BRENTWOOD BOROUGH COUNCIL

Agenda

Audit and Scrutiny Committee
Tuesday, 24 November 2020 at 7.00 pm
Council Chamber, Town Hall, Ingrave Road, Brentwood, Essex CM15 8AY

Membership (Quorum – 3)

Cllrs Nolan (Chair), Tanner (Vice-Chair), Dr Barrett, Mrs Fulcher, Hirst, Lewis, Mrs McKinlay, Naylor and Ms Sanders

Substitute Members

Cllrs Bridge, S Cloke, McLaren, Morrissey, Mynott and Poppy

Agenda Item	Item	Wards(s) Affected	Page No

Live broadcast
> Live broadcast to start at 7pm and available for repeat viewing

1. **Apologies for Absence**

2. **Minutes of the previous meeting**

3. **Audit Results of Statement of Accounts 2019-20**

   To follow

4. **Internal Audit Progress Report**

5. **Risk Management Report**

6. **Insurance and Risk Management Strategy**

7. **Formal Complaints and Performance Indicator Working Group**

Governance & Member Support Officer: Zoe Borman
Brentwood Borough Council, Town Hall, Ingrave Road, Brentwood, Essex CM15 8AY
📞 01277 312 500   🖱 www.brentwood.gov.uk

8.   Local Development Plan Member Working Group Update

9.   Work Programme - Review of Axis Housing Repairs and Maintenance

10.   Scrutiny Work Programme 2020/21

11.   Urgent Business

    An item of business may only be considered where the Chair is of the opinion that, by reason of special circumstances, which shall be specified in the Minutes, the item should be considered as a matter of urgency.

Jonathan Stephenson
Chief Executive

Town Hall
Brentwood, Essex
16.11.2020

Information for Members

Please note the changes in blue apply to remote meetings

Introduction

The Government has enacted The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority Police and Crime Panel Meetings) (England and Wales) Regulations 2020 no 392 (the Regulations) which came into force on the 4 April 2020 and will remain in force until the 7 May 2021.

The Council will hold Committee meetings remotely and enable the public to participate by streaming those meetings that are open to the public.

Only those Committee meetings were the public have a right to speak will the facility be available to enable them to participate where the technology is not available for them to exercise this right then their participation will be by written communication read out at the remote meeting.

Substitutes
The names of substitutes shall be announced at the start of the meeting by the Chair and the substitution shall cease at the end of the meeting. Where substitution is permitted, substitutes for quasi judicial/regulatory committees must be drawn from Members who have received training in quasi- judicial/regulatory decision making. If a casual vacancy occurs on a quasi judicial/regulatory committee it will not be filled until the nominated member has been trained.

Rights to Attend and Speak

Any member may remotely attend any Committee to which these rules apply.

Any Members may attend any Committee to which these procedure rules apply.

A Member who is not a member of the Committee may speak at the meeting. The Member may speak at the Chair's discretion, it being the expectation that a Member will be allowed to speak on a ward matter.

Members requiring further information, or with specific questions, are asked to raise these with the appropriate officer at least two working days before the meeting.

Point of Order/ Personal explanation/ Point of Information

Point of Order	Personal Explanation	Point of Information or clarification
A member may raise a point of order at any time. The Mayor will hear them immediately. A point of order may only relate to an alleged breach of these Procedure Rules or the law. The Member must indicate the rule or law and the way in which they consider it has been broken. The ruling of the Mayor on the point of order will be final.	A member may make a personal explanation at any time. A personal explanation must relate to some material part of an earlier speech by the member which may appear to have been misunderstood in the present debate, or outside of the meeting. The ruling of the Mayor on the admissibility of a personal explanation will be final.	A point of information or clarification must relate to the matter being debated. If a Member wishes to raise a point of information, he/she must first seek the permission of the Mayor. The Member must specify the nature of the information he/she wishes to provide and its importance to the current debate, If the Mayor gives his/her permission, the Member will give the additional information succinctly. Points of Information or clarification should be used in exceptional circumstances and should not be used to interrupt other speakers or to make a further speech when he/she has already spoken during the debate. The ruling of the Mayor on the admissibility of a point of information or clarification will be final.

ⓘ **Access to Information and Meetings**
You have the right to **remotely** attend all meetings of the Council and Committees. You also have the right to see the agenda, which will be published no later than 5 working days before the meeting, and minutes once they are published. Dates of the meetings are available at www.brentwood.gov.uk.

🎬 **Guidelines on filming, photography, recording and use of social media at council and committee meetings**

The Council will be holding remote Committee meetings and will make these accessible to the public remotely by being recorded and streamed. Whilst the Regulations apply the following paragraphs will not apply to the meetings of the Council.

The council welcomes the filming, photography, recording and use of social media at council and committee meetings as a means of reporting on its proceedings because it helps to make the council more transparent and accountable to its local communities.

Where members of the public use a laptop, tablet device, smart phone or similar devices to make recordings, these devices must be set to 'silent' mode to avoid interrupting proceedings of the council or committee.

If you wish to record the proceedings of a meeting and have any special requirements or are intending to bring in large equipment then please contact the Communications Team before the meeting.

The use of flash photography or additional lighting may be allowed provided it has been discussed prior to the meeting and agreement reached to ensure that it will not disrupt proceedings.

The Chair of the meeting may terminate or suspend filming, photography, recording and use of social media if any of these activities, in their opinion, are disrupting proceedings at the meeting.

🔒 **Private Session**
Occasionally meetings will need to discuss some of its business in private. This can only happen on a limited range of issues, which are set by law. When a Committee does so, you will be asked to leave the meeting.

The Chair or Clerk to the Committee will disconnect all persons who should leave the meeting prior to continuing there will be a short break to ensure that this has happened.

🖼 **modern.gov app**
View upcoming public committee documents on your Apple or Android device with the free modern.gov app.

♿ 🧏 Access	🎧 Evacuation Procedures
The Council will provide remote access for public participation by the meeting be accessible.	**This procedure does not apply whilst using remote meetings**
There is wheelchair access to the meeting venue from the Main Entrance. If you do wish to attend this meeting, please contact the clerk should you have specific accessibility needs. There is an induction loop in the meeting room.	Evacuate the building using the nearest available exit and congregate at the assembly point in the Car Park.

BRENTWOOD
BOROUGH COUNCIL

Minutes

Audit and Scrutiny Committee
Tuesday, 28th July, 2020

Attendance

Cllr Nolan (Chair)   Cllr Mrs Hones
Cllr Tanner (Vice-Chair)   Cllr Lewis
Cllr Dr Barrett   Cllr Mrs McKinlay
Cllr Mrs Fulcher   Cllr Naylor
Cllr Hirst

Apologies

Substitute Present

Also Present

Cllr Hossack

Officers Present

Steve Summers   -   Chief Operating Officer
Jacqueline   Van   -   Director of Corporate Resources
Mellaerts
Jonathan Stephenson   -   Chief Executive
Greg Campbell   -   Director of Environment
Janine Combrinck   -   Internal Audit, BDO
Philip Drane   -   Director of Planning and Economy
Neil Harris   -   External Audit, E&Y
Tracey Lilley   -   Director of Housing & Enforcement
Greg Rubins   -   BDO, Internal Audit
Alistair Greer   -   Principal Accountant (Financial Reporting)
Amanda Julian   -   Director of Legal Services and Monitoring Officer
Margaret Donaldson   -   Interim Corporate Finance Manager

472.   Apologies for Absence

No apologies had been received.

473.   Minutes of the previous meeting

The Minutes of the Audit and Scrutiny meeting held on 3rd March 2020 were signed as a true record.

474.   Draft Statement of Accounts 2019/20 and Annual Governance Statement of Accounts 2019/20

This report presented the Council's unaudited Statement of Accounts for 2019/20. These accounts will be signed by the Director of Corporate Resources by 31st August 2020, the extended deadline; in line with requirements of the Accounts and Audit (Coronavirus)(Amendment) Regulations 2020 and the 2015 Accounts and Audit Regulations. They will be published on our website, including the Annual Governance Statement and subject to the relevant inspection notice under section 26 of the Local Audit and Accountability Act 2014.

A motion was **MOVED** by Cllr Nolan and **SECONDED** by Cllr Tanner to approve the recommendations in the report.

Mr Neil Harris was present at the meeting and both he and the Director of Corporate Resources gave summary of the report. A full discussion on the report by the committee followed.

As this was a hybrid meeting a recorded vote was taken and following the debate it was **RESOLVED** that:

1. **The Annual Governance Statement 2019/20 attached in Appendix A is approved and signed by the Chief Executive and Leader of the Council.**

2. **The Unaudited Statement of Accounts 2019/20 attached in Appendix A is considered and approved and signed by the Chair of the Audit and Scrutiny Committee.**

Members voted as follows:

For: Cllrs Dr Barrett, Hirst, Mrs Hones, Mrs McKinlay, Nolan and Tanner (6)
Against: Cllrs Lewis and Naylor (2)
Abstain: Cllr Mrs Fulcher (1)

Reasons for Recommendation

The approval of the unaudited Accounts contributes to effective financial management and governance.

475. 2019/20 Outturn Report

This report dealt with the 2019/20 provisional outturn report for:

(i) The General Fund – paragraph 3.
(ii) The Housing Revenue Account – paragraph 20, and
(iii) The Capital Programme – paragraph 27.

The report also considered the earmarked reserves and working balance levels for both the General Fund and the HRA going forward into 2020/21.

In line with the Local Government Act 2003, the relevant CIPFA Codes of Practice and the Council's associated Treasury Management Policy and Practices; an Annual Treasury Management review of investment and borrowing activities and the actual prudential and treasury indicators for 2019/20 were required to be approved by the Committee (paragraph 30).
.
The key elements of the provisional outturn are:

General Fund

1) A breakeven provisional outturn has been achieved for 2019/20; compared to a predicted deficit of £213k.

2) Working balances remain at a level of £3,117k

3) General Fund earmarked reserves have reduced by £417k to £4,404k of which43% are committed for future commitments and expenditure.

Housing Revenue Account

1) The Outturn reflects a deficit of £830k for 2019/20, compared to a forecast deficit of £417k; an increase of £413k on forecast.

2) The HRA working balance has been reduced to £1,071k as at 31st March 2020, and

3) The HRA earmarked reserves remain at a level of £2,400k.

Capital

1) The Capital Outturn was £30.1m compared to a revised outturn of £30.

2) Slippage of £43.7m will be carried forward into 2020/21.which includes £27.5m for commercial activities.

3) The 2020/21 revised base budget is £54.3m

Treasury Management

1) The treasury activity is listed out in the report and the relevant prudential indicators.

Members thanked and congratulated officers for their achievements as highlighted in this report.

Following a full discussion Members were asked to note the following recommendations:

Note the provisional (subject to audit) outturn 2019/20 for the General Fund and the HRA contained within this report and Appendices A & B.

Note the capital programme in Appendix C and slippage in Table 8.

Note the Reserve balances set out in the report and Appendix D.

Note the Treasury Management activity and information for 2019/20 contained within the report.

Reasons for Recommendations

Effective financial management underpins all of the priorities for the Council and will enable the Council to operate within a sustainable budget environment.

476. **Internal Audit Progress Report**

This report was intended to inform the Audit and Scrutiny Committee of progress made against the 2019/20 Internal Audit Plan.

The following reports had been finalised since the last Committee:

· Treasury Management (2019/20) (Substantial/Moderate)
· Financial Planning and Monitoring (Substantial/Substantial)
· Housing Repairs and Maintenance (Substantial/Moderate)
· Main Financial Systems (Moderate/Moderate)
· Risk management and Governance (Substantial/Moderate)

Ms Janine Combrinck was present at the meeting and summarised the report.

Following a full discussion Members were asked:

1. **That the Committee receives and notes the contents of the Internal Audit Progress Report attached in Appendix A.**

2. That the Committee receives and notes the contents of the Internal Audit Follow Up Report attached in Appendix B.

Reasons for Recommendation

To monitor the progress of work against the internal audit plan.

477. Internal Audit Annual Report 2019-20

This report was intended to inform the Audit and Scrutiny Committee of the annual internal audit opinion.

Overall, we provide moderate assurance that there is a sound system of internal control, designed to meet the Council's objectives and that controls are being applied consistently.

Mr Rubins was present at the meeting and summarised the report commenting on the improvement from last year.

Members were asked to note the recommendation in the report:

That the Committee receives and notes the contents of the Internal Audit Annual Report attached in Appendix A.

Reasons for Recommendation

To review the overall results of work against the Internal Audit Plan.

478. Risk Management

The report updated members of the Audit & Scrutiny Committee on the status of the Council's 2019/20 Strategic Risk Register and high-level Operational Risks.

One risk on the Strategic Risk Register had been increased and one risk removed. All other risk scores remained the same.

Of the high-level operational risks, one score had decreased. The other nine risks scores remained the same from the last Committee in March.

Following a full discussion Members were asked to note the recommendations in the report:

1. **To note the Strategic Risk Register, as shown in Appendix A.**

2. **To note the risk scores recorded for the high-level Operational Risks, as shown in Appendix B.**

Reasons for Recommendations

Risk Management continues to be embedded quarterly within the Senior Leadership Team reports, where Service Heads discuss the top-level risks for their service areas to ensure that the risks are updated to reflect the ongoing changes.

479. Formal Complaints & Performance Indicator Working Group

This report submitted the report and recommendations of the Formal Complaints and Performance Indicators Working Group for consideration by the Audit & Scrutiny Committee.

A motion was **MOVED** by Cllr Nolan and **SECONDED** by Cllr Tanner to approve the recommendations in the report.

As this was a hybrid meeting a recorded vote was taken and following debate it was **RESOLVED UNANIMOUSLY** that Members:

1. **Note the Formal Complaints and Performance Indicators Working Group report, attached at Appendix A, and agree the recommendations contained within it.**

Members voted as follows:

FOR: Cllrs Dr Barrett, Mrs Fulcher, Hirst, Mrs Hones, Lewis, Mrs McKinlay, Naylor, Nolan, Tanner (9)
AGAINST: (0)
ABSTAIN: (0)

Reason for Recommendation

To ensure the Council provides quality customer services.

480. Local Development Plan Member Working Group Update

The Local Development Plan (LDP) Member Working Group is an established engagement between Officers and Councillors focussed on delivery of the Council's Local Plan and related work. Its purpose was approved by Policy, Projects and Resources Committee in September 2017.

The work of the working group is monitored by the Audit and Scrutiny Committee as part of the committee's work programme. This report provided

an update on the most recent meeting of the working group and planned meetings for 2020/21.

Updated Terms of Reference for 2020/21 had been agreed by the working group, as set out in Appendix A. The most recent working group meeting took place on 16 June 2020. This followed receipt of initial questions from the Planning Inspectors appointed to oversee the examination of the Local Plan. Notes and actions from the meeting are enclosed in Appendix B.

Mr Drane was present and briefly summarised the report. Members welcomed this report.

A motion was **MOVED** by Cllr Nolan and **SECONDED** by Cllr Tanner to approve the recommendations in the report.

As this was a hybrid meeting a recorded vote was taken and following debate it was **RESOLVED UNANIMOUSLY** that Members:

1. **Note the update provided in the report and the appendices enclosed.**

Members voted as follows:

FOR: Cllrs Dr Barrett, Mrs Fulcher, Hirst, Mrs Hones, Lewis, Mrs McKinlay, Naylor, Nolan, Tanner (9)
AGAINST: (0)
ABSTAIN: (0)

Reason for Recommendation

As part of the Audit and Scrutiny Committee work programme, an update on the work of the LDP Member Working Group is provided.

481. **Scrutiny Work Programme 2020/21**

The Constitution requires that the Audit & Scrutiny Committee agrees its Scrutiny work programme at each meeting of the Committee. This report provided an update of the current scrutiny work programme and is set out in Appendix A.

In addition, legislation requires that an Annual report is made to the Committee on the work of the Community Safety Partnership. This report is normally made at the March committee each year.

At a previous Audit & Scrutiny meeting a member requested that a review of the South Essex Partnership (SEPP) arrangements be added to the Scrutiny programme. It was agreed that it would be appropriate initially for a presentation to be made by SEPP to all members regarding their scope and working arrangements. This was intended to take place at the all member

briefing on the 3rd August 2020, however, this meeting has been cancelled so will take place at the all member briefing in September.

The Chair suggested that the Committee consider reviewing the first year of the Council's Housing Repairs and Maintenance Contract with Axis. He advised that he would complete the appropriate scrutiny form including the scope of the review and circulate to the Members of the committee meeting for their approval. This could then be considered at the next committee meeting if agreed.

A motion was **MOVED** by Cllr Nolan and **SECONDED** by Cllr Tanner to approve the recommendations in the report.

As this was a hybrid meeting a recorded vote was taken and following debate it was **RESOLVED UNANIMOUSLY:**

1. **That the Committee considers and agrees the 2020/21 Scrutiny work programme as set out in Appendix A of the report.**

Members voted as follows:

FOR: Cllrs Dr Barrett, Mrs Fulcher, Hirst, Mrs Hones, Lewis, Mrs McKinlay, Naylor, Nolan, Tanner (9)
AGAINST: (0)
ABSTAIN: (0)

Reasons for Recommendation

The Constitution requires that the Audit & Scrutiny Committee agrees its Scrutiny work programme at each meeting of the Committee.

482. **Urgent Business**

There were no items of urgent business.

The meeting ended at 20.42.

_____

Committee: Audit and Scrutiny Committee	**Date:** 24 November 2020
Subject: Internal Audit Progress Report	**Wards Affected:** all
Report of: Jacqueline Van Mellaerts, Director of Corporate Resources	**Public**
Report Author/s: Name: Greg Rubins, Head of Internal Audit (BDO) Telephone: 02380 881 892 E-mail: greg.rubins@bdo.co.uk Name: Janine Combrinck, Internal Audit Manager (BDO) Telephone: 020 7893 2631 E-mail: janine.combrinck@bdo.co.uk	**For Information**

Summary

This report is intended to inform the Audit and Scrutiny Committee of progress made against the 2020/21 internal audit plan.

The following reports have been finalised since the last Committee:

- Performance Management & Formal Complaints (Substantial/Moderate)
- Sickness Absence (Substantial/Limited)
- Corporate Strategy (Substantial/Moderate)
- Fraud Risk Assessment (N/A – advisory)

Recommendation(s)

Members are asked to:

> **R1. That the Committee receives and notes the contents of the Internal Audit Progress Report attached in Appendix A.**

> **R2. That the Committee receives and notes the contents of the Internal Audit Follow Up Report attached in Appendix B.**

Introduction and Background

1. This report is intended to inform the Audit and Scrutiny Committee of progress made against the 2020/21 internal audit plan. It summarises the work we have done, together with our assessment of the systems reviewed and the recommendations we have raised.

2. Our work complies with Public Sector Internal Audit Standards. As part of our audit approach, we have agreed terms of reference for each piece of work with the risk owner, identifying the headline and sub-risks, which have been covered as part of the assignment. This approach is designed to enable us to give assurance on the risk management and internal control processes in place to mitigate the risks identified.

3. The Audit Committee approved the 2020/21 annual audit plan in March 2020. The progress against plan is reported at every Audit and Scrutiny Committee during 2020/21.

Issue, Options and Analysis of Options

4. The following reports have been finalised since the last Committee:

    - Performance Management & Formal Complaints (Substantial/Moderate)
    - Sickness Absence (Substantial/Limited)
    - Corporate Strategy (Substantial/Moderate)
    - Fraud Risk Assessment (N/A – advisory)

    Performance Management & Formal Complaints (2020/21)

5. The Council has a well-designed system for recording, reporting and monitoring key performance indicators and complaints received. Complaints handling procedures are operating effectively, although in the current Covid-19 pandemic the target times for responding to stage 1 complaints are not always being met. Complainants are being warned upfront that the target response times may not be met due to resource constraints during the pandemic, however we would expect controls to comply with the Council's formal policy unless there is specific authorisation for them to be suspended. We raised one medium priority recommendation.

    Consequently, we have concluded an opinion of substantial assurance over the design of the control framework and moderate assurance over its operational effectiveness.

    Sickness Absence (2020/21)

6. The Council has a comprehensive sickness absence policy and a well-designed process to manage sickness absence. It also actively promotes and supports staff wellbeing. However, our testing of compliance with the Council's policy identified a number of exceptions, particularly in respect of Depot staff absence. We raised one high priority recommendation regarding return to work certification and a further four medium priority recommendations. We understand that some of this lapse in compliance is due to challenges posed by the Covid-19 pandemic, however we would expect controls to continue to comply unless there is specific authorisation for them to be suspended.

Consequently, we have concluded an opinion of substantial assurance over the design of the control framework but limited assurance over its operational effectiveness.

Corporate Strategy (2020/21)

7. The Council has a well-designed system for engaging with staff in the development of the Corporate Strategy and monitoring and reporting on progress against strategic objectives. Further recovery actions have been identified to address the Council's approach to the impacts of Covid-19. However, the alignment between the strategic objectives and underlying service plans and personal development plans is not clear, and a number of strategic objectives do not have underlying project plans. We have raised three medium and one low priority recommendations.

    Consequently, we have concluded an opinion of substantial assurance over the design of the control framework and moderate assurance over its operational effectiveness.

Fraud Risk Assessment (2020/21)

8. Our fraud risk assessment has identified one high risk fraud area, in relation to Housing Benefit claimant identity. There is an inherent risk that some applications will contain fraudulent information. In addition, national indications are that the number of fraudulent claims have increased during the Covid-19 pandemic. The Revenue & Benefits (R&B) Team at Basildon Council shared service consists of experienced and trained Benefits Assessment Officers, who review the documentation submitted for any fraud indicators. However, given the heightened risk in the current economic climate, we recommend that the Council and the shared service review the level of scrutiny and checks being carried out, and the associated resourcing, taking account of the Council's risk appetite.

    We identified 13 medium fraud risks, which need to be prioritised to help reduce the risk of fraud in these areas. In addition, we identified 22 low risk areas, which generally relate to inherent risks and for which there are controls in place to manage these risks.

    We have developed an action plan, for the urgent and high priority risk areas.

9. A Summary of outstanding Recommendations from previous audits are included in Appendix B – Follow up report.

10. This is regularly monitored by Senior Officers and will be followed up again ahead of the next Audit and Scrutiny Committee, along with other recommendations due by 30 October 2020.

Reasons for Recommendation

11. To monitor the progress of work against the internal audit plan.

Consultation

12.   Not applicable.

References to Corporate Plan

13.   Good financial management underpins all priorities within the Corporate Plan.

Implications

Financial Implications
Name/Title: Jacqueline Van Mellaerts, Director of Corporate Resources
Tel/Email: 01277 312500/jacqueline.vanmellaerts@brentwood.gov.uk

14.   There are no direct financial implications arising from this report.

Legal Implications
Name & Title: Amanda Julian, Director of Law and Governance & Monitoring Officer
Tel & Email: 01277 312500/amanda.jullian@brentwood.gov.uk

15.   There are no legal implications arising from this report.

Economic Implications
Name/Title: Phil Drane, Director of Planning & Economy
Tel/Email: 01277 312500/philip.drane@brentwood.gov.uk

16.   There are no economic implications arising from this report.

Background Papers

17.   None

Appendices to this report

18.   Appendix A – Internal Audit Progress Report
        Appendix B – Internal Audit Follow Up Report

INTERNAL AUDIT PROGRESS REPORT

BRENTWOOD BOROUGH COUNCIL

November 2020

IDEAS | PEOPLE | TRUST

BDO

CONTENTS

	Page
Summary of 2020/21 Work	3
Review of 2020/21 Work	4
Executive Summaries of Final Reports:	
• Performance Management and Formal Complaints	5
• Sickness Absence	8
• Corporate Strategy	14
• Fraud Risk Assessment	18
Key Performance Indicators	23
Appendix I: Internal Audit Opinion Definitions	26

SUMMARY OF 2020/21 WORK

Internal Audit

This report is intended to inform the Audit and Scrutiny Committee of progress made against the 2020/21 internal audit plan. It summarises the work we have done, together with our assessment of the systems reviewed and the recommendations we have raised. Our work complies with Public Sector Internal Audit Standards. As part of our audit approach, we have agreed terms of reference for each piece of work with the risk owner, identifying the headline and sub-risks, which have been covered as part of the assignment. This approach is designed to enable us to give assurance on the risk management and internal control processes in place to mitigate the risks identified.

Internal Audit Methodology

Our methodology is based on four assurance levels in respect of our overall conclusion as to the design and operational effectiveness of controls within the system reviewed. The assurance levels are set out in Appendix 1 of this report, and are based on us giving either "substantial", "moderate", "limited" or "no". The four assurance levels are designed to ensure that the opinion given does not gravitate to a "satisfactory" or middle band grading. Under any system we are required to make a judgement when making our overall assessment.

2020/21 Internal Audit Plan

We are now making good progress in the delivery of the 2020/21 audit plan, and we are pleased to present the following reports to this Audit and Scrutiny Committee meeting:

- Performance Management and Formal Complaints

- Sickness Absence

- Corporate Strategy

- Fraud Risk Assessment

We are also completing the fieldwork on the following audits:

- Contract Management and Procurement

- Disaster Recovery and Business Continuity Planning

- Environment - Street Cleaning, Fly Tipping and Enforcement

- Covid-19 Related Grants

We anticipate presenting these reports at the next Audit and Scrutiny Committee.

Changes to the Plan

We agreed changes to the timings of the three audits below, where officers requested that we postpone the audits to allow the Council to focus only on business critical services during the onset of the Covid-19 pandemic:

- Corporate Strategy – moved from Q1 to Q2 – now complete

- Contract Management and Procurement – moved from Q1 to Q2 - being completed in Q3

- Performance Management and Formal Complaints – moved from Q1 to Q2 - now complete.

We also agreed to change the audit plan to address Covid-19 related risks as follows:

- Postpone the Car Parking audit to 2021/22 and carry out an audit on Covid-19 related grants – in progress

REVIEW OF 2020/21 WORK

| Audit	Exec Lead	Start Date	Planning	Fieldwork	Reporting	Design	Effectiveness
Risk Management	Jacqui Van Mellaerts	Q4 Jan 2021					
Main Financial Systems	Jacqui Van Mellaerts	Q4 Jan 2021					
Financial Planning and Monitoring	Jacqui Van Mellaerts	Q4 Feb 2021					
Contract Management & Procurement	Jacqui Van Mellaerts	Q2 Aug 2020	✔	✔ In progress			
Performance Management & Formal Complaints	Steve Summers	Q2 Sep 2020	✔	✔	✔ Final	🟢 Green	🟠 Amber
Disaster Recovery & Business Continuity	Jacqui Van Mellaerts	Q3 Oct 2020	✔	✔ In progress			
Cyber Security	Jacqui Van Mellaerts	Q3 Dec 2020	✔				
Sickness Absence	Jacqui Van Mellaerts	Q2 Aug 2020	✔	✔	✔ Final	🟢 Green	🔴 Red
Fraud Risk Assessment	Jacqui Van Mellaerts	Q2 Sep 2020	✔	✔	✔ Final	N/A	N/A
Environment - Street Cleaning, Fly Tipping & Enforcement	Greg Campbell	Q3 Oct 2020	✔	✔ In progress			
Affordable Housing	Tracey Lilley	Q3 Dec 2020					
Covid-19 Related Grants	Jacqui Van Mellaerts	Q2 Sep 2020	✔	✔ In progress			
Licensing	Greg Campbell	Q3 Dec 2020					
Corporate Strategy	Jonathan Stephenson	Q2 Aug 2020	✔	✔	✔ Final	🟢 Green	🟠 Amber
Follow Up	Jacqueline Van Mellaerts	Ongoing	--------------------Separate follow up report------------------				

EXECUTIVE SUMMARY – PERFORMANCE MANAGEMENT AND FORMAL COMPLAINTS

EXECUTIVE SUMMARY

LEVEL OF ASSURANCE:

Design	Substantial	There is a sound system of internal control designed to achieve system objectives.
Effectiveness	Moderate	Evidence of non compliance with some controls that may put some of the system objectives at risk.

SUMMARY OF RECOMMENDATIONS:

High	0
Medium	1
Low	2
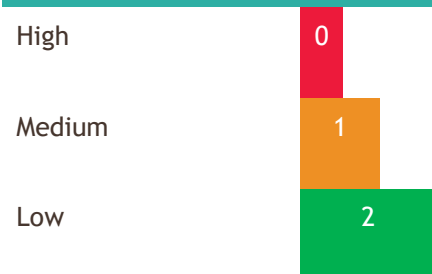
TOTAL NUMBER OF RECOMMENDATIONS: 3

BACKGROUND:

Customer service is a key risk for all service-providing organisations, and poor management of customer service can severely impact an organisation's reputation and achievement of its priorities.

The Council has a performance management framework whereby it monitors performance against the key priorities and objectives in its Corporate Strategy and uses several key performance indicators (KPIs) to manage service delivery requirements.

Service managers are required to maintain oversight of their KPI performance and comment on results with a red, amber or green (RAG) performance rating. These results are incorporated into a quarterly Performance Indicator Dashboard.

The Council operates a two-stage complaints process for customers to raise issues about any perceived failure on the part of the Council and its officers in providing services, responding to requests and adhering to standards.

The Council's Complaints Policy is available on its website, along with instructions on how customers may lodge formal complaints.

The service KPIs and formal complaints received are monitored and considered in detail on a quarterly basis by a member-lead "Performance Indicators and Formal Complaints Working Group", which is supported by officers, before they are reported to the Audit and Scrutiny Committee.

Our audit included reviewing the processes for capturing and reporting performance data and formal complaints, analysing complaints, ensuring the protection of personal information, and testing compliance with the Council's Complaints policy in responding to formal complaints.

We also used data analytics to check that complaints received online through the Council's website or via a Customer Service Advisor are logged into the complaints register.

Our separate audit of the Council's Corporate Strategy has reviewed how progress against the annual objectives is monitored, and the synergy between the Corporate Strategy and service plans, and therefore these aspects were not repeated in this audit.

GOOD PRACTICE:

We identified the following good practice areas from our fieldwork:

- The Council has adequate processes for capturing data for KPIs, assigning RAG ratings and including them in the quarterly performance dashboard.

- Service meetings are held on a quarterly basis to discuss performance and actions to be taken to resolve variances. These meetings are attended by the service manager, Manager of Customers and Performance and the Chief Operating Officer.

- There is a robust process for ensuring that all formal complaints received via complaints on-line forms, website general enquiry forms, telephone and the post are collated by the Customer Contact Supervisor, logged into the complaints register and triaged to the appropriate service for resolution. The process is overseen by the Manager of Customers and Performance.

- Processes are operating effectively for acknowledging receipt of complaints within five working days, ensuring that there is adequate independence in the investigation process, providing comprehensive responses to claimants that cover all required matters, and taking action to put things rights.

- The quarterly performance dashboards and complaints reports are reviewed by the Senior Leadership Team, the Performance Indicators and Formal Complaints Working Group, and the Audit and Scrutiny Committee.

- The quarterly reports analyse complaints received and discussions are held at the service meetings and Working Group to identify patterns, understand root causes, and ensure that wider action is taken to secure improvements.

- Access to the complaints register is restricted to the Customer Complaints Supervisor and the Manager of Customers and Performance, and complaints are only shared with those who are required to investigate the complaint. The quarterly formal complaints report is appropriately anonymised so that data confidentiality is maintained.

KEY FINDINGS:

We identified the following area where the control framework needs to be strengthened:

- The Council should formally consider whether it is appropriate to extend the response deadlines set out in the Complaints Policy during the Covid-19 pandemic, as our testing found that in five out of seven sample cases the required ten working days response time was not met for stage 1 complaints (although the initial acknowledgement to the complainant indicated that the target response time may not be met due to Covid-19) (Moderate).

We also raised two low priority recommendations for areas that have no significant impact but where management would benefit from improved controls.

The Council has a well-designed system for recording, reporting and monitoring key performance indicators and complaints received. Complaints handling procedures are operating effectively, although in the current Covid-19 pandemic the target times for responding to stage 1 complaints are not always being met. Complainants are being warned upfront that the target response times may not be met due to resource constraints during the pandemic, however we would expect controls to comply with the Council's formal policy unless there is specific authorisation for them to be suspended. Consequently, we have concluded an opinion of substantial assurance over the design of the control framework and moderate assurance over its operational effectiveness.

MANAGEMENT ACTION PLAN:

| Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
Complaints response times a) The Council should formally consider whether it is appropriate to extend the response deadlines set out in the Complaints Policy during the Covid-19 pandemic.	Medium	a) Response deadlines are no longer being affected by the Covid-19 pandemic. Should extended deadlines be considered a requirement again, the Council will formally consider this.	Sarah Bennett (Manager of Customers and Performance) Complete
b) Management should ensure that response dates are correctly recorded in the complaints register, based on the dates in the response letters, so that there is an accurate record of actual response times against the required times.		b) Measures for cross-checking will be implemented. A review of the formulas used to calculate response times will also be conducted to ensure Bank Holidays are accurately reflected.	Sarah Bennett (Manager of Customers and Performance) & Stephanie Meek (Customer Contact Supervisor) January 2021
c) Management should consider including complaints response times in the quarterly performance and complaints report, to allow adequate monitoring.		c) This will be considered for future reporting.	Sarah Bennett (Manager of Customers and Performance) By start of 2021/22 reporting cycle

EXECUTIVE SUMMARY – SICKNESS ABSENCE

EXECUTIVE SUMMARY		
LEVEL OF ASSURANCE:		
Design	Substantial	There is a sound system of internal control designed to achieve system objectives.
Effectiveness	Limited	Non-compliance with key procedures and controls places the system objectives at risk.

SUMMARY OF RECOMMENDATIONS:	
High	1
Medium	4
Low	0
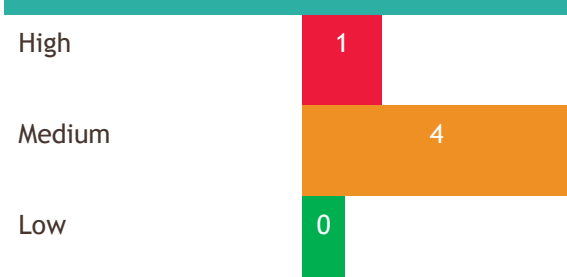
TOTAL NUMBER OF RECOMMENDATIONS: 5

BACKGROUND:

Sickness absence can have a big impact on both performance and costs to an organisation and therefore needs to be managed in a consistent, supportive and effective way so that operational and service levels are maintained. This is even more important during the Covid-19 pandemic.

The Council reported a total of 532 days sickness in the first quarter of 2020/21, which was higher than the 450 days in the equivalent period of 2019/20. It should be noted that this does not include absence due to self-isolation by Depot staff as a result of the pandemic, as the Depot records self-isolation separately, although it may include self-absence isolation by other staff. Total sickness in 2019/20 was 2,383 days.

Up to 31 March 2020, all of the Council's payroll and HR functions were managed through a contract with Thurrock Council. Part of the HR function was brought back in house from 1 April 2020 and the Council has recruited an HR Manager, who maintains oversight of sickness absence levels and provides support to departments in managing sickness absence. Thurrock Council continues to provide the Council with a front line/HUB service for general HR queries, processing internal changes and receiving/filing documents. Payroll is also still undertaken by Thurrock Council but will be transferred to a new payroll provider from 1 April 2021.

Sickness absence is currently recorded either in the Council's DASH system, or in the case of the Depot, in a cumulative monitoring spreadsheet. It is expected that sickness absence will be recorded in the new payroll provider's system, iTrent, from 2021/22. We are informed that as part of the training on the new system, managers will be provided with training on recording and managing sickness absence.
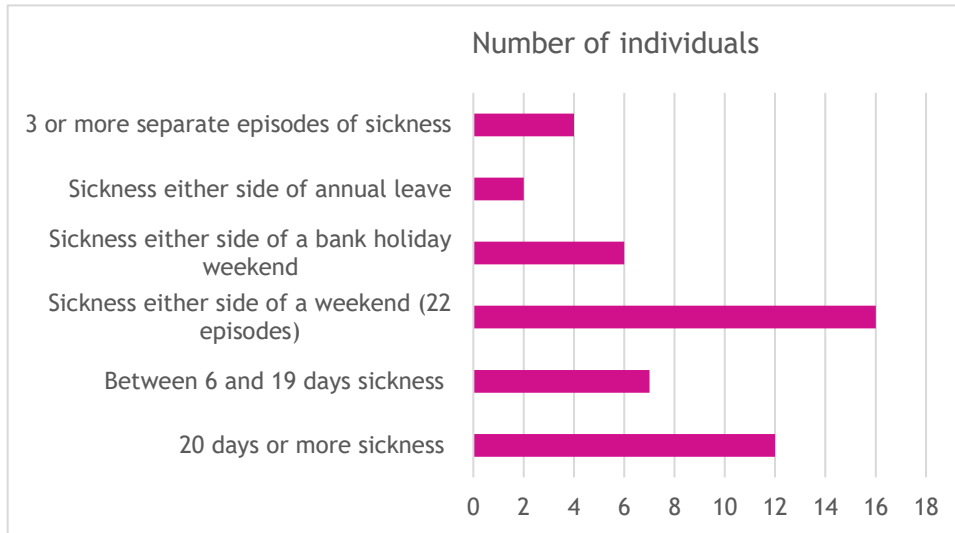
Given the Council's plans to change the way it records sickness absence going forward, the audit has not report on identified shortcomings in the current recording systems but has focussed on the Council's wider sickness absence management procedures.

Our audit included review of the Council's Absence Management Policy and associated guidance/templates, testing a sample of recorded staff absence during 2020/21 to check compliance with the policy, processes for updating payroll information for sickness absence and action taken by the Council to promote staff wellbeing.

We also used data analytics to identify trends in staff sickness absence during 2020/21, in particular frequent short-term absences, long-term absences and other patterns of sickness absence that may indicate cause for concern.

This indicated that for the period 1 April 2020 to 31 July 2020:

Number of individuals

Category	Value
3 or more separate episodes of sickness	4
Sickness either side of annual leave	2
Sickness either side of a bank holiday weekend	6
Sickness either side of a weekend (22 episodes)	16
Between 6 and 19 days sickness	7
20 days or more sickness	12

GOOD PRACTICE:

We identified the following good practice areas from our fieldwork:

- The Council has a comprehensive Absence Management Policy, which is supported by a suite of template documents that can be used for recording each stage of sickness absence management, including sickness reviews, home visits, invitation to stage meetings and stress risk assessments.

- The Council's quarterly performance reports include the number of sickness days by month, and these are reviewed by the senior leadership team and the Audit and Scrutiny Committee.

- The Council proactively promotes and supports staff wellbeing through a range of mechanisms and processes, including:
  o Mental Health First Aiders who are trained with an in-depth understanding of mental health and practical skills to help their colleagues.
  o Health Champions who deliver various healthy lifestyle programmes such as health checks and training on stress awareness.
  o The Employee Assistance Programme, which provides an easily accessible, free and confidential 24 hour independent advice and support service.
  o Regular Chief Executive staff briefings, aimed at keeping staff in the loop.
  o Annual staff surveys, with areas of concern developed into an action plan that is available to staff.

- During the Covid-19 the following additional arrangements were put in place to support staff through the pandemic:
  - A move to weekly Chief Executive briefings and regular HR briefings, covering changes in government advice and help for staff in dealing with issues such as shielding, Covid symptoms, sickness leave, annual leave and travel arrangements.
  - Line managers encouraged to carry out regular staff wellbeing check-ins and HR produced a template 'Homeworking wellbeing check-in' and a 'Managers guide for homeworking wellbeing check-in'.
  - A wellbeing site on the Council's sharepoint system and a wellbeing teams channel, which holds virtual elevenses, competitions, quizzes, culture club and yoga.
  - Two staff pulse surveys covering home working and wellbeing.

KEY FINDINGS:

We identified the following areas where the control framework needs to be strengthened:

- Depot staff to complete sickness self-certification forms on return to work for absences of less than seven days, or provide fitness for work certificates from their doctors or hospitals for absences over seven days, as our testing found that this was not done in nine out of 12 absences tested (High).

- Line managers for Depot staff to maintain regular contact with employees who have been off sick for more than four weeks and maintain a record of this contact, as no evidence of this could be provided in all five absences tested where this was applicable (Medium).

- Line managers for Depot staff to carry out return to work interviews, as this was not done in all 12 absences tested (Medium).

- Line managers to monitor sickness levels for trigger events and ensure that the Council's stages of absence management process is complied with, as no evidence of this could be provided for five out of the nine absences tested where this was applicable (Medium).

- Ensure that the correct number of sickness days is input into DASH (for non-Depot staff) and recorded correctly in the payroll system (for Depot and non-Depot staff), as our audit found that the sickness days recorded in the payroll system was incorrect for four out of the 20 absences tested (errors of 1 or 2 days, which did not result in any payment errors) (Medium).

CONCLUSION:

The Council has a comprehensive sickness absence policy and a well-designed process to manage sickness absence. It also actively promotes and supports staff wellbeing. However, our testing of compliance with the Council's policy identified a number of exceptions, particularly in respect of Depot staff absence. We raised one high priority recommendation regarding return to work certification and a further four medium priority recommendations. We understand that some of this lapse in compliance is due to challenges posed by the Covid-19 pandemic, however we would expect controls to continue to comply unless there is specific authorisation for them to be suspended. Consequently, we have concluded an opinion of substantial assurance over the design of the control framework but limited assurance over its operational effectiveness.

MANAGEMENT ACTION PLAN:

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
Sickness certification Depot management should ensure that all staff complete a sickness self-certification form on return to work for absences of less than seven days, or provide a fitness for work certificate from their doctor or hospital for absences over seven days, and that this documentation is retained.	Limited	In order to ensure Depot Management are supported in this, a number of Absence Management Bitesize Training Sessions will be arranged. HR will focus support and monitoring with regards to absence to enable the Depot to get back on track, with the Director of Environment monitoring progress. In order to do this prior to the implementation on iTrent, management will seek monthly reports rather than quarterly.	Darren Laver (Operations Manager) & Nichola Mann (HR Manager) February 2021
Maintaining contact in long periods of sickness Depot management should ensure that line managers are maintaining regular contact with employees who have been off sick for more than four weeks and that a central confirmation of this contact is made by the line manager to evidence that it is being done.	Medium	In order to ensure Depot Management are supported in this, a number of Absence Management Bitesize Training Sessions will be arranged. HR will identify any absences of more than four weeks and will spot check the actions the Line Manager has taken in line with the policy, identifying any gaps and then supporting where necessary.	Darren Laver (Operations Manager) & Nichola Mann (HR Manager) February 2021
Return to work interviews Depot management should ensure that line managers carry out return to work interviews and retain a record of it.	Medium	In order to ensure Depot Management are supported in this, a number of Absence Management Bitesize Training Sessions will be arranged. HR will undertake spot checks, identifying any gaps and then supporting where necessary.	Darren Laver (Operations Manager) & Nichola Mann (HR Manager) February 2021

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
Stage 1 and stage 2 interviews for trigger events	Medium		
a) Line managers should be reminded to look out for short term sickness trigger events and ensure that the stages of absence management process within the Council's Absence Management Policy is followed.		HR will do a management briefing to all Line Managers around key areas of responsibility in terms of the Absence Management Policy. HR will also offer Absence Bitesize Training to all Line Managers.	Nichola Mann (HR Manager) supported by Extended Leadership Team February 2021
b) Depot management should ensure that stage 1 and stage 2 interviews are carried out for all long term sickness in accordance with the Council's policy.		HR will identify any absences of more than four weeks and will spot check the actions the Line Manager has taken in line with the policy, identifying any gaps and then supporting where necessary.	Darren Laver (Operations Manager) & Nichola Mann (HR Manager) February 2021
c) Line managers should inform the HR Manager when trigger events occur and seek HR support when carrying out the second stage of the absence management stage process.		This will be covered in the Absence Bitesize Training.	Extended Leadership Team & Nichola Mann (HR Manager) February 2021
Recording of sickness absence days	Medium		
a) Line managers should be reminded of the importance of entering the correct number of sickness days in DASH.		HR will do a management briefing to all Line Managers around key areas of responsibility in terms of the Absence Management Policy. HR will also offer Absence Bitesize Training to all Line Managers.	Extended Leadership Team & Nichola Mann (HR Manager) February 2021
b) Management should periodically carry out spot checks on the number of sickness days entered into DASH, back to the signed return to work forms.		HR will build in periodic checking when reviewing absence data to ensure dates correspond with DASH and completed Return to Work forms, raising any anomalies with the appropriate Line Manager. It is noted that with the implementation of iTrent in April 2021, this will no longer need checking as all the	Nichola Mann (HR Manager) with Extended Leadership Team support February 2021

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
		data will be entered into one system.	
c) Management should periodically carry out spot checks on the number of sickness days entered into the payroll system for both DASH and Depot absences, back to the DASH system or the Depot's Waste and Grounds absences recording spreadsheet.		HR will build in periodic checking when reviewing absence data to ensure dates correspond with payroll, DASH and Depot absences, raising any anomalies with the appropriate Line Manager. It is noted that with the implementation of iTrent in April 2021, this will no longer be required as the data input will feed into payroll.	Nichola Mann (HR Manager) with Extended Leadership Team support

February 2021 |

EXECUTIVE SUMMARY – CORPORATE STRATEGY

EXECUTIVE SUMMARY		
LEVEL OF ASSURANCE:		
Design	Substantial	There is a sound system of internal control designed to achieve system objectives.
Effectiveness	Moderate	Evidence of non compliance with some controls that may put some of the system objectives at risk.

SUMMARY OF RECOMMENDATIONS:

High	0
Medium	3
Low	1
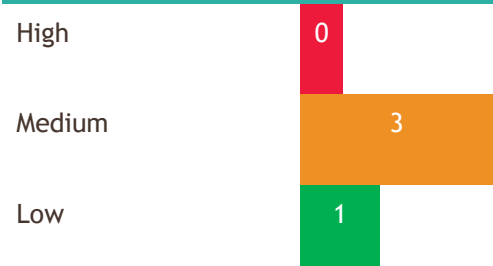
TOTAL NUMBER OF RECOMMENDATIONS: 4

BACKGROUND:

The Council's Corporate Strategy 2020 – 2025 was approved at Ordinary Council in January 2020, replacing the previous Corporate Plan 2016 – 2019. This followed a period of extensive consultation with key stakeholders in developing the strategy.

The Corporate Strategy sets out the following key priorities for the Council over the next five years:

- Improving housing
- Protecting and improving the environment
- Developing communities
- Growing the economy
- Delivering an efficient and effective Council.

The strategy also sets out the key objectives for 2020/21 within the context of what the Council aims to deliver over five years. Each year the plan will be refreshed to review progress against the key objectives for the year and updated for the forthcoming year, ensuring that annual objectives are aligned with the overall objectives of the Corporate Strategy.

This will support the Council in achieving its vision and is underpinned by plans, strategies, policies and a monitoring framework.

The audit of the Corporate Plan was initially included in the 2019/20 internal audit plan, but was deferred to 2020/21, at the request of management, due to the onset of the Covid-19 pandemic in March 2020.

Our audit included reviewing the processes for engaging with staff in the development of the Corporate Strategy and annual objectives; reviewing alignment with the underlying business plan, service plans, strategies and the Medium Term Financial Strategy; and reviewing monitoring and reporting arrangements.

Overall, the focus of the audit was on the arrangements for ensuring that the Corporate Strategy and annual objectives convert into a reality and less on the process adopted in developing the strategy. However, the audit has referred to some of the development and planning processes in seeking to understand the strength of the overall framework.

GOOD PRACTICE:

We identified the following good practice areas from our fieldwork:

- Staff were consulted in the development of the Corporate Strategy and the 2020/21 objectives, through workshops on key strategic themes and in all-staff workshops delivered by the Chief Executive.

- Once published, the Corporate Strategy was promoted through an e-mail and intranet post to all staff, a press release, a staff briefing by the Chief Executive, the embedding of the Corporate Strategy logo and key priority themes in staff e-mail sign offs, and posters at the Town Hall.

- The Chief Executive and the Extended Leadership Team had a session in March 2020 to reflect on how the achievements of the previous corporate strategy were to be documented in a Success Infographics report, and to start planning the success infographics for the new strategy.

- The Corporate Strategy is supported by a Business and Recovery Plan, approved by the Policy, Resources and Economic Development Committee (PRED) in September 2020, which includes the strategic objectives as well as other essential and strategic recovery actions required to address the Council's approach to the impacts of the Covid-19 pandemic.

- The Medium Term Financial Strategy (MTFS) 2020-2023, which was approved at Ordinary Council in March 2020, clearly indicates the allocation of revenue and capital budget, including specific capital schemes, to each of the key Corporate Strategy priority themes over the period of the MTFS.

- The 2020/21 strategic objectives clearly define the required outcomes and the project team monitors their progress in an online tool, with service managers responsible for ensuring delivery.

- The Business and Recovery plan and updates on projects and programmes are regularly reviewed and discussed at Senior Leadership Team meetings.

We identified the following areas where the control framework needs to be strengthened:

- Management should assess whether any projects need to be set up to ensure the delivery of any of the outstanding or ongoing 2020/21 strategic objectives, as there are currently no active projects in place for 18 of the 25 objectives, and the Business and Recovery Plan register should be updated to include a status rating for six strategic objectives that do not currently have a rating (Medium).

- Service plans for Corporate Finance, Risk & Insurance and Communications have yet to be completed and made available to staff, and service plans should clearly cross refer to all relevant current year strategic objectives (Medium).

- Appropriate time lines should be set for completion and publication of the ten strategies supporting the Corporate Strategy that are still in the process of being developed, updated or reviewed (Medium).

We also raised one low priority recommendation regarding clearer documentation of strategic objectives within personal development plans.

CONCLUSION:

The Council has a well-designed system for engaging with staff in the development of the Corporate Strategy and monitoring and reporting on progress against strategic objectives. Further recovery actions have been identified to address the Council's approach to the impacts of Covid-19. However, the alignment between the strategic objectives and underlying service plans and personal development plans is not clear, and a number of strategic objectives do not have underlying project plans. We have raised three medium and one low priority recommendations. Consequently, we have concluded an opinion of substantial assurance over the design of the control framework and moderate assurance over its operational effectiveness.

MANAGEMENT ACTION PLAN:

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
Business and Recovery Plan and projects a) Management should review the projects underpinning the Business and Recovery Plan, and assess whether any projects need to be set up to ensure the delivery of the outstanding or ongoing 2020/21 strategic objectives.	Medium	The project framework is still embedding, and projects are being registered frequently. Directors are undertaking reviews of their objectives with the Project Team to ensure that all of these objectives are captured and monitored.	Tim Huggins (ICT Manager) April 2021
b) Management should ensure that the Business and Recovery Plan register is updated to include a status rating for the six strategic objectives that		The finer details of the Business and Recovery Plan are still being updated with Directors. A mechanism for monthly review is in place where relevant updates, including status, will be made.	Tim Huggins (ICT Manager) Complete

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
do not have a rating in the October 2020 register.			
Service plans	Medium		
a) Management should ensure that the service plans for Corporate Finance, Risk & Insurance, Revenues and Benefits and Communications are completed and made available to staff.		Outstanding service plans have been delayed due to other high priority commitments, however, are expected imminently.	Jacqui Van Mellaerts (Director of Corporate Resources) & Steve Summers (Chief Operating Officer) December 2020
b) The focus areas and annual targets in service plans should clearly identify and reference to each of the strategic objectives for the year, as relevant to each service.		The Project Team will undertake a task to map Service Plans against the Corporate Strategy Objectives and ensure with Service Managers that projects are in place, where relevant.	Tim Huggins (ICT Manager) January 2021
Supporting strategies	Medium		
a) Management should ensure that appropriate time lines are set for completion and publication of all strategies that are being developed or updated to support the Corporate Strategy.		Many of the strategies under development/review have been impacted by resource focusing on the Council's Covid-10 response. Those strategies under review will be presented to the relevant committees in due course.	Steve Summers (Chief Operating Officer) March 2021
b) Other published strategies should also be reviewed to check if they remain valid or are in need of updating.		A further review of all published strategies will be undertaken to ensure the Council's website is up to date. The Corporate Document Library is due to be updated as part of ongoing Digital improvements. This will assist with the future management of expired documents.	Steve Summers (Chief Operating Officer) March 2021

EXECUTIVE SUMMARY – FRAUD RISK ASSESSMENT MAINTENANCE

EXECUTIVE SUMMARY

BACKGROUND AND OVERALL FRAUD RISK ASSESSMENT:

The CIFAS document 'Fighting Fraud and Corruption Locally 2020' defines a strategy for local government and provides a blueprint for a coordinated response to fraud and corruption perpetrated against local authorities with the support of those at the top. It estimates that one in three of all crimes committed nationally is fraud based and fraudsters are always seeking new ways to take money. The strategy highlights that potential losses to fraud could run into billions of pounds across local authorities if appropriate preventative action is not taken.

We last assisted the Council in carrying out a fraud risk assessment in 2014/15 and therefore this was in need of updating to help inform and support the Council's counter fraud strategy.

The review considered the following fraud risk areas which are deemed to be some of the highest risk areas for fraud in Local Government:

- Procurement and contract management
- Identity fraud for employees and benefit claimants
- Disabled facility grants
- Members' interests and conflicts of interests
- Investment properties.

Our fraud risk assessment has used the methodology and definitions in Appendix I to determine a risk rating for a number of possible fraud risks within each of the above areas, taking account of the impact and likelihood of each risk. A traffic light system has been used to attach a priority for mitigating action to each risk level.

As this is an advisory review, no assurance opinion has been provided.

OVERALL RISK RATING SUMMARY						
Fraud Risk Category	RESIDUAL FRAUD RATING			PRIORITY		
	Low	Medium	High	Urgent	Important	Routine
1.0 PROCUREMENT & CONTRACT MANAGEMENT	7	8	0	0	8	7
2.0a EMPLOYEE IDENTITY	1	1	0	0	1	1
2.0b CLAIMANT IDENTITY	0	1	1	1	1	0
3.0 DISABLED FACILITY GRANTS	11	2	0	0	2	11
4.0 COUNCILLORS' INTERESTS	3	0	0	0	0	3
5.0 INVESTMENT PROPERTIES	0	1	0	0	1	0
	22	13	1	1	13	22

GOOD PRACTICE NOTED:

The following areas of good practice were noted. These help mitigate fraud risks, provided the internal control environment is maintained to an adequate level and is reviewed as necessary, for example when there are staffing changes.

Procurement

- The Senior Procurement Officer updates the contracts register, through liaison with departments.

- Accounts Payable undertake due diligence checks on new suppliers, including Companies House and credit rating checks, where relevant, before setting up suppliers.

Employee Identity

- During the Covd-19 pandemic lockdown, new starters have their identity confirmed by video call and are required to hold up an identity document next to their face.

- All new starters will have another identity check once offices reopen normally.

Housing Benefit Claimant Identity

- A review of claims for students and new claimants is carried out using the "review" flag in the Housing Benefits system to ensure that circumstances have not changed.

- The Revenue & Benefits Compliance work has been amended to include investigation of unusual claims.

- Cross referencing and data matching to the Department of Work & Pensions database, Housing Benefits Data Matching Service and the National Fraud Initiative exercise is carried out.

Disabled Facility Grants

- A Technical Surveyor is used to ensure that the work is carried out to specification and is complete.

- Contractors provide quotes for the work and the most appropriate quote is selected following a "like for like" comparison of the quotes.

- The Council pays the grants directly to the contractors carrying out the work rather than to the applicants.

Councillors' Interests

- The Democratic Services team, Monitoring Officer and Director of Corporate Resources provide members with training in areas such as members' interests, the Code of Conduct, whistleblowing, money laundering.

- Democratic Services have a working knowledge of members' interests, which would help in highlighting any potential conflicts of interest.

SUMMARY OF FINDINGS:

Our fraud risk assessment has identified one high risk fraud area, in relation to Housing Benefit claimant identity. There is an inherent risk that some applications will contain fraudulent information. In addition, national indications are that the number of fraudulent claims have increased during the Covid-19 pandemic. The Revenue & Benefits (R&B) Team at Basildon Council shared service consists of experienced and trained Benefits Assessment Officers, who review the documentation submitted for any fraud indicators. However, given the heightened risk in the current economic climate, we recommend that the Council and the shared service review the level

of scrutiny and checks being carried out, and the associated resourcing, taking account of the Council's risk appetite.

We identified 13 medium fraud risks, which need to be prioritised to help reduce the risk of fraud in these areas. In addition, we identified 22 low risk areas, which generally relate to inherent risks and for which there are controls in place to manage these risks.

We have developed an action plan, for the urgent and high priority risk areas.

MANAGEMENT ACTION PLAN:

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
PROCUREMENT AND CONTRACT MANAGEMENT			
Review of contract spend for completed purchase orders and non purchase order expenditure to identify any cases of disaggregation.	High priority	Agreed would be a useful exercise, however this will be a time consuming piece of work.	Senior Procurement Officer March 2021
Consider the benefits of fully implementing the Procurement to Pay (P2P) process to increase the percentage of expenditure that requires an authorised purchase order to be raised before the invoice is paid.	High priority	The Council is already reviewing implementing P2P and will be reviewed by senior leadership team to approve.	Corporate Finance Manager March 2021
Review best practice regarding independent tender panel members and incorporate these into procurement and tendering documentation.	High priority	Agreed to review best practice.	Senior Procurement Officer March 2021
Reinforce to staff the requirement for consultation with the Senior Procurement Officer before entering into any procurement process using a Government Procurement Service framework agreement or another local or national framework agreement.	High priority	Senior Procurement Officer has established a strong relationship with service managers, who are aware of the process. Agreed that it would be beneficial to reinforce this message.	Senior Procurement Officer March 2021
Explore the use of regional or national procurement groups or contract partnerships with other local authorities to allow a	High priority	Senior Procurement Officer is already a member of local and national groups. Agreed this will continue.	Senior Procurement Officer Immediate

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
greater pool of technical expertise in writing tender specifications.			
Review actual contract spend against contract and periodically report this to management.	High priority	Finance & Procurement service to review process and best practice.	Corporate Finance Manager & Senior Procurement Officer March 2021
Incorporate good practice from the government's "Review into the risks of fraud and corruption in local government procurement" guidance into the Council's procurement processes.	High priority	Senior Procurement Officer will review and incorporate if appropriate.	Senior Procurement Officer & Corporate Fraud Manager June 2021
Incorporate good practice from the risk tool included in the above guidance into the Council's procurement processes.	High priority	Senior Procurement Officer will review and incorporate if appropriate.	Senior Procurement Officer & Corporate Fraud Manager June 2021
EMPLOYEE IDENTITY			
Ensure that the Home Office's "Right to Work Checklist" is used for all employee identity checks.	High priority	Agreed.	HR Manager March 2021
HOUSING BENEFIT CLAIMANT IDENTITY			
Review the level of scrutiny and checks being carried out in respect of housing benefit claimant identity and the resourcing available at the shared service to carry out these checks, taking account of the Council's risk appetite.	Urgent priority	As stated in assessment, staff are experienced and trained Housing benefit Officers have an understanding of potential forged documents. The pandemic still continues to limit staff and claimant contact, so it suggested this is reviewed later next year, depending if situation has changed. The Council will also be reviewing this in line with our Digital Strategy and the Council's risk appetite. In the meantime, staff will be advised to be extra vigilant of the potential risk.	Revenues & benefits Manager; Director of Corporate Resources June 2021

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
Continue to ensure that other Council departments and areas such as Council Tax and links to DWP are consulted to triangulate applicant information.	High priority	Agreed.	N/A.

DISABLED FACILITY GRANTS (DFG)

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
Obtain the Data Protection Officer's advice regarding GDPR, collection and use of personal data in the anti-fraud declarations by DFG applicants.	High priority	Agreed. A Privacy Notice has been put together which will be checked by DPO Officer.	Environmental Health Manager December 2020
Consider procurement best practice for the use of DFG contractors and the sole Technical Surveyor.	High priority	Clients do not have to use one of the Council contractors and contract is priced against other competitors. However, Officers can review best practice.	Environmental Health Manager; Senior Procurement Officer March 2021

INVESTMENT PROPERTIES

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
Update Money Laundering guidance in relation to the purchasing and sale of investment properties and ensure that appropriate and in depth due diligence processes are in place for the procuring and selling of all property.	High priority	Officers to review and include additional guidance within Money Laundering Policy on investment properties. Due diligence is under taken and appropriate staff are consulted with regarding these transactions.	Corporate Fraud Manager December 2020

KEY PERFORMANCE INDICATORS 2020/21

Quality Assurance as per the Internal Audit Charter	KPI Results	RAG Rating
1. Annual Audit Plan delivered in line with timetable.	Three audits were deferred, as detailed on page 3.	🟡
2. Actual days are in accordance with Annual Audit Plan.	This KPI has been met.	🟢
3. Customer satisfaction reports – overall score at least 70% for surveys issued at the end of each audit.	No survey responses received in relation to 2020/21 to date.	🟢
4. Annual survey to Audit Committee to achieve score of at least 70%.	Annual survey responses for 2019/20 scored between 80% and 100%.	🟢
5. At least 60% input from qualified staff.	This KPI has been met.	🟢
6. Issue of draft report within 3 weeks of fieldwork 'closing' meeting.	This KPI has been met for 4 out of 4 audit.	🟢
7. Finalise internal audit report 1 week after management responses to report are received.	This KPI has been met for 4 out of 4 audits.	🟢
8. Positive result from any external review.	No external audit reviews have been carried out to date.	🔵
9. Audit sponsor to respond to terms of reference within one week of receipt and to draft reports within two weeks of receipt.	The KPI regarding Council agreement of the terms of reference has been met for missed for 7 out of 8 audits (see table below). The KPI regarding draft report has been met for met for 2 out of 4 audits (see table below).	🟡
10. Audit sponsor to implement audit recommendations within the agreed timeframe.	Of the 22 recommendations raised for 2020/21 to date, all are not yet due. Of the 17 medium priority recommendations raised in 2019/20, 10 have been completed, 4 are in progress and 3 are not yet due. There are also 5 outstanding recommendations from 2018/19 and 2017/18, of which 2 are overdue, 2 are in progress and 1 is not yet due.	🟡
11. Internal audit to confirm to each meeting of the Audit and Scrutiny Committee whether appropriate co-operation has been provided by management and staff.	We can confirm that for the audit work undertaken to date, management and staff have supported our work and their co-operation has enabled us to carry out our work in line with the terms of reference through access to records, systems and staff as necessary.	🟢

AUDIT TIMETABLE DETAILS (2020/21 AUDITS)

Audit	Draft TOR issued	Management response to TOR received	Closing meeting	Draft report issued	Management response to draft report received	Final report issued
Risk Management						
Main Financial Systems						
Financial Planning and Monitoring						
Contract Management & Procurement	12/08/20	19/08/20 (KPI 9 met)				
Performance Management & Formal Complaints	08/09/20	09/09/20 (KPI 9 met)	29/10/20	02/11/20 (KPI 6 met)	06/11/20 (KPI 9 met)	09/11/20 (KPI 7 met)
Disaster Recovery & Business Continuity	06/10/20	07/10/20 (KPI 9 met)				
Cyber Security						
Sickness Absence	26/08/20	31/08/20 (KPI 9 met)	20/10/20	25/10/20 (KPI 6 met)	11/11/20 (KPI 9 not met)	13/11/20 (KPI 7 met)
Fraud Risk Assessment	02/09/20	07/09/20 (KPI 9 met)	22/09/20	13/10/20 (KPI 6 met)	16/11/20 (KPI 9 not met)	16/11/20 (KPI 7 met)
Environment - Street Cleaning, Fly Tipping & Enforcement	09/10/20	Awaiting formal response (KPI 9 not met)				
Affordable Housing						
Covid-19 Related Grants	11/09/20	14/09/20 (KPI 9 met)				
Licensing						
Corporate Strategy	21/08/20	24/08/20 (KPI 9 met)	02/11/20	09/11/20 (KPI 6 met)	16/11/20 (KPI 9 met)	16/11/20 (KPI 7 met)

KEY FOR RAG RATING:

🟢 = met target   🔴 = not met target

🟡 = partly met target   🔵 = not applicable

25

APPENDIX 1

OPINION SIGNIFICANCE DEFINITION

Level of Assurance	Design Opinion	Findings from review	Effectiveness Opinion	Findings from review
Substantial	Appropriate procedures and controls in place to mitigate the key risks.	There is a sound system of internal control designed to achieve system objectives.	No, or only minor, exceptions found in testing of the procedures and controls.	The controls that are in place are being consistently applied.
Moderate	In the main, there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective.	Generally a sound system of internal control designed to achieve system objectives with some exceptions.	A small number of exceptions found in testing of the procedures and controls.	Evidence of non compliance with some controls, that may put some of the system objectives at risk.
Limited	A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year.	System of internal controls is weakened with system objectives at risk of not being achieved.	A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year.	Non-compliance with key procedures and controls places the system objectives at risk.
No	For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Poor system of internal control.	Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Non compliance and/or compliance with inadequate controls.

FOR MORE INFORMATION:

GREG RUBINS

greg.rubins@bdo.co.uk

This page is intentionally left blank

INTERNAL AUDIT FOLLOW UP OF RECOMMENDATIONS REPORT

Brentwood Borough Council

November 2020

IDEAS | PEOPLE | TRUST

BDO

Summary

We have followed up on the status of those High (H) and Medium (M) recommendations due for implementation by 30 October 2020. The positon as at 12 November 2020 is summarised below:

	Total H & M Recs	Complete H	Complete M	In Progress H	In Progress M	Overdue H	Overdue M	Superseded H	Superseded M	Not Due H	Not Due M	% H & M Recs Completed / Superseded
2020/21												
Performance Management and Formal Complaints	1	-	-	-	-	-	-	-	-	-	1	0%
Sickness Absence	4	-	-	-	-	-	-	-	-	1	3	0%
Corporate Strategy	3	-	-	-	-	-	-	-	-	-	3	0%
Fraud risk assessment	14	-	-	-	-	-	-	-	-	1	13	0%
2019/20												
Risk Management	3	-	-	-	1	-	-	-	-	-	2	0%
Main Financial Systems	3	-	1	-	1	-	-	-	-	-	1	33%
Treasury Management	2	-	2	-	-	-	-	-	-	-	-	100%
Housing Repairs and Maintenance	1	-	-	-	1	-	-	-	-	-	-	0%
Leisure Services	2	-	2	-	-	-	-	-	-	-	-	100%
Housing Benefits	3	-	3	-	-	-	-	-	-	-	-	100%
Food Safety	1	-	1	-	-	-	-	-	-	-	-	100%
Trade Waste	1	-		-	1	-	-	-	-	-	-	0%
HR Recruitment	1	-	1	-	-	-	-	-	-	-	-	100%
2018/19												
Workforce Strategy	2	-	1	-	1	-	-	-	-	-	-	50%
Housing Department	2	1	-	-	-	-	-	-	-	-	1	50%
Main Financial Systems	6	-	6	-	-	-	-	-	-	-	-	100%
Housing -Homelessness	2	1	1	-	-	-	-	-	-	-	-	100%
GDPR Compliance	1	-	1	-	-	-	-	-	-	-	-	100%
Disaster Recovery and Business Continuity	3	-	3	-	-	-	-	-	-	-	-	100%
Local Development Plan	2	-	2	-	-	-	-	-	-	-	-	100%
Corporate Projects	3	-	3	-	-	-	-	-	-	-	-	100%
PCI/DSS Compliance	5	1	2	-	1	-	1	-	-	-	-	60%
2017/18												
Minimum Reserve Levels	1	-	1	-	-	-	-	-	-	-	-	100%
Community Halls Viability	5	2	3	-	-	-	-	-	-	-	-	100%
Housing	8	2	6	-	-	-	-	-	-	-	-	100%
Insurance	3	-	3	-	-	-	-	-	-	-	-	100%
Financial Planning & Budget monitoring	2	-	2	-	-	-	-	-	-	-	-	100%
Partnerships	7	-	6	-	-	-	1	-	-	-	-	86%
Environment	4	-	4	-	-	-	-	-	-	-	-	100%
Housing Benefit Shared Service	2	-	2	-	-	-	-	-	-	-	-	100%
Main Financial Systems	9	2	7	-	-	-	-	-	-	-	-	100%
Risk Management and Governance	3	1	2	-	-	-	-	-	-	-	-	100%
Customer Service	4	-	4	-	-	-	-	-	-	-	-	100%
Information Security Assessment	10	-	10	-	-	-	-	-	-	-	-	100%
Car Parks and Payment Collection	7	4	3	-	-	-	-	-	-	-	-	100%
Taxi Driver Licensing	2	-	2	-	-	-	-	-	-	-	-	100%
Local Development Plan	4	-	4	-	-	-	-	-	-	-	-	100%
Contract Management & Procurement	9	3	6	-	-	-	-	-	-	-	-	100%
	145	17	94	-	6	-	2	0	0	2	24	

Total BDO Recommendations

Of the total 145 recommendations (relating to 2017/18 to 2020/21), 119 were due to be implemented by 30 October 2020 or earlier. We have confirmed with reference to evidence that 111 have been completed.

2020/21 Recommendations

Of the 22 recommendations raised in 2020/21 (14 of which relate to a fraud risk assessment), all are not yet due.

2019/20 Recommendations

Of the 17 recommendations raised in 2019/20, 10 have been completed, 4 are in progress and 3 are not yet due.

2018/19 Recommendations

Of the 26 recommendations raised in 2018/19, 22 have been completed, 2 are in progress, 1 is overdue and 1 is not yet due.

2016/17 and 2017/18 Recommendations

Of the 80 recommendations raised in 2016/17 and 2017/18, 79 have been completed and there is 1 overdue.

Those which are overdue have surpassed both the original implementation date and the revised implementation dates more than once or no update has been received from officers.

Recommendations not completed will be followed up again ahead of the next Audit and Scrutiny Committee, along with other recommendations due.

Where recommendations are in progress, more information on the current status is provided in the pages that follow. This includes those recommendations where management has advised us that the recommendation has been implemented but evidence has yet to be received to enable internal audit to confirm this. We have also included details for the recommendations that have been closed since our last follow-up report to the Audit and Scrutiny Committee.

Status of 2017/18 to 2020/21 Recommendations

- Implemented
- In Progress
- Overdue
- Not due

18%
4%
77%
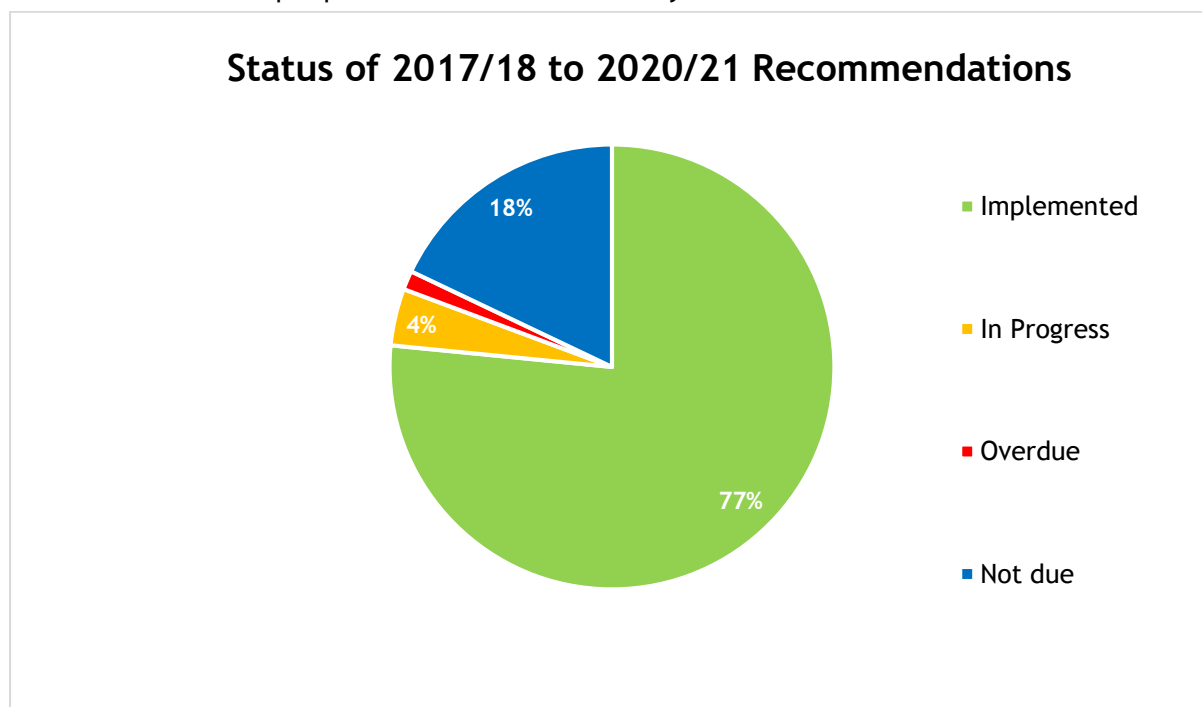
Recommendations: Overdue

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
2017/18 – Partnerships				
17/18 Partnerships rec 3: The approval status should be verified for all existing partnerships recorded in the Partnership Register. Where approval was not obtained, the 'Partnership Checklist' and 'Partnership Self-Assessment Tool' should be completed and submitted for retrospective approval from the Head of Service or relevant Committee as appropriate	Medium	Kim Anderson (Partnership Leisure and Funding Manager)	~~March 2018~~ ~~January 2019~~ ~~March 2019~~ ~~February 2020~~ ~~September 2020~~ December 2020	Update: The recommendation has not been a priority to complete during the Covid-19 pandemic. It requires reviewing historic and applying retrospective information. *Due date revised.*
2018/19 – PCI/DSS Compliance				
18/19 PCS/DSS rec 5: A policy should be developed, which sets out how the Council will manage PCI DSS compliance activities and the policy should be reviewed on a regular basis. The policy should include but not be limited to: • Assignment of roles and responsibilities for ensuring that the Council is PCI DSS complaint have been assigned • Procedures for staff that are responsible for taking card payments • The Council's security strategy in relation to the storage, processing and transmission of credit card data • A set of instructions for detecting, responding to and limiting the effects of an information security event. The Council should develop and disseminate suitable procedure notes for staff, to ensure that working practices are compliant. Appropriate training should be provided on PCI DSS requirements to all members of staff dealing with card payments.	Medium	Tim Huggins (ICT Manager)	~~September 2019~~ ~~June 2020~~ ~~September 2020~~ ~~October 2020~~ December 2020	Previous update: The policy has been developed for approval. Further work delayed to deliver priority services for Covid-19 response. Policy to be approved by September 2020. Storage of data in within the information security policies and management of data is part of the GDPR training. Training to be made available by October 2020. *Internal Audit satisfied from review of the policy dated November 2019 that some of these elements have been included, however further work required to fully complete the recommendation.* Update: Policy requires approval and training has not yet been completed, due to conflicting priorities with Covid-19 and limited resources. A review will need to be carried out on appropriate virtual training as there are now limited staff dealing with card payments. *Due date revised.*

Recommendations: In progress

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
2018/19 – PCI/DSS Compliance				
18/19 PCS/DSS rec 2: a) Identify and clearly and fully document the Council's complete card payment environment b) Review the existing arrangements whereby different systems are used for payment processing and consider rationalising the card payment process c) Complete the annual Self-Assessment Questionnaire as a means of identifying gaps in the Council's requirements of PCI-DSS across the Council's three card payment channels and develop actions to address them d) Establish a timetable for the completion of the annual Self-Assessment Questionnaire.	Medium	Tim Huggins (ICT Manager)	~~September 2019~~ ~~June 2020~~ ~~September 2020~~ December 2020	Previous update: All elements complete except for completion of the annual self-assessment questionnaire (SAQ). The SAQ has been partially completed, further work delayed to deliver priority services for Covid-19 response. Update: All elements complete except for completion of the annual self-assessment questionnaire. The SAQ has been partially completed, further work delayed to deliver priority services for Covid-19 response. *Internal Audit satisfied from review of evidence provided that all elements complete except for annual self-assessment questionnaire, which the Council is now aiming to complete by December 2020.*
2018/19 – Workforce Strategy				
2018/19 Workforce Strategy rec 1: Where outcomes are monitored to confirm progress evidence should be retained to confirm that the outcome is on track or completed. This ensures that any potential slippage is discovered early and there is a greater chance of resolving issues in a timely manner. When formal reviews of the RAG spreadsheet are completed evidence should be checked and if missing, requested and retained on file to support the progress of these outcomes.	Medium	Jacqueline Van Mellaerts (Director of Corporate Resources)	~~February 2020~~ December 2020	Previous update: The Council decided to recruit a Senior HR Manager, and bring HR & Recruitment back in house. Although many actions have taken place, a formal review of the workforce strategy and supporting evidence has been delayed due to conflicting priorities during Covid-19 and onboarding of new positions. A review will take place later in the year as part of the recovery phase of Covid-19. Update: Same update as before. It was not envisaged the

Recommendations: In progress

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
				pandemic would continue to later in the year. *Due date was previously revised to December 2020.*
2019/20 – Trade Waste				
19/20 Trade Waste rec 1: a) Actively search and identify possible opportunities/events available to promote the trade waste service, ensuring that the market audience is understood prior to attending events to ensure they are aligned with the service's target market. b) Liaise with the business rates team to ensure that trade waste leaflets with fee information are distributed as part of the annual business rates information packs. c) Liaise with the food safety team to identify new businesses that may require trade waste services. d) Undertake cold-calling of local businesses in the borough to attract new customers.	Medium	Mike Dun (Trade Waste Officer)	a) ~~March 2020~~ March 2021 b) ~~October 2019~~ February 2020 Closed c) ~~October 2019~~ ~~February 2020~~ Closed d) ~~Ongoing~~ 31 March 2021	Update: a) Staff issues and the impact of Corona Virus have adversely affected progress. *This part of the recommendation remains open. Due date was previously revised to March 2021.* b) A leaflet was drawn up that promotes the services of the Business Waste Team and was delivered in March along with the NDR demand to all businesses in Brentwood. *This part of the recommendation has been closed by Internal Audit following receipt of the leaflet.* c) The Food Safety Team do refer to the waste services that the Council can offer. *This part of the recommendation has been closed by Internal Audit following confirmation received from the service.* d) Staff issues and the adverse impact of Corona Virus making this activity difficult at the moment. All efforts going on existing client base to protect it. *This part of the recommendation remains open. Due date was previously revised to March 2021.*

Recommendations: In progress

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
2019/20 – Housing Repairs and Maintenance				
19/20 Housing R&M rec 1: a) Variation Order and repairs approval limits should be formally documented, for example, within a Scheme of Delegation. b) Management should consider documenting any accepted exceptions to the authorisation limits, such as in respect of Technical Officer/Surveyor approvals of voids repairs. c) The Council should ensure that all Variation Orders are approved by the appropriate individual within the Rocc system, or where this is done outside of the system (e.g. via email), that this is formally documented, and a record kept on file of who approved the variation.	Medium	Nicola Marsh (Housing Manager)	a) ~~August 2020~~ December 2020 b) ~~July 2020~~ December 2020 c) ~~Sept 2020~~ December 2020	Update a) All officers completed financial user forms to provide an audit trail of approval limits. The form isn't set up for such so it has been amended, officers now have to recomplete the form. They have been asked to do this by the end of October due to staffing changes. b) Void baskets are still being reviewed but all jobs over an officers approval limit are now being signed off by someone with the relevant limit (such as the contracts manager). Loss of void surveyor and new one doesn't start until October. c) We are still awaiting final sign off of contract amendments but we are working under local agreements. Once Axis open their offices again we can get these formally signed by Axis. *Recommendation remains open. Due dates revised.*
2019/20 – Main Financial Systems				
19/20 MFS rec 5: The Council should seek annual confirmation from the shared service provider regarding the appropriateness of the users' access rights to the revenues and benefits system.	Medium	Craig Beadle	~~June 2020~~ November 2020	Update: Revenues Support services team are in the process of reviewing all the Civica users access. A review form which will be sent to all users of Civica open revenues in the coming weeks with a 2 week deadline. This review will be completed every year at October going forward. *Recommendation left open until the shared service can*

Recommendations: In progress

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
				evidence that this process has been completed.
2019/20 – Risk Management & Governance				
19/20 RMG rec 5: Management should seek commitment from departments that risk discussions will be included as standard agenda items in departmental or team meetings on at least a quarterly basis.	Medium	Jacqueline Van Mellaerts (Director of Corporate Resources)	June 2020	Update: Risk has been discussed regularly at Senior leadership team workshops and commitment has been expressed at Extended Leadership Team meetings. Evidence requires to be sought. *Recommendation left open until it can be evidenced.*

Recommendations: Closed in Quarter

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
2018/19 – Housing - Homelessness				
18/19 Housing Homelessness rec 1: a) Cases should only be accepted if the relevant Identity documentation is on file. If it is not the case officer should be informed and the appropriate documents sourced before approval. b) Document verification training should be given to all appropriate staff involved in the homelessness process, outlining key issues they should look for and how to record the verification check completed, whether documents are reviewed in person or through the portal. The Council should also review the need for document verification equipment to assist the staff in verifying the legitimacy of documents presented. This equipment could be used throughout the Council for other services, including pre-employment checks or housing applications. **c)** The full capability of the Locata system should be reviewed to enable target times to be set and completion dates to be recorded. This information should then be used for regular monitoring to ensure the Council are meeting their obligations in a timely manner and action is being taken to address any areas of poor performance.	High	Stuart Morris (Housing Options Manager)	~~December 2019~~ ~~February 2020~~ September 2020	Update: a) Cases are regularly reviewed by the Team Leader on a fortnightly basis to check appropriate documents are in place. At sign off stage, this is checked again by the authorising Manager. As a separate check all homeless applications must have a live housing application. At tenancy sign up then original documents will be checked and photographed to be added to the system. b) Training has previously been provided to staff but we are currently sourcing additional on-line training by 3rd party providers. Locata advised on the 14.9.20 that they have released an additional software package 'Trust.ID' which is currently being tested by a smaller number of other Housing Providers. The Council will continue to monitor progress of this software and consider purchasing the module once it has been fully tested. We have also tried to source other types of document verification equipment, however, enquiries through DWP/Housing Benefit have confirmed they do not use any document verification equipment. c) As part of the wider piece of utilising the Locata system more efficiently, we have agreed to purchase additional modules: • Review module – This module will allow the

Recommendations: Closed in Quarter

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
				Council to review every housing application on a yearly basis; • Upgraded website/document delivery system – Will allow applicants to upload specific documents to their application reducing officer time having to manually process and upload documents; • Autobidding All letters and PHPs are in the process of being updated on Locata. Process maps are being developed for all Housing Options Functions. *Recommendation closed by Internal Audit following receipt of evidence of information from Locata, training provided and purchase of additional Locata modules.*
18/19 Housing Homelessness rec 3: As part of transparency, the full list of KPIs for Housing management should be included as an appendix to committee papers, if only a summary position of items which have had significant movement are being reported on.	Medium	Stuart Morris (Housing Options Manager)	~~September 2019~~ ~~February 2020~~ September 2020	Previous Update: Officers have identified a number of KPIs that could be reported to committee. As part of the overall review of the Locata system, testing of the reporting capability of the system is required to determine whether the KPIs identified are achievable and where not, whether further enhancements can be made to the system. Update: Evidence provided. *Recommendation closed by Internal Audit following receipt of the KPI list that will be monitored.*

Recommendations: Closed in Quarter

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
2019/20 – Treasury Management				
19/20 Treasury rec 2: a) Formal evidence of approval should be retained for all loans taken out. b) When requesting approval of loans, the e-mail request should explicitly set out the key facts about each loan that demonstrates that it meets the requirements of the Treasury Management Strategy in terms of risks and affordability.	Medium	Alistair Greer (Principal Accountant Financial Reporting)	~~April 2020~~	Update: This is now done for each new loan. *Recommendation closed by Internal Audit following receipt of e-mail evidence of a loan proposal, with all terms clearly set out, approved by the deputy s151 officer.*
19/20 Treasury rec 3: a) Formal evidence of approval should be obtained prior to any investment being made, including rolled forward investments. b) When requesting approval of investments, the e-mail request should explicitly set out the key facts about each investment that demonstrates that it meets the requirements of the Treasury Management Strategy in terms of duration, amount, credit rating of institution and location of institution.	Medium	Alistair Greer (Principal Accountant Financial Reporting)	~~April 2020~~	Update: This is now done for each new investment. *Recommendation closed by Internal Audit following receipt of e-mail evidence of an investment proposal, with all terms clearly set out, approved by the deputy s151 officer.*
2019/20 – Main Financial Systems				
19/20 MFS rec 1: In the annual security check the Council should ensure that all users' access to the general ledger system has been independently reviewed and signed, all long inactive accounts are disabled where necessary, and access rights remain appropriate.	Medium	Alex Webber (Systems and Finance Officer)	~~June 2020~~	Update: All forms have now been completed. Any user who did not complete the form by 1st July 2020 was deactivated and asked to re-apply for access to the system if they need access in the future. *Recommendation closed by Internal Audit following receipt of e-mail correspondence with users regarding the annual security check.*

FOR MORE INFORMATION:

GREG RUBINS
Partner, Public Sector
greg.rubins@bdo.co.uk

JANINE COMBRINCK
Director / Public Sector Assurance
janine.combrinck@bdo.co.uk

www.bdo.co.uk

Committee: Audit and Scrutiny Committee	Date: 24 November 2020
Subject: Risk Management	Wards Affected:
Report of: Jacqueline Van Mellaerts, Director of Corporate Resources	Public
Report Author/s: Name: Sue White Telephone: 01277 312821 E-mail: sue.white@brentwood.gov.uk	For Information

Summary

The report updates members of the Audit & Scrutiny Committee on the status of the Council's 2019/20 Strategic Risk Register and high-level Operational Risks.

One new risk has been added to the Strategic Risk Register. One risk has increased and three risks have reduced. All other risk scores have remained the same.

Of the high-level operational risks, one score has increased and two transferred to the Strategic Risk Register. The other six risks scores have remained the same.

Recommendation(s)

Members are asked to:

R1. To note the Strategic Risk Register, as shown in Appendix A.

R2. To note the risk scores recorded for the high-level Operational Risks, as shown in Appendix B.

Main Report

Introduction and Background

1. The governance arrangements set out in the 'Insurance & Risk Management Strategy' and terms of reference of committees from our constitution require the Audit and Scrutiny Committee to review the strategic and operational risks every quarter.

2. The strategic and operational risk registers are monitored by Senior Leadership Team (SLT) and the Extended Leadership Team (ELT) previously known as Corporate Leadership Board (CLB) who consider the risks, the mitigations and agrees the content. It is the responsibility of the Audit & Scrutiny Committee to review the strategic risks and confirm they are confident that the risks associated within this register are those which are strategic and relevant to the organisation at this point in time and the considered future.

3. Work continue to embed Risk Management within the Council. It is important that all staff become involved in the risk management process and become aware of their responsibilities in identifying and managing risk. A Risk Management Fund of £5k was allocated within the insurance tender, which is deducted from the annual premium, for use on Risk Management improvements for the Council. £1,500 of the fund for 2020-2021 has been allocated for two training sessions for Housing and Corporate Officers to appreciate how inspection regimes fit into the key areas of risk evaluation and risk control and to consider the key areas and parameters of the overall inspection regime.

Issue, Options and Analysis of Options

Strategic Risks

4. In accordance with the Council's Insurance and Risk Management Strategy, risk owners have reviewed their risks and updated them. These were discussed and agreed by the Risk Working Group on Monday, 19 October.

5. Attached to this report at Appendix A is a summary showing the current status of each risk together with explanatory commentary on the key issues for each risk.

6. As a result of the current risk review one score has increased and three scores reduced. The remaining scores have remained unchanged.

7. The risk where the risk score has increased is as follows:

- Red Risk RSK10 – Roll out of Universal Credit (row No. 1) L4 x I4 = 16

The risk score has been increased for this particular risk due to an increase in arrears, which has seen an increase of £100k since the last report.

8. The risks where the risk scores have reduced are as follows:

- Red Risk RSK1 – Financial Pressures (row No. 2) L3 x I5 = 15

The risk score has reduced as the Council are on target to meet its Commercial Activity Income target within the Medium-Term Financial Strategy.

- Yellow Risk RSK3 – Disaster Recovery/Business Continuity (row No. 7) L2 x I4 = 8

The risk has been reduced due to the Council's positive reaction to the pandemic.

- Yellow Risk RSK6 – Commercial Activities (row No. 8) L2 x I4 = 8

The risk has been reduced due to positive progress with commercial activities. SAIL have now drawn down the balance of their £60m loan facility.

9. There has been one new risk added the Strategic Risk Register and one risk description amended.

- Yellow Risk RSK15 – Failure to deliver a clear Leisure Strategy (row No. 7) L3 x I4 = 12

This risk has been transferred from the Operational Risk Register.

- Yellow Risk RSK9 – Failure to deliver the Council's Strategic Development Plan (previously Failure to Spend Capital Receipts) (row No. 10)

This risk was amalgamated with Operational Risk H9 – Failure to manage new build schemes and the risk description updated.

Risk Matrix

10. The fourteen risks are plotted on the risk matrix in Table 1. The current assessment identifies that two risks are categorised as very high in the red area of the risk matrix.

Table 1 – Risk Matrix

Likelihood / Probability		Low (5)	Medium (10)	High (15)	V. High (20)	V. High (25)
	Definite					
	Very Likely	Low (4)	Medium (8)	High (12)	V. High (16) RSK10	V. High (20)
	Likely	Low (3)	Medium (6)	Medium (9)	High (12) RSK13; RSK11; RSK15	V. High (15) RSK1 RSK2
	Unlikely	Low (2)	Low (4) RSK8	Medium (6) RSK4	Medium (8) RSK3; RSK5, RSK6; RSK7 RSK9	High (10)
	Highly Unlikely	Low (1)	Low (2)	Low (3)	Medium (4)	Medium (5) RSK14
		Negligible	Minor	Moderate	Significant	Major
		Negative Impact / Severity				

Likelihood x Impact = Risk Score

No.	Risk	No.	Risk
1	Finance Pressures	8	Lack of strategic Direction
2	Local Development Plan	9	Failure to deliver Strategic Development Plan
3	Disaster Recover/Continuity Planning	10	Roll out of Universal Credit
4	Organisational Capacity	11	Failure to deliver key Corporate Projects
5	Information Management and Security	13	Brexit
6	Commercial Activities	14	Treasury Management
7	Contract/Partnership Failure	15	Failure to deliver a clear Leisure Strategy

Operational Risks

11. The operational risks have now been reviewed by the risk owners and updated and amended where necessary to reflect the actions being taken to manage the risks.

12. Attached to this report at Appendix B is the operational risk summary sheet showing the very high and high-level risks. The risk references are shown in brackets in the table below which match to Appendix B.

13. As shown in Appendix B, of the high-level operational risks, three scores have increased. One risk has been transferred to the Strategic Risk Register and one risk has been closed and amalgamated with Strategic Risk 9. The other five risks scores have remained the same from the last Committee in July.

14. The table below shows the total number of risks identified in operational risk registers across the Council.

Risk Group	No. of open risks on register	Very High Risk	High Risks	Medium Risks	Low Risks
Assets	6			5	1
Community Services	4			1	3
Corporate Services	3			3	
Environmental Health	5	1 (EH1)	1 (EH5)	2	1
Finance	11			5	6
Housing	11	1 (H8)	4 (H2, H3, H9, H13)	5	1
Legal	3				3
Parking	1			1	
Planning	6		1 (PL6)	4	1
Street Care	7	1 (SC7)	1 (SC6)	2	3

Reasons for Recommendation

15. Risk Management continues to be imbedded quarterly within the Senior Leadership Team reports, where Service Heads discuss the top-level risks for their service areas to ensure that the risks are updated to reflect the ongoing changes.

16. The Risk and Insurance Officer will continue to work with risk managers to maintain the good progress to date and further develop a consistent application of risk management considerations across all operations of the Council.

Consultation

17. None.

References to Corporate Strategy

18. Effective risk management arrangements will enable the Council to achieve its corporate priorities. The process will allow identification of risks and issues, enabling informed decision making to remove or reduce them, in order for the priorities to be achieved.

Implications

Financial Implications
Name/Title: Jacqueline Van Mellaerts, Director of Corporate Resources
Tel/Email: 01277 312500/jacqueline.vanmellaerts@brentwood.gov.uk

19. None arising specifically from this report, but control measures identified in risk registers could have financial or resource implications.

Legal Implications
Name & Title: Amanda Julian, Director of Law and Governance
Tel & Email: 01277 312500/Amanda.julian@brentwood.gov.uk

20. Effective risk management provides a means of identifying, managing and reducing the likelihood of legal claims or regulatory challenges against the Council.

Economic Implications
Name/Title: Phil Drane, Director of Planning & Economy
Tel/Email: 01277 312500/philip.drane@brentwood.gov.uk

21. Economic implications are contained within the report and identified in risk registers.

Background Papers
Insurance & Risk Management Strategy

Appendices to this report

Appendix A: Strategic Risk Register
Appendix B: Operational Risk Summary Sheet
Appendix C: Risk Ranking Table

BRENTWOOD BOROUGH COUNCIL STRATEGIC RISK REGISTER SUMMARY SHEET 2020-2021

Appendix A

Row No	Risk No	Risk Description	Existing Controls	Current Risk Rating Sep-20 *L	*I		Movement	Risk Response/Update on action required	Risk Owner
1	RSK10	Rollout of Universal Credit The direct payment of universal credit to claimants (previously Housing Benefit payments) may result in a reduction on the rent roll received, increasing the level of rent arrears.	Current tenants affected by Universal Credit are being monitored by Housing Officers regularly. Ability to refer externally/internally for budgeting advice. Updated income Management procedure to become more client based. Introduction of new Pre-Tenancy Service to instill a payment culture. Monthly rent arrears campaign to target high risk areas.	4	4	16	⇧	**COMMENT OCT 2020: At the beginning of March there were 220 applicants on UC and there are now 293, another 50+ cases pending assessment. HB accounts have reduced from 46% to 34% and the transitional period between HB fnishing and the new UC application will ordinarily cause more account to go into arrears. UC is now responsile for £328,047 arrears, which is an increase of approx £100k since the last report. The average debt for a UC claimant is £1,120, whereas the average debt for an account without welfare support of £700. Although rent collection for accounts without welfare support is continuing to reduce, the rate of collection is slowing and will potentially start to increase. Rent Sense continues to be useful as supervision and reporting tool but we believe that it will not yet be able to demonstrate its true potential until we can take further legal action. The pandemic has caused all Courts to close and new legal actions such as possession and hearing applications have ceased. In addition to this, all Notices have been extended from 28 days to 6 month and new heaings are not being listed until March 2021**.	Tracey Lilley
2	RSK1	Finance Pressures General Fund budget forecasts could fall below the Minimum Level of Reserves of £2.2m.	Medium Term Financial Strategic (MTFS) is undertaken on an annual basis, with monthly budget monitoring and half year reports to Committee. Budget Challenge meeting are in place for Senior Officers to review and challenge Budget Managers. A Funding Volatility Reserve has been created to specifically address the uncertainty of Government funding levels. Risk Assesment of Minium level of reserves is carried out yearly.	3	5	15	⇩	**COMMENT OCT 2020: In year position continues to be monitored, although the Council has made positive progress with its commercial activities, it is uncertain the Council may fall below minimum level of reserves within the next 3 years due to COVID-19 pressures. A report is due to be updated at the next PRED committee.**	Jacqueline Van Mellaerts
3	RSK2	Local Development Plan Failure of the Council to adopt a Plan in line with National Planning Policy Framework resulting in planning applications judged against NPPF 'in favour of sustainable development'	Meeting targets set out in the Local Plan timetable (Local Development Scheme, approved September 2019) Ongoing discussion with neighbouring Local Planning Authorities and key stakeholders (Duty to Cooperate). Partnership in Association of South Essex Local Authorities (ASELA) Preparation of Community Infrastructure Levy (CIL) Delivery of new garden village community, Dunton Hills Garden Village (DHGV) Retention of permanent staff and recruitment of temporary staff to meet short-term needs when required	3	5	15	⇔	**COMMENT OCT 2020: Topic papers and examination notes published in response to the Inspectors' initial questions. Examination process is progressing. Expected timeframes for hearing sessions is awaited for confirmation.**	Phil Drane
4	RSK13	Brexit Organisation is not equipped to handle the potential of any negative impacts on Brentwood following the decision to leave the EU 31st January	Brentwood are heavily involved with the Essex Resilience Forum (ERF) whose focus at the moment is planning to cope with a variety of scenarios. The ERF, is a multi agency approach, including as an example all Essex Authorities and the Police. The ERF has reviewed food, fuel and highways conditions in a range of scenarios and BBC officers are attending on a regular basis, briefing sessions and participate in exercises.	3	4	12	⇔	**COMMENT OCT 2020: Officers continue to monitor and work on risks and measures as information on the government's EU options become better known.**	Steve Summers

Row No	Risk No	Risk Description	Existing Controls	Current Risk Rating Sep-20 *L	*I		Movement	Risk Response/Update on action required	Risk Owner
5	RSK15	Failure to deliver a clear Leisure Strategy for the future of leisure facilities in Brentwood. Unable to Identify risk and liabilities for Brentwood Centre, Community Halls and Hartswood Golf Course, Play Areas and recommend options for the future	Leisure Strategy has been agreed by Members Feasibility/business plan in progress for King George's Playing Fields. Budget agreed for KGPF and 5year Play Area Improvement programme Workstream established for transition of Brentwood Centre to Council.	3	4	12	⇔	**COMMENT OCT 2020: Report to Ordinary Council on 7 October set out recommendations to cease support, delegate authority to negotiate exit strategy. Workstreams have been established to provide a smooth transition**	Steve Summers
6	RSK11	Failure to deliver key Corporate Projects There are a number of projects that are vital to supporting and delivering the vision for Brentwood. Failure to implement/deliver these projects will either mean a loss to the community or a loss of income.	PRED Committee appointed as Programme Board. Continued communication on all projects. Ownership of delivery of projects identified at all levels within the Council.	3	4	12	⇔	**COMMENT OCT 2020: Monthly monitoring of projects is undertaken by the Senior and Extended Leadership Teams. The risk score was increased previously and remains at this level due to the Covid-19 pandemic.**	Steve Summers
7	RSK3	Disaster Recovery/Business Continuity Failure to have in place adequate plans and procedures, understood, tested and reviewed, to react to a major incident leading to a breach of our statutory duties under the Civil Contingencies Act.	All services areas have up-to-date Business Continuity Plans in place. Support and ongoing embedding of Emergency Planning & Business Continuity Plans.	2	4	8	⇩	**COMMENT OCT 2020: Business continuity plans have been reviewed as part of the Council Business Recovery Plans. Recent reports taken to Committee show the Councils positive reaction to the current major Incident COVID-19**	Jacqueline Van Mellaerts
8	RSK6	Commerical Activities Commercial income target from the Joint Venture and other activities are not achieved	Experienced consultants have been engaged to adivse and assist in delivery. Appropriate governance arrangements have been set up. Progress reports to Committee. Robust business modeling and financial projections.	2	4	8	⇩	**COMMENT OCT 2020: SAIL has draw down the balance of their £60m loan facility, which ensures the Council is now on target to meet its Commercial Activitiy Income target within the Medium Term Financial Strategy.**	Jacqueline Van Mellaerts
9	RSK5	Information Management and Security Non-compliance with data protection legislation resulting in disclosure of personal information and/or inability to comply with individuals' legal rights.	Data Protection Policies Training 3rd party review of arrangements Interim Arrangements in place until new Monitoring Officer is in Post.	2	4	8	⇔	**COMMENT OCT 2020: Data Protection arrangements continue to be provided by a specialist external provider until a review and options can be recommenced and concluded.**	Amanda Julian
10	RSK7	Contract/Partnership Failure Key to delivering efficiency benefits and outcomes relating to contracts is the way in which they are delivered. Management of contract/partnership arrangements is vital to ensure that we reach and deliver the outcomes we need.	Service Level Agreements embedded within contract and penalties in place for non performance. Regular reporting on contract performance. Escalation and governance in place.	2	4	8	⇔	**COMMENT OCT 2020: Contracts are being reviewed to include all appropiate current legislation e.g. COVID-19 clauses**	Amanda Julian
11	RSK9	Failure to deliver the Council's Strategic Development Plan Failure to deliver the Council's Strategic Housing Development Plan (approved at E, E & H committee 13.10.20)	Monitoring by finance team. 7 year Affordable housing delivery programme approved at E,E & H committee 13.10.20). Maximising opportunities of right to 1st refusal buy back of former RTB properties Pursuing options of development on19 sites	2	4	8	⇔	**COMMENT OCT 2020: Barnston Way site is currently out to tender and progressing well. Brookfield Close is progressing well and due to submit a planning application for the site in December 20. 19 sites overall are currently being considered for re-development. The Strategic Housing delivery programme was approved at E, E & H Committee on the 13.10.20 which provides a 7 year delivery programme for new homes**	Tracey Lilley

Row No	Risk No	Risk Description	Existing Controls	Current Risk Rating Sep-20			Movement	Risk Response/Update on action required	Risk Owner
				*L	*I				
12	RSK4	Organisational Capacity Lack of capacity to effectively govern the organisation will result in delay in delivery of business objectives	Medium Term Financial Plan (MTFP) Communications Protocol & Strategy Workforce Strategy Regular meetings between senior members & officers. Review options for alternative service delivery models In house recruitment Establishment Control Team	2	3	6	⇔	**COMMENT OCT 2020: The Council is carrying a number of vacancies that have been difficult to recruit to. HR performance measures continue to be embeded and will improve upon implmetation of new payroll system in the new financial year.**	Jacqueline Van Mellaerts
13	RSK14	Treasury Management The Treasury Management function could fail, with increasing commercial activity.	Treasury Management (TM) Annual Review included in the Medium Term Financial Plan (MTFP) TM half yearly and Outturn Reviews as part of MTFP Strong TM due diligence with relevent officers Good relationship with TM advisors Borrowing Strategy Review underway	1	5	5	⇔	**COMMENT OCT 2020: Finance continue to liaise with our TM advisors Link services. This service area is well managed and monitored.**	Jacqueline Van Mellaerts
14	RSK8	Lack of Strategic Direction Without a clearly defined vision, the organisation is in danger of managing services only and losing the impact of much needed change supported by clear targets. If we do not follow a clear strategic path we will find ourselves falling behind and potentially failing residents	Corporate Strategy Training and Development for Officers and Members Code of Conduct. Consultation / surveys. Project and performance Management Framework.	2	2	4	⇔	**COMMENT OCT 2020: The Council has established Business recovery Plans, in line with the Corporate Strategy and response to the COVID-19 Pandemic.**	Steve Summers

* L = Likelihood Rating (1 = Low, 5 = Very High)
* I = Impact Rating (1 = Low, 5 = Very High)

 Maximum Score 5 x 5 = 25

This page is intentionally left blank

Operational Risks Summary Sheet

Update on High Level Risks

Risk Ref	Risk Description	Existing Controls	Current Risk Rating Oct-20			Movement	Risk Response/Update on action required
			*L	*I			
SC7 Street Care	Risk of unmaintained trees wholly or partly falling on persons/property and other infrastructure resulting in an increase in the likelihood of prosecution by HSE or claims against the Council,as well as reputational risk.	Woodland management plans that have been negotiated over the last 4 years have now been approved and are beginning to be implemented to manage woodland edge trees over a 10-year period. However, a risk remains for non-woodland trees such as all parks, country parks, Housing properties allotments, and commercial properties where we are landlord, for which there is no proactive system All tree works at present carried out are on a reactive basis.	4	5	20	⇧	**COMMENT OCT 2020:** Senior managment have agreed to employ a tree officer to undertake tree survey. Job description has been written and further review of this role is being undertaken by Planning who will jointly be funding the role and it will then be waiting for approval. The Impact Risk score has increased from L3 to L4 as there have been several events during the summer involving damage to property and death of a dog. Potential exists for a human fatality, with attendant Corporate Manslaughter charges.
EH1 Env. Health	Breach of Health & Safety Regulations from council activities caused by insufficient management of risk or activity controls to enable safe service delivery	• Review of current data systems for H&S compliance and Director level (GC) support requested to facilitate robust software systems to maintain compliance for Corporate and Housing. • All service areas have received training in risk assessment and health and safety management • New activities and events are supported and overseen to enable proportionate controls and measures to be put in place to reduce or eliminate the Council's exposure to the risks of service delivery. • Mobilisation group for Housing R&M contract established and being supported and monitored to enable success	3	5	15	⇔	**COMMENT OCT 2020:** Good progress is being made with Housing Compliance and addressing their risks factors. Regular meetings to review Housing Compliance take place and are providing confidence that this area is actively managing its risks in a proactive manner and continue to build with resources they need to become resilient and compliant. However, Corporate Compliance within Asset and Facilities Management does not have the adequate level of support or technical officers to manage the compliance risks and requires an urgent investment to significantly improve this position.

Appendix B

H8 Housing	Failure to manage assigned budgets effectively resulting in financial loss. Potential causes are: - poor contract management - poor monitoring of costs - lack of adequate cost approval controls - incorrect coding	• Repairs contract meetings • Budget holders trained in Collaborative Planning & Procurement • Accountant assigned to department • Regular CP/budget meetings	3	5	**15**	⇧	**COMMENT OCT 2020:** Budgets are monitored monthly and currently an overspend in repairs is anticipated due to the lack of planned works in the past 5 years and the implementation of new servicing regimes which are seeing a larger generation of works being highlighted.
SC6 Street Care	Risk of subsidence to private, commercial and borough owned properties due to water abstraction by Council owned trees, resulting in an increase in claims against the Council	All tree works at present carried out are on a reactive basis.	3	4	12	⇔	**COMMENT OCT 2020:** Senior managment have agreed to employ a tree officer to undertake tree survey. Job description has been written and further review of this role is being undertaken by Planning who will jointly be funding the role and it will then be waiting for approval. The Impact Risk score has remained the same at L3 as subsidence cases continue to be brought to the council which are difficult to contest without a risk strategy for areas of the borough.
PL6 Planning	Increased workload due to: - Increase in applications - Changes in legislation - Failure to have files sorted and uploaded - Loss of key staff - Difficulty recruiting to vacant positions	Keep up to date with legislation proposals and changes. Contribute to development of corporate staff retention programme. Ensure temporary staff resouce is in place in case of loss of staff and advertise for permanent replacement of vacant post	3	4	12	⇔	**COMMENT OCT 2020:** Several vacancies remain open as decision made not best time to recruit in current situation. Applications have reduced recently so havent felt impact yet.
EH5 Env. Health	Capacity of Environmental Health Pollution and Private Sector Housing Team insufficient to maintain adequate response to service requests.	Recruitment of staff to replace leavers within a reasonable time frame - currently post vacant since January 2019. Remaining staff have to cover workload until recruitment completed.	3	4	12	⇔	**COMMENT OCT 2020:** Environmental Health Technician is 'acting up' to cover one Environmental Health Officer role from January 2020 Two agency staff have been appointed wef 27/1/20 and 3/2/20 on three-month contracts, however the additional costs of agency contracts will not be sustainable over a long-term period. We are looking to readvertise two EHO/Technical Officer posts soon to try to replace the agency officers

COMS4 Community Services	Failure to deliver a clear Leisure Strategy for the future of leisure facilities in Brentwood. Unable to Identify risk and liabilities for Brentwood Centre, Community Halls and Hartswood Golf Course, Play Areas and recommend options for the future	Leisure Strategy has been agreed by Members Feasibility/business plan in progress for King George's Playing Fields. Agreement to extend the current agreement with BLT with break clause from June 2019 onwards. Budget agreed for KGPF and 5year Play Area Improvement programme	3	4	12	⇔	**COMMENT OCT 2020:** Report to Ordinary Council on 7 October set out recommendations to cease support, delegate authority to negotiate exit strategy. Workstreams have been established to provide a smooth transition.
H13 Housing	Failure to manage Drake House Fire Risk	Gerda box has been installed and all relevant documents to support the fire service placed in there. All communal areas have been cleared of bulky iems Dedicated project manager in place to ensure remedial works conducted	3	4	12	⇔	**COMMENT OCT 2020:** 2 guards on site every evening from 9pm to 6am and conducting hours walk around to check for fire risks. FRA works commenced in block anticipated to take 21 weeks. .
H2 Housing	Failure to comply with asbestos regulations resulting in possible death or serious illness from asbestosis, due to: - works undertaken without proper protection - incidental damage to structures where asbestos is present - incomplete asbestos register	Asbestos Management Surveys being undertaken in all void properties and Major works properties. All communal area Management surveys completed. Incidents notified as per regulations H&S asbestos Steering Group considers asbestos risk, management and reporting of incidents. Licensed asbestos removal company contracted. CUBE appointed to complete all surveys. All staff receive asbestos awareness training annually.	2	5	10	⇔	**COMMENT OCT 2020:** Contracts now live for new consultants and a large piece of work to remove licensed asbestos has already been successfully undertaken. New programme of inspection implemented to be completed within 12 months.
H9 Housing	Failure to manage new build schemes and the supply of new housing resulting in resident dissatisfaction and financial loss.	Contract Management meetings in place. Resident liaison in place.			0	Closed	**COMMENT OCT 2020:** This risk is to be amalgamated with strategic risk 9, Failure to Spend Capital Receipts, and the risk description updated to 'Failure to deliver the Council's Strategic Development Plan'.

This page is intentionally left blank

Risk Ranking Table

Brentwood Council has introduced a best practice five stage approach to Risk Management.

Likelihood		Negligible (1)	Minor (2)	Moderate (3)	Significant (4)	Major (5)
(5)	Definite/very high	Low (5)	Medium (10)	High (15)	Very High (20)	Very High (25)
(4)	Very likely	Low (4)	Medium (8)	High (12)	Very High (16)	Very High (20)
(3)	Likely	Low (3)	Medium (6)	Medium (9)	High (12)	Very High (15)
(2)	Unlikely	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
(1)	Highly unlikely	Low (1)	Low (2)	Low (3)	Medium (4)	Medium (5)

Impact

Likelihood x Impact = Risk Score

Level of Risk	Level of Concern	Recommended review pattern
Very High 15-25	Very concerned	1-2 months
High Risk 10-15	Concerned	2-3 months
Medium Risk 4-10	Quite Concerned Risk can be tolerated at this time	3-4 months
Low Risk 1-5	Not concerned Risk accepted at this time	4-6 months

Score	Likelihood	Description
1	Highly Unlikely/ rarely happens	5% likely to happen or hasn't happened within the last 5 years
2	Unlikely/moderate	20% likely to happen or has happened once or twice in the last 5 years
3	Likely/possible	50% likely to happen or has happened once or twice in the last 24 months
4	Very likely/high	75% likely to happen or has happened at least once or twice in the last 12 months
5	Definite/very high	99% likely to happen or has happened on a regular basis over the last 12 months

Score	Impact	Effect on Service	Financial & Resources	Reputation	Legal	People	Effect on project objectives
1	Negligible	• Small impact on customer service which may result in complaints • Nuisance	• Small financial loss; less than £10K • Negligible property damage	No adverse effect on perception	No legal implication	No injury	• Minimal impact to project • Minor slippage
2	Minor	• Small setback • Disruptive impact on service • Localised disgruntlement	• Noticeable financial loss; £10-£100K • Slight damage to one property	Minimal effect to perception (e.g. minor criticism of the Council)	Breach of statutory process, duty or law resulting in possibility of legal action	Minor Injury	• Adverse effect to project. • Slippage requires review finances / short term programme
3	Moderate	• Widespread disgruntlement • Disrupted service delivery from one service area for up to 3 days • Can handle but with difficulty	• Moderate financial loss £100-300K • Inability to deliver popular policies due to budgetary constrictions • Substantial damage to one part of a building	Negative effect on perception, e.g. • Criticism of the council • Local bad press	Breach of major statutory duty or law resulting in probably legal action	RIDDOR (Reporting of Injuries, Diseases & Dangerous Occurrences Regulations (1995) Reportable major injury to an individual	• Important impact on project or most of expected benefits. • Considerable slippage • Possible impact on overall finances / programme
4	Significant	• Intervention in a key service • Disruption to service delivery for one or more service areas for 3-5 days • Failure of an operational partnership	• Sizeable financial loss up to 50% of budget or between £300K-1M • Extensive damage to a critical building or considerable damage to several properties from one source	• Criticism of key process • Large scandal • High level of complaints at corporate level across several service areas • Adverse national media coverage	Breach of law resulting in legal action against the Council which would be difficult to defend	Reportable major injuries to several people or death of an individual	• Extreme delay

Score	Impact	Effect of Service	Financial & Resources	Reputation	Legal	People	Effect on project objectives
5	Major	• Complete breakdown in service delivery with severe, prolonged impact on customer service affecting the whole organisation • Failure of a strategic partnership	• A substantial failure in accountability or integrity • A large financial loss over 50% of budget or greater than £1M • Total loss of a critical building	• A vote of no confidence in one service area • Officer(s) &/or Members forced to resign &/or Audit Commission enquiry • Substantial adverse & persistent national media coverage	Breach of law resulting in legal action against the Council which would be very difficult / impossible to defend	Death of several people	• Complete failure of project

This page is intentionally left blank

Committee: Audit and Scrutiny Committee	Date: 24 November 2020
Subject: Insurance & Risk Management Strategy	Wards Affected:
Report of: Jacqueline Van Mellaerts, Director of Corporate Resources	Public
Report Author/s: Name: Sue White Telephone: 01277 312821 E-mail: sue.white@brentwood.gov.uk	For Information

Summary

The report updates members of the Audit & Scrutiny Committee with a revised Insurance & Risk Management Strategy and is attached in Appendix A.

The following changes have been updated:

- Insurance Framework (pages 4, 5 & 6)
- Risk Management Framework (page 8)
- Roles and Responsibilities (pages 10 & 11)
- Risk Tolerance (page 16)
- Monitoring arrangements for Key Risks (pages 16 & 17)

Recommendation(s)

Members are asked to:

R1. To approve and adopt the revised Insurance & Risk Management Strategy 2020, as shown in Appendix A.

Main Report

Introduction and Background

1. The Council's priority is to deliver excellent, customer focused, cost effective services by ensuring that the Council's Risk Management framework is in place and operating effectively. The Council's corporate insurance arrangements form part of the overall risk management approach.

2. This strategy outlines the Council's overall approach to risk retention and transfer including the procurement of corporate insurance cover through relevant policies of insurance to protect against loss or damage to the Council's assets and potential liabilities.

Risk

3. Risk is defined in this context as something that might have an impact on achieving the Council's objectives and its delivery of services to the community.

Risk Management can be defined as "***the culture, processes and structures that are directed towards effective management of potential opportunities and threats to the organisation achieving its objectives".***

We use the risk management process to identify, evaluate and control risks. Risk management need not mean risk avoidance and may involve taking steps to reduce risk to an acceptable level or transfer risk to a third party. The Council recognises that it has to deliver services in an increasingly litigious and risk-averse society. The Council will therefore use risk management to promote innovation in support of the Corporate Plan.

Insurance

4. Insurance is a mechanism for transferring risks to another (the insurer) for a consideration (premium). The broad principal of insurance is that the premiums collected from many policyholders pays for the claims of a few, whilst still allowing the insurer to meet their overheads, pay dividends to shareholders, purchase re-insurance to protect themselves against catastrophic losses and to build up their reserves. The Council is not required by law to purchase insurance to cover its risks, except as set out in the next paragraph.

Under the Local Government Act 1972 it is required to have Fidelity Guarantee Insurance.   This protects the Council in the event of a financial loss arising out of the fraud or dishonesty by its employees. The Council also purchases insurance and inspection services where there are other statutory requirements, for example the need, under the various Health and Safety Acts, to have boilers and lifts inspected by an independent and competent person.

With the expiry of the long-term agreement with Zurich Municipal and Chubb in March 2020 a tender exercise was undertaken. All policies were awarded to Zurich Municipal on a package basis which resulted in a saving of £200k.

Issue, Options and Analysis of Options

Insurance & Risk Management Strategy

5. A review of the Insurance and Risk Management Strategy has been carried out and is attached at Appendix A. The following changes have been made:

   - Insurance Framework (pages 4, 5 & 6)
     These have been amended to reflect the outcome of the tender exercise carried out following the expiry of the long-term agreement (LTA) in March 2020.

   - Risk Management Framework (pages 8), Roles & Responsibilities (page10 & 11), Risk Tolerance (page 16) and Monitoring arrangements for key risks (page 16-17)
     These have been amended to reflect the changes to Senior Management

Reasons for Recommendation

6. Risk Management continues to be imbedded quarterly within the Senior Leadership Team reports, where Service Heads discuss the top-level risks for their service areas to ensure that the risks are updated to reflect the ongoing changes.

7. The Risk and Insurance Officer will continue to work with risk managers to maintain the good progress to date and further develop a consistent application of risk management considerations across all operations of the Council.

Consultation

8. None.

References to Corporate Strategy

9. Effective risk management arrangements will enable the Council to achieve its corporate priorities. The process will allow identification of risks and issues, enabling informed decision making to remove or reduce them, in order for the priorities to be achieved.

Implications

Financial Implications
Name/Title: Jacqueline Van Mellaerts, Director of Corporate Resources
Tel/Email: 01277 312500/jacqueline.vanmellaerts@brentwood.gov.uk

10. None arising specifically from this report, but control measures identified in risk registers could have financial or resource implications.

Legal Implications
Name & Title: Amanda Julian, Director of Law and Governance
Tel & Email: 01277 312500/Amanda.julian@brentwood.gov.uk

11. Effective risk management provides a means of identifying, managing and reducing the likelihood of legal claims or regulatory challenges against the Council.

Economic Implications
Name/Title: Phil Drane, Director of Planning & Economy
Tel/Email: 01277 312500/philip.drane@brentwood.gov.uk

12. Economic implications are contained within the report and identified in risk registers.

Background Papers
Insurance & Risk Management Strategy

Appendices to this report

Appendix A: Insurance & Risk Management Strategy 2020

BRENTWOOD BOROUGH COUNCIL

BRENTWOOD BOROUGH COUNCIL

INSURANCE AND RISK MANAGEMENT STRATEGY

Version 4.0

November 2020

Contents

Key Information

This document is to be reviewed every two years by Brentwood Borough Council's Risk & Insurance Officer

Author:	Sue White
Section / Directorate:	Finance
Strategy Approval – Officer Level:	Jacqueline Van Mellaerts
Strategy Approval – Member Level:	Audit & Scrutiny Committee
Strategy Published Date:	
Strategy Review Date:	

1. Policy Statement

Brentwood Borough Council is committed to the effective management of risk. The Council's employees, partners, stakeholders, residents, assets and ability to deliver its objectives and services are constantly affected by risk. The Council recognises that risk can be both positive and negative. The Council accepts its legal, moral and fiduciary duties in taking informed decisions about how best to control and minimise the downside of risk, whilst still maximising opportunity and benefiting from positive risks. The Council will ensure that Members and staff understand their responsibility to identify risks and their possible consequences.

2. Introduction

The Council's priority is to deliver excellent, customer focused, cost effective services by ensuring that the Council's Risk Management framework is in place and operating effectively. The Council's corporate insurance arrangements form part of the overall risk management approach.

This strategy outlines the Council's overall approach to risk retention and transfer including the procurement of corporate insurance cover through relevant policies of insurance to protect against loss or damage to the Council's assets and potential liabilities.

Risk

Risk is defined in this context as something that might have an impact on achieving the Council's objectives and its delivery of services to the community.

Risk Management can be defined as *"the culture, processes and structures that are directed towards effective management of potential opportunities and threats to the organisation achieving its objectives"*.

We use the risk management process to identify, evaluate and control risks. Risk management need not mean risk avoidance and may involve taking steps to reduce risk to an acceptable level or transfer risk to a third party. The Council recognises that it has to deliver services in an increasingly litigious and risk-averse society. The Council will therefore use risk management to promote innovation in support of the Corporate Plan.

Insurance

Insurance is a mechanism for transferring risks to another (the insurer) for a consideration (premium). The broad principal of insurance is that the premiums collected from many policyholders pays for the claims of a few, whilst still allowing the insurer to meet their overheads, pay dividends to shareholders, purchase re-insurance to protect themselves against catastrophic losses and to build up their reserves. The Council is not required by law to purchase insurance to cover its risks, except as set out in the next paragraph.

Under the Local Government Act 1972 it is required to have Fidelity Guarantee Insurance.   This protects the Council in the event of a financial loss arising out of the fraud or dishonesty by its employees. The Council also purchases insurance and inspection services where there are other statutory requirements, for example the need, under the various Health and Safety Acts, to have boilers and lifts inspected by an independent and competent person.

3. Aims and Objectives

Aim

The aim of this Strategy is to improve the Council's ability to deliver a systematic and structured approach to identifying and managing risks across the Council. To ensure that appropriate insurance arrangements are in place to protect the Council against loss or damage to the assets and potential liabilities and to obtain the broadest cover at the best terms available.

Objectives

The objectives of this Strategy are:-

- Integrate and raise awareness of risk management for all those connected with the delivery of Council services

- To provide a robust and systematic framework for identifying, managing and responding to risk

- Anticipate and respond to changing social, environmental and legislative requirements.

- Enhance the attractiveness of the Council's risk profile to underwriters.

- Comply with any statutory requirements to have in place particular policies of insurance and associated inspection systems.

- Minimise potential claims and consequently reduce the cost of insurances

- Reduce the cost of external premium spend and to consider self-funding for low level claims

- Protect the Council's assets (people and property).

- Protect the reputation of the Council.

These objectives will be achieved by:

- Establishing clear roles, responsibilities and reporting lines within the Council for identifying and managing risk.

- Embedding risk management into the Council's decision-making process, service delivery, project management and partnership working.

- Providing opportunities for training and shared learning on insurance and risk management across the Council.

- Maintaining documented procedures for the control of risk and the provision of suitable information, training and supervision.

- Maintaining an appropriate incident reporting and recording system, (with investigation procedures to establish cause and prevent recurrence) to provide opportunities for improved risk management across the Council.

- Ensuring robust Business Continuity arrangements are in place.

- Robust claims handling arrangements and insurance fraud detection.

- Maintaining claims handling protocols that are in line with statutory requirements.

4. Insurance Framework

With the expiry of the long-term agreement (LTA) with Zurich Municipal and Chubb in March 2020, a tender exercise was undertaken. This was procured in accordance with external regulatory requirements applying at the time (e.g. OJEU procedures) and the Council's Financial Regulations

The Council ensured compliance with OJEU procedures by using a framework set up by Yorkshire Purchasing Organisation to appoint a Broker. This was necessary because, with the exception of Zurich Municipal, the insurance industry transacts all its business through Insurance Brokers. Then, assisted by the Broker, the Council ran a competitive tender inviting all suppliers on the framework to submit. The Broker gave advice and information on insurance cover, assisted in the preparation of tender documentation and the evaluation of tenders and quotations.

The new contract is for a five-year period with an option to extend the contract for a further two years should it be identified that this provides best value for the Council.

All policies were awarded to Zurich Municipal on a package basis, which resulted in a saving of £200K.

Premiums will be charged to service revenue budgets annually and will be based on exposure to risk (e.g. sum insured).

Liability claims will be managed in accordance with the Civil Procedures Rules with strict adherence to the protocol timetable. The Insurance Officer will lead on all investigations and provide the liaison between employees, solicitors and insurers.

Analysis of claims will lead to risk improvements in the areas of training, security and systems of work.

The Annual Review Process

The annual review process requires the Council to provide the Insurer with information on changes to sums to be insured for the following insurance year, which runs from 1 April to 31 March. These sums include information on the value of the Council's property estate, computer equipment, vehicles, etc. On receipt of this information and the Council's claims history over the year, the Insurer will then assess the Council's risk profile and present a report detailing proposed premiums for the following insurance year categorised by policy type.

On receipt of this report the Council reviews the figures for accuracy and assesses whether the report is a fair representation of the Council's risk profile based on claims experience. A meeting is then convened between the Council and the Insurer to discuss the report.

Thereafter, should an agreement be reached the contractual relationship between the Council and the Insurer will continue until the next annual review.

5. Risk Management Framework

Risk Management is a central part of the Council's strategic management. It is the process by which risks are identified, evaluated and controlled.

The risk management process will add value to the Council's decision-making process and is key to the organisation's strategic development, playing a fundamental role in reducing the possibility of failure and increase the Council's successes.

In broad terms risks are split into three categories:

* Strategic – those risks relating to the long term goals of the Council
* Operational – risks related to the day-to-day operation of each individual service
* Project – consideration of the risks occurring as a result of the Council's involvement in specific initiatives

The Strategic Register is owned by the Senior Leadership Team, with ownership for risks being assigned to individual officers and Operational Registers are maintained by the relevant Department and reported to the Senior Leadership Team.

The Council is committed to establishing a systematic and consistent approach to risk identification, analysis, control, monitoring and review and consists of five stages:-

- Identify Risks – this involves the identification of risks, describing and recording them.

- Evaluate Risks – the identified risks are each assessed in terms of their likelihood and potential impact and determined against a profiling matrix.

- Manage Risks – this involves the identification and implementation of control measures to mitigate the impact risk, the cost effectiveness of implementing these measures and the estimation and evaluation of residual risk. There are four basic ways of treating risk, which are:-

Avoid	Stop undertaking the activity which gives rise to that risk
Reduce	Control the risk and take action to reduce either likelihood of a risk occurring and/or the consequences if it does occur
Retain	Accept the risk exposure as part of the risk appetite
Transfer	Involves another party bearing or sharing the risk i.e. via insurance

- Report – progress in managing risks should be monitored and reported to ensure actions are carried out.

- Review – review the effectiveness of the control and to inform decision making.

6. Roles and Responsibilities

Everyone in the Council is involved in risk management and should be aware of their responsibilities in identifying and managing risk. However, the ultimate responsibility for managing risk lies with:

- Members of the Regulatory & Governance Committee (or Equivalent)
 Senior Leadership Team Extended Leadership Team
To ensure the successful implementation of this policy, responsibilities for risk management are detailed below:

Members of the Regulatory & Governance Committee (or Equivalent)
- Approve the Council's Insurance and Risk Management Strategy
- To ensure that strategic risks are being actively managed and report any concerns to full Council

- Senior Leadership Team (SLT)Be responsible for and monitor the Strategic Risk Register and high level Operational Risks
- Ensure risk management is considered by SLT on a monthly basis
- Assign a responsible officer to each significant strategic risk

- Extended Leadership Team (ELT) Ensure the Council implements and manages risk effectively through the delivery of the Insurance and Risk Management Strategy and consider risks affecting delivery of service.
- Be responsible for and monitor the Operational Risk Register
- Assign a responsible officer to each significant operational risk.
- Receive and approve updates on the management action plan and on any new significant emerging risks.
- Support the embedding of risk management within the culture of the Council.

- Director of Resources Ensure risk forms part of the overall performance management framework
- Contribute to the formulation and future development of the overall Insurance and Risk Management Strategy
- Provide updates to SLT and Members on significant risks identified and emerging from the risk register and other sources.

Departmental Managers
- Take responsibility for the promotion of the Insurance & Risk Management Strategy within their area.
- Ensure awareness of risk culture is embedded across their respective departments and services.
- Ensure that operational risk registers are managed, monitored, responded to and communicated effectively in their areas and reported to SLT.
- Identify resources to address the highest priority risks and make requests to SLT for funds to avoid, transfer or reduce risk.

Team Managers
- Identify, evaluate and control risks facing the Council in achieving its objectives
- Include staff without direct responsibility for owning and managing risk in quarterly risk discussions to ensure teams identify potential risks associated with service delivery as necessary.

Employees
- To ensure they are aware of the risks on the risk register for their service area and have contributed to the identification of potential risks they are aware of.

Internal Audit
- Maintain an independent role in line with guidance from the Institute of Internal Auditors and others and ensure compliance with the Public Sector Internal Audit Standards
- Ensuring that internal controls are robust and operating correctly

7. Risk Analysis

Once risks have been identified they need to be assessed systematically and accurately. The process requires managers to assess the level of risk by considering:

The probability of an event occurring – 'likelihood' and the potential outcome of the consequences should such an event occur – 'impact'. Managers will assess each element of the judgement and determine the score. The table below gives the scores and indicative definitions for each element of the risk ranking process:-

Score	Likelihood	Description
1	Highly Unlikely/ rarely happens	5% likely to happen or hasn't happened within the last 5 years
2	Unlikely/moderate	20% likely to happen or has happened once or twice in the last 5 years
3	Likely/possible	50% likely to happen or has happened once or twice in the last 24 months
4	Very likely/high	75% likely to happen or has happened at least once or twice in the last 12 months
5	Definite/very high	99% likely to happen or has happened on a regular basis over the last 12 months

Score	Impact	Effect on Service	Financial & Resources	Reputation	Legal	People	Effect on project objectives
1	Negligible	• Small impact on customer service which may result in complaints • Nuisance	• Small financial loss; less than £10K • Negligible property damage	No adverse effect on perception	No legal implication	No injury	• Minimal impact to project • Minor slippage
2	Minor	• Small setback • Disruptive impact on service • Localised disgruntlement	• Noticeable financial loss; £10-100K • Slight damage to one property	Minimal effect to perception (e.g. minor criticism of the Council)	Breach of statutory process, duty or law resulting in possibility of legal action	Minor Injury	• Adverse effect to project. • Slippage requires review finances / short term programme
3	Moderate	• Widespread disgruntlement • Disrupted service delivery from one service area for up to 3 days • Can handle but with difficulty	• Moderate financial loss £100-300K • Inability to deliver popular policies due to budgetary constrictions • Substantial damage to one part of a building	Negative effect on perception, e.g. • Criticism of the council • Local bad press	Breach of major statutory duty or law resulting in probably legal action	RIDDOR (Reporting of Injuries, Diseases & Dangerous Occurrences Regulations (1995) Reportable major injury to an individual	• Important impact on project or most of expected benefits. • Considerable slippage • Possible impact on overall finances / programme
4	Significant	• Intervention in a key service • Disruption to service delivery for one or more service areas for 3-5 days • Failure of an operational partnership	• Sizeable financial loss up to 50% of budget or between £300K-1M • Extensive damage to a critical building or considerable damage to several properties from one source	• Criticism of key process • Large scandal • High level of complaints at corporate level across several service areas • Adverse national media coverage	Breach of law resulting in legal action against the Council which would be difficult to defend	Reportable major injuries to several people or death of an individual	• Extreme delay

Score	Impact	Effect of Service	Financial & Resources	Reputation	Legal	People	Effect on project objectives
5	Major	• Complete breakdown in service delivery with severe, prolonged impact on customer service affecting the whole organisation • Failure of a strategic partnership	• A substantial failure in accountability or integrity • A large financial loss over 50% of budget or greater than £1M • Total loss of a critical building	• A vote of no confidence in one service area • Officer(s) &/or Members forced to resign &/or Audit Commission enquiry • Substantial adverse & persistent national media coverage	Breach of law resulting in legal action against the Council which would be very difficult / impossible to defend	Death of several people	• Complete failure of project

The risk ratings for each part of the assessment are then combined to give an overall ranking for each risk. The ratings can be plotted onto the risk matrix, see below, which assists in determining the risk priority.

8. Risk Ranking Table

Brentwood Council has introduced a best practice five stage approach to Risk Management.

Likelihood		Negligible (1)	Minor (2)	Moderate (3)	Significant (4)	Major (5)
(5)	Definite/very high	Low	Medium	High	Very High	Very High
(4)	Very likely	Low	Medium	High	Very High	Very High
(3)	Likely	Low	Medium	Medium	High	Very High
(2)	Unlikely	Low	Low	Medium	Medium	High
(1)	Highly unlikely	Low	Low	Low	Medium	Medium

Impact

Likelihood x Impact = Risk Score

Risk tolerance			
Level of Risk	Level of Concern	Recommended review pattern	Action required
Very High 15-25	Very concerned	1-2 months	These are critical risks requiring immediate attention. This will mean that strategies need to be developed to reduce or eliminate the risk.
High Risk 10-15	Concerned	2-3 months	These risks are significant. Consideration should be given to the development of strategies to reduce or eliminate the risks.
Medium Risk 4-10	Quite Concerned Risk can be tolerated at this time	3-4 months	These risks are less significant but may cause upset and inconvenience in the short term. These risks should be monitored to ensure they are being appropriately managed and they do not escalate to a higher category of risk.
Low Risk 1-5	Not concerned Risk accepted at this time	4-6 months	These risks are both unlikely to occur and not significant in their impact. They require minimal monitoring and control unless subsequent risk assessments show subsequent change, prompting a move to another risk category.

9. Risk Appetite

Risk appetite is the level of risk the Council are prepared to tolerate or accept in the pursuit of its strategic objectives. The Council's aim is to consider all options to respond to risk appropriately and make informed decisions that are most likely to result in successful delivery, while also providing an acceptable level of value for money. The acceptance of risk is subject to ensuring that all potential benefits and risks are fully understood and that appropriate measures to mitigate risk are established before decisions are made.

Methods of controlling risks must be balanced in order to support innovation and the imaginative use of resources when it is to achieve substantial benefit. In addition, the Council may accept some high risks because of the cost of controlling them. The Council will not accept and will therefore seek to control all risks which have the potential to:

- Jeopardise significantly the Council's ability to carry out its normal operational activities

- Have severe financial consequences which could jeopardise the Council's viability

- Have a damaging impact on our reputation

- Lead to breaches of law and regulations

- Cause significant harm to staff, visitors, contractors and other stakeholders

10. Risk Tolerance

The Council has determined that some risks are acceptable / tolerable. This is in line with the stated risk appetite and is reflected in the green area of the risk heat map. All risks within a rating of 5 or less are deemed to be acceptable or tolerable. Some risks with a rating higher than 5 may also be accepted/tolerated. This would most probably be because of the potential benefit of taking the risk or the cost of controlling the risk. Acceptance or tolerance of any risk with a rating higher than 5 must be approved by the Senior Leadership Team

11. Monitoring arrangements for Key Risks

The reason for monitoring key risks is to create an early warning system for any movement in risk. It will also ensure our treatment of risk remains effective and the benefits of implementing risk control measures outweigh the costs of doing so.

The Insurance and Risk Management Strategy requires risks recorded on the Strategic Risk Register and Operational Risk Registers to be monitored in line with the recommendations set out on page 11 above.

The management of any very high and high risks will be monitored and reported to the Senior Leadership Team.

Monitoring reports are presented for approval to the Senior Leadership Team prior to final ratification by the Regulatory & Governance Committee.

The questions asked during monitoring are:-

- Is the risk still relevant?
- Is there any movement in the risk score?
- Are there controls still in place and operating effectively?
- Has anything occurred which might change its impact and/or likelihood?
- Have any significant control failures or weaknesses occurred since the last monitoring exercise?
- If so, does this indicate whether the risk is increasing or decreasing?
- If the risk is increasing do I need to devise more controls or think of other ways of mitigating the risk?
- If the risk is decreasing can I relax some existing controls?
- Are controls/actions built into appropriate documented action plans?
- Are there any new or emerging risks?
- Have any of the existing risks ceased to be an issue (and can therefore be archived)?

Committee(s): Audit & Scrutiny Committee	**Date:** 24 November 2020
Subject: Formal Complaints & Performance Indicator Working Group	**Wards Affected:** All
Report of: Steve Summers, Chief Operating Officer	**Public**
Report Author: Name: Sarah Bennett, Executive Support Manager Telephone: 01277 312500 E-mail: sarah.bennett@brentwood.gov.uk	**For** Decision

Summary

This report submits the report and recommendations of the Formal Complaints and Performance Indicators Working Group for consideration by the Audit & Scrutiny Committee.

Recommendation(s)

Members are asked to:

R1. To note the Formal Complaints and Performance Indicators Working Group report, as attached at Appendix A, and agree the recommendations contained within it

Main Report

Introduction and Background

1. The Committees Terms of Reference include responsibility for the monitoring of Council service performance including Performance Indicators and Formal Complaints.

Reasons for Recommendation

2. To ensure the Council provides quality customer services.

References to Corporate Plan

3. The priority of 'Delivering an efficient and effective council' includes the delivery of quality customer services. An effective scrutiny function of customer complaints and service performance is an essential element of that priority.

Implications

Financial Implications
Name/Title: Jacqueline Van Mellaerts, Director of Corporate Resources
Tel/Email: 01277 312829/jacqueline.vanmellaerts@brentwood.gov.uk

There are no direct financial implications from this report .

Legal Implications
Name & Title: Amanda Julian, Head of Legal Service and Monitoring Officer
Tel & Email: 01277 312705/paula.harvey@brentwood.gov.uk

There are no direct legal implications from this report.

Economic Implications
Name/Title: Phil Drane, Director of Strategic Planning
Tel/Email: 01277 312610/philip.drane@brentwood.gov.uk

No economic implications.

Other Implications (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

Background Papers

None

Appendices to this report

Appendix A – Formal Complaints and Performance Indicator Working Group Report

Date: 24 November 2020

Audit & Scrutiny Committee

Performance Indicators and Formal Complaints Working Group Report

Working Group Members
Cllr Nolan

Cllr Dr Barrett

Cllr Hirst

Cllr Naylor

Cllr Tanner

Supporting Officers
Steve Summers – Chief Operating Officer

Sarah Bennett – Executive Support Manager

Scope

The scope of the Performance Indicators and Formal Complaints Working Group is set out below:

1. To monitor and consider the Council's service Performance Indicators.

2. To consider in detail Formal Complaints received by the Council.

3. To consider how Performance Indicators and Formal Complaints are reported to the Audit & Scrutiny Committee

4. To make recommendations to the appropriate Audit & Scrutiny Committee.

Meeting Date
8th September 2020

Attached as Addendum 1 are the notes of the meeting.

Terms of Reference

The Working Groups Terms of Reference are attached at Addendum 2

1. Report Recommendations

The report recommendations are set out in full below.
.
R.1 That the working group continue to monitor the outcomes of the Formal Complaints for Q2 2020/21.

R.2 That the working group continue to monitor the outcomes of the Performance Indicators for Q2 2020/21.

2. Introduction

2.1 The council operates a two stage complaints process for customers to take issue with any perceived failure to provide a service, failure to respond to requests or failure to adhere to standards on the part of the council and its officers.

2.2 The council uses a variety of performance indicators to monitor how well services are performing in meeting the needs of service users. The council has set of key indicators of performance, the "toplines". The toplines include a variety of indicators that relate to the delivery of the council's priorities.

2.3 The toplines measure performance across a range of council activity including: planning, housing, streetscene and revenue and benefits.

3. Explanation of Recommendations

Recommendation 1 That the working group continue to monitor the outcomes of the Formal Complaints for Q2 2020/21.
Explanation This is to continue to be monitored formal complaints quarterly to identify common themes, trends or concerns.
Recommendation 2 That the working group continue to monitor the outcomes of the Performance Indicators for Q2 2020/21.
Explanation To monitor associated annual or quarterly trends and identify areas of performance concern.

Page 96

Performance Indicators and Formal Complaints Working Group
Minutes of Meeting 8th September 2020 18:00
Virtual via Microsoft Teams

Present:	Cllr Charles Nolan (CN), Cllr Roger Hirst (RH), Cllr Sandy Tanner (ST), Cllr D Naylor (DN), Cllr Dr T Barrett (TB)
Also present:	Steve Summers (SS) – Chief Operating Officer
	Jacqueline Van Mellaerts (JVM) – Director of Corporate Resources
	Tracey Lilley (TL) –Director of Housing and Enforcement
	Phil Drane (PD) – Director of Planning
	Greg Campbell (GC) _ Director of Environment
	Amanda Julian (AJ) – Director of Law and Governance
	Sarah Bennett (SB) – Executive Support Manager
	Angela Abbott (AA) – Housing Services Manager

1. **Welcome**

   The Chair welcomed all present to the meeting, which was the second meeting of the group this financial year.

2. **Terms of Reference**

   These are attached to these minutes.

4.1   Formal Complaints

   A presentation on formal complaints received for Q1 2020/21 was provided to the working group (Addendum 3) by SS.

   CN queried the difference between complaints submitted via a 'website enquiry' and 'online form', which SS clarified.

   SS explained that the format of the presentation had been slightly amended from previous working groups to provide specific detail only where complaints had been fully or partially upheld.

   TL and AA provided detailed accounts of the 4 upheld Housing complaints and resulting actions.

   18:15 DN joined the meeting

   Directors held discussions and opened themselves to questions on the remaining presentation.

DN queried with GC whether there have been any complaints in relation to overflowing bins during COVID-19. GC confirmed nothing formal had been received but took away an action to address some specific areas identified with issues. GC also informed the working group that the operations team are looking to review the schedule of public bin emptying in the near future.

Action: GC to liaise with Operational team on overflowing bins identified by DN

SS presented the LGO's Annual Report 2019/20 which included national benchmarking. The report identified that 4 complaints against Brentwood Borough Council had been investigated by them during 2019/20, with one upheld. This was lower than the average in similar authorities.

RH queried whether the Council needs to be more self-critical prior to complaints reaching the LGO and a discussion was held.

Working Group Actions:

1. For the working group to monitor these complaints against future quarters to identify concerns or themes.

4.2   Performance Indicators

The working group were provided with data for the council's key Performance Indicators (PIs) for Apr-Jun 2020 (Addendum 4)

AA and TL reviewed the Housing PI's individually.

In relation to PI H01 RH asked how quickly we can expect void turnarounds to return to 'pre COVID' performance. AA advised that turnaround is improving, but it will take some time.

In relation to the rent PI's, TL advised that 'Rent Sense' software has already shown great benefit, and this should greatly assist rent collection. TL also advised that the housing team are team are actively preparing arrears cases for court, so that they are ready when the courts reopen.

DN enquired whether the Council are considering any debt write offs. AA advised that there were no plans at present, however a review of historical debt will be conducted in the next 6 months and may lead to write-off consideration.

In relation to PI E02, CN asked GC whether there is an expectation that recycling will increase in response to the new scheme. GC advised that a

decrease is expected, in line with other authorities experience and the reduction in contamination.

RH suggested that the tonnages be broken down by waste stream, including a comparison against previous years. This will help highlight the change in MDR. If this can be produced ahead of the next working group, CN and RH offered to review this in advance.

Action: GC to bring to Q2 working group

JVM is working with the Finance team to identify the cause of the performance concerns around payment of invoices (F01 & F02).

JVM provided an update on the Revs & Bens position, which demonstrated near target council tax collection, despite recovery action being suspended. JVM also reported that claims for the new Council Tax Reduction Scheme are currently being turned around in 2 days.

A discussion as held between PD and Members around appeals allowed (P02). PD advised that this is an important indicator as this is monitored by the Secretary State and, if performance concerns are identified, can result in intervention.

TB requested that a break down of Officer/Member appeals allowed are provided next quarter.

Working Group Action: For the working group to continue to review progress of Performance Indicators for each quarter of 2020/21.

5. **Any Other Business**
   None

6. **Date of next meeting**
   TBA

Audit & Scrutiny Committee
Performance Indicators & Formal Complaints Working Group

Members of Working Group
Crs. Nolan, Dr Barrett, Naylor, Tanner and Hirst.

Terms of Reference
1. To monitor and consider the Council's service Performance Indicators.

2. To consider in detail Formal Complaints received by the Council.

3. To consider how Performance Indicators and Formal Complaints are reported to the Audit & Scrutiny Committee.

4. To make recommendations to the appropriate Audit & Scrutiny Committee.

Members Working Group
Formal Complaints
Q1 2020/21

Apr-Jun 2020

Growing our economy   **Protecting our environment**   **Developing our communities**   **Improving housing**   **Delivering an efficient and effective council**

Brentwood's Formal Complaint Process Summary

1. Stage one – Senior Officer from service replies in 10 workings days

2. Stage two – Senior Manager from service replies in 15 working days

3. Local Government Ombudsman/Local Government Housing Ombudsman

(Generally, complaints must have completed the Council's

complaints process before the Ombudsman will accept a complaint)

Growing our economy   Protecting our environment   Developing our communities   Improving housing   Delivering an efficient and effective council

Decisions

- **Upheld** – the investigating Officer's findings fully support the complaint

- **Part upheld** – where the findings only support parts of the complaint, these parts will be upheld and overall we will determine that the complaint was partially upheld. There may also be instances where a matter was partly the fault of the complainant and partly the fault of Brentwood Borough Council

- **Not upheld** – the investigating Officer does not support any aspects of the complaint

- **Compensation** – the Council publishes guidance to Officers on levels of compensation. The overall impact to the complainant is considered carefully when dealing with claims for compensation.

- **<u>Ombudsman</u>**
- Where fault, maladministration or service failure is found, the Ombudsman can make:
    - Recommendations
    - Orders (HO)

Growing our economy   **Protecting our environment**   **Developing our communities**   **Improving housing**   **Delivering an efficient and effective council**

Formal Complaints received annually

Department	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Assets	0	2	0	1	1	2	3
Building Control	0	0	0	0	0	0	1
Community Safety	0	0	0	0	0	1	1
Community Services	0	0	0	2	1	0	2
Customer Service	0	0	0	1	1	4	5
Governance	0	0	1	1	0	0	2
Housing	10	11	32	30	38	47	75
Env Health & Licensing	0	1	1	0	1	3	4
Finance	0	0	0	0	0	2	0
Legal	3	0	2	1	0	0	0
Parking	0	0	0	0	1	1	3
Planning	10	4	23	13	10	10	16
Revs & Bens	9	2	12	9	31	33	28
Streetscene	1	3	5	3	5	15	44
Total	**33**	**23**	**76**	**61**	**89**	**118**	**184**

2020/21 Formal Complaints received

Department	Q1		
	Total	Upheld	%
Community Safety	1	0	0%
Customer Service	1	0	0%
Environmental Health	2	1	50%
Housing	6	4	67%
Planning	1	1	100%
Revenues & Benefits	5	3	60%
Streetscene	6	6	100%
Total	**22**	**15**	

Channel received
Apr – June 2020

	Q1
Online form	50%
Email	32%
Website enquiry	9%
Via LGO	4%
Telephone	4%

Growing our economy   **Protecting our environment**   **Developing our communities**   **Improving housing**   **Delivering an efficient and effective council**

Upheld Formal Complaints – Apr to Jun 2020 Environmental Health

No	Complaint	Stage
1	No response after raising a service request, calling and emailing multiple times	Stage 1

Growing our economy   **Protecting our environment**   **Developing our communities**   **Improving housing**   **Delivering an efficient and effective council**

Upheld Formal Complaints – Apr to Jun 2020 Housing

No	Complaint	Stage
1	Delay in issuing rent refund	Stage 1
2	Handling of homeless case - duties were not fully explained in an easy and comprehensible manner and service failure in ensuring the duties were fully met in a timely manner	Stage 1
3	No heating/hot water for 2 weeks due to need for a boiler replacement and no contact for over a week	Stage 1
4	Failure by contractor's customer care team to acknowledge or reply to communication and missed appointments	Stage 1

Growing our economy   **Protecting our environment**   **Developing our communities**   **Improving housing**   **Delivering an efficient and effective council**

Upheld Formal Complaints – Apr to Jun 2020 Planning

No	Complaint	Stage
1	No response to email sent to Planning, EH and Licensing regarding alleged unauthorised development	Stage 1

Growing our economy **Protecting our environment** **Developing our communities** **Improving housing** **Delivering an efficient and effective council**

Upheld Formal Complaints – Apr to Jun 2020 Revenues & Benefits

No	Complaint	Stage
1	Delay in updating Council Tax account	Stage 1
2	Service provided by telephone and long wait times	Stage 2
3	Failure to notify of benefit suspension and incorrect information provided relating to emailing the service	Stage 1

Growing our economy   Protecting our environment   Developing our communities   Improving housing   Delivering an efficient and effective council

Upheld Formal Complaints – Apr to Jun 2020 Streetscene

No	Complaint	Stage
1	Repeated reports of missed garden waste	Stage 1
2	Repeated missed collections	Stage 1
3	Mess left behind by collection crews	Stage 1
4	Conduct of refuse collection operative	Stage 1
5	Mess left behind by collection crews	Stage 1
6	Bins repeatedly left in front of driveway on a busy road, leaving resident having to unsafely stop car for access	Stage 1

Growing our economy   **Protecting our environment**   **Developing our communities**   **Improving housing**   **Delivering an efficient and effective council**

Ombudsman

	Service	LGO/HO	Complaint	Council's decision	Ombudsman outcome
1	Housing	HO	Handling of boundary dispute	Part upheld	Under investigation
2	Housing	LGO	Information provided to tenants facing eviction	Not upheld	Under investigation
3	Housing	HO	Handling of aids and adaptations request	Part upheld and compensation offered	Under investigation

Growing our economy   **Protecting our environment**   **Developing our communities**   **Improving housing**   **Delivering an efficient and effective council**

Brentwood Borough Council - Performance Indicator Dashboard

Performance Dashboard – First Quarter 2020/21

First Quarter 2020/21 Overall Council Performance

- Not met 36%
- Within tolerance 8%
- Met or exceeded 52%
- NMTP 4%

First Quarter 2020/21 Overall Council Performance excluding NMTP

- Not met 38%
- Within tolerance 12%
- Met or exceeded 50%

Previous Quarter (Q4 2019/20) Overall Council Performance excluding NMTP

- Not met 38%
- Within tolerance 8%
- Met or exceeded 54%
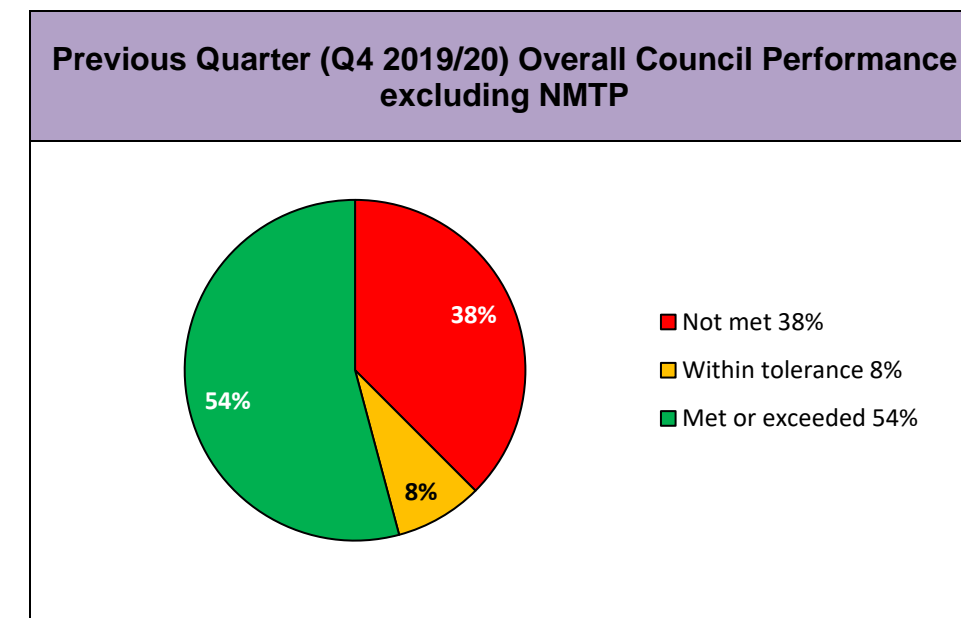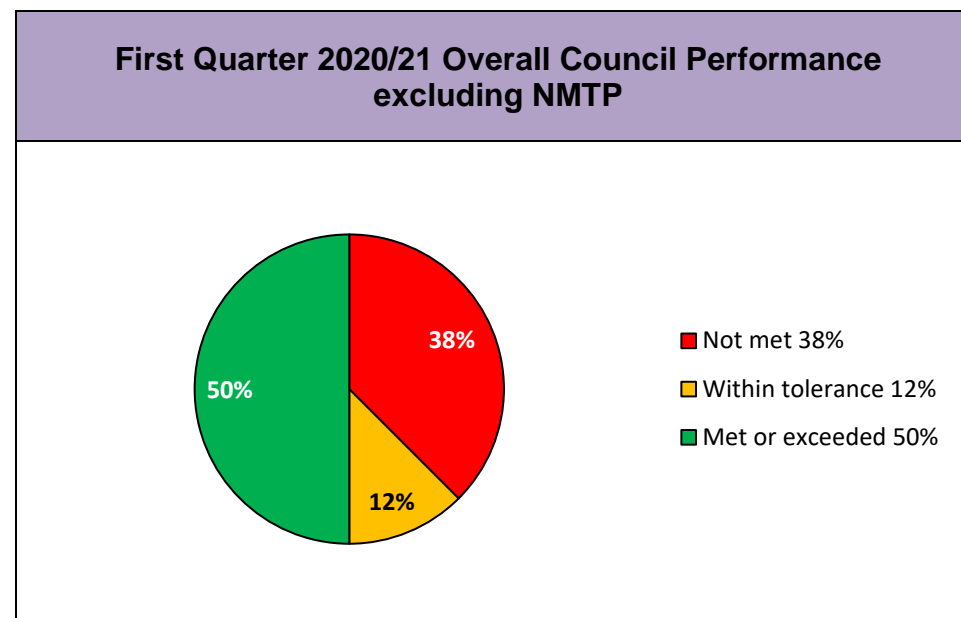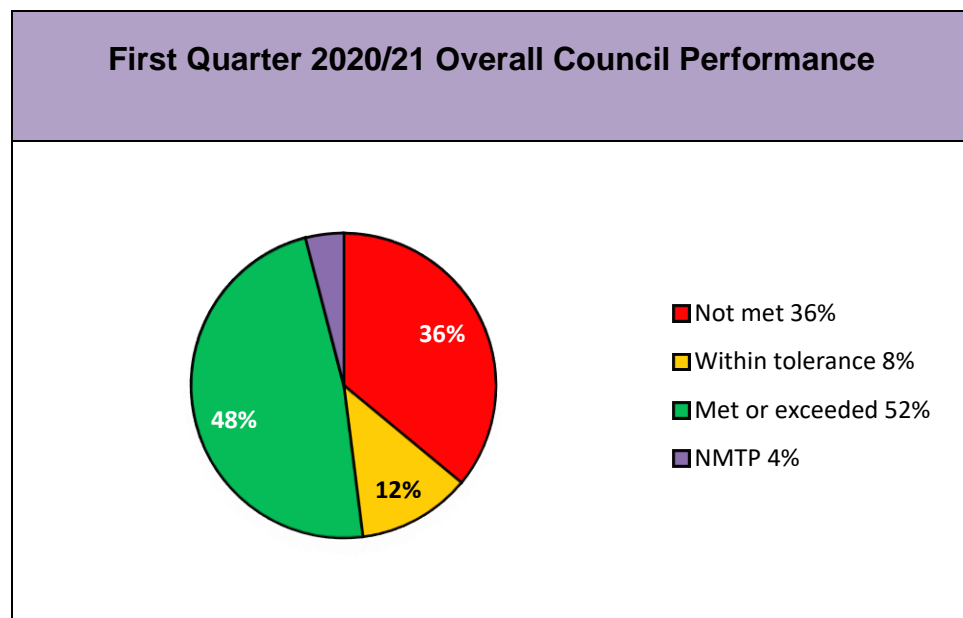
First Quarter 2020/21 Performance by Department

Dept.	🛑 No	🛑 %	⚠️ No	⚠️ %	✅ No	✅ %	NMTP No	NMTP %	Total No
Contact Centre	0	0%	0	0%	4	100%	0	0%	4
Environmental Health	0	0%	0	0%	1	100%	0	0%	1
Finance	1	50%	1	50%	0	0%	0	0%	2
Housing	6	100%	0	0%	0	0%	0	0%	6
Human Resources	0	0%	1	100%	0	0%	0	0%	1
ICT	0	0%	0	0%	1	100%	0	0%	1
Planning	0	0%	0	0%	4	100%	1	100%	5
Revenues and Benefits	0	0%	1	33%	2	67%	0	0%	3
Street Scene and Environment	2	100%	0	0%	0	0%	0	0%	2
Total	**9**	**36%**	**3**	**12%**	**12**	**48%**	**1**	**4%**	**25**
Previous Quarter Total	*9*	*36%*	*2*	*8%*	*13*	*52%*	*1*	*4%*	*25*

Key

🛑	Current performance is below target by more than the specified target deviation.
⚠️	Current performance is below target but is within tolerance.
✅	Current target has been met or exceeded.
NMTP	Not measured this period.
⬇️⬆️	Performance for the quarter or year to date is improving (up) or deteriorating (down) compared to previous quarter or across the year.
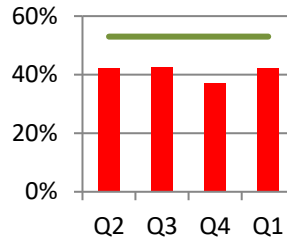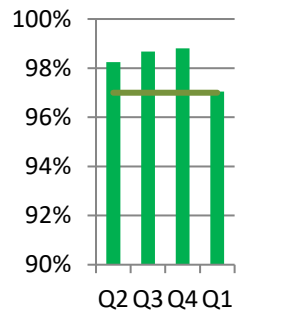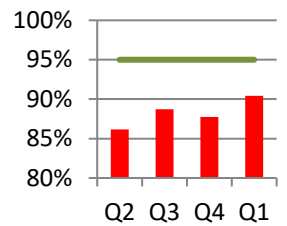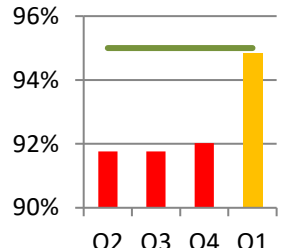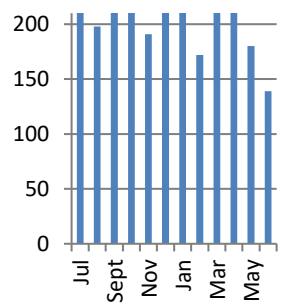
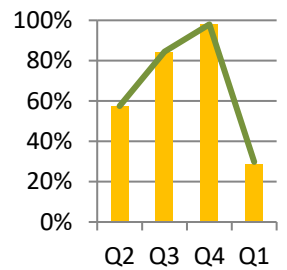| Dept. & PI Code	Performance Indicator	Measure	Previous Quarterly Results			Latest Quarterly Results				2020/21 Year to Date			Commentary
			Q2 Result	Q3 Result	Q4 Result	Q1 Result	Q Target	Q Status/ Trend	Q Graphic	YTD Result	YTD Target	YTD Status/ Trend	
Housing H01	Average re-let times for Local Authority Housing	Monthly	51 Days (47 Days GN, 51 Days SH)	50 Days (40 Days GN, 136 days SH)	30 Days (28 Days GN, 21 Days SH)	79 Days (60 Days GN, 98 Days SH, 105 TA)	22 days	🔴 ⬇		79 Days	22 days	🔴 ⬇	Void turnaround in Q1 has been drastically impacted by Covid-19. Prior to this our void turnaround was reducing but we have been unable to let properties since mid-March to mid-May and further delays in materials had meant many voids have gone on hold. This has further been impacted by the utility companies not clearing former tenant debts on meters as this is not deemed and emergency due to empty property. We expect this to improve slightly in Q2 however there will be a backlog that will create some delays.
Housing H02	% Rent collected from current tenants only as a percentage of rent due	Monthly	97.80%	98.99%	98.55%	96.63%	98.05%	🔴 ⬇		96.03%	98.05%	✅ ⬇	Rent collection continues to be a challenge, we have been impacted by residents not paying since April as they wrongly believed that the government had given them a 12 week holiday due to Covid-19. We have been advising them this is not the case and creating repayment plans. Many residents have unfortuantely also been hit with reduced incomes which is also impacting us. With our new rent sense software which was impletement in July, we are able to track their accounts based on missed payments and increasing arrears which is allowing the officers to focus on only problem accounts rather than all arrears accounts and we envisage arrears to be reducing by the end of the year.
Housing H03	Rent arrears of current tenants as a percentage of rent due	Quarterly	5.33%	5.41%	5.44%	5.83%	1.95%	🔴 ⬇		5.83%	1.95%	🔴 ⬇	The level of arrears has slowed however, we have been impacted by Covid-19 as per above.
Housing H04	Households living in temporary accommodation	Monthly	61	59	53	51	29	🔴 ⬆		51	29	🔴 ⬆	TA figures have remained relatively stable during Q1 due to a decrease in approaches and a lack of move on from cases in s.198 accommodation We have experienced difficulties due to the government's restrictions on allocations and void works being put on hold due to COVID-19, however, our home options have now been reopened with many TA applicants already awaiting move on to their allocated properties. It is still uncertain whether the relaxed lockdown rules will encourage an increase in homeless approaches moving into the coming months.
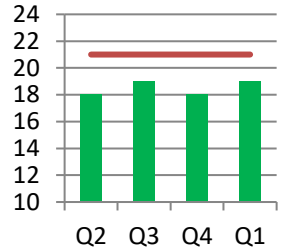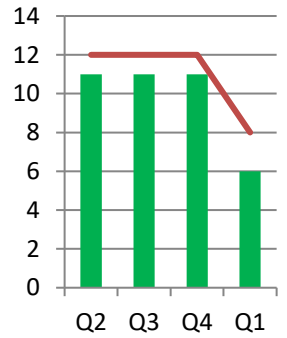
Page 114

Brentwood Borough Council - Performance Indicator Dashboard

Addendum 4

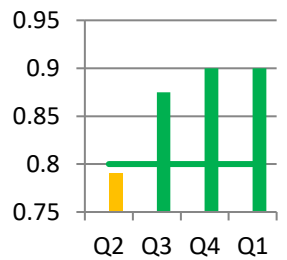| Dept. & PI Code	Performance Indicator	Measure	Previous Quarterly Results			Latest Quarterly Results				2020/21 Year to Date			Commentary
			Q2 Result	Q3 Result	Q4 Result	Q1 Result	Q Target	Q Status/ Trend	Q Graphic	YTD Result	YTD Target	YTD Status/ Trend	
Housing H05	Gas servicing in Council homes	Quarterly	96.96%	98.78%	97.75%	97.58%	100%	🔴 ⬇		97.58%	100%	🔴 ⬇	Officers have been working hard to limit the impact of Covid-19. We have been making calls to shielding residents and putting provisions in place to ensure visits can still go ahead. Thanks to the efforts of officers and contractors alike we have minimised the impact and seen only a slight decrease in performance.
Housing H06	Level of Arrears at the end of quarter	Quarterly	£609,566	£638,343	£632,544	£760,560	Reduction from previous quarter	🔴 ⬇		£760,560	Reduction from previous quarter	🔴 ⬇	Arrears have increased at a higher rate, we believe this to be an impact of Covid-19 along with the standard non payers and Universal Credit issues we have historically had.
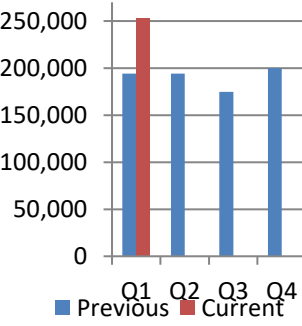
Dept. & PI Code	Performance Indicator	Measure	Previous Quarterly Results			Latest Quarterly Results				2020/21 Year to Date			Commentary
			Q2 Result	Q3 Result	Q4 Result	Q1 Result	Q Target	Q Status/ Trend	Q Graphic	YTD Result	YTD Target	YTD Status/ Trend	
Street Scene and Environment E01	Residual household waste per household	Quarterly	123.77kg	118.70kg	130.56kg	149.25kg	109kg	🔴 ⬇		149.25kg	109kg	🔴 ⬇	Estimated as statistics to be verified by ECC. 2018/19 actuals – 461kg per household (estimated at 490kg) 2019/20 actuals – TBC from ECC Residual waste has risen nationality in response to COVID-19 and more people being at home, ecommerce etc

Brentwood Borough Council - Performance Indicator Dashboard

Dept. & PI Code	Performance Indicator	Measure	Previous Quarterly Results			Latest Quarterly Results				2020/21 Year to Date			Commentary
			Q2 Result	Q3 Result	Q4 Result	Q1 Result	Q Target	Q Status/ Trend	Q Graphic	YTD Result	YTD Target	YTD Status/ Trend	
Street Scene and Environment E02	Percentage of household waste arisings which have been sent by the authority for reuse, recycling, composting or anaerobic digestion	Quarterly	42.05%	42.60%	36.87%	42.10%	53.00%	🔴 ⬆		42.10%	53.00%	🔴 ⬆	Estimated as statistics to be verified by ECC 2018/19 actuals – 45% (estimated at 44.6%) 2019/20 actuals – TBC from ECC
Environmental Health EH01	Food safety/hygiene standards in food premises.	% of broadly compliant food premises - Quarterly	98.24%	98.67%	98.80%	97.05%	97%	✅ ⬇		97.05%	97%	✅ ⬇	In Q4 19-20, The Food Standards Agency suspended inspection activity due to Covid-19. There is a noted drop in broad compliance due to COVID-19. Following the Food Standards Agency Guidance, routine food hygiene inspectionswere suspended. A high number of new food premises have registered which have not been inspected but are not broadly compliant until inspected.

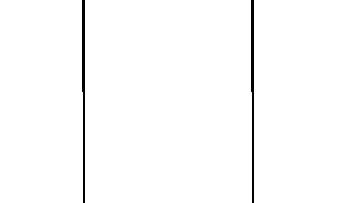| Dept. & PI Code	Performance Indicator	Measure	Previous Quarterly Results			Latest Quarterly Results				2020/21 Year to Date			Commentary
			Q2 Result	Q3 Result	Q4 Result	Q1 Result	Q Target	Q Status/ Trend	Q Graphic	YTD Result	YTD Target	YTD Status/ Trend	
Finance F01	% of invoices from local suppliers paid within 20 days	Monthly	86.15%	88.71%	87.75%	90.42%	95%			90.42%	95%		First three months have been an improvement compared to last 3 QTRs of 2019/20. AP are receiving less invoices therefore there can be more focus on getting invoices approved on time. Still ensuring Finance can support departments where required due to COVID-19.
Finance F02	% of invoices from all suppliers paid within 30 days	Monthly	91.76%	91.76%	92.02%	94.85%	95%			94.85%	95%		As above, stronger start to Q1 for the year due to the lesser amount of invoices. Will try and keep a consistent level and ensure invoices are paid within terms where possible.
Human Resources HR03	Number of days sickness lost per month	Monthly	Jul 213 Aug 198 Sept 229.5	Oct 239 Nov 191 Dec 222.5	Jan 213 Feb 172 Mar 255	Apr 213 May 180 Jun 139	No target.			532 days	No target.		This PI reflects the number of working days lost to sickness each month. This figure is 81.5 days higher than the same period last year.
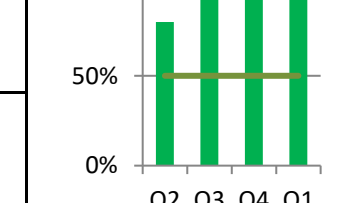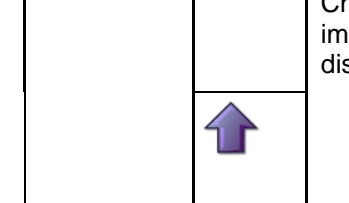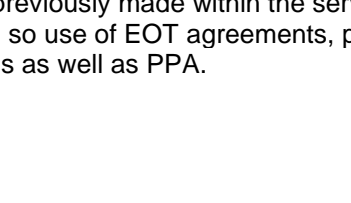
Page 117

Brentwood Borough Council - Performance Indicator Dashboard

Dept. & PI Code	Performance Indicator	Measure	Previous Quarterly Results			Latest Quarterly Results				2020/21 Year to Date			Commentary
			Q2 Result	Q3 Result	Q4 Result	Q1 Result	Q Target	Q Status/ Trend	Q Graphic	YTD Result	YTD Target	YTD Status/ Trend	
Revs and Bens CT01	Council Tax collection	Monthly	57.2%	84.2%	97.8%	28.6%	29.8%	🔺 ⬇️		28.6%	98%	🔺 ⬇️	Due to COVID19 no non-payment enforcement notices have been issued since the end of March 2020. The back office Debt Recovery Team have continued to call out to customers who have missed their first few instalments, whilst signposting to relevant help and support where necessary. Including adjustments to instalment plans to ensure customers are paid up by the end of the financial year. Due to the telephony system being used to work from home the back office debt recovery team are unable to take PAYE.Net payments over the telephone but instead are directing customers who can pay to the payment line, the councils website and setting up direct debits during the telephone contact.
Revs and Bens CT03	Time taken to process new Housing Benefit/Council Tax Support claim	Quarterly	18 days	19 days	18 days	19 days	21 days	✅ ⬆️		19 days	21 days	✅ ⬆️	New claims for Q1 is under our target of 21 days. This is a great result at the end of financial year as these new claims are the most complex cases for housing costs, being temporary and supported accommodation, and thus the most vulnerable customers. We have dedicated officers working on new claims to ensure these are processed in a timely manner to ensure payments are made as quickly as possible to alleviate financial hardship.
Revs and Bens CT05	Time taken to process Housing benefit and Council Tax Support Change of Circumstances	Quarterly	11 days	11 days	11 days	6 days	8 days	✅ ⬆️		6 days	8 days	✅ ⬆️	Target reduced to 8 days from 12 days in 19/20. **What's the rationale for the latest PI target?** 2020/21 - Nationally reported PI and widely used for benchmarking. It calculates the average time taken to process a new Housing Benefit / Local Council Tax support claim from receipt of the claim, this includes the receipt of all information, up to the award of benefit. The target set is based on previous years overall performance.

Page 118

Dept. & PI Code	Performance Indicator	Measure	Previous Quarterly Results			Latest Quarterly Results					2020/21 Year to Date			Commentary
			Q2 Result	Q3 Result	Q4 Result	Q1 Result	Q Target	Q Status/ Trend	Q Graphic		YTD Result	YTD Target	YTD Status/ Trend	
ICT ICT01	Website uptime	Quarterly	100%	99.87%	100%	100%	98%	✅ ⬆️	100.00% / 99.00% / 98.00% / 97.00% — Q2 Q3 Q4 Q1		100%	98%	✅ ⬆️	Drops in website availability can be attributed to several factors, usually external, such as a power surge or cut. Notifications of website down time are sent to IT automatically.
Contact Centre CC01	Telephone calls received via auto attendant	Quarterly	20,558	17,612	18,703	15,921	No target.	✅ ⬇️	25,000 / 20,000 / 15,000 / 10,000 / 5,000 / 0 — Q1 Q2 Q3 Q4 ▪ Previous ▪ Current		15,921	No target.	✅ ⬇️	This figure depicts the number of calls received by the Contact Centre via the main Council telephone no. 01277 312500. We continue to monitor trends associated with these statistics. This result is 20.4% lower than the same period last year. Overall customer contact was down significantly over this period due to the COVID-19 lockdown and reduced transactions occurring with the Council .
Contact Centre CC02	Telephone calls taken by the Contact Centre for those services undertaken by the Contact Centre	Quarterly	12,228	11,957	12,532	11,096	No target.	✅ ⬆️	13000 / 12500 / 12000 / 11500 / 11000 / 10500 / 10000 — Q1 Q2 Q3 Q4 ▪ Previous ▪ Current		11,096	No target.	✅ ⬆️	This figure depicts the number of calls received via the main Council telephone no. 01277 312500 and that have selected the applicable service from the options provided. It does not include calls that have selected option '0' (this figure is reflected in CC01). The services undertaken by the Contact Centre are Environmental Health, Licensing, Planning, Building Control, Parking, Operational Services and Housing Services. This result is 11.4% lower than the same period 2019/20.

Brentwood Borough Council - Performance Indicator Dashboard

Dept. & PI Code	Performance Indicator	Measure	Previous Quarterly Results			Latest Quarterly Results				2020/21 Year to Date			Commentary
			Q2 Result	Q3 Result	Q4 Result	Q1 Result	Q Target	Q Status/ Trend	Q Graphic	YTD Result	YTD Target	YTD Status/ Trend	
Contact Centre CC03	% of telephone calls resolved for those services undertaken by the Contact Centre	Quarterly	79%	87.5%	90%	90%	80%	✅ ⬆		90%	80%	✅ ⬆	Consistent performance in Q1.\n\nMonthly meetings are held with the service areas to identify areas of improvement and training needs.
Contact Centre CC04	Website sessions	Quarterly	174,579	174,615	199,926	253,398	No target.	✅ ⬆		253,398	No target.	✅ ⬆	Website sessions are affected by seasonal variances, with the start of the financial year and the summer months providing more hits on average. This trend is reflected in previous years.\n\nComparison with the previous quarter shows an increase of 26.75% in comparison. This is due to residents continuing to utilise the website for information on the Coronavirus pandemic.

Dept. & PI Code	Performance Indicator	Measure	Previous Quarterly Results			Latest Quarterly Results				2020/21 Year to Date			Commentary
			Q2 Result	Q3 Result	Q4 Result	Q1 Result	Q Target	Q Status/ Trend	Q Graphic	YTD Result	YTD Target	YTD Status/ Trend	
Planning P01	Number of new homes approved to be built in the Borough	Annual	NMTP	NMTP	NMTP	NMTP	NMTP	NMTP / NMTP	NMTP	NMTP	No target	NMTP / NMTP	The gross number of new homes approved to be built in the Borough. This gives an indication of new homes expected to be completed in the Borough in future. Approvals for new homes help towards the Borough's supply of homes, specifically the required five-year housing supply (published annually).
Planning P02	% of appeals allowed against the authority's decision to refuse planning applications	Quarterly	18%	22.2%	35%	25%	31%	✅ ⬆	*[bar chart Q2 Q3 Q4 Q1, 0%-40%]*	25%	31%	✅ ⬆	Monitoring is done to understand why appeals happen and what can be done to reduce them / reduce number of overturns. Also working with agents to understand what we can do to help.
Planning P03	Processing of planning applications as measured against targets for 'Major' application types	Quarterly	80%	100%	100%	100%	50%	✅ ⬆	*[bar chart Q2 Q3 Q4 Q1, 0%-100%]*	100%	50%	✅ ⬆	Consistently high performance achieved throughout. Changes previously made within the service are now imbedded, so use of EOT agreements, pre-applications discussions as well as PPA.
Planning P04	Processing of planning applications as measured against targets for 'Minor' application types	Quarterly	98%	98.3%	98.2%	98%	70%	✅ ⬇	*[bar chart Q2 Q3 Q4 Q1, 0%-100%]*	98%	70%	✅ ⬇	Consistently high performance achieved for last year and continues this year. Changes made within service are now imbedded, staffing levels are correct as well as the use of EOT agreements.
Planning P05	Processing of planning applications as measured against targets for 'Other' application types	Quarterly	100%	99.4%	99.2%	98%	80%	✅ ⬇	*[bar chart Q2 Q3 Q4 Q1, 0.00%-100.00%]*	98%	80%	✅ ⬇	As above, exceeding targets due to previous changes now being imbedded in team. Currently performing in top 10 in country.

Page 121

This page is intentionally left blank

Committee: Audit and Scrutiny Committee	Date: 24 November 2020
Subject: Local Development Plan Member Working Group Update	Wards Affected: All
Report of: Phil Drane, Director of Planning and Economy	Public
Report Author: Name: Phil Drane, Director of Planning and Economy Telephone: 01277 312500 E-mail: philip.drane@brentwood.gov.uk	For Information

Summary

The Local Development Plan (LDP) Member Working Group is an established engagement between Officers and Councillors focussed on delivery of the Council's Local Plan and related work. Its purpose was approved by Policy, Projects and Resources Committee in September 2017.

The work of the working group is monitored by the Audit and Scrutiny Committee as part of the committee's work programme. This report provides an update on the most recent meetings of the working group.

Recommendation

Members are asked to:

R1. Note the update provided in this report and the appendices enclosed.

Main Report

Introduction and Background

1. The Local Development Plan (LDP) Member Working Group is an established engagement between Officers and Councillors that has taken place over several years alongside preparation of the Council's Local Plan. It has also considered related work to the Local Plan. The purpose of the working group is to consider the Local Plan and associated documents before they are considered by the Council at a relevant meeting or committee. This purpose was approved by the Council in September 2017 (Item 114, Policy, Projects and Resources Committee, 19 September 2017).

2. Audit and Scrutiny Committee monitors the work of the LDP Member Working Group as part of its work programme. An update on the working group's activities so far during 2020/21 is provided in this report.

Issue, Options and Analysis of Options

3. Audit and Scrutiny Committee was last provided with a LDP Member Working Group update on 28 July 2020 (Item 480). Since then the working group has met twice: on 1 September 2020 (see Appendix A for meeting notes); and 3 November 2020 (see Appendix B for draft meeting notes, which have not yet been approved by the group). The main subject discussed at the meetings has been updates on the Local Plan examination currently taking place.

4. Minor amendments to the 2020/21 Terms of Reference were agreed by the working group on 3 November 2020. This reflected changes to membership of the group due to the passing of Cllr Kerslake and new Chair of Planning and Licensing Committee. It was agreed that Cllr Jon Cloke join the group. The revised Terms of Reference is set out in Appendix C.

5. Working group meetings are set to take place bi-monthly with the next scheduled for 5 January 2021.

Reasons for Recommendation

6. As part of the Audit and Scrutiny Committee work programme, an update on the work of the LDP Member Working Group is provided.

Consultation

7. The Local Plan and associated documents are subject to public consultation.

References to Corporate Plan

8. The Local Plan is a key vehicle for the delivery of many objectives set out within the Council's Corporate Strategy. This includes growing our economy, protecting our environment, developing our communities, and improving housing.

Implications

Financial Implications
Name/Title: Jacqueline Van Mellaerts, Director of Corporate Resources
Tel/Email: 01277 312500/jacqueline.vanmellaerts@brentwood.gov.uk

9. There are no direct financial implications. There are appropriate budgets included within the Medium-term financial strategy to resources the LDP.

Legal Implications
Name & Title: Amanda Julian, Director of Law and Governance
Tel & Email: 01277 312500/amanda.julian@brentwood.gov.uk

10. The procedures which the Council is required to follow when producing a Local Plan derive from the Planning and Compulsory Purchase Act 2004 (as amended) and the Town and Country Planning (Local Development) (England) Regulations 2012.

11. The legislation states that a local planning authority must only submit a plan for examination which it considers to be sound. This is defined by the National Planning Policy Framework as being:

    a) **Positively Prepared:** based on a strategy which seeks to meet objectively assessed development and infrastructure requirements;
    b) **Justified:** the most appropriate strategy, when considered against the reasonable alternatives, based on proportionate evidence;
    c) **Effective:** deliverable over its period and based on effective joint working on cross-boundary strategic priorities; and
    d) **Consistent with national policy:** enable the delivery of sustainable development in accordance with the policies in the Framework.

12. In order for the draft Local Plan to pass the tests of soundness, in particular the 'justified' and 'effective' tests, it is necessary for it to be based on an adequate, up to date and relevant evidence base. The Council also has a legal duty to comply with the Statement of Community Involvement in preparing the Plan. (S19(3) 2004 Act).

13. In addition, the Council also has a legal "Duty to Co-operate" in preparing the Plan. (S33A 2004 Act).

Economic Implications
Name/Title: Phil Drane, Director of Planning and Economy
Tel/Email: 01277 312500/philip.drane@brentwood.gov.uk

14. The Local Development Plan is a key vehicle for the delivery of economic growth, in line with the Council's objectives to grow the economy. It is important that the delivery of the Plan is scrutinised through elected representation.

Equality and Diversity Implications
Name/Title: Kim Anderson, Partnerships, Leisure & Funding Manager
Tel/Email: 01277 312634/kim.anderson@brentwood.gov.uk

15. The Local Development Plan considers equality and diversity issues.

Health & Wellbeing Implications
Name/Title: Kimberley White, Corporate Health & Wellbeing Officer
Tel/Email: 01277 312688/kimberley.white@brentwood.gov.uk

16.   The Local Development Plan includes provisions to maintain and improve
        health and wellbeing in the borough.

Other Implications (where significant) – i.e. Health and Safety, Asset Management,
Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

17.   Delivery of the Local Development Plan is monitored through the Council's
        strategic risk register.

18.   The Local Development Plan is accompanied by a Sustainability Appraisal.

Background Papers

- Local Development Plan Member Working Group Update, Item 480, Audit and
  Scrutiny Committee, 28 July 2020
- Corporate Projects Report, Item 114, Policy, Projects and Resources
  Committee, 19 September 2017

Appendices to this report

- Appendix A: Local Development Plan Member Working Group Notes and
  Actions, 1 September 2020
- Appendix B: Local Development Plan Member Working Group Draft Notes and
  Actions, 3 November 2020
- Appendix C: Local Development Plan Member Working Group Terms of
  Reference 2020/21 (amended November 2020)

BRENTWOOD BOROUGH COUNCIL

Notes & Actions

Meeting:	Local Development Plan Member Working Group
Venue:	Online via Microsoft Teams
Date:	Tuesday 1 September 2020
Time:	18:00-19:00

Present: Cllr Kerslake, Cllr Bridge, Cllr Naylor, Cllr Keeble

Also Present: Phil Drane (PD), Director of Planning and Economy
Jonathan Quilter (JQ), Strategic Planning Manager
Thom Hoang (TH), Senior Policy Planner

Apologies: Cllr McCheyne, Cllr Mynott, Cllr Sanders, Cllr Morrissey, Cllr Aspinell*, Cllr Barrett*, Cllr Hossack*

* Group Leaders invited to working group meeting

1. **Notes from last meeting**
   a) Notes from last meeting (15/06/2020) were circulated for review. It was noted these were presented to Audit and Scrutiny Committee on 28 July 2020.
   b) No comments raised.

2. **Responses to the planning inspectors' initial questions**

   Responses submitted 24 July 2020 (F3)

   a) PD presented progress made to provide responses to the inspectors' initial questions. In addition, two more questions had been received regarding changes to the Use Classes Order and impacts on the plan (see item 3).
   b) Responses submitted on 24 July focussed mainly on Duty to Cooperate related matters.
   c) These were published online on the Examination Library Document following the inspectors' confirmation, with reference number F3 (see www.brentwood.gov.uk/examination).

   Responses Submitted 28 August 2020 (F5)

   d) A link to the submitted responses was circulated to Members prior to the meeting. These are split into four topic papers and a set of examination notes.

Notes & Actions

e) PD explained that the topic papers tended to provide a more detailed context and response on the issue, which had been requested by the inspectors' on specific questions. These address four themes: Dunton Hills Garden Village, Gypsies and Travellers, Housing Need, and Sustainability Appraisal. The remainder of questions were answered in examination notes.

f) The remaining responses are due on 4 September. These are topic papers on Green Belt and spatial strategy, in addition to an examination note on the use classes order.

3. **Letter from the planning inspectors' regarding changes to the use classes order (F4)**

a) The Council received a further letter from the inspectors' regarding questions on changes to the use classes order and whether there were implications for policies proposed in the plan. The Government has introduced changes to the use classes order that take effect from 1 September 2020 (see item 4).

b) Lichfields were commissioned to review and provide an independent view on this question, in addition to a general update of the Retail Study in relation to the question asked regarding retail needs. The view is that whilst some minor amendments may be needed to reflect the changes, these are not considered to affect soundness of the plan. A response is to be issued by 4 September on this point.

c) PD provided an overview of the expected examination timescales, subject to a number of factors and including ongoing work to consider how hearing sessions can be held in a suitable format considering the COVID-19 pandemic.

d) The following stages could be expected:
   i. Inspectors review the Council's responses to initial questions;
   ii. Matters, Issues and Questions (MIQs) provided by the inspectors';
   iii. Council reviews MIQs, prepares hearing statements;
   iv. Notification of hearing dates to consultees (statutory six week notification); and
   v. Public hearing sessions take place.

e) Cllr Kerslake asked whether the six-week notification consultation is compulsory. As this is a statutory requirement the response was this is a compulsory part of the examination.

f) Cllr Bridge asked who can be represented at the hearing sessions. A discussion was had regarding those who made representations to Regulation 19 consultation (two relevant consultation for the Pre-Submission plan and Addendum of Amendments).

4. **Government planning reforms**

White Paper (Planning for the Future, August 2020)

a) PD provided a brief update on the White Paper published in August 2020. The most significant proposals include the removal of Duty to Cooperate, reform of the local

Notes & Actions

planning system by introduction of Growth, Renewal and Protection designations, and an emphasis on consultation. Section 106 Agreements and the Community Infrastructure Levy are proposed to be replaced by the new Infrastructure Levy.

b) The consultation takes place until 29 October 2020. If the Council is to respond this will be brought to the relevant committee (likely Policy, Resources and Economic Development Committee, but with the potential for an update item to Planning and Licensing Committee).

c) PD is to arrange briefings for members on the proposals.

Use Classes Order

d) PD set out the changes being introduced from 1 September 2020. Three new classes have been introduced; Class E: commercial, business and service uses; Class F.1: learning and non-residential institutions; and Class F.2: local community uses.

e) Some A1, A2 and A3 uses are now amalgamated into class E, along with B1 office use and others.

f) Lichfields had produced a useful summary of the changes, which was presented to members and is available to view at https://lichfields.uk/media/6158/guide-to-the-use-classes-order-in-england.pdf.

g) In addition to considering how this effects proposed polices in the LDP, it has more immediate potential impacts for the determination of planning applications and the way that high streets and other commercial areas may change. The impacts will be monitored over time.

5. AOB

a) No matters raised.

_____

This page is intentionally left blank

BRENTWOOD BOROUGH COUNCIL

Notes

Meeting:	Local Development Plan Members Working Group
Venue:	Online via Microsoft Teams
Date:	Tuesday 3 November 2020
Time:	18:00-18:50

Members Present: Cllr Bridge, Cllr Jon Cloke (Chair), Cllr Keeble, Cllr McCheyne, Cllr Mynott, Cllr Naylor

Officers Present: Phil Drane (PD), Director of Planning and Economy
Jonathan Quilter (JQ), Strategic Planning Manager

Apologies: Cllr Morrissey, Cllr Sanders

1. **Terms of Reference Update**
   a) The MWG noted the very sad passing of Cllr Kerslake who will be missed.
   b) Members agreed minor amendments to the Terms of Reference to reflect the substitution of Cllr Jon Cloke for Cllr Kerslake, which also coincides with Cllr Cloke's recent appointment as Chair of Planning and Licensing Committee.

2. **Notes from last meeting**
   a) Notes from last meeting (01/09/2020) were circulated for review. No comments raised.

3. **Examination Update**
   a) JQ provided an overview of the LDP examination process since submission in February 2020. This has included appointment of inspectors, receipt of initial questions from the inspectors, and responses published to those questions. This has meant a number of documents have been published on our examination webpage.
   b) Since then, the formal Matters, Issues and Questions (MIQs) have been received and published from the inspectors.
   c) The hearing sessions (and accompanying MIQs) have been split into those taking part in early December (1-4 December with two reserve days), and the remainder in February 2021 (2-5 and 9-12 February with two reserve days if required).

Notes

d) December sessions (week one) are dealing with key strategic issues – Duty to Cooperate, legal compliance, spatial strategy, Green Belt, employment provision, and Dunton Hills Garden Village.

e) February sessions (weeks two and three) will focus on site selection and methodology, and then considering site allocations according to area (over two days). Further sessions on Dunton Hills Garden Village and employment sites. There will then be further sessions on Gypsies and Travellers and other matters.

f) The team is currently preparing hearing statements in response to the MIQs to aid the hearing sessions. These will be published on 16 November (for week one) and 15 December 2020 (for weeks two and three).

g) Arrangements for the hearing sessions are to be wholly online via Microsoft Teams and viewable to the public via YouTube, much like the arrangements for committees at present. Details of how people can participate and view have been circulated by the Programme Officer.

h) Cllr McCheyne asked about process regarding adjoining authorities. Response provided regarding representations that have been submitted by those authorities and their ability to be involved in the sessions. Statements of Common Ground are being produced for each of the adjoining authorities, among others, and this will confirm those areas where there is agreement and disagreement.

i) Cllr Cloke asked about member involvement in the sessions. Response provided that this is officer lead but open for the public to view, which members are welcome to also observe. Those who have made specific representations to the Plan may be able to speak at the relevant hearing session subject to the inspectors advising proceedings for that session.

j) Cllr McCheyne asked about adoption timescales. Response provided that main modifications to the Plan are very likely to be required, which is usually the case. This allows the inspectors to advise on modifications required to the Plan to make it sound, at which point a schedule of modifications would need to be published and consulted on for six-weeks. Responses go back to the inspectors directly, and then the inspectors write-up their report. We would hope adoption could be by Summer 2021. Cllr Bridge asked about the process if the Plan is found to be unsound. Response provided that it is usual for an indication to be given ahead of that decision, so work can be progressed to consider next steps. The Plan can only be found unsound on certain grounds, so clarity would be needed on the issue and legal implications. Options would need to be considered as to how to progress given the issues about the lack of ability to meet development needs without allocations (and use of Green Belt) and five year housing supply etc.

k) Discussion about Ingatestone Garden Centre application and non-determination appeal process currently ongoing.

l) Cllr Mynott asked about who can be involved in the hearing sessions. Response provided that it was dependent on representations being made to the Regulation 19 consultations. A guidance note has been issued by the Programme Officer, which includes the requirements on participants.

Notes

m) Cllr Mynott asked if the new introduction of national lockdown measures affect the sessions or timeframes. Response provided that because of the online format there is no indication from the Planning Inspectorate (PINS) that things could change, we expect it to go ahead regardless. PINS have brought in additional resource to consider the online arrangements. Discussion about the extent to which people may be disadvantaged by COVID-19 restrictions.

n) Cllr Keeble queried the need for revised submission statements to be submitted by 16 November. Response provided that this is the case, although it is not a requirement to provide a hearing statement. The deadline to advise the Programme Officer of someone's intention to speak needed to be submitted today. For weeks two and three the deadline for this and hearing statements is 15 December.

o) Cllr McCheyne asked about delivery of Brentwood Enterprise Park alongside Lower Thames Crossing (LTC). Discussion about the need to better join-up the delivery of the two projects for mutually beneficial outcomes, as has been the position of the Council in response to LTC consultations.

p) Discussion about the role of the Programme Officer. Annette Feeney is undertaking the role.

4. **AOB**
   a) No matters raised.
   b) Next meeting scheduled for 5 January 2021.

_____

This page is intentionally left blank

BRENTWOOD BOROUGH COUNCIL

Local Development Plan Member Working Group (LDP MWG)

Terms of Reference   2020-2021 (amended November 2020)

1. Purpose

The purpose of the Local Development Plan Member Working Group (LDP MWG), as originally agreed by the Policy, Projects and Resources Committee on the 19 September 2017, is to consider the draft Local Development Plan and associated documents before they are considered by Ordinary Council and/or Planning and Licensing Committee as appropriate. In May 2019, the work on the Town Centre Design Guide was amalgamated into this group.

The working group may request further work or information to be provided to them to clarify any implications or issues that may affect the Council.

2. Responsibilities

The key responsibilities of the Working Group will be to scrutinise validity of the plan-making process and evidence base in relation to the following (including the Town Centre Design Guide):

(i) Soundness tests (positively prepared; justified; effective; and consistent with national policy);

(ii) Duty to co-operate; and

(iii) Evidence (Housing and Gypsy & Traveller need, employment need, Green Belt assessment, etc) on the following themes, among others:

a)	Housing;
b)	Business;
c)	Infrastructure (including highways);
d)	Environment;
e)	Historic environment;
f)	Health and well-being; and
g)	Viability and deliverability.

3. Accountability and Decision Making

The LDP MWG is an informal group who whose role is to feedback to councillors to provide wider ownership (where information is not confidential) regarding key stages of planning policy document development (i.e. drafting, consultation, response, adoption).

4. Membership

The cross-party working group will consist of four Members of the administration including the Chair (4x Conservative), and four Members from opposition groups (2x Liberal Democrat, 1x Labour, 1x independent).

5. Frequency

Meetings will be programmed to take place bi-monthly, with the option to call additional meetings to address specific issues as required.

6. Documentation and Confidentiality

Agenda and supporting documentation will typically be issued at least one working week before the meetings, unless this is not possible or items are to be tabled at the meeting due to confidentiality, in which case the Chair will advise Members of the Working Group beforehand.

Regular feedback and briefing to the Working Groups constituent members' political groups is the responsibility of member representatives and should be used as a way of ensuring wider ownership and support for the Plan documents as they are developed.

However, papers and discussions on the draft Local Development Plan and associated planning documents are considered confidential and whilst they should be discussed with other Members of the Council, the papers and discussion are not to be raised with anyone outside this remit.

7. Cross Party Working Group Membership

Cllr Bridge, Cllr Cloke (Chair), Cllr Keeble, Cllr Kerslake (Chair), Cllr McCheyne, Cllr Morrissey, Cllr Mynott, Cllr Naylor, Cllr Sanders.

8. Support

The LDP MWG will be supported by the Director of Planning and Economy, Strategic Planning Manager and other officers as required.

––––

Committee(s): Audit & Scrutiny	Date: 16th November 2020
Subject: Axis Contract Update	Wards Affected: All
Report of: Tracey Lilley	Public
Report Author/s: Name: Angela Abbott Telephone: 01277 312 500 E-mail: agela.abbott@brentwood.gov.uk	For Decision

Summary

1. The Chair of the Audit & Scrutiny Committee put forward a proposal that the Committee review the first year of the Council's Housing repairs and maintenance contract and performance with Axis.

2. To assist the review of the contract Axis will be providing a presentation to the Committee on the evening..

Recommendation(s)

Members are asked to:

R1. To note the presentation from Axis

R2. To agree the arrangement of a members working group to review in further detail the performance of the Housing Repairs and maintenance contract and report back to the next committee

Main Report

Introduction and Background

3. The Axis contract went live on the 4th June 2019 providing a comprehensive planned and responsive maintenance programme for 10 years with the option to extend the contract for a further 5 years totalling a 15-year contract.

4. The contract encompasses the delivery of the Council's reactive, void, compliance and planned maintenance of the Housing stock under a price per property agreement (PPP) and the scheduled pricing (SOR).

5. Housing and Repairs Officers met with the HSE on several occasions and provided a wealth of documentation for review which resulted in several recommendations to implement new procedures.

Issue, Options and Analysis of Options

6. The contract is monitored/audited by the Housing Repairs team by the interrogation and monitoring of Key Performance Indicators, Contract meetings, quarterly performance reviews, pre and post joint site inspections, variation approvals and a two-stage invoice authorisation process.

Reasons for Recommendation

7. To ensure a transparent contract management process

Consultation

8. Not applicable

References to Corporate Plan

9. Drive continuous improvement of our housing services

10. Continue a service improvement programme to ensure our services are delivered efficiently.

Implications

Financial Implications
Name/Title: Jacqueline Van Mellaerts, Director of Corporate Resources
Tel/Email: 01277 312500/jacqueline.vanmellaerts@brentwood.gov.uk

There are no direct financial implications from this report.

Legal Implications
Name & Title: Amanda Julian, Corporate Governance Solicitor & Deputy Monitoring Officer
Tel & Email: 01277 312500 / amanda.julian@brentwood.gov.uk

There are no direct legal implications from this report.

Economic Implications
Name/Title: Phil Drane, Director of Strategic Planning
Tel/Email: 01277 312500/philip.drane@brentwood.gov.uk

There are no economic implications.

Other Implications (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

Background Papers

None

Appendices to this report

None

This page is intentionally left blank

Committee(s): Audit and Scrutiny	**Date:** 24th November 2020
Subject: Scrutiny Work Programme 2020/21	**Wards Affected:** All
Report of: Chief Operating Officer	**Public**
Report Author/s: Name: Steve Summers Telephone: 01277 312500 E-mail: steve.summers@brentwood.gov.uk	**For Decision**

Summary

The Constitution requires that the Audit & Scrutiny Committee agrees its Scrutiny work programme at each meeting of the Committee. This report provides an update of the current scrutiny work programme and is set out in Appendix A.

In addition, legislation requires that an Annual report is made to the Committee on the work of the Community Safety Partnership. This report is normally made at the March committee each year.

Members will be aware that the Chair of the committee proposed that a review of the Council's Housing Repairs and Maintenance contractor, Axis, be undertaken and this has been added to the work programme and is an item on this agenda.

Recommendation(s)

R1.   That the Committee considers and agrees the 2020/21 Scrutiny work programme as set out in Appendix A with any additions agreed by the committee at the meeting.

Main Report

Introduction and Background

1.0   At the Annual Council it was agreed that the committee structure would include the introduction of an Audit & Scrutiny Committee.

2.0   In relation to new scrutiny matters under its Terms of Reference any scrutiny matter identified by members must be agreed at Audit and Scrutiny Committee.

3.0   The Audit & Scrutiny Committee also has responsibility to review decisions made, or other action taken, in connection with the discharge by the responsible authorities of their crime and disorder functions. In addition, it has responsibility for the monitoring of Council service performance, including Performance Indicators and Formal Complaints.

4.0   The Scrutiny work programme should not include management or staffing

issues which are the responsibility of the Head of Paid Service

Reasons for Recommendation

5.0   The Constitution requires that the Audit & Scrutiny Committee agrees its Scrutiny work programme at each meeting of the Committee.

Consultation

6.0   None.

References to Corporate Plan

7.0   The vision of Transformation includes an action to improve the Council's governance arrangements, leading to faster, more effective decision-making. An effective scrutiny function is an essential element of that priority.

Implications

Financial Implications
Name/Title: Jacqueline Van Mellaerts, Director of Corporate Resources
Tel/Email: 01277 312500/jacqueline.vanmellaerts@brentwood.gov.uk

8.0 There are no direct financial implications arising from this report.

Legal Implications
Name & Title: Amanda Julian, Director of Law and Governance & Monitoring Officer
Tel & Email: 01277 312500/steve.summers@brentwood.gov.uk

9.0 There are no direct legal implications arising from this report.

Economic Implications
Name/Title: Phil Drane, Director of Planning and Economy
Tel/Email: 01277 312500/philip.drane@brentwood.gov.uk

10. There are no direct economic implications from this report.

Other Implications (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

Background Papers

None.

Appendices to this report

Appendix A – Draft Scrutiny Work Programme 2020/21

This page is intentionally left blank

Nov-20
Audit & Scrutiny Committee
2020-21 Draft Scrutiny Work programme

Subject Matter	July	August	September	October	November	December	January	February	March
Local Development Plan	Report to committee		Member Working Group	Report to Committee		Member Working Group	Report to Committee	Member Working group	Report to Committee
Scope	1. Review the Council's Plan making process as required by the National Planning Policy Framework (NPPF). 2. Review efforts to ensure that necessary cooperation on strategic cross boundary matters have been made. 3. Review subjects and issues covered by LDP evidence base to ensure it is appropriate and proportionate.								
Membership 2020/2021	Cllr Cloke, McCheyne, Ms Sanders, Keeble, Mynott, Naylor, and Morrissey.								

Detailed timeline
1. Working Group Meeting - 16.06.2020
2. Report to Audit & Scrunity Committee - 28th July 2020
3. Working Group Meeting - 1st September and 3rd November 2020
4. Report to Audit & Scrunity Committee - 24th November 2020

Subject Matter	July	August	September	October	November	December	January	February	March
Performance and Formal Complaints	Collate Data	Review with services	Member Working Group	Report to Committee	Review work	Member Working Group	Report to Committee	Review work/Member working Group	Report to Committee
Membership 2020/2021	Cllrs Nolan, Tanner, Hirst, Dr Barrett, Naylor								
Detailed timeline									
1. Working Group Meeting - 9th June 2020									
2. Report to Audit & Scrunity Committee - 28th July 2020									
3. Working Group Meeting - 8th September 2020									
4. Report to Audit & Scrunity Committee - 24th November 2020									
5. Working Group Meeting - 1st December 2020									
6. Report to Audit & Scrunity Committee - 26th January 2021									
Subject Matter	**July**	**August**	**September**	**October**	**November**	**December**	**January**	**February**	**March**
Community Safety Partnership									Report to Committee
Detailed timeline									
1. Report to Audit & Scrutiny Committee - 23rd March 2021									

This page is intentionally left blank

Members Interests

Members of the Council must declare any pecuniary or non-pecuniary interests and the nature of the interest at the beginning of an agenda item and that, on declaring a pecuniary interest, they are required to leave the Chamber.

- **What are pecuniary interests?**

  A person's pecuniary interests are their business interests (for example their employment trade, profession, contracts, or any company with which they are associated) and wider financial interests they might have (for example trust funds, investments, and asset including land and property).

- **Do I have any disclosable pecuniary interests?**

  You have a disclosable pecuniary interest if you, your spouse or civil partner, or a person you are living with as a spouse or civil partner have a disclosable pecuniary interest set out in the Council's Members' Code of Conduct.

- **What does having a disclosable pecuniary interest stop me doing?**

  If you are present at a meeting of your council or authority, of its executive or any committee of the executive, or any committee, sub-committee, joint committee, or joint sub-committee of your authority, and you have a disclosable pecuniary interest relating to any business that is or will be considered at the meeting, you must not :

  - participate in any discussion of the business at the meeting, of if you become aware of your disclosable pecuniary interest during the meeting participate further in any discussion of the business or,
  - participate in any vote or further vote taken on the matter at the meeting.

  These prohibitions apply to any form of participation, including speaking as a member of the public.

- **Other Pecuniary Interests**

  Other Pecuniary Interests are also set out in the Members' Code of Conduct and apply only to you as a Member.

  If you have an Other Pecuniary Interest in an item of business on the agenda then you must disclose that interest and withdraw from the room while that business is being considered

- **Non-Pecuniary Interests**

Non –pecuniary interests are set out in the Council's Code of Conduct and apply to you as a Member and also to relevant persons where the decision might reasonably be regarded as affecting their wellbeing.

A 'relevant person' is your spouse or civil partner, or a person you are living with as a spouse or civil partner

If you have a non-pecuniary interest in any business of the Authority and you are present at a meeting of the Authority at which the business is considered, you must disclose to that meeting the existence and nature of that interest whether or not such interest is registered on your Register of Interests or for which you have made a pending notification.

Audit and Scrutiny Committee
Term of Reference

The Audit and Scrutiny Committee provides advice to the Council and the committees on the effectiveness of the arrangements for the proper administration of the Council's financial affairs, including all relevant strategies and plans.

It also acts as the Council's Overview and Scrutiny Committee with all the powers under Part 3 of the Local Authorities (Committee System) (England) Regulations 2012, and discharges the functions under section 19 of the Police and Justice Act 2006 (local authority scrutiny of crime and disorder matters).

Without prejudice to the generality of the above, the terms of reference include those matters set out below.

Audit Activity

(a)   To approve the Annual Internal Audit risk based plan of work.

(b)   To consider the Head of Internal Audit's annual report and opinion, and a summary of Internal Audit activity and the level of assurance it can give over the Council's corporate governance, risk management and internal control arrangements.

(c)   To consider regular progress reports from Internal Audit on agreed recommendations not implemented within a reasonable timescale.

(d)   To consider the External Auditor's annual letter, relevant reports, and the report to those charged with governance.

(e)   To comment on the scope and depth of external audit work and to ensure it gives value for money.

(f)   To consider the arrangements for the appointment of the Council's Internal and External Auditors.

Regulatory Framework

1)   To review any issue referred to it by a Statutory Officer of the Council or any Council body.

2)   To monitor the effective development and operation of risk management and corporate governance in the Council.

3) To monitor Council policies and strategies on an Annual basis

     Whistleblowing
     Money Laundering
     Anti-Fraud and Corruption
     Insurance and Risk Management
     Emergency Planning
     Business Continuity

4) To monitor the corporate complaints process.

5) To consider the Council's arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice.

6) To consider the Council's compliance with its own and other published standards and controls.

7) To monitor the Council processes in relation to

   -   Freedom of Information
   -   Member Enquires

8) To monitor the Council's Data Quality arrangements.

9) To monitor the Council's Member's Training arrangements.

Accounts

1) To review 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.

2) To review the Council's Annual Governance Statement.

3) To consider the External Auditor's report to those charged with governance on issues arising from the audit of the accounts.

Scrutiny Activity

1) Responsible to scrutinise any matters as identified and agreed by the Policy, Resources and Economic Development Committee as set out in the Audit and Scrutiny Procedure rules.

2) To report to the Policy, Resources and Economic Development Committee or the appropriate committee on the progress of any matters that have been requested and to make relevant recommendations as required.

3) To establish working groups as appropriate(in line with agreed protocols) to undertake the scrutiny of any matters requested by the Policy, Resources and Economic Development Committee, including setting their terms of reference, the reporting arrangements, and to co-ordinate and review the work of the working groups.

4) Responsibility for the monitoring of Council service performance, including Performance Indicators and, Formal Complaints, making reports if required to any committee, or subcommittee, any officer of the Local Authority, or any joint committee on which the Local Authority is represented, or any sub-committee of such a committee.

5) To review and/or scrutinise decisions made, or other action taken, in connection with the discharge of any functions of the Local Authority.

6) To deal with those issues raised through the 'Councillor Call for Action' scheme in line with agreed protocols and procedures.

7) To review and/or scrutinise decisions made, or other action taken, in connection with the discharge by the responsible authorities of their crime and disorder functions.

8) To make reports or recommendations to the Local Authority with respect to the discharge by the responsible authorities of their crime and disorder functions.

This page is intentionally left blank