





**Brighton & Hove
City Council**

Audit & Standards Committee

Title:	Audit & Standards Committee
Date:	9 January 2018
Time:	4.00pm
Venue	Council Chamber, Hove Town Hall, BN3 3BQ
Members:	<p>Committee Members: Councillors Miller (Chair), Robins (Group Spokesperson), Sykes (Group Spokesperson), Allen, Cobb, Greenbaum, Lewry, Morris</p> <p>Independent Members: D Bushell (Non-Voting Co-Optee) and Dr Horne (Non-Voting Co-Optee)</p>
Contact:	<p>John Peel Democratic Services Officer 01273 291058 john.peel@brighton-hove.gov.uk</p>
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Democratic Services: Audit & Standards Committee

Lawyer	Executive Director	Councillor Miller <i>Chair</i>	Democratic Services Officer
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OFFICERS

Councillor Allen
Councillor Morris
Councillor Robins
Dr David Horne
Diane Bushell
Officers
Officers

Councillor Cobb
Councillor Lewry
Councillor Sykes
Councillor Greenbaum
Officers
Officers
Officers

Public Speaker	Public Speaker
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Press

Public Seating

Public Seating

AGENDA

32 PROCEDURAL BUSINESS

- (a) **Declaration of Substitutes:** Where Councillors are unable to attend a meeting, a substitute Member from the same Political Group may attend, speak and vote in their place for that meeting.
- (b) **Declarations of Interest:**
- (a) Disclosable pecuniary interests;
 - (b) Any other interests required to be registered under the local code;
 - (c) Any other general interest as a result of which a decision on the matter might reasonably be regarded as affecting you or a partner more than a majority of other people or businesses in the ward/s affected by the decision.

In each case, you need to declare

- (i) the item on the agenda the interest relates to;
- (ii) the nature of the interest; and
- (iii) whether it is a disclosable pecuniary interest or some other interest.

If unsure, Members should seek advice from the committee lawyer or administrator preferably before the meeting.

- (c) **Exclusion of Press and Public:** To consider whether, in view of the nature of the business to be transacted, or the nature of the proceedings, the press and public should be excluded from the meeting when any of the following items are under consideration.

NOTE: Any item appearing in Part Two of the Agenda states in its heading the category under which the information disclosed in the report is exempt from disclosure and therefore not available to the public.

A list and description of the exempt categories is available for public inspection at Brighton and Hove Town Halls.

33 MINUTES & COMMITTEE ACTION LOG

1 - 12

To consider the minutes of the meeting held on 9 September 2017 (copy attached).

Contact Officer: John Peel

Tel: 01273 291058

34 CHAIR'S COMMUNICATIONS

AUDIT & STANDARDS COMMITTEE

35 CALL OVER

- (a) Items (38-45) will be read out at the meeting and Members invited to reserve the items for consideration.
- (b) Those items not reserved will be taken as having been received and the reports' recommendations agreed.

36 PUBLIC INVOLVEMENT

To consider the following matters raised by members of the public:

- (a) **Petitions:** to receive any petitions presented to the full council or at the meeting itself;
- (b) **Written Questions:** to receive any questions submitted by the due date of 12 noon on the 2 January 2018;
- (c) **Deputations:** to receive any deputations submitted by the due date of 12 noon on the 2 January 2018.

37 MEMBER INVOLVEMENT

To consider the following matters raised by councillors:

- (a) **Petitions:** to receive any petitions submitted to the full Council or at the meeting itself;
- (b) **Written Questions:** to consider any written questions;
- (c) **Letters:** to consider any letters;
- (d) **Notices of Motion:** to consider any Notices of Motion referred from Council or submitted directly to the Committee.

38 CORPORATE RISK ASSURANCE FRAMEWORK (CRAF) 2017-18 13 - 120

Report of the Executive Lead Officer, Strategy, Governance & Law

Contact Officer: Jackie Algar

Tel: 01273 291273

Ward Affected: All Wards

39 STRATEGIC RISK FOCUS: SR30 PLACE BASED LEADERSHIP; SR23 SEAFRONT INVESTMENT; SR21 HOUSING PRESSURES; AND SR26 COUNCIL RELATIONSHIP WITH CITIZENS 121 - 126

Report of the Executive Lead Officer, Strategy, Governance & Law

Contact Officer: Jackie Algar

Tel: 01273 291273

Ward Affected: All Wards

AUDIT & STANDARDS COMMITTEE

- 40 HOUSING ELECTRICAL WORKS** **To Follow**
Report of the Executive Director, Neighbourhoods, Communities & Housing
Contact Officer: Tracy John Tel: 01273 292150
Ward Affected: All Wards
- 41 2017/18 AUDIT PLAN** **To Follow**
Report of Ernst & Young
- 42 2016/17 ANNUAL CERTIFICATION REPORT** **To Follow**
Report of Ernst & Young
- 43 INTERNAL AUDIT AND CORPORATE FRAUD PROGRESS REPORT** **127 - 140**
Report of the Executive Director, Finance & Resources
Contact Officer: Mark Dallen Tel: 01273 291314
Ward Affected: All Wards
- 44 ANNUAL SURVEILLANCE REPORT** **141 - 180**
Report of the Executive Director, Finance & Resources
Contact Officer: Jo Player Tel: 01273 292488
Ward Affected: All Wards
- 45 STANDARDS UPDATE** **181 - 184**
Report of the Head of Law and Monitoring Officer
Contact Officer: Abraham Ghebre-Ghiorghis Tel: 01273 291500
Ward Affected: All Wards
- 46 ITEMS REFERRED FOR COUNCIL**
To consider items to be submitted to the 1 February 2018 Council meeting for information.

In accordance with Procedure Rule 24.3a, the Committee may determine that any item is to be included in its report to Council. In addition, any Group may specify one further item to be included by notifying the Chief Executive no later than 10am on the eighth working day before the Council meeting at which the report is to be made, or if the Committee meeting take place after this deadline, immediately at the conclusion of the Committee meeting
- 47 ITEMS FOR THE NEXT MEETING**

AUDIT & STANDARDS COMMITTEE

The City Council actively welcomes members of the public and the press to attend its meetings and holds as many of its meetings as possible in public. Provision is also made on the agendas for public questions to committees and details of how questions can be raised can be found on the website and/or on agendas for the meetings.

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Electronic agendas can also be accessed through our meetings app available through www.moderngov.co.uk

Meeting papers can be provided, on request, in large print, in Braille, on audio tape or on disc, or translated into any other language as requested.

For further details and general enquiries about this meeting contact John Peel, (01273 291058, email john.peel@brighton-hove.gov.uk) or email democratic.services@brighton-hove.gov.uk

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Date of Publication – Friday 29 December 2017

BRIGHTON & HOVE CITY COUNCIL

AUDIT & STANDARDS COMMITTEE

4.00pm 19 SEPTEMBER 2017

COUNCIL CHAMBER, HOVE TOWN HALL

MINUTES

Present: Councillors Miller (Chair) Robins (Group Spokesperson), Sykes (Group Spokesperson), Cattell, Cobb, Greenbaum and Lewry

Independent Members present: Diane Bushell, Dr David Horne

PART ONE

18 PROCEDURAL BUSINESS

18a Declarations of substitutes

18.1 Councillor Cattell was present as substitute for Councillor Morris

18b Declarations of interests

18.2 There were none

18c Exclusion of the press and public

18.3 In accordance with Section 100A of the Local Government Act 1972 ("the Act"), the Committee considered whether the public should be excluded from the meeting during consideration of any item of business on the grounds that it is likely in view of the business to be transacted or the nature of the proceedings, that if members of the public were present during it, there would be disclosure to them of confidential information as defined in Section 100A (3) of the Act.

18.4 **RESOLVED** - That the press and public not be excluded from the meeting.

19 MINUTES & COMMITTEE ACTION LOG

19.1 **RESOLVED** – That the minutes of the previous meeting held on 25 July 2017 be approved and signed as the correct record.

19.2 In relation to minute item 10.3, Dr Horne requested that a report be brought to the next meeting with an update on actions to improve controls to prevent parking fraud and losses due to a continued lack of progress on the matter.

19.3 The Committee agreed the request.

20 CHAIR'S COMMUNICATIONS

20.1 The Chair expressed thanks to Ernst & Young for their work with the council and the committee following the announcement of Grant Thornton as auditors for Brighton & Hove City Council from 2018/19. Furthermore, the Chair thanked officers for providing a training session on the Statement of Accounts that had been well attended and very useful for all Members.

21 CALL OVER

21.1 The following items on the agenda were reserved for discussion:

- Item 24: Strategic Risk Focus: SR13: Not Keeping Vulnerable Adults Safe; SR20: Inability to Integrate Health and Social Care Services at a Local Level and Deliver Timely and Appropriate Interventions; SR10: Information Governance Failures Leading to Financial Losses and Reputational Damage and SR18: Service Outcomes are Sub-Optimal due to the Lack of Appropriate Tools for Officers to Perform their Roles
- Item 25: Audited Statement of Accounts 2016/17
- Item 26: Ernst & Young: Audit Results Report 2016/17
- Item 27: Internal Audit and Corporate Fraud Progress Report
- Item 28: Code of Conduct for Employees

21.2 The Democratic Services Officer confirmed that the items listed above had been reserved for discussion and that the following reports on the agenda with the recommendations therein had been approved and adopted:

- Item 29: Standards Update

22 PUBLIC INVOLVEMENT

22.1 There were none.

23 MEMBER INVOLVEMENT

23.1 There were none.

24 STRATEGIC RISK FOCUS: SR13 NOT KEEPING VULNERABLE ADULTS SAFE; SR20 INABILITY TO INTEGRATE HEALTH AND SOCIAL CARE SERVICES AT A LOCAL LEVEL AND DELIVER TIMELY AND APPROPRIATE INTERVENTIONS; SR10 INFORMATION GOVERNANCE FAILURES LEADING TO FINANCIAL LOSSES AND REPUTATIONAL DAMAGE; AND SR18 SERVICE OUTCOMES ARE SUB-OPTIMAL DUE TO THE LACK OF APPROPRIATE TOOLS FOR OFFICERS TO PERFORM THEIR ROLES

24.1 The Committee considered a report of the Executive Director, Finance & Resources that provided detail on the actions taken and future actions to manage each strategic risk.

- 24.2 Councillor Sykes noted that the number of strategic risks had increased and for some risks, specifically SR30, the titles were not specific or targeted meaning they may be harder to control.
- 24.3 The Executive Director, Finance & Resources explained that risks were rising, broadly in relation to an increase in capacity and resource issues. The Executive Director stated that there was a big issue around assurance that senior officers were holding and managing an appropriate amount of risks, and that this could be worthy of further focus by the Committee. In relation to SR30, the Executive Director explained that this related to a drive toward a focus and improvement upon the council's city and civic leadership role.
- 24.4 Councillor Sykes noted that SR30 was broad in its range and queried whether the matter was one of political ambition or officer driven.
- 24.5 The Executive Director, Finance & Resources clarified that senior officers saw a role for the council in creating a framework of collaboration with the business sector. The Executive Director, Finance & Resources added that there were two levels of leadership on the issue: political direction from Members and officers delivering on that direction.
- 24.6 Councillor Greenbaum noted that the terminology used for SR31 could be construed as negative with regard to schools' performance and suggested that the description be changed. The Committee were in agreement that the risk owner is recommended to change the title ahead of the next meeting.
- 24.7 The Executive Director, Health & Adult Social Care provided a verbal update and answered Members questions for SR13: Not Keeping Vulnerable Adults Safe and SR20: Inability to Integrate Health and Social Services at a Local Level and Deliver Timely and Appropriate Interventions.
- 24.8 Councillor Sykes noted a worrying rise in homelessness in the city that had increased tensions in local communities including Norfolk Square in his own ward. Councillor Sykes enquired as to measures being taken to address such challenges. Furthermore, Councillor Sykes noted the criticism directed toward the council's Prevent Strategy.
- 24.9 The Executive Director, Health & Adult Social Care stated that homelessness and rough sleeping was a very important issue and the council was working on how best to provide support to those in need. In the event there was any safeguarding aspect, that would be addressed in the same manner as any other safeguarding cases. The Executive Director, Health & Adult Social Care stated that the council had been part of a high profile case relating to its Prevent Strategy that it had learnt from and actions for improvement were underway.
- 24.10 The Chair enquired whether the outsourcing of obligation and risk might represent a challenge to the provision of safe homes particularly in relation to the recent CQC inspection ratings.
- 24.11 The Executive Director, Health & Adult Social Care stated that it was his responsibility to ensure provision, be that through the council's care provision or outside providers.

Contract management meetings were held every month and the council worked very actively with care homes to resolve any issues.

- 24.12 The Chair asked if effective contract management was in place as there had been issues in other areas of the council.
- 24.13 The Executive Director, Health & Adult Social Care stated that contract management in relation to care and care homes was to a good standard but improvements could always be made.
- 24.14 Dr Horne asked if the traditional barriers affecting integration of health and social care services such as workforce matters, information sharing and misaligned financial systems had been removed.
- 24.15 The Executive Director, Health & Adult Social Care stated that good relationships had been established, there were effective communication in place and there had been a significant shift in right direction in relation to information sharing. There would be continuing challenges to overcome in relation to changeability.
- 24.16 The Executive Director, Finance & Resources stated that better systems meant there was now a much clearer idea of how and where money was spent in the city and that would assist in making budgets clearer and more co-ordinated.
- 24.17 Dr Horne stated that the ongoing financial stability of the NHS was of real concern and that could lead to integration being sidelined to ensure a balanced budget. Dr Horne stated that it was very important to ensure a smooth financial transition and to manage risk.
- 24.18 The Executive Director, Finance & Resources agreed with the comments made adding that work would have to be conducted in a collaborative and monetary protective way.
- 24.19 Councillor Sykes expressed his concern that mismanagement could have a potential consequence of a removal or reduction in Better Care funding.
- 24.20 The Executive Director, Finance & Resources stated that Better Care funding was guaranteed for the next two years although due to national factors, levels of funding subsequent to that period were unknown.
- 24.21 The Executive Director, Finance & Resources and the Head of Strategy & Engagement provided a verbal update and answered Members questions for SR10: Information Governance failures leading to financial losses and reputational damage.
- 24.22 The Chair asked if there were ongoing resource concerns in relation to Information Governance.
- 24.23 The Executive Director, Finance & Resources confirmed that there was some risk and in response, a specification of what was required was currently being drawn up and would be submitted to the Modernisation Board for consideration in the near future. Progress and understanding had been helped by the opportunity to work with Orbis partners. The Executive Director, Finance & Resources added that it was currently likely that very few

organisations would be General Data Protection Regulation (GDPR) compliant by the 2018 deadline however, it was important for the council to demonstrate that it was en route to compliance.

24.24 Dr Horne requested clarification on where responsibility for Information Governance was assigned in the council's committee functions.

24.25 The Senior Lawyer clarified that Policy, Resources & Growth Committee would receive a report to its next meeting that would recommend that the Audit & Standards Committee be assigned oversight for Information Governance.

24.26 The Executive Director, Finance & Resources and the Head of Strategy & Engagement provided a verbal update and answered Members questions for SR18: Service outcomes are sub-optimal due to the lack of appropriate tools for officers to perform their roles

24.27 Councillor Cattell asked what efforts were being made to consistently upgrade software.

24.28 The Head of Strategy replied that some systems would only operate using older software and therefore, in some cases updates were not applied to ensure those programs would continue to work.

24.29 **RESOLVED-**

- 1) That the Audit & Standards Committee notes the Strategic Risk Assessment Report at Appendix 1.
- 2) That, having considered Appendix 1 and any clarification comments from the officers, the Committee makes any recommendations it considers appropriate to the relevant council body.
- 3) That the Committee note in paragraph 3.4 the information on changes to the council's SRR and/or any other significant changes to the risk management arrangements at the city council.

25 AUDITED STATEMENT OF ACCOUNTS 2016/17

25.1 The Committee considered a report of the Executive Director, Finance & Resources that provided information about the audit of the council's 2016/17 Statement of Accounts and recommended approval of the 2016/17 audited accounts and the Letter of Representation on behalf of the council.

25.2 Councillor Sykes asked for clarification on the auditing arrangements for the Housing Benefit Subsidy Claim.

25.3 The Deputy Chief Finance Officer clarified that under the new arrangements, there would be responsibility for local authorities to procure the service however, there would also be a change in process whereby the Claims would be reviewed by a suitably qualified, independent accountant rather than formally audited.

25.4 RESOLVED- That the Audit & Standards Committee:

- 1) Notes the findings of the auditor (EY) in their Audit Results Report (ARR). The ARR is a separate item on this agenda.
- 2) Notes the results of the public inspection of the accounts (Section 5).
- 3) Approves the Letter of Representation on behalf of the council (Appendix 1).
- 4) Approves the audited Statement of Accounts for 2016/17.
- 5) Note the acceptance of Grant Thornton as the proposed auditor appointment to Brighton & Hove City Council from 2018/19.

26 ERNST & YOUNG AUDIT RESULTS REPORT 2016/17

- 26.1 The Committee considered a report of Ernst & Young that summarised the findings of the 2016/17 audit and included key messages arising from the audit of the financial statements and the results of work undertaken to assess the council's arrangements to secure value for money on its use of resources. Representatives from Ernst & Young stated that they were in a position to give an unqualified opinion of the council's financial statements subject to full completion of outstanding areas of work. A unqualified opinion would be issued for the council's value for money arrangements as Ernst & Young were satisfied that the council had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2017.
- 26.2 Councillor Cobb noted the payments due under PFI arrangements and asked who had agreed to enter into PFI contracts and whether the council would be in a better position to deliver services if it had not entered into the arrangements.
- 26.3 The Deputy Chief Finance Officer replied that PFI agreements were popular across local government during the 1990's and 2000's and were backed by government grant funding. In relation to the council's arrangements, three PFI agreements were in place for Jubilee Library, a Joint Waste PFI with East Sussex County Council and a schools PFI all of which were kept under review to see if the contract terms could be renegotiated or restructured at appropriate junctures. The council had in the past removed 'soft services' and one of the schools from its schools PFI arrangement however in most cases it would normally be prohibitively expensive for the council to withdraw wholly or partly from PFI contracts given the loss of government grant funding that would accompany such a decision.
- 26.4 Councillor Cobb asked for further detail on the precise figure of central government funding in proportion to the council's payment obligations.
- 26.5 The Deputy Chief Finance Officer stated that he did not have the information readily available but figures could be circulated after the meeting.
- 26.6 Councillor Cobb noted that the EY value for money assessment identified that the council were in the highest 10% of statically similar authorities for Adult Social Care spending and highest 5% for spending for Children & Young People Services and

Housing Services. Councillor Cobb asked what action was being taken to bring spending down.

- 26.7 The Deputy Chief Finance Officer confirmed that was a true position and one arrived at through the choices made by Members over time. Furthermore, a higher spend also reflected that Brighton & Hove had some different characteristics in terms of its demographic profile and the level of support that its residents required. The key point to note however was that Members' choices were always made in the full knowledge of comparative cost of services.
- 26.8 Councillor Sykes noted that significant time had been spent considering a complaint made in relation to Lender Option Borrower Option (LOBO) loans and asked whether a reasonableness clause existed similar to that applicable to Freedom of Information requests. Furthermore, Councillor Sykes noted that a slight change in tone relating to the assessment of value for money arrangements and asked whether this represented an acceptance that this was not caused by poor performance.
- 26.9 Paul King stated that the investigation into the complaint made relating to LOBO loans had taken time due to the technical detail of the matter and because the process was quasi-judicial by nature. He added that 24 objections had been made nationwide and he was not aware of any that had been determined. Paul King noted that the complainant potentially had the right of appeal and due to the legislation in place, the costs of the investigation would fall upon the council. In relation to the terminology of the value for money conclusion, Paul King explained that steps had been taken by the council such as a four year budget planning and detailed saving plans that provided assurance. Furthermore, there was a reflection upon the particular demographic characteristics that Brighton & Hove needed to serve.
- 26.10 The Chair noted that a large undervaluing of Hove Town Hall had occurred and asked EY whether they had found that to be a trend during their undertakings.
- 26.11 Paul King stated that undervaluation did occur in Brighton & Hove slightly more than other areas however, there had been increased focus by EY in the area prompted by emphasis by the regulator. Paul King added that valuations were broad assessments that could have different assumptions and a small tweak in valuation could have a large effect.
- 26.12 Councillor Lewry noted that the total number of employees receiving more than £50,000 remuneration had increased by ten individuals in the financial year. In addition, Councillor Lewry enquired as to who was responsible for determining termination benefits.
- 26.1 The Deputy Chief Finance Officer stated that the increase in employees receiving more than £50,000 remuneration could be related to many factors including pay awards or service restructuring which could have brought more officers into a higher pay band . On the matter of termination benefits, the figures would include the voluntary severance savings programme that was taken into account in budget saving plans. Decisions on higher value payouts such as for termination of a Chief Executive were jointly determined by the Chief Finance Officer, Monitoring Officer and were reviewed by external audit. Decisions for other staff were made by an officer Compensation Panel

which reviewed cases against set business criteria with part of that criteria being that savings would be recovered after a two year period.

- 26.13 Dr Horne asked if the recommendations and areas of audit focus made by EY could be tracked and reported back to the committee as part of the regular Internal Audit reports considered. The Committee agreed to the request.
- 26.14 Diane Bushell noted that there were three areas of audit focus that had not been fully implemented and asked for assurance that these would be addressed.
- 26.15 Paul King stated that the reasons for the absence of implementation were unclear. EY would track the areas of audit focus through the audit for 2017/18 and any actions that may be taken by the council through the year.
- 26.16 The Chair noted that there had been a significant rise in long term debtors and enquired as to the reasons behind that.
- 26.17 The Deputy Chief Finance Officer clarified that there could be a number of reasons behind the rise and he would gather the specific detail and circulate an update to the committee members subsequent to the meeting.
- 26.18 **RESOLVED-** That the Committee note the findings set out in the 2016/17 Audit Results Report.

27 INTERNAL AUDIT AND CORPORATE FRAUD PROGRESS REPORT

- 27.1 The Committee considered a report of the Executive Director, Finance & Resources that summarised the progress made against the Internal Audit and Corporate Fraud Plan, the key issues identified and action being taken and progress made by management in implementing audit recommendations.
- 27.2 Diane Bushell stated that there were a number of high priority recommendations and it would be useful for the committee to know which were most concerning, information on the likely impact of non-implementation and details on any factors that had cause non-implementation. Diane asked if revised dates for implementation could be assigned where the original timescale had not been met. Furthermore, Diane noted her concern that the three school audits conducted so far had only received partial or minimal assurance and asked if more needed to be done in this area.
- 27.3 The Principa lAudit Manager agreed to include more narrative about risk, impact and progress on overdue high priority recommendations in future report. That would also include a red, amber, green rating and a revised implementation date. An assessment of the impact of non-implementation is possible but is more difficult. All recommendations have their priority determined by an analysis tool. The three school audit opinions were of some concern. Ten school audits would be completed by year end and there was a prioritisation system in place. Where a minimal assurance opinion was assigned, the audit team would return to the school within six months to measure the improvements made.

27.4 The Executive Director, Finance & Resources added that a new performance management system had been introduced and a suite of performance indicators that included reference to whether Internal Audit recommendations were being implemented on time.

27.5 **RESOLVED-** That the Audit & Standards Committee note the report.

28 CODE OF CONDUCT FOR EMPLOYEES

28.1. The Committee considered a report of the Head of Law & Monitoring Officer that sought approval for a number of amendments to the council's Code of Conduct for Employees.

28.2. Councillor Cobb stated the report was a thorough update, noting that the Code of Conduct for Employees had last been updated in 2013. Councillor Cobb asked if the updates were prompted by the staff disciplinary issues found by Internal Audit in 2013.

28.3. The Principal Audit Manager confirmed that part of the update to the Code of Conduct did relate to work undertaken by Internal Audit but also linked to the staff behaviour framework and other policies initiated since 2013.

28.4. The Chair noted that the council's recognised Trade Unions had been consulted on the proposed changes and asked if any feedback had been received.

28.5. The Senior Lawyer confirmed that the council's recognised Trade Unions had provided input in a meaningful way and had not raised any substantive objections as far as she was aware.

28.6. **RESOLVED-**

That the Audit & Standards Committee:

- 1) Agree the council's revised Code of Conduct for Employees as set out in Appendix 1.
- 2) Resolve to recommend the Code to Full Council for approval.

That Full Council:

- 1) Approve the revised Code of Conduct for Employees as set out in Appendix 1

29 STANDARDS UPDATE

29.1 **RESOLVED-** That the Committee notes the information provided in the Report on member complaints and on standards-related matters.

30 ITEMS REFERRED FOR COUNCIL

30.1 No items were referred to Full Council for information.

31 ITEMS FOR THE NEXT MEETING

31.1 As per minute item 19.2

The meeting concluded at 6.40pm

Signed

Chair

Dated this

day of

Action Log: A&S Meeting 19 September 2017

Agenda Item		Owner	Actions	Status
19	Minutes and committee action log	David Kuenssberg/Mark Dallen	It was agreed to bring an update on actions to improve controls to prevent parking fraud and losses to the next meeting due to a lack of progress on the matter	In progress
24	Strategic Risk Focus: SR13 Not Keeping Vulnerable Adults Safe; SR20 Inability to integrate health and social care services at a local level and deliver timely and appropriate interventions; SR10 Information governance failures leading to financial losses and reputational damage; and SR18 Service outcomes are sub-optimal due to the lack of appropriate tools for officers to perform their roles	Jackie Algar/ELT	It was agreed to consider a name change for SR31 and that the current name could be construed as negative with regard to Schools' performance	Completed
25/26	Statement of Accounts/Ernst & Young Audit results report	Nigel Manvell	It was agreed to send information relating to the proportion of funding for PFI agreements that comes from central government	Completed

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Agenda Item		Owner	Actions	Status
		Mark Dallen	It was agreed to track external audit recommendations and report back via the regular internal audit reports	Ongoing
		Nigel Manvell	It was agreed to provide information on the reasons behind a rise in long-term debtors recorded in the accounts during 2016/17	Completed
27	Internal Audit progress report	Mark Dallen	It was agreed to include in future more narrative about risk, impact and progress on overdue high priority recommendations. To include a R/A/G rating and a revised implementation date.	Ongoing

12

Subject:	Corporate Risk Assurance Framework 2017-18		
Date of Meeting:	9 January 2018		
Report of:	Executive Lead Officer, Strategy, Governance & Law		
Contact Officer:	Name:	Jackie Algar	Tel: 01273 291273
	Email:	Jackie.algar@brighton-hove.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 The Corporate Risk Assurance Framework (CRAF) 2017-18 provides an annual 'snapshot' of how the council manages risks which affect its achievement of the Corporate Plan and objectives in Directorate Plans.
- 1.2 The CRAF is designed to:
- help the council avoid costly mistakes, better protect our reputation and contribute to keeping the council safe
 - support managers to obtain the assurance they need to plan and deliver their services
 - inform the planning of Internal Audit work
 - demonstrate how the council meets requirements for Corporate Governance¹, and provide evidence for the Annual Governance Statement.
- 1.3 In January each year, the CRAF; Strategic Risk Register (SRR) and Directorate Risk Registers (DRRs), which provide the evidence for Internal Audit's assessment of the assurance levels in the CRAF, will be reported in full in as these documents underpin the Annual Governance Statement.
- 1.4 Any further changes to the SRR from this point until January 2019 will be reported to the Audit & Standards Committee as part of the quarterly Risk Focus item reports

2. RECOMMENDATIONS:

That the Audit & Standards Committee:

- 2.1 Note the Internal Audit opinion of assurance levels on the third line of defence within the CRAF at Appendix 1 and agree for Internal Audit to update these

¹ Corporate Governance requirements are detailed in the Chartered Institute of Public Finance & Accountancy (CIPFA) and Society of Local Authority Chief Executive (SOLACE), copyright @ April 2016; including extracts from the International Framework: Good Governance in the Public Sector, copyright @2014 CIPFA and International Federation of Accountants (IFAC).

where other sources of assurance have been identified by Risk Owners in the Strategic and Directorate Risk Registers in advance of finalising the Annual Governance Statement for 2017-18

- 2.2 Note the full Strategic Risk Register Report at Appendix 2.
- 2.3 Note the full Directorate Risk Register Report at Appendix 3.

3. CONTEXT/ BACKGROUND INFORMATION

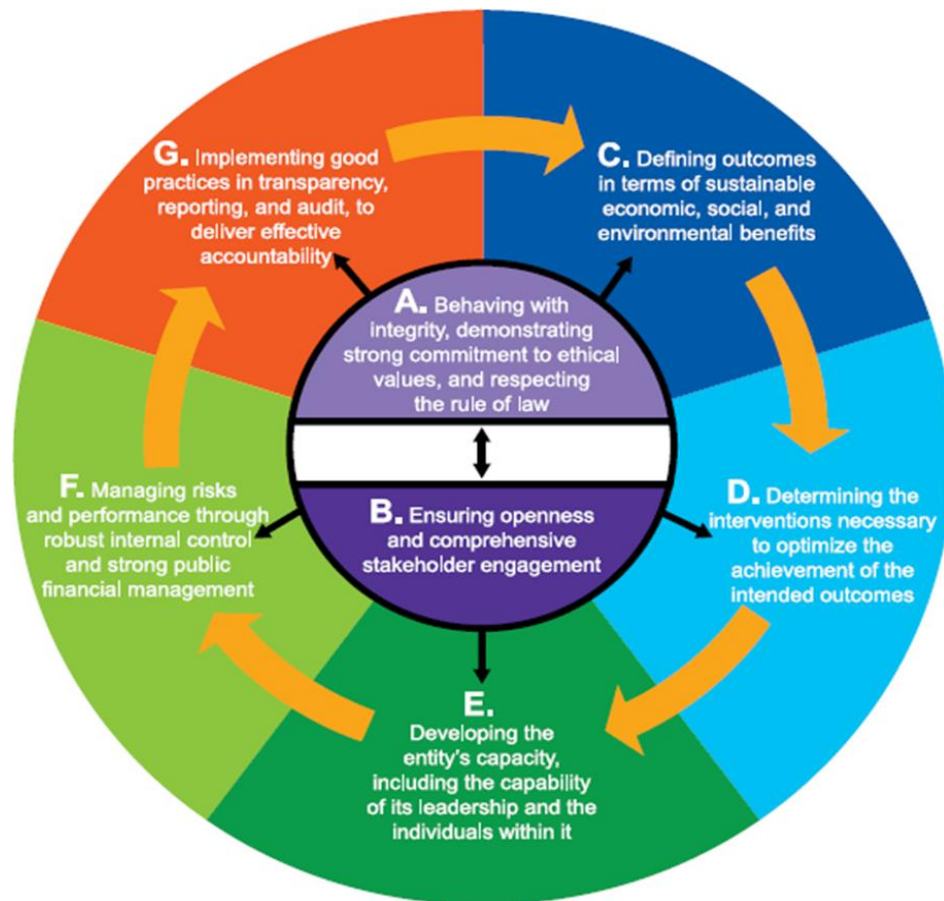
Reason for Governance and CRAF

- 3.1 Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and delivered.
- 3.2 The fundamental function of good governance in the public sector is to ensure that entities achieve their intended outcomes while acting in the public interest at all times.
- 3.3 The CRAF requires the council to be active and have arrangements in place through its senior officers for robust arrangements for managing its business and keeping the council safe. It has three elements: Governance, Risk Management and Assurance which structure its delivery of outcomes and processes, its values and organisational culture. All of these elements are inter-related and are crucial to the success of the council as they affect its reputation with stakeholders.
- 3.4 The CRAF has involved mapping assurance across the organisation, the policies and procedures which lay the foundation of our activities, Strategic Risks identified by the Executive Leadership Team (ELT); and through the Directorate Risks which relate to planning and delivery of services to customers.
- 3.5 These arrangements need to be clearly explained and demonstrated and will be reported each year in the Annual Governance Statement which is published alongside the council's annual accounts and made publicly available.
- 3.6 The CRAF provides a strong evidence base for the AGS; and the more holistic approach of the CRAF has brought an appreciation of the value of the wider risk management process given that the amount of risk that the council holds is increasing, as budgets become tighter.

Good Governance International Framework

- 3.7 The CRAF is based on the work undertaken by the Chartered Institute of Public Finance Accountancy (CIPFA) and the International Federation of Accountants (IFAC) on an 'International Framework: Good Governance in the Public Sector.
- 3.8 The document's foreword explains that the 'Framework is novel in a number of ways, in particular its positioning of the attainment of sustainable economic, societal, and environmental outcomes as a key focus of governance processes and structures' ...and ...' the need for integration in both the reporting of and thinking about organisational performance'.

3.9 The Good Governance Framework is set out in the diagram below:



Assurance Mapping and the Three Lines of Defence Model

- 3.10 Assurance is the means by which an organisation gains confidence that it has robust arrangements in place and that it is managing its risks effectively. The council has a large number of sources of assurance including management controls, compliance focused teams, such as health and safety, internal and external audit and external regulators.
- 3.11 The Three Lines of Defence model was introduced at the council in June 2016 but it has been practiced for a number of years, particularly within financial services, central government and the NHS. It identifies 3 levels of assurance within an organisation:

C.R.A.F.
Three lines of defence model



3.12 Assurance mapping benefits organisations by providing an overview of sources of assurance and existing processes. It provides:

- A structure to ensure that proper controls are in place
- The confidence that checks are in place for all areas of control
- The knowledge that the organisation is making best use of the assurance process, i.e. all areas are checked by someone and duplication is avoided.

3.13 The 2017-18 CRAF focuses on the third line of defence. The assurance (RAG) rating in this report is based on the work of internal audit in the preceding financial year (2016/17) and the current financial year to date (2017/18). For the year end Annual Governance Statement it will include Internal Audit view of information from other third parties which provide assurance on the third level of defence.

The link between the CRAF and Risk Management practice

3.14 Risk Management helps an organisation to identify, prioritise and manage risks which affect achievement of its objectives, including the take up of opportunities.



















Risk Management is a 'mindset' and a process to 'think things through' in planning, and to respond to challenges with more effective actions.















- 3.15 The Risk Management Process used at the council involves use of risk categories, risk scoring guidance, risk matrix, risk register etc. and is supported by the annual Risk Reporting Timetable which details the quarterly review dates undertaken by the ELT and Directorate Management Teams to re-assess risk registers.
- 3.16 The SRR and DRRs are updated quarterly by Risk Owners and Risk Action Leads in accordance with the Risk Reporting Timetable and reviewed at Executive Leadership Board for SRR) and Directorate Management Teams for DRRs and relevant SRs and SR Risk Actions owned by an Executive Director.
- 3.17 The CRAF has enabled Risk Management to demonstrate more fully its contribution and fundamental inclusion in the planning and delivery of activity.
- 3.18 Risk Management is the second of 8 elements of the Council's Performance Management Framework.



Strategic Risk Register review by the ELT 22 November 2017.

3.19 This table sets out in order of Revised Risk Score. Note that the risks scores on the SRR were not changed not changed by ELT on 22 November 2017. For more detail of actions taken, see Appendix 2.























Risk Nos	Risk Title	Initial Risk Score Likelihood (L) x Impact (I)	Revised Risk Score Likelihood (L) x Impact (I) & Direction of Travel	Lead Member
SR31	Schools unable to manage their budgets	4 x 4 	4 x 4 	Dan Chapman
SR2	Council is not financially sustainable	5 x 4 	3 x 4 	Les Hamilton
SR10	Information governance failures leading to financial losses and reputational damage	4 x 4 	3 x 4 	Les Hamilton
SR13	Not keeping Vulnerable Adults Safe from harm and abuse	4 x 4 	3 x 4 	Karen Barford
SR15	Not keeping Children Safe from harm and abuse	4 x 4 	3 x 4 	Dan Chapman
SR17	Ineffective school place planning	4 x 3 	3 x 4 	Dan Chapman
SR20	Inability to integrate health and social care services at a local level and deliver timely and appropriate interventions	4 x 4 	3 x 4 	Karen Barford
SR21	Unable to manage housing pressures	4 x 4 	3 x 4 	Anne Meadows
SR30	Failure to demonstrate Place Based Leadership, unable to promote the City-Region's business economy, employment & training opportunities; a poor reputation in delivering value for money for the business rate payer.	3 x 4 	3 x 4 	Warren Morgan

























Risk Nos	Risk Title	Initial Risk Score Likelihood (L) x Impact (I)	Revised Risk Score Likelihood (L) x Impact (I) & Direction of Travel	Lead Member
SR24	The impact of Welfare Reform increases need and demand for services	3 x 4 ◀▶ 	4 x 3 ◀▶ 	Les Hamilton
SR23	Unable to develop an effective Investment Strategy for the Seafront	5 x 4 ◀▶ 	3 x 3 ◀▶ 	Alan Robins
SR25	The lack of organisational capacity leads to sub-optimal service outcomes, financial losses, and reputational damage	3 x 4 ◀▶ 	3 x 3 ◀▶ 	Les Hamilton
SR26	Not strengthening the council's relationship with citizens	3 x 4 ◀▶ 	3 x 3 ◀▶ 	Emma Daniel
SR32	Sub-standard health & safety measures lead to personal injury of staff or residents, financial losses and reputational damage	3 x 5 ◀▶ 	2 x 5 ◀▶ 	Les Hamilton
SR18	Service outcomes are sub-optimal due to the lack of appropriate tools for officers to perform their roles	3 x 4 ◀▶ 	2 x 4 ◀▶ 	Les Hamilton
SR29	Ineffective contract management leads to sub-optimal service outcomes, financial losses, and reputational damage	3 x 4 ◀▶ 	2 x 4 ◀▶ 	Les Hamilton







Directorate Risk Register as reviewed by Directorate Management Teams (DMTS) in October 2017

- 3.20 The council has six Directorates:
1. Economy; Environment, Culture (EEC)
 2. Families, Children & Learning (FCL)
 3. Finance & Resources (now part of the Orbis Partnership including Surrey County Council and East Sussex County Council)
 4. Health & Social Care (HASC)
 5. Neighbourhoods, Communities & Housing (NCH)
 6. Strategy, Governance & Law (SGL).

The summary table below sets out the results of the reviews undertaken in October 2017 of every Directorate Risk (DR) contained in Directorate Risk Registers. For more information see Appendix 3.

Risk Nos	Risk Title	Initial Risk Score Likelihood (L) x Impact (I)	Revised Risk Score Likelihood (L) x Impact (I) & Direction of Travel	Lead Member
EEC DR 01	Digital capability not in place to meet customer expectations	5 x 4 ◀▶ 	4 x 4 ▲ 	Gill Mitchell
EEC DR 03	Directorate income and budget targets are not met	5 x 4 ◀▶ 	3 x 4 ◀▶ 	Gill Mitchell
EEC DR 05	Loss in resilience of the city's transport infrastructure	4 x 4 ◀▶ 	3 x 4 ◀▶ 	Gill Mitchell
EEC DR 07	Major regeneration & infrastructure projects are not strategically co-ordinated	3 x 4 ◀▶ 	3 x 3 ◀▶ 	Alan Robins
EEC DR 12	Failing to make a convincing case for investment in city region	4 x 3 ◀▶ 	4 x 3 ◀▶ 	Alan Robins
FCL DR 01	Service redesigns do not deliver intended outcomes	3 x 5 ◀▶ 	3 x 3 ◀▶ 	Dan Chapman
FCL DR 02	Changes in effective partnership working (including their budget pressures) adversely affects our service delivery	4 x 5 ◀▶ 	3 x 3 ◀▶ 	Dan Chapman
FCL DR 08	Special Educational Needs and Disability Review recommendations are not implemented	3 x 4 ◀▶ 	3 x 3 ◀▶ 	Dan Chapman
FCL DR 09	Budget is unmanageable due to growing demands, market forces, and not able to effectively target those who might in the future meet the social care threshold	3 x 3 ▼ 	3 x 3 ◀▶ 	Dan Chapman; and Karen Barford
FCL DR 10	Disadvantaged pupils underachieve at schools	3 x 4 ◀▶ 	2 x 4 ◀▶ 	Dan Chapman
FR DR 01	Failure to integrate effectively into the Orbis partnership leads to sub-optimal service outcomes and financial losses	2 x 4 ▲ 	2 x 4 ▲ 	Les Hamilton

Risk Nos	Risk Title	Initial Risk Score Likelihood (L) x Impact (I)	Revised Risk Score Likelihood (L) x Impact (I) & Direction of Travel	Lead Member
HASC DR 01	Delivery of statutory services is impacted by a reduction in public sector funding and increasing demand and complexity	4 x 4 ▼ 	3 x 4 ▼ 	Karen Barford
HASC DR 03	Market capacity of Adult Social Care providers limits delivery	4 x 4 ▲ 	4 x 4 ◀▶ 	Karen Barford
HASC DR 11	Technology not in place to enable modern working practice and effective delivery	4 x 5 ◀▶ 	3 x 4 ◀▶ 	Karen Barford
NCH DR 01	Digital systems do not improve the Customer experience	3 x 3 ◀▶ 	3 x 3 ◀▶ 	Caroline Penn
NCH DR 02	Lack of financial stability to enable directorate service delivery	4 x 4 ▼ 	3 x 3 ◀▶ 	Emma Daniel
NCH DR 03	Unable to meet legislative duties in service delivery, direct or through contractors	3 x 3 ◀▶ 	3 x 3 ◀▶ 	Anne Meadows
NCH DR 04	Unable to manage increasing demand	4 x 3 ◀▶ 	3 x 3 ◀▶ 	Emma Daniel
NCH DR 05	Capacity to address Serious Crimes causing the most harm is reducing	4 x 4 ▲ 	4 x 3 ◀▶ 	Emma Daniel
NCH DR 06	Government Policy prevents delivery of the Corporate Plan	3 x 3 ◀▶ 	3 x 3 ◀▶ 	Emma Daniel
NCH DR 08	Impact of Universal Credit on Housing Income and Homelessness Services	5 x 3  NEW	5 x 3  NEW	Anne Meadows
SGL DR 01	Unable to facilitate Change, Capacity and Support for staff in Strategy, Governance & Law	4 x 4 ◀▶ 	3 x 4 ▼ 	Les Hamilton
SGL DR 02	Lack of skills and resources in SGL to lead and support the organisation	4 x 4 ◀▶ 	4 x 3 ◀▶ 	Les Hamilton

Risk Nos	Risk Title	Initial Risk Score Likelihood (L) x Impact (I)	Revised Risk Score Likelihood (L) x Impact (I) & Direction of Travel	Lead Member
SGL DR 05	Not managing directorate activity through substantive changes to the operating environment	5 x 4 ◀▶ 	3 x 4 ◀▶ 	Les Hamilton
SGL DR 06	Insufficient resources to deliver a resilient Life Events customer service	5 x 4 ◀▶ 	3 x 4 ◀▶ 	Les Hamilton
SGL DR 07	Changes in working environment negatively impacting the Life Events services and City Office	5 x 4 ▲ 	4 x 4 ◀▶ 	Les Hamilton

4. FINANCIAL & OTHER IMPLICATIONS

Financial Implications:

- 4.1 The Corporate Risk Assurance Framework (CRAF) supports the council to deliver good governance and identify and mitigate against risks including financial risks. Appendix 1 sets out the mapping of Assurance against good governance principles and appendices 2 and 3 provide more detail on the responsibility for risk management. The financial impact of any specific risks will be reported through the regular Targeted Budget Management and Budget reports to Policy Resources and Growth Committee and included within the Budget setting reports to Budget Council where necessary.

Finance Officer Consulted: James Hengeveld

Date: 27/11/17

Legal Implications:

- 4.2 It is a core function of the Audit and Standards Committee to provide independent assurance of the adequacy and effectiveness of the council's governance, risk management and assurance arrangements. Annual reports on the CRAF are submitted to this Committee as a key means of ensuring effective assurance.

Scrutiny of the Council's arrangements and examination of its progress against the CRAF is a legitimate exercise of the Committee's functions. So too is the making of recommendations to the Council and/or to Policy, Resources and Growth Committee, officers or other relevant Council body following that scrutiny and examination.

Lawyer Consulted: Victoria Simpson

Date: 27/11/17

Equalities Implications:

- 4.3 There are no specific equalities implications in the CRAF, however as a council we have a legal duty under the Equality Act 2010 to show that we have identified and considered the impact and potential impact of our activities on all people with 'protected characteristics' (age, disability, gender reassignment, pregnancy and maternity, race/ethnicity, religion or belief, sex, sexual orientation, and marriage and civil partnership).
- Therefore to address the council's duty, service managers and staff are responsible for addressing the equalities implications inherent in service delivery. DMTs and the Executive Leadership Team receive separate reports on equalities and may apply this to their review and consideration of risk levels within Directorate or Strategic Risks.

SUPPORTING DOCUMENTATION

Appendices:

1. The Corporate Risk Assurance Framework 2017-18.
2. The Strategic Risk Register reviewed by ELT 22 November 2017.
3. All Directorate Risk Registers as at 22 November 2017 (circulated to Members only and published separately on the council website).

Documents in Members' Rooms

1. All Directorate Risk Registers as at 22 November 2017.

Background Documents

1. Delivering good governance in Local Government Framework 2016 Edition, CIPFA and SOLACE.
2. International Framework: Good Governance in the Public Sector, IFAC and CIPFA 2014.

Interim Corporate Risk Assurance Framework (CRAF) 2017-18

What does the purpose of the CRAF?

- To map the council's strategic and directorate risks against agreed principles of good governance.
- To provide a visual assessment of where the council has independent assurance on the management of its risks.
- To highlight those risks where controls have not been effective and actions are necessary to improve our governance arrangements.
- To highlight those risks where we don't have independent assurance on the management of strategic and directorate risks, and determine what (if any) action is required to fill these gaps.

What do the RAG ratings mean?

Green	- There is independent assurance through the work of internal audit or other parties that the first and second level controls are effective
Yellow	- There is independent assurance at first and second level controls are in place but require improvement
Red	- There is evidence that first and second level controls are not operating effectively
White	- There is no independent (third level) assurance available at date of reporting.
Grey	- Independent assurance is in progress or planned as part of the delivery of the internal audit plan or other review processes.

What does interim assessment below tell us?

- 1) The areas of governance that have the greatest number of risks are;
D: Determining the interventions necessary to optimise the achievement of the intended outcome (10 risks)
E: Developing the entity's capacity including the capacity of its leadership and with individuals within it (11 risks)
- 2) The council has not identified any risks relating to governance principle (G): Implementing good practice in transparency, reporting and audit to deliver effective accountability.
- 3) We have (or will have by the year end) independent assurance about the controls over the majority of strategic risks but less so in relation to Directorate risks. (This is to be expected).
- 4) The risk registers includes a large number of risks with a documented 3rd line of defence (independent) assurance controls which we have not been able to build into this interim assessment. Further work will be required by the year end by risk owners (in conjunction with internal audit) to incorporate this information. (This is particularly important in relation to the two strategic risks on safeguarding and the new strategic risk relating to health and safety).
- 5) The strategic risks with Red RAG ratings at this point in the year are SR29 Ineffective contract management arrangements leads to sub-optimal service outcomes, financial losses, and reputational damage; and SR10 Corporate Information Assets are inadequately controlled and vulnerable to cyber-attacks.

A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

Overall RAG Rating on Policies

Green

Strategic Risks

SR15	Not keeping children safe from harm and abuse	White
SR32	Sub-standard health & safety measures lead to personal injury, prosecution, financial losses and reputational damage	White
SR13	Not keeping vulnerable adults safe from harm and abuse	White

Directorate Risks

NCH DR 03	Unable to meet legislative duties in service delivery, direct or through contractors	Red (1)
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1) *Critical reports on Housing Contract Management*

B: Ensuring openness and comprehensive stakeholder engagements

Overall RAG Rating on Policies

Green

Strategic Risks

SR20	Inability to integrate health and social care services at a local level and deliver timely and appropriate interventions	Grey (1)
SR26	Not strengthening the council's relationship with citizens	Yellow (2)

Directorate Risks

FCL DR 02	Changes in effective partnership working (including their budget pressures) affects our service delivery	White
HASC DR 03	Market capacity of Adult Social Care providers limits delivery (DP 1.4.2.6)	White

- 1) Audit work on Health and Social Care Integration planned for 2017/18.
- 2) 2017/18 audit of Public Consultations has concluded Reasonable Assurance

C: Defining outcomes in terms of sustainable economic, social, and environmental benefits

Overall RAG Rating on Policies

Green

Strategic Risks

SR21	Unable to manage housing pressures and deliver new housing supply.	Green (1)
SR23	Unable to develop an effective Investment Strategy for the Seafront	White
SR29	Ineffective contract management leads to sub-optimal service outcomes, financial losses, and reputational damage	Red (2)

Directorate Risks

EEC DR 07	Major regeneration & infrastructure projects are not strategically co-ordinated (DP 2.1.1.2.1)	Grey (3)
EEC DR 12	Failing to make a convincing case for investment in city region	White
NCH DR 06	Government Policy prevents delivery of the Corporate Plan	White
SGL DR 05	Not managing directorate activity through substantive changes to the operating environment	White

- 1) Substantial Assurance on Housing New Builds (2016/17 audit)
- 2) Critical opinion on contract management in housing, and Major Projects
- 3) Major Projects audit in progress for 2017/18

D: Determining the interventions necessary to optimise the achievement of the intended outcome

Overall RAG Rating on Policies

Green

Strategic Risks

SR17	Ineffective school place planning	Green (1)
SR18	Service outcomes are sub-optimal due to the lack of appropriate tools for officers to perform their roles	White
SR30	Failure to demonstrate Place Based Leadership, unable to promote the City-Region's business economy, employment & training opportunities; a poor reputation in delivering value for money for the business rate payer.	White

Directorate Risks

EEC DR 01	Digital capability not in place to meet customer expectations (DP 1.1.4.7 and DP 1.1.4.8)	Grey (4)
NCH DR 08	Impact of Universal Credit on Housing Income and Homelessness Services	Grey (2)
EEC DR 05	Loss in resilience of the city's transport infrastructure	White
SGL DR 06	Insufficient resources to deliver a resilient Life Events customer service	Red (3)
FCL DR 01	Service redesigns do not deliver intended outcomes	White
FCL DR 10	Disadvantaged pupils underachieve at schools	White
EEC DR 06	Inability to manage complex supply chain and reliance on contractors	White

- 1) *Substantial Assurance on School Places Planning 2017/18*
- 2) *Welfare Reform audit in progress*
- 3) *Limited assurance report in 16/17 on income collection. Overdue recommendations.*
- 4) *Digital First audit scheduled for 2017/18*

E: Developing the entity's capacity including the capacity of its leadership and with individuals within it

Overall RAG Rating on Policies

Yellow (1)

Strategic Risks

SR2	The council is not financially sustainable	Grey (2)
SR24	The impact of Welfare Reform increases need and demand for services	Grey (2)
SR25	The lack of organisational capacity leads to sub-optimal service outcomes, financial losses, and reputational damage	Yellow (3)

Directorate Risks

SGL DR 07	Changes in working environment negatively impacting the Life Events services and City Office	Red (4)
HASC DR 01	Delivery of statutory services is impacted by a reduction in public sector funding and increasing demand and complexity	White
NCH DR 05	Capacity to address Serious Crimes that cause the most harm is reducing	White
FR DR 01	Failure to integrate effectively into the Orbis partnership leads to sub-optimal service outcomes through a lack of capacity and financial losses.	Yellow (3)
SGL DR 01	Unable to facilitate Change, Capacity and Support for staff in Strategy, Governance & Law	Yellow (3)
SGL DR 02	Lack of skills and resources in SGL to lead and support the organisation	Yellow (3)
NCH DR 01	Digital systems do not improve the Customer experience	Grey (5)
NCH DR 04	Unable to manage increasing demand	White

- 1) Awaiting delivery of Workforce Plan
- 2) 2017/18 audit of Financial Pressures
- 3) Partial Assurance report on Organisational Capacity in 2017-18
- 4) Limited assurance report in 16/17. Overdue recommendations.
- 5) Audit of Digital First scheduled for 2017/18.

F: Managing risks and performance through robust internal control and strong financial management

Overall RAG Rating on Policies

Green

Strategic Risks

SR10	Corporate Information Assets are inadequately controlled and vulnerable to cyber attack	Red (1)
SR31	Greater liability on the council's budget due to budgetary pressures on schools	Grey (2)

Directorate Risks

NCH DR 02	Lack of financial stability to enable directorate service delivery	White
HASC DR 11	Technology not in place to enable modern working practice and effective delivery (DP 1.4.6.2)	White
FCL DR 08	Special Educational Needs and Disability Review recommendations are not implemented	White
FCL DR 09	Budget is unmanageable due to growing demands, market forces, and not able to effectively target those who might in the future meet the social care threshold.	Grey (2)
EEC DR 03	Directorate income and budget targets are not met (DP 1.1.4.5)	Grey (3)

1) Limited Assurance 2016/17 Audits of Cyber Security, IT Disposals, Building and System Access and PCI DSS. Partial assurance opinion on 2017/18 Active Directory - User Management.

2) 2017/18 audit of Financial Pressures

3) Audit in progress of city Clean Commercial processes (2017/18)

G: Implementing good practice in transparency, reporting and audit to deliver effective accountability

Overall RAG Rating on Policies

Green

Strategic Risks

None

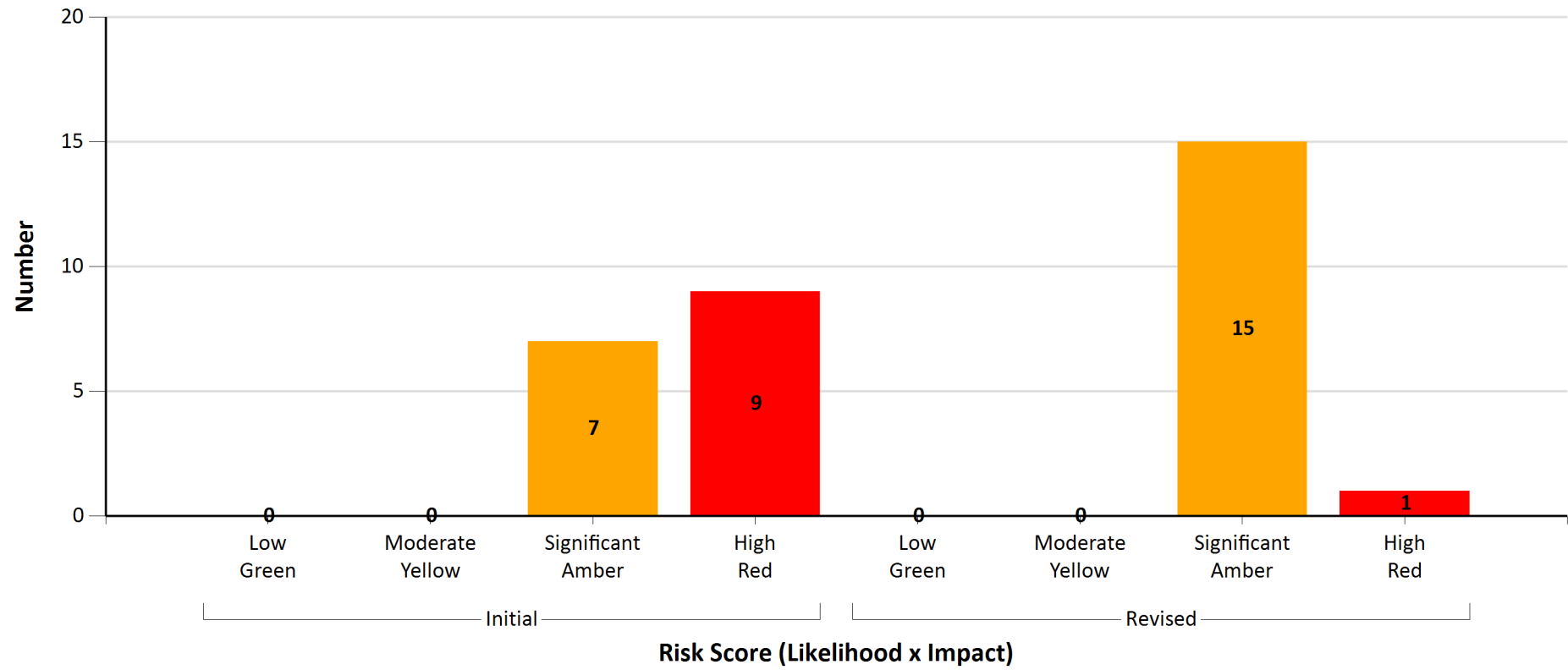
Directorate Risks

None

Brighton & Hove City Council

Appendix 2 - Strategic Risk Register
reviewed by ELT 22 November 2017

Risk Summary



Initial Rating

		IMPACT				
		Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
LIKELIHOOD	Almost Certain (5)	0	0	0	2	0
	Likely (4)	0	0	1	6	0
	Possible (3)	0	0	0	6	1
	Unlikely (2)	0	0	0	0	0
	Almost Impossible (1)	0	0	0	0	0

Revised Rating

		IMPACT				
		Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
LIKELIHOOD	Almost Certain (5)	0	0	0	0	0
	Likely (4)	0	0	1	1	0
	Possible (3)	0	0	3	8	0
	Unlikely (2)	0	0	0	2	1
	Almost Impossible (1)	0	0	0	0	0

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1 - 3
Low
Monitor periodically

4 - 7
Moderate
Monitor if the risk levels increase

8 - 14
Significant
Review and ensure effective controls

15 - 25
High
Immediate action required & need to escalate to the management level above

Risk Details

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR10	Corporate Information Assets are inadequately controlled and vulnerable to cyber attack	Strategic Risk Owners ICT Business Engagement Manager ICT Records Manager / Information Governance	BHCC Strategic Risk, Legislative	22/11/17	Threat	Treat	 L4 x I4	 L3 x I4		Revised: Adequate

Causes

Link to Corporate Plan: Outcome ' A modern council: Providing open civic leadership and effective public services'

Inadequate Information Security

Inadequate Information Governance

Inadequate Information Management

due to lack of resource and organisational maturity and ever-increasing levels and complexity of threats at a time when the organisation increases information assets.

Potential Consequence(s)

- Individuals could suffer reputational, financial or physical harm,
- The council could suffer reputational and/or financial loss along with an inability to function effectively
- The financial sanctions available to the Information Commissioner's Office (ICO) are significant
- The Public Services Network (PSN) & Health & Social Care Information Centre (HSCIC) could impose operational sanctions which would be catastrophic for many services,
- Inadequate Information Governance management lends itself to poor Data Protection practices incl. non-compliant circulation of data & leaks
- It could result in a loss of trust in the council by citizens and partners.

Existing Controls

First Line of Defence: Management Action

These are set out under each of the 3 Risk Causes (in capital letters)

A) Controls re. Cause relating to INADEQUATE INFORMATION SECURITY

1. Physical access controls have been improved a result of the move to a data centre between 2015-2017

2. Cyber security controls introduced to minimise security risks and adoption of ITHC (IT Health Check) principles, an independent IT security assessment/accreditation, for internal security scanning
3. Protective monitoring technology has been introduced to provide threat, vulnerability and incident alerts
4. The council's Behaviour Framework applies to all staff and includes under 'Behaving Professionally' the text "I handle confidential matters and information discreetly and within set guidelines (e.g. Data Protection, data sharing protocols)

B) Controls re. Cause relating to INADEQUATE INFORMATION GOVERNANCE

- 4) An Information Governance training package has been rolled out across the entire organisation
- 5) A suite of Information Governance Policies have been approved
- 7) An information risk register has been developed and is regularly reviewed by ICT Mgt Team (ICTMT), Information Governance Board (IGB) and the Senior Information Risk Owner (SIRO)

C) Controls re. Cause relating to INADEQUATE INFORMATION MANAGEMENT

- 8) Governance training package has been rolled out across the entire organisation
- 9) The key responsibilities of all with Leadership Roles at Tier 2, i.e. including all Executive Directors, includes: 'To be accountable for safeguarding and effective exploitation of all data and information systems within the area(s) managed in line with corporate risk management protocols, and in collaboration with services across the organisation.

Second Line of Defence: Corporate Oversight

- 1) The Senior Information Risk Owners (SIRO) oversees the organisation's approach to Information Risk Management, setting the culture along with risk appetite and tolerances;
- 2) The Information Governance Board ("IGB") oversees and provides leadership on Information Risk Management and obligations arising from legislation such as the Data Protection Act (DPA) 1998 & Freedom of Information (FOI) Act 1998;
- 3) The Caldicott Guardians (Executive Directors Families, Children & Learning; and Health & Social Care) have corporate responsibility for protecting the confidentiality of Health and Social Care service-user information and enabling appropriate information sharing;
- 4) The Information Governance Team operates as an independent function to provide advice, guidance and oversight in key areas.
- 5) Oversight of Audit and Standards Committee.



Third Line of Defence: Independent Assurance

- 1) Internal and external ICT audits provide an objective evaluation of the design and effectiveness of ICTs internal controls;
- 2) IT Health Check (ITHC) performed by a 'CHECK'/'CREST' approved external service provider – covering both applications and infrastructure assurance. The ITHC approach has been updated to include one standard annual check and one targeted solution specific check (e.g. the mobile service).
- 3) Continued assurance from compliance regimes, including Public Sector Network (PSN) CoCo (Code of Connection); HSCIC Information Governance Toolkit; and Payment Card Industry Data Security Standard (PCI DSS)

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
INFORMATION GOVERNANCE: General Data Protection Regulation (GDPR) compliance project	ICT Business Engagement Manager	80	02/01/18	01/04/17	02/01/18
<p>Comments: Initiation of project to comply with GDPR relies on confirmation of budget and support from Corporate Programme Management Office. Business case agreed at Executive Leadership Team (ELT) to be reported for approval to Policy Resources & Growth (PR&G) Committee 30/11/17</p>					
INFORMATION GOVERNANCE: iCasework implementation	ICT Business Engagement Manager	50	29/12/17	01/06/17	29/12/17
<p>Comments: Implementation of iCasework for FOI case management (includes FOI process improvement). Procurement activity has begun and resource for implementation has been identified. Contract has been awarded, but supplier availability for implementation has delayed the project. Implementation has be scheduled for October through to November 2017</p>					
INFORMATION GOVERNANCE: Review and update policies (as per IG HSCIC Toolkit requirement)	ICT Business Engagement Manager	0	28/02/18	02/01/18	28/02/18
<p>Comments: Work is due to start early January 2018</p>					
INFORMATION MANAGEMENT/ INFORMATION GOVERNANCE Develop and launch a series of IG training modules	ICT Business Engagement Manager	5	29/06/18	28/04/17	29/06/18
<p>Comments: October 17 update - scope of training modules has been agreed, staff resources to be identified to develop content</p>					

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>INFORMATION MANAGEMENT: Launch a new information audit (including GDPR categories) and establish asset ownership and asset change as parts of Business as Usual (BAU)</p> <p>Comments: Work is due to commence 13/11/17</p>	ICT Business Engagement Manager	0	31/05/18	13/11/17	31/05/18
<p>INFORMATION MANAGMENT: Create an Information Sharing Agreement Register and use GDPR data mapping processes to identify info sharing governance gaps</p> <p>Comments: Work is due to commence 20/11/17</p>	ICT Business Engagement Manager	0	31/05/18	20/11/17	31/05/18
<p>INFORMATION SECURITY - Review protective monitoring arrangements with Orbis partners</p> <p>Comments: BHCC ICT have developed a protective monitoring approach with Eduserve. Agreement has been reached that the current protective monitoring contract with Eduserve will continue. The Orbis IT&D data centre strategy (in development) will provide longer term plans on how the service will be developed across the Orbis partnership. Protective Monitoring is in place. Work to review and Procure future provision is planned.</p>	ICT Business Engagement Manager	0	30/04/18	17/01/18	30/04/18
<p>INFORMATION SECURITY/INFORMANCE GOVERNANCE: Review of ICT incident management process – to fully integrate data breach and cyber security incidents</p>	ICT Business Engagement Manager	70	29/12/17	01/06/16	29/12/17

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: The 'as is' has been reviewed and a 'to be' has been defined and documented. Implementation of the new process was scheduled for completion by end of June 17. Work was slightly delayed in order to harmonise the Incident Management (IM) process with the Orbis partnership including workshops which will lead to implementation of a new Orbis process. At as October 201, within Brighton & Hove City Council work has taken place to align the IM process for Cyber and Data Breach issues. There is ongoing work with Orbis partners to refine the approach.</p>					

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR13	Not keeping vulnerable adults safe from harm and abuse	Executive Director Health and Adult Social Care Assistant Director Adult Social Care Head of Adult Safeguarding	BHCC Strategic Risk, Legislative	22/11/17	Threat	Treat	 L4 x I4	 L3 x I4		Revised: Adequate

Causes

Link to Corporate Plan: Priority Health & Wellbeing: Safeguard the most vulnerable from neglect and harm
 Keeping vulnerable adults safe from harm and abuse is a responsibility of the council. Brighton & Hove City Council has a statutory duty to co-ordinate safeguarding work across the city and the Safeguarding Adults Board. This work links partnerships across the Police and Health and Social Care providers. Under the Care Act, since 2015, the Local Authority has a statutory duty to enquire if it believes a person with care and support needs is experiencing or is at risk of harm and abuse and cannot protect themselves. In 2016/17 887 safeguarding enquiries were completed by the adult assessment service.

Due to a national legal judgement in early 2014 on Deprivation of Liberty Safeguards (DoLS) the council has seen a significant increase in requests for Best Interest Assessments (BIAs); numbers have increased significantly testing the council's capacity to deliver.

Potential Consequence(s)

- * Generally, cases are more complex and demands can vary
- * Failure to meet statutory duties could result in legal challenge
- * Failure to respond to a more personalised approach could result in challenge
- * Inadequate budget provision to meet statutory requirements

Existing Controls

First Line of Defence: Management Controls

1. Local Safeguarding Adults Board (LSAB) work plan established, with independent leadership, with aligned LSAB sub group work plans
2. Multi agency safeguarding adult procedures in place, for preventing, identifying, reporting and investigating allegations of harm and abuse, in line with Care Act requirements and endorsed by all 3 Sussex Safeguarding Adults Boards. Continuous professional development plan in place for social work qualified staff, including a training programme and Practice Development Groups, for Care Act and Mental Capacity Act requirements. Impact of assessment staff training monitored through Audit Moderation panel.

3. 'What to do if you or someone you know are being abused or neglected' leaflet produced by LSAB, available on LSAB members websites and hard copies distributed. Adults Safeguarding information on all LSAB member websites, including how to raise a concern and relevant contact details. The BHCC website has a Safeguarding Adult section, with information for the public regarding recognising abuse, how to report.
4. E-learning on Safeguarding Adults basic awareness is available for all BHCC staff, and Independent and Voluntary sector organisations.
5. Core training in safeguarding and mental capacity available via BHCC Workforce Development Team for all provider services (Independent and Voluntary Sector) who provide an adult social care function.
6. For Adult Social Care (ASC) staff who have contact with vulnerable people, Safeguarding Awareness is noted as Mandatory.
7. BHCC Quality Monitoring Team and process in place to monitor quality of adult social care providers, in partnership with Clinical Commissioning Group (CCG), and Care Quality Commission (CQC).
8. Violence Against Women and Girls training programme available for LSAB member organisations, and ASC Assessment Service staff enabled to attend.
9. Dedicated Principal Social Work post for adult services, ensuring well trained, motivated social work service, meeting continuous professional development requirements in line with Social Work Professional Capabilities Framework, including expectations for professional supervision.
10. Senior Social Work/Operational Management authorisation of all Mental Capacity assessments undertaken in ASC Assessment Service.
11. Named Enquiry Supervisor for all Safeguarding Enquiries undertaken in ASC Assessment Service.
12. Deprivation of Liberty Safeguards (DoLS) Team to lead and co-ordinate all DoLS referrals in line with statutory requirements.
13. Approved Mental Health Practitioner (AMHP) Operations Manager overseeing the AMHP Team, to meet all relevant statutory requirements.

Second Line of Defence: Corporate Oversight

- 1 Quality Assurance across key agencies, monitored by the Independently Chaired LSAB, with annual progress report on the LSAB work plan published.
- 2 Multi agency, and single agency safeguarding audits undertaken. Quarterly audit framework for adult social work service monitoring safeguarding enquiry practice.
3. Quarterly audits monitored by Audit Moderation Panel, and Corporate Performance indicator.
4. Key Performance Indicator (KPI) to monitor number of Safeguarding Enquiries not meeting Practice Standards
5. Care Governance Board overseeing Quality Monitoring.
6. Learning from Safeguarding Adult Reviews (SARs), monitored through SAR sub group of the LSAB.
7. Yearly Social Work Health Check undertaken jointly by Principal Social Workers in both Adult Social Care; and Families, Children & Learning
8. LSAB Independent Chair meets quarterly with Chief Executive
9. LSAB annual report to Health and Wellbeing Board, includes statutory progress report on LSAB work plan.
10. Pan Sussex Safeguarding adults procedures group, meets quarterly, to review and update Sussex Safeguarding Adults procedures regularly, ensuring they are legally compliant and responsive to local and national practice development and learning.
11. Dols Governance Group, meets quarterly, attended by Assistant Director and Head of Adult Safeguarding, to ensure activity under DOLs and the Mental Health Act is quality assured, meets legal requirements, and activity is delivered with an efficient use of resources.
12. Departmental Management Team and HASC Modernisation Board oversee developments and monitor risks to Department.
13. Working with ADASS (association of directors of adult social services) on monitoring the impact of DoLs work to Local Authorities following the Supreme Court ruling in 2014 (P v Cheshire West Council and P&Q v Surrey County Council).

Third Line of Defence: Independent Assurance

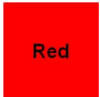

CQC Inspection of in-house registered care services, ongoing, last inspection undertaken for Knoll House, 16/11/16, which received an overall CQC rating of Good.

Information on council website re. inspection results: <https://www.brighton-hove.gov.uk/content/social-care/getting-touch-and-how-were-doing/adult-social-care-inspection-reports-council>

LGA/ADASS Peer review programme – Sector Led Improvement Peer Review undertaken 2013, ‘Safeguarding and Self Directed Support’. Action Plan completed June 2014. Indications from ADASS that a further Peer Review for BHCC HASC will be considered 2017/18.

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Continue to learn from serious case reviews, coroners inquests and case reviews	Head of Adult Safeguarding	75	31/03/18	01/04/15	31/03/18
<p>Comments: Updated October 2017</p> <p>A Safeguarding Adults Review has been undertaken (called SAR X), written by Independent Author commissioned by the Local Safeguarding Adults Board (LSAB) following the death of a person who was homeless, who was at times not engaging with support agencies, and with a Personality Disorder. The review was commissioned by the LSAB in April 2016.</p> <p>On 28/11/16 an Extraordinary LSAB meeting was held with all Board members, and the Independent Author presented the report, findings and recommendations.</p> <p>The SAR Sub Group of the LSAB (Chaired by B&H HealthWatch) has finalised the SAR X Action plan, signed off at the SAR Sub Group 24/01/2017. The SAR X Action Plan is reviewed and monitored via the SAR Sub Group, which reports to the LSAB. The SAR Sub Group will monitor the completion of the Action Plan.</p> <p>SAR X summary is published on the LSAB website http://brightonandhovelscb.org.uk/safeguarding-adults-board/safeguarding-adults-reviews/. A briefing regarding SAR X has been completed, and has been circulated to all LSAB member organisations for staff awareness.</p> <p>A multi agency audit has been completed by the LSAB for a number of people identified as homeless/rough sleeping. An Action Plan has been drawn up from this audit, which is to be agreed at the Quality Assurance Sub Group of the LSAB on 23rd October 2017. Progress on the Action Plan will be monitored through the Quality Assurance Sub Group and reported to the LSAB in December 2017.</p> <p>A further multi agency audit is planned for 2017 regarding safeguarding enquiries where there has been allegations of sexual abuse/violence. The draft Terms of Reference for this audit have been circulated for agreement at the Quality Assurance Sub Group in October 2017.</p>					

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Performance Indicator for assessment service staff attendance on core training sessions, to be set for 2017-18.	Head of Adult Safeguarding	50	31/03/18	20/01/17	31/03/18
<p>Comments: Updated October 2017</p> <p>Lead Enquiry Officer (LEO) training for safeguarding adults has been developed by the Professional Standards and Safeguarding Team, to build on training rolled out in 2015 when the Care Act started, and on on-going Practice Development Groups. This training has started in July 2017, and dates have been booked for this 2 day training every 2 months for the year ahead. The training is developed and facilitated by practice Managers in the Safeguarding and Professional Standards Team. 2 training sessions have been run, in July and in September, and were both fully subscribed to, and received positive feedback from the social workers attending as to how it will support their practice. Based on numbers of qualified social workers in adult services a target has been set for end 27/18 that 50% of all social workers would have attended this new training during the period. Including previous year's training this will equal 75% of staff trained. This is monitored via the Statutory Duties Training group, chaired by the Principal Social Worker for Adults.</p>					
Programme of Prevent training to be rolled out to all Assessment Service staff in contact with citizens, Senior Social Workers and Operations Managers, and Registered Managers of provider services. All relevant staff to have attended training by April 2019.	Head of Adult Safeguarding	30	29/03/19	20/01/17	29/03/19
<p>Comments: Each trainer has committed to 4 sessions, enabling around 70% coverage by April 2018, of 150 staff, full completion by April 2019. 35 staff have been trained so far, with a further 6 sessions booked to April 2018, which will train an additional 70 people. Further courses to be booked in for 2018 post April.</p>					

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR15	Not keeping children safe from harm and abuse	Executive Director Families, Children & Learning Service Manager - Directorate Policy & Business Support Assistant Director - Children's Health, Safeguarding & Care	BHCC Strategic Risk, Legislative	22/11/17	Threat	Treat	 L4 x I4	 L3 x I4		Revised: Adequate

Causes

Link to Corporate Plan: Priority Children & Young People: Safeguard children and young people and reduce the rate of re-referral
 Keeping vulnerable children safe from harm and abuse is a legal responsibility of the Council. Legislation requires all local authorities to act in accordance with national guidance (Working Together) to ensure robust safeguarding practice. This includes the responsibility to ensure an effective Local Safeguarding Children Board (LSCB) which oversees work locally and in partnership with Police, Health and social care providers. The numbers of children in care and those on Child Protection Plans are significantly higher than in similar authorities. The number of children and young people (CYP) who are sexually exploited is also of concern.

Potential Consequence(s)

The complexity of circumstances for many children presents a constant state of risk which demands informed and reflective professional judgement, and often urgent and decisive action, by all agencies using agreed thresholds and procedures. Such complexity inevitably presents a high degree of risk. Children subject to abuse, exploitation and/or neglect are unlikely to achieve and maintain a satisfactory level of health or development, or their health and development will be significantly impaired. In some circumstances, abuse and neglect may lead to a child's death.

Existing Controls

First Line of Defence: Management Controls

1. Robust quality assurance processes embedded and reported on annually
2. Single access point ('Front Door for Families') for support and safeguarding issues relating to children operated from May 2017. The service is managed by one manager with responsibility for and oversight of both the Multi-Agency Safeguarding Hub (MASH) which launched from Sept 14 and early help referrals to provide robust risk assessments and information sharing between partner agencies.
3. LSCB Work Plan established with strong leadership by the Independent Chair with aligned LSCB sub-group work plans
4. Serious Case, Local Management and Child Death Reviews identify learning and action for improvement
5. The directorate has full engagement with the LSCB
6. There is a strong focus on working with CYP at risk of being missing from care, home and education
7. The local Troubled Families programme targets support to the most vulnerable families
8. Continuous professional development and training opportunities offered by the LSCB and good multi agency take up of training
9. In line with the Government's Prevent Strategy, work with the Police, Statutory Partners, Third Sector Organisations and Communities to reduce radicalisation
10. Threshold document, agreed by all agencies and reviewed regularly
11. Relationship based model of practice operating from Oct 2015 for social work teams, with Pods in place to provide stability to service users
13. Performance management across children's social work enables a more informed view on current activity and planning for future service changes;

Second Line of Defence: Corporate Oversight

1. Early Help system redesigned in 2017 and new structure in place
2. Quality Assurance within the city and also across key agencies monitored by the LSCB sub group
3. The Child Review Board meets quarterly and is an opportunity for Lead Members to receive information, provide challenge and comments on children's social care issues with Heads of Service, Assistant Director and Director for Children's Services
4. Reports delivered to LSCB following robust auditing of multi-agency case files and safeguarding practice

Third Line of Defence: Independent Assurance

1. Ofsted inspected our social work arrangements in May 2015 and an action plan was developed to take forward recommendations.
2. LGA Peer Review on Safeguarding completed in September 2016 which provided assurance (and helpful challenge) regarding progress against the Ofsted inspection report. The review confirmed our ongoing actions were well directed and work continues to implement
3. University of Sussex have completed an evaluation in 2017 of the relationship based Model of Practice setting out assurance on how it is working and useful recommendations for future focus

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
High quality social work is provided to ensure that Children & Young People (CYP) are effectively safeguarded	Head of Service - Safeguarding & Quality Assurance	75	31/12/17	01/04/16	31/12/17

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Quality assurance activity continues to indicate that most children and families continue to be provided with appropriate social work services, with 69% of Q2 audited cases demonstrating positive outcomes for the child.</p>					

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR17	Ineffective school place planning	Executive Director Families, Children & Learning Service Manager - Directorate Policy & Business Support Assistant Director Education & Skills Head of School Organisation	BHCC Strategic Risk, Customer / Citizen	22/11/17	Threat	Treat	Amber L4 x I3	Amber L3 x I4		Revised: Adequate

Causes

Link to Corporate Plan: Priority Children & Young People: Deliver sufficient school places

The Council has a statutory role to ensure primary and secondary school places meet future need. There has been an upturn in the birth rate so that since 2003, the number of school aged children living the city has been increasing year on year, therefore pupil places are increasingly challenged. This is particularly acute in areas when in previous years pupil yield has previously been very much lower. While previously there has been a focus on primary school places in the next few years we will have a significant pressure on secondary school places.

Potential Consequence(s)

- * Parents may not feel able to secure a place for their child in the local community;
- * There may be increased travelling;
- * Without identifying new sites, existing schools may become overcrowded or larger.

Existing Controls

First Line of Defence: Management Controls

1. School Organisation Plan routinely reviewed internally and pupil forecasting element received independent assurance in 2015
The planned publication of the 2017- 2021 School Organisation Plan will be linked to updated forecast pupil numbers
2. Detailed pupil forecasting for primary & secondary numbers are carried out each year by the service
3. Work has been ongoing on securing site for new secondary school
4. In recent years extra places have been provided by expanding existing primary schools and the opening of two new free schools

Second Line of Defence: Corporate Oversight

1. Strategic Risk 17 agreed by ELT and reviewed quarterly
2. Audit & Standards Committee focus on all strategic risks over the course of a year
3. Cross Party Working Group (supported by a group consisting of all ten secondary schools, the three colleges and the two universities with the local authority) has been meeting to develop proposals around a new secondary admissions process with full engagement exercise conducted in first half of 2016, proposals will be formally consulted on, once new school location known
4. Secondary Continuing Education meeting established to raise awareness including and involving all schools, colleges and two city universities. This has focused on school organisation

Third Line of Defence: Independent Assurance

1. In case of dispute over admissions arrangements the Office of the Schools Adjudicator will adjudicate
2. 80% of schools are currently assessed by Ofsted as good or outstanding and a new School Improvement Strategy has been adopted to support the target of all schools being good or outstanding
3. There is external challenge by the annual mandatory submission of the school capacity (SCAP) return to the Education & Skills funding agency

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
To implement the School Organisation Plan to ensure sufficient school places to meet future need	Assistant Director Education & Skills	75	31/12/17	01/04/16	31/12/17

Comments: The School Organisation Plan is being developed and has been discussed at the Cross Party School Organisation Working Party meeting in February 2017. The on-going discussions relating to the opening of the new secondary school will have a bearing upon the final version of the School Organisation Plan and the timing of these will have a bearing upon the finishing touches and scrutiny of the plan. The next steps are to finalise and launch the plan in 2018.

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
To secure agreement on the location of a new six form entry secondary school in Brighton (to ensure there are sufficient school places to meet growing numbers of students) to open September 2018	Assistant Director Education & Skills	75	31/12/17	01/04/16	31/12/17
<p>Comments: Discussions continue with the landowners of the 2 identified sites for the new secondary free school but securing the sites is dependent upon the work of the individual institutions, however dialogue is maintained. Work continues to analyse pupil forecasts and pattern of applications to ensure sufficient places in September 2018. It is anticipated that irrespective of the school opening in September 2018 all pupils will receive a reasonable offer of a school place.</p>					

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR18	Service outcomes are sub-optimal due to the lack of appropriate tools for officers to perform their roles	Executive Director of Finance & Resources Head of Digital Transformation ICT Business Engagement Manager	BHCC Strategic Risk, Technological	22/11/17	Threat	Treat	Amber L3 x I4	Amber L2 x I4		Revised: Adequate

Causes

Link to Corporate Plan: Priority Economy, Jobs and Homes: Improve the City's digital infrastructure

Service redesign and development of user centric, secure, resilient, flexible digital capabilities which meet safeguarding and other legislative duties relies on:

- 1) a sufficient number of ICT staff with appropriate skills and effective, efficient suppliers
- 2) an investment strategy for sustainable targeted improvements of ICT platforms and systems
- 3) organisational capacity for joint work to transform services
- 4) staff skill levels and confidence to use and innovate with information and technology
- 5) sufficient understanding and leadership at all levels of the organisation to exploit the opportunities of modern, digital IT to improve service delivery
- 6) appropriate access for those with safeguarding responsibilities, including in partnership, to ICT systems which enable the protection of the most vulnerable
- 7) improved information systems and services to enable delivery of council objectives as set out in the corporate plan

Potential Consequence(s)

- Less confidence in digital technology to assist achievement of Corporate Plan objectives
- Unable to transform services to achieve efficiencies and better outcomes for residents, communities, businesses and visitors
- Unable to meet organisational budget reductions if automated services are not introduced
- Communications offer, including with citizens and communities, is less effective and engaging
- Safeguarding issues if staff do not have appropriate access to the information and support needed to carry out their roles
- Increased pressure on staff in delivering services and unable to focus on transformation
- Leaders unable to innovate services at necessary pace to meet demand and cope with financial pressures
- Impact on council and city reputation as a digital city
- Staff morale affected

Existing Controls

First Line of Defence: Management Action

1. ICT Infrastructure Programme is delivering core ICT infrastructure platforms to improve service flexibility, availability, business continuity and cybersecurity - this includes clear service levels, hybrid cloud platform, flexible connectivity options and robust cybersecurity.
2. Feedback and engagement from customers and partners is driving the development of services, including focus inside and outside of Digital First on mobile, digital and information sharing.
3. Alignment and prioritisation of project resources to modernisation requirements.
4. Established working relationships and governance (Informatics Oversight Committee & Local Digital Roadmap) for cross social care and health system developments and resourcing, linked to Better Care and Digital Roadmap development.
5. Digital First programme has been established with programme team in place and growing. A clear timeline of work and savings in place. New development platforms now delivering new products.
6. Increased profile and presence in the city's digital community to enable the work with City and City region partners including Wired Sussex, Digital Catapult, Brighton University and Sussex University. Establishing cross sector relationships which support the ambitions of the City and channel opportunities to further establish Brighton & Hove as the Connected City. Includes joint development of research and investment bids in support of shared agendas and supporting devolution agenda.
7. Early work with Orbis partners to carry out joint procurement and align supply chain where possible. For example joint procurement of Microsoft Licensing Solutions Partner.
8. The close linking in of the partnership Digital Resilience project into the Digital First programme, Libraries, Services to Schools and Customer Service Centres work is ensuring that solutions to the risks of digital exclusion are well managed and sustainably implemented.

Second Line of Defence: Corporate Oversight

1. Digital First programme approved at Policy, Resources & Growth (PRG) Committee
2. New Tech & IT Board has been set up to oversee ICT and Digital First - to be chaired by Chief Executive
3. Corporate Modernisation Delivery Board overseeing alignment of programmes and projects to Corporate Plan aims and reviewing any gaps. Includes oversight of ICT Infrastructure, Workstyles and Digital First programmes.
4. Digital First Members Oversight Group - quarterly
5. Digital First programme board

Third Line of Defence: Independent Assurance



1. Internal and External Audit assurance of programme management and Capital Investment strategies.

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Development and PRG approval of Information Strategy to ensure a clear strategic vision and governance of how BHCC will balance exploiting the opportunities and value of data and information while protecting the privacy and ensuring value flows to communities.</p>	ICT Business Engagement Manager	10	01/04/18	20/04/17	01/04/18
<p>Comments: Information Strategy on hold due to the need to move forwards with mitigations to comply with GDPR. However the GDPR programme will in fact form much of what is required for the Information Strategy; so there should be significant progress by May 2018.</p>					
<p>Increase organisational capacity for service transformation by using Digital First team across services and silos to identify efficiencies online</p>	Head of Digital Transformation	70	31/03/19	01/04/16	31/03/19
<p>Comments: Digital product managers working in: HASC, Communities, Cityclean, Revenues and Benefits, Regulatory Services, Housing, Parking, Customer Service Centres to help services identify opportunities to transform putting the customer at the forefront. This is ongoing as part of a three year programme monitored by the Corporate Modernisation Delivery Board (CMDDB).</p>					
<p>Information Management - developing and delivering core information practices including customer index, enterprise content management and robust data and record management practices.</p>	ICT Business Engagement Manager	60	31/03/18	01/04/16	31/03/18

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: October 17 update - Progress on Customer Index is ongoing. ECM (new SharePoint) will initiate discovery phase by end-2017. Data and Records Management practices to be embedded in SharePoint projects and organisational maturity increased as a result of GDPR project work.</p> <p>Initial matched customer index completed, core ECM platform selected, records management support for teams moving under Workstyles completed.</p> <p>Work started with HASC and Health on data management for integrated services including risk stratification and predictive modelling.</p>					
<p>Introduce an overarching technology and digital governance board to align priorities, coordinate co-delivery, remove blockers and track benefits</p>	<p>ICT Business Engagement Manager</p>	<p>80</p>	<p>31/03/18</p>	<p>18/07/17</p>	<p>31/03/18</p>
<p>Comments: October 2017 update: a Tech and Digital Board has been set up and the first meeting held. Learning from that meeting is being taken n board in order to make this Board effective in setting priorities for IT & D and Digital First.</p>					
<p>Modernisation project to review use of information and systems in Social Care and Housing service areas</p>	<p>ICT Business Engagement Manager</p>	<p>10</p>	<p>01/04/18</p>	<p>20/04/17</p>	<p>01/04/18</p>
<p>Comments: October'17 update: IT&D engagement will be led by a Business Partner from October/November 2017</p>					
<p>Use new Tech & Digital Oversight Board to review progress, identify interventions where strategic changes on ICT are required, and produce a re-focused IT & D Strategy that aligns the needs of operations, Digital First, and the City.</p>	<p>Executive Director of Finance & Resources</p>	<p>25</p>	<p>31/03/18</p>	<p>06/09/17</p>	<p>31/03/18</p>

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Update 14 October 2017 - Board set up and Terms of Reference agreed. New management systems being put in place to respond to customer needs (Members, officers, Digital First). First meeting has now taken place, with follow-up meeting shortly afterwards.</p>					
<p>Use Orbis to ensure outcomes of ICT Infrastructure Programme are sustainable, embedded and enabling of change within the organisation.</p>	<p>ICT Business Engagement Manager</p>	<p>80</p>	<p>31/03/18</p>	<p>01/04/16</p>	<p>31/03/18</p>
<p>Comments: November 17 - The council's Information Technology & Development (IT&D) service and Orbis partners have begun scoping a programme of work to improve the technical infrastructure. This will seek to improve the scalability and resilience of the technical architecture and improved the user experience. Exact details are being worked on and will be developed in the next quarter.</p>					
<p>Previous updates:</p>					
<p>September '17 update:</p>					
<p>The final phase of the current infrastructure programme relates to the rollout of Skype for Business and Mobile telephony. Skype for Business pilot user group is continuing to test the enhanced Skype policies for video conferencing and Skype voice calls. Rollout is scheduled for Q3.</p>					
<p>Mobile telephony: 42 Independence at Home users are live with the new managed smartphones. Full rollout will start in October.</p>					
<p>New security & platform infrastructure now implemented for BHCC and Schools, critical cloud services being migrated, continued migration of priority services to staffing environments, new citrix farm built and tested, network interconnect with NHS established, corporate wifi now deployed to HTH and Barts House, shared services wifi now deployed, new laptop services rolled out to HTH users.</p>					
<p>Microsoft Office 36 service migration planning happening with migration of email. Removal of .gcsx and delivery of Mobile, Skype and Onedrive.</p>					
<p>July 17 Update - migration of email is complete (although gcsx is unlikely to be removed entirely as some recipients still require gcsx mail). Mobile and Skype for business are in trial/testing stage and Onedrive is scheduled for implementation in late 2017.</p>					

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Work with Orbis, Greater Brighton and Supplier partners to ensure resilient capacity, a sustainable set of core platforms, services and practices are in place to support and enable modernisation, devolution and safeguarding. Includes taking the learning early from others and using collective economies of scale.</p>	ICT Business Engagement Manager	20	31/03/19	01/04/16	31/03/19
<p>Comments: November 2017 - IT&D and Orbis partners have begun scoping a programme of work to improve the technical infrastructure. This will seek to improve the scalability and resilience of the technical architecture and improved the user experience. This is quite vague at this stage, but there should be more detail in the by next quarter</p>					
<p>July 17 update - 'collaborate to integrate' work with Orbis partners is underway. While full integration is a longer term objective, an integrated model of service delivery will be in place by early 2018.</p>					
<p>BHCC now a founding partner and detailed planning for shared services and platforms now starting. BHCC operating as part of Architectural Design Authority for Orbis, agreeing the core platforms and practices for the Orbis partnership and engaged in Business Solutions Platform planning and requirements work.</p>					
<p>Focused work through NHS/HASC Local Digital Roadmap in support of STP on developing partnerships across STP footprint with NHS IT partners. Representing and engaging to develop investable LDR and agree architectural and supplier relationships.</p>					
<p>New developing relationship with Microsoft as key supplier leveraging greater scale of Orbis relationship and attractiveness of Brighton as reference customer site.</p>					
<p>The Greater Brighton digital digital working group is up and running with an initial focus on digital infrastructure and public service reform.</p>					
<p>IT&D and Orbis partners have begun scoping a programme of work to improve the BHCC technical infrastructure. This will seek to improve the scalability and resilience of the technical architecture and improved the user experience.</p>					

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR2	The council is not financially sustainable	Executive Director of Finance & Resources Head of Integrated Financial Management & Planning Deputy Chief Finance Officer Head of Performance, Improvement & Programmes	BHCC Strategic Risk, Economic / Financial	22/11/17	Threat	Treat	 L5 x I4	 L3 x I4		Revised: Adequate

Causes

Link to Corporate Plan: Outcome ' A modern council: Providing open civic leadership and effective public services'

Reductions in central government funding will continue through to 2020 under the 2015 Comprehensive Spending Review and potentially beyond. The changes to local government funding introduced in 2013/14 also transferred greater risks to the council, particularly in relation to Business Rate valuation appeals. There is a cumulative impact of reductions in government funding to other public agencies in the city. The greatest risk is from increasing cost and demands across demand-led services such as social care and homelessness.

Implementing 4-year Integrated Service & Financial Plans in 2016/17 and updating these and the Medium Term Financial Strategy annually is challenging given the continuing uncertainty in funding and taxation levels. There is increased uncertainty until HM Govt re-focuses on local government funding further to speculation that 100% Business Rates Retention has been shelved.

Potential Consequence(s)

The council will need to continue robust financial planning in a highly complex environment. Failure to do so could impact on financial resilience and mean that outcomes for residents are not optimised.

Existing Controls

First Line of Defence: Management Controls

1. Ongoing review of the adequacy of risk provisions and reserves to support the medium term budget strategy and to ensure financial resilience
 2. Medium term resource projections (MTFS) and savings plans (4-Year Integrated Service & Financial Plans) are reviewed and revised where necessary to identify and address predicted budget gaps including identification of taxation and savings options
 3. Consultation and engagement with the Leadership (member oversight), cross-party Budget Review Group and partners (particularly the Clinical Commissioning Group 'CCG') for development and approval of the annual budget led by Executive Leadership Team (ELT) and the Chief Finance Officer (CFO)
 4. Targeted Budget Management (TBM) Month 7 and month 9 projections are undertaken to accompany draft (Nov/Dec) and final (Feb) budget reports to ensure in-year pressures are reflected in resource projections and budget setting;
 5. Taxbase forecasts and projections updated and reflected in the Medium Term Financial Strategy (MTFS) and annual budget proposals and reported by the statutory deadline (31 January);
 6. Investment requirements reviewed and funding flexibility identified to ensure delivery of modernisation and savings proposals included in the 4-year plans;
- * Key control: annual revenue and capital budgets approved by Full Council in February with a balanced budget and 'funded' capital programme;
- * Revised TBM Monitoring regime introduced in 2017/18 to RAG rate budget performance with an escalating scale of scrutiny and intervention where continued overspending is evident. Interventions focus on development of Financial Recovery Plans approved and monitored by the CFO but can ultimately include 'special measures'.

Second Line of Defence: Corporate Oversight

1. Modernisation portfolio monitored by the Corporate Modernisation Delivery Board (CMDDB) and reviewed by cross-party Member Oversight group
2. Close alignment of corporate priorities with the Medium Term Financial Strategy (MTFS) and, particularly, 4-year Integrated Service & Financial Plans
3. Regular monitoring and review by Policy, Resources & Growth (PR&G) Committee of the MTFS assumptions, the impact of legislative changes; cost and demand pressures; savings programmes; and income, taxation and grant assumptions through TBM reporting and various budget reports (Jul, Nov/Dec, Jan and Feb);
4. Continued adoption by PR&G of 4-year service & financial planning approach which sets out plans through to 2019/20 and identifies investment requirements to ensure delivery
5. Close monitoring by PR&G of council tax, business rates and other income and regular updating of forecasts
6. Ongoing review and challenge of value for money including Member review, benchmarking, and external audit review and opinion
7. The cross-party Budget Review Group reviews monthly TBM performance, including financial recovery plans
8. Oversight of pooled funds and integrated arrangements through separate governance arrangements including Health & Well-being (HWB) Board.

Third Line of Defence: Independent Assurance

1. Annual review by external auditors of Value for Money (VfM) arrangements leading to an opinion in the annual audit report
2. Internal audit reviews of budget management and financial planning arrangements

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Continue to monitor impact of health sector reforms, integration and Better Care programmes.	Deputy Chief Finance Officer	75	31/03/18	01/04/15	31/03/18
<p>Comments: Monthly Health & Social Care (HASC) Finance & Performance Boards chaired by the Executive Director Finance & Resources (F&R) are now in place attended by Council and CCG finance, commissioning and performance experts. Better Care Fund (BCF) S75 Agreement for 2017/18 is in final draft (Oct 17) and is shortly due to signed with the hosting of pool management to be agreed. A 50/50 risk share will apply. Reporting on pool performance will be to HASC Finance & Performance (F&P) Board and BCF governance (including H&WBB). Recovery plans and corrective measures will be proposed where necessary. The HASC F&P Board will also link into interim Caring Together governance.</p>					
Corporate Modernisation Delivery Board includes monitoring and RAG rating of critical VFM and other savings programmes that support the council's current and medium term financial position. Reporting links to TBM reporting which also monitors savings delivery.	Head of Performance, Improvement & Programmes	85	31/03/20	01/04/15	31/03/20
<p>Comments: Corporate Modernisation governance arrangements in place. Internal audit provided 'reasonable assurance' in May 2016. Corporate Modernisation Delivery Board to continue to provide support and challenge to project/programme managers and Senior Responsible Owners.</p> <p>All budget figures reported link to TBM process. Modernisation arrangements fully integrated within Service & Finance Planning. Finance guidance has been drafted for project/programme managers to ensure consistency of figures being reported to accurately calculate 'return on investment'. 15% savings at risk according to TBM month 5 for 2017/18.</p>					
Delivery of modernisation programme financial and non-financial benefits	Deputy Chief Finance Officer	50	31/03/18	01/04/15	31/03/18

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Regular monitoring of performance against target is submitted to Corporate Modernisation Delivery Board (CMDB). Member Oversight Group meets quarterly to focus on each area of the Modernisation Programme including VFM savings programmes. All savings programmes have appropriate project and programme management resources in place. Detailed implementation plans are in place. Regular monitoring will be through monthly TBM reports to Directorate Management Teams (DMTs), Executive Leadership Board (ELT), Budget Review Group, and PR&G (5 times per year). The TBM regime has been revised to RAG rate performance with escalating interventions applicable where there is continued overspending. Interventions focus on the development of Financial Recovery Plans approved by the CFO. Underlying and projected pressures on demand-led budgets have been recognized in the Medium Term Financial Strategy and in annual budget setting to ensure budget gaps and savings to close the gaps are identified.</p>					
Devise and implement budget, MTFS and 4-year service & financial planning timetable and process.	Deputy Chief Finance Officer	80	01/02/18	01/05/15	01/02/18
<p>Comments: 4-year Integrated Service & Financial Plans are now in their second year and have been approved for 2017/18 with 2018/19 and 2019/20 proposals currently being refreshed as part of the current budget setting process. An MTFS update is provided each July, Nov/Dec and February to PR&G to ensure resource projections and predicted budget gaps continue to be identified as early as possible with associated savings proposals (4-year plans). 2018/19 proposals are in development, led by ELT and the CFO, with full engagement of Members planned through November to February as draft proposals are developed and reported.</p>					
Meet Targeted Budget Management (TBM) reporting timetable and identify risk mitigation and corrective action where necessary	Deputy Chief Finance Officer	50	31/03/18	01/04/15	31/03/18

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: The current annual TBM reporting timetable has been produced and agreed. TBM Month 2 is the first reporting period each year to July PR&G. As last year, TBM reports will continue to be reported to the cross-party Budget Review Group (BRG) to ensure additional member oversight of the financial position. TBM reporting will identify risk mitigation and corrective action for overspending areas identified by RAG rating. A revised TBM regime ensures that escalating interventions apply where continued overspending (RED RAG) is evident. Interventions focus on additional scrutiny by the CFO and/or Chief Executive Officer (CEO), CFO approval of Financial Recovery Plans, and ultimately potential ‘special measures’ interventions where overspending persists. All 4-year savings programmes will also be monitored (including key VFM programmes) through the TBM report.</p>					
Regular MTFS updates of the City Council’s projected financial position for future years	Head of Integrated Financial Management & Planning	75	01/02/18	01/04/15	01/02/18
<p>Comments: A 4-year MTFS is updated and reported to PR&G in July, Nov/Dec and February each year. The MTFS links closely to 4-Year Integrated Service & Financial Plans (ISFPs) which have been adopted by the Council since 2016/17 and which identify savings programmes and related modernisation investment requirements (one-off) to address predicted budget gaps driven by reducing government grant funding and demand-led budget pressures. The budget and 4-year plans therefore identify clear plans and opportunities for managing the financial situation through to 2019/20. Potential changes to Local Government Finance are being closely monitored including the fair funding review, government announcements within the Autumn Statement, 100% Business Rate Retention, additional tax precepting, Universal Credit impacts, Better Care funding and health integration, and capital flexibilities.</p>					

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR20	Inability to integrate health and social care services at a local level and deliver timely and appropriate interventions	Executive Director Health and Adult Social Care Interim Head of Adult Social Care Commissioning Assistant Director Adult Social Care General Manager - SPFT	BHCC Strategic Risk, Economic / Financial	22/11/17	Threat	Treat	 L4 x I4	 L3 x I4		Revised: Adequate

Causes

Link to Corporate Plan Priority 3: Health and wellbeing

The ability of the health and social care system to progress with integrated teams and to commission appropriate services to support early intervention and ongoing care.

Potential Consequence(s)

If parties do not work together as agreed, or organisation's priorities change, it will affect delivery of performance targets. Any failure of delivery will impact on the Acute Trusts' costs and our ability to release efficiency savings to create new services.

Existing Controls

First Line of Defence: Management Controls

1. The CCG operates across 6 Clusters. From April 2017 three Social Care District teams support these Clusters so that social care operational work is aligned
2. Better Care Board established (high level and cross sector representation) and chaired by Executive Director Health & Adult Social Care, with oversight by Health & Wellbeing Board
3. Finance and Performance Board monitors spend and performance.



Second Line of Defence: Corporate Oversight

1. Health & Wellbeing Board reviewed and governance arrangements in place to help deliver an integrated approach, including oversight of the Better Care Plan
2. Better Care Plans in place. Section 75 signed off
3. Partnership work agreed and submitted a Better Care Plan since the deadline in March 2014. Revised Better Care plan for 2016/17 submitted.

Third Line of Defence - Independent Assurance

1. NHS England sign off Better Care Plan, submitted in May 2016.

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Robust Section 75 agreements to be reviewed.	Executive Director Health and Adult Social Care	25	31/03/18	23/03/16	31/03/18
<p>Comments: The intention is to enter into a shadow year from April 2018 for the integration of health and social care. Robust s75 agreements will be in place to support this shadow year. There are two Section 75 (s75) agreements: 1) Better Care which is led by the CCG and likely to require minor update; and 2) with the Sussex Partnership Foundation Trust (SPFT) now agreed in May 2016 with a slight change to risk share and budget. Update November 2016: SPFT in receipt of updated S75 agreement, response pending. Better Care Fund - currently being reviewed.</p>					
To support with the delivery of integrated services across social care and the wider system recruit Strategic Lead Officer for HASC, AD Integration	Executive Director Health and Adult Social Care	100	31/03/19	01/10/17	31/03/19
<p>Comments:</p>					

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR21	Unable to manage housing pressures and deliver new housing supply.	Executive Director Neighbourhoods, Communities & Housing Head of Planning Head of Housing Strategy / Private Sector Housing Assistant Director - City Development & Regeneration Assistant Director Housing	BHCC Strategic Risk, Environmental / Sustainability	22/11/17	Threat	Treat	 L4 x I4	 L3 x I4		Revised: Adequate

Causes

Link to Corporate Plan: Priority Economy, Jobs and Homes: Deliver better business space and affordable homes/accommodation

Brighton & Hove is a growing city with high house prices, low incomes, an ageing population and a significant proportion of households with a support need. Scope for development within the city is affected by significant geographical constraints and competing land pressures. The increasing demands for housing continues to outstrip new supply and as a consequence accommodation is becoming less affordable notably in central city areas relative to the local wage rates. Housing shortages are particularly acute for low income families. Demand for affordable rented homes is growing with over 20,000 households currently on the Housing Register (Oct 2017), 1,800 households (Oct 2017) in temporary accommodation and rising homelessness. The private rented sector continues to expand at the expense of rates of owner occupation which are in long term decline. The continued growth of universities and other educational establishments has a significant impact on the housing market and existing residential communities in parts of the city, in terms of affordable rents for non-student households, local character and impact on neighbourhood amenity.

Potential Consequence(s)

1. The city is constrained in its capacity to accommodate economic growth, housing supply obligations and sustainable development objectives.
2. The city council is unable to meet its strategic housing and planning policy objectives to: meet City Plan and Housing Strategy requirements in terms housing numbers; improve overall housing supply and housing mix; deliver affordable lower cost homes, in particular homes for rent.
3. The city council is unable to meet statutory homelessness obligations. In particular, corporate critical budget implications arising from Temporary Accommodation pressures owing to lack of suitable alternative accommodation.
4. The shortage of homes to meet the accommodation requirements of elderly and vulnerable people which can have an adverse impact on social care provision and cost pressures.
5. Impact on our ability to recruit and retain lower income working and younger households and employment in the city, in particular in social care, health and other lower wage sectors.

Existing Controls

First Line of Defence: Management Controls

1. The Council's Housing Strategy sets out objectives and action plan addressing identified housing needs in the City. This includes policy and investment prioritising: i) Improving Housing Supply; ii) Improving Housing Quality; iii) Improving Housing Support. This strategy has been agreed by Full Council.
2. The City Plan also sets out housing targets across all tenures; policies on securing affordable housing through the planning system, residential development standards.
3. Housing Revenue Account (HRA) Asset Management Strategy is aligned to Housing Strategy in support of improving housing supply & housing quality. Greater Brighton Housing & Growth (GBH&G) Working Group is aiming to accelerate delivery of new housing supply through freedoms and flexibilities sought as part of the wider Greater Brighton proposals.
4. The Student Housing Strategy review has commenced and will be informed by our most recent analysis of student number assumptions and supply and demand for student accommodation in the City.

Key controls include:

1. Housing Allocation Policy framework ensuring best use of existing council and registered provider resources through nomination of affordable housing to priority households.
2. Procurement of Temporary Accommodation and long term private sector housing lettings with private landlords in the city and wider city region for those to whom we owe a housing duty.
3. Our 'New Homes for Neighbourhoods' estate regeneration programme to deliver new affordable Council homes in the city.
4. Development of additional Housing Delivery Options: Living Wage Joint Venture with Hyde proposal to deliver 1,000 new lower cost homes for rental and sale; and, Housing Market Intervention / direct delivery through council wholly owned housing company.
5. Enabling delivery of new affordable homes in partnership with Registered Provider partners and the Homes & Communities Agency.
6. Improving supply through best use of existing HRA assets including conversions / hidden homes programme.
7. Bringing long term empty private sector homes back into use through our Empty Property Strategy.
8. Tenancy sustainment initiatives particularly for more vulnerable people in order to prevent homelessness.
9. Commenced review of Student Housing Strategy.
10. Ongoing work of Greater Brighton Housing & Growth initiatives to accelerate delivery of new homes.
11. On-going work of the Greater Brighton Strategic Property Board; bringing national, regional and local partners together to make the best use of the combined public estate – including the release of surplus land and sites for economic growth (new jobs, employment floorspace and home)'.

Second Line of Defence: Corporate and Committee Oversight

1. Corporate Investment Board
2. Strategic Investment Board
3. Cross Party Estates Regeneration Board
4. Strategic Housing Partnership (cross sector)

Third Line of Defence: Independent Assurance

1. Homes & Communities Agency - monitor and assure processes relating to affordable housing

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Continue to track number of Right to Buy Purchases; student houses; Houses in Multiple Occupation (HMOs), accepted as homeless under our statutory duty and the number of cases ASC & Children's accept a duty to house</p>	Assistant Director Housing	75	31/03/18	01/04/15	31/03/18
<p>Comments: New allocations policy adopted by council in December 2016. Implementation underway to be completed March 2018. Tracking of Right to Buy Purchases; student houses; HMOs; households accepted as homeless under our statutory duty and the number of cases Health & Adult Social Care (ASC) & Families, Children & Learning (FCL) accept a duty to house are all on-going as part of our wider budget, strategy and programme management arrangements. This information feeds into: HRA Business Plan; Estate Regeneration Programme; Development of Student Housing Strategy; Review and development of Private Rented Sector licensing proposals; Government returns related to homelessness and plans for Homeless Reduction Act and liaison with HASC & FCL regarding meeting the accommodation needs of vulnerable adults and children through our Strategic Accommodation Board.</p> <p>Housing & New Homes Committee have agreed a Home Purchase Policy pilot to enable us to exercise our right of first refusal on first re-sale of RTB homes subject to parameters. November 2017 Housing & New Homes Committee to consider a significant extension of Private Rented Sector (PRS) licensing.</p>					
<p>Deliver joint partners' work after successful bid for £59M for extra care housing to address social care residential needs as part of 2015-18 Affordable Housing Programme</p>	Assistant Director Housing	75	31/03/18	01/04/15	31/03/18
<p>Comments: Continued progress on delivery of Brooke Mead extra care housing scheme. Housing & Adult Social care currently working closely to identify nominees and care provider and Housing are preparing to take the scheme into management. Scheme completion expected November 2017. Continue to commission new wheelchair adapted and lifetime homes through New Homes for Neighbourhoods programme, Affordable Housing Delivery Partnership and Affordable Housing Brief. Continue to enable vulnerable households with complex needs to live independently their own home through the work of the integrated (pan tenure) Housing Adaptations Service. Joint ASC/Housing working on successful bid to Homes and Communities Agency (HCA) for Homeless Change Fund / HCA Shared Ownership & Affordable Homes Programme investment delivering a supported housing scheme for former homeless older adults with mobility and mental health</p>					

issues.

Strategic Accommodation Board initiated to co-ordinate and oversee the accommodation requirements for vulnerable adults and children in the City.

Next steps:

1. Strategic Accommodation Board has initiated update on needs analysis as initial focus for Board. Public Health to meet with Adult Social Care in first instance. Strategic Accommodation Board (SAB) includes Public Health & ASC reps - November 2017.
2. Strategic Accommodation Board (SAB) will consider Brooke Mead / extra evaluation to inform future business case for any provision. Housing (Head of Housing Strategy, Property & Investment) and ASC (Head of ASC Commissioning) to take forward and report back to next SAB. November 2017.
3. SAB to consider commissioning opportunities to meet needs analysis on Learning Disability (LD) clients, in particular LD placed outside the city. Housing (Head of Temporary Accommodation & Allocations) & LD to report back to the next SAB. November 2017.
4. Shared Ownership and Affordable Housing Programme (SOAHP) Funding Agreement with Legal for comment prior to return to HCA for further review. Head of Housing Strategy, Property & Investment. November 2017.
5. Completion of Brooke Mead. Estate Regeneration Team. November 2017
6. Continue to commission new wheelchair adapted and lifetime homes through New Homes for Neighbourhoods programme and Affordable Housing Delivery Partnership - ongoing - Head of Housing Strategy, Property & Investment.
7. Continue to enable vulnerable households with complex needs to live independently their own home through the work of the integrated (pan tenure) Housing Adaptations Service - ongoing -Operational Manager Housing Adaptations.
8. Subject to needs assessments continue to review options for any further HCA funding toward specialist homes for older, disabled and vulnerable people under 2016 – 21 Shared Ownership and Affordable Housing Programme - subject to overall business case. Via SAB & Monthly Homes & Communities Agency (HCA) meetings - Head of Housing Strategy, Property & Investment.

Measures of Success

- Progress the construction of the Brook Mead Extra Care Housing Scheme -November 2017
- Increase in vulnerable households living independently (KPI)
- Increase in level of adaptations (KPI)
- New support contracts in place that contributes to the prevention of homelessness (KPI)

Effective implementation of affordable housing policy in the City Plan	Head of Planning	50	31/03/18	01/04/15	31/03/18
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Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: The Affordable Housing Policy is part of the City Plan which was Adopted by Full Council on 24th March 2016. The affordable housing policy sets a target for securing affordable housing as part of new housing developments (e.g, 40% affordable housing of 15 or more dwellings). There is flexibility built into the policy to allow for a lower amount where a developer can demonstrate that the target would render the scheme unviable - they are required to provide evidence to demonstrate this (a viability assessment). Guidance on affordable commuted sums agreed at EDC Committee in June 2016 and further guidance on when commuted sums for larger sites (15 plus dwellings) added to the Developer Contributions Technical Guidance in January 2017. Using commuted sums will enable flexibility in terms of delivering genuinely affordable housing. This is regularly monitored by the S106 Officer in the Major Applications Team and annual reported to Policy Resources & Growth (PR&G) Committee. Consultation started in October 2017 on an 'Open Book ' approach to viability evidence submitted to support planning applications - this is a requirement if an applicant is proposing lower amounts of affordable housing. It is intended to introduce this in Feb. 2018 following a decision at Tourism, Development and Culture (TDC) Committee. This will provide more open and transparent information on levels of affordable housing secured through planning permission.</p>					
<p>Explore options with universities to improve student accommodation provision to meet forecast growth in student numbers.</p>	<p>Assistant Director Housing</p>	<p>50</p>	<p>31/03/18</p>	<p>01/04/15</p>	<p>31/03/18</p>
<p>Comments: Student Housing Study to inform both City Plan Part 2 and Student Housing Strategy refresh has been commissioned and completed following review. Student Housing Study likely to impact on premis of 'forecast growth in student numbers' as this is not supported by new projections (subject to review). Executive Leadership Team (ELT) and Leadership Board to consider updated draft Student Housing Study and issues arising prior to any release for Housing & New Homes (H&NH) Committee as part of update on Student Housing Strategy proposals. Report planned for Nov 17 H&NH Committee. The Strategic Housing Partnership briefed on progress to date with consultation task and finish groups informing Student Housing Strategy development. A report is planned to Housing & New Homes Committee in November 2017 reviewing the evidence and seeking permission to go out for Student Housing Strategy consultation during 2018.</p>					

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Housing Revenue Account (HRA) stock improvement & estate regeneration initiative ' New Homes for Neighbourhoods' to increase affordable housing supply	Assistant Director Housing	75	31/03/18	01/04/15	31/03/18

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Housing Revenue Account Asset Management Strategy is aligned to Housing Strategy in support of improving housing supply & housing quality. Housing stock review is an ongoing process. HRA asset management strategy (HRA AMS) has been approved by Housing and New Homes Committee and P&R Committee March 2016 for 2016-2020. Post Grenfell tragedy HRA AMS review considered at September 2017 Housing & New Homes Committee. Review and update via Capital Programmes and related plans, including ongoing consultation with residents at Area Panels and Home group – Capital Investment Programme 2018/19 currently subject to consultation to inform Budget reports for January 2018.</p> <p>HRA AMS supports increasing housing supply through:</p> <p>Our 'New Homes for Neighbourhoods'(NHFN) estate regeneration programme to deliver new affordable homes in the city. As at October 2017, 34 homes have been completed and let with 139 homes due to be completed in 2017/18(including delivery of Kite Place and Brooke Mead projected during Q2 17/18). An additional 121 units (11 sites) are in the immediate pipeline.</p> <p>Improving supply through HRA housing stock review continues through Hidden Homes programme and identification of sites for NHFN. Previously examined areas of the stock will be reviewed with particular focus on potential opportunities in the development areas identified in the adopted City Plan part 1 with the aim of identifying key sites for NHFN programme - Head of Housing Strategy, Property & Investment.</p> <p>Future HRA investment risks arise through reaching the HRA borrowing cap. Mitigation includes:</p> <ul style="list-style-type: none"> * Development of additional Housing Delivery Options: Living Wage Joint Venture with Hyde proposal to deliver 1,000 new lower cost homes for rental and sale; and, Housing Market Intervention / direct delivery through council wholly owned housing company * Greater Brighton Housing & Growth Sites Working Group is aiming to accelerate delivery of new housing supply through freedoms and flexibilities sought as part of the wider Greater Brighton Devolution proposals, including raising the HRA borrowing cap. *Regular Review through regular Estate Regeneration Programme Board officer and member meetings. <p>Next Steps:</p> <ol style="list-style-type: none"> 1. In partnership with Estate Regeneration Team finalise LWJV legal documentation to enable relevant Boards to be consulted before the LWJV is established in line with decisions and officer delegations (November 2017). 2. In partnership with Estate Regeneration Team continue to progress proposed governance arrangements, sites and documentation for Housing Company (December 2017) 3. Continue to identify additional opportunities to deliver additional housing in the City and report via Estate Regeneration Board and Committee (January 2018). <p>Head of Housing Strategy, Property & Investment / Lead Regeneration Programme Manager</p>					

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Investigate options for council resources to develop finance expertise to increase council's ability to negotiate effectively with developers and local private agents re. schemes for housing and to provide affordable housing	Assistant Director Housing	75	31/03/18	01/04/15	31/03/18

Comments: Affordable Housing – Housing Delivery Options

Improving housing supply in the City, in particular the supply of affordable homes, is a key aim of both our Housing Strategy and City Plan. In addition to existing means of improving housing supply, the opportunities considered for accelerating the delivery of new affordable homes in the City are:

1. Living Wage Joint venture (LWJV)- with Hyde Housing Association to acquire land and develop new homes for sub-market rental and sale for local people. The JV company would deliver 500 Living Wage rented homes and 500 Shared Ownership homes for local people.
2. Wholly Owned Housing Company (WOHCO) - options for the local authority to: intervene in the housing market as a potential purchaser / lessee of new accommodation being brought forward on development sites in the City or sub-region; and, direct development of new homes in order to meet identified housing needs.

The LWJV business case and priority sites were approved (as amended) at 25 September H&NH Cttee and at October PRG Committee.

Next steps:

1. In partnership with Estate Regeneration Team finalise LWJV legal documentation to enable relevant Boards to be consulted before the LWJV is established in line with decisions and officer delegations (Head of Housing Strategy, Property & Investment / Lead Regeneration Programme Manager , November 2017).
2. In partnership with Estate Regeneration Team continue to progress proposed governance arrangements, sites and documentation for Housing Company (Head of Housing Strategy, Property & Investment / Lead Regeneration Programme Manager, December 2017)
3. Continue to identify additional opportunities to deliver additional housing in the City and report via Estate Regeneration Board and Committee (Head of Housing Strategy, Property & Investment, January 2018).

Housing Strategy & Enabling Team continue to work with Planning, developers, as well as Homes & Communities Agency and Registered Provider Partners on our Affordable Housing Delivery Partnership, to enable maximum delivery of new affordable homes on development sites in the city in line with our Affordable Housing Brief and City Plan requirements under City Plan (CP) 20 Affordable Housing.

Recent activity includes a successful Shared Ownership & Affordable Housing Programme Bid for rough sleeper move on. Shared Ownership and Affordable Housing Programme (SOAHP) Funding Agreement with Legal for comment prior to return to Homes & Communities Agency (HCA) for further review.

Work also completed with HCA and colleagues across the council on bidding for the Housing Infrastructure Fund. Four bids were submitted and if all were successful it could bring up to £38m of additional funding into the city helping to release a potential 1,600 homes.

Head of Housing Strategy, Property & Investment through regular meetings with HCA and of Affordable Housing Delivery Partnership. Ongoing October 2017.

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Investigate options to procure more housing for affordable rented and shared ownership use	Assistant Director Housing	75	31/03/18	01/04/14	31/03/18
<p>Comments: Affordable Housing – Housing Delivery Options</p> <p>Improving housing supply in the City, in particular the supply of affordable homes, is a key aim of both our Housing Strategy and City Plan. In addition to existing means of improving housing supply, the opportunities considered for accelerating the delivery of new affordable homes in the City are:</p> <ol style="list-style-type: none"> 1. Living Wage Joint venture (LWJV)- with Hyde Housing Association to acquire land and develop new homes for sub-market rental and sale for local people. The JV company would deliver 500 Living Wage rented homes and 500 Shared Ownership homes for local people. 2. Wholly Owned Housing Company (WOHCO) - options for the local authority to: intervene in the housing market as a potential purchaser / lessee of new accommodation being brought forward on development sites in the City or sub-region; and, direct development of new homes in order to meet identified housing needs. <p>The LWJV business case and priority sites were approved (as amended) at 25 September H&NH Cttee and is to be considered at October PRG Committee.</p>					
<p>Next steps:</p> <ol style="list-style-type: none"> 1. In partnership with Estate Regeneration Team finalise LWJV legal documentation to enable relevant Boards to be consulted before the LWJV is established in line with decisions and officer delegations 2. In partnership with Estate Regeneration Team continue to progress proposed governance arrangements, sites and documentation for Housing Company 3. Continue to identify additional opportunities to deliver additional housing in the City and report via Estate Regeneration Board and Committee 					
Work through City Deal with regional partners & LEP to promote Economic development incl increased sub-regional working to meet housing need	Head of Planning	70	31/03/18	01/04/15	31/03/18

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
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Comments: Oct 17 - Agreement from Coastal West Sussex and Greater Brighton Board to work on Local Strategic Statement 3 which is strategic statement for the area that will look at key strategic across the wider area looking at housing numbers, economic growth and infrastructure needs. Funding identified and project manager to be recruited - this will start in Jan 2018.

Previous Updates:

Following work by the Greater Brighton Housing & Growth (GBH&G) Working Group to accelerate delivery of new housing supply a Local Strategic Statement 2016 was developed with the sub-regional planning group to consider the wide Greater Brighton area including Surrey.

March 17 update - Planning Update - ongoing work with Coastal West Sussex and Greater Brighton Strategic Planning on implementing the aims of the Local Strategic Statement 2016. Study on FEMA and HMAs for the wider area and recommendation to include Crawley within sub-regional planning group.

Greater Brighton Housing & Growth Working Group is aiming to accelerate delivery of new housing supply through freedoms and flexibilities sought as part of the wider GB Devolution proposals. Group continues to meet regularly taking forward the following matters: Homes & Communities Agency funding options - Starter Homes Expressions Of Interests, Home Builders Fund, Estates Regeneration Prospectus; Housing & Planning Act impact /considerations; Updates on One Public Estate Submission; Housing Delivery Models Proposals; Private Sector Rented matters; Feedback from C2C (Coast to Capital) LEP Housing Task Force; development and update on Large Sites Delivery Work. Next meeting Nov / Dec 2016.

Work with government departments and city region partners to agree a Housing Deal for the city region that will deliver powers and funding to deliver new homes.	Executive Director Economy, Environment & Culture	40	30/04/18	28/09/17	30/04/18
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Comments: A Greater Brighton city region workshop was held with Government Officials on 27th and 28th of September to explore the potential components of a Housing Deal between Government and Greater Brighton. The outcome report from the workshop is being considered by Greater Brighton Economic Board on 7th November 2017.

Work with partners to address student housing needs	Head of Planning	75	31/03/18	01/04/15	31/03/18
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Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Oct 2017 - Student Housing Study updated and completed. Good progress on City Plan Part 2 that will have a policy to address student housing and allocate any further sites. Consultation on this to be undertaken in June 2017. Local Strategic Statement 3 will be prepared, starting April 2018, and this will explore strategic issues such as student housing. Student Housing Strategy Review underway - initial draft early 2018. Continued working with the Strategic Housing Partnership.</p> <p>In terms of managing concentration of Houses in Multiple Occupation (HMO) - City Plan policy is being implemented and where appropriate enforcement action taken against unauthorised HMOs. Additional resources have been given to the Planning Enforcement Team to support this work. Supporting purpose built student housing (PBSH) - Consent was given to Preston Barracks redevelopment in Sept 17 which will deliver 1200 purpose built student rooms. Work underway on Circus Street. Additional speculative schemes for PBSH reaching completion or underway on Lewes Road.</p> <p>The Student Housing Strategy review underway, informed by our most recent analysis of student number assumptions and supply and demand for student accommodation in the City.</p>					

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR23	Unable to develop an effective Investment Strategy for the Seafront	Executive Director Economy, Environment & Culture Head of Sport & Leisure Assistant Director - City Development & Regeneration	BHCC Strategic Risk	22/11/17	Threat	Treat	Red L5 x I4	Amber L3 x I3		Revised: Adequate

Causes

Link to Corporate Plan: Priority Economy, Jobs and Homes: Regenerate the Seafront

The seafront is a city asset which is iconic and contributes to the city's reputation. The council is the lead custodian of the seafront but the benefits are shared by many. At least 5 million people use our seafront every year. It is a very significant attraction in our visitor economy; provides a series of important public spaces for residents; many businesses in the city rely on the draw of the seafront to sustain their organisation's value and to provide an attractive place for stakeholders and employees. It is being used beyond its original design and, in many ways, is a victim of its own success and affected by the changing patterns and increased demands of usage. The deterioration of Madeira Terraces in particular have reached a critical point, requiring fencing and safety measures whilst a longer term solution is developed.

Potential Consequence(s)

The heritages structures and infrastructure along the seafront require significant investment and ongoing revenue in order to ensure suitability for modern use, and to preserve and enhance the reputation of the city and its offer.

Existing Controls

First Line of Defence: Management Controls

- 1) Seafront Investment Programme and Strategic Delivery Board have been established and are actively considering seafront redevelopment opportunities including the Black Rock and King Alfred sites
- 2) Department for Transport (DfT) funding secured for the redevelopment of the West Street / A259 Junction and Shelter Hall. Initial infrastructure work commenced late 2015
- 3) Coast Revival Funding secured to develop Madeira Drive Investment and Regeneration Plan
- 4) Heritage Lottery Funding (HLF) secured for improvements to Volks Railway
- 5) Seafront Arches and A259 infrastructure Phase 2 works completed June 2016
- 6) P&R approval to commence seafront landscaping around i360 and seafront arches. PR&G approval to enter into a conditional development agreement with Standard Life Investments for the Brighton Waterfront Project
- 7) Installation of anti-climb fencing at Madeira Terraces November-December 2015 and continued work to minimise risk from potential structural failure.

Second Line of Defence: Corporate Oversight

Investment plan to underpin the Seafront Strategy and long term viability of the seafront infrastructure. Report to Policy, Resources & Growth Committee in October 2016;
Corporate Investment Board;
Cross-party Strategic Delivery Board.

Third Line of Defence: Independent Assurance

Projects funded by Government departments are overseen by the Greater Brighton Economic Board (quarterly) and Coast to Capital LEP governance arrangements (quarterly) / and by relevant government department (according to their timetable). No funding has been withdrawn to date.

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
The interim plans for Madeira Terraces are in development with identified budget; propping the structures, working with traders to create as good an environment for the short term as possible	Executive Director Economy, Environment & Culture	70	31/03/18	03/08/15	31/03/18

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: The Council is exploring practical solutions to secure investment to rebuild and regenerate the Terraces and secure the long-term future of Madeira Drive.</p> <p>Actions to date include:</p> <ul style="list-style-type: none"> • Planning permission secure for anti-climb fencing • £50,000 funding secured from CLG's Coastal Revival Fund for £50,000 to develop investment and regeneration options. Draft Madeira Drive Regeneration Framework anticipated November 2016. <p>Update Mar 17 - next steps on-going</p> <ul style="list-style-type: none"> • Continue to explore potential solutions to secure investment to rebuild and regenerate the Terraces • Continue to liaise with affected tenants and relocate to alternative accommodation where possible • Continue to liaise with tenants on the on-going operation of Madeira Drive <p>Update August 2017 - Crowd funding led by Visit Brighton has been launched with a target of £431k to restore 3 arches.</p> <ul style="list-style-type: none"> • As at 17 Aug 2017 £144k pledged including £100k allocation by the council. • Relocation of recoding studio completed in Spring 2017 <p>Update October 2017.</p> <ul style="list-style-type: none"> - Crowdfunding Campaign ongoing with half of the funding target met and over 1000 pledges - Heritage Lottery Fund Application being developed for submission December 2017 					
Work to implement the HLF funded plans for Volks can continue with the success of stage 2 funding bid.	Seafront Development Manager	90	31/10/17	01/11/15	31/10/17

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Project Manager and Activity Plan Managers now appointed.</p> <p>Design Team are appointed and all Planning consents in place. Tender completed for train carriage restoration and contractor has now commenced work on 2 of the 3 trains. Tender completed and main building contractor appointed. Work started on site September 2016 and is due to be completed Spring 2017 for the railway to re-open.</p> <p>Update Mar 17 - Demolition of both the Aquarium Station and train sheds have been delayed until redundant utility services could be disconnected. The project has been delayed as a result. All off-site works such as the restoration of 3 train carriages and the prefabrication of the Aquarium station and visitor centre are continuing as planned. It is anticipated that the project will now be completed October 2017.</p> <p>Update June 2017, (confirmed as the case in August) - The new Aquarium Station has been manufactured and installed on site. Practical completion is expected end-July. The foundations and steel framework of the Conservation workshop have been completed and cladding of the building is due to commence shortly. The expected practical completion date of this building is 27th September.</p> <p>Updated October 2017 - The new Aquarium Station has opened to the public and a limited train service is running throughout half-term. The Conservation Workshop is expected to be completed by mid-November. 1 of 3 train carriages has been restored and returned to site. The remaining 2 carriages will be restored and returned by the end of December.</p>					

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR24	The impact of Welfare Reform increases need and demand for services	Executive Director of Finance & Resources Welfare Reform Programme Manager	BHCC Strategic Risk	22/11/17	Threat	Treat	Amber L3 x I4	Amber L4 x I3		Revised: Uncertain

Causes

Introduction of Universal Credit during 2015/16 with extended roll out during 2016 and thereafter. Implications for staffing levels within services; rent collection; council tax collection, and pressures on social services and homeless services.

Additionally further to the July 2015 national budget a new programme of welfare reform commenced from April 2016. In Brighton and Hove the full Universal Credit rollout takes place between October 2017 and January 2018.

Potential Consequence(s)

Increased service pressures on housing and social services.

Decreased rent and Council Tax collection.

Existing Controls

First Line of Defence: Management Actions

1. A welfare reform team is in place to monitor welfare changes and to coordinate a corporate response to them
2. Ongoing meetings have been held with Department for Works Pensions (DWP) about change to Universal Credit. Budgeting and digital support has been commissioned from the third sector to support Universal Credit claimants. Full rollout has commenced from 4th October
3. Information is provided to inform housing and children's services colleagues re changes to benefit cap policy and impact on funding of temporary accommodation. Analysis of impact of the changes to the benefit cap in 2016 has been done and strategy to minimise the impact of these changes has been in place from November 2016.
4. Council Tax Reduction (CTR) policy options provided to members to give the option to partially mitigate impact of Tax Credit changes on local CTR costs as part of CTR yearly process. Reports will continue to be authored for committee and council and consultation undertaken as appropriate.
5. Provide caseworking support directly to customers most significantly affected by the changes (specifically the benefit cap)
6. Regular links maintained with advice and voluntary sector so impacts on citizens can be judged
7. Modelling of specific policies being undertaken to assess the impact on customers in terms of numbers and change.
8. Feeding into other relevant council work streams, eg library service leading digital inclusion including for Universal Credit claimants, actions around the City Employment Support Plan and the communities prospectus from 2017.
9. Detailed risk register for Welfare Reform reviewed quarterly and logged with Senior Responsible Officer

Second Line of Defence Corporate Oversight:

Corporate oversight at cross service Universal Credit programme board and six monthly scheduled to Corporate Management Team.

Regular reports to Leadership Board.

Executive Leadership Team (ELT) Full Council, PR&G, and the NICE Committee are all focused on this risk.

Third Line of Defence Independent Assurance:

Internal Audit

Reason for Uncertainty of Effectiveness of Controls: It is not possible to project accurately the number of families who may require extra assistance from the council, either in terms of housing need or increased demand for other services. Previous experience suggests that some claimants find a way to close income gaps, but the position is not fully understood.

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Benefit cap - casework support programme to support people affected by the benefit cap	Welfare Reform Programme Manager	75	31/03/18	01/06/15	31/03/18

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Comments: updates prior to January 17 archived					
January 2017					
A Job Centre Plus work coach has been embedded with the Benefit Cap team for a period of six months.					
Existing benefit cap cases had the new amount of cap applied from 7th November, new cases were notified to the council in January and the deductions are being applied to their Housing Benefit claim. So far approximately 450 cases have the cap applied which is lower than the DWP estimate of 680 cases however the value of the cap per cases is greater. The DWP have indicated they are still checking the details of some cases which may be potentially capped so we may be notified of more capped cases over time. The benefit cap team are working with the customers affected by the cap as expected.					
April 17					
Discretionary Housing Payment funding for 17/18 has been confirmed by government and set at £1.13m. This is an increase of £354,000 from 16/17 and does provide some certainty around our capacity to support cases which have been affected by the increase in the benefit cap in the short term.					
87 cases have been removed from the cap due to changes in rates of rent in temporary accommodation. The team continues to work with the remaining cases. Local Job Centre Plus funding under the Flexible Support Grant will end on 31st May 2017 and a review of the programme relating to the funding is scheduled with JCP colleagues in June. Funding has been identified to continue intervention work for the remainder of 17/18.					
June 2017, caseload is being managed within DHP budget, there are a number of households we are finding it difficult to get engagement with so outreach work is underway. JCP funding has now stopped and the reserves which have been used to support this work are unlikely to be sufficient to enable the work of the team in its current form to continue into 2018/19. In response to this a business case is being developed to explore a spend to save case for mainstreaming this work. End date for this risk extended until 310318 aligning with current support provision.					
Oct 2017 - The team continues to engage with customers affected by the benefit cap. Cases where threats to housing have started to occur have been supported by the team and evictions prevented. A key focus is now on building links with local Jobcentres so that cases which are on Universal Credit and capped can be referred to the team for support. A decision on the resourcing for this team from April 2018 will be required as a part of the budget process and this work is underway.					

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Keep relevant staff and stakeholders up to date with information as it becomes available	Welfare Reform Programme Manager	75	31/03/18	01/06/15	31/03/18
<p>Comments: Programme governance in place (Senior level, operational level, City Wide Partners level) in place and meetings happening as planned. Members briefed as appropriate through various channels.</p>					
<p>updates prior to Jan 2017 archived</p>					
<p>January 2017</p>					
<p>Internal operations group and city wide are now focussed on issues surrounding the full roll out of universal credit. A separate meeting will be organised with Registered Social Landlords who operate in the city. Briefings are being held with relevant services and organisations across the city to brief them of the changes, for example children's centres, health visiting teams and private landlords groups.</p>					
<p>This action has now been extended until December 2017 to reflect the fact that the full roll out of Universal Credit is due to start in the city in October and November 2017.</p>					
<p>April 2017</p>					
<p>All actions around communicating information about welfare reforms to stakeholders continue. It is anticipated the main focus will be on Universal Credit and related issues for the rest of the year which is captured in a separate specific risk heading under SR24</p>					
<p>October 2017 - All actions around communicating information about welfare reforms to stakeholders continue with a focus around the rollout of Universal Credit including several bespoke meetings and the production of a booklet providing advice and local resources to support people claiming Universal Credit</p>					
Prepare for Universal Credit (UC)	Welfare Reform Programme Manager	80	01/12/17	04/05/15	01/12/17
<p>Comments: Updates prior to Jan 2017 archived</p>					
<p>January 2017</p>					

The Government have now published a detailed timetable for the roll out of Universal Credit. From October and November 2017 all new claims for working age people in Brighton and Hove will be made for Universal Credit. This will include families, people with young children, and people with issues relating to health and disability.

Work is required to prepare services for this change and the scoping phase of this project is underway which largely involves gathering information from services about the impact of this. There will also be a need to recommission budgeting and online support for Universal Credit claimants. This will be funded by the DWP but commissioned by the Council. A report is due to go to ELT setting out the main risks around the introduction of UC and the organisations readiness to deal with it.

The end date of this action has been extended to 01/12/17 to reflect full roll out dates of Universal Credit.

February 2017

Scoping has been undertaken with different service areas including Rev and Bens, Housing, Children's Safeguarding and Care, Adult Social Care. Meetings of operational managers are underway to plan mitigations for the identified risks.

Additionally information has been requested of colleagues and stakeholders in the city who are not part of the Council. This has been done via the welfare reform city wide meeting which contains representatives of social and private landlords, the advice sector and CVS.

Indicative but not final figures have been provided by DWP for funding of local budgeting and online support requirements.

A report is due to ELT on 8th March setting out the main risk areas and the proposed approach to mitigations. Further to this a meeting will be held with senior colleagues from relevant services on 25th April. Meetings with operational managers will continue and form the core delivery group for the actions attached to this work.

April 2017

Scoping work has been completed and an initial Risk Register and Programme plan of work has been completed and actions are underway. The briefing to ELT and Leadership board went ahead and senior officers and members are sighted on the key issues, the Administration have expressed increasing concern about the potential impact of the rollout of UC in the city. Staff have visited Croydon who have been live with full service UC for over a year to learn lessons. Project meetings will commence in the first week on May.

June 2017 - project meetings underway and project actions are being delivered, even with these actions there are still a number of Red rated risks on Risk Register which have been agreed by the project board and will be escalated.

July 2017 - report on cross service readiness for Universal Credit has been requested for the October NICE committee

Oct 2017 - Report on Universal Credit readiness will be presented to the NICE committee on 9th October. UC full service will roll out in the City between Oct 2017 and Jan 2018. A cross service programme of work is in place to prepare for this which holds a separate project plan and risk register.

Provide policy options and author reports to give members options on policy issues e.g. Council Tax Reduction	Welfare Reform Programme Manager	80	31/03/18	01/04/15	31/03/18
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Comments: updates prior to Jan 2017 archived

January 2017

Report has gone through P,R&G and Full Council and changed agreed for the scheme from April 2017. Systems testing on year end software is underway. Letters are scheduled to be sent to customer affected giving them advance notice of the changes and inviting them to apply for discretionary funds in Mid-Feb. Technical changes to scheme documents will be made before the end of the financial year.

April 2017

End date rolled forward to 31/03/18 to capture potential impact on CTR from UC and the potential needs for changes to the scheme this may create. Actions have been captured in the UC programme plan

June 2017 - Early work done around impact to CTR, direction expected from finance colleagues shortly around required approach to CTR this year.

Oct 2017 - Council Tax Reduction review is on track to be reported to Council in December

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR25	The lack of organisational capacity leads to sub-optimal service outcomes, financial losses, and reputational damage	Executive Director of Finance & Resources Head of Human Resources & Organisational Development Head of Policy, Partnerships & Scrutiny	BHCC Strategic Risk, Professional / Managerial	22/11/17	Threat	Treat	Amber L3 x I4	Amber L3 x I3		Revised: Uncertain

Causes

Link to Corporate Plan: Outcome ' A modern council: Providing open civic leadership and effective public services'
 Loss of resilience of organisation due to pace of change, reduction in staff numbers, changing staff and loss of knowledge and history.
 Expectations over the services that the council is able to provide and the way in which they are provided.

Potential Consequence(s)

- * Capacity to undertake change work to design high quality services is lost
- * Negative impact on fulfilment of statutory duties
- * Partnership working becomes more fragile as a result of personnel change
- * Personal resilience tested by increased workloads leading to potential stress and sickness
- * Difficulty of recruiting staff to key posts as a consequence of the rapidly increasing costs of living in the city

Existing Controls

First Line of Defence Management Control:

1. New Director of Neighbourhoods, Communities & Housing (NCH) is bringing the Neighbourhoods agenda forward – this includes the potential for delivering services in different ways, including by extending use of Digital.
2. Management capacity and capability will be enhanced by new Behaviours Framework and Management Development Programme
3. Adverse operating conditions are identified, and plans are being created to mitigate these.
4. 'Better Brighton & Hove' think tank is being set up to deliver greater capacity for research and policy development.
5. Human Resources & Organisational Development (HROD) activity to be pulled together into single 'People Strategy' to ensure staff-related initiatives are better co-ordinated.
6. Business Planning process including Directorate Plans applies delivery of Corporate Plan to each service area
7. Some statutory Performance Indicators (PIs) are Key PIs and are reported regularly to ELT, quarterly or annually.
8. Other Management Information for example from the annual Staff Survey highlighting areas for focus.
9. HR Business Partners support Directorate Management Teams (DMTS) to monitor staff absence & welfare including managers' compliance with regular 1 to 1s, return to work interviews and record keeping on HR software, PIER. This includes regular data insight reports bi-annually.
10. HR policies and arrangements in place to address concerns of both management and staff, e.g. Occupational Health Referral newly procured with provider operational across Orbis partners; whistle-blowing; and PDP guidance for managers
11. HR & OD organised consultative groups to develop a council Behavioural Framework approved by ELT in November 2016. This sets expectations of standards of behaviour and performance
12. HR Business Partners assist DMTs to determine any necessary interventions to improve service capacity

Second Line of Defence Corporate Oversight:

ELT and City Management Board exchange details of working arrangements and changes to key personnel across organisations

ELT tasked with taking stronger cross-City leadership role, e.g. with universities and the health sector.

Emerging actions following Budget Stress Testing exercise

Portfolio of modernisation projects and programmes enabling increased organisational capacity such as ICT infrastructure, Business Improvement, Digital First, Workstyles, People and Culture Change

Third Line of Defence Independent Assurance:

None

Reason for Uncertain Status of Effectiveness of Controls

Management to ascertain impact on services following outcome of 2017/18 budget round.

Where resources have been reduced, management to identify the validity and strength of key controls.

Formal assurances to be sought from these areas over the ability to maintain and operate the controls.

Material concerns to be reported by Internal Audit to Audit & Standards Committee.

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>'Better Brighton & Hove' think tank to deliver greater capacity for research and policy development.</p> <p>Comments: Oct 17 - A Better Brighton & Hove became operational in October 2017. In its first year it has funded various projects, from research to a one-off event, and has generated interest from various organisations across the city. The Think Tank aspect has invited presentations and discussions on various topics, some of which include machine learning and a potential proposal to encourage Brighton & Hove to become the leader in EV charging points. The actual benefit of projects funded has yet to be realised as most are still in the initiation phase but the potential benefits will continue to be monitored and analysed as the projects progress.</p> <p>July 17 update - Better has continued to meet and provide capacity and funding to specific areas of work, including Young Men Project; Transport Vision; Telehealth. Agreed in principle but specific funds to be agreed relate to 3D Mapping; Economic Strategy support Further potential areas include Parks; Social Enterprise Support.</p>	Head of Policy, Partnerships & Scrutiny	50	31/03/18	04/07/17	31/03/18
<p>Business case has been developed to pilot First Care Solutions as a pro-active absence management solution which has shown results and is in use at Surrey; and East Sussex Councils</p>	Head of Human Resources & Organisational Development	75	31/03/18	01/02/17	31/03/18

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Full business case will be submitted to CMBD for approval in April 2017 with options for a a full council service role out or a targeted approach to test the model in terms of staff attendance and cost efficiency. Unions have been consulted and have raised some questions that are being worked through ahead of the case presentation.</p>					
<p>July 17 update - Full business case agreed at CMBD and approved at PRG. Contract signed in July. Need to highlight the benefits for staff of OH approach linked to wellbeing. Monitoring of sick stats once in place to assess impact but one clear benefit will be the improvement to management information.</p>					
<p>October 17 update</p>					
<ul style="list-style-type: none"> - Union and staff engagement continued, including initial communications and posters - A clear timeline is in place for implementation on 1st November (with some contingency subject to system checking and union processes) - Management training underway - Work linked to the wellbeing work-stream of the people plan to focus on the benefits of immediate medical advice and support for staff 					
<p>Corporate services now integrating into Orbis partnership following conclusion of Inter Authority Agreement in May 2017.</p>	<p>Executive Director of Finance & Resources</p>	<p>60</p>	<p>01/04/18</p>	<p>13/10/16</p>	<p>01/04/18</p>
<p>Comments: Integration with Orbis now well under way. Main challenge is effecting the transformation while delivering excellent services - genuine capacity risk. Draft 3 year business plan to Orbis Joint Committee on 16 October; full plan on 19 January 2018.</p>					
<p>HR & OD developing management development programme, including commissioning of Digital First training, to enhance capacity of first 4 tiers of staff</p>	<p>Head of Human Resources & Organisational Development</p>	<p>75</p>	<p>31/03/18</p>	<p>02/01/17</p>	<p>31/03/18</p>

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Project Manager recruited and will commence 30 Jan 17. Membership of CEB to provide quality resource for training materials that can be tailored to BHCC and learning and development activity managed via the council's learning management system.</p> <p>First module completed and further modules planned to March 18. Update October 2017</p> <ul style="list-style-type: none"> - Training for tier 1-4 managers on rated mid-year review process underway - 360 appraisal launched on 4th October - Information required for mid-year reviews on track - data insight, staff survey reports, 360 feedback - Agreement to provide targeted development for tier 3 and 4 managers following rated appraisal process 					
HR working with others to develop a people strategy taking into account organisational needs and informed by Corporate Plan refresh and Medium Term Financial Plan	Head of Human Resources & Organisational Development	50	31/03/18	01/04/16	31/03/18
<p>Comments: Current work on People Strategy identification is ongoing and will be prepared for Policy & Resources and Growth (PR&G) Committee in April 18. Draft strategy scope is available to be informed by refresh of corporate plan to 2020, the outputs of the budget scrutiny process and further informed by EFLG assessment report and workforce planning activity. October 2017 update People Plan work-streams provisionally agreed, and to be further discussed at ELT away day on 13th October Wellbeing work stream started with agreed actions and project lead by Head of Health and Safety Immediate change identified including use of CV's in recruitment to speed up process and encourage applications in hard to recruit areas Targeted use of market supplement to address areas where there are retention difficulties OD work in place to support change via the OD network of managers (training of managers will be completed by January 2018)</p>					
Internal Audit review completed in September 2017 - action plan to be worked through.	Executive Director of Finance & Resources	10	31/03/19	06/10/17	31/03/19

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR26	Not strengthening the council's relationship with citizens	Executive Director Neighbourhoods, Communities & Housing Head of Communications	BHCC Strategic Risk, Customer / Citizen	22/11/17	Threat	Treat	Amber L3 x I4	Amber L3 x I3		Revised: Adequate

Causes

Link to Corporate Plan: Outcome ' A modern council: Providing open civic leadership and effective public services'
 Potential reduced service offers by the council or its Key Partners may lead to poor perceptions from citizens
 Not enough use, promotion or development of service delivery through technology (linked to Digital First)
 Increased need to collaborate with other public agencies and third sector organisations to service citizens, including as a 'service of last resort'
 How staff across the council in key frontline directorates particularly Neighbourhoods, Communities & Housing (NCH) and Economy, Environment & Culture (EEC) embrace and promote the new ways of service provision to service users and citizens and forge links with others in the organisation for corporate buy-in
 Adverse media coverage may impact on courage to make decisions; and change

Potential Consequence(s)

- * Council's offer falls behind public expectations of services access and delivery standards in comparison with other organised public services and private organisations
- * Council's offer is not well defined, practiced or understood by citizens and communities
- * Council loses relevance with its local communities
- * Less support from the council from its citizens
- * The council's leadership role may be compromised if other organisations are influenced by negative perceptions

Existing Controls

First Line of Defence Management Controls:

1. Customer Feedback, including complaints and survey methods monitor council reputation, e.g. City Tracker, Media Monitoring
2. Increased joint commissioning with other public sector organisations to demonstrate value for money
3. Corporate Plan 2015-2019 emphasises working with Communities
4. Front line services work to manage down demand, as detailed in the Directorate Plans for Adult Services and children's Services
5. Health & Adult Social Care work closely with the Clinical Commissioning Group (CCG) and Public Health England to ensure planning of delivery to our residents
6. Directorate Management Teams. particularly in NCH and EEC, monitor impacts on customer and services

Second Line of Defence Corporate Oversight:

1. 'Horizon scanning' by the Executive Leadership Team (ELT) and Directorate Management Teams (DMTs) of legislative change affecting council service delivery
2. Officer Steering Group representing 5 biggest customer service functions meets regularly to analyse impact on citizens and plan improvements
3. CCG and council work on the Health & Wellbeing (HWB) Board, including co-location at Hove Town Hall
4. Corporate Modernisation Board, chaired by Chief Executive, establishes and deploys resources to make changes most effectively in 6 workstreams related to NCH, including support from PIP on Programme Management, e.g. business cases, progress review, timetable
- 5, Neighbourhoods, Communities & Equalities (NCE) Committee oversight of programmes relating to the 6 workstreams in NCH

Third Line of Defence Independent Assurance:

Local Government Association (LGA) Peer Review in April 17 checks council relationship with citizens, reputation and governance

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Develop customer service standards and reporting against these standards	Head of Performance, Improvement & Programmes	60	30/03/20	20/04/16	30/03/20

Comments: Customer Promise has been developed by the Customer Experience Steering Group consisting of services representing high transactions with the council and other key services. This has been developed in consultation with customers and Institute of Customer Service and was approved by the Executive Leadership Team in August 16. The promise has been launched across the organisation along with the guidance. A Transition Table has been developed to clarify what a 'fully ready' state would look like in terms of delivering excellent customer service. Next steps are - communicate to customers via various channels + provide support to services in delivering actions . Our performance against these standards gets reported in the Customer Insight Report. Monthly Customer Insight Dashboards are now being prepared to strengthen management information.

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Development of Collaboration Framework Action Plan	Head of Communities, Equalities & Third Sector	10	31/01/18	02/10/17	31/01/18
<p>Comments: Council Management Board signed off the Collaboration Framework in early October 17. Work is now to create an action plan for sign off and enable progress monitoring.</p>					
Finance work with partner authorities on developing lobbying arrangements to push central government to clarify and maximising future income streams and government grants	Executive Director of Finance & Resources	80	23/02/17	20/04/16	23/02/17
<p>Comments: Finance working with central government (including Department for Communities & Local Government / LGA Business Rates Steering Group) to explore direction of travel Finance working with Orbis to influence DCLG on social care budget issue. Finance working with SE7 partners to assess potential impact of different Business Rate Retention policy designs. Plans to do more with central government on Social Care issue, integration with CCG, and use of the additional funding (£10.5 million over 3 years). SE7 consultation agreed for pre-Local Government Finance (LGF) settlement.</p>					
Redesign citizen communications and feedback arrangements to enable ELT to make arrangements for service design and ensure relevance to the community	Head of Communications	40	31/03/19	20/04/16	31/03/19
<p>Comments: A Communications Strategy for the council 2017-2019 agreed with ELT and all political groups. The tone and content of our communications with citizens now consistently demonstrates:</p> <ol style="list-style-type: none"> 1. How the council is getting basic services right, protecting the most vulnerable people, supporting growth & regeneration that benefits everyone. 2. How the council is changing lives, enabling positive outcomes, working hard continually to make the city as a fantastic place to live, work and visit. 3. How the council listens, communicates responds and is a well-run democratic organisation 4. How the council is a well-run organisation providing high quality, value-for-money, community-led services, raise perceptions of the council as a well-run organisation. 5. Encourages engagement and involvement in the shaping and delivery of council services, including active interest and participation in local democracy 					

and decision making.

Our communications principles are:

1. We will put people – primarily our residents, staff, councillors and our partners - at the heart of our communications and recognise that it's them that drive everything we do.
2. We will involve residents and local stakeholders much more in how services are delivered; which will enhance understanding and usage of the council's services, and increase positive perceptions of the council delivering high quality and value for money services.
3. We will seek to create and embed campaigns which are more able to positively engage people in helping to shape and develop the council and make use of its services.
4. We will reflect a thorough knowledge and understanding of the city's diverse communities, showing that everyone is valued and celebrated, promoting Brighton & Hove as a place of opportunity for all in which the council, together with its partners, positively encourages and enables people to live their lives to the full.
5. We will celebrate and promote that we are a democratically run organisation, by promoting and advocating; we are a unifying organisation that uniquely has a mandate to speak on behalf of the city.

Tangible progress / achievements:

An 18 month communications campaign based on the three priorities (basics, vulnerable, growth) and service deliverables is progressing.

To deliver the communications campaign the council has to agree it's corporate narrative which is being done through a piece of work entitled the key deliverable. This sets out the council's priorities and how it will achieve specific commitments up until May 2019.

This is an imperative piece of work and significant progress has been made. It is expected that the key deliverables will be agreed by end of Oct 2017.

Following sign off communications campaigns will be developed and rolled out.

A fortnightly residents e-newsletter was launched in March, which aims to drive traffic to the council's news webpages and other web content.

Audience sign-up via the website has increased steadily from around 450 pre-launch to 1,200, exceeding the target of 1,000 by Dec 2017. Content for each issue aims to cover the three main priority areas, with a film as the lead story, plus links to priority website service areas and opportunities for breaking news announcements, used so far for tower block fire safety, joint statement on terrorist attacks, Albion parade announcements and registering to vote info for the snap election.

Open rates are consistently around 60% (compared to govt industry average of 23%) and click rate of around 15% (industry average is 3%).

We've produced and uploaded more than approximately 50 films from all directorates since April 2017. Positive viewing figures include

Secondary school admissions animation – nearly 900 views in four weeks

Save Madeira Terrace film – over 500 views in six weeks

Shelter Hall film – the original has had more than 7,500 viewings, the updated version 468 in three weeks

The Toads Hole Valley film resulted in a higher than average response to the planning consultation and in itself was a record-breaker – it had 1,464 views in a very short space of time.

The Garden Waste film has had over 400 views since launch on 1 June – positive feedback on this film was received from communications peers across the country via Public Sector Comms Headspace FB group led by 'Comms 2 point 0' (an industry group supporting best practice)

There has also been a huge rate of increase in Twitter followers in last three months because of a new tone and approach to the council's engagement

activity on social media.

Next steps:

Roll out the social media strategy

Create the council's newsroom on the website and consider new approach to working with local mainstream media

Use performance data to run alongside the basics, vulnerable and growth campaigns a 'you can trust us to....' Campaign

Work much more closely with Cityclean on communications and customer satisfaction

Volunteering Policy and delivery arrangements across council services and with Community & Voluntary Sector (CVS)	Head of Communities, Equalities & Third Sector	90	30/06/19	01/06/15	30/06/19
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Comments: Volunteering policy and toolkit agreed by NCE committee July 2016. Funding for host training agreed by CMDB Summer 2016. Host training commissioned from Community Works. Volunteer platform to improve the recruitment and management of volunteers has been explored and working group trailed a possible platform in early 2017.

Progress:

The platform trialed has been successful, and purchased. It has been populated by volunteer co-ordinators across the council. However, go live has been delayed due to GDPR issues. Lead officer is working closely with Digital First to overcome the issues. new go live date scheduled for December 2017.

A new group cross sector volunteering action group is being convened end of November. This brings together the volunteer leads in the key public sector organisations with volunteer leads in the CVS to work collectively on delivering the city's Power of Volunteering pledges. The new group will focus on increasing accessible volunteering.

Discussion about improving the accessibility of volunteering will be had at the next citywide volunteering implementation group as it is a key challenge faced by all public sector organisations.

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR29	Ineffective contract management leads to sub-optimal service outcomes, financial losses, and reputational damage	Executive Director of Finance & Resources Procurement Strategy Manager	BHCC Strategic Risk, Contractual / Competitive	22/11/17	Threat	Treat	Amber L3 x I4	Amber L2 x I4		Revised: Adequate

Causes

Link to Corporate Plan: Outcome ' A modern council: Providing open civic leadership and effective public services'

Historic sub-optimal contract specification due to:

- Initial failure to identify options for delivery, including reverting to 'what we've always done.'
- Lack of willingness to test existing suppliers against the market.
- Failure to prioritise contract management and lack of available resources to perform this task.
- Lack of commercial skills and failure by management to recognise their importance.
- Lack of willingness to hold 'difficult conversations' with suppliers.
- Low levels of senior engagement with suppliers.
- Poor understanding of markets and delivery models.
- Under-resourcing of the Procurement team.
- Lack of corporate oversight of contracting and commissioning.

Although unlikely to happen now, ongoing resource pressures in Procurement means this risk still exists.

Potential Consequence(s)

- Poor Value for Money (VfM)
- Financial losses
- Legal challenge from suppliers / service users
- Reputational damage for the council - both the administration and officers
- Poor outcomes or failure of services and associated impact on service users
- Diversion of scarce resources to resolve issues
- Loss of morale and stress for officers

Existing Controls

First Line of Defence: Management Controls

Utilise procurement function to ensure that appropriate and legally robust commercial delivery options are chosen and robust contracts are in place. Robust contract Key Performance Indicators (KPIs) in place so that contract performance and risk are understood.

Second Line of Defence: Corporate Oversight

Well-resourced corporate contract performance management oversight function to train and challenge contract managers and commissioners
Progress reviewed by Corporate Modernisation Delivery Board (CMDB), Members Oversight Group and Members Procurement Advisory Board

Third Line of Defence: Independent Assurance

Internal Audit and periodic review by Audit & Standards Committee

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Full Council approval for £1.2m investment in Contract Management resources approved on 23 Feb 2017 at Budget Council. This will provide for approximately 9.5 fte resources including legal support to ensure the set up of a Contract Management 'Centre of Expertise'. Recruitment is in progress as at 7 April 2017.	Executive Director of Finance & Resources	45	01/09/17	07/04/17	01/09/17
Comments: Recruitment complete and training underway for new staff this is in tandem with data analysis to identify where risks exist - this involves identifying maverick contract spend. Material contracts will also be risk-assessed in order to target resources in the most appropriate way. This process is under way and has 'first cut' savings targets of £0.5m in 2017/18 and £1.2m in 2018/19.					

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Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR30	Failure to demonstrate Place Based Leadership, unable to promote the City-Region's business economy, employment & training opportunities; a poor reputation in delivering value for money for the business rate payer	Chief Executive Executive Lead Officer Strategy, Governance and Law Service Manager - Directorate Policy & Business Support Executive Director of Finance & Resources Executive Director Neighbourhoods, Communities & Housing Executive Director Economy, Environment & Culture Executive Director Families, Children & Learning	BHCC Strategic Risk	22/11/17	Threat	Treat	Amber L3 x I4	Amber L3 x I4		Revised: Uncertain

Causes

Link to Corporate Plan: Priority: Economy, Jobs and Homes: Deliver better business space and affordable homes/accommodation

Fulfilling the expectations of business, government and the wider community that Brighton & Hove City Council will lead the city well and be stronger in an uncertain environment. Whilst the council has already established effective partnership arrangements to benefit the city such as Brighton & Hove Connected, the City Management Board (CMB), Greater Brighton Economic Board (GBEB) and wider city regional based leadership, if it does not 'step up to the mark' and embrace its role for Placed Based Leadership the council may be perceived as less relevant to business and wider community and others due to factors such as:

- * Brexit's significant implications for the city's internal trade profile
- * reduced council expenditure and changes to the traditional municipal model
- * increased volatility for the city, the 3rd largest city in the UK for Services Exports per job, including the impact of changed trading arrangements with Europe which currently provides 75% of current trade

Potential Consequence(s)

- * Our civic institutions are unable to provide effective leadership to the city
- * City Wealth reduces
- * Business cannot grow
- * Inequality grows
- * Fragmentation of communities
- * Fragmentation of framework for public service institutions
- * Less funding available for services
- * Lost opportunity to position the city as a positive place to attract businesses and employees who will benefit city growth
- * Reputation of council suffers as civic leadership role in the city
- * Citizens and businesses have less confidence in engaging with the council

Existing Controls

First line of defence: Management Controls

Full Council

Policy, Resources & Growth (PR&G) Committee

Health & Wellbeing Board

City Management Board

Brighton & Hove Connected

Greater Brighton Economic Board, rotating chair representing each partners

Wider city region based leadership

Royal Society of Arts, Manufacturing & Commerce ('RSA') commissioned to work with political and managerial leadership (Nov 16 - Mar 17) to identify way forward to meet challenges

Corporate governance and processes to manage existing council business, eg Performance Management Framework

Second Line of Defence: Corporate Oversight

Local Government Association (LGA) Peer Review

Greater Brighton Board

Council Leadership Board & Leaders' Group oversight of RSA report due in April 2017

External Audit and Inspectorates (e.g. Ofsted) Reports

Third Line of Defence: Independent Assurance

HM Government

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Deliver Integration of health & social care within the city	Executive Director Health and Adult Social Care	10	31/03/19	14/02/17	31/03/19
Comments: October 17 Policy Resources & Growth Committee confirmed support for integration of health and social care based on the city place based geography. Agreed to start shadow year in 2018 progressing to full integration from April 2019. Shadow governance arrangements have been approved and the decisions are being mirrored for sign off by the CCG Governing Body.					
Develop Orbis as part of Place Based Leadership to reduce costs and improve service resilience	Executive Director of Finance & Resources	15	31/03/19	14/02/17	31/03/19

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Orbis growth strategy will develop from 3 year business plan - draft to Orbis Joint Committee on 16 October 2017. Final to the Joint Committee on 20 January.</p> <p>Aside from Business Operations (which already has multiple customers) the most likely source of growth is Revenues & Benefits.</p>					
Develop Stronger Families agenda and other measures to reduce pressures on family life	Executive Director Families, Children & Learning	65	31/03/18	14/02/17	31/03/18
<p>Comments: The Stronger Families Stronger Communities programme (the local Troubled Families programme) is in its sixth year of operation supporting improved outcomes for families with complex problems and delivering targeted family support to families before their issues become entrenched. Improved parental capacity supports whole family resilience and helps reduce the call on specialist services above the social work threshold. The Troubled Families programme is set to end in 2020 which, alongside reductions in core funding for early help interventions, remains a risk from 2019 onwards. Current activity with partners seeks to evidence the impact of this programme and make the spend to save case for continued local funding at programme tapers.</p> <p>Children’s Centres provide services for families for children under 5 including support with parenting and helping parents to access childcare and work.</p> <p>Early this year we brought together the Multi-Agency Safeguarding Team and Early Help Hub to create the Front Door for Families – a single point of contact for families and professionals. Both social work and family support services are using the Strengthening Families model of assessment and planning to identify and address the needs of the whole family.</p> <p>The next step is to develop a whole family working strategy for the council and partners in the city to encourage all services to consider families as an entity with overlapping problems that need to be addressed together.</p>					
Develop the city's physical assets, social and environmental infrastructure	Executive Director Economy, Environment & Culture	65	31/03/17	14/02/17	31/03/17

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Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Strategic Delivering Board is overseeing the City's Investment Programme of regeneration and infrastructure projects. Circus Street mixed- use regeneration scheme development agreement become unconditional and full construction commenced August 2017. Agreement for sale of Kings House agreed August 2017, Preston Barracks planning permission approved by Planning Committee subject to conditions September 2017 Phase 2 Seafront Arches completed and Phase 3 (Shelter Hall) in construction - September 2017 Housing Living Wage Joint Venture business Plan approved by PRG Committee - October 2017 Road infrastructure works ongoing (North Street and Elm Grove/A259 junction) - October 2017 Cross Party Asset Management Board established - September 2017</p> <p>Nest Steps:</p> <ul style="list-style-type: none"> - Agreement of Conditional Land Acquisition Agreement for Brighton Waterfront Project - November 2017 - Housing Infrastructure Fund application for King Alfred redevelopment consider by CLG - December 2017 					
<p>Improve community cohesion and leadership profile with communities, incl the introduction of community hubs & neighbourhood governance.</p>	<p>Executive Director Neighbourhoods, Communities & Housing</p>	<p>10</p>	<p>30/03/18</p>	<p>14/02/17</p>	<p>30/03/18</p>
<p>Comments: Links to NCH Directorate Objective 5 Improve community well-being & resilience. Directorate Plan Action 5.9 Increase social capital within communities of identity and place and collaborate working between communities and the council through training and development for staff on working with volunteers and communities, leading the development of neighbourhood governance inc LATS and supporting the delivery of neighbourhood hubs. Progress update Oct 2017 - TO INSERT</p>					
<p>Lead Strategy, Governance & Law services to give stronger effect to formulate public policy to increase socialisation within the city</p>	<p>Executive Lead Officer Strategy, Governance and Law</p>	<p>10</p>	<p>31/10/18</p>	<p>14/02/17</p>	<p>31/10/18</p>

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Work in progress with key partners across the city from all sectors to develop a City Vision for 2030. This is scheduled to be completed by autumn 2018. Steering Group overseeing the development process. Once this is in place, Corporate Strategy will be developed to clarify council's role in delivering city vision. After which Directorate Plans will be developed to clarify plans for delivery against which progress will be monitored as part of the Performance Management Framework. Corporate Policy Network in place coordinating a number of strategies across the organisation and links with partner agencies to ensure alignment. City Management Board in place coordinated by the Policy, Partnership & Scrutiny team. There are a number of partnerships such as transport reporting to the City Management Board.</p>					
<p>Partnership work with schools to deliver education which enables young people & meets requirements of local economy</p>	<p>Executive Director Families, Children & Learning</p>	<p>65</p>	<p>30/03/18</p>	<p>14/02/17</p>	<p>30/03/18</p>
<p>Comments: IAG partnership group (Information Advice and Guidance Group) meets half termly, has representatives from every secondary school and college, and training providers and representatives from employer organisations, supporting schools and young people to pathways to employment and training. Includes Enterprise Adviser Network, Sussex Learning Network, National Careers Service and all independent careers advisers in the city. New independent providers are also encouraged to attend this group, to raise awareness of their provision. Once a year, all local training providers present to this group, for their next year's offer.</p>					
<p>16-19 Curriculum and standards group meets half termly, and is made up of all schools with 6th forms and colleges and university representation- vice principals or heads of 6th form. Has regular engagement with the Coast 2 Capital LEP, employers, and supports progression to employment.</p>					
<p>11-16 Curriculum Deputies partnership group, focused on standards and curriculum.</p>					
<p>Secondary and Continuing Education Partnership which now meets twice a year and is made up of secondary schools leaders, 6th form and FE college and universities. Considers wide range of topics and skills and IAG have featured strongly, providing pathways through secondary, FE and HE.</p>					
<p>Brighton & Hove Education Partnership chaired by Pinaki Ghoshal, and made up of representatives from all schools' phases and universities and 6th form colleges- developing and supporting positive education pathways and improving standards.</p>					

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Programme to enhance the council's role to support the city economy and promote business	Executive Director Economy, Environment & Culture	50	30/03/18	14/02/17	30/03/18
<p>Comments: Corporate Modernisation 'Supporting Business' programme established. The Supporting Business Modernisation programme has the following workstreams:</p> <ul style="list-style-type: none"> - Developing the business case for the refurbishment of Brighton Town Hall along the 'City Hall for Business Model'. - Improving the delivery of joined up transactional council services to businesses through Digital First - Establishing a pool of Business Ambassadors who can support the city with business leadership to develop the city's Inward Investment, Trade & Export Strategy - Redesigning the City Council's Economic Development and International functions to align them to the changing needs of the city economy., <p>Next Steps:</p> <ul style="list-style-type: none"> - Business case for Brighton Town Hall refurbishment to be considered by Corporate Modernisation Board - December 2017 - Digital First discovery work and business process review - Q3 2017/18. - Appointment of Business Ambassadors Spring 2018. 					

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR31	Greater liability on the council's budget due to budgetary pressures on schools	Executive Director Families, Children & Learning Service Manager - Directorate Policy & Business Support Assistant Director Education & Skills	BHCC Strategic Risk	22/11/17	Threat	Treat	Red L4 x I4	Red L4 x I4		Revised: Uncertain
<p><u>Causes</u></p> <p>Schools' ability to manage the pace and change of school budget reductions and costs of implementing cumulative cost pressures, such as pay rises, higher employer contributions to national insurance, the teachers' pension scheme and the impact of reducing numbers of pupils starting at reception level in Brighton & Hove affecting pupil based funding, will impact on the council's budget for all service delivery.</p> <p>Early indications are that the level of schools' surpluses will fall from £2.895m at 31/03/17 to £1m at 31/03/18. This projection would result in an overall overspend on schools of £1.398m (£2.398m-£1m) at 31/03/18, which would need to be met from reserves.</p> <p><u>Potential Consequence(s)</u></p>										

- *If the level of licensed deficits in 2017/8 is still required by schools which already have Licensed Deficit agreements continuing into 2017/18 then the council will not be able to license any new deficits for other under the current scheme
- * Inequality between schools and impact on relationship between the majority of schools and the council
- * Increased council support to assist schools to improve procurement options, work collaboratively and manage workforce better
- * Stakeholder dissatisfaction due to changes in service location of provision
- * External auditors may reduce their rating of the Council's ability to secure Value for Money
- * If a school is unable to provide sustainable strategies in order to balance their budgets, Finance will have to apply tougher sanctions e.g. removal of a school's delegated financial powers
- * If educational performance requires a school which has is already in deficit to transition to academy status, the DfE policy is that the council will fund the deficit from its core budget and recover the monies from the academy trust and the council will not receive monies until the DfE is satisfied that the amount is a true reflection of what is owed and both parties agree
- * Schools may decide not to 'buy-back' services from existing council support services, reducing workforce

Existing Controls

First line of Defence - Management Controls

1. Annual meeting between Executive Director FCL and Executive Director F&R where budgets are scrutinised and challenged by the Directors to minimise the level of deficits required and ensure best use of public money. The scheme for financing schools, currently allows 40% of the carry forward balance to be used for licensed deficit agreements
2. School budget plans for 2017/18 were finalised on 9 June 17
3. Schools' finance team monitor the budget position for each school
4. Schools' finance team hold regular finance meetings with schools in licensed deficit and a process for schools causing financial concern was introduced in spring 2017

Second Line of Defence - Corporate Oversight

1. For schools in deficit, a Strategy Board has been established with the prime focus upon the school's management of its budget.
 2. The position for schools will be reported to Families, Children and Learning Directorate Management Team (DMT) as part of the TBM reporting process.
 3. Under the Scheme for Financing Schools, the Local Authority (LA) can issue a Notice of Concern where the school has failed to comply with any provisions of the scheme, or where actions need to be taken to safeguard the financial position of the local authority or the school
 4. Report to Policy Resources & Growth (PR&G) Committee on 13 July 2017
 5. Executive Leadership Team (ELT) report 21/6/17 outlined issues re Schools Balances, including recommendation to suspend the governing body's right to a delegated budget for reasons of financial mismanagement after giving the governing body notice of the suspension and if appropriate corrective action is not taken
- * Department for Education (DfE) policy on deficit balance
* Joint letter from Directors of Families, Children & Learning and Finance & Resources sent to all schools highlighting the level of school deficits this year and the wider implications for Council's budget's, with a notice that no further deficit budgets could be licensed.

Third Line of Defence - Independent Assurance

External Audit view of Value for Money

Secretary of State will decide upon any dispute concerning a deficit balance owed between an Academy Trust and the council Academy Trust

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Continue to work closely with schools to ensure that they manage the risk of an increasing deficit in order to limit the potential cost to the LA's budget.	Assistant Director Education & Skills	25	31/07/18	26/06/17	31/07/18

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Notices of concern are sent to schools as necessary, individual challenge meetings continue with schools and the training and support provided to governors continues.</p>					
<p>Establish Strategy Boards within Schools where the academic performance of schools is a concern</p>	<p>Assistant Director Education & Skills</p>	<p>40</p>	<p>31/08/18</p>	<p>26/06/17</p>	<p>31/08/18</p>
<p>Comments: The categorisation process has identified the schools whose financial position puts them at risk of a strategy board being established. Some schools, in line with our published categorisation process, may receive an initial visit from a School Improvement Partner to determine if a strategy board meeting is required. Boards will be established in the autumn term.</p>					
<p>Inform Members of the impact of DfE's calculation of notional individual budgets for schools in 2018/19 which will change so that it will NOT take regards of the locally agreed formula as agreed with the Schools Forum.</p>	<p>Assistant Director Education & Skills</p>	<p>15</p>	<p>31/01/18</p>	<p>26/06/17</p>	<p>31/01/18</p>
<p>Comments: We are awaiting further information from the DfE of notional allocations to schools under the planned formula, following the release of operational guidance in August 2017. This is expected to be received in September 2017 and the Schools Forum will be meeting on 9 October.</p>					
<p>Monitor and inform schools of the new national funding formula for schools</p>	<p>Assistant Director Education & Skills</p>	<p>75</p>	<p>31/01/18</p>	<p>26/06/17</p>	<p>31/01/18</p>

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Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: The funding documents from the Education & Skills Funding Agency were all sent out in September and we have advised the Schools Forum of what the implications may be locally. We are now in discussions with the Schools Forum (and in consultation with schools about the use of the High Needs Block) regarding how we make the formula work in Brighton & Hove. We will do a wider circulation of information when the Schools Block Working Party have considered the options going forward and have put them to the Schools Forum.</p>					
<p>Work with schools re. number of spare school places available in the city and the impact these have on school budgets.</p>	<p>Assistant Director Education & Skills</p>	<p>33</p>	<p>30/04/18</p>	<p>26/06/17</p>	<p>30/04/18</p>
<p>Comments: Proposals to amend the city's admission arrangements for September 2019 will be considered by the CYP&S committee on 18 September 2017 with a recommendation to support a consultation on the proposals put forward. The consultation will run between October and November and a final decision on admission arrangements will be taken by Full Council in February 2018. The proposals recommend a reduction of 150 primary school places by reducing the Published Admission Number of 5 schools by one class size (30 pupils). There are planned changes to secondary school catchment areas to manage the rising demand for places and the delays in the opening of the new secondary school, The Brighton and Hove Academy. These changes will seek to redistribute some pupils from catchment areas that have fewer places than pupils requiring them to catchment areas where there are more places than pupils to fill them. Alongside this we will monitor the pattern of applications for school places from September 2018 to support schools who may have a surplus of places.</p>					

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Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR32	Sub-standard health & safety measures lead to personal injury, prosecution, financial losses and reputational damage	Executive Director of Finance & Resources Head of Health and Safety Head of Housing Strategy / Private Sector Housing	BHCC Strategic Risk	22/11/17	Threat	Treat	 Red L3 x I5	 Amber L2 x I5		Revised: Adequate

Causes

To ensure that the council meets the requirements of law and controls the likelihood and impact of risks which have potential to cause harm to residents, visitors and stakeholders there must be robust oversight of arrangements in delivering services and procuring goods to meet health and safety (H&S) legislation and other regulatory requirements. This is challenged by reducing resources, increasing demands and changes to our operating environment.

Potential Consequence(s)

- * Actual and potential harm
- * Custodial sentences for duty holders
- * Fines and litigation
- * Resources wasted
- * Decisions made are challenged
- * Increased costs of rectifying mistakes
- * Financial stability of organisation compromised
- * Reputational damage

Existing Controls

First Line of Defence: Management Controls

1. Health & Safety policy which sets out roles, responsibility and arrangements
2. Access to competent advice (Health & Safety team) including investigation of all incidents
3. Safety management framework - Team Safety
4. H&S Training core programme
5. Fire Risk Assessments (FRAs) in place on all council buildings

Second Line of Defence - Corporate Oversight

1. Corporate H&S Committee, meets quarterly
2. Data insight on managers' health and safety checklists reported annually at ELT and DMT
3. H&S audit programme
4. Housing, Fire, Health & Safety Board meets regularly includes representation from East Sussex Fire & Rescue Service, the council's health & safety, Communications and Building Control and housing managers
5. Community Initiatives Partnership (CIP) involving council, voluntary sector, health sector
6. H&S representation at Risk Management Steering Group/Safety Advisory Group/Major Incident Support Team (MIST)

Third Line of Defence: Independent Assurance

1. Health & Safety Executive (HSE) - last HSE visits: as part of National Waste Initiatives at Depot in 2016 resulted in minor recommendations which were actioned. Control of Vibration in City Parks in October 2017: findings not yet shared.
2. East Sussex Fire & Rescue Service (ESFRS) Regulatory Reform (Fire Safety) Order - ESFRS undertake citywide audits according to a prioritised programme which includes a range of council buildings. No inspections of council buildings have led to the need for enforcement action. All Council high rise buildings have been visited by ESFRS.
3. Internal Audit
4. Care Quality Commission/Ofsted

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
All housing high rise blocks have had fire safety checks by council surveyors, some jointly with ESFRS	Assistant Director Housing	90	17/11/17	16/06/17	17/11/17

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Following the Grenfell Tower fire the Council have undertaken a great number of actions to check safety, provide information and reassure residents. These include:</p> <p>Existing compliance in terms of Fire Risk Assessments were found to be robust and in place;</p> <p>Undertook additional precautionary joint inspections of all the 43 High-Rise blocks with the Fire Service over and above the usual fire risk inspection arrangements and published the results for each block online. Any works or improvements that were required have been ordered via our partners;</p> <p>Produced a fire safety in flats video and extensive Q&A on the City Councils' website;</p> <p>Staff delivered letters to all high-rise flats in the days following the Grenfell fire giving updates on the inspections being carried out, and their findings;</p> <p>Answered several hundred queries from residents and others in a short period of time;</p> <p>Housing Fire Health and Safety Board (Council, ESFRS & Mears) undertook additional extraordinary meeting twice weekly to co-ordinate resources and manage actions through to completion;</p> <p>Where required, further independent surveys to look at the performance of fire protection systems is underway;</p> <p>Used learning from this initial phase of actions to help inform our medium-term strategy;</p> <p>HRA Asset Management Strategy Review – Providing Safe Homes - approved in principle at Sept Housing and New Homes Committee subject to consideration of the detailed Capital Programme in January 2018.</p> <p>Housing Fire Health and Safety Board (Council, ESFRS & Mears) continue to oversee co-ordination of resources and manage actions through to completion.</p>					
Continued engagement in the Community Initiative Partnership agreed actions - meetings quarterly to review progress. Annual report each June will detail activity	Head of Health and Safety	70	30/03/18	03/04/17	30/03/18

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Since the last quarter the annual report of the Community Initiatives Partnership has been presented at the Audit and Standards Committee and the Corporate Health & Safety Committee.</p>					
<p>The Community Initiatives Partnership met on 6th October 2017, the agenda included: a focus on the annual report from the group which detailed achievements and outcomes, an update on Neighbourhoods and Communities agenda, specifically considering the work of field officers and how tasking and information sharing will be achieved. Sussex Police and East Sussex Fire & Rescue Service have offered shared use of police / fire services premises for field officers working outside core BHCC office hours. This will assist communication, developing working relationships and provide a management control for Personal Safety of Field Officers.</p>					
<p>New and future initiatives were also discussed and these will include a focus on Dementia, the group will link with Rob Persey to co-ordinate work with Dementia Friendly Communities.</p>					
Contribute to Department for Education (DfE) on-line survey of construction of schools premises returned by the council 30/6/17	Assistant Director - Property & Design	100	30/06/17	16/06/17	30/06/17
Independent survey to be commissioned to double check council housing buildings aimed to provide tenants with extra assurance, communications will be provided ahead of the survey to each tenant	Assistant Director Housing	10	17/11/17	05/07/17	17/11/17

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Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Following the Grenfell Tower fire the Council have undertaken a great number of actions to check safety, provide information and reassure council residents, in particular in high rise blocks.</p> <p>Existing compliance in terms of Fire Risk Assessments were found to be robust and in place.</p> <p>Undertook additional precautionary joint inspections of all the 43 High-Rise blocks with the Fire Service over and above the usual fire risk inspection arrangements and published the results for each block online. Any works or improvements that were required have been ordered via our partners.</p> <p>Where required, further precautionary independent surveys to look at the performance of fire protection systems is underway.</p> <p>Residents and ward councillors have been informed as inspections proceed.</p> <p>Projected end date for these additional precautionary independent surveys and reporting is mid November.</p> <p>Housing Fire Health and Safety Board (Council, ESFRS & Mears) continue to oversee co-ordination of resources and manage actions through to completion.</p>					
<p>Property & Design team check of cladding on all non housing buildings in the operational portfolio, eg. civic officers, historic (museums and libraries) , social care, schools, sports pavilions etc. and the non-operational commercial portfolio</p>	<p>Assistant Director - Property & Design</p>	<p>100</p>	<p>16/08/17</p>	<p>05/07/17</p>	<p>16/08/17</p>
<p>Provide information to the DCLG review of Fire Safety in response to the Grenfell Tower fire</p>	<p>Assistant Director Housing</p>	<p>90</p>	<p>01/11/17</p>	<p>16/06/17</p>	<p>01/11/17</p>

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Post Grenfell tragedy information required by DCLG in relation to council owned blocks has been provided. Conference call held with DCLG on 7 September regarding our approach and the work we've done since Grenfell, in particular in relation to purpose built private sector blocks.</p> <p>We are collating responses to DCLG to a list of questions to allow DCLG to complete a new burdens assessment with regard to the private sector building data collection they have asked LAs to complete.</p> <p>Housing Fire Health and Safety Board (Council, ESFRS & Mears) continue to oversee co-ordination of resources and manage actions through to completion.</p>					

Subject:	Strategic Risk Focus: SR30 Failure to demonstrate Place Based Leadership, unable to promote the City-Region's business economy, employment & training opportunities; a poor reputation in delivering value for money for the business rate payer SR23 Unable to develop an effective Investment Strategy for the Seafront SR21 Unable to manage housing pressures SR26 Not strengthening the council's relationship with citizens
Date of Meeting:	9 January 2018
Report of:	Executive Lead Officer, Strategy, Governance & Law
Contact Officer: Name:	Jackie Algar Tel: 01273 291273
Email:	Jackie.algar@brighton-hove.gov.uk
Ward(s) affected:	All

FOR GENERAL RELEASE**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 The Audit & Standards Committee has a role to monitor and form an opinion on the effectiveness of risk management and internal control. As part of discharging this role each January it reviews the Corporate Risk Assurance Framework (CRAF) which includes full detail of all Strategic Risks and all Directorate Risks. In addition, the Committee focuses on at least two Strategic Risks at each of their meetings.
- 1.2 This report confirms to the Committee that there were no updates to the city council's Strategic Risk Register (SRR) following the last review undertaken by the Executive Leadership Team (ELT) on 22 November 2017. For more detail of the ELT review see the CRAF report on this same agenda, and appendix 2 of the CRAF report which is the SRR.
- 1.3 The Strategic Risk Focus is based on detail provided in Appendix 2 of the CRAF report which records the actions taken (existing controls) and future actions to manage each strategic risks, including SR30; SR23; SR21 and SR26, the subject of this Strategic Risk Focus.
- 1.4 The officers available to answer Members' questions on the Strategic Risk SR30 will be Geoff Raw, Chief Executive; for SR23 Nick Hibberd, Executive Director Economy, Environment and Culture; and for SR21 and SR26 Larissa Reed, Executive Director Neighbourhood, Communities and Housing.

2. RECOMMENDATIONS:

- 2.1 That the Audit & Standards Committee notes the CRAF report Appendix 2 for details of SR30; SR23; SR21 and SR26.
- 2.2 That, having considered Appendix 2 of the CRAF report and any clarification and/or comments from the officers, the Committee makes any recommendations it considers appropriate to the relevant council body.
- 2.3 That the Committee note that (as detailed in paragraph 3.3) there have been no changes to the council's SRR.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The SRR details the current prioritised risks which may affect achievement of the council's Corporate Plan purpose, including in relation to its work with other organisations across the city. It is reviewed and agreed by ELT quarterly, and influences service activity within Directorates and Directorates' individual Directorate Risk Registers.
- 3.2 Across the council there are a number of risk registers which prioritise risks consistently by assigning risk scores 1-5 to the likelihood of the risk occurring , and the potential impact (denoted by 'I') if it should occur. These L and I scores are multiplied; the higher the result of L x I, the greater the risk e.g.L4xI4 which denotes a Likelihood score of 4 (Likely) x Impact score of 4 (Major). A colour coded system, similar to the traffic light system, is used to distinguish risks that require intervention. Red risks are the highest, followed by Amber risks and then Yellow, and then Green. The Strategic Risk Register records Red and Amber risks. Each strategic risk has a unique identifying number and is prefixed by 'SR' representing that it is a strategic risk.
- 3.3 There were no updates to the city council's Strategic Risk Register (SRR) as a result of the Executive Leadership Team (ELT) review on 22 November 2017 however it was agreed that as part of the next risk review cycle, all risk owners and risk action leads would be requested to provide more clarity on Existing Controls under the 'Third Line of Defence' which records Independent Assurance. This will provide better information for the Internal Audit team to review the Audit Plan delivery and will help inform the 'Audit Opinion' provided by the Head of Internal Audit which is a requirement of the Annual Governance Statement. See Appendix 1 for the revised guidance sent out after the ELT review.
- 3.4 In December 2017 there was a minor change to the risk management software used as a result of the supplier upgrading the system. This minor change from previous software version (Integrated Risk Manager 'IRM') to now 'CammsRisk' has been communicated to users of the system who are supported by the Risk Management Lead.

4. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 4.1 For each Strategic Risk there is detail of the actions already in place ('Existing Controls') or work to be done as part of business or project plans ('Risk Actions') to address the strategic risk. Potentially these may have significant financial implications for the authority either directly or indirectly. The associated financial risks are considered during the Targeted Budget Management process and the development of the Medium Term Financial Strategy.

Finance Officer Consulted: James Hengeveld

Date: 27/11/2017

Legal Implications:

- 4.2 Members of the Committee are entitled to any information, data and other evidence which enables them to reach an informed view as to whether the council's strategic risks are being adequately managed. The Committee may make recommendations based on its conclusions.

Lawyer Consulted: Victoria Simpson

Date: 27/11/2017

SUPPORTING DOCUMENTATION

Appendices:

1. Guidance for setting out existing risk controls using the 3 Lines of Defence – 22 November 2017.

Documents in Members' Rooms

1. None.

Background Documents

1. Corporate Risk Assurance Framework (CRAF) 2017-18 report, Appendix 2 Strategic Risk Register as reviewed by the Executive Leadership Team 22 November 2017.

Guidance for setting out existing risk controls using the 3 Lines of Defence

For each strategic and directorate risk, the risk owner sets out the controls in place to address the risk and the arrangements in place to make sure that these controls are working effectively. The aim is to provide an easy to follow summary using the 3 Lines of Defence model:

- 1st line: management controls
- 2nd line: corporate oversight
- 3rd line: independent assurance

Clear and high quality input helps managers to ensure that the arrangements put in place to address the risk are sufficiently robust and are proportionate. It also provides assurance to ELT and the Audit & Standards Committee who monitor on behalf of the council. This guidance sets out what we expect to see (and things we want to avoid) under each Line of Defence.

1st Line of Defence: Management Controls	
Management activity. Requires input of those who know the business, culture and day to day challenges.	
What we want to see	What we want to avoid
<ul style="list-style-type: none"> • A structured and logical approach that sets out how managers address the whole of the risk • Simple descriptions • Controls that are in place • Controls that can be tested 	<ul style="list-style-type: none"> • Long lists of controls (no more than six?) • Lack of clarity as to whether the whole of the risk is being addressed • Controls that cannot be tested • Good intentions (eg planned improvements) • Wishful thinking

2nd Line of Defence: Corporate Oversight	
This involves those responsible for delivery, but not independent of the organisation’s management chain such as ELT, Boards and Committees. It includes overview of policy delivery and regulatory considerations.	
What we want to see	What we want to avoid
<ul style="list-style-type: none"> • 2nd line defences that provide assurance over the 1st line controls • 2nd line defences that are in place: <ul style="list-style-type: none"> ○ does the 2nd Line know that this is their role? ○ is this set out in in job descriptions, terms of reference, regular agenda items etc. 	<ul style="list-style-type: none"> • Lack of clarity as to whether assurance is provided over the whole of 1st line • 2nd lines of defence that are not in place. • 2nd lines that don’t contribute to better management of a risk

3rd Line of Defence: Corporate Oversight	
Includes internal audit, external audit and inspectorates such as OFSTED. Provide independent assurance for senior management and Members about the effectiveness of the 1 st and 2 nd lines of defence.	
What we want to see	What we want to avoid
<ul style="list-style-type: none"> • Only include audits and inspections which have reasonable link with the risk. • Include the titles, the dates and results/conclusions of the latest assessments linked to the risk. 	<ul style="list-style-type: none"> • Avoid audits and inspections which are not reasonably linked to providing assurance is provided over the whole of 1st and 2nd lines • 3rd lines of defence that do not exist. • Committees are not the 3rd Line of Defence.

Subject:	Internal Audit and Corporate Fraud Progress Report		
Date of Meeting:	9 January 2018		
Report of:	Executive Director, Finance & Resources		
Contact Officer:	Name:	Mark Dallen	Tel: 29-1314
	Email:	Mark.Dallen@brighton-hove.gcsx.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 This purpose of this report is to update and provide assurance to the Audit & Standards Committee that:
- the internal audit and corporate fraud teams are on target to deliver the audit and corporate fraud strategy and plan for 2017/18;
 - the council is dealing with governance and control weaknesses appropriately.
- 1.2 The report summarises:
- the progress made against the Internal Audit and Corporate Fraud Plan;
 - the results of work undertaken for the year to date;
 - progress made by management in implementing audit actions.

2. RECOMMENDATIONS

- 2.1 That the Audit & Standards Committee notes the report and considers any further action required in response to the issues raised.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The Audit & Standards Committee approved the Internal Audit and Corporate Fraud Plan on 7 March 2017. The report detailed the planned audit and corporate fraud activities for 2017/18, and the measures of delivery.
- 3.2 Since setting the plan some changes to the resourcing of the service have occurred including the deletion of the post of Head of Internal Audit. This post has been replaced by an Orbis Chief Internal Auditor who leads the service across East Sussex and Surrey County Councils as well Brighton & Hove City Council.
- 3.3 As at the time of reporting resources remain sufficient to deliver the planned activities for the year.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

Progress against the audit plan

- 4.1 Internal audit is on target to deliver 90% of the approved audit plan as per the key performance indicator. For the year to date, 30 of the 49 audit reviews have been completed to draft or final report stage (61%). A total of 14 audits have been finalised since our last report in September, as per table 1 below.

Table 1 – Audits finalised since the last committee meeting.

Audit	Opinion given*
Main Accounting	Substantial
Treasury Management	Substantial
School Places Planning	Substantial
Mobile and Portable (IT) Devices	Reasonable
Residential Care for the Elderly	Partial
Council Tax	Partial
Housing Emergency Accommodation	Partial
Organisational Capacity	Partial
City Clean (External Contracts and Commercial Activities)	Minimal
Disabled Facilities Grant (2016/17)	Grant certified
Transport Capital Grant, Bus Subsidy Grant, Pot Holes Grant (2016/17)	Grant certified
Bus Subsidy Grant (2016/17)	Grant certified
Pot Holes Grant (2017/18)	Grant certified
EU Interreg Grant – SHINE (Claim 1)	Grant certified

*Appendix 1 provides a definition of these audit opinions.

- 4.2 Further information on each of these reports, including the scope and main conclusions, is provided in Appendix 2.

Progress against the counter fraud plan

- 4.3 The Corporate Fraud Team has a number of different work streams to deliver during 2017/18. Progress to date is detailed in table 2 below.

Table 2 – Corporate Fraud outcomes for the financial year 2017/18 to date.

Main areas of service delivery	Outcomes delivered for the year to date
Housing Tenancy and Right to Buy Fraud	<p>A total of 12 properties have now been returned to stock (an increase of 5 from the number reported to the last committee).</p> <p>A total of 35 right to buy applications have not been pursued after preventive review by the team. This is an increase in 9 cases since the last committee.</p>
Investigating and pursuing fraud in other high priority areas	<p>Employment investigations for the year to date have resulted in the dismissal of four employees (no change on the number last reported).</p> <p>Investigations into residents parking permits have resulted in 8 permits being cancelled or returned for the year to date.</p> <p>Rent rebate overpayments totalling £70,000 have been</p>

	identified and £9,000 in Council Tax Reduction/Council Tax Exemptions/Discounts for the year to date.
Data matching	The team are currently undertaking a discretionary NFI data matching exercise to match deceased persons records from the DWP to Blue Badges, residents Parking Permits and Housing Tenancy data. The results of this work will be reported in due course.

Additions and Deletions to the approved internal audit plan

4.4 The following audits have been added to this year's audit plan.

- ICT Disaster Recovery
- Able and Willing Service

4.5 The following audits have been deleted from this year's plan.

Audit Deletions	Rationale
Housing Allocations	Request received from Housing management to be deferred to 2018/19 because of software and policy changes.

Progress made in implementing actions

4.6 The percentage of actions implemented by their target dates is closely monitored by Internal Audit and compiled on a quarterly basis for reporting to ELT. As at the end of quarter 2 (30 September 2017), 82.5% of actions due had been implemented (see table 3 below).

Table 3 – implementation of audit actions (as at 30 September 2017)

Period to:	Audit Recs due	Database not updated by managers	Not implemented (or less than 50% implemented)	Implemented (includes part implemented > 50%)	Implemented (%)
30 September 2017	211	17	20	174	82.5%

4.7 This is better than the rate as reported at a similar time last year (82%) but is lower than the target implementation rate of 90% for 2017/18.

4.8 The implementation rate for high priority actions is now 81%. The high priority actions that have not yet implemented are set out in table 4 below.

Table 4 – high priority actions due by the 30 September 2017 not yet implemented

Audit/ Action	Dir.	Due date	Revised date	Progress and risks.
<u>IT Waste Disposal (Rec. 7)</u> Review and where necessary revise the "Contract for the	F&R	31/3/17	31/3/18	The implementation of this action has been delayed because of the pressure on

Audit/ Action	Dir.	Due date	Revised date	Progress and risks.
disposal of ICT Waste" to maintain compliance with the regulatory requirements for electronic waste as well as compliance with the information security requirements placed upon the named contractor.				resources within the relevant teams – compounded by the failure to appoint a Contracts Officer post. At the time of the audit, the supplier was sub-contracting some activity. However, as the supplier is no longer sub-contracting work, the risk associated with this recommendation had reduced significantly.
<u>Residents Parking Permits (Rec. 4)</u> All renewal applications should be validated (electronically if possible) to ensure evidence of ongoing eligibility is confirmed.	EEC	30/6/16	30/6/18	Parking services have piloted an online system which validates applications against residency data. The pilot has not been successful and the service is examining alternative options. There a risk that residents obtain permits through the renewal process that they are not entitled to. Parking Services are attending the meeting to provide an update on this issue.
<u>Residents Parking Permits (Rec. 5)</u> Parking should ensure that any improvements to the verification process are extended to the processing of all other relevant permit types where residency is a condition of issue.	EEC	30/6/16	30/6/18	See comments above.
<u>Cybersecurity (Rec. 2)</u> (R2) Develop and implement a holistic Cyber Security policy which aligns to Cyber Security Good Practices.	F&R	30/6/17	28/2/18	In order to streamline the process and fit the annual IG Toolkit schedule, all policy approval by IGB is now scheduled for February. The introduction of a Cyber Policy (along with other new policies) will be approved in line with this schedule. Residual risk that physical security measures do not comply with best practice and/or are not consistently communicated or applied.
<u>Cybersecurity (Rec. 4)</u> Conduct a pro-active Cyber	F&R	30/6/17	28/2/18	The implementation of this action has been delayed

Audit/ Action	Dir.	Due date	Revised date	Progress and risks.
Security risk identification review and communicate results within the corporate reporting to the Information Governance Board.				because of the pressure on resources within the Information Security Team. The implication of not completing this review is that individual cybersecurity risks may not be prioritised, or that that actions to address risks are not effectively mapped, monitored or communicated. At a high level, key risks are verbally communicated to the SIRO.
<u>Computing Facilities (Rec. 3)</u> Implement an IT Policy governing the physical security measures to be taken to protect computing facilities	F&R	31/1/17	28/2/18	In order to streamline the process and fit the annual IG Toolkit schedule, all policy approval by IGB is now scheduled for February. The introduction of a computing facilities physical security policy (along with other new policies) will be approved in line with this schedule. Residual risk that physical security measures are not consistently communicated or applied.
<u>Housing Electrical Works x2</u>	NCB	30/9/16	To be confirmed	A separate update on this issue will be provided as part of this agenda.

4.9 We continue to work with ELT and other senior managers to ensure that all audit actions are given sufficient attention, particularly those judged as high priority.

4.10 As requested at the September meeting of the Audit and Standards Committee we are now tracking the agreed actions from the external auditors report (Audit Results report 2016/17). The report included four actions one of which was already implemented. The status of the other three actions is as follows:

EY Action	Dir.	Due date	Progress
(EY 1) Ensure there is rigorous review of the information provided to expert valuers and the information received from the valuer in order to ensure the basis of the valuation provided is appropriate.	F&R	N/A	Arrangements have been made for this information to be available at a date which allows earlier review and analysis of changes before preparation of the annual accounts.
(EY 3) The Council should undertake rigorous review of its working papers supporting	F&R	N/A	Arrangements have been made for this information to be available at a date which allows earlier review before preparation of

lease disclosures.			working paper and the annual accounts.
(EY 4) Ensure authorization controls regarding non-purchase order expenditure are in place and adhered to.	F&R	N/A	This action was based on work carried out by internal audit and was already being tracked. The action is recorded as substantially (90%) implemented, and re-testing will be included as part of our annual creditors audit in quarter 4.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 None.

6. CONCLUSION

6.1 The Committee is asked to note the report.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 It is expected that the Internal Audit and Corporate Fraud Plan 2017/18 will be delivered within existing budgetary resources. Progress against the plan and action taken in line with actions support the robustness and resilience of the council's practices and procedures in support of the council's overall financial position. Financial benefits or consequences arising from internal or external audit investigations are incorporated within monthly Targeted Budget Management monitoring reporting for the relevant services and, where there are ongoing implications, within the annual budget setting process.

Finance Officer Consulted: Nigel Manvell

Date: 22 December 2017

Legal Implications:

7.2 The Accounts and Audit Regulations 2015 require the Council to 'undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards'. It is a legitimate part of the Audit and Standards Committee's role to review the level of work completed and planned by internal audit.

Lawyer Consulted: Victoria Simpson

Date: 19/12/17

Equalities Implications:

7.3 There are no direct equalities implications.

Sustainability Implications:

7.4 There are no direct sustainability implications.

SUPPORTING DOCUMENTATION

Appendices:

1. Audit Opinions and Definitions
2. Commentary on Finalised Reports

Documents in Members' Rooms

1. None

Background Documents

1. Internal Audit and Corporate Fraud Strategic Plan 2017/18

Audit Opinions and Definitions

Opinion	Definition
Substantial Assurance	Controls are in place and are operating as expected to manage key risks to the achievement of system or service objectives.
Reasonable Assurance	Most controls are in place and are operating as expected to manage key risks to the achievement of system or service objectives.
Partial Assurance	There are weaknesses in the system of control and/or the level of non-compliance is such as to put the achievement of the system or service objectives at risk.
Minimal Assurance	Controls are generally weak or non-existent, leaving the system open to the risk of significant error or fraud. There is a high risk to the ability of the system/service to meet its objectives.

Commentary on Finalised Reports

Main Accounting - Substantial Assurance

The purpose of the audit was to ensure that the council's main accounting system is fit for purpose and interfaces with other financial systems effectively. The review included examination of controls over financial journals, suspense accounts and the structure of accounts.

The review found that key controls were working effectively.

Four actions for improvement were raised and agreed with management, although three of these were only low priority. The one medium priority action related to an error suspense account that was not being reviewed and cleared regularly.

Treasury Management - Substantial Assurance

The Treasury Management audit covered the council's arrangements for its management and administration of borrowing and investments. This included ensuring that appropriate policies and procedures were in place and that all deals are properly authorised and recorded. Also, that key reconciliations are in place and that borrowings and investments are undertaken within agreed parameters, with effective reporting of performance to senior management and elected members.

This review did not identify any shortfalls and there were no proposed actions.

School Places Planning - Substantial Assurance

The audit of school places planning was aligned to a strategic risk. The purpose of the review was to obtain assurance that controls are in place to mitigate the risk of a shortage of secondary school places and to identify any gaps in the controls.

We were satisfied that appropriate processes are in place to accurately forecast pupil numbers, including the identification of peak years, and that plans are being progressed to address the future demand pressures.

An improvement has been agreed by updating the risk register to include the addition of three controls that are relevant to the management of this risk.

Mobile and Portable (IT) Devices - Reasonable Assurance

The scope of the audit was to provide assurance that the council's arrangements for mobile device management (e.g. laptops and smartphones) were sufficiently robust and that the use of these devices poses no greater risk than that of fixed device (desktop) computing. Also, that there are effective controls in place in relation to the loss of any of these devices.

It was found that although controls are in place to manage the key risks identified, there are some risks which have not been captured (applications used, sensitivity of data etc.)

within the risk management process and others where the status of mitigations is not clear.

Specific actions were agreed to help ensure that risks, and associated controls, relating to mobile devices are properly captured in the IT & Digital risk register and to provide more clarity about some of the existing risk mitigations.

Residential Care for the Elderly - Partial Assurance

The main focus of this review was on the contract management arrangements, including providing assurance that service agreements adequately describe the support required and the associated cost of it. It included looking to ascertain that key performance indicators had been identified and used and that there was effective monitoring of contract costs.

Key findings were that:

- some residential nursing care clients are not having their care needs reviewed on an annual basis;
- the Council is paying above the set fee rate for residential and nursing care for a growing number of clients;
- demand and supply cost issues have put pressure on the budget which has resulted in overspending;
- responsibilities for contract management, other than quality of care, are not clearly defined;
- some performance data is not been collected or analysed;
- the council is not always promptly notified if a client dies or moves out.

Actions have been agreed with regard to all of the above weaknesses, including the need to improve the percentage of annual assessments completed and clarifying the responsibilities for contract management. Other actions include improving the use of performance data and capturing more promptly information where a client dies or moves out. Progress on implementation of these actions will be assessed by Internal Audit as part of a formal follow up review likely to be completed in 2018/19.

Council Tax – Partial Assurance

The purpose of this year's council tax audit was to obtain assurance that;

- all taxable properties are identified;
- the calculation of the council tax base has been carried out accurately;
- amounts due in respect of each chargeable property are correct and promptly billed;
- arrears are promptly identified and pursued effectively.

The audit found that although many processes continue to operate effectively there is a backlog of work which could eventually impact on recovery rates and customer satisfaction with the service. Our review identified a small number of properties that could have been brought into charge earlier and not all classes of discounts and exemptions have been subject to regular review to ensure ongoing eligibility.

Actions have been put in place to address the work backlog and improvements made to the inspections process to ensure that properties are brought into charge as early as possible. The service acknowledges the need for the regular review of discounts and

exemptions and is seeking to develop technological solutions where regular review of some discounts is not practical.

Housing Emergency Accommodation – Partial Assurance

The scope of this audit was to confirm that arrangements are in place to ensure that the contract is delivered in accordance with the contract specification.

The review found that recommendations made in a previous (2016) audit report had been implemented and that further action is being undertaken by Housing to continue to improve the quality of the service. However, our audit, which included an inspection to one specific property, found that:

- the provider does not carry out regular room inspections and other inspections of communal areas do not meet the requirements of the contract;
- concerns from inspections completed by council officers are not being effectively escalated and resolved at contract monitoring meetings;
- during our visit to the property concerns were identified in relation to communal areas which included health and safety issues. The provider has been notified of the issues.

Four actions have been agreed with management which include that:

- the contract monitoring framework is improved to include inspections of communal spaces, following-up where information was not available during the visit, and that all significant concerns raised through inspections are be escalated to the provider at the contractor monitoring meetings;
- contract monitoring meetings are developed and include standing items on contract compliance and health and safety.

This area will be subject to a formal follow up review during 2018/19 in order to confirm that all agreed actions have been implemented.

Organisational Capacity – Partial Assurance

This audit was planned in response to the inclusion of seven individual risks within the council's strategic and directorate risk registers relating to issues associated with organisational capacity.

The purpose of this review was to provide assurance that these risks were being clearly defined and associated key controls put in place. Also, that these controls were being reviewed, monitored and modified as required and that there was evidence to show that they are working effectively.

The audit found that services have been shrinking in size but are maintaining service levels, currently reacting to demand and changes as they happen. This causes resilience issues for staff where they are dealing with increasing workloads. Insufficient evidence was found at the time of the audit that controls have been fully implemented and are working to manage all of these risks.

We also identified that the risks and issues captured on the council's risk management system in relation to capacity are not always easy to understand and need to be more

clearly defined. Many of the controls and actions identified to mitigate the risks are generic rather than addressing the specific risk. Most actions are aimed at improving the availability of resources and are not currently addressing the demand for services.

Five actions were therefore agreed with management which include:

- clarifying and simplifying the text on the council's risk management system so risks can be more easily understood;
- developing a management information process that clearly evidences and better informs directors and members of the Council on organisational capacity issues;
- developing a better understanding of the cost of services under pressure, providing a clear distinction between costs incurred to provide statutory or compliance services and additional discretionary services;
- improving workforce planning and other HR processes that support the recruitment and retention of staff and agile working.

Further work will be undertaken in this area during 2018/19, including following up with management to ensure implementation of agreed actions.

City Clean (External Contracts and Commercial Activities) – Minimal Assurance

The purpose of the review was to ensure that commercial activities were supported by appropriate business plans and financial forecasts, contracts were in place with customers and there were adequate controls to ensure the service generates a surplus or breaks even. The audit also sought assurance that City Cleans own procurement processes had been in accordance with contract standing orders.

The audit report concluded minimal assurance because:

- Whilst PRG committee approval had been sought, some elements of the wider commercial waste service had not been approved by the PRG Committee as would be expected;
- a previous action was agreed to develop a business case for commercial waste and recycling activities but this has not been produced;
- there is a need to improve the administration of the commercial waste service and administrative support for the service is insufficient;
- financial information relating to the service was found to be incomplete and it cannot therefore be verified that the service will break-even in 2017/18;
- systems to manage customer data and budget information are not sufficient to meet the needs of the expanding service and signed contracts are not in place for all customer types;
- invoicing and debt management arrangements need to be improved.

Eleven actions for improvement have been agreed with management, five of these being high priority. These are that:

- a report is prepared for ELT and PRG approval, setting out the options for continued operation and growth of commercial waste collection. Following this a business plan is drafted;
- improvements are made to the budget management arrangements that allow an accurate assessment on their financial performance of the commercial waste service;
- systems to manage customer data and invoicing are improved;

- signed contracts/ agreements should be put in place with all customers;
- procurement arrangements for bought in services are strengthened.

The new Interim Assistant Director, City Environment has drafted an Improvement Programme which will form part of the City Clean modernisation programme and additional corporate support is being provided to address the recommendations in the report. A formal follow up review will be conducted by Internal Audit during 2018/19 to ensure appropriate action has been taken in relation to all control issues identified.

Disabled Facilities Grant (2016/17) - Grant certified

This audit was the certification of the Disabled Facilities Grant claim for 2016/17 (£1.5 million) as required by the DCLG.

No significant issues were identified in the grant certification.

Transport Capital Grant, Bus Subsidy Grant, Pot Holes Grant (2016/17) – Grant certified

The certification of three 2016/17 grant claims received from the Department for Transport. These were:

- Local Transport Capital Block Funding Grant;
- Bus Subsidy Grant;
- Pot Holes Grant.

No significant issues were identified in the grant certification.

EU Interreg Grant – SHINE (Claim 1) – Grant Certified

This is one of three EU Interreg projects that require grant certification on an annual basis.

The full project title is “Sustainable Housing Initiatives in Excluded Neighbourhoods”. The total project costs over the next 4 years are £370,000.

No significant issues were identified in the grant certification.

Subject:	Annual Surveillance Report		
Date of Meeting:	9th January 2018		
Report of:	Executive Director Finance and Resources		
Contact Officer:	Name:	Jo Player	Tel: 01273 292488
	Email:	Jo.player@brighton-hove.gcsx.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 The purpose of this report is appraise Committee of the activities that have been undertaken utilising the powers under the Regulation of Investigatory Powers Act 2000 (RIPA) since the last report to Committee in November 2016.

2. RECOMMENDATIONS:

- 2.1 That the continued use of covert surveillance be approved as an enforcement tool to prevent and detect crime and disorder investigated by its officers, providing the activity is in line with the Council's Policy and Guidance and the necessity and proportionality rules are stringently applied.
- 2.2 That the surveillance activity undertaken by the authority since the report to Committee in November 2016 as set out in paragraph 3.3 is noted.
- 2.3 That the continued use of the Policy and Guidance document as set out in Appendix 2 be approved.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The Regulation of Investigatory Powers Act 2000 (RIPA) is the law governing the use of covert surveillance techniques by Public authorities, including local authorities. RIPA was enacted as part of a suite of legislation flowing from the Human Rights Act 1997. RIPA requires that when public authorities need to use covert techniques to obtain information about someone, they do it in a way that is necessary and compatible with human rights.
- 3.2 RIPA regulates the interception of communications, directed and intrusive surveillance and the use of covert human intelligence sources (informants). Local authorities may only carry out directed surveillance, access certain communications data and use informants.
- 3.3 The Council has carried out no surveillance activity since the last report to Committee in November 2016.

- 3.4 The Protection of Freedoms Act was enacted in November 2012. Since then, approval must be sought from a Magistrate when local authorities wish to conduct surveillance activity, access communications data and use informants. This is in addition to the authorisation by an Authorising Officer who meets the criteria regarding their position within the authority.
- 3.5 In addition to seeking the approval of a Magistrate, all applications must meet the Serious Offence test. This stipulates that any directed surveillance is restricted to the investigation of offences that carry a custodial sentence of six months or more. The only offence where this will not apply is in regard to the investigation of underage sales of tobacco or alcohol.
- 3.6 On the 1st September 2017, The Office of Surveillance Commissioners, The Intelligence Services Commissioner's Office and The Interception of Communications Commissioner's Office were abolished by the Investigatory Powers Act 2016. The Investigatory Powers Commissioner's Office (IPCO) is now responsible for the judicial oversight of the use of covert surveillance by public authorities throughout the United Kingdom.
- 3.7 The Policy and Guidance document attached at Appendix 2 was updated to take into consideration recommendations made by the Surveillance Commissioner in June 2015 and the introduction of the Protection of Freedoms Act. It has recently been updated to reflect changes to personnel within the authority

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 The only alternative is to curtail the use of RIPA but this is not considered an appropriate step.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 There has been no consultation in the compilation of this report as it is a requirement of the Code of Practice pursuant to section 71 of RIPA that elected members review the authority's use of RIPA and set the policy once a year.

6. CONCLUSION

- 6.1 It is essential that officers are able to use the RIPA powers where necessary and within the threshold set out in the Protection of Freedoms Act 2012, but only after excluding all other methods of enforcement. An authorisation will only be given by the relevant 'Authorising Officer' following vetting by the 'Gatekeeper' therefore it is unlikely that the powers will be abused. There is now the additional safeguard of judicial sign off.
- 6.2 The implementation of the Annual review has made the whole process transparent and demonstrates to the public that the correct procedures are followed.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 There are no financial implications arising from this report. Any covert surveillance undertaken needs to be met from current budget resources.

Finance Officer Consulted: Monica Brooks

Date: 21/11/17

Legal Implications:

- 7.2 The legal framework governing the use of covert surveillance and accessing communications data is addressed in the body of the report. Adherence to the Council's policy and procedures – which are subject to annual review by this Committee - ensures that the Council's powers are exercised lawfully and proportionately.

Lawyer Consulted: Elizabeth Culbert

Date: 21/11/17

Equalities Implications:

- 7.1 The proper and consistent application of the RIPA powers should ensure that a person's basic human rights are not interfered with, without justification. Each application will be assessed by the gatekeeper for necessity and proportionality prior to the authorisation by a restricted number of authorising officers. The application will also be signed off by a Magistrate. This process should identify any inconsistencies or disproportionate targeting of minority groups and enable action to be taken to remedy any perceived inequality. However an equality Impact assessment has been completed.

Sustainability Implications:

- 7.2 There are no sustainability implications

Any Other Significant Implications:

- 7.3 None

SUPPORTING DOCUMENTATION

Appendices:

1. Other Implications
2. Policy and Guidance Document version November 2017

Background Documents

1. None

Crime & Disorder Implications:

- 1.1 If used appropriately, the activities described in this report should enhance our capacity to tackle crime and disorder

Risk and Opportunity Management Implications:

- 1.2 None

Public Health Implications:

- 1.3 None

Corporate / Citywide Implications:

- 1.4 Proper application of the powers will help to achieve fair enforcement of the law and help to protect the environment and public from rogue trading and illegal activity.

Brighton & Hove City Council

Corporate Policy & Procedures Document

On

The Regulation of Investigatory Powers Act 2000

(RIPA)

Use of Directed Surveillance
Use of Covert Human Intelligence Sources
Accessing Communications Data

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Version: November 2017

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Appendix 1 List of Authorising Officers

Appendix 2 Flow chart outlining process

Appendix 3 List of Useful Websites

Appendix 4 Guidance for Authorising Officers

Appendix 5 Guidance for Applicants

The Regulation of Regulatory Powers Act 2000 refers to 'Designated Officers'. For ease of understanding and application this document refers to 'Authorising Officers'.

Introduction

This document is based on the requirements of the Regulation of Investigatory Powers Act 2000 (RIPA) and the Home Office's Code of Practices for Directed Surveillance and Covert Human Intelligence Sources (CHIS) and Accessing Communications data. It takes into account the oversight provisions contained in the revised Code of Practice for Covert Surveillance and the revised Code of Practice that deals with Access to communications data that came into force on 6th April 2010. Officers should also bear in mind Procedures and Guidance issued by the Office of the Surveillance Commissioner in December 2014, when applying for, and authorising applications. This policy and procedures document sets out the means of compliance with, and use of, the Act by The Council. It is based upon the requirements of the Act and the Home Office's Codes of Practice on Covert Surveillance and Covert Human Intelligence Sources, together with the Revised Draft Code of Practice on Accessing Communications Data

The authoritative position on RIPA is the Act itself and any Officer who is unsure about any aspect of this document should contact the Trading Standards Manager or the Head of Law, for advice and assistance.

This document has been approved by elected members and is available from the Trading Standards Manager.

The Trading Standards Manager will maintain the Central Register of all authorisations, reviews, renewals, cancellations and rejections. It is the responsibility of the relevant Authorising Officer to ensure that relevant form is submitted, for inclusion on the register, within 1 week of its completion.

This document will be subject to an annual review by the Trading Standards Manager and will be approved by elected members.

In terms of monitoring e-mails and internet usage, it is important to recognise the interplay and overlap with the Council's Information Technology policies and guidance, the Telecommunications (Lawful Business Practice)(Interception of Communications) Regulations 2000, the Data Protection Act 1998 and its Code Of Practice. RIPA forms should only be used where **relevant** and they will only be **relevant** where the **criteria** listed are fully met.

Policy Statement

The Council takes its statutory responsibilities seriously and will at all times act in accordance with the law and takes necessary and proportionate action in these types of matters. In that regard the Trading Standards Manager is duly authorised to keep this document up to date and amend, delete, add or substitute relevant provisions, as necessary. For administrative and operational effectiveness, the Trading Standards Manager is authorised to add or substitute Authorising Officers with the agreement of the Senior Responsible Officer.

It is this Council's Policy that

- All covert surveillance exercises conducted by the Council should comply with the requirements of RIPA
- An Authorisation will only be valid if initialled by a gatekeeper and signed by an authorising officer.
- Authorising 'Access to Communications data' will be restricted to the Trading Standards Manager and the Head of Regulatory Services. The National Anti-

Fraud Network will become the Single Point of Contact for purposes of Access to Communications Data.

Senior Responsible Officer

The revised Code of Practice recommends that each public authority appoints a Senior Responsible Officer. This officer will be responsible for the integrity of the process in place within the public authority to authorise directed surveillance; compliance with the relevant Acts and Codes of Practice; engagement with the Commissioners and Inspectors when they conduct their inspections and where necessary overseeing the implementation of any post inspection action plans recommended or approved by a Commissioner.

The Senior Responsible Officer should be a member of the corporate management team and for the purposes of this policy the Executive Director Finance and Resources has been so delegated. It is the responsibility of the Senior Responsible Officer to ensure that all authorising officers are of an appropriate standard in light of any recommendations in the inspection reports prepared by the Office of the Surveillance Commissioners. Where an inspection report highlights concerns about the standards of authorising officers, it is the responsibility of the Senior Responsible Officer to ensure these concerns are addressed.

Authorising Officers Responsibilities

The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010 and the Regulation of Investigatory Powers (Communications Data) Order 2010, specify the seniority of officers who are able to authorise surveillance activity and access to communications data. These are Directors, Head of Service, Service Manager or equivalent.

It is essential that Senior Managers and Authorising Officers take personal responsibility for the effective and efficient operation of this document.

It is the responsibility of the Senior Responsible Officer in conjunction with the Trading Standards Manager to ensure that sufficient numbers of Authorising Officers receive suitable training on RIPA and this document, and that they are competent.

It will be the responsibility of those Authorising Officers to ensure that relevant members of staff are also suitably trained as 'Applicants'.

An authorisation must not be approved until the Authorising Officer is satisfied that the activity proposed is necessary and proportionate.

However it will be the responsibility of the gatekeeper to review any applications prior to submission to the Authorising Officer. They should ensure that the correct form has been used. These are the latest Home Office forms and are available on the HO website and that the applicant has obtained a Unique Reference Number (URN) from the PA Head of Regulatory Services. The gatekeeper should also ensure that the form has been correctly completed and contains sufficient detail and information to enable the authorising officer to make an informed decision whether to authorise the application. The gatekeeper should also scrutinise the form to ensure that it complies with the necessity and proportionality requirements before the authorising officer receives the form. A gatekeeper should be a person with sufficient knowledge and understanding of the enforcement activities of the relevant public body, who should vet the applications as outlined above. Once the gatekeeper is satisfied with the application they should initial the form and submit any comments on the application in writing to the Authorising Officer and provide necessary feedback to the applicant. In order that there is consistency with the quality of applications the Trading Standards Manager and Principal Trading Standards Officer will act as gatekeepers for the Council. It should be noted that the Trading Standards Manager will not act as gatekeeper and Authorising Officer on the same application.

- **Necessary** in this context includes consideration as to whether the information sought could be obtained by other less invasive means, and that those methods have been explored and been unsuccessful or could have compromised the investigation. The Authorising Officer must be satisfied that there is necessity to use covert surveillance in the proposed operation. In order to be satisfied there must be an identifiable offence to prevent or detect before an authorisation can be granted on the grounds falling within sec 28(3)(b) and 29(3)(b) of RIPA and ss6(3) and 7(3) of RIP(S)A. The application should identify the **specific offence** being investigated (**including the Act and section**) and the **specific point(s) to prove** that the surveillance is intended to gather evidence about. The applicant must show that the operation is **capable of gathering that evidence** and that such **evidence is likely to prove** that part of the offence.
- Deciding whether the activity is **proportionate** includes balancing the right to privacy against the seriousness of the offence being investigated. Consideration must be given as to whether the activity could be seen as excessive. An authorisation should demonstrate how the Authorising Officer has reached the conclusion that the activity is proportionate to what it seeks to achieve; including an explanation of the reasons why the method, tactic or technique proposed is not disproportionate to what it seeks to achieve. A potential model answer would make it clear that the 4 elements of proportionality had been fully considered.
 1. Balancing the size and scope of the operation against the gravity and extent of the perceived mischief,
 2. Explaining how and why the methods to be adopted will cause the least possible intrusion on the target and others,
 3. That the activity is an appropriate use of the legislation and the only reasonable way, having considered all others, of obtaining the necessary result and,
 4. Evidencing what other methods had been considered and why they were not implemented.

Authorising Officers must pay particular attention to Health & Safety issues that may be raised by any proposed surveillance activity. Approval must not be given until such time as any health and safety issue has been addressed and/or the risks identified are minimised.

Authorising Officers must ensure that staff who report to them follow this document and do not undertake any form of surveillance, or access communications data, without first obtaining the relevant authorisation in compliance with this document.

Authorising Officers must ensure when sending copies of any forms to the Trading Standards Manager for inclusion in the Central Register, that they are sent in **sealed** envelopes and marked **Strictly Private & Confidential**.

General Information on RIPA

The Human Rights Act 1998 (which brought much of the European Convention on Human Rights and Fundamental Freedoms 1950 into UK domestic law) requires the City Council, and organisations working on its behalf, to respect the private and family life of citizens, his home and his correspondence.

The European Convention did not make this an absolute right, but a qualified right. Therefore, in certain circumstances, the City Council may interfere in an individual's right as mentioned above, if that interference is:-

- (a) **In accordance with the law;**
- (b) **Necessary;** and
- (c) **Proportionate.**

The Regulation of Investigatory Powers Act 2000 (RIPA) provides a statutory mechanism (i.e. 'in accordance with the law') for authorising **covert surveillance** and the use of a '**covert human intelligence source**' ('**CHIS**') – e.g. undercover agents, and **Accessing Communications data**. It seeks to ensure that any interference with an individual's right under Article 8 of the European Convention is necessary and proportionate. In doing so, the RIPA seeks to ensure both the public interest and the human rights of individuals are suitably balanced.

Directly employed Council staff and external agencies working for the City Council are covered by the Act for the time they are working for the City Council. All external agencies must, therefore, comply with RIPA and the work carried out by agencies on the Council's behalf must be properly authorised by an Authorising Officer after scrutiny by a gatekeeper.

A list of officers who may authorise Directed Surveillance is kept by the Trading Standards Manager and the current list is attached at **Appendix 1**. This list will be updated annually. The designated gatekeepers for the Council are the Principal Trading Standards Officer and the Trading Standards Manager. For the purposes of Accessing Communications Data the Designated Persons (Authorised Officers) is the Trading Standards Manager.

If the correct procedures are not followed, evidence may be dis-allowed by the courts, a complaint of mal-administration could be made to the Ombudsman, and/or the Council could be ordered to pay compensation. Such action would not, of course, promote the good reputation of the City Council and will, undoubtedly, be the subject of adverse press and media interest.

A flowchart of the procedures to be followed appears at **Appendix 2**. A list of useful websites is available at **Appendix 3**

What RIPA Does and Does Not Do

RIPA does:

- Requires prior authorisation of directed surveillance
- Prohibits the Council from carrying out intrusive surveillance
- Requires authorisation of the conduct and use of a CHIS
- Require safeguards for the conduct and use of a CHIS
- Requires proper authorisation to obtain communication data
- Prohibits the Council from accessing 'traffic data'

RIPA does not:

- Make unlawful conduct which is otherwise lawful
- Prejudice or dis-apply any existing powers available to the City Council to obtain information by any means not involving conduct that may be authorised under this Act. For example, it does not affect the Council's current powers to obtain information via the DVLA or to get information from the Land Registry as to the ownership of a property.

If the Authorising Officer or any Applicant is in any doubt, they should ask the Trading Standards Manager or the Head of Law before any directed surveillance, CHIS, or Access to Communications is authorised, renewed, cancelled or rejected.

Types of Surveillance

'Surveillance' includes

- Monitoring, observing, listening to persons, watching or following their movements, listening to their conversations and other such activities or communications.
- Recording anything mentioned above in the course of authorised surveillance
- Surveillance, by or with, the assistance of appropriate surveillance device(s).

Surveillance can be overt or covert.

Overt Surveillance

Most surveillance activity will be done overtly, that is, there will be nothing secretive, clandestine or hidden about it. In many cases, officers will be behaving in the same way as a normal member of the public (e.g. in the case of most test purchases), and/or will be going about Council business openly (e.g. a Neighbourhood Warden walking through the estate).

Similarly, surveillance will be overt if the subject has been told it will happen (e.g. where a noisemaker is warned (preferably in writing) that noise will be recorded if the noise continues, or where an entertainment licence is issued subject to conditions, and the licensee is told that officers may visit without notice or identifying themselves to the owner/proprietor to check that the conditions are being met).

The following are NOT normally Directed Surveillance:

- Activity that is observed as part of normal duties, e.g. by an officer in the course of day-to-day work.
- CCTV cameras (unless they have been directed at the request of investigators) – these are overt or incidental surveillance, and are regulated by the Data Protection Act.

Covert Surveillance

Covert Surveillance is carried out in a manner calculated to ensure that the person subject to the surveillance is unaware of it taking place. (Section 26(9)(a) RIPA) It is about the intention of the surveillance, not about whether they are actually aware of it; it is possible to be covert in Council uniform where, for example, the person is intended to mistake the reason for the officer being there.

RIPA regulates two types of covert surveillance, (Directed Surveillance and Intrusive Surveillance) and the use of Covert Human Intelligence Sources (CHIS).

Directed Surveillance

Directed Surveillance is surveillance which: -

- Is covert; and
- Is not intrusive surveillance;
- Is not carried out in an immediate response to events which would otherwise make seeking authorisation under the Act unreasonable, e.g. spotting something suspicious and continuing to observe it; and
- It is undertaken for the purpose of a **specific investigation** or **operation** in a manner **likely to obtain private information** about an individual (whether or not that person is specifically targeted for purposes of an investigation).

Private information in relation to a person includes any information relating to his private and family life, his home and his correspondence. The fact that covert surveillance occurs in a public place or on business premises does not mean that it cannot result in the obtaining of private information about a person. Prolonged surveillance targeted on a single person will undoubtedly result in the obtaining of private information about him/her and others that s/he comes into contact, or associates, with.

Examples of Expectations of Privacy:

Two people are holding a conversation on the street and, even though they are talking together in public, they do not expect their conversation to be overheard and recorded by anyone. They have a 'reasonable expectation of privacy' about the contents of that conversation, even though they are talking in the street. The contents of such a conversation should be considered as private information. A directed surveillance authorisation would therefore be appropriate for a public authority to record or listen to the conversation as part of a specific investigation or operation and otherwise than by way of an immediate response to events. A Surveillance officer intends to record a specific person providing their name and telephone number to a shop assistant, in order to confirm their identity, as part of a criminal investigation. Although the person has disclosed these details in a public place, there is nevertheless a reasonable expectation that the details are not being recorded separately for another purpose. A directed surveillance authorisation

should therefore be sought.

For the avoidance of doubt, only those officers designated as 'Authorising Officers' for the purpose of RIPA can authorise 'Directed Surveillance' IF, AND ONLY IF, the RIPA authorisation procedures detailed in this document, are followed.

Reconnaissance- Examples

Officers wish to drive past a café for the purposes of obtaining a photograph of the exterior. Reconnaissance of this nature is not likely to require a directed surveillance authorisation as no private information about any person is likely to be obtained or recorded. If the officers chanced to see illegal activities taking place, these could be recorded and acted upon as 'an immediate response to events'. If, however, the officers intended to carry out the exercise at a specific time of day, when they expected to see unlawful activity, this would not be reconnaissance but directed surveillance, and an authorisation should be considered. Similarly, if the officers wished to conduct a similar exercise several times, for example to establish a pattern of occupancy of the premises by any person, the accumulation of information is likely to result in the obtaining of private information about that person or persons and a directed surveillance authorisation should be considered

Intrusive Surveillance

This is when it: -

- Is covert;
- Relates to residential premises and private vehicles; and
- Involves the presence of a person in the premises or in the vehicle or is carried out by a surveillance device in the premises/vehicle. Surveillance equipment mounted outside the premises will not be intrusive, unless the device consistently provides information of the same quality and detail as might be expected if they were in the premises/vehicle.

Only police and other law enforcement agencies can carry out this form of surveillance.

Council Officers must not carry out intrusive surveillance.

Notes about 'Intrusive'

Surveillance is generally 'Intrusive' only if the person is on the same premises or in the same vehicle as the subject(s) of the surveillance. Carrying out surveillance using private residential premises (with the consent of the occupier) as a 'Static Observation Point' does not make that surveillance 'Intrusive'. A device used to enhance your external view of property is almost never an *intrusive* device. A device would only become *intrusive* where it provided a high quality of information from inside the *private residential premises*. A device used to enhance your external view of property is almost never an *intrusive* device. A device would only become *intrusive* where it provided a high quality of information from inside the *private residential premises*. If premises under surveillance are known to be used for legally privileged communications, that surveillance must also be treated as *intrusive*

Examples :

Officers intend to use an empty office to carry out surveillance on a person who lives opposite. As the office is on the 4th floor, they wish to use a long lens and binoculars so that they can correctly identify and then photograph their intended subject covertly. This is NOT intrusive surveillance, as the devices do not provide high quality evidence from inside the subject's premises. Officers intend using a surveillance van parked across the street from the subject's house. They could see and identify the subject without binoculars but have realised that, if they use a 500mm lens, as the subject has no net curtains or blinds, they should be able to see documents he is reading. This IS intrusive surveillance, as the evidence gathered is of a high quality, from inside the premises, and is as good as could be provided by an officer or a device being on the premises.

Examples of different types of Surveillance

Type of Surveillance	Examples
<u>Overt</u>	<ul style="list-style-type: none"> ▪ Police Officer or Parks Warden on patrol ▪ Sign-posted Town Centre CCTV cameras (in normal use) ▪ Recording noise coming from outside the premises after the occupier has been warned that this will occur if the noise persists. ▪ Most test purchases (where the officer behaves no differently from a normal member of the public).
<u>Covert</u> but not requiring prior authorisation	<ul style="list-style-type: none"> ▪ CCTV cameras providing general traffic, crime or public safety information.

<p><u>Directed</u> (must be RIPA authorised)</p>	<ul style="list-style-type: none"> ▪ Officers follow an individual or individuals over a period, to establish whether s/he is working when claiming benefit or off long term sick from employment. ▪ Test purchases where the officer has a hidden camera or other recording device to record information that might include information about the private life of a shop-owner, e.g. where s/he is suspected of running his business in an unlawful manner.
<p><u>Intrusive</u></p>	<ul style="list-style-type: none"> ▪ Planting a listening or other device (bug) in a person's home or in their private vehicle. <p>THE COUNCIL CANNOT CARRY OUT THIS ACTIVITY AND FORBIDS ITS OFFICERS FROM CARRYING IT OUT</p>

Conduct and Use of a Covert Human Intelligence Source (CHIS)

Who is a CHIS?

A Covert Human Intelligence Source (CHIS) is someone who establishes or maintains a personal or other relationship for the covert purpose or facilitating anything falling under the following bullet points;

- Covertly uses such a relationship to obtain information or to provide access to any information to another person or,
- Covertly discloses information obtained by the use of such a relationship, or as a consequence of the existence of such a relationship.

RIPA may or may not apply in circumstances where members of the public volunteer information to the Council or to contact numbers set up to receive such information (such as benefit fraud hotlines). It will often depend on how the information was obtained. If an individual has obtained the information in the course of or as a result of a personal or other relationship it may be that they are acting as a CHIS. The contrast is between such a person and one who has merely observed the relevant activity from 'behind his (actual or figurative) net curtains.

A relationship is covert if it is conducted in a manner that is calculated to ensure that one of the parties to the relationship is unaware of its purpose.

If a person who volunteers information is then asked to obtain further information, it is likely that they would either become a CHIS or that a directed surveillance authorisation should be considered.

Examples of a CHIS may include:
--

- | |
|---|
| <ul style="list-style-type: none"> • Licensing officers, working with the Police, covertly building a business |
|---|

relationship with a cab company which is believed to be using unlicensed drivers.

- Food safety officers posing as customers to get information on what is being sold at premises and developing a relationship with the shopkeeper beyond that of supplier and customer

What must be authorised?

Officers must not create or use a CHIS without prior authorisation. If there is any doubt as to whether an individual is acting as a CHIS advice should be sought from the Trading Standards Manager.

- Creating (or “Conduct of”) a CHIS means procuring a person to establish or maintain a relationship with a person so as to secretly obtain and pass on information. The relationship could be a personal or ‘other’ relationship (such as a business relationship) and obtaining the information may be either the only reason for the relationship or be incidental to it. Note that it can also include asking a person to continue a relationship which they set up of their own accord.
- Use of a CHIS includes actions inducing, asking or assisting a person to act as a CHIS and the decision to use a CHIS in the first place.

Covert Surveillance of Social Networking Sites

Care should be taken to understand how SNS work. Authorising Officers should not assume that one service provider is the same as another or that services provided by a single provider are the same. Whilst it is an individual’s responsibility to set privacy settings to protect private information, and even though data may be deemed to be published and no longer under the control of the author, it is unwise to regard it as ‘open source’ or publicly available. The author will have a reasonable expectation of privacy if access controls are applied.

Where privacy settings are available but not applied the data may be considered open source and an authorisation is not usually required. However repeat viewings of ‘open source’ sites may constitute directed surveillance on a case by case basis and this should be borne in mind.

If it is necessary and proportionate for a public authority to breach covertly access controls, the minimum requirement will be an authorisation for directed surveillance. An authorisation for the use and conduct of a CHIS is necessary if a relationship is established or maintained by a member of a public authority or by a person acting on its behalf (i.e. the activity is more than merely reading the site’s content.)

It is not unlawful for a member of a public authority to set up a false identity but it is inadvisable for a member of a public authority to do so for a covert purpose without authorisation. Using photographs of other persons without their permission to support the false identity infringes other laws.

A member of the public authority should not adopt the identity of a person known, or likely to be known to the subject of interest or users of the site without authorisation and without the consent of the person whose identity is used, and without considering the protection of that person. The consent must be explicit i.e. the person should agree preferably in writing what can and can’t be done.

Juvenile Sources

Special safeguards apply to the use or conduct of juvenile sources (i.e. under 18 year olds). **On no occasion can a child under 16 years of age be authorised to give information against his or her parents.**

Authorisations for juvenile CHIS must not be granted unless: -

- A risk assessment has been undertaken as part of the application, covering the physical dangers and the psychological aspects of the use of the child
- The risk assessment has been considered by the Authorising Officer and he is satisfied that any risks identified in it have been properly explained; and
- The Authorising Officer has given particular consideration as to whether the child is to be asked to get information from a relative, guardian or any other person who has for the time being taken responsibility for the welfare of the child.

Only the Chief Executive may authorise the use of Juvenile Sources.

Vulnerable Individuals

A Vulnerable Individual is a person who is or may be in need of community care services by reason of mental or other disability, age or illness and who is or may be unable to take care of himself or herself, or unable to protect himself or herself against significant harm or exploitation.

A Vulnerable Individual will only be authorised to act as a source in the most exceptional of circumstances.

Only the Chief Executive may authorise the use of Vulnerable Individuals.

Test Purchases

Carrying out test purchases will not require the purchaser to establish a relationship with the supplier with the covert purpose of obtaining information and, therefore, the purchaser will not normally be a CHIS. For example, authorisation would not normally be required for test purchases carried out in the ordinary course of business (e.g. walking into a shop and purchasing a product over the counter).

By contrast, developing a relationship with a person in the shop, to obtain information about the seller's suppliers of an illegal product (e.g. illegally imported products) will require authorisation as a CHIS. Similarly, using mobile hidden recording devices or CCTV cameras to record what is going on in the shop will require authorisation as directed surveillance. A combined authorisation can be given for a CHIS and also directed surveillance.

Please also see below under 'Serious Crime'

Anti-social behaviour activities (e.g. noise, violence, racial harassment etc.)

Persons who complain about anti-social behaviour, and are asked to keep a diary, will not normally be a CHIS, as they are not required to establish or maintain a relationship for a covert purpose. Recording the level of noise (e.g. the decibel level) will not normally capture private information and, therefore, does not require authorisation.

Recording sound (with a DAT recorder) on private premises could constitute intrusive surveillance, unless it is done overtly. For example, it will be possible to record if the noisemaker is warned that this will occur if the level of noise continues.

Placing a covert stationary or mobile video camera outside a building to record anti-social behaviour on residential estates will require prior authorisation.

Accessing Communications Data

Local authority employees (except Housing Benefit Officers) will no longer be able to use their powers under relevant legislation and the exemption under the Data Protection Act 1998. The disclosure of communications data by Communication service providers will now only be permitted if a Notice to obtain and disclose (or in certain circumstances an Authorisation for an Officer to obtain it themselves) has been issued by the 'Designated person'.

Authorities are required to nominate Single Point of Contacts (SPOC) and that person(s) must have undertaken accredited training.

'Designated Persons' within the Council is now limited to the Trading Standards Manager and Head of Regulatory Services.

Local authorities may only access to Customer Data or Service Data. **They cannot access 'traffic data'**.

Customer data (Subscriber)

Customer data is the most basic information about users of communication services.

It includes:-

- The name of the customer
- Addresses for billing, etc.
- Contact telephone numbers
- Abstract personal records provided by the customer (e.g. demographic information or sign up data)
- Account information (bill payment arrangements, bank or credit/debit card details)
- Services subscribed to.

Service Data (Service user)

This relates to the use of the Service Provider services by the customer, and includes:-

- Periods during which the customer used the service
- Information about the provision and use of forwarding and re-direction services
- Itemised records of telephone calls, internet connections, etc.
- Connection, disconnect and re-connection
- Provision of conference calls, messaging services, etc.
- Records of postal items, etc.
- Top-up details for pre-pay mobile phones.

Traffic Data

This is data about the communication. It relates to data generated or acquired by the Service Provider in delivering or fulfilling the service. **Local authorities do not have access to this data.**

Authorisation Procedures

Directed surveillance and the use of a CHIS can only be lawfully carried out if properly authorised, and in strict accordance with the terms of the authorisation. **Appendix 2** provides a flow chart of the process to be followed.

Authorising Officers

Directed surveillance and or the use of CHIS can only be authorised by the officers listed in this document attached at appendix 1. Authorising officers should ensure that they undertake at least one refresher training course on RIPA during each calendar year. The list will be kept up to date by the Trading Standards Manager and amended as necessary. The SRO can add, delete or substitute posts to this list as required.

Authorisations under RIPA are separate from delegated authority to act under the Council's Scheme of Delegation and internal departmental Schemes of Management. RIPA authorisations are for specific investigations only, and must be renewed or cancelled once the specific surveillance is complete or about to expire.

Only the Chief Executive can authorise the use of a CHIS who is a juvenile or a vulnerable person or in cases where it is likely that confidential information will be obtained through the use of surveillance.

Authorising Officers–Access to Communications data

The Trading Standards Manager or the Head of Regulatory Services are the 'Designated persons' permitted to authorise the obtaining and disclosing of communications data. The National Anti-Fraud Network will be the Single Point of Contact.

Training Records

A certificate of attendance will be given to anyone undertaking training in relation to the use of RIPA. Training will be recorded on their individual learning and development plan.

Single Points of Contact under Part 1 of the Act are required to undertake accredited training. A record will be kept of this training and any updating. This record is kept by NAFN. Designated persons are also required to be suitably trained.

Application Forms

Only the currently approved forms, available on the Home Office website, may be used. Any other forms will be rejected by the gatekeeper/authorising officer. Applications for communications data should be made via the NAFN website. Please contact NAFN for further information on this process – contact details on the Wave.

A gatekeeper role will be undertaken by either the Trading Standards Manager or the Principal Trading Standards Officer who will check that the applications have been completed on the correct forms, have a URN and that they contain sufficient grounds for authorisation. They will provide feedback to the applicant and will initial the forms before being submitted to the authorising officer. The Trading Standards Manager can fulfil both the role as gatekeeper and authorising officer but will not fulfil both roles for an individual application.

Grounds for Authorisation

Directed Surveillance or the Conduct and Use of the CHIS and Access to Communications Data can be authorised by an Authorising Officer where he believes that the authorisation is necessary in the circumstances of the particular case. For local authorities the only ground that authorisation can be granted is;

- For the prevention or detection of crime

Serious Crime

From 1st November 2012, the Protection of Freedoms Act introduced an additional requirement for officers seeking to use directed surveillance or CHIS. From this date, with the exception of Trading Standards' work regarding test purchases for alcohol and tobacco, all applications must meet the 'serious crime' threshold. This has been identified as any offence for which the offender could be imprisoned for 6 months or more. An analysis of relevant offences indicates that covert surveillance may therefore be used by Housing Benefit (Fraud), Trading Standards (various offences including doorstep crime and counterfeiting), Waste Enforcement (fly tipping), Fraud against the Council and Child Protection and Adult Safeguarding issues. Where an offence meets the serious crime threshold, the applicant will apply to the Authorising Officer in the normal way via a gatekeeper, but will then need to attend Magistrate's Court to obtain judicial sign off.

Non RIPA Surveillance

This new process will automatically restrict the use of surveillance activity under the RIPA framework by a number of our services as the offences they deal with do not meet the serious crime threshold. RIPA does not grant any powers to carry out surveillance, it simply provides a framework that allows authorities to authorise surveillance in a manner that ensures compliance with the European Convention on Human Rights. Equally, RIPA does not prohibit surveillance from being carried out or require that surveillance may only be carried out following a successful RIPA application.

Whilst it is the intention of this Authority to use RIPA in all circumstances where it is available, for a Local Authority, this is limited to preventing or detecting crime and from 1st November 2012 to serious crime. The Authority recognises that there are times when it will be necessary to carry out covert directed surveillance when RIPA is not available to use. Under such circumstances, a RIPA application must be completed and clearly endorsed in red 'NON-RIPA SURVEILLANCE' along the top of the first page. The application must be submitted to a RIPA Authorising Officer in the normal fashion, who must consider it for Necessity and Proportionality in the same fashion as they would a RIPA application. The normal procedure of timescales, reviews and cancellations must be followed. Copies of all authorisations or refusals, the outcome of

reviews or renewal applications and eventual cancellation must be notified to the Trading Standards Manager who will keep a separate record of Non-RIPA activities, and monitor their use in the same manner as RIPA authorised activities.

Assessing the Application Form

Before an Authorising Officer authorises an application, **they must**

Be mindful of this Corporate Policy & Procedures Document

Satisfy themselves that the RIPA authorisation is

- **in accordance with the law,**
- **Necessary** in the circumstances of the particular case on the ground specified above; and
- **Proportionate** to what it seeks to achieve

This means that they must consider

- Whether other less invasive methods to obtain the information have been considered. The least intrusive method will normally be considered the most proportionate unless for example it is impractical or would undermine the investigation.
- Balance the right of privacy against the seriousness of the offence under investigation. When considering necessity and proportionality, an authorising officer should spell out in terms of the 5 W's, (who, what, why, where, when and how) what specific activity is being sanctioned.
- Take account of the risk of intrusion into the privacy of persons other than the specified subject of the surveillance (**Collateral Intrusion**).
- Ensure that measures are taken wherever practicable to avoid or minimise collateral intrusion.
- Set a date for review of the authorisation and review on only that date where appropriate.
- Ensure that the form carries a unique reference number
- Ensure that the applicant has sent a copy to the Trading Standards Manager for inclusion in the Central Register within 1 week of the authorisation.
- Ensure that the application is cancelled when required.

NB the application **MUST** make it clear how the proposed intrusion is necessary and how an absence of this evidence would prejudice the outcome of the investigation. If it does not then the application **SHOULD** be refused. Some guidance on how to complete the form for both authorising officers and applicants is available at **Appendix 4 and Appendix 5**

Retention and Destruction of the Product

Where the product of surveillance could be relevant to pending or future legal proceedings, it should be retained in accordance with established disclosure requirements for a suitable further period. This should be in line with any subsequent review. Attention should be drawn to the requirements of the Code of Practice issued under the Criminal Procedures and Investigations Act 1996. This states that material obtained in the course of a criminal investigation and which may be relevant to the investigation must be recorded and retained.

There is nothing in RIPA 2000 which prevents material obtained from properly authorised surveillance being used in other investigations. However we must be mindful to handle store and destroy material obtained through the use of covert surveillance appropriately. It will be the responsibility of the Authorising Officer to ensure compliance with the appropriate data protection requirements and to ensure that any material is not retained for any longer than is necessary. It will also be the responsibility of the Authorising Officer to ensure that the material is disposed of appropriately.

Confidential Material

Particular care should be taken where the subject of the investigation or operation might reasonably expect a high degree of privacy, or where confidential information is involved.

Confidential Information consists of matters subject to legal privilege, confidential personal information or confidential journalistic information. So for example extra care should be taken where through the use of surveillance, it would be possible to obtain knowledge of discussions between a minister of religion and an individual relating to the latter's spiritual welfare, or where matters of medical or journalistic confidentiality, or legal privilege may be involved.

Where it is likely, through the use of surveillance, that confidential information will be obtained, authorisation can only be granted by Heads of Service or in their absence the Chief Executive.

Descriptions of what may constitute legally privileged information are set out in section 98 of Police Act 1997 and further guidance is set out in Paragraphs 3.4-3.9 of the Home Office Code of Practice on Covert Surveillance.

Confidential Personal Information and Confidential Journalistic Information

Similar considerations to those involving legally privileged information must also be given to authorisations that involve the above. Confidential personal information is information held in confidence relating to the physical or mental health or spiritual counselling concerning an individual (whether living or dead) who can be identified from it. This information can be either written or oral and might include consultations between a doctor and patient or information from a patient's medical records. Spiritual counselling means conversations between an individual and a Minister of Religion acting in an official capacity, where the individual being counselled is seeking or the Minister is imparting forgiveness, absolution or the resolution of conscience with the authority of the Divine Being(s) of their faith.

Confidential journalistic material includes material acquired or created for the purpose of journalism and held subject to an undertaking to hold it in confidence, as well as communications resulting in information being acquired for the purposes of journalism and held subject to such an undertaking.

Further information or guidance regarding Confidential Information can be obtained from the Head of Law or the Trading Standards Manager.

Additional Safeguards when Authorising a CHIS

When authorising the conduct or use of a CHIS, the Authorising Officer **must also**

- Be satisfied that the **conduct** and/or **use** of the CHIS is proportionate to what is sought to be achieved;
- Be satisfied that **appropriate arrangements** are in place for the management and oversight of the CHIS and this must address health and safety issues through a risk assessment; At all times there will be a person designated to deal with the CHIS on behalf of the authority and for the source's security and welfare. This person should be in at least the position of Head of Service.
- Consider the likely degree of intrusion of all those potentially affected;
- Consider any adverse impact on community confidence that may result from the use or conduct or the information obtained; and
- Ensure **records** contain particulars and are not available except on a need to know basis

Records must be kept that contain the information set out in Statutory Instrument 2000/2725 – The Regulation of Investigatory Powers (Source Records) Regulations 2000. Further guidance on the requirements can be obtained from the Trading Standards Manager.

Duration

The application form **must be reviewed in the time stated and cancelled** once it is no longer needed. The 'authorisation' to conduct the surveillance lasts for a maximum of 3 months for Directed Surveillance and 12 months for a Covert Human Intelligence Source. In respect of a notice or authorisation to obtain communications data the period is one month.

Authorisations can be renewed in writing when the maximum period has expired. The Authorising Officer must consider the matter afresh, including taking into account the benefits of the surveillance to date, and any collateral intrusion that has occurred.

The renewal will begin on the day when the authorisation would have expired.

Urgent authorisations, if not ratified by written authorisation, will cease to have effect after 72 hours, beginning from the time when the authorisation was granted.

Working with Other Agencies

If an officer wishes to utilise the CCTV system operated by the Police Directed Surveillance Authorisation must be obtained before an approach is made to the Control Room. If immediate action is required an Authorisation must be obtained within 72 hours of the request being made.

When some other agency has been instructed on behalf of the City Council to undertake any action under RIPA, this Document and the Forms in it must be used (as per normal procedure) and the agency advised or kept informed, as necessary, of the various requirements. They must be made aware explicitly what they are authorised to do.

When another Enforcement Agency (e.g. Police, HMRC etc.): -

Wish to use the City Council's resources (e.g. CCTV surveillance systems), that agency must use its own RIPA procedures. Before any Officer agrees to allow the City Council's resources to be used for the other agency's purposes, they must obtain a copy of that agency's RIPA form, or written confirmation that a Directed Surveillance Authorisation is in place.

Wish to use the City Council's premises for their own RIPA action, the Officer should, normally, co-operate with the same, unless there is security or other good operational or managerial reasons as to why the City Council's premises should not be used for the agency's activities. Suitable insurance or other appropriate indemnities may be sought, if necessary, from the other agency for the City Council's co-operation in the agent's RIPA operation. In such cases, however, the City Council's own RIPA forms should not be used as the City Council is only 'assisting' not being 'involved' in the RIPA activity of the external agency.

Record Management

A Central Register of all Authorisation Forms will be maintained and monitored by the Trading Standards Manager.

Records maintained in the Department

- A copy of the Forms together with any supplementary documentation and notification of the approval given by the Authorising Officer;
- A record of the period over which the surveillance has taken place;
- The frequency of reviews prescribed by the Authorising Officer;
- A record of the result of each review of the authorisation;
- A copy of any renewal of an authorisation, together with supporting
- Documentation submitted when the renewal was requested;
- The date and time when any instruction was given by the Authorising Officer;
- The Unique Reference Number for the authorisation (URN).

Central Register maintained by Trading Standards

Authorising Officers must forward details of each form to Trading Standards for the Central Register, **within 1 week of the authorisation, review, renewal, cancellation or rejection.**

Records will be retained for six years from the ending of the authorisation. The Office of the Surveillance Commissioners (OSC) and the Interception Commissioner can audit/review the City Council's policies and procedures, and individual authorisations.

Consequences of Non Compliance

Where covert surveillance work is being proposed, this Policy and Guidance must be strictly adhered to in order to protect both the Council and individual officers from the following:

- **Inadmissible Evidence and Loss of a Court Case / Employment Tribunal / Internal Disciplinary Hearing** – there is a risk that, if Covert Surveillance and Covert Human Intelligence Sources are not handled properly, the evidence obtained may be held to be inadmissible. Section 78 of the Police and Criminal Evidence Act 1984 allows for evidence that was gathered in a way that affects the fairness of the criminal proceedings to be excluded. The Common Law Rule of Admissibility means that the court may exclude evidence because its prejudicial effect on the person facing the evidence outweighs any probative value the evidence has (probative v prejudicial).
- **Legal Challenge** – as a potential breach of Article 8 of the European Convention on Human Rights, which establishes a “right to respect for private and family life, home and correspondence”, incorporated into English Law by the Human Rights Act (HRA) 1998. This could not only cause embarrassment to the Council but any person aggrieved by the way a local authority carries out Covert Surveillance, as defined by RIPA, can apply to a Tribunal – see section 15.
- **Offence of unlawful disclosure** – disclosing personal data as defined by the DPA that has been gathered as part of a surveillance operation is an offence under Section 55 of the Act. Disclosure can be made but only where the officer disclosing is satisfied that it is necessary for the prevention and detection of crime, or apprehension or prosecution of offenders. Disclosure of personal data must be made where any statutory power or court order requires disclosure.
- **Fine or Imprisonment** – Interception of communications without consent is a criminal offence punishable by fine or up to two years in prison.
- **Censure** – the Office of Surveillance Commissioners conduct regular audits on how local authorities implement RIPA. If it is found that a local authority is not implementing RIPA properly, then this could result in censure.

Oversight by Members

- Elected Members shall have oversight of the Authority’s policy and shall review that policy annually.
- The report to members shall be presented to the Elected Members by the SRO. The report must not contain any information that identifies specific persons or operations.
- Alongside this report, the SRO will report details of ‘Non-RIPA’ surveillance in precisely the same fashion
- Elected Members may not interfere in individual authorisations. Their function is to, with reference to the reports; satisfy themselves that the Authority’s policy is robust and that it is being followed by all officers involved in this area. Although it is elected members who are accountable to the public for council actions, it is essential that there should be no possibility of political interference in law enforcement operations.

Concluding Remarks

Where there is an interference with the right to respect for private life and family guaranteed under Article 8 of the European Convention on Human Rights, and where there is no other source of lawful authority for the interference, or if it is held not to be necessary or proportionate to the circumstances, the consequences of not obtaining or following the correct authorisation procedure may be that the

action (and the evidence obtained), is held to be inadmissible by the Courts pursuant to Section 6 of the Human Rights Act 1998.

Obtaining an authorisation under RIPA and following this document will ensure, therefore, that the action is carried out in accordance with the law and subject to stringent safeguards against abuse of anyone's human rights.

Authorising Officers should be suitably competent and must exercise their minds every time they are asked to sign the request. They must never sign or rubber stamp form(s) without thinking about their personal and the City Council's responsibilities.

Any boxes not needed on the Form(s) must be clearly marked as being 'NOT APPLICABLE', 'N/A' or a line put through the same. Great care must also be taken to ensure accurate information is used and is inserted in the correct boxes. Reasons for any refusal of an application must also be kept on the form and the form retained for future audits.

For further advice and assistance on RIPA, please contact the Trading Standards Manager.

Directed Surveillance/CHIS Forms can be obtained from the Home Office website or from NAFN in relation to Access to Communications Data.



Appendix 1

List of Authorised Officers

Post	Name
Trading Standards Manager	Jo Player
Head of Revenues and Benefits	Graham Bourne
Head of Adult Assessment	Brian Doughty
Environmental Health Manager	Annie Sparks
Environmental Health Manager	Nick Wilmot

Designated Person for Approving a Notice in Respect of Access to Communications Data

Trading Standards Manager Jo Player

Single Point of Contact for Accessing Communications Data

National Anti-Fraud Network NAFN

Gatekeepers

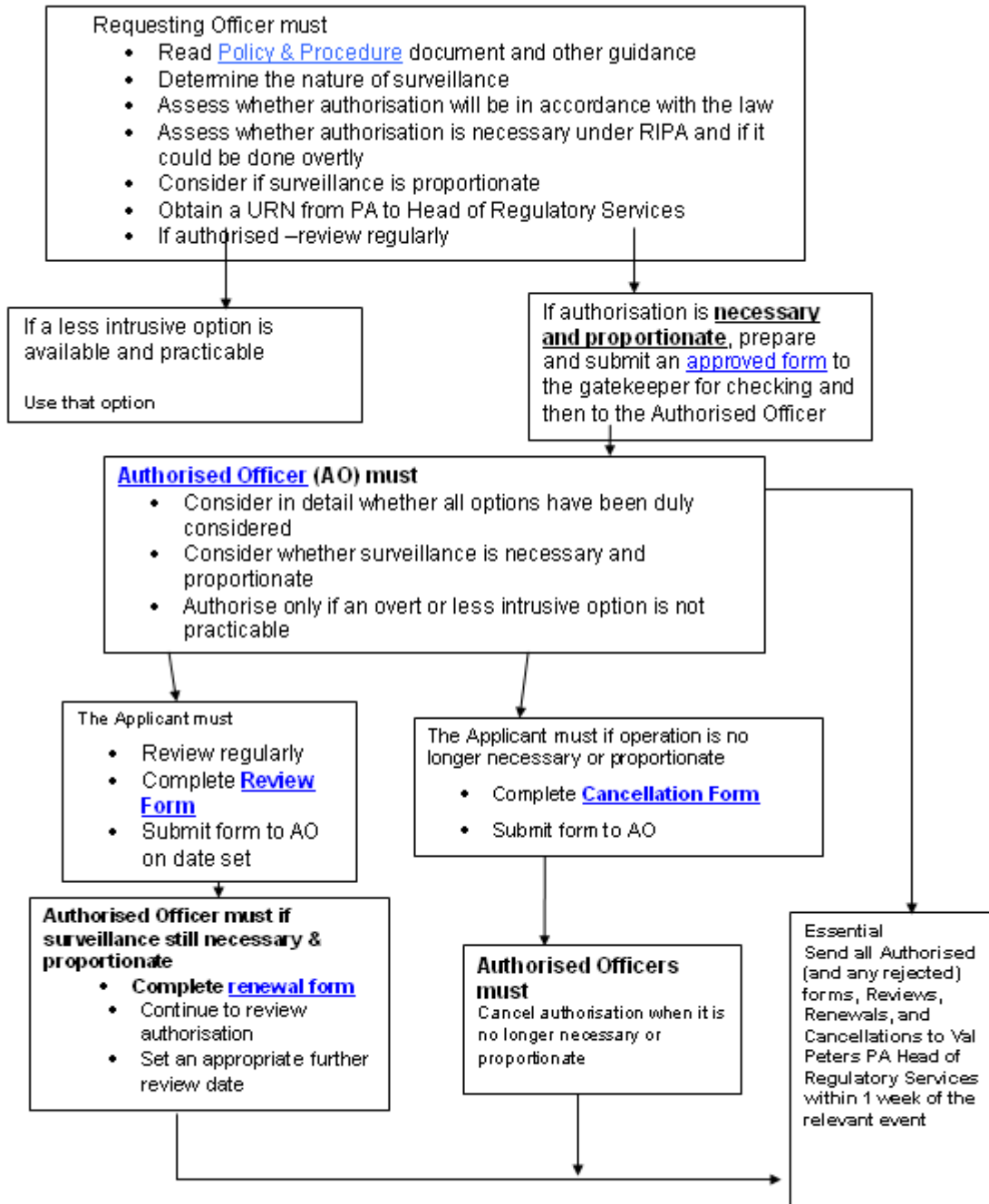
Trading Standards Manager Jo Player

Principal Trading Standards Officer John Peerless

Please contact Val Peters for a URN

Appendix 2

Authorising Directed Surveillance Process



Appendix 3

RIPA Forms, Codes of Practice and Advice

The policy requires you to use the most up-to-date versions of forms and codes of practice. Rather than reproduce forms and codes of practice that are subject to change, we have provided links to the currently approved versions. You should access the document you require by following the relevant link.

- The most up-to-date RIPA forms must always be used. These are available from the Home Office website and may be found by following this link:

<http://www.homeoffice.gov.uk/counter-terrorism/regulation-investigatory-powers/ripa-forms/>

- The full text of the Codes of Practice is available here:

<http://www.homeoffice.gov.uk/counter-terrorism/regulation-investigatory-powers/ripa-codes-of-practice/>

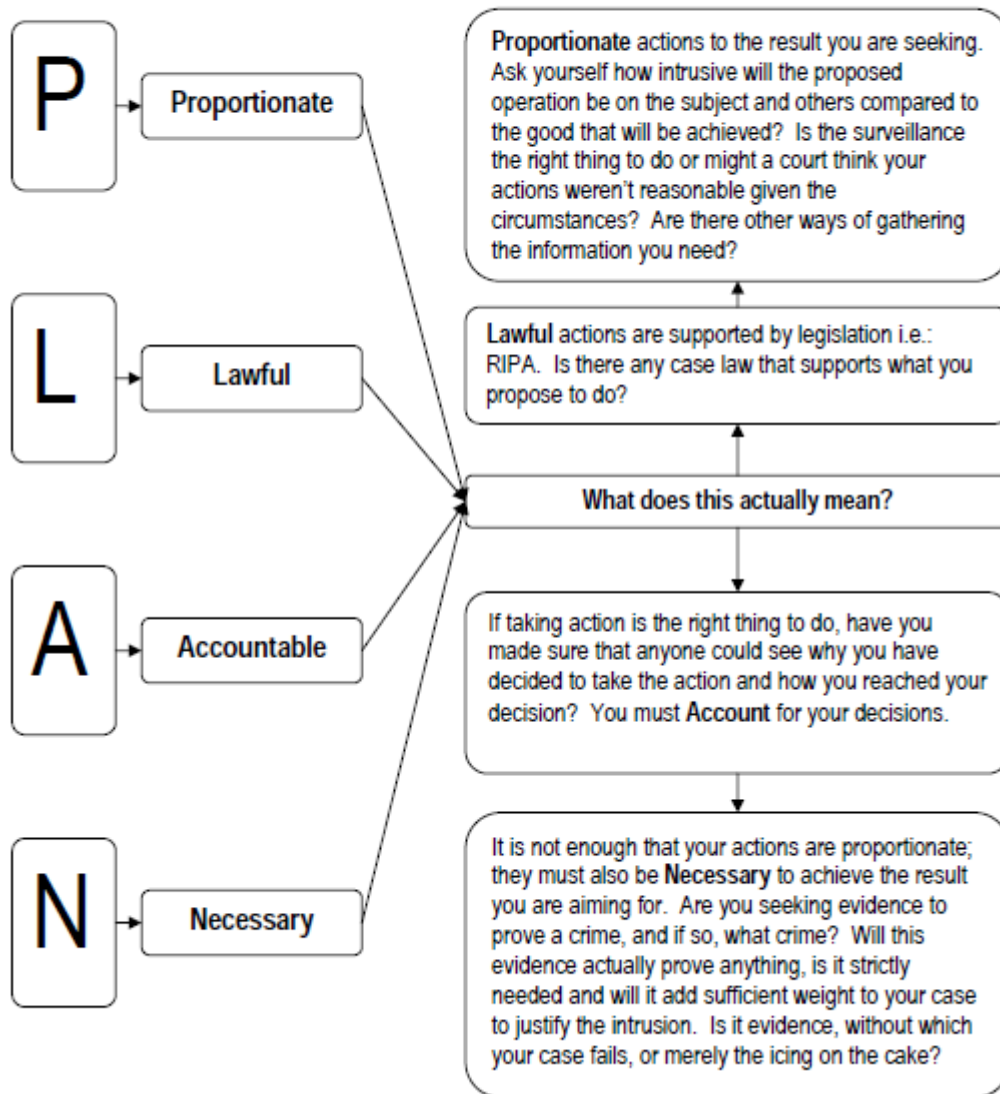
- The Act is available here:

<http://www.legislation.gov.uk/ukpga/2000/23/contents>

- The Office of Surveillance Commissioners website has some useful information and advice and is available here:

<http://surveillancecommissioners.independent.gov.uk/>

Notes for Guidance for Authorisation – Directed Surveillance



Authorised Officer's Statement

12. Authorising Officer's Statement. [Spell out the "5 Ws" – Who, What, Where, When, Why and the following box.]	<p>You must start by fully explaining what operation you are authorising. State why the surveillance is necessary to the case, what will be achieved, how it will be carried out, how many people used, what equipment / vehicles / technology you authorise the use of and where the operation will happen.</p> <p>Make sure it is clear <u>exactly</u> what it is that you are authorising.</p>
I hereby authorise directed surveillance defined as follows: [Why is the surveillance necessary directed against, Where and When will it take place, What surveillance activity/equipment is achieved?]	
13. Explain why you believe the directed surveillance is necessary. [Code paragraph 2.4] Explain why you believe the directed surveillance to be proportionate to what is sought to be achieved by carrying it out. [Code paragraph 2.5]	<p>Now you must explain your decision. <u>Simply stating that you "agree with the officer who applied for the reasons they gave" is not acceptable.</u> You must give, in your own words, a detailed account of how you came to decide that the operation was necessary and proportionate. Make sure that you review the guidance in section seven and show how the evidence is <u>necessary</u> to the offence, and how the offence is one that it is necessary to investigate. Now ensure that you demonstrate how the officer has shown the need to obtain the evidence to be <u>proportionate</u>, when balanced against the person's expectation of privacy, the privacy of innocent third parties and the seriousness of the offence.</p> <p>If you have completed a surveillance authorisation worksheet, go back over this as you should have already stated your reasons there.</p> <p>You must explain why you feel it is in the public interest to carry out the action; is it serious, prevalent in the area, an abuse of position, premeditated? Why do you think that the investigation will be prejudiced without surveillance? Are you certain there is no other obvious and less intrusive way of obtaining the information? Does it need to be done? Record everything in this section.</p> <p>This section must stand on its own, if you are called to court to justify your authorisation.</p>

Authorised Officer's Statement

14. (Confidential Information Authorisation.) Supply detail demonstrating compliance with 3.1 to 3.12		This section is to be completed only by the Senior Authorised Officer if confidential information might be obtained. They should explain why they felt it to be appropriate for the surveillance to be carried out. To comply with the codes, show how further measures, such as more regular reviews and stricter limitations, have been put in place due to the particularly sensitive nature of the operation.
<p>This should be no more than four weeks from the date of authorisation. If you wish to restrict the length of time an officer may carry out surveillance for, you can use this box to set an early review date.</p>		
Date of first review	Programme for subsequent reviews of this authorisation: [Code paragraph 4.22]. Only complete dates after first review are known. If not or inappropriate to set additional review dates then leave	
<p>Use this box to record dates for review. The normal review period is no longer than every four weeks. It doesn't have to be completed but is useful to do so, especially when a shorter review period is appropriate.</p>		<p>Finally, write your name, sign the form giving the date and time. You must also record the expiry date. This is always three months, to the minute, from the date that the authorisation was given, no longer, or shorter. The operation can be cancelled before this date if appropriate. (See 7.14 (above) for guidance.)</p>
Name (Print)	Grade / Rank	
Signature	Date and time	
Expiry date and time [e.g.: authorised on 30 June 2005, 23.59]	Expiry date and time [e.g.: authorised on 1 April 2005 - expires]	

Sections 15 and 16:

These sections relate to oral authorisations that may be granted or renewed only in urgent cases. In the case that an oral authorisation is granted, the AO should record the reasons why they considered the case urgent and why they believed it was not practicable to delay in order for the investigator to complete an application. Urgent oral authorisations last for seventy-two hours from the time of the authorisation. The officer carrying out the surveillance must complete a written application at the earliest opportunity, not necessarily at the end of the seventy-two hours.

Appendix 5

The RIPA 1 Form – Guidance Notes on Completion

Directed Surveillance Unique Reference Number (URN) (to be supplied by the central monitoring officer).

Unique reference number. This must be provided by the Authorising Officer

PART II OF THE REGULATION OF INVESTIGATORY POWERS ACT (RIPA) 2000

APPLICATION FOR AUTHORISATION TO CARRY OUT DIRECTED SURVEILLANCE

Public Authority (including full address)

What public body do you work for? Record it here

Unit/Branch/Division

What dept / unit do you work in? Record it here.

Full address

Full address of your dept / office / building.

Contact details

Give a phone number, email address and / or fax number to contact you on.

Investigation/Operation Name (if applicable)

You can give the operation a name if you wish.

Investigating Officer (if a person other than the applicant)

If the person who is the investigator in the case is someone other than you, record their name here.

Details of application:

1. Give rank or position of authorising officer in accordance with the Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2003; No. 3171. In local authorities exact position of the authorising officer should be given. For example, Head of Trading Standards.

You must give the position of the Authorised Officer who will be reviewing the application. You do not need to give their name. This should be their full job title, rank or position.

Page Two

2. Describe the purpose of the specific operation or investigation.

3. Describe in detail the surveillance operation to be authorised and expected duration, including any premises, vehicles or equipment (e.g. camera, binoculars, recorder) that may be used.

4. The identities, where known, of those to be subject of the directed surveillance.

Name:

- Address:
- DOB:
- Other information as appropriate:

5. Explain the information that it is desired to obtain as a result of the directed surveillance.

Enter a summary of the reason for the operation and what you are planning to do. Be brief: what will you do, why are you doing it and what will you get out of it?

What methods will you use for the surveillance? What are the technical aspects? Who, what, when, where, how long, how many, equipment etc. Mention everything. You will not be authorised to do things you don't mention here.

Who are you intending to gather evidence on? If you do not know the identity of all parties you must describe them as best as you are able.

What evidence do you intend to obtain from the surveillance? Specify exactly what you intend to get, how much and what types. This is so a judgement can be made on the weight of the evidence that you will get. Be careful what you write here: when you have achieved these aims the surveillance must stop immediately.

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<p>Specify the offences that you are investigating or preventing. State why the information has to be obtained by surveillance, why do you need it for the reason you specified? How is it essential to the case?</p>	<p>6. Identify on which grounds the directed surveillance is necessary under Section 28(3) of RIPA. Delete that are inapplicable. Ensure that you know which of these grounds you are entitled to rely on. (SI 2003 No 3171)</p> <ul style="list-style-type: none">• In the interests of national security;• For the purpose of preventing or detecting crime or of preventing disorder;• In the interests of the economic well-being of the United Kingdom;• In the interests of public safety;• for the purpose of protecting public health;• for the purpose of assessing or collecting any tax, duty, levy or other imposition, contribution or charge payable to a government department; <p>7. Explain why this directed surveillance is necessary on the grounds you have identified [Code paragraph 2.4]</p> <p>8. Supply details of any potential collateral intrusion and why the intrusion is unavoidable. (Bear in mind Code paragraphs 2.6 to 2.10.) Describe precautions you will take to minimise collateral intrusion</p>	<p>Cross out the conditions that do not apply to you. In the case of a local authority, the only one that <i>does</i> is prevention or detecting crime or disorder.</p>
<p>Collateral intrusion is where the operation interferes with the private lives of those not intended to be subject to the surveillance. This could be members of the suspect's family, their partners, colleagues or members of the public. You must identify where there is a risk that you will gather this sort of information. You must take steps to minimise this risk and show that the risk left is unavoidable: what times are you conducting surveillance? Can you avoid catching others on camera? Do you have facilities to remove identifying features? The AO must be satisfied that the need to carry out the operation outweighs this risk.</p>		

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This is where you must justify your actions as proportionate. You should have completed a planner and decided that surveillance is necessary and the last resort. Record here what you have done already and what you cannot do as it'll prejudice the investigation. Tell the AO why the need to carry out the action outweighs the suspect's right to privacy. How serious is the matter? How intrusive will the operation be on the suspect and on others? What might happen if you don't carry out surveillance? Why can't you get the information in other ways? What will be achieved by gathering the evidence?

9. Explain why this directed surveillance is proportionate to what it is to be on the subject of surveillance or on others? And why is this surveillance in operational terms or can the evidence be obtained otherwise? (Code paragraph 2.5)

How intrusive might it be by the need for evidence? (Code paragraph 2.6)

10. Confidential information (Code paragraphs 3.1 to 3.12):
INDICATE THE LIKELIHOOD OF ACQUIRING ANY CONFIDENTIAL INFORMATION:

Confidential information is *special knowledge* of a person's religious, political or medical life or information of a confidential journalistic nature (journalistic sources). Communications subject to legal privilege are also confidential. If there is a chance that you might gather this sort of information, indicate the risk here. The authorisation can then only be given by the person within your public body designated by the RIPA code of practice for this purpose.

11. Applicant's details

Name (print)	Tel No:
Grade/Rank	Date
Signature	

Finish by giving your name, telephone number, job title or rank. Date the form and sign it.

Subject:	Standards Update		
Date of Meeting:	9th January 2018		
Report of:	Head of Law and Monitoring Officer		
Contact Officer:	Name:	Abraham Ghebre-Ghiorghis	Tel: 29-1500
	Email:	Abraham.ghebre-ghiorghis@brighton-hove.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE**1. PURPOSE OF REPORT AND POLICY CONTEXT**

1.1 This report updates Members on Standards-related matters since the last report.

2. RECOMMENDATIONS

2.1 That the Committee notes the information provided in the Report on member complaints and on standards-related matters.

3. MEMBER COMPLAINTS

3.1 This Report seeks to update members on complaints received in by the Monitoring Officer since the publication of the last Update Report, in September 2017.

4. UPDATE ON STANDARDS COMPLAINTSComplaint 1

4.1 **The allegations:** while this complaint made a number of allegations against a member, the allegations were considered to be lacking in sufficient detail to enable them to be reviewed against the Code. When further information was sought, however, the complainant indicated that they no longer wished to pursue their complaint. On that basis the matter was deemed to be at an end.

Complaints 2, 3 & 4

4.2 **The allegations:** three separate complaints were received in regarding the conduct of a member who was alleged to have breached the Code of Conduct through their actions in publishing a communication online.

4.3 Having considered each of the three complaints on their respective merits and on the relevant facts, and following consultation with the Independent Person, the Monitoring Officer decided not to progress any of the complaints to formal investigation at Preliminary Assessment stage. He made his decision in each instance on the basis that he did not consider there to be a reasonable basis for

a finding of a breach on the facts and that he took the view that it was not in the public interest for the relevant complaints to be referred for formal investigation. The outcomes of these complaints have been notified to the relevant parties.

Complaint 5

- 4.4 **The allegations:** this complaint was received in during the second half of November. It remains at preliminary assessment stage and - as still the subject of consultation between the Independent Person and the Monitoring Officer - will be reported to a future meeting of this Committee.

5. MEMBER TRAINING

5.1 Member training on the Code of Conduct and related matters

- 5.2 In October 2017, a refresher session on Standards-related matters was held. This was an additional session provided for the benefit of those members of the Council who were unable to attend the sessions which took place in July 2017.

- 5.3 Focus has now shifted to the need to equip members of the Audit and Standards Committee with the necessary skillset to participate as members of Standards Panels, should such need to be convened. With this in mind, two alternative dates for training have been arranged during January 2018 and members of this Committee are asked to indicate which of the two they wish to attend, if they have not already done so.

6. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 6.1 The Council is obliged under the Localism Act to make arrangements for maintaining high standards of conduct among members and to make arrangements for the investigation of complaints. The current arrangements and the proposals in this Report reflect this. No alternative proposals are suggested.

7. COMMUNITY ENGAGEMENT & CONSULTATION

- 7.1 No need to consult with the local community has been identified.

8. CONCLUSION

- 8.1 Members are asked to note the contents of this Report, which aims to assist the Committee in discharging its responsibilities for overseeing that high standards of conduct which are compliant with local requirements are maintained.

9. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 9.1 There are no additional financial implications arising from the recommendations in this Report. All activity referred to has been, or will be, met from existing budgets.

Finance Officer Consulted: James Hengeveld

Date: 28.12.17

Legal Implications:

9.2 These are covered in the body of the Report.

Lawyer Consulted: Victoria Simpson

Date: 4.12.17

Equalities Implications:

9.3 There are no equalities implications arising from this Report.

Sustainability Implications:

9.4 There are no sustainability implications arising from this Report.

Any Other Significant Implications:

9.5 None

SUPPORTING DOCUMENTATION

Appendices:

None

Documents in Members' Rooms:

None

Background Documents:

None

