



Agenda

Audit and Scrutiny Committee

Tuesday, 28 July 2020 at 7.00 pm
Virtual Meeting via MS Teams

Membership (Quorum – 3)

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

Substitute Members

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

Agenda

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Live broadcast

View the [live broadcast](#) of the committee meeting.

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|----|--|-----------|---------|
| 1. | Apologies for Absence | | |
| 2. | Minutes of the previous meeting | | 5 - 10 |
| 3. | Draft Statement of Accounts 2019/20 and Annual Governance Statement of Accounts 2019/20 | All Wards | |
| 4. | 2019/20 Outturn Report | All Wards | |
| 5. | Internal Audit Progress Report | All Wards | 11 - 58 |
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| 7. | Risk Management | All Wards | 85 - 102 |
| 8. | Formal Complaints & Performance Indicator Working Group | All Wards | 103 - 146 |
| 9. | Local Development Plan Member Working Group Update | All Wards | 147 - 158 |
| 10. | Scrutiny Work Programme 2020/21 | All Wards | 159 - 166 |
| 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
20.07.2020

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 where 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

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.

Personal Explanation


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.

Point of Information or clarification

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.

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  Access

The Council will provide remote access for public participation by the meeting be accessible.

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.

 Evacuation Procedures

This procedure does not apply whilst using remote meetings

Evacuate the building using the nearest available exit and congregate at the assembly point in the Car Park.



Minutes

Audit and Scrutiny Committee Tuesday, 3rd March, 2020

Attendance

Cllr Nolan (Chair)	Cllr Hirst
Cllr Tanner (Vice-Chair)	Cllr Mrs McKinlay
Cllr Dr Barrett	Cllr Naylor
Cllr Haigh	Cllr Parker

Apologies

Cllr Chilvers

Substitute Present

Cllr Mrs Fulcher

Also Present

Cllr Hossack

Officers Present

Steve Summers	-	Chief Operating Officer
Jacqueline Van Mellaerts	-	Director of Corporate Resources
Greg Campbell	-	Director of Operations
Neil Harris	-	External Audit, E&Y
Greg Rubins	-	BDO, Internal Audit

379. Apologies for Absence

Apologies were received from Cllr Chilvers and Cllr Fulcher was substitute.

380. Minutes of the previous meeting

The Minutes of the Audit and Scrutiny meeting held on 28th January 2020 were signed as a true record.

381. Annual Audit Letter 2018/19

This report presented the Committee with the Annual Audit Letter issued by the external auditors, Ernst & Young, following the completion of the audit of the 2018/19 accounts.

Members raised concerns regarding out of borough investments made by SAIL. Mr Harris reiterated they were satisfied the Council had engaged with experts and taken appropriate advice to ensure informed decisions in line with the Council's investment strategy.

Members also queried the proposed fee variation of an additional £12,500. Mr Harris advised these were legitimate costs arising from the change in scope of the audit and additional work which needed to be undertaken with regards the valuation of investments properties. The additional fee is proposed to be put before the PSAA to determine the final fee. An update of the final fee will be brought back to Committee.

Following a full discussion Members were asked to:

Note the contents of the report and the Annual Audit Letter.

Reasons for Recommendation

To enable the Council to conclude the Statement of Accounts process for 2018/19.

382. External Audit Plan 2019/20

The External Audit Plan sets out how the Council's external auditors, Ernst & Young intend to carry out their responsibilities in auditing the final accounts for the financial year 2019/20.

Following discussion Members were asked to:

Note the External Audit Plan 2019/20 as shown in Appendix A.

Reasons for Recommendation

To enable the Council to prepare for the Statement of Accounts process for 2019/20.

383. Internal Audit Progress Report 2019/20

This report is intended to inform the Audit and Scrutiny Committee of progress made against the 2019/20 internal audit plan.

No reports have been finalised since the last Committee. Internal Audit have issued their draft Treasury Management report to the Council and are awaiting management responses.

Following discussion Members were asked to:

Receive and note the contents of the Internal Audit Progress Report attached in Appendix A.

Receive and note 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.

384. Internal Audit Plan 2020/2021

This report outlines the Internal Audit Operational Plan for 2020/21, three year Strategic Plan and Internal Audit Charter, as included in Appendix A.

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

A vote was taken by a show of hands and it was **RESOLVED UNANIMOUSLY:**

To approve the Internal Audit Operational Plan 2020/21, three year Strategic Plan and Internal Audit Charter attached in Appendix A.

Reasons for Recommendation

To approve the work programme for the Internal Audit Plan 2020/21.

385. 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 has been decreased all other risk scores have remained the same.

Of the high-level operational risks, the risk scores have remained the same from the recent Committee in January.

Following a full discussion Members were asked:

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 Recommendation

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.

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.

386. Formal Complaints & Performance Indicator Working Group

This report submits 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.

Following a full discussion, a vote was taken by a show of hands and it was **RESOLVED UNANIMOUSLY:**

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

Reasons for Recommendation

To ensure the Council provides quality customer services.

387. Scrutiny Work Programme 2019/20

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 was set out in Appendix A of the agenda..

At the Audit and Scrutiny Committee on the 18th June 2019, Min.51 refers, it was agreed that a request form be sent for scrutiny matters be made available to all members immediately following the meetings.

Subsequently officers have received a request from Cllr Dr Barrett regarding the South Essex Partnership Parking (SEPP) arrangements as attached at Appendix B of the agenda.

Cllr Dr Barratt asked for SEPP to be considered as part of the Scrutiny Work Programme to determine whether the current model of on-street parking management and enforcement provided by SEPP is the most effective model in terms of value for money and service for Brentwood residents or whether other potential models could provide advantages.

Following discussion, it was agreed that it would be beneficial for a presentation on the working arrangements of SEPP to be made to members. Members could then gain a better understanding of where responsibilities lie, structure, rationale and the history of SEPP.

Following a full discussion, Cllr Dr Barratt withdrew his proposal until after a presentation is given by SEPP to Members.

A motion was **MOVED** by Cllr Nolan and **SECONDED** by Cllr Tanner to approve Recommendation 1 in the report.

A vote was taken by a show of hands and it was **RESOLVED UNANIMOUSLY:**

1. **That the Committee considers and agrees the 2019/20 Scrutiny work programme as set out in Appendix A of the agenda.**

Reason for Recommendation

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

388. Urgent Business

There were no items of urgent business.

The meeting concluded at 19.50

Committee: Audit and Scrutiny Committee	Date: 28 July 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 2019/20 internal audit plan.

The following reports have 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)

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 2019/20 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 2019/20 annual audit plan in March 2019. The progress against plan is reported at every Audit and Scrutiny Committee during 2019/20.

Issue, Options and Analysis of Options

4. The following reports have 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)

Treasury Management (2019/20)

5. During the course of our audit, management produced the 2020/21 Capital and Investment Strategy, which took account of and addressed some of our emerging findings. The opinion given reflects the improvements the Council has recently made.

Overall, we provide substantial assurance on design and moderate assurance on effectiveness of the key controls. The control framework in place for treasury management activity ensures compliance with relevant statutory guidance and the Council's approved Treasury Management Strategy, but management should address the areas of risk identified from this review to ensure that it is operationally effective in all areas. We have raised two medium priority recommendations.

Financial Planning and Monitoring (2019/20)

6. Our audit did not identify any key areas where the control framework needs to be strengthened. We provide substantial assurance on design and substantial assurance on effectiveness of the key controls. We have raised one low level recommendation.

Housing Repairs and Maintenance (2019/20)

7. There is an adequate governance structure in place for monitoring the contract with Axis and processes are in place for stock condition surveys to be carried out over three years. We have raised a medium level finding in relation to compliance with approval processes of repairs prior to the works being carried out. We have also raised two low priority recommendations in respect of an isolated case of not documenting the name of the approver of payments to Axis and the recording of action timescales within the contract management meetings notes. We have therefore concluded that there is a substantial assurance around the design of controls in place and moderate assurance in respect of the effectiveness of those controls.

Main Financial Systems (2019/20)

8. Overall, we have concluded that the Council has a satisfactory system of controls in place over the finance processes included in this review as well as a satisfactory level of operational effectiveness of controls. However, further improvements can be made to strengthen controls over some processes and also improve the operational effectiveness of some controls.

We have seen a positive direction of travel in respect of the issues that we reported in our 2018/19 audit of the main financial systems in respect of the timeliness of control account reconciliations and the timeliness of invoicing.

We have raised three medium and seven low priority recommendations. The Council would move towards substantial assurance for control design and operational effectiveness if these medium priority recommendations were addressed during 2020/21.

Risk management and Governance (2019/20)

9. Overall, we provide substantial assurance on design and moderate assurance on the effectiveness of the key controls.

It is clear that a great deal of work has been completed with regards to risk management since our last review. The Council has a satisfactory system of risk management and governance in place. However, further improvements can be made to improve processes and the operational effectiveness of some controls and to further embed a risk management culture.

We have raised two medium priority recommendations to improve staff awareness of risk management, through training and greater engagement, and a medium priority recommendation regarding a few very high level risks that have not changed rating for some time. We have also raised four low priority recommendations to further improve processes.

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

11. 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 June 2020.

Reasons for Recommendation

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

Consultation

13. Not applicable.

References to Corporate Plan

14. 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

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

Legal Implications

Name & Title: Amanda Julian, Director of Law & Governance

Tel & Email: 01277 312500/amanda.jullian@brentwood.gov.uk

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

Economic Implications

Name/Title: Phil Drane, Director of Strategic Planning

Tel/Email: 01277 312500/philip.drane@brentwood.gov.uk

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

Background Papers

18. None

Appendices to this report

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



BRENTWOOD BOROUGH COUNCIL INTERNAL AUDIT PROGRESS REPORT

Presented to the Audit and Scrutiny Committee July 2020

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SUMMARY OF 2019/20 AND 2020/21 WORK

Purpose of Report

This report is intended to inform the Audit and Scrutiny Committee of progress made against the 2019/20 and 2020/21 internal audit plans. 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.

For audits with a substantial or moderate assurance opinions, the executive summaries from the final report are included in the Internal Audit Progress Report. For audits with a limited or no assurance opinion, the full report will be included with the papers.

2019/20 Internal Audit Plan

The following reports have been finalised since our last progress report to the Audit and Scrutiny Committee, and the executive summaries are included in this report:

- Treasury Management
- Financial Planning and Monitoring
- Housing Repairs and Maintenance
- Main Financial Systems
- Risk management and Governance

All 2019/20 reports have now been finalised.

We also completed a series of five risk management training workshop sessions during Q4.

Changes to the 2019/20 plan

We agreed changes to the timings of the four audits below:

- Human Resources Recruitment - moved from Q1 to Q2 (to take account of key contact annual leave absence) - now complete
- Leisure Services - moved from Q1 to Q2 (planning completed in Q1, key fieldwork carried out in Q3) - now complete
- Financial Planning and Monitoring - moved from Q3 to Q4 (to allow the audit to focus on the most recent round of budget setting).
- Corporate Plan - moved from Q2 to 2020/21 (it was initially postponed to Q4 to allow for the corporate plan process to be completed and then with the onset of the Covid-19 pandemic, officers requested that it be postponed further into 2020/21)

2020/21 Internal Audit Plan

Work on the 2020/21 Internal Audit plan has not yet commenced. With the onset of the Covid-19 pandemic and the need for the Council to focus only on business critical services, officers requested that we postpone the audits planned for the early part of 2020/21.

We are now in the process of agreeing the timing for the audits planned for Q1 and Q2:

- Contract Management and Procurement
- Performance Management and Formal Complaints
- Human Resources - Sickness
- Environment - Street Cleaning, Fly Tipping and Enforcement
- Car Parking.

We are also discussing with officers whether we should make changes to the audit plan to cover new Covid-19 related risks. Areas where we can provide assurance include:

- Covid-19 related emergency funds and grants
- Crisis management and business continuity
- Supplier chain assurance
- Data protection and IT security issues from home working
- Maintaining the control environment during staff absences
- Fraud risks as a result of staff absence and home working.

REVIEW OF 2019/20 WORK

Audit	Lead	Due Date	Planning	Fieldwork	Reporting	Design	Effectiveness
Risk Management and Governance	Sue White	Q4 Mar 2020	✓	✓	✓ Final		
Risk Management Training	Sue White	Q4 Mar 2020	✓	✓	N/A	N/A	N/A
Main Financial Systems	Jacqueline Vanmellaerts Phoebe Barnes	Q4 Mar 2020	✓	✓	✓ Final		
Financial Planning and Monitoring	Phoebe Barnes	Q4 Mar 2020	✓	✓	✓ Final		
Treasury Management	Alistair Greer	Q3 Dec 2019	✓	✓	✓ Final		
Housing Benefits	Robert Manser	Q2 Sept 2019	✓	✓	✓ Final		
Human Resources Recruitment	Jacqui Vanmellaerts Angela Hogg	Q1/Q2 Sept 2019	✓	✓	✓ Final		
Corporate Plan	Steve Summers	Q4 Mar 2020	✓	-----Deferred to 2020/21-----			
General Data Protection Regulations	Christopher Leslie Paula Harvey	Q3 Sept 2019	✓	✓	✓ Final		
Counter fraud	Victoria Banerji	Q1-Q4	Provide support as and when required		N/A	N/A	N/A
Counter fraud	Victoria Banerji	Q1-Q4	-----Provide support as and when required-----				
Housing Repairs and Maintenance	Angela Abbott Nicola Marsh	Q4 Mar 2020	✓	✓	✓ Draft		
Trade Waste	Greg Campbell Darren Laver	Q2 Sept 2019	✓	✓	✓ Final		
Leisure Services	Kim Anderson	Q2/Q3 Dec 2019	✓	✓	✓ Final		
Food Safety	Gavin Dennett Gareth Olive	Q2 Sept 2019	✓	✓	✓ Final		
Follow Up	Jacqueline Van Mellaerts	Ongoing	-----Separate follow up report-----				

EXECUTIVE SUMMARY – TREASURY MANAGEMENT

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	2
Low	1

TOTAL NUMBER OF RECOMMENDATIONS: 3

BACKGROUND:

In recent years there have been a number of changes to treasury management requirements for local authorities, in light of the significant increase in commercial investments across the sector.

In December 2017, the Chartered Institute for Public Finance and Accountancy (CIPFA) updated its *Prudential Code for Capital Finance in local authorities* and its *Treasury Management Code*. Shortly thereafter, in February 2018, the Ministry of Housing, Communities and Local Government (MHCLG) published revised *Statutory Guidance on Local Authority Investments* and *Statutory Guidance on Minimum Revenue Provision (MRP)*.

CIPFA's updated Prudential Code now requires that the capital strategy explains borrowings and investments and it amended some of the indicators. The revised Treasury Management Code clarifies that investments cover both financial and non-financial investments, including investment property.

The revised MHCLG guidance on investments includes new requirements relating to the preparation and approval of investment strategies, reporting on the contribution that investments make towards objectives and the place making role of the authority, justification for borrowing in advance of need and reporting performance against specific indicators. The MRP guidance includes changes to prevent windfall gains from revised MRP strategies effective from 1 April 2018 and minimum levels of MRP effective from 1 April 2019.

The Council responded to the majority of these changes by approving an overarching strategy that covers capital, investment and treasury management for 2019/20 and the Council agreed a revised MRP policy. The remaining requirements were addressed in the 2020/21 Capital and Investment Strategy.

The capital programme over the next few years includes significant investment, including financing the activities of the Council's wholly owned company, Seven Arches Investments Ltd (SAIL), by way of loans to enable SAIL to invest in properties for a commercial return.

At 31 December 2019, the Council held investments of £8 million, long-term borrowings of £61 million and short-term borrowings of £14 million. Borrowing is expected to increase by £34 million over the next three years. Officers are currently reviewing the Council's long term borrowing strategy and portfolio of borrowing against external economic factors, in light of increasing commercial activity.

GOOD PRACTICE:

- The Council's treasury management and capital strategies for 2019/20 and 2020/21 make reference to the revised MHCLG and CIPFA guidance and indicate that the Council has responded to the new requirements.
- Our testing of a sample of new loans and investments taken out in the past twelve months indicates that they comply with the requirements of the Council's Treasury Management Strategy.
- The Policy, Resources and Economic Development (PRED) Committee approved a revised process for approval of all SAIL investments and from October 2019, all funding decisions have to be approved by the Committee.

KEY FINDINGS:

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

- Ensuring that there is sufficient evidence that loans have been checked in terms of risks and affordability and that they are all formally approved before they are entered into (Medium).
- Ensuring that the Council's investments procedure is complied with in all instances, including approval of rolled forward investments, and ensuring that there is evidence that investments are checked against the requirements of the Treasury Management Strategy (Medium).

CONCLUSION:

During the course of our audit, management produced the 2020/21 Capital and Investment Strategy, which took account of and addressed some of our emerging findings. The opinion given reflects the improvements the Council has recently made.

Overall, we provide substantial assurance on design and moderate assurance on effectiveness of the key controls. The control framework in place for treasury management activity ensures compliance with relevant statutory guidance and the Council's approved Treasury Management Strategy, but management should address the areas of risk identified from this review to ensure that it is operationally effective in all areas. We have raised two medium priority recommendations.

MANAGEMENT ACTION PLAN:

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
a) Formal evidence of approval should be retained for all loans taken out. b) When requesting approval of loans, the e-mail request should	Medium	a) The Council will retain formal evidence of approval for all loans taken out. It should be noted that approval is sought from either the S151 or the deputy S151 officer for every loan. Sometimes this will initially be verbal approval,	Alistair Greer, Principal Accountant (Financial Reporting) 1 April 2020

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p>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.</p>		<p>which is subsequently confirmed by email.</p> <p>b) The e-mail request will explicitly set out the key facts about each loan to demonstrate that it meets the requirements of the Treasury Management Strategy. This is set out in the procedure note, which has now been drafted and provided to Internal Audit.</p>	<p><i>To followed up in the 2020/21 main financial systems audit</i></p>
<p>a) Formal evidence of approval should be obtained prior to any investment being made, including rolled forward investments.</p> <p>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</p>	<p>Medium</p>	<p>a) This recommendation is agreed. The Council will retain formal evidence of approval for all investments made. It should be noted that approval is sought from either the S151 or the deputy S151 officer for every investment. Sometimes this will initially be verbal approval, which is subsequently confirmed by email.</p> <p>b) This recommendation is agreed. The e-mail request will explicitly set out the key facts about each investment to demonstrate that it meets the requirements of the Treasury Management Strategy. This is demonstrated in the procedure note, which has now been drafted and provided to Internal Audit.</p>	<p>Alistair Greer, Principal Accountant (Financial Reporting)</p> <p>1 April 2020 <i>To followed up in the 2020/21 main financial systems audit</i></p>

EXECUTIVE SUMMARY – FINANCIAL PLANNING AND MONITORING

EXECUTIVE SUMMARY

LEVEL OF ASSURANCE:

Design	Substantial	There is a sound system of internal control designed to achieve system objectives.
Effectiveness	Substantial	The controls that are in place are being consistently applied.

SUMMARY OF RECOMMENDATIONS:

High	0
Medium	0
Low	1

TOTAL NUMBER OF RECOMMENDATIONS: 1

BACKGROUND:

The Council’s 2019/20 budget and Medium Term Financial Strategy (MTFS) to 2021/22 were approved at the Ordinary Council meeting in February 2019. Whilst the budget was balanced, overspends were forecast during the year. The position was managed through vacant posts and delayed projects and the Council ended the year with a general fund balance of £3.1 million, a reduction of £18,000 compared to the prior year.

The updated 2020/21 budget and MTFS to 2022/23 was approved by the Policy, Resources and Economic Development (PRED) Committee in February 2020. It was due to be presented to Ordinary Council for approval in March 2020, although this meeting was cancelled due to the unprecedented current situation brought about by the Covid 19 pandemic.

The Council has set a balanced budget of £8.8 million net spending requirement for 2020/21. However, the MTFS forecasts budget gaps of £361,000 in 2021/22 and £723,000 in 2022/23.

The Council has an annual budget setting process which seeks to address budget gaps primarily through:

- Generating income through commercial activity and seeking to embed commercial thinking throughout the organisation;
- The ongoing review and redesign of services; and
- A focus on supporting inward economic investment.

The Council uses eFinancial for General Ledger, and Collaborative Planning software for financial planning, budgeting and forecasting. Budget Managers and Link Accountants have access to the Collaborative Planning application and use this as part of the regular budget monitoring process.

The Council periodically holds Budget Challenge Panel sessions, chaired by the Chief Executive, where managers are questioned over performance and future actions to address budgetary concerns. In previous years, this was done on a quarterly basis but due to the change in Chief Executive and disruptions from the office move during the year, the first budget challenge meetings for 2019/20 were only held in November 2019.

Budget monitoring reports are presented to the PRED Committee to inform members of the Council's financial performance against budget and proposed outturn for the financial year.

GOOD PRACTICE:

- Comprehensive budget setting guidelines, which included a breakdown of each process required and the corresponding deadline, were circulated to Link accountants and budget holders ahead of the 2019/20 and 2020/21 budget setting processes.
- Our discussions with the link accountants and review of diary invites and notes recorded in the Collaborative Planning system confirmed that these guidelines were followed in the 2020/21 budget setting process.
- The consideration of income generation opportunities is encouraged through the fees and charges setting process, which includes formal guidance and a detailed template to be completed by budget holders in carrying out the necessary consultations and benchmarking in setting fees and charges for the year ahead, and through the budget challenge meetings.
- Regular meetings are held between budget holders and Link accountants and actions arising from those meetings are adequately recorded in the Collaborative Planning system and followed up on.
- Formal Budget Challenge Panel sessions were held between November 2019 and January 2020 and an overall summary of the key discussion points and arising actions is held by the finance team.
- Reporting to senior officers and members on the 2019/20 performance against budget, forecast position for the year, and 2020/21 budget assumptions, uncertainties, risks/threats and mitigating actions/next steps took place throughout the year through a range of mechanisms. This included formal reports to PRED, presentations to the Executive Board, discussion at a Corporate Leadership Board (CLB) away day and financial presentations to the PRED Chair and the Leader of the Council.
- The MTFs presented to PRED clearly sets out the assumptions applied and the Council benchmarked its assumptions against other councils within the Essex Finance Officers Alliance.

KEY FINDINGS:

Our audit did not identify any key areas where the control framework needs to be strengthened.

We have raised one low priority recommendation in respect of the Council's Budget Challenge Panel process, where meetings were not held for two of the 25 budgets, being the Elections and the CCTV budgets. There was sound justification for not holding the meeting for the Elections budget. The CCTC budget is of relatively low value.

CONCLUSION:

We provide substantial assurance on design and substantial assurance on effectiveness of the key controls. We have raised one low level recommendation.

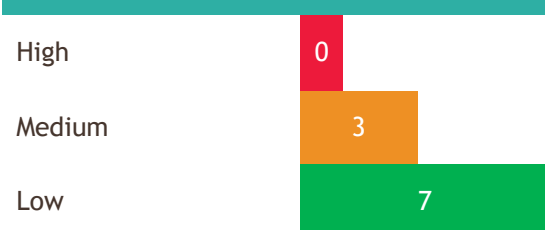
EXECUTIVE SUMMARY – MAIN FINANCIAL SYSTEMS

EXECUTIVE SUMMARY

LEVEL OF ASSURANCE:

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

SUMMARY OF RECOMMENDATIONS:



TOTAL NUMBER OF RECOMMENDATIONS: 10

BACKGROUND:

The Council has a central finance team, led by the Director of Corporate Resources and the Corporate Finance Manager, which is responsible for the financial management controls and processes, including shared service arrangements. The finance team also provides leadership on good financial practice to the services across the Council and has an overseeing role to ensure procedures are correctly followed. The Council has a shared service arrangement with Basildon Council for Council Tax and Business Rates. It also had a contract with Thurrock Council for external recruitment and payroll processing, although these functions have been brought back in house during 2020/21.

In 2018/19 the Council upgraded its key financial system, eFinancials, and at the same time added a platform called Purchase Invoice Management (PIM) system to interface with e-procurement.

Each year our audit of the main financial systems covers the General Ledger, including reconciliations for system interfaces and journals. Cyclical reviews are carried out on the other main financial systems. This year we have focussed on Accounts Payable, Council Tax income and Business rates income. We have also covered the vetting and pre-employment checks process for new starters, as this was not covered in the Human Resources Recruitment audit during the year. In addition we have followed up on outstanding recommendations from the 2018/19 audit of the main financial systems, in particular the timelines of invoicing, and recommendations in the 2019/20 Housing Benefits audit.

GOOD PRACTICE:

- Journals are appropriately authorised by a senior member of the finance team before being posted to the general ledger. There is clear segregation of duties between input and authorisation.

- Journals are authorised and posted to the general ledger within five days of input by the originator, are supported by adequate backing documentation and correctly posted.
- New supplier forms are completed before they are set up on the system and there is evidence that sufficient due diligence is carried out to confirm companies house registration, VAT registration and conflicts checks.
- Credit notes from suppliers are appropriately matched to invoices and payments reduced accordingly.
- Reconciliations between the Council's lists of domestic and business properties and the information from the Valuation Office Agency are carried out on a weekly basis and independently approved.
- Appropriate evidence is held to support council tax and business rates discounts and exemptions awarded.
- Appropriate action is taken to monitor housing benefit overpayments and take recovery action where necessary.

KEY FINDINGS:

We identified the following areas where the control framework needs to be strengthened (medium priority recommendations raised in respect of each of these):

- Review of general ledger user access accounts to ensure that they are all independently approved on set-up, or disabled when no longer required.
- Annual confirmation to be obtained from the shared service provider regarding the appropriateness of the users' access rights to the revenues and benefits system.
- Ensuring that there is a sound process for evidencing pre-employment vetting checks and approvals before candidates are appointed.

CONCLUSION:

Overall, we have concluded that the Council has a satisfactory system of controls in place over the finance processes included in this review as well as a satisfactory level of operational effectiveness of controls. However, further improvements can be made to strengthen controls over some processes and also improve the operational effectiveness of some controls.

We have seen a positive direction of travel in respect of the issues that we reported in our 2018/19 audit of the main financial systems in respect of the timeliness of control account reconciliations and the timeliness of invoicing.

We have raised three medium and seven low priority recommendations. The Council would move towards substantial assurance for control design and operational effectiveness if these medium priority recommendations were addressed during 2020/21.

MANAGEMENT ACTION PLAN:

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
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,	Medium	The annual security review of the Council's financial system has now been undertaken. Where the appropriate authorisation has not been received to the deadline set, access to the financial system has been suspended. The annual review will be scheduled to be undertaken prior to the	Alex Webber (Systems and Finance Officer) Immediately

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
and access rights remain appropriate.		start of the new financial year.	
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	Basildon's Revenues & Benefits systems team will carry out an annual review of all Civica users to ensure appropriateness of access.	Craig Beadle Immediate
Management should ensure that the in-house HR team has a robust and well documented process for pre-employment vetting procedures and approvals.	Medium	Agreed.	Nichola Mann 31 December 2020

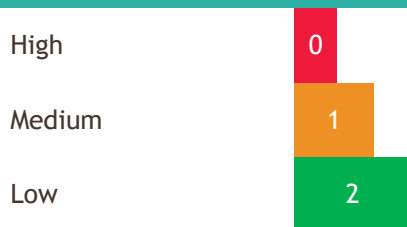
EXECUTIVE SUMMARY – HOUSING REPAIRS AND MAINTENANCE

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:



TOTAL NUMBER OF RECOMMENDATIONS: 3

BACKGROUND:

The Council has had longstanding issues with managing its housing stock effectively, for example through lack of a robust stock condition survey. It has taken action to address these through a contract with Axis, entered into in June 2019, which should result in significant improvements if managed well.

The contract with Axis is for the provision of the following services in respect of the Council's housing stock:

- Responsive repairs and maintenance and voids maintenance;
- Internal and external planned maintenance works;
- Cyclical servicing of various components within the housing stock;
- Servicing, maintenance and boiler replacements to central heating systems; and
- A call centre for answering calls from residents.

The Council's housing stock comprises (based on 31 March 2020 position): 1,090 flats, 1,385 houses and bungalows and 7 equity share properties. In 2019/20 the Council spent £3.1 million on Housing repairs and maintenance.

We reviewed the process for monitoring the contract between the Council and Axis, how key performance indicators (KPIs) are monitored and scrutinised, and the sufficiency of reporting this information internally. We also selected a sample of repairs to assess whether they were appropriately approved for the works to be carried out, and authorised to be paid. As the Council did not have a planned maintenance programme in place at the time of the audit, we reviewed a

sample of planned electrical inspections, to ensure that works completed are adequately reviewed prior to approval for payment.

Due to the lockdown arising from the Covid-19 pandemic towards the end of March 2020, and the difficulties associated with testing audit samples remotely, we reduced our sample sizes for testing repairs and maintenance from 20 to 10. Further testing may have uncovered additional weaknesses.

GOOD PRACTICE:

- Strategic Core Group meetings between the Council and key Axis contacts are held at least quarterly, are appropriately represented by the Council, and there is adequate consideration of financial performance and strategic direction.
- Members are adequately informed regarding the requirements of the contract and how Axis are performing, through regular reporting to the Environment, Enforcement and Housing Committee or member update meetings.
- KPIs cover all areas of the contract, i.e. responsive repairs, planned maintenance, voids etc. as well as overall performance indicators.
- KPIs are SMART and sufficiently stretching.

KEY FINDINGS:

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

- From the sample testing carried out, there is insufficient evidence in some cases that repairs are being appropriately approved before the works are carried out, as we found instances of no evidence of approval (2/10 tested), names of approvers are not always documented (2/10), and void repair approvals sometimes exceeding the pre-set delegation limits (1/10) (Medium).

CONCLUSION:

There is an adequate governance structure in place for monitoring the contract with Axis and processes are in place for stock condition surveys to be carried out over three years. We have raised a medium level finding in relation to compliance with approval processes of repairs prior to the works being carried out. We have also raised two low priority recommendations in respect of an isolated case of not documenting the name of the approver of payments to Axis and the recording of action timescales within the contract management meetings notes. We have therefore concluded that there is a substantial assurance around the design of controls in place and moderate assurance in respect of the effectiveness of those controls.

MANAGEMENT ACTION PLAN:

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
a) Variation Order and repairs approval limits should be formally documented, for example, within a Scheme of Delegation.	Medium	a) We will ensure that the authorisation limits for Council users of Axis' system are formally documented through the Council's Finance User Authorisation forms process.	a) Nicola Marsh, (Housing Manager)
b) Management should consider documenting		b) The void officer is reviewing void baskets which will be for a pre agreed amount of work	b) Nicola Marsh, (Housing Manager)

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
<p>any accepted exceptions to the authorisation limits, such as in respect of Technical Officer/Surveyor approvals of voids repairs.</p> <p>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.</p>		<p>at a set price. Only exceptions to these baskets will need to be agreed and the majority should fall below £5k. Any voids at present where the amount exceeds £5k following this audit, are approved by either the contracts manager or housing manager via email depending on the cost.</p> <p>c) There are some set pre approved limits such as scaffolding tower costs which Axis are able to approve and then these are checked by a Council officer at applications stage. This was completed on a contract amendment form BBC009 in February 2020 but is yet to be signed by Axis due to Covid-19.</p>	<p>c) Nicola Marsh, (Housing Manager)</p>

EXECUTIVE SUMMARY – RISK MANAGEMENT AND GOVERNANCE

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:



TOTAL NUMBER OF RECOMMENDATIONS: 7

BACKGROUND:

Risk management is the process of identifying and mitigating risks to the achievement of Council objectives.

The Council’s strategic and operational risk registers are held on Microsoft SharePoint and the Risk and Insurance Officer within the Financial Services team facilitates the maintenance of these registers, develops the Council’s approach and guides staff in its implementation.

The Audit and Scrutiny Committee is charged with monitoring the effective development and operation of risk management and corporate governance in the Council.

The Council’s arrangements for risk management were last audited in May 2018, which resulted in a Limited rating in respect of the design of processes and a Moderate rating in respect of the operational effectiveness of controls. The Limited rating was derived from the fact that processes were focussed primarily on strategic risks, with a need for operational risks to be brought up to the same level, and risk management was limited to senior management and not embedded across all levels within the Council.

Steps were taken by officers in 2018/19 to address the recommendations raised in the last audit. These included updating the Council’s Insurance and Risk Management Strategy to include a risk appetite statement, tolerance levels and review timescales. The strategy was approved by the former Regulatory & Governance Committee in October 2018.

The 2019/20 audit of risk management covered the Council’s processes for embedding a risk management culture across the organisation to facilitate risk identification, monitoring and mitigation of both strategic and operational risks.

GOOD PRACTICE:

- Since the last review in 2018, the Council’s Insurance and Risk Management Strategy has been updated to include a risk appetite statement, risk tolerance levels that define the frequency of review required for different levels of risk, and improvements to the risk ranking table.
- The risk registers have been refined to provide clearer prompts on the information required in recording risks.
- Processes are in place to regularly update the strategic and operational risk registers in accordance with the risk tolerance review timescales in the Strategy.
- There is a lot of guidance available on the SharePoint site for staff to refer to in identifying, assessing and managing risks and the Risk and Insurance Officer is proactive in supporting staff in this process.
- The Audit and Scrutiny Committee receives regular reports on all strategic risks and high level operational risks.

KEY FINDINGS:

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

- Ensuring that all staff complete the mandatory risk management e-learning training, as current completion is below 40% (Medium).
- Increasing the engagement of staff at all levels across the organisation in risk management through formal risk discussion forums, such as departmental or team meetings (Medium).
- Re-considering the mitigating actions for a few of the very high level risks to ensure that they do not remain at the same level for too long and are appropriately mitigated down to within tolerable levels (Medium).

CONCLUSION:

Overall, we provide substantial assurance on design and moderate assurance on the effectiveness of the key controls.

It is clear that a great deal of work has been completed with regards to risk management since our last review. The Council has a satisfactory system of risk management and governance in place. However, further improvements can be made to improve processes and the operational effectiveness of some controls and to further embed a risk management culture.












We have raised two medium priority recommendations to improve staff awareness of risk management, through training and greater engagement, and a medium priority recommendation regarding a few very high level risks that have not changed rating for some time. We have also raised four low priority recommendations to further improve processes.

MANAGEMENT ACTION PLAN:

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
The Council should follow up on the individuals who have not successfully completed the mandatory risk management training	Medium	Agreed.	Sue White 31 December 2020

Recommendation	Priority	Management Response	Responsible Officer and Implementation Date
and ensure that it is completed.			
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	Agreed. Management can raise awareness through weekly SLT meetings and current fortnightly ELT meetings to discuss approach.	Jacqueline Van Mellaerts Immediately
<p>a) Management should ensure that all risk updates provided are sufficiently detailed to explain the effect that mitigating controls/actions are having on the risk and any other emerging developments.</p> <p>b) Management should re-consider the mitigating actions for very high level risks to ensure that they are effective in reducing risk to within tolerable levels. If very high level risks remain beyond what is considered tolerable per the Council's Insurance and Risk Management Strategy, the risk register should record officers' and member's formal acceptance of the position</p>		<p>a) Agreed - will be discussed at the next Risk working Group.</p> <p>b) Agreed - will be discussed at the next Risk working Group.</p>	<p>Jacqueline Van Mellaerts & Senior Leadership team 31 December 2020</p> <p>Jacqueline Van Mellaerts & Senior Leadership team 31 December 2020</p>




KEY PERFORMANCE INDICATORS 2019/20

Quality Assurance as per the Internal Audit Charter	KPI Results	RAG Rating
1. Annual Audit Plan delivered in line with timetable.	Four audits were deferred, as detailed on page 4.	
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.	One survey response relating to 2019/20 received, which scored 100%.	
4. Annual survey to Audit Committee to achieve score of at least 70%.	Survey to be issued in July 2020.	
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 missed by a few days for 2 out of 11 audits (see table below).	
7. Finalise internal audit report 1 week after management responses to report are received.	This KPI has been met for 11 out of 11 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 missed for 5 out of 11 audits (see table below). The KPI regarding draft report has been missed for 6 out of 11 audits (see table below).	
10. Audit sponsor to implement audit recommendations within the agreed timeframe.	Of the 17 medium recommendations raised in respect of 2019/20 audits, 7 have been closed, 1 is in progress and 9 are 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 (2019/20 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	14/7/20	14/7/20 (KPI 9 met)	16/7/20	17/7/20 (KPI 6 met)	17/7/20 (KPI 9 met)	17/7/20 (KPI 7 met)
Main financial systems	17/1/20	20/1/20 (KPI 9 met)	29/5/20	19/6/20 (KPI 6 met)	16/7/20 (KPI 9 not met by 13 days)	17/7/20 (KPI 7 met)
Financial planning and monitoring	19/2/20	25/2/20 (KPI 9 met)	29/5/20	18/6/20 (KPI 6 met)	30/6/20 (KPI 9 met)	6/7/20 (KPI 7 met)
Treasury Management	4/11/19	12/11/19 (KPI 9 not met by 2 days)	13/01/20	30/01/20 (KPI 6 met)	26/2/20 (KPI 9 not met by 13 days)	4/3/20 (KPI 7 met)
Housing benefits	31/7/19	2/8/19 (KPI 9 met)	28/8/19	19/9/19 (KPI 6 not met by 1 day)	7/10/19 and revised on 30/10/19 (KPI 9 not met by 4 days)	30/10/19 (KPI 7 met)
HR recruitment	8/7/19	9/7/19 (KPI 9 met)	25/7/19	8/8/19 (KPI 6 met)	13/9/19 (KPI 9 not met by 22 days)	19/9/19 (KPI 7 met)
GDPR	10/10/19	22/11/19 (KPI 9 not met by 36 days)	9/12/19	13/12/19 (KPI 6 met)	8/1/20 (KPI 9 not met by 12 days, over holiday period)	8/1/20 (KPI 7 met)
Housing repairs and maintenance	18/2/20	27/2/20 (KPI 9 not met by 2 days)	8/7/20	9/7/20 (KPI 6 met)	16/7/20 (KPI 9 met)	17/7/20 (KPI 7 met)
Trade waste	5/8/19	8/8/19 (KPI 9 met)	28/8/19	12/9/19 (KPI 6 met)	23/9/19 (KPI 9 met)	24/9/19 (KPI 7 met)
Leisure services	25/6/19	3/7/19 (KPI 6 not met by 1 day)	26/9/2019 Follow up meeting on 20/11/19	17/12/19 (KPI 6 not met by 6 days)	13/1/20 (KPI 9 not met by 26 days, mainly due to holidays)	13/1/20 (KPI 7 met)
Food safety	8/8/19	16/8/19 (KPI 9 not met by 1 day)	4/9/19	17/9/19 (KPI 6 met)	23/9/19 (KPI 9 met)	23/9/19 (KPI 7 met)

KEY FOR RAG RATING:

 = met target	 = not met target
 = partly met target	 = not applicable

APPENDIX I

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.



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BRENTWOOD BOROUGH COUNCIL INTERNAL AUDIT FOLLOW UP REPORT

Presented to the Audit and Scrutiny Committee July 2020

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Summary of Recommendations Status

We have followed up on the status of those High (H) and Medium (M) recommendations due for implementation by 30 June 2020. The position as at 17 July 2020 is summarised below:

	Total	Complete		In Progress		Overdue		Superseded		Not Due		% H & M Recs Completed / Superseded
	H & M											
	Recs	H	M	H	M	H	M	H	M	H	M	
19/20. Risk Management	3	-	-	-	-	-	-	-	-	-	3	n/a
19/20. Main Financial Systems	3	-	-	-	-	-	-	-	-	-	3	n/a
19/20. Treasury Management	2	-	-	-	-	-	-	-	-	-	2	n/a
19/20. Housing Repairs and Maintenance	1	-	-	-	-	-	-	-	-	-	1	n/a
19/20. Leisure Services	2	-	2	-	-	-	-	-	-	-	-	100%
19/20. Housing Benefits	3	-	3	-	-	-	-	-	-	-	-	100%
19/20. Food Safety	1	-	1	-	-	-	-	-	-	-	-	100%
19/20. Trade Waste	1	-	-	-	1	-	-	-	-	-	-	0%
19/20. HR Recruitment	1	-	1	-	-	-	-	-	-	-	-	100%
18/19. Workforce Strategy	2	-	1	-	1	-	-	-	-	-	-	50%
18/19. Housing Department	2	1	-	-	-	-	-	-	-	-	1	50%
18/19. Main Financial Systems	6	-	6	-	-	-	-	-	-	-	-	100%
18/19. Housing - Homelessness	2	-	-	1	1	-	-	-	-	-	-	0%
18/19. GDPR Compliance	1	-	1	-	-	-	-	-	-	-	-	100%
18/19. Disaster Recovery and Business Continuity	3	-	3	-	-	-	-	-	-	-	-	100%
18/19 Local Development Plan	2	-	2	-	-	-	-	-	-	-	-	100%
18/19. Corporate Projects	3	-	3	-	-	-	-	-	-	-	-	100%
18/19. PCI/DSS Compliance	5	1	2	-	2	-	-	-	-	-	-	60%
17/18. Minimum Reserve Levels	1	-	1	-	-	-	-	-	-	-	-	100%
17/18. Community Halls Viability	5	2	3	-	-	-	-	-	-	-	-	100%
17/18. Housing	8	2	6	-	-	-	-	-	-	-	-	100%
17/18. Insurance	3	-	3	-	-	-	-	-	-	-	-	100%
17/18. Financial Planning & Budget monitoring	2	-	2	-	-	-	-	-	-	-	-	100%
17/18. Partnerships	7	-	6	-	-	-	1	-	-	-	-	86%
17/18. Environment	4	-	4	-	-	-	-	-	-	-	-	100%
17/18. Housing Benefit Shared Service	2	-	2	-	-	-	-	-	-	-	-	100%
17/18. Main Financial Systems	9	2	7	-	-	-	-	-	-	-	-	100%
17/18. Risk Management and Governance	3	1	2	-	-	-	-	-	-	-	-	100%
17/18. Customer Service	4	-	4	-	-	-	-	-	-	-	-	100%
17/18. Information Security Assessment	10	-	10	-	-	-	-	-	-	-	-	100%
17/18. Car Parks and Payment Collection	7	4	3	-	-	-	-	-	-	-	-	100%
17/18. Taxi Driver Licensing	2	-	2	-	-	-	-	-	-	-	-	100%
16/17. Local Development Plan	4	-	4	-	-	-	-	-	-	-	-	100%
16/17. Contract Management & Procurement	9	3	6	-	-	-	-	-	-	-	-	100%
	123	16	90	1	5	0	1	0	0	0	10	

Total BDO Recommendations

Of the total 123 recommendations (relating to 2019/20, 2018/19, 2017/18 and two audits in 2016/17 which were completed in 2017/18) 113 were due to be implemented by 30 June 2020 or earlier. We have confirmed with reference to evidence that 106 have been completed.

2019/20 Recommendations

Of the 17 recommendations raised in 2019/20, 7 have been completed, 1 is in progress and 9 are not yet due.

2018/19 Recommendations

Of the 26 recommendations raised in 2018/19, 20 have been completed, 5 are in progress and 1 is not yet due. One of the in progress recommendations, from the Housing homelessness audit as set out on page 7, was a high priority recommendation.

2016/17 and 2017/18 Recommendations

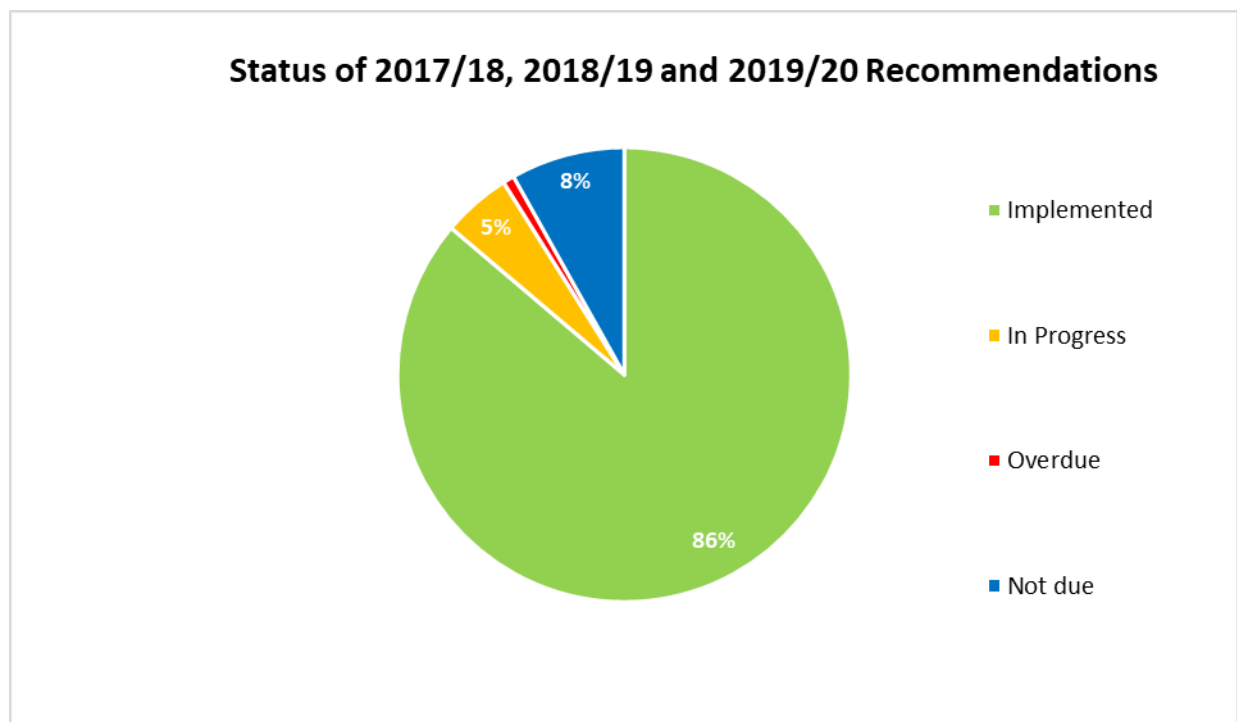
Of the 80 recommendations raised in 2016/17 and 2017/18, there is 1 overdue.

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.

Significant effort has been made in the quarter to provide evidence to close outstanding recommendations, with the result that 23 recommendations have been closed since our last follow up report.

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.



Recommendations: Overdue

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
2017/18 - Partnerships				
<p>17/18 Partnerships rec 3:</p> <p>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</p>	Medium	Kim Anderson (Partnership Leisure and Funding Manager)	March 2018 January 2019 March 2019 February 2020 September 2020	<p><u>Previous update:</u></p> <p>This has been done in the register.</p> <p><i>The recommendation has not been closed by Internal Audit as the register does not record how the partnership was formally approved for every partnership.</i></p>

Recommendations: In progress

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
2018/19 - PCI/DSS Compliance				
<p>18/19 PCS/DSS rec 2:</p> <p>a) Identify and clearly and fully document the Council's complete card payment environment</p> <p>b) Review the existing arrangements whereby different systems are used for payment processing and consider rationalising the card payment process</p> <p>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</p> <p>d) Establish a timetable for the completion of the annual Self-Assessment Questionnaire.</p>	Medium	Tim Huggins	<p>September 2019</p> <p>June 2020</p> <p>September 2020</p> <p>December 2020</p>	<p><u>Update:</u></p> <p>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.</p> <p><i>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.</i></p>
<p>18/19 PCS/DSS rec 5:</p> <p>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:</p> <ul style="list-style-type: none"> • 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	<p>September 2019</p> <p>June 2020</p> <p>September 2020</p> <p>October 2020</p>	<p><u>Update:</u></p> <p>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.</p> <p>Storage of data in within the information security policies and management of data is part of the GDPR training.</p> <p>Training to be made available by October 2020.</p> <p><i>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.</i></p>

Recommendations: In progress

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
2018/19 - Housing - Homelessness				
<p>18/19 Housing Homelessness rec 1:</p> <p>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.</p> <p>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.</p> <p>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.</p>	High	Stuart Morris	<p>December 2019</p> <p>February 2020</p> <p>September 2020</p>	<p><u>Update:</u></p> <p>a) The Senior Manager will check that all relevant documentation required is held as part of the sign off process.</p> <p>b) Training has previously been provided to staff, and further on-line refresher training is being sourced. Document checking equipment is currently being sourced. Initial enquiries were made with Housing Benefits who advised they do not use verification equipment. Further enquiries are now in progress with DWP.</p> <p>c) A project team that has been set up to review the locata system in its entirety, meets twice weekly to review progress made and what new actions are required. Access has now been given to the locata test site so Officers can review the existing targets and implement additional targets/tasks as identified, without a risk to affecting the live locata site. Regular cases reviews are undertaken with Case Workers fortnightly to review all cases and ensure that completion of cases are met within target or, where existing targets cannot be met, consider if there are any particular barriers/issues affecting this.</p> <p>Overall, there are a number of steps that still need to be taken to fully implement the recommendation. For some elements, the service is reliant on a third party, Sector, to implement certain changes, particularly where they would affect the H-Click return which would also affect the rest of the consortium. In this instance, the Council's capacity to make changes to the system is limited.</p>
<p>18/19 Housing Homelessness rec 3:</p> <p>As part of transparency, the full list of KPI's 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</p>	Medium	Stuart Morris	<p>September 2019</p> <p>February 2020</p> <p>September 2020</p>	<p><u>Update:</u></p> <p>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</p>

Recommendations: In progress

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
reported on.				whether the KPIs identified are achievable and where not, whether further enhancements can be made to the system.
2018/19 - Workforce Strategy				
<p>2018/19 Workforce Strategy rec 1:</p> <p>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.</p>	Medium	Jacqueline Van Mellaerts (Director of Corporate Resources)	February 2020 December 2020	<p><u>Update:</u></p> <p>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.</p>
2019/20 - Trade Waste				
<p>19/20 Trade Waste rec 1:</p> <p>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.</p> <p>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.</p> <p>c) Liaise with the food safety team to identify new businesses that may require trade waste services.</p> <p>d) Undertake cold-calling of local businesses in the borough to attract new customers.</p>	Medium	Mike Dunn	<p>1) March 2020 March 2021</p> <p>2) October 2019 February 2020 Closed</p> <p>3) October 2019 February 2020 Closed</p> <p>4) Ongoing 31 March 2021</p>	<p><u>Update:</u></p> <p>a) As a result of the pandemic crisis promotion of the trade waste service has not been actively pursued. As restrictions lift this will be reviewed.</p> <p>The focus, at this time of the year, has been on issuing WTNs, confirming charges with the existing customer base and working with customers who had wished to suspend services. It was hoped to have introduced a new recycling service; however this was delayed as a result of the crisis. There are further issues to resolve as the processor initially has expressed that domestic recyclables are to be delivered only.</p> <p>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.</p> <p><i>This part of the recommendation has been closed by Internal Audit following receipt of the leaflet.</i></p> <p>c) The Food Safety Team do refer to the waste services that the</p>

Recommendations: In progress

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
				<p>Council can offer.</p> <p><i>This part of the recommendation has been closed by Internal Audit following confirmation received from the service.</i></p> <p>d) Concerning the marketing strategy; this has been delayed due to current events.</p>

Recommendations: Closed in Quarter

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
2017/18 - Customer Services				
<p>17/18 Customer Services rec 2:</p> <p>Reviews should be carried out with all departments to identify service requirements and needs and where channel shift will improve stakeholders' interaction with the Council and generate efficiencies. Once completed, priority action plans should be agreed with Heads of Departments and feed in to the overall strategy and Channel Shift Plan.</p> <p>The Council should introduce a Business Case summary for each project which should be approved by an appropriate board or panel before a project commences to ensure it ties in with the Council's Customer Services Strategy.</p> <p>The Business Case should include:</p> <ul style="list-style-type: none"> - A brief discussion of the project - Project outcomes (including potential savings in finances and resources) - Planned project start date - Planned project completion date - The stakeholders identified and the role they will play in the project - Financial implications - Resource requirements <p>This will ensure a formal trial for all projects from the start and evidence stakeholder engagement.</p>	Medium	Sarah Bennett	<p>September 2018</p> <p>December 2018</p> <p>March 2019</p> <p>September 2019</p> <p>February 2020</p> <p>September 2020</p> <p>Closed</p>	<p><u>Update:</u></p> <p>The Council previously planned to develop and agree a Customer Access Strategy in summer 2020, after which a Business Case template was going to be developed to cover service reviews.</p> <p>However, the draft Customer Access Strategy will now be incorporated into a new Digital Strategy and the previous Service Improvement Programme is now superseded by the new Corporate Plan, and Recovery and transformation Plan. This will be managed through the Council's Performance Management processes.</p> <p><i>The recommendation has been closed by Internal Audit following discussion with the Chief Operating Officer and receipt of the new draft performance management framework, draft Customer Access Strategy, draft Digital Strategy approach and high level Recovery and transformation plan. It is clear that the previous recommendation is now superseded and will be delivered in a different way. The new process will be covered by the Performance Management internal audit in 2020/21.</i></p>
<p>17/18 Customer Services rec 4:</p> <p>As part of department reviews the Service improvement Team should identify all external partners and stakeholders to ensure all parties are included in drawing up of the Service Improvement Programme to help either introduce new technology or establish the possible impact on all parties or development of current channels to assist in improving interaction with the Council.</p>	Medium	Sarah Bennett	<p>September 2018</p> <p>December 2018</p> <p>March 2019</p> <p>September 2019</p> <p>February 2020</p> <p>September 2020</p> <p>Closed</p>	<p><u>Update:</u></p> <p>The Council continues to undertake testing with employees and has now developed the 'MYBrentwood' Customer Portal which enables it to track enquiries.</p> <p>The Council had planned to carry out consultation as part of the development of the new Customer Access Strategy.</p> <p>However, the draft Customer Access Strategy will now be incorporated into a new Digital Strategy and the previous Service Improvement Programme is now superseded by the new Corporate Plan, and Recovery and transformation Plan. This will be managed through the Council's Performance Management processes.</p> <p><i>The recommendation has been</i></p>

Recommendations: Closed in Quarter

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
<p><i>closed by Internal Audit as it is that the previous recommendation is now superseded and will be delivered in a different way. The new process will be reviewed in the Performance Management internal audit in 2020/21.</i></p>				
2017/18 - Community Halls Viability				
<p>17/18 Community Halls rec 3:</p> <p>A project plan covering the community halls should be developed covering all the steps required to enable a comprehensive report to be produced for members to make their decision on the future management of the community halls. The plan should include nominated officers and set time lines for completion.</p> <p>The plan should include the options to be considered, what information is required to support options, i.e. due diligence exercise on finances and contracts currently in place, and the risks to the Council in delays, not doing anything and any mitigating actions already in place.</p>	Medium	<p>Kim Anderson (Partnership Leisure and Funding Manager)</p>	<p>October 2017 January 2019 March 2019 June 2020 Closed</p>	<p><u>Previous update:</u></p> <p>A Preliminary Market Engagement Exercise was carried out to identify if there is any 3rd party interest. This indicated that it should go out to tender.</p> <p><u>Update:</u></p> <p>An invitation to tender (ITT) document has been prepared for the community halls procurement exercise together with information packs for halls. The tender exercise will go live in July 2020 and close at the end of August 2020, with a report to the Community and Health Committee in September/October 2020.</p> <p><i>Recommendation closed by Internal Audit following receipt of the ITT document and supporting information packs.</i></p>
<p>17/18 Community Halls rec 4:</p> <p>As part of the project plan the Council should include implementation plans clearly outlining the steps required and target dates. This needs to be monitored on a regular basis by the project lead and reported to the appropriate committees and management.</p>	Medium	<p>Kim Anderson (Partnership Leisure and Funding Manager)</p>	<p>November 2017 January 2019 March 2019 February 2020 Closed</p>	<p><u>Previous update:</u></p> <p>There is an indicative plan in place.</p> <p>As noted above, the tender exercise will go live in July 2020 and close at the end of August 2020, with a report to the Community and Health Committee in September/October 2020.</p> <p><i>Recommendation closed by Internal Audit following receipt of the ITT document and supporting information packs.</i></p>
2017/18 - Housing				
<p>17/18 Housing rec 2:</p> <p>a) Develop an Estate Management Strategy and procedure</p> <p>b) Determine Estate Management inspection protocols and carry out inspections accordingly</p> <p>c) Train Housing staff to conduct estate management inspections</p>	High	<p>Stuart Morris (Housing Options Team Leader) Nicola Marsh (Housing Manager)</p>	<p>April 2018 January 2019 March 2019 February 2020 Closed</p>	<p><u>Update:</u></p> <p>a) The Estates Management Strategy 2018-2021 was completed and formally adopted by the Community, Health and Housing Committee in March 2018, with supporting procedures now in place.</p>

Recommendations: Closed in Quarter

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
<p>d) Prepare checklists to support Housing staff conducting inspections (including for first day of tenancy (such as ensuring a working fire alarm) and for ongoing checks</p> <p>e) Consider use of technology to improve recording of issues identified, sharing data as appropriate, and monitoring of resolution</p> <p>f) Develop reporting arrangements for other Council staff already working in the Borough to report estates issues</p>				<p>b) The inspection protocols are documented within the Estates Management Strategy and require that inspections are carried out every 8 weeks, as well as ad-hoc inspections. The Council has implemented Photobook for the scheduling and recording of inspections, and is using this primarily to conduct estate inspections.</p> <p>c) Training on Photobooks was carried out towards the end of February 2020, as part of the testing of Photobooks, and all officers received this initial training where required. The training will develop as the Council continues to use the software.</p> <p>d) The previously used standard forms have been superseded with the introduction of Photobooks, which provides benchmarking estates data.</p> <p>e) The introduction of Photobooks for use in inspections will improve the recording of inspection results.</p> <p>f) Partnership working with Sheltered Housing Team who work directly with the Estates Management Team. Caretakers feed in directly to the Estates Management Team. An ad-hoc inspection form has recently been developed for other Council staff to report estates issues.</p> <p>Standard practice is now to hold all new documents on the Orchard DMS (stored on Orchard) or Locata IT systems.</p> <p><i>Recommendation part (a) closed by Internal Audit after review of the Estates Management Strategy in the papers for the March 2018 Community, Health and Housing Committee, on the Council's website.</i></p> <p><i>Recommendation parts (b) to (f) closed by Internal Audit following</i></p>

Recommendations: Closed in Quarter

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
				<i>receipt of two example inspection reports completed in Photobooks.</i>
<p>17/18 Housing rec 8:</p> <p>a) Housing staff are informed that accounts in credit are a potential indicator of fraud</p> <p>b) Periodic checks are made on credit accounts by Housing staff, giving consideration to fraud risks</p> <p>c) The process for transferring credits is reviewed to identify options for efficiency through automation and streamlining</p>	Medium	Stuart Morris & Nicola Marsh	<p>April 2018</p> <p>January 2019</p> <p>March 2019</p> <p>June 2019</p> <p>February 2020</p> <p>Closed</p>	<p><u>Update:</u></p> <p>'Rent sense' is currently being rolled out. This shows accounts in arrears in priority order but also flags accounts in credit. Officers also receive also receive weekly credit reports which housing officers work through in between their arrears recovery.</p> <p>The process has been reviewed for credits processing efficiency. The actual process can not be automated but rent sense highlighting the accounts makes it less onerous on officers in highlighting the credits. The transferring process is one form to be completed then approved by manager, and admin transfer the credit.</p> <p><i>Recommendation closed by Internal Audit following receipt of example rent sense report and weekly credit report and explanation regarding the process review.</i></p>
2017/18 - Partnerships				
<p>17/18 Partnerships rec 2:</p> <p>a) Council officers or elected members should use the 'Partnership Checklist' and the 'Partnership Self- Assessment Tool' as referred to in the new Partnership Policy and Procedures as a tool to assess the viability of a partnership, prior to joining a partnership</p> <p>b) The Council's Partnership Leads for all existing partnerships should use both the 'Partnership Checklist' and the 'Partnership Self-Assessment Tool' to review the viability of existing partnerships.</p>	Medium	Kim Anderson (Partnership Leisure and Funding Manager)	<p>March 2018</p> <p>March 2019</p> <p>February 2020</p> <p>Closed</p>	<p><u>Previous update:</u></p> <p>An action plan has been devised for all recommendations and a new documentation compiled for assessing existing and new partnerships and managers.</p> <p>The Self-Assessment tool was circulated to managers to complete (email sent 19 July 2019 and followed up 1 August 2019). When all responses have been completed, the results from the Self-Assessment tool feedback will inform any further actions on particular partnerships that will need to be undertaken by the partnership lead for that partnership.</p> <p>This has been completed.</p> <p><i>Recommendation closed by Internal Audit following receipt of the partnership self-assessment template form.</i></p>
<p>17/18 Partnerships rec 4:</p> <p>The leads for the Council's existing partnerships should conduct a review of their partnerships using the Self-Assessment Tool within the Council's</p>	Medium	Kim Anderson (Partnership Leisure and Funding	<p>March 2018</p> <p>January 2019</p> <p>March 2019</p>	<p><u>Previous update:</u></p> <p>This has been done in the register.</p> <p><i>Recommendation closed by Internal Audit following receipt of the</i></p>

Recommendations: Closed in Quarter

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
new proposed framework, to ensure governance arrangements are clearly defined, and review whether partnership objectives are being met. Where the Council considers that partnership objectives are not being met, the Council should re-consider whether to remain in that partnership.		Manager)	February 2020 Closed	<i>partnerships register.</i>
17/18 Partnerships rec 5: Lead officers should use the Partnership Self-Assessment Tool to review and assist the effectiveness of current partnership arrangements. They should then make a recommendation as to whether to continue to support engagement in the partnership, improve the partnership working arrangements, or whether to disengage from it, as per the Partnership Policy and Procedures 2017.	Medium	Kim Anderson (Partnership Leisure and Funding Manager)	March 2018 January 2019 March 2019 February 2020 Closed	<u>Previous update:</u> This has been done in the register. <i>Recommendation closed by Internal Audit following receipt of the partnerships register.</i>
17/18 Partnerships rec 6: a) When partnerships are set up, Council officers or partnership leads should be clear what their specific role and responsibilities are within the partnership, as well as understanding the roles and responsibilities of the other partners. The Council's Partnership Checklist should be used to support this process b) Roles and responsibilities should be clarified for existing partnerships and included within updated terms of reference.	Medium	Kim Anderson (Partnership Leisure and Funding Manager)	March 2018 January 2019 March 2019 February 2020 Closed	<u>Previous update:</u> This is recorded in the partnerships register. <i>Recommendation closed by Internal Audit following receipt of the partnerships register.</i>
2018/19 - Local Development Plan				
18/19 Local Development Plan rec 2: The current progress plan should be reviewed to ensure each stage has an appropriate end date and the resources in place to avoid any further potential delays. This should be continually monitored and additional resources deployed as required.	Medium	Jonathan Quilter	December 2019 February 2020 Closed	<u>Update:</u> The project plan has been continually reviewed to ensure it reflected an accurate position. In addition, the use of Microsoft Teams has allowed for a more effective identification of the detailed tasks involved, associated timeframes and any potential resource issues. In addition, Microsoft Planner is being used to provide more detailed management of tasks. This allows for tasks to be assigned to team members and provides an interactive tool to monitor resource levels and prioritise accordingly. The Local Plan was submitted to the

Recommendations: Closed in Quarter

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
<p>Secretary of State for Examination in Public on the 14 February 2020. The original planned date for submission was by the end of 2019 but due to the General Election this delayed the Ordinary Council meeting needed to approve the suggested amendments to the plan.</p> <p>Since submission, the timetable is now determined by the requirements of the appointed Inspectors. The Council received the Inspectors initial questions on the 1 June 2020 and on the 23 June 2020 provided a timetable for responding to each of the matters raised.</p> <p><i>Recommendation closed by Internal Audit following receipt of the project plan, which reflects the main tasks following submission of the Local Plan to the Secretary of State, and a screenshot from Microsoft Planner that shows how the software is being used.</i></p>				
2018/19 - Disaster Recovery and Business Continuity				
<p>18/19 Disaster Recovery and Business Continuity rec 1:</p> <p>Each service function's business continuity plan should be tested and validated for feasibility and a regular system of review and testing implemented. Reports should be submitted to executive management to ensure completion.</p>	Medium	Sue White	<p>March 2020</p> <p>Closed</p>	<p><u>Update:</u></p> <p>Business Continuity (BC) Plans were sent to all Plan Owners on 10 February 2020.</p> <p>Implementation of testing has not been completed due to the current situation with Covid-19.</p> <p>The Council is now beginning the recovery phase, a lessons log will be conducted at some stage focusing on the following:</p> <ul style="list-style-type: none"> • Did the BC Plan help with the situation? • Are BC Plans a true reflection of what we did and did it work? • Look at what services on the Plans were essential, were they still essential in this situation? <p><i>Recommendation closed by Internal Audit as the plans have in to some extent been tested in the current situation with Covid-19. Business continuity planning and disaster recovery is included in the internal audit plan for 2020/21 and this will consider new arrangements.</i></p>

Recommendations: Closed in Quarter

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
<p>18/19 Disaster Recovery and Business Continuity rec 2:</p> <p>The annual risk assessment and business impact analyses should consider the resourcing conflicts (dependencies) on the IT support team to ensure that service needs in the separate business continuity plans can be delivered.</p>	Medium	Sue White	<p>March 2020</p> <p>Closed</p>	<p><u>Update:</u></p> <p>The current situation with Covid-19 has tested the dependencies on the IT support team for each service area.</p> <p>The Council is reviewing service plans and re-imaging plan following on from recovery to Covid-19, which will also take into account resources and risk assessments of the services.</p> <p><i>Recommendation closed by Internal Audit as IT resource has in effect been considered and tested in the current situation with Covid-19. Business continuity planning and disaster recovery is included in the internal audit plan for 2020/21 and this will consider new arrangements.</i></p>
<p>18/19 Disaster Recovery and Business Continuity rec 3:</p> <p>Business continuity plans should be considered alongside the annual operational risk assessments conducted by each service function.</p>	Medium	Sue White	<p>March 2020</p> <p>Closed</p>	<p><u>Update:</u></p> <p>The recommendation is no longer valid and has been superseded by other events.</p> <p>The Council is reviewing service plans and re-imaging plan following on from our recovery to Covid-19 which will also take into account resources and risk assessments of the services</p> <p>This could also form part of the lessons learnt log as above.</p> <p><i>Recommendation closed by Internal Audit as the plans have to some extent been considered and tested in the current situation with Covid-19. Business continuity planning and disaster recovery is included in the internal audit plan for 2020/21 and this will consider new arrangements.</i></p>
2018/19 - Workforce Strategy				
<p>18/19 Workforce Strategy rec 2:</p> <p>Effective employee feedback mechanisms to gauge employee engagement of specific projects or satisfaction of the Council as a whole should be utilised. This could be completed through different mechanisms, such as: an annual employee engagement survey, quarterly and briefer pulse surveys or a combination of the two (annual survey with pulse surveys completed on the satisfaction with action taken).</p>	Medium	Jacqueline Van Mellaerts	<p>January 2020</p> <p>February 2020</p> <p>Closed</p>	<p><i>Recommendation closed by Internal Audit following receipt of evidence that a staff survey was carried out in December 2019 to January 2020 and review of the March 2020 staff newsletter and staff briefing provided by the Chief Executive.</i></p>

Recommendations: Closed in Quarter

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
It should be ensured that feedback based on the results is provided in a timely manner and that action is taken where possible to ensure engagement is maintained.				
2018/19 - Main Financial Systems				
<p>18/19 Main financial systems rec 3:</p> <p>Aged debt analysis should be carried out on a monthly basis, and reported to Senior Management.</p>	Medium	<p>Phoebe Barnes</p> <p>Alex Webber</p>	<p>31 August 2019</p> <p>February 2020</p> <p>Closed</p>	<p><u>Update:</u></p> <p>A detailed aged debt report is received by the reported to the Director of Corporate Resources and the Corporate Finance Manager each month, and is escalated to Senior Leadership Team (SLT), if there are any concerns.</p> <p><i>Recommendation closed by Internal Audit after receipt of the e-mail circulation of the aged reports on a monthly basis from April to June 2020. Going forward there are plans to present a summarised version of the report to SLT on a bi monthly basis with effect from the end of July 2020.</i></p>
<p>18/19 Main financial systems rec 6:</p> <p>a) There should be guidance on the time frame within which an invoice should be raised after the service request or from the date of the work commencement for building control related accounts.</p> <p>b) The process of invoicing should be regularly monitored to ensure that timely invoicing is carried out. As a good practice, invoices should be raised within 30 days of the service start date or before the commencement of the specific period in the case of season parking tickets.</p> <p>c) For all cases, the system generated compiled reports should match the data on the system. If there is an error in extraction of reports, this should be rectified.</p>		<p>Jacqueline Van Mellaerts (Director of Corporate Resources)</p>	<p>November 2019</p> <p>February 2020</p> <p>Closed</p>	<p><i>Recommendation part a) closed by Internal Audit following review of updated 'Raising sales invoices guidance' produced by the Council.</i></p> <p><i>Recommendation parts b) and c) closed by Internal Audit after follow up in the 2019/20 Main financial Systems audit when no significant exceptions in this area were identified.</i></p>
2019/20 Human Resources - Recruitment				
<p>19/20 Human Resources - recruitment rec 1:</p> <p>Management should identify which interviewers have not been provided with recruitment and selection training from Thurrock Council and should put in place arrangements for training to be provided as soon as possible, where</p>	Medium	<p>Jacqueline Van Mellaerts</p>	<p>December 2019</p> <p>February 2020</p> <p>Closed</p>	<p><u>Update:</u></p> <p>Recruitment has now been taken back in house and is not outsourced to Thurrock, from January 2020. There has been limited recruitment since this time and during Covid-19. No further training has been undertaken with staff. There is a list</p>

Recommendations: Closed in Quarter

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
necessary. Training attendance should be monitored and where an interviewer has not been provided with the training they should not be carrying out interviews on their own without the presence of an interviewer who has been appropriately trained by Thurrock Council, or is experienced in carrying out interviews.				in place that is used to check whether panel members have undertaken the training to carry out interviews, which is reviewed by the HR & recruitment officer during the recruitment. Going forward the Council we will be utilising its e-learning module to assist staff with training and also using a recruitment checklist to facilitate the recruitment process. <i>Recommendation closed by Internal Audit following receipt of the record of Council officer recruitment and selection training.</i>
2019/20 - Housing Benefit Audit				
2019/20 Housing Benefit Audit rec 2:	Medium	Kayleigh Patch	April 2020 Closed	<i>Recommendation parts a) to d) closed by Internal Audit after follow up in the 2019/20 Main financial Systems audit when no significant exceptions in this area were identified.</i>
a) New applications should be processed within the target of 21 days set by the Housing Benefits shared service, or reasons for delays should be recorded in Civica.				
b) The report of outstanding new claims generated from Civica should be regularly monitored to ensure that action is prioritised for all outstanding claims above the target.				
c) Amendments should be processed within the target of 12 days set by the Housing Benefits shared service, or reasons for delays should be recorded in Civica.				
d) The Housing Benefits shared service should determine whether there are any reports that can be used to monitor outstanding changes in circumstances and a process set up for monitoring these.				
2019/20 Housing Benefit Audit rec 3:	Medium	Kayleigh Patch	April 2020 Closed	<i>Recommendation parts a) to e) closed by Internal Audit after follow up in the 2019/20 Main financial Systems audit when no significant exceptions in this area were identified.</i>
a) All claims receiving Universal Credit Payments should be suspended within a week from the Universal Credit payment notification, per best practice.				
b) Housing benefit payments should be cancelled within a reasonable period of time of suspension.				
c) Staff should be provided with training to ensure timely				

Recommendations: Closed in Quarter

Recommendation made	Priority Level	Manager Responsible	Due Date	Current Progress
<p>cancellation of the housing benefit claims.</p> <p>d) Periodic sample checking should be carried out to ensure compliance.</p> <p>e) MPG1 forms should be submitted to DWP as soon as the housing benefit claim is cancelled.</p>				
<p>2019/20 - Housing Benefit Audit rec 4:</p> <p>Debt recovery actions should be undertaken on a timely basis to ensure recovery of the due debt and avoid any potential financial loss. Cases with due debt should be monitored regularly and in case of staff absences, it should be assigned to another officer to ensure timely action.</p>	Medium	Kayleigh Patch	<p>April 2020</p> <p>Closed</p>	<p><i>Recommendation closed by Internal Audit after follow up in the 2019/20 Main financial Systems audit when no significant exceptions in this area were identified.</i></p>
2019/20 - Leisure Strategy Audit				
<p>19/20 Leisure Strategy rec 1:</p> <p>Progress towards implementation of the Leisure Strategy should be monitored and reported more frequently (such as on a quarterly basis) so that potential issues can be discussed and resolved on a timely basis.</p>	Medium	Kim Anderson	<p>January 2020</p> <p>February 2020</p> <p>Closed</p>	<p><u>Update:</u></p> <p>Regular updates on implementation of the Leisure Strategy are being provided to the Community and Health Committee.</p> <p><i>Recommendation closed by Internal Audit following sight of Chair Updates reports to the Community and Health Committee in January and March 2020, a presentation on 'A year in review' to the Committee in March 2020, and a Football Hub development report to the Committee in March 2020.</i></p>
<p>19/20 Leisure Strategy rec 2:</p> <p>The agreement between the Council and BLT for the management of six community halls should be renewed and signed off to formalise the situation until such time as a new partner is appointed in the procurement exercise.</p>	Medium	Kim Anderson	<p>November 2019</p> <p>February 2020</p> <p>Closed</p>	<p><u>Update:</u></p> <p>A new management agreement was in place with BLT up until June 2020 and new agreements are in the process of being finalised. The new BLT leases that are being finalised are for a period of 2 years with 3 monthly breaks so the Council, as the landlord, can terminate them at any time if it wished to swap to a new provider. Should that happen, BLT will be given as much notice as possible, which is likely to be more than 3 months.</p> <p>An invitation to tender for the community halls has been prepared.</p> <p><i>Recommendation closed by Internal Audit as management agreement with BLT in place to June 2020 and new agreements are being finalised.</i></p>



FOR MORE INFORMATION:

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Committee: Audit and Scrutiny Committee	Date: 28 July 2020
Subject: Internal Audit Annual Report 2019-20	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 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.

Recommendation(s)

Members are asked to:

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

Introduction and Background

1. This report is intended to inform the Audit and Scrutiny Committee of the overall results of our 2019-20 internal audit plan. It summarises our assessment of the systems reviewed and the recommendations 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 2019/20 annual audit plan in March 2019. The progress against plan is reported at every Audit and Scrutiny Committee during 2019-20.

Issue, Options and Analysis of Options

4. Overall we are able to 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.
5. In forming our view we have taken into account that:
 - The Council has performed broadly in line with budget regarding financial performance. It has demonstrated sound financial management, as evidenced by our substantial assurance opinion provided on the financial planning and monitoring audit in respect of the design and operational effectiveness of controls. A substantial assurance opinion was also provided on the design of controls within treasury management and moderate assurance opinions were provided in respect of the operating effectiveness of controls in the main accounting systems and treasury management.
 - In respect of the design of the controls, substantial assurance was provided in seven out of eleven assurance audits and moderate assurance opinions were provided in four areas. These opinions are an improvement compared with 2018-19 (see page 12).
 - In respect of the operational effectiveness of the controls, an opinion of moderate assurance was provided for five of the eleven assurance audits, and substantial assurance was provided in six areas, with no limited assurances. These opinions are an improvement compared with 2018-19 (see page 12).
 - Management has responded positively to reports issued and action plans have been developed to address the recommendations raised.
 - We have confirmed that 94% of recommendations due for implementation by the date of reporting had been completed, which is a significant increase compared to the prior year.
 - Overall, therefore, we are pleased to note an improvement in the control environment compared to last year and while we note on page 14 some themes for further improvement, the Council has done well to enhance controls in a challenging financial environment.

Reasons for Recommendation

10. To review the overall results of work against the internal audit plan

Consultation

11. Not applicable.

References to Corporate Plan

12. 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

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

Legal Implications

Name & Title: Amanda Julian, Director of Law & Governance

Tel & Email: 01277 312500/amanda.julian@brentwood.gov.uk

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

Economic Implications

Name/Title: Phil Drane, Director of Strategic Planning

Tel/Email: 01277 312500/philip.drane@brentwood.gov.uk

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

Background Papers

16. None

Appendices to this report

17. Appendix A – Internal Audit Annual report 2019-20

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INTERNAL AUDIT ANNUAL REPORT AND ANNUAL STATEMENT OF ASSURANCE

Brentwood Borough Council
2019/20

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SUMMARY OF 2019/20 WORK

Internal Audit 2019/20

This report details the work undertaken by internal audit for Brentwood Borough Council and provides an overview of the effectiveness of the controls in place for the full year. The following reports have been issued for this financial year:

- HR Recruitment
- Food Safety
- Trade Waste
- Housing Benefits
- General Data Protection Regulations (GDPR)
- Leisure Strategy
- Treasury Management
- Financial Planning and Monitoring
- Housing Repairs and Maintenance
- Main Financial Systems
- Risk Management and Governance

We have detailed the opinions of each report and key findings on pages five to eleven.

Our internal audit work for the 12 month period from 1 April 2019 to 31 March 2020 was carried out in accordance with the internal audit plan approved by management and the Audit and Scrutiny Committee, with the following exceptions:

- Finalisation of the audits on Housing Repairs and Maintenance and Risk Management was completed in the period April to July 2020, as completion in March 2020 was impacted by the Covid-19 related lockdown
- The audit of the Corporate Plan was deferred to 2020/21, at the request of management, due to the onset of the Covid-19 pandemic in March 2020.

The plan was based upon discussions held with management and was constructed in such a way as to gain a level of assurance on the main financial and management systems reviewed. There were no restrictions placed upon the scope of our audit and our work complied with Public Sector Internal Audit Standards.

Head of Internal Audit Opinion

The role of internal audit is to provide an opinion to the Board, through the Audit and Scrutiny Committee, on the adequacy and effectiveness of the internal control system to ensure the achievement of the organisation's objectives in the areas reviewed. The annual report from internal audit provides an overall opinion on the adequacy and effectiveness of the organisation's risk management, control and governance processes, within the scope of work undertaken by our firm as outsourced providers of the internal audit service. It also summarises the activities of internal audit for the period.

The basis for forming my opinion is as follows:

- An assessment of the design and operation of the underpinning Assurance Framework and supporting processes;
- An assessment of the range of individual opinions arising from risk based audit assignments contained within internal audit risk based plans that have been reported throughout the year;
- This assessment has taken account of the relative materiality of these areas and management's progress in respect of addressing control weaknesses; and
- Any reliance that is being placed upon third party assurances.

Overall, we are able to 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.

In forming our view we have taken into account that:

- The Council has performed broadly in line with budget regarding financial performance. It has demonstrated sound financial management, as evidenced by our substantial assurance opinion provided on the financial planning and monitoring audit in respect of the design and operational effectiveness of controls. A substantial assurance opinion was also provided on the design of controls within treasury management and moderate assurance opinions were provided in respect of the operating effectiveness of controls in the main accounting systems and treasury management.
- In respect of the design of the controls, substantial assurance was provided in seven out of eleven assurance audits and moderate assurance opinions were provided in four areas. These opinions are an improvement compared with 2018-19 (see page 12).
- In respect of the operational effectiveness of the controls, an opinion of moderate assurance was provided for five of the eleven assurance audits, and substantial assurance was provided in six areas, with no limited assurances. These opinions are an improvement compared with 2018-19 (see page 12).
- Management has responded positively to reports issued and action plans have been developed to address the recommendations raised.
- We have confirmed that 94% of recommendations due for implementation by the date of reporting had been completed, which is a significant increase compared to the prior year.
- Overall, therefore, we are pleased to note an improvement in the control environment compared to last year and while we note on page 14 some themes for further improvement, the Council has done well to enhance controls in a challenging financial environment.

Our annual report and head of internal audit opinion has been prepared based on the audit work undertaken in respect of the financial year ended 31 March 2020.

REVIEW OF 2019/20 WORK

Page 67

Report Issued	Recommendations and significance			Overall Report Conclusions (see Appendix 1)		Purpose of Audit and Summary of Key Findings / Recommendations
	H	M	L	Design	Operational Effectiveness	
HR Recruitment	0	1	2	Substantial	Substantial	<p>The purpose of the audit was to provide assurance over the adequacy and effectiveness of the key processes and controls put in place by the Human Resources shared service provider in order to provide recruitment services while ensuring compliance with the Council's policies.</p> <p>We concluded that the Council has a sound system of internal controls that are generally being consistently applied. The introduction of new policies and procedures over the last 12 months has resulted in significant improvements in the service and there are well established performance monitoring arrangements for the contract with Thurrock Council.</p> <p>We raised one medium level recommendation:</p> <ul style="list-style-type: none"> Ensuring that all interviewers attend interview training, although we accepted that this may not be necessary for senior officers who have significant experience in recruiting staff.
Food Safety	0	1	1	Substantial	Moderate	<p>The purpose of the audit was to provide assurance over the adequacy and effectiveness of the key processes and controls in place over the inspection of premises and enforcement activities in relation to food safety.</p> <p>We concluded that there is a well-designed control framework in place, however management should address the areas of risk identified from the review to ensure that controls are operationally effectively in all areas.</p> <p>We raised one medium level recommendation:</p> <ul style="list-style-type: none"> Recording the reasons for any delays in inspecting new premises beyond 28 days between registration and inspection (e.g. revised opening date) and actively contacting the premises and record actions taken and

Report Issued	Recommendations and significance			Overall Report Conclusions (see Appendix 1)		Purpose of Audit and Summary of Key Findings / Recommendations
	H	M	L	Design	Operational Effectiveness	
						correspondence.
Trade Waste	0	1	1	Moderate	Substantial	<p>The purpose of the audit was to provide assurance over the adequacy and effectiveness of the key processes and controls in place over the identification of income opportunities, managing contracts with businesses and charging the correct fees for the collection of trade waste.</p> <p>We concluded that, with the exception of promotional activities, there is a well-designed control framework in place and overall controls are being consistently applied.</p> <p>We raised one medium level recommendation:</p> <ul style="list-style-type: none"> Carrying out further promotional activities to advertise the trade waste service to local business within the Council and thereby generate additional income.
Housing Benefits	0	3	1	Moderate	Moderate	<p>The purpose of the audit was to provide assurance over the adequacy and effectiveness of the key processes and controls in place over the processing and payment of housing benefits claims, and checking that housing benefit claims are cancelled in a timely manner where individuals have been set up by the Department for Work and Pensions to receive Universal Credit payment.</p> <p>We concluded that key controls are in place to address risks faced by the service, including managing new claims and amendments. Target timeframes for processing new applications and amendments are in place and are being achieved on average across all new claims or changes in circumstances. However, the control framework needs to be strengthened to ensure that it is suitably designed and operating effectively in all areas.</p> <p>We raised three medium level recommendations:</p> <ul style="list-style-type: none"> Ensuring the all new claims and amendments are processed in a timely manner. Cancelling housing benefit claims more promptly following notification of

Report Issued	Recommendations and significance			Overall Report Conclusions (see Appendix 1)		Purpose of Audit and Summary of Key Findings / Recommendations
	H	M	L	Design	Operational Effectiveness	
						<p>Universal Credit.</p> <ul style="list-style-type: none"> Ensuring that more timely debt recovery actions are undertaken in respect of overpayments.
General Data Protection Regulations	0	0	0	Substantial	Substantial	<p>The purpose of the review was to provide assurance that arrangements are in place to allow all service areas to comply with GDPR, which are applied in practice, and that sufficient training has been completed by all officers.</p> <p>We found that the Council had implemented all the recommendations from the previous GDPR audit and taken all the necessary actions to establish GDPR compliance.</p> <p>Our audit did not identify any key areas where the control framework needs to be strengthened and we identified a number of areas of good practice.</p>
Leisure Strategy	0	2	1	Moderate	Substantial	<p>The purpose of the audit was to provide assurance over the adequacy and effectiveness of the key processes and controls in place to deliver the Leisure Strategy and underlying action plans.</p> <p>We concluded that overall the control framework in place for the implementation of Leisure Strategy is operationally effective, but management needs to address the areas of risk identified from the review to ensure that it is suitably designed in all areas.</p> <p>We raised two medium level recommendations:</p> <ul style="list-style-type: none"> Monitoring the implementation of the Leisure Strategy more frequently than once a year, such as on a quarterly basis. Ensuring that a contract is entered into with Brentwood Leisure Trust for the management of six community halls beyond 1 May 2019, until a new provider is appointed.

Report Issued	Recommendations and significance			Overall Report Conclusions (see Appendix 1)		Purpose of Audit and Summary of Key Findings / Recommendations
	H	M	L	Design	Operational Effectiveness	
Treasury Management	0	2	1	Substantial	Moderate	<p>The purpose of the audit was to provide assurance over the adequacy and effectiveness of the key processes and controls in place in respect of the Council's treasury management activities.</p> <p>We concluded that the control framework in place for treasury management activity ensures compliance with relevant statutory guidance and the Council's approved Treasury Management Strategy, but management should address the areas of risk identified from the review to ensure that controls are operationally effective in all areas.</p> <p>We raised two medium level recommendations:</p> <ul style="list-style-type: none"> Ensuring that there is sufficient evidence that loans have been checked in terms of risks and affordability and that they are all formally approved before they are entered into. Ensuring that the Council's investments procedure is complied with in all instances, including approval of rolled forward investments, and ensuring that there is evidence that investments are checked against the requirements of the Treasury Management Strategy.
Financial Planning and Monitoring	0	0	1	Substantial	Substantial	<p>The purpose of this audit was to review the adequacy and effectiveness of the Council's budget setting, budget monitoring and medium term financial planning processes, to ensure that the Council is addressing budget gaps in its MTFs and identifying and acting on savings opportunities.</p> <p>Our audit did not identify any key areas where the control framework needs to be strengthened going forward and we identified a number of areas of good practice.</p> <p>We noted that the Council periodically holds Budget Challenge Panel sessions, chaired by the Chief Executive, where managers are questioned over performance and future actions to address budgetary concerns. In previous years, this was done on a quarterly basis but due to the change in Chief</p>

Report Issued	Recommendations and significance			Overall Report Conclusions (see Appendix 1)		Purpose of Audit and Summary of Key Findings / Recommendations
	H	M	L	Design	Operational Effectiveness	
						Executive and disruptions from the office move during the year, the first budget challenge meetings for 2019/20 were only held in November 2019.
Housing Repairs and Maintenance	0	1	2	Substantial	Moderate	<p>The purpose of the audit was to review the Council's processes for monitoring the housing repairs and maintenance contract with Axis, checking whether SMART key performance indicators have been set and are being reported to senior management, and whether appropriate action is taken where necessary.</p> <p>We concluded that there is an adequate governance structure in place for monitoring the contract with Axis.</p> <p>We observed that the Council has planned maintenance is largely based on the results of specific surveys, which is ensuring that maintenance is focussed predominantly on addressing the highest health and safety risk areas first. Axis is carrying out the full stock condition surveys over a three year period, under its contract with the Council.</p> <p>We raised one medium level recommendation:</p> <ul style="list-style-type: none"> Documenting repairs and maintenance approval limits, including any accepted exceptions to the authorisation limits for voids, and ensuring that all variation orders are appropriately approved and evidenced.
Main Financial Systems	0	3	7	Moderate	Moderate	<p>The purpose of this review was to provide assurance over the design and effectiveness of the controls in place around the main financial systems, to highlight any areas where the controls could be improved; with cyclical reviews this year on the General Ledger, Accounts Payable, Council Tax income and Business Rates income; as well as review of a limited number of controls in Payroll/Human Resources and Accounts Receivable to cover areas not covered elsewhere or to follow up on previously identified weaknesses.</p> <p>We concluded that overall the Council has a satisfactory system of controls in place over the finance processes included in this review as well as a satisfactory level of operational effectiveness of controls. However, further</p>

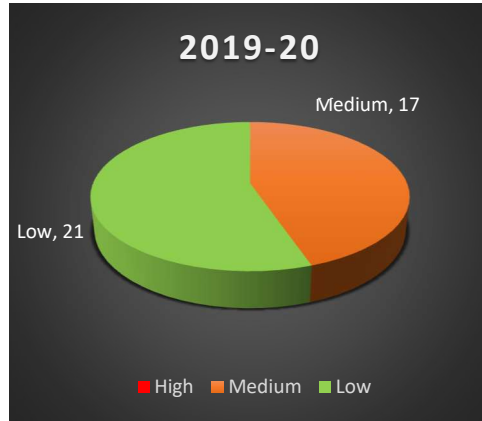
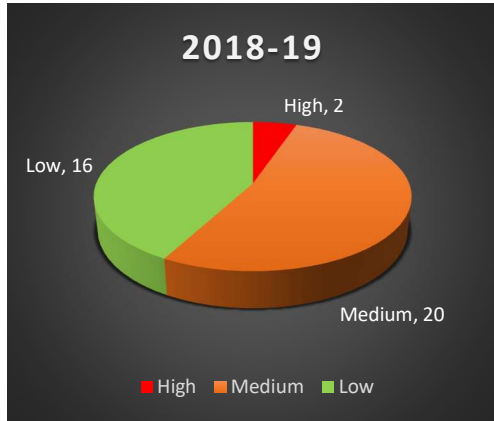
Report Issued	Recommendations and significance			Overall Report Conclusions (see Appendix 1)		Purpose of Audit and Summary of Key Findings / Recommendations
	H	M	L	Design	Operational Effectiveness	
						<p>improvements can be made to strengthen controls over some processes and also improve the operational effectiveness of some controls.</p> <p>We have seen a positive direction of travel in respect of the issues that we reported in our 2018/19 audit of the main financial systems in respect of the timeliness of control account reconciliations and the timeliness of invoicing.</p> <p>We raised three medium level recommendations:</p> <ul style="list-style-type: none"> • Review of general ledger user access accounts to ensure that they are all independently approved on set-up, or disabled when no longer required. • Annual confirmation to be obtained from the shared service provider regarding the appropriateness of the users' access rights to the revenues and benefits system. • Ensuring that there is a sound process for evidencing pre-employment vetting checks and approvals before candidates are appointed.
Risk Management and Governance	0	3	4	Substantial	Moderate	<p>The purpose of the audit was to provide assurance over the adequacy and effectiveness of the key processes and controls in place for risk management.</p> <p>It is clear that a great deal of work has been completed with regards to risk management since our last review. The Council has a satisfactory system of risk management and governance in place. However, further improvements can be made to improve processes and the operational effectiveness of some controls and to further embed a risk management culture.</p> <p>We raised three medium level recommendations:</p> <ul style="list-style-type: none"> • Ensuring that all staff complete the mandatory risk management e-learning training, as current completion is below 40%. • Increasing the engagement of staff at all levels across the organisation in risk management through formal risk discussion forums, such as departmental or team meetings.

Report Issued	Recommendations and significance			Overall Report Conclusions (see Appendix 1)		Purpose of Audit and Summary of Key Findings / Recommendations
	H	M	L	Design	Operational Effectiveness	
						<ul style="list-style-type: none"> Re-considering the mitigating actions for a few of the very high level risks to ensure that they do not remain at the same level for too long and are appropriately mitigated down to within tolerable levels.

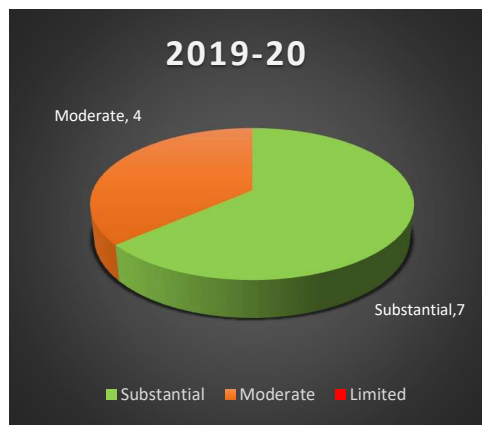
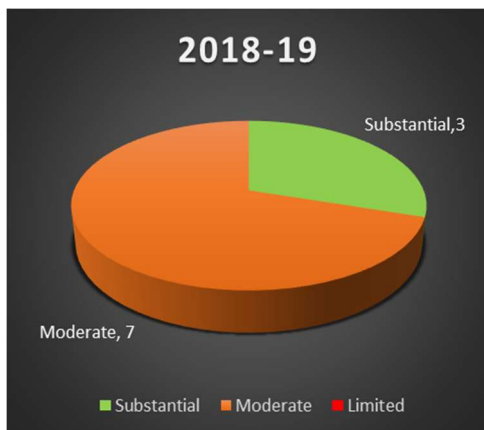
SUMMARY OF FINDINGS

RECOMMENDATIONS AND ASSURANCE DASHBOARD

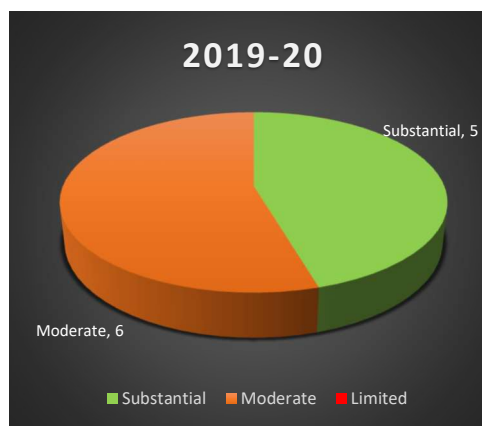
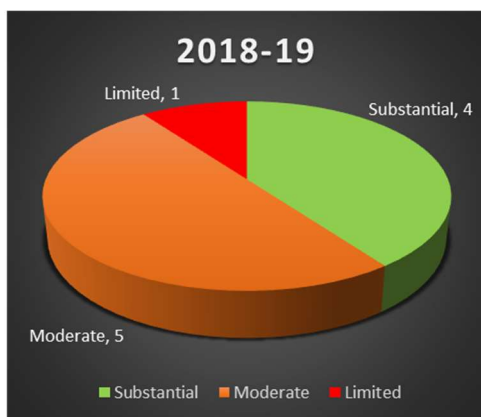
Recommendations and Significance



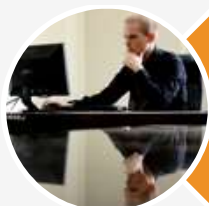
Control Design



Operational Effectiveness



ADDED VALUE



USE OF SPECIALISTS

We used our IT specialists to deliver the GDPR audit.



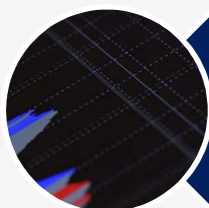
RESPONSIVENESS

We have been able to be flexible with the plan to respond to emerging risks and concerns, e.g. deferral of the Corporate Plan audit to 2020/21, at the request of management, due to the onset of the Covid-19 pandemic in March 2020.



BENCHMARKING AND BEST PRACTICE

We have shared best practice examples from our clients and other local government bodies in a number of our reviews, in advising the Council on its draft Counter Fraud Strategy and in carrying out risk management training workshops.



INNOVATION

We have utilised Microsoft Teams to hold meetings with officers and review data through screen sharing where this was more convenient for Council staff, particularly after the Covid-19 lockdown in March 2020.

KEY THEMES

PEOPLE



Clarity of roles and responsibilities was evident in the majority of areas reviewed, although the Risk Management Strategy needs to be updated to reflect current risk management roles.

We found that staff are not always participating or attending required training, e.g. Risk Management and HR Recruitment.

SYSTEMS & PROCESSES



Whilst in the main we found the control framework to be well-designed, inconsistent application of controls was evident in some areas, e.g. Treasury Management, Housing Benefits and Risk Management.

IT risks are well managed in respect of GDPR. However, our Main Financial Systems audit found weaknesses in respect of review of user access rights to the general ledger and revenues and benefits system.

POLICES & PROCEDURES



Policies and procedures are generally in place and being complied with, particularly in respect of the Main Financial Systems and Financial Planning and Monitoring.

GOVERNANCE & FOLLOW UP



Governance and reporting requirements were found to be well defined and understood through our audits of Risk Management, GDPR, Housing Benefits and Food Safety.

Where services are provided by an external shared service or contractor in the areas we reviewed, the Council has a sound governance structure for monitoring the contract, e.g. HR Recruitment, Housing Benefits and Housing Repairs & Maintenance.

BACKGROUND TO ANNUAL OPINION

Introduction

Our role as internal auditors to Brentwood Borough Council is to provide an opinion to the Council, through the Audit and Scrutiny Committee (AC), on the adequacy and effectiveness of the internal control system to ensure the achievement of the organisation's objectives in the areas reviewed. Our approach, as set out in the firm's Internal Audit Manual, is to help the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Our internal audit work for the 12 month period from 1 April 2019 to 31 March 2020 was carried out in accordance with the internal audit plan approved by management and the Audit and Scrutiny Committee, adjusted during the year for any emerging risk issues. The plan was based upon discussions held with management and was constructed in such a way as to gain a level of assurance on the main financial and management systems reviewed. There were no restrictions placed upon the scope of our audit and our work complied with Public Sector Internal Audit Standards.

The annual report from internal audit provides an overall opinion on the adequacy and effectiveness of the organisation's risk management, control and governance processes, within the scope of work undertaken by our firm as outsourced providers of the internal audit service. It also summarises the activities of internal audit for the period.

Scope and Approach

Audit Approach

We have reviewed the control policies and procedures employed by Brentwood Borough Council to manage risks in business areas identified by management set out in the 2019-20 Internal Audit Annual Plan approved by the Audit and Scrutiny Committee. This report is made solely in relation to those business areas and risks reviewed in the year and does not relate to any of the other operations of the organisation. Our approach complies with best professional practice, in particular, Public Sector Internal Audit Standards, the Chartered Institute of Internal Auditors' Position Statement on Risk Based Internal Auditing.

We discharge our role, as detailed within the audit planning documents agreed with Brentwood Borough Council management for each review, by:

- Considering the risks that have been identified by management as being associated with the processes under review
- Reviewing the written policies and procedures and holding discussions with management to identify process controls
- Evaluating the risk management activities and controls established by management to address the risks it is seeking to manage
- Performing walkthrough tests to determine whether the expected risk management activities and controls are in place
- Performing compliance tests (where appropriate) to determine that the risk management activities and controls have operated as expected during the period.

The opinion provided on page 4 of this report is based on historical information and the projection of any information or conclusions contained in our opinion to any future periods is subject to the risk that changes may alter its validity.

Reporting Mechanisms and Practices

Our initial draft reports are sent to the key officer responsible for the area under review in order to gather management responses. In every instance there is an opportunity to discuss the draft report in detail. Therefore, any issues or concerns can be discussed with management before finalisation of the reports.

Our method of operating with the Audit and Scrutiny Committee is to agree reports with management and then present and discuss the matters arising at the Audit and Scrutiny Committee meetings.

Management actions on our recommendations

Management have generally been conscientious in reviewing and commenting on our reports and have responded positively to the report findings. The responses indicate that appropriate steps to implement our recommendations are expected.

Recommendations follow-up

Implementation of recommendations is a key determinant of our annual opinion. If recommendations are not implemented in a timely manner then weaknesses in control and governance frameworks will remain in place. Furthermore, an unwillingness or inability to implement recommendations reflects poorly on management's commitment to the maintenance of a robust control environment.

Significant effort has been made in the year and to the date of this report to implement recommendations and to provide evidence to close long outstanding recommendations.

Relationship with external audit

All our final reports are available to the external auditors through the Audit and Scrutiny Committee papers and are available on request. Our files are also available to external audit should they wish to review working papers to place reliance on the work of internal audit.

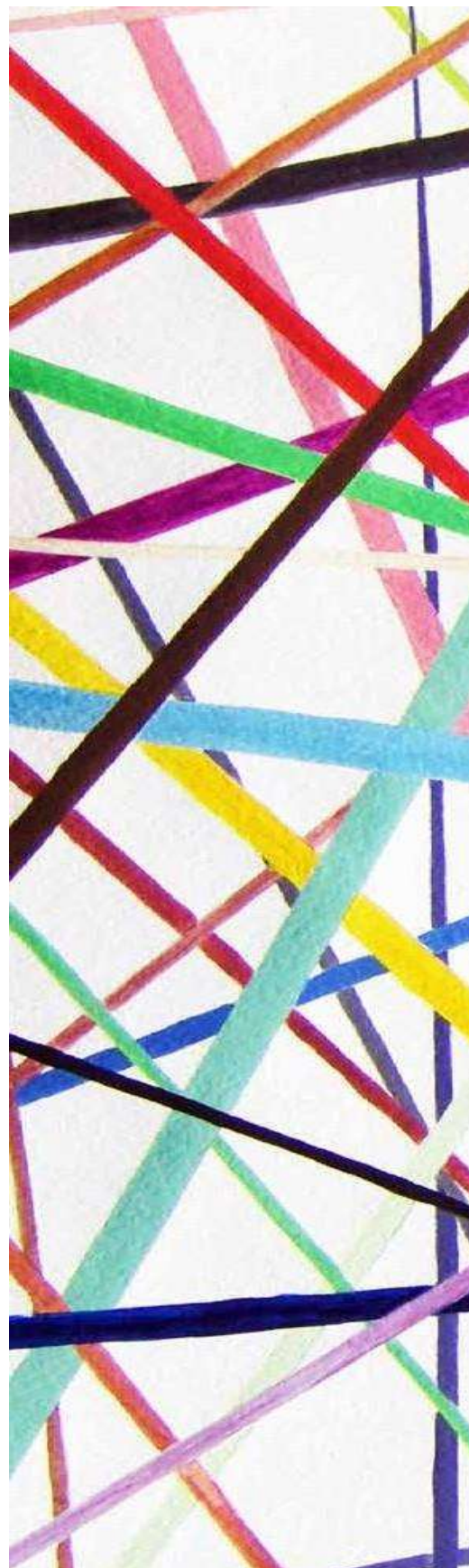
Report by BDO LLP to Brentwood Borough Council

As the internal auditors of Brentwood Borough Council we are required to provide the Audit and Scrutiny Committee, and the Director with an opinion on the adequacy and effectiveness of risk management, governance and internal control processes, as well as arrangements to promote value for money.












In giving our opinion it should be noted that assurance can never be absolute. The internal audit service provides Brentwood Borough Council with **Moderate Assurance** that there are no major weaknesses in the internal control system for the areas reviewed in 2019-20. Therefore, the statement of assurance is not a guarantee that all aspects of the internal control system are adequate and effective. The statement of assurance should confirm that, based on the evidence of the audits conducted, there are no signs of material weaknesses in the framework of control.

In assessing the level of assurance to be given, we have taken into account:

- All internal audits undertaken by BDO LLP during and in relation to 2019-20
- Any follow-up action taken in respect of audits from previous periods for these audit areas
- Whether any significant recommendations have not been accepted by management and the consequent risks
- The effects of any significant changes in the organisation's objectives or systems
- Matters arising from previous internal audit reports to Brentwood Borough Council
- Any limitations which may have been placed on the scope of internal audit - no restrictions were placed on our work







KEY PERFORMANCE INDICATORS

Quality Assurance as per the Internal Audit Charter	KPI Results	RAG Rating
1. Annual Audit Plan delivered in line with timetable.	Four audits were deferred, although three were still completed before issue of this annual report.	
2. Actual days are in accordance with Annual Audit Plan.	To date this KPI has been met.	
3. Customer satisfaction reports - overall score at least 70% for surveys issued at the end of each audit.	One survey response relating to 2019/20 received, which scored 100%.	
4. Annual survey to Audit Committee to achieve score of at least 70%.	Survey to be issued in July 2020.	
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 missed by a few days for 2 out of 11 audits (see table below).	
7. Finalise internal audit report 1 week after management responses to report are received.	This KPI has been met for 11 out of 11 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 missed for 5 out of 11 audits (see table below). The KPI regarding draft reports has been missed for 6 out of 11 audits (see table below).	
10. Audit sponsor to implement audit recommendations within the agreed timeframe.	Of the 17 medium recommendations raised in respect of 2019/20 audits, 7 have been closed, 1 is in progress and 9 are 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 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 (2019/20 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	14/7/20	14/7/20 (KPI 9 met)	16/7/20	17/7/20 (KPI 6 met)	17/7/20 (KPI 9 met)	17/7/20 (KPI 7 met)
Main financial systems	17/1/20	20/1/20 (KPI 9 met)	29/5/20	19/6/20 (KPI 6 met)	16/7/20 (KPI 9 not met by 13 days)	17/7/20 (KPI 7 met)
Financial planning and monitoring	19/2/20	25/2/20 (KPI 9 met)	29/5/20	18/6/20 (KPI 6 met)	30/6/20 (KPI 9 met)	6/7/20 (KPI 7 met)
Treasury Management	4/11/19	12/11/19 (KPI 9 not met by 2 days)	13/01/20	30/01/20 (KPI 6 met)	26/2/20 (KPI 9 not met by 13 days)	4/3/20 (KPI 7 met)
Housing benefits	31/7/19	2/8/19 (KPI 9 met)	28/8/19	19/9/19 (KPI 6 not met by 1 day)	7/10/19 and revised on 30/10/19 (KPI 9 not met by 4 days)	30/10/19 (KPI 7 met)
HR recruitment	8/7/19	9/7/19 (KPI 9 met)	25/7/19	8/8/19 (KPI 6 met)	13/9/19 (KPI 9 not met by 22 days)	19/9/19 (KPI 7 met)
GDPR	10/10/19	22/11/19 (KPI 9 not met by 36 days)	9/12/19	13/12/19 (KPI 6 met)	8/1/20 (KPI 9 not met by 12 days, over holiday period)	8/1/20 (KPI 7 met)
Housing repairs and maintenance	18/2/20	27/2/20 (KPI 9 not met by 2 days)	8/7/20	9/7/20 (KPI 6 met)	16/7/20 (KPI 9 met)	17/7/20 (KPI 7 met)
Trade waste	5/8/19	8/8/19 (KPI 9 met)	28/8/19	12/9/19 (KPI 6 met)	23/9/19 (KPI 9 met)	24/9/19 (KPI 7 met)
Leisure services	25/6/19	3/7/19 (KPI 6 not met by 1 day)	26/9/2019 Follow up meeting on 20/11/19	17/12/19 (KPI 6 not met by 6 days)	13/1/20 (KPI 9 not met by 26 days, mainly due to holidays)	13/1/20 (KPI 7 met)
Food safety	8/8/19	16/8/19 (KPI 9 not met by 1 day)	4/9/19	17/9/19 (KPI 6 met)	23/9/19 (KPI 9 met)	23/9/19 (KPI 7 met)

KEY FOR RAG RATING:

 = met target	 = not met target
 = partly met target	 = not applicable

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:

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Partner, Public Sector

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Committee: Audit and Scrutiny Committee	Date: 28 July 2020
Subject: Risk Management	Wards Affected: All
Report of: Jacqueline Van Mellaerts, Director of Corporate Resources	Public
Report Author/s: Name: Sue White Telephone: 01277 312500 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 risk on the Strategic Risk Register has been increased and one risk removed. All other risk scores have remained the same.

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

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. Risk Management training was undertaken by Internal Audit in March. The workshop included training and discussion around the following themes: Risk Identification, Risk Assessment, Risk Mitigation and Risk Reporting and Review.

Issue, Options and Analysis of Options

Strategic Risks

4. 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.
5. As a result of the current risk review one risk score has increased and one risk removed. The remaining scores have remained unchanged.
6. The risk where the risk score has increased is as follows:
 - Amber Risk RSK11 – Failure to deliver key Corporate Projects (row No. 4) L2 x 14 = 8

The risk score has been increased for this particular risk due to the recent pandemic, Covid-19, which has impacted on the Council's resources and delivery over the past 3 months which in turn could have an impact on the delivery or a delay in the Council's key Corporate Projects..

- Green Risk RSK12 – Failure of Democratic Services (row No. 14)

Officers agreed to remove this risk as it can be incorporated into other risks.

Risk Matrix

7. 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	Definite	Low (5)	Medium (10)	High (15) RSK10	V. High (20)	V. High (25)
	Very Likely	Low (4)	Medium (8)	High (12)	V. High (16)	V. High (20) RSK1
	Likely	Low (3)	Medium (6)	Medium (9)	High (12) RSK3, RSK6 RSK13, SK11	V. High (15) RSK2
	Unlikely	Low (2)	Low (4) RSK8	Medium (6) RSK4	Medium (8) RSK5, 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 Spend Capital Receipts
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	12	Failure of Democratic Services - removed
6	Commercial Activities	13	Brexit
7	Contract/Partnership Failure	14	Treasury Management

Operational Risks

8. 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.
9. 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.
10. As shown in Appendix B, of the high-level operational risks, one score has decreased. The other nine risks scores have remained the same from the last Committee in March.
11. 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	5		1 (COMS4)	1	3
Corporate Services	4			4	
Environmental Health	5	1 (EH1)	1 (EH5)	3	
Finance	11			5	6
Housing	13		4 (H2 & H9 & H13)	6	4
Legal	3				3
Parking	1			1	
Planning	6		1 (PL6)	4	1
Street Care	7	1 (SC7)	1 (SC6)	2	3

Reasons for Recommendation

12. 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.

13. 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

14. None.

References to Corporate Strategy

15. 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

16. 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

17. 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

18. Economic implications are identified and considered in risk registers where relevant.

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

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BRENTWOOD BOROUGH COUNCIL STRATEGIC RISK REGISTER SUMMARY SHEET 2020-2021

Row No	Risk No	Risk Description	Existing Controls	Current Risk Rating			Movement	Risk Response/Update on action required	Risk Owner
				*L	*I	Score			
1	RSK1	<u>Finance Pressures</u> As Revenue Support Grant from Central Government has ceased from 2018/19, 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 Assessment of Minimum level of reserves is carried out yearly.	4	5	20	↕	COMMENT JUNE 2020: Reporting breakeven outturn on General Fund & £831k deficit on HRA to Audit & Scrutiny. 3rd COVID-19 return submitted to HMRC shows potential £2.1m pressure on MTFS.	Jacqueline Van Mellaerts
2	RSK2	<u>Local Development Plan</u> 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 JUNE 2020: LDP submitted and undergoing examination in public. Timeframes being met. Examination process is now in the hands of appointed planning inspectors. Initial questions received and the Council is working to two deadlines for responses (24 July and 28 August 2020).	Phil Drane
3	RSK10	<u>Rollout of Universal Credit</u> 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.	5	3	15	↕	COMMENT JUNE 2020: We have just approved for the Council to enter into a contract with Mobyssoft to provide vital technology to allow the officers to process accounts more efficiently without the need to manually work this out. We anticipate that this technology (rent sense) will be available for June 2020.	Tracey Lilley
4	RSK13	<u>Brexit</u> 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 JUNE 2020: This is continually being developed and adapted as leaving EU options become better known.	Steve Summers

Row No	Risk No	Risk Description	Existing Controls	Current Risk Rating			Movement	Risk Response/Update on action required	Risk Owner
				Jun-20					
				*L	*I				
5	RSK3	<u>Disaster Recovery/Business Continuity</u> 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.	3	4	12	↔	COMMENT JUNE 2020: COVID-19 reported as major incident; Office staff working remotely; operational staff able to continue providing services. Business Continuity Plans are being reviewed alongside recovery/re-imaging plans.	Jacqueline Van Mellaerts
6	RSK6	<u>Commerical Activities</u> Commercial income target from the Joint Venture and other activities are not achieved	Experienced consultants have been engaged to advise and assist in delivery. Appropriate governance arrangements have been set up. Progress reports to Committee. Robust business modeling and financial projections.	3	4	12	↔	COMMENT JUNE 2020: Work continues at a steady pace through SAIL and JV.	Jacqueline Van Mellaerts
8	RSK11	<u>Failure to deliver key Corporate Projects</u> 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 JUNE 2020: Monthly monitoring of projects is undertaken by the Senior Leadership Team. The risk score has been increased for this particular risk due to the recent pandemic, Covid-19, which has impacted on the Council's resources and delivery over the past 3 months which in turn could have an impact on the delivery or a delay in the Council's key Corporate Projects.	Steve Summers
Page 92	RSK5	<u>Information Management and Security</u> 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 JUNE 2020: Data Protection arrangements continue to be provided by a specialist external provider until a review and options can be recommended and concluded.	Amanda Julian
9	RSK7	<u>Contract/Partnership Failure</u> 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 JUNE 2020: Contracts are being reviewed to include all appropriate current legislation e.g. COVID-19 clauses	Amanda Julian
10	RSK9	<u>Failure to spend Capital Receipts</u> Failure to spend capital receipts within the deadline will result in delays in delivering Affordable Housing programme	Monitoring by finance team. Affordable housing programme in place. Purchase of properties on open market Maximising opportunities of right to 1st refusal buy back of former RTB properties Pursuing options of development on 3 garage sites	2	4	8	↔	COMMENT JUNE 2020: The Council are continuing to develop the Housing Strategy and will be setting up a series of workshops both internally, members, RP's, Parish Councils and external other stakeholders in April in order to develop the strategic vision for the Borough. The Barnston Way development is progressing well and we will be tendering for the works in or around July and refer to PRED in September for contract award. Brookfield Close is progressing well and we have received the initial feasibility studies for the site. Additional sites have also been identified for potential re-development which includes Four Oaks and Ingleton House and feasibility studies for these sites are underway. We are continuing to purchase properties on the open market to spend the capital receipts in the short to medium term.	Tracey Lilley

Row No	Risk No	Risk Description	Existing Controls	Current Risk Rating			Movement	Risk Response/Update on action required	Risk Owner
				Jun-20					
				*L	*I				
11	RSK4	<u>Organisational Capacity</u> 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 JUNE 2020: The Council now manages recruitment in-house, which will enable the Council to target specific areas with vacancy pressures. This risk will be reviewed alongside HR performance measures going forward to monitor the Council's vacancy rate.	Jonathan Stephenson
13	RSK14	<u>Treasury Management</u> 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 relevant officers Good relationship with TM advisors Borrowing Strategy Review underway	1	5	5	↕	COMMENT JUNE 2020: Finance continue to liaise with our TM advisors Link services. This service area is well managed and monitored.	Jacqueline Van Mellaerts
12	RSK8	<u>Lack of Strategic Direction</u> 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 JUNE 2020: Brentwood 2020-25 (Corporate Strategy) was agreed by Ordinary Council in February 2020 with key objectives set for 2020/21. These objectives, and the strategy, is monitored regularly by the Senior Leadership Team and the administrative executive team. An annual review of the strategy will take place with performance reporting being provided to the most appropriate committee or full council.	Jonathan Stephenson
14	RSK12	<u>Failure of Democratic Services</u> - That outsourcing/shared service arrangements result in the Council's democratic duties not being fulfilled or ignored leading to a failure in the Council's obligations.	Statutory returns will be built into contracts relating to any outsourcing/shared arrangements. The Monitoring Officer to be involved at all times in relation to contracts and monitoring of performance.			0	↕	COMMENT JUNE 2020: Officers agreed to remove this Risk as it can be incorporated with other Strategic Risks.	Amanda Julian
		* L = Likelihood Rating (1 = Low, 5 = Very High) * I = Impact Rating (1 = Low, 5 = Very High) Maximum Score 5 x 5 = 25							

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Operational Risks Summary Sheet

Update on High Level Risks

Risk Ref	Risk Description	Existing Controls	Current Risk Rating			Movement	Risk Response/Update on action required
			Jul-20				
			*L	*I			
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	<ul style="list-style-type: none"> • 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. •Development of improved water Hygiene Management systems. • Monitoring of Water Hygiene systems being undertaken. • Purchase of Keystone Data system to improve data collection and compliance of service. This is currently being developed and set up. • H&S monitoring of Streetscene service delivery activities through new DASH module. • The council's H&S micro site provides information and respective forms for risk assessments and Safe Systems of Work • Purchase of additional equipment for new working arrangements due to Covid-19 	3	5	15	↔	<p>COMMENT JULY 2020: Management to review Facilities Management staff to improve the compliance technical position for corporate properties to support Street Scene Managers deliver and monitor operations for compliance and risk management.</p> <p>Delays in moving position forward in some areas due to Covid 19 resources needed to prioritise safe working arrangements for staff.</p>

Brentwood Borough Council - Summary Risk Report

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.	3	5	15	↔	COMMENT JULY 2020: SLT have agreed in principle to provide resource to this service area to manage the high risk. A detailed business case will be reviewed in due course.
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 JULY 2020: SLT have agreed in principle to provide resource to this service area to manage the high risk. A detailed business case will be reviewed in due course.
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 resource is in place in case of loss of staff and advertise for permanent replacement of vacant post	3	4	12	↔	COMMENT JULY 2020: Several vacancies remain open as decision made not best time to recruit in current situation. Applications have reduced recently so haven't felt impact yet.
EH4 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 JULY 2020: Two agency staff have been appointed wef 27/1/20 and 3/2/20 on three month contracts which has temporarily eased the staffing shortage, however we still have a staff member retiring on 19/2/20 and the additional costs of agency contracts will not be sustainable over a long-term period. We are looking at reviewing pay rates for the EHO posts in collaboration with Thurrock and plan to readvertise the posts.

Brentwood Borough Council - Summary Risk Report

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 JULY 2020: KGPF improvements paused due to COVID-19. Variations on the contracts to include new COVID-19 clauses. Ongoing talks with Hartswood Golf Club regarding new Heads of Terms of lease. Ongoing internal and external works on Community Halls. ITT for Community Halls management due to go live in July 2020. Brentwood Centre feasibility work with Joint Venture and Alliance Leisure Services to develop mastepanning for the Brentwood Centre site. Football Feasibility report completed and reported to Community and Health Committee. Works complete on Toddler play area in King George's and at River Road. Consultation to commence on Hutton Rec play area in July 2020 area . Wider financial impact leisure sector especially Brentwood Centre closed re COVID-19
H9 Housing Page 97	Failure to manage new build schemes and the supply of new housing resulting in resident dissatisfaction and financial loss. Potential causes are: - contractor delays on site - escalating costs - late delivery of schemes - schemes not meeting quality standards - schemes not meeting needs	Contract Management meetings in place. Resident liaison in place.	3	4	12	↔	COMMENT JULY 2020: The Strategic Housing Development team have appointed a new Principal Lead to manage the multiple workstreams. We have also engaged ARC consultancy to provide external consultancy services who will also be advising on the long term sustainability of the business plan which is key to ensuring the financial resources to deliver new homes. Individual sites for potential re-development continue to be identified and progressed through to feasibility stage where appropriate.
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 items Dedicated project manager in place to ensure remedial works conducted	3	4	12	↔	COMMENT JULY 2020: Mitigations still in place with the emergency action plan and security guards on site have been extended until the end of february 2020. site set up for the relevant fire planned works are due and work is due to commence in March 2020.

Brentwood Borough Council - Summary Risk Report

<p>H2 Housing</p>	<p>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</p>	<p>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.</p>	<p>2</p>	<p>5</p>	<p>10</p>	<p>↔</p>	<p>COMMENT JULY 2020: Contracts for new asbestos consultants and removals companies are progressing. Axis are taking on bulk samples for boilers and a recent meeting with the current provider strengthened the relations and improvements have been seen with access. Communal surveys due for reinspection have been sent through and we await review reports.</p>
<p>H1 Housing</p>	<p>Failure to comply with gas regulations resulting in Gas/CO leaks, explosions leading to injury/illness and/or death due to: - failure to carry out repairs or annual servicing - delayed response to boiler breakdown</p>	<p>Gas warrant procedure in place and regularly reviewed. Comprehensive 10-month gas servicing program implemented. Increased number of HO's that can apply for warrants. Battery CO detectors fitted on void properties.</p>	<p>1</p>	<p>5</p>	<p>5</p>	<p>↓</p>	<p>COMMENT JULY 2020: Risk rating has been reduced as performance has improved and fewer overdue LGSR's are being passed back. Officers continue to meet weekly to ensure everything is reasonably being done to improve access and complete gas safety checks.</p>

Appendix C

Risk Ranking Table

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

Likelihood	(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
		Negligible (1)	Minor (2)	Moderate (3)	Significant (4)	Major (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 of Service	Financial & Resources	Reputation	Legal	People	Effect on project objectives
1	Negligible	<ul style="list-style-type: none"> • Small impact on customer service which may result in complaints • Nuisance 	<ul style="list-style-type: none"> • Small financial loss; less than £10K • Negligible property damage 	No adverse effect on perception	No legal implication	No injury	<ul style="list-style-type: none"> • Minimal impact to project • Minor slippage
2	Minor	<ul style="list-style-type: none"> • Small setback • Disruptive impact on service • Localised disgruntlement 	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Adverse effect to project. • Slippage requires review finances / short term programme
3	Moderate	<ul style="list-style-type: none"> • Widespread disgruntlement • Disrupted service delivery from one service area for up to 3 days • Can handle but with difficulty 	<ul style="list-style-type: none"> • 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. <ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Important impact on project or most of expected benefits. • Considerable slippage • Possible impact on overall finances / programme
4	Significant	<ul style="list-style-type: none"> • Intervention in a key service • Disruption to service delivery for one or more service areas for 3-5 days • Failure of an operational partnership 	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Extreme delay

Score	Impact	Effect of Service	Financial & Resources	Reputation	Legal	People	Effect on project objectives
5	Major	<ul style="list-style-type: none"> • Complete breakdown in service delivery with severe, prolonged impact on customer service affecting the whole organisation • Failure of a strategic partnership 	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Complete failure of project

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Committee(s): Audit & Scrutiny Committee	Date: 28 July 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

Legal Implications

Name & Title: Amanda Julian, Director of Governance & Law

Tel & Email: 01277 312705/amanda.julian@brentwood.gov.uk

There are no direct legal implications

Economic Implications

Name/Title: Phil Drane, Director of Planning and Economy

Tel/Email: 01277 312610/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

Appendix A – Formal Complaints and Performance Indicator Working Group Report

Date: 28 July 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

9th June 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 2020/21.

R.2 That the working group continue to monitor the outcomes of the Performance Indicators for 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 topline includes a variety of indicators that relate to the delivery of the council's priorities.

2.3 The topline measures 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 2020/21.
Explanation The working group noted an overall increase in formal complaint for 2019/20. This is to continue to be monitored quarterly to identify common themes and trends.
Recommendation 2 That the working group continue to monitor the outcomes of the Performance Indicators for 2020/21.
Explanation To monitor associated annual or quarterly trends and identify areas of performance concern.

**Performance Indicators and Formal Complaints Working Group
Minutes of Meeting 9th June 2020 18:00
Virtual via Microsoft Teams**

Present: Cllr Charles Nolan (CN), Cllr Roger Hirst (RH), Cllr Sandy Tanner (ST), Cllr D Naylor (DN)

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) – Head of Legal Services & Monitoring Officer
Sarah Bennett (SB) – Executive Support Manager
Nicola Marsh (NM) – Housing Manager

1. Welcome

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

2. Terms of Reference

These are attached to these minutes.

4.1 Formal Complaints

A presentation was provided to the working group (Addendum 3) by SS. This included information on formal complaints received by the council for the previous six years. This identified an increase in formal complaints for 2019/20 and a general upward trend. The presentation also included information on how complaints are received. LGO investigations were also presented.

The working group reviewed individually the complaints received for the period January to March 2020 and received explanations from Officers on individual complaints, where appropriate. The working group were also provided with a comparison with East of England authorities which showed that the number of formal complaints received by the council was on average comparable to other authorities.

CN noted a trend within this quarter, and previous quarters, of complaints regarding no response, particularly to emails. A discussion was held on the use of individual Officer inboxes and whether it is more effective to ensure responses are sent from group mailboxes.

Action: SS to pick up and review use of individual and group inboxes

CN suggested the inclusion of trends for upheld/not upheld outcomes, particularly for services like Housing who receive a higher volume of complaints.

Action: SB to consider for future presentations and working group meetings

RH raised that there was confusion with the format of the Council Tax bills. JVM informed that discussions are underway, and changes will be considered, although there are some software restrictions.

18:45 RH left the meeting

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 top line Performance Indicators (PIs) for January to March 2020 (Addendum 4)

NM explained the Housing PI's individually and it was noted that there was improvement in void turnarounds. NM updated the group on arrears management software (Rent Sense) that had been discussed at the previous working group. This will assist Officers to reduce arrears and increase rent collection.

JVM is working with the Finance team to identify the cause of the performance concerns around payment of invoices (F01 & F02) and will provide further details at the next working group. CN noted that it was a shame to see this when so much hard work is going in to support local businesses at present.

A discussion was held around the affect of COVID-19 on household waste. An increase has been seen during lockdown and a reduction in recycling. This may continue to be reflected in the Q1 2020/21 data.

JVM provided an update on the Revs & Bens position during COVID-19. Letters of support have been sent to those in Council Tax arrears. The new Council Tax reduction scheme came into effect in April and should reduce the turnaround times for CT03 and CT05.

Before leaving the meeting, RH had suggested through a meeting note that consideration be given to including within the performance indicators information on the Council's Social Housing list. i.e. social housing waiting list - total size, average and maximum length of wait?

Action: SB to discuss with TL performance indicator for Social Housing list.

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

SS informed the Working Group that we may review the format of these meetings, in light of the likely ongoing virtual environment. Further details will follow ahead of the next Working Group meeting.

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 Q4 2019/20

Jan to Mar 2020

Brentwood's Formal Complaint Process Summary



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1. Stage one – Senior Officer from service replies in 10 working 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)

Decisions



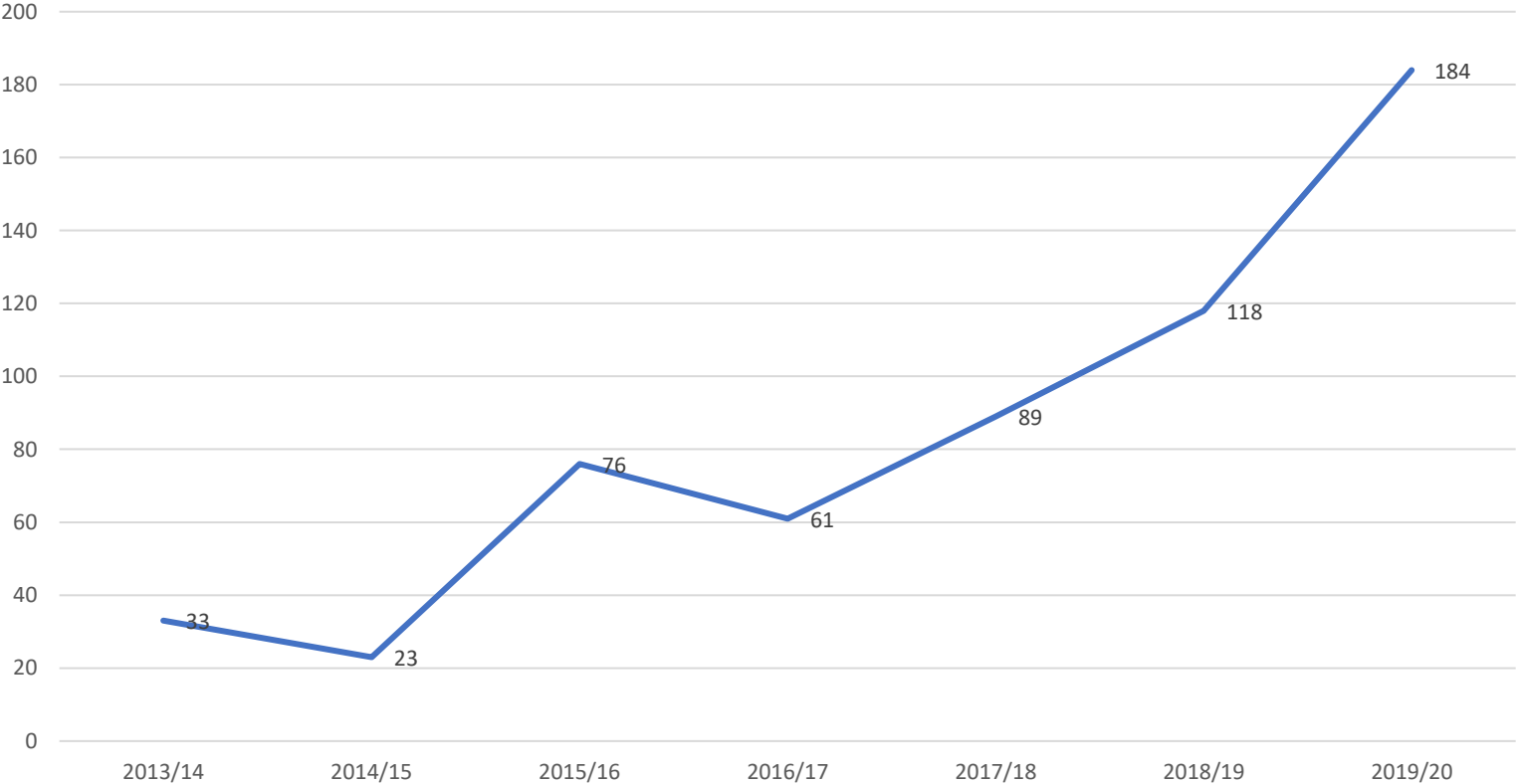
- **Upheld** – the investigating Officer’s findings fully support the complaint
- **Part upheld** – where the findings only support parts of the complaint, these parts will be upheld and overall we will determine that the complaint was partially upheld. There may also be instances where a matter was 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.
- **Ombudsman**
- Where fault, maladministration or service failure is found, the Ombudsman can make:
 - Recommendations
 - Orders (HO)

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

Formal Complaints received annually - trend

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2019/20 Formal Complaints received

Department	April – June 2019 Q1	July – Sept 2019 Q2	Oct – Dec 2019 Q3	Jan – Mar 2020 Q4
Assets/FM	1	0	1	1
Building Control	0	1	0	0
Community Safety	0	0	1	0
Community Services	0	0	0	2
Customer Service	2	0	2	1
Democratic Services	0	0	1	0
Elections	1	0	0	0
Environmental Health	0	2	1	1
Housing	13	15	23	25
Parking	1	1	0	1
Planning	4	5	0	7
Revenues & Benefits	5	10	8	5
Streetscene	9	15	10	11
Total	36	49	47	54

Channel received

Jan to Mar 2020



**BRENTWOOD
BOROUGH COUNCIL**

	Number	%
Online form	13	24%
Email	20	37%
Website enquiry	13	24%
Letter	6	11%
Via Member	1	2%
Telephone	1	2%
	54	

SB note to
self – inc all
Q's on this

Formal Complaints – Jan to Mar 2020

Assets



No	Complaint	Outcome
1	Disrepair to suspected Council owned property and no response to enquiry	Part upheld (Stage 1)

Formal Complaints – Jan to Mar 2020

Community Services



No	Complaint	Outcome
1	No notification of refurbishment works to toddler play area at King Georges Playing Fields	Not upheld (Stage 2)
2	New works to King George's Playing Fields that are not included in approved planning application	Ongoing (Stage 1)

Formal Complaints – Jan to Mar 2020

Customer Services



No	Complaint	Outcome
1	Conduct of Customer Service Advisor	Upheld (Stage 1)

Formal Complaints – Jan to Mar 2020

Environmental Health



No	Complaint	Outcome
1	Lack of action and correspondence in response to noisy neighbour complaint	Not upheld (Stage 1)

Formal Complaints – Jan to Mar 2020

Housing



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No	Complaint	Outcome
1	Multiple complaints in relation to the handling of a succession application	Part upheld (Stage 1)
2	Incorrect information given in relation to transfer application and no response from Officers	Not upheld (Stage 1)
3	Service received from contractor in relation to boiler repair	Part upheld (Stage 2)
4	Handling of end of tenancy at private property let to a BBC tenant	Upheld – compensation paid (Stage 1)
5	Conduct of Officer	Not upheld (Stage 1)

Formal Complaints – Jan to Mar 2020

Housing



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No	Complaint	Outcome
6	Despite 5 visits from contractor, left without heating or hot water for 10 days	Upheld (Stage 1)
7	No response from two Officers in response to rent query	Upheld (Stage 1)
8	Multiple complaints about repairs contractors - rude operative, poor admin and unsatisfactory workmanship	Part upheld (Stage 1)
9	Service received from contractor regarding missed/cancelled appointments, no follow up correspondence, rude staff, phone delays, and uninformative text correspondence, conflicting letter correspondence	Upheld (Stage 2)
10	Received letter stating boiler service appointment had been missed, however, no appointment had been made	Upheld (Stage 1)

Formal Complaints – Jan to Mar 2020

Housing



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No	Complaint	Outcome
11	Dissatisfied with Homeless Officer	Not upheld (Stage 2)
12	Delay in installation of wet room and alleged disregard for disability	Part upheld (Stage 1)
13	Ongoing boiler issues and no temporary heaters provided	Upheld (Stage 2)
14	Unfair treatment when trying to downsize	Not upheld (Stage 1)
15	No action taken regarding condition of neighbour's property	Not upheld (Stage 1)

Formal Complaints – Jan to Mar 2020

Housing



No	Complaint	Outcome
16	Quality and charge for works to leasehold property	Not upheld (Stage 1)
17	Complaint from leaseholder re repairs to window	Not upheld (Stage 1)
18	Delayed boiler works and service from repairs contractor	Part upheld (Stage 1)
19	Refusal to install automatic gate device and alleged disability discrimination	Part upheld (Stage 1)
20	Threat of moving out of home whilst wet room is repaired & discrimination by association.	Not upheld (Stage 1)

Formal Complaints – Jan to Mar 2020

Housing



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No	Complaint	Outcome
21	No response from Housing Officer in relation to light issue from neighbour	Upheld (Stage 2)
22	Failure of community alarm equipment	Not upheld (Stage 2)
23	Alleged discrimination by association	Not upheld (Stage 1)
24	Treatment by Homeless Officer	Not upheld (Stage 1)
25	Gas servicing paperwork lost	Upheld (Stage 1)

Formal Complaints – Jan to Mar 2020

Parking



No	Complaint	Outcome
1	Extensive complaint regarding renewal of season ticket and PCN's issued	Not upheld (Stage 1)

Formal Complaints – Jan to Mar 2020

Planning



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No	Complaint	Outcome
1	No response from Planning or Legal regarding a Class A Permitted Development application	Upheld (Stage 1)
2	No consultation on proposed works to Ford Site at Eagle Way	Not upheld (Stage 2)
3	Decision made regarding enforcement at neighbouring property	Part upheld (Stage 2)
4	Approval of application with no regard for neighbours impact and no response to correspondence	Part Upheld (Stage 2)
5	No response or action taking following report of an unauthorised development	Part upheld (Stage 2)

Formal Complaints – Jan to Mar 2020

Planning



No	Complaint	Outcome
6	Failure to enforce a report of unauthorised hoardings	Ongoing (Stage 2)
7	Delayed response from enforcement officer and disclosure of complainants details	Not upheld (Stage 1)

Formal Complaints – Jan to Mar 2020

Revenues & Benefits



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No	Complaint	Outcome
1	Incorrect information showing on Council Tax bill and Direct Debit stopped	Not upheld (Stage 2)
2	Court summons received allegedly in error and no response to emails	Part upheld (Stage 1)
3	Delayed benefit assessment and no response to emails	Part upheld (Stage 1)
4	Incorrect address used for correspondence and claim not backdated	Not upheld (Stage 1)
5	Obtaining of probate information with being informed by executor and decision not to provide Council Tax refund	Upheld (Stage 2)

Formal Complaints – Jan to Mar 2020

Streetscene



No	Complaint	Outcome
1	Conduct of refuse driver	Upheld (Stage 1)
2	Repeated missed collections and that green coloured sacks can't be used for residual waste	Not upheld (Stage 1)
3	Waste not collected due to location of property at end of road	Part upheld (Stage 1)
4	Handling of food waste caddies by operatives – 2 broken in 6 months and caddies are left scattered across the road	Upheld (Stage 1)
5	Repeated missed collections	Upheld (Stage 1)

Formal Complaints – Jan to Mar 2020

Streetscene



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No	Complaint	Outcome
6	Refuse bin repeatedly left in the middle of the pavement after collections	Upheld (Stage 1)
7	No response to multiple emails in relation to clinical waste collection service	Upheld (Stage 1)
8	Emptying of waste bins in West Horndon Park	Part upheld (Stage 1)
9	Repeated missed collections	Part upheld (Stage 1)
10	Damage caused by Council vehicle to tree and fence posts on private property	Upheld (Stage 1)

Formal Complaints – Jan to Mar 2020

Streetscene



No	Complaint	Outcome
11	Repeated missed food waste collections	Upheld (Stage 1)

Ombudsman



	Service	LGO/HO	Original Complaint Date	Complaint	Council's decision	Ombudsman outcome
1	Housing	HO	05.09.19	Handling of repairs to front door	Not upheld	No fault found.
2	Env Health	LGO	04.10.19	Delay in action being taken and lack of correspondence from EH team in relation to noise complaint	Not upheld	Fault found - failed to respond properly and take timely action in response to reports of noise from a neighbour's dog Agreed actions: <ul style="list-style-type: none"> • an apology • £100 compensation • procedural review
3	Housing	LGO	30.07.19	NTQ served on daughter's property due to not moving in	Not upheld	No fault found

Ombudsman



	Service	LGO/HO	Original Complaint Date	Complaint	Council's decision	Ombudsman outcome
4	Housing	LGO	05.08.19	Delay processing Right to Buy application	Upheld	The Ombudsman decided not to investigate this complaint as it was reasonable to expect the complainant to use the alternative remedies available (via the Courts).
5	Env Health	LGO	06.11.19	Failure to provide dog warden service	Not upheld	Decided not to investigate. Further consideration of the complaint is unlikely to find fault by the Council.
6	Housing	LGO	N/A	No response to queries about Right to Buy properties	NA	Decided not to investigate – had not completed Councils complaint process.
7	Streetscene	LGO	23.07.19	Excessive use of weed killer around headstones at London Road Cemetery	Upheld	Decided not to investigate – Council had already taken appropriate action to try and remedy

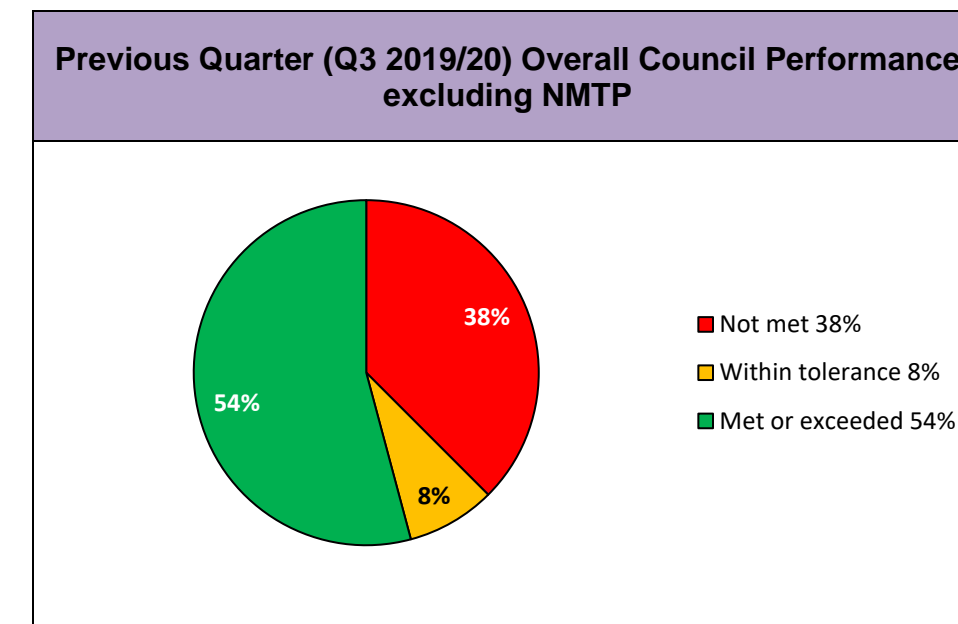
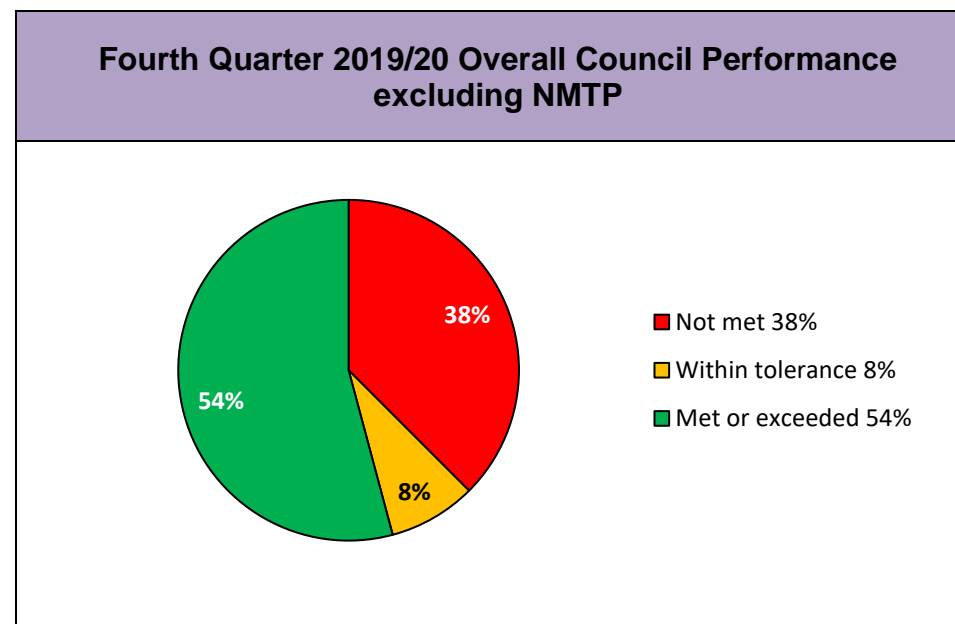
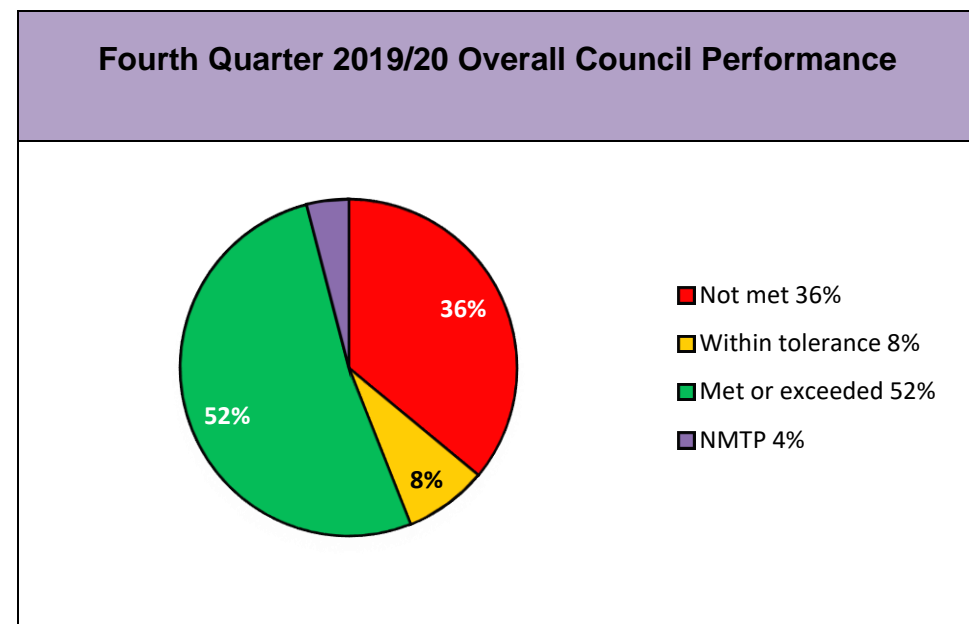
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Ombudsman



	Service	LGO/HO	Original Complaint Date	Complaint	Council's decision	Ombudsman outcome
8	Housing	LGO	16.07.19	Refusal of aids and adaptations to property	Not upheld	Decided not to investigate – Council is operating within its role of managing their social housing.

Performance Dashboard – Fourth Quarter 2019/20



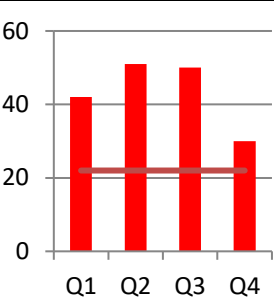




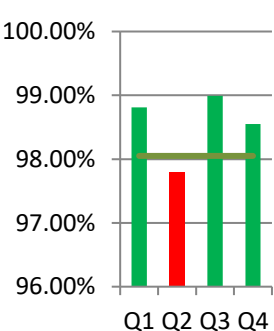




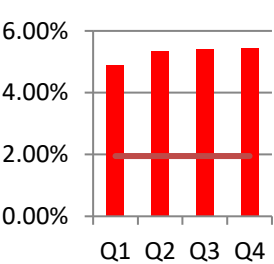




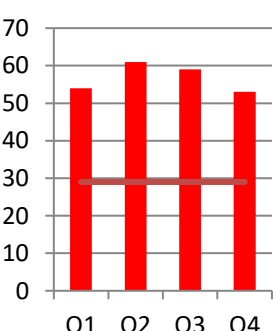




Fourth Quarter 2019/20 Performance by Department

Dept.							NMTP		Total
	No	%	No	%	No	%	No	%	No
Contact Centre	0	0%	0	0%	4	100%	0	0%	4
Environmental Health	0	0%	0	0%	1	100%	0	0%	1
Finance	2	100%	0	0%	0	0%	0	0%	2
Housing	4	67%	0	0%	2	33%	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	1	20%	0	0%	3	60%	1	20%	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%	2	8%	13	52%	1	4%	25
<i>Previous Quarter Total</i>	<i>9</i>	<i>36%</i>	<i>2</i>	<i>8%</i>	<i>13</i>	<i>52%</i>	<i>1</i>	<i>4%</i>	<i>25</i>

Key



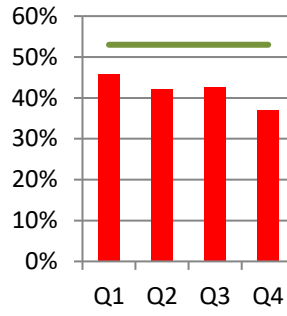




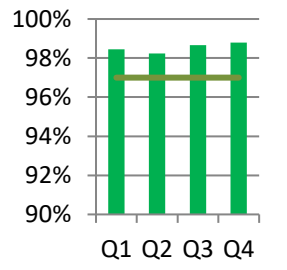


	Current performance is below target by more than the specified target deviation.
	Current performance is below target but is within tolerance.
	Current target has been met or exceeded.
NMTP	Not measured this period.
	Performance for the quarter or year to date is improving (up) or deteriorating (down) compared to previous quarter or across the year.

Dept. & PI Code	Performance Indicator	Measure	Previous Quarterly Results			Latest Quarterly Results				2019/20 Year to Date			Commentary
			Q1 Result	Q2 Result	Q3 Result	Q4 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	42 Days (41 Days GN, 47 Days SH)	51 Days (47 Days GN, 51 Days SH)	50 Days (40 Days GN, 136 days SH)	30 Days (28 Days GN, 21 Days SH)	22 days	 		43 days	22 days	 	Void turnaround has greatly improved in Q4. BBC and Axis have been working closely together to ensure we are getting into properties as soon as we reasonably can and that they are being turned around quickly. We have unfortunately had a large number of major works voids still ongoing and this may therefore impact slightly on the figures.
Housing H02	% Rent collected from current tenants only as a percentage of rent due	Monthly	99.60%	97.80%	98.99%	98.55%	98.05%	 		98.78%	98.05%	 	In Q3 we saw an improvement in arrears collection, the officers have been expediting the arrears recovery procedure and providing less chances for residents which has seen an increase in collection rates. In Q4 this dropped slightly as we experience the post christmas drop, however, efforts continue and we are now only weeks away from implementing Mobyssoft Rent Sense which will make processing of accounts more focused and relevant and will give less accounts each day for the officers to check. They will also be checking as soon as a payment is missed rather than 2 weeks later.
Housing H03	Rent arrears of current tenants as a percentage of rent due	Quarterly	4.89%	5.33%	5.41%	5.44%	1.95%	 		5.22%	1.95%	 	The level of arrears has slowed in Q4 as we stabilise the rent collection levels. Mobyssoft Rent Sense will assist in reducing the arrears and we expect to see this figure drop once it is implemented.
Housing H04	Households living in temporary accommodation	Monthly	54	61	59	53	29	 		58	29	 	TA figures have reduced due to the increased return of voids and work to ensure our applicants have active housing register applications. We experienced difficulties towards the end of Q4 with allocations and void works being put on hold due to COVID-19 leaving several TA residents waiting for properties. I would forecast TA figures to have been in the 40s had we not been faced with these issues. With the current development of govt guidelines for accommodation of vulnerable individuals during the COVID-19 lockdown we may continue to experience an increase in coming months.

Dept. & PI Code	Performance Indicator	Measure	Previous Quarterly Results			Latest Quarterly Results				2019/20 Year to Date			Commentary
			Q1 Result	Q2 Result	Q3 Result	Q4 Result	Q Target	Q Status/Trend	Q Graphic	YTD Result	YTD Target	YTD Status/Trend	
Housing H05	Gas servicing in Council homes	Quarterly	99.96%	96.96%	98.78%	97.75%	100%			98.31%	100%		<p>Longest outstanding property – 139 days. The property has a wood burner and the sub-contractor is currently still going through the final stages of the PQQ onboarding for Axis</p> <p>Gas has unfortunately been impacted this quarter by those people self-isolating from February onwards. We have worked tirelessly to get access but expect to see this figure drop in Q1 due to Covid-19</p>
Housing H06	Level of Arrears at the end of quarter	Quarterly	£589,499	£609,566	£638,343	£632,544	Reduction from previous quarter			+ £43,045	Reduction from previous quarter		<p>We have reduced the arrears this quarter however, this is reflective of the peaks and troughs throughout the year, rather than the collection rates.</p>



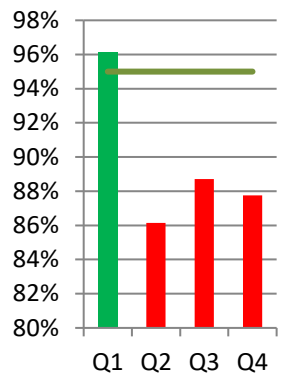




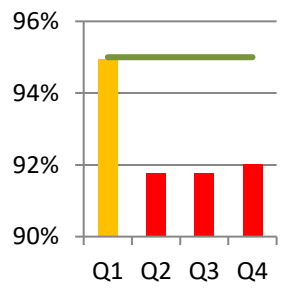




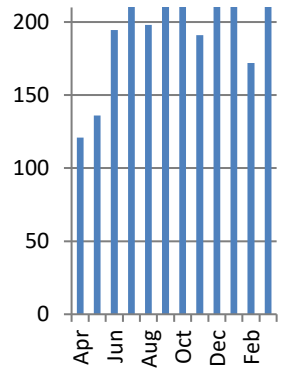


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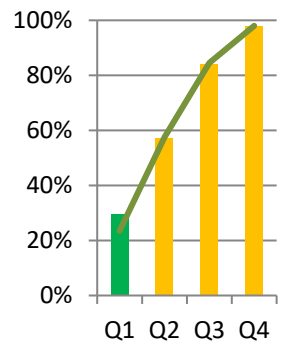




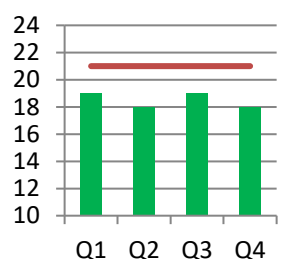




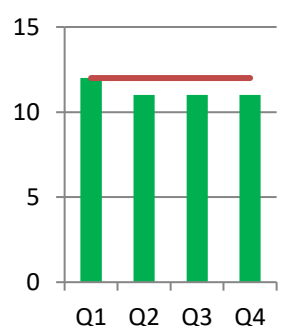


Dept. & PI Code	Performance Indicator	Measure	Previous Quarterly Results			Latest Quarterly Results				2019/20 Year to Date			Commentary
			Q1 Result	Q2 Result	Q3 Result	Q4 Result	Q Target	Q Status/Trend	Q Graphic	YTD Result	YTD Target	YTD Status/Trend	
Street Scene and Environment E01	Residual household waste per household	Quarterly	114.74kg	123.77kg	118.70kg	130.56kg	109kg			121.9kg	109kg		<p>Estimated as statistics to be verified by ECC.</p> <p>2018/19 actuals – 461kg per household (estimated at 490kg)</p>



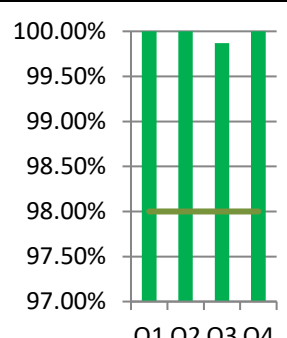




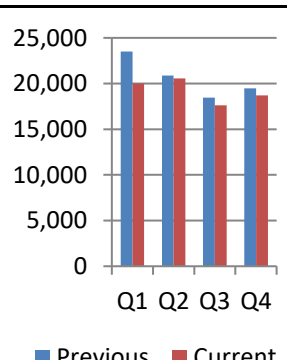




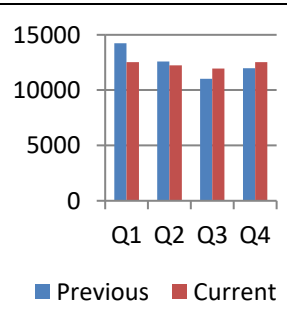


Dept. & PI Code	Performance Indicator	Measure	Previous Quarterly Results			Latest Quarterly Results				2019/20 Year to Date			Commentary
			Q1 Result	Q2 Result	Q3 Result	Q4 Result	Q Target	Q Status/Trend	Q Graphic	YTD Result	YTD Target	YTD Status/Trend	
Street Scene and Environment E02	Percentage of household waste arisings which have been sent by the authority for reuse, recycling, composting or anaerobic digestion	Quarterly	45.74%	42.05%	42.60%	36.87%	53.00%	 		41.8%	53.00%	 	Estimated as statistics to be verified by ECC 2018/19 actuals – 45% (estimated at 44.6%)
Environmental Health EH01	Food safety/hygiene standards in food premises	% of broadly compliant food premises - Quarterly	98.45%	98.24%	98.67%	98.80%	97%	 		98.45%	97%	 	Broad compliance across food premises continues due to the concerted actions of this department. However there was a noted drop in standards for quarters 1 and 2, with more premises receiving a rating of 1 (Major Improvement Necessary) than previously. This requires further revisits, service of notice, rescores and inspections to maintain and improve standards. In Quarter 4, The Food Standards Agency suspended inspection activity due to Covid-19.



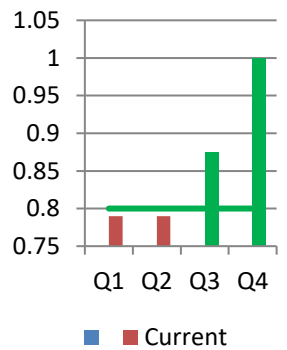




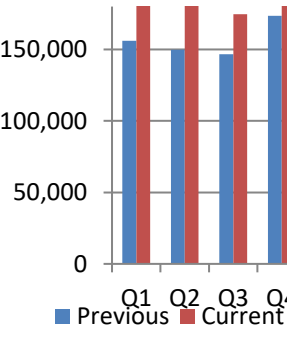


Brentwood Borough Council - Performance Indicator Dashboard

Addendum 4



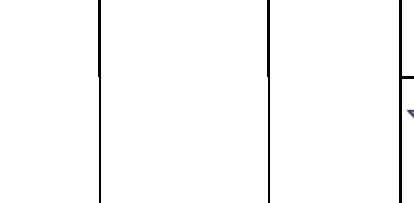




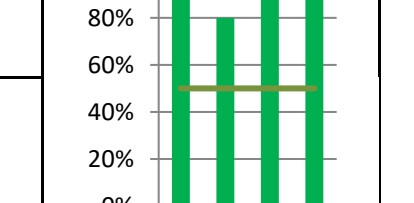









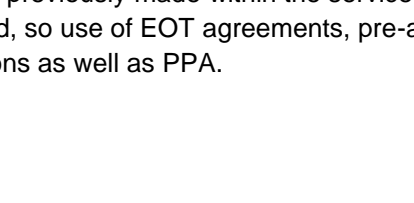


Dept. & PI Code	Performance Indicator	Measure	Previous Quarterly Results			Latest Quarterly Results				2019/20 Year to Date			Commentary
			Q1 Result	Q2 Result	Q3 Result	Q4 Result	Q Target	Q Status/Trend	Q Graphic	YTD Result	YTD Target	YTD Status/Trend	
Finance F01	% of invoices from local suppliers paid within 20 days	Monthly	96.13%	86.15%	88.71%	87.75%	95%	 		89.7%	95%	 	January had a massive decrease as we had 25 out of the 116 invoices paid out of terms. This was highlighted to the AP team and the following months we hit above 92% which shows a massive improvement. Will carry on working hard on the local invoices and considering COVID-19 we are putting priority on the Local invoices.
Finance F02	% of invoices from all suppliers paid within 30 days	Monthly	94.94%	91.76%	91.76%	92.02%	95%	 		92.6%	95%	 	As above, January was a poor month in terms of paying invoices within time. Massive improvements were made in February & March to keep the score level. Considering COVID-19, we are still operating as normal and ensuring invoices are being paid within time
Human Resources HR03	Number of days sickness lost per month	Monthly	Apr 121 May 136 Jun 194.5	Jul 213 Aug 198 Sept 229.5	Oct 239 Nov 191 Dec 222.5	Jan 213 Feb 172 Mar 255	No target.	 		2384.5 days	No target.	 	This PI reflects the number of working days lost to sickness each month.

Dept. & PI Code	Performance Indicator	Measure	Previous Quarterly Results			Latest Quarterly Results				2019/20 Year to Date			Commentary
			Q1 Result	Q2 Result	Q3 Result	Q4 Result	Q Target	Q Status/Trend	Q Graphic	YTD Result	YTD Target	YTD Status/Trend	
Revs and Bens CT01	Council Tax collection	Monthly	29.8%	57.2%	84.2%	97.8%	98%	 		97.8%	98%	 	<p>The team are being proactive in their approach to outstanding balances, ensuring that customers are contacted by telephone on a regular basis, in particular before any recovery notices are sent to obtain a payment or discuss the account with the customer and see what options are available.</p> <p>Debt busting days have proven a great success for Brentwood Council which has helped to improve the collection.</p> <p>We are utilising available technology such as targeted text messaging to remind customer to pay and other intelligent tracing software to find those customers who are not paying.</p>
Revs and Bens CT03	Time taken to process new Housing Benefit/Council Tax Support claim	Quarterly	19 days	18 days	19 days	18 days	21 days	 		18.5 days	21 days	 	<p>New claims for Q4 is under our target of 21 days. 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.</p>
Revs and Bens CT05	Time taken to process Housing benefit and Council Tax Support Change of Circumstances	Quarterly	12 days	11 days	11 days	11 days	12 days	 		11.25 days	12 days	 	<p>Change of circumstances have become more involved for various reasons including the calculation of customers earnings being more complex to assess due to the nature of a customers employment. The increase in zero-hour contracts and more frequent changes to wages from month to month has made these assessments more complicated and time consuming.</p> <p>We have also seen additional daily customer notifications from the DWP for customer entitlement to Universal Credit, this information can be duplicated, can be incorrect or incomplete, but each piece of work has to be scrutinised before a decision on each can be made. This makes it a resource intensive process</p> <p>Considering the complexity of this type of work, we are pleased with the current performance.</p>

Dept. & PI Code	Performance Indicator	Measure	Previous Quarterly Results			Latest Quarterly Results				2019/20 Year to Date			Commentary
			Q1 Result	Q2 Result	Q3 Result	Q4 Result	Q Target	Q Status/Trend	Q Graphic	YTD Result	YTD Target	YTD Status/Trend	
ICT ICT01	Website uptime	Quarterly	100%	100%	99.87%	100%	98%	 		99.6%	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.
Page 143 Contact Centre CC01	Telephone calls received via auto attendant	Quarterly	20,009	20,558	17,612	18,709	No target.	 		76,888	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. The YTD result is 4,683 calls lower than 2018/19.
Contact Centre CC02	Telephone calls taken by the Contact Centre for those services undertaken by the Contact Centre	Quarterly	12,525	12,228	11,957	12,532	No target.	 		49,242	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. The YTD result is 1,131 calls lower than 2018/19.

Dept. & PI Code	Performance Indicator	Measure	Previous Quarterly Results			Latest Quarterly Results				2019/20 Year to Date			Commentary
			Q1 Result	Q2 Result	Q3 Result	Q4 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%	79%	87.5%	90%	80%	 		82%	80%	 	<p>Consistent performance in Q2, although 2% lower than the same period last year.</p> <p>Monthly meetings are held with the service areas to identify areas of improvement and training needs.</p>
Contact Centre CC04	Website sessions	Quarterly	194,048	174,579	174,615	199,926	No target.	 		743,168	No target.	 	<p>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.</p> <p>Comparison with the previous quarter shows an increase of 15.92% in comparison. This is due to residents utilising the website for information on the Coronavirus pandemic.</p>

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Dept. & PI Code	Performance Indicator	Measure	Previous Quarterly Results			Latest Quarterly Results				2019/20 Year to Date			Commentary
			Q1 Result	Q2 Result	Q3 Result	Q4 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	No target	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	26.3%	18%	22.2%	35%	31%	 		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	100%	80%	100%	100%	50%	 		94.4%	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%	98.3%	98.2%	70%	 		98.2%	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%	100%	99.4%	99.2%	80%	 		99.4%	80%	 	As above, exceeding targets due to previous changes now being imbedded in team. Currently performing in top 10 in country.

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Committee: Audit and Scrutiny Committee	Date: 28 July 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 meeting of the working group and planned meetings for 2020/21.

Updated Terms of Reference for 2020/21 have 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.

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 a number of 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 (Ordinary or Extraordinary Council) and/or Planning and Licensing Committee as appropriate. 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. Updated Terms of Reference for 2020/21 have been agreed by the working group, as set out in Appendix A. This includes the responsibilities of the working group, membership, frequency, etc.
4. 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. An opportunity was taken to go through each of the themes raised by the inspectors, including the underlying initial questions. Officers presented an overview and the timescales by which responses would be provided. Notes and actions from the meeting are enclosed in Appendix B. These notes are draft until agreed at the next working group meeting.
5. Moving forward, working group meetings have been set to take place bi-monthly with the next scheduled for 1 September 2020.

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 Development Plan is an important vehicle for the delivery of many objectives set out within the Council's Corporate Strategy Brentwood 2025. 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.

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:

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

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).

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

11. 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.

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

12. None.

Background Papers

- Corporate Projects report, Item 114 Policy, Projects and Resources Committee, 19 September 2017, Brentwood Borough Council

Appendices to this report

- Appendix A: Local Development Plan Member Working Group Terms of Reference 2020/21
- Appendix B: Local Development Plan Member Working Group Notes and Actions, 16 June 2020

Local Development Plan Member Working Group (LDP MWG)

Terms of Reference 2020-2021

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 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 Keeble, Cllr Kerslake (Chair), Cllr McCheyne, Cllr Morrissey, Cllr Mynott, Cllr Naylor, Cllr Saunders.

8. Support

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

Notes & Actions

Meeting: Local Development Plan Members Working Group
Venue: Online via Microsoft Teams
Date: Tuesday 16 June 2020
Time: 15:30-17:40

Present: Cllr Kerslake, Cllr Mynott, Cllr Bridge, Cllr McCheyne, Cllr Naylor, Cllr Keeble, Cllr Aspinell*, Cllr Hossack*

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

Apologies: Cllr Sanders, Cllr Morrissey, Cllr Barrett*

* Group Leaders invited to working group meeting

1. Notes from last meeting

- a) Notes from last meeting (25/02/2020) were circulated for review.
- b) Cllr Bridge raised that para 3.6 redrawing of the “administrative” boundary should be changed to “electoral” boundary.

2. 2020/21 Terms of Reference

- a) Members agreed revised terms of reference for the working group in 2020/21, updated to reflect changes during 2019/20 such as Cllr Naylor joining the working group.

3. Local Plan Examination Update

- a) PD updated on the examination process. The letter expected from the appointed inspectors with initial questions had been received and published. It recognises the current COVID-19 pandemic and the potential need for that the Council to reprioritise services at any time thereby reducing the ability to respond to these questions in the usual expected timeframes. It seeks to agree timeframes with the Council and officers are currently considering how long it will take to respond to questions raised in the letter by theme.

Notes & Actions

Members discussed Inspectors' question regarding a list of modifications:

- b) PD provided context, the inspectors' are asking if additional modifications need to be made to the Plan beyond the Focussed Changes.
- c) Cllr Mynott asked if this was a standard question. PD responded that it is not unusual, but often depends on the inspector as to when this issue is raised.

Members discussed Inspectors' questions regarding Duty to Cooperate:

- d) PD provided context. Inspectors requested meeting notes to append the information set out in the Duty to Cooperate Statement. Noted that this is a priority but may be time consuming. The team is confident that issues such as Dunton Hills Garden Village (DHGV) have been thoroughly discussed with stakeholders and this is ongoing to resolve issues.
- e) Cllr McCheyne asked if developers promoting other sites were likely to object to DHGV? PD responded that it is likely, although rather than suggest an alternative site to DHGV most representations from developers tended to argue that additional development was required (I.e. their site and reasons why, such as delivery timeframes etc).
- f) Cllr Mynott asked whether Topic Papers were to bring together evidence to make it easier to follow or set out new evidence? PD responded that whilst they should bring information together in the first instance, they do sometimes introduce new information. It often depends on the inspector.
- g) Cllr Bridge said it was important to show how development at DHGV was to be delivered in the plan-period and beyond. PD agreed, noting other recent examinations where the importance of viability evidence and development trajectories had been highlighted.
- h) Cllr Kerslake asked if any of the questions were surprising? PD responded that there were not many surprises, but some questions would be challenging. The team had been expecting certain questions and so were already underway with Topic Papers. It was noted that it will be critical to provide the right level of information according to what the inspectors have asked.

Members discussed Inspectors' questions regarding spatial strategy and the Sustainability Appraisal

- i) PD provided context, the inspectors focus on understanding how the Council has made decisions on development locations.
- j) Cllr Mynott spoke on para 15, raising significant issues and seeking evidence. Is this the case of the Inspectors asking to be navigated to relevant evidence or is it due to the lack of evidence? PD provided context as to how the inspectors will be assessing the evidence, that they will be looking only at what has been presented to them and not necessarily the wider context. For instance, representations from Thurrock raised issues regarding their view that development is more appropriate in the central corridor than the southern corridor, and so the inspectors are likely to pick up on this

Notes & Actions

and ask for clarification. It seems this will be best to respond in a Topic Paper providing context and pointing towards evidence on sustainability.

- k) Cllr McCheyne raised the issue of development in Blackmore and whether the inspectors might query why there is no development proposed in other villages like Doddinghurst? Cllr Keeble noted that Blackmore village was sustainable with its present population and that villages such as Stondon Massey would welcome development to promote community cohesion. PD responded that those questions had not been raised yet but may later come, that it will often depend on whether a specific issue has been raised in representations.

Members discussed Inspectors' questions re legal compliance

- l) PD advised that the team felt answers on legal compliance could be provided quickly.
- m) It was noted that due to Covid-19, there is have been changes to Regulations regarding consultation requirements (hard copies of consultation documents being put on deposit), which requires some amendments to the adopted Statement of Community Involvement (SCI). This is to be brought to Planning and Licensing Committee in July.
- n) Cllr Naylor asked if the legal team had assisted with legal compliance or whether because this was being asked that this had been missed. PD responded that the set of questions on legal compliance was a normal process point to double check our view on compliance before the inspector reviews the legal tests.

Members discussed Inspectors' questions re South Essex Joint Strategic Plan

- o) PD set out that a response would be required to update the inspector on the South Essex Joint Strategic Plan (JSP) being prepared as part of our partnership in the Association of South Essex Local Authorities (ASELA). Due to Basildon Council also being at examination and because of the reliance on the JSP that their plan has, the team will be working with Basildon colleagues to answer this question and provide a consistent view across both examinations.

Members discussed Inspectors' questions re Green Belt

- p) PD set out that over time there had been changes to development need requirements through national policy and so through different iterations of the LDP process there has been a number of revisions to Green Belt evidence. It was accepted that as a result the story of how Green Belt evidence has informed the strategy may not be clear and so the need for a topic paper on this issue was anticipated.
- q) Cllr Mynott asked whether it was a case of lacking evidence or that evidence was not easy to follow? PD responded to advise that it is more the latter, and likely due to the where a full Green Belt Review was not undertaken from the start of the process because at the start of the process the development need that the plan was trying to meet did not require substantial use of Green Belt land. Therefore, the evidence is in place over time, but it may not have been undertaken in the same order as might be expected if the development needs had been the same at the start and end of the process.

Notes & Actions

Members discussed Inspectors' questions re Housing

- r) PD set out that the inspectors specifically requested a topic paper regarding housing, mainly due to the complexity of explaining how housing needs will be met. In February 2019 the Regulation 19 consultation was published at a time that the requirement was to meet needs in line with Objectively Assessed Housing Needs. That position changed afterwards to require needs to be met in line with the standard method calculation, resulting in a higher housing need. This was anticipated and so a higher housing target was set out in the plan to meet the same figure required by the standard method. However, the explanation text within the plan about how needs are being met needs to be updated. The housing figure will not change, but the explanation about how this number has been calculated in line with up-to-date requirements is needed.

Members discussed Inspectors' questions re Affordable Housing

- s) PD outlined the question raised regarding a difference in the local policy for affordable housing provision (on sites of 11 and above) compared with national guidance (10 or above). This was an issue that required further consideration before a response is issued.
- t) Cllr Mynott asked if there would be an opportunity to set designated rural areas to address affordable housing shortage in rural locations. PD responded that the team would look at this to see if this could be something that could be incorporated in the process.

Members discussed Inspectors' questions re Gypsies and Travellers, Housing Standards, Employment, and Retail

- u) PD combined various questions asked on the above subjects. Examination notes would be provided on each to cover the issues raised. It may be necessary to collate employment into a topic paper, this will be considered.
- v) Cllr Mynott raised that the justification for losing some existing employment land in town centre locations was an issue that the Liberal Democrat group has raised in the past, and so this is still outstanding. PD responded that the narrative on this issue has been explained in previous consultation documents and focuses on the need for regeneration of sites to mixed-uses in town centre areas considered to be more sustainable, and to deal with historic HGV issues through urban areas including neighbouring residents etc. We will wait to see how the inspectors consider the issue.
- w) Cllr Hossack raised that the inspectors had not requested a topic paper on employment land, that it was clear where they felt a topic paper was required. It is important that we do not spend time on something that is not required, engagement with the inspectors to clarify what is needed would identify how to prioritise time responding. PD agreed and set out that this view had also been expressed by the Council's barrister. It will be important not to over-answer the questions and open

Notes & Actions

other issues that may require further work, but instead provide focussed responses. Officers will continue to work with our barrister.

Members discussed Inspectors' questions re Transport infrastructure

- x) PD introduced the item in the context of ongoing work with Essex County Council (ECC) and Highways England regarding the LDP Transport Assessment.
- y) Cllr McCheyne asked for an update on M25 junction 29 and the Lower Thames Crossing scheme. PD reminded members that the Lower Thames Crossing proposal at junction 29 severed the existing access to Brentwood Enterprise Park, which was a specific issue for delivery of the proposed employment land but did help with traffic flows from the A127 westbound onto the M25 southbound, benefitting the borough and wider transport network. The access arrangement is being worked on with ECC and Highways England, a new proposal to access the employment land from the B186 has been proposed and is being discussed with ECC.
- z) Cllr Hossack noted the difference in number of comments regarding transport infrastructure from the inspectors compared with ECC. PD noted that this was likely due to the detail that ECC had focussed on and that our response to the inspectors regarding the updating of the Transport Assessment would aim to join together the ongoing work with ECC and the inspector's questions.

Members discussed Inspectors' questions re Air Quality Management Areas

- aa) PD provided some context on the specific item raised in relation to air quality – information about Air Quality Management Areas (AQMA). There was some discussion about the wider context of air quality being a key issue in the Basildon Local Plan examination around the A127.
- bb) Cllr Mynott asked if all sites proposed in Brentwood Town Centre will have impacts on AQMAs and stated that this issue had not been addressed enough. Information on AQMA impacts could not be found in the transport section of the LDP. PD responded that this issue had been addressed in the Sustainability Appraisal regarding each of the site allocations impact on air quality, and an overview provided in the Infrastructure Delivery Plan (IDP). There was a discussion about where AQMA locations could be viewed. Officers advised that maps of AQMA locations were available on the Council's website and that a link would be shared. See: <http://www.brentwood.gov.uk/index.php?cid=399> and https://uk-air.defra.gov.uk/aqma/local-authorities?la_id=33

Members discussed Inspectors' questions re Heritage, Open space, general matters

- cc) PD provided context regarding work ongoing with Historic England to address their concerns through a Statement of Common Ground. The inspector has raised a question regarding the process of selecting sites and impact on the historic environment.
- dd) PD provided an overview of matters raised in relation to open space and other general matters.

Notes & Actions

Discussion regarding Timeframes

- ee) JQ outlined current thoughts about how quickly the team would be able to respond. This was likely to be issued in two phases with two deadlines, subject to agreement with the inspectors through the Programme Officer. An acknowledgement letter would be published setting out agreed timeframes.
- ff) The requirements of the formal examination process meant that correspondence with the inspectors would be published on the examination webpage of the Council's website: www.brentwood.gov.uk/examination

4. AOB

- a) No matters raised.
-

Committee(s): Audit and Scrutiny	Date: 28 th July 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.

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 is intended to take place at the all member briefing on the 3rd August 2020.

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 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 312829/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
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 Strategic Planning
Tel/Email: 01277 312610/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

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Jul-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 Kerslake, Bridge, 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 - tba									
4. Report to Audit & Scrunity Committee - 27th October 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 - 09.06.20									
2. Report to Audit & Scrunity Committee - 28th July 2020									
3. Working Group Meeting - tba									
4. Report to Audit & Scrunity Committee - 27th Octobery 2020									
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									

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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.

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