate and the information recorded within the post inspection document saved within objective.	Central Voids Team Manager	February 2020

Assignment: BSI ISO 9001 - Highways	Consultancy	Opinion not provided

Headline Findings: The British Standards Institution (BSI) ISO 9001 is defined as the international standard that specifies requirements for a quality management system (QMS). Organisations use the standard to demonstrate the ability to consistently provide products and services that meet customer and regulatory requirements. Within Environmental Services, the accreditation covers a broad spectrum of services including cemeteries, waste collection, street cleansing, highways, fleet and stores, play, arboriculture, parks & open spaces and parks/sports. This report is the second one issued and the control activities that were tested as part of the quality management system were as follows:

- Legislation and Policies**;**
- Leadership;
- Planning;
- Risk Management;
- Infrastructure and Support;
- Operational Performance;
- Customer Satisfaction and Review; and
- Improvement and Corrective action.

The areas across the Highways Service that were checked across these control activities included:

- Job Roles;
- Safety training;
- Vehicle Management;
- Highways Management & Operations;
- Job orders;
- Procurement of Materials;
- Performance Management; and
- Change management.

Overall, the service were compliant across all areas reviewed. However, a couple of minor recommendations were made to help strengthen controls further.

Assignment: BSI ISO 9001 – Waste Collection	Consultancy	Opinion not provided

Headline Findings: The British Standards Institution (BSI) ISO 9001 is defined as the international standard that specifies requirements for a quality management system (QMS). Organisations use the standard to demonstrate the ability to consistently provide products and services that meet customer and regulatory requirements. Within Environmental Services, the accreditation covers a broad spectrum of services including cemeteries, waste collection, street cleansing, highways, fleet and stores, play, arboriculture, parks & open spaces and parks/sports. This report is the third one issued and the control activities that were tested as part of the quality management system were as listed above,

The areas across the Waste that were checked across these control activities included:

- Collection Management;
- Disposals;
- Risk Assessments;
- Vehicle Checks;
- Calibration;
- Procurement;
- Safety Training; and
- Performance Management.

Overall, the service were compliant across all areas reviewed. However, a couple of minor recommendations were made to help strengthen controls further.

Assignment: BSI ISO 9001 – Street Cleaning	Consultancy	Opinion not provided

Headline Findings: The British Standards Institution (BSI) ISO 9001 is defined as the international standard that specifies requirements for a quality management system (QMS). Organisations use the standard to demonstrate the ability to consistently provide products and services that meet customer and regulatory requirements. Within Environmental Services, the accreditation covers a broad spectrum of services including cemeteries, waste collection, street cleansing, highways, fleet and stores, play, arboriculture, parks & open spaces and parks/sports. This report is the third one issued and the control activities that were tested as part of the quality management system were as listed above,

The areas across the Street Cleaning that were checked across these control activities included:

- Team Planning;
- Roles & Responsibilities;
- Safety Training;
- Vehicles, Plant & Equipment;
- Quality Safety Checks;
- Operations;
- Performance & Budgets;
- Fees and Charges;
- Change Management;
- Risk Assessment; and
- Performance and Records Management.

Overall, the service were compliant across all areas reviewed. However, a couple of minor recommendations were made to help strengthen controls further.

Assignment: BSI ISO 9001 – Quality Management System	Consultancy	Opinion not provided

Headline Findings: Top management should review, at planned intervals, the Quality Management System (QMS) components including:

- Policy and Objectives;
- Internal Audits (including control of non-conformities, corrective and preventative actions);
- Customer Feedback/satisfaction and communication;
- Infrastructure and work environment;
- Management Review (including Analysis of information); and
- Senior Management;

This helps the organisation to ensure that the QMS continues to be suitable, adequate and effective and is aligned with the strategic direction of the organisation.

Following the visit by BSI Inspectors in October 2019, one issue of non-conformance was identified around the lack of evidence, through detailed and dated records of management review meetings being retained. An action plan has been developed to ensure management reviews will be incorporated in the service planning process, with a specific meeting scheduled and minuted during that cycle, to ensure that the quality management system alignment, suitability, adequacy and effectiveness is considered and appropriate adjustments implemented.

19 December 2019	ITEM: 9
Standards & Audit Committee	
Counter Fraud & Investigation Quarterly Update (Q2)	
Wards and communities affected: All	**Key Decision:** N/A
Report of: David Kleinberg, Assistant Director for Fraud & Investigation	
Accountable Assistant Director: David Kleinberg, Assistant Director for Counter Fraud & Investigation	
Accountable Director: Sean Clark, Director of Finance and IT	
This report is Public	

Executive Summary

The Counter Fraud & Investigation Department (CFID) is responsible for the prevention, detection and deterrence of all instances of alleged economic crime affecting the authority including: allegations of fraud, theft, corruption, bribery and money laundering.

CFID has developed working arrangements with other agencies to share the Council's counter-fraud culture providing specialist support and capabilities to those public bodies where necessary.

This report outlines the performance of CFID over the last quarter for Thurrock Council as a whole as well as the work the team have delivered nationally for other public bodies.

1. Recommendation

1.1 The Standards and Audit Committee note on the performance of the Counter Fraud & Investigation Department.

2. Introduction & Background

2.1 Thurrock Council changed its approach to tackling fraud and economic crime in 2014, receiving support from the government to restructure its service, implementing specialist disciplines including Digital Forensics, Cyber Crime Unit, advanced Intelligence Analytics and a proactive operational capability.

2.2 The function has not only helped Thurrock detect £11m in those 5-years but also supported another 44 public authorities deal with serious and organised

crime. In 2018 the team was recognised by the Ministry of Housing Communities and Local Government for its success in the national 'Counter Fraud Fund Programme' with its work detecting £26.2m of the entire £100m detected by the other 58 local authorities in England & Wales.

2.3 Despite the work the service conducts on behalf of other authorities, the core function of the service remains its priority – to reduce the risk of fraud, corruption and other economic crime affecting Thurrock Council and its supply chain.

3. Performance

3.1 CFID has continued to be the resource dealing with referrals for fraud and economic crime affecting the council and its stance against fraud. The figures show the performance of the department for Quarter 2 of 2019/20.

- 121 reports of suspected fraud have been received.
- 60 cases have been closed as 'no fraud'.
- 7 sanctions have been delivered in cases of proven fraud.
- 8 Social housing properties have been recovered.
- 134 active investigations are currently being conducted.
- A total of £188,500 of fraud detected
- A total of 9 year's custodial sentences issued to offenders

3.2 A large major investigation conducted by CFID over 4 years was also successfully concluded. A fraud valued at over £500k was tried at Basildon Crown Court where the 4 defendants were convicted by a Jury, later sentenced to 9 years imprisonment. The CFID Criminal Finances Unit are now conducting a confiscation investigation to seek to recover the proceeds of crime.

4. Work Plan for 2019/20

4.1 CFID has a programme of proactive work conducted to ensure the council's posture against fraud is robust and effective, which was presented and accepted by the Standards and Audit Committee in September 2019. **Appendix 1** sets out the progress made in delivering the Counter Fraud Strategy & Plan 2019/20.

4.2 The work programme is a working document and if during the year changes or additions to the plan are proposed between the CFID and the Section 151 Officer, these will be brought back to the Committee.

4.3 Due to the realignment of the reporting period for this department the work plan has been modified to ensure that the plan is delivered within the new reporting periods.

5. National Counter Fraud

5.1 CFID's national work is undertaken under its 'National Investigation Service' or 'NATIS' operating model, providing mutual aid support to public bodies across the country.

5.2 NATIS is an Executive Board member of NAFN.gov Data & Intelligence. NAFN is a national body funded in-part by the Home Office that develops and shares intelligence across local councils and central government.

5.3 NATIS continues to provide support to HM Government Cabinet Office in the development of the national Counter Fraud Profession for all law enforcement agencies. This programme of developing the 'profession' is at the forefront of central government and due to the work NATIS and other local authority fraud departments are completing is starting to become relevant within the local government setting too.

5.4 This quarter also saw Assistant Director: David Kleinberg, invited to present to the Annual National Health Service Counter Fraud conference, with representatives from all NHS trusts in attendance. The speech attracted interest from a number of national and local NHS trusts seeking NATIS assistance in fighting fraud against the NHS.

6. Reasons for Recommendation

6.1 This report provides a detailed update to the Committee on the improved counter-fraud measures for the Council and how it is reducing fraud under the council's counter-fraud strategy.

7. Consultation (including Overview and Scrutiny, if applicable)

7.1 All Directors and Heads of Service were consulted with the current strategy to be taken by the Council in its counter-fraud approach.

8. Impact on corporate policies, priorities, performance and community impact

8.1 Work undertaken to reduce fraud and enhance the Council's anti-fraud and corruption culture contributes to the delivery of all its aims and priorities supporting good corporate governance.

9. Implications

9.1 Financial

Implications verified by: **Jonathan Wilson**

Assistant Director, Finance

The report provides an update on current performance. There are no financial implications arising directly from the recommendation in this report.

9.2 **Legal**

Implications verified by: **Tim Hallam**

Acting Head of Law, Assistant Director of Law and Governance and Monitoring Officer

There are no specific, direct legal implications arising from this update report.

9.3 **Diversity and Equality**

Implications verified by: **Natalie Smith**

Strategic Lead: Community Development and Equalities

There are no specific equality and diversity implications arising from this update report.

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

None.

10. 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):

Counter Fraud & Investigation Policy & Strategy – thurrock.gov.uk/fraud
Counter Money Laundering Policy & Strategy – thurrock.gov.uk/fraud
CroweClarkWhitehill Annual Fraud Indicator – crowe.co.uk

11. Appendices to the report

Appendix 1 – Counter Fraud Strategy & Plan 2019/20

Report Author:

Michael Dineen

Senior Manager

Counter Fraud & Investigation

APPENDIX 1

Counter Fraud
& Investigation

Counter Fraud Plan & Strategy

2019/20

Foreword

"Last year we detected more fraud than previous years. The £3.4m detected represents annual social housing rents for 811 properties or 127 social care placements.

Increasing our resilience to the risk of fraud is our priority to ensure the most vulnerable of our society are not affected by the impact of fraud on our frontline services.

David Kleinberg,
Assistant Director for Counter Fraud & Investigations

The Counter Fraud & Investigation team began operating at an advanced level following government sponsorship in 2014. That grant investment in the service ensured that the best possible resources and capabilities could be leveraged at the issue of fraud and economic crime.

Having the best tools and resources still requires a continually refreshed understanding of the threats local government face and a focus of activity. The service has been part of the Government Counter Fraud Profession, with David Kleinberg the CF&I Assistant Director being seconded to write its standards from 2016.

In 2018 the new part of the department was launched – known as NATIS - the National Investigation Service, which has supported over 40 public authorities across the UK facing serious and organised crime.

Having the new NATIS function working side-by-side with Counter Fraud & Investigation provides access to an enhanced intelligence picture to protect the most vulnerable.

This new strategy & plan takes account of that additional resource and capability – the first of its kind anywhere in the UK, here in Thurrock.

Our Control Strategy

This year we install our control strategy which defines how we will be working over the next 12 months. This means that all the casework we adopt will be assessed and progressed in consideration of the 4 Questions below.

The Counter Fraud & Investigation team's partnership with the National Investigation Service ensures that we are able to identify at an earlier stage intelligence relating to the key priorities below, particularly those affecting the most vulnerable of society.

Who are We?

A specialist function to protect public finance from fraud and serious crime, using our legal framework as a local authority service

What is Our Purpose?

1. Protect the public purse from crime
2. Support the wider-public sector with shared, advanced capabilities

What are Our Priorities?

- Crimes affecting a vulnerable adult or child
- Insider threats in local government
- Organised crime targeting local government
- Improving local government's resilience to cyber crime

How do we Succeed?

- Always acting Ethically in everything that we do, working to our values, attitudes and principles
- Consider opportunities to work collaboratively with others for the benefit of our purpose, sharing our knowledge, experience and expertise
- Apply the 4 'P' Strategy to Prevent, Protect and Prepare local government for economic crime, pursing offenders where necessary
- Ensure our teams are fully equipped to respond to the threats faced from economic crime

Counter Fraud & Investigation

See it. Report it. Stop it.

Proactive Work Plan

Risk Area	Activity	When	Current Status	Responsible Officer	Date Complete
Council-wide	Launch a new e-Learning Package for Countering Fraud, Bribery, Corruption and Money Laundering.	July – Sep 2019	COMPLETE – the eLearning Package has been designed and passed to HR & OD to rollout.	Michael Dineen	26/09/19
Council-wide	Develop an early intervention risk matrix for social housing tenants targeted by criminality.	July 2019 – March 2020	Raptor Teams, EP Head of Intel and Housing all to complete a 'risk matrix' regarding reporting between all parties.	Philip Butt	
Council-wide	Cybercrime risk assessment across the council.	Nov 2019 - Now March 2020	Data Asset registers have been received; identifying where data is stored. NATIS to complete analysis on High Risk areas. This has been extended to March due to the complexity.	David Nash	
Council-wide	Enhancing counter fraud and money laundering controls for Social Care Finance.	Nov 2019 - Now Jan 2020	Meetings with Head of Social Care Finance to be arranged. The project lead has been absent so the programme has slipped to Jan 2020.	Michael Dineen	
Council-wide	Renewed Education & Marketing Campaign for Countering Fraud, Bribery, Corruption and Money Laundering	January 2020	The new 'See it, Report it, Stop it' campaign has been developed and a further 2 posters have been designed (below) Snr Manager to meet with Comms. to agree	Nicholas Coker	

			strategy.		
Revenues	Use of Data Matching Solution to compare NNDR data with law enforcement data.	July 2019	COMPLETE	Nicholas Coker	3 August 2019
Council-Wide	NFI results to be analysed and any criminal investigations to be raised and dealt with by NATIS.	June 2019-March 2020	NATIS to review results and ensure any required investigations are recorded.	David Kleinberg Tanya Furber	

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Standards & Audit Committee
Work Programme
2019/20

Dates of Meetings: 18 July 2019, 12 September 2019, 19 December 2019, 12 March 2020

Topic	Lead Officer
18 July 2019	
Regulation of Investigatory Powers Act (RIPA) 2000 - 2018/19 Activity Report	Lee Henley
Chief Internal Auditor's Annual Report – Year ended 31 March 2019	Gary Clifford
Refresh of the Strategic / Corporate Risk and Opportunity Register	Andy Owen
Audit Results Report for the Year Ended 31 March 2019	BDO / Sean Clark
Financial Statements and Annual Governance Statement 2018/19	BDO / Sean Clark
Counter Fraud & Investigation Annual Report & Strategy	David Kleinberg
Annual Information Governance Report	Lee Henley
Red Reports (as required)	
12 September 2019	

Annual Complaints & Enquiries Report 2018/19	Lee Henley
Internal Audit Progress Report 2019/20	Gary Clifford
Counter Fraud & Investigation - Q1 Update	David Kleinberg
Thurrock Annual Audit Letter 2018/19	BDO / Sean Clark
Internal Audit Charter 2019	Gary Clifford
Red Reports (as required)	
19 December 2019	
Regulation of Investigatory Powers Act (RIPA) – Activity Report April 2019 – September 2019	Lee Henley
Mid-Year Review of the Strategic/Corporate Risk and Opportunity Register	Andy Owen
Internal Audit Protocol 2019	Gary Clifford
Internal Audit Progress Report 2019/20	Gary Clifford
Counter Fraud & Investigation Quarterly Update (Q2)	David Kleinberg
Red Reports (as required)	
12 March 2020	
External Audit Plan 2019/20	Lisa Clampin (BDO)/Jonathan Wilson

Certification of Claims and Returns Report 2018/19	BDO/Jonathan Wilson
Complaints and Enquiries Report – April 2019 to September 2019	Lee Henley
Annual Review of Risk and Opportunity Management and the Policy, Strategy and Framework	Andy Owen
Internal Audit Strategy 2018/19 to 2020/21 and Annual Internal Audit Plan 2020/21	Gary Clifford
Internal Audit Progress Report 2019/20	Gary Clifford
Counter Fraud & Investigation Quarterly Update	David Kleinberg
Red Reports (as required)	

Reports for 2020/21:

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Clerk: Jenny Shade

Last Updated: May 2019

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