

Notice of Meeting

Governance & Audit Committee

Councillor Allen (Chairman),
Councillor Wade (Vice-Chairman),
Councillors Gbadebo, Mrs Hayes MBE, Heydon, Leake and Tullett
David St John Jones, Independent Member

Wednesday 26 June 2019, 7.30 - 9.30 pm

Council Chamber - Time Square, Market Street, Bracknell, RG12 1JD



Agenda

Item	Description	Page
1.	Apologies for Absence	
	To receive apologies for absence and to note the attendance of any substitute members. Reporting: Maggie Walker	
2.	Declarations of Interest	
	Members are asked to declare any disclosable pecuniary or affected interests in respect of any matter to be considered at this meeting. Any Member with a Disclosable Pecuniary Interest in a matter should withdraw from the meeting when the matter is under consideration and should notify the Democratic Services Officer in attendance that they are withdrawing as they have such an interest. If the Disclosable Pecuniary Interest is not entered on the register of Members interests the Monitoring Officer must be notified of the interest within 28 days. Any Member with an affected Interest in a matter must disclose the interest to the meeting. There is no requirement to withdraw from the meeting when the interest is only an affected interest, but the Monitoring Officer should be notified of the interest, if not previously notified of it, within 28 days of the meeting. Reporting: ALL	
3.	Minutes of previous meeting	3 - 8
	To approve as a correct record the minutes of the meetings of the Committee held on 27 March and 22 May 2019. Reporting: Maggie Walker	
4.	Urgent Items of Business	
	Any other items which, pursuant to Section 100B(4)(b) of the Local Government Act 1972, the Chairman decides are urgent. Reporting: Maggie Walker	

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5.	Annual Governance Statement	9 - 26
	To present the Committee with the Annual Governance Statement for 2018/19, update the Committee on progress against the Action Plan agreed in June 2018 and to make recommendations for further actions arising from the report. Reporting: Sanjay Prashar	
6.	Annual Standards Report	27 - 40
	To advise the Committee of activity within the Council's Standards Framework from 1 April 2018 to 31 March 2019. Reporting: Sanjay Prashar	
7.	Strategic Risk Update	41 - 60
	To present the updated Strategic Risk Register Reporting: Sally Hendrick	

Exclusion of the Press and Public

Agenda item 8 is supported by an annex containing exempt information as defined in Schedule 12A of the Local Government Act 1972. If the Committee wishes to discuss the content of this annex in detail, it may choose to move the following resolution:

That pursuant to Regulation 21 of the Local Authorities (Executive Arrangements) (Access to Information) Regulations 2000 and having regard to the public interest, members of the public and press be excluded from the meeting for the consideration of item 8 which involves the likely disclosure of exempt information under the following category of Schedule 12A of the Local Government Act 1972:

- (3) *Information relating to the financial or business affairs of any particular person (including the authority holding that information).*

8.	Internal Audit Annual Assurance Report 2018/19	61 - 92
	To receive the annual Internal Audit opinion. Reporting: Sally Hendrick	

Sound recording, photographing, filming and use of social media is permitted. Please contact Derek Morgan, 01344 352044, derek.morgan@bracknell-forest.gov.uk, so that any special arrangements can be made.

Published: 17 June 2019

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GOVERNANCE & AUDIT COMMITTEE
27 MARCH 2019
7.30 - 8.40 PM

Present:

Bracknell Forest Borough Council:

Councillors Allen (Chairman), Thompson (Vice-Chairman), Leake, McLean, Mrs Temperton and Worrall

Independent Member:

David St John Jones

Apologies for absence were received from:

Councillors Ashman

33. Declarations of Interest

There were no declarations of interest.

34. Minutes of previous meeting

RESOLVED that the minutes of the meeting of the Committee held on the 30 January 2019 be approved as a correct record, and signed by the Chairman.

35. Urgent Items of Business

There were no urgent items of business.

36. Interim Audit Report

Sally Hendrick, Head of Audit and Risk Management attended the Committee and presented a summary of the Internal Audit activity during the period April 2018 to 13 March 2019.

Sally Hendrick advised the Committee that:

- The report followed the interim report provided to the Committee on 30 January 2019.
- Section 3.4 set out the major control issues identified as the number of audits with a limited assurance opinion and/or priority 1 recommendation and increased occurrence of limited assurance/priority 1 recommendations being issued again at follow-up audits.
- Common themes arising out of the audits included poor debt management, weaknesses in some financial control across the Council and review and monitoring arrangements in some services such as the annual review of some residential care cases in Adult Social Care and quarterly Direct Payment checks not taking place or being behind schedule. CMT was to consider common themes of weakness to review the provisional internal audit plan and ensure this addressed these areas adequately.

- Section 3.6 provided details on nine audits with major issues (eleven audits in this category had previously been reported at the last meeting on 30 January 2019). These included two 'repeat offenders' – Business Rates and Council Tax.
- A priority one recommendation was raised to address weaknesses in financial monitoring of S106 monies.
- One priority 1 recommendation was raised in respect of uncertainty about the completeness of sickness recorded.
- A priority 1 recommendation was raised due to non-compliance with controls to review and approve purchase card expenditure.
- Appendix A provided details on the status and outcome of all audits carried out to-date in 2018/19 which showed that delivery against the planned programme was on track with audits finalised, issued in draft or in progress.
- Appendix C provided an update from managers of 2017/18 audits where a limited assurance/priority 1 recommendation had been given more than once.

In response to questions from Members, Sally Hendrick, Head of Audit and Risk Management advised the Committee that:

- The main weakness identified in financial monitoring of S106 monies had arisen because the monitoring had been carried out by one individual for many years and following their departure, there had been a delayed handover which had resulted in the monitoring spreadsheet not being updated. New processes had been agreed to address the issue and ICT had been invested in to reduce the reliance on spreadsheets and the implementation was now in progress. One error in the allocation of S106 monies had been identified whereby the sum of £10,000 was allocated somewhere when it had already been spent.
- It was noted that if a proportion of S106 monies was allocated incorrectly to different budgets or not allocated at all then the budget holder may lose the monies as there was a limited time to spend the money before it went back to the Developer.
- As outlined in the Creditors report in the pink section, a transaction had been identified where an officer had approved a transaction for £92k when their Agresso system approval limit was in fact £50,000. The Director: Finance advised that there appeared to be some issue around how this had been set up on the system.
- Members questioned whether the audits with major issues identified within the People Directorate were a safeguarding concern. Sally Hendrick said this could possibly be the case with regard to for example the missed annual reviews.
- The absence management audit had identified poor record keeping by managers around actions and discussions with staff around their sickness absence and issues such as lack of sickness certificates and return to work forms. The key issue the auditors had found was around trying to give assurance on the completeness of sickness absence recorded. It had not been possible to verify sick records by, say, looking at an individual's flexi record as the style and submission protocol of these records was not consistent across the organisation. For example, some individuals maintained their own records, did not always note down when they were sick and didn't always submit their records to their manager whilst some departments held a central record. Only a small sample of flexi records could be tested to trace to sickness records and for the small sample tested errors of omission were found in sickness recording. Members expressed their disappointment that this issue had been identified as unsatisfactory for the last 2 years and had not yet been resolved.

- The variation in completion of flexi records across the Council was felt by Members to be a cultural and historical one though that view was not supported by department Directors who felt the issue was due to the reporting being misrepresented. Stuart McKellar, Director of Finance said absence recording was now facilitated by iWorks, however, the use of the system was not yet consistent across the Council. In addition, iWorks did not have the facility to record flexi time worked, only the ability to record the actual absence.
- Members discussed that the issue of absence monitoring should go before CMT with the request that they devise a central strategy of recording flexi that is pushed down the organisation. Members agreed that it was a management function to ensure that individuals recorded their working hours so that their whereabouts was known and that, as Chair of CMT, these comments should go to the Chief Executive.
- Sally Hendrick said she would support a central method of recording flexi time but noted that the senior management team were considering the need to balance time recording requirements with the agile working agenda where the focus was on outcomes rather than minute-by-minute monitoring.
- With regard to the priority 1 recommendation raised due to non-compliance with controls to review and approve purchase card expenditure, Sally Hendrick said this related to approving officers not approving the expenditure. Stuart McKellar said there had been a heavy push to improve the situation and if expenditure was not entered onto the system, the card would be withdrawn.
- Sally Hendrick said a sample of 20 transactions had been audited and 8 (40%) had not been approved with some serial offenders. Members discussed whether it was unfair on the card holder to withdraw the card if the approver was not following procedure with Members agreeing that whilst it was the responsibility of both to ensure the correct process was followed, ultimate responsibility lay with the approver. Members agreed that Assistant Directors responsible for serial offenders should be asked how they were addressing the situation.
- Sally Hendrick said the issue was due to be re-audited in quarter 2 and whilst she would be willing to bring the re-audit forward to quarter 1, she recommended it remain on schedule to allow time for the situation to be resolved.
- With regard to the update from managers of 2017/18 audits where a limited assurance/priority 1 recommendation had been given more than once, the unaudited updates from managers now all had an amber or green rating. Members were encouraged to note that the process for write-offs had been improved.

Members discussed the format for the update from Managers and all agreed the colour-coded Finance report was the preferred layout with the adjustment that the columns were changed to be full-width with target date, responsibility, priority and rating as boxes underneath. Sally Hendrick said she would devise a template to be sent to managers for this purpose in the future.

RESOLVED: that the report that summarised the Internal Audit activity during the period April 2018 to 13 March 2019 be noted.

37. **Annual Audit Plan**

Sally Hendrick, Head of Audit and Risk Management presented a summary of the Provisional Internal Audit Plan for 2019/20.

- Sally Hendrick advised the Committee that the 2019/20 Internal Audit Plan had increased from 454 days to 517 days. The increase of 63 days was largely due to the increased number of audits in 2019/20 to follow up limited assurance audit reports from 2018/19.
- Members were advised that the Plan proposed was provisional. With the number of limited assurance reports being higher than in previous years, CMT was currently reviewing the audit reports with a limited assurance opinion and/or priority 1 recommendation to identify any key, recurring themes arising from these audit reviews and assess if the 2019/20 plan adequately covered these themes.
- The new Director of Delivery, Kevin Gibb, had only just started in post and would be consulted on what he was looking for but had already indicated he would like an audit on GDPR to be undertaken.
- Following a suggestion by Members that the absence management audit should include time management, Sally Hendrick advised that it was unlikely that any processes to improve time recording would be fully in place by the time of the next absence management report. She had suggested a separate audit on time recording for 2019/20 but again this had not been included for the same reason.

The Chairman commented that some of the audits were classed as follow-up; Sally Hendrick explained that sometimes this meant a narrowing-down on the issue uncovered but that a note could be made that indicated all those 2019/20 audits that were limited in 2018/19.

RESOLVED: that the Provisional Internal Audit Plan for 2019/20 be approved.

Councillor Ian Leake thanked the auditors for their work and for the level of detail and transparency in both the Interim Audit Report and Internal Audit Plan for 2019/20 and asked the Committee to commend and value the work that had been undertaken. Councillor Ian Leake added that because the auditors had carried out their work so effectively, Members had been made aware of the problems and how they were being addressed.

CHAIRMAN

**GOVERNANCE & AUDIT COMMITTEE
22 MAY 2019
8.15 - 8.16 PM**



Present:

Councillors Allen (Chairman), Wade (Vice-Chairman), Gbadebo, Mrs Hayes MBE, Heydon, Leake, Neil and Tullett

1. Election of Chairman

RESOLVED that Councillor Allen be appointed Chairman of the Governance and Audit Committee for the Municipal Year 2019 – 2020.

COUNCILLOR ALLEN IN THE CHAIR

2. Appointment of Vice-Chairman

RESOLVED that Councillor Wade be appointed Vice-Chairman of the Governance and Audit Committee for the Municipal Year 2019 – 2020.

3. Appointment of Code of Conduct Panels - Sub Committees of Governance and Audit Committee

Any three councillors drawn from the membership of the Governance & Audit Committee based on availability, plus one co-opted independent member or parish/town council representative drawn from a pool based on availability.

Independent Co-opted Members Pool

(for complaints concerning Borough councillors)

David St John Jones in his capacity as the independent Co-opted Member of Governance & Audit Committee

Heather Quillish

Khan Juna

Parish/Town Council Representatives

(for complaints concerning Parish / Town Councillors)

Cllr McKenzie-Boyle – Crowthorne Parish Council

Cllr Strudley – Warfield Parish Council

Independent Persons

Dr Louis Lee

Vacancy (reserve)

CHAIRMAN

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**TO: GOVERNANCE AND AUDIT COMMITTEE
26 JUNE 2019**

**ANNUAL GOVERNANCE STATEMENT
Executive Director of Delivery– Legal**

1 PURPOSE OF REPORT

- 1.1 To present the Committee with the Annual Governance Statement for 2018/19, update the Committee on progress against the Action Plan agreed in June 2018 and to make recommendations for further actions arising from the contents of this report.

2 RECOMMENDATIONS

- 2.1 **That the draft Annual Governance Statement (“AGS”) and Action plan appended to this report be approved.**

3 REASONS FOR RECOMMENDATIONS

- 3.1 To ensure the Council complies with the statutory requirements to produce an Annual Governance Statement.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 It is a statutory requirement for the Council to approve an AGS and Action Plan and therefore no alternative options have been considered.

5 SUPPORTING INFORMATION

- 5.1 In England, the preparation and publication of an AGS is necessary to meet the statutory obligation set out in Regulation 4(3) of the Accounts and Audit Regulations 2011. This requires authorities to prepare a statement in accordance with “proper practices” and the guidance in the Framework recommending an AGS constitutes “proper practice”. The AGS will be signed by the Chief Executive and the Leader of the Council.
- 5.2 The CIPFA/SOLACE publication “Delivering Good Governance in Local Government: Framework 2016” recommends that authorities produce an AGS to report publicly on the key elements of the governance framework the authority has in place, to review the effectiveness of the governance framework and the steps which will be taken over the next year to enhance governance arrangements. The AGS and Action Plan were prepared in accordance with the revised CIPFA/SOLACE Guidance Note 2016 and subsequent addendum. These provide that the AGS should include a brief description of the key elements of the governance framework the authority has in place.
- 5.3 The Action Plan attached to last years AGS identified a few areas requiring oversight, in particular in relation to communicating with and raising staff awareness of information management policies, taking a proactive approach to counter-fraud, reviewing the Member Code of Conduct provisions relating to social media and undertaking a review of GDPR compliance. Considerable progress was made during 2018/19 on implementing those actions (see Appendix 1 of AGS). Where these issues are still ongoing they have been included again in the Action Plan attached to the 2018/19 AGS (Appendix 2).

5.4 The primary sources of assurance for the AGS, as advised in CIPFA/SOLACE guidance, are the Compliance Assessments completed by

- Each Executive Director/Director on compliance with internal controls and governance arrangements across their departments;
- the Director-Finance in respect of financial controls; and
- the Head of Audit and Risk Management in respect of risk management.

5.5 An Action Plan has been drawn up to address the issues highlighted in the AGS and this is attached as Appendix 2 to the AGS

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

6.1 Good governance is critical to the Authority achieving its objectives as set out in the Council Plan. High profile governance failures in Birmingham, Northamptonshire, Doncaster, Tower Hamlets, Bristol, Rotherham and Derby in recent years have illustrated the need to ensure governance structures, and processes are fit for purpose and kept under constant review. .

Borough Treasurer

6.2 The Annual Governance Statement is a statutory requirement under the Accounts and Audit Regulations 2011 and will be incorporated within the Council's annual Statement of Accounts.

Equalities Impact Assessment

6.3 Not applicable.

Strategic Risk Management Issues

6.4 Risk management is a key part of good governance as outlined in the draft AGS.

Other Officers

6.5 None.

7 CONSULTATION

Principal Groups Consulted

See Paragraph 5.4 above.

Method of Consultation

Completion of compliance assessments and consideration at Corporate Management Team

Contact for further information

Sanjay Prashar – 01344 355679

ANNUAL GOVERNANCE STATEMENT 2018/19

Executive Summary

This Annual Governance Statement reports on the effectiveness of our governance arrangements during 2018/19 municipal year. This statement confirms that we have effective arrangements in place. We continually review, streamline and improve our processes to ensure these arrangements remain effective, now and into the future.

This statement is an honest appraisal of our arrangements. It shows that this year we have met our legal and statutory obligations to our residents. The External Auditor has continued to be positive about our arrangements to secure value for money and provided an unqualified opinion on the Council's Statement of Accounts for 2017/18. The 2018/19 External Audit opinion, as is normal accounting practise, is published subsequently to the production of our assessment of governance arrangements for that year.

This Annual Governance Statement report identifies those areas where we can and will do more to ensure that we have effective governance arrangements that enable the organisation to deliver on its promises and to ensure that the public and residents of Bracknell Forest receive high quality, value-for-money services.

A summary of assurance is given for each of the seven principles on which the Statement is based.

An update on the 2017/18 Annual Governance Statement Actions is included as **(Appendix A)**

Work underway or planned to address any governance issues for 2019/20 is set out in an Action Plan **(Appendix B)**

1. SCOPE OF RESPONSIBILITY

- 1.1 Bracknell Forest Borough Council ("The Council") is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.2 In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, including arrangements for the management of risk.
- 1.3 The Council has approved and adopted a Code of Corporate Governance which is consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government. This Statement explains how the Council has complied with the code and also meets the requirements of regulation 6 (1)) of the Accounts and Audit Regulations 2015 in relation to the preparation of a statement on internal control

2. THE COUNCIL'S GOVERNANCE FRAMEWORK

- 2.1 The governance framework comprises the systems and processes, culture and values by which the authority is directed and controlled. It underpins its activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the appropriate delivery of services and value for money.

Diagram 1 Overview of Bracknell Forest Council Governance Framework



3. HOW DO WE KNOW OUR GOVERNANCE ARRANGEMENTS ARE WORKING?

Throughout the year, the Council regularly reviews the effectiveness of its governance framework, including its system of internal control. Activity undertaken includes:

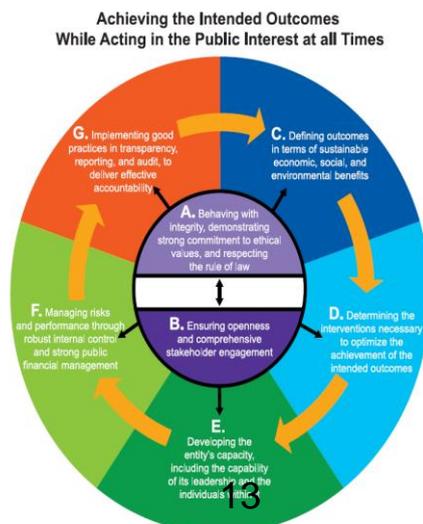
- Consideration of governance issues by the Strategic Risk Management Group on a quarterly basis including health and safety, business continuity and information security risks
- Preparation of a rolling plan of audit coverage to be achieved in the forthcoming year by the Head of Internal Audit, primarily based on an assessment of the Council’s risk profile, and review of the plan by the Strategic Risk Management Group
- Preparation of the annual audit report by the Head of Internal Audit setting out her opinion on the Council’s overall control environment and approval of the report by the Corporate Management Team
- Quarterly updates to the Governance and Audit Committee on the work of Internal Audit
- Consideration of external audit reports by the Governance and Audit Committee
- Annual Standards report by the Borough Solicitor
- The external auditor reviews each year the council’s arrangements for securing economy, efficiency and effectiveness in the use of resources
- A system of performance reporting to the Corporate Management Team, Executive, and the Overview and Scrutiny Committee/Scrutiny panels

4. THE CIPFA GOVERNANCE ASSURANCE FRAMEWORK PRINCIPLES

The CIPFA/SOLACE Framework 2016- Delivering Good Governance in Local Government suggests that this Annual Governance Statement should include a brief description of the key elements of the governance framework that the Council has in place.

- 4.1 There are seven principles and sub-principles of Corporate Governance incorporated within the CIPFA/SOLACE framework and as set out in Diagram 2 below.

Diagram 2. -The seven CIPFA Principles of Good Governance



4.2 Each element of the governance framework is considered in this Statement within the context of the seven CIPFA Principles of Good Governance. An opinion is provided below against each principle on the level of assurance that the governance arrangements can generate

A. Behaving with Integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
Assured ✓
The Council has adopted structures, systems and processes which reflect consistency with high ethical expectations of those in its service, including Members, Officers and outside Partners. A culture of compliance is also embedded with Code breaches, disciplinary issues, data protection infringements and whistleblowing referrals being reviewed, investigated and determined in accordance with defined processes.

4.3 Effective arrangements are in place for the discharge of the Head of Paid Service, Monitoring Officer and Section 151 Officer functions. The Chief Executive (Head of Paid Service) and Director-Finance (Section 151 Officer) are members of the Corporate Management Team and the Borough Solicitor has access to the Corporate Management Team in his role as Monitoring Officer.

4.4 The Governance and Audit Committee is responsible for reinforcing effective governance, particularly through reviewing the activities of the external and internal auditors and the Council’s risk management arrangements. It undertakes the core functions of an audit committee, as identified in CIPFA’s *Audit Committees: Practical Guidance for Local Authorities*. The Internal Audit Plan for 2019/20 was approved by the Committee in March 2019. During 2018/19 the Committee received summary reports on progress on the delivery of the Internal Audit Plan and key outcomes on completed work.

4.5 As required by the Localism Act 2011, the Council has adopted a Code of Conduct for Members. This sets out the standards of behaviour expected of members and is published within the Constitution and on the Council’s website. All members completed the register of interests upon taking office and they receive annual reminders about personal interest declarations. This is also a standing item on all meeting agendas.

4.6 The Committee for Standards in Public Life carried out a review of how the Standards regime has operated nationally and published its findings and recommendations for government in January 2019. The government is expected to consider the recommendations in late 2019 and where it deems appropriate legislate to make changes to the regime. The Monitoring Officer will report to the Governance & Audit Committee in early 2020 should any requirement for change in the Council’s internal Standards Framework arise.

4.7 The Council determined in 2018 to no longer put forward nominations on the Boards of Voluntary Organisations in order to avoid the risk of conflicts of interests arising and to mitigate the risk of Members falling foul of rules relating to personal liability where such entities fall into financial difficulties.

- 4.8 The Council has also put in place other protocols relating to the way in which Members should conduct themselves in carrying out their work as Councillors, notably the Planning Protocol for Members and the Member and Officer Protocol.
- 4.9 The Council has an approved Code of Conduct for Employees together with a number of policies and procedures which regulate how Council officers should discharge their duties. Observance of such policies and procedures by Council employees is ensured through management overview and, if necessary, the disciplinary process.
- 4.10 The Council has an established whistleblowing policy to meet the legal requirements and ensure a route for challenges to processes or actions within the Council where complainants seek the protection of anonymity. Similarly it has a robust corporate complaints procedure in place and has throughout the year dealt with corporate complaints promptly.

B. Ensuring openness and comprehensive stakeholder engagement
Assured ✓
The Council exists to serve its residents and works effectively in partnership with a wide range of stakeholders It has transparent decision making processes

Stakeholders

- 4.11 The Council establishes clear channels of communication with all sections of the community, other stakeholders and local partners, ensuring accountability and encouraging open consultation.
- 4.12 Formal consultation will generally only be undertaken where there is a statutory duty or legitimate expectation, and where there is a service or policy need to do so. Consultations are carried out in accordance with current national Consultation principles guidance . Individual services are required to maintain open channels of communications with relevant stakeholder groups and representative bodies where relevant to service planning.
- 4.13 During 2018/19 the Council continued to engage and consult with local communities and stakeholders in making decisions on changes to services it provides. To ensure access to residents and quality of consultations, the Council utilises an online consultation portal. Some of the key consultations carried out in the last year have been:
- Budget
 - Draft Bracknell Local Plan
 - Parks Survey
 - School admission arrangements 2020/21
 - Warfield Parish Neighbourhood Plan submission
 - Bracknell Town Neighbourhood Plan Submission
 - Hackney Carriage and Private Hire Consultation
 - Town and Country Reader Survey

- 4.14 The Council has approved Public Participation Schemes for its formal meetings. The schemes aim to enhance public engagement and give residents a further opportunity to inform Councillors about the things that concern them.
- 4.15 To increase transparency, make information more readily accessible to the citizen and to hold service providers to account the Council publishes information that it holds on its website. This includes the sets of information required by The Code of Recommended Practice for Local Authorities on Data Transparency (updated 2015).
- 4.16 The Council has a Petitions Scheme describing how petitions from residents will be dealt with by the Council. These enable a petitioner to speak with an Executive member or a committee, or to the Council if prescribed thresholds for signatures are reached. A response is made to each petition, explaining what the Council will or will not do in response.

Decision-making

- 4.17 The Council which meets monthly is the ultimate decision-making body and the principal forum for political debate. It takes decisions on the strategic aims that form the Policy Framework. It also determines the Council's budget following a process of member scrutiny. All Council meetings take place in public.
- 4.18 The Executive takes decisions on most matters of Council policy and service delivery. The non-executive responsibilities of the Council are discharged through its non-executive committees as described in the Scheme of Delegation.
- 4.19 The work of the Executive is supported by the Overview and Scrutiny Commission and three Overview and Scrutiny Panels. The number of panels reduced in 2018 from four due to the Commission deciding to restructure its Panels and combine the Adult Social Care & Housing Panel with the Health Overview and Scrutiny Panel in order to develop a composite view across both areas. The Commission and Panels are comprised of non-Executive Members and review and scrutinise both Executive and non-Executive decisions. In addition to scrutinising such decisions working groups of the Panel conduct in-depth investigations into particular topic areas which result in reports setting out detailed recommendations.
- 4.20 The Council's decision-making processes operate within a framework which presumes and promotes openness. Formal meetings are held in public and executive decisions are published on the Council's website. Agendas and reports for Executive and committee meetings are published at least five clear working days in advance. The use of powers to exempt information from publication or allow a committee to meet in private is minimised, being used when necessary and only after senior officer authorisation.
- 4.21 The Forward Plan describes all significant (key) decisions planned to be taken in the following four months and is published and updated at least monthly. The Constitution also prescribes the rules and constraints around urgent decisions (not notified in the Forward Plan) and the form and content of decision reports.
- 4.22 Communication to the public is via the Council's website, in public meetings and through social media.

C Defining outcomes in terms of sustainable economic, social and

environmental benefits

Assured ✓

The Council has in place clear arrangements to define outcomes and monitor performance. In setting policies and strategies, it has adopted a long-term view about outcomes. The Council Plan was adopted for the 4-year period from 2015-2019 and has strategic themes underpinned by social, economic and environmental objectives. Following the May 2019 Local elections the Council Plan will be refreshed for a further 4 years period to take account of the aims of the incoming administration.

- 4.23 During 2015/16 the Council developed a new Council Plan for 2015-2019 which articulates a new narrative for the organisation to meet the challenges it faced. The Plan sets out six overarching strategic themes which form the vision for the Council. The strategic themes are each underpinned by measures of success and performance indicators. The main ways the strategic themes are communicated are via the Council's public website, intranet, Town and Country magazine (the Council's newspaper for residents) and Chief Executive's Briefings.
- 4.24 The Council Plan was developed after extensive consultation with the community, residents, employees, strategic partners and local businesses in order for the priorities to be consistent with their needs and aspirations.
- 4.25 Measures of success and key actions are cascaded internally through service plans, team business plans and individual performance development reviews. Delivery is monitored through:
- Quarterly Service Reports reviewed by the Executive Members, Chief Executive and the Corporate Management Team.
 - Quarterly Council Plan Overview Reports considered by the Executive.
 - Quarterly Service reports together with the Quarterly Council Plan Overview Report are then considered by the Overview and Scrutiny Commission or by the relevant Overview and Scrutiny Panel for their area.
- 4.26 All these reports are available on the Council's website and intranet. The Council's performance reporting process measures quality of service for users, ensuring services are delivered in accordance with objectives and represent the best value for money.
- 4.27 The Council has recently purchased a product called In Phase as its new corporate performance reporting software. This is intended improve the scope for managers to harvest data for business intelligence purposes as part of their performance monitoring activities.
- 4.28 Partnership groups have agreed joint targets that they monitor quarterly; for example, the Community Safety Partnership. Adult Social Care also produces an Annual Report referred to as the Local Account. Major partnership projects are monitored on a regular basis by the Corporate Management Team, the Executive and the Health and Wellbeing Board.
- 4.29 The Council needs to be confident that it has accurate, complete and timely performance information in order to plan and manage services to the public; ensure good decision-making and to effectively provide feedback and report on the quality of Council services to service users, residents, partners and Government. To ensure

this, the Council has a Data Quality Statement, which is reviewed annually. The Data Quality Statement provides details on how the Council aims to achieve a consistently high level of data quality The Annual update of the Statement is required for 2019/20

D. Determining the interventions necessary to optimise the achievement of the intended outcomes

Assured ✓

The Council takes decisions on interventions based on its published Council Plan setting outcomes for services and defining actions and targets for achieving them. Proposed interventions are recorded through Directorate Business Plans for ensuring the achievement of intended outcomes within set timescales. More significant interventions through service or organisational transformation are considered and overseen by the Transformation Board chaired by the Chief Executive.

- 4.30 All Directorates establish maintain and monitor Service Plans which set out the actions required to meet the outcomes set by the Council's Plan and the targets measures and milestones used to manage their delivery.
- 4.31 The Performance Dashboard on INSIGHT provides details on progress against the key actions and indicators of the Council Plan.
- 4.32 Decision reports provide the record of all significant decisions to implement service plans and spend and are required to show the intended outcomes, the rationale for the proposal, implications for Council's resources, other options considered and engagement or consultation undertaken.

E. Developing the entity's capacity, including the capability of its leadership and the individuals within it

Assured ✓

Officers are expected to have a clear sense of their purpose, roles and responsibilities in line with the Council's vision and the suite of policies and processes which support it. A Member Induction and continuing development system is in place to ensure that all elected members have a similar understanding of their roles and responsibilities when appointed or elected to particular positions within the Council. Officers and members have access to information, guidance and training to enable them to discharge their roles.

All officers are expected to have their performance monitored and their development needs identified and addressed through the Appraisal Framework within which specific elements exist for Leadership behaviours.

- 4.33 The Council has a comprehensive induction and training process in place for both Members and officers joining the Council.
- 4.34 Its Member Development Programme offers a range of learning and development opportunities including workshops, briefing seminars on specific topics and attendance at conferences. Members are offered 360° feedback to enable them to gain insight from a range of different sources on their performance and identify their personal learning needs. In April 2018 the Council achieved reaccreditation against the Charter+ Standard. Charter+ provides a robust framework which ensures

Members are supported throughout their time on the Council. Member development continues to be an embedded part of the Council’s culture and courses and seminars continue to be well attended.

- 4.35 All levels of management within the Council have a designated role profile and these profiles are accessible via the Council’s intranet (DORIS). Officers are given copies of their roles on appointment and are supported through induction training, their personal development review and supervision in understanding and developing their roles. Internally published HR procedures cover all aspects of performance and procedure to support managers. The Council’s appraisal framework sets out the values and behaviours that officers are expected to demonstrate. These are illustrated in the diagram below.

Diagram 3 - Values and Behaviours



- 4.36 A broad internal training programme of courses is run each year for officers as well as specific professional training and this is supplemented by e-learning opportunities and also less formal learning such as mentoring and work shadowing schemes. In 2019 the Council introduced a Coaching Scheme for staff. Compliance with Continuing Professional Development requirements of staff is monitored by individual officers. The Council provides sufficient resources to fund this. As part of the performance appraisal process, each officer is required to identify their learning and development objectives.

F. Managing risks and performance through robust internal control and strong public financial Management
Assured ✓
The Financial Regulations contained in the Constitution set out the rules to ensure robust internal control over the Council’s finances. The system and arrangements for performance management and budget monitoring demonstrate sound internal monitoring and control. The Council has consistently achieved a level of fiscal prudence in recent years notwithstanding the challenging financial climate

- 4.37 The system of internal financial control is based upon a framework of comprehensive financial regulations and procedures which comply with the CIPFA “Good Practice Guide for Financial Regulations in a modern English Council”. Control is maintained through regular management information, management supervision, and a structure of delegation and accountability. External audit of the Council’s accounts is robust

and unqualified assurance has been given. The Council's financial management arrangements conform to the governance requirements of the CIPFA 'Statement on the Role of the Chief Financial Officer in Local Government 2010.'

- 4.38 The Council has in place a robust plan of audit and review. The annual audit plan balances testing areas of concern with the need to do routine health checks. The formation of the plan is undertaken by the Head of Internal Audit, in conjunction with Directors and Executive Directors, thereby ensuring joint ownership of the process while maintaining suitable independence of the Audit function. The results of audits are presented to the senior managers of the service, for them to provide comments on, before they are published. The Head of Internal Audit reports quarterly to the Governance and Audit Committee and Corporate Management Team (CMT) on progress in delivering the audit plan and the outcome of audit reviews. Her reports specifically highlight issues that have led to limited assurances and the actions that have been put in place to monitor and address these. This allows for the actions to be effectively supervised by Departmental Management Teams, strategic themes to be drawn out by CMT and internal audit to focus follow up work in these areas.
- 4.39 The 2018/19 budget was set in a climate of rising demand for services. Throughout the year a process of monitoring the delivery of the necessary savings (transformation and efficiency) was in place, including regular reporting to the Transformation Board chaired by the Chief Executive and to the Executive on progress against savings targets. The Council continued to generate efficiency savings as well as through its transformation programme. It achieved a balanced budget but was dependant on an increase in Council tax and recourse to its reserves. It developed its commercial activities through acquisition of a property investment portfolio based on sound professional advice around appreciation of risk and reward. The Council will be able to keep 75% of its business rate revenue for the second year running in 2019/20 under the Business rates pilot scheme.
- 4.40 Further projects are in the pipeline for 2019/20 as listed below which are designed in part to improve the Council's financial health in the medium term as well as helping it to meet its social, economic and environmental aims as set out in the Council Plan. ;
- Joint venture with private sector partner to develop town centre sites
 - Remediation of London Road landfill site
 - Development of new care facilities at the site of the former Heathlands Care Home
- 4.41 As the financial challenges the Council face continues it is essential that it strengthens its arrangements and continues to implement robust processes for identifying and monitoring savings targets in the immediate future.
- 4.42 The role of the S151 Officer is set out in the constitution with the statutory underpinning of the role emphasised in the scheme of delegation. The postholder has ensured robust oversight of financial propriety. They report directly to the Chief Executive and are involved in all major decision making preparation through membership of the Corporate Leadership Team.
- 4.43 The officer scheme of delegation was reviewed to reflect changes in the senior leadership structure. It is kept under review by the Borough Solicitor. Senior Officers

are required to confirm, and where necessary, revise the effectiveness of the scheme of officer onward delegation to ensure decisions are taken lawfully under the correct authority.

- 4.44 Decisions made by the Council are subject to risk assessments which are made in accordance with the organisation's risk management processes. The Risk Management Strategy which includes the Council's priorities for developing risk management arrangements was reviewed by the Governance and Audit Committee on 27 June 2018.
- 4.45 The Strategic Risk Management Group (SRMG) chaired by the Director of Finance Borough Treasurer meets quarterly and oversees all aspects of risk management at the Council including health and safety, business continuity and information security risks. During 2018/19 the Strategic Risk Register was updated and considered by SRMG on a quarterly basis and reviewed and approved twice by the Corporate Management Team, and twice by the Governance and Audit Committee. Actions to address strategic risks were updated and monitored during 2018/19 and key changes to strategic risks were summarised in the quarterly Corporate Performance Overview Report.
- 4.46 There is a process for recording and monitoring significant operational risks through directorate risk registers that are reviewed on a quarterly basis and these are used to inform the Strategic Risk Register. The Strategic Risk Register includes an overarching risk on major projects and programmes and in addition separate risk registers should be in place for all major projects and programmes although isolated exceptions to this were found by Internal Audit during 2018/19.
- 4.47 Members are engaged in the risk management process through the Governance and Audit Committee's review of the Strategic Risk Register and Member review of the Council Plan Overview Report.

G. Implementing good practices in transparency, reporting and audit, to deliver effective accountability

Assured ✓

The Council has transparent processes in place through publication of the Forward Plan of key decisions, of agendas and reports of its meetings and those of its committees and of its key decision reports on the website. It publicises its pay policy statement in line with legislation as well as expenditure on contracts in excess of £5000 in value and all other expenditure in excess of £500. The Council has robust audit arrangements in place and there is regular audit reporting to the Council's Governance and Audit Committee.

- 4.48 All meetings of the Council and of the committees which discharge executive, non-executive or scrutiny functions take place in public and have their reports and minutes published on the Council's website. Executive Member and Committee decisions, agendas and reports are published on the website and are available to the press and public. This is driven by the publication of the Forward Plan of key decisions. A limited number of reports are considered in private session only when the subject meets the criteria.

- 4.49 Internal Audit provides an independent and objective annual appraisal of key financial systems through routine compliance testing and by undertaking a number of audit reviews within service departments in accordance with the Internal Audit Plan. The Head of Audit and Risk Management develops the Annual Internal Audit Plan which is then delivered by two external contractors and by Royal Borough of Windsor and Maidenhead and Wokingham and Reading Borough Councils' internal audit teams and investigations teams under an agreement made under Section 113 of the Local Government Act 1972.
- 4.50 The Governance and Audit Committee is responsible for reinforcing effective governance, particularly through reviewing the activities of the internal auditors and the Council's risk management arrangements. During 2018/19, the Committee received summary reports on progress on the delivery of the Internal Audit Plan and key outcomes on completed work. The Internal Audit Plan for 2019/20 was approved by the Committee on 27 March 2019
- 4.51 On 31 October 2018 the Council's external auditors issued an unqualified audit report on the Council's accounts for 2017/18.
- 4.52 The Annual Audit Letter for 2017/18 was presented to Governance and Audit Committee on 31 October 2018.
- 4.53 The Key Findings set out in the Audit letter were as follows:-
- The Council's financial statements give a true and fair view of its financial position as at 31 March 2018 and of its expenditure and income for the year then ended.
 - Proper arrangements were in place to secure value for money in the Council's use of resources.
 - Other information published with the financial statements was consistent with the Annual Accounts.

APPENDIX A

PROGRESS ON ADDRESSING GOVERNANCE IMPROVEMENT AREAS FROM 2017/18

Item	Governance Point Raised in Annual Governance Statement	Proposed Action	Owner	Comments/ Implementation Deadline	Update
1.	<u>Implement on-going actions from previous Action Plans</u>	<p>To communicate and raise staff awareness of information management policies and implement a programme of refresher training on information security/data protection for staff and members.</p> <p>Continue to take a proactive approach to counter fraud and whistle blowing, promoting the Council's policies and focussing internal audit activity on areas of high risk.</p>	<p>Data Protection Officer</p> <p>Head of Audit and Risk Management/ Borough Treasurer/ Borough Solicitor</p>	<p>31 March 2019</p> <p>March 2019</p>	<p>Staff training updated in March 2019. Members to receive training in June 2019</p> <p>Fraud Newsletters now produced regularly. Seven fraud awareness training sessions open to all staff have already held in quarter 4 of 18/19</p>
		Keep Corporate Business Continuity Management	Borough Treasurer and Emergency Planning Officer	Dec 2018	Ongoing

Item	Governance Point Raised in Annual Governance Statement	Proposed Action	Owner	Comments/ Implementation Deadline	Update
		Plan updated and communicate this cross Council			
2.	<u>Undertake review of Councillor Code of Conduct</u>	Review by Standards Framework Working Group of the efficacy of introducing specific requirements in Code of Conduct relating to the use of social media	Borough Solicitor	January 2019	Social Media Training including in Member Development Programme agreed by Member Development Charter Working Group
3.	<u>Preparation for Implementation of General Data Protection Requirement</u>	To undertake a review of current compliance with GDPR and take any remedial steps as necessary (6 month post implementation review)	Data Protection Officer	Dec 2018	Compliance activity undertaken by DPO and IMG against action plan. Update provided to CMT in Dec 18.

APPENDIX B

WHAT ARE THE KEY 2018/19 GOVERNANCE MATTERS IDENTIFIED

	Item	Proposed action	Owner	Implementation deadline
1.	Post election strategic planning to reflect manifesto of incoming administration	Refresh Council Plan and Director Service Plans	Corporate Management Team	31 October 2019-31 January 2020
2.	Review Emergency Planning arrangements	Keep Corporate Business Continuity Management Plan updated and communicate this cross Council	Service Manager- Emergency Planning	31 December 2019
3.	Align corporate risks with manifesto commitments of the new administration as well key corporate objectives arising from revised Council Plan. Directorate risk register aligned with the new structure are developed.	Review Strategic Risk Register Directorate risk registers to be put in place for all directorates reflecting new structure.	Head of Audit and Risk Management Directors	December 2019 September 2019
4.	Whilst the Council has undertaken a review of Information Governance in 2018 to meet the requirements of GDPR further work is required to update Information Governance policies and procedures and embed them into the business as usual culture of the Council	Update Information Governance Procedures Submit 2019/20 NHS Data Security and Protection Toolkit Cross Council Information Asset Register and	Data Protection Officer Data Protection Officer Data Protection Officer	May 2019-March 2020 31 March 2020 By 31 March 2020 or in readiness for SharePoint roll out (whichever is earliest)

		Data retention/disposal schedules to be updated to improve records management regime		
5.	Member Training	Ensure provision of induction training for new Members	Head of Democratic & Registration Services	By 31 July 2019
6	Address common areas of weakness in internal control and ensure issues identified in audit reports are addressed.	Monitoring of actions to address common areas of weakness. Monitoring of all limited assurance audit reports.	Corporate Management Team DMTs	Ongoing

Signed:

Paul Bettison

Timothy Wheadon

**Leader of the Council
June 2019**

**Chief Executive
June 2019**

TO: Governance and Audit Committee
26 June 2019

STANDARDS ANNUAL REPORT
(Executive Director -Delivery - Legal)

1. PURPOSE OF REPORT

- 1.1 The attached report (**APPENDIX A**) advises Council of activity within its Standards framework from 1 April 2018 to 31 March 2019

2. RECOMMENDATIONS

That the Committee **NOTES:**

- 2.1 The Standards outputs in 2018/19 as set out in (**APPENDIX B** of this report
- 2.2 The Best Practice recommendations set out in the report of the Committee for Standards in Public Life (CSPL) into ethical standards (**APPENDICES C&D**) and the proposal in paragraph 11 of this report for these recommendations to be considered by the Code of Conduct Working Group with a view to any changes to the Council's Standards Framework agreed by the Panel being presented to Council later in the year for adoption.

3. REASONS FOR RECOMMENDATIONS

- 3.1 To keep Council appraised on an annual basis of activity relating to its Standards Regime

4. SUPPORTING INFORMATION

- 4.1 The Standards Framework comprises a number of elements including the code of conduct for Councillors, rules around disclosure of interests, procedure for dealing with complaints and sanctions for breach. Until its dissolution in November 2016 responsibility for oversight of the Standards Framework vested in the Standards Committee. Subsequently this has transferred to the Governance & Audit Committee.
- 4.2 The attached report appraises the Council of Standards related activity from 1 April 2018 to 31 March 2019.

5. ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 5.1 The Borough Solicitor is the author of this report.

Director :Finance

- 5.2 There are no financial implications arising.

6. STRATEGIC RISK MANAGEMENT ISSUES

- 6.1 None.

Background Papers

None.

Contact for Further Information

Sanjay Prashar – Borough Solicitor – 01344 355679

Sanjay.Prashar@bracknell-forest.gov.uk

APPENDIX A

STANDARDS ANNUAL REPORT 2018/19

1. The Council's Standards Committee was dissolved in 2016 and its functions incorporated into the terms of reference of the Governance and Audit Committee.

Complaints

2. Under the current procedure for the handling of complaints alleging a breach of the Code of Conduct for Members, a complaint is first considered by the Monitoring Officer. The options available to the Monitoring Officer at that stage are:-

- refer for investigation
- refer for some other form of action ("other action")
- determine that no further action is required. ("no action")

3. If a complaint is referred for investigation the ensuing report is considered by the statutory Independent Person and the Monitoring Officer. At that stage the options are:-

- refer to a Code of Conduct Panel for consideration.
- refer for resolution by some other form of action (e.g. if the investigation finds that there has been a breach and the Member agrees to apologise)
- no further action required (investigation finds no breach which conclusion is agreed by the independent person and Monitoring Officer)

4. In the period between 1 April 2018 and 31 March 2019 the Monitoring Officer received 9 complaints alleging breaches of Codes of Conduct for Members. The grounds of each complaint and its outcome are set out in the table attached (**Appendix B**)

5. The table reflects the growing trend of relatively low level complaints which do not warrant the time and expense of investigation under the Standards Framework .In each case where no action was taken this decision was preceded by consultation with the Independent Person (Dr Louis Lee) before being shared with the Complainant and subject member. In accordance with a protocol adopted in 2016, the Party whip was also notified.

Previous years data

Year	No. of Complaints	Upheld
2008/09	0	0
2009/10	6	2
2010/11	1	0
2011/12	2	0
2012/13	4	0

Unrestricted

2013/14	6	0
2014/15	5	0
2015/16	2	0
2016/17	7	0
2017/18	6	0

- 6 Whilst the adequacy of sanctions within the Standards regime continues to attract debate nationally there are currently no proposals flowing from the Ministry of Housing, Communities and Local Government to introduce further legislation.
7. On 29 January 2018 CSPL launched a consultation on Local Government Ethical Standards. The terms of reference for the review were to examine the structures, processes and practices in local government in England for:
- maintaining codes of conduct for local councillors
 - investigating alleged breaches fairly and with due process
 - enforcing codes and imposing sanctions for misconduct
 - declaring interests and managing conflicts of interest; and
 - whistleblowing AND to
 - assess whether the existing structures, processes and practices are conducive to high standards of conduct in local government
 - make any recommendations for how they can be improved
 - note any evidence of intimidation of councillors, and make recommendations for any measures that could be put in place to prevent and address such intimidation
8. The findings from that review were published in January 2019 and can be accessed by following the link below;
- https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/777315/6.4896_CO_CSPL_Command_Paper_on_Local_Government_Standards_v4_WEB.PDF
9. Members are specifically referred to the Executive Summary and the Recommendations. Some of the recommendations require changes to primary legislation, secondary legislation and the Local Government Transparency Code. The report also sets out a list of Best Practice recommendations which Local Authorities should consider as a benchmark of good ethical practice and implement.
10. The reports main recommendations for government are set out in **Appendix C** and its Best Practice recommendations for Councils (these don't require further legislation for local implementation) are included in **Appendix D**
11. .In most cases the Council's existing arrangements are already consistent, with the CSPL best practice recommendations. Where there is some divergence these areas will form the basis of a separate report later in the year following consideration by the Code of Conduct Working Group

Councillors are reminded of their duties both in respect of the rules relating to the registration and disclosure of Interests set out in the Code of Conduct and their behavioural obligations under the Code.

Appendix B

**Monitoring Officer/Independent Person

	Date of Complaint	Status of Complainant	Borough or Parish Councillor	Grounds of Complaint	Outcome
1	June 2018	Employee	Borough	Inappropriate and unreasonable behaviour and disclosure of confidential information to member of the public.	MO/IP** referred for investigation. Counter complaint from Cllr not upheld. No breach of code found by MO. Cllr advised in writing by MO that whilst there was not a breach he had not conducted himself as a community leader should and should not have criticised an officer in the presence of a constituent. Concluded Feb 2019 No further action.
2	August 2018	Employee	Borough	The Councillor accidentally hit the complainant's car whilst parking in public car park	MO/IP referred for investigation. Concluded February 2019. No breach of Code found. No further action.
3	August 2018	Employee	Town	Councillor alleged to have been misusing her position and victimising/ bullying the complainant	MO/IP referred for investigation. Investigator found breach occurred. Referred for Hearing. Apology given via letter drafted by Councillor's solicitor after finding of a breach and once a panel had

Unrestricted

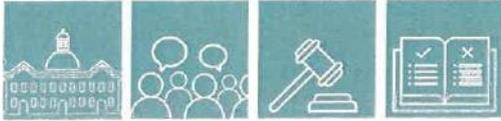
					been convened. Hearing cancelled and apology letter received and delivered to complainant same day. Code breached – informal resolution.
4	Sept 2018	Resident	Borough	Issue re role of Councillor as administrator of a Facebook page and the way he uses that position	Clarification sought and evidence of posts requested. MO/IP review. No prima facie case to investigate. No breach/No further action.
5	Dec 2018	Resident	Borough	Cllr standing in road and shouting at the complainant's wife about where she was parking	IP consulted and agreed that Councillor not acting in capacity as Councillor therefore no breach of the code. MO advised Cllr that although there was no breach she should be careful in future as she had a high profile in the area and it was hard for residents to distinguish whether she was acting in her personal or public capacity. Concluded September 2018. No breach. No further action.
6	February 2019	Resident	Parish	Complainant unhappy with the way she	25/3/19 – complaint withdrawn.

Unrestricted

				was treated at the Parish Council meeting.	No further action.
7	March 2019	Resident	Town	Cllr alleged to have bullied, harassed and threatened the complainant	MO and IP found no breach of Code. MO wrote to Cllr on 4.6.19 to advise that although there was no breach he had not acted as a community leader is expected to behave and that there was a thin line between private and public capacity. No further action.
8	April 2019	Resident	Town	Cllr used a disabled toilet at a public venue resulting in disabled young person having to join a long queue and wait with poor consequences.	Referred to MO – 23/4/19. Finding of breach by MO and IP by treating the disabled child with disrespect. Letter sent to Cllr 4.6.19 advising her to write to the complainant to apologise. Code breached – informal resolution
9	April 2019	Resident	Parish	Racist social media posts	Referred to MO – 29/4/19 Finding of breach by MO and IP. Investigation not required as prints of social media posts provided from their social media accounts. One Cllr stood

Unrestricted

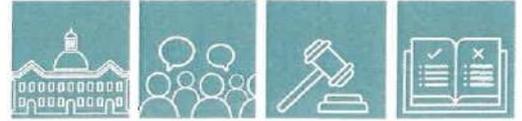
					<p>down in May 2019 therefore MO did not pursue the complaint. Letter sent to other two Cllrs on 4/6/19 advising them to write to complainant to apologise. Code breached – informal resolution.</p>
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Appendix C**List of Recommendations**

List of recommendations

List of recommendations

Number	Recommendation	Responsible body
1	The Local Government Association should create an updated model code of conduct, in consultation with representative bodies of councillors and officers of all tiers of local government.	Local Government Association
2	The government should ensure that candidates standing for or accepting public offices are not required publicly to disclose their home address. The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 should be amended to clarify that a councillor does not need to register their home address on an authority's register of interests.	Government
3	Councillors should be presumed to be acting in an official capacity in their public conduct, including statements on publicly-accessible social media. Section 27(2) of the Localism Act 2011 should be amended to permit local authorities to presume so when deciding upon code of conduct breaches.	Government
4	Section 27(2) of the Localism Act 2011 should be amended to state that a local authority's code of conduct applies to a member when they claim to act, or give the impression they are acting, in their capacity as a member or as a representative of the local authority.	Government
5	The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 should be amended to include: unpaid directorships; trusteeships; management roles in a charity or a body of a public nature; and membership of any organisations that seek to influence opinion or public policy.	Government
6	Local authorities should be required to establish a register of gifts and hospitality, with councillors required to record any gifts and hospitality received over a value of £50, or totalling £100 over a year from a single source. This requirement should be included in an updated model code of conduct.	Government



Number	Recommendation	Responsible body
7	Section 31 of the Localism Act 2011 should be repealed, and replaced with a requirement that councils include in their code of conduct that a councillor must not participate in a discussion or vote in a matter to be considered at a meeting if they have any interest, whether registered or not, “if a member of the public, with knowledge of the relevant facts, would reasonably regard the interest as so significant that it is likely to prejudice your consideration or decision-making in relation to that matter”.	Government
8	The Localism Act 2011 should be amended to require that Independent Persons are appointed for a fixed term of two years, renewable once.	Government
9	The Local Government Transparency Code should be updated to provide that the view of the Independent Person in relation to a decision on which they are consulted should be formally recorded in any decision notice or minutes.	Government
10	A local authority should only be able to suspend a councillor where the authority’s Independent Person agrees both with the finding of a breach and that suspending the councillor would be a proportionate sanction.	Government
11	Local authorities should provide legal indemnity to Independent Persons if their views or advice are disclosed. The government should require this through secondary legislation if needed.	Government / all local authorities
12	Local authorities should be given the discretionary power to establish a decision-making standards committee with voting independent members and voting members from dependent parishes, to decide on allegations and impose sanctions.	Government
13	Councillors should be given the right to appeal to the Local Government Ombudsman if their local authority imposes a period of suspension for breaching the code of conduct.	Government



List of recommendations

Number	Recommendation	Responsible body
14	The Local Government Ombudsman should be given the power to investigate and decide upon an allegation of a code of conduct breach by a councillor, and the appropriate sanction, on appeal by a councillor who has had a suspension imposed. The Ombudsman's decision should be binding on the local authority.	Government
15	The Local Government Transparency Code should be updated to require councils to publish annually: the number of code of conduct complaints they receive; what the complaints broadly relate to (e.g. bullying; conflict of interest); the outcome of those complaints, including if they are rejected as trivial or vexatious; and any sanctions applied.	Government
16	Local authorities should be given the power to suspend councillors, without allowances, for up to six months.	Government
17	The government should clarify if councils may lawfully bar councillors from council premises or withdraw facilities as sanctions. These powers should be put beyond doubt in legislation if necessary.	Government
18	The criminal offences in the Localism Act 2011 relating to Disclosable Pecuniary Interests should be abolished.	Government
19	Parish council clerks should hold an appropriate qualification, such as those provided by the Society of Local Council Clerks.	Parish councils
20	Section 27(3) of the Localism Act 2011 should be amended to state that parish councils must adopt the code of conduct of their principal authority, with the necessary amendments, or the new model code.	Government
21	Section 28(11) of the Localism Act 2011 should be amended to state that any sanction imposed on a parish councillor following the finding of a breach is to be determined by the relevant principal authority.	Government
22	The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015 should be amended to provide that disciplinary protections for statutory officers extend to all disciplinary action, not just dismissal.	Government



Number	Recommendation	Responsible body
23	The Local Government Transparency Code should be updated to provide that local authorities must ensure that their whistleblowing policy specifies a named contact for the external auditor alongside their contact details, which should be available on the authority's website.	Government
24	Councillors should be listed as 'prescribed persons' for the purposes of the Public Interest Disclosure Act 1998.	Government
25	Councillors should be required to attend formal induction training by their political groups. National parties should add such a requirement to their model group rules.	Political groups National political parties
26	Local Government Association corporate peer reviews should also include consideration of a local authority's processes for maintaining ethical standards.	Local Government Association

Appendix D

List of Best Practice



List of best practice

List of best practice

Our best practice recommendations are directed to local authorities, and we expect that any local authority can and should implement them. We intend to review the implementation of our best practice in 2020.

Best practice 1: Local authorities should include prohibitions on bullying and harassment in codes of conduct. These should include a definition of bullying and harassment, supplemented with a list of examples of the sort of behaviour covered by such a definition.

Best practice 2: Councils should include provisions in their code of conduct requiring councillors to comply with any formal standards investigation, and prohibiting trivial or malicious allegations by councillors.

Best practice 3: Principal authorities should review their code of conduct each year and regularly seek, where possible, the views of the public, community organisations and neighbouring authorities.

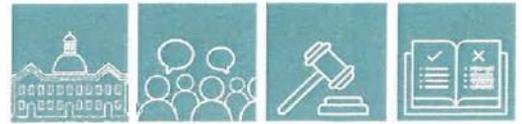
Best practice 4: An authority's code should be readily accessible to both councillors and the public, in a prominent position on a council's website and available in council premises.

Best practice 5: Local authorities should update their gifts and hospitality register at least once per quarter, and publish it in an accessible format, such as CSV.

Best practice 6: Councils should publish a clear and straightforward public interest test against which allegations are filtered.

Best practice 7: Local authorities should have access to at least two Independent Persons.

Best practice 8: An Independent Person should be consulted as to whether to undertake a formal investigation on an allegation, and should be given the option to review and comment on allegations which the responsible officer is minded to dismiss as being without merit, vexatious, or trivial.



Best practice 9: Where a local authority makes a decision on an allegation of misconduct following a formal investigation, a decision notice should be published as soon as possible on its website, including a brief statement of facts, the provisions of the code engaged by the allegations, the view of the Independent Person, the reasoning of the decision-maker, and any sanction applied.

Best practice 10: A local authority should have straightforward and accessible guidance on its website on how to make a complaint under the code of conduct, the process for handling complaints, and estimated timescales for investigations and outcomes.

Best practice 11: Formal standards complaints about the conduct of a parish councillor towards a clerk should be made by the chair or by the parish council as a whole, rather than the clerk in all but exceptional circumstances.

Best practice 12: Monitoring Officers' roles should include providing advice, support and management of investigations and adjudications on alleged breaches to parish councils within the remit of the principal authority. They should be provided with adequate training, corporate support and resources to undertake this work.

Best practice 13: A local authority should have procedures in place to address any conflicts of interest when undertaking a standards investigation. Possible steps should include asking the Monitoring Officer from a different authority to undertake the investigation.

Best practice 14: Councils should report on separate bodies they have set up or which they own as part of their annual governance statement, and give a full picture of their relationship with those bodies. Separate bodies created by local authorities should abide by the Nolan principle of openness, and publish their board agendas and minutes and annual reports in an accessible place.

Best practice 15: Senior officers should meet regularly with political group leaders or group whips to discuss standards issues.

TO: GOVERNANCE AND AUDIT COMMITTEE
26TH JUNE 2019

STRATEGIC RISK UPDATE

Head of Audit and Risk Management

1 PURPOSE OF REPORT

- 1.1 This report presents the updated Strategic Risk Register.

2 EXECUTIVE SUMMARY

- 2.1 The Strategic Risk Register is updated and reviewed by the Strategic Risk Management Group (SRMG) on a quarterly basis and by the Corporate Management Team (CMT) and the Governance and Audit Committee at least twice a year in accordance with the Risk Management Strategy

3 RECOMMENDATIONS

- 3.1 **To provide feedback on the completeness of risks and appropriateness of risk scores including the score for risk appetite in the Register attached at Appendix 1.**

4 REASONS FOR RECOMMENDATION

- 4.1 To ensure the Strategic Risk Register accurately reflects the Council's risks.

5 ALTERNATIVE OPTIONS CONSIDERED

- 5.1 There are no alternatives.

6 SUPPORTING INFORMATION

Update of Strategic Risk Register

- 6.1 The Register was last reviewed by the Governance and Audit Committee on 30th January 2019, by SRMG on 8th May and by CMT on 5th June 2019.
- 6.2 Key proposed changes reviewed and agreed at SRMG and CMT were to:
- To add a risk on internal control weaknesses as identified in the Head of Internal Audit Annual Opinion which are currently being investigated and actioned by the Corporate Management Team;
 - To add a risk on continuing health care;
 - To increase the Finance risk due to uncertainty around level of future central government funding and delays in delivering transformation savings. This mirrors the increase in risk in the Central directorates risk register;
 - To increase the transformation risk due to pressure on transformation savings;
 - To increase the business continuity risk due to recent incidents that have highlighted weaknesses and gaps in out of hours IT support and the need for service areas to have a clearer understanding of systems and functionality

and how to instigate business continuity processes in the event of an incident and the findings of the review of business continuity across the authorities in the emergency planning shared service..

7 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 7.1 There are no specific legal implications arising from the recommendations in this Report.

Borough Treasurer

- 7.2 No direct financial implications

Equalities Impact Assessment

- 7.3 Not applicable.

Strategic Risk Management Issues

- 7.4 A robust Strategic Risk Register that is a complete and up to date record of the significant corporate risks is essential for effective risk management, enabling the Council to prioritise resources to identify and implement actions to address the threats to the achievement of the Council's objectives and make informed decisions

8 CONSULTATION

Principal Groups Consulted

- 8.1 SRMG and CMT.

Method of Consultation

- 8.2 At the SRMG and CMT meetings on 8th May and 5th June 2019 respectively.

Representations Received

- 8.3 Not applicable.

Sally Hendrick

Head of Audit and Risk Management

01344 352092

sally.hendrick@bracknell-forest.gov.uk

STRATEGIC RISK REGISTER JUNE 2019

43

Strategic Theme 1: Value for money: Performance Measures : Spending is within budget																																													
<p>Risk 1: Significant pressures on the Council's ability to balance its finances whilst maintaining satisfactory service standards</p>																																													
<p>Risk Owner: Director; Finance</p>																																													
<p>Risk Rating (Likelihood x Impact)</p> <p>Unmitigated 5 x 5</p> <p>Current Residual 4 x 4</p> <p>Appetite 2 x 4</p> <p>Potential Impact</p> <p>Strategic objectives and statutory duties not met</p>	<table border="1"> <caption>Risk Rating Data</caption> <thead> <tr> <th>Quarter</th> <th>Unmitigated</th> <th>Current</th> <th>Appetite</th> </tr> </thead> <tbody> <tr> <td>Qtr 4 16/17</td> <td>25</td> <td>12</td> <td>8</td> </tr> <tr> <td>Qtr 1 17/18</td> <td>25</td> <td>12</td> <td>8</td> </tr> <tr> <td>Qtr 2 17/18</td> <td>25</td> <td>16</td> <td>8</td> </tr> <tr> <td>Qtr 3 17/18</td> <td>25</td> <td>12</td> <td>8</td> </tr> <tr> <td>Qtr 4 17/18</td> <td>25</td> <td>12</td> <td>8</td> </tr> <tr> <td>Qtr 1 18/19</td> <td>25</td> <td>12</td> <td>8</td> </tr> <tr> <td>Qtr 2 18/19</td> <td>25</td> <td>16</td> <td>8</td> </tr> <tr> <td>Qtr 3 18/19</td> <td>25</td> <td>12</td> <td>8</td> </tr> <tr> <td>Qtr 4 18/19</td> <td>25</td> <td>12</td> <td>8</td> </tr> <tr> <td>Qtr 1 19/20</td> <td>25</td> <td>16</td> <td>8</td> </tr> </tbody> </table> <p>Rationale for current score: Increased due to uncertainty around the level of future central government funding due to the Comprehensive Spending Review and Fair Funding Review. In addition, delays in delivery of transformation savings in some areas increase pressures on current and future budgets.</p> <p>Rationale for risk appetite: Achieving a sustainable financial position is a core responsibility.</p> <p>Current RAG rating Red</p>	Quarter	Unmitigated	Current	Appetite	Qtr 4 16/17	25	12	8	Qtr 1 17/18	25	12	8	Qtr 2 17/18	25	16	8	Qtr 3 17/18	25	12	8	Qtr 4 17/18	25	12	8	Qtr 1 18/19	25	12	8	Qtr 2 18/19	25	16	8	Qtr 3 18/19	25	12	8	Qtr 4 18/19	25	12	8	Qtr 1 19/20	25	16	8
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Qtr 1 19/20	25	16	8																																										
<p>Current Actions <i>(What we are currently doing about the risk)</i></p> <ul style="list-style-type: none"> • 4 year financial settlement in place but this is now in its final year and there is uncertainty around the Comprehensive Spending Review and Fair Funding Review. • Efficiency plan in place signed off by full Council. • Transformation Board to deliver significant savings over the medium term. • Continuous engagement with Members regarding priorities • Medium term financial strategy will need to be continually monitored and reviewed • CIL governance processes and procedures established and prioritising spend in accordance with BFC Regulation 123 infrastructure list. Regular dialogue with Town and Parish Councils to come to an agreed accord on spending of CIL monies. • Approved capital spending plans are in place e.g. for Binfield Learning Village at Blue Mountain,. These are built in to the Council's capital programme and are monitored. Regular updates going to CMT. 	<p>Further Mitigation (what more should we do to reduce risk to our risk appetite level) and opportunities</p> <table border="1"> <thead> <tr> <th></th> <th>Officer responsible</th> <th>Target date</th> </tr> </thead> <tbody> <tr> <td>Medium Term Financial Planning</td> <td>Director: Finance</td> <td>Ongoing</td> </tr> <tr> <td>2020/21 budget setting process</td> <td>Director: Finance</td> <td>Ongoing</td> </tr> <tr> <td>Council wide debt management review in progress</td> <td>Director: Finance</td> <td>Ongoing</td> </tr> </tbody> </table>		Officer responsible	Target date	Medium Term Financial Planning	Director: Finance	Ongoing	2020/21 budget setting process	Director: Finance	Ongoing	Council wide debt management review in progress	Director: Finance	Ongoing																																
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Strategic Theme 1: Value for money: Performance Measures :The cost, quality and delivery mechanism of all services will be reviewed by 2019

Risk 2: Council unable to deliver the transformation programme due to:

- Difficulties in delivering individual projects
- Difficulties in tracking transformation changes
- Benefits/savings not being achieved
- Linkages between individual transformation projects and knock on effects across transformation projects not adequately identified and taken into consideration.

Risk Owner: Chief Executive

Risk Rating (Likelihood x Impact)

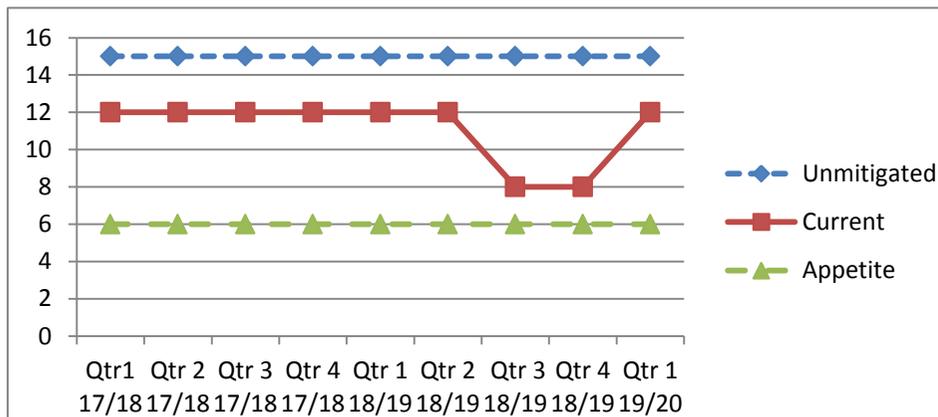
Unmitigated 3 x 5

Current Residual 3 x 4

Appetite 2 x 3

Potential Impact

Conflicting pressures between elements of the programme Core objectives/benefits not achieved. Statutory responsibilities not met



Rationale for current score:

Governance arrangements around the projects are robust and projects are generally on track but there are some pressures on financial savings from transformation projects.

Rationale for risk appetite

Transformation process is in response to the need to make radical changes to service delivery to be sustainable moving forward and hence a significant level impact is accepted but mitigated by a low tolerance for likelihood.

Current RAG rating Amber

Current Actions (What we are currently doing about the risk)

- Transformation Board and regular Transformation Board meetings
- Programme Manager
- Centralisation of transformation programme under the transformation team umbrella. Separate risk registers set up for the significant transformation projects
- Regular Transformation team meetings include monitoring of dependencies
- Key dependencies escalated to the Board
- Additional financial checks introduced for transformation projects managed within departments
- Exercise undertaken at CMT to prioritise transformation projects which has accelerated key projects where greatest financial impact are expected and deferred projects with a lower level of return.

Further Mitigation (what more should we do to reduce risk to our risk appetite level) and opportunities

	Officer responsible	Target date

Strategic Theme 1: Value for money: Performance Measure; Spending is within budget

Strategic Theme 6: Strong, safe, supportive and self reliant communities : Performance Measure: Safeguarding structures to safeguard children and vulnerable adults are well established.

Risk 3: Significant loss of and changes to responsibilities of key Council staff through redundancy, restructure retirements, etc. together with managing services with reduced capacity Council and staff resources re-allocated to the transformation programme. Council and its outsourced providers unable to recruit and retain staff at all levels.

Risk Owner: CMT

Risk Rating (Likelihood x Impact)

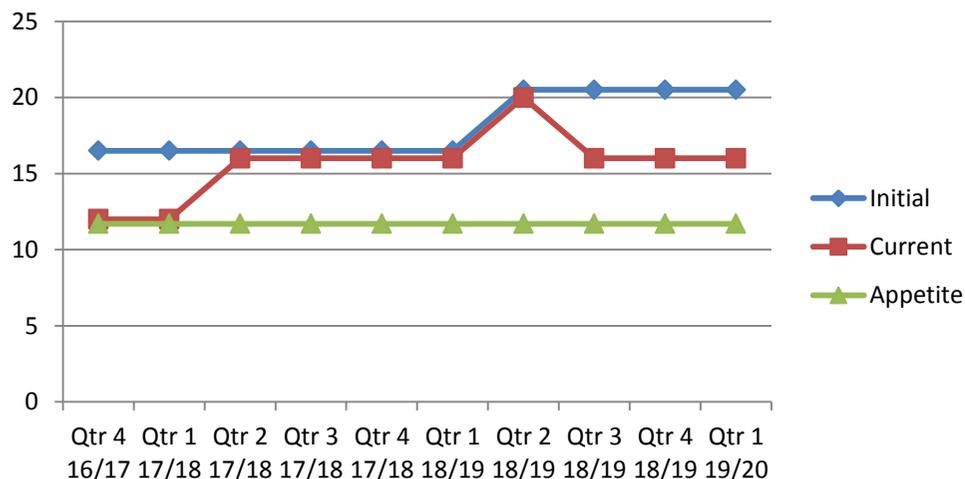
Unmitigated 5 x 4

Current Residual 4 x 4

Risk Appetite 3 x 3

Potential Impact

Disruption to services.
Failure to meet statutory duties



Rationale for current score:

Appointments have now been made to senior posts and officers are already in post but some appointments are still to be made at Head of Service level and there are still a large number of interims in post and sickness absence in key posts.

Rationale for risk appetite

Staff are the key resource in delivering key services and providing support to front line services.

Current RAG rating Amber

Current Actions(What we are currently doing about the risk)

- For BFC staff monitor the impact and review our reward and recognition approach as necessary to ensure that BFC remains seen as an attractive employer
- Introduce staff retention plans and measures and succession planning arrangements
- Workforce planning

Further Mitigation (what more should we do to reduce risk to our risk appetite level) and opportunities

	Officer responsible	Target date
Monitor service delivery through providers of domiciliary care	Executive Director, People	Ongoing
Monitor financial impact	Director; Finance	Ongoing
Mitigation required re apprenticeship levy requirements	CMT	Ongoing
Sub-group of Transformation working group of workforce focusing on care in the community	Sub-group	Ongoing
Clear handover of responsibilities	Relevant senior officers	Ongoing
Appointment of interims to fill gaps during recruitment	Relevant senior officers	Ongoing

Strategic Theme 1: Value for money: Performance Measure; Spending is within budget

Strategic Theme 6: Strong, safe, supportive and self reliant communities : Performance Measure: Safeguarding structures to safeguard children and vulnerable adults are well established.

Risk 4 Uncertainty around the impact of alternative options for Brexit, the financial and operational implications for services such as social care, contingency planning requirements and the potential impact for businesses located in the Borough.

Risk Owner: Director Place, Planning and Regeneration

Risk Rating (Likelihood x Impact)

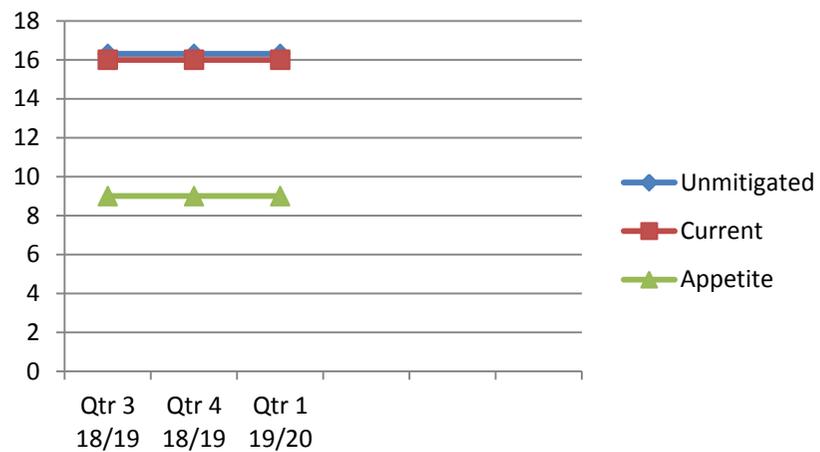
Unmitigated 4 x 4

Current Residual 4 x 4

Appetite 3 x 3

Potential Impact

Economic prosperity not sustained



Rationale for current score:

Current uncertainty means that the risk is relatively high.

Rationale for risk appetite

Given potential operational and financial consequences risk appetite is low.

Current RAG rating Red

Current Actions *(What we are currently doing about the risk)*

- Reviewing impact in local teams
- Review of potential impact undertaken by National Management Trainee and reported to CMT, Senior Leadership Group and Members.

Further Mitigation *(what more should we do to reduce risk to our risk appetite level) and opportunities*

	Officer responsible	Target date
Ongoing monitoring at CMT	CMT	Ongoing

Strategic Theme 3: People have the life skills and education opportunities they need to thrive																																										
Performance Measures : School places are available in all localities																																										
Risk 5: The Council Policy of providing local school places for local children results in a mismatch of provision.		Risk Owners: Executive Director, People																																								
<p>Risk Rating (Likelihood x Impact)</p> <p>Initial underlying 4 x 4</p> <p>Current Residual 4 x 3</p> <p>Appetite 2 x 3</p> <p>Potential Impact</p> <p>Cost overruns/ pressure on the capital budget</p> <p>Late delivery . Core objective to deliver required additional school places not delivered</p>	<table border="1"> <caption>Risk Rating Data</caption> <thead> <tr> <th>Quarter</th> <th>Initial</th> <th>Current</th> <th>Appetite</th> </tr> </thead> <tbody> <tr><td>Qtr 1 17/18</td><td>16</td><td>12</td><td>6</td></tr> <tr><td>Qtr 2 17/18</td><td>16</td><td>12</td><td>6</td></tr> <tr><td>Qtr 3 17/18</td><td>16</td><td>9</td><td>6</td></tr> <tr><td>Qtr 4 17/18</td><td>16</td><td>9</td><td>6</td></tr> <tr><td>Qtr 1 18/19</td><td>16</td><td>9</td><td>6</td></tr> <tr><td>Qtr 2 18/19</td><td>16</td><td>12</td><td>6</td></tr> <tr><td>Qtr 3 18/19</td><td>16</td><td>12</td><td>6</td></tr> <tr><td>Qtr 4 18/19</td><td>16</td><td>12</td><td>6</td></tr> <tr><td>Qtr 1 19/20</td><td>16</td><td>12</td><td>6</td></tr> </tbody> </table>	Quarter	Initial	Current	Appetite	Qtr 1 17/18	16	12	6	Qtr 2 17/18	16	12	6	Qtr 3 17/18	16	9	6	Qtr 4 17/18	16	9	6	Qtr 1 18/19	16	9	6	Qtr 2 18/19	16	12	6	Qtr 3 18/19	16	12	6	Qtr 4 18/19	16	12	6	Qtr 1 19/20	16	12	6	<p>Rationale for current score: There is currently surplus of places.</p> <p>Rationale for risk appetite Risk appetite is fairly low given the Council's statutory responsibilities to educate</p> <p>Current RAG rating Red</p>
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Qtr 1 19/20	16	12	6																																							
<p>Current Actions (What we are currently doing about the risk)</p> <ul style="list-style-type: none"> • Pupil Places Planning Board in place • Annual school place planning based on a review of future housing plans, numbers on roll and demographic data provides data on <ul style="list-style-type: none"> ⇒ pupil data and statistics ⇒ forecasts of pupil numbers for the next five years ⇒ commentary on the need to add or remove school capacity ⇒ estimates of future housing growth ⇒ School Places Plan and Capital Strategy approved by the Executive • Reduction in pace of delivery of new schools and managing intake at Kings Academy Binfield 	<p>Further Mitigation (what more should we do to reduce risk to our risk appetite level)</p> <table border="1"> <thead> <tr> <th></th> <th>Officer responsible</th> <th>Target date</th> </tr> </thead> <tbody> <tr> <td>The external consultant has now produced his independent report which will now be reviewed.</td> <td>Executive Director, People</td> <td>Ongoing</td> </tr> <tr> <td>New pupil yield information is due in. This is based on a survey of householders in new houses to identify the numbers of children if properties</td> <td>Executive Director, People</td> <td>Ongoing</td> </tr> </tbody> </table>		Officer responsible	Target date	The external consultant has now produced his independent report which will now be reviewed.	Executive Director, People	Ongoing	New pupil yield information is due in. This is based on a survey of householders in new houses to identify the numbers of children if properties	Executive Director, People	Ongoing																																
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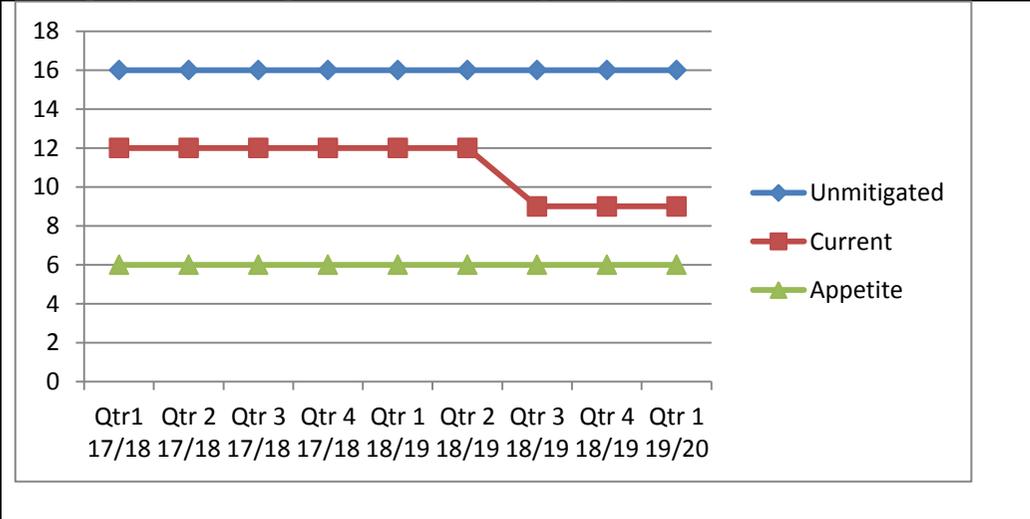
Strategic Theme 3: People have the life skills and education opportunities they need to thrive
 Performance Measures :Children have access to high quality early years provision /School places are available in all localities /All young people who have left school go on to further education, find employment or undertake some form of training

Strategic Theme 4: People live active and healthy lifestyles
 Performance Measures:Comprehensive public health programmes aimed at adults and young people/Personal choices available to allow people to live at home are increased///Integration of council and health services care pathways for long term conditions is increased /Accessibility and availability of mental health services for young people and adults is improved

Risk 6: Council unable to predict and plan for future changes and in-year variations in demands for services arising from demographic changes and national policy initiatives.

Risk Owners: Executive Director, People

Risk Rating (Likelihood x Impact)
 Unmitigated 4 x 4
 Current Residual 3x 3
 Appetite 2 x 3
Potential Impact
 Failure to meet demand.
 Statutory duties not met



Rationale for current score:
 Increasing pressure on children’s social care and adult social care. Impact of people in need coming into the Borough but there is flexibility in the Council budget to be able to respond to this.

Rationale for risk appetite
 Tolerance in forecasting relatively low due to knock on effect on financial planning

Current RAG rating Amber

- Current Actions** *(What we are currently doing about the risk)*
- Business intelligence being developed
 - Redefining the community function
 - Continuous monitoring of demand levels for children’s social care
 - Case by case challenge including robust legal challenge
 - Monitoring impact of SEND reform and implementation of Education, Health and Care Plans.
 - Block contracts for high cost placements e.g. contract let for independent fostering agencies
 - Edge of Care model in place to prevent escalation to intervention levels for children
 - Three Conversations approach for incoming cases and RAS model
 - Early intervention and small budget available per team to use in preventative ways

Further Mitigation (what more should we do to reduce risk to our risk appetite level) and opportunities

	Officer responsible	Target date
Reviewing transition from Children to Adult Social Care	Executive Director, People	Qtr 4

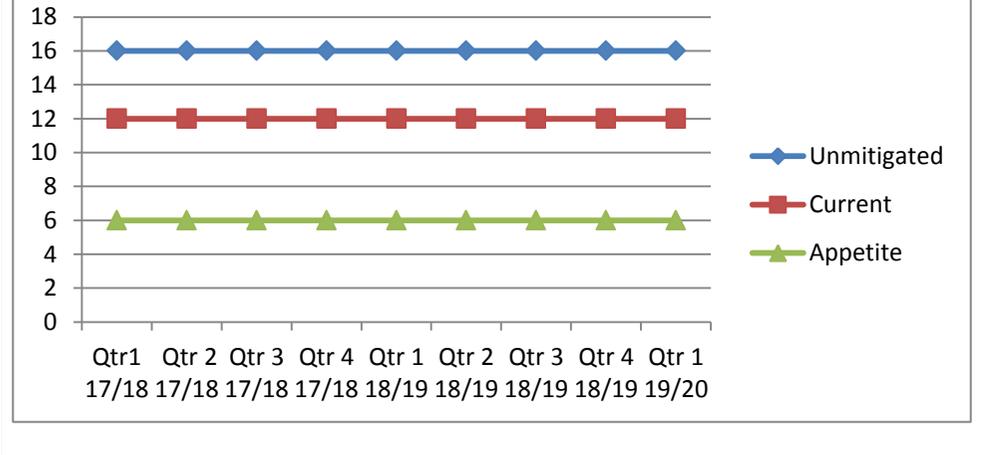
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| <ul style="list-style-type: none">• An asset based approach to assessment by social care staff• Development of digital platform to support customers to use their direct payments creatively and greater use of community resources and technology in support packages• A community model of intermediate care and reablement• Plans to develop up step up and step down beds in partnership with the Frimley Acute Trust• Increasing the number of personal assistants on the PA register that offer personal care | |
|---|--|

Strategic Theme 4: People live active and healthy lifestyles
Performance Measures: Comprehensive public health programmes aimed at adults and young people/Personal choices available to allow people to live at home are increased///Integration of council and health services care pathways for long term conditions is increased /Accessibility and availability of mental health services for young people and adults is improved

Risk 7: Council unable to sustain delivery of services to support adult social care needs due to insufficient external provision for adult social care.

Risk Owners:
Executive Director
People

Risk Rating (Likelihood x Impact)
Unmitigated 4 x 4
Current Residual 4x 3
Appetite 2 x 3
Potential Impact
 Failure to meet demand.
 Statutory duties not met.
 Increased budget pressures



Rationale for current score:
 A number of residential care homes identified as at risk of closure. Whilst residential care provision is getting better there are still supply chain problems for nursing and domiciliary care and there is vulnerability in the whole market and uncertainty both nationally and locally around the Brexit provider staffing implications.

Rationale for risk appetite
 Appetite is low due to the potential impact for vulnerable individuals.

Current RAG rating Red

- Current Actions (What we are currently doing about the risk)**
- Monitor contracts and implementation of quality assurance process
 - Gather intelligence through ADASS South East Commissioning network and from neighbouring authorities
 - Working with CCGs, and other local authorities to actively create additional supply in the care home market
 - Monitor financial standing of significant providers using internal intelligence and through the ADASS commissioning network
 - Robust contingency planning where risks are identified
 - Negotiating favourable block contracts to provide leverage on costs with other external providers in place

Further Mitigation (what more should we do to reduce risk to our risk appetite level) and opportunities

	Officer responsible	Target date
Re-use of the Heathlands site to deliver further social care provision	Executive Director People	Ongoing

Strategic Theme 6: Strong, safe, supportive and self-reliant communities Performance Measure: Safeguarding structures to safeguard children and vulnerable adults are well established.																																										
Risk 8: Factors outside the control of the Council may result in the injury, death or sexual exploitation of a vulnerable child or adult in the community.		Risk Owners: Executive Director People																																								
<p>Risk Rating (Likelihood x Impact)</p> <p>Unmitigated 5 x 5</p> <p>Current Residual 2 x 4</p> <p>Appetite 1 x 3</p> <p>Potential Impact</p> <p>Loss or reputation. Fines/penalties. Insurance claims</p>	<table border="1"> <caption>Risk Rating Data</caption> <thead> <tr> <th>Quarter</th> <th>Unmitigated</th> <th>Current</th> <th>Appetite</th> </tr> </thead> <tbody> <tr><td>Qtr 1 17/18</td><td>25</td><td>12</td><td>3</td></tr> <tr><td>Qtr 2 17/18</td><td>25</td><td>12</td><td>3</td></tr> <tr><td>Qtr 3 17/18</td><td>25</td><td>8</td><td>3</td></tr> <tr><td>Qtr 4 17/18</td><td>25</td><td>8</td><td>3</td></tr> <tr><td>Qtr 1 18/19</td><td>25</td><td>8</td><td>3</td></tr> <tr><td>Qtr 2 18/19</td><td>25</td><td>8</td><td>3</td></tr> <tr><td>Qtr 3 18/19</td><td>25</td><td>8</td><td>3</td></tr> <tr><td>Qtr 4 18/19</td><td>25</td><td>8</td><td>3</td></tr> <tr><td>Qtr 1 19/20</td><td>25</td><td>8</td><td>3</td></tr> </tbody> </table>	Quarter	Unmitigated	Current	Appetite	Qtr 1 17/18	25	12	3	Qtr 2 17/18	25	12	3	Qtr 3 17/18	25	8	3	Qtr 4 17/18	25	8	3	Qtr 1 18/19	25	8	3	Qtr 2 18/19	25	8	3	Qtr 3 18/19	25	8	3	Qtr 4 18/19	25	8	3	Qtr 1 19/20	25	8	3	<p>Rationale for current score: Increasing police protection referrals to Social Care, County lines and increased impact from drugs and gangs in the Borough.</p> <p>Rationale for risk appetite Given the risk relates to the safeguarding of vulnerable individuals the risk appetite will be low.</p> <p>Current RAG rating Red</p>
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<p>Current Actions <i>(What we are currently doing about the risk)</i></p> <ul style="list-style-type: none"> Local Safeguarding Children’s Board brings together senior and operational staff within local organisations to help co-ordinate services and make certain they work together to keep children safe from harm. The Board has a role in monitoring and overseeing the contribution partnership organisations make towards safeguarding children S11 Audits Proactive strategies for recruitment of social workers being implemented Proactive parenting projects now in place e.g. family group conferencing, Symbol project supporting parents with learning disabilities Multi Agency Safeguarding Hub Transformation project around early intervention and prevention. Monitoring children vulnerable to CSE and going missing via the multi-agency CSE/Missing operational group. Joint Safeguarding Adults Board (with W.A.M.) brings together key partners to work together to mitigate risks to vulnerable adults and prevent harm. Serious Adult Reviews provide learning that is shared across organisations to reduce risks. Safeguarding training is mandatory for staff within all of the member organisations and there is a continual focus on safeguarding awareness raising. 	<p>Further Mitigation (what more should we do to reduce risk to our risk appetite level) and opportunities</p> <table border="1"> <thead> <tr> <th></th> <th>Officer responsible</th> <th>Target date</th> </tr> </thead> <tbody> <tr> <td>Developing more robust quality control internally</td> <td>Executive Director: People</td> <td>Qtr 4</td> </tr> </tbody> </table>		Officer responsible	Target date	Developing more robust quality control internally	Executive Director: People	Qtr 4																																			
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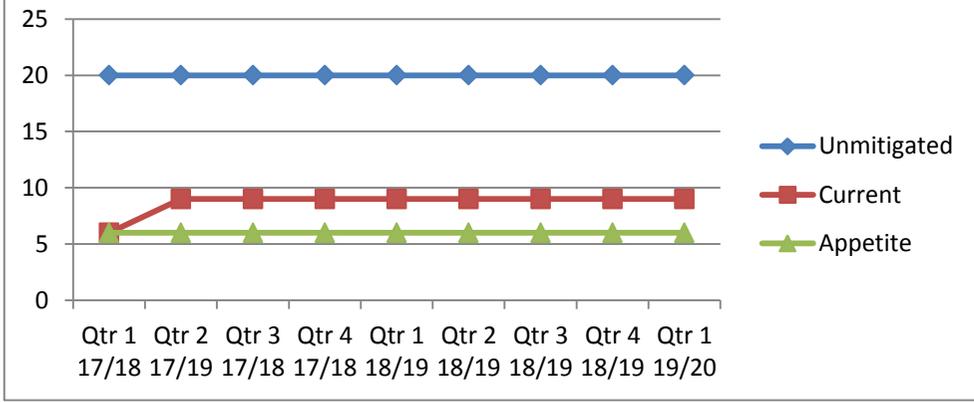
- | | |
|---|--|
| <ul style="list-style-type: none">• Commissioners and operational staff are involved in quality assurance monitoring of commissioned services together with the statutory body, CQC.• Adult Safeguarding Board in place with independent chair.• S11 audit completed. Action identified to log safeguarding training.• Changes to deprivation of liberty safeguards has resulted in increase in demand as expected hence dealing only with urgent cases which is the approach supported by DOH | |
|---|--|

Strategic Theme 1: Value for money
 Strategic Theme 2: A Strong and Resilient Economy
 Strategic Theme 3: People have the life skills and education opportunities they need to thrive
 Strategic Theme 4: People live active and healthy lifestyles
 Strategic Theme 5: A clean, green growing and sustainable place
 Strategic Theme 6: Strong, safe, supportive and self-reliant communities

Risk 9: IT Strategy and digital infrastructure fails to meet the needs of the organisation. Pressure on ICT resources to deliver substantial and complex changes introduced under the Enterprise Agreement (EA) and potential end user resistance to both disruption during implementation and the changes being introduced.

Risk Owners: Executive Director Delivery

Risk Rating (Likelihood x Impact)
 Unmitigated 4 x 5
 Current Residual 3 x 3
 Appetite 2 x 3
Potential Impact
 Disruption to services. Failure to meet statutory duties.



Rationale for current score:
 New Strategy being developed.

Rationale for risk appetite:
 Appetite is low due to dependency on IT for delivery of all services

Current RAG rating Amber

Current Actions (What we are currently doing about the risk)

- Paper taken to Resources DMT and CMT in November to help get buy in to the EA project from the Directors
- EA Project being implemented module by module and communication will be made with teams affected at each stage

Further Mitigation (what more should we do to reduce risk to our risk appetite level) and opportunities

	Officer responsible	Target date
IT Strategy being revised.	Executive Director of Delivery	Ongoing

Strategic Theme 1: Value for money
 Strategic Theme 2: A Strong and Resilient Economy
 Strategic Theme 3: People have the life skills and education opportunities they need to thrive
 Strategic Theme 4: People live active and healthy lifestyles
 Strategic Theme 5: A clean, green growing and sustainable place
 Strategic Theme 6: Strong, safe, supportive and self-reliant communities

Risk 10: IT controls or staff vulnerabilities fail to prevent a cyber attack and/or unable to respond effectively to an attack to enable IT services to be sustained.

Risk Owners: Executive Director Delivery

Risk Rating (Likelihood x Impact)

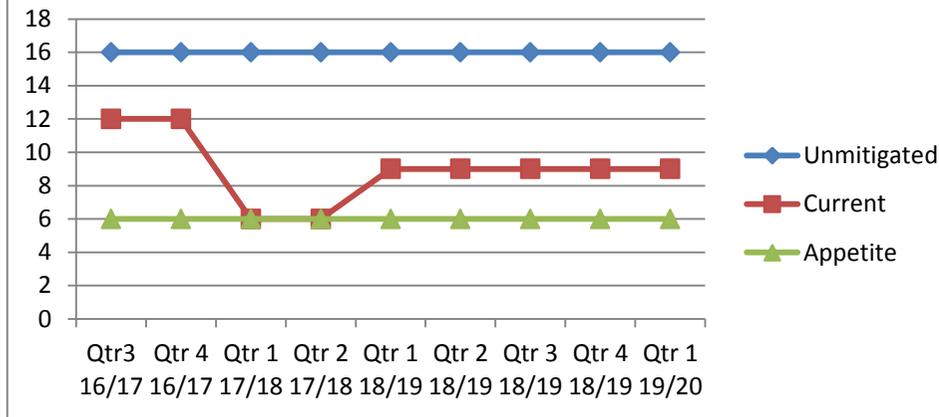
Unmitigated 4 x 4

Current Residual 3 x 3

Appetite 2 x 3

Potential Impact

Disruption to services. Failure to meet statutory duties. Reputational damage.



Rationale for current score:

Due to potential for human error and volume of attempts to attack the Council's systems.

Rationale for risk appetite

Appetite is low due to dependency on IT for delivery of all services

Current RAG rating Amber

Current Actions *(What we are currently doing about the risk)*

- Use PSN and N3 accreditation process to test for vulnerabilities
- Members of government early warning groups such as CISP (Cyber-Security Information Sharing Partnership) and WARP (Warning, Advice and reporting point)
- Communication to raise staff awareness to risks
- Disaster Recovery Plan and Action Plan for the systematic recovery of systems.
- Disaster Recovery contract with a provider to get systems up and running and an Action Plan for the systematic recovery of systems

Further Mitigation *(what more should we do to reduce risk to our risk appetite level) and opportunities*

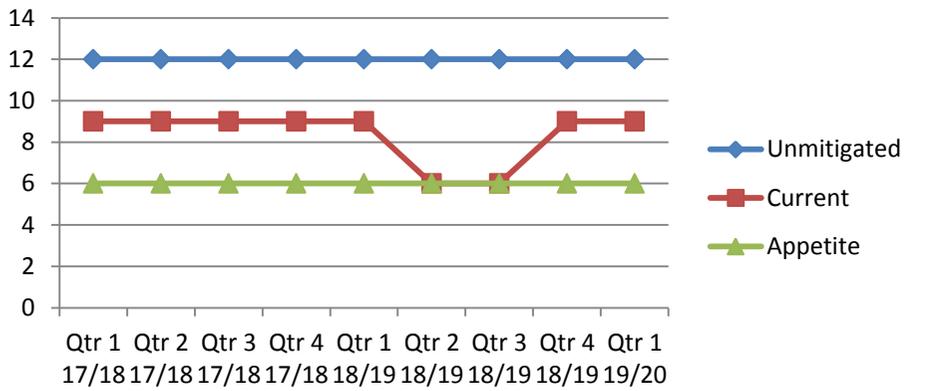
	Officer responsible	Target date
Reminders on risks will be issued to staff after PSN accreditation issued	Assistant Director Customer Experience	Ongoing
Develop a cyber security action plan following the audit of this area.	Assistant Director Customer Experience	Ongoing
Cyber risks monitored through Delivery risk register	Assistant Director Customer Experience	Ongoing

Strategic Theme 1: Value for money
 Strategic Theme 2: A Strong and Resilient Economy
 Strategic Theme 3: People have the life skills and education opportunities they need to thrive
 Strategic Theme 4: People live active and healthy lifestyles
 Strategic Theme 5: A clean, green growing and sustainable place
 Strategic Theme 6: Strong, safe, supportive and self-reliant communities

Risk 11: Council unable to comply with data protection/security requirements to secure data resulting in inappropriate disclosure, loss or theft of sensitive data. Uncertainty of impact of placing more responsibility on end users by changing IT controls to meet business needs (E.g. changes to protective marking, access to Windows 10 and removal of Endpoint). Failure to meet requirements of GDPR.

Risk Owners:
 Executive Director
 Delivery

Risk Rating (Likelihood x Impact)
 Initial underlying 3 x 4
 Current Residual 3x 3
 Appetite 2 x 3
Potential Impact
 Fines/penalties. Disruption to services. Failure to meet statutory duties. Removal of access to external databases and systems e.g. DWP



Rationale for current score:
 Risk score increased due to significant breaches incurred.

Rationale for risk appetite
 In addition to the financial risk, financial penalties are now very high and will be increasing further hence the Council will seek to minimise the risk of these being incurred.

Current RAG rating Amber

- Current Actions** (What we are currently doing about the risk)
- E-learning for information security and data protection.
 - Monitoring of information security breaches at Information Governance Group, SRMG and at CMT.
 - Information Asset Register. IT systems holding information assets are now being identified. Data mapping to be undertaken as part of GDPR implementation
 - GDPR compliance action plan in place

Further Mitigation (what more should we do to reduce risk to our risk appetite level) and opportunities

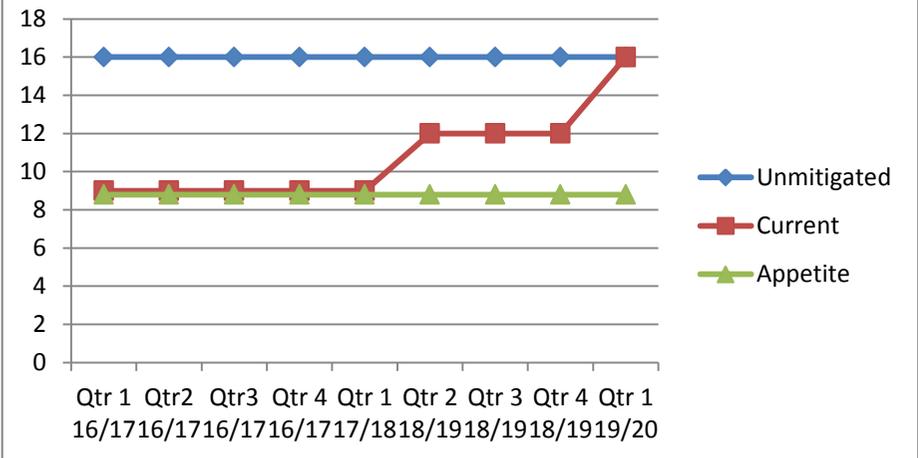
	Officer responsible	Target date
Working with HR on policies for users and communication strategies	Assistant Director Customer Experience	Ongoing
E-Learning to be updated as part of GDPR implementation	Lawyer (Information Management and Security)	Ongoing

Strategic Theme 1: Value for money
 Strategic Theme 2: A Strong and Resilient Economy
 Strategic Theme 3: People have the life skills and education opportunities they need to thrive
 Strategic Theme 4: People live active and healthy lifestyles
 Strategic Theme 5: A clean, green growing and sustainable place
 Strategic Theme 6: Strong, safe, supportive and self-reliant communities

Risk 12: Business Continuity Plans and procedures inadequate or not clearly communicated and understood.

Risk Owners: Director; Finance

Risk Rating (Likelihood x Impact)
 Unmitigated 4 x 4
 Current Residual 4 x 4
 Appetite 3 x 3
Potential Impact
 Failure to respond effectively to a business continuity incident
 Disruption to services. Failure to meet statutory duties



Rationale for current score:
 Risk has increased to address areas of improvement identified by the review of business continuity across the authorities participating in the emergency planning shared service and also due to recent incidents that have occurred out of hours which have highlighted that there is no formal or robust IT support in place. This needs to be addressed at CMT to determine the appetite and actions that are required to set-up up formal arrangements, if required. More clarity and understanding of systems and functionality needs to be understood from within the business so that when an issue occurs it can be addressed quickly invoking business continuity plans where appropriate to do.

Rationale for risk appetite
 The Council has accepted resources to be applied to business continuity are limited and that arrangements should only fulfil basic mandatory requirements.

Current RAG rating Amber

- Current Actions** (*What we are currently doing about the risk*)
- Council Wide Business Continuity Plan in place although this is out of date and needs to reflect the reduced estate and agile working and new structure.
 - Key contracts are monitored on a regular basis as part of the contract performance mechanisms in place for all contractors. This should address any capacity or performance issues that might indicate that there may be issues with financial/general viability

Further Mitigation (what more should we do to reduce risk to our risk appetite level) and opportunities

	Officer responsible	Target date
Council Wide plan to be updated	Executive Director: Delivery	Ongoing

<ul style="list-style-type: none"> Financial assessments of tenderers undertaken for all major contracts let by the Council and annual financial assessment checks where appropriate for major contractors New backup solution now in place. To raise profile of having effective contract management in place Increased resilience due to power generator being in place and system replication Emergency planning arrangements now in place. Review undertaken of business continuity arrangements across the emergency planning shared service authorities and report produced with actions for improvement DR testing of critical system undertaken as per agreed schedule 	Actions to be taken to address areas for improvement raised in the review of business continuity across the emergency planning shared services authorities	Executive Director: Delivery	Ongoing
	ICT to develop trigger point plan for response to an incident	Assistant Director : Customer Experience	Ongoing

Strategic Theme 1: Value for money
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Strategic Theme 5: A clean, green growing and sustainable place
Strategic Theme 6: Strong, safe, supportive and self-reliant communities

Risk 13: Weaknesses in the internal control environment. **Risk Owners: CMT**

<p>Risk Rating (Likelihood x Impact)</p> <p>Unmitigated 5 x 4</p> <p>Current Residual 4 x 3</p> <p>Appetite 2 x 2</p> <p>Potential Impact</p> <p>Increased potential for financial loss, fraud and safeguarding issues. Reputational damage. External sanction.</p>	<table border="1"> <caption>Risk Rating Data</caption> <thead> <tr> <th>Category</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Unmitigated</td> <td>20</td> </tr> <tr> <td>Current</td> <td>12</td> </tr> <tr> <td>Appetite</td> <td>4</td> </tr> </tbody> </table>	Category	Value	Unmitigated	20	Current	12	Appetite	4	<p>Rationale for current score:</p> <p>2018/19 audits have indicated an increasing number of areas with weakened controls.</p> <p>Rationale for risk appetite</p> <p>Appetite is low as ensuring that an effective control environment is in place is fundamental to ensuring the organisation's objectives are met and is a statutory requirement under the Accounts and Audit Regulations.</p> <p>Current RAG rating Red</p>
Category	Value									
Unmitigated	20									
Current	12									
Appetite	4									

<p>Current Actions <i>(What we are currently doing about the risk)</i></p> <ul style="list-style-type: none"> Limited assurance audit reports to be monitored at DMTs Reporting to Governance and Audit Committee required from Assistant Directors for repeat limited assurance reports. Common themes of weakness discussed at CMT on 24th April. 	<p>Further Mitigation <i>(what more should we do to reduce risk to our risk appetite level) and opportunities</i></p> <table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 80%;"></th> <th style="width: 10%;">Officer responsible</th> <th style="width: 10%;">Target date</th> </tr> </thead> <tbody> <tr> <td style="height: 30px;"></td> <td></td> <td></td> </tr> </tbody> </table>		Officer responsible	Target date			
	Officer responsible	Target date					

	Actions to address common themes of weakness to be identified and monitored at CMT.	CMT	Ongoing
	Internal Audit Plan 2019/20	Head of Audit and Risk Management	Ongoing

Strategic Theme 1: Value for money
 Strategic Theme 4: People live active and healthy lifestyles

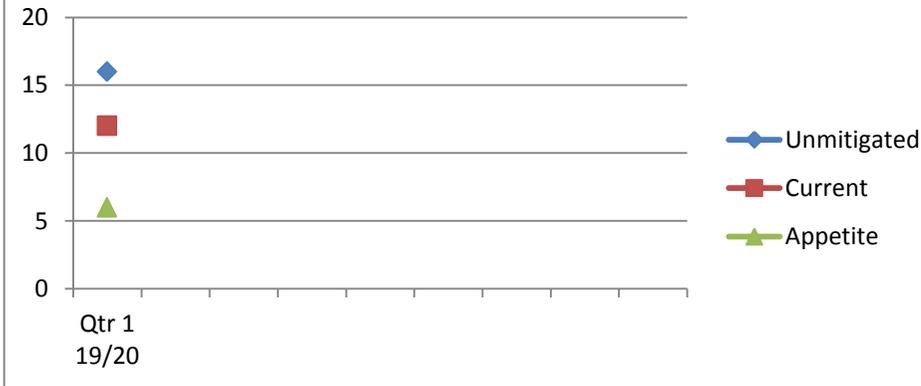
Risk 14: Continuing Health Care

Risk Owners: Executive Director People

Risk Rating (Likelihood x Impact)

Unmitigated 4 x 4
 Current Residual 3 x 4
 Appetite 2 x 3

Potential Impact
 Financial cost to the Council
 Financial cost to the care recipient



Rationale for current score:

Potential for considerable financial impact where funding for cases with significant and complex physical or mental health needs should potentially be provided by the NHS as CHC for people assessed as having a Primary Health Need

Rationale for risk appetite

Appetite is low due to financial impact for both the Council and the care recipient.

Current RAG rating Amber

Current Actions *(What we are currently doing about the risk)*

- External Consultant to undertake a review of Continuing Health Care

Further Mitigation *(what more should we do to reduce risk to our risk appetite level) and opportunities*

	Officer responsible	Target date

RISK MATRIX

LIKELIHOOD

5					
4					
3					
2					
1					
	1	2	3	4	5

IMPACT

Likelihood:

- 5 Very High
- 4 High
- 3 Significant
- 2 Low
- 1 Almost Impossible

Impact:

- 5 Catastrophic
- 4 Critical
- 3 Major
- 2 Marginal
- 1 Negligible

TO: GOVERNANCE AND AUDIT COMMITTEE
DATE: 26th June 2019

INTERNAL AUDIT ANNUAL ASSURANCE REPORT 2018/19 (Head of Audit and Risk Management)

1.PURPOSE OF REPORT

- 1.1 Under the Public Sector Internal Audit Standards, the Head of Audit is required to deliver an annual internal audit opinion. This is timed to inform review of the Annual Governance Statement (AGS).

2.RECOMMENDATION

- 2.1 The Governance and Audit Committee note the Head of Audit and Risk Management's Annual Report setting out the Head of Internal Audit's Opinion for 2018/19.**

3.REASONS FOR RECOMMENDATION

- 3.1 To support assurances set out in the Annual Governance Statement and ensure compliance with the Public Sector Internal Audit Standards.

4.ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The Committee could choose not to receive the Head of Audit and Risk Management's Annual Report setting out the Head of Internal Audit's Opinion but would then not be aware of the relevant assurances from Internal Audit supporting the Annual Governance Statement and would not be complying with the Public Sector Internal Audit Standards.

5.SUPPORTING INFORMATION

- 5.1 The Council is required under the Accounts and Audit (Amendment)(England) Regulations to "undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control".
- 5.2 The Public Sector Internal Audit Standards applicable to local government require the Head of Internal Audit to provide a written report to those charged with governance timed to support the Annual Governance Statement. This report should include an overall opinion on the adequacy of the control environment, a summary of the work that supports the opinion and a statement on conformance with the Public Sector Internal Audit Standards (PSIAS).
- 5.3 The attached report sets out the Head of Internal Audit's Opinion for 2018/19 summarising the results and conclusions of Internal Audit's work for 2018/19 and a statement on compliance with PSIAS. No system of control can provide absolute assurance against material misstatement or loss, nor can Internal Audit give that assurance. This opinion can, therefore, only provide reasonable and not absolute assurance based on the work undertaken and areas audited.

6.ADVICE FROM STATUTORY OFFICERS

6.1 Director of Finance

There are no financial implications arising from this report.

6.2 Borough Solicitor

The report has helped inform the contents of the Annual Governance Statement prepared by the Borough Solicitor which is included as a separate item on the agenda. Notwithstanding the limited assurance opinion set out in this report, the Borough Solicitor has been able to provide a full assurance against the Council's overarching governance outcomes. This has been possible in light of the work undertaken by the Internal Audit team to identify common areas for improvement within the internal control framework and the prompt follow up activity undertaken by the Council's Corporate Management Team in developing a robust action plan in response to the issues identified

6.3 Equalities Impact Assessment

Not applicable.

6.4 Strategic Risk Management Issues

The Head of Internal Audit's Annual Report provides her opinion on the control environment in place at the Council. Internal control is based upon an ongoing process designed to identify and prioritise risks and to evaluate the likelihood of those risks being realised and the impact should they arise. The system of internal control is designed to manage risk to a reasonable level rather than to eliminate risk of failure altogether.

7 CONSULTATION

7.1 Not applicable.

Contact for further information

Sally Hendrick – 01344 352092
Sally.hendrick@bracknell-forest.gov.uk

Doc. Ref

Accounts and Audit Regulations
Public Sector Internal Audit Standards

BRACKNELL FOREST

HEAD OF AUDIT AND RISK MANAGEMENT'S ANNUAL REPORT

June 2019

Sally Hendrick
Head of Audit and Risk Management
Sally.hendrick@bracknell-forest.gov.uk
01344 352092

1.BACKGROUND

The Council is required under the Accounts and Audit (Amendment) (England) Regulations to “undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control.”

The Public Sector Internal Audit Standards require the Head of Internal Audit to provide a written report to those charged with governance timed to support the Annual Governance Statement.

2. PURPOSE AND SCOPE OF THE HEAD OF INTERNAL AUDIT'S ANNUAL REPORT

The Head of Internal Audit's annual report

- Includes an opinion on the overall adequacy and effectiveness of the organisation's control environment;
- Discloses any qualifications to that opinion together with the reasons for that qualification;
- Presents a summary of the audit work from which the opinion is derived, including reliance placed on work by other assurance bodies;
- Draws attention to any issues the Head of Internal Audit judges particularly relevant to the preparation of the Annual Governance Statement;
- Compares the work actually undertaken with the work that was planned and summarise the performance of the internal audit function against its performance measures and targets; and
- Comments on compliance with Public Sector Internal Audit Standards and communicates the results of the internal audit quality assurance programme.

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate risk of failure altogether. No system of control can provide absolute assurance against material misstatement or loss, nor can Internal Audit give that assurance. This statement and opinion can, therefore, only provide reasonable and not absolute assurance. Internal control is based upon an ongoing process designed to identify and prioritise risks and to evaluate the likelihood of those risks being realised and the impact should they arise.

3. HEAD OF INTERNAL AUDIT OPINION 2018/19 AND KEY HEADLINES

HEAD OF AUDIT AND RISK MANAGEMENT'S OPINION

2018/19 was a period of transition when the Council underwent major restructuring as part of the necessary transformation programme, which commenced in 2016 in response to financial pressures from reduced central government funding.

The majority of reviews concluded that controls are satisfactory and operating effectively and no reports were issued with a no assurance opinion.

However, as set out in section 4.3, one or more key weaknesses were identified at 44% of audits undertaken, including some which had also been raised in previous audit reports. As a consequence, **Limited assurance** can be given that the framework of internal control, risk management and governance was adequate during 2018/19 as a whole.

ASSURANCE LEVELS	NUMBER OF AUDITS
Significant	0
Satisfactory	30
Limited	19
No assurance	0
<u>Total for Audits With an Opinion</u>	49
Follow Up Memos with Priority 1 Recommendation and no Opinion	5
Other Follow Up Memos/ Reports with no Opinion	1
<u>Total Audits</u>	55
Grant Certifications	5

CONFORMANCE WITH PUBLIC SECTOR INTERNAL AUDIT STANDARDS (PSIAS)

Based on the independent external assessment undertaken in March 2016 and update of the internal assessment as set out in Section 6.1, the Head of Audit and Risk Management can confirm that Bracknell Forest internal audit conforms with PSIAS requirements. The Head of Audit and Risk Management can confirm organisational independence of internal audit activity and absence of impairment to objectivity or independence during 2018/19.

The definitions for the assurance opinion levels and recommendation priorities are as follows:

-  **Significant Assurance** There is a sound system of internal controls to meet the system objectives and manage risks and testing performed indicates that controls tested are consistently complied with.
-  **Satisfactory Assurance** There is basically a sound system of internal controls to manage risk although there are some minor weaknesses in controls and/or there is evidence that the level of non-compliance may put some minor systems objectives at risk.
-  **Limited Assurance** There are some weaknesses in the adequacy of the internal control system and management of risks which put the systems objectives at risk and/or the level of compliance or non compliance puts some of the systems objectives at risk.
-  **No Assurance** Control is weak and management of risks is inadequate leaving the system open to significant error or abuse and/or there is significant non-compliance with basic controls.

2.4 We categorise our **recommendations** according to their level of priority.

-  **High** **Priority 1** Fundamental weakness in the design of controls or consistent non-compliance with controls that puts the achievement of systems objectives at risk.
-  **Medium** **Priority 2** Weakness in the design of controls or inconsistency in compliance with controls puts the achievement of systems objectives at risk.
-  **Low** **Priority 3** Recommended best practice to improve overall control.

4. INTERNAL CONTROL

4.1 Corporate Management Team Action to Address Key Control Weaknesses

The Corporate Management Team (CMT) has already taken steps to review the audit reports with a limited assurance opinion and/ or priority 1 recommendations with the Head of Audit and Risk Management to identify any key, recurring common themes arising from these audit reviews for corporate focus. The common themes identified as requiring focus were:

- debt management;
- completion of statutory annual reviews /other internal reviews or visits;
- third party financial monitoring;
- contract management; and
- review and update of guidance/policies/procedures.

Actions are being identified and implemented to address these themes. These include appointing a credit control officer and Early Help engaging with individuals in debt to the Council to advise them on how to improve their management of their personal finances, bringing in an independent expert to improve quality assurance monitoring and reviewing recommendations on procedures and guidance to prioritise documents in greatest need of updating.

The provisional audit plan for 2019/20 has been re-visited by CMT to confirm it addresses the key common themes coming out of the 2018/19 audits. Audit has been informed that action is now being undertaken to monitor progress on recommendations in limited assurance audit reports at Departmental Management Teams and delays in progress will be escalated to CMT.

4.2 Delivery of the Internal Audit Plan 2018/19

The resources available for internal audit are finite and not all areas can be covered every year. Therefore internal audit resources are allocated using a risk based approach. The Internal Audit Plan for 2018/19 was considered and approved by the Governance and Audit Committee on 28th March 2019. The delivery of the individual audits in the Internal Audit Plan for 2018/19 was mainly undertaken by Mazars Public Sector Internal Audit Limited. Nine IT audit reviews were delivered by TIAA. All grant claims were audited in house and 9 audits were undertaken by Wokingham Borough Council's Internal Audit teams under an agreement under S113 of the Local Government Act 1972 which permits local authorities to provide staffing resources to other authorities.

Some alterations were made to the original plan during the year in response to information gained during the year. These are clearly shown in Appendix 2. At the time of writing this report, 1 advisory review on governance following the organisational restructure was a work in progress and all other audits had been finalised or certified in the case of grant claims. The outcome for each audit is summarised at Appendix 2.

4.3 Key Control Weaknesses

In forming her annual opinion, the Head of Audit and Risk Management is required to comment on the adequacy of the internal control environment, which includes consideration of risk or governance issues and control weaknesses identified. The table below summarises the audits where major issues were found during 2018/19 and the details of these issues is set out in Appendix 1:

AUDITS WHERE KEY ISSUES HAVE BEEN IDENTIFIED

COUNCIL WIDE

- Officers Expenses on the Agresso IT System (Also limited in 2017/18 and 2016/17)
- Debt Management
- Purchase Cards
- Absence Management
- Social Media

PEOPLE

- SEN Resource Provisions (Follow Up Memo. Also limited in 2017/18)
- Personal Education Plans (Follow Up Memo. Also limited in 2017/18)
- Forestcare (Follow Up Memo. Also limited in 2017/18)
- Adult Social Care Pathway (Qtr 4 2017/18 Audit)
- Housing Rents and Deposits
- Adults Residential Care
- Direct Payments
- Public Health
- Domiciliary Care

DELIVERY

- Home to School Transport. (Follow Up Memo. Also limited in 2016/17 and 2017/18)
- Cyber Security (Also Limited Assurance in 2017/18)
- IT Asset Management (Also Limited Assurance in 2015/16)
- Enterprise Agreement
- Business Rates (Also Limited Assurance in 2017/18)
- Council Tax (Also Limited Assurance in 2017/18)

FINANCE

- Creditors System (Also limited in 2017/18, 2016/17, 2015/16 and 2014/15)

PLACE, PLANNING AND REGENERATION/FINANCE

- CIL/S106

SCHOOL GOVERNING BODIES

- School A (Also Limited Assurance in 2017/18
- School G (Also Limited Assurance in 2017/18

4.4 Follow up of Previous Limited Assurance Opinions

The Internal Audit procedure is for areas given a limited assurance opinion to be re-audited in the following year. Section 4.3 and Appendix 1 sets out those 12 areas that have already been re-audited and found to still have major issues. The table below provides an update on the position on the remaining areas where limited assurance was previously given.

AUDITS WITH MAJOR ISSUES IDENTIFIED	CURRENT STATUS
DISASTER RECOVERY	Re-audited in quarter 3 and the significant issues have been addressed subject to ICT seeking review and approval of DR procedures.
CAR PARKS	The follow up audit has been cancelled whilst outstanding issues around parking penalty notices are being addressed. An update on this is provided at Appendix 5.
ITRENT APPRAISAL MODULE	No follow up required.
SOCIAL CARE PATHWAY	To be revisited in the second half of 2019/20
PRIMARY SCHOOL B (Limited assurance in 14/15, 15/16 and 16/17. Follow up in 17/18 deferred due to staff sickness in the School)	To be re-audited in quarter 1 of 2019/20.
PRIMARY SCHOOL H	Re-audited in quarter 4 and the significant issues have been addressed

4.5 Follow up of Audit Recommendations

A further follow up exercise has been completed on audits where a satisfactory opinion was given to identify progress on implementation of agreed recommendations. This was based on management being asked to provide feedback on the status of recommendations and the outcome is set out in Appendix 3. This identified that out of 106 priority 2 recommendations, 58 were implemented and 39 were in progress and 25 out of 30 priority 3 recommendations were either implemented or in progress.

5. REVIEW OF EFFECTIVENESS OF INTERNAL AUDIT

5.1 Compliance with Public Sector Internal Audit Standards

The Public Sector Internal Audit Standards (PSIAS) came into effect on 1 April 2013. These standards provide a consistent framework for all internal audit services in the public sector across the UK. There is a requirement in the Standards for the Head of Audit and Risk Management to report on conformance with the PSIAS in her annual report based on the outcome of internal and external assessment of compliance. PSIAS Standard 1312 states that “*External assessments must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organisation...*”

The external assessment of Bracknell Forest Council’s internal audit services was carried out in March 2016 when the conclusion was that internal audit at Bracknell Forest Council generally conforms with the Public Sector Internal Audit Standards with a high level of compliance. In addition, the Council’s main internal audit contractor, Mazars engaged consultants to carry out an external assessment of their own compliance with PSIAS in November 2016 which similarly identified a high level of compliance with the Standards.

An internal assessment which confirmed the Council’s continuing compliance with PSIAS was carried out by the by the Head of Audit and Risk Management in May 2019.

5.2 Summary of Internal Audit Performance 2017/18

	Client Questionnaires		Draft Report Produced within 15 Days of Exit meeting
	Received	Satisfactory	
2018/19	20	100%	70%
2017/18	34	100%	76%

5.3 Feedback from Client Quality Questionnaires

The overall response from client questionnaires for 2018/19 was positive with no responses returned where the auditee did not find the audit satisfactory.

6. EXTERNAL INSPECTIONS

In accordance with Public Sector Internal audit Standards the Head of Audit and Risk Management is required to consider the outcome of the external inspections and assessments to inform the development and ongoing review of the Internal Audit

Plan for the current and future years and assess if there are any issues relating to the control environment which need to be taken into account in drawing up the annual Head of Internal Audit Opinion. The findings of the various assessments considered when finalising the Head of Internal Audit Opinion for 2018/19 are as follows:

- **External Auditors' Annual Audit Letter 2017/18.** The Annual Audit Letter 2017/18 from Ernst and Young was presented to the Governance and Audit Committee on 31st October 2018⁰th September. Ernst and Young issued an unqualified audit opinion for the year ended 31 March 2018. They also issued an unqualified opinion on whether the Council had put in place proper arrangements for securing economy, efficiency and effectiveness.
- **External Auditors' Grant Certification Report 2017/8.** The Grant Certification Report 2017/18 from Ernst and Young was presented to the Governance and Audit Committee on 30th January 2019. This covered the Housing Benefit Subsidy Claim. Whilst there was a qualification on the claim, no amendments were made to the claim as a result of audit work on the audit work
- **Joint Area Child Protection Inspection.** The joint inspection report published in March 2019 identified no priority actions.
- **Care Quality Commission (CQC) Inspections.** CQC inspections of intermediate care services and Waymead Short Term Care in April and May 2018 both resulted in overall ratings of "Good".
- **School Financial Value Standard.** The schools financial value standard (SFVS) is a mandatory requirement for local authority (LA) maintained schools in managing their finances and to give assurance that they have secure financial management in place. It is primarily a tool for governing bodies. The standard consists of 25 questions which governing bodies or management committees should formally discuss annually with the head teacher and senior staff. Schools are required to complete the checklist, and arrange for this to be signed by the Chair of Governors by 31st March each year. All but one maintained schools completed their 2018/19 SFVS on time. In one case the SFVS was not completed due to vacancies in the Head Teacher and Bursar posts. Academy schools are exempt.

7. RISK MANAGEMENT

During 2018/19, the Strategic Risk Register was reviewed quarterly by the Strategic Risk Management Group (SRMG) and twice by the Corporate Management Team (in June 2018 and January 2019) as agreed in the Risk Management Strategy. The Register was subject to Member review by the Governance and Audit Committee in June 2018 and January 2019.

Directorate Risk Registers under the new organisational structure are generally in place and being reviewed quarterly but are still being developed for some key areas. These record the significant operational risks for each directorate and inform the update of the Strategic Risk Register. All the major projects at the Council should have risk registers in place that are reviewed regularly although an audit of one IT project during 2018/19 identified that a risk register had not been put in place.

Risk awareness is being continually raised through the internal audit process, for example during internal audits of project management and by drawing attention to managers' responsibilities for assessing fraud risks and putting controls in place to prevent, deter and detect fraud and focussing on risk management within the contract management process.

8. CORPORATE GOVERNANCE

During 2018/19, the Annual Governance Statement was produced by Legal Services and an action plan to address governance weaknesses was developed.

A number of audits carried out during 2018/19 included elements of governance such as the audits of officers' expenses and social media and in addition an advisory gap analysis on governance under the new structure is ongoing.

9. FRAUD AND IRREGULARITY

9.1 National Fraud Initiative (NFI)

The NFI is a biennial data matching exercise first introduced in 1996 and conducted by the Audit Commission to assist in the prevention and detection of fraud and error in public bodies. Bracknell Forest Council is obliged to participate in this. The core mandatory data for submission in the autumn of 2018 is:

- payroll
- pensions
- trade creditors
- housing waiting lists
- housing benefits (provided by the DWP)
- council tax reduction scheme
- council tax (required annually)
- electoral register (required annually)
- private supported care home residents

- transport passes and permits (including residents' parking, blue badges and concessionary travel)
- licences – market trader/operator, taxi driver and personal licences to supply alcohol
- personal budget (direct payments)

Matches for investigation have now started to come through for investigation and the outcome will be reported in due course.

9.2 Benefits Investigations

On 1st December 2014, the Council's Benefit Fraud Investigation Officers transferred to the Single Fraud Investigation Service (SFIS) within the Department for Work and Pensions (DWP) as part of the national government programme of centralising the investigation of welfare benefit fraud. The Welfare Service passes cases of overpayments in excess of £3k and cases where fraud is suspected to SFIS for investigation. Members of the public are directed to contact the DWP directly where fraud is suspected and so SFIS receives further fraud information requests where fraud has been reported from another source. During the period April 2018 to March 2019 there were 55 referrals to SFIS. We have so far been notified of 3 administrative penalties relating to these cases. During the financial year 2017/18, 95 cases were referred and the Welfare Service have been notified of 11 administrative penalties and 1 prosecution by SFIS.

From 1st April 2014, if a claimant is notified that they have been overpaid Housing Benefit by £250 or more, which must have occurred wholly after 1st October 2012, Bracknell Forest Borough Council has been able to impose a set Civil Penalty of £50. The £50 Civil Penalty applies if benefit is overpaid because the claimant negligently gave incorrect information and didn't take reasonable steps to correct their mistake or failed to tell the Council about a change or failed to give them information without a reasonable excuse. Between April 2018 and March 2019 the service applied 163 Civil Penalties. From April 2016 Bracknell Forest Council has applied apply penalties of £70 in respect of Council Tax. Between April 2018 and March 2019 the service applied 12 Council Tax Penalties.

Since January 2018 the DWP no longer issue mandatory referrals for Real Time Information (RTI) system for Housing Benefit to detect undeclared income. This has been replaced by the Verify Earnings and Pensions (VEP) Alerts service which provides local authorities with the capability to prevent fraud and error arising through real time identification of changes in income. The service provides Alerts to users to prompt them to access the service when there is a change in the claimants or partner's employment or pension. The DWP commenced the roll out to Local Authorities from May 2018 with Bracknell Forest Council using the service from October 2018. Since October 2018 to March 2019, 423 changes of circumstances to Housing Benefit were recorded as actioned due to VEP of which approximately 59.8% resulted in a decrease to Housing Benefit, and approximately 22.9% resulted in an increase to Housing Benefit.

9.3 Single Person Discount

During Quarter 3, the Revenues Team engaged external consultants to carry out a data matching exercise to identify potential mis-claiming of Council Tax Single Person Discount (SPD). This is now complete. A total of 1,380 cases were selected for review which resulted in 448 SPDs being removed and an increase in revenue of £174K exceeding initial expectations for the exercise.

9.4 Counter Fraud Training

During quarter 4, seven fraud awareness sessions were held which were open to all staff around the Council. These sessions were delivered by Reading Borough Council's Corporate Investigation Team. Further sessions are planned for 2019/20. Internal Audit also started issuing quarterly counter fraud bulletins in October 2018 to increase awareness of the risk of fraud in local authorities and draw attention to the policies that the Council has in place to prevent fraud.

9.5 Potential Irregularities

At the start of quarter 4, Internal Audit were asked to investigate allegations of abuse of position by two different members of staff. These were investigated and no evidence of this could be found in either case.

During quarter 4, two cases of employees in school potentially abusing housing benefits were referred to the relevant schools for disciplinary investigation.

AUDITS WITH KEY CONTROL ISSUES IDENTIFIED

COUNCIL WIDE AUDITS
<p><u>Officers Expenses on the Agresso IT System (Also limited in 2017/18 and 2016/17)</u></p> <p>Two priority 1 recommendations were raised due to IT system weaknesses in both the audit trail for authorisation and the treatment of VAT for expense claims. Audit has been advised that the audit trail issue has been highlighted as a key priority to be extensively tested as part of the system upgrade this year. Functionality to address the VAT issue will be included in the upgrade and the systems team is currently reviewing whether these changes for VAT could also be made to the existing system.</p>
<p><u>Debt Management</u></p> <p>Two priority 1 recommendations were raised in respect of weaknesses in service areas over debt management which is a responsibility that sits outside the central Debtors function. Audit has been advised that in response to this, the current arrangements for debt management are being reviewed to identify the most effective credit control model for the Council.</p>
<p><u>Purchase Cards</u></p> <p>A priority one recommendation was raised due to non-compliance with controls to review and approve purchase card expenditure. Management have advised Audit that monitoring arrangements have since been amended to ensure authorisations are kept up to date.</p>
<p><u>Absence Management</u></p> <p>One priority one recommendation was raised in respect of uncertainty about the completeness of sickness recorded. Audit have been advised by HR&OD that action has been taken already to introduce automated reports to managers which show the level of absence recorded within teams. However HR & OD have committed to further automating those reports to provide for a facility for managers to have to confirm that they have spoken to team members to confirm that absence reporting is correct for the relevant reporting period. This will enable all parties to have improved confidence that absence reporting is current.</p>
<p><u>Social Media</u></p> <p>Four priority 1 recommendations were raised. These related to the Social Media Protocol and Acceptable Use of the Internet Policy being out of date, personal devices being used for corporate social media purposes and the absence of a Bring Your Own Device Policy. Audit has been advised that an updated Protocol and Internet Policy are in draft awaiting review and approval and these will address the use of personal devices.</p>

PEOPLE

SEN Resource Provisions (Follow Up Memo. Also limited in 2017/18)

Three priority 1 recommendations were re-raised on the absence of formal agreements, lack of targets and outcomes and ambiguity in the calculation of funding. Audit has been advised that the recommendations are being addressed as a priority in partnership with the commissioning team across the newly formed People Directorate. An initial scoping exercise is currently being completed to determine the most effective form of contract management and performance review arrangements needed, through an external review. This is expected to be completed by December 2018 with priorities to be addressed and implemented by March 2019.

Personal Education Plans (Follow Up Memo. Also limited in 2017/18)

Two priority 1 recommendations were raised. The first is a re-raised recommendation on the absence of manager quality review checks which were still to be introduced at the time of the audit and the second is a new priority 1 recommendation to address weaknesses in policy and guidance documents. Audit has been informed that the Virtual School has now launched a new ePEP system (Electronic online system) from September 2018 which incorporates the audit recommendations around quality review.

Forestcare (Follow Up Memo. Also limited in 2017/18)

Two new priority 1 recommendations were raised on outstanding contract terminations and rising debt and weaknesses in debt collection. Audit has been informed that the Forestcare Finance Officer and the Corporate Finance team will be working together on outstanding billing issues and debt management.

Adult Social Care Pathway (Qtr 4 2017/18 Audit)

One priority 1 recommendation was raised on the number of overdue reviews and weaknesses in management information on the number of overdue reviews. Audit has been informed that each area of Adults Services has been addressing annual reviews to strengthen performance through measures such as allocating additional resources where required, prioritising and re-scheduling reviews to avoid pressure points such as summer holidays. Improvements are being made to improve tracking and accuracy of management information on status of reviews.

Housing Rents and Deposits

Six priority 1 recommendations were raised to address weaknesses in authorisation of rent advance loans, in determining repayment terms, checks on continuing residency, debt management for both current and former tenants and reconciliation processes. Officers are developing more comprehensive guidance for staff and enhanced checklists to improve controls and approval processes. This will be introduced following training sessions to be held for teams in quarter 3. Audit has been advised that action will now be taken to review the reconciliation process.

Adults Residential Care

Three priority 1 recommendations were raised in respect of monitoring providers' insurance arrangements, lack of evidence to support rates for placements and annual quality review visits not being completed. Audit have been informed that evidence of insurance will be sought from providers, purchase orders showing rates will be processed through the Controcc system in future and a schedule of visits has been developed for 2019/20.

Direct Payments

Four priority one recommendations were raised on accuracy of records of individuals in receipt of direct payments, weaknesses in monitoring checks for both pre-paid cards and where individuals direct payments is paid into a bank account and the need to follow up queries raised by monitoring checks. Audit have been advised that action will be taken to reconcile records, ensure monitoring checks are completed and develop an escalation process for issues identified by monitoring checks.

Public Health

A priority one recommendation was raised where grant monies had not been spent and plans to spend the monies had not been identified. Audit has been informed that the new Public Health consultant has developed proposals to allocate the unspent monies which are being considered by the People Directorate Management Team prior to discussion at Corporate Management Team.

Domiciliary Care

Two priority 1 recommendations were raised to ensure providers submit monthly financial information as set out in their contracts and to put processes in place to monitor hours charged by providers. Management have advised Audit that moving forward they will obtain monthly financial information from providers, that the monitoring form has been enhanced and that processes for monitoring hours will be identified as part of the review of Community Based Support.

DELIVERY

Home to School Transport. (Follow Up Memo. Also limited in 2017/18 and 2016/17)

A priority 1 recommendation was raised again due to weaknesses in DBS checks for drivers. Unlike DBS for escorts, these checks are administered outside of the Home to School Team and hence the team has limited control over this. Audit has advised the Team how this risk can be mitigated and action is being taken to implement this.

Cyber Security (Also Limited Assurance in 2017/18)

Two priority 1 recommendations were raised in 2017/18. One of these has been implemented but the recommendation on the Acceptable Use Policy was outstanding and hence has been re-raised and two of the priority 2 recommendations that have not been implemented have been escalated to priority 1. These relate to patching and monitoring policies. Audit has been

advised that a third party has been contracted to provide support in writing/revising policies and a workshop was held to help facilitate this process.

IT Asset Management (Also Limited Assurance in 2015/16)

Four priority 1 recommendations were raised in relation to access records for the store room, the need for regular stock takes, updating of the Configuration Management Database and the need to maintain adequate records of IT kit awaiting disposal. Audit has been advised that action will be taken to address these areas.

Enterprise Agreement

The audit opinion of limited assurance is due to weaknesses in project management under phase 1 and absence of evidence to support the maintenance of the agreement including the 'True-Up process. Audit have been advised that improvements have been made to project management for phase 2 and action is currently ongoing to investigate the True-Up process.

Business Rates (Also Limited Assurance in 2017/18)

Three priority 1 recommendations were raised where debt write-offs had not been approved in accordance with delegations, weaknesses in the process of inspection of empty properties and arrangements for processing large refunds. Actions have been agreed to address these issues.

Council Tax (Also Limited Assurance in 2017/18)

One priority 1 recommendation was raised where debt write-offs had not been approved in accordance with delegations. A revised authorisation process has been agreed.

FINANCE

Creditors (Also limited in 2017/18, 2016/17, 2015/16 and 2014/15)

A priority 1 recommendation was raised as a further system error was identified by sample testing at the 2018/19 audit where an officer authorised a requisition for almost double their delegated authority level. Audit has been advised that the circumstances of this case are being investigated.

PLACE, PLANNING AND REGENERATION/FINANCE

CIL/S106

A priority one recommendation was raised to address weaknesses in financial monitoring of S106 monies. New processes have been agreed and implementation is in progress.

SCHOOL GOVERNING BODIES

School A (Also Limited Assurance in 2017/18)

Three Priority 1 recommendations were raised to ensure that regular budget monitoring is undertaken by the Head Teacher and the governors, that the bank account is regularly reconciled for the private fund and present the private fund accounts to governors and to ensure an adequate inventory is put in place and subject to annual verification check and update to governors.

School G (Also Limited Assurance in 2017/18)

One priority 1 recommendation was raised to ensure that a manual check to the barring list is undertaken if the DBS check has not been returned prior to the employee's start date.

AUDIT	Start Date	Date of Draft Report	*Key Indicator Met	Assurance Level			Recommendations Priority			Status
				Significant	Satisfactory	Limited	1	2	3	
Lottery										cancelled be determined
Capital Budgeting	18/2/19	17/4/19	X		✓			4		Final
Delegations										Replaced by the audit below which will encompass wider governance under the new structure
Governance Under the New Structure										Work in Progress
Cleaning Contract	25/6/18	17/8/18	✓		✓			6		Final
Council Wide Debt Management	11/10/18	10/12/18	✓			✓	2	5	2	Final
Purchase Cards	23/7/18	8/11/18	X			✓	1	3	1	Final
COUNCIL WIDE IT AUDIT Social Media	26/6/18	21/11/18	✓			✓	4	4	5	Final
GRANTS Troubled Families June 2018	26/6/18	30/6/18	N/A	N/A – Grant certification						Certified
Troubled Families September 2018	17/9/18	18/9/18	N/A	N/A – Grant certification						Certified
Troubled Families December 2018	5/12/18	19/12/18	N/A	N/A – Grant certification						Certified

AUDIT	Start Date	Date of Draft Report	*Key Indicator Met	Assurance Level			Recommendations Priority			Status
				Significant	Satisfactory	Limited	1	2	3	
March 2019	21/3/19			N/A – Grant certification						Certified
Bus Operator's Grant	17/9/18	20/9/18	N/A	N/A – Grant certification						Certified
FINANCE Creditors including Controcc transactions	7/1/19	28/2/19	✓			✓	1	5	1	Final
Debtors including Controcc transactions										Audit cancelled and replaced by Council wide debt management audit.
Main Accounting including Reconciliations	25/10/18	20/12/18	✓		✓			3		Final
Payroll including Pre-employment Checks	29/11/18	8/1/19	✓		✓			7	1	Final
FINANCE IT AUDIT Agresso										Deferred to 2019/20
DELIVERY Cash Management	18/10/18	3/12/18	✓		✓			1	1	Final
Council Tax	12/11/18	6/2/19	✓			✓	1	3	4	Final
Business Rates	12/11/18	6/2/19	✓			✓	3	4	2	Final
Mayor's Fund										Audit deferred
Registrars										Deferred to 2019/20

AUDIT	Start Date	Date of Draft Report	*Key Indicator Met	Assurance Level			Recommendations Priority			Status
				Significant	Satisfactory	Limited	1	2	3	
Home to School Transport Follow Up (P1 recommendation 2017/18)	3/7/18	27/7/18	✓	No opinion as memo issued but 1 priority 1 recommendations raised			1			Final
Minor Capital Works	27/11/18	18/2/19	X		✓			1	1	Final
Construction and Maintenance	27/11/18	6/2/19	X		✓			2		Final
Reactive highways maintenance	2/10/18	22/10/18	✓		✓			1		Final
Continental-contract landscape and street cleansing	4/6/18	27/6/18	✓		✓			2	1	Final
Car Parks										Audit cancelled
Brown bins-management by contractor										Audit cancelled
Leisure Contract Management	8/10/18	28/11/18	✓		✓			4		Final
Libraries including use of volunteers										Audit deferred to 2019/20
DELIVERY COUNTER FRAUD Cash Spot Checks										Audit cancelled
DELIVERY IT AUDIT Disaster Recovery Follow Up (P1	3/10/18	5/11/18	✓		✓			1		Final

AUDIT	Start Date	Date of Draft Report	*Key Indicator Met	Assurance Level			Recommendations Priority			Status
				Significant	Satisfactory	Limited	1	2	3	
recommendation 2017/18)										
Cyber security/VOIP Follow Up (Ltd 2017/18)	1/10/18	20/11/18	✓			✓	3	7	1	Final
Enterprise Agreement programme management	11/9/18	12/12/18	✓			✓	1	1		Final
IT Asset Management	12/9/18	7/12/18	✓			✓	4	4	2	Final
IT Helpdesk	29/1/19	18/1/19	✓		✓			3	2	Final
Library self service and stock purchasing systems IT audit	18/2/19	5/4/19	X		✓			5	2	Final
<u>PLACE, PLANNING AND REGENERATION</u> Concessionary Fares	30/7/18	26/9/18	X		✓			7	2	Final
CIL/S106	18/9/18	23/1/19	X			✓	1	5	5	Final
Highways Capital Spend	14/5/18	18/6/18	✓		✓			2		Final
Highways Adoptions	4/3/19	25/4/19	X		✓			7		Final
Development Controls	25/3/19	23/4/19	✓		✓			5	1	Final
Land charges	12/11/18	31/1/19	X		✓			3	3	Final

AUDIT	Start Date	Date of Draft Report	*Key Indicator Met	Assurance Level			Recommendations Priority			Status
				Significant	Satisfactory	Limited	1	2	3	
PEOPLE	12/9/18	5/11/18	✓			✓	3	7		Final
Adult Residential Care contracts										
Direct payments	20/11/18	24/1/19	X			✓	4	5		Final
Domiciliary Care	5/3/19	8/4/19	X			✓	2	6		Final
Financial Assessments	17/9/18	8/10/18	✓		✓			8	2	Final
Forestcare Follow Up (Ltd 2017/18)	17/7/18	27/7/18	✓	No opinion as memo issued but 2 priority 1 recommendations raised			2	4	1	Final
Housing Benefit and Council Tax Reduction	11/2/19	13/3/19	✓		✓			5	2	Final
Housing Rents and Deposits including Downshire Homes	25/6/18	27/7/18	✓			✓	6	12		Final
Public Health	3/9/18	4/12/18	X			✓	1	2		Final
Allowances for Fostering, Adoption and Special Guardianships	19/2/19	9/4/19	X		✓			2	2	Final
Residential placements (Children's)										Deferred to 2019/20
Supervision including under the Family Safeguarding Model										Audit cancelled.
Margaret Wells-Furby House (Child	14/6/18	21/6/18	✓		✓			3		Final

AUDIT	Start Date	Date of Draft Report	*Key Indicator Met	Assurance Level			Recommendations Priority			Status
				Significant	Satisfactory	Limited	1	2	3	
Development Centre)										
SEN Resource Provision Follow up (Ltd 2017/18)	20/6/18	16/7/18	✓	No opinion as memo issued but 3 priority 1 recommendations raised			3	3		Final
The Rise	18/5/18	12/7/18	✓		✓			4		Final
PEP Follow up (Ltd 2017/18)	11/6/18	27/7/18	✓	No opinion as memo issued but 2 priority 1 recommendations raised			2	3		Final
Recruitment and retention incentives										Audit cancelled
PEOPLE IT AUDITS GIS system	24/7/18	13/9/18	X		✓			3	8	Final
My Benefits	13/7/18	23/8/18	✓		✓				1	Final
SCHOOLS School A (Ltd 2017/18)	18/10/18	8/11/18	✓			✓	3	5		Final
School B (Follow Up limited in 2016/17)										Deferred to 2019/20
School C	23/5/18	18/6/18	✓		✓			10		Final
School D	6/11/18	4/12/18	✓		✓			12	1	Final
School E										Deferred to 2019/20
School F	21/1/19	15/2/19	✓		✓		1	3		Final
School G (Follow up -Ltd 2017/18)	13/2/19	01/04/19	✓	No opinion as follow up audit with memo issued but 1 priority 1 recommendation raised			1	1		Final
School H (Follow up)	12/3/19	23/4/19	✓	No opinion as follow up audit with memo				7		Final

AUDIT	Start Date	Date of Draft Report	*Key Indicator Met	Assurance Level			Recommendations Priority			Status
				Significant	Satisfactory	Limited	1	2	3	
Ltd 2017/18)				issued						

FOLLOW UP OF RECOMMENDATIONS

2018/19

AUDIT	Recommendations			Outcome
	1	2	3	
COUNCIL WIDE				
Mileage	0	7	1	In progress
Grants and payments to the voluntary sector	0	3	0	One implemented and 2 in progress as part of a transformation project
Data Quality	0	3	5	One priority 3 rec is no longer applicable three priority 3 recs are in progress as new software coming in, one priority three and three priority 2 recs are implemented
New Commercial Properties	0	11	3	All recommendations are still in progress.
Town Centre Maintenance planning	0	8	2	All completed or ongoing.
Tree Services	0	13	0	Seven implemented and six still in progress
Building Control	0	9	2	Six priority two recommendations implemented Three priority two and two priority three recommendations are in progress
ADULT SOCIAL CARE, HEALTH AND HOUSING Emergency Duty Service	0	5	2	Implemented
IT Audits Controcc	0	2	2	One priority 2 and one priority 3 rec implemented. One priority three ongoing and no response provided on one priority 2 recommendation.
LAS	0	4	0	All completed
CHILDREN,	0	4	0	Three implemented

AUDIT	Recommendations			Outcome
	1	2	3	
YOUNG PEOPLE AND LEARNING Family Centre				and one in progress
Education Centre	0	3	3	All implemented except for one priority 2 recommendation which is deferred until relocation
Open learning Centre	0	5	7	Five priority 2 and four priority three recs are implemented. One priority three rec is postponed pending relocations. Two priority three recs in progress.
Pupil referral services exc PRU	0	1	1	The priority 3 rec has been implemented. Information not provided on the other recommendation.
Themed school audit- Pupil Premium	0	6	1	All implemented
Garth Hill	0	8	0	Overall seven are completed and one is still in progress around bursaries
TOTAL	0	92	29	

2018/19

AUDIT	Recommendations Priority			Outcome
	1	2	3	
Cleaning Contract	0	6	0	Implemented through issuing news letter
Reactive highways maintenance	0	1	0	Implemented
Continental-contract landscape and street cleansing	0	2	1	Implemented
Highways Capital Spend	0	2	0	Implemented
Margaret Wells-Furby House (Child Development Centre)	0	3	0	Implemented
TOTAL	0	14	1	

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