

Audit & Standards Committee

Date: **12 January 2021**
Time: **4.00pm**
Venue **Virtual Meeting (Microsoft Teams)**

Note: in response to current Government Regulations this meeting is being held as a virtual meeting for councillors and accessible via Microsoft Teams. Public speaking and engagement opportunities will be made available.

The meeting will also be webcast live to the internet.

Members: **Councillors:** Yates (Chair), Hugh-Jones (Group Spokesperson), Bagaeen (Group Spokesperson), Hamilton, Heley, Hill, Littman and Peltzer Dunn

Independent Members Helen Aston and David Bradly

Contact: **John Peel**
Democratic Services Officer
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AGENDA

33 PROCEDURAL BUSINESS

- (a) **Declarations 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 press and public. A list and description of the exempt categories is available for public inspection at Brighton and Hove Town Halls and on-line in the Constitution at part 7.1.

34 MINUTES

7 - 12

To consider the minutes of the meeting held on 27 October 2020.

Contact Officer: John Peel

Tel: 01273 291058

35 CHAIR'S COMMUNICATIONS

36 CALL OVER

- (a) Items 39 - 43 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.

37 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 6 January 2021;
- (c) **Deputations:** to receive any deputations submitted by the due date of 12 noon on the 6 January 2021.

38 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.

39 STRATEGIC RISK FOCUS REPORT; SR10; SR18; SR32 AND SR30 13 - 56

Report of the Executive Lead, Strategy, Governance & Law

Contact Officer: Jackie Algar

Tel: 01273 291273

Ward Affected: All Wards

40 THE REDMOND REVIEW OF LOCAL AUDIT AND FINANCIAL REPORTING 57 - 66

Report of the Acting Chief Finance Officer

Contact Officer: Nigel Manvell

Tel: 01273 293104

Ward Affected: All Wards

- 41 INTERNAL AUDIT PROGRESS REPORT – QUARTER 2 (1 JULY TO 30 SEPTEMBER 2020) 67 - 80**
- Report of the Acting Chief Finance Officer
- Contact Officer: Mark Dallen Tel: 01273 291314
Ward Affected: All Wards
- 42 WHISTLEBLOWING UPDATE 81 - 102**
- Report of the Executive Lead Officer, Strategy, Governance & Law
- Contact Officer: Abraham Ghebre-Ghiorghis Tel: 01273 291500
Ward Affected: All Wards
- 43 UPDATE ON STANDARDS MATTERS 103 - 108**
- Report of the Head of Law and Monitoring Officer
- Contact Officer: Victoria Simpson Tel: 01273 294687
Ward Affected: All Wards
- 44 ITEMS REFERRED FOR COUNCIL**
- To consider items to be submitted to the 28 January 2021 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*
- 45 ITEMS FOR THE NEXT MEETING**

ACCESS NOTICE

In response to the current situation with Covid-19 and the easing of Regulations, this Committee meeting will be held virtually via Skype and web cast simultaneously.

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.

The closing date for receipt of public questions and deputations for the next meeting is 12 noon on the fourth working day before the meeting.

For those members of the public wishing to actively take part in the meeting a link will be emailed so that they can join the meeting.

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FURTHER INFORMATION

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

Date of Publication - Monday, 4 January 2021

BRIGHTON & HOVE CITY COUNCIL

AUDIT & STANDARDS COMMITTEE

4.00pm 27 OCTOBER 2020

VIRTUAL MEETING

MINUTES

Present: Councillors Yates (Chair) Hugh-Jones (Group Spokesperson), Bagaeen (Group Spokesperson), Hamilton, Heley, Hill, Littman and Peltzer Dunn

Independent Members present: Helen Aston and David Bradly

PART ONE

15 PROCEDURAL BUSINESS

15a Declarations of substitutes

15.1 There were none.

15b Declarations of interests

15.2 Councillor Yates declared a personal interest in Item 30 as he was a Member identified as the subject of a complaint. Councillor Yates stated that as no decision was required and no vote would be taken, he would remain in the Chair but not enter into any discussion.

15.3 Councillor Heley declared a personal interest in Item 30 as she was a Member identified as the subject of a complaint. Councillor Heley stated that as no decision was required and no vote would be taken, she would remain in the meeting but not enter into any discussion

15c Exclusion of the press and public

15.4 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.

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

16 MINUTES

16.1 **RESOLVED** – That the minutes of the previous meeting held on 21 July 2020 be approved and signed as the correct record.

17 CHAIR'S COMMUNICATIONS

17.1 The Chair welcomed David Bradley to the committee who had recently been appointed as an Independent Person who supported the work of the Audit and Standards Committee in promoting and maintaining high standards of conduct amongst its elected and co-opted members.

18 CALL OVER

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

- Item 21: Strategic Risk Focus Item
- Item 23: Home to School Transport
- Item 24: Audited Statement of Accounts 2019/20
- Item 25: External Audit Findings Report 2019/20
- Item 26: Internal Audit Progress Report Quarter 1

18.2 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 22: Adult & Community Learning
- Item 27: Revised Internal Audit Plan 2020/21
- Item 28: Orbis Internal Audit Staffing and Resources
- Item 29: Formal approval of the Annual Governance Statement 2019/20
- Item 30: Standards Update

19 PUBLIC INVOLVEMENT

19.1 No items were received from member of the public.

20 MEMBER INVOLVEMENT

20.1 No items were received from Members.

21 STRATEGIC RISK FOCUS ITEM

21.1 The Committee considered a report of the Executive Lead Officer, Strategy, Governance & Law that provided detail on the actions taken and future actions to manage each strategic risk.

21.2 Councillor Littman stated that a risk impact score of 4 for SR36 did not seem proportionate given it dealt with a climate catastrophe. The Risk Manager confirmed this could be raised with ELT who set and reviewed the Risk Register.

SR35 Unable to manage serious risks and opportunities resulting from the impact of Brexit on the local and regional society and economy

- 21.3 In response to question from Councillor Hugh Jones, it was clarified that whilst no concrete data was available on EU citizens planning to stay in the city, over 20,000 applications had been made for Settled Status. The issue had been linked up with the Covid Recovery Plan to assist filling any gaps that may appear in the city workforce. Veolia had previously given assurances that they had continuity plans in place and that position was not expected to change. In response to questions from Councillor Bagaean, it was explained a survey of businesses was being discussed for awareness and on how issues such as a salary cap would impact upon them.

**SR36 Not taking all actions required to address climate and ecological change, and making our city carbon neutral by 2030;
SR23 Unable to develop an effective Regeneration and Investment Strategy for the Seafront and ensure effective maintenance of seafront infrastructure**

- 21.4 In response to questions raised, the Executive Director, Economy, Environment & Culture explained that SR36 related specifically to what was within the council's power to effect relating to climate change and by demonstrating leadership, that could affect the wider, global climate change challenge.

SR21 Unable to manage housing pressures and deliver new housing supply

- 21.5 In response to questions raised, the Interim Executive Director, Housing Neighbourhoods and Communities explained that it was likely to risk rating would continue at varying degrees for the foreseeable future and the challenge relating to reducing the risk was making long-term change in terms of homeless prevention and the like.

21.6 RESOLVED-

- 1) That the Audit & Standards Committee note the SRR detailed within Table 1 of this report.
- 2) That the Committee note Appendix 1 the CAMMS Risk report with details of the Strategic Risks and actions taken ('Existing Controls') and those planned.
- 3) That the Committee note that there are opportunities for Members, or any staff, to raise issues on Strategic Risks at various points and levels. The process is set out in the amended Appendix 2 which also provides a guide on the risk management process and how Members might want to ask questions of Risk Owners, or officers connected to the strategic risks.

22 ADULT & COMMUNITY LEARNING

- 22.1 **RESOLVED-** That given the practical, financial and legal implications, the committee requests the Audit & Standards Committee, by way of additional assurance, to request officers to undertake an audit into why it was not possible to implement the decision agreed at the April 30 meeting of the Policy & Resources Committee.

23 HOME TO SCHOOL TRANSPORT

- 23.1 The Committee considered a report of the Executive Lead Officer, Strategy, Governance & Law that requested the establishment of a Panel to consider the advice of the independent barrister in relation to the report commissioned relating to the procurements associated with the Home to School Transport service change which was implemented in September 2019. If approved, the Panel would report its findings to a future meeting of the committee.
- 23.2 In response to questions raised, the Executive Lead Officer, Strategy, Governance & Law explained that the Panel would receive the independent barrister's advice in private. Should the committee determine that the advice be made public, that would be considered if it could be done without prejudicing the council's legal or other interests.
- 23.3 The following Members were appointed to the Panel:

Councillor Hugh-Jones
Councillor Wares
Councillor Williams

- 23.4 **RESOLVED-** That the Committee agrees to set up a panel as outlined in paragraph 3.6 to consider the report and oversee the next steps prior to reporting back to this committee.

24 AUDITED STATEMENT OF ACCOUNTS 2019/20

- 24.1 The Committee considered a report of the Acting Chief Finance Officer that provided information about the audit of the council's 2019/20 Statement of Accounts and recommends approval of the 2019/20 audited accounts and the Letter of Representation on behalf of the council.
- 24.2 The Committee considered the Audit Findings Report (AFR) that summarised the findings of the 2019/20 audit by the council's appointed auditor, Grant Thornton, which was substantially complete. It included the key messages arising from the audit of the financial statements and the results of work undertaken to assess the Authority's arrangements to secure value for money in its use of its resources.
- 24.3 In response to a question from Councillor Bagaeen, the external auditors explained that there was a potential underestimate on the increase in value of some properties not included in the rolling programme of 'beacon' valuation. In their view, that could cause a potential misstatement in the accounts if left unadjusted. The Head of Finance stated that the council would adjust the figures accordingly in the statement of accounts should the advice to do so be received from Grant Thornton as the council's external auditor.
- 24.4 **RESOLVED-** That the Audit & Standards Committee:
- 1) That the Audit & Standards Committee note the findings set out in the 2019/20 Audit Findings Report.

- 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 2019/20 (Appendix 3).
- 5) Agrees that any material difference resulting from the outstanding audit query on the valuation of Council Dwellings should be adjusted before publication of the accounts.

25 EXTERNAL AUDIT - AUDIT FINDINGS REPORT 2019/20

- 25.1 See minute item 24.

26 INTERNAL AUDIT PROGRESS REPORT - QUARTER 1 (1 APRIL TO 30 JUNE 2020)

- 26.1 The Committee considered a report of the Acting Chief Finance Officer that provided an update on all internal audit and counter fraud activity completed during quarter 1 (2020/21), including a summary of all key audit findings. As requested by Members, the summary of key audit findings also included a narrative on the key findings from the most recent audit of the Housing Repairs Service which was completed after the end of quarter 1. The report also includes details of progress on delivery of the annual audit plan along with an update on the performance of the Internal Audit service during the period.
- 26.2 In response to questions raised, the Audit Manager stated that an update report on Cityclean would be received by the next meeting of the committee. A key element of the partial assurance on resident parking permits related to a software solution that a resolution to that had represented a challenge and the issue would be looked at again. In relation to the partial assurance on debtors, this was a concern as it was a key financial service. Improvements were in motion however; these had been delayed due to the pandemic and was likely to be considered again after Christmas. In relation to waivers, the Audit Manager stated that the value was significant, but the process had been overseen by Corporate Procurement and Legal Services in accordance with procedural rules. The Audit Manager explained that the competition in the tendering process could ensure increased value for money on contracts compared to the use of waivers, but the process had been impacted by the pandemic. Going forward, it was hoped that contracts would be re-let under a competitive regime. The Head of Finance added that all use of waivers were reported to P&R Committee and very robust process were in place on their use. Further, the use of waivers had declined in the months up to the Covid outbreak.

- 26.3 **RESOLVED-** That the Committee note the report.

27 REVISED INTERNAL AUDIT PLAN 2020/21

- 27.1 **RESOLVED-** That the Revised Internal Audit Annual Audit Plan for 2020/21 is approved.

28 ORBIS INTERNAL AUDIT STAFFING AND RESOURCES

28.1 **RESOLVED-** That the Committee note the report and in particular the latest position with regard to resourcing the Internal Audit service, including the professional qualifications held by staff.

29 FORMAL APPROVAL OF THE ANNUAL GOVERNANCE STATEMENT 2019-2020

29.1 **RESOLVED-** That the Audit & Standards Committee formally approve the AGS at Appendix 1.

30 STANDARDS UPDATE

30.1 **RESOLVED-** That the Committee note the information provided in this Report on Member complaints and on standards-related matters.

31 ITEMS REFERRED FOR COUNCIL

31.1 The were none.

32 ITEMS FOR THE NEXT MEETING

32.1 At the request of Councillor Hugh-Jones, the Committee agreed to request a management report on Debtors and Direct Payments to a future meeting.

The meeting concluded at 6.43pm

Signed

Chair

Dated this

day of

Subject:	Strategic Risk Focus Report: SR10, SR18, SR32 and SR30		
Date of Meeting:	12 January 2021		
Report of:	Executive Lead Officer, Strategy, Governance and 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 To report to the Audit & Standards Committee on the latest quarterly update to the city council's Strategic Risk Register (SRR).
- 1.2 The Committee have agreed to focus on at least two strategic risks (SRs) at each of their meetings. For this meeting there are four SRs risks to receive focus and to enable Members' questions to be asked there will be attendance by Risk Owners as detailed below:

Chief Executive in respect of:

SR30 Not fulfilling the expectations of residents, businesses, government and the wider community that Brighton & Hove City Council will lead the city well and be stronger in an uncertain environment; and

SR10 Corporate information assets are inadequately controlled and vulnerable to cyber-attack.

The Assistant Director, Human Resources & Organisational Development (AD HROD) in respect of:

SR18 The organisation is unable to deliver its functions in a modern, efficient way due to the lack of appropriate technology; and

SR32 Challenges to ensure health & safety measures lead to personal injury, prosecution, financial losses and reputational damage.

2. RECOMMENDATIONS:

That the Audit & Standards Committee:

- 2.1 Note the SRR detailed within Table 1 of this report.

- 2.2 Note Appendix 1 the CAMMS Strategic Risk report with details of the SRs and actions taken ('Existing Controls') and actions planned.
- 2.3 Note Appendix 2 which provides:
- i. a guide on the risk management process;
 - ii. guidance on how Members might want to ask questions of Risk Owners, or officers connected to the strategic risks; and
 - iii. details of opportunities for Members, or any staff, to raise issues on Strategic Risks at various points and levels.

3. CONTEXT/ BACKGROUND INFORMATION









- 3.1 The city council's SRs are reviewed quarterly by the Executive Leadership Team (ELT) taking on board comments from quarterly risk reviews carried out at Directorate Management Teams. This process ensures the currency of the city council's SRR.
- 3.2 The Audit & Standards Committee has a role to monitor and form an opinion on the effectiveness of risk management and internal control.
- 3.3 At ELT's review of the SRR on 18 November 2020 one risk was removed and no new risks were proposed or agreed. There are now 18 Strategic Risks.









The changes to the SRR were:







- a) to remove SR34 'Ambitions to improve offer for staff which have been stated in Our People Promise' because the work carried out by HR&OD is incorporated into usual practices and the risk was scored very low with a residual risk score of Likelihood 2 and Impact 3 (YELLOW);
- b) reduced risk scores on SR38 'Difficulty in restoring trust and confidence in the home to school transport service and sourcing sufficient capacity to resolve issues raised by the independent review' due to progress made;
- c) amend the title of SR37 to reflect the Covid-19 recovery and renewal programme so it is now 'Not effectively responding to and recovering from COVID-19 in Brighton and Hove'; and
- d) amend title on SR25 to reflect a revised focus e.g. Covid-19 impacts.











Table 1 below shows the current 18 Strategic Risks in the highest Revised Risk order which takes account of future actions to reduce or mitigate the risks.





For ease of reference the previous risk scores and risk titles are shown in italics.

Risk Nos.	Risk Title	Initial Risk Score Likelihood (L) x Impact (I) & Direction of Travel (DOT)	Revised Risk Score Likelihood (L) x Impact (I) & Direction of Travel (DOT)	Committee & Chair	Risk Owner
SR 2	The Council is not financially sustainable	5 x 4 ◀▶  RED	4 x 4 ◀▶  RED	Policy & Resources Committee – Cllr. Mac Cafferty	Acting Chief Finance Officer
SR 36	Not taking all actions required to address climate and ecological change, and making our city carbon neutral by 2030	5 x 4 ◀▶  RED	4 x 4 ◀▶  RED	Environment, Transport & Sustainability Committee – Cllr. West and Cllr. Heley	Executive Director, Economy, Environment & Culture
SR 20	Failure to achieve Health and Social Care outcomes due to organisational and resource pressures on the Clinical Commissioning Group (CCG) and Brighton & Hove City Council (BHCC)	5 x 4 ◀▶  RED	4 x 4 ◀▶  RED	Health & Wellbeing Board – Cllr. Shanks	Executive Director, Health & Adult Social Care
SR 37	Not effectively responding to and recovering from COVID-19 in Brighton and Hove' <i>Added 'and recovering from' and P&R(Recovery) Sub-Committee</i>	4 x 4 ◀▶  RED	3 x 4 ◀▶  AMBER	Health & Wellbeing Board – Cllr. Shanks and Policy & Resources (Recovery) Sub-committee – Cllr. Mac Cafferty	Executive Director, Health & Adult Social Care

Risk Nos.	Risk Title	Initial Risk Score Likelihood (L) x Impact (I) & Direction of Travel (DOT)	Revised Risk Score Likelihood (L) x Impact (I) & Direction of Travel (DOT)	Committee & Chair	Risk Owner
SR 32	Challenges to ensure health & safety measures lead to personal injury, prosecution, financial losses and reputational damage	4 x 4 ◀▶  RED	3 x 4 ◀▶  AMBER	Policy & Resources Committee – Cllr. Mac Cafferty	Assistant Director Human Resources & Organisational Development
SR 35	Unable to manage serious risks and opportunities resulting from the impact of Brexit on the local and regional society and economy	5 x 4 ◀▶  RED	4 x 3 ◀▶  AMBER	Policy & Resources Committee – Cllr. Mac Cafferty	Executive Lead Officer, Strategy, Governance & Law
SR 33	Not providing adequate housing and support for people with significant and complex needs	4 x 4 ◀▶  RED	3 x 4 ◀▶  AMBER	Health & Wellbeing Board – Cllr. Shanks and Housing Committee – Cllr. Gibson and Cllr. Hugh-Jones	Executive Director, Health & Adult Social Care
SR 18	The organisation is unable to deliver its functions in a modern, efficient way due to the lack of appropriate technology	4 x 4 ◀▶  RED	3 x 4 ◀▶ 	Policy & Resources Committee – Cllr. Mac Cafferty	Assistant Director, Human Resources & Organisational Development

Risk Nos.	Risk Title	Initial Risk Score Likelihood (L) x Impact (I) & Direction of Travel (DOT)	Revised Risk Score Likelihood (L) x Impact (I) & Direction of Travel (DOT)	Committee & Chair	Risk Owner
SR 38	Difficulty in restoring trust and confidence in the home to school transport service and sourcing sufficient capacity to resolve issues raised by the independent review	3 x 4 ▼  AMBER <i>Risk score was 4 x 4 RED</i>	3 x 3 ▼  AMBER <i>Risk score was 3 x 4 AMBER</i>	Children, Young People & Skills Committee – Cllr. Clare	Acting Executive Director Families, Children & Learning
SR 25	Insufficient organisational capacity or resources to deliver all services as before and respond to changing circumstances and needs <i>Was 'The lack of organisational capacity leads to sub-optimal service outcomes, failure to meet statutory obligations, and reputational damage'</i>	4 x 4 ◀▶  RED	3 x 4 ◀▶  AMBER	Policy & Resources Committee – Cllr. Mac Cafferty	Chief Executive <i>Risk owner changed from AD HROD</i>
SR 13	Not keeping Vulnerable Adults Safe from harm and abuse	4 x 4 ◀▶  RED	3 x 4 ◀▶  AMBER	Health & Wellbeing Board – Cllr. Shanks	Executive Director, Health & Adult Social Care

Risk Nos.	Risk Title	Initial Risk Score Likelihood (L) x Impact (I) & Direction of Travel (DOT)	Revised Risk Score Likelihood (L) x Impact (I) & Direction of Travel (DOT)	Committee & Chair	Risk Owner
SR 15	Not keeping Children Safe from harm and abuse	4 x 4 ◀▶  RED	3 x 4 ◀▶  AMBER	Children, Young People & Skills Committee – Cllr. Clare	Acting Executive Director Families, Children & Learning
SR 10	Corporate Information Assets are inadequately controlled and vulnerable to cyber-attack	4 x 4 ◀▶  RED	4 x 3 ◀▶  AMBER	Policy & Resources Committee – Cllr. Mac Cafferty	Chief Executive
SR 21	Unable to manage housing pressures and deliver new housing supply	4 x 4 ◀▶  RED	3 x 3 ◀▶  AMBER	Housing Committee – Cllr. Gibson and Cllr. Hugh-Jones	Interim Executive Director, Housing, Neighbourhoods & Communities
SR 24	The needs and demands for services arising from the changing and evolving landscape of Welfare Reform is not effectively supported by the council	4 x 3 ◀▶  AMBER	3 x 3 ◀▶  AMBER	Policy & Resources Committee – Cllr. Mac Cafferty	Acting Chief Finance Officer
SR 23	Unable to develop and deliver an effective Regeneration and Investment Strategy for the Seafront and ensure effective maintenance of the seafront infrastructure	3 x 4 ◀▶  AMBER	3 x 3 ◀▶  AMBER	Environment, Transport & Sustainability Committee – Cllr. West and Cllr. Heley; and Tourism, Equalities, Communities & Culture Committee – Cllr. Ebel and Cllr. Powell	Executive Director, Economy, Environment & Culture

Risk Nos.	Risk Title	Initial Risk Score Likelihood (L) x Impact (I) & Direction of Travel (DOT)	Revised Risk Score Likelihood (L) x Impact (I) & Direction of Travel (DOT)	Committee & Chair	Risk Owner
SR 29	Ineffective contract performance management leads to sub-optimal service outcomes, financial irregularity and losses, and reputational damage	3 x 4 ◀▶  AMBER	3 x 3 ◀▶  AMBER	Policy & Resources Committee – Cllr. Mac Cafferty	Acting Chief Finance Officer
SR 30	Not fulfilling the expectations of residents, businesses, government and the wider community that Brighton & Hove City Council will lead the city well and be stronger in an uncertain environment	3 x 4 ◀▶  AMBER	2 x 4 ◀▶  AMBER	Policy & Resources Committee – Cllr. Mac Cafferty	Chief Executive

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 Through consultation with ELT the Risk Management process currently in operation was deemed to be the most suitable model.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 This is an internal risk reporting process and as such no engagement or consultation has been undertaken in this regard.

6. CONCLUSION

- 6.1 The council must ensure that it manages its risks and meets its responsibilities and deliver its Corporate Plan, risk management is evidence for good governance.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 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 there 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: 23/12/20

Legal Implications:

- 7.2 All Strategic Risks which were reported as a whole to the Audit & Standards Committee on 21 July 2020 may potentially have legal implications. Where those implications are of a direct nature, they are noted in this Report.
No other direct legal implications have been identified.

Lawyer Consulted: Victoria Simpson

Date 02/12/20

Equalities Implications:

- 7.3 The SRR is shared with the Equalities Team. It is a corporate requirement that equalities implications are included within the performance management framework which includes risk management. There is an expectation that data will be used to evidence how service improvements are being made which have the aim of reducing inequalities.

Sustainability Implications:

- 7.4 'Not taking all actions required to address climate and ecological change, and making our city carbon neutral by 2030' is one of our strategic risks as SR36. Actions to mitigate this risk will improve sustainability and sustainability across the council's operations will be improved by practicing risk management.

Brexit Implications:

- 7.5 SR35 specifically considers this risk and actions which have taken place or are planned.

Any Other Significant Implications:

- 7.6 None.

SUPPORTING DOCUMENTATION

Appendices:

1. CAMMS Risk report on SR10, SR18, SR32 and SR30.
2. A guide on the risk management process, how Members might want to ask questions of Risk Owners and how Members and officers can input on SRs.

Background Documents

1. None.

Brighton & Hove City Council

Appendix 1: Strategic Risk Report

SR10, SR18, SR30 and SR32

Print Date: 30-Nov-2020

30-Nov-2020

Initial Rating

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

Revised Rating

LIKELIHOOD	IMPACT				
	Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
Almost Certain (5)	0	0	0	0	0
Likely (4)	0	0	1	0	0
Possible (3)	0	0	0	2	0
Unlikely (2)	0	0	0	1	0
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	Chief Executive Head of Strategy & Engagement	BHCC Strategic Risk, Legislative	18/11/20	Threat	Treat	 L4 x I4	 L4 x I3		Revised: Uncertain

Causes

Link to Corporate Plan Outcome: ' A well run city: Keeping the city safe, clean, moving and connected'.

Causes:

1. Inadequate Cyber Security
2. Inadequate Information Governance (IG)
3. Inadequate Information Management

Variability of the organisation's information asset is constant. The complexity and sophistication of cyber threat is ever-increasing and requires a constantly evolving approach to cyber security, information governance and information management to combat this threat.

Potential Consequence(s)

- A successful large-scale cyber-attack could halt the entire operation of the organisation. A successful smaller scale cyber-attack could interrupt operations for several services
- The organisation could suffer severe reputational damage and/or financial loss
- Service users could suffer financial loss, increased levels of vulnerability and death due to the lack of operational services
- 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 lends itself to poor data protection practices including non-compliant sharing of data and information breaches

Existing Controls

First Line of Defence: Management Action

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

A) Controls re. Cause relating to INADEQUATE CYBER SECURITY

1. Physical access controls for many services have been improved a result of the move to the Orbis Data Centre (ODC1) and continued in 2019/20.
2. Protective monitoring technology is in place to provide threat, vulnerability and incident alerts

3. 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)

4. Incident management now integrates data breach and cyber security incidents

5. Online IG training is published on the learning gateway

B) Controls re. Cause relating to INADEQUATE INFORMATION GOVERNANCE

6. A suite of Information Governance Policies are reviewed and approved annually

7. An information risk register is regularly reviewed by Information Governance Board (IGB) and the Senior Information Risk Owner (SIRO)

8. Privacy impacts assessments (PIAs) conducted for all new business process and systems involving personal information.

9. Standardised and repeatable workflows and procedures are in place for privacy by design, new major contracts information rights handling.

10. 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.

Approval of business case in May 2019 for increased and dedicated resources to supplement the management and co-ordination of SARs and FOI requests.

11. DPO benchmarking & audit July 19 informs future improvement activity

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) Information Governance and Cyber Security receives oversight from the Audit and Standards Committee;

6) A Joint Orbis Data Protection Officer (DPO) has been in post as of May 2018. This role assists in the monitoring of internal compliance, provides advice on data protection obligations and Data Protection Impact Assessments (DPIAs).

Third Line of Defence: Independent Assurance

1. Internal and external IT audits provide an objective evaluation of the design and effectiveness of IT&Ds internal controls. An annual Internal Audit schedule is agreed with internal audit; some focus audits specifically on Information Governance (IG) areas, but all will cover some aspect of IG. The outcome of all audits is reported to the Audit and Standards Committee quarterly.

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); NHS Digital Data Security and

Protection (DSP) Toolkit; and Payment Card Industry Data Security Standard (PCI DSS).



Reason for Uncertain status for effectiveness of controls: Cyber threats are evolving to become more sophisticated and our growing dependence on technology means that the impact of a successful attack has greatly increased. Proportionate technical and behavioural mitigations of this risk may not prevent a highly sophisticated, persistent attack.

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
CYBER SECURITY: Compile a 'Systems League Table' to measure the relative 'risk' of the top 25 systems in use at BHCC to act as a comparison of maturity and a signpost for future work	Head of Strategy & Engagement	25	31/03/21	01/04/20	31/03/21
Comments: Oct '20 update: This work has been de-prioritised and has not progressed. Delivery dates have now been set to March 2021					
CYBER SECURITY: Improve Information Risk Management function. This will include a risk register visible to IGB, SIRO & DPO and clear processes and guidance.	Head of Strategy & Engagement	80	30/09/20	01/04/20	30/09/20
Comments: Oct. '20 update: New draft register has been completed. Requires management/SIRO review and sign off					
CYBER SECURITY: Migrate all on prem 2012 servers (x257) to ODC1 before end of support in 2022	Head of Strategy & Engagement	0	31/03/22	01/10/20	31/03/22
Comments: n/a					
CYBER SECURITY: Remove 'to be' unsupported Win7 o/s and migrate all devices to Win10	Head of Strategy & Engagement	50	31/03/21	01/04/19	31/03/21

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Oct. '20 update: Win10 migration has now restated following a 4/5month pause due to the covid-19 pandemic. Laptop rollout is expected to run until November/December 2020. Desktop replacement will complete by February 2021.</p>					
<p>CYBER SECURITY: Review and improve the Incident Management process, including better use of Cherwell.</p>	<p>Head of Strategy & Engagement</p>	<p>25</p>	<p>31/08/20</p>	<p>01/04/20</p>	<p>31/08/20</p>
<p>Comments: Oct. '20 update: This work has been subsumed into a large Orbis wide review of Cherwell will consequently take significantly longer. Any 'quick wins' which can be applied outside of this work are being reviewed.</p>					
<p>CYBER SECURITY: Review and improve user access controls via the Access Management project</p>	<p>Head of Strategy & Engagement</p>	<p>40</p>	<p>31/12/20</p>	<p>02/04/18</p>	<p>31/12/20</p>
<p>Comments: Oct. '20 update: The Access Modernisation has restarted following a pause during covid-19 recovery. Timescales for project delivery are in the process of being revised. Work on migrating online 'starters, leavers and movers' form from Achieve to Drupal is underway.</p>					
<p>INFORMATION GOVERNANCE: Complete the submission for the NHS Digital Data Security and Protection Toolkit</p>	<p>Head of Strategy & Engagement</p>	<p>100</p>	<p>30/09/20</p>	<p>01/06/20</p>	<p>30/09/20</p>
<p>Comments: Oct. '20 update: Submission made 30/09/20</p>					
<p>INFORMATION GOVERNANCE: Deploy MetaCompliance MetaPlatform to support an improved approach to information asset management in the business</p>	<p>Head of Strategy & Engagement</p>	<p>30</p>	<p>31/12/20</p>	<p>01/07/20</p>	<p>31/12/20</p>

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Oct. '20 update: Joint Orbis project underway. Design work in complete and testing is scheduled to start October/November followed by full rollout and IAO training in the New Year</p>					
<p>INFORMATION GOVERNANCE: Lead a cross-dept. collaboration to develop a surveillance camera toolkit to support compliant acquisition, monitoring and evolution of surveillance cameras across the local authority</p>	Head of Strategy & Engagement	0	31/03/21	01/10/20	31/03/21
<p>Comments: n/a</p>					
<p>INFORMATION GOVERNANCE: Re-write key Policies and complete 'Standards' document to enable staff and third-parties to understand and comply with our requirements.</p>	Head of Strategy & Engagement	80	30/09/20	01/06/20	30/09/20
<p>Comments: Oct. '20 update: The majority of policy documents have been reviews/updated (3 remaining). Standard documentation work is underway</p>					
<p>INFORMATION MANAGEMENT: Deployment of unstructured content analytics capability to analyse metadata of S: drive and email content, identify duplicates and versions and then analyse document contents to inform management decisions around retention, destruction and data quality improvement.</p>	Head of Strategy & Engagement	10	31/12/20	01/04/20	31/12/20
<p>Comments: Oct. '20 update: This work has not progressed. Currently reviewing possible O365 options to decide if new capability requires procurement</p>					

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
INFORMATION MANAGEMENT: Develop an information architecture for the O365 Teams/SharePoint.	Head of Strategy & Engagement	90	31/10/20	01/04/20	31/10/20
Comments: Oct. '20 update: High level information architecture is complete. Sign off at joint Orbis Architectural Review Groups is scheduled for October.					

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR18	The organisation is unable to deliver its functions in a modern, efficient way due to the lack of appropriate technology	Head of Human Resources & Organisational Development Head of Strategy & Engagement	BHCC Strategic Risk, Technological	18/11/20	Threat	Treat	 L4 x I4	 L3 x I4		Revised: Adequate

Causes

Link to Corporate Plan 2020-23. Link to Corporate Plan 2020-23: Attributes 7. 'How will the plan be delivered' actions to deliver 'A modernising council'.

Failure to adopt and adapt to new digital technologies caused by:

Sub-optimal technology capabilities - led by IT & Digital

1) Insufficient IT & Digital staff with the appropriate skills to interpret business need, create strategies and develop, implement, support and maintain new technologies

2) Insufficient investment in the underlying IT infrastructure and platforms

3) Insufficient investment in modern corporate and line of business applications and user device

Sub-optimal staffing capabilities - led by HR OD

4) Insufficient understanding and leadership at all levels of the organisation to exploit the opportunities of modern, digital IT to improve service delivery

5) Low level of basic technical skills in current staff and low confidence in using and innovating with information and technology

6) Failure to recruit/develop sufficient 'high-end' new data management/data analyst skills across business teams

7) Insufficient understanding, management and use of service and corporate data as an asset

Potential Consequence(s)

1. Staff do not have appropriate access to the tools and information needed to carry out their roles
2. Unable to transform services to achieve efficiencies and better outcomes for residents, communities, businesses and visitors
3. Unable to meet organisational budget reductions if automated services are not introduced
4. Less effective and engaging interactions with residents and communities
5. Impact on council and city reputation as a digital city
6. Staff morale affected
7. Unable to attract and retain talent due to not meeting expectations of a modern working environment
8. Limits ability to achieve relevant Corporate Plan objectives

Existing Controls

- 1) Technology and Digital Board in place to align priorities, coordinate co-delivery, remove blockers and track benefits
- 2) Data Insight Steering Group in place to oversee the delivery of data & analytic capabilities
- 3) Through a capital investment programme IT&D has greatly stabilised the underlying IT infrastructure and introduced a number of new capabilities. These include implementing a new Mobile Device Management (MDM) system and migrating all member and officer mobile phones from out of support Blackberrys to iPhones, migrating from an end of life Citrix environment onto a new platform, moving all email off premise onto the Microsoft cloud and moving from the withdrawn Eduserv datacentre service into the Orbis data centre (ODC1).

Second Line of Defence: Corporate Oversight

- 1) Tech & Digital Board in place to review progress, identify interventions where strategic changes on IT are required, and produce a re-focused strategy that aligns the needs of services
- 2) Corporate Modernisation Delivery Board overseeing alignment of programmes and projects to Corporate Plan aims and reviewing any gaps. This includes the oversight of IT&D Infrastructure programme (DOP)
- 3) ELT oversight of Annual staff survey has regularly identified concerns with staff not having the right tools/resources to do their jobs. This may include some issues related to IT provision and provides a benchmark for IT change programmes

Third Line of Defence: Independent Assurance

None

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Sub-optimal technology capabilities: Deploy O365 information management applications to all Win10 users, including OneDrive, SharePoint and full Team.	Head of Strategy & Engagement	25	31/12/21	01/04/20	31/12/21

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Oct. '20 update: IA design is complete (awaiting sign off) and planning for deployment is underway. Migration of existing SharePoint content is planned to start in October 2020.</p>					
<p>Sub-optimal technology capabilities: Deploy O365 productivity applications to all Win10 users, including Teams for communications, Planner, Whiteboard and Sway.</p>	Head of Strategy & Engagement	25	31/12/20	01/04/20	31/12/20
<p>Comments: Oct. '20 update: Deployment of MS Teams for communications has been brought forward due to c-19 (deployed June 2020). Other O365 is Win10 dependent and will rollout in full on completion of the Windows10 project.</p>					
<p>Sub-optimal technology capabilities: Further increase workforce productivity through provision of wi-fi for all office spaces</p>	Head of Strategy & Engagement	0	31/12/20	01/10/20	31/12/20
<p>Comments: Oct. '20 update: Final phase of the project may be delayed due to c-19</p>					
<p>Sub-optimal technology capabilities: Secure investment and initiate a project to replace the organisations telephony infrastructure to better meet the needs of a modern workforce and the customer contact strategy.</p>	Head of Strategy & Engagement	10	31/03/21	01/04/20	31/03/21

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Comments: Oct. '20 update: Lack of resource capacity has slowed progress. A project will be up created once Win10 laptop deployment has completed					
Sub-optimal technology capabilities: Social Care and Housing service projects to replace core systems of record and establish improved data management practices	Head of Strategy & Engagement	50	31/03/21	20/04/17	31/03/21
Comments: Oct. '20 update: Both CareFirst replacement and OHMS replacement projects are in delivery phase and are broadly on track.					
Sub-optimal technology capabilities: Upgrade all existing BHCC versions of Dragon to the Group SaaS model	Head of Strategy & Engagement	0	31/01/21	01/10/20	31/01/21
Comments: Oct '20 update: Project will commence on completion of the exceptions workstream (AT users) of Win10 project					
Sub-optimal technology capabilities: Upgrade all laptop and desktop devices, (plus the Citrix environment) to Windows 10 before the end of extended support for Windows 7 in early 2021. Additionally, increase the laptop estate from approx. 2000 devices to 4000 devices.	Head of Strategy & Engagement	70	31/03/21	01/03/18	31/03/21

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Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Oct. '20 update: Extended support (until Feb 2021) has been procured for remaining Windows7 devices. Win10 migration has now restated following a 4/5month pause due to the covid-19 pandemic. Laptop rollout is expected to run until November/December 2020. Desktop replacement will complete by February 2021. 95% of Citrix users have been migrated to the new Win10 environment</p>					
<p>Use Digital Customer funding to enhance online offer and joined up information systems to improve customer experience thereby reducing avoidable demand on staff time.</p>	<p>Head of Strategy & Engagement</p>	<p>80</p>	<p>31/08/21</p>	<p>01/04/19</p>	<p>31/08/21</p>
<p>Comments: Oct '20 Update: Activity on the Digital programme is focused on 4 workstreams: 1.Website content transition– complete. 2.My Account Initial phases are now live. Development of improved capabilities and addition of new data sets/services is ongoing 3.Customer and Property Indices The Customer Index is continuing to progress with further improvements and enhancements being made to dataset matching. Ongoing development focusing on increasing the number and scope of additional datasets added to the Index and additional business intelligence derived from the combined data e.g. fraud. 4.Contact management Contact management capability is now live with new services continuing to be brought on stream. Work will be reviewed and reprioritised once a new Digital Strategy is published in the New Year.</p>					

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR30	Not fulfilling the expectations of residents, businesses, government and the wider community that Brighton & Hove City Council will lead the city well and be stronger in an uncertain environment	Chief Executive	BHCC Strategic Risk	18/11/20	Threat	Treat	Amber L3 x I4	Amber L2 x I4		Revised: Adequate

Causes

Link to Corporate Plan 2020-23. 7 Council Attributes 'Working in Partnership', actions 7.7

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 <http://www.bhconnected.org.uk/>, the City Management Board (CMB) find out more via <http://www.bhconnected.org.uk/content/city-management-board>; Greater Brighton Economic Board (GBEB) find out more via <https://greaterbrighton.com/about-us/introducing-the-economic-board/>) 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:

1. Brexit's implications & opportunities for the city's economy resulting from the UK exiting the EU given the current trade profile where 45% of Brighton & Hove's trade is with the EU and 79% of this service is service exports. Brighton & Hove is the 9th largest city in the UK for the value of service exports per job (source: Centre for Cities, How do cities trade with the World? April 2019)
2. Other economic uncertainties include the changing shape of retail and the high cost of housing affecting recruitment and retention of workforce across all economic sectors
3. Reduced council expenditure and changes to the traditional municipal model

Potential Consequence(s)

- * Our civic institutions are unable to provide effective leadership to the city
- * Adverse impact of economic uncertainty and social change on wellbeing, community cohesion and opportunities for citizens so that City Wealth reduces
- * Business cannot grow
- * Inequality grows
- * Fragmentation of communities
- * Fragmentation of framework for public service institutions
- * Uncertainty over long term funding and rising health and social care demands makes delivery of public services very challenging
- * 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

1. Full Council
2. Policy & Resources (PR) Committee has oversight of key budget and policy decisions and all reports have a financial, legal and community impact assessments.
3. Health & Wellbeing Board have similar assurance functions as the PR Committee.
4. City Management Board are not decision making but they are important influencers and it is an effective way of putting strategic issues on the radar of public authorities (find out more via <http://www.bhconnected.org.uk/content/city-management-board>)
5. Audit & Standards Committee have a role to monitor the effectiveness of risk management and internal control
6. Brighton & Hove Connected (link as above) a network of community & voluntary organisations and businesses in the city and works in an effective way to engage communities on issues of interest.
7. Royal Society of Arts, Manufacturing & Commerce ('RSA') were commissioned to work with political and managerial leadership
8. Corporate governance and processes to manage existing council business, eg Performance Management Framework (PMF).

Second Line of Defence: Corporate Oversight

1. Local Government Association (LGA) Peer Review and ad-hoc advice.
2. Two Independent Persons on the Audit & Standards Committee.
3. Greater Brighton Economic Board, rotating chair representing each partners oversees and makes decision on strategic issues relating to regional economic development (find out more via <https://greaterbrighton.com/about-us/introducing-the-economic-board/> Wider city region based leadership).
4. Corporate Modernisation Delivery Board and the Executive Leadership Team (ELT) oversee the application of the Performance Management Framework (PMF).
5. Policy Chairs Board oversight of issues of policy.

Third Line of Defence: Independent Assurance

1. HM Government
2. External Audit reviews of financial position of the city council - June 2019.
3. Inspectorate reports e.g. Ofsted 2018 - Children's Services - Good Judgement; and Ofsted focused visit in February 2020 looking at services to children in need and child protection plans resulted in positive comment.
4. Internal Audit - 2017/18 and 2018/19 No independent assurance work has been carried out on this risk.

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Agree a Corporate Plan and Budget Strategy which clearly communicates policy priorities, funding and resourcing	Deputy Chief Finance Officer	50	30/11/20	07/01/20	30/11/20

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Corporate Plan and Budget will be signed off by Full Council (Budget Council) in February 2020, the links between Corporate Plan and will be revisited in November 2020 following announcement of government's final settlement. The Orbis partnership arrangements continue to provide increased support services resilience e.g. finance, audit, procurement, IT&D.</p>					
<p>Communicate the council's activity to enable the city's strong prospects as healthy place to live, work and do business, able to withstand challenges and grasp future opportunities</p>	<p>Head of Communications</p>	<p>50</p>	<p>31/03/21</p>	<p>10/01/19</p>	<p>31/03/21</p>
<p>Comments: This is a significant time for this risk. Work is taking place as follows:</p> <ol style="list-style-type: none"> 1. A new Corporate Plan to convey the council's clear corporate narrative and tangible deliverables for the city was approved by Full Council in December 2019. 2. Work to communicate performance delivery of the council's priorities and targets was started in early 2020 but was paused because of Covid-19. 3. Work on this has all but paused due to ongoing focus on Covid response work 4. The new administration has confirmed that the Corporate Plan will not be re-written but there may need be clearer prioritisation and clearer delivery schedules for outcomes and progress. 5. Very positive and collaborative work is ongoing on the council's climate assembly and Carbon2030 programme. <p>Work still needs to be undertaken with the administration and the DMTs to understand immediate and longer term priorities so that the Communications Team can run a series of year-long holistic communications and PR campaigns and activities with specific objectives and audiences, clear and consistent messaging and means of evaluation.</p> <p>The Communications Service redesign will also include the ask from the new administration to have a stronger focus on consultation and engagement.</p>					
<p>Continue effective collaboration with health & social care within the city</p>	<p>Executive Director Health and Adult Social Care</p>	<p>70</p>	<p>31/03/21</p>	<p>14/02/17</p>	<p>31/03/21</p>

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Sept 20 update: There is established focus on effective collaboration between the council, NHS partners and the voluntary and community sector. The Integrated Care Partnership system enabled Sussex to be approved by HM Government as a Sussex wide Integrated Care System. This means that each place, East and West Sussex and Brighton & Hove, will develop their integrated partnership working arrangements to be monitored by the Integrated Care Partnership. This will involve review as a result of the post Covid-19 position.</p> <p>February 20 update: With the adoption of the HWB Strategy and its preventative focus under the 'Four Wells' (starting living, ageing dying) there is a commitment to improve our outcomes for residents. However this presents challenges within the current financial NHS Long Term Plan, was submitted to Central Govt in Nov 19 and an aligned delivery framework will need to be developed and updated on an annual basis. There is currently a review of the HWBB on its membership and purpose (as at Jan 2020).</p>					
Develop a strong lobbying strategy to effectively influence government	Head of Policy, Partnerships & Scrutiny	50	31/03/23	07/01/20	31/03/23
<p>Comments: Lobbying strategy presented to Policy Chairs Board in February 2020. Continued development with the Leader and the Executive Leadership Team to identify and take forward priorities.</p>					
Develop Customer Service Standards and reporting against these standards	Head of Performance, Improvement & Programmes	54	31/03/21	12/02/20	31/03/21

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Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>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. The Promise has been launched across the organisation along with the guidance. A Vision document has been developed to clarify what a 'fully ready' state would look like in terms of delivering excellent customer service.</p> <p>Our performance against these standards gets reported in the annual Customer Insight Report and Monthly Customer Insight Dashboards are being prepared to strengthen management information. Learning from Feedback section in the dashboard gets shared across the organisation. Barriers to delivering good customer service - capacity issues within services, pace of modernisation including IT modernisation, pressing demands reducing focus on addressing customer queries/complaints. Customer Experience Ambassadors have been appointed across the council to embed learning from feedback. Customer Strategy has been approved by the Policy & Resources meeting at the 5/12/19 meeting which emphasises commitment to One Council. Customer satisfaction with BHCC as per 2018 data is at 54% against the national average of 60%. Based on August 2020 data, complaints have reduced and compliments increased compared to average of previous 3 years, escalation of complaints broadly has remained the same. the current focus has been to ensure a pragmatic accessibility offer across the organisation which doesn't adversely impact on those who are digitally excluded.</p>					
Develop Stronger Families agenda and other measures to reduce pressures on family life	Acting Executive Families, Children & Learning	85	31/03/21	14/02/17	31/03/21

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Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<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. We achieved earned autonomy status in 2018 with upfront funding instead of payment by results. This has allowed us to expand our family support work for primary schools and develop support for parental conflict. In March 2020 we reached our five-year target for Phase 2 of the Stronger Families programme. Successful outcomes were recorded for 1947 families meeting our target of 85%.</p> <p>The Troubled Families (TF) programme has been extended until March 2021. Locally, alongside reductions in core funding for early help interventions, there remains a financial risk from 2021 onwards</p> <p>In January 2020 a Local Government Association peer review, commissioned by the Whole Family Partnership Board, made recommendations for the further development of whole-family work across the city. These include building on existing partnerships, strengthening governance, raising the profile of whole-family working, demonstrating impact and developing shared ownership of the future direction. Fundamental to this will be the strategic importance of the Whole Family Partnership Board and the commitment of key partners such as Sussex Police and the B&H Clinical Commissioning Group. These findings will be used to review and update the Whole Family Working Strategy.</p> <p>We are also required as part of the TF programme to conduct an 'Early Help Systems Review' due in September 2020. This will focus on the extent to which the Early Help system and services are using whole-family assessment, planning and support. A further plan for development and sustainability is required by January 2021, with the implication that any future funding in this area will be allocated accordingly.</p>					
Develop the city's physical assets, social and environmental infrastructure	Executive Director Economy, Environment & Culture	60	31/03/21	14/02/17	31/03/21

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Strategic Delivery Board is overseeing the City's Investment Programme of regeneration and infrastructure projects. Greater Brighton Economic Board agreed Digital Infrastructure Plan - October 2019 Greater Brighton Economic Board supporting Coast to Capital LEP with development of their Local Industrial Strategy. Greater Brighton Economic Board has established an Infrastructure Panel that is overseeing the development of Energy and Water Plans for Greater Brighton. Energy and Water Plans were approved July 2020.</p> <p>Greater Brighton Economic Board considering an investment pipeline of infrastructure projects to support economy recovery following Covid19 public health crisis. - Cross party working group for major regeneration projects have recommenced from July 2020 following pause during Covid-19 public health crisis</p> <p>Next Steps: - Continue to progress investment programme and project pipeline to deliver major regeneration projects and investment in infrastructure - Draft Covid-19 Economic Recovery Plan to be presented to the Greater Brighton Economic Board October 2020</p>					
Ensure effective performance management systems to deliver impact and Value for Money	Head of Performance, Improvement & Programmes	60	31/03/23	07/01/20	31/03/23
<p>Comments: The Performance Management Framework (PMF) is operating well across the organisation. Performance information regarding all 8 elements of the framework gets regularly updated on wave. Dashboard gets produced every 6 months collating information about all 8 elements and summarising in an easy to understand format which gets published on intranet/wave to ensure transparency. Priority areas of focus gets identified and resources are then deployed as appropriate to address these. PMF is also now part of mandatory manager induction sessions.</p>					
Lead Strategy, Governance & Law services to increase the socialisation of public policy within the city	Executive Lead Officer Strategy, Governance and Law	50	31/03/21	14/02/17	31/03/21

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Work has taken place to involve key partners across the city from all sectors to develop a City Vision for 2030. This is completed and the City Council's Corporate Strategy started March 2019 resulting in adoption of the Corporate Strategy in Autumn 2019. Directorate Plans have been developed to clarify plans for delivery against which progress will be monitored as part of the Performance Management Framework. The Corporate Policy Network will review coordination of a number of strategies across the organisation, the experience of Covid-19 and post-Covid-19 recovery and links with partner agencies to ensure alignment. The City Management Board is in place coordinated by the Policy, Partnership & Scrutiny (PPS) team. There are a number of partnerships such as transport reporting to the City Management Board and PPS are developing a policy framework across all directorates.</p>					
<p>Socialising the council's policies does not exclusively relate to the Corporate Strategy, there are many other policies which require appropriate publicity through and communication programmes and the consultation portal which are part of the Communications Team usual remit; and these will be presented to CMB and other key stakeholder groups as appropriate.</p>					
Oversight & Delivery of the Collaboration Framework Action Plan	Head of Communities, Equalities & Third Sector	75	31/03/21	12/02/20	31/03/21

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: Collaboration Framework Action Plan signed off by city's Equality and Inclusion Partnership July 2018 and is a standing item at each meeting monitor progress and manages risks. At the April 2019 Partnership meeting it was agreed that during the second year of the Framework there would be six workshops every two months on each of the 6 principles to ensure the practice was embedded, creating buy-in and for organisations to pledge actions rather than carrying out 12 month review leading to a set of recommended actions. However, due to a change in priorities for the lead officer for the Collaboration Framework these workshops were postponed and an alternative approach agreed with the Chair of the Equality and Inclusion Partnership to run a collaboration workshop at the partnership's January 2020 meeting considering how the principles of the Collaboration Framework can be used to improve the accessibility of the city. The workshop was delayed. The meeting instead focused on developing a new inclusive taskforce and agreeing the areas of focus for the city's new inclusive city action plan - both required as a result of the council's decision to participate in the UK Inclusive Cities Programme (agreed at council's TECC committee September 2019). develop of the taskforce and action plan were paused due to Covid-19 emergency. The Programme coordinators - COMPAS– the Centre on Migration Policy And Society within University of Oxford called a meeting with BHCC in September to update on the restart of the programme. It was agreed that Brighton and Hove will have its first city task force meeting by the end of October 2020. The council's Lead Member for Equality and lead officer working on Inclusive city will attend the next Inclusive Cities programme meeting being held, virtually, in in early November. COMPAS have not given a deadline for the completion of action plan. This will be discussed at the B&H taskforce meeting.</p>					
Programme to enhance the council's role to support the city economy and promote business	Executive Director Economy, Environment & Culture	60	31/03/21	14/02/17	31/03/21

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: The EEC directorate reports Major Projects updates to Strategic Delivery Board.</p> <ul style="list-style-type: none"> - Government Business Grants and Discretionary Grants delivered to business that are impacted by Covid-19 - Greater Brighton Economic Board have commissioned an economic impact assessment of Covid-19 - City Recovery Programme Governance Structure established with an events and Economy Working Group focused upon supporting local business and economic recovery <p>Next Steps</p> <ul style="list-style-type: none"> - Economic Recovery Plan to be developed and presented to Greater Brighton Economic Board– November 2020 -City Recovery Plan to be developed and presented to P&R Recovery Sub Committee - Arts & Culture sector recovery plan to be developed with sector partners and presented to TECC Committee January 2021 					

Risk Code	Risk	Responsible Officer	Risk Category	Last Reviewed	Issue Type	Risk Treatment	Initial Rating	Revised Rating	Future Rating	Eff. of Control
SR32	Challenges to ensure health & safety measures lead to personal injury, prosecution, financial losses and reputational damage	Head of Human Resources & Organisational Development Head of Health and Safety Compliance and Transformation Manager	BHCC Strategic Risk	18/11/20	Threat	Treat	 L4 x 14	 L3 x 14		Revised: Adequate

Causes

Link to Corporate Plan 2020-23: Attributes 7. How will the plan be delivered. Actions to achieve A well run council.
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 includes responding to the global COVID-19 pandemic to ensure the safety and health of our staff and residents of the City. This is challenged by reducing resources, increasing demands and changes to our operating environment, and increased focus by regulators.

Potential Consequence(s)

- * Actual and potential harm
- * Ability to respond to COVID-19 involves new skills and increased pace of response
- * Custodial sentences for duty holders
- * Fines and litigation
- * Resources not well directed with implications for efficiency
- * 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 (H&S) policy which sets out roles, responsibilities and arrangements
2. Access to competent advice (Health & Safety team) including technical fire safety and lead investigation of all health & safety incidents
3. Safety management framework - Team Safety. Link to HR processes e.g. working time directive returns triggering risk assessment for the individual
4. Active re-alignment of corporate H&S team expertise to support high priorities identified e.g. COVID-19 response; staff support to Housing and City Environment Management (CEM)
5. H&S Training core programme (online learning and face to face where essential)
6. Fire Risk Assessments (FRAs) in place on council buildings with a programme of review which is monitored by Head of Health and Safety and AD Property and Design
7. Wellbeing Steering Group managed by Health & Safety team - stronger links to staff issues, e.g. anxiety and isolation resulting from changes COVID-19
8. Housing Fire Health and Safety Board (Council, ESFRS) continue to oversee co-ordination of resources and manage actions through to completion. Ongoing monitoring of outcome of Grenfell Enquiry and implications for the council including housing stock. The enforcing authority are supportive of the council's approach and have developed a joint partnership approach to assessing and managing fire risk.
9. The Economy, Environment and Culture health & safety board oversees co-ordination of resources to manage risk and emerging safety issues
10. An Assurance Group has been formed and actions planned (the Strategic Corporate Action plan for H&S) but COVID-19 response has diverted resources and focus. See solutions below for planned actions.

Second Line of Defence - Corporate Oversight

1. COVID-19 Regular meetings: COVID-19 Recovery Working Groups covering specific aspects or Directorates (e.g. PPE, Vulnerable People, CYP and Ways of Working etc); and Consultative Meetings with Unions (separate School Union meeting) take place weekly. Note these from April 2020 replace the Corporate H&S Committee.
2. Corporate H&S Team assess assurance levels for general H&S based on H&S Checklists linked to Team Safety plans. Assurance work underway in relation to quality checking school Covid-19 re-opening risk assessments and council services COVID-19 Secure Developing an approach to assurance activity for COVID-19 Secure compliance.
3. H&S audit programme has been paused because of COVID-19 and will be re-assessed as part of the wider COVID-19 Secure assurance work.
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 Teams and housing managers
5. H&S representation at Safety Advisory Group/Major Incident Support Team (MIST)
6. Community initiatives partnership, governance and escalation through Members existing governance structures

Third Line of Defence: Independent Assurance

- a) Post Grenfell tragedy (June 2017) information required by Ministry of Housing Communities and Local Government (MHCLG) in relation to council owned blocks was provided.
- b) 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.
- c) Council reported to MHCLG on private sector blocks visual inspections.

- d) A Notice of Contravention issued by the HSE in response to their investigation into the fatality in a school Feb2019 outlined necessary action. The council have responded to the NOC and no further comment has been provided by the HSE.
- e) HSE Control of Vibration unannounced inspection in City Parks in October 2017, linked to national focus on work related health. Areas for improvement identified which has led to development of an action plan with assigned leads and timescales for action. In March 2018 through an HSE visit specifically on vibration due to RIDDOR reports in City Parks and City Clean. Improvements were made.
- f) After Inquest re. fatality of a council employee in 2018 the BHCC Coroner issued a Regulation 28: Report to Prevent Future Deaths in March 2019. Head of Health & Safety and Senior Lawyer prepared a letter in response to outline the activity of the council to address the issues raised within the Regulation 28 Report, and our plans to address the long term corporate issues. The letter was sent via the CEO of BHCC on 3 May 2019.
- g) February 2019 ongoing investigation by HSE and HSE decision on prosecution is still pending as at 16/09/20.

There was no internal audit work in 2019/20.

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
Develop Wellbeing Strategy informed by the bi-annual 'Well Workforce Survey'.	Compliance and Transformation Manager	55	31/03/22	01/04/19	31/03/22
<p>Comments: Well Workforce Survey launched by Public Health in liaison with the Wellbeing Steering Group Feb20. Data analysed by Public Health shared with Wellbeing Steering Group., however response to COVID-19 has taken precedence. Staff wellbeing work is currently being focused on within the 'Ways of Working' (WOW) working groups and as a result a 'Pulse survey' was commissioned and undertaken in June-July2020 focusing on staff wellbeing as a result of the impact of COVID-19 work and lockdown. The results of the survey have been analysed and presented to ELT16/09/20 to help inform decisions about wellbeing focus going forward. The output/ work of the WOW working group is shared with staff forums and the Unions for consultation.</p> <p>A dedicated wellbeing page was developed on the councils website at the start of the pandemic and this has been maintained and developed as the main source of resources for staff/ their families.</p>					
Engagement of independent health & safety consultancy RoSPA to undertake a review of our corporate H&S arrangements	Compliance and Transformation Manager	60	01/01/21	01/06/19	01/01/21

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: The audit was scoped and agreed with RoSPA (Royal Society for the Prevention of Accidents) and scheduled for February 2020. However due to COVID-19 did not take place. Discussions underway with RoSPA to re-establish the focus of the audit given the current COVID-19 priority work with consideration of whether the audit could now include COVID-19 Secure assurance. Audit planned to take place at the end of October - dates TBC</p>					
<p>Ensure H&S implications are in the corporate response framework for COVID-19</p>	<p>Compliance and Transformation Manager</p>	<p>75</p>	<p>31/03/22</p>	<p>07/02/20</p>	<p>31/03/22</p>
<p>Comments: Active representation in all corporate COVID-19 working groups that have a H&S implications; ongoing reporting through the COVID-19 meetings and consultative groups; proactive monitoring of ongoing changes to global, national and local COVID-19 status and the resultant guidance to follow.</p>					
<p>Housing Fire Safety Board plan and monitor the ongoing programme of sprinkler installations in the council's housing stock as approved by Housing Committee</p>	<p>Assistant Director Housing</p>	<p>50</p>	<p>31/03/21</p>	<p>01/04/16</p>	<p>31/03/21</p>
<p>Comments: Continue to work with ESFRS to take a risk based approach to prioritising consultation with residents on installation of sprinkler systems in council blocks, utilising match-funding where available. Continue joint monitoring of statutory fire risk assessment and other duties and a risk based approach to investment and response to issues arising, including fire doors in council blocks. Ensure emerging Fire Health & Safety Standards from central government post Grenfell are reviewed and implemented as required. In particular, concerning issues with fire doors. Continue to update Housing Cttee.</p>					
<p>Re-assess Team requirements to deliver an effective H&S service to manage this risk (both core and COVID-19 risks)</p>	<p>Compliance and Transformation Manager</p>	<p>50</p>	<p>31/03/22</p>	<p>01/09/20</p>	<p>31/03/22</p>

50

Risk Action	Responsible Officer	Progress %	Due Date	Start Date	End Date
<p>Comments: During the onset of the pandemic, the activity of the Corporate H&S Team was reviewed to ensure service delivery would continue during lockdown. Changes were made to the Duty Officer system and H&S officers remained contactable and available throughout the lockdown period. The service continue to predominantly work from home with essential site visits including fire risk assessment work now being undertaken. The Strategic Action Plan will be reviewed to ensure covid-19 work streams can be delivered alongside 'business as usual' H&S work. This will include re-prioritising the work activities identified and identifying any resourcing pressures which will be escalated to ELT as necessary.</p>					

Appendix 2: A guide on the risk management process and how Members might want to ask questions of Risk Owners in relation to Strategic Risks

1.0 Across the council there are a number of risk registers which prioritise risks consistently by assigning risk scores 1-5 to the likelihood (denoted by 'L') 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).

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

2.0 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.

3.0 The Strategic Risk Register (SRR) mostly include Red and Amber risks. Each strategic risk has a unique identifying number and is prefixed by 'SR' representing that it is a strategic risk.

4.0 Each risk is scored twice with an Initial ('Now') level of risk and a Revised (Future) risk score:

- a) Initial Risk Score reflects the Existing Controls under the 'Three Lines of Defence' methodology which is good practice and helps to establish the First Line – Management Controls; Second Line – Corporate Oversight; and Third Line – Independent Assurance and the currency and value of each control in managing the risk. Therefore the Initial Risk Score represents the 'as is' / 'now' position for the risk, taking account of existing controls.
- b) The Revised Risk Score focuses on the application of time and expenditure to future reduce the likelihood or impact of each risk and is based on the assumption that any future Risk Actions, as detailed in risk registers, will have been delivered to timescale and will have the desired impact.
- c) Where initial and revised scores are the same – the Risk Owners are asked to consider the 4Ts of Risk Treatments (Treat/Tolerate/Terminate/Transfer) and change the scoring or remove all future risk actions/move them to existing control. This is on the understanding that the risk action should either reduce the likelihood and/or reduce the impact – if none of this is true, there will not be any reason to undertake the action.

Suggested questions for Members to ask Risk Owners and officers on Strategic Risks

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 the Committee focuses on at least two Strategic Risks at each of their meetings.

The Committee invite the Risk Owners of Strategic Risks to attend Committee and answer their questions based on a CAMMS Risk report appended to each report. In the CAMMS Risk report, the Risk Owner:

1. Describes the risks, the cause and potential consequences, the officers involved and provides an **Initial Risk Score** which takes account of the existing controls in place to mitigate the risk.
2. Existing Controls are set out using the Three Lines of Defence model:
 - 1st line: management controls
 - 2nd line: corporate oversight
 - 3rd line: independent assurance

in order that Members can identify where the assurance comes from, and how frequently it is reviewed and in the case of the 3rd line if audits of inspections have happened, when did it happen, what the results were. Risk Owners ensure that existing controls continue to operate effectively.

3. (Future) Risk Actions then are detailed and allocated to individuals with percentage achieved against target dates, with commentary on the current position. This provides the **Revised Risk Score** which is based on the assumption that all the risks actions have been successfully delivered.

The Risk Owners of Strategic Risks will always be an Executive Leadership Team (ELT) officer, and they may bring other officers who are more closely connected to the mitigating work.

Three questions are suggested to be explored by the A&S Committee:

1. Is the Risk Description appropriately defined? Does the Committee understand the cause and potential consequences?
2. Is the Committee reassured that each (future) Risk Action either reduces the impact or likelihood of the risk? Are members reassured that risk actions are actually being delivered?
3. In respect of the Revised Risk Score does the Committee feel comfortable with Risk Owner's assessment? This represents the risk level that the organisation is prepared to accept.

How Members and officers can input on Strategic Risks (SRs)

The risk management process benefits from input by Council Members and by staff at all levels. The opportunities to do this are:

Members to ELT leads	Officers to Line Manager or Risk Manager	Officers to their lead Directorate Management Team (DMT)	DMT to ELT
Each SR is discussed between the regular meetings with Committee Chairs	The Behaviour Framework expects all officers to escalate risks and/or suggest mitigations to their line managers. If officers feel they do not have appropriate access to their line managers, they may escalate risk to the Risk Management Lead who can offer internal consultancy support	Risks may get discussed as part of staff meeting, PDPs/121s/ team and service meetings. Any significant risks to be escalated through to their Head of Service/Assistant Director to raise through the management chain and discuss at quarterly DMT risk reviews facilitated by the Risk Management Lead. DMTs may request that the Risk Management Lead offers risk management support, e.g. to assist officers to develop a robust risk register.	The quarterly SR review includes a summary of Directorate Risks reviewed at DMTs
Members are responsible for raising risks that they identify with their contract officers, often the Head of Service, Assistant Director or Executive Director	Any Member risk suggestion should be responded to by the officer once the ELT discussion has taken place.	The ELT lead within a directorate will discuss escalated risks with the DMT at least on a fortnightly basis and will seek assistance as required. They have access to ELT and determine the way forward in consultation with the Risk Management Lead,	The ELT lead (i.e. an Executive Director/Lead Officer) within a directorate will discuss escalated risks with the ELT and determine the way forward i.e. whether to add to the Strategic Risk Register in consultation with the Risk Management Lead

Subject:	The Redmond Review of Local Audit and Financial Reporting		
Date of Meeting:	12 January 2020		
Report of:	Acting Chief Finance Officer		
Contact Officer:	Name:	Nigel Manvell	Tel: 01273 293104
	Email:	Nigel.Manvell@brighton-hove.gov.uk	
Ward(s) affected:	All		

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

- 1.1 The Local Audit and Accountability Act 2014 introduced a new audit regime for local government to replace the previous arrangements under which the Audit Commission performed that role. In June 2019, Sir Tony Redmond was asked to undertake an independent review of the effectiveness of the new local audit arrangements and the transparency of local authority financial reporting. The guiding principles for the review were ones of accountability and transparency.
- 1.2 This report provides a summary of the findings and recommendations and updates the committee on the recently provided response from the Ministry of Housing, Communities & Local Government (MHCLG).

2 RECOMMENDATIONS

- 2.1 That the Audit & Standards Committee note the report.

3 CONTEXT/ BACKGROUND INFORMATION

- 3.1 The guiding principles of the Redmond Review were ones of accountability and transparency. The review questions: how are local authorities accountable to service users and taxpayers and how are auditors accountable for the quality of their work; and how easy is it for those same individuals to understand how well their local authority has performed and what assurance they can take from external audit work?
- 3.2 The review was concluded in September 2020 and the resulting report is entitled "Independent Review into the Oversight of Local Audit and the Transparency of Local Authority Financial Reporting". The report is available on the .GOV.UK web site and the web link is provided under 'Background Documents' below. The report made 23 recommendations to the Secretary of State for Housing, Communities & Local Government, the Rt Hon Robert Jenrick MP and the key findings and recommendations from the report are summarised below.

4 KEY FINDINGS OF THE REVIEW

Local Audit Arrangements:

- 4.1 The most significant finding concerned the lack of coherence in the oversight of local audit arrangements, including the approach to procuring external auditors. There were concerns expressed regarding the effectiveness of local audits, some of which were linked to the effectiveness of the current fee structure. The report reflects that fees are probably 25% less than they should be, which has impacted on the quality of auditors and, in particular, the level of experience and knowledge of local authority accounts and audit. This is evidenced in part by the fact that 40% of the 2018/19 audits were not completed by the deadline of 31 July 2019 and 55% of 2019/20 audits were not completed by the extended 30 November 2020 deadline.

Governance Arrangements:

- 4.2 The report raised the question of whether Audit Committees understand the issues sufficiently to be able to question and challenge in an effective way. There are relatively low numbers of independent Audit Committee members across the sector generally, little communication between Audit Committees and inspectors and no formal exchange of views.
- 4.3 It was also commented that Internal Audit is not formally used by External Audit as the code of practice does not require them to liaise with internal auditors. The report observes that there was also little evidence of any relationship between the Audit Committee and Full Council, with very few reports passing on to Full Council from Audit Committees. There is also a question around the role of the three statutory officers (Chief Executive, Monitoring Officer and S151 Officer) in terms of their level of engagement with the external auditors, either together or individually.

Reporting:

- 4.4 The report observes that the current arrangements do not easily allow the public to understand the accounts. There is more that could be done to improve their transparency and accessibility as to what local authorities do and how they have performed.

5 SUMMARY OF THE REVIEW'S RECOMMENDATIONS

- 5.1 The report puts forward 23 recommendations to the Secretary of State for Housing, Communities & Local Government for consideration. The key recommendations are as follows:

Recommendations for the oversight of Local Audit Arrangements:

- A new 'Office of Local Audit Regulation' (OLAR) should be established, having responsibility for procuring, managing, overseeing and regulating local audits. OLAR would include the current responsibilities currently fulfilled by the Public Sector Audit Arrangements Ltd (PSAA), National Audit Office (NAO) and Financial Reporting Council (FRC), with staff being TUPE transferred to the new body. The report emphasises that OLAR is not a recreation of the Audit Commission, with staff numbers in the region of 30-35 being significantly lower. OLAR could impose sanctions where there are significant issues in a local authority, for example, for financial resilience issues where MHCLG have been called to intervene, for example, following a

public interest report from the external auditor or the issuing of a Section 114 report by a Chief Finance Officer.

- A linked recommendation includes creating a Liaison Committee, chaired by the Ministry of Housing, Communities & Local Government (MHCLG) comprising FRC, NAO, Institute of Chartered Accountants in England and Wales (ICAEW), Chartered Institute of Public Finance and Accountancy (CIPFA), Local Government Association (LGA) and authority representatives, as well as Probation, Home Office and Audit Partners. The Committee would meet quarterly and provide a link to the regulator (OLAR), as well as providing a facility for feedback and commentary in how local audits are being undertaken.
- A further recommendation is that the fee structure needs to be revised to reflect the true cost with local audit firms included in any consultation.

Governance Recommendations:

- At least 1 independent member to be required on each local authority's Audit Committee.
- There will be a formal requirement for local authorities' three statutory officers to meet external audit partners at least annually.
- There will be a requirement for Audit Committee members to receive appropriate training.
- It is proposed to move the audit completion date back to 30 September each year from the current date of 31 July. [Note: due to COVID-19 the 2019/20 deadline was moved for one year only to 30 November 2020.]
- It is proposed that the annual audit report should be presented to the first Full Council meeting after 30 September by the External Auditor.
- There is a recognition that auditors must have the skills and training required but so must the local authority finance staff.

Financial Reporting Recommendations:

- A new standardised statement of service information and costs to be prepared to enable comparison with the approved budget to the statutory accounts. The Chartered Institute of Public Finance & Accountancy (CIPFA) will be consulting on a proposed format for the new statement, which will be trialled for the 2020/21 year end. If adopted, the statement will be subject to audit.
- CIPFA should be required to review the statutory accounts, in the light of the new requirement to prepare the standardised statement, to determine whether there is scope to simplify the presentation of the local authority accounts by removing disclosures that may no longer be considered necessary.

6 MHCLG RESPONSE TO THE RECOMMENDATIONS

- 6.1 The ministry's response to the recommendations was published on 17 December 2020 and a summarised version of its responses to each of the 23 recommendations is provided at Appendix 1. Many of the recommendations have been accepted but will only come into force when the relevant codes or practice, regulations or statutes are amended or passed.

6.2 The main implications for local authorities will be:

- A likely increase in External Auditor scale fees to address the recommendations for improving the quality and timeliness of external audit. In this respect, MHCLG have also announced, as part of the provisional Local Government Financial Settlement 2021/22, that £15 million additional funding will be provided nationally to help local authorities meet the anticipated increase in costs.
- A change to the deadline for the completion and approval of the annual Statement of Accounts from 31 July 2020 to 30 September 2020 for a minimum period of 2 years after which this will be reviewed.
- If ultimately accepted, the creation of new oversight arrangements including an Office of Local Audit & Regulation (OLAR) to replace the roles of the current bodies which will include taking over responsibility for procurement of local audit contracts, producing annual reports summarising the state of local audit, management of local audit contracts, monitoring and review of local audit performance, and determining the code of local audit practice. However, this is the main area that the government has stated in the media that it is not convinced about and plans to conduct a further review of governance to look at other options. MHCLG's detailed response to these oversight recommendations will not therefore be provided until Spring 2021.
- The Full Council of each local authority will be required to receive an annual report from the external auditor after 30 September each year, irrespective of whether the accounts have been certified.
- All local authorities will be required to appoint at least one independent member to their Audit Committee. However, this council has long had in place good practice and has already appointed two Independent Persons to its Audit & Standards Committee and will therefore automatically comply with this requirement.
- There will be a formal facility for the CEO, Monitoring Officer and Chief Financial Officer (CFO) to meet with the Key Audit Partner at least annually. Similarly, this authority already follows good practice and the Chief Executive and Chief Finance Officer meet regularly with the external auditor. The Monitoring Officer can easily be brought into this arrangement.
- There will be a requirement (which could be through a code of practice, guidance or regulatory change) for External Audit and Internal Audit work to be aligned where it is relevant to assisting the external auditor to form their opinion. MHCLG will consult with the National Audit Office and CIPFA regarding the mechanics of this recommendation.
- There will be a requirement for every local authority to prepare a standardised annual statement of service information and costs, including comparison with the budget agreed to support the council tax/precept, and for this to be presented alongside the statutory accounts. The statement will also be externally audited. MHCLG will work with the Local Government Association (LGA) and CIPFA regarding the format and content of the statement.

7 ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 7.1 If accepted, most of the recommendations of the Redmond Review regarding financial reporting will become minimum requirements on local authorities through changes to the relevant codes of practice or associated regulations agreed with the relevant regulatory and professional accountancy bodies. Similarly, arrangements for local audits, including fee scales, would be set by the new body (OLAR) if its creation is ultimately confirmed by MHCLG. Local authorities will, as now, be consulted by their appointed external auditor on the annual audit plan and any specific control or governance risks that the external auditor proposes to address in their audit of the accounts.

8 COMMUNITY ENGAGEMENT & CONSULTATION

- 8.1 The Redmond Review encompasses not only principal local authorities but also Police & Crime Commissioners, Fire and Rescue Authorities, Parish Councils and Drainage Boards. The Review issued a 'Call for Views' and received 156 responses and carried out more than 100 interviews across the sector in forming its conclusions and recommendations.

9 CONCLUSION

- 9.1 The Redmond Review report is presented to the Audit & Standards Committee for information along with MHCLG's response to the recommendations. None of the recommendations, whether accepted and confirmed by MHCLG or not, are yet in force. However, the report indicates the likely implications for local authorities on the basis that the recommendations so far accepted by MHCLG will be implemented as recommended by the review.

10 FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 10.1 Most of the recommendations of the review, if all ultimately accepted, do not have direct financial implications for the authority. For example, the preparation of a 'standardised annual statement of service information' is a new requirement but is not expected to require additional staffing or other resources as it is expected to be a summarised version of information already provided in the annual financial statements. Similarly, regular training of local authority finance staff is already provided for and this authority is not one of those that has ever failed to meet the statutory deadline. The provision of additional training for Audit & Standards Committee members and Independent Persons can be provided within existing resources as required.
- 10.2 Conversely, any increase in the fee scales provided to external auditors will have a financial implication for the council. The amount of any increase is not known although the report indicates an increase of at least 25% is probably needed which could be between £25,000 to £40,000 for Unitary Councils. However, as noted in the report, MHCLG have confirmed, through the provisional Local Government Financial Settlement 2021/22, that additional funding of £15 million will be provided nationally to assist local authorities in meeting any increase in fees. The distribution of this funding across local authorities is currently unknown and it remains to be seen whether or not this will cover any negotiated increases.

Finance Officer Consulted: James Hengeveld

Date: 17/12/2020

Legal Implications:

- 10.3 As noted at paras 6.1 and 6.2 above, the recommendations which have been accepted in principle by the ministry will not come into force until existing codes of practice, regulations or statutes are amended or new requirements are introduced. As a result, this report is for noting only. Any changes to the council's arrangements which require formal approval will be the subject of a future report to Committee.

Lawyer Consulted:

Name Victoria Simpson

Date: 20/12/2020

Equalities Implications:

- 10.4 There are no equalities implications arising from this report.

Sustainability Implications:

- 10.5 There are no sustainability implications arising from this report.

Brexit Implications:

- 10.6 There are no Brexit implications arising from this report.

Any Other Significant Implications:

None

SUPPORTING DOCUMENTATION

Appendices:

1. Summary of MHCLG's response to the Redmond Review.

Background Documents

1. The Redmond Review. Web link to the full report:

[Local authority financial reporting and external audit: independent review - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

Summary of MHCLG's responses to the 23 Recommendations of the Redmond Review

Recommendations (Grouped by Theme)	MHCLG Summary Responses
Action to support immediate market stability (recommendations 5, 6, 8, 10, 11)	
5. All auditors engaged in local audit be provided with the requisite skills and training to audit a local authority irrespective of seniority.	Agree; we will work with key stakeholders to deliver this recommendation
6. The current fee structure for local audit be revised to ensure that adequate resources are deployed to meet the full extent of local audit requirements.	Agree; we will look to revise regulations to enable PSAA to set fees that better reflect the cost to audit firms of undertaking additional work
8. Statute be revised so that audit firms with the requisite capacity, skills and experience are not excluded from bidding for local audit work.	Part agree; we will work with the FRC and ICAEW to deliver this recommendation, including whether changes to statute are required
10. The deadline for publishing audited local authority accounts be revisited with a view to extending it to 30 September from 31 July each year.	Part agree; we will look to extend the deadline to 30 September for publishing audited local authority accounts for two years, and then review
11. The revised deadline for publication of audited local authority accounts be considered in consultation with NHSI(E) and DHSC, given that audit firms use the same auditors on both Local Government and Health final accounts work.	Agree
Consideration of system leadership options (recommendations 1, 2, 3, 7, 13, 17)	
1. A new body, the Office of Local Audit and Regulation (OLAR), be created to manage, oversee and regulate local audit with the following key responsibilities: <ul style="list-style-type: none"> - procurement of local audit contracts; - producing annual reports summarising the state of local audit; - management of local audit contracts; - monitoring and review of local audit performance; - determining the code of local audit practice; - regulating the local audit sector. 	We are considering these recommendations further and will make a full response by spring 2021.
2. The current roles and responsibilities relating to local audit discharged by the: <ul style="list-style-type: none"> - Public Sector Audit Appointments (PSAA); - Institute of Chartered Accountants in England and Wales (ICAEW); - FRC/ARGA; and - The Comptroller and Auditor General (C&AG) should be transferred to the OLAR.	We are considering these recommendations further and will make a full response by spring 2021.
3. A Liaison Committee be established comprising key stakeholders and chaired by MHCLG, to receive reports from the new regulator on the development of local audit.	We are considering these recommendations further and will make a full response by spring 2021.

Recommendations (Grouped by Theme)	MHCLG Summary Responses
7. That quality be consistent with the highest standards of audit within the revised fee structure. In cases where there are serious or persistent breaches of expected quality standards, OLAR has the scope to apply proportionate sanctions.	We are considering these recommendations further and will make a full response by spring 2021.
13. The changes implemented in the 2020 Audit Code of Practice are endorsed; OLAR to undertake a post implementation review to assess whether these changes have led to more effective external audit consideration of financial resilience and value for money matters.	We are considering these recommendations further and will make a full response by spring 2021.
17. MHCLG reviews its current framework for seeking assurance that financial sustainability in each local authority in England is maintained.	We are considering these recommendations further and will make a full response by spring 2021.
Enhancing the functioning of local audit, and the governance for responding to its findings (recommendations 4, 9, 12, 18)	
4. The governance arrangements within local authorities be reviewed by local councils with the purpose of: <ul style="list-style-type: none"> - an annual report being submitted to Full Council by the external auditor; - consideration being given to the appointment of at least one independent member, suitably qualified, to the Audit Committee; and - formalising the facility for the CEO, Monitoring Officer and Chief Financial Officer (CFO) to meet with the Key Audit Partner at least annually. 	Agree; we will work with the LGA, NAO and CIPFA to deliver this recommendation
9. External Audit recognises that Internal Audit work can be a key support in appropriate circumstances where consistent with the Code of Audit Practice.	Agree; we will work with the NAO and CIPFA to deliver this recommendation
12. The external auditor be required to present an Annual Audit Report to the first Full Council meeting after 30 September each year, irrespective of whether the accounts have been certified; OLAR to decide the framework for this report.	Agree; we will work with the LGA, NAO and CIPFA and other key stakeholders to deliver this recommendation, including whether changes to statute are required
18. Key concerns relating to service and financial viability be shared between local auditors and inspectorates including Ofsted, Care Quality Commission and HMICFRS prior to completion of the external auditor's annual report.	Agree; we will work with other departments and the NAO to deliver this recommendation
Improving transparency of local authorities' accounts to the public (recommendations 19, 20, 21, 22)	
19. A standardised statement of service information and costs be prepared by each authority and be compared with the budget agreed to support the council tax/precept/levy and presented alongside the statutory accounts.	Agree; we will look to CIPFA to develop a product through consultation with local government. We will work with CIPFA to deliver this recommendation
20. The standardised statement should be subject to external audit.	Agree; we will work with CIPFA, the LGA and the NAO to deliver this recommendation

Recommendations (Grouped by Theme)	MHCLG Summary Responses
<p>21. The optimum means of communicating such information to council taxpayers/service users be considered by each local authority to ensure access for all sections of the communities.</p>	<p>Agree; we will work with the LGA and CIPFA to deliver this recommendation</p>
<p>22. CIPFA/LASAAC be required to review the statutory accounts, in the light of the new requirement to prepare the standardised statement, to determine whether there is scope to simplify the presentation of local authority accounts by removing disclosures that may no longer be considered to be necessary.</p>	<p>Agree; we will look to CIPFA to deliver this recommendation</p>
<p>Action to further consider the functioning of local audit for <u>smaller bodies</u> (recommendations 14, 15, 16, 23)</p>	
<p>14. Smaller Authorities Audit Appointments (SAAA) considers whether the current level of external audit work commissioned for Parish Councils, Parish Meetings and Internal Drainage Boards (IDBs) and Other Smaller Authorities is proportionate to the nature and size of such organisations.</p>	<p>Agree; we will look to SAAA to deliver this recommendation</p>
<p>15. SAAA and OLAR examine the current arrangements for increasing audit activities and fees if a body's turnover exceeds £6.5m.</p>	<p>We are considering this recommendation further and will make a full response by spring 2020</p>
<p>16. SAAA reviews the current arrangements, with auditors, for managing the resource implications for persistent and vexatious complaints against Parish Councils.</p>	<p>Agree; we will look to SAAA to deliver this recommendation</p>
<p>23. Joint Panel on Accounting & Governance (JPAG) for smaller authorities to be required to review the Annual Governance and Accountability Return (AGAR) prepared by smaller authorities to see if it can be made more transparent to readers. In doing so the following principles should be considered:</p> <ul style="list-style-type: none"> - whether "Section 2 – the Accounting Statements" should be moved to the first page of the AGAR so that it is more prominent to readers; - whether budgetary information along with the variance between outturn and budget should be included in the Accounting Statements; - whether the explanation of variances provided by the authority to the auditor should be disclosed in the AGAR as part of the Accounting Statements. 	<p>Agree; we will work to JPAG to deliver this recommendation</p>

The full response is available here: [Local authority financial reporting and external audit: government response to the independent review - GOV.UK \(www.gov.uk\)](#)

Subject:	Internal Audit Progress Report – Quarter 2 (1 July to 30 September 2020)		
Date of Meeting:	12 January 2021		
Report of:	Acting Chief Finance Officer		
Contact Officer:	Mark Dallen (Audit Manager)		
	Name:	Russell Banks (Chief Internal Auditor)	Tel: 07795 336145 07824 362739
	Email:	mark.dallen@brighton-hove.gov.uk russell.banks@eastsussex.gov.uk	
Ward(s) affected:	All		

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

- 1.1 The purpose of this report is to provide Members with an update on all internal audit and counter fraud activity completed during quarter 2 (2020/21), including a summary of all key audit findings. The report also includes an update on the performance of the Internal Audit service during the period.

2. RECOMMENDATIONS:

- 2.1 That the Committee note the report.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 As a result of the Covid-19 pandemic the majority of our planned work during quarter 2 was put on hold up until the end of August. From September 2020, audit activities have been delivered in accordance with a revised audit plan, which was approved by the Audit & Standards Committee in October 2020.

- 3.2 Key areas of focus up to the end of August 2020 were:

- Redeployment of some staff to Covid Cells to support the wider organisation;
- Advice and support in relation to system changes to support remote working;
- Carrying out data analytics on key financial systems;
- Delivery of some high priority audit projects.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 Full details of both the audit and non-audit work delivered during quarter 2 are detailed in Appendix A, together with our progress against our performance targets.

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 revised Internal Audit and Corporate Fraud Plan 2020/21 will be delivered within existing budgetary resources. Progress against the plan and action taken actions support the robustness and resilience of the council's practices and procedures and support of the council's overall financial position.

Finance Officer Consulted: James Hengeveld

Date: 11/11/20

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 in its capacity as the Committee with relevant delegated powers.

Lawyer Consulted: Victoria Simpson

Date: 13/11/20

Equalities Implications:

7.3 There are no direct equalities implications.

Sustainability Implications:

7.4 There are no direct sustainability implications.

Brexit Implications:

7.5 There are no direct Brexit implications.

Any Other Significant Implications:

7.6 None

SUPPORTING DOCUMENTATION

Appendices:

1. Internal Audit Progress Report Quarter 2 - 2020/21.

Background Documents:

1. Internal Audit Strategy and Annual Audit Plan 2020/21.
2. Revised Internal Audit Plan 2020/21

Internal Audit and Counter Fraud Quarter 2 Progress Report 2020/21

CONTENTS

1. Summary of COVID 19 work and Completed Audits
2. Counter Fraud and Investigation Activities
3. Action Tracking
4. Amendments to the Audit Plan
5. Internal Audit Performance

1. Summary of COVID 19 Work and Completed Audits

COVID 19 Work (July to September 2020)

1.1 During quarter 2 (2020/21), Internal Audit continued to redirect some of its resources to support the organisation in its response to the issues arising from the Coronavirus pandemic and planned work was suspended. As reported to the October 2020 Audit & Standards Committee, the Internal Audit Plan has been substantially revised.

1.2 Throughout quarter 2, the resources of the Internal Audit and Counter Fraud service have been focused on the following:

- Delivering the revised Internal Audit Plan (from the 1 September 2020). Prior to this date some high priority audits from the original audit plan were also being delivered;
- Redeployments of some staff to support Covid-19 cells/ projects;
- Short term staff placements to support individual Covid-19 related work;
- Carrying out data analytics on key financial systems.

1.3 The redeployment of some Internal Audit staff included support to the following projects and initiatives:

- Working with the Business Rate Team to develop a verification process for applications made to the Small Business Grant and Retail, Leisure and Hospitality Fund, as well as the processing and validation of business Covid-19 grant applications;
- Supporting the set up the Council's own food bank in the city centre and providing advice over the administration of food purchasing;
- Helping to administer a city-wide volunteer register;
- One full time redeployment to the Community Hub within Adult Social Care;
- One full time redeployment to provide project support to the Vulnerable Housing Cell. The cell's objective was to provide oversight of all accommodation needs of those affected by Covid-19 pandemic;
- Supporting the Executive Director of Health & Adult Social Care with the completion of a Local Care Home Support Plan for submission to ministers;
- Supporting the Ways of Working Recovery Group, the Governance and Accountability working groups and Programme Management Office Covid-19 meeting/group.

Mobile Device Management 2019/20 – Reasonable Assurance

1.4 Mobile devices, such as smartphones and tablet computers, have the capability to store large amounts of data and can present a high risk of data leakage and loss. These devices are often valuable and are therefore also attractive to theft and misuse.

1.5 Mobile device management (MDM) involves monitoring, managing and securing mobile devices to ensure that the Council's information assets are not exposed. MDM is usually implemented through the use of third-party software. The Council's MDM solution is provided by VMware AirWatch.

1.6 At the time of the audit, the Council's mobile device assets comprised of 1,455 Apple phones and tablets, as well as 80 Android phones.

1.7 This audit considered the Council's approach to managing the risks associated with the security and control of the data contained on, and security of, smartphones and tablets. The audit did not review the controls in place for managing the contractual payments for calls and data or the procurement of the devices, nor did it cover the management of laptop devices, as these are managed through different processes and procedures.

1.8 The audit was based on a review of the control environment before the national response to COVID-19. Any assurance given does not therefore extend to interim measures or changes to management arrangements implemented due to COVID-19.

1.9 We were able to provide Reasonable Assurance over the controls operating within the management of mobile devices because:

- An MDM system is in place that enforces policy based controls to help manage, monitor, and secure mobile devices that access and/or store corporate data (including photos and footage) that may be a sensitive or confidential nature. The system can remotely wipe management devices in the event of loss or theft.
- Security settings configured on the MDM system, such as password rules, device encryption, data storage/backup, device inactivity etc. were found to be in line with the Council's IT security policies.
- Devices are automatically placed in a non-compliant status (where functionality is suspended or restricted) if the device fails to apply one or more security policy settings, or the user has not complied with the policies.
- The vast majority of the Council's mobile devices assets are iOS devices which are inherently encrypted, and users cannot choose not to encrypt them.

- A response plan is in place to respond to security incidents such as loss or theft of mobile devices which we found is being adhered to.

1.10 Service management agreed an action to review the mobile phone policy as this was found to contain outdated information.

1.11 Further actions were also agreed to ensure that devices that are no longer in use are monitored and action taken to cancel contracts as appropriate. At the time of the audit approximately £1.2k per month was being spent on mobile device contracts that had been inactive for a period of time.

Creditors: Data Analytics (No specific opinion)

1.12 The widespread roll out of home working had the potential to increase some of the risks relating to payment frauds. In addition, fraudsters (nationally) have increased their attempts at bank mandate fraud, looking to exploit changes in business processes and apply urgency to payment requests seeking to take advantage of the disruption to working practices.

1.13 To provide additional support to the organisation in this high-risk area, we undertook a data analytics exercise on the Council's creditors data. This included focused testing on vendor bank accounts changes made since the country went into a period of lockdown and Council officers began working from home.

1.14 Our review of these account changes did not identify any instances of fraud against the Council. However, we did identify a number of opportunities to improve the control environment and in some instances there was non-compliance with existing Council processes. It should also be noted that during the same period, the Creditors Team were reviewing their own processes and were identifying and addressing many of the issues found within this report.

1.15 Council processes require the independent validation of the change in bank account details to take place, along with a record of how and what was validated with the vendor, in order to confirm that these are legitimate requests. We found that this process was not always being complied with and officers were sometimes failing to properly evidence what/if any independent validation had taken place. In some of the cases where validation was not taking place, these were following changes in bank details arising from requests for payment from service areas.

1.16 Four medium priority actions were agreed to improve controls in relation to vendor management and bank account changes.

Purchasing Cards : Data Analytics (No specific opinion)

1.17 The roll out of home working has also meant that there was a significant disruption to working practices and an increased demand for equipment to be purchased to support working at home. The Council also needed to purchase huge amounts of Personal Protective Equipment for its own use and within the wider community. These, and other factors, potentially increased the risks surrounding the use of Council purchasing cards.

1.18 As a response to these increased risks, Internal Audit carried out a data analytics exercise at the beginning of the first Covid lockdown period. The purpose of this was to identify any potentially inappropriate card usage, any failures in authorisation of spend or circumvention of other existing controls.

1.19 There were over 12,700 transactions during the period examined (1 April to 14 May 2020 – 13.5 months). This is a similar figure to the 11,000 in the preceding 12 month period (April 2018 to March 2019). Our analysis included tests to identify:

- Unusual or inappropriate expenditure (e.g. entertainment, alcohol, gift vouchers);
- Prohibited types of expenditure (e.g. cash withdrawals, fuel, bills);
- Expenditure that should be processed through accounts payable (e.g. utilities, ICT equipment);
- Split transactions to circumvent spending limits, duplicate payments and cumulative spend in breach of CSOs and Purchasing Card policy;
- Transactions not authorised within 7 days.

1.20 The review did not identify any examples of actual or potential fraud. However, there are opportunities to strengthen the control environment, including improving compliance with existing Council processes. In particular:

- Council processes require authorisation of expenditure items within seven days. It was found that there were just under 4% of transactions totalling £29k that have not been approved within this timescale. Additional controls operate to identify and rectify instances where this control has not operated;
- Cardholders are operating with approvers that have left and have not been reassigned replacements or they haven't been set up with an approver.

1.21 The detailed results from our findings were shared with the relevant officers with one medium priority and three low priority actions agreed to address the issues identified.

EU Grant – SHINE (Claim 9)

1.22 This is an EU Interreg project that requires grant certification at least once a year. The full title of the project is ‘Sustainable Housing Initiatives in Excluded Neighbourhoods’. The total value of the project between 2016 and 2020 is approximately £367,000 (Grant expected £220,000).

1.23 No significant issues were identified in the grant certification.

EU Grant – SOLARISE (Claim 4)

1.24 This is an EU Interreg project that requires grant certification at least once a year. The full title of the project is ‘Solar Adoption Rise In the 2 Seas’. The total value of the project between 2018 and 2021 is approximately £525,000 (Grant expected £315,000). This was the fourth claim on this project.

1.25 No significant issues were identified in the grant certification.

Bus Subsidy Transport (Revenue) Grant

1.26 The grant of £172,990 for 2019/20 was reviewed and certified as having been spend in accordance with the condition of grant.

Covid-19 Bus Services Support Grant

1.27 The grant claim was reviewed and certified as having been spent in accordance with the condition of grant. It was noted that in this instance the Council had only used £12,000 of the £47,800 of available funding.

Proactive Counter Fraud Work

2.1 Internal Audit deliver both reactive and proactive counter fraud services across the Orbis partnership. Work to date has focussed on the following areas:

National Fraud Initiative Exercise

2.2 Internal Audit are currently working with the appropriate departments to ensure that the relevant datasets are uploaded for the next exercise. The data is required to be uploaded by 1 December 2020 and the results from the exercise are due on 31 January 2021.

Fraud Response Plans

2.3 The Fraud Response Plans include a data analytics programme for key financial systems. Work on the key financial data analytics that includes creditors, debtors and payroll will commence in quarter three.

Reactive Counter Fraud Work - Summary of Completed Investigations

Communities Fund

2.4 The team investigated an allegation that a community interest company had made a false claim to the Communities Fund for a grant to assist them to put in place policies and procedures that were COVID-19 compliant. However, investigation has confirmed that there was no case to answer.

COVID19 Business Grants

2.5 Internal Audit are continuing to provide the Business Rates Team with advice and support when administering applications for the Small Business Grant and the Retail, Hospitality and Leisure Grant Fund. This has included 20 investigations of alleged false application for the grant. Our investigations have resulted in the recovery of £10,000 that had been wrongfully paid out as well as the prevention of inappropriate payment of several other grants.

Adult Social Care

2.6 Internal Audit have continued to provide advice and support to Adult Social Care on individual cases where concerns have been expressed over false applications, the potential deprivation of capital and the misuse direct payments.

Housing Tenancy & Local Taxation

2.7 In addition to the above, a key focus area remains housing tenancy fraud and local taxation. Whilst our team's resources have been impacted by Covid-19 and the redeployment of staff, the following progress has been made:

- Tenancy fraud identified in four cases resulting in three properties returned to the Council, one of which was an HRA property;

- The recovery of £1,386.84 in housing benefit overpayment and £9,984.65 in Council Tax Reduction overpayments. Single person discounts to the value of £2,715.97 have also been removed from council tax accounts.

3. Action Tracking

3.1 All high priority actions agreed with management as part of individual audit reviews are subject to action tracking. As at the end of quarter 2, 100% of high priority actions due had been implemented.

4. Amendments to the Audit Plan

4.1 During most of Quarter 2 the delivery of the majority of the 2020/21 audit plan was suspended to focus on supporting the Council in its response to the Covid-19 pandemic. Information about this response is included at the beginning of this report and a revised audit plan for the remainder of the year was agreed at the Audit & Standards Committee in October 2020.

5 Internal Audit Performance

5.1 In addition to the annual assessment of internal audit effectiveness against Public Sector Internal Audit Standards (PSIAS), the performance of the service is monitored on an ongoing basis against a set of agreed key performance indicators as set out in the following table:

Aspect of Service	Orbis IA Performance Indicator	Target	RAG Score	Actual Performance
Quality	Annual Audit Plan agreed by Audit Committee	By end April	G	Approved by Audit & Standards Committee on 10 March 2020. (Revised plan approved by Audit & standards Committee 21 July 2020)
	Annual Audit Report and Opinion	By end July	G	2019/20 Annual Report and Opinion approved by Audit Committee on 21 July 2020
	Customer Satisfaction Levels	90% satisfied	G	No surveys received in the period
Productivity and Process Efficiency	Audit Plan – completion to draft report stage		N/A	During the COVID-19 pandemic, the audit plan has been suspended to allow the organisation to

Aspect of Service	Orbis IA Performance Indicator	Target	RAG Score	Actual Performance
				respond to the emerging pandemic.
Compliance with Professional Standards	Public Sector Internal Audit Standards	Conforms	G	January 2018 – External assessment by the South West Audit Partnership gave an opinion of ‘Generally Conforms’ – the highest of three possible rankings
	Relevant legislation such as the Police and Criminal Evidence Act, Criminal Procedures and Investigations Act	Conforms	G	No evidence of non-compliance identified
Outcome and degree of influence	Implementation of management actions agreed in response to audit findings	95% for high priority agreed actions	G	100% at end of quarter 2.
Our staff	Professionally Qualified/Accredited	80%	G	92%

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.

Subject:	Whistleblowing update		
Date of Meeting:	12 January 2021		
Report of:	Executive Lead Officer- Strategy, Governance & Law		
Contact Officer:	Name:	Abraham Ghebre-Ghiorghis	Tel: 01273 291500
	Email:	Abraham.ghebre-ghiorghis@brighton-hove.gov.uk	
Ward(s) affected:	All		

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

- 1.1 The purpose of the report is to update the committee on the whistleblowing policy and suggest some steps to improve the operation of the changes.

2. RECOMMENDATIONS:

- 2.1 That the report be noted
- 2.2 That the proposed changes as set out in this report, including the revised whistleblowing policy, a dedicated whistleblowing e-mail address, publicity to the policy and a whistleblowing template/form be agreed.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The Council has had a whistleblowing policy for some 20 years. It is reviewed periodically and an update report presented to the Audit & Standards Committee. The arrangements have, overall worked well over the years with the number of cases fluctuating in in line with the level of related publicity.

Current arrangements

- 3.2 The current Brighton & Hove City Council's Whistleblowing Policy is attached to this report at Appendix 1. The policy encourages members of staff with concerns to raise these with their line manager. However, if they are not comfortable doing this then several key contacts are provided (Head of HR, Chief Internal Auditor/Audit Manager, s151 Officer, Monitoring Officer, and Chief Executive).
- 3.3 No dedicated whistleblowing reporting 'hotline' or email address is provided to those wishing to raise a concern.
- 3.4 A register of all whistleblowing allegations received (via HR, Legal, or Internal Audit) is maintained by the Monitoring Officer, who retains overall responsibility for corporate whistleblowing arrangements.

3.5 A quarterly whistleblowing meeting is hosted by the Monitoring Officer and is attended by representatives from the two other key stakeholders: HR and Internal Audit. This meeting is used to ensure that all relevant allegations that fall under the policy are included in the register, and monitors progress made against each allegation until a conclusion is reached and the file is agreed by all parties to be closed.

4. Current trends and themes

4.1 We reviewed the range of whistleblowing cases we have had in 2019-20. The numbers and themes are set out in the following table.

2019-2020	
Theme	Total
Industrial relations	1
Allegations against a staff member(s)	2
Fraud	7
Management/processes	4
Cllr conduct	0
Bullying (cases above that include allegations of bullying)	2
Total	14

4.2 In past years, there were times when the number of whistleblowing case was near zero and in other times significantly higher. A key factor in this has been the level of publicity and awareness raising measures undertaken. There is evidence of a direct correlation between the level of publicity undertaken and the number of whistleblowing cases. Publicity included messages in payslips, council’s website, internal blogs etc. It is proposed to undertake similar publicity with the support of the Council’s comms team over the coming months. Although the number of whistleblowing cases may give a negative impression, it is actually a sign of a healthy, robust governance and a framework that enables the detection and elimination of unlawful and improper practices.

5. Benchmarking

5.1 In June 2020 the Council undertook benchmarking research with neighbouring local authorities to compare:

- who was responsible for oversight of whistleblowing arrangements and maintenance of the log;
- whether a dedicated email and phone ‘hotline’ was available to facilitate internal and external referrals;
- who monitored the hotline, if this was available;
- the volume of allegations recorded in 2019/20 by each respondent and recorded on their whistleblowing log.

5.2 Five County Council’s responded detailing their arrangements. We have also included data from Orbis partners: East Sussex County Council and Surrey County Council. Note that in two cases we have included 2018/19 statistics as the latest data was not yet available. Following a suggestion at the Audit & Standards Committee, we are attempting to collect comparator data from unitary authorities,

but this has not been available at the time of publication of the report. Any data that received will be reported to the committee at the meeting.

Local Authority	Responsibility	Hotline	Who Monitors Hotline?	2019/20 referrals
Brighton & Hove City Council	Monitoring Officer	No	-	14
East Sussex County Council	HR	Yes	Internal Audit	2
Surrey County Council	HR	Yes	Navex Global	13
Essex County Council	HR	Yes	Navex Global	7
Suffolk County Council	Monitoring Officer	Yes	Internal Audit	2
Hertfordshire County Council	Monitoring Officer	Yes	Monitoring Officer	9*
West Sussex County Council	Monitoring Officer	No	-	4*
Hampshire County Council	HR	No	-	6

*2018/19 data

- 5.3 Three other respondents allocate responsibility for maintenance of the whistleblowing log to their Monitoring Officer, as is the case at BHCC. Four respondents have HR as responsible, and two of these use an outsourced independent contractor (in these cases 'Navex Global') to receive allegations and pass these to HR. It should be noted that East Sussex arrangements are currently under review and we are working with leadership on this currently.
- 5.4 Five of the seven respondents offer a dedicated telephone and email address whistleblowing reporting tool (BHCC do not currently offer this).
- 5.5 The volume of referrals recorded on the BHCC whistleblowing log in 2019/20 is comparatively high when compared with other Authorities. It should however be noted that in 2018/19, 51 referrals were recorded via Expolink at Surrey County Council. We believe this to be a result of significant organisational restructuring and changes of leadership staffing.
- 5.6 Although current arrangements are deemed to be working well, we have seen positive results at Surrey County Council where an external independent supplier is engaged to receive whistleblowing concerns. An outsourced solution provides some benefits, including:
- Potential increases in reports;
 - increased confidence over independence;
 - callers can speak to a 'real person' 24/7;
 - ability to enter into completely anonymised correspondence with the complainant via an intermediary, which may assist with gaining valuable follow up intelligence;
 - access to reporting tools thus saving administrative time.
- 5.7 The exact costs of outsourcing receipt of whistleblowing reporting is not known, however this is believed to be in the region of £5k pa.

5.8 For the time being, it is suggested that a dedicated whistleblowing email address is introduced and built into the Policy (whistleblowing@brighton-hove.gov.uk). This would also provide an opportunity to promote the new arrangements to staff. It is proposed that the dedicated whistleblowing e-mail is monitored by Internal Audit.

6. Accessibility

6.1 It is proposed that the Council's Whistleblowing Policy is put in a more prominent place on the Council's website so that potential whistle-blowers can find it easily. It is also proposed to provide a whistleblowing form similar to the one for Member complaints. The suggested form with accompanying text is attached as Appendix 2.

7. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

7.1 It is possible to take no action, but that risks the arrangements becoming ineffective. The option of an external Whistleblowing service is an alternative, but the cost implications make this not advisable at this stage.

8. COMMUNITY ENGAGEMENT & CONSULTATION

8.1 There has been no engagement or consultation with the community, but we can invite comments/suggestions in the next review.

9. CONCLUSION

9.1 The proposed changes and publicity will improve the operation of the Council's whistleblowing policy and are recommended.

10. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

10.1 There are no direct financial implications arising from this report. Any costs arising from the proposed changes would be met within existing resources.

Finance Officer Consulted: Name Peter Francis

Date: 04/01/21

Legal Implications:

10.2 The proposed changes will contribute to better governance and compliance with legal requirements as well as assisting the Council in discharging its duty of best value under the Local Government Act 1999.

Lawyer Consulted: Abraham Ghebre-Ghiorghis

Date: 29/12/2020

Equalities Implications:

10.3 There are no adverse equalities implications arising from the report. An effective whistleblowing policy contributes to tackling discrimination by making it easier to report allegations in confidence.

Sustainability Implications:

10.4 There are no adverse sustainability implications arising from this report

Brexit Implications:

10.5 None

Crime & Disorder Implications:

10.6 The proposals in the report will help ensure better effectiveness of the whistleblowing policy and contribute to tackling fraud and other forms of illegal behaviour.

SUPPORTING DOCUMENTATION

Appendices

1. Whistleblowing Policy
2. Whistleblowing reporting form

Background Documents

None

Whistleblowing Policy - (Raising Concerns in the Public Interest)

A Confidential Reporting Policy for All Members of Staff, Elected and Co-opted Members and the General Public

1. Introduction

- 1.1 Brighton & Hove City Council is committed to the highest standards of openness, honesty, integrity and accountability for the services it provides. However, the Council recognises that there is always the risk that things can go wrong. Therefore, the Council is keen to encourage those working for the Council, its members and members of the community to express their concerns when they think that there may be something seriously wrong regarding the activities of the Council. This gives the Council the opportunity to stop any unethical or unprofessional practices or wrongdoing within the organisation.
- 1.2 The Council recognises that for individuals to come forward, they must have confidence that their concerns will be listened to and that the Council will take prompt action to investigate and deal with concerns appropriately.
- 1.3 This Policy sets out how concerns about serious wrongdoing by the Council can be raised and how the Council will respond to these.
- 1.4 This Policy is an integral part of, and should be read in the context of, the Council's corporate values, which are:

Respect: Embrace diversity with kindness and consideration and recognise the value of everyone

Collaboration: Work together and contribute to the creation of helpful and successful teams and partnerships across the Council and beyond

Efficiency: Work in a way that makes the best and most sustainable use of our resources, always looking at alternative ways of doing things

Openness: Share and communicate with honesty about our service and ourselves, whenever appropriate. Accept where we have to change in order to improve

Creativity: Have ideas that challenge the 'tried and tested', use evidence of what works, listen to feedback and come up with different solutions

Customer Focus: Adopt our Customer Promise for colleagues, partners, members and citizens. Our Customer Promiser is that we will be easy to reach, be clear and treat you with respect, listen and act to get things done

- 1.5 This Policy incorporates the provisions that are required from the Public Interest Disclosure Act 1998 (as amended by the Enterprise & Regulatory Reform Act

2013), which protects members of staff against detrimental treatment or dismissal for disclosing normally confidential information because they reasonably believe it is in the public interest to do so. This is known as a “qualifying disclosure”.

2 Benefits of this policy

2.1 This Policy aims to:

- encourage and enable you to feel confident in raising concerns and to question and act upon any concerns;
- provide avenues for you to raise concerns;
- ensure that you receive a response to your concerns and that you are aware of how to pursue them if you are not satisfied with the action taken;
- reassure members of staff that they will be protected from repercussions when raising genuine concerns;
- ensure that all those working for, or on behalf of, the Council are aware that they must not treat individual(s) detrimentally because they have made a “qualifying disclosure” under the Act.

3 Scope

3.1 The types of concern covered by the Policy include:

- conduct which is an offence or a breach of law, including discrimination or harassment based on or related to a protected characteristic (either yours or someone else’s)
- disclosures relating to miscarriages of justice
- individual(s) covering up wrongdoing
- health and safety risks, including risks to the public as well as other employees
- damage to the environment
- the unauthorised use of Council funds
- action that is contrary to the Council’s financial procedures or contract regulations
- possible fraud, corruption or financial irregularity
- practice which falls below established standards or practice
- sexual or physical abuse of clients
- other unethical conduct

3.2 This Policy and its associated procedures is not intended to replace any existing Council procedures that would be more appropriate for dealing with any concern raised under this Policy.

Members of staff

If your concern relates to how you have been personally treated at work as an employee under your contract of employment, you may raise it under the existing Grievance Procedure. You may in the alternative raise it using this procedure,

which in any event is available where the complaint concerns someone other than you. If your concern relates to bullying or harassment by an officer, then the Council will respond to such concerns under the Council's Disciplinary Procedure.

Members of the Public

If you have a concern or complaint about Council services provided to you, you should raise this using the Council's Complaints Procedure. If however you have a concern that could amount to serious wrongdoing, you may raise this using this procedure.

Elected and Co-opted Members

If you have a complaint about the way an elected or co-opted member has behaved, you should raise this using the Council's [online Councillors complaint form](#).

4 Who can raise a concern under this Policy

4.1 This Policy applies to all:

- employees of the Council (excluding schools – see 4.2 below)
- casual, agency workers and apprentices working for the Council
- contractors and employees of contractors working for the Council
- self-employed consultants working for the Council
- members of the public
- elected and co-opted members of the Council

4.2 If you are employed in, working with, assisting or based in a Brighton and Hove maintained school, you should raise your concern directly with the school using their Whistleblowing Policy. If you feel unable to raise your concern directly with the School, you may contact a person mentioned in 6.2. However, you should set out why you feel unable to contact the school directly.

5 Supporting you to raise a concern

5.1 **Confidentiality:**

We hope that you will feel able to voice whistleblowing concerns openly under this Policy. However, if you want to raise your concerns confidentially, we will make every effort to keep your identity secret. If the situation arises where we are not able to resolve the concern without revealing your identity (for instance because your evidence is needed in court), we will discuss with you whether and how we can proceed.

5.2 **Staff and Members Raising Genuine Concerns:**

The Council aims to encourage openness and will support those who raise genuine concerns under this Policy, even if they turn out to be mistaken.

Staff and elected or co-opted Members who raise a genuine concern under this Policy with a reasonable belief that it is true must not suffer any detrimental treatment as a result of raising the concern.

Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern.

A person who raises a concern under this Policy must not be threatened or retaliated against. If you believe that you have suffered any such treatment, you should inform the Head of Human Resources & Organisational Development immediately. If the matter is not remedied, you should raise it formally using the Council's Grievance Procedure or, in the case of elected or co-opted Members, by raising it with the Council's Monitoring Officer.

5.3 Raising Malicious Allegations:

However, the Council cannot give such assurances and you may be subject to disciplinary action or a formal complaint if you raise a concern maliciously or the information you have used to trigger a concern has been obtained unlawfully, for example:

- legal requirements have not been followed, e.g. Data Protection requirements have been breached or
- through unauthorised access to records, e.g. computer hacking.

6 How to raise a concern

Points of contact

6.1 As soon as you become reasonably concerned, we hope you will feel able to raise it. The earlier you raise your concern, the easier it is to take action. A flowchart showing the process for raising concerns can be found in Appendix 1.

6.2 Members of Staff

If you are an employee you should normally raise concerns with your line manager. Similarly, non-employees (e.g. agency workers, contractors, consultants) should raise a concern in the first instance with their contact within the Council, usually the person to whom they directly report.

If you are a member of staff and you want to raise the matter with someone other than your immediate manager, for whatever reason, please raise the matter with:

- Your head of service
- Alison McManamon, Head of Human Resources & Organisational Development - ext. 0511
- Mark Dallen, Audit Manager - Internal Audit and Counter Fraud - ext.1314
- Nigel Manvell, Deputy Chief Finance Officer - ext. 3104

- Abraham Ghebre-Ghiorghis, Executive Lead Officer Strategy, Governance & Law - ext.1500

These people will also be able to advise on confidentiality and further action required.

Alternatively, you may use our dedicated whistleblowing reporting inbox: whistleblowing@brighton-hove.gov.uk.

If these channels have been followed but you still have concerns or if you feel that the matter is so serious that you cannot discuss it with any of the above, you may as a last resort contact:

Geoff Raw, Chief Executive – tel. 01273 291132

6.3 Members of the Public, Contractors and Members of the Council

If you are a member of the public or an elected or co-opted member then you may raise concerns with:

- Mark Dallen, Audit Manager - Internal Audit and Counter Fraud
email: mark.dallen@brighton-hove.gcsx.gov.uk, tel. 01273 291314

or

- Abraham Ghebre-Ghiorghis, Executive Lead Officer Strategy, Governance & Law - email: abraham.ghebre-ghiorghis@brighton-hove.gov.uk, tel. 01273 291500.

Alternatively, you may use our dedicated whistleblowing reporting inbox: whistleblowing@brighton-hove.gov.uk.

If these channels have been followed but you still have concerns or if you feel that the matter is so serious that you cannot report it via any of the above, you may contact:

Geoff Raw, Chief Executive – tel. 01273 291132

The Procedure

- 6.4 You may raise your concern orally or in writing. We advise that you make it clear that you are raising your concerns under the Council's whistleblowing arrangements.
- 6.5 You are also encouraged to put your name to any concern you raise as this will

make it easier for the Council to investigate the issue. Please also say if you want to raise the matter in confidence so that the person you contact can make appropriate arrangements.

6.6 To enable your concern to be dealt with properly and effectively you will need to provide the following information and to be as clear as possible about:

- what the concern is and to whom it relates
- the background and history of the concern (giving relevant dates)
- the reason why you are particularly concerned about the situation and why you believe it to be true.

6.7 When raising a concern you are not expected to prove the truth of an allegation, however, you will need to demonstrate to the person you contact that there are sufficient grounds for the concern.

6.8 If you are a member of staff you may invite your trade union representative or a colleague who works for the Council to assist or accompany you. Similarly, if you are a member of the public you may be supported by a colleague or friend. Your companion must respect the confidentiality of your disclosure and any subsequent investigation.

6.9 If you want to submit your whistleblowing complaint in writing, you can use whatever form you prefer, including e-mails or submitting hard documents. It doesn't have to be in any particular form, but you can use the suggested form (attached) if you prefer.

7 How the Council will respond

7.1 Once a concern is raised, the Council will respond to your concern as quickly as possible. The appropriate Council manager/officer will make initial enquiries, taking advice from the Head of Human Resources & Organisational Development if necessary, to help decide if an investigation is appropriate and if so, what form it should take.

7.2 The Council manager/officer receiving the concern will ensure the Executive Lead Officer Strategy, Governance & Law, as the City Council's Monitoring Officer, is provided with sufficient details to be aware of the concern raised.

7.3 Where appropriate, the matters raised may:

- be investigated by management, internal audit, the Monitoring Officer or through the disciplinary process;
- be referred to the Police;
- be referred to the external auditor or form the subject of an independent inquiry

Within 10 working days of a concern being raised, the person handling the matter will write to you acknowledging that the concern has been received,

indicating how, as far as possible, it will be dealt with and, if you are a Council member or staff, the support mechanisms available to you. You will be kept informed of progress and will receive a full and final response, subject to any legal constraints.

- 7.4 When you raise the concern(s) you may be asked how you think the matter might best be resolved. If you have any personal interest in the matter, we ask that you tell us this at the outset. If your concerns would be more appropriately dealt with under another policy of the City Council (for example, the Complaints Procedure, Anti-Fraud & Corruption Strategy or Grievance Procedure) we will tell you.
- 7.5 While the purpose of this policy is to enable us to investigate possible malpractice and take appropriate steps to deal with it, we will give you as much feedback as we properly can.
- 7.6 Concerns or allegations that fall within the scope of specific procedures (for example child protection) will normally be referred for consideration under the relevant procedure. Some concerns may be resolved by agreeing action with you without the need for investigation. If urgent action is required, this will be taken before any investigation is conducted.
- 7.7 The Council will take all reasonable steps to minimise any difficulties that you may experience as a result of raising a concern. For instance, if you are asked to give evidence in criminal or disciplinary proceedings, the Council will arrange for you to receive appropriate advice and support.

8 How your concern can be taken further

- 8.1 This Policy is intended to provide you with an avenue to raise concerns with the Council. The Council hopes that you will be satisfied with the way your concerns are treated and any investigations that may be carried out.

However, if you are not, and feel it is right to take the matter outside the Council, please find below a list of possible contact points. If you are a member of staff, the Monitoring Officer or the Head of Human Resources & Organisational Development can provide advice as to the other options.

The following are examples of some of the possible contact points:

- the Council's External Auditors are Grant Thornton. Their address is 30 Finsbury Square, London EC2A 1AG. Telephone number 0207 3835100
- relevant professional bodies or regulatory organisations. A list of regulatory bodies can be found in Appendix 2
- your trade union (if you are a member of staff)
- a solicitor
- the Police

- 8.2 If you are a member of staff, the law recognises that in some circumstances it

may be appropriate for you to report your concerns to an external body. It will very rarely if ever be appropriate to alert the media. We strongly encourage you to seek advice before reporting a concern to anyone external. If you would like independent advice at any stage, you can contact the independent charity Protect - www.protect-advice.org.uk - on 020 3117 2520. They should be able to give you free and confidential advice about how to raise a concern about serious malpractice at work.

9 The Responsible Officer

The Council's Monitoring Officer has overall responsibility for the maintenance and operation of this Policy.

10 Corporate recording, monitoring and reviewing

10.1 The Monitoring Officer has overall responsibility for the maintenance and operation of this Policy and for ensuring it is reviewed annually by involving key stakeholders in the process.

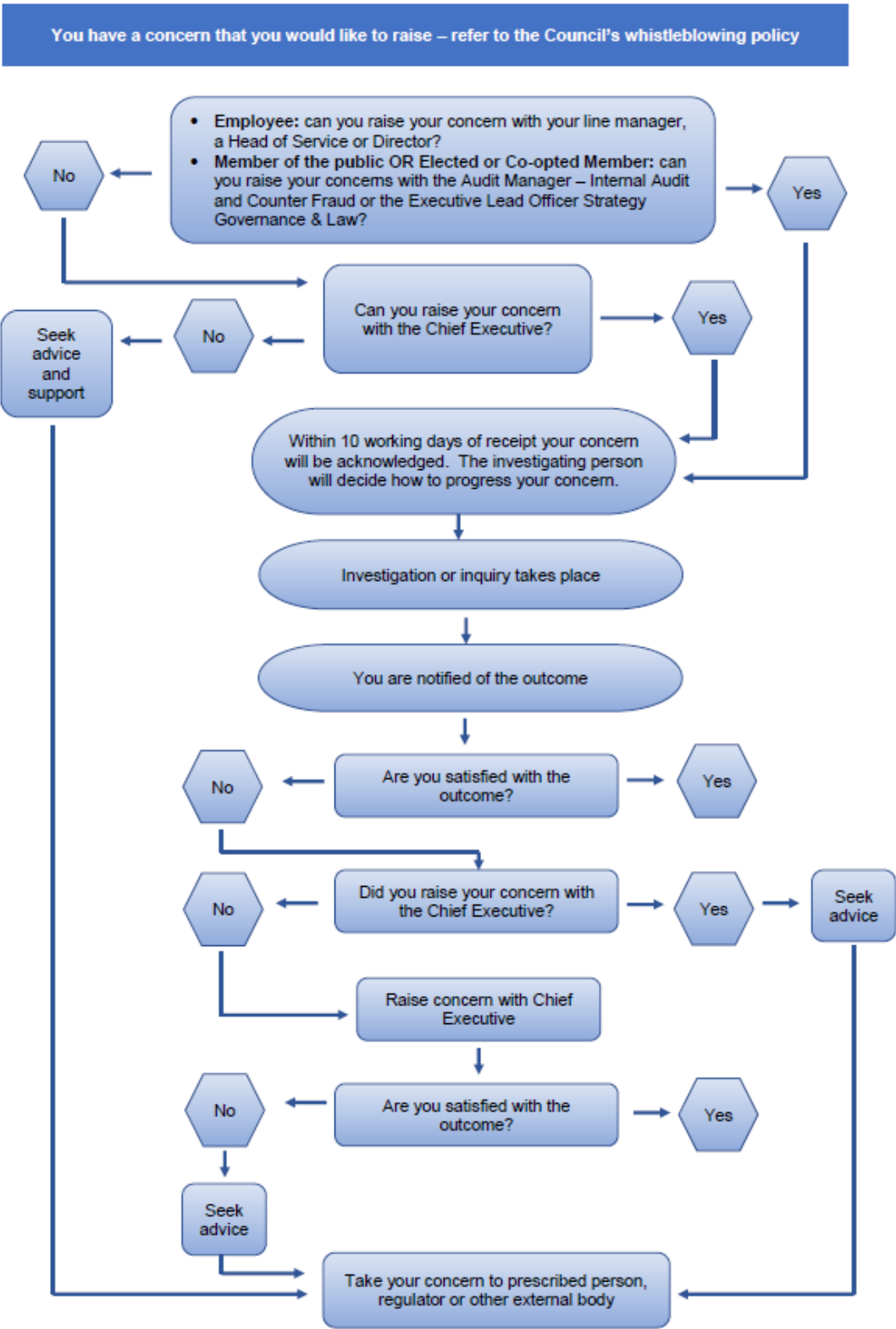
10.2 A corporate register of all concerns and the outcomes that are brought to the attention of the Monitoring Officer (in a form which respects your confidentiality) will be maintained by him. All officers designated to look into a concern must ensure that the Monitoring Officer is provided with sufficient details for the corporate register.

10.3 The Monitoring Officer will review the corporate register and will report annually to the Council's Audit and Standards Committee on the use of the Policy and concerns raised during the period covered by the report. The report will not identify any person raising concerns under this Policy.

11 If you are dissatisfied

11.1 If you are unhappy with our response, remember you can go to the other levels and bodies detailed in this Policy.

11.2 While we cannot guarantee that we will respond to all matters in the way that you might wish, we will try to handle the matter fairly and properly.



Regulatory and Professional and other External Organisations

Health & Safety and Environment Risks

Contact	Details
Environmental Agency	Address: Solent and South Downs Area Office, Guildbourne House, Chatsworth Road, Worthing, Sussex, BN11 1LD (South East regional office) Tel: 0370 8506506 Web: www.environment-agency.gov.uk
Health & Safety Executive	Address: Priestley House, Priestley Road, Basingstoke, Hampshire RG24 9NW (regional office) Tel: 0845 345 0055 Web: www.hse.gov.uk
Food Standards Agency	Address: Aviation House, London WC2B 6NH Tel: 020 7272 8829 Web: www.food.gov.uk

Consumer Rights

Contact	Details
The Serious Fraud Office	Address: 2-4 Cockspur Street, London SW1Y 5BS Tel: 020 7239 7272 Web: sfo.gsi.gov.uk

Data Protection and Freedom of Information

Contact	Details
Information Commissioner's Office	Address: Wycliffe House, Water Lane, Wilmslow Cheshire SK9 5AF Tel: 0303 123 1113 Web: www.ico.gov.uk

Healthcare and Social Services

Contact	Details
Care Quality Commission	Address: 2nd Floor, Ridgewort House, Worthing, West Sussex BN11 1RY Tel: 03000 616161 Web: www.cqc.org.uk
Health and Care Professions Council	Address: 184 Kennington Park Road, London SE11 4BU Tel: 0845 3006184 Web: www.hpc-uk.org
The National Society for the Prevention of Cruelty to Children (NSPCC)	Address: Gillingham Service Centre & Regional Office, Pear Tree House, 68 West Street, Gillingham, Kent ME7 1EF

	Tel: 020 7825 2500 Web: www.nspcc.org.uk
Children's Commissioner	Address: Sanctuary Buildings, 20 Great Smith Street, London, SW1P 3BT Tel: 020 7783 8330 Web: www.childrenscommissioner.gov.uk
Health and Care Professions Council	Address: Park House, 184 Kennington Park Road, London, SE11 8BU Tel: 08453006184
Nursing and Midwifery Council (NWC)	Address: 23 Portland Place, London W1B 1PZ Tel: 020 7637 7181 Web: www.nmc-uk.org
General Medical Council (GMC)	Address: Fitness to Practise Directorate, 3 Hardman Street, Manchester, M3 3AW Tel: 0161 923 6602 Web: www.gmc-uk.org
Homes and Communities Agency	Address: Fry Building, 2 Marsham Street, London SW1P 4DF Tel: 0300 1234 500 Web: www.homesandcommunities.co.uk

Other Organisations

Contact	Details
The Local Government Ombudsman	Address: PO Box 4771, Coventry CV4 0EH Tel: 0300 061 0614 Web: www.lgo.org.uk
Commissioners for Her Majesty's Revenue & Customs (HMRC)	Address: HM Revenue and Customs, Freepost NAT22785, Cardiff, CF14 5GX Tel: 0800 788 887 Web: www.hmrc.gov.uk
Ofsted	Address: Piccadilly Gate, Store Street, Manchester M1 2WD Tel: 0300 123 1231 Web: www.ofsted.gov.uk
Pensions Regulator	Address: Napier House, Trafalgar Place Brighton BN1 4DW Tel: 0845 600 0760 Web: www.thepensionsregulator.gov.uk
Police	Tel: 101 Emergency: 999 Web: https://www.sussex.police.uk/
Your Local Councillors	Web: https://present.brighton-hove.gov.uk/mgFindMember.aspx

Whistleblowing reporting form

Please email completed form to: whistleblowing@brighton-hove.gov.uk

1. Who are you reporting (name of person/department)?

--

2. Why are you making a report?

--

3. Do you have any further information?

--

4. What would you like the Council to do about this?

--

5. Are you willing to leave your contact details?

These will be kept strictly confidential (unless we receive your consent) and will only be used to assist us to contact you should we require more information.

Name:

--	--

Contact telephone number:

--	--

Email address:

--	--

If you have not already done so, please read the Council's Whistleblowing Policy before making this report.

Whistleblowing reporting form

Please email completed form to: whistleblowing@brighton-hove.gov.uk

1. Who are you reporting (name of person/department)?

--

2. What are your concerns/ what do you want to a report?

--

3. Do you have any further information?

--

4. What would you like the Council to do about this?

--

5. Are you willing to leave your contact details?

These will be kept strictly confidential (unless we receive your consent) and will only be used to assist us to contact you should we require more information.

Name:

Contact telephone number:

Email address:

If you want to know how the process works, please read the Council's Whistleblowing Policy below.

Subject:	Update on Standards matters		
Date of Meeting:	12 January 2021		
Report of:	Head of Law and Monitoring Officer		
Contact Officer:	Name:	Victoria Simpson, Senior Lawyer – Corporate Law	Tel: 01273 294687
	Email:	Victoria.Simpson@brighton-hove.gov.uk	
Ward(s) affected:	All		

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

- 1.1 To update this Committee on complaints that Members have breached the Code of Conduct for Members determined and/or received in during this quarter, and in addition to provide an annual review of complaints against Members made between 1.01.20 and 5.12.20.

2 RECOMMENDATIONS

- 2.1 That Members note the information provided in this Report on those member complaints which have either been concluded since the last quarterly report or which remain outstanding.
- 2.2 That Members further note the data provided regarding member complaints received in during 2020, including the increase in the number of complaints made against elected members of Brighton & Hove City Council during that calendar year.
- 2.3 That the Committee agree to set up a cross party task and finish group of Members to review the local Code and the Council's arrangements and to make any recommendations they see fit to the Committee, with particular regard to any changes they consider might assist in dealing with the increase in complaints.

3 MEMBER COMPLAINTS – CURRENT

- 3.1 The complaint referred to as **O** in [the last report](#) remains at preliminary assessment stage. However, complaints **R and S** – which concerned the same comments made by a single member on social media about an individual – have now been the subject of informal resolution. The resolution involved a published admission by the subject member on social media that they had acted inappropriately by posting their strongly felt views in their capacity as a councillor of Brighton & Hove. A series of complaints – **W, X, Y, Z, A & B** were all described in the last report, which omitted to mention a seventh complaint (**'Ba'**) due to an administrative oversight. They have all now been resolved informally via a resolution which involved the member concerned publishing a statement offering their regret for the upset caused and also agreeing to undertake refresher communications training.

- 3.2 **Complaints C & D**, described in the last Update, have now been resolved by a decision to take no action on the basis that neither complaint had potential to amount to a breach of the Code. **Complaints E & F** were each the subject of an informal resolution, in both instances on the basis that the member who was the subject of the complaint published a statement apologising for the upset that had been caused to the subject of their comments. In the case of **complaint F**, the resolution also involved refresher equalities training.
- 3.3 The new complaints received in since the last Update are as follows: **Complaint G/2020** concerned an allegation of disrespect made by a constituent during an email exchange. This was dealt with by a decision to take no action as on the available facts it was not considered to be in the public interest to progress it. **Complaint H/2020** concerned a comment made by the subject member on social media about allowing others access to a resource which they might potentially have available to them in the future. This too was determined by a decision that it did not have potential to amount to a breach of the Code. **Complaint I/2020** was made against four members of the same party Group in relation to a letter sent to national government and remains at preliminary assessment stage, as does **Complaint J/2020**: a complaint about a councillor taking a position, allegedly inappropriately, on a ward matter. Finally, **Complaint K/2020** was referred to the council by the Ombudsman, who asked that it first be considered via the council's member complaints procedure. That complaint concerned a descriptive term used by an elected member during a debate on a matter of key importance to them. It was determined by a decision to take no action on the basis that it did not give rise to a breach of the Code.
- 3.4 All of the complaints referred to above have been determined by the Monitoring Officer in accordance with the procedure which governs member complaints, having first consulted with one of the council's Independent Persons.

4 MEMBER COMPLAINTS – ANNUAL REVIEW

- 4.1 This part of the report reviews key data re complaints received in during 2020, up to 5.12.20.
- 4.2 This period has seen an increase in the number of complaints against Members. A total of 33 complaints about the conduct of Members of the Council were received in during this period. So, the figure for (most of) 2020 represents a significant increase on the total number of complaints made in 2019 (for the full year), which was 13.

Complaints against members made during 2019	Complaints against members made between 1.1.20 and 5.12.20
13	33

- 4.3 Members from all of the Party Groups as well as Independent Members have been the subject of complaints.
- 4.4 The following may be useful to explain how the figures are calculated:
- where more than one complaint is received in about a Member, then - even if the complaints concern the same allegation of misconduct - each is counted separately for statistical purposes.

- where a single complaint alleges misconduct by more than one elected Member of Brighton and Hove City Council (say X number of Members) then for these purposes it is considered to give rise to X number of complaints.
- 7 of the 33 complaints received in during this period all concerned substantively the same allegations of misconduct by a single Member.
- Two other complaints were made against groups of Members: one complaint against 3 Members and the other against 4.

Outcomes

- 4.5 6 complaints out of the total 33 complaints made during this period remain outstanding at the current time:

Total new complaints received during period	Complaints outstanding	Complaints determined
33	6	27

- 4.6 Of the 27 complaints which had been determined at preliminary assessment stage at the time this report was finalised (21.12.20), just over half were determined by an informal resolution including an apology or some other step. The rest were determined by a decision to take no action either on the grounds that if proven the allegation would not amount to a breach of the Code, or that it was not in the public interest to progress the complaint.

Total complaints determined during period	Complaints resolved informally via an apology or other means	Complaints resolved via a decision to take no further action on the basis that if proven they would not amount to a breach OR that it was not in the public interest to progress the complaint.
27	14	13

Trends in subject matter of complaints:

- 4.7 As a starting point, it was noted that most if not all Members now use email and social media to carry out their roles. Given the widespread reliance on this and (latterly) on virtual meetings, it was not considered helpful to identify where the conduct which gave rise to complaints had occurred.
- 4.8 Consideration was then given to identifying thematic trends in the complaints received in.

Table showing trends in themes:

Complaints about members' discharge of their ward responsibilities (normally made by constituents)	8
Complaints about comments or conduct either at council meetings, or at meetings at which they are representing BHCC	4
Complaints about conduct taking place outside council meetings (incl. on social media) which nonetheless concerned either council business and/or other current Members of the Council	11
Complaints about a member's conduct or position on an issue not on council business or a ward matter, including a statement reported in the press or made on social media	10
Total	33

- 4.9 It is noted that complaints about how members carry out their ward business make up less than 25% of complaints (8). While conduct at council meetings accounts for a relatively low proportion of complaints (4 out of 33), there is almost an even split between conduct outside of meetings which concerned council business or other current Members (11) and that which – while allegedly occurring whilst the Member was acting in their capacity as an elected Member of the Council – involved their taking a position or other behaviour not related to council or ward matters (10).

5 GENERAL OBSERVATIONS

- 5.1 Members will have their own thoughts about the factors behind the number of complaints received in during 2020. There may well be a link with the additional pressures experienced by all local authorities this year and the specific challenges of the current time. Either way, the increase in complaints during 2020 is notable and carries its own resource burden.
- 5.2 Members will be aware that - since the passing of the Localism Act 2010 – local authorities have a greater degree of control over their arrangements for dealing with Member complaints. That is part and parcel of the current framework, which gives authorities very limited power to impose sanctions. Standards Committees have no power to suspend a Member and may only censure a Member or take measures such as recommending training or other steps which the subject Member is free to accept or reject.
- 5.3 Notwithstanding the limited sanctions available, local authorities are nonetheless obliged to have in place arrangements for dealing with complaints against elected members, and the Council has adopted arrangements which aim to be relatively light touch whilst also being fit for purpose.
- 5.4 In this context, the carrying out of a formal investigation leading to a Panel is undoubtedly the most resource-intensive process for all parties, including for the members of the Panel and the subject member as well as for officers. Members will be aware that only rarely do member complaints culminate in a full Panel hearing (just one took place in 2020).
- 5.5 However even where complaints are determined outside a formal Panel hearing, the resource invested in progressing them to conclusion is significant. Resolving

matters at an early stage where possible - even where there is an arguable breach – can often be the best way of moving forward in a context where options are limited. While the Monitoring Officer has discretion to resolve complaints informally at any point in the process (having first consulted both with one of the Independent Persons and also – where the complaint is capable of amounting to a breach – the complainants and the subject member), the process is resource-intensive. This is because it involves liaising with all parties (with communication between the complainant, the subject member and other stakeholders, as well as the Independent Person and the Monitoring Officer), while adhering to a process which is visibly fair to all stakeholders.

- 5.6 A further factor is Members' willingness to co-operate with the process, which can vary significantly. Where a Member is unresponsive or fails to engage then - whether or not a formal investigation ensues - this can cause unnecessary and avoidable delay. This is an area which has been brought to the attention of relevant Members with a view to ensuring that dealing with complaints does not use up any more resource than they need to.

6 PROPOSAL FOR A TASK AND FINISH GROUP

- 6.1 The Council last reviewed its standards arrangements against the detailed work done by the Committee on Standards in Public Life ('the CSPL') in 2018-2019. The CSPL's best practice recommendations for local authorities were considered by this Committee in a detailed way by a cross party group of Members. In [January 2020](#) this Committee considered that work and approved its recommendations, by amongst other things updating the Code of Conduct and the Procedure for Dealing with Allegations of Misconduct by members.
- 6.2 Given the increase in the number of complaints, and in the context of a best practice CSPL recommendation that all authorities review their Codes every twelve months in any event, it is considered that a task and finish working group of members might again usefully review the council's arrangements. This cross-party group could review the Council's options for further amending the Code, including by taking into account the LGA model Code of Conduct which was due to be published in November 2020 and is expected imminently. The task and finish group could also identify and review the Council's options for streamlining the Standards process. This could for instance involve considering whether the Procedure might be amended by clarifying or amending the Public Interest test against which complaints may currently be assessed when deciding whether to progress them, or by making other recommendations for change.
- 6.3 In conclusion: it is suggested that the reported upswing in complaints be noted and that it be taken into account by a task and finish Member Working Group, convened to review the Code of Conduct and to consider whether any changes to the Council's arrangements for dealing with complaints might make a positive difference.

7 ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 7.1 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.

8 COMMUNITY ENGAGEMENT & CONSULTATION

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

9 CONCLUSION

9.1 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 are maintained in a way which is compliant with local requirements.

10 FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

10.1 There are no additional financial implications arising from the recommendation in this Report. All activity referred to has been met from existing budgets. While future activity is expected to be manageable within existing resources, a sustained increase in complaints may ultimately lead to a consideration of a change in the resources required to support the process, which, if this were to require an increase in resources, may have a budgetary implication.

Finance Officer Consulted: Nigel Manvell

Date: 21/12/20

Legal Implications:

10.2 These are covered in the body of the Report.

Lawyer Consulted: Victoria Simpson

Date: 21.12.2020

Equalities Implications:

10.3 There are no equalities implications arising from this Report.

Sustainability Implications:

10.4 There are no sustainability implications arising from this Report.

Any Other Significant Implications:

10.5 None

SUPPORTING DOCUMENTATION

Appendices:

None

Background Documents:

[The report on Local Government Ethical Standards](#) published by the Committee on Standards in Public Life on 20.01.19.