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To all Members of the

AUDIT COMMITTEE

AGENDA

Notice is given that a Meeting of the above Committee
is to be held as follows:

VENUE Council Chamber - Civic Office, Waterdale, Doncaster
DATE: Wednesday, 21st June, 2017
TIME: 2.30 pm

Items for Discussion:

	PageNo.
1. Apologies for Absence.	
2. To consider the extent, if any, to which the Public and Press are to be excluded from the meeting.	
3. Declarations of Interest, if any.	
4. Minutes of the meeting held on 6th April, 2017.	1 - 10
A. Reports where the public and press may not be excluded.	
5. Monitoring Officer Annual Whistleblowing and Standards Report 2016/17.	11 - 22
6. Regeneration and Environment - Strategic Risk Management.	23 - 32

Jo Miller
Chief Executive

Issued on: Tuesday, 13 June 2017

Governance Officer
for this meeting:

Andrea Hedges
Tel. 01302 736716

7.	Covert Surveillance - Regulation of Investigatory Powers Act 2000 (RIPA) Update.	33 - 68
8.	Audit Committee Prospectus, Terms of Reference and Work Programme 2017/18.	69 - 82
9.	Audit Committee Actions Log.	83 - 90
10.	Statement of Accounts 2016/17.	91 - 98
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13.	Quarter 4 2016/17 Strategic Risk Update	133 - 142

Members of the Audit Committee

Chair – Councillor Austen White
Vice-Chair – Councillor Richard A Jones

Councillors Iris Beech, Susan Durant and David Nevett

Co-opted Member: Kathryn Smart

Agenda Item 4

DONCASTER METROPOLITAN BOROUGH COUNCIL

AUDIT COMMITTEE

THURSDAY, 6TH APRIL, 2017

A MEETING of the AUDIT COMMITTEE was held at the COUNCIL CHAMBER - CIVIC OFFICE on THURSDAY, 6TH APRIL, 2017, at 10.00 am.

PRESENT:

Chair - Councillor Austen White

Vice-Chair - Councillor Richard A Jones

Councillors Iris Beech, Susan Durant, John Healy and Co-Opted Member, Kathryn Smart.

Also in Attendance:

Colin Earl – Head of Internal Audit

Steve Mawson – Assistant Director of Financial Services

Peter Jackson – Internal Audit Manager

Karen Johnson – Assistant Director, Adult Social Care

Leanne Hornsby – Commissioning and Business Development

Damian Allen – Director of People, Learning and Opportunities; Children and Young People / Adults, Health and Well-Being

Denise Bann – Head of Strategic Procurement

Scott Fawcus – Assistant Director of Legal Services and Monitoring Officer

Patrick Birch – Programme Manager, Commissioning and Contracts

Matthew Ackroyd - KPMG

47 Order of Business

The Chair proposed that the Committee agree to a variation to the order of business by considering Agenda Items 14, 15, 16 and 17, after items 1-7 before returning to the order of business as specified on the agenda. This was in order to facilitate the attendance of officers at the meeting.

RESOLVED that in accordance with Council Procedure Rule 4, the Order of Business be varied as specified above before returning to the order of business specified on the agenda.

48 Declarations of Interest, if any

Kathryn Smart declared a non-pecuniary interest in Agenda Items 15 and 16, and a pecuniary interest in Agenda Item 17 by virtue of being an employee of RDASH.

RESOLVED that during consideration of Agenda Item 17, Kathryn Smart leave the meeting and take no part in the discussion thereof.

49 Minutes of the meeting held on 25th January, 2017

RESOLVED that the minutes of the meeting of the Audit Committee held on Wednesday, 25th January, 2017, be approved as a true record and signed by the Chair.

50 Audit Committee Action Log

The Committee considered a report which included the Audit Action Log. The Log, was updated for each Committee, and provided an up to date report of all work carried out between meetings. The Log included any actions agreed at meetings, and of all these identified, all except one were classified as 'green', meaning that they had either been completed and would now be removed, or were on course to be completed as planned. The action currently identified as 'red', related to the Solar Centre contract breach. This was being considered by Members as an individual item by the Committee and actions for this would be considered at this point on the agenda.

RESOLVED that

- 1) Progress against the actions agreed at the previous Committee meetings be noted; and
- 2) Any further updates be received.

51 Public Sector Internal Audit Standards - Peer Review 2017.

The Chair outlined to Members that an external Peer Review of the Internal Audit Service had been carried out in order to fulfil the requirements of the Public Sector Internal Audit Standards. This had been carried out by the Head of Audit and Risk at Kirklees Council, Martin Dearnley, who was in attendance at the meeting to present his findings. The Chair welcomed Mr Dearnley to the meeting and thanked him for his work on this.

Members noted that the conclusion of the review was that Doncaster's Internal Audit Service complied with prescribed Audit Standards, and had achieved the highest level of compliance 'general conformance'. Mr Dearnley informed the Committee that in undertaking the review a great deal of work had been carried out, and a number of senior officers interviewed from both DMBC and St Leger Homes, as well as the Chair of the Audit Committee, Councillor Austen White, in order to obtain a clear and truthful picture. Internal Audit held a key role within the Local Authority in providing advice and insight to all departments and were required to be objective and competent, work carefully and with integrity and trust. A number of pieces of work had been looked at in undertaking the review, and strong positive feedback was provided on the service who were deemed to be a team of high quality and good work.

Members noted that there were several areas of good practice highlighted within the report, as well as a number of observations. The observations were not however areas of compliance, but simply points that the reviewers felt that Doncaster could consider adopting to make further improvements and benefit from the comments.

The Head of Internal Audit, Colin Earl, thanked Mr Dearnley for undertaking the review, and added that it provided a good base on which the Team could move forward. In response to a question from Kathryn Smart to skills mapping and where the Council was with this, he reported that a skills assessment was currently in place and a priority now would be to look at how the service would need to change and adapt in the medium to long term if the way in which the Council worked and the services it provided changed. This was something that would be factored into the Team Development Plan.

Following presentation of his findings, Mr Dearnley invited any questions Members of the Committee in relation to his review. Members raised concerns regarding the reduction of resources and how this would affect the Council and what risk this would cause. Members were reassured that this would be dealt with case by case and where necessary resources

could and would be found in order to provide the necessary level of assurance to the Council in order to ensure that there were sound Governance controls in place.

The Head of Internal Audit passed on his personal thanks to Mr Dearnley, adding that Doncaster Council was grateful for the rigorous review and they were extremely pleased with the judgement they had received. The observations that had been made would be included within Doncaster Council's Audit Action Plan in order to make further improvements and adaptations in the future.

RESOLVED that:-

- 1) The content of the assessment and the Action Plan be noted by the Audit Committee; and
- 2) Further information and updates be provided when required.

52 Strategic Risk Management in Learning and Opportunities.

Members considered a report that detailed the way in which Learning and Opportunities, Children and Young People (LOCYP) managed strategic risks further to a request at the Audit Committee in August 2016.

It was noted that the strategic risks were now managed more rigorously and transparently than ever and there was robust management in place that was challenged using a number of processes that were in place. Internal leadership meetings were held on a regular basis which helped to maintain control and ensure that improvements were ongoing. Additionally, the directorate reported to the Extended Leadership Team, the Council's relevant Overview and Scrutiny Panel as well as other public meetings and boards, and most significantly, to Ofsted and other Government Inspectorates.

The Director of Learning and Opportunities, Children and Young People, Damian Allen, was in attendance at the meeting in order to response to any questions by Members along with other members of his senior management team. The Chair invited Members to raise any queries in order to allow for a good discussion on the item and alleviate any concerns.

One of the main issues that Members raised was with regard to academic achievement and what strategies were in place to deal with these risks. Members were informed that the School Improvement Strategy had been revised and had been reintroduced, and was now split into three areas; Intensive, targeted and Self-supporting. A lot of work was being done and data was being reviewed on a half termly basis to ensure that this was managed effectively. Further to this, the Chair questioned how this was being managed in terms of academies and what the Council's relationship was with them. Members were advised that whilst first and foremost the authority mainly targeted maintained schools, their relationship with academies was improving and actions were in place to address any issues. Damian Allen informed the Committee that in terms of academies that were not performing, letters were sent out to them, and even though the Council had no direct control, the directorate raised the concerns to the Chief Executive of the relevant Academy Trust. All parties however were committed to improving the outcomes for children and young people, and schools were in a much improved position to 18 months ago.

Within the report, there was a lot of detailed information, which Members touched upon through the course of the debate. The Doncaster Childrens Services Trust (DCST), was noted as a risk, both financially, and from a governance perspective but officers reassured the Committee that this was being monitored effectively, and whilst it was not a route that the Authority would have chosen to undertake, they had to ensure that it was well managed and ensured a successful outcome. Ofsted would be due to undertake a further inspection in the

autumn, which it was hoped would result in a 'good' outcome as continuing improvements were being made. The budget however remained one of the largest risks, and despite a number of savings being made this year, the budget was well exceeded and costs needed to be brought down further, whilst still maintaining a sustainable model was delivered and the needs of children and young people in the Borough were met. The Committee felt that this needed expanding on further and requested further evidence on the risk management of the Directorate in relation to the Trust, which the officers present endeavoured to provide. Members were informed that the work undertaken from January onwards could be presented, and would provide clear evidence of the work done. Finally, further to concerns raised, whilst officers acknowledged that there was always more work that could be done in terms of risk management, it was important that due systems were in place and that concerns and risks were managed effectively within the resources available.

RESOLVED that the management of risks within the Learning and Opportunities, Children and Young People Directorate be noted.

53 Safeguarding Adults Personal Assets Team - Responsive Review.

Members considered a report that summarised issues uncovered and any progress made as a result of the review carried out of the Safeguarding Adults Personal Assets Team (SAPAT). The report was the second provided to the Committee as Members needed regular updates on the progress made with such a substantial project.

Members noted that SAPAT was in a much better position than had been previously reported and a significant amount of work had gone into improving systems, processes and there had been the provision of extensive training to ensure that SAPAT was able to fulfil the Teams aims and objectives. Members noted that progress had been made in the following areas:-

- System configuration and usage;
- Data quality had been significantly improved;
- Performance monitoring information was routinely produced;
- Client management activities have successfully reduced
- Client inflow changes were embedding;
- Team workloads have been redistributed to balance out workloads;
- All financial transactions were now reflected accurately within the CASPAR system;
- Transport issues had been addressed;
- Training had been delivered; and
- Public health funeral responsibility had been transferred to Bereavement Services.

Whilst improvements had been made, there was still further work to be done, as it was a huge area to cover, and the relationship with health partners was critical for change. Additionally, the Interim Strategic Director for Adults, Health and Well-Being informed Members that strong leadership was required in order to drive the Service forward, and a huge recruitment drive was currently underway in order to address this, with a view to filling the specialist post of SAPAT Manager.

Members put forward any questions to officers arising from the report, and were provided with reassurance that progress was being made. It was recognised that there was still a great deal of work to be done but that the momentum needed to be driven forwards to make further improvements. On the back of this, it was requested by Members that a further report be brought to the Committee at its October meeting in order that a further update was received.

RESOLVED that the Audit Committee note the progress of the Audit Review, summary issues within SAPAT and the progress made.

54 Breaches and Waivers to the Council Financial and Contract Procedure Rules.

The Committee received a report that contained details of the breaches and waivers to the financial and contract procedure rules for the period 1 November, 2016 to 17 March, 2017. The report detailed that there had been a total of nine breaches, and twenty two waivers during the period, and further updates were provided on the ten breaches reported at the previous meeting, of which eight remained outstanding, and two had been resolved.

Following consideration of the report, officers provided further explanations on the breaches referred to and endeavoured to answer Members questions and provide assurance to any concerns.

RESOLVED that the information and actions contained within the report regarding waivers and breaches of Financial Procedure Rules and Contract Procedure Rules be noted by the Audit Committee.

55 Adult Social Care Commissioning Review Programme 2017-2021.

Members received a report which detailed proposals for the Adult Social Care Commissioning Programme that it was anticipated would be considered by Cabinet later in the year. Members were advised that this would be a two stage process that would comprise of the following:-

- A four year strategic review programme of adult social care commissioning activity; and
- A corporately agreed and regularly updated procurement plan which would be updated once the review had received official political sign off.

Members were informed that the proposed programme had been produced with a large number of factors in mind, and would take into account all new planned developments, including the Thorne Extra Care Scheme, implementation and mobilisation of the Commissioned Care at Home (CCaSH), the comprehensive money management service, a new Dementia Pathway and the urgent re-commissioning of RDASH supported living as these would all impact of the work of commissioning, legal and procurement staff as they moved forward.

Whilst it was a huge plan to implement, it would be closely monitored and developed in order to ensure that a successful programme was delivered.

Concerns were raised in terms of the level of information provided within appendix 1 of the report, as it did not provide enough depth and background to the financial picture. However, Members were assured that once more information became readily available for publication within the public domain, this would be vastly improved.

Members requested assurance from officers that this would be well thought out and developed and that sufficient staff were in place to facilitate what was planned. However, the Committee were assured that at this stage, the Review Programme was simply an initial proposal of what it intended to implement and there was still a substantial amount of work to be done.

RESOLVED the Audit Committee note the contents of the report and the draft initial phasing of the Review Programme prior to its presentation to Cabinet.

56 Exclusion of Public and Press

RESOLVED that the public and press be excluded from the meeting during consideration of Agenda Item 17, in accordance with Section 100(A)(4) of the Local Government Act 1972, as amended, on the grounds that exempt information as defined in Paragraph 3 of Schedule 12A to the Act, is likely to be disclosed

57 Solar Centre Update (Exclusion paragraph 3)

Members considered a report that provided information on the current position with regard to the Solar Centre, which offered a service to people with learning disabilities, along with their parents and carers. There was an assurance given by officers to Members present that there was commitment to resolving the issues involved as soon as possible. It was a high priority project, and a clear plan had now been developed to move this forward.

RESOLVED that the Audit Committee note the update received on the current situation with regard to the Solar Centre, and agreed to decommission and re-commission the services currently provided in line with the draft timeline attached at Appendix 1 to the report.

Following consideration of the exempt report, the meeting re-opened to the public and press in order to consider the remaining items of business on the agenda.

58 Quarter 3 - Strategic Risk Update

Members considered the Quarter 3 2016/17 Strategic Risk Update, which provided an overview of the Strategic Risk profiles of the Authority. Members noted that there were 19 strategic risks, all of which had been updated as part of the reporting process and the heat map gave a summary of these to the Committee.

It was reported that no new risks had been proposed, and of the 19 risks, 16 had remained the same, 3 had been reduced, and none had increased. It was noted that effective mitigating actions had reduced the following three profiles:-

- Health and Social Care services do not change fast enough, impacting on quality, accessibility and affordability of services for people who need them most;
- Failure to set robust assumptions on pensions deficit recovery and future contribution rate for 2016 valuation; and
- Failure to achieve the budget targets for 2016/17 and 17/18.

A discussion was held on a number of points that the Committee picked up on in their consideration of the report and officers provided clarity where needed. Members queried the possibility of showing timescales on the register in order to show how long they had been on there. However, there was uncertainty as to whether this would be of any benefit as they risks were reviewed quarterly as it was, and many dropped off once no longer deemed a concern.

The Chair asked the Assistant Director Finance and Chief Finance Officer to ensure 'Adults, Health and Well-Being commissioning and procurement arrangements' be considered for inclusion in the strategic risk register, in view of the various issues relating to this included on the Audit Committee's agenda for this meeting.

RESOLVED that:-

- 1) The Committee note the content of the report; and

- 2) The Committee note the proposed demotion of the Strategic Risk around Health and Social Care Services
- 3) The Assistant Director Finance and Chief Finance Officer to ensure 'Adults, Health and Well-Being commissioning and procurement arrangements' is considered for inclusion in the strategic risk register.

59 Head of Internal Audit Annual Report 2016/17.

The Committee received the Annual report of the Head of Internal Audit for 2016/17, which provided information on the work of Internal Audit for the 2016/17 financial year, including its overall opinion on the Council's governance, risk management and internal control arrangements. The report informed Members that based upon the work undertaken during the year, it could be confirmed that the Council's arrangements were adequate and had operated satisfactorily and an unqualified opinion was given. Three significant weaknesses were highlighted for inclusion in the Council's Annual Governance Statement, as below:-

- DOLS (Deprivation of Liberty Safeguards) – Best Interest Assessments
- Adult, Health and Wellbeing Contract and Commissioning Arrangements; and
- Supporting Adults Personal Assets Team.

Following consideration of the report, Members of the Committee were afforded the opportunity to comment on its content and ask any questions of the officers.

RESOLVED that:-

- 1) The Internal Audit Annual Report for 2016/17 be noted, including confirmation that the Council's governance, risk management and control arrangements were adequate and operated satisfactorily during the year;
- 2) The Committee note the Head of Internal Audit's Self-Assessment and the confirmation from the external peer assessment that the service is compliant with the Public Sector Internal Audit Standards.

60 Internal Audit Plan 2017/18.

Colin Earl, Head of Internal Audit presented a report that detailed the Internal Audit Plan for 2017/18 which had been produced following an assessment of risk management, control and governance risks across the Council (including partnership activities) and consultation with Directors and Assistant Directors.

The Plan detailed the work that was proposed to be undertaken during the 2017/18 year, and focussed on the areas that it was felt the most value could be added to improving the Council's governance, risk and control arrangements, as required by the professional auditing standards. Therefore, it was felt that corporate priorities, corporate and service changes and governance, financial fraud, ICT and information governance risk continued to feature strongly. The Plan detailed how much work would be spent by the service on each type of work.

Members were invited to raise any queries following the consideration of the report, which Officers provided more detailed information on. The Chair commented that there was a lot of work to be done over the coming year, and the Committee asked how it was decided on which items were of the highest priority and considered in what order. This Head of Audit explained this would be done by assessing the level of risk, the changes to systems and process and what skills were available to take on the work.

RESOLVED that the 2017/18 Internal Audit Plan be approved by the Audit Committee.

61 Audit Committee Annual Report 2016/17.

The Head of Internal Audit presented a report to the Committee that detailed all the Audit activity for the 2016/17 year. The report allowed the Audit Committee to demonstrate how it has fulfilled its Terms of Reference and complies with current Best Practice for Audit Committees. The report highlighted a number of ways in which the Audit Committee had contributed, which included the following:-

- Reviewing internal and external audit work;
- Ensuring appropriate action is taken to implement audit recommendations;
- Reviewing, and ensuring action is taken in response to weaknesses found;
- Critically assessing the Council's Governance arrangements and supporting the production of an Annual Governance Statement;
- Strengthening the Strategic Risk Register;
- Strengthening the management of risks through the review;
- Supporting the maintenance of good standards achieved in producing the Council's Statement of Accounts, whilst meeting the shorter timescales required;
- Supporting the development of anti-fraud and corruption arrangements; and
- Ensuring the Council's surveillance policies were kept up to date.

Members noted that the report reflected all the positive work that had been carried out by them as the Audit Committee and pleased that the Committee contributed to achieving a positive impact on Governance arrangements within the Council.

The Chair referred to a small change in wording in the Chair's foreword, to emphasize the committee's role in challenging arrangements.

RESOLVED that the Audit Committee Annual Report 2016/17, incorporating a minor change made by the Chair, be approved by the Audit Committee.

62 Duration of Meeting

In accordance with Council Procedure Rule 12.2, upon reaching 3 hours in session the Chair proposed that the meeting continue in order to allow for consideration of the remaining items of business on the agenda.

RESOLVED that the meeting continue past 3 hours to allow the Committee to consider all remaining items of business on the agenda.

63 External Auditors (KPMG) Certification of Claims and Annual Returns - Annual Report 2015/16.

The Committee considered a report that detailed the external auditor's findings in relation to claims for the 2015/16 period. Under Section 28 of the Audit Commission Act 1998, KPMG were required to make arrangements for certifying claims and returns in respect of grants or subsidies paid by the Government to local authorities. Members noted that there were four claims and grants that required audit certification for 2015/16, which were detailed as follows:-

- a) Housing benefit subsidy;
- b) Pooling of Housing Capital Receipts Return;
- c) Employment Based Initial Teacher Training Grant; and
- d) Teachers' Pension Authority Return.

The document would contribute towards the Council receiving an unqualified opinion on their 2016/17 accounts and secure good governance and value for money in its use of resources.

The Committee thanked the representative from KPMG for their report, and were invited to put forward any questions. One concern raised, was in relation to payments to war veterans. It was noted that in the report provided by KPMG, it made reference to 9 cases where the incorrect figures had been used in the calculation of benefit. Members were assured that whilst this may be perceived as a weakness, the Council were aware of it, and it was largely a result of the process in place to deal with the payments. This was very manually intensive process, which had to be undertaken annually, and involved writing manually to all individuals to ensure the correct information was held and permission given to write to the war veterans' society on their behalf to access the data in order to provide the benefit.

RESOLVED that the report be noted by the Committee.

64 Independent Person appointed under Section 28 of the Localism Act 2011.

The Monitoring Officer presented a report to the Audit Committee that sought agreement to recommend the re-appointment of Mr Phil Beavers as the Council's Independent Person under Section 28 of the Localism Act 2011. The Independent Person was appointed in order to assist the Monitoring Officer with any allegations of Member misconduct. Mr Beavers had previously been in the post for the past five years, and the Monitoring Officer informed the Committee that he had built up a good knowledge of the process and a wealth of experience. In the past, this role had been undertaken on a purely voluntary basis, but it was now felt appropriate to pay an annual allowance of £1000 per annum to cover expenses and time. This was felt to be a reasonable amount in return for the time and vast knowledge offered to the Authority by Mr Beavers.

A further point highlighted in the report that Members were required to note, was the sharing of Independent Persons arrangements with the other South Yorkshire Authorities. In the past there had been an informal understanding that other authorities can use each other's Independent Persons if and when required. This was a useful standby arrangement, if, for whatever reason, Mr Beavers was unable to assist the Monitoring Officer wither due to a conflict of interest or if unavailable, and therefore it was considered appropriate that Full Council formally ratify this arrangement.

RESOLVED that the Audit Committee recommend to Council-

- 1) The re-appointment of Mr Philip Beavers as the Council's Independent Person to assist the Monitoring Officer for a further 4 year period to 31 May, 2021;
- 2) The payment of an annual allowance of £1000 to the Independent Person for the undertaking of the role; and
- 3) The ratification of the proposed arrangement outlined in paragraph 7 of the report to enable Doncaster MBC to participate in the sharing of reserve Independent Persons across the four South Yorkshire Authorities.

CHAIR: _____

DATE: _____

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21 June 2017

**To the Chair and Members of the
AUDIT COMMITTEE**

ANNUAL REPORT OF MONITORING OFFICER

EXECUTIVE SUMMARY

1. This paper sets out the Monitoring Officer's (MO's) Annual Report on matters relating to ethical governance, including details of any complaint handling activity carried out in consultation with the Independent Person in relation to allegations of Member misconduct and details of disclosures made by members of staff under the Council's Whistleblowing Policy during the last 12 months.

RECOMMENDATIONS

2. It is recommended that the Committee:-
 - (i) notes the MO's annual report on complaint handling activity for the period 1st April 2016 to 31st March 2017;
 - (ii) notes the whistleblowing returns for 2016/17.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

3. Having robust ethical governance policies and procedures in place helps to maintain openness, transparency and probity in the way that the Council conducts its business. This in turn should help increase public confidence in local governance through maintaining high standards of conduct by Members.

BACKGROUND

4. In accordance with adopted practice, this Committee receives a report by the MO on an annual basis, which summarises complaint handling and ethical governance activities during the previous 12 months.

Complaint Handling Activity – 1st April 2016 to 31st March 2017

5. The Monitoring Officer works closely with the Council's designated Independent Person (IP), Philip Beavers on matters of Member Behaviour and Complaints. At its Annual Meeting on 19th May 2017, the Full Council re-appointed Mr Beavers as the IP for a further 4 year period to 31st May 2021 and approved the payment of an annual allowance of £1000 to the IP for undertaking his role. The Council also formally ratified the principle that Doncaster and the other South Yorkshire Councils are able to borrow each other's IPs in the event that their own IP is unable to act through reasons of conflict or other unavailability.

Borough Councillors

6. Over the last 12 months, ten formal complaints against Borough Councillors have been received by the MO. Very few complaints received were the subject of further enquiries. The majority of complaints received were not considered to be breaches of the Council's Code of Conduct.

Parish Councillors

7. The Monitoring Officer has received nine formal complaints against Parish Councillors during the period 1st April 2016 to 31st March 2017.
8. Of the nine complaints received against Parish Councillors, seven of these related to Parish Councillors from the same Parish Council. This particular Parish Council was highlighted in last year's report as being the subject of a number of complaints which were symptomatic of wider on-going tensions and conflicts between Parish Councillors at the Parish Council in question. This led to a visit being made by the MO and the IP in October 2015 to observe a meeting of the Parish Council and afterwards, to meet in private with the Parish Councillors and the Clerk to discuss the difficulties and act in a mediation capacity. Since that time, problems have persisted, in light of which the MO and IP are planning to make a second visit to that Parish Council in the coming months in a further attempt to mediate and remind members of their obligations under the Code of Conduct.
9. A detailed summary of all complaints dealt with by the MO in consultation with the IP during the 2016/17 Municipal Year is set out in **Appendix A** to this report.

General

10. Parish Councillor activity on Social Media (particularly Facebook) continues to attract interest and generate informal complaint activity.
11. The MO and his staff continue to provide appropriate training and informal advice to DMBC members, Parish Councils and Clerks in order to improve governance generally. Most recently, a dedicated training session on the Member Code of Conduct was provided for Members as part of the Member Induction Programme following the local elections in May 2017.

Whistleblowing Returns for 2017/18

12. The MO has overall responsibility for the maintenance and operation of the Whistleblowing Policy, which includes keeping a record of all whistleblowing cases and presenting a summary of these to the Audit Committee on an annual basis.
13. The Whistleblowing report was revised in July 2015 and the key updates were:
 - The Policy applies to members of the public, stakeholders, and contractors as well as employees.
 - Whistle blowers are asked to report their concerns to specific senior officers rather than to their managers. This ensured that senior management were aware of any matters and that the correct processes were followed and reported to the Monitoring Officer for the annual report;
 - The Policy gives clearer guidance as to what was considered to be the sort of matter that amounted to whistleblowing allegations;

- A factsheet and flow diagram had been drafted to assist people understand the policy.

14. We have had 3 whistleblowing matters during 2016/17 and their details are below.
15. In summary, of the 2 whistleblowing matters investigated, recommendations were made in both. No serious breaches were found as a result of any of the whistleblowing complaints.

Date	Name of officer reported to	Brief Summary of Matter	Outcome
August 2016	Scott Fawcus	Health and safety issues at Doncaster markets	Matter investigated by Legal Services and recommendations made to Markets - already considered as part of audit and health and safety review.
September 2016	Jo Miller/Scott Fawcus	Complaint over safeguarding process concerning employee.	Matter investigated by Legal Services and recommendations made to the service area and HR on processes.
October 2016	From Damian Allen to Scott Fawcus	School matter – in accordance with the whistleblowing policy and in discussion with Asst Director of HR decision was that matters should be considered if appropriate following outcome of ongoing HR investigation/possible disciplinary process as complainant was subject to this.	Matter followed through HR process not whistleblowing.

OPTIONS CONSIDERED AND REASON FOR RECOMMENDED OPTION

16. Not applicable – this report is primarily for noting.

IMPACT ON THE COUNCIL'S KEY OUTCOMES

- 17.

Outcomes	Implications
We will provide strong leadership and governance, working in partnership.	The work of the Audit Committee in monitoring the Council's ethical governance activities helps to: <ul style="list-style-type: none"> • ensure that Council arrangements are open, accountable and ethically

	<p>strong;</p> <ul style="list-style-type: none"> • promote high standards of conduct; • build a 'bond of trust' between the Council and its communities.
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RISKS AND ASSUMPTIONS

18. There are no identified risks associated with this report.

LEGAL IMPLICATIONS

19. Section 27(1) of the Localism Act 2011 places a duty on relevant authorities to promote and maintain high standards of conduct by Members and Co-opted Members of the authority.

20. Section 28 of the Localism Act 2011 requires Principal Authorities to have in place arrangements for investigating allegations of Member misconduct and taking decisions on those allegations. It also requires Councils to appoint at least one Independent Person who is to be consulted as part of the complaint handling process. The Council has in place arrangements for discharging these arrangements.

FINANCIAL IMPLICATIONS

21. There are no specific financial implications arising from this report.

EQUALITY IMPLICATIONS

22. There are no specific equalities implications associated with this report.

BACKGROUND PAPERS

Complaints Files.

Whistleblowing Policy.

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Scott Fawcus
Monitoring Officer

Summary of Member Code of Conduct Complaints Received in 2016/17

Date received	Complainant type (Public, Councillor or Organisation)	Subject Member Type – DMBC Councillor or Parish Councillor	Details of Allegation(s)	Outcome
12/04/16	Member of Public (x2)	DMBC Councillor	Failure by the Member to declare an interest as a member of the board of school governors in dealing with a ward matter (parking issues in vicinity of Primary School).	Finding was no breach of the Code (no further action).
15/04/16 DC1-16	Member of Public	DMBC Councillor	<ol style="list-style-type: none"> 1. That the Member called in 3 planning applications which had been referred to Planning Committee. 2. That the Member 'stirred up' public interest in the applications and was behind anonymous leaflets distributed around the village. 3. That the Member failed to declare an interest in the applications and withdraw from the Planning Committee meetings in question. 	<p>Informal investigation carried out – finding was no breach of the Code (no further action).</p> <p>Investigation findings included a suggestion that the Member be given advice re. declaring interests at Planning Committee in future.</p>
01/07/16	Organisation (Academy)	DMBC Councillor	The Academy was concerned that frequent tweets by the Subject Member complaining about bushes outside the school not being trimmed would bring the Academy and Trust into disrepute.	Finding was no breach of the Code of Conduct (no further action).

Date received	Complainant type (Public, Councillor or Organisation)	Subject Member Type – DMBC Councillor or Parish Councillor	Details of Allegation(s)	Outcome
25/08/16	Organisation (Neighbourhood Watch Group/ Action Group)	DMBC Councillor (x5)	Lack of engagement and support from the Ward Councillors with regard to the Groups' objections to a local planning application.	<p>Complaint dismissed. Not within jurisdiction – did not relate to an alleged breach of the Code (no further action).</p> <p>In response to further representations from the complainant, the MO offered to bring the matter to the attention of the 5 sitting ward members, by forwarding to them the original correspondence from the complainant.</p>
03/10/16 DC2-16	Member of Public	DMBC Councillor (x2)	That the Subject Members were prejudiced and not objective in considering a planning application at a Planning Committee meeting.	Finding was no breach of the Code on both counts (no further action).
04/11/16 DC3-16	Member of Public	DMBC Councillor	That the Subject Member was intimidating and rude towards the complainant in his dealings with her regarding the hiring of a local venue.	Complaint dismissed. Not within jurisdiction - private capacity (no further action)
10/01/17 DC1-17	Member of Public	DMBC Councillor (x3)	That the Subject Members failed to include on their Registers of Interests their seats as Directors/Trustees on an outside body.	Finding was no breach of the Code of Conduct (no further action).

Date received	Complainant type (Public, Councillor or Organisation)	Subject Member Type – DMBC Councillor or Parish Councillor	Details of Allegation(s)	Outcome
24/01/17 DC2-17	Member of Public	DMBC Councillor	That the Subject Member failed to declare an interest at meetings when the Local Development Framework Sites and Policies Development Plan was under discussion.	Finding was no breach of the Code of Conduct (no further action).
24/1/17 DC3-17	Member of Public	DMBC Councillor (x2)	That the Ward Councillors failed to report an incident of fly tipping and an abandoned vehicle, which amounted to 'dereliction of duty'.	Complaint dismissed. Not within jurisdiction – did not relate to an alleged breach of the Code (no further action).
15/6/16 PC1-16	Member of Public	Parish Councillor	<p>That the Subject Member called the complainant 'a liar' at a Parish Council meeting held in May 2016.</p> <p>Also, that on or around 20 April 2016 the Member disclosed confidential papers from their Parish Council to a third party (member of the public).</p>	The Member admitted the allegations made by the complainant. The MO therefore referred the matter to the Parish Council, recommending that the Parish Council should deal with the complaint alongside previous complaints against the same Member that it was already considering, in terms of any sanctions to be applied.
01/08/16 PC2-16	Parish Councillor	Parish Councillor	That the Subject Member failed to declare an interest at a Parish Council meeting due to the Member being a close friend of an individual whose business affairs were being discussed at that meeting.	Finding was no breach of the Code of Conduct (no further action).

Date received	Complainant type (Public, Councillor or Organisation)	Subject Member Type – DMBC Councillor or Parish Councillor	Details of Allegation(s)	Outcome
04/0816	Member of Public	Parish Councillor (x2)	The complaint centred on the way the Parish Council had considered and dealt with a complaint to them from the complainant about the opening of some correspondence.	Complaint dismissed. Not within jurisdiction – did not relate to an alleged breach of the Code (no further action).
12/10/16 PC3-16	Parish Councillor	Parish Councillor	That, whilst Chairing a Trustees meeting, the Subject Member failed to treat others with respect by raising his voice and pointing his finger, and effectively calling a member of the public a liar.	Finding was no breach of the Code of Conduct (no further action).
1/3/17 PC1-17	Member of Public	Parish Councillor (x3)	That the Subject Members were rude and intimidating towards members of the public and other Councillors at a Parish Council meeting held in February 2017.	<p>Complaint dismissed – allegations did not constitute breaches of the Member Code of Conduct.</p> <p>Complainant was advised, however, that, in light of the on-going frequency and number of complaints being received in connection with this Parish Council, the MO and Independent Person intend to attend a further meeting of the Parish Council in question to remind all Councillors of their duties and responsibilities as elected members and signatories of the Parish Council's Code of Conduct.</p>

Date received	Complainant type (Public, Councillor or Organisation)	Subject Member Type – DMBC Councillor or Parish Councillor	Details of Allegation(s)	Outcome
1/3/17 PC2-17	Parish Councillor	Parish Councillor (x3)	That the Councillors failed to declare interests in an item of business relating to the approval of Parish Council expenditure towards a specific project.	Finding was no breach of the Code of Conduct (no further action).
2/3/17 PC4-17	Member of Public	Parish Councillor (x3)	That the Subject Members were rude and intimidating towards members of the public and other Councillors at a Parish Council meeting held in February 2017.	<p>Complaint dismissed – allegations did not constitute breaches of the Member Code of Conduct.</p> <p>Complainant was advised, however, that, in light of the on-going frequency and number of complaints being received in connection with this Parish Council, the MO and Independent Person intend to attend a further meeting of the Parish Council in question to remind all Councillors of their duties and responsibilities as elected members and signatories of the Parish Council's Code of Conduct.</p>

Date received	Complainant type (Public, Councillor or Organisation)	Subject Member Type – DMBC Cllr or Parish Councillor	Details of Allegation(s)	Outcome
3/3/17 PC3-17	Parish Councillor (x8)	Parish Councillor	That the Subject Member failed to comply with various Standing Orders adopted by the Parish Council while chairing a Council meeting held in February 2017.	<p>Complaint dismissed – allegations did not constitute breaches of the Member Code of Conduct.</p> <p>Complainants were advised, however, that, in light of the on-going frequency and number of complaints being received in connection with this Parish Council, the MO and Independent Person intend to attend a further meeting of the Parish Council in question to remind all Councillors of their duties and responsibilities as elected members and signatories of the Parish Council's Code of Conduct.</p>
5/3/17 PC5-17	Member of Public	Parish Councillor	That the Subject Member used inappropriate language and behaviour towards the complainant during a public meeting.	<p>Complaint dismissed – allegations did not constitute breaches of the Member Code of Conduct.</p> <p>Complainant was advised, however, that, in light of the on-going frequency and number of complaints being received in connection with this Parish Council, the MO and Independent Person intend to attend a further meeting of the Parish Council in question to remind all Councillors of their duties and responsibilities as elected members and signatories of the Parish Council's Code of Conduct.</p>

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Report to the Chair and Members of the AUDIT COMMITTEE

REGENERATION AND ENVIRONMENT – STRATEGIC RISK MANAGEMENT

EXECUTIVE SUMMARY

1. This report provides an in-depth analysis of how the 4 strategic risks aligned to the Regeneration & Environment (R&E) Directorate are managed, reviewed and reported, following consideration of the Strategic Risk Report Mapping report to the Audit Committee.

EXEMPT REPORT

2. This item is not exempt.

RECOMMENDATIONS

3. It is recommended that the Audit Committee note and comment on the content of this report including the risk mitigations that are currently in place within R&E.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

4. The embedding of robust risk management arrangements within the Council incorporating the management of strategic risks creates an environment in which we can successfully meet our objectives to deliver Doncaster's corporate priorities, operationally the risks mitigations we have in place ensure individuals are protected and that the services we provide are modern and deliver value for money.

BACKGROUND

5. At the Audit Committee meeting on the 17th August 2016, Members considered a report that detailed the Council's strategic risks, and determined to undertake a 'deep dive' review to ensure the risks, and mitigations are appropriately managed within the service area, to date the Committee has considered reports from Adults & Health & Wellbeing, Learning and Opportunities and Strategic Budget Risk Management, this report details Regeneration & Environment's response to its 4 key strategic risks.

The four strategic risks for R&E in the 2016/17 risk register are:

- Engagement in the City Region to secure economic benefits for Doncaster
- Impact of Brexit on funding / projects (Joint risk with Finance & Corporate Services)

- Dealing with emergencies (emergency planning and resilience)
- Ensuring robust health & safety exists

Risk Management Arrangements:

6. It is self-evident that the issues affecting our society today require a strong and swift approach to risk management, failure to do so places residents lives at risk, therefore it is right and appropriate that R&E have robust risk management framework in place; which is stringently managed and regularly reviewed, below highlights our approach to Risk management aligned to corporate policies and protocols, in addition to providing the Committee a position statement on the current risks contained within R&E .
7. Firstly, Strategic risks are embedded within the core management fabric of R&E; to substantiate this statement; R&E strategic risks are regularly reviewed and recorded on the Councils covalent performance management system including progress against all mitigating actions. They are then reported to R&E Directorate Leadership Team, Directors, Executive Board, Cabinet and Overview and Scrutiny as part of the Quarterly R&E performance improvement report, all these meetings are documented, and evidence can be provided of discussions and mitigations discussed.
8. Secondly, strategic risks are embedded within the performance management of both teams and individuals within R&E; for example risks are highlighted and discussed within individual service plans; performance development reviews (PDR's), one to ones and Team meetings; the very nature of R&E risks require mitigations to be in place wider than just Doncaster Council; the very nature and type of organisations involved are described within the consultation section below, and include a position statement on the current risk.
9. For the benefit of the Committee, Appendix A includes the latest strategic risk position that was reported as part of the quarterly Corporate reporting cycle; this includes a current position statement, mitigating actions and an analysis of the risk i.e. likelihood and impact this would have.
10. The appendix highlights how the 4 key strategic risks are operating generally in the Directorate; particularly, how service risks are: monitored, recorded, managed and reported, however it is also important to share with the Committee how these risks are identified and the evidence supporting this.
11. Given the diverse risks associated within R&E, the following identifies how these are identified:
12. **Engagement in the City Region to secure economic benefits for Doncaster**
Doncaster Council is a founding member of the Sheffield City Region (SCR); a significant number of Senior Offices, CEO, Directors, AD's, Heads of Service, Mayor, Members and Cabinet Members from Doncaster Council have regular active engagement within SCR; this is through the governance frameworks that have been created which include a series of executive boards, Combined Authority, a series of task and finish groups and a SCR Scrutiny Panel, this governance structure provide assurances to the Local Authority that any risks are identified early and appropriate mitigations are acted upon.

13. Impact of Brexit on funding / projects (Joint risk with Finance & Corporate Services)

It has been widely reported that there still remains a degree of uncertainty regarding the impact of the UK exiting the European Union, with UK Government still unclear as to all the mitigations required to lessen the impact from our withdrawal, however, for the purpose of reassuring the Audit Committee Doncaster Council is part of an European Structural Investment Fund Committee, which has representatives from the European Commission, various Government Departments including DCLG; DEFRA; DWP; Universities; Third Sector, and the SCR Local Authorities, this group meets on a six weekly basis and determines the management of ERDF, Rural and ESF resource within Sheffield City Region, the Committee regularly review the status of EU resources and the impact this may have on Public Bodies, Private Sector and the Third Sector. Additional technical assistance resources are provided to finance officers within the SCR Local Authorities that actively engage with the European Commission and UK Government ensuring EU Policy, or regulations decisions are acted upon.

14. Dealing with emergencies (emergency planning and resilience) Preparedness arrangements

The Committee may be aware that Doncaster Council Leadership and Directors from the Children's Trust and St Leger Homes exercised strategic response arrangements in April 2017 for a terrorist related incident affecting Doncaster and resulting in an increase in the UK Threat Level to Critical.

15. Doncaster Council Corporate Emergency Response Team supported a live overnight exercise in Meadowhall shopping centre in March 2017 to rehearse the response and support arrangements to support those affected by a terrorist incident. Business Continuity Awareness week was promoted to all staff in May 2017 with a focus on increasing staffs awareness of their role in organisational cyber security arrangements.

16. Response arrangements

Doncaster Council has activated its Corporate Emergency Response arrangements to respond to the attacks in Manchester at Strategic and Tactical level and has worked closely with partners and emergency services in South Yorkshire to put arrangements in place to reflect the threat level increase and provide information and support to staff, members, event venues, schools and those affected by the attacks. Doncaster Police Commander has praised the arrangements put in place as "a really positive example of how Doncaster works together particularly in critical environments."

17. A Business Continuity response to the UK Cyber Security incident was activated in May 2017. This was minimised as DMBC IT Dept. had already taken proactive action to reduce vulnerabilities in March 2017 which minimised the impact.

18. Ensuring robust health & safety exists

Doncaster Council operates under a Health and Safety Management System that underpins how Health & Safety is managed through 4 core elements. This management system is based on the Health & Safety Executives 'Plan, Do, Check, Act' model. Ensuring that the Councils duties are discharged having suitable arrangements to manage Health and Safety as required by the Management of Health & Safety at Work Regulations 1999. These Core

Elements establish Leadership, Management, Risk Profiling, Legal Compliance, Competence and Worker Involvement.

19. Core Health & Safety Arrangements

Doncaster Council undertakes a process of organisational risk profiling through five core health and safety arrangements, which also implements the 'plan, do, check, act model.

20. Risk Assessment and Safe Working Practices - Risk assessment is an important part of the risk management process and in many cases simple, straightforward measures can be effective in controlling risks. The Councils Risk management is about taking practical steps to protect people from real harm - based on practical measures and not paperwork alone.
21. Accident and Incident Reporting - Accidents and incidents to employees or non-employees occurring within the working environment have to be reported to the employer and depending on the nature and circumstances of the accident or incident, a report is then sent to the Health and Safety Executive. This arrangement clearly defines how accidents are reported, by who, the classification and the requirement for a robust investigation,
22. Health and Safety Audits - Auditing is one of the final steps in the Health and Safety Management control system. An audit embodies the 'feedback loop', which will enable Doncaster Council to reinforce, maintain and develop its ability to reduce risks to the fullest extent and to ensure the continued effectiveness of the Corporate Health and Safety Management System. The majority of the audits will be organised as outlined in the audit process in this arrangement, the exception would be when management (or the Corporate Health & Safety manager) requests a systematic sampling of particular dangerous activities, processes or areas. In these circumstances, Corporate Health & Safety may be required to make unannounced visits to observe and audit the work activities.
23. Health and Safety Training - Doncaster Council recognises that training is an essential part of providing safe systems of work to protect the Health, Safety and Welfare of its employees and others who may be affected by its activities. Through this arrangement Doncaster Council undertakes to provide suitable and sufficient information, instruction, training and supervision to its employees in the relevant work activities at all of its locations.
24. Control of Contractors - Doncaster Council frequently uses contractors/service providers to deliver services on its behalf, in doing so departments or employees assume the role of 'Contract Manager' or in some cases the 'Client' and will be responsible for ensuring work they commission is delivered safely. This arrangement clearly defines how contractors will be procured, identified as competent and effectively monitored.
25. This Health and Safety Management System is reviewed on an annual basis, and when legislation is amended, this is audited through the Councils Consultative Liaison process. All Health & Safety and CDM Advisors within the Corporate Health and Safety Team undertake a formal CPD process through the

Institute of Occupational Safety and Health (IOSH) and other relevant training to ensure ongoing high level of competence

26. In responding to the Audit Committees recommendations on the effectiveness of how Directorates are responding to strategic risks, it is also important to consider how we can collectively improve risk management within the Council, within R&E we have created the right culture amongst staff to administer risk; with clear responsibilities contained within our various plans and reports; we have aligned our risks to the work that is currently undertaken by our colleagues within Internal Audit and have robust management systems that demonstrate risk and mitigations taken, we continue to horizon scan and respond to best practice to improve our mitigation, whilst recognising that within the improvement cycle, through learning and administration of risk do we achieve improvement.

OPTIONS CONSIDERED

27. Option 1: Do nothing – We simply maintain a position which does not manage risks, or at a reduced level. Given the high profile risks contained within R&E this is clearly not an option as this would place residents at risk.

28. Option 2: (Recommended Option) – We collectively respond to the risks associated with in R&E by ensuring the embedment of a robust risk management framework.

REASONS FOR RECOMMENDED OPTION

29. It is self-evident that the issues affecting our society today require a strong and swift approach to risk management, failure to do so places residents lives at risk, therefore it is right and appropriate that R&E have robust risk management framework in place; which is stringently managed and regularly reviewed.

IMPACT ON THE COUNCIL’S KEY OUTCOMES

30. The report has the following impacts:

Priority	Implications
<p>All people in Doncaster benefit from a thriving and resilient economy.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Creating Jobs and Housing</i> • <i>Mayoral Priority: Be a strong voice for our veterans</i> • <i>Mayoral Priority: Protecting Doncaster’s vital services</i> 	<p>The very nature of activities contained within R&E impacts on all Mayoral Priorities; the nature of this report is therefore to ensure risks are mitigated in delivering these.</p>
<p>People live safe, healthy, active and independent lives.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Safeguarding our Communities</i> • <i>Mayoral Priority: Bringing down</i> 	<p>The very nature of activities contained within R&E impacts on all Mayoral Priorities; the nature of this report is therefore to ensure risks are mitigated in delivering these.</p>

the cost of living	
<p>People in Doncaster benefit from a high quality built and natural environment.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Creating Jobs and Housing</i> • <i>Mayoral Priority: Safeguarding our Communities</i> • <i>Mayoral Priority: Bringing down the cost of living</i> 	<p>The very nature of activities contained within R&E impacts on all Mayoral Priorities; the nature of this report is therefore to ensure risks are mitigated in delivering these.</p>
<p>All families thrive.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Protecting Doncaster's vital services</i> 	<p>The very nature of activities contained within R&E impacts on all Mayoral Priorities; the nature of this report is therefore to ensure risks are mitigated in delivering these.</p>
<p>Council services are modern and value for money.</p>	<p>The very nature of activities contained within R&E impacts on all Mayoral Priorities; the nature of this report is therefore to ensure risks are mitigated in delivering these.</p>
<p>Working with our partners we will provide strong leadership and governance.</p>	<p>The very nature of activities contained within R&E impacts on all Mayoral Priorities; the nature of this report is therefore to ensure risks are mitigated in delivering these.</p>

RISKS AND ASSUMPTIONS

31. The Councils strategic risk register is reviewed and updated on a regular basis, with each service area formally documenting its key risks and actions taken to mitigate those risks within service plans.

LEGAL IMPLICATIONS

32. There are no specific legal implications arising from the recommendations contained within this report.

FINANCIAL IMPLICATIONS

33. There are no specific financial implications arising from the recommendations contained within this report.

HUMAN RESOURCE IMPLICATIONS

34. There are no specific human resource implications arising from the recommendations contained within this report.

TECHNOLOGY IMPLICATIONS

35. There are no specific technological implications arising from the recommendations contained within this report.

EQUALITY IMPLICATIONS

36. There are no specific equality implications arising from the recommendations contained within this report. The Council considers and has due regard to the Public Sector equality duty (PSED) when developing and implementing risk mitigations.

CONSULTATION

37. The very nature of the risks contained within R&E require a plethora of engagement with multiply individuals and partners; for example at a national level with Central Government, and the European Commission to regionally and locally including Sheffield City Region Team; South Yorkshire Police, SY Fire & Rescue; a collection of Local Authorities, communities, private sector, etc.

BACKGROUND PAPERS

38. Strategic Risk report mapping – Audit Committee 17th August 2016
Annex A – Quarter 4 2016/2017 Risk Performance Report

REPORT AUTHOR & CONTRIBUTORS

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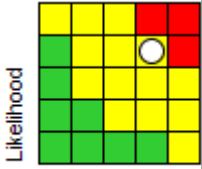
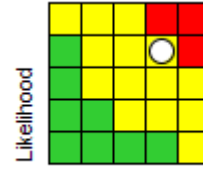
Peter Dale
Director of Regeneration & Environmental Services

Appendix A:

Strategic Risks as at Quarter 4 2016/17

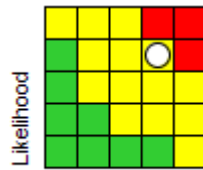
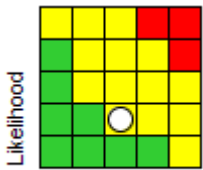
Without effective influence and engagement with the Sheffield City Region, there is a threat that Doncaster does not achieve economic potential benefit from the devolution deal

Peter Dale

Current Risk	Current Position:	Target Risk
<p>16</p> 	<p>there are a number of deliberations both nationally and regionally that include the emergence of the concept of a metro Mayor at a spacial level that includes the whole of Yorkshire , coupled with the outcome of the judicial review with Chesterfield; the importance of shaping devolution has never been more important for Doncaster. Officers and Members collectively are at the forefront of discussions ensuring any devolution deals represent the best interests of Doncaster. A SCR group of senior representatives has been established to pull together the outline of a proposed consultation on a CA mayoral model the first meeting of this is scheduled for the 19th April</p> <p>Mitigating Actions: Officers, the Executive and Members from Doncaster Council are at the forefront of deliberations both at a national and regional level on issues relating to devolution, assurances are provided through our strategic and operational role with the SY Combined Authority, in addition to representations on the numerous executive boards supporting the City Region.</p>	<p>16</p> 

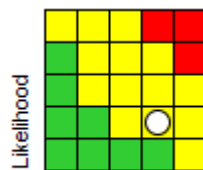
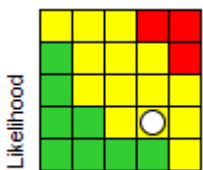
As a result of the decision for the UK to leave the European Union there is increased uncertainty across a number of policy and funding areas that could lead to disruptions in funding and/or projects locally in Doncaster.

Simon Wiles

Current Risk	Current situation:	Target Risk
<p>16</p> 	<p>Article 50 has been formally triggered which starts the process of UK exiting the European Union. Draft negotiating positions are emerging from both sides but no definitive points are available. A general election has been called by the UK government which will take place on 8th June. The various political parties will develop manifesto pledges that will have direct impact on our negotiating positions post election. It is likely that clarity on this will be unclear until summer/autumn 2017.</p> <p>Mitigating Actions: Review manifesto pledges and work with regional and national government to ensure impacts of exiting the European Union are minimised as much as possible.</p>	<p>6</p> 

Failure to respond adequately to borough emergencies or mitigate effectively against the effects of extreme weather conditions e.g. flooding

Peter Dale

Current Risk	Current Position:	Target Risk
<p>8</p> 	<p>Resilience and Emergency Planning have supported the response to 64 incidents since April 2016.</p> <p>Doncaster Council supported a live all night terrorist incident exercise in Meadowhall shopping centre in March 2017. 25 DMBC response staff took part at a strategic and operational level in order to enhance our preparedness arrangements for a terrorist incident and rehearse our understanding of the post incident support required for those involved.</p> <p>Mitigating Actions: Doncaster Council leadership team will be participating in terrorist incident exercise in April. The exercise will be delivered by Counter Terrorism Police and Emergency Planning. The exercise will provide leadership with the opportunity to consider the strategic consequences of an incident in Doncaster and the response and recovery arrangements that they put in place to support those affected.</p>	<p>8</p> 

Failure to identify and manage Health and Safety risks

Peter Dale

Current Risk	Mitigating Actions: The 'Business Partner' structure is now embedded within Corporate Health and Safety Service delivery. New interim Manager in place , making significant improvements to the service	Target Risk
<p style="text-align: center;">6</p>  <p style="text-align: center;">Likelihood</p> <p style="text-align: center;">Impact</p>		<p style="text-align: center;">8</p>  <p style="text-align: center;">Likelihood</p> <p style="text-align: center;">Impact</p>

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Date: 21st June 2017

**To the Chair and Members of the
AUDIT COMMITTEE**

**COVERT SURVEILLANCE - REGULATION OF INVESTIGATORY POWERS ACT
2000 (RIPA) UPDATE**

EXECUTIVE SUMMARY

- 1.1 The Council occasionally has a need to conduct covert surveillance in the investigation of matters for which it has responsibility to prosecute or for other authorised intelligence gathering. On such occasions, the Regulation of Investigatory Powers Act 2000 (RIPA) regulates how covert surveillance is undertaken. The Home Office statutory Codes of Practice recommend that best practice is followed if Councillors are involved in overseeing covert surveillance.
- 1.2 At its meeting held on 27th July 2010, Audit Committee agreed that it should receive reports reviewing the Councils use of RIPA. As agreed in 2014, these reports are brought on a six monthly reports basis due to the limited number of covert surveillances taking place. A yearly report and a six monthly update report are brought each year, this is the yearly report.

RECOMMENDATIONS

2. To approve the Council's RIPA procedure, attached at appendix 1.
3. To note that 4 RIPA applications have been authorised since the last report in April 2016, attached at Appendix 2. No RIPA applications have been refused by the Magistrates.
4. To note the actions concerning online training following the recommendation of the Audit Committee in November 2016.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

5. RIPA policies and procedures ensure that the Council has appropriate arrangements in place to comply with the law relating to RIPA authorisations and Covert Surveillance and that it is properly and lawfully carrying out covert surveillance where it is required.

BACKGROUND

6. The Regulation of Investigatory Powers Act 2000 was introduced in response to The Human Rights Act 1998 to ensure that Local Authorities could continue lawfully to carry out Covert Surveillance. The Government also set up the Office of Surveillance Commissioners who regularly

inspects Local Authorities. The Council has been subjected to five inspections namely, 2003, 2004, 2009, 2012 and most recently in January 2016.

7. The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) (Amendment) Order 2012 came into force on 1st November 2012. This provides that directed surveillance can only be authorised under RIPA where the criminal offence sought to be prevented or detected is punishable by a maximum of at least 6 months imprisonment or would constitute an offence involving sale of tobacco or alcohol to underage children.
8. The Protection of Freedoms Act 2012 also requires Local Authorities to have all their RIPA surveillance authorisations (both directed and Covert Human Intelligence Sources (CHIS)) approved by a Magistrate before they take effect.
9. The Council's RIPA procedure is reviewed as part of the yearly report. The Procedure was last amended in response to the Surveillance Commissioner's Inspection on 5th January 2016 and approved at Audit Committee in April 2016. The current procedure is attached at Appendix 1
10. Appendix 2 details the covert surveillance authorisations since the last report in April 2016 and an update on earlier authorisation outcomes from recently completed matters. Where an authorised surveillance involves a number of premises this is now detailed in the Appendix.
11. A recommendation from the Surveillance Commissioners Inspection on 5th January 2016 was to arrange a training programme to improve RIPA knowledge. An external trainer with expertise in the field provided training on the 7th April 2016 for those within the Council whose work regularly involves RIPA. An online RIPA course is now live on the training portal. Following a recommendation from the Audit Committee on 17th November 2016 that all managers should complete the RIPA training course, a group of managers and teams were identified and the process was completed to make this training compulsory. These officers have been instructed to complete the training and an update on the number who have done so will be provided at committee. HR also recommended that the online course should be strongly recommended to all Heads of Service and an email has been sent requesting them to complete the course. Audit committee members were also invited to complete the online course. In addition, annual in-house training is to be provided to those staff who regularly use RIPA and the training this year will take place on 20th July 2017. It should be noted that only a very limited number of departments within the Council are involved in covert surveillance activities.

OPTIONS CONSIDERED

12. Failing to follow the revised recommendations of the RIPA Code of Practice with regard to members seeing the reports would lead to criticism at the next inspection by the Office of Surveillance Commissioners.
13. Failing to follow the recommendations of the Inspection Report would leave

the Authority open to criticism.

REASONS FOR RECOMMENDED OPTION

14. This will ensure that we are properly and lawfully carrying out covert surveillance where it is necessary

IMPACT ON THE COUNCIL'S KEY OUTCOMES

15.

	Outcomes	Implications
	Working with our partners we will provide strong leadership and governance.	The work undertaken by the Audit Committee helps to ensure that the systems of covert surveillance used by the Council are overseen ensuring good governance arrangements and compliance with the law and statutory codes.

RISKS AND ASSUMPTIONS

16. Failing to follow the Law, Regulations and Inspection report will put us at risk of criticism at the next inspection by the Surveillance Commissioners.

LEGAL IMPLICATIONS

17. The Regulation of Investigatory Powers Act 2000 provides Local Authorities with the mechanism in which they can carry out covert surveillance without breaching individuals' human rights under Article 8 of the Human Rights Act 2000. Failure to follow the law, statutory codes and the inspection report could be the subject of a challenge in court proceedings where RIPA powers were relied upon and also would lead to criticism at the next inspection by the Surveillance Commissioner. The Covert Surveillance and Covert Human Intelligence Source codes of practise provide that 'elected members of a local authority should review the authority's use of the 2000 Act and set the policy at least once a year. They should also consider internal reports on use of the 2000 Act on a regular basis to ensure that it is being used consistently with the local authority's policy and that the policy remains fit for purpose.'

FINANCIAL IMPLICATIONS

18. There are no specific implications due to the recommendations of this report. Where Covert Surveillance is used the costs are met from within individual service budgets.

HUMAN RESOURCES IMPLICATIONS

19. There are no human resources implications arising directly from the report.

TECHNOLOGY IMPLICATIONS

20. There are no technology implications arising directly from the report.

EQUALITY IMPLICATIONS

21. Decision makers must consider the Council's duties under the Public Sector Equality Duty at s149 of the Equality Act 2010. The duty requires the Council, when exercising its functions, to have 'Due Regard' to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the act, and to advance equality of opportunity and foster good relations between those who share a 'protected characteristic' and those who do not share that protected characteristic. There are no specific equality implications arising directly from this report.

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Appendix 1

COVERT SURVEILLANCE - REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA) UPDATE

DONCASTER METROPOLITAN BOROUGH COUNCIL

Authorisation Procedures for the use of Directed Covert Surveillance and a Covert Human Intelligence Source (CHIS)

(In Compliance with Regulation of Investigatory Powers Act 2000)

1. Background

- 1.1 The use of surveillance to provide information is a valuable resource for the protection of the public and the maintenance of law and order. In order that local authorities and law enforcement agencies are able to discharge their responsibilities, use is made of surveillance and surveillance devices.
- 1.2 Where this surveillance is **planned** i.e. *is pre-meditated, and is covert*, i.e. *the subject of the surveillance is unaware that it is taking place*, then it must be authorised to ensure that it is lawful in accordance with the requirements of the **Regulation of Investigatory Powers Act 2000 (RIPA)**.
- 1.3 **C.C.T.V.** systems in the main will not be subject to this procedure as they are 'overt' forms of surveillance. However, where **C.C.T.V.** is used as part of a pre-planned operation of surveillance then authorisation should be obtained.
- 1.4 From October 2000 planned Covert Surveillance became the subject of a legal framework to ensure that the use of surveillance is subject to **Senior Officer** authorisation, review and cancellation and that there is a procedure to support this.
- 1.5 In terms of monitoring e-mails and internet usage, it is important to recognise the important interplay and overlaps with the existing **DMBC** policy relating to e-mail and internet and guidance and also **The Telecommunications (Lawful Business Practice) (Interception of Communications) Regulations 2000, The Data Protection Act 1987 and its Code of Practice**. Official **RIPA** forms should be used where **relevant** and they will be only **relevant** where the **criteria** listed on the Forms are fully complied with.

- 1.6 If you are in any doubt about the need to adhere to any **RIPA** related provisions or matters referred to in this document or the related legislative provisions, please consult the **Assistant Director Legal and Democratic Services (or Delegated Officer)**, at the earliest possible opportunity.
- 1.7 At present Authorising Officers who can authorise surveillance are available in the following departments:

Legal
Revenue and Benefits
Trading Standards

2. Objective of This Procedure

2.1 The objective of this procedure is to ensure that all work involving Directed Surveillance by **D.M.B.C.** employees is carried out effectively, while remaining in accordance with the law and in particular does not breach **The Human Rights Act 1998**.

2.2 This procedure should be read in conjunction with the **Regulation of Investigatory Powers Act 2000** and the latest version of the **Codes of Practice** relating to the *Use of Covert Human Intelligence Sources* and *Directed Surveillance*, which is obtainable on the intranet website under 'Legal Services' or directly from the Assistant Director Legal and Democratic Services.

The Codes of Practice should be available to and read by all persons involved in completing applications and authorising RIPA-governed surveillance and information gathering.

PLEASE NOTE THIS IS THE MOST IMPORTANT DOCUMENT IN THE WHOLE RIPA RELATED PROCESS. YOU SHOULD FAMILIARISE YOURSELF WITH ITS CONTENTS AND STRICTLY FOLLOW THE PROCEDURES REFERRED TO SO THAT POTENTIALY SERIOUS LEGAL CONSEQUENCES ARE AVOIDED.

The Office of Surveillance Commissioners Procedures and Guidance is a useful document, available on the intranet and should be read in conjunction with the DMBC procedure.

3. **Definitions**

3.1 'Surveillance' includes

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

SURVEILLANCE can be OVERT OR COVERT

3.2 **Overt Surveillance**

Most of the surveillance carried out by the **DMBC** will be done **Overtly** - there will be nothing secretive, clandestine or hidden about it. In many cases, Officers will be behaving in the same way as a normal member of the public (e.g. in the case of most test purchases), and/or will be going about Council business openly (e.g. a market inspector walking through markets).

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

3.3 **Covert Surveillance**

Covert Surveillance is carried out in a manner calculated to ensure that the person subject to the surveillance is unaware of it taking place. **(Section 26(9)(a) of RIPA).**

RIPA regulates two types of Covert Surveillance.

(a) **Directed and Intrusive Surveillance**

(b) The use of **Covert Human Intelligence Sources (CHIS).**

3.4 **Directed Surveillance**

Directed Surveillance is surveillance which:-

- is Covert; and

- is not **Intrusive Surveillance** (see definition below)
- **PLEASE NOTE, DMBC MUST NOT CARRY OUT INTRUSIVE SURVEILLANCE ;**
- is not carried out as an immediate response to events which would otherwise make seeking authorisation under the Act unreasonable, e.g. spotting something suspicious and continuing to observe it;
and
- it is undertaken for the purpose of a specific investigation or operation in a manner likely to obtain private information about an individual (whether or not that person is specifically targeted for purposes of an investigation). (**Section 26(1) of RIPA**).

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

Similarly, although overt town centre **CCTV** cameras do not normally require authorisation, if the camera is tasked for a specific purpose, which involves prolonged surveillance on a particular person, authorisation will be required. The way a person runs his/her business may also reveal information about his or her private life and the private lives of others.

For the avoidance of doubt, only those Officers designated and certified to be 'Authorised Officers' for the purpose of **RIPA** can authorise 'Directed Surveillance'.

PLEASE NOTE THAT IT IS IMPERATIVE THAT DOCUMENTED PROCEDURES ARE FOLLOWED TO AVOID ADVERSE LEGAL CONSEQUENCES FOR PROCEDURAL FAILURES UNDER RIPA

The **RIPA** authorisation procedures detailed in this Document **MUST** be followed. If an Authorised Officer has not been '**certified**' for the purposes of **RIPA**, he/she **CANNOT** carry out or approve/reject any action set out in this Document.

The surveillance of an employee relating to a disciplinary matter where the Council is looking to enforce its employment contract does not

usually fall within **RIPA (C v The Police and the Secretary of State for the Home Department (14th November 2006, No: IPT/03/32/H)**. However any surveillance must ensure that it does not breach the right of an individual under **Article 8 of the HUMAN RIGHTS ACT 1998** and must also be proportionate and necessary.

The Information Commissioner's Officer has issued Employment Practice Codes (Part 3) which covers legal requirements this area.

3.5 Intrusive Surveillance

This is surveillance which:-

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

This form of surveillance can be carried out only by police and other law enforcement agencies. **Council Officers MUST NOT carry out Intrusive Surveillance.**

- 3.6. Authorising Officer is the person who is entitled to give an authorisation for directed surveillance in accordance with the **Regulation of Investigatory Powers Act 2000.**
- 3.7 Private information includes information about a person relating to his private or family life.
- 3.8 Residential premises means any premises occupied or used, however temporarily, for residential purposes or otherwise as living accommodation.
- 3.9 Private vehicle means any vehicle that is used primarily for the private purpose of the person who owns it or of a person otherwise having the right to use it. (This does not include a person whose right to use a vehicle derives only from his having paid, or undertaken to pay, for the use of the vehicle and its driver for a particular journey.) A vehicle includes any vessel or aircraft. (For information vehicle tracking is overt)
- 3.10 **CHIS (Covert Human Intelligence Source)** is where the Council use someone to establish or maintain a personal or other relationship for the covert purpose of obtaining or passing on information.

4. PROCEDURE RELATING TO DIRECTED SURVEILLANCE or CHIS

4.1 This procedure applies in all cases where **'Directed Surveillance'** or **'CHIS'** is being planned or carried out. Directed Surveillance is defined in the Code of Practice as surveillance undertaken **"for the purposes of a specific investigation or operation"** and **"in such a manner as is likely to result in the obtaining of private information about a person"**.

4.2 The procedure **does not apply** to:

- **ad-hoc covert observations** that do not involve the systematic surveillance of specific person(s);
- **observations that are not carried out covertly**; or
- **unplanned observations made as an immediate response to events.**

Examples of different types of Surveillance

Type of Surveillance	Examples
<p>Overt</p>	<ul style="list-style-type: none"> - Police Officer or Parks Warden on patrol - Signposted Town Centre CCTV cameras (in normal use) - Recording noise coming from outside the premises after the occupier has been warned that this will occur if the noise persists. - Most test purchases (where the officer behaves no differently from a normal member of the public).
<p><u>Covert</u> but not requiring prior authorisation.</p>	<ul style="list-style-type: none"> - CCTV cameras providing general traffic, crime or public safety information.
<p><u>Directed</u> MUST be RIPA authorised.</p>	<ul style="list-style-type: none"> - Officers follow an individual or individuals over a period, to establish whether he/she is working when claiming benefit.
<p><u>Intrusive</u> <u>DMBC – PROHIBITED</u> <u>ACTIVITY</u></p>	<ul style="list-style-type: none"> - Planting a listening or other device (bug) in the home or in the private vehicle of a surveillance target.

5. EFFECT OF RIPA LEGISLATION

5.1 RIPA

- **requires** Prior Authorisation of Directed Surveillance.
- **prohibits** the Council from carrying out **Intrusive Surveillance**.
- **requires** Prior Authorisation of the conduct and use of a **CHIS**.
- requires safeguards for the conduct and use of a **CHIS**.

5.2 **RIPA does not:**

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

5.3 If an **Authorised Officer** or any **Applicant** is in any doubt about any procedural obligations, he/she should ask the Head of Legal Services **BEFORE** any Directed Surveillance and/or a **CHIS** is authorised, renewed, cancelled or rejected.

6. **Principles of Surveillance**

6.1 In planning and carrying out Covert Surveillance, **D.M.B.C.** employees **MUST** adhere to the following principles:

6.2 **Lawful Purposes**

Directed Surveillance by a Local Authority shall only be carried out where necessary for the purpose of preventing or detecting crime, where the criminal offence sought to be prevented or detected is punishable by a maximum term of at least 6 months of imprisonment or are offences involving sale of tobacco and alcohol to underage children

Prior to 2004 Local Authorities did have other grounds for authorising surveillance but these have now been removed (**The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2003.**) Prior to 1st November 2012 offences carrying less than 6 months imprisonment were able to be subject to covert surveillance but this has been restricted by the **Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) (Amendment) Order 2012.**

6.3 **Confidential Material**

Any Application which has been identified as containing a significant risk of acquiring confidential material **MUST** always be authorised by the **Chief Executive** or their **Deputy in their absence.**

6.4 For this purpose '**Confidential Material**' consists of: -

- **matters** subject to **legal privilege** (for example between professional legal advisor and client);
- **confidential personal information** (for example relating to a person's physical or mental health); or
- **confidential journalistic material.**

INTRUSIVE SURVEILLANCE

6.5 A LOCAL AUTHORITY IS NOT PERMITTED TO CARRY OUT INTRUSIVE SURVEILLANCE

- 6.6 Surveillance becomes Intrusive if the Covert Surveillance is carried out in relation to anything taking place on any **residential premises** or in any **private vehicle** **AND** involves the **presence of the person** undertaking the surveillance **on the premises or in the vehicle** of the subject of the surveillance **or** is carried out by means of a surveillance device which consistently provides information of the same quality and detail as might be expected to be obtained from a device actually present on the premises or in the vehicle.

DIRECTED SURVEILLANCE

7. AUTHORISATION PROCESS FOR DIRECTED SURVEILLANCE.

- 7.1 Directed Surveillance can only be lawfully carried out if **properly authorised** and in strict accordance with the terms of the authorisation. The form must be signed by an Authorising Officer and approved by a Magistrate before the authorisation can be acted upon.

7.2 Authorised Officers and Magistrates Approval.

A Central List of Authorised Officers will be retained by the Head of Legal Services. This should be kept up-to-date using the notification procedure. All Authorising Officers should have received adequate training on **RIPA**.

- 7.3 Authorising Officers within the meaning of this procedure should avoid authorising their own activities. If this occurs it must be recorded on the pro forma sent with the Authorisation to Head of Legal Services on Directed Surveillance.

- 7.4 Once the form is signed by an Authorising Officer the Magistrates Court should be contacted to arrange for the application to be approved by a Magistrate.

7.5 **Application Forms**

All applications for Directed Surveillance Authorisations will be made on official designated stationery, which accords with the Code of Practice available on the intranet and **MUST** be personally completed by the applicant in all circumstances.

PERIOD OF VALIDITY OF AUTHORISATIONS

- 7.6 The Authorisation must be renewed in the time stated and cancelled once it is no longer needed. The Authorisation to conduct the Surveillance lasts for a maximum of 3 months for Directed Surveillance.
- 7.7 At the end of 3 months, if the need for the information continues and this is deemed to be the only way that it can be obtained, the original authorisation can be renewed. This is a prescribed process under the **RIPA Code of Practice**.
- 7.8 All applications for the renewal of Directed Surveillance must be made on the renewal form. The applicant in all cases should complete this where the surveillance is still required beyond the previously authorised period (including previous renewals).
- 7.9 Where authorisation ceases to be either necessary, appropriate or proportionate, the Authorising Officer **MUST** cancel an authorisation, using the cancellation form.
- 7.10 **All authorisations** must be reviewed at least every 4 weeks from the date of authorisation, using the renewal form, which must be attached to the original authorisation.
- 7.11 The respective forms, Code of Practice and supplementary material is available on the Council Intranet, or directly from Legal Services.
- 7.12 Services wishing to adopt a more devolved authorisation process may do so only on the explicit approval of a written policy by the Council; All authorisations must remain within the scope of the Code of Practice relating to persons permitted to authorise the activity required.

8. Authorisation Criteria for Directed Surveillance

- 8.1 Prior to granting an authorisation for the use of surveillance, the authorising officer must be satisfied that:-
- the authorisation is for a prescribed **lawful purpose (i.e. the prevention or detection of crime) where the criminal offence**

sought to be prevented or detected is punishable by a maximum term of at least 6 months of imprisonment or are offences involving sale of tobacco and alcohol to underage children;

- the purpose of the surveillance is clearly defined and stated.
- That any evidence obtained will be used if it relates to a specific section of specified Legislation appropriately identified and documented.
- account has been taken of the likely degree of intrusion into the privacy of persons other than those directly implicated in the operation or investigation (called '**Collateral Intrusion**'). Measures must be taken, wherever practicable, to avoid unnecessary intrusion into the lives of those affected by Collateral Intrusion. These measures and extent of possible intrusion should be recorded on the form;
- the authorisation is **necessary**;
- the authorised surveillance action is **proportionate** to the information being sought;
- any **equipment** to be used is **specified**;
- the information required **cannot be obtained by alternative methods**.

8.2 **Necessity**

Surveillance operations shall only be undertaken where there is no reasonable and effective alternative way of achieving the desired objective(s) for the purpose of preventing and detecting crime, preventing disorder and the use of Directed Surveillance is the most reasonable means of obtaining the evidence or intelligence to support a prosecution.

8.3 **Effectiveness**

Surveillance operations shall be undertaken only by **suitably trained or experienced employees**, or under their direct supervision.

8.4 **Proportionality**

If the activities are necessary, the person granting the authorisation must believe that they are proportionate to what is sought to be achieved by carrying them out. This involves balancing the intrusiveness of the activity on the target and others who might be

affected by it against the need for the activity in operational terms. The activity will not be proportionate if it is excessive in the circumstances of the case or if the information which is sought could reasonably be obtained by other less intrusive means. All such activity should be carefully managed to meet the objective in question and must not be arbitrary or unfair. A useful summary on proportionality is:

1. Is use of Covert Surveillance **proportionate to the crime** being investigated?
2. Is the surveillance aim **proportionate to the degree of anticipated intrusion** on the target or others?
3. Is it the only option? **Have Overt means been considered** and discounted?

8.5 **Authorisation**

All Directed Surveillance shall be authorised, **in writing**, in accordance with this procedure. If an authorisation is refused, this should still be sent through to legal as the Central Record should contain refusals as well as authorised surveillance.

8.6 **Urgent Authorisations for Directed Surveillance**

Due to the Magistrates approval process a Local Authority can no longer seek urgent oral authorisations. In circumstances where the Applicant considers there is some urgency, they should first consider whether the immediate response provisions of **section 26(2)(c) of RIPA** apply. Alternatively it may be appropriate to contact the Police as they still retain this power.

8.7 **Duration for Directed Surveillance**

Authorisation for Directed Surveillance must be reviewed in the time stated and cancelled immediately it is no longer required.

Directed Surveillance Authorisations to carry out/conduct Surveillance are valid for 3 months duration from the date of Authorisation unless cancelled or renewed. The Authorisation forms must be cancelled and/or renewed during the 3 month period. The validity of the forms and their related authorisations is not dependent upon whether actual surveillance is carried out/conducted or not, as the forms do not cease to be valid after 3 months because they must either be cancelled or renewed within this period.

- 8.8 Authorisations can be renewed in writing when the maximum period has expired. The Authorising Officer must consider the matter afresh, including taking into account the benefits of the surveillance to date, and any collateral intrusion that has occurred. The renewal must also be authorised by the Magistrates before being acted upon.

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

9. Time Periods for Authorisations for Directed Surveillance

Written authorisations for directed surveillance expire 3 months beginning on the day from which they took effect; that being the day of the Magistrates approval.

10. Time Periods for Renewals for Directed Surveillance

10.1 If at any time before an authorisation would expire the Authorising Officer considers it necessary for the authorisation to continue for the purpose for which it was given, it may be renewed in writing for a further period of 3 months beginning with the day on which the original or previous authorisation ceases to have effect. Applications for renewals should only be made shortly before the authorisation is due to expire. The renewals must be authorised by a Magistrate.

10.2 Any person entitled to authorise applications may renew authorisations. Applications may be renewed more than once, provided they continue to meet the criteria for authorisation.

11. Review of Ongoing Authorisations for Directed Surveillance

11.1 The Authorising Officer must review all authorisations at intervals of not more than 4 weeks. Details of the review and the decision reached shall be documented on the original application and recorded using the review form.

12. Cancellation of Directed Surveillance Authorisation

12.1 The Authorising Officer must cancel an authorisation if he/she is satisfied that the Directed Surveillance no longer satisfies the criteria for authorisation, or at the point where all information sought has been obtained.

12.2 There is nothing in the **RIPA** which prevents material obtained from properly authorised surveillance from being used in other investigations. Each Public Authority must ensure that arrangements are in place for the handling, storage and destruction of material obtained through the use of Covert Surveillance. Authorising Officers must ensure compliance with the appropriate data protection requirements and any relevant Codes of Practice produced by individual authorities relating to the handling and storage of material.

13. Obtaining a Unique Reference Number for Directed Surveillance

Each Application form must be identified with a **Unique Reference Number (URN)** which is allocated by Legal Services. The Authorising Officer /Applicant should phone/email Legal Services as soon as possible to obtain the next available URN. Any Surveillance refused by the Authorising Officer should also have a URN and be provided to Legal Services. If an amended request for authorisation is made for the same matter, the same URN can be used so that the matter can be tracked.

PROCEDURE RELATING TO THE DEPLOYMENT OF A COVERT HUMAN INTELLIGENCE SOURCE (CHIS)

14. Due to the unique and onerous responsibilities relating to the deployment of a **CHIS**, an Applicant must first seek Legal Advice from Legal Services (**Senior Responsible Officer** or **RIPA Coordinating Officer**) before applying for the authorisation of a **CHIS**.

14.1 **CHIS - definition**

Someone who establishes or maintains a personal or other relationship for the Covert purpose of helping the Covert use of the relationship to obtain information.

14.2 Using a **CHIS** should not be undertaken lightly as the Authority will have an ongoing duty of care to that person due to the situation they have been placed in. It is therefore essential that a risk assessment takes place before a **CHIS** is deployed.

14.3 **RIPA** does not apply in circumstances where members of the public volunteer information to the **DMBC** as part of their normal civic duties, or to contact numbers set up to receive information. However both these situations need to be managed carefully as the Authority asking for further information or encouraging the informant to report back again is likely to lead to the informant becoming a surveillance agent or a **CHIS**.

14.4 **SPECIFIC REQUIREMENTS FOR CHIS AUTHORISATION**

The Conduct or Use of a **CHIS** requires prior authorisation.

- **Conduct** of a **CHIS** means: Establishing or maintaining a personal or other relationship with a person for the Covert purpose of (or is incidental to) obtaining and passing on information.
- **Use** of a **CHIS** means: Any action, **inducing, asking or assisting** a person to act as a **CHIS** and the decision to use a CHIS in the first place.

14.5 **PLEASE NOTE DMBC** is only **Permitted by Law** to use a **CHIS** if **RIPA** procedures are **RIGOROUSLY FOLLOWED** as set out in this document.

**ADVICE MUST ALWAYS BE OBTAINED FROM LEGAL SERVICES
BEFORE A CHIS IS DEPLOYED**

14.6 Juvenile Sources

Special safeguards apply to the use or conduct of Juvenile Sources (i.e. under 18 years). On no occasion can a child under 16 years of age be authorised to give information against his or her parents. Only the Chief Executive or Deputy are duly authorised by the **DMBC** to use Juvenile Sources, as other more onerous requirements will need to be complied with.

14.7 Vulnerable Individuals

A Vulnerable Individual is a person who is or may be in need of community care services by reason of mental or other disability, age or illness and who is or may be unable to take care of himself or herself, or unable to protect himself or herself against significant harm or exploitation. A Vulnerable Individual will only be authorised to act as a covert human intelligence source in the most exceptional of circumstances. Only the Chief Executive or Deputy, are allowed by the DMBC to authorise the use of Vulnerable Individuals as a **CHIS**, due to the need to comply with additional more onerous requirements.

14.9 Test Purchases

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

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

14.11 Anti-Social Behaviour Activities (e.g. noise)

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

14.12 Recording sound (with A DAT recorder) on private premises could constitute Intrusive Surveillance, unless it is done Overtly. For

example, it will be possible to record sound if the noise maker has been warned that this will occur. Placing a stationary or mobile video camera outside a building to record anti social behaviour on residential estates will require prior authorisation.

15. CHIS AUTHORISATION PROCEDURE

15.1 The use of **CHIS** can only be lawfully carried out if properly authorised and in strict accordance with the terms of the authorisation.

15.2 Authorised Officers and Magistrates Approval

Forms can only be signed by trained Authorising Officers. A Central List of Authorised Officers will be retained by the Head of Legal Services. This list will be kept up-to-date using the notification procedure. All Authorising Officers should have adequate training relating to compliance with **RIPA** implementation and be fully conversant with the content of this procedural document.

15.3 Authorising Officers within the meaning of this procedure should avoid authorising their own activities. A **CHIS** is **NOT PERMITTED** to authorise their own activities.

15.4 **Authorisations must be in writing.** Once the form has been signed Legal Services should be consulted to ensure the correct process has been complied with. Upon receipt of Legal Services approval the Applicant should personally contact the Magistrates Court to arrange an appointment with a Magistrate to approve the surveillance application documents.

15.5 CHIS Application Forms

All applications for **CHIS** authorisations will be made on official designated stationery, which accords with the Code of Practice. The applicant in all cases should always complete this in person.

15.6 Duration

The Authorisation must be renewed in the time stated and cancelled once it is no longer needed. The Authorisation to conduct the Surveillance lasts for 12 months for **CHIS** unless cancelled or renewed.

15.7 At the end of 12 months, if the need for the information continues and this is deemed to be the only way that it can be obtained, the original Authorisation can be renewed and this will need to be placed before a Magistrate before it is effective. This is a prescribed process under the **RIPA Code of Practice** which **MUST** be followed.

- 15.8 Where Authorisation ceases to be either necessary or appropriate, the Authorising Officer **MUST** cancel an authorisation.
- 15.9 All Authorisations must be reviewed (**at least every 4 weeks**) from the date of authorisation, and must be attached to the **original authorisation**.
- 15.10 The respective **Forms, Code of Practice and Supplementary Material** is available on the Council Intranet, or directly from Legal Services.
- 15.11 Services wishing to adopt a more devolved authorisation process may do so only on the explicit approval of a written policy by the Council; all authorisations must remain within the scope of the Code of Practice relating to persons permitted to give authorisation.
- 15.12 All applications for **CHIS** should accord with the **CHIS Code of Practice**. The necessary forms are the **Application, Review, Renewal and Cancellation**

16. Authorisation Criteria

- 16.1 Prior to granting an Authorisation for **CHIS**, the Authorising Officer must be satisfied that:-
- the authorisation is for a **prescribed lawful purpose** (i.e. the prevention or detection of crime or the prevention of disorder);
 - the purpose of the use of a **CHIS** is **clearly defined and stated**.
 - account has been taken of the likely **degree of intrusion** into the privacy of persons other than those directly implicated in the operation or investigation (called '**Collateral Intrusion**'). Measures must be taken, wherever practicable, to avoid unnecessary intrusion into the lives of those affected by Collateral Intrusion. These measures and extent of possible intrusion should be recorded on the form;
 - the authorisation is **necessary**;
 - the authorised surveillance action is **proportionate** to the information being sought;
 - any **equipment** to be used is **specified**;
 - the information required cannot be obtained by **alternative methods**.
 - A **risk assessment** has been completed.

16.2 **Necessity for CHIS**

Surveillance operations shall only be undertaken where there is no reasonable and effective alternative way of achieving the desired objective(s).

16.3 **Effectiveness of CHIS**

Surveillance Operations shall be undertaken only by suitably trained or experienced employees, or under their direct supervision.

16.4 **Proportionality for CHIS**

The use of surveillance shall not be excessive, i.e. it shall be in proportion to the significance of the matter being investigated. A useful test is:

1. Is use of Covert Surveillance proportionate to the mischief being investigated?
2. Is the surveillance aim proportionate to the degree of anticipated intrusion on the target or others?
3. Is it the only option? Have Overt means been considered and discounted?

16.5 **Authorisation for CHIS**

All **CHIS** shall be authorised, **in writing**, in accordance with this procedure.

When authorising the conduct or use of a **CHIS**, the Authorised Officer must also:-

- (a) be satisfied that the conduct and/or use of the CHIS is **necessary and proportionate** to what is sought to be achieved;
- (b) be satisfied that appropriate arrangements are in place for the **management and oversight** of the CHIS and this must address **health and safety issues** through a risk assessment;
- (c) consider the likely **degree of intrusion** of all those potentially affected;
- (d) consider any **adverse impact on community confidence** that may result from the use or conduct or the information obtained;
- (e) ensure **records contain particulars** and are not available except on a need to know basis; and

(f) ensure that there is an **appointment of a Controller, Handler and Record Keeper** in each case. The person referred to in **section 29(5)(a)** of the **2000 Act** (the “**Handler**”) will have day to day responsibility for:

- dealing with the **CHIS** on behalf of **The Authority** concerned;
- directing the day to day activities of the **CHIS**;
- recording the information supplied by the **CHIS**; and
- monitoring the security and welfare of the **CHIS**.
- The Handler of a **CHIS** will usually be of a rank or position below that of the Authorising Officer. The person referred to in **section 29(5)(b)** of the **2000 Act** (the “**Controller**”) will normally be responsible for the management and supervision of the “**Handler**” and general oversight of the use of the **CHIS**.

16.6 **Urgent Authorisations for use of a CHIS**

Due to the changes in the Law requiring the approval of a Magistrate, Local Authorities are **no longer permitted** to seek **Urgent Oral Authorisation**. In circumstances which the Applicant considers there is some urgency they should first consider whether the immediate response provisions of **RIPA** apply under **section 26(2)(c) of the RIPA Regulations** (unlikely with a **CHIS**). Alternatively it may be appropriate to contact the Police as they still retain this power.

16.7 **CHIS Duration**

The Authorisation must be reviewed in the time stated and cancelled once it is no longer needed. The ‘Authorisation’ to carry out/conduct the surveillance for a **CHIS** lasts for a maximum of 12 months (from authorisation). However, whether the surveillance is actually carried out/conducted or not, during the relevant period, does not mean the ‘authorisation’ becomes ‘spent’. In other words, the Forms and their related authorisations) do not expire. The forms have to be reviewed and/or cancelled (once they are no longer required).

16.8 Authorisations can be renewed in writing when the maximum period has expired. The Authorising Officer must consider the matter afresh, including taking into account the benefits of the surveillance to date, and any Collateral Intrusion that has occurred. The Renewals will only be effective once authorised by a Magistrate.

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

17. CHIS Time Periods for Authorisations

- 17.1 Written authorisations for CHIS expire 12 months beginning on the day from which they took effect.

18. CHIS Time Periods for Renewals

- 18.1 If at any time before an authorisation would expire the authorising officer considers it necessary for the authorisation to continue for the purpose for which it was given, it may be renewed in writing for a further period of 12 months beginning with the day on which the original or previous authorisation ceases to have effect. Applications for renewals should only be made shortly before the authorisation is due to expire. Approval of a Magistrate is necessary before it will be effective.
- 18.2 Any person entitled to authorise applications may apply to renew authorisations. Applications may be renewed more than once, provided they continue to meet the criteria for authorisation. All renewals require approval of a Magistrate.

19. Review of Ongoing Authorisations of CHIS

The Authorising Officer must review all authorisations at intervals of **not more than 4 weeks**. Details of the review and the decision reached shall be documented on the original application and recorded using the review form.

20. Cancellation of Authorisation of CHIS

The Authorising Officer must cancel an authorisation if he/she is satisfied that the Directed Surveillance no longer satisfies the criteria for authorisation, or at the point where all information sought has been obtained.

21. CHIS Unique Reference Number (URN).

Each form must have a Unique Reference Number allocated by Legal Services. The Authorising Officer/Applicant should phone/email Legal Services as soon as possible to be allocated the next available URN.

22. Investigations involving Social Media

- 22.1 Social Media sites are a useful tool for intelligence and evidence gathering. However there is a fine distinction between accessing readily available personal information posted into the public domain on Social Media and interfering in an individual's private life. The Internet is a surveillance device as defined by **section 48(1) RIPA**.

Surveillance is **Covert** "if, and only if, it is conducted in a manner that is calculated to ensure that persons who are subject to the surveillance are unaware that it is, or may be taking place." Knowing that something is capable of happening is not the same as an awareness that it is or may be taking place.

22.2 Reviewing open source sites does not require authorisation unless the review is carried out with some regularity, usually when creating a profile, in which case directed surveillance authorisation will be required. If it becomes necessary to breach the privacy controls and become for example 'a friend' on the Facebook site, with the investigating officer utilising a false account concealing his/her identity as a council officer for the purposes of gleaning intelligence, this is a covert operation intended to obtain private information and should be authorised, at the minimum, as directed surveillance. If the investigator engages in any form of relationship with the account operator then they become a CHIS requiring authorisation as such and management by a Controller and Handler with a record being kept and a risk assessment created.

22.3 The use of Social Media for the gathering of evidence to assist in enforcement activities should be used with the following considerations:

- It is only in the most exceptional cases that a false identity should be used in order to 'friend' individuals on social networks and **RIPA** Authorisation must always be obtained. A possible use may be to investigate the sale of counterfeit goods on Social Media site where there is no other method of obtaining evidence.
- Officers viewing an individual's open profile on a social network should do so only in order to obtain evidence to support or refute their investigation; this should only be done to obtain the information and if necessary later to confirm the information.
- Systematic viewing of a profile will normally amount to surveillance and a **RIPA** Authorisation should be obtained.
- **RIPA** should also be considered where a friend request is sent or if a conversation has been entered into with the owner of the page as this may amount to a **CHIS**.
- Officers should be aware that it may not be possible to verify the accuracy of information on social networks and, if such information is to be used as evidence, reasonable steps must be taken to ensure its validity.

23. Monitoring

- 23.1 Each Service must maintain a record of all applications for authorisation (including refusals), renewals, reviews and cancellations. This **record must be used** to ensure authorisations are subsequently reviewed, renewed or cancelled.
- 23.2 At least annually the Council's arrangements will be reviewed and a report submitted to the Audit Committee. **Interim Update** reports shall be delivered to the Committee at intervals of approximately six months.

24. Training and Training Records

- 24.1 Directors shall arrange for all officers regularly involved in the use of **RIPA** to receive appropriate training. Authorising Officers must receive regular training on **RIPA** and **Council Procedures**.
- 24.2 The Directors shall ensure that appropriate records of such training is retained so that it may be produced at a **RIPA Surveillance Commissioner Inspection**.

25. Working in conjunction with Other Agencies

- 25.1 When some other agency has been instructed to undertake any action under **RIPA** on behalf of the DMBC, this Document and the Council Forms **MUST** be used (as per normal procedure). The agency should be advised or kept informed of any specific requirements as necessary. Any agent must be made explicitly aware of the scope and limitation of their authority to protect DMBC against any breach of the **RIPA** related provisions.
- 25.2 When any external agency (e.g. Police, Customs & Excise, Inland Revenue, etc.):-
- (a) wish to use any resource of **DMBC** (e.g. **CCTV** surveillance systems), that agency must use its own **RIPA** procedures and, before any Officer agrees to allow the resources of **DMBC** to be used for the other agency's purposes, he/she must obtain a copy of that agency's **RIPA** form for the record (a copy of which must be passed to the Head of Legal Services for the Central Register) and/or relevant extracts from the same which are sufficient for the purposes of protecting **DMBC** and the use of its resources;
 - (b) wish to use any premises controlled by **DMBC** for their own **RIPA** action, the Officer should, normally, co-operate with the same unless there are security or other good operational or managerial reasons why the those premises should not be used for the agency's activities. Suitable insurance or other appropriate indemnities may be sought from the other agency to secure co-

operation from **DMBC** in the agent's **RIPA** operation. The **RIPA** Forms and documentation normally used by the **DMBC** should not be used in such cases, however, as the **DMBC** is only 'assisting' and not being 'involved' in the **RIPA** activity of the external agency.

25.3 In terms of 24.2(a) above, if the Police or other Agency wish to use **DMBC** resources for General Surveillance, as opposed to Specific **RIPA** Operations, a letter detailing the proposed use, extent of remit, duration, and identity of the person responsible for undertaking the general surveillance and the purpose of the operation must be obtained from the Police or other Agency before any **DMBC** resources are made available for the proposed use.

25.4 **IF THERE IS ANY REASON FOR DOUBT OR UNCERTAINTY REGARDING PROCEDURAL ISSUES**, please consult with the Head of Legal Services at the earliest opportunity.

26. Security and Retention of Documents

Documents created under this procedure are **Highly Confidential** and shall be treated as such. Services shall make proper arrangements for their retention, security and destruction, in accordance with the requirements of the **Data Protection Act 1998** and the **Codes of Practice**.

27. Internal Overview, Equipment and Records Management

27.1 **Senior Responsible Officer (SRO)** is the **Assistant Director – Legal and Democratic Services**. The **SRO** has the Legal Responsibility on behalf the Authority for **RIPA** related activity and fulfils a recommendation in the **Directed Surveillance** and **CHIS Code of Practice**, including responsibility to ensure that all Authorising Officers are trained to the appropriate standard and is liable to remedy any concerns highlighted by any **Inspection Report from the Office of the Surveillance Commissioners**. The Assistant Director regularly attends Corporate Leadership Team meetings in accordance with the requirements of the **RIPA Codes of Practice**.

27.2 **RIPA Coordinating Officer.**

A Principal Legal Officer (**PLO**) for the Authority undertakes the role of the **RIPA Coordinating Officer** whose duties include:

- a) Ensuring maintenance of the the Central Record of Authorisations and collating the original applications/authorisation, reviews, renewals and cancellations.

- b) Oversight of submitted **RIPA** documentation.
- c) Organising a **RIPA** training programme.
- d) Raising **RIPA** awareness with in the Council.
- e) Ensuring a **URN** is correctly allocated.

Due to the Oversight Role of the Coordinating Officer he/she cannot also be an Authorising Officer.

27.3 Councillor Overview Role

The Codes also require that:

- a) Councillors should review the use of **RIPA** by **DMBC** and also review the policy at least once a year;
- b) Councillors should also consider internal reports on use of **RIPA** on a regular basis to ensure that it is being used consistently in accordance with the Council's Policy and to ensure that the policy remains fit for purpose. They should not be involved in making decisions on specific authorisations.

27.4 Head of Paid Service

The Code also requires that the authorisation level when knowledge of Confidential Information is likely to be acquired or when a vulnerable individual or juvenile is to be used as a **CHIS** source must be the Head of Paid Service or (in their absence) the person acting as the Head of Paid Service. Doncaster Council's Constitution specifically states that the Assistant Director – Legal and Democratic Services is to act in this role in the absence of the Head of Paid Service.

27.5 Records

The DMBC must keep a detailed record of all authorisations, renewals, cancellations and rejections in Departments and a Central Register of all Authorisation Forms will be maintained and monitored by the Senior Responsible Officer (**SRO**).

27.6 Central Register maintained by the Head of Legal Services

Authorised Officers MUST forward each original authorisation form along with the pro forma (Appendix 3) and then each renewal or cancellation form to the Head of Legal Services for the Central Register, **WITHIN 1 week of the authorisation, review, renewal, cancellation or rejection.** Authorised Officers must ensure when

sending the originals of any forms to the Head of Legal Services they are sent in sealed envelopes and marked '**Strictly Private and Confidential**'. The Head of Legal Services will monitor the same and give appropriate guidance, from time to time, or amend this Document, as necessary.

27.7 **DMBC** will retain records for a period of at least three years from the ending of the authorisation or until the next OSC Inspection if longer. The Office of the Surveillance Commissioners (OSC) can audit/review **DMBC's** policies and procedures, and individual authorisations.

27.8 **Records maintained in the Department**

The following documents must be retained by the relevant Heads of Service (or his/her Designated Officer) for such purposes.

- copy Forms together with any supplementary documentation and notification of the approval given by the Authorising Officer;
- a Record of the period over which the surveillance has taken place;
- the Frequency of Reviews prescribed by the Authorised Officer;
- a Record of the Result of each review of the authorisation;
- a copy of any renewal of an authorisation, together with the supporting documentations submitted when the renewal was requested;
- the Date and Time when any instruction was given by the Authorising officer;
- the Unique Reference Number for the authorisation (URN).

Documents should be retained for a minimum of three years from the ending of the authorisation. Documentation should be securely maintained, with limited access, to ensure confidentiality is not breached.

27.9 Each form will have a URN. These are allocated by Legal Services (see 14).

27.10 **Equipment Register**

An Equipment Register is maintained by the RIPA Coordinating officer of all equipment that the Council holds for the purposes of Covert Surveillance. This lists the names of the Responsible Officers for each piece of equipment who will ensure that an equipment log is kept detailing equipment in/out and the URN that the equipment is being

used for. Any changes to the equipment kept should be notified by the responsible persons listed to the RIPA Coordinating Officer. The log in/out of equipment should be retained and available for any check by the **RIPA** Coordinating Officer, Senior Responsible Officer and Surveillance Commissioners.

28. External Overview

- 28.1 The Office of Surveillance Commissioners provides an independent overview of the use of the powers contained within the Regulation of Investigatory Powers Act 2000. This scrutiny includes inspection visits to local authorities by Inspectors appointed by the Office of the Surveillance Commissioners.
- 28.2 It is anticipated that the inspectors will speak to the Head of Legal Services and the Central Corporate co-ordinator.
- 28.3 Inspections can take place unannounced.
- 28.4 The Human Rights Act 1998 (which brought much of the European Convention on Human Rights and Fundamental Freedoms 1950 into UK domestic law) requires the DMBC and organisations working on its behalf, pursuant to Article 8 of the European Convention, to respect the private and family life of citizens, his home and his correspondence.
- 28.5 The European Convention did not, however, make this an absolute right, but a qualified right. Accordingly, in certain circumstances, the DMBC may interfere in the citizen's right mentioned above, if such interference is:-
- (a) in accordance with the law;
 - (b) necessary (as defined in this Document); and
 - (c) proportionate (as defined in this Document).
- 28.6 The Regulation of Investigatory Powers Act 2000 (**'RIPA'**) provides a statutory mechanism (i.e. 'in accordance with the law') for authorising covert surveillance and the use of a 'Covert Human Intelligence Source' (**'CHIS'**) - e.g. undercover agents. It seeks to ensure that any interference with an individual's right under Article 8 of the European Convention is necessary and proportionate. In doing so, the **RIPA** seeks to ensure both the public interest and the human rights of individuals are suitably balanced.
- 28.7 Directly employed Council staff and external agencies working for the DMBC are covered by the Act for the time they are working for the DMBC. All external agencies must, therefore, comply with RIPA and the work carried out by agencies on the Council's behalf must be

properly authorised by one of the Council's designated Authorised Officers.

28.8 If the correct procedures are not followed, evidence may be disallowed by the courts, a complaint of maladministration could be made to the Ombudsman, and/or the Council could be ordered to pay compensation. Such action would not, of course, promote the good reputation of the **DMBC** and will, undoubtedly, be the subject of adverse press and media interest. It is essential, therefore, that all persons involved with **RIPA** comply with this Document and any further guidance that may be issued, from time to time, by the Assistant Director Legal and Democratic services.

29. **Use of covert surveillance outside of RIPA**

29.1 **RIPA** legislation is permissive i.e. it gives a Local Authority reassurance that in carrying out Covert Surveillance that it is not breaching **The Human Rights Act 1998**. In very unique and specific circumstances it may be possible to lawfully carry out surveillance outside of the **RIPA** legislation. This will require a procedure to be followed very similar to that used for **RIPA** authorisations. The **SRO** and the Coordinating Officer must be consulted before any such surveillance is considered.

30. **Complaints**

30.1 The **Regulation of Investigatory Powers Act 2000** establishes an Independent Tribunal. This has full powers to investigate and decide any cases within its jurisdiction.

30.2 The Council will ensure that copies of the Tribunal's information sheet, their complaint form and their Human Rights Act claim form will be made available on request at all main Council public offices.

30.3 Copies of the **RIPA Code of Practice** and **Council Policy Statement** will be supplied on request from anyone seeking a copy.

- Drafted - April 2003**
- 1st Amendment - April 2004**
- 2nd Amendment - March 2008**
- 3rd Amendment - September 2009**
- 4th Amendment - November 2012**
- 5th Amendment - May 2013**
- 6th Amendment - December 2014**
- 7th Amendment - March 2016**

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Appendix 2

COVERT SURVEILLANCE - REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA) UPDATE

Date of Authorisation	Unique reference number	Surveillance Involved	Authorising Officer	Outcome following surveillance
18.2.16 (Magistrate approval)	URN98	Illegal Tobacco sales	Chief trading standards officer	CCTV footage respectively used.
18.2.16 (Magistrate approval)	URN99	Illegal Tobacco sales (5 locations)	Chief trading standards officer	Complaints not substantiated.
24.3.16 (Magistrates approval)	URN100	Underage Nicotine and Alcohol Sales (12 locations)	Chief trading standards officer	Test purchases made in accordance with the schedule. Interviewed and advised. Second TP passed and compliance gained.
29.7.16 (Magistrate approval)	URN101	Illegal Tobacco sales (6 locations)	Chief trading standards officer	1 Warning 2 Prosecutions
3.1.17 (Magistrate approval)	URN102	Illegal tobacco sales (6 locations)	Chief trading standards officer	1 Warning 1 Prosecution

11.4.17 (Magistrate approval)	URN103	Illegal tobacco sales (not specific locations)	Chief trading standards officer	On-going
21.4.17 (Magistrate approval)	URN104	Illegal tobacco sales (3 locations)	Chief trading standards officer	On-going
21.4.17 (Magistrate approval)	URN105	Illegal tobacco sales (7 locations)	Chief trading standards officer	On-going

To the Chair and Members of the AUDIT COMMITTEE

AUDIT COMMITTEE PROSPECTUS, TERMS OF REFERENCE AND WORK PROGRAMME 2017/18

EXECUTIVE SUMMARY

1. The report sets out the formal Terms of Reference for the Audit Committee for 2017/18, which were approved at Annual Council meeting on 19th May 2017, and highlights the minimal changes that have been made to the previous year's Terms of Reference.
2. The report also contains a 'Prospectus' which sets out the scope and standards applicable to the Audit Committee, and shows how these and the Terms of Reference enable the Committee to comply with Local Government Audit Committee standards and the Council's requirements of the Committee.
3. The Prospectus includes a draft work programme, which demonstrates how the Committee will fulfill its Terms of Reference for the year.

RECOMMENDATIONS

4. **The Audit Committee is asked:**
 - to note the Terms of Reference for the Audit Committee for the 2017/18 Municipal Year
 - to agree the Prospectus setting out the Audit Committee's scope, standards and work programme for the year.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER

5. Effective oversight through the Audit Committee adds value to the Council operations in managing its risks and achieving its key priorities.

BACKGROUND

Audit Committee prospectus

6. An Audit Committee prospectus has been produced which provides an oversight of the role of the audit committee, clearly setting out the scope and standards of the committee, the scope of its work and how it will seek the assurances about the management of risks across the Council. Importantly, it sets out the intended outcomes sought from the work of the committee.

Terms of Reference

7. At its Annual Meeting on 19th May 2017, the Council approved the Terms of Reference for Council Committees and Sub-Committees, which included the Audit Committee. The Terms of Reference for the Audit Committee are attached to this report at **Appendix A**. For ease of identifying the changes in the attached terms of reference, deletions are crossed through whilst additions are shown in bold italics.
8. The Terms of Reference approved by the Council are consistent with the Chartered Institute of Public Finance and Accountancy's (CIPFA's) Practical Guidance on Local Government Audit Committees. This is the authoritative guidance that audit committees should comply with.
9. The changes made to the Terms of Reference for 2017/18 are largely typographical in nature. However, a change has been made at 2(v). In order to ensure the Council is able to meet the requirement to approve both the Annual Governance Statement and the Annual Statement of Accounts by 31st July each year, the delegation to the Audit Committee which was previously to oversee the production of the Annual Governance Statement on behalf of the Council, as now been extended to include the formal approval of the Statement. This is a natural extension to the Committee's authority and ensures the Council can meet the new timescales easily.
10. The Audit Committee is asked to formally note the Terms of Reference for the year.

Prospectus and Draft Work Programme

11. The Terms of Reference are augmented by the draft Audit Committee Prospectus, attached at **Appendix B**. The Prospectus is a public facing document that sets out the role, scope and standards of the Audit Committee, as well as some of the expected outcomes from its work during the year.
12. The work programme is also an integral part of the prospectus and demonstrates the Committee's coverage of the areas identified in its Terms of Reference, as follows:
 - a. Internal Audit
 - b. External Audit
 - c. Accounts/Financial Reporting
 - d. Risk Management
 - e. Ethical Governance
 - f. Other matters
13. Within the work programme, it is proposed as a default to maintain reporting the following regular items to the Audit Committee on a six monthly basis:

- Progress by the Council in implementing Inspection and External Audit recommendations
 - Compliance with Contract Procedure Rules and Procurement Breaches
 - Regulation of Investigatory Powers Act 2000 (RIPA) surveillance.
14. However, if there are any significant issues in any of these areas they will be reported immediately to the Audit Committee.
15. Update briefings and/or training for Members will be provided as required.
16. Internal Audit Update reporting for 2016/17 is scheduled for July 2017, October 2017 and February 2018, with an annual report of the Head of Internal Audit in April 2018.

OPTIONS CONSIDERED AND RECOMMENDED OPTION

17. In order to discharge its functions effectively, the Committee is required to operate within an agreed Terms of Reference.
18. The work programme is designed to ensure that, where appropriate, the Audit Committee is able to ensure the Council meets certain statutory deadlines and also discharge its responsibilities under its Terms of Reference, whilst achieving a balanced and manageable work load.
19. It should be noted that the programme of work may have to be varied in response to any issues emerging during the course of the year.

IMPACT ON THE COUNCIL'S KEY OUTCOMES

20. The Audit Committee assesses how effectively the Council is managing risks that threaten the achievement of the Council's objectives. Any improvement in the management of the risks will have a positive impact thereby increasing the likelihood of the Council achieving its objectives. The Audit Committee's work is, therefore, relevant to all priorities but in particular the following:

	Outcomes	Implications
	All people in Doncaster benefit from a thriving and resilient economy. <ul style="list-style-type: none"> • <i>Mayoral Priority: Creating Jobs and Housing</i> • <i>Mayoral Priority: Be a strong voice for our veterans</i> • <i>Mayoral Priority: Protecting Doncaster's vital services</i> 	
	People live safe, healthy, active and independent lives.	

	<ul style="list-style-type: none"> • <i>Mayoral Priority: Safeguarding our Communities</i> • <i>Mayoral Priority: Bringing down the cost of living</i> 	
	<p>People in Doncaster benefit from a high quality built and natural environment.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Creating Jobs and Housing</i> • <i>Mayoral Priority: Safeguarding our Communities</i> • <i>Mayoral Priority: Bringing down the cost of living</i> 	
	<p>All families thrive.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Protecting Doncaster's vital services</i> 	
	<p>Council services are modern and value for money.</p>	<p>Effective oversight through the Audit Committee adds value to the Council operations in managing its risks and achieving its key priorities of improving services provided to the citizens of the borough</p>
	<p>Working with our partners we will provide strong leadership and governance.</p>	<p>The work undertaken by the Audit Committee improves and strengthens governance arrangements within the Council and its partners.</p>

RISKS AND ASSUMPTIONS

21. The Audit Committee oversees the management of risks across the Council. Specific risks being considered by the Committee are identified in reports presented to it during the course of the year.

LEGAL IMPLICATIONS

22. The maintenance of an effective audit committee enables the Council's to meet ongoing standards relating to governance, risk management and internal control. Guidance relating to local government audit committees is produced by CIPFA. The Council's audit committee complies with the guidance.

FINANCIAL IMPLICATIONS

23. There are no identified direct financial implications arising from this report.

HUMAN RESOURCES IMPLICATIONS

24. There are no identified human resources implications arising from this report.

TECHNOLOGY IMPLICATIONS

25. There are no identified technology implications arising from this report.

EQUALITY IMPLICATIONS

26. We are aware of the Council's obligations under the Public Sector Equalities Duties and there are no identified equal opportunity issues within this report.

CONSULTATION

27. The Council's Section 151 Officer; the Chief Financial Officer and Assistant Director of Finance, and the Council's Governance Group have been consulted in the production of the Terms of Reference and Audit Committee Prospectus.

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BACKGROUND PAPERS

Report to Annual Council on 19th May 2017 - Council Appointed Committees' And Sub-Committees' Terms Of Reference For 2017/18.

Steve Mawson
Chief Financial Officer &
Assistant Director of Finance

APPENDIX A

AUDIT COMMITTEE

This Committee is a Committee of the Council constituted under Sections 101 and 102 of the Local Government Act 1972.

FOR RECOMMENDATION TO COUNCIL:-

- (a) The adoption or revision of the Members' Code of Conduct.

DELEGATED MATTERS:- (the Committee may recommend any matter to Full Council when it considers it expedient to do so, after taking advice from the Head of Paid Service)

1. Audit Activity

- I. To consider the Head of Internal Audit's annual report and opinion, on the control environment, and reports on internal audit activity (actual and proposed), including for internal audit, the setting of Terms of Reference, **and** for internal Audit, the internal audit strategy, and reviewing of resourcing and considering the level of assurance the **Head of Internal Audit's** annual report and opinion can give, over the council's corporate governance arrangements.
- II. To consider summaries of specific internal audit reports as requested.
- III. To consider reports dealing with the management and performance of the internal audit function.
- IV. To consider a report from internal audit on agreed recommendations not implemented within a reasonable timescale.
- V. To have the right to call any officers or agencies of the Council as required to offer explanation on progress in the implementation of audit recommendations.
- VI. To consider arrangements for cooperation between internal audit, external audit and other review agencies.
- VII. To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance and to monitor the implementation of external audit recommendations.
- VIII. To consider specific reports as agreed with the external auditor.

- IX. To comment on the scope and depth of external audit work and to ensure it gives value for money.
- X. To liaise with the Public Sector Appointments Ltd over the appointment of the council's external auditor.
- XI. To commission work from internal and external audit as resources allow.
- XII. To have the right to call any Officers or agencies of the Council as required to offer explanation in the management of internal controls and risks.
- XIII. To, as required, meet privately separately with the external auditor and the Head of Internal Audit.

2. Regulatory Framework

- I. To review and where appropriate make recommendations to Council on proposed revisions to the Council's Constitution and other policies and procedures in relation to Corporate Governance issues.
- II. To review any issue referred to it by the Chief Executive or a director or any council body as the Chair considers appropriate within the general Terms of Reference of the Audit Committee.
- III. To monitor the effective development and operation of risk management and corporate governance in the council particularly in so far as they relate to the adequacy of the internal control environment, effective management of risks, the background to the annual governance statement and production of the financial accounts.
- IV. To monitor **the Council's** council policies in 'Raising Concerns at Work' and the antifraud and corruption **policy and** strategy.
- V. To oversee the production of **and approve** the **Council's** authority's Annual Governance Statement. ~~and to recommend its adoption.~~
- VI. To consider the council's arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice.
- VII. To consider the council's compliance with its own and other published standards and controls.

- VIII. To report and make recommendations to Cabinet or Council on major issues and contraventions.
- IX. To have rights of access to other Committees of the Council and to strategic functions as it deems necessary.
- X. To maintain oversight of any major issues arising from Police or other enquiries into the conduct of the Council in order to minimise disruption to other branches of the Authority.
- XI. To receive periodic reports from appropriate Directors on probity and corporate governance issues not specifically referred to elsewhere within the Committee's Terms of Reference.
- XII. To review the Council's policy under the Regulation of Investigatory Powers Act 2000 annually and to monitor compliance with the policy on a twice yearly basis.

3. Accounts

- I. To approve the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the council.
- II. To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

4. Ethical Governance

- I. To promote and maintain high standards of conduct by Members and Officers.
- II. To grant dispensations to Councillors and Co-opted Members from requirements relating to interests set out in the Members Code of Conduct, where not delegated to the Monitoring Officer.
- III. To hear appeals against decisions of the Monitoring Officer not to grant a dispensation.
- IV. To monitor and review the Council's Whistleblower's policy.
- V. To monitor and review protocols for standards of behaviour for Members and Officers.
- VI. To monitor and review protocols for Members and Officers on relationships and dealings with outside organisations and

individuals.

- VII. To monitor and review Member and Officer procedures relating to gifts and hospitality and disclosable pecuniary interests and other interests.
- VIII. To monitor and oversee the response by the Council to complaints to the Ombudsman.
- IX. **To deal** ~~Dealing~~ with complaints of alleged Member misconduct referred to the Monitoring Officer under Section 28(6) of the Localism Act 2011.
- X. **To approve the granting** ~~Granting~~ and supervision of exemptions from posts being designated as politically restricted.
- XI. To arrange for the exercise of all the above functions in relation to Parish Councils wholly or mainly in its area and to the members of those Parish Councils.

HEARINGS SUB-COMMITTEE

TERMS OF REFERENCE

This Sub-Committee is a Sub-Committee of the Council constituted under Sections 101 and 102 of the Local Government Act 1972.

1. To consider complaints referred to it by the Monitoring Officer in consultation with the Independent Person in accordance with Section 28 of the Localism Act 2011.
2. To hear appeals against decisions of the Monitoring Officer not to grant a dispensation.

Audit Committee Prospectus, Terms of Reference and Work Plan 2017/18

The purpose of an audit committee is to provide to those charged with governance independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance processes. CIPFA

The Audit Committee at Doncaster Council

The Audit Committee has primary responsibility for ensuring there are effective governance arrangements in place and operating throughout the organisation, and is the principal advisory function to the Council and Executive on governance related matters.

This Prospectus sets out the scope and the standards of the Audit Committee, which are consistent with Local Government standards. It also describes the approach that will be taken by the Audit Committee and outlines its 2017/18 work programme.

Scope and Standards

In accordance with the Chartered Institute of Public Finance and Accountancy's Position Statement and guidance on Audit Committees, the Audit Committee will:

- ✓ Satisfy itself and others that the Annual Governance Statement reflects the Council's arrangements and position
- ✓ Monitor the effectiveness of the internal control environment¹ and assurances obtained about its operation
- ✓ Consider the accuracy and effectiveness of risk management
- ✓ Ensure Internal Audit is independent and effective. In particular the Committee will:
 - review and approve the responsibilities of the internal audit function and ensure the function has the necessary resources to enable it to perform in accordance with appropriate professional standards
 - review and assess the annual internal audit work plan
 - receive a report on the results of the internal auditor's work and its compliance with its professional standards on a periodic basis
- ✓ Review the arrangements for employees to raise concerns, in confidence, about

¹ The internal control environment is comprised of all the checks and balances in place, including risk management, to ensure the Council's actions are completed properly and recorded accurately

possible wrongdoing in financial reporting or other matters (whistleblowing)

- ✓ Review the Council's arrangements for managing the risk of fraud
- ✓ Review and approve the external auditor's annual audit plan and ensure that it is consistent with the scope of the audit engagement
- ✓ Review the findings of the external auditor's work with the external auditor, including a discussion of any major issues which arise during the audit
- ✓ Review the financial statements and the external auditor's opinion on the statements. In particular, the Committee will review and challenge where necessary:
 - the consistency of, and any changes to, significant accounting policies
 - the methods used to account for significant or unusual transactions where different approaches are possible
 - whether the Council has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the external auditor
 - the clarity and completeness of disclosure in the financial reports and the context in which statements are made
- ✓ Consider external audit and inspection recommendations and ensure these are fully responded to.

The Audit Committee has *Terms of Reference* that reflect the scope and standards, and agrees an annual work-plan showing how the Committee will deliver its responsibilities. The 2017/18 work-plan, which is a 'live' document that is updated throughout the year, is attached at **Appendix 1**.



The Audit Committee has a current membership of five Council Members and one independent Co-opted member. It will meet five times per year. The Committee's operating model ensures that it:

- ✓ Has clear rights of access to other committees and functions, for example scrutiny
- ✓ Will have as regular attendees, the Chief Financial Officer & Assistant Director of (Section 151 Officer), the Head of Internal Audit and the External Auditor. Other attendees may include the Chief Executive and the Monitoring Officer
- ✓ Is able to meet privately and separately with the External Auditor and with the Head of Internal Audit
- ✓ Has the right to call on any other officers as required
- ✓ Will report regularly on its work to the Council.

The Role of the Audit Committee

The Audit Committee has a lead role in ensuring risks are managed effectively across the Council. The Committee challenges the Council and its managers to demonstrate their awareness, reporting and controlling of any risks that could either prevent the Council from achieving its objectives or could cause major disruption of any nature.

For 2017/18, the Committee will:

- ✓ Keep an active interest in the maintenance of the Council’s overall risk management framework, policy and strategy,
- ✓ Receive and review the quarterly Corporate Risk Register on a regular basis and confirm the management of risks within it
- ✓ Receive and consider service/departmental risk registers where appropriate, with the attendance of senior managers to explain their management of risks.

In addition, the Committee aims to strengthen its own contribution. It will:

- ✓ Provide an opportunity for public questions at the start of committee meetings.
- ✓ Carry out a self-assessment against revised CIPFA guidance for audit committees, expected to be published in 2017.
- ✓ Receive regular, detailed, update sessions on relevant topics throughout the year.

- ✓ Receive other development and support as required, individually and/or collectively.

How will we know we have succeeded?

The role of the Audit Committee is crucial. The Committee has primary responsibility for ensuring there are effective governance arrangements in place and operating throughout the organisation.

The Audit Committee will be accountable for meeting its responsibilities. We expect the following outcomes to be achieved:

- ✓ Comprehensive risk registers, including fraud risks, with risks demonstrably controlled
- ✓ Demonstrable implementation of audit and inspection recommendations
- ✓ A clear risk-based Internal Audit plan that is adequately delivered
- ✓ The achievement of a clear opinion on the Statement of Accounts
- ✓ An Annual Governance Statement, external audit Value for Money opinion and Internal Audit control environment assessment that fairly reflect the Council’s position.

The Audit Committee will produce an Annual Report which will show how the Audit Committee is delivering these success measures and contributing positively to improving governance and risk management and adding value to the organisation.

.....
Councillor Austen White, Chair

.....
Councillor R. Allan Jones, Vice-Chair

21 June 2017

APPENDIX 1

Doncaster Council- Audit Committee Workplan 2017/18

Objective and Agenda Item	June 2017	July 2017	Oct 2017	Feb 2018	April 2018
Satisfy itself and others that the Annual Governance Statement reflects the Council's arrangements and position					
Draft Annual Governance Statement 2016/17	✓				
Final Annual Governance Statement 2016/17		✓			
Delivering Good Governance - Local Code of Corporate Governance	✓				
Update on Annual Governance Statement Issues 2016/17				✓	
Audit Committee Annual Report 2017/18					✓
Audit Committee Prospectus, Terms of Reference and draft work programme	✓				
Partnership Governance Update		✓			
Internal Audit Plan 2018/19					✓
Monitor the effectiveness of the internal control environment					
Internal Audit– Progress Report		✓	✓	✓	
Annual Report of the Head of Internal Audit 2017/18					✓
Monitoring Officer Annual Report	✓				
Internal Audit review of Deprivation of Liberties Safeguards (DOLS)		✓			
Update report on Internal Drainage Boards in the Doncaster Borough		✓			
Internal Audit review of the Solar Centre			✓		
Safeguarding Assets Personal Assets Team – Responsive Review			✓		
Internal Audit Report on Direct Payments / Personal Budgets for Adults			✓		
Update Report on Contracts and Commissioning in Adults, Health and Wellbeing			✓		
Report on any non-compliance with Financial Procedure Rules and Contract Procedure Rules			✓		✓
Internal Audit Plan 2018/19					✓
Consider the accuracy and effectiveness of risk management					
Internal Audit– Progress Report		✓	✓	✓	✓
Review of Risk Management Framework		✓			
Corporate Risk Register	✓		✓	✓	✓

Objective and Agenda Item	June 2017	July 2017	Oct 2017	Feb 2018	April 2018
Risk Report Update on Doncaster Children's Services Trust following Inspection			✓		
Directorate risk register review	✓				
Ensure Internal Audit is independent and effective.					
Internal Audit– Progress Report		✓	✓	✓	✓
Internal Audit Charter and Strategy	✓				
Internal Audit Plan 2018/19					✓
Internal Audit Annual Report 2017/18					✓
Review the Council's arrangements for managing the risk of fraud					
Annual Fraud Report 2016/17		✓			
Covert Surveillance – Regulation of Investigatory Powers Act 2000 (RIPA)	✓		✓		
Review the council's ethical arrangements including those for employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters (whistleblowing)					
Overview of ethical arrangements				✓	
Annual Whistleblowing and Complaints Report	✓				
Review the findings of the external auditor's work					
External Auditor's Audit Plan 2017/18				✓	
Report to Those Charged With Governance (ISA 260 Report) 2016/17		✓			
External Auditor's Annual Audit Letter 2016/17			✓		
Certification of Claims and Returns – Annual Report 2016/17					✓
Update on Appointment of External Auditor			✓		
Review the financial statements and the external auditor's opinion on the statements					
Draft Statement of Accounts 2016/17	✓				
Final Statement of Accounts 2016/17		✓			
Report to Those Charged With Governance (ISA 260 Report) 2016/17		✓			
Arrangements and Timetable for Preparation of Accounts				✓	
Consider external audit and inspection recommendations and ensure these are fully responded to					
Update report on the Implementation of Inspection and External Audit Recommendations	✓			✓	
Review of Outstanding Internal Audit Recommendations		✓	✓	✓	✓

To the Chair and Members of the AUDIT COMMITTEE

AUDIT COMMITTEE ACTIONS LOG

EXECUTIVE SUMMARY

1. The Committee is asked to consider the Audit Committee Actions Log which updates Members on actions agreed during Audit Committee meetings. It allows Members to monitor progress against these actions, ensuring satisfactory progress is being made.

EXEMPT REPORT

2. The report does not contain exempt information.

RECOMMENDATIONS

3. The Committee is asked to;
 - Note the progress being made against the actions agreed at the previous committee meetings and
 - Advise if any further information / updates are required.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

4. Regular review of the actions agreed from the Audit Committee meetings enables the Committee to ensure it delivers against its terms of reference and is responding to important issues for citizens and the borough. The action plan update helps support openness, transparency and accountability as it summarises agreed actions from reports and issues considered by the Audit Committee.

BACKGROUND

5. The Audit Committee Issues Log, which is updated for each Audit Committee meeting, records all actions agreed during previous meetings. Items that have been fully completed since the previous Audit Committee meeting are recorded once as complete on the report and then removed for the following meeting log. Outstanding actions remain on the log until completed.
6. Of the actions identified in the report, all except three are classified as “green”, either having been fully addressed or because arrangements are in hand to complete the actions as agreed. The one outstanding ‘Red’ rated item is in relation to the Solar Centre Contract Breach – Further reports will be provided to committee in October to update members on progress to address this issue.

The two amber rated items relates to a slight delay in the delivery and completion of training for Regulation of Investigatory Powers Act 2000 (RIPA) requirements.

OPTIONS CONSIDERED AND RECOMMENDED OPTION

7. There are no specific options to consider within this report as it provides an opportunity for the Committee to review and consider progress made against ongoing actions raised during previous Audit Committee meetings.

IMPACT ON THE COUNCIL’S KEY OUTCOMES

8.

	Outcomes	Implications
	<p>All people in Doncaster benefit from a thriving and resilient economy.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Creating Jobs and Housing</i> • <i>Mayoral Priority: Be a strong voice for our veterans</i> • <i>Mayoral Priority: Protecting Doncaster’s vital services</i> 	
	<p>People live safe, healthy, active and independent lives.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Safeguarding our Communities</i> • <i>Mayoral Priority: Bringing down the cost of living</i> 	
	<p>People in Doncaster benefit from a high quality built and natural environment.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Creating Jobs and Housing</i> • <i>Mayoral Priority: Safeguarding our Communities</i> • <i>Mayoral Priority: Bringing down the cost of living</i> 	
	<p>All families thrive.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Protecting Doncaster’s vital services</i> 	

	Council services are modern and value for money.	Effective oversight through the Audit Committee adds value to the Council operations in managing its risks and achieving its key priorities of improving services provided to the citizens of the borough
	Working with our partners we will provide strong leadership and governance.	The work undertaken by the Audit Committee improves and strengthens governance arrangements within the Council and its partners.

RISKS AND ASSUMPTIONS

9. The Audit Committee contributes to the effective management of risks in relation to audit activity, accounts / financial management risk management and other governance / regulatory matters.

LEGAL IMPLICATIONS

10. There are no specific legal implications associated with this report

FINANCIAL IMPLICATIONS

11. There are no specific financial implications associated with this report.

HUMAN RESOURCES IMPLICATIONS

12. There are no specific human resources issues associated with this report.

TECHNOLOGY IMPLICATIONS

13. There are no specific technological implications resources issues associated with this report.

EQUALITY IMPLICATIONS

14. We are aware of the Council's obligations under the Public Sector Equalities Duties and there are no identified equal opportunity issues within this report.

CONSULTATION

15. The Audit Committee Action Log has been produced following consultation with members of the Audit Committee to address the risk of agreed actions not being implemented.

BACKGROUND PAPERS

16. None

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**Steve Mawson
Chief Financial Officer &
Assistant Director of Finance**

AUDIT COMMITTEE ACTION LOG – JUNE 2017

Follow-up actions from previous meetings:-

Ref:	Minute/ Action	Progress update	Responsible Officer	Completed (Y/N)
Meeting April 2017				
Strategic Risk Management in Learning and Opportunities				
52	Committee to receive further evidence on the risk management of the Doncaster Childrens' Services Trust.	Report to be provided to October 2017 Audit Committee following the OFSTED inspection	Damian Allen	Scheduled on the Audit Committee work programme for October – not yet due
Safeguarding Adults Personal Assets Team - Responsive Review.				
53	Committee to receive a further update report at its October meeting.	Report to be provided for October 2017 Audit Committee	Steve Mawson	Scheduled on the Audit Committee work programme for October – not yet due
Adult Social Care Commissioning Review Programme 2017-2021				
55	Committee to receive a further update report at its October meeting.	Report to be provided for October 2017 Audit Committee	Damian Allen	Scheduled on the Audit Committee work programme for October – not yet due
Solar Centre Update				
57a	Committee to receive a further update report on the conclusion of the contractual position at its October meeting.	Report to be provided for October 2017 Audit Committee	Damian Allen	Scheduled on the Audit Committee work programme for October – not yet due

Ref:	Minute/ Action	Progress update	Responsible Officer	Completed (Y/N)
57b	Committee to receive a backward looking report from Internal Audit surrounding the chronology and reporting of the Solar Centre at its October meeting.	Report to be provided for October 2017 Audit Committee	Colin Earl	Scheduled on the Audit Committee work programme for October – not yet due
49 b	From Meeting April 2016 report - Financial and Purchasing and Contract Procedure Rules Solar Centre – Individual reviews taking place. Update to be provided in the next audit committee report.	An independent project manager has recently been contracted by Doncaster Council to co-ordinate and lead on resolving this issue.	Patrick Birch	No - A project and implementation plan will be outlined to the October Audit Committee in relation to options, proposals and potential timescales relating to the Solar Centre.
Quarter 3 - Strategic Risk Update				
58	The Assistant Director Finance and Chief Finance Officer to ensure 'Adults, Health and Well-Being commissioning and procurement arrangements' is considered for inclusion in the strategic risk register	To be considered as part of the Quarter 1 challenge process.	Steve Mawson	Scheduled - Not yet due
Audit Committee Annual Report 2016/17				
61a	Committee requested a minor change to the wording in the introductory statement	Minor change requested has been made	Colin Earl	Action complete

Ref:	Minute/ Action	Progress update	Responsible Officer	Completed (Y/N)
61b	Committee requested a report providing information on the existence and current effectiveness of the Council's ethical arrangements	A report has been scheduled in the Committee's work programme for the 2017/18 year	Scott Fawcus	Scheduled on the Audit Committee work programme for February 2018 - not yet due
Meeting January 2017				
Internal Audit Progress Report				
42b	Internal Audit to provide numbers of outstanding lower level recommendations in future progress reports	Report to be provided to July 2017 Audit Committee	Colin Earl	Scheduled - Not yet due
Income Management Progress Report				
46	Follow-up report on income management to be received in Autumn 2017	Report to be provided for October 2017 Audit Committee	Steve Mawson	Scheduled - Not yet due
Meeting November 2016				
Covert Surveillance - Regulation Of Investigatory Powers Act 2000 (RIPA) - Update				
30 a	Assess with HR whether RIPA training could be made mandatory for relevant Line Managers.	HR has confirmed this can be classified as mandatory training for relevant officers. Details of all officers who need to complete the training has been provided to HR who will ensure the training is completed. A completion date for the training has been revised to 30 th June 2017 (from April 2017).	Helen Potts	In progress and not yet due

Ref:	Minute/ Action	Progress update	Responsible Officer	Completed (Y/N)
30 b	Assess with HR if Audit Committee Members could undertake RIPA training on-line.	HR has confirmed that members can complete the RIPA training on-line as long as they are set up on the system. Instructions have been provided to members on how to do this. A completion date for the training has been revised to 30 th June due to election commitments and changes in membership of the committee.	Helen Potts	Training has not yet been completed by all members
Meeting August 2016				
Strategic Risk Report Mapping				
18	Provide a report for the committee to carry out reviews on and attain a more in-depth picture of how the nominated strategic risks were managed reviewed and reported:	The final report on strategic risks will be provided to the June Audit Committee. These are the risks managed, reviewed and reported by the Director of Regeneration and Environment	Peter Dale	Yes – Report provided to June Audit Committee Meeting
Covert Surveillance – Regulation of Investigatory Powers Act 2000 (RIPA) Update				
51	Refresher training to be provided in 12 months' time.	In process of being arranged for April 2017.	Helen Potts	Training booked for 20 th July 2017

**To the Chair and Members of the
AUDIT COMMITTEE**

STATEMENT OF ACCOUNTS 2016/17

EXECUTIVE SUMMARY

1. This report presents the Council's unaudited Statement of Accounts for the 2016/17 financial year. The report highlights the overall financial position for the year, a summary accounts closure timetable and information on performance including improvements achieved in accuracy and quality.
2. The Accounts and Audit (England) Regulations 2015 apply to the preparation, approval and audit of the Statements of Accounts and other financial statements. These regulations are based on International Financial Reporting Standards ('IFRS') which attempt to standardise accounts in a consistent format across both the public and private sectors with the aim of achieving greater transparency.
3. Whilst there is no longer a requirement to present the unaudited accounts to Members before the external audit process commences, the Council has continued this practice as it gives Members early notification of the financial outcome of the previous financial year and is considered to be good practice.
4. There is a requirement to obtain certification of the accounts by the responsible financial officer, for the Council this is the Chief Financial Officer & Assistant Director – Finance, by the 30th June each year. The statutory deadline for the date of approval and publication of the final Statement of Accounts remains unaltered at 30th September. However, due to improved financial management processes, the Council is working to shorter deadlines for the 2016/17 accounts of the 31st May and 31st July respectively.

EXEMPT REPORT

5. Not applicable.

RECOMMENDATIONS

6. Members are requested to note the 2016/17 Statement of Accounts.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

7. An unqualified audit opinion on the Council's financial statements and a good VfM conclusion resulting from the annual audit process would indicate that there is excellent internal control in place safeguarding Council resources.

BACKGROUND

8. The Council's 2016/17 accounts have been prepared in accordance with IFRS and the appropriate accounting codes of practice and were approved by the Council's responsible financial officer on the 1st June. This is 1 day earlier than the accounts for 2015/16 and 21 days earlier than the accounts for 2014/15 and provides confidence that the earlier statutory dates can be achieved.
9. The statutory 6 week period in which the accounts are available for public scrutiny must include the 1st 10 working days in July. The accounts are available for public scrutiny from 5th June to 14th July. This was advertised on the Council's website on 2nd June. The unaudited accounts were placed on the Council's website on 2nd June in line with the Government's policy of increased transparency in the public sector with public scrutiny of the accounts being a key feature of the financial governance framework of local authorities.
10. The accounts will be subject to external audit during the period 5th June to 14th July and it is expected that the audit opinion will be finalised (subject to the continuing work on the Whole of Government Accounts) by 17th July, which is 31 days earlier than the 2015/16 accounts and 47 days earlier than the 2014/15 accounts. Legislative requirements significantly reduce the timeframe allowed for the accounts closure process and Members of the Audit Committee will now be aware that the Council is required to produce the audited Statement of Accounts for the 2017/18 financial year by 31st July 2018, with the unaudited 2017/18 accounts being produced by 31st May 2018.
11. The Council is planning to finalise its audited 2016/17 accounts by 27th July, 21 days earlier than 2015/16 and 51 days earlier than 2014/15. The accounts and a report will be presented by KPMG to this Committee on 27th July setting out the result of the external audit in the form of their 'Communication with those charged with governance' report (ISA 260 report), which formally sets out the findings of their audit of the financial statements.

The 2016/17 Financial Statements and Supporting Disclosure Notes

12. The style and format of the accounts used for 2016/17 is similar to that used last year. The 'removing the clutter' drive has continued, with a number of items excluded or revised as part of reducing the size of this year's accounts. The unaudited accounts are now 97 pages in length (compared to 103 pages in 2015/16 and 110 pages in 2014/15. The main changes in 2016/17 are: -
 - a. A new Expenditure Funding Analysis (EFA) is included before the Core Financial Statements along with three new associated notes to the accounts (notes 7, 8 and 9). The EFA shows how annual expenditure

is used and funded from resources by local authorities in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Council's directorates/services/departments.

- b. A new note 5 Material Items of Income and Expense is included (see explanation below in paragraph 13c)
 - c. A new note 24i Available for Sale Financial Instruments Reserve is included due to having Certificates of Deposit at year end for the first time.
 - d. Removal of note 24 from 2015/16 Amounts Reported for Resource Allocation Decisions as this is effectively replaced by the EFA.
13. Members of this Committee have a key role in scrutinising the accounts in order to maintain strong governance over financial reporting. Early production of the accounts enables the Members of this Committee sufficient time to review the statements and ask challenging and pertinent questions. Whilst the Narrative Report provides the summary of the financial year and the associated statements, it is worthwhile highlighting some specific points for the year: -
- a. At the meeting on 21th June, Cabinet will be presented with the final outturn positions for both revenue and capital for the 2016/17 financial year. On the normal day to day operating budget the Council overspent by £2.3m. This includes Regeneration & Environment £2.8m overspend and funding of the Children's Trust £1.5m overspend. These overspends are offset by £1.3m one-off underspends in Finance & Corporate Services and £1.7m one-off underspends in Council-Wide. The position includes the delivery of £37.4m savings towards the £40.2m target, leaving a shortfall of circa £2.8m mainly from the Modern & Productive, Appropriate Assets and Digital Council programmes.
 - b. For Members, probably the most important issue will be whether the Council has a surplus or deficit compared to its budget for the year. The (increase)/decrease in 2016/17 on the Movement in Reserves Statement gives this information for both the General Fund and the Housing Revenue Account (HRA). The surplus of £131.3m (General Fund £-21.0m and the HRA £152.4) shown in the Comprehensive Income and Expenditure Statement (CIES) is an indication that the costs of providing the year's services have been exceeded by income. This represents the position that would have been reported under 'commercial accounting' rules. Statutory adjustments convert the Council's financial performance from the £131.3m to a £4.1m decrease in the general fund balance, which after adjusting for earmarked reserves reconciles with the £2.3m reported overspend and a £1.6m decrease in the HRA.
 - c. In respect of the HRA, the regional adjustment factor, applied to ascertain the value of social housing stock, has increased to 41% compared to 31% which was used last year. This has meant all social housing stock has had a revaluation gain in year causing a material value of previous impairment losses to be reversed (£153.9m).
 - d. The Council's net worth has increased by £24.7m to £604.7m since the

previous financial statements (see 'Balance Sheet' on page 12 of the accounts). This is principally due to an increase in Property, Plant & Equipment partially offset by an increase in the liability related to defined benefit pension scheme. This is mainly due to revisions in the actuary's future assumptions of key variables, as detailed in disclosure note 40, 'Defined Benefit Pension Scheme' (pages 74 to 78 of the accounts).

- e. Reserves are an indication of the temporary resources available to assist an authority to deliver services. Not all reserves can be used to deliver services and this is reflected by reporting reserves in two groups – 'usable' and 'unusable' reserves. Usable reserves have decreased by £4.1m or 4.0% from £101.4m to £97.3m (these are shown on page 11).

Usable Reserves (see Movement in Reserves Statement)	31st March 2016	31st March 2017	Movement in year
	£m	£m	£m
General Fund balance (including Earmarked reserves)	69.5	65.4	(4.1)
Housing Revenue Account	6.9	5.3	(1.6)
Capital Receipts Reserve	12.5	11.2	(1.3)
Major Repairs Reserve	3.6	3.7	0.1
Capital Grants Unapplied	8.9	11.7	2.8
Total Usable Reserves	101.4	97.3	(4.1)

Unusable reserves are determined by technical accounting rules and are not available for use by the Council. These have increased by £28.8m to £507.4m mainly reflecting the changes in the Revaluation Reserve, Pension Reserve (due to changes in assumptions from the Actuary) and the Capital Adjustment Account (due to the change in the regional adjustment factor as explained above in paragraph 13c).

Unusable Reserves (Note 24)	31st March 2016	31st March 2017	Movement in year
	£m	£m	£m
Revaluation Reserve	295.4	308.1	12.7
Capital Adjustment Account	548.4	694.5	146.1
Financial Instruments Adjustment Account	(1.4)	(1.2)	0.2
Pension Reserve	(372.4)	(499.5)	(127.1)
Deferred Capital Receipts Reserve	4.8	4.8	0.0
Collection Fund Adjustment	4.8	3.9	(0.9)
Accumulated Absences Account	(1.0)	(3.2)	(2.2)
Unequal Pay Back Pay Account	0.0	0.0	0.0
Available for Sale Financial Instruments Reserve	0.0	0.0	0.0
Total Unusable Reserves	478.6	507.4	28.8

Financial Ratios

14. The following financial ratios promote the accountability of councils for their spending decisions. These include: -
- The ratio of **current assets to current liabilities**, an indicator of how a council manages its short-term finances
 - The ratio of **usable reserves to gross revenue expenditure**, highlighting how much money a council is retaining for future plans

and to cover unpredictable spending

- The ratio of **long term borrowing to long term assets**, representing the percentage of a council's assets that are financed with borrowing. A low figure means a council is less dependent on debt and has lower risk associated with its operation.
- The ratio of **school balances to dedicated schools grant**, showing whether schools, maintained by the Council, are retaining a high or low proportion of the funding provided for spending on education

The ratios for the Council are provided below and reflect continued, sound financial management and governance arrangements:

DMBC Financial Ratios	2014/15	2015/16	2016/17
Current assets to current liabilities (working capital)	0.802	1.164	1.229
Usable reserves to gross revenue expenditure	11.79%	10.58%	13.74%
Long term borrowing to long term assets	0.288	0.290	0.270
School balances to Dedicated Schools Grant	11.60%	9.72%	7.14%

The proportion of current assets to current liabilities (ideal ratio of 1.0) is steadily improving indicating that the Council is managing its short term finances more effectively with a decrease in short term liabilities (the ratio has increased to 1.229 in 2016/17).

The comparison of usable reserves (which includes, for these purposes, General Fund balances, earmarked reserves (less school balances) and usable capital receipts) to gross revenue spend is now higher at 13.74% (up from 10.58% in 2015/16).

OPTIONS CONSIDERED

15. Not applicable.

REASONS FOR RECOMMENDED OPTION

16. The main content and format of the Statement of Accounts is set out in the Code of Practice on Local Authority Accounting for 2016/17. The Council has a statutory obligation to submit its unaudited 2016/17 Statement of Accounts to the External Auditor by 30th June. Failure to do so could result in an audit qualification and consequential reputational damage.

IMPACT ON THE COUNCIL'S KEY OUTCOMES

17. These are detailed in the table below: -

Outcomes	Implications
<p>All people in Doncaster benefit from a thriving and resilient economy.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Creating Jobs and Housing</i> 	<p>The audited Statement of Accounts provides information on all Council priorities incorporating income and expenditure for</p>

	<ul style="list-style-type: none"> • <i>Mayoral Priority: Be a strong voice for our veterans</i> • <i>Mayoral Priority: Protecting Doncaster's vital services</i> 	<p>all Council services.</p> <p>An unqualified audit opinion from KPMG on the financial statements and supporting disclosure notes, together with an unqualified VfM conclusion assists with the positive reputation of the Council and ensures that strong governance is in place.</p>
People live safe, healthy, active and independent lives.	<ul style="list-style-type: none"> • <i>Mayoral Priority: Safeguarding our Communities</i> • <i>Mayoral Priority: Bringing down the cost of living</i> 	
People in Doncaster benefit from a high quality built and natural environment.	<ul style="list-style-type: none"> • <i>Mayoral Priority: Creating Jobs and Housing</i> • <i>Mayoral Priority: Safeguarding our Communities</i> • <i>Mayoral Priority: Bringing down the cost of living</i> 	
All families thrive.	<ul style="list-style-type: none"> • <i>Mayoral Priority: Protecting Doncaster's vital services</i> 	
Council services are modern and value for money.		
Working with our partners we will provide strong leadership and governance.		

RISKS AND ASSUMPTIONS

18. The table below highlights the most significant risks that could have a negative impact on the deliverability of the Council's financial position and the action taken to mitigate them.

Risks / Assumptions	Probability	Impact	Proposed Action
Robustness of correct outturn figure	Low	Medium	Work has been undertaken during monitoring and closedown process to process all transactions, and prepare for audit. This has included an increase in senior officer quality assurance review and control; and internal verification and checks by finance and technical officers.

The Audit identifies a material / significant finding or inaccuracy in the production of the accounts.	Low	High	Continuous dialogue with KPMG throughout the year. Specific discussions on key complex / technical areas are as part of the monthly audit liaison group meetings
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LEGAL IMPLICATIONS

19. Section 27 of the Audit Commission Act 1998 provides that the Secretary of State may, by regulations, make provision with respect to the accounts .
20. The Accounts and Audit (England) Regulations 2015 set out the detailed requirements in relation to the duties and rights concerning accounts and in particular, the detailed rules for the preparation, approval and publication of the statement of accounts.

FINANCIAL IMPLICATIONS

21. The Council's Statement of Accounts are prepared in line with the Accounts and Audit Regulations 2015 and International Financial Reporting Standards.

HUMAN RESOURCES IMPLICATIONS

22. There are no specific Human Resources implications related to the contents of this report.

TECHNOLOGY IMPLICATIONS

23. There are no specific Technology implications related to the contents of this report.

EQUALITY IMPLICATIONS

24. This report has no specific equality implications.

CONSULTATION

25. Not applicable.

BACKGROUND PAPERS

26. Following background papers:

- Accounts and Audit Regulations 2015

- The Code of Practice on Local Authority Accounting 2016/17 ('The Code') - based on IFRS

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**Steve Mawson
Chief Financial Officer
& Assistant Director – Finance**

To the Chair and Members of the Audit Committee

2016-17 ANNUAL GOVERNANCE STATEMENT

EXECUTIVE SUMMARY

1. The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. In discharging these responsibilities, the Council must ensure that there is good governance and a sound system of internal controls in place, which facilitate the effective exercise of the Council's functions.
2. An annual review of the council's governance arrangements and the subsequent preparation and publication of an annual governance statement (AGS) are statutory requirements by virtue of the accounts and audit regulations (England) 2015. The council's governance arrangements in place during 2016-17 have been reviewed and an annual governance statement has been produced and is attached as **Appendix A**. There have been 2 significant weaknesses reported in 2016-17, detailed on page 5 of the statement.
3. The Accounts and Audit Regulations require proper practice to be followed in the production and approval of the Statement. 'Proper practice' requires the Council Leader (in Doncaster's case, the Mayor) and the Chief Executive to sign the statement to confirm their satisfaction with the governance framework and the procedures for reviewing it, and their acceptance of the significant issues highlighted in the statement, along with actions for tackling the issues raised. This should be done prior to the publication of the Statement of Accounts in July 2017.

EXEMPT REPORT

4. Not Applicable

RECOMMENDATIONS

5. The Audit Committee are asked to:
 - Comment on the draft report in principal and subsequently a final version will be presented to Audit Committee on 27th July.
 - Note that The Mayor and the Chief Executive will be asked to sign the final Statement after approval at Audit Committee on 27th July and prior to its publication along with the Statement of Accounts.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

6. By ensuring that there is good governance and a sound system of internal controls in place the Council will be able to provide the citizens of Doncaster with services that are provided in accordance with the law and proper standards. It will also ensure that public money is safeguarded, properly accounted for and used economically, efficiently and effectively

BACKGROUND

7. In 2015, CIPFA/SOLACE consulted on revised guidance, and this was published in 2016-17. The new framework details the principles and sub principles defined by CIPFA/SOLACE, which underpin the governance of Doncaster MBC and provide a structure to assist the authority's approach to governance. These are outlined in the Annual Governance Statement.
8. To continue our commitment to good governance the Strategy and Performance Unit have prepared the Annual Governance Statement set out in accordance with the new CIPFA/SOLACE Delivering Good Governance in local Government guidance.
9. It should be noted that Governance arrangements at Doncaster Council have improved each year and are now more robust than ever before. As part of the recent review of our governance arrangements, we are satisfied that we already have a well-established and robust constitution and other good governance documents and arrangements in place.
10. The process for creating the Annual Governance Statement is more robust and streamlined. It is centrally managed and has much better engagement from directorate staff, building greater confidence into the procedure.
11. The 2016-17 Annual Governance Statement:
 - Highlights key areas of improvement from 2015-16 that have been completed and have been effectively managed to the extent that they were no longer significant in 2016-17. (Appendix B, Page 6)
 - Identifies new significant issues arising from the 2016-17 review of effectiveness of the corporate governance arrangements (Appendix B, Page 5)
 - provides an update on the key areas identified during previous years that remain an issue in 2016-17 (Appendix B, Page 8).

OPTIONS CONSIDERED

12. Not Applicable

REASONS FOR RECOMMENDED OPTION

13. Not Applicable

IMPACT ON THE COUNCIL'S KEY OUTCOMES

14.

	Outcomes	Implications
	Working with our partners we will provide strong leadership and governance.	The Annual Governance Statement enables the Council to ensure that there is good governance and a sound system of internal controls in place

RISKS AND ASSUMPTIONS

15. The production of an Annual Governance Statement is a statutory requirement. The key risk is that failure to produce a statement to meet this requirement would result in an adverse audit report by the Council's external auditor and damage the Council's reputation. The original risk profile is 16 but by producing the Annual Governance Statement and addressing key corporate issues the risk profile is reduced to 8.

LEGAL IMPLICATIONS

16. The production and publication of an Annual Governance Statement is a statutory requirement.

FINANCIAL IMPLICATIONS

17. There are no direct financial implications resulting from this report.

HUMAN RESOURCES IMPLICATIONS

18. There are no direct human resources implications resulting from this report.

TECHNOLOGY IMPLICATIONS

19. There are no direct technology implications resulting from this report.

EQUALITY IMPLICATIONS

20. The council has a legal obligation under the Public Sector Equality Duty to consider how different people will be affected by their activity and service. Equalities and Due Regard issues will be considered as part of the individual policies and procedures that are contained within the Annual Governance Statement and as a result a Due Regard statement has not been completed for this process.

CONSULTATION

21. There is consultation with Directors and seniors managers throughout this process. Nominated directorates leads work with the corporate team and their directorate senior managers to complete the assessment which supports the production of the final Annual Governance Statement.

BACKGROUND PAPERS

22. CIPFA/ SOLACE delivering good governance in Local Government Framework
Accounts and Audit Regulations (England) 2015.
2015-16 Annual Governance Statement
Annual Report of the Head of Internal Audit 2016-17

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Steve Mawson
Chief Financial Officer
& Assistant Director of Finance

ANNUAL GOVERNANCE STATEMENT 2016-17

Scope of responsibility

Doncaster Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. We also have a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, we are responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.

Doncaster Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework '*Delivering Good Governance in Local Government*'. A copy of the Doncaster Council's Corporate Code of Governance is on our website at www.doncaster.gov.uk or can be obtained from The Strategy & Performance Unit, 01302 862533.

This statement explains how we have complied with the code and also meets the requirements of Accounts and Audit (England) Regulations 2015, regulation 4(3), which requires all relevant bodies to prepare an annual governance statement.

The purpose of the governance framework

The governance framework comprises the systems and processes, culture and values by which we are directed and controlled and our activities through which we account to, engage with and lead our communities. It enables us to monitor the achievements of our strategic objectives and to consider whether those objectives have led us to delivery appropriate services that are value for money.

The system of internal control is a significant part of our framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. Our system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of our policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.

The report covers 1st April 2016 to 31st March 2017. However, any significant events or developments relating to the governance system that occur between the year-end and the date on which the Statement of Accounts is signed will be included in this report.

The Principles

Acting in the public interest requires a commitment to and effective arrangements for :

PRINCIPLES	SUB PRINCIPLES
A. Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.	<ul style="list-style-type: none">• Behaving with integrity.• Demonstrating strong commitment to ethical values.• Respecting the rule of law.
B. Ensuring openness and comprehensive stakeholder engagement.	<ul style="list-style-type: none">• Openness• Engaging comprehensively with institutional stakeholders.• Engaging with individual citizens and service users effectively.

In addition to the overarching requirements for acting in the public interest in principles A and B, achieving good governance also requires a commitment to and effective arrangements for :

C. Defining outcomes in terms of sustainable economic, social and environmental benefits.	<ul style="list-style-type: none">• Defining outcomes.• Sustainable economic, social and environmental benefits.
D. Determining the interventions necessary to optimise the achievement of the intended outcomes.	<ul style="list-style-type: none">• Determining interventions.• Planning interventions.• Optimising achievement of intended outcomes.
E. Developing the entity's capacity, including the capability of its leadership and the individuals within it.	<ul style="list-style-type: none">• Developing the entity's capacity.• Developing the capability of the entity's leadership and other individuals.
F. Managing risks and performance through robust internal control and strong public financial management.	<ul style="list-style-type: none">• Managing risk.• Managing performance.• Robust internal control.• Managing data.• Strong public financial management.
G. Implementing good practices in transparency, reporting and audit to deliver effective accountability.	<ul style="list-style-type: none">• Implementing good practice in transparency.• Implementing good practices in reporting.• Assurance and effective

Our Governance Framework

Audit Committee

The Council's Audit Committee oversees the production of the Council's statutory accounts, the management of risks within the Council, the operation and effectiveness of the Council's internal control arrangements, and has responsibility for ensuring appropriate standards of ethical governance are in place and maintained.

The Committee has a programme of work in place to ensure it fulfils its responsibilities. The Committee has overseen and supported positive progress in a number of areas during the year, including:

- Improved risk management arrangements;
- A positive Internal Audit assessment of the Council's control environment;
- A continuing positive external audit report on the accounts;
- A continuing positive external audit opinion on the Council's Value For Money arrangements
- The development of a partnerships' governance framework;
- Better commissioning of services and stronger control over contracts;

The Audit Committee produces an Annual Report which is available at www.doncaster.gov.uk

Governance Group

The Council has an officer Governance Group that was established in 2011. It is chaired by the Monitoring Officer and includes other key officers with responsibility for promoting good governance across the organisation. The Group leads on the development of governance arrangements at the Council and ensures the Council complies with best practice guidance issued by CIPFA / SOLACE and any other sector leading advice. The Governance Group supports and works closely with the Council's Audit Committee.

Role of Internal and External Audit

The council has both internal and external auditors.

The role of the internal audit is to:

- give independent assurance that internal controls operated by the Council are sound and are effective
- alert managers to areas of potential weakness and to make recommendations for improvements
- give unbiased professional advice on policies, procedures, practices and systems

All councils are subject to ongoing scrutiny by External Audit and their role is to:

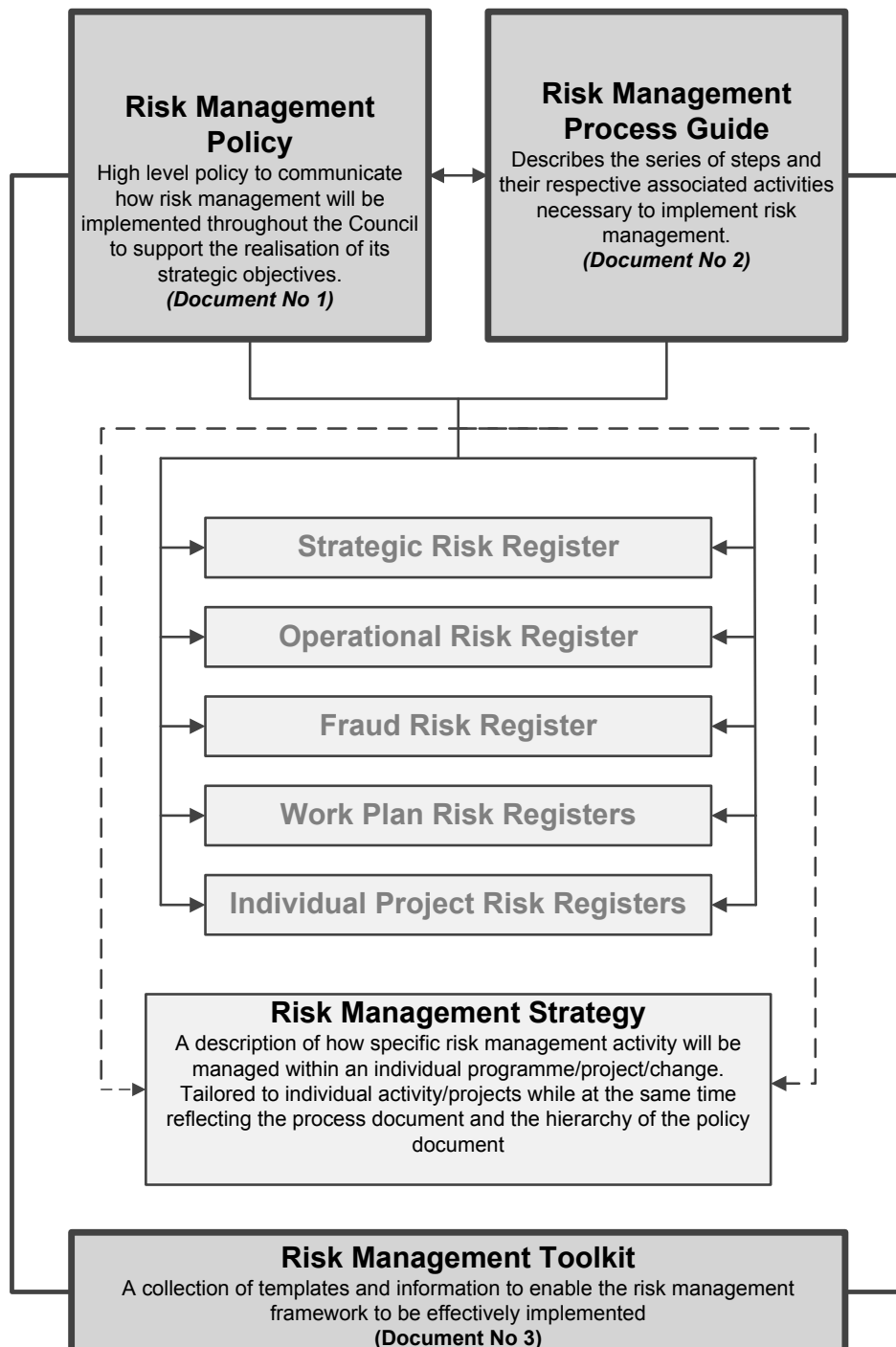
- review the accuracy of the council's Financial Accounts, grant claims and performance indicators
- review the adequacy of performance management arrangements including the Best Value Performance Plan
- review aspects of Corporate Governance and the Statement of Internal Control
- assess the financial standing of the authority

Internal Audit and KPMG aim to coordinate their work to get the best value from the resources in use and to this aim work closely together to achieve our objectives.

Our Approach to Risk Management

Doncaster Council recognises that risk management is an integral part of good governance and management practice.

Managing our risks effectively contributes to the delivery of the strategic and operational objectives of the authority. Doncaster Council manages risks via a Risk Management Framework that has been designed to provide structure and guidance to support our organisation, and the individuals within it, to take positive risks in an informed way.



Review of effectiveness

Doncaster Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The Annual Governance review was led by the Strategy and Performance Unit. Part of the process included representatives from each directorate collating, reviewing and evidencing compliance and identifying significant governance issues or weaknesses. Issues or weaknesses identified by Internal and External Audit were also considered for inclusion in this statement.

The review of effectiveness is informed by the work of the executive managers within the authority who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's Annual Report, and also by comments made by the external auditors and other review agencies and inspectorates.

We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Executive Board and Audit Committee, and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The areas already addressed and those to be specifically addressed with new actions planned are outlined below.

Significant governance issues identified in 2016/17

Whilst we are satisfied with the effectiveness of corporate governance arrangements and systems of internal control, as part of our continued efforts to improve governance the following new issues have been identified for improvement as part of the 2016-17 Annual Governance Statement process:

Issue : Adult, Health and Wellbeing - Contract and Commissioning Arrangements

There has been a large number and value of ongoing contract breaches and waivers occurring within the Adults, Health and Wellbeing Directorate. Some of this is linked to the strategic and transformation plans for the future provision and commissioning of services. However, some other elements have been in breach for lengthy periods of time and now need to be progressed more quickly.

Actions:

A four year commissioning and procurement action plan has been developed by the Adult Commissioning Team, with involvement of the Strategic Procurement Team, which sets out a structured programme of contract reviews. The outcome of these individual contract reviews will inform decision making on which contracts will be re-let, realigned or decommissioned. The action plan set out (for each contract) the timescales for this work to be undertaken and concluded. Training on the Council's Contract Procedure Rules and Democratic Processes has been provided to managers within the service and capacity for commissioning is being reviewed. This will lead to better services being offered to users in the future.

Completion Date:

4 year plan in place which is subject to regular review

Issue: DOLS (Deprivation of Liberty Safeguards) – Best Interest Assessments

Internal Audit identified anomalies in relation to payments made for Best Interest assessments, which had arisen due to poor financial and administrative processes.

Actions:

The DOLS (Deprivation of Liberty Safeguards) Team is working with Internal Audit Services and the Digital Council Team to implement a new system for recording, monitoring and paying for assessments undertaken. This will include the development of full new processes and performance management information to ensure that the situation is monitored and reported on going forwards. A backlog of Best Interest Assessments that has developed will be cleared by an external party and monitored internally. A full review of any Best Interest Assessments that need to be re-done as a result of the delays in the process is already underway. Assessments will be re-done where issues are identified to ensure a full assessment is place as and where required.

Completion Date:

31 December 2017

Key Areas of Improvement from previous Statements that have been completed

There are a numbers of areas requiring improvement that have been identified in previous statements that have been effectively managed to the extent that they are no longer significant in 2016/17. These are:

- ❖ **Asset Register** - The Council has improved its arrangements for maintaining its asset register to better facilitate accounting for assets. The fixed asset register currently produces the statement of accounts information, and now meets external and internal audit requirements. Work will progress on the fixed asset module as part of Enterprise Resource Planning (ERP) phase 2; which will be managed as part of Financial Systems governance.
- ❖ **External Funding** – The Council was responding to a challenge by the EU regarding compliance with procedure rules relating to European funding of the White Rose Way development scheme. Following an EU audit a claim was made by the EU to potentially claw back funding. The challenge into this issue has now concluded and the decision was that there would be no need to claw back any of the funding. No direct action is needed, however reflection and learning to inform the approach to future schemes is being shared in the major projects team to avoid any future risks arising relating to this

The progress that has been made in dealing with previously identified governance issues, that are still an issue in 2016-17, can be found in Appendix A.

Statement of Commitment

We have been advised of the implications of the result of the 2016-17 review of the effectiveness of the governance and internal control frameworks by the Audit Committee and of the plans to address identified weaknesses and ensure continuous improvement of the system in place. We propose over the coming year to take steps to address the above matters to enhance further the Council's governance and internal control arrangements.

We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and that we will monitor their implementation and operation over the next year and as part of our next annual review of effectiveness.

Signed on behalf of Doncaster Council - July 2017:

Ros Jones
Mayor of Doncaster

Jo Miller
Chief Executive

APPENDIX A - An update on Key Improvement Areas identified during 2015-16 that remain an issue in 2016-17

Direct Payments:

In 2015/16 there was a high level of overpayments that had been made in paying personal budgets for adult social care. Issues identified included:-

- High numbers and values of overpayments not being monitored or managed
- Weaknesses in the systems to pay, monitor and recover overpayments
- Lack of joined up working between the various parties involved in this area.

Responsibility for the payments and checking of these monies was transferred to Finance and Corporate Services and since then administration processes have been streamlined and payments made in more efficient ways. All service users accounts have now had an annual audit. Overpayments amounting to £965k have been recovered in the last year out of £1.5m of overpayments identified and billed. Further work is ongoing to recover residual amounts outstanding and ensure all accounts are maintained accurately and effectively. Systems and processes have been improved to make the payments quicker and easier to access and be more efficiently administered.

COMPLETION DATE: 31 MARCH 2018

Safeguarding Adults Personal Assets Team (SAPAT) –

There was a number of governance risks associated with SAPAT highlighted in the 2015/16 statement. These included:

- a lack of robust policies and procedures;
- a lack of clear performance and monitoring data;
- lack of appropriate recording systems and poor data quality;
- multiple paper based systems;
- inadequate storage and retrieval of documents and property;

Strong progress has been made during the year, with clear procedures now in place for assessing clients' eligibility for support by SAPAT. Performance monitoring continues to allow SAPAT to better understand its client base, work more efficiently and continually improve data quality. An exercise to digitalise historic paper records is complete, allowing multiple workers to view the same information simultaneously. Changes to procedures have significantly reduced the amount of clients property held by the authority. Financial processes continue to be strengthened with guidance from Internal Audit and reconciliations of clients' accounts are undertaken at agreed points.

COMPLETION DATE: 31 DECEMBER 2017

Income Management

Internal Audit identified weaknesses regarding compliance with the Council's procedures and for monitoring and collecting debt. An Income Management project plan has been produced and is now working through opportunities to maximise income, ensuring income due to the Council is identified, charged for and collected in a cost efficient and timely manner. The Income Management project has delivered savings in several areas of the council. There is still, however,

improvements to be made in performance monitoring information and reporting, This continues to be developed but these processes have yet to be fully embedded.

COMPLETION DATE: 30 OCTOBER 2017

Doncaster Children's Services Trust overspend

The Council has significant concerns regarding the pressures and financial sustainability of the Doncaster Children's Services Trust. £3.5m additional one-off funding has been provided to the Trust in 2016/17 to fund key pressures including the cost of children placed in care within residential, special guardianship placements and independent fostering agencies. The Council is receiving regular financial updates; the Trust will provide the latest care and modelling assumptions for 2017/18, which will then be discussed with key Council managers. Further discussions are taking place on various innovation and improvement business cases which are expected to deliver savings in the future. This will be incorporated into the sustainable medium-term financial plan for the Trust, which will also include delivering £2m savings in 2018/19 to 2020/21. The actions aim to provide the Trust with the necessary resources to meet the needs of individuals and deliver value for money services. Overview and Scrutiny Management Committee reviewed their plans in February and will be looking in-depth at the progress against them in July 2017.

COMPLETION DATE: 31 MARCH 2018

Data Quality Arrangements

Internal Audit and the Strategy and Performance Unit highlighted an opportunity to improve the reliability of information to support performance management. A revised Data quality strategy (2016-2018) was agreed by Cabinet and the action plan is being monitored by the Business Intelligence Board. A Data Quality Working group is currently active to ensure actions are delivered including introducing Data Quality Standards and self assessments for statutory returns.

COMPLETION DATE: 31 MARCH 2018

Learning Disability/Supported Living Reviews

An improvement area was identified relating to annual reviews within the Learning Disability Team. There was a risk that some of these reviews may relate to individuals who have not had a financial assessment, are not contributing towards their care and support and have not been considered for Continuing Health Care (CHC) funding. All of the 267 people identified in supported living had a review of their care and support needs, and where appropriate and required, are now being supported to contribute their disposable income towards their care.

Annual reviews are now scheduled in and allocated in a timely manner to ensure reviews do not become overdue. Financial assessments are now fully embedded within the assessment process. Continuing healthcare (CHC) is now fully embed and considered during the assessment process and where someone is identified as eligible for an NHS assessment this is progressed by referral to the CCG. Reviews are becoming part of business as usual.

There are still opportunities within this setting to take forward the personalisation agenda by decommissioning block contracts and commissioning care which more closely meets people's personal needs and ambitions. This is a key part of the transformation programme and will be delivered through a joint commissioning strategy, and action plan to ensure individuals in supported living have access to a personal budget.

COMPLETION DATE: 31 MARCH 2018

To the Chair and Members of the Audit Committee

LOCAL CODE OF CORPORATE GOVERNANCE

EXECUTIVE SUMMARY

1. The CIPFA/SOLACE '*Delivering Good Governance in Local Government Framework*' (the Framework) is the commanding guidance for good governance in local authorities. It needs to be followed in order to meet best practice and comply with the requirements of the Accounts and Audit Regulations. The Framework was fully re-written by CIPFA/SOLACE in 2016 to update the previous version that had been in place since 2007 (with an addendum in 2012).
2. It has been an option for councils to produce a local code of governance to summarise their governance arrangements. A draft local code was produced in Doncaster in 2010 but was never adopted, probably because of the disorder in the Council at the time and the well-documented weaknesses in its arrangements.
3. While not making a local code mandatory, the revised Framework advocates the production of a convenient and simple reference point by local authorities. Section 3: Requirements, of the Framework states:
 - 3.1 *The Framework defines the principles that should underpin the governance of each local government organisation. It provides a structure to help individual authorities with their approach to governance. Whatever form of arrangements are in place, authorities should therefore test their governance structures and partnerships against the principles contained in the Framework by:*
 - *reviewing existing governance arrangements*
 - ***developing and maintaining an up-to-date local code of governance, including arrangements for ensuring ongoing effectiveness***
 - *reporting publicly on compliance with their own code on an annual basis and on how they have monitored the effectiveness of their governance arrangements in the year and on planned changes.*
4. The Framework provides flexibility in how councils meet these requirements, acknowledging that "***the 'local code' essentially refers to the governance structure in place***" and "***in practice it may consist of a number of local codes or documents***" (both references to paragraph 3.2, Framework). Doncaster Council could show that it has appropriate arrangements in place, but there would be benefit in producing a single overarching local code is that it captures in one place the vast array of policies and procedures that exist to

ensure the Council meets the highest standards of governance expected of Public bodies. A local code would enable the Council to more easily demonstrate the existence of appropriate arrangements to the Public, Council Members and staff, and other stakeholders

5. Additionally, from a practical perspective, a single local code would enable the Council to produce a more attractive and reader friendly Annual Governance Statement (AGS), by replacing the need to explain the Council's governance policies with a straightforward signposting to the local code. This would leave the AGS itself to focus on the application of arrangements during the year, any key governance issues arising, and highlight positive outcomes achieved through the application of good governance.
6. A draft Local Code of Corporate Governance has been produced and is attached to this report. The Local Code shows all the policies and procedures in place at the Council that enable the Council to meet the seven principles of good governance set out in the CIPFA/SOLACE Framework.
7. The Audit Committee has delegated responsibility for considering governance related matters at the Council, including approving the Council's Annual Governance Statement. It is proposed to recommend the authority for approving the Local Code be delegated to the Audit Committee at the Council AGM on 19 May, if directors agree with the production and adoption of a Local Code.

RECOMMENDATIONS

8. Audit Committee Members are asked to:

- Support the production of a Local Code of Corporate Governance and agree the attached draft.
- Agree to the recommendation to delegate the responsibility for approving the Local Code of Corporate Governance to the Audit Committee.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

9. By ensuring that there is good governance and a sound system of internal controls in place the Council will be able to provide the citizens of Doncaster with services that are provided in accordance with the law and proper standards.

BACKGROUND

10. In 2015, CIPFA/SOLACE consulted on revised guidance, and this was published in 2016. The new framework details the principles and sub principles defined by CIPFA/SOLACE, which underpin the governance of Doncaster MBC and provide a structure to assist the authority's approach to governance.

PRINCIPLES	SUB PRINCIPLES
Acting in the public interest requires a commitment to and effective arrangements for :	
A. Behaving with integrity, demonstrating	Behaving with integrity.

strong commitment to ethical values and respecting the rule of law.	Demonstrating strong commitment to ethical values.
	Respecting the rule of law.
B. Ensuring openness and comprehensive stakeholder engagement.	Openness
	Engaging comprehensively with institutional stakeholders.
	Engaging with individual citizens and service users effectively.
In addition to the overarching requirements for acting in the public interest in principles A and B, achieving good governance also requires a commitment to and effective arrangements for :	
C. Defining outcomes in terms of sustainable economic, social and environmental benefits.	Defining outcomes.
	Sustainable economic, social and environmental benefits.
D. Determining the interventions necessary to optimise the achievement of the intended outcomes.	Determining interventions.
	Planning interventions.
	Optimising achievement of intended outcomes.
E. Developing the entity's capacity, including the capability of its leadership and the individuals within it.	Developing the entity's capacity.
	Developing the capability of the entity's leadership and other individuals.
F. Managing risks and performance through robust internal control and strong public financial management.	Managing risk.
	Managing performance.
	Robust internal control.
	Managing data.
	Strong public financial management.
G. Implementing good practices in transparency, reporting and audit to deliver effective accountability.	Implementing good practice in transparency.
	Implementing good practices in reporting.
	Assurance and effective accountability.

11. The attached draft Local Code of Corporate Governance is underpinned by the *Delivering Good Governance in Local Government*; Framework and is comprised of policies, procedures, behaviours and values by which the Council is controlled and governed.
12. To continue our commitment to good governance, the Strategy and Performance Unit is in the process of preparing the 2016-17 Annual Governance Statement which is also set out in accordance with revised CIPFA/SOLACE guidance. The Annual Governance Statement is a statutory document which explains the processes and procedures in place to enable the council to carry out its functions effectively.

OPTIONS CONSIDERED

13. **Option 1:** To produce a Local Code would more easily demonstrate the Council's adoption of best practice, and show in one place the policies and procedures it has in place to ensure business is conducted effectively and properly. It would also enable the Council to adopt good practice in relation to transparency, by making it easy for any interested parties to find the Council's arrangements in one place.

Option 2: To not produce a local code would not aid transparency and would make it cumbersome and inefficient to respond to any questions about the Council's arrangements.

REASONS FOR RECOMMENDED OPTION

14. **Option 1** is the recommended option. By adopting a Local Code the Council more easily complies with best practice and provides information about its arrangements in a straightforward and consumable form. Option 2 does not provide these benefits, and makes it more difficult for the Council to demonstrate its arrangements.

IMPACT ON THE COUNCIL'S KEY OUTCOMES

	Outcomes	Implications
	<p>All people in Doncaster benefit from a thriving and resilient economy.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Creating Jobs and Housing</i> • <i>Mayoral Priority: Be a strong voice for our veterans</i> • <i>Mayoral Priority: Protecting Doncaster's vital services</i> 	
	<p>People live safe, healthy, active and independent lives.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Safeguarding our Communities</i> • <i>Mayoral Priority: Bringing down the cost of living</i> 	
	<p>People in Doncaster benefit from a high quality built and natural environment.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Creating Jobs and Housing</i> • <i>Mayoral Priority: Safeguarding our Communities</i> • <i>Mayoral Priority: Bringing down the cost of living</i> 	
	<p>All families thrive.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Protecting Doncaster's vital services</i> 	

	Council services are modern and value for money.	Good governance ensure resources are devoted to corporate priorities, and are used efficiently, economically and effectively.
	Working with our partners we will provide strong leadership and governance.	The Code of Corporate Governance enables the Council to ensure that there is good governance and a sound system of internal controls are in place.

RISKS AND ASSUMPTIONS

15. Failure to maintain the Council's governance arrangements in line with Best Practice places the Council at risk of criticism by various parties, including Members, external audit, inspectors and the Public. Production of a Local Code will ensure the Council remains up to date with recognised best practice, and reduce the risk of criticism.

LEGAL IMPLICATIONS

16. The Accounts and Audit Regulations 2015 require councils to produce an annual governance statement each year, and in doing so review their governance arrangements in accordance with proper practice. Proper practice in relation to governance arrangements are set out on the CIPFA/SOLACE *Delivery Good Governance in Local Government Framework*. The adoption of a Local Code would comply with these requirements.

FINANCIAL IMPLICATIONS

17. There are no direct financial implications resulting from this report

HUMAN RESOURCES IMPLICATIONS

18. There are no direct human resources implications resulting from this report

TECHNOLOGY IMPLICATIONS

19. There are no direct Technology implications resulting from this report

EQUALITY IMPLICATIONS

20. The adoption of this strategy enables the Council to demonstrate all the arrangements in place to ensure it fairly considers the diverse needs of all communities.

CONSULTATION

21. The production of this report has involved consultation with:

- The Director of Finance and Corporate Services
- The Assistant Director Legal and Democratic Services

- The Strategic Performance Unit
- The Head of Internal Audit.

22. This report has significant implications in terms of the following:

Procurement		Crime & Disorder	
Human Resources		Human Rights & Equalities	
Buildings, Land and Occupiers		Environment & Sustainability	
ICT		Capital Programme	

BACKGROUND PAPERS

22. CIPFA guidance –Delivering Good Governance in local Government Framework - 2016 Edition
Core annual 'Define & Deliver' cycle
2016-17 Annual Governance Statement

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Steve Mawson
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& Assistant of Finance

Code of Corporate Governance 2017/18

**A guide to Doncaster Council's compliance with the
Seven Principles of Corporate Governance**

Introduction

The local code of corporate governance sets out clearly and concisely our intent and commitment to having good governance arrangements. The code provides information about the standards by which the Council is governed.

Doncaster Council operates under the Mayoral governance model, which means the Council has an elected Mayor who is personally responsible for making decisions on a very wide range of issues within the Borough, from education to roads, social care to housing to leisure. The Council has 55 elected councillors from 21 wards whose role it is to make key decisions (e.g. agreeing the budget) within which the Mayor operates. They also carry out regulatory functions – e.g., planning, licensing and overview and scrutiny functions, which assist and challenge the Mayor in making policy decisions as well as scrutinising some decisions made by the Mayor.

The Importance of Good Governance

Doncaster Council operates through a governance framework which brings together the complex layers of regulatory and statutory requirements that exist upon local authorities, with good governance principles and management processes.

Delivering Good Governance in Local Government Framework, published by CIPFA¹ in association with SOLACE², sets the standard for local authority governance in the UK. The purpose of the framework is to assist authorities in reviewing and accounting for their own unique approach, with the overall aim to ensure that:

- Resources are directed in accordance with agreed policies and according to priorities
- There is sound and inclusive decision making
- There is clear accountability for the use of resources in order to achieve desired outcomes for service users and communities

The Framework positions the attainment of sustainable economic, social, and environmental outcomes as a key focus of governance processes and structures.

Outcomes give the role of local government its meaning and importance, and it is fitting that they have this central role in the Framework. Furthermore, the focus within the framework on sustainability and the links between governance and public financial management are crucial – local authorities must recognise the need to focus on the long term. Local authorities have responsibilities that go beyond the current electorate as they must take account of the impact of current decisions and actions on future generations.

¹ The Chartered Institute of Public Finance and Accountancy

² Society of Local Authority Chief Executives and Senior Managers

How It Works In Doncaster

The Council has a Local Code of Corporate Governance, which is underpinned by the *Delivering Good Governance in Local Government*; Framework and is comprised of policies, procedures, behaviours and values by which the Council is controlled and governed.

The Council recognises that good governance leads to good management, good performance, good stewardship of public funds, good public engagement and to good outcomes for citizens and service users. Failure to deliver this undermines the confidence of the public in our ability to fairly and effectively deliver services and lead in community matters.

Good corporate governance requires the Council to be open, transparent, effective, inclusive of all sectors of the community, accountable to the public it serves and to demonstrate integrity.

Good Governance Principles

The Delivering Good Governance in Local Government Framework, sets out seven core principles of governance as detailed in the diagram below. Doncaster Council is committed to these principles of good governance and confirms this through the adoption, monitoring and development of this document - the Council's Local Code of Corporate Governance.

– *Delivering Good Governance in Local Government Framework 2016 Edition*



These principles underpin the governance of each local government organisation. They provide a structure to help individual authorities with their approach to governance. Authorities should test their governance structures and partnerships against the principles contained in the framework by:

- Reviewing existing governance arrangements
- Developing and maintaining an up-to-date local code of governance, including arrangements for ensuring ongoing effectiveness
- Reporting publicly on compliance with their own code on an annual basis and on how they have monitored the effectiveness of their governance arrangements in the year and on planned changes.

To achieve good governance, each local authority should be able to demonstrate that its governance structures comply with the seven core and sub-principles contained in this framework.

The following pages show the details of how the Council meets the seven principles and highlights some of the evidence available to demonstrate good governance.

At the end of each year, in its Annual Governance Statement, the Council will identify the outcomes achieved through the application of good governance standards.

Monitoring and Review

The Council will monitor its governance arrangements for their effectiveness in practice and will review them on a continuing basis to ensure that they are up to date.

On an annual basis, the Mayor and the Chief Executive of the Council will sign an Annual Governance Statement which will:

- Assess how the Council has complied with this Code of Corporate Governance
- Provide an opinion on the effectiveness of the Council's arrangements
- Provide details of how continual improvement in the systems of governance will be achieved.

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

SUMMARY:

Local government organisations are accountable not only for how much they spend, but also for how they use the resources under their stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes they have achieved. In addition, they have an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, they can demonstrate the appropriateness of all their actions across all activities and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.

Actions	Evidence
SUB PRINCIPLE: Behaving with Integrity	
<ul style="list-style-type: none"> Ensuring members and officer behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated Leading by example and using these standard operating principles or values as a framework for decision making and other actions Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively 	<ul style="list-style-type: none"> Code of conduct (Members, Employees and Volunteers) Dignity at work policy Team Doncaster Charter Whistle Blowing Policy Constitution Performance and Development reviews
SUB PRINCIPLE: Demonstrating Strong Commitment to Ethical Values	
<ul style="list-style-type: none"> Seeking to establish, monitor and maintain the organisation's ethical standards and performance Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with ethical standards expected by the organisation 	<ul style="list-style-type: none"> Corporate Plan Equality and Inclusion Plan Dignity at work policy Workplace induction framework Declarations of Interest Ethical Governance People Strategy Bribery ethical clauses in procurement exercises / contracts Codes of conduct (Members, officers, volunteers,)
SUB PRINCIPLE: Respecting the Rule of Law	
<ul style="list-style-type: none"> Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations Creating the conditions to ensure that the statutory officers, other key post holders, and members, are able to fulfil their responsibilities in accordance with legislative and regulatory requirements Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders Dealing with breaches of legal and regulatory provisions effectively Ensuring corruption and misuse of power are dealt with effectively 	<ul style="list-style-type: none"> Legal (Monitoring) Officer Role Internal Audit External Audit Overview and Scrutiny arrangements Corporate Complaints procedure Anti-Fraud and Corruption Policy Ethical Governance Data sharing and Protection Officer

PRINCIPLE B: Ensuring openness and comprehensive stakeholder engagement

SUMMARY:

Local government is run for the public good, organisations therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders.

Actions	Evidence
SUB PRINCIPLE: Openness	
<ul style="list-style-type: none"> • Ensuring an open culture through demonstrating, documenting and communicating the organisation’s commitment to openness • Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided • Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear • Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/ courses of action 	<ul style="list-style-type: none"> • Corporate Plan • Forward plan • Doncaster Council website • Publication scheme • Overview and Scrutiny arrangement • Consultation arrangement • Transparency agenda • Corporate report format • Public Sector Equality Duty • Public attendance at meetings e.g. council meeting etc • Officer decision records
SUB PRINCIPLE: Engaging Comprehensively with Institutional Stakeholders	
<ul style="list-style-type: none"> • Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably • Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively • Ensuring that partnerships are based on: <ul style="list-style-type: none"> - trust - a shared commitment to change - a culture that promotes and accepts challenge among partners • and that the added value of partnership working is explicit 	<ul style="list-style-type: none"> • Consultation arrangement • Council Website • Team Doncaster partnership boards • Safeguarding Adults Board • Safeguarding Childrens Board • Borough Strategy • Partnership governance arrangements
SUB PRINCIPLE: Engaging Stakeholders Effectively, Including Individual Citizens and Service Users	
<ul style="list-style-type: none"> • Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve communities, individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes • Ensuring that communication methods are effective. Members and officers are clear about their roles with regard to community engagement • Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs • Implementing effective feedback mechanisms in order to demonstrate how views have been taken into account • Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity • Taking account of the impact of decisions on future generations of tax payers and service users 	<ul style="list-style-type: none"> • Borough Strategy • Corporate plan • Council Website • Council Chamber – Meetings, Minutes Agendas • Ethical Governance • Overview and Scrutiny Committees

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

SUMMARY: The long-term nature and impact of many of local government’s responsibilities mean that it should define and plan outcomes and that these should be sustainable. Decisions should further the organisation’s purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens, service users, and institutional stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available

Actions	Evidence
SUB PRINCIPLE: Defining Outcomes	
<ul style="list-style-type: none"> • Having a clear vision, which is an agreed formal statement of the organisation’s purpose and intended outcomes containing appropriate performance indicators, which provide the basis for the organisation’s overall strategy, planning and other decisions • Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer • Delivering defined outcomes on a sustainable basis within the resources that will be available • Identifying and managing risks to the achievement of outcomes • Managing service users’ expectations effectively with regard to determining priorities and making the best use of the resources available 	<ul style="list-style-type: none"> • Borough Strategy • Corporate Plan • Mayors Priorities • Risk Management Framework • Housing Strategy • Economic Strategy • Corporate Report template • Forward Plan • Equalities, Diversity and Inclusion Framework • Budget setting process • Medium term financial strategy • Finance & Performance Quarterly Report • Risk Management Policy • Data Protection Privacy Notices
SUB PRINCIPLE: Sustainable Economic, Social and Environmental Benefits	
<ul style="list-style-type: none"> • Considering and balancing the combined economic, social and environmental impact of policies and plans when taking decisions about service provision • Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation’s intended outcomes and short-term factors such as the political cycle or financial constraints • Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs • Ensuring fair access to services 	<ul style="list-style-type: none"> • Corporate plan • Doncaster Health and Wellbeing Strategy • Budget setting process • Local Plan • Medium Term Financial Plan • Community Safety Strategy • Equalities, Diversity and Inclusion Framework • Public Health Annual report

PRINCIPLE D: Determining the interventions necessary to optimise the achievement of the intended outcomes

SUMMARY: Local government achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions (courses of action). Determining the right mix of these courses of action is a critically important strategic choice that local government has to make to ensure intended outcomes are achieved. They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed frequently to ensure that achievement of outcomes is optimised.

Actions	Evidence
SUB PRINCIPLE: Determining Intervention	
<ul style="list-style-type: none"> Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and associated risks. Therefore ensuring best value is achieved however services are provided Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts 	<ul style="list-style-type: none"> Consultation arrangements Council Website Overview and Scrutiny function Corporate report template (Implications elements) Officer decision records Transparency Act disclosures
SUB PRINCIPLE: Planning Interventions	
<ul style="list-style-type: none"> Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered Considering and monitoring risks facing each partner when working collaboratively, including shared risks Ensuring arrangements are flexible and agile so that the mechanisms for delivering goods and services can be adapted to changing circumstances Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured Ensuring capacity exists to generate the information required to review service quality regularly Preparing budgets in accordance with objectives, strategies and the medium term financial plan Informing medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy 	<ul style="list-style-type: none"> Corporate Plan Service Plans Quarterly Finance and Performance Reports (Includes Strategic Risks) Medium Term Financial Plan Contact Monitoring External Audits Forward Plan Data protection impact assessments (If use of personal information)
SUB PRINCIPLE: Optimising Achievement of Intended Outcomes	
<ul style="list-style-type: none"> Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage Ensuring the achievement of 'social value' through service planning and commissioning 	<ul style="list-style-type: none"> Medium Term Financial Plan Quarterly Finance and Performance Reports (Includes Strategic Risks) Procurement/ Contact Monitoring Value for Money conclusion/ Annual Audit letter

PRINCIPLE E: Developing the entity’s capacity, including the capability of its leadership and the individuals within it

SUMMARY: Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mindset, to operate efficiently and effectively and achieve intended outcomes within the specified periods. A local government organisation must ensure that it has both the capacity to fulfil its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole. Because both individuals and the environment in which an organisation operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of individual staff members. Leadership in local government is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities

Actions	Evidence
SUB PRINCIPLE: Developing the Entity’s Capacity	
<ul style="list-style-type: none"> • Reviewing operations, performance and use of assets on a regular basis to ensure their continuing effectiveness • Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how resources are allocated so that defined outcomes are achieved effectively and efficiently • Recognising the benefits of partnerships and collaborative working where added value can be achieved • Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources 	<ul style="list-style-type: none"> • Benchmarking • Performance and Development Reviews • Annual Corporate plan refresh • Service Plans • Team Doncaster charter • Leadership programme • Workforce development plan
SUB PRINCIPLE: Developing the Capability of the Entity’s Leadership and Other Individuals	
<ul style="list-style-type: none"> • Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained • Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body • Ensuring the Mayor and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other’s authority • Developing the capabilities of members and senior management to achieve effective leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external • Ensuring that there are structures in place to encourage public participation • Taking steps to consider the leadership’s own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections • Holding staff to account through regular performance reviews which take account of training or development needs • Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing 	<ul style="list-style-type: none"> • Council Constitution • Performance and Development Reviews • Recruitment and Selection Policies • Code of conduct (Members and Employees) • Member and officer protocols • Scheme of delegated decision • Leadership programme • Member and officer training including E-learning

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

SUMMARY: Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and are crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision making activities. A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery and accountability. It is also essential that a culture and structure for scrutiny are in place as a key part of accountable decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful service delivery. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.

Actions	Evidence
SUB PRINCIPLE: Managing Risk	
<ul style="list-style-type: none"> • Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making • Implementing robust and integrated risk management arrangements and ensuring that they are working effectively • Ensuring that responsibilities for managing individual risks are clearly allocated 	<ul style="list-style-type: none"> • Risk Management Framework • Strategic Risk Register • Service Plans • Quarterly Finance and Performance Reports (Includes Strategic Risks) • Audit Committee – Strategic Risk Report • Information Asset Register • Data protection Impact Assessment
SUB PRINCIPLE: Managing Performance	
<ul style="list-style-type: none"> • Monitoring service delivery effectively including planning, specification, execution and independent post implementation review • Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation’s financial, social and environmental position and outlook • Ensuring an effective scrutiny or oversight function is in place which provides constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation’s performance and that of any organisation for which it is responsible (Or, for a committee system) Encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making • Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement • Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (eg financial statements) • 	<ul style="list-style-type: none"> • Quarterly Finance and Performance Reports (Includes Strategic Risks) • Council constitution • Scheme of delegated decision making • Corporate report format • Contract Monitoring • Corporate report template (implications elements) • Overview and Scrutiny function

Actions	Evidence
SUB PRINCIPLE: Robust Internal Controls	
<ul style="list-style-type: none"> • Evaluating and monitoring risk management and internal control on a regular basis • Ensuring effective counter fraud and anti-corruption arrangements are in place • Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor • Ensuring an audit committee or equivalent group/ function, which is independent of the executive and accountable to the governing body: <ul style="list-style-type: none"> -provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment -that its recommendations are listened to and acted upon 	<ul style="list-style-type: none"> • Risk Management Framework • Strategic Risk Register • Service Plans • Anti-Fraud and Corruption Policy • Fraud Risk Register • Head of Internal Audit Annual Report and progress reports • Audit Committee prospectus, terms of reference and work programme • Audit Committee Annual Report • Information Asset Register
SUB PRINCIPLE: Managing Data	
<ul style="list-style-type: none"> • Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data • Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies • Reviewing and auditing regularly the quality and accuracy of data used in decision 	<ul style="list-style-type: none"> • Digital Council Strategy • ICT Acceptable usage Policy • Data Protection • Publication scheme • Senior Information Risk Owner (SIRO) Board • Information and Records Management Policy • Information Asset Register • Information Management Strategy • Data Retention and Disposal Policy
SUB PRINCIPLE: Strong Public Financial Management	
<ul style="list-style-type: none"> • Ensuring financial management supports both long term achievement of outcomes and short-term financial and operational performance • Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls 	<ul style="list-style-type: none"> • Medium Term Financial Plan • Quarterly Finance and Performance Reports (Includes Strategic Risks) • Procurement?? • Value for Money conclusion/ Annual Audit letter

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

SUMMARY:

Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed, but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.

Actions	Evidence
SUB PRINCIPLE: Implementing Good Practice In Transparency	
<ul style="list-style-type: none"> • Writing and communicating reports for the public and other stakeholders in a fair, balanced and understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate • Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand 	<ul style="list-style-type: none"> • Transparency Code • Council Website • Corporate report format • Communication protocols • Freedom of information protocols
SUB PRINCIPLE: Implementing Good Practices In Reporting	
<ul style="list-style-type: none"> • Reporting at least annually on performance, value for money and stewardship of resources to stakeholders in a timely and understandable way • Ensuring members and senior management own the results reported • Ensuring robust arrangements for assessing the extent to which the principles contained in this Framework have been applied and publishing the results on this assessment, including an action plan for improvement and evidence to demonstrate good governance (the annual governance statement) • Ensuring that this Framework is applied to jointly managed or shared service organisations as appropriate • Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other, similar organisations 	<ul style="list-style-type: none"> • Annual Governance Statement • Statement of Accounts • Local code of corporate governance • External Auditor Value for Money conclusion/ Annual Audit letter
SUB PRINCIPLE: Assurance And Effective Accountability	
<ul style="list-style-type: none"> • Ensuring that recommendations for corrective action made by external audit are acted upon • Ensuring an effective internal audit service with direct access to members is in place, providing assurance with regard to governance arrangements and that recommendations are acted upon • Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations • Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement • Ensuring that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met 	<ul style="list-style-type: none"> • Doncaster Council Governance Plan • Internal Audit Strategy and Charter • External Audit Annual Audit Letter • Head of Internal Audit Annual report • LGA Peer Reviews • Regular inspections (OFSTED, Care Quality Commission etc) • Annual Governance Statement • Audit Committee • Partnership Governance Arrangements

Further Information

This local code of corporate governance is intended as a summary statement of commitment to good governance in Doncaster Council.

It does not contain every bit of detail about how the council is governed. If you want to look further at how this takes place, you are very welcome to do so.

Details can be found on the Council's website or for staff and elected members, on the Council's intranet site

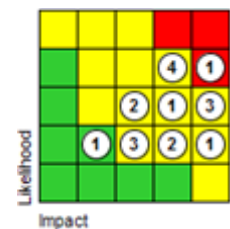
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**To the Chair and Members of the
AUDIT COMMITTEE**

Q4 2016/17 STRATEGIC RISK UPDATE

EXECUTIVE SUMMARY

1. The purpose of this report is to provide an overview of the Strategic Risks profiles in Quarter 4 2016/17.
2. There are 18 Strategic Risks and all have been updated as part of the Quarter 4 reporting process. The Heat Map shows a summary of the scores. The full Strategic Risk Profile is attached as Appendix A
3. One risk has been identified for demotion: Failure to set robust assumptions on pension's deficit recovery and future contribution rate for the 2016 valuation.
4. No new risks have been proposed.
5. To ensure an holistic approach to the management and quality of information and data we propose to reword the following strategic risk FROM: Failure to improve Data Quality will prevent us from ensuring that data relating to key Council and Borough priorities is robust and valid. TO: Failure to ensure the Council meets its statutory information governance requirements and maintains quality data.
6. 16 risk profiles have remained the same during the quarter.
7. Effective mitigating actions have reduced 2 profiles:
 - Failure to deliver the actions identified in the Equality and Inclusion action plan may impact our ability to effectively embed and delivery the equality agenda which could result in the council being exposed to public 'due regard' challenge;
 - Failure to identify and manage Health and Safety risks;
8. No profiles have increased during the quarter.



RECOMMENDATIONS

9. The Audit Committee members are asked to:
 - a) Note and comment on the report
 - b) Note the proposed demotion of the Strategic Risk around the pension deficit (paragraph 3)

- c) Note the proposed change of wording of the Strategic Risk around data quality (paragraph 5)

EXEMPT REPORT

- 10. Not Applicable

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

- 11. The embedding of robust risk management arrangements within the Council incorporating the management of strategic risks creates an environment in which we can successfully meet our objectives to deliver Doncaster’s priorities and the Mayoral Priorities Outcome Framework.

OPTIONS CONSIDERED

- 12. Not Applicable

REASONS FOR RECOMMENDED OPTION

- 13. Not Applicable

IMPACT ON THE COUNCIL’S KEY PRIORITIES

- 14.

Priority	Implications
All people in Doncaster benefit from a thriving and resilient economy.	The embedding of robust risk management arrangements within the Council will contribute to the effective delivery of all the Council’s key priorities
People live safe, healthy, active and independent lives.	
People in Doncaster benefit from a high quality built and natural environment.	
All families thrive.	
Council services are modern and value for money.	
Working with our partners we will provide strong leadership and governance.	

RISKS AND ASSUMPTIONS

- 15. The Risk Management Policy includes a requirement to review strategic risks on a quarterly basis and this is a matter of good management and good governance.

LEGAL IMPLICATIONS

- 16. Any specific implications will be reported separately and in the context of any initiative proposed to be taken in relation to the management of strategic risk.

FINANCIAL IMPLICATIONS

17. Should any specific initiatives be required, in response to the management of strategic risks, any cost implications will be reported and addressed as and when they arise.

HUMAN RESOURCES IMPLICATIONS

18. There are no direct human resources implications resulting from this report

TECHNOLOGY IMPLICATIONS

19. There are no direct technology implications resulting from this report.

EQUALITY IMPLICATIONS

20. There are no specific equality implications arising from this report. However, any activities arising from the management of strategic risks will need to be the subject of separate 'due regard' assessments.

CONSULTATION

21. Consultation has taken place with strategic risk owners and Directorate Management Teams as part of the quarterly performance challenge process.

BACKGROUND PAPERS

22. Reports generated via Covalent for Directorate Q4 challenge meetings.

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Director of Finance and Corporate Services

Strategic Risk Profile 2016/17 – Quarter 4

The potential personal financial position facing individual citizens across Doncaster Borough may result in an increase of poverty and deprivation

Simon Wiles

Current Risk		Target Risk
<p>20</p> <p>Likelihood</p> <p>Impact</p>	<p>Current situation: Doncaster has an Anti-Poverty Strategy Group which has an agreed action plan for 2017-18 which covers the themes, Intelligence, Children and young People, Housing, Enterprise and communications. Further to this our strategic planning for 2017-18 has at its core inclusive growth, talking poverty and social mobility.</p> <p>Doncaster has been named as an 'Opportunity Area' by the Dept. of Education which is an allocation of funding which we can use to identify and remove barriers to social mobility across Doncaster.</p> <p>Mitigating Actions: Continued monitoring of Anti-Poverty action plan, development of an inclusive growth strategy for Doncaster, continued development of our approach to social mobility linked to our opportunity area status and further development of our Borough Strategy in 2017-18 which puts this at its core.</p>	<p>15</p> <p>Likelihood</p> <p>Impact</p>

Failure to improve Data Quality will prevent us from ensuring that data relating to key Council and Borough priorities is robust and valid.

Simon Wiles

Current Risk		Target Risk
<p>16</p> <p>Likelihood</p> <p>Impact</p>	<p>Current Situation: Following the formal agreement of the Data Quality Strategy 2016/17 – 2020/21, a working group is meeting regularly to drive forward the activity in the 2016/17 plan and develop the plan for 2017-18. Self-assessments across the council for statutory returns have been completed but further work to analyse and chase up some needs to be completed. The Business Intelligence Board has overseen this work and will agree the 2017-18 action plan to ensure there is accountability and drive to achieve our ambitions over the next 12 months.</p> <p>Mitigating Actions: Adopt data quality standards across our key systems, enhance the self-assessment process to all Information Asset Owners on the data they are responsible for, joined up working for the General Data Protection Regulation (GDPR) changes, explore the idea of data quality champions.</p>	<p>8</p> <p>Likelihood</p> <p>Impact</p>

Children and Young People do not achieve in line with national expectation

Damian Allen

Current Risk		Target Risk
<p>16</p> <p>Likelihood</p> <p>Impact</p>	<p>Current position: The rapid improvement strategy is continuing and in addition to this a new reading strategy is now in place as an additional focus in this area. Indications from schools are positive and training attendance has been good. Feedback from STEPS report is positive and we are anticipating an uplift in outcomes in this area.</p> <p>The new Raising Achievement Strategy has been consulted on and accepted and we are now drafting a Raising Achievement Plan to deliver the Strategy.</p> <p>Two meetings have now been held of the new Ofsted Leadership Network, the aim of which is to facilitate schools having an increased understanding of the Ofsted framework.</p> <p>Plans are developing for a Secondary Teaching School Alliance. We are working on transition with a focus on reciprocal reading and subject leader networks.</p> <p>Data released for GCSE results has placed Doncaster 13th lowest nationally for attainment 8 scores and in the bottom 20% nationally for progress 8 scores.</p> <p>Mitigating Actions:</p> <ul style="list-style-type: none"> • Continue to deliver the School Improvement 3 year Post Ofsted Action Plan • Challenge Schools Commissioner and Sponsors of Academies on underperformance • A revised School Improvement Strategy was agreed in January and is being delivered • Deliver aspects of the One Doncaster Education and Skill Commission report - including KS2 and KS4 initiatives • Academy exploration and growth strategy for schools at risk of decline and those wishing to join Multi Academy Trusts • Revision support in the community for students and parents - MOMU programme is now in its 2nd year and has been expanded to include KS2 and to improve reading outcomes. Early indications are that attendance is similar to last year. • Leadership succession and recruitment support initiatives in partnership with the Teaching School Alliance 	<p>12</p> <p>Likelihood</p> <p>Impact</p>

Without effective influence and engagement with the Sheffield City Region, there is a threat that Doncaster does not achieve economic potential benefit from the devolution deal

Peter Dale

Current Risk		Target Risk
16 Likelihood Impact	<p>Current Position: there are a number of deliberations both nationally and regionally that include the emergence of the concept of a metro Mayor at a special level that includes the whole of Yorkshire, coupled with the outcome of the judicial review with Chesterfield; the importance of shaping devolution has never been more important for Doncaster. Officers and Members collectively are at the forefront of discussions ensuring any devolution deals represent the best interests of Doncaster. A SCR group of senior representatives has been established to pull together the outline of a proposed consultation on a CA mayoral model the first meeting of this is scheduled for the 19th April</p> <p>Mitigating Actions: Officers, the Executive and Members from Doncaster Council are at the forefront of deliberations both at a national and regional level on issues relating to devolution, assurances are provided through our strategic and operational role with the SY Combined Authority, in addition to representations on the numerous executive boards supporting the City Region.</p>	16 Likelihood Impact

As a result of the decision for the UK to leave the European Union there is increased uncertainty across a number of policy and funding areas that could lead to disruptions in funding and/or projects locally in Doncaster.

Simon Wiles

Current Risk		Target Risk
16 Likelihood Impact	<p>Current situation: Article 50 has been formally triggered which starts the process of UK exiting the European Union. Draft negotiating positions are emerging from both sides but no definitive points are available. A general election has been called by the UK government which will take place on 8th June. The various political parties will develop manifesto pledges that will have direct impact on our negotiating positions post election. It is likely that clarity on this will be unclear until summer/autumn 2017.</p> <p>Mitigating Actions: Review manifesto pledges and work with regional and national government to ensure impacts of exiting the European Union are minimised as much as possible.</p>	6 Likelihood Impact

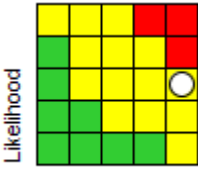
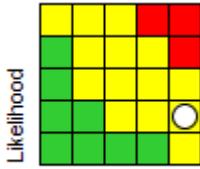
Failure by the Council and the Trust to agree and set a realistic annual budget target

Damian Allen

Current Risk		Target Risk
15 Likelihood Impact	<p>Current Position: The 2017/18 annual budget for the Trust has been agreed and the Annual Review report was signed off by the DfE in January 2017 as scheduled. The report set out that there are a number of budget items that are still subject to confirmation and would be addressed via contract variation once they are resolved, for example, increase in care ladder volumes and prices, the transfer of the Family Support Service (FSS) and any changes to service level agreements. A contingency has been set aside and discussions with the Trust have progressed, the FSS transfer has been confirmed.</p> <p>The Trust's quarter 4 outturn financial report will present a forecast outturn overspend for 2016/17 of £1.5m and contract variations have been agreed to fund the balance by the Council. Note £1.9m contract variations were agreed earlier in the year for price and volume increases, so the underlying overspend by the Trust was £3.4m. The key pressure continues to be cost of children placed in care within residential and special guardianship placements. The Council is receiving financial updates but continues to have significant concerns over this level of overspend and the ability of the Trust to reduce spend within the budget. The Trust is tasked with producing a sustainable operating model/recovery plan.</p> <p>Mitigating Actions: Regular (monthly) performance and financial monitoring meetings take place between DCST and the Council to keep the forecast under review. Additional information, mainly with regard to volume and prices of the care ladder, were requested to inform the Annual Review process and achieve a realistic budget target for 2017/18.</p>	10 Likelihood Impact

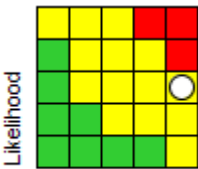
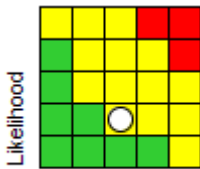
Damian Allen

Failure to obtain assurance as to the safeguarding of children in the borough Failure to meet children’s safeguarding performance requirements which could lead to an 'inadequate' inspection judgement by Ofsted

Current Risk		Target Risk
<p style="text-align: center; font-weight: bold; font-size: 1.2em;">15</p>  <p style="text-align: center;">Likelihood</p> <p style="text-align: center;">Impact</p>	<p>Current Position: The formal arrangements to monitor and review the effectiveness and input of services to children provided by the Trust are believed to provide assurance to this risk and go beyond contractual requirements. Overall the safeguarding indicators specific to children are now performing better than last year. Ofsted did not -raise any concerns as to the safety of children in the borough, but did recommend improvements to social work practice which are being addressed through the Ofsted Improvement Plan. This is regularly challenged with the Trust and at individual HoS level.</p> <p>The first Ofsted Monitoring visit took place in August 2016 and concentrated on management of demand at the front door and quality of practice and found that significant progress is being made to improved services for children and that no children were deemed to be at risk of significant harm. The quality of provision was found to be better and that prompt and appropriate action is taken to address safeguarding concerns this is evident in the quality of assessments and ensuring children are seen alone and their views heard. However, there remain inconsistent quality of assessments and timeliness is deemed variable. In addition, more work is needed to ensure that thresholds for social care intervention are understood across the partnership. The second monitoring visit took place in October 2016 with a focus on quality of practice in particular the quality and effectiveness of plans for CIN of help and protection reviews and work to reduce risk to this cohort; the quality of pre – proceedings work. The conclusion of the visit was that the Trust had made ‘significant progress’ in improving the quality of work since the inspection in November 2015. Inspectors highlighted the continued pace of improvement and reaffirmed the conclusion of the previous visit that no children were found to be in situations of unassessed, unmanaged or unacceptable risk. The third monitoring visit took place in March 2017 and identified significant progress in the quality of services provided for look after children since the full 2015 inspection; that both the Council and the Trust have responded thoroughly to the actions required and that children and young people are placed at the heart of strategic planning and operational work, with welcome recognition of the ambition of both parties for this vulnerable cohort.</p> <p>Mitigating actions: Social work practice is challenged with the Trust at each meeting and at individual HoS level. The Joint strategic Inspection Group regularly reviews the Improvement Plan as to actions required to improve quality of practice and attendant progress. The High level challenge meetings review specific audits and all challenge meetings review the basket of contractual PIs, which include bellwether PIs in respect of CIN plans; the care pathway – especially front door management; assessment completion and quality of audits. In addition, reference is made to volumetric measures and the wider context in order to provide reassurance as to caseload management; geographical / team pressures; deployment of staffing resources etc.</p> <p>DMBC is clear that the three most pressing impediments to this risk remain demand management, placement policy and quality of practice and is pleased that Ofsted in its second monitoring visit found that ‘significant progress had been made in the quality of work since the 2015 inspection and that , overall the quality of provision was better and prompt and that appropriate actions was .taken to address safeguarding concerns with improvements evident in the quality of assessments and enquiry; that children are seen alone and their views are heard and Ofsted noted the pace of improvement.</p> <p>A further monitoring visit is expected in June 2017.</p> <p>DMBC focus continues to be to ensure that quality of practice and assessment completion is more consistent and embedded and that a sustainable financial and operating model is in place.</p>	<p style="text-align: center; font-weight: bold; font-size: 1.2em;">10</p>  <p style="text-align: center;">Likelihood</p> <p style="text-align: center;">Impact</p>

Failure to successfully prevent a major cyber attack

Simon Wiles

Current Risk		Target Risk
<p style="text-align: center; font-weight: bold; font-size: 1.2em;">15</p>  <p style="text-align: center;">Likelihood</p> <p style="text-align: center;">Impact</p>	<p>Current Position: This is a new strategic risk proposed by the Council’s Senior Information Risk Owner (SIRO) following best practice recommendations that it should be so due to the ever increasing risk based on incidents across local authorities and the private sector. A major attack can severely impact on critical service delivery and directly affect Doncaster citizens. The mitigating actions include the measures constantly taken. The current situation is that we have just had our annual external security health check in readiness for our assessment and are working through the extra actions we need to take to ensure compliance. Due to the ever changing and evolving technology we use as an organisation, this is an essential piece of work every year and within every implementation we undertake. This is not always appreciated by all especially when they see an app they would like to implement so this is also being further embedded within the ICT Governance process that kicks in every time a technology requirement is highlighted.</p> <p>Mitigating Actions: Annual ICT Security Audit. Annual Cabinet Office PSN ICT Security Assessment with rating outcome to gain accreditation. ICT Security considered in every ICT project and implementation. Appropriate softwares to monitor and block inappropriate cyber activity. A 6 weekly ICT Security report to the SIRO Board by the ICT Security Compliance Officer. A Cyber Incident Response Team primed to deal with and resolve any incidents minimising business disruption.</p>	<p style="text-align: center; font-weight: bold; font-size: 1.2em;">6</p>  <p style="text-align: center;">Likelihood</p> <p style="text-align: center;">Impact</p>

Failure to adequately implement effective joint working arrangements which could lead to ineffective delivery of children’s services across the wider partnership system

Damian Allen

Current Risk		Target Risk
<p>12</p>	<p>Current Position: The Children and Families Partnership Board is the forum for the arrangements to discharge the S10 statutory responsibility which is now led by a new core group of leading partner members - the Interim Executive Group which is driving forward the actions needed with pace and direction, which had hitherto been lacking.</p> <p>Mitigating actions: Arrangements are in hand to implement the governance review which will see a new Executive Board to formalise the Interim Executive Group and which will meet monthly and which will provide overarching governance and delivery oversight across the partnership of the CYPP along with a new fit for purpose sub structure and a new strategic forum which will meet quarterly to comment plan and shape the CYPP championing the voice of CYP..</p> <p>The new JSNA is a more dynamic document as is the consequential Children’s plan for 2017-2020, as well as significant development of participation and engagement of CYP embodied in the new and developing Participation and Engagement strategy</p> <p>The publication of the three key documents JSNA; CYPP and P&E strategy will considerably mitigate this risk as well as the implementation of a fit for purpose governance structure both underpinning the board and laterally in relationship to other strategic boards ,which will enhance the functionality of the Children and Families Partnership Board as the keystone in the oversight and management of the children’s strategic partnership across the entire ‘estate’</p> <p>The three key documents will be formally launched at a high profile event on 23rd May, 2017.</p> <p>The Governance sub structure is aligned with and reflects the CYPP. A new Participation & engagement sub group has been in place since Dec 2016 and has been active developing the Participation & Engagement strategy and the co-production of the CYPP and the PES with children and young people. .</p>	<p>8</p>

The agreed standards and policies are not adequately understood and implemented by practitioners who work with vulnerable adults increasing the risk of vulnerable people experiencing harm or abuse

Damian Allen

Current Risk		Target Risk
<p>10</p>	<p>Current Position: Following on from a Peer review (November 2015) and subsequent follow up review undertaken by Dr Adi Cooper (September 2016) the Safeguarding Adults Hub was formed to manage all Adult Safeguarding and DoLS for Doncaster. This brought together what were previously separate teams, workers from Area Teams and also a Health Worker. All based within the same building as the District Nurses Single point of Contact for Health, Children’s Referral and Response Team, the Police Public Protection Unit, Child Sexual Exploitation Service and the Domestic Violence Team, facilitating easy access to a variety of key teams and personnel to facilitate information sharing. The Safeguarding adults Hub was formed in April 2016 and has been in operation for 12 months. During this time the system and process has changed to ensure that we are Care Act compliant and applying the principles of Making Safeguarding Personal. All Safeguarding is now Managed within the Team enabling better management and monitoring of cases and ensuring a greater level of consistency. The Staff Team has increased in order to facilitate these changes and has resulted in cases being responded to in a more timely manner. In response to the Peer Review a comprehensive multi-agency action plan was produced with clear actions and timescales and this has been reviewed and updated on a regular basis, the action plan was updated following the review undertaken by Adi Cooper which resulted in positive feedback. As at 18th April 55 out of 64 actions were complete with 6 actions still in progress. These are discussed and reviewed at the Performance and Quality sub group of the Safeguarding Adults Board (DSAB). Regular performance reports are completed and reported on to the DSAB for governance purposes.</p> <p>The board continues to provide a multi-agency training programme to support staff to deliver safeguarding in line with South Yorkshire Procedures and the Care Act 2014.</p> <p>Mitigating Actions: The Board has revised its Performance and Assurance framework which is providing assurance to the Board that safeguarding practice is now outcome focused and in line with the 6 principles of safeguarding adults.</p> <p>The Council is currently working to develop local safeguarding policies, aligned to South Yorkshire procedures, which will be accompanied by a mandatory training programme for key staff.</p>	<p>10</p>

Failure of partnership to engage in effective early intervention leading to inappropriate referrals to statutory services and unnecessary escalation of need and risk

Damian Allen

Current Risk		Target Risk
<p>9</p>	<p>Current Position: Although contacts into DCST are reducing they remain high due to high demand in the community. Very few contacts are inappropriate and require Early Help services. The vast majority are for Information, Advice and Guidance. The risk is that high demand pressures clog up the machinery and professional officer resource. The LGA peer review recognised that this was a ‘whole system’ issue which extends across the partnership and is not wholly within the gift of the Trust. There has been a recent evident rise in CIN and CPP cases which suggest that there has been a genuine increase in demand and that many of these are not inappropriate. The increase in the number of re- referrals is to be explored further with the Trust.</p> <p>Mitigating actions: The Trust is seeking a revised partner protocol so as to reduce risk aversion. The integration with the MASH has led to a revised process which involves triage at the initial stage which is beginning to mitigate the impact on teams and should lead to an improved conversion rate to referral and assessment. The Trust will be challenged on the increased numbers of CIN, CPP and re – referrals. This in itself may not be a bad thing, as this may suggest that interventions are taking place appropriately. The accompanying rise in the number of early help contacts may also support this hypothesis.</p>	<p>6</p>

Failure to adequately address a sufficient number of Children’s Trust PIs (as defined in the service delivery contract)

Damian Allen

Current Risk		Target Risk
<p>9</p>	<p>Current Position: The DCST is challenged by a series of regular performance monitoring fora, on a monthly and quarterly basis at all levels of senior management across both organisations and at public facing meetings with elected members in the scrutiny fora and at Corporate Parenting Board, such arrangements are in the words of Ofsted ‘in excess’ of contractual requirements and have been further emboldened by the new spilt screen accountability which the Children’s scrutiny panel now provides and which challenges both the Council in its holding to account of the Trust and the Trust itself. A commentary provided by the DCST and PIs and quality assurance is challenged.</p> <p>Areas of concern are escalated or reported on an exception basis to higher level Boards. Current areas of risk are:-</p> <ul style="list-style-type: none"> • Social Care demand management • Quality of case files (improving trajectory, but under surveillance via audit measures) • Placement policy – care management and costs • Care Leavers in Employment, Education and Training • Re – referrals (new and emerging) • Rising numbers of CIN & CPP – in themselves may not eb a risk and may mitigate / address risk, but could burden the system and capacity, with consequential risks arising; <p>Mitigating actions: The current arrangements and the number and scope of performance indicators are subject to the Annual Review process which was completed and submitted on time to the Secretary of State and a new basket of PIs which is more reflective of the child’s journey and the development stage in the maturity of the Trust will be implemented from Q1 2017/2018. The Trust is challenged against each PI of concern at every meeting as to progress and actions planned or taken and the effectiveness thereof. A more rationalised challenge process has been developed and has been identified to the Secretary of State against which a detailed response is awaited. The split screen report to the Children’s scrutiny panel provides robust and forensic analysis of performance against exception and good performing PIs and challenges the Director of People as to his oversight and accountability of the Trust performance as well as the specific performance behind the PI themselves.</p>	<p>6</p>

Failure to deliver the actions identified in the Equality and Inclusion action plan may impact our ability to effectively embed and delivery the equality agenda which could result in the council being exposed to public 'due regard' challenge

Simon Wiles

Current Risk	Current Position: The review of the Council's approach to Equality, Diversity and inclusion is embedded within the current refresh of the Corporate Plan and will highlight how equality, diversity and inclusion underpins the corporate priorities and drives improvement across the borough. EDI objectives are being developed along with a detailed action plan. We continue to work with the LGA to strengthen our approach and learn from examples of best practise. Member and senior manager EDI champions, along with a network of staff champions will have key responsibilities for driving EDI.	Target Risk
<p>8</p> <p>Likelihood</p> <p>Impact</p>	<p>Mitigating Actions: The review of our approach to EDI; the development of EDI champions; Continuing to work with the LGA; main streaming EDI within service areas;</p>	<p>8</p> <p>Likelihood</p> <p>Impact</p>

Failure to respond adequately to borough emergencies or mitigate effectively against the effects of extreme weather conditions e.g. flooding

Peter Dale

Current Risk	Current Position: Resilience and Emergency Planning have supported the response to 64 incidents since April 2016.	Target Risk
<p>8</p> <p>Likelihood</p> <p>Impact</p>	<p>Doncaster Council supported a live all night terrorist incident exercise in Meadowhall shopping centre in March 2017. 25 DMBC response staff took part at a strategic and operational level in order to enhance our preparedness arrangements for a terrorist incident and rehearse our understanding of the post incident support required for those involved.</p> <p>Mitigating Actions: Doncaster Council leadership team will be participating in terrorist incident exercise in April. The exercise will be delivered by Counter Terrorism Police and Emergency Planning. The exercise will provide leadership with the opportunity to consider the strategic consequences of an incident in Doncaster and the response and recovery arrangements that they put in place to support those affected.</p>	<p>8</p> <p>Likelihood</p> <p>Impact</p>

Failure to implement the Council's key borough objectives in partnership

Simon Wiles

Current Risk	Current position: The key Borough partnership objectives involve long-term strategic plans for improving the quality of life in Doncaster for residents, visitors and people considering moving, working or investing here. Technical strategies and delivery plans are overseen by Partnership Boards organised around four over-arching key themes; ■ Children, Young People and Families ■ Economy and Enterprise ■ Health and Well-Being ■ Safer and Stronger Communities. Performance reporting across the theme boards happen routinely and Team Doncaster receive 6 monthly updates on performance information. We are in the process of developing our next Borough strategy and engaging partners in this work to create real alignment and commitment to working in partnership on shared outcomes.	Target Risk
<p>6</p> <p>Likelihood</p> <p>Impact</p>	<p>Mitigating actions: Corporate plan developed and aligned to partner objectives, development of a shared outcomes framework across Team Doncaster and key governance arrangements to ensure we drive improvements through shared partnership programme delivery.</p>	<p>6</p> <p>Likelihood</p> <p>Impact</p>

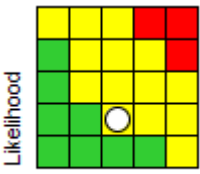
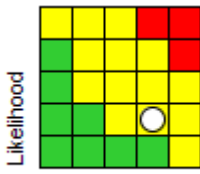
Failure to achieve the budget targets for 2016/17 and 17/18.

Simon Wiles

Current Risk	Current Position: The saving targets for 2016/17 have been allocated to budgets and are being monitored as part of the Council's performance management cycle (outturn will be completed on 25th April). Any changes required to the targets have been incorporated into the 2017/18 budget proposals.	Target Risk
<p>6</p> <p>Likelihood</p> <p>Impact</p>	<p>Mitigating Actions: The budget targets for 2017/18 have been approved by Council on 2nd March and allocated to individual budgets; these will be monitored and the position reported during the year.</p>	<p>9</p> <p>Likelihood</p> <p>Impact</p>

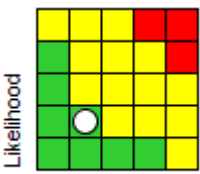
Failure to identify and manage Health and Safety risks

Peter Dale

Current Risk	<p>Mitigating Actions: The 'Business Partner' structure is now embedded within Corporate Health and Safety Service delivery. New interim Manager in place , making significant improvements to the service</p>	Target Risk
<p>6</p> 		<p>8</p> 

Failure to set robust assumptions on pensions deficit recovery and future contribution rate for the 2016 valuation

Simon Wiles

Current Risk	<p>This risk is proposed for demotion. Current position: Discussions have taken place with the actuary for South Yorkshire pensions and we have sufficient funding to cover the costs over the next 3 year period; 2017/18 covered within existing budgets. Mitigating Actions: The Council has reviewed and challenged the assumptions made by the Actuary with SYPA and other LA's in South Yorkshire</p>	Target Risk
<p>4</p> 		<p>4</p> 