

# Swindon Borough Council

## Audit Committee

**Tuesday, 21 July 2020**

In Public Virtual Meeting - LiveStream

**At 6.00 p.m.**

### **Conservative Councillors**

Steve Weisinger  
(Chair)  
Nick Martin (Vice-  
Chair)  
Malcolm Davies  
Roger Smith

### **Labour Councillors**

Claire Crilly  
James Robbins  
Kevin Small

**Committee Officer:** Douglas Campbell 07779 413886

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**Access Arrangements** - If you have any special requirements to enable you to attend the meeting or would like to receive any of the pages contained in this agenda in a larger print size, please contact the Committee Officer as soon as possible prior to the date of the meeting.

The meeting is accessible through the web-link below.

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## **AGENDA**

### **NOTE**

The meeting can be accessed here:

<https://tinyurl.com/AuditCommittee21072020>

Or here:

[https://teams.microsoft.com/l/meetup-join/19%3ameeting\\_ZDkzNTlwNmQtMTNkOC00OTUzLWI0ZjltZDU5MTQyZDZiOTgz%40thread.v2/0?context=%7b%22id%22%3a%22c14bbb5a-1d56-4698-b344-1b99964f6878%22%2c%22oid%22%3a%228aaf762d-2921-4fb5-a9f6-f56bf988cbf6%22%2c%22IsBroadcastMeeting%22%3atrue%7d](https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZDkzNTlwNmQtMTNkOC00OTUzLWI0ZjltZDU5MTQyZDZiOTgz%40thread.v2/0?context=%7b%22id%22%3a%22c14bbb5a-1d56-4698-b344-1b99964f6878%22%2c%22oid%22%3a%228aaf762d-2921-4fb5-a9f6-f56bf988cbf6%22%2c%22IsBroadcastMeeting%22%3atrue%7d)

This link will only be active when the meeting is in session.

**1. Apologies for Absence**

**2. Declarations of Interest**

Members are requested at the start of the meeting to declare any known interests in any matter to be considered, and are reminded that any such interest should also be declared at the start of an item or during any discussion of the matter concerned.

**3. Public Question Time**

See explanatory note below. Please phone the Committee Officer whose name and number appears at the top of this agenda if you need further guidance).

**4. Minutes** (Pages 5 - 8)

To receive the minutes of the meeting held on 21<sup>st</sup> January 2020.

**5. Corporate Risk Register update CE** (Pages 9 - 36)

**6. Treasury Management Performance 2019/20 CDFA** (Pages 37 - 46)

**7. Audit Committee Annual Report 2019/20 HIA** (Pages 47 - 52)

**8. Head of Audit Annual Report/Opinion HIA** (Pages 53 - 56)

**9. Annual Governance Statement 2019/20 HIA** (Pages 57 - 86)

**10. Statement of Accounts 2019/20 - update CDFA**  
(Report to follow)

**11. Regulation of Investigatory Powers (RIPA) Update HIA** (Pages 87 - 134)

**12. Internal Audit Annual Plan 2020/2021 HIA** (Pages 135 - 150)

**13. Head of Internal Audit - update report HIA** (Pages 151 - 166)

**Date of Despatch:** 13 July 2020

Key:

Officers:

CDFA	Corporate Director of Finance and Assets
CE	Chief Executive
HIA	Head of Internal Audit

**Quorum:** The quorum for Audit Committee is 3 Members.

**Public Question Time** - Swindon Borough Council remains committed to increasing its accountability to the public and to promoting active citizenship. 15 minutes will be allowed at the start of all Council meetings for questions to the Chair from the public about the work of the Committee (except for confidential matters, and matters relating to planning and licensing applications). We will give priority to those who submit questions in writing at least two days before the meeting. Questions must be relevant, clear, and concise. You may not use Public Question Time as an opportunity to make speeches or statements.

While the Council is holding 'virtual meetings', public questions must be submitted by 08:00 on the day before the meeting is held.

Questions in writing should be sent to the Committee Officer whose contact details appear on the agenda above or to the Chief Legal Office (Monitoring Officer), we will publish it, along with the answer, alongside the Minutes. The process associated with asking a public question is set out in the "Public Question Time at Council Meetings Protocol and Guidance" available on the Council's Website.

(<http://www5.swindon.gov.uk/moderngov/ecCatDisplay.aspx?sch=doc&cat=13338&path=0>) or from the Committee Officer named above.

### **The Audit Committee - Terms of Reference**

*(the complete terms of reference and programme of activity for the Audit Committee are set out in Minute 10 of the meeting of the Audit Sub-Committee held on 16 June 2015)*

- Be satisfied that the authority's assurance statements, including the Annual Governance Statement, properly reflect the risk environment and any actions required to improve it, and demonstrate how governance supports the achievement of the authority's objectives.
- In relation to the authority's internal audit functions:
  - Oversee its independence, objectivity, performance and professionalism
  - Support the effectiveness of the internal audit process
  - Promote the effective use of internal audit within the assurance framework
- Consider the effectiveness of the control environment, including arrangements for ensuring value for money and for managing the authority's exposure to the risk of fraud and corruption.
- Consider the reports and recommendations of external audit and inspection agencies and their implications for governance, risk management or control.
- Support effective relationships between external audit and internal audit, inspection agencies and other relevant bodies, and encourage the active promotion of the value of the audit process.
- Review the financial statements, external auditor's opinion and reports to Members, and monitor management action in response to the issues raised by external audit.
- Reviewing and monitoring treasury management arrangements in accordance with the CIPFA Treasury Management Code of Practice.

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**AUDIT COMMITTEE**

**TUESDAY, 21 JANUARY 2020**

**PRESENT:-** Councillors Steve Weisinger (Chair), Nick Martin (Vice-Chair), Malcolm Davies, Roger Smith and Claire Crilly

Apologies for absence were received from Councillor Kevin Small.

**30. The late Councillor Des Moffatt**

At the Chair's invitation, the meeting stood for a Minute's silence to pay respect to the late Councillor Des Moffatt, after which the Chair asked that the following be minuted.

"Before we move on to item 2, I would just like to take a moment regarding the late Cllr Des Moffatt. I have been on Audit Committee since May 2013. Audit Committee was formed in 2004 and Des was on it from the very start. His contribution to this committee has been huge and he went through all audits with a fine toothcomb.

No meeting where we had a treasury management report or update would go without either having a question on HRA or a suggestion from Des as to how to present it in a slightly different way.

Des will be missed at audit committee meetings but he will always be remembered for being a true gentleman an excellent councillor and a great self-made auditor."

**31. Declarations of Interest**

The Chair reminded Members of the need to declare any known interests in any matters to be considered at the meeting. No declarations were made.

**32. Public Question Time**

There were no public questions.

**33. Minutes**

Resolved - That the minutes of the meeting held on 22th October 2019 be confirmed and signed.

**34. Internal Audit report - Treasury Management**

The Head of Internal Audit submitted a report setting out the outcome of the annual audit of the Council's treasury management process. The report seeks to provide the Committee with assurance regarding the internal control arrangements in place within the treasury management process.

The Head of Internal Audit informed the Committee that the full report was attached at Appendix One. Members asked questions about the case highlighted where one person had been set up on a system with the ability to authorise their own

expenditure. The Head of Internal Audit and the Head of Finance – Technical, were able to confirm that this capability had not been used and a combination of new software and better training would serve to prevent such an error in the future.

Resolved – That the Internal Audit report – Treasury Management be noted.

### **35. Draft Treasury Management Strategy 2020/21**

The Corporate Director of Finance and Assets submitted a report setting out the Council's Treasury Management Strategy for 2020/21, including Prudential Indicators up to 2025/26, the Council's Annual Investment Strategy and the Minimum Revenue Provision Policy Statement.

In presenting the report, the Corporate Director of Finance and Assets and the Head of Finance highlighted the following points:

- Given the General Election, there has been a delay in obtaining the final figures as these are linked to the rest of the budget setting process, with the final report being submitted to Cabinet and Council in February 2020.
- Nevertheless, the overall policies would not change although there would be a variation in the actual numbers.
- The position as at December 2019 is accurate and the indicators set out in Appendix 1 – Annex 1 would not change.

The chair thanked officers for the report and their work throughout the year.

Resolved – (1) That the draft Treasury Management Strategy, Minimum Revenue Provision Policy and Prudential Indicators, as set out in Appendix 1 to the main report be noted.

(2) That the committee clerk circulate the final version after it has been published for Cabinet.

### **36. Internal Audit report - Empty Homes**

The Head of Internal Audit submitted a report into the Council's management of empty homes, which had been requested by the Audit Committee as part of its 2019/20 work programme.

The Head of Internal Audit introduced the report by drawing the Committee's attention to key findings, which were summarised in paragraph 3.6 of the report and set out in full in Appendix One. The Director of Housing gave an overview of the Council's actions and strategies to tackle empty homes. The Chair, with the Committee's consent, agreed that issues that would be discussed in a wider report to the Adults' Health, Adults' Care and Housing Overview and Scrutiny Committee scheduled for 28<sup>th</sup> January 2020 and would not be debated at this meeting to avoid duplication.

Members asked a series of questions that are summarised below, to which the Director of Housing along with the Housing Strategy & Development Manager responded at the meeting.

- Would Officers consider using “a stick” as well as “a carrot” to encourage landlords to let more vacant homes? Officers were investigating use of S.215 of the Town and Country Planning Act as well as working closely with

colleagues in Planning Enforcement.

- Were there sufficient resources available to this work? Officers confirmed that they were setting out the cost benefit analysis to show the full range of benefits to the Borough in bringing empty homes back into use.
- Would the Council consider wider use of Compulsory Purchase Orders along with using its wholly owned Swindon Housing Company to put empty homes back into service? Given the time necessary and costs involved, Officers stated that this option was part of the cost benefit analysis.
- Was there an understanding of why landlords were foregoing income by leaving properties empty? Officers found that there was a range of reasons with the most significant being cases where the owner was now in a long-term care facility. For other cases, Officers set out the offers made to take over and manage properties.
- How achievable is the 50 homes a year target? Officers believed this was realistic based on prior experience.

The Chair thanked both the officers who had undertaken the audit as well as those from the service area who had attended to respond to the Committee's questions.

Resolved – (1) That the report be noted

(2) That the Head of Internal Audit brings an update report back to this Committee in 12 months' time.

### **37. External Audit - progress report**

Barry Norris (Grant Thornton) submitted a report advising the Committee of the External Auditors' progress in respect of the delivery of their audit responsibilities. Mr Norris also introduced Sophie Morgan-Bower, who would be taking over the role previously filled by Steve Johnson.

Mr Norris introduced the report and drew the Committee's attention to an increase in the audit fees on account of new definitions of value for money from the Audit Office, the increased volume of work required to meet the higher expectations of the regulator, along with the more complex nature of this additional work. However, these were costs being applied to all councils, not just Swindon. The External Auditors drew the Committee's attention to the rare positive, unqualified findings for their inspections of housing benefit claims and teachers' pensions.

There were no questions from Members and the Chair thanked the External Auditors for their work and the report.

Resolved – (1) That the External Auditors' report be noted.

(2) That the receipt of the Annual Audit Letter and Plan be included on the agenda for the next meeting of this committee.

### **38. Fraud update report**

The Head of Internal Audit submitted a report with an overview of the work and results of the Corporate Fraud team up to 31<sup>st</sup> December 2019 and the outcome of internal investigations undertaken by Internal Audit in the same period.

The Head of Internal Audit introduced the report and invited the Committee to note

- The recoverable and notional savings the Corporate Fraud team had produced for the Council,
- The use of data-matching to identify potential housing benefit and council tax fraud
- The work with national fraud initiative.

Members asked a number of questions set out below, to which the Head of Internal Audit and the Corporate Director of Finance Assets responded at the meeting.

- Could officers provide more details on the Right to Buy fraud identified. Officers indicated that this was where applicants were not the tenants or where there had been sub-letting.
- How did the New Homes Bonus relate to fraud and the Council's income? Officers clarified that this affected the net new homes in the borough on which the bonus was paid, providing approximately £5m income per year. This could have been nearly £400k less without the preventative actions of the Corporate Fraud team.

Resolved – (1) That the report be noted

(2) That the Officers provide more information to the next meeting on the fraud relating to Right to Buy.

### **39. Head of Internal Audit - update report**

The Head of Internal Audit submitted a report with a summary of the main issues arising from the Internal Audit reports finalised since the Audit Committee meeting in October 2019, to update Members with regard to progress towards the annual internal audit plan and other key issues.

In introducing the report, the Head of Internal Audit informed the Committee that the current progress was ahead of the targets set out in the programme. Members thanked officers for the report and noted that a report would be tabled in March on the Council's car-parking service.

Resolved – That the report be noted



## Corporate Risk Management Update

**Audit Committee**

**Date: 21<sup>st</sup> July 2020**

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Author: Intelligence Lead, Performance, Intelligence & Insight

Wards: All

Parishes Affected: All

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### **1. Purpose and Reasons**

- 1.1 To present Audit Committee with a summary of risk management activity in the Council and the most recent Corporate Risk Register.
- 1.2 Audit Committee provides assurance to the Council on the effectiveness of the Council's risk management. This report summarises the areas that the Committee may wish to consider in gathering assurance and provides a basis for discussion.
- 1.3 The risk management processes and the Corporate Risk Register are key components of the Council's Vision, Priorities and Pledges.

### **2. Recommendations**

The Committee is recommended to:

- 2.1 Endorse the risk management approach and the risks captured in the Corporate Risk Register.

### **3. Detail**

- 3.1 Appendix One is a copy of the Corporate Risk Register June 2020 and is the basis of discussion for this report
- 3.2 Since the last report to Audit Committee in October 2019 the corporate risk management approach is unchanged and continues to be an intrinsic part of the monthly discussions focussing on risk and performance in the context of the Corporate Management Team's focus on improvement.
- 3.3 Council wide and Directorate scorecards capture in one document the key performance and risk information. Corporate Directors present their scorecards to Corporate Management Team monthly which ensures that there is peer scrutiny on discussions around performance and risk. The focus is on mitigating actions to reduce the risk and the efficacy of those actions.
- 3.4 Corporate and Directorate risks are identified from an understanding of risks at service level. Heads of Service produce risk registers as part of their business planning. Heads of Service Scorecards include risk and performance in one place. The scorecards are produced quarterly and allow risk to be part of a wider discussion around performance.

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Further information on the subject of this report can be obtained from Martin Bell, 07824 081201, MBell2@swindon.gov.uk.

# Corporate Risk Management Update

**Audit Committee**

**Date: 21<sup>st</sup> July 2020**

- 3.5 Discussions also take place between Internal Audit and Risk. The Internal Audit team requests copies of service risk registers to inform their audits. Audit findings can then be captured in the Corporate Risk Register. Audits of concern are presented on the scorecards at all levels so that they form a part of discussions around performance and risk.
- 3.6 The Corporate Risk Register focusses on key corporate risks that are of high impact. All risks are owned by a Corporate Director which reinforces accountability for risk. The risk register includes an assessment of the likelihood of risks occurring and the actions that will reduce the likelihood. It also covers the progress that the Council is making with those actions.
- 3.7 Since the last report to Audit Committee in October 2019 there have been changes to the Corporate Risk Register to reflect the Council's current position. This includes some actions that have been completed, new mitigating actions that have been identified and an update on progress made with actions. There have also been additional causes and impacts of risk added as a result of the Council's current position, e.g. Covid-19 impacts etc. Appendix One Corporate Risk Register June 2020 contains the full detail of this however the table below shows the ratings in October 2019 and June 2020 which shows two risk areas (Finance and Growing the Economy) have had their rating change,

Risk Area	October 2019 Rating		June 2020 Rating	
	Rating before mitigation	Rating after mitigation	Rating before mitigation	Rating after mitigation
Finance	High	High	Very High	Very High
Empowering Communities	Medium	Medium	Medium	Medium
Growing the Economy	High	Medium	High	High
Managing our Environment	High	Medium	High	Medium
The Local, National and International Context	Medium	Medium	Medium	Medium
IT System	High	Medium	High	Medium
Safeguarding Children	High	Medium	High	Medium
Safeguarding Adults	High	Medium	High	Medium
Communities and Housing	High	Medium	High	Medium

Further information on the subject of this report can be obtained from Martin Bell, 07824 081201, MBell2@swindon.gov.uk.

# Corporate Risk Management Update

**Audit Committee**

**Date: 21<sup>st</sup> July 2020**

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Governance	Medium	Medium	Medium	Medium
Realising Potential	Medium	Medium	Medium	Medium
Effective Prevention	High	Medium	High	Medium
Business Continuity	High	Medium	High	Medium

## **4. Alternative Options**

4.1 Not applicable

## **5. Implications, Diversity Impact Assessment and Risk Management**

### Financial and Procurement Implications

5.1 Risk Management activity is a core activity for the Council. As such, costs of risk management are funded from existing budgets.

### Legal and Human Rights Implications

5.2 As part of the Accounts and Audit Regulations 2015, it is a statutory requirement that the Council has a sound system of internal control which includes effective arrangements for the management of risk.

### All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

5.3 Nothing specific for this report.

### Diversity Impact Assessment

5.4 A Diversity Impact Assessment has not been completed for this report as it is a summary of actions within service areas to mitigate and address risk. Where applicable, Diversity Impact Assessments have been undertaken which over the actions within the Corporate Risk Register. These assessments are held in the responsible service areas.

### Risk Management

5.5 A risk assessment has not been completed for this report as it is a summary of the risk management activity overall. The Corporate Risk register is the corporate assessment of the key risks facing the Council at this time.

## **6. Consultees**

6.1 The Corporate Director of Finance and Assets (Section 151 Officer) and Chief Legal Officer (Monitoring Officer) are consulted in respect of all reports.

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Further information on the subject of this report can be obtained from Martin Bell, 07824 081201, MBell2@swindon.gov.uk.

# Corporate Risk Management Update

**Audit Committee**

**Date: 21<sup>st</sup> July 2020**

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6.2 The Chief Executive, Corporate Management Team and Head of Internal Audit were also consulted in respect of this report.

## **7. Background Papers**

7.1 None

## **8. Appendices**

8.1 Appendix One – Corporate Risk Register June 2020

## Corporate Risk Register June 2020

### 1. Finance

Risk Description: Impacts of Covid-19 means that the Council cannot achieve its Medium Term Financial Plan and maintain the Council's financial sustainability. This potentially results in depletion of reserves, inability to deliver services and statutory obligations and in a lack of trust in the Council		Rating before mitigation	Very High	Rating after mitigation	Very High
Risk Owner – Chief Executive					
Causes of risk					
<ul style="list-style-type: none"> <li>Significant income reductions</li> <li>Covid-related cost pressures (e.g. ASC)</li> <li>Non-delivering of plans savings</li> <li>Uncertainty re government funding support</li> <li>Change is not sustained</li> <li>Change of direction locally/nationally/partners</li> <li>Major unplanned expenditure</li> <li>Focus on the priorities and pledges is not clear</li> <li>Insufficient consistent focus on realising benefits</li> <li>Improvement is not prioritised</li> </ul>					
Mitigating Actions	Due date	Action owner	Progress		
Short term finances – ensuring the council receives sufficient support from central government to meet Covid-19 related pressures	Dec 2020	Corporate Director of Finance and Assets	Monthly MHCLG returns being produced to provide evidence of pressures faced. This is being supplemented by engagement with SW Councils, the LGA and Treasurers' Societies.		
Ensuring the council's medium term financial plan accurately reflects the latest national developments on local government funding	December 2020	Corporate Director of Finance and Assets	Current forecasts based on the best information currently available.  Planned changes to business rates and fair funding no longer being introduced for April 2021.		
Refresh of the medium term financial strategy, to provide a framework for the Council's response to the financial challenge to be developed, reserves only used sustainably	February 2021	Corporate Director of Finance and Assets	Plan to March 2024 approved by Council. Will need to be updated during the summer to reflect Recovery and implementation of cross-cutting themes		
Clear reporting of progress against the delivery of service plans	March 2021	Corporate Director of Finance and Assets	Tracking of progress and COVID-related pressures being reported monthly to Corporate Management Team. Will form the basis of 2020/21 monitoring reports to Cabinet and the MHCLG.		
Robust reporting and monitoring of the delivery and targets of the Swindon Programme plan	COMPLETE	Chief Operating Officer	The Swindon Programme has now finished and met its target savings.		
Ensure ownership of the Swindon Programme is felt by the whole organisation and not seen as a solely corporate	COMPLETE	Chief Operating Officer	The Swindon Programme has helped changed culture of organisational accountability and this work will continue with the new 'at our best' work.		

responsibility			
Ensure key pieces of work, business plans, policies, strategies and commissioning/procurement is linked to delivery of the priorities and the themes of the Council	Ongoing	Corporate Director of Finance and Assets	High value Procurement projects are required to set out how the procurement exercise will contribute to the achievement of the Council's priorities as part of the Gateway scrutiny process.

## 2. Empowering Communities

Risk Description: We do not empower communities and manage the expectations of residents and members. This potentially results in loss of trust in the Council damaging reputation and generating complaints & failure demand. We do not maximise opportunities to work with communities to support them to have more influence and responsibility in their own areas.	Rating before mitigation	Medium	Rating after mitigation	Medium
Risk Owner – Corporate Director Adult’s Services				
Causes of risk				
<ul style="list-style-type: none"><li>• Insufficient engagement and communication</li><li>• High public expectation</li><li>• Strategic intent and investment</li><li>• Increasing demand</li><li>• Ineffective use of capacity</li><li>• Insufficient support/buy in from parishes</li><li>• Empowering communities as part of Covid-19 response</li></ul>				
Mitigating Actions	Due date	Action owner	Progress	
Build on our work with communities to create a true and sustainable partnership, in order to harness the energy of the community & voluntary sector in service of the Vision for Swindon	Ongoing	Director of Public Health	<p>The Community Health and Wellbeing Team engages with vulnerable residents through a variety of programmes harnessing individual and community capacity, facilitating self-management through behaviour change. The team build strong relationships with the community and voluntary sector to ensure that the advice, information, signposting and support given is appropriate, timely and sustainable as necessary. The role of our workers is to initiate change, inspire and motivate to move on.</p> <p>Trust and relationships are key with a strategic and joined approach to the supporting the needs of individuals and communities. Network sessions, joint ventures, shared insight is essential and is part of the DNA of the team.</p> <p>Volunteering falls under the remit of the CHW Team and there is significant investment from local people to ‘give back’ and make a difference. This has the potential to be better aligned to VAS and Volunteer Centre Swindon.</p> <p>Covid-19 recovery will be working closely with the voluntary sector across all health and wellbeing recovery cell work streams and engaging the voluntary sector in other recovery</p>	
Covid-19 Recovery Plan				

			cell work (e.g. ASC and vulnerable groups).
Develop volunteering within the Council.			Online Volunteer Manager Toolkit available and shared training resources available to any volunteer manager.  Shared celebration events and resources to bring about a sense of community and co-ordinated ways or recognising the efforts being made across SBC.
Use research to design & deliver further communication & engagement activity for staff, residents & stakeholders about the Vision to celebrate achievements, share challenges & ensure consistent messaging. Find a way to gauge impact.	Ongoing	Chief Operating Officer	This is off track and needs to be planned in at a point where there is capacity within the communications team to deliver this. More likely to now be delivered in September 2020
Ensure that there is good support for parish councils including delivery and budgetary support and transfer of assets	Ongoing	Head of StreetSmart	Following the Feb 2020 Cabinet decision to TUPE transfer the services to the final 4 Parish Councils, SBC are working closely with these Parish Councils to progress this transfer.  Covid-19 has added some complexity around the consultation process (i.e. meetings with staff to be carried out whilst adhering to social distancing) but the overall transfer is on track for completion by end of summer 2020.  Continued and ongoing communications remain with Parish Clerks for all Parish Councils within the Borough.

### 3. Growing the Economy

Risk Description: The Council is unsuccessful in enabling the development of infrastructure and housing which will grow the level of business activity necessary to provide sufficient employment for our residents and generate enough business rates income to pay for the services we need to provide.		Rating before mitigation	High	Rating after mitigation	High
Risk Owner – Chief Executive					
Causes of risk					
<ul style="list-style-type: none"> <li>Dependency on large employers eg Honda, UKRI, Nationwide Building Society, GWH</li> <li>Honda giving notice of intention to leave by July 2021</li> <li>Capacity/capability of council staff and delivery agents</li> <li>Lack of focus – changing or unclear priorities</li> <li>Evidence base for strategies/plans is not robust</li> <li>Lack of focus on delivery</li> <li>Insufficient funding for projects</li> <li>Loss of control over housing land linked to 5 year land supply</li> <li>National and international economic climate/policy</li> <li>Competition from other LA's</li> <li>Opposition from residents/pressure groups</li> <li>Market uncertainty</li> <li>Insufficient suitable employment land</li> <li>Lack of skilled local workforce</li> <li>Lower than planned level of housing starts including delays developing Wichelstowe and NEV</li> <li>Perceptions of the borough</li> <li>Recruitment and retention problems in key sectors</li> <li>Viability of major projects</li> <li>Risk to external scheme funding through delayed scheme delivery</li> <li>Delays due to resourcing and ability to undertake modelling due to Covid-19</li> <li>Impact of Covid-19 on the high street (retail particularly) business viability, investment and construction projects</li> <li>Impact of Covid-19 on contractors and their supply chains</li> </ul>					
Mitigating Actions	Due date	Action owner	Progress		
A Gold command structure has been set up in response to Covid-19 chaired by the Chief Executive and linked into other Strategic Gold groups such as Local Resilience Forum. Linked through the Silver report group, there is a Bronze Business group which looks at short, medium and long term response and recovery.	Ongoing	Chief Executive	The early focus from an economy point of view has been on releasing grants to businesses and agreeing terms for NNDR and commercial rent relief. The Business Bronze Group has been set up to manage these short term measures, but also to gather intelligence and set out medium and long term measures to support the economy through engaging with business.		



<p>A taskforce chaired by the Business Secretary and co-chaired by the Leader of the Council, is working to mitigate the risk posed by the Honda announcement. As the disinvestment decision was upheld, the task group will focus on mitigating the resulting economic challenges such as site use, supply chain support and people and skills activity. The CEO chairs the Co-ordinating Steering Group to oversee this work. In addition, the Council's Business Retention and Expansion service will focus on both large and strategically important companies to ensure that high growth is maintained.</p>	<p>Ongoing</p>		<p>The groups are now set-up and active, good engagement with Honda and BEIS through Economy and Growth team.</p> <p>Through the Honda People Subgroup the impact upon learning and apprenticeships are being addressed through partnership working, with a view to ensuring appropriate skills for re-deployment and diversification of workforce skills.</p> <p>Supply chain support across Swindon's economy has become more critical as key sectors are impacted by Covid-19.</p> <p>Both work streams reflect core Council activity but the above are focused on this particular company and its supply chain.</p>
<p>The Business Retention and Expansion service will focus on both large employers and strategically important companies (so those with a propensity for high growth and/or important links in the supply chain within our key sectors). Also, SBC investments such as the Carriage Works enable start-ups and growth of micros and SMEs in the digi-tech sector.</p>	<p>Ongoing</p>		<p>The Business Expansion team is working with the Workshed operators to support tenants in the Workshed. Relationships being developed with strategically important companies, building on success of SOTS and key partners.</p> <p>The Covid situation has presented a need for a short term shift in focus on this work. All resource has temporarily shifted to immediate relief of businesses in critical stages who require grants for survival. The business risk and survival rate and other intelligence that will be being gathered and shared with the Bronze Group will define the risk mitigations. The Workshed is at immediate risk as the operator (Wiltshire Council) may reconsider its position.</p> <p>When the first response phase is complete then a reassessment of this service and prioritisation of resources will take place.</p>

Develop/implement action plan to strengthen/diversify the business base, creating jobs that support innovation & exporting & focussing on supporting strategically important companies with high growth potential	Ongoing		<p>Business Retention and Expansion and account management process being developed. European Regional Development Fund funded work to stimulate inward investment, work with SWLEP Growth Hub and through Industrial strategy to identify and support key sectors.</p> <p>Economic Development Officer (Inward Investment) now successfully recruited so team is at full strength.</p> <p>Again a focus on particularly challenged sectors and their supply chains will need to be examined in the light of the current situation and will be informed by collation of intelligence gained through our own business engagement and the data gathered by partners such as SWLEP Growth Hub, Business West and Switch on to Swindon.</p>
Ensure that delivery of the town centre development is strategically planned and delivered so that it is on target and meeting milestones			<p>Town Centre Board chaired by the Chief Exec is in place to improve capital programme governance and accountability and continues to focus on making key delegated decisions and recommendations for members as well as monitoring progress against deliverables and escalating and unblocking issues which threaten to delay schemes.</p> <p>Programme management is now being employed as well as project management.</p> <p>SBC have purchased the Kimmerfield site from Homes England to ensure control of the site. Further work on strengthening business cases to ensure realistic budgets and programmes against which capital projects can be delivered, also discussions are happening with third party developers to expedite development opportunities in the recovery phase with priority on those with funding unlikely to be impacted by Covid-19. Close liaison with Planning and Highways ensures a collaborate approach to planning and delivery regeneration to ensure any issue are resolved in sufficient time.</p>
Maintain clear focus on priorities post Covid 19.	Ongoing		Regular Board meetings to be held and regular communication with Chief Exec and Members to ensure the monitoring of progress against deliverables.

Manage budget increases due to the effect of Covid-19 on tender prices with effective project and contract management.	Ongoing		TCD team has full complement PMs - taking account of whole life costing principles, setting project contingency using cost risk assessments, , employing value engineering when required, delivering regular QS reports, keeping a close watch and involvement on design team meetings, utilising tight change control procedures. Assessing the suitability of supply chain before commencing work as well as on a regular basis. Monitoring and robust project management and programming in place.
Maintain close dialogue with key stakeholders, investors and landowners to give confidence in Swindon's response to Covid-19 and new market conditions.	Ongoing		Regular liaison with local groups via comms team and public consultation to take place to ensure support. We are taking a shared approach to town centre masterplanning with landowners to promote ownership and ensure deliverability. Will involve expedited conversations about a more compact town centre (high street) and accelerating plans for a mixed use centre with more diversification from retail.  We continue to actively promote business case ready projects for announced funds and new government 'recovery' funding to stimulate investment and create jobs.
Seek relevant professional advice to ensure Value for Money by undertaking due diligence to inform investment decisions and business cases.	Ongoing		We are supported by a number of key consultants who provide key financial, legal and commercial advice to inform deal development and cover procurement, value for money and state aid implications. Will also advise on the new market 'normal' during recovery.
Consent of strategic planning applications for housing and employment as per Adopted Local Plan allocation	July 2020	Head of Planning, Regulatory Services and Heritage	<ul style="list-style-type: none"> <li>• North of A420 S106 agreed and awaiting signature of all interested parties</li> <li>• Redlands consented</li> <li>• Great Stall East expected to be considered by Committee in June</li> <li>• Lotmead Farm expected to be considered by Committee in June</li> <li>• Symmetry Park (employment) Phase 2 to be considered by Committee in June</li> </ul>
Adoption of Local Plan with robust strategy and housing allocations	March 2021 (under review)	Head of Planning, Regulatory Services and Heritage	<ul style="list-style-type: none"> <li>• Strategic Housing and Employment Land Availability Assessment (SHELAA) published</li> <li>• Brownfield land register updated</li> <li>• Local Plan consultation complete. Intention to present submission draft to cabinet in December</li> <li>• Submission Draft Local Plan published for consultation in December 2019</li> </ul>
Allocate 60 hectares of employment land over the Local Plan period to 2036. Accelerate delivery of existing undeveloped employment land.	March 2021 (under review)		
Ensure that delivery of work at Wichelstowe and New Eastern Villages is on target and meeting	Ongoing	Chief Executive	<ul style="list-style-type: none"> <li>• Wichelstowe S106 signed</li> <li>• Parcels 2 and 3 on site and first joint venture houses being built</li> </ul>

milestones			<ul style="list-style-type: none"> <li>• SCR - HIF Funding bid has now been approved subject to meeting pre-contract conditions</li> <li>• SCR – CPO has now been agreed subject to call-in period which has stalled due to Covid-19.</li> <li>• Application received for 2,500 homes at Lotmead (NEV)</li> <li>• WHJ – business case agreed by DfT and contractor on site.</li> <li>• Performance monitored and shared with SWLEP and DfT, Covid-19 impact also being logged</li> </ul>
Work with learning providers, partners and employers to develop skills training that meets the needs of businesses and improve access to HE	Ongoing	Head of Skills, Employment & Lifelong Learning	<p>The Institute of Technology facility is currently still due to open in September 2021. Capital work for the IOT is due to start in June and any risk to Covid-19 affecting this will be confirmed during May. The Curriculum offer and delivery model are now in place. The May Steering Group meeting was cancelled but the next it has been confirmed that the meeting in June will go ahead. New College and Swindon College have now completed their consultation on the merger and this is due for completion this summer. This will strengthen the technical skills offer across the town.</p> <p>The Royal Agricultural University Swindon is due to open in September 2020.</p> <p>Work with Honda and its supply chain has resulted in a co-ordinated offer of information, advice and support for gaining future employment as well as production of labour market information to steer the training offer. Covid-19 has resulted in some risks relating to the growth of Apprenticeships and residents being able to secure opportunities as well as the risk to increased unemployment and NEETs. Support for employers and residents to address this is now in place and the full recovery plan will be developed during May. DfE have put in place a Programme Recovery Team to work with LAs and LEPS.</p>

4. Managing our environment. This risk considers aspects of our environment which if not managed could have a significant negative impact on the Council's effectiveness. They are Health and Safety, IT systems and the local, national and international context.

Risk Description: Health and Safety: A serious and avoidable accident occurs leading to serious injury, damage or death, financial penalties, HSE prosecution and reputational damage		Rating before mitigation	High	Rating after mitigation	Medium
Risk Owner – Chief Executive					
Causes of risk					
<ul style="list-style-type: none"> <li>Lack of management accountability</li> <li>Condition of the site</li> <li>Lack of PPE</li> <li>Site suitability</li> <li>Lack of staff training / compliance</li> </ul>					
Mitigating Actions	Due date	Action owner	Progress		
Infection control at care homes:					
Delivery of care home support cell	Ongoing	Director of Public Health	A multi-agency care home support cell has been established to support home currently experiencing outbreaks and working proactively with other homes to prevent outbreaks.		
Submission and implementation of Infection outbreak management plan	30 06 2020 and ongoing	Director of Public Health	There are clear actions in place to ensure optimum infection control support for care homes and the monitoring of admissions. An infection outbreak management plan has been agreed by the Health & Wellbeing Plan, submitted to DHSC and is now being implemented		
Prioritising care homes for testing programme	Weekly submissions	Director of Public Health	DPH has responsibility for identifying and prioritising care homes that require testing which is undertaken by the care home support cell.		
Delivery of care home IPC training package	30 05 2020 - Completed	Director of Public Health	<ul style="list-style-type: none"> <li>CCG nursing directors to implement IPC training package for care homes using SBC staff including PH and Env.Health colleagues – Completed.</li> </ul>		
Deliver health & safety training, briefings and information to all staff with a particular focus on high risk groups	Ongoing	Head of Internal Audit	<ul style="list-style-type: none"> <li>Covid-19 risk assessment guidance and examples communicated to all managers and available online.</li> <li>Health and Safety classroom training temporarily suspended during Covid-19 lockdown period. Alternative sources of information and guidance is available on the Council intranet pages.</li> <li>Health and Safety training needs identified with all high risk groups.</li> <li>Annual training planner in place to meet training need including sessions on: COSHH, Fire Safety Awareness, manual handling, working safely, emergency first aid etc. However, due to Covid-19 this is</li> </ul>		

			<p>currently suspended.</p> <ul style="list-style-type: none"> <li>• Training attendance had been low in some areas and this has been communicated to the Communities &amp; Housing Senior Management Team. This has also been escalated through the governance structure to the Joint Safety Committee and the Operational Joint Safety Committee for monitoring and management action.</li> <li>• Health and safety management audits undertaken within key high risk groups to ensure management safety arrangements, policy and guidance arrangements are being followed and action plans implemented to mitigate against non-compliance. These are also, in the main, on hold due to Covid-19.</li> </ul>
Ensure that the buildings the Council owns or occupies are safe and that the Council discharges its statutory responsibility	Ongoing	Chief Operating Officer	<p>There is a matrix in place for all statutory compliance activities.</p> <p>A written scheme is now in place for water hygiene and L8 risk assessments (legionella) are being procured. A Fire Risk Assessment (FRA) programme has been delivered and corrective actions are being planned. Asbestos is approx. 90% compliant and surveys/re-inspections are being carried out. We are 100% compliant for gas and electrical safety, but changes to standards requires an increase in capacity for electrical testing during 2019/20.</p> <p>A bronze working group has been set up to ensure that the return to the physical working environment when allowable is as safe as possible. A strict risk assessment process has been established and safety features are being put in place to ensure the office environment is safe when teams are required to return. In addition, all staff who are able to continue to work from home have been asked to do so until September to allow sufficient capacity for the correct social distancing protocols to be applied within the office environment.</p>
Ensure that health and safety issues are highlighted and addressed.	Ongoing	Chief Operating Officer	<p>Corporate Director for C&amp;H has requested Heads of Service to identify and address any issues that lead to non-attendance at mandatory health and safety training. Training attendance data will be reviewed at quarterly Senior Management Team meetings to ensure compliance. The Senior Management Team together with the Head of Health and Safety have developed a new quality management</p>

			tool to ensure risks are mitigated by actions that relate to incidents, near misses and are compliant with the legislation and statutory guidance associating with these key risks.
Ensure that officers comply with H&S training	Ongoing	Chief Operating Officer	C&H SMT review specific risks monthly, in particular improvements have been made to training records within Streetsmart to alert senior management to any attendance concerns

Risk Description: The Local, National and International Context: Changes to the political landscape from either Brexit or local administration lead to significant change in the Council's priorities leading to difficulty in realising our ambitions, financial implications & reputational damage		Rating before mitigation	Medium	Rating after mitigation	Medium
Risk Owner – Chief Executive					
Causes of risk					
<ul style="list-style-type: none"> <li>Insufficient awareness of policy changes and their implications for Swindon (Officers or Members)</li> <li>Local Government voice at national level</li> <li>Brexit</li> </ul>					
Mitigating Actions	Due date	Action owner	Progress		
Ensure that content concerning Brexit is sufficient to inform Swindon Businesses so that they are prepared whether or not there is a deal	Ongoing	Chief Executive	<p>Growth Hub is regularly updated – signposting to the official government sources of advice that are being updated frequently.</p> <p>Support is currently focused on Covid-19 impact and business resilience generally is a key objective which aligns with the aims of the Brexit workstream and other key events such as Honda closure. Intelligence is collected from business in order that that support can be targeted and provided to those most in need or which impact most significantly on Swindon's economy</p>		
Carry out a programme of work to ensure that Swindon Borough Council is fully prepared to respond to Brexit			<p>There is full engagement with the Local Resilience Forum, which includes participation by the chief executive at regular meetings and a weekly survey of essential services, so that there is scope for escalation if issues are emerging. Briefings to Members have taken place including Scrutiny Committee and Growing the Economy Overview and Scrutiny Committee.</p> <p>Weekly service area reporting has now been adapted to assess the service risks presented by Covid-19. Teams assess risks to all Council services in the event of significant events and economic shock.</p>		

Ensure that members and officers have access to nationally produced policy information through the LGIU and other sources.		Chief Operating Officer	Regular policy briefings are circulated to officers and members.
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Risk - IT system: A business critical system is compromised or is unavailable to a significant number of staff for a significant period leading to service disruption, potential safeguarding issues, poor productivity & reputational damage		Rating before mitigation	High	Rating after mitigation	Medium
Risk Owner – Chief Executive					
Causes of risk					
<ul style="list-style-type: none"> <li>Inadequate systems and processes</li> <li>Financial sustainability of Capita</li> <li>Unstable platforms</li> </ul>					
Mitigating Actions	Due date	Action owner	Progress		
Direct Access - IT are working up a replacement to Direct Access which will increase the reliability of our IT capability	End August	Head of IT	Rollout of DAE (Direct access replacement) is being trialled by 56 staff and will be rolled out to a further 200 in the coming months.		
Replace telephony system with a more resilient solution	Sept 2020	Chief Operating Officer	The IT Service Desk and Contact Centre platforms have been upgraded to the new Mitel system and we have used this functionality to enable them to work from home during Covid-19.		
Migrate failing systems off the Capita Private Cloud (CPC)	Jun 2020 - COMPLETE		The last two remaining servers with Capita were Oracle financial systems. They were successfully virtualised on 20 <sup>th</sup> June 2020.		
Ensure that SBC infrastructure is not compromised by a cyber-security incident preventing access to systems and data, loss of data integrity, loss of data security and confidentiality	Ongoing		IT have worked on improving the back-up solution. Servers are protected from each other using the latest firewall and VM ware security. User devices will be protected with local security and anti-virus as well as group policies in line with best practice. Independent verification of the security position through PEN testing is done annually. An increase in our cyber security capabilities has been written into the IT & Digital Strategy 2020-2022.		



## 5. Delivering Quality

This risk considers two areas of the Council's work where poor quality will pose significant risks to the Council. These are our work to safeguard vulnerable children and adults and adhering to our systems of governance so that we act within our powers.

Risk Description: Safeguarding Children: Avoidable failure through action or inaction leads to serious harm, death or a major impact on wellbeing, potentially leading to reputational damage for the Council, loss of staff confidence and morale, loss of public and member confidence, litigation and damages.		Rating before mitigation	High	Rating after mitigation	Medium
Risk Owner – Corporate Director Children's Services					
Causes of risk					
<ul style="list-style-type: none"> <li>Recruitment/retention of sufficient skilled staff</li> <li>Error/data breach</li> <li>Unpredictable client behaviour</li> <li>High dependency on agency staff</li> <li>Insufficiently strong early help system</li> <li>Inadequate processes</li> <li>Limitations of case management system</li> <li>National policy/guidance changes</li> <li>Insufficient in house placement capacity for children</li> </ul>					
Mitigating Actions	Due date	Action owner	Progress		
Implement improvement measures including QA framework, team improvement plans , and self- evaluation of the service	Ongoing	Corporate Director - Children's Services	QA framework, team improvement plans and self-evaluation of the service are place and were reviewed and up-dated in March 2020 in line with Corporate business planning processes. Performance and improvement monitoring takes place monthly and is embedded in service improvement practice. The service has adapted its working practices well during Covid-19 to maintain delivery of its statutory functions without needing to adopt any of the Government's allowable flexibilities. Full partner contribution has been maintained in the MASH and visits and contacts with children and families in statutory social care has remained high. Performance is monitored regularly through established systems and processes with a bi-weekly data return and monitoring meeting with Ofsted and DfE. The risk of placement breakdown for children in care is being carefully monitored at an individual level and all placements at risk are reviewed daily; new placements are being sourced quickly and more foster cares have been a recruited.		

Deliver a targeted recruitment campaign and review social work caseloads	Ongoing work		Targeted recruitment campaigns are in place for agency and permanent staff. The fees and rates for agency staff have been maintained and this has helped to provide stability to the agency workforce and reduce turnover. The targeted national and local recruitment campaign is beginning to have more impact and agency staff has reduced from 62% to 50% in the reporting period. An improved permanent Recruitment and Retention offer has been implemented to attract and retain good permanent staff. This has had a good impact on recruiting a permanent Senior Management Team in Children's Social Care. Average caseloads are now 18 cases per worker. The costed establishment average of 18 cases and 15 for Children Looked After has been achieved.
Implement a replacement for the Integrated Children's Service module for CAPITA One			A replacement system has been purchased and a Project Board chaired by DCS is in place to govern the implementation. The implementation timeline has moved forward from May to August 2020, and progress is on track for implementation. The staff training and development programme has been agreed by the Board and has begun. The integration with Capita One has progressed well and the data migration work is underway.
Implement dedicated service improvement within the fostering team	Ongoing		Dedicated service improvement is being implemented and improvements are being evidenced. The staffing situation remains quite fragile and reliant on agency workers while permanent recruitment takes place. A service re-structure has been approved and a new management team will be appointed.

Risk Description: Safeguarding Adults: Avoidable failure in Adult Social Care through action or inaction leads to serious harm,	Rating before mitigation	High	Rating after	Medium
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death or a major impact on wellbeing with potential impacts to the Council in terms of reputational damage, loss of staff confidence and morale, loss of public and member confidence litigation and damages.				mitigation	
Risk Owner – Corporate Director Adult's Services					
Causes of risk					
<ul style="list-style-type: none"> <li>Recruitment/retention of sufficient skilled staff – staff capacity</li> <li>Human error</li> <li>Unpredictable client behaviour</li> <li>Lack of timely compliance with processes</li> <li>IT limitation</li> <li>Inadequate supervision</li> <li>Lack of timely identification of adults at risk by agencies</li> </ul>					
Mitigating Actions	Due date	Action owner	Progress		
Deaths in care homes	30 9 2020	Corporate Director Adult Services	The director of Public Health will continue to provide fortnightly reports on the deaths in care homes and analysis. This will include all deaths as well as those related to Covid 19. The source will be ONS and Registrar data.		
Submission of care home resilience plan	29 5 2020 - Complete				
Implementation of care home resilience plan	30 9 2020		A care home resilience plan has been developed and submitted to the Minister for Social Care. The action plan implementation will be monitored by the Director Adult and Director of Nursing (CCG). There are clear actions in place to ensure optimum infection control support for care homes and the monitoring of admissions.		
Death in care home reporting	Once a fortnight				
Infection outbreak management plan	30 6 2020 and ongoing		An infection outbreak management plan has been submitted to government and agreed by the Health & Wellbeing Board. It is now being implemented.		
Deliver regular safeguarding training, support (including supervision) to staff and partner agencies to improve practice and performance. Implementation of the safeguarding improvement action plan. Learning from Safeguarding Adult Reviews and multi-agency safeguarding audits. Ongoing monitoring of performance dashboard for safeguarding by SSP, Safeguarding Service and Corporate Director.	Ongoing	Corporate Director Adult Services	An independent Safeguarding Adults Case File Audit in January has identified areas for improvement. An action plan has been developed to strengthen practice to comply with safeguarding policy and guidance and build practitioners knowledge and confidence. Progress and impact of the action plan will be monitored by Adults Senior Leadership Team and Adults Performance Board.		
Independent scrutiny and challenge through the Swindon Safeguarding Partnership (Executive Group and the Local	Quarterly		<p>Work continues to amend and pilot the online Adult Safeguarding referral form to be compliant with the ADASS Framework for Safeguarding Decision Making in relation to the screening process and Making Safeguarding Personal (MSP).</p> <p>The Adult MASH Service Specification has been drafted and shared with Safeguarding Executive but the project is on hold for 3 months due to the additional pressures on managing hospital discharge from Covid-19.</p> <p>A programme of themed multidisciplinary safeguarding audits is in place and an adult safeguarding core dataset is in development although Covid-19 has impacted on progress.</p>		

Safeguarding Adult Board) provides assurance that good practice standards and outcomes for adult protection are Care Act compliant and enable people in Swindon with care and support needs to live safely and free from abuse.			The quarterly PQA Adult Safeguarding Meetings scrutinise practice, performance and outcomes with the next meeting scheduled for May 2020.
Continue to build the functionality within Eclipse to strengthen management oversight of safeguarding practices in relation to information gathering, risk assessment, planning, and recording and reporting providing performance information at individual, team and partnership level.	Sept 2020		Work is ongoing to ensure data is recorded on eclipse in an accurate and timely manner in line with safeguarding policy and guidance. Adult's services continue to work with OLM to develop management information reports to provide better oversight and grip of safeguarding work.

Risk Description: Communities: Poor delivery and inefficient services to resident's poses risk to the Council and its residents including failure demand, financial risk, insurance and reputational damage.		Rating before mitigation	High	Rating after mitigation	Medium
Risk Owner – Director of Operations					
Causes of risk					
<ul style="list-style-type: none"> <li>Recruitment/retention of sufficient skilled staff</li> <li>Human error</li> <li>Unpredictable demand</li> <li>Lack of timely compliance with processes</li> <li>IT implementation capacity</li> <li>National policy/guidance changes</li> <li>External market and supply failure</li> </ul>					
Mitigating Actions	Due date	Action owner	Progress		
Service Improvement Plans being developed with a focus on customers, quality, financial savings, process improvements and IT investment	Ongoing	Director of Operations	Service Improvement plans signed off and being implemented. Monitoring is through relevant Boards with reporting back to CMT and LAG.		

Risk Description: Governance: The council does not comply with legal or statutory obligations or acts outside its powers or our governance of information is not robust resulting in loss of protected data potentially leading to successful legal challenge, financial penalties, court sanctions safeguarding issues and reputational damage.		Rating before mitigation	Medium	Rating after mitigation	Medium
Risk Owner – Chief Executive					
Causes of risk					
<ul style="list-style-type: none"> <li>Legislative changes</li> <li>Legal advice not followed</li> <li>Human error</li> <li>Unable to demonstrate compliance</li> <li>Lack of timely/appropriate legal advice</li> <li>Financial and demand pressures ( resource constraints)</li> <li>Malicious action</li> <li>Covid-19</li> </ul>					
Mitigating Actions	Due date	Action owner	Progress		
Decision making during Covid-19 response Ensure that all decisions are shared with relevant Cabinet member before being brought to the Recovery Coordinating group (RCG)	Ongoing	Chief Operating Officer	All decision proposers are asked whether they have consulted Cabinet members in advance. Note sent to Leader and Chief Executive after each RCG to ensure transparency of all decisions		
Ensure that all decisions logged have a date, rationale and senior officer owner in both gold and RCG minutes	Ongoing	Chief Operating Officer	This is now built into the RCG process		
Maintain staff with appropriate qualifications and training	Ongoing	Chief Legal Officer	The recruitment campaign is still underway together with a campaign for temporary staff to cover until permanent staff are secured. Two additional members of the team have resigned which creates additional recruitment needs. Permanent recruitment campaigns have been unsuccessful in securing staff, but temporary staff have been secured to enable service to be provided.		
Deliver regular training sessions for members and officers focussing on key issues such as their role in arms-length bodies	Ongoing	Chief Operating Officer	Covered in member induction and the yearlong member training programme.		
Ensure that the legal team balances demands from service areas and ensures that the legal team is only used when appropriate	Ongoing	Chief Legal Officer	Ongoing work with service users to ensure alignment of appropriate demand to available resources. This is an ongoing task as some departments would like to retain services as they were prior to any restructure.		
Ensure that key pieces of work, link to the delivery of the priorities.	Ongoing	Chief Operating Officer	Business Plans, and personal development plans are focussed on delivery of the pledges and priorities. Progress in delivery is measured through the directorate and Council scorecards.		
Provide comprehensive programme of training and support to ensure that staff are aware of GDPR requirements and a programme of service	Ongoing	Chief Operating Officer	Annual mandatory Information Compliance e-learning in place and user uptake is monitored. Progress reported quarterly to CMT via the Information Governance Board.		

area projects are underway to update and amend all customer and service user privacy notices, processes, policies and systems, overseen by the Information Governance Board			
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## 6. Realising Potential

Risk Description: We do not make the best use of all available capacity, either within our own staff or through strong and effective partnerships which restricts our ability to deliver our vision, priorities and pledges.		Rating before mitigation	Medium	Rating after mitigation	Medium
Risk Owner – Chief Executive					
Causes of risk					
<ul style="list-style-type: none"> <li>Insufficient development opportunities</li> <li>Difficulty in recruitment to key roles</li> <li>Lack of succession planning in key roles</li> <li>Poor performance/absence management</li> <li>Capacity and sustainability of the supplier market</li> <li>Lack of alignment with key partners e.g. LEP/ CCG.</li> <li>Lack of a fair and equitable pay structure does not support the organisations longer term objectives</li> <li>Lack of a sustainable pay strategy affects ability to be competitive in the market</li> </ul>					
Mitigating Actions	Due date	Action owner	Progress		
Ensure that Swindon has a strong voice in SWLEP to maximise the opportunities of attracting funding for key Swindon projects	Quarterly	Chief Executive	<p>Maintaining close partnership working with SWLEP, inviting them to engage with SBC groups &amp; boards. Engaging fully in SWLEP sub groups &amp; leading work streams to promote Swindon's interests &amp; set Swindon in an advantageous position to bid for further funding, particularly through the LIS work.</p> <p>Inclusion of SWLEP in Town Deal Board and full collaboration in efforts to mitigate Covid-19 impact.</p>		
To further strengthen partnership arrangements with the CCG and mutually agree beneficial use of funding through the Better Care Fund Plan, financial negotiations, and the evolving framework for managing a pooled budget. Work with health colleagues to implement the BSW NHS Long Term Plan 2020-2024 to improve the health and wellbeing of our population, develop sustainable communities, transform care across BSW and develop strong networks of health and care professionals.	Ongoing	Corporate Director Adult Services	<p>Adult service has worked with health colleagues to develop the local Long Term Plan 2020- 2024 which has been submitted to NHSE. The plan has provided the opportunity to explore different ways of working, bringing together key stakeholders to share knowledge, expertise, and funding to jointly support our population needs against an increasingly challenging financial landscape. The priority programmes in the first year of implementation will focus on Ageing Well, Learning Disabilities and Autism, and Mental Health.</p> <p>The CCG and SBC 2019-20 BCF Plan was approved by NHS England in January 2020 and the BCF funding has been formally released. Implementation and ongoing delivery against the plan is monitored by the Joint Commissioning Group (JCG) and overseen by the Health and Wellbeing Board.</p>		

Improve productivity across the Council	March 2022	Chief Operating Officer	A Modern, Efficient and Effective programme is being drafted to ensure we continue to focus on efficiency and productivity.
Develop and deliver a leadership programme and wider engagement activity for managers.	Ongoing	Director of HR & OD	<p>An evaluation of all leadership programmes in addition to the staff survey will inform leadership development and wider programme for manager which will begin later in the autumn.</p> <p>Due to COVID-19, there will be a significant delay in the rollout of all planned leadership development programmes as well as the At Our Best programme.</p>
Develop and implement a culture programme	Oct 2020		Work to produce a strategy was superseded by the cultural programme and workforce modernisation work streams. As per the above update, the programme commenced in early March but has now been recalibrated to re-start with the staff Expos in October 2020 subject to the Covid-19 response as set out by the government.
Review of Pay and Reward to implement a fair and equitable pay structure which supports the organisation's longer term objectives and keeps us competitive in the market.	April 2021		<p>Project underway to develop an updated system of pay and review. Career families are in the process of being developed.</p> <p>This will not be complete by April 2021. This is the stage at which there will be more detailed pay models to start consultation</p> <p>There are currently not the funds identified to resource this project adequately to meet 2021 deadlines.</p>
Implement performance management of staff across the council including absence management and the rate of appraisals	Ongoing		<p>Absence management programme in place with a focus in 2019 on areas of weakest performance relating to absence numbers and absence management. Launch of first day reporting tool in January with training from October for managers and staff.</p> <p>We have also seen a completion rate of 85% in our PDPs following last year's campaign. The current situation may impact this achievement but we have run the campaign to try and mitigate this.</p>

## 7. Effective Prevention

Risk Description: Our preventative and early intervention work is not successful in halting the rise in demand resulting in increasing spend on social care leading to challenges in balancing the budget and a potential loss of services which residents value.		Rating before mitigation	High	Rating after mitigation	Medium
Risk Owner – Corporate Director Adult Services					
Causes of risk					
<ul style="list-style-type: none"> <li>Ageing population</li> <li>Welfare Reform</li> <li>Domestic Abuse</li> <li>Unhealthy lifestyles</li> <li>Economic downturn</li> <li>Capacity of the Council and partners to deliver preventative services</li> </ul>					
Mitigating Actions	Due date	Action owner	Progress		
Implement measures to reduce adult social care costs and demand. These include: <ul style="list-style-type: none"> <li>Closer focus on costs of packages</li> <li>Improving discharge support – Access, LD and Dom Care packages</li> <li>Embedding a strength based approach to assessment and care management</li> <li>Exception panels for LD and older people cases</li> <li>Transition programme</li> <li>Market shaping and negotiation of fees</li> <li>Strong focus on appropriate funding streams – CHC/shared costs with CCG</li> <li>Implementation of LT Plan e.g. Aging Well programme</li> <li>Implementation of 20/21 savings plan</li> </ul>	Ongoing	Director of Adult Services	<p>The implementation of the Adult Social Care Strategy is instrumental in managing our challenges in rising demand and ongoing budget pressures. The focus of the strategy is to promote, maintain and enhance people's independence in their communities, so that they are healthier, stronger, more resilient and less reliant on formal social care services. This is supported by the prevention and wellbeing work and the three way conversation model which is an asset and strength based approach to assessment and care management.</p> <p>Covid 19 response of social work has given an opportunity to reinforced proportional assessment, strength based working and remote working.</p> <p>The Adult Senior Leadership Team continues to have management oversight and grip from the weekly finance and activity dashboard.</p> <p>The service has undertaken negotiations with residential and nursing home providers, lead provider domiciliary care, domiciliary framework and Learning disability providers to agree fee increases in 2020/21.</p> <p>The response of the Live Well Hub and partnership with voluntary sector has been excellent during Covid 19 and this will be included in the Covid Recovery work.</p>		
Develop a prevention strategy as part of Health and Wellbeing strategy delivery plan.	Sept 2020	Director of Public Health	New director of public health has just begun (April 2020) and will review prevention priorities and draft Prevention and Early Intervention 'Strategy on a page' as appropriate.		



Commission preventative services to reduce future demand	Ongoing	Director of Public Health	A range of public health prevention services are in place with an aim to reduce future demand on health and social care services.
Monitor performance of the delivery of the outcomes of the Health and Wellbeing Strategy and implement changes	Ongoing	Director of Public Health	Public health monitors performance and delivery of PH related services and programmes that link to the health and wellbeing strategy and make changes to programme delivery based on monitoring and evaluation.
Implement a revised model of multi-agency Early Help and intervention that enables all partners to work collaboratively to help children and families at the earliest point to reduce the need for higher level, more costly interventions.	COMPLETE	Corporate Director-Children's Services	To deliver effective Early Help Support in Swindon we have implemented a new Family Intervention & Support Service (FISS) to provide appropriate challenge and support to families to improve their outcomes and enable long term sustainable changes. Multi skilled intervention and family support workers have support from qualified social workers where families need help and will provide a more flexible service delivery that meets the needs of families when they need it including outside a typical service hours. Ensuring that Early Help becomes Everybody's Business will enable families to receive help and support in a timely manner from a service they are already engaging with. The implementation of multi-agency/multi-disciplinary teams from September 2019 will enable our partners to be fully engaged with the new service. More families are being help early to prevent escalation of need into statutory services.

## 8. Business Continuity

Risk Description: Our arrangements to be able to continue to deliver essential services if things go wrong including our suppliers fail or don't perform are not sufficiently robust, leading to poor quality delivery of essential services, loss of public confidence and reputational damage		Rating before mitigation	High	Rating after mitigation	Medium
Risk Owner – Chief Executive					
Causes of risk					
<ul style="list-style-type: none"> <li>Lack of robust and up to date business continuity plans in key service areas</li> <li>Lack of oversight of key suppliers</li> <li>Lack of clear roles and responsibilities for planning and implementation during and after an incident</li> <li>Lack of stability in the care market</li> <li>We do not act on feedback and lessons learned</li> </ul>					
Mitigating Actions	Due date	Action owner	Progress		
Undertake regular reviews of completion and content of business continuity plans, guides and procedures	Ongoing	Head of Strategic Growth	<p>Ongoing programme to review departmental Business Continuity plans and ensure that they are up to date. The specific Brexit Impact data gather was conducted effectively, and monitoring and reporting on Brexit impacts will continue until no longer required.</p> <p>All business continuity plans were reviewed at the outset of the Covid -19 escalation and a prioritisation list of areas during a Pandemic was sent to CMT for agreement. This Priority List, through staff absence monitoring and new ways of working should inform planning going forward. New successful rollouts by IT of the Always On VPN and Microsoft Teams have greatly improved the ability of the Council to work remotely where it is appropriate.</p> <p>As a result of Covid-19 feedback has been sought in order to understand and act upon lessons learned</p>		
Deliver training/updates on resilience response	Ongoing		<p>Exercise conducted at Waterside Feb 2019 to ensure external responding agencies conversant with our depot plan. The Waterside Park Depot Plan has been updated in April 2020, ready for being tested when the COVID 19 Lockdown is eased to the extent that testing is appropriate.</p> <p>Resilience Direct training continues to be held every month.</p> <p>A programme of Resilience Direct training for emergency on call officers and other key members of staff took place during 2019, to improve familiarisation with how to use the application. This training programme can be re-activated if there are sufficient numbers requiring training to justify this. In the meantime training is delivered to new Resilience Direct users by Business Continuity Manager or Civil Protection Unit Manager on a one to one basis.</p>		

			<p>Ongoing Quarterly Emergency Planning training sessions. During the Covid-19 lockdown Quarterly Emergency Planning training sessions have been suspended, whilst the Civil Protection Unit concentrate on supporting the SBC Covid-19 response &amp; recovery. These training sessions will resume once lockdown &amp; social distancing restrictions are sufficiently eased.</p> <p>Participation in Multi-agency exercises such as the Honda Exercise and Exercise Bodikin Plus. An ongoing programme of multi-agency exercises including Exercise Ararat (mass population displacement), Exercise Prospero (media) and Exercise Blue Phoenix (modern day slavery/people trafficking) were planned to take place during 2020. Because of the ongoing Covid-19 situation these exercises have had to be suspended. New dates to be determined by LRF.</p>
Practice Council command and control and recovery procedures in line with the Local Resilience Forum and Local Health Resilience plans	Ongoing		<p>Quarterly Emergency Planning exercise sessions – all on call officers invited. Twice yearly Multi-Agency Tactical Training (MATT) and twice yearly Multi-Agency Operational Training (MAOT) for on call officers including Local Authority Incident Officers are programmed to take place during 2020. Due to the ongoing Covid-19 crisis the first of the MATT training sessions due to take place on 13th May 2020 has had to be cancelled and will be rescheduled for later in the year. The remaining training dates still stand at present, but subject to ongoing review in light of Covid-19.</p> <p>Multi-Agency Joint Emergency Services Interoperability Principles (JESIP) training is also run to ensure that Local Authority Incident Officers are conversant with Command and Control expectations when attending incident scenes. The 2020-21 JESIP training dates taking place Oct 2020 onwards have recently been released. These will be subject to ongoing review in light of Covid-19 &amp; rescheduled if necessary.</p>
Carry out financial health checks on all suppliers to check their likely sustainability	Ongoing	Corporate Director of Finance and Assets	<p>A financial assessment is included as part of the standard selection criteria process for the assessment of high value contracting decisions. This process includes the use of independent credit and risk ratings agencies (currently Creditsafe).</p> <p>Contract managers are advised to continue to monitor the supplier's financial standing and company performance throughout the contract period. This will need to be</p>

			developed to include up to date assessments of COVID-19 impact
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## Treasury Management Performance 2019/20

**Audit Committee**

**Date: 21st July 2020**

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Author: Cabinet Member for Commercialisation, Education and Skills  
Corporate Director of Finance and Assets

Wards: All

Parishes Affected: All

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### **1. Purpose and Reasons**

- 1.1 This report sets out the Treasury Management performance for 2019/20.
- 1.2 The effective management of financial resources through robust financial management processes underpins the Council's ability to achieve its plans and priorities.

### **2. Recommendations**

Audit Committee is recommended to:

- 2.1 Note the 2019/20 Treasury Management performance as detailed at paragraphs 3.1 to 3.23 and the Prudential Indicators shown at Appendix 2.

### **3. Detail**

- 3.1 The Council is involved in two types of treasury activity:
  - 3.1.1 Borrowing, both long term (for more than 1 year) for capital expenditure purposes and borrowing (for less than 1 year) for temporary cash flow purposes and
  - 3.1.2 Lending, for investment of surplus cash relating to reserves and for cash flow purposes.
- 3.2 The activity and performance in respect of each of these two activities is summarised in the sections below. Further detail is provided at Appendix 1.

#### Borrowing

- 3.3 The Council's Treasury Management Strategy sets out that the Council's long-term borrowing is currently lower than its underlying need to borrow to finance its capital investment, and that this position will be kept under review.
- 3.4 It should be noted that the government increased the base borrowing rate by 1% across all loans on the 9<sup>th</sup> October 2019. A total of £26m of new long-term borrowing was undertaken in 2019/20. This comprised five maturity loans (interest only), 3 of £5m each with varying maturities between 2033 and 2035, a loan of £10m maturing in 2070, and a further loan of £1m maturing in 2026. The interest rates ranged from 1.48% to 2.08%, full details are provided in Appendix

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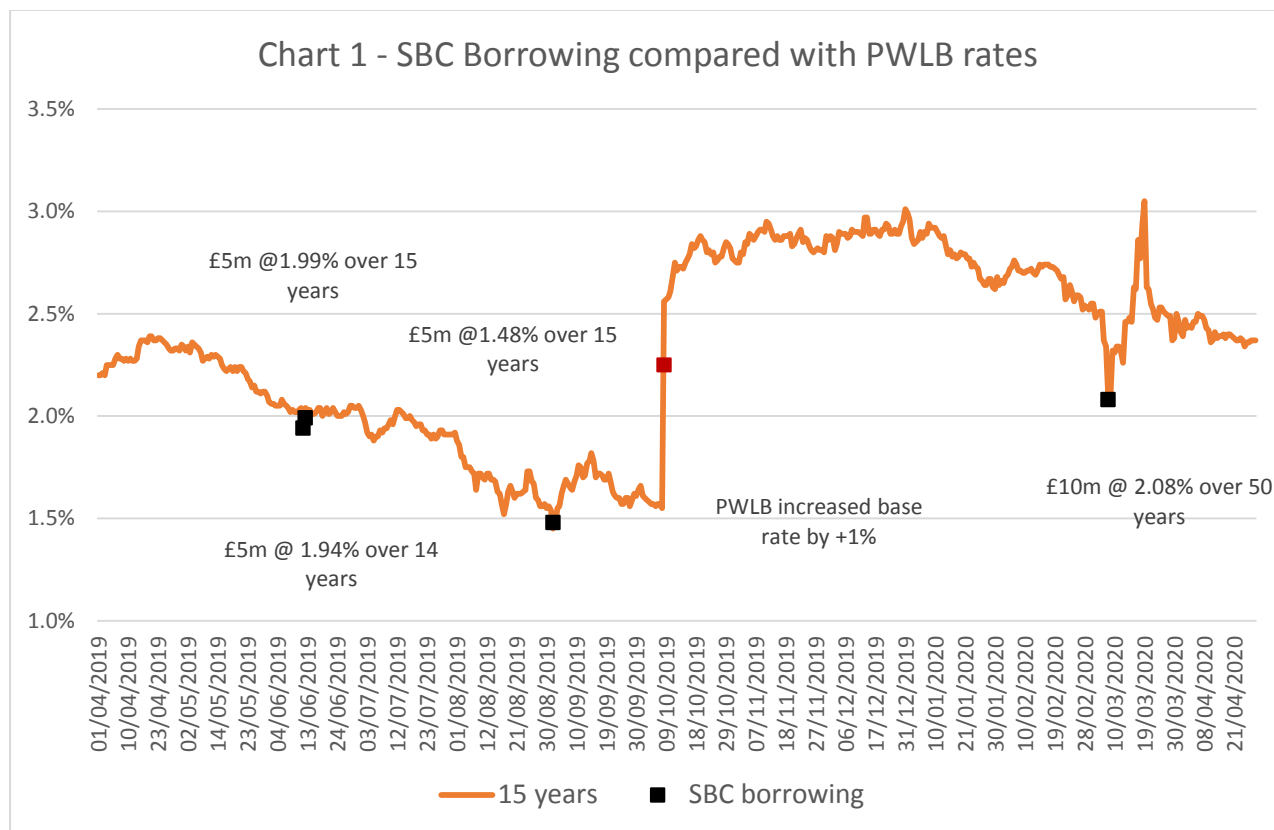
Further information on the subject of this report can be obtained from Ian Burbidge on Direct Dial No. 07769 281641 or Email [iburbidge@swindon.gov.uk](mailto:iburbidge@swindon.gov.uk)

# Treasury Management Performance 2019/20

Audit Committee

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1. The graph below shows where loans were taken out compared with PWLB base rates for the period between April 2019 and March 2020.



- 3.5 A number of long-term loans totalling £1.501m matured during the year and these were running at an average rate of 3.77%. Total long-term debt has therefore increased from £326.3m to £350.8 over the year. The average maturity period on all existing long-term debt, including the new £26m of new loans, is 17.3 years and the average rate on all long-term debt over the year was 3.24% (18/19 equivalent is 18.1 years/3.36%)
- 3.6 Short-term borrowing as at 31<sup>st</sup> March 2020 was £24.5m at an average of 1.13%. Short term borrowing fluctuates daily and reflects the Council's daily cash flow requirements which are dependent on the timings of receipts and payments.
- 3.7 The average rate the Council paid on all external debt (both long term and short term) over the whole of 2019/20 was 3.1%. (2018/19 3.25%)

## Investments

- 3.8 During 2019/20 there was an average daily investment balance of £56 million (18/19 £48m) which was a mixture of internally managed cash investments and an externally managed property fund (Local Authority Property Fund or "LAPF"). The balance at 31<sup>st</sup> March 2020 of £56.4m was an increase from £45.7m at 31<sup>st</sup>

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# Treasury Management Performance 2019/20

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March 2019. This balance is comprised of working capital (where we hold cash temporarily as a result of timing differences between receipts and payments) as well as general reserve balances which are more stable.

- 3.9 In total, interest of £1.053m was earned in 2019/20 on all investments (cash and LAPF) at an average rate of 1.87%. (2018/19 1.84%). The investment benchmark used by the Council (the 3 month London Interbank Offer Rate) was 0.76% for 2019/20 and therefore this was exceeded.
- 3.10 The LAPF returned 3.31% in 2019/20 and the valuation of the fund decreased from £15.2m to £14.7m over the year to March 2020. The other investments had an average balance of £41m returning an average rate of 0.86%.
- 3.11 The Prudential Code also sets out that authorities report their “Non Treasury Investments” which includes loans, shares and investment property. These are set out in Appendix 1.

## Prudential Indicators (PIs)

- 3.12 In order to demonstrate that local authorities have fulfilled the objectives of the CIPFA Prudential Code, the code sets out a basket of indicators that must be prepared and used. It should be noted that the prudential indicators are not for comparison between authorities, but are a means to support and record local decision-making. The PIs do not in themselves indicate either a good or bad financial position, they are merely a statement of fact. Further detail is provided in Appendix 2.

## Capital Financing Requirement

- 3.13 The Council undertakes capital expenditure on long-term assets. These activities may either be:
  - 3.13.1 Financed immediately through the use of capital or revenue resources (such as capital receipts, capital grants or revenue contributions), which has no resultant impact on the Council's borrowing need, or
  - 3.13.2 If insufficient funding is available, or a decision is taken not to apply other funding, the capital expenditure will give rise to a **borrowing requirement** to ultimately fund the expenditure.
- 3.14 The Council's underlying borrowing requirement is measured through the **Capital Financing Requirement** (“CFR”) and is simply the total ultimate borrowing requirement, regardless of whether that borrowing has yet taken place.
- 3.15 Part of the Council's treasury activity is to address the funding requirements for this borrowing need and the treasury management team organises the Council's cash position to ensure sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through borrowing from external

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# Treasury Management Performance 2019/20

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bodies (such as the Government, through the PWLB or the money markets), or utilising temporary cash resources within the Council until that borrowing takes place.

- 3.16 The CFR (the ultimate borrowing requirement) is always higher than the actual level of borrowing, the difference being termed “internal borrowing” which represents the temporary funding of capital spend from existing cash balances and working capital as a short-term measure.
- 3.17 The table below shows the CFR and the Gross borrowing position (i.e. actual long term borrowing) for March 2019 and March 2020, this includes PFI liabilities:

CFR and LONG TERM BORROWING POSITION	31/03/2019	31/03/2020	Change
	Actual £m	Actual £m	£m
CFR General Fund (£m)	£369.7	£390.1	£20.4
CFR HRA (£m)	£109.0	£104.0	(£5.0)
<b>Total CFR</b>	<b>£478.7</b>	<b>£494.1</b>	<b>£15.4</b>
Gross borrowing position	£375.8	£398.4	£22.6
<b>Under / over funding of CFR</b>	<b>£102.9</b>	<b>£95.7</b>	<b>(£7.2)</b>

- 3.18 This table shows an under-borrowed position of £95.7m. This represents the current level of internal cash resources used to finance the capital programme. The Council will continue to balance the use of internal resource with long-term borrowing to manage this funding requirement. The HRA is fully funded.
- 3.19 As set out in the Capital Outturn report elsewhere on this agenda, the Council incurred general fund capital expenditure of £57.9m in 2019/20. This has been funded from S106 (£3.1m), CIL receipts (£1.1m), and capital grant (£33.6m) plus £20.1m of borrowing. The £20.1m was further reduced by £1.8m of MRP (a revenue provision for repayment of debt) offset by movements in the PFI liability and other treasury items that impact CFR leaving an increase in the General Fund CFR of £20.4m as shown in the table above.
- 3.20 The HRA made an MRP repayment of £5m reducing its CFR to £104m.
- 3.21 Appendix 2 contains detailed CFR calculations for both the General Fund and the HRA.

## Compliance with Treasury Limits

- 3.22 During the 2019/20 Financial Year all Treasury activity was carried out within the Council's Treasury limits and Prudential Indicators as set out in the Council's Treasury Policy Statement and annual Treasury Strategy Statement, other than as has been detailed at paragraph 3.23 below

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# Treasury Management Performance 2019/20

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Date: 21st July 2020

TREASURY LIMITS		2019/20 £m
<b>Authorised limit</b>		<b>£521.3</b>
Maximum gross borrowing position during the year incl. PFI		£398.4
<b>Operational boundary</b>		<b>£516.3</b>
Average gross borrowing position		£387.1

- 3.23 As shown in Chart 1 earlier in the report there was considerable interest rate volatility during March 2020, linked to market reaction to the developing COVID-19 pandemic. In order to provide the best interest rates for the Council the proportion of borrowing that was short-term was marginally higher (between 0.4% and 0.91%) than the non-statutory local indicator, for a period 8 days. The CIPFA Prudential Code is clear that the use of numerical indicators should not hinder good practice. These indicators will be subject to ongoing review to ensure they enable the Council to protect its financial interests in periods of market volatility.

## 4. Alternative Options

- 4.1 Any alternative options for specific areas are set out within the report.

## 5. Implications, Diversity Impact Assessment and Risk Management

### Financial and Procurement Implications

- 5.1 The report contains full details of the treasury activity undertaken during the year.
- 5.2 The 2020/21 budget has assumed a similar level of investment balances and interest will be achieved as those in 2019/20
- 5.3 Corporate Director of Finance and Assets (Section 151 officer) has put in place provisions to reduce the dependency on internal borrowing that will take advantage of the historically low long term interest rates, thus protecting the Council from a sudden peak in borrowing costs. This process is in line with the Treasury Management Strategy approved by the Council.

### Legal and Human Rights Implications

- 5.4 All legal and human rights considerations have been taken fully into account in compiling this report. It is considered that the recommendations of this report are compatible with Convention rights.

### Climate Change Impact

- 5.5 The proposals would not bring a change in service delivery and Officers believe that there is no expected effect on the Council's carbon footprint.

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# Treasury Management Performance 2019/20

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## All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.6 There are no such direct implications.

## Diversity Impact Assessment

- 5.7 A Diversity Impact Assessment (DIA) has not been done as this report does not make any new recommendations that would affect services.

## Risk Management

- 5.8 There are no direct risks arising from this report.

## **6. Consultees**

- 6.1 The Corporate Director of Finance and Assets (s151 officer) and Chief Legal Officer (Monitoring Officer) are consulted in respect of all reports.

## **7. Background Papers**

- 7.1 None

## **8. Appendices**

- 8.1 Appendix 1 – Treasury Portfolio  
8.2 Appendix 2 – Prudential Indicators

## Appendix 2 – Prudential Indicators

### The Capital Prudential Indicators 2019/20

The Council's capital expenditure plans are a key driver of treasury management activity. The outputs from capital expenditure plans are reflected in prudential indicators, which are designed to assist the Members overview and confirm capital expenditure plans.

PRUDENTIAL INDICATORS	2018/19 Actual £m	2019/20 Original £m	2019/20 Actual £m
<b>Capital Expenditure</b>			
Non - HRA	£51.7	£193.6	£57.9
HRA (applies only to housing authorities)	£23.4	£55.4	£16.4
<b>Total</b>	<b>£75.0</b>	<b>£249.0</b>	<b>£74.3</b>

<b>Ratio of financing costs to net revenue stream</b>			
Non - HRA	8.7%	8.5%	9.0%
HRA (applies only to housing authorities)	38.8%	38.8%	38.7%

<b>Capital Financing Requirement General Fund</b>			
brought forward 1 April	£346.5	£359.2	£369.7
carried forward 31 March	£369.7	£392.2	£390.1
<b>in year borrowing requirement / (repayment)</b>	<b>£23.2</b>	<b>£33.1</b>	<b>£20.4</b>
<b>HRA</b>			
brought forward 1 April	£114.0	£109.0	£109.0
carried forward 31 March	£109.0	£104.0	£104.0
<b>in year borrowing requirement / (repayment)</b>	<b>(£5.0)</b>	<b>(£5.0)</b>	<b>(£5.0)</b>
<b>Gross CFR</b>	<b>£478.7</b>	<b>£496.3</b>	<b>£494.1</b>

Non – HRA	£369.7	£390.3	£390.1
HRA	£109.0	£104.0	£104.0
<b>Total</b>	<b>£478.7</b>	<b>£496.3</b>	<b>£494.1</b>

<b>Annual change in Capital Financing Requirement</b>			
Non – HRA	£25.1	£33.1	£22.3
Reduction in PFI liability	(£1.9)	(£1.9)	(£1.9)
HRA	(£5.0)	(£5.0)	(£5.0)
<b>Total</b>	<b>£18.2</b>	<b>£26.1</b>	<b>£15.4</b>

## Appendix 2 – Prudential Indicators

TREASURY MANAGEMENT INDICATORS	2018/19 Actual £m	2019/20 Original £m	2019/20 Actual £m
<b>Authorised Limit for external debt -</b>			
borrowing	£341.3	£473.7	£375.3
other long term liabilities	£49.6	£47.6	£47.6
<b>Total</b>	<b>£390.8</b>	<b>£521.3</b>	<b>£422.9</b>
<b>Operational Boundary for external debt -</b>			
borrowing	£341.3	£468.7	£375.3
other long term liabilities	£49.6	£47.6	£47.6
<b>Total</b>	<b>£390.8</b>	<b>£516.3</b>	<b>£422.9</b>
<b>Actual external debt</b>	<b>£341.3</b>		<b>£375.3</b>

HRA INDICATORS	2018/19 Actual £m	2019/20 Original £m	2019/20 Actual £m
HRA CFR 31st March	£109.0	£104.0	£104.0
HRA Average investment balance	£28.5	£15.0	£23.0
Number of HRA dwellings	10,299	10,299	10,281
Debt per dwelling	£10,585	£10,100	£10,117

## Appendix 1 – Treasury Portfolio

DEBT PORTFOLIO	31-Mar-19 Principal £m	Rate/ Return	Average Life yrs.	31-Mar-20 Principal £m	Rate/ Return	Average Life yrs.
Fixed rate funding:						
-PWLB	£296.2	3.26%	17.7	£319.8	3.15%	17.1
-Market	£30.0	4.30%	30.6	£31.0	4.16%	21.8
<i>Of which</i>				<i>£m</i>		
-HRA	£109.0			£104.0		
-General Fund	£217.2			£246.7		
<b>Long Term Debt</b>	<b>£326.2</b>	<b>3.36%</b>	<b>18.1</b>	<b>£350.8</b>	<b>3.24%</b>	<b>17.3</b>
PFI Liabilities	£49.6			£47.6		
<b>Total long term debt incl. PFI</b>	<b>£375.8</b>			<b>£398.4</b>		
Short term funding:						
-Market	£15.0	0.90%	0.2	£24.5	1.13%	0.5
<b>Gross debt</b>	<b>£390.8</b>			<b>£422.9</b>		
<b>Total investments</b>	<b>(£45.7)</b>	<b>1.84%</b>		<b>(£56.4)</b>	<b>1.87%</b>	
<b>Net debt</b>	<b>£345.1</b>			<b>£366.5</b>		
<b>CFR</b>	<b>£478.7</b>			<b>£494.1</b>		
Total debt incl. PFI	£375.8			£398.4		
<b>Over / (under) borrowing</b>	<b>£102.9</b>			<b>£95.7</b>		

MATURITY OF DEBT	31/03/2019 Actual £m	2019/20 Maximum limit £m	31/03/2020 Actual £m
Under 12 months	£18.6	£42.3	£34.8
12 months and within 24 months	£13.6	£105.7	£11.6
24 months and within 5 years	£32.4	£148.0	£50.0
5 years and within 10 years	£94.7	£148.0	£93.6
10 years and within 20 years	£90.2	£148.0	£93.5
20 years and within 30 years	£38.6	£148.0	£29.6
30 years and within 40 years	£32.8	£148.0	£59.8
40 years and within 50 years	£70.0	£148.0	£50.0
<b>Total</b>	<b>£390.9</b>		<b>£422.9</b>
10 years and above	£231.6	£338.3	£232.9

NEW LOANS Lender	Principal £m	Type	Interest Rate	Maturity
PWLB	£5.0	Fixed interest rate	1.94%	13.2 years
PWLB	£5.0	Fixed interest rate	1.99%	14.2 years
PWLB	£5.0	Fixed interest rate	1.48%	15 years
PWLB	£10.0	Fixed interest rate	2.08%	49.9 years
Salix (Green initiative funding)	£1.0	Fixed interest rate	0.00%	6 years
<b>Total</b>	<b>£26.0</b>		<b>1.50%</b>	<b>19.7 years</b>

## Appendix 1 – Treasury Portfolio

INVESTMENT PORTFOLIO				
	Actual 31/03/2019 £m	Actual 31/03/2019 %	Actual 31/03/2020 £m	Actual 31/03/2020 %
<b>Treasury Investments</b>				
UK Banks	£15.0	33%	£0.0	0%
Non UK Banks	£0.0	0%	£0.0	0%
Local authorities	£15.5	34%	£12.0	21%
Call Accounts	£0.0	0%	£10.0	18%
Money market funds	£0.0	0%	£20.0	35%
<b>Total managed in house</b>	<b>£30.5</b>	<b>67%</b>	<b>£42.0</b>	<b>74%</b>
Property funds	£15.2	33%	£14.7	26%
<b>Total managed externally</b>	<b>£15.2</b>	<b>33%</b>	<b>£14.7</b>	<b>26%</b>
<b>Total Treasury Investments</b>	<b>£45.7</b>	<b>100%</b>	<b>£56.7</b>	<b>100%</b>

Non Treasury Investments				
Loans to Subsidiary Companies				
- Public Power Solutions Ltd	£8.9	37%	£9.7	34%
- Swindon Housing (Development) Co. Ltd	£1.3	5%	£4.9	18%
- Swindon Common Farm Solar Community Interest Plc	£2.9	12%	£2.8	10%
- Swindon Chapel Farm Solar Plc	£2.9	12%	£2.9	10%
Shares in Subsidiaries	£0.1	0%	£0.1	0%
Property	£8.3	34%	£7.7	27%
<b>Total Non-Treasury Investments</b>	<b>£24.4</b>	<b>100%</b>	<b>£28.1</b>	<b>100%</b>
<b>Treasury investments</b>	<b>£45.7</b>	<b>65%</b>	<b>£56.7</b>	<b>67%</b>
<b>Non Treasury investments</b>	<b>£24.4</b>	<b>35%</b>	<b>£28.1</b>	<b>33%</b>
<b>Total of all Investments</b>	<b>£70.1</b>	<b>100%</b>	<b>£84.8</b>	<b>100%</b>

## Audit Committee: Annual Report 2019/20

**Audit Committee**

**Date: 21<sup>st</sup> July 2020**

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Author: Head of Internal Audit

Wards: None

Parishes Affected: None

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### **1. Purpose and Reasons**

- 1.1 To present Members with the Audit Committee's annual report for 2019/20.
- 1.2 It is important to ensure that the Council has an independent and effective Audit Committee that follows best practice. Audit Committees are a key component of corporate governance. The Audit Committee is a source of assurance about the organisation's arrangements for managing risk, maintaining an effective control environment, and reporting on financial and non-financial performance.
- 1.3 The annual report sets out the role of the Committee and the work it has undertaken during 2019/20.

### **2. Recommendations**

The Committee is recommended to:

- 2.1 It is recommended that the contents of the report be noted.

### **3. Detail**

Introduction

- 3.1 The Council established the Audit Committee as a full Committee with effect from May 2006. Whilst there is no statutory obligation to have such a Committee, they are widely recognised as a core component of effective governance and internal control.

Terms of Reference

- 3.2 The Council has a duty to ensure that it is fulfilling its responsibility for having adequate and effective risk management, internal control and governance arrangements for the economy, efficiency and effectiveness of its activities. The Audit Committee has a key role in assessing the extent to which this responsibility is being met and advising the Council on the adequacy and effectiveness of these arrangements.
- 3.3 The Committee's Terms of Reference are to provide independent assurance to the Council in relation to:
  - 3.3.1 The effectiveness of the Council's risk management, internal control and its overall governance framework.

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Further information on the subject of this report can be obtained from Nick Hobbs, nhobbs@swindon.gov.uk tel: 07769 281679

# Audit Committee: Annual Report 2019/20

**Audit Committee**

**Date: 21<sup>st</sup> July 2020**

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- 3.3.2 The effectiveness of the Council's financial and non-financial performance to the extent that it might impact on the above.
  - 3.3.3 Reviewing the performance of the Council's Internal Audit section
  - 3.3.4 Receipt and review of External Audit reports and liaison with external auditors on significant matters identified.
  - 3.3.5 Advising upon and/or reviewing the effectiveness of any other matters referred to the Audit Committee by the Executive, the Overview and Scrutiny and Regulatory Committees.
  - 3.3.6 To consider, accept and take a view on the Statement of Accounts and the Annual Governance Statement.
  - 3.3.7 Oversight of the Council's Treasury Management activities.
- 3.4 The Committee's Terms of Reference are reviewed annually to ensure that they reflect best practice and are kept up to date.

## Membership

- 3.5 The membership of the Audit Committee has comprised of the following Elected Members:

Councillor Steve Weisinger (Chair)  
Councillor Claire Crilly  
Councillor Malcolm Davies  
Councillor Nick Martin (Vice-Chair)  
Councillor Des Moffatt  
Councillor Kevin Small  
Councillor Roger Smith

- 3.6 The Corporate Director: Finance and Assets; and the Head of Internal Audit attended Committee meetings. The Council's External Auditor Grant Thornton also attend meetings on a regular basis. Shaun Banks (Committee Officer) supported the committee.
- 3.7 The Committee met four times during 2019/20, with the scheduled March meeting being cancelled due to the Covid-19 virus. Committee agenda papers and minutes are available on the Council's website at: [www.swindon.gov.uk](http://www.swindon.gov.uk)

## Benefits of an effective audit committee

- 3.8 An effective audit committee can bring many benefits to the Council, including:
- 3.8.1 Promoting the principles of good governance

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Further information on the subject of this report can be obtained from Nick Hobbs, [nhobbs@swindon.gov.uk](mailto:nhobbs@swindon.gov.uk) tel: 07769 281679



# **Audit Committee: Annual Report 2019/20**

**Audit Committee**

**Date: 21<sup>st</sup> July 2020**

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- 3.8.2 Giving additional assurance through a process of independent and objective review
- 3.8.3 Helping achieve the Council's objectives by assisting in improving the adequacy and effectiveness of risk management and internal control
- 3.8.4 Reinforcing the objectivity, importance and independence of internal and external audit and therefore the effectiveness of the audit function
- 3.8.5 Raise awareness of the need for sound control and the implementation of recommendations by internal and external audit
- 3.9 The Audit Committee's work programme has allowed it to provide assurance to the Council regarding governance, risk management and internal control arrangements. In summary, during the course of 2019/20, the Committee has:
  - 3.9.1 Reviewed and challenged the contents of the Annual Governance Statement and reviewed the actions taken to address significant issues included in the Statement.
  - 3.9.2 Reviewed the Corporate Risk Register.
  - 3.9.3 Received and challenged reports received from the External Auditor regarding the Council's financial statements and value for money opinion.
  - 3.9.4 Received and approved the Treasury Management Performance report for 2018/19; the; mid-year Treasury Performance report and the Treasury Management Strategy for 2019/20.
  - 3.9.5 Received reports summarising future changes to statutory requirements affecting the production of the Statement of Accounts.
  - 3.9.6 Received and reviewed the Council's Annual Statement of Accounts
  - 3.9.7 Received an update on the Council's use of the Regulation of Investigatory Powers Act (RIPA) and approved an updated Council Policy on its use
  - 3.9.8 Reviewed its own terms of reference and work programme for 2019/20.
  - 3.9.9 Agreed an annual report for the Audit Committee summarising the work carried out during 2018/19.
- 3.10 The Committee has carried out a self-assessment against the CIPFA Guidance regarding Audit Committees Good Practice checklist to ensure it operates in line with this guidance.

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Further information on the subject of this report can be obtained from Nick Hobbs, [nhobbs@swindon.gov.uk](mailto:nhobbs@swindon.gov.uk) tel: 07769 281679

# Audit Committee: Annual Report 2019/20

**Audit Committee**

**Date: 21<sup>st</sup> July 2020**

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## Internal Audit Assurance

- 3.11 Internal Audit is a key source of assurance for both Members and officers on the effectiveness of the Council's governance, risk management and internal control arrangements. The Audit Committee has a responsibility for ensuring the effectiveness of Internal Audit in providing this assurance.
- 3.12 The Committee has received regular reports from the Head of Internal Audit including:
- Head of Internal Audit's annual report (2018/19) - which provided the Head of Internal Audit's overall opinion on the Council's risk management, governance and internal control arrangements.
  - A Strategic Fraud Update – that provided details of the fraud work carried out by Corporate Fraud Team along with details of national and local initiatives in this area.
  - Internal Audit Charter – Members reviewed and approved the Charter for Internal Audit.
  - Regular progress reports – that provided Members with details of progress against the Internal Audit plan along with any significant updates regarding the section etc.
  - Annual Internal Audit Plan 2019/20 – which presented Members with a risk based plan and an opportunity to consider areas for inclusion in the plan before it was finalised.
- 3.13 The Committee has also received full Internal Audit reports on the following service areas where an audit has been carried out and an opinion of 'significant' or 'of concern' risk has been identified. For all these reports relevant Members and officers have attended to provide explanations and details of progress made in implementing agreed audit recommendations:
- OK4U
  - Transport Compliance
  - Empty Homes
  - Treasury Management

## Corporate Fraud Team

- 3.14 The Committee also received a presentation on the work of the Corporate Fraud Team detailing the work carried out by the team, savings made and examples of types of fraud that have been identified.

# Audit Committee: Annual Report 2019/20

**Audit Committee**

**Date: 21<sup>st</sup> July 2020**

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## Treasury Management

3.15 The Committee's terms of reference also include responsibility for oversight of the treasury management function. As well as the Internal Audit report on Treasury Management mentioned above, the Audit Committee also received reports on the following:

- Treasury Management Performance report for 2018/19
- A mid-year Treasury Performance report
- Treasury Management Strategy for 2019/20

## External Audit Assurance – Governance and Statement of Accounts:

3.16 External Audit is an essential part of the assurance process providing an independent opinion on the financial statements, and reviewing aspects of governance and financial management as well as arrangements for securing economy, efficiency and effectiveness across the Council. External Audit works closely with Internal Audit to ensure that statutory responsibilities are delivered.

3.17 The following reports were received from External Audit during 2019/20:

- External Audit Plan and audit fee letter
- Annual Statement of Accounts - External Audit findings
- Annual Audit letter
- Certification letter
- Commitment letter
- Regular progress and update reports

## Councillor Des Moffatt

3.18 I would like to thank the late Cllr Des Moffatt for his commitment to Audit Committee. I have been on this Committee as chair since May 2013. The Committee was formed in 2004 and Des was on it from the very start. His contribution has been huge and he went through all audits with a fine toothcomb. Des will be missed at Audit Committee meetings but he will always be remembered for being a true gentleman an excellent councillor and a great self-made auditor.

## Looking forward:

3.19 Given the continued financial pressures facing the Council and the recovery process following the impact of Covid-19 the importance of an effective Audit Committee remains critical in providing independent assurance on the

# Audit Committee: Annual Report 2019/20

**Audit Committee**

**Date: 21<sup>st</sup> July 2020**

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governance, risk management and internal control arrangements in the Council and effective challenge where improvement is needed.

## **4. Alternative Options**

4.1 Not Applicable

## **5. Implications, Diversity Impact Assessment and Risk Management**

### Financial and Procurement Implications

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

### Legal and Human Rights Implications

5.2 Internal Audit is a statutory requirement of the Accounts and Audit Regulations 2015. The Internal Audit service also provides assurance to the Director of Finance regarding the requirements of Section 151 of the Local Government Act 1972.

### All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

5.3 None

### Diversity Impact Assessment

5.4 None

### Risk Management

5.5 Potential risks to the Council are identified in the individual audit reports completed and either presented to or summarised for Audit Committee.

## **6. Consultees**

6.1 Officers have chosen not to consult the Corporate Director of Finance and Assets (Section 151 Officer) or the Chief Legal Officer (Monitoring Officer) as the recommendations are to be noted and do not commit the Council to any expenditure.

## **7. Background Papers**

7.1 None

## **8. Appendices**

8.1 None

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Further information on the subject of this report can be obtained from Nick Hobbs, [nhobbs@swindon.gov.uk](mailto:nhobbs@swindon.gov.uk) tel: 07769 281679

## Head of Internal Audit Annual Report and Opinion

**Audit Committee**

**Date: 21<sup>st</sup> July 2020**

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Author: Head of Internal Audit

Wards: None

Parishes Affected: None

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### **1. Purpose and Reasons**

- 1.1 To present Members with the Head of Internal Audit's annual report for 2019/20.
- 1.2 The Council's Audit Committee has a strategic role to ensure that the Council's assurance framework is operating effectively. To this end it should seek assurance that key areas that contribute to this framework are operating properly.
- 1.3 The Council's Internal Audit section is a key component of the assurance framework. It is therefore essential that this Committee seek assurance from the Head of Internal Audit regarding the work of the Internal Audit section and his opinion with regard to the Council's overall arrangements for internal control.
- 1.4 It is a requirement of the Public Sector Internal Audit Standards that the Head of Internal Audit delivers an annual internal audit opinion and report that can be used by the organisation to inform its annual governance statement. The annual internal audit opinion must conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. The annual report must incorporate:
  - the opinion
  - a summary of the work that supports the opinion; and
  - a statement on conformance with the Public Sector Internal Audit Standards and the results of the quality assurance and improvement programme

### **2. Recommendations**

The Committee is recommended to:

- 2.1 It is recommended that the contents of the report be noted.

### **3. Detail**

- 3.1 This annual report provides a summary of the work completed by Swindon Internal Audit Services for 2019/20 and provides the Head of Internal Audit's overall opinion on the Council's system of internal control.
- 3.2 The aim of Internal Audit is to help the Council meet high standards of service delivery, conduct and governance by examining, evaluating and reporting on the Council's internal control environment, risk management and governance

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Further information on the subject of this report can be obtained from Nick Hobbs,  
Direct Dial Telephone Number: 07769 281679, [nhobbs@swindon.gov.uk](mailto:nhobbs@swindon.gov.uk).

# Head of Internal Audit Annual Report and Opinion

**Audit Committee**

**Date: 21<sup>st</sup> July 2020**

arrangements. This then allows Internal Audit to provide assurance and support to the:

- 3.2.1 Audit Committee in discharging its responsibilities as set out in their terms of reference
- 3.2.2 Council Leader and Chief Executive in their certification of the Annual Governance Statement
- 3.2.3 Corporate Director of Finance and Assets (in his role as Chief Finance Officer), in discharging his responsibilities under Section 151 of the Local Government Act
- 3.2.4 Chief Operating Officer, in their capacity as lead for risk management
- 3.2.5 External Auditor in relation to their audit of the Council's financial statements through our audit work on the Council's main financial systems
- 3.2.6 Contribute to the Council's improvement programme
- 3.3 Summaries of every internal audit finalised during the year have been presented to the Council's Audit Committee.

3.4 The internal control arrangements relating to the Council's main financial systems during 2019/20 were found to be **satisfactory**, this along with the outcomes of other audits completed in the plan result in an overall risk assessment to the Council as being '**moderate**'.

- 3.5 The Head of Internal Audit's annual report is included as Appendix 1.

## **4. Alternative Options**

- 4.1 Not Applicable

## **5. Implications, Diversity Impact Assessment and Risk Management**

### Financial and Procurement Implications

- 5.1 There are no direct financial implications arising from this report.

### Legal and Human Rights Implications

- 5.2 Internal Audit is a statutory requirement of the Accounts and Audit Regulations 2015. The Internal Audit service also provides assurance to the Director of Finance regarding the requirements of Section 151 of the Local Government Act 1972.

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Further information on the subject of this report can be obtained from Nick Hobbs, Direct Dial Telephone Number: 07769 281679, [nhobbs@swindon.gov.uk](mailto:nhobbs@swindon.gov.uk).

# Head of Internal Audit Annual Report and Opinion

Audit Committee

Date: 21<sup>st</sup> July 2020

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All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

5.3 None

Diversity Impact Assessment

5.4 None

Risk Management

5.5 Potential risks to the Council are identified in the individual audit reports.

## **6. Consultees**

6.1 Officers have chosen not to consult the Corporate Director of Finance and Assets (Section 151 Officer) or the Chief Legal Officer (Monitoring Officer) as the recommendations are to be noted and do not commit the Council to any expenditure.

6.2 However, all Heads of Service, Corporate Directors and Members who have contributed to individual audits during the course of 2019/20.

## **7. Background Papers**

7.1 None

## **8. Appendices**

8.1 Appendix 1 – Head of Internal Audit's Annual report: 2019/20

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## Annual Governance Statement – 2019/20

**Audit Committee**

**Date: 21st July 2020**

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Author: Head of Internal Audit

Wards: None

Parishes Affected: None

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### **1. Purpose and Reasons**

- 1.1 It is a requirement of the Accounts and Audit Regulations 2015 that the Council prepares an Annual Governance Statement.
- 1.2 The purpose of this report is to provide Audit Committee with the final version of the Annual Governance Statement in respect of 2019/20.
- 1.3 The Council's Audit Committee has a strategic role to ensure that the Council's assurance framework is operating effectively. To this end it should seek assurance that key areas that contribute to this framework are operating properly.
- 1.4 The Annual Governance Statement sets out the Council's governance arrangements and is therefore a key source of assurance for the Audit Committee.

### **2. Recommendations**

The Committee is recommended to:

- 2.1 It is recommended that the report be noted.

### **3. Detail**

- 3.1 The Annual Governance Statement (AGS) is the formal statement that recognises records and publishes an authority's governance arrangements.
- 3.2 It is designed not only to give an opportunity for authorities to consider the robustness of their governance arrangements, but also provide an accurate representation of arrangements in place during the year and to identify areas where improvement is required.
- 3.3 The Council has approved and adopted a local code of corporate governance, <http://ww5.swindon.gov.uk/moderngov/ecSDDisplay.aspx?NAME=SD6032&ID=6032&RPID=5721575>, which is consistent with the principles of the CIPFA/SOLACE Framework for Delivering Good Governance in Local Government.
- 3.4 The Annual Governance Statement (see Appendix 1) explains how the Council has complied with the local code and also meets the requirements of the Accounts and Audit Regulations 2015 in relation to the publication of an annual governance statement.

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Further information on the subject of this report can be obtained from Nick Hobbs, Direct Dial Telephone Number: 01793 463940, [nhobbs@swindon.gov.uk](mailto:nhobbs@swindon.gov.uk).

# Annual Governance Statement – 2019/20

**Audit Committee**

**Date: 21st July 2020**

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3.5 A draft Annual Governance Statement was issued to Members earlier this month for comment due to the cancellation of the June Audit Committee meeting, along with a paper on the review of the effectiveness (see Appendix 2) of the Council's governance arrangements. Comments received from members of the Audit Committee and the Council's External Auditor have been taken in to account in the final version attached.

3.6 The final version of the report will be signed off by the Chief Executive and the Leader of the Council.

## **4. Alternative Options**

4.1 Not Applicable

## **5. Implications, Diversity Impact Assessment and Risk Management**

### Financial and Procurement Implications

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

### Legal and Human Rights Implications

5.2 Internal Audit is a statutory requirement of the Accounts and Audit Regulations 2015. The Internal Audit service also provides assurance to the Director of Finance regarding the requirements of Section 151 of the Local Government Act 1972.

5.3 It is a requirement of the Accounts and Audit Regulations 2015 that the Council prepares an Annual Governance Statement.

### All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

5.4 None

### Diversity Impact Assessment

5.5 None

### Risk Management

5.6 Potential risk areas identified in the report are taken from the Council's Corporate Risk register.

## **6. Consultees**

6.1 The Corporate Director of Finance and Assets (Section 151 Officer) and Chief Legal Officer (Monitoring Officer) are consulted in respect of all reports.

6.2 Corporate Management Team

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Further information on the subject of this report can be obtained from Nick Hobbs, Direct Dial Telephone Number: 01793 463940, [nhobbs@swindon.gov.uk](mailto:nhobbs@swindon.gov.uk).

# **Annual Governance Statement – 2019/20**

**Audit Committee**

**Date: 21st July 2020**

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## **7. Background Papers**

7.1 None

## **8. Appendices**

8.1 Appendix 1 – The Annual Governance Statement 2019/20

8.2 Appendix 2 – Review of the effectiveness of corporate governance arrangements

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**ANNUAL  
GOVERNANCE  
STATEMENT  
2019/20**

## Introduction

Swindon Borough Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has a duty to arrange to secure continuous improvement in the way in which its functions are exercised, having a regard to a combination of economy, efficiency and effectiveness

The Council is required to produce an Annual Governance Statement each year that describes its governance arrangements not just for the Council but also for the whole group including wholly owned subsidiaries. The Council reviews its governance framework through the Audit Committee. This review identifies where the framework is working; and whether there are any significant governance issues that need to be addressed.

The Annual Governance Statement is signed off by both the Leader of the Council and the Chief Executive after being reviewed by the Audit Committee.

## Corporate Governance

### *The purpose of a governance framework*

The Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

The Council has approved and adopted a local code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE *Framework for Delivering Good Governance in Local Government* (2016).

This statement explains how the Council has complied with the code and meets the requirements of the Accounts and Audit Regulations 2015 in relation to the publication of a statement on internal control.

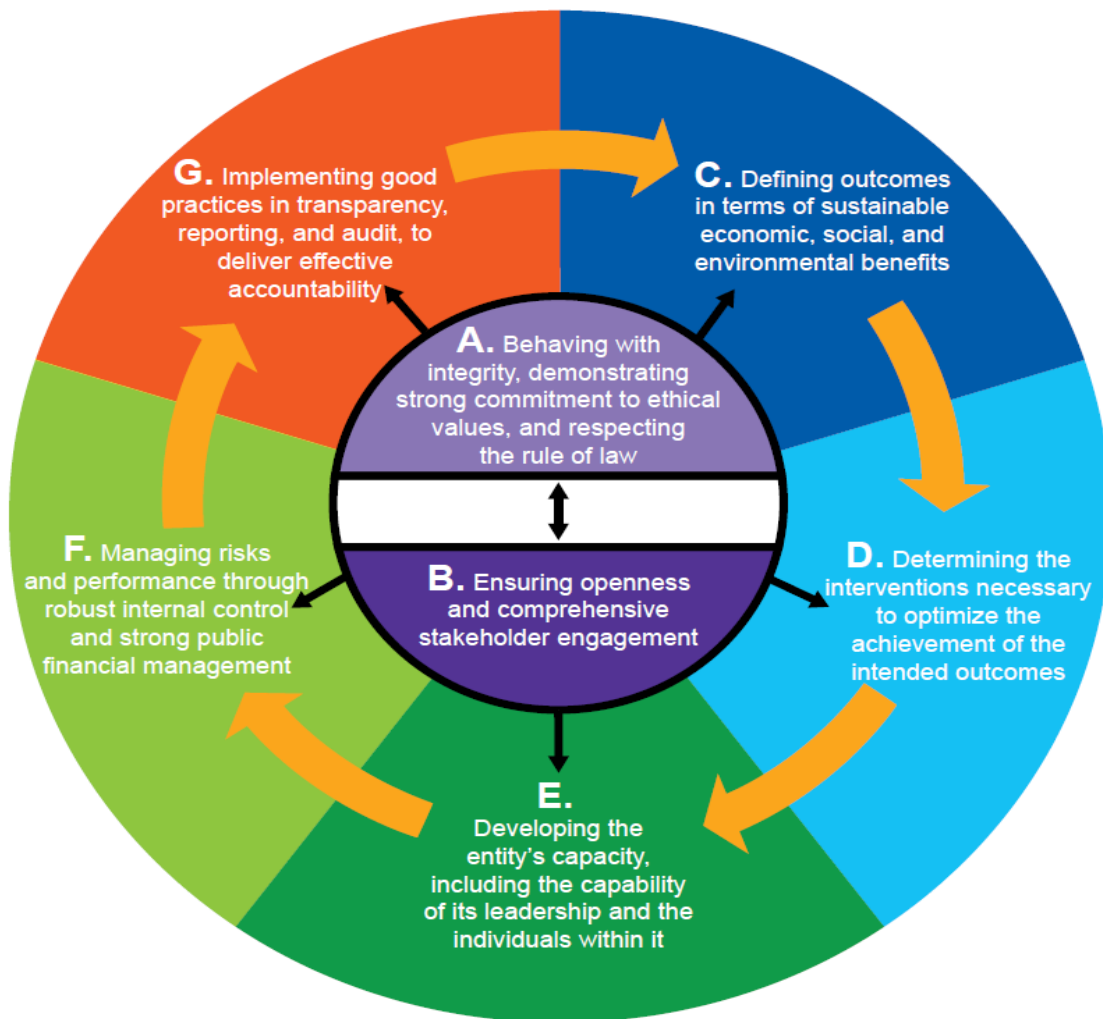
The governance framework comprises the systems, processes, culture and values, by which the authority is directed and controlled and its activities through which it accounts to, engages with, and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.

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

### *The Council's framework for ensuring compliance with the core principles of effective governance:*

Good corporate governance requires local authorities to carry out their functions in a way that demonstrates accountability, transparency, effectiveness, integrity and inclusion. The Council's Local Code of Corporate Governance sets out the framework by which the Council will meet that commitment. The Code is based upon the following seven core principles:

**Achieving the Intended Outcomes  
While Acting in the Public Interest at all Times**



The Local Code of Corporate Governance forms part of the Council's Constitution and the full version can be found at:

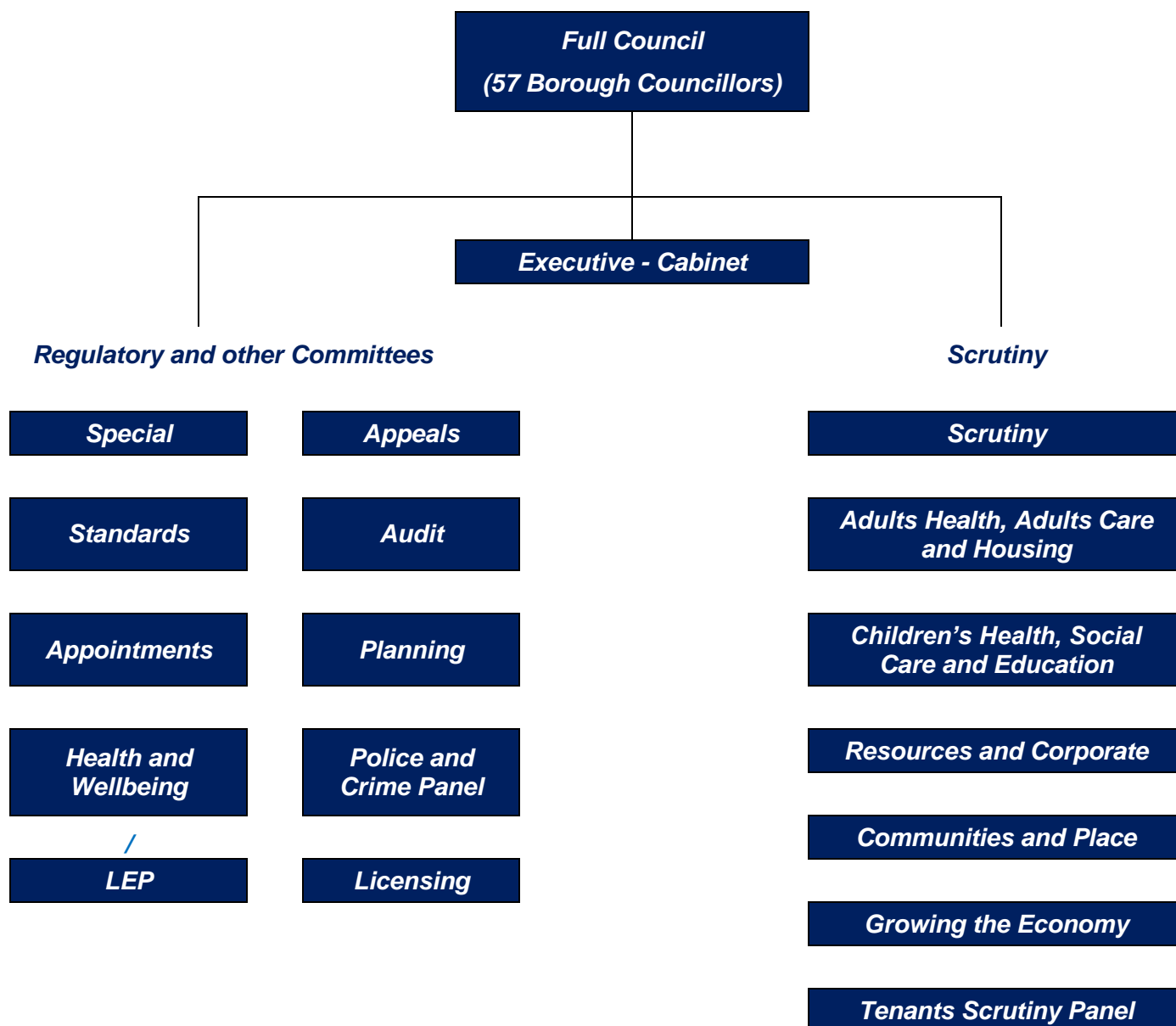
<http://ww5.swindon.gov.uk/moderngov/ecSDDisplay.aspx?NAME=SD6032&ID=6032&RPID=5603053>

The Council has 57 Councillors and operates a Leader and Executive model of decision-making. All Councillors meet at Full Council to agree the budget and the policy framework etc. Ten Councillors, including the Leader, form the Executive (Cabinet). The Executive decide on how to deliver the budget and the policy framework.

Scrutiny committees are drawn from the remaining 47 Councillors. These committees review the policies, process and implications of Cabinet, Cabinet Member and Officer decision-making and the way in which Cabinet and Cabinet Member decisions are made.

There are also a number of regulatory committees such as Audit, Standards, Planning and Licensing.

The Council's current Committee structure is set out below:



## Outcomes

### *The Council's vision, priorities and pledges:*

By 2030, Swindon will have all of the positive characteristics of a British city with one of the UK's most successful economies a low-carbon environment with compelling cultural, retail and leisure opportunities and excellent infrastructure. It will be a model of well-managed housing growth, which supports and improves new and existing communities.

Swindon will be physically transformed with existing heritage and landmarks complemented by new ones that people who live, work and visit here would recognise and admire. It will remain a place of fairness, and opportunity, where people can aspire to and achieve prosperity supported by strong civic and community leadership.

The Corporate Plan sets out a clear set of priorities and pledges, which will enable Councillors and officers to prioritise their work and ensure that the Council is using its increasingly limited resources to best effect in pursuit of delivering the vision for Swindon.

The Vision for Swindon 2030 was originally adopted in September 2015. This set out how the Council will shape the borough and deliver growth that allows communities to prosper, families to live healthy and happy lives, and children to fulfil their potential. The vision set out four priorities and 30 pledges.



In September 2018, the Council's Cabinet agreed a renewed set of 26 pledges (some of which have been split into sub-pledges this now totals 40 pledges). This took into account the pledges that had now been delivered, and new issues and opportunities that had emerged since the original set of pledges was developed.

Pledges that have been delivered during 2019/20 include:

- Enhance Wellington Street as a prime thoroughfare for the town
- Work with Nationwide Building Society to deliver homes at the former Oakfield campus

You can view the Vision, Priorities and Pledges by selecting the priority links below:

Our Vision, Priorities and Pledges:

[https://www.swindon.gov.uk/info/20028/open\\_data\\_and\\_transparency/952/our\\_vision\\_priorities\\_and\\_pledges](https://www.swindon.gov.uk/info/20028/open_data_and_transparency/952/our_vision_priorities_and_pledges)

Priority One: Improve infrastructure and housing to support a growing, low-carbon economy

[https://www.swindon.gov.uk/info/20028/open\\_data\\_and\\_transparency/952/our\\_vision\\_priorities\\_and\\_pledges/2](https://www.swindon.gov.uk/info/20028/open_data_and_transparency/952/our_vision_priorities_and_pledges/2)

Priority Two: Offer education opportunities that lead to the right skills and right jobs in the right places

[https://www.swindon.gov.uk/info/20028/open\\_data\\_and\\_transparency/952/our\\_priorities\\_and\\_pledges/3](https://www.swindon.gov.uk/info/20028/open_data_and_transparency/952/our_priorities_and_pledges/3)

Priority Three: Ensure clean and safe streets and improve public spaces and local culture

[https://www.swindon.gov.uk/info/20028/open\\_data\\_and\\_transparency/952/our\\_priorities\\_and\\_pledges/4](https://www.swindon.gov.uk/info/20028/open_data_and_transparency/952/our_priorities_and_pledges/4)

Priority Four: Help people to help themselves while always protecting the most vulnerable children and adults

[https://www.swindon.gov.uk/info/20028/open\\_data\\_and\\_transparency/952/our\\_priorities\\_and\\_pledges/5](https://www.swindon.gov.uk/info/20028/open_data_and_transparency/952/our_priorities_and_pledges/5)

As at 29th February 2020 (Pre Covid-19), the Council's Performance Dashboard shows that the following progress has been made in terms of the set deliverables for the pledges:

Priority	No. of Pledges	Completed	On Track	Need Improvement
One	19	2	15	2
Two	5	0	3	2
Three	6	0	6	0
Four	10	0	9	1
Total	40	2	33	5

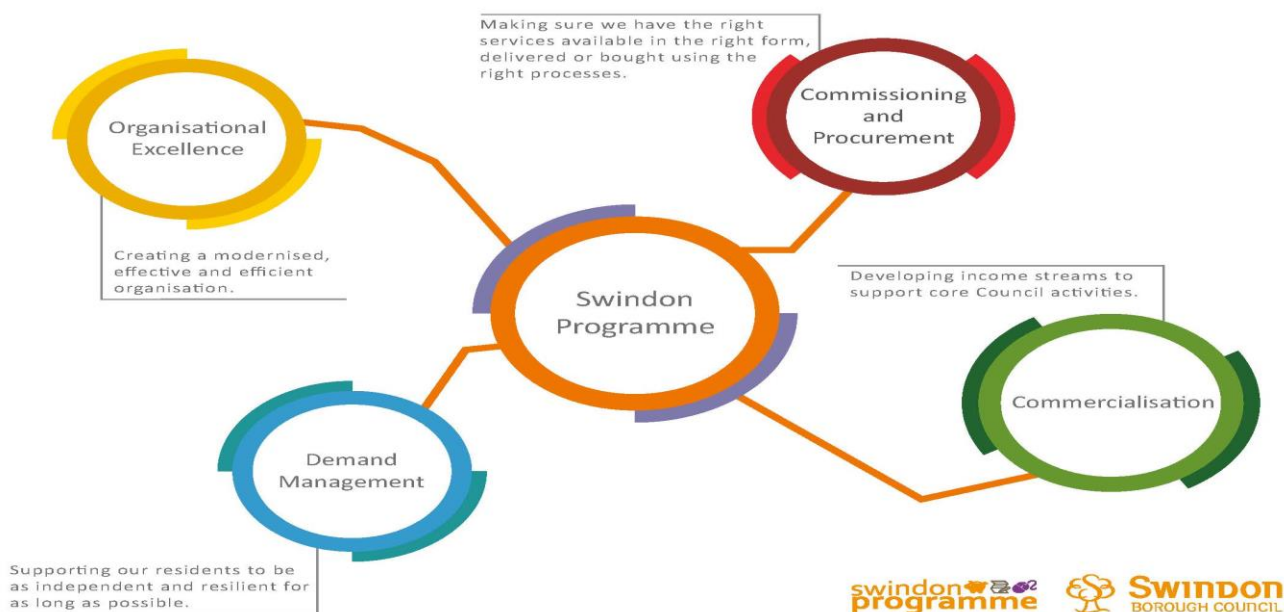
The Council has improved upon the way that it tracks progress with pledges. Each pledge has set deliverables that it has set out to achieve each month and progress is reported on. Some pledges also have outcomes that are tracked, e.g. numerical values/ targets. The aim of introducing the deliverables is so that there is a clear set of monthly actions to be completed that either work towards completing the pledge or meeting the associated outcomes. This is regularly reported to the Corporate Management Team and to the Portfolio Holder within Cabinet. The Council will be working with Cabinet to understand the impact of Covid-19 on the pledges and if affected, what may be required to bring them back on track.

### *Swindon Programme*

The response to the challenge of saving £30 million in 30 months was the Swindon Programme. The Programme looked to transform the way we work, making our services, systems and processes more efficient for both our customers and officers. This will allow us to provide the residents of Swindon with the information and support they need in a way that is convenient to them and cost effective for us.

There were four initial strands to the Swindon Programme:

- Organisational Excellence
- Commissioning and Procurement
- Demand Management
- Commercialisation



These strands were used to identify improvement, efficiencies and saving opportunities. Star Chambers were used to split these into three areas: business as usual; restructures requiring Human Resources support; and larger projects needing support from the Council's Corporate Programme and Innovation team. Progress is reviewed through individual directorates that act as improvement boards that feed in to the monthly meetings of the Swindon Programme Board.

The programme was successful in delivering £30 million savings by the end of 2019/20. Following on from the successful Swindon Programme, the Council aims to continue the principles behind the programme and continuously improve to become a modern, efficient and effective organisations. The words 'At Our Best' puts a name to an organisational ethos that will be established over the coming months and years. Three main aims are to be a Council which:

- Uses best practice and appropriate use of technology.
- Uses its money and people wisely in delivering services quickly and accurately.
- Delivers quality services to the expected standard and which makes a difference to the people of Swindon.

During 2019/20 the Council developed its updated medium term financial plan, extending the timeframe to March 2024. The anticipated Spending Review, Fair Funding Review and changes to Business Rates Retention have now been deferred with implementation expected to be April 2022 at the earliest.

### *Value for Money*

Grant Thornton, the Council's External Auditor, was satisfied that in all significant respects, the Council had proper arrangements in place to secure economy, efficiency and effectiveness in the use of its resources. In reaching this conclusion, the External Auditor completed an overall assessment of arrangements and risks for the year of audit (2019/20) and looked in detail at how the Council built up savings plans and included them in to budgets.

The Council's financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2015). Timely support, information and responses are provided to our external auditors. Findings and recommendations from both our Internal and External Auditors are considered by senior management and at the Council's Audit Committee.

### **The role of Elected Members**

Elected members are collectively responsible for the governance of the Council. The full Council's responsibilities include:

- Agreeing the Council's constitution, comprising the key governance documents including the executive arrangements and making major changes to reflect best practice

- Agreeing the policy framework including key strategies and agreeing the budget
- Appointing the chief officers
- Appointing committees responsible for overview and scrutiny functions, audit and regulatory matters and for appointing members to them.

The executive (Cabinet) is responsible for:

- Proposing the policy framework and key strategies
- Proposing the budget
- Implementing the policy framework and key strategies.

### **The role of management**

The Chief Executive advises councillors on policy and necessary procedures to drive the aims and objectives of the authority. The Chief Executive leads the corporate management team consisting of corporate directors and other senior managers.

The Corporate Director: Finance and Assets, Chief Legal Officer and other senior managers are responsible for advising the executive and scrutiny committees on financial, legislative and other policy considerations to achieve the aims and objectives of the authority. They are responsible for implementing councillors' decisions and for service performance.

The Council's Corporate Management Team has a shared responsibility for delivering the organisational strategic direction, agreeing priorities and driving their successful achievement.

The development and rollout of the Swindon (transformation) Programme is continually ensuring that the skills and capacity required to manage the organisation going forwards helps better position the Council to be a modern, efficient and effective organisation.

### **Risk Management**

Risk management is about identifying and understanding the threats to the achievement of the Council's Vision and priorities by taking reasonable and sensible action to reduce the chance of them happening. The Council is committed to managing risks within its control, to keep employees safe, protect assets, maintain and improve its services and make good use of funds, as part of sound corporate governance.

Risk is managed through the activities of the Council, including planning, monitoring, design, and decision-making. Risk is integrated within the planning and performance system and is not a separate standalone process as the management of risk and uncertainty is integral to the delivery of priorities and objectives. The process is designed to be simple to complete and is more focused on identifying and managing key risks rather than all risks.

The Council's Corporate Risk Register is regularly reviewed at Audit Committee and the Corporate Management Team as part of their review of overall organisational performance to ensure that the significant risks are being managed effectively.

Key risks identified in the Corporate Risk Register and their associated level of risk after mitigations are:

<b>Risk area</b>	<b>Risk rating</b>	<b>Risk area</b>	<b>Risk rating</b>
<b>Financial sustainability</b>	<b>Very High</b>	<b>Safeguarding children</b>	<b>Medium</b>
<b>Empowering communities</b>	<b>Medium</b>	<b>Safeguarding adults</b>	<b>Medium</b>
<b>Growing the economy</b>	<b>High</b>	<b>Governance</b>	<b>Medium</b>
<b>Managing the environment</b>	<b>Medium</b>	<b>Realising potential</b>	<b>Medium</b>
<b>The local, national and international context</b>	<b>Medium</b>	<b>Effective prevention</b>	<b>Medium</b>
<b>IT: Business critical systems</b>	<b>Medium</b>	<b>Business continuity</b>	<b>Medium</b>
<b>Quality of Service: Communities</b>	<b>Medium</b>		

## Impact of Covid-19 on the Council's Review of the effectiveness of our governance arrangements

The Covid 19 pandemic has placed significant additional responsibilities on the Council which have been well managed with a strong emergency governance structure in place as per the requirements of a major incident. This takes the form of a number of bronze (tactical) groups, a Silver Coordinating Group (operational) comprised of senior officers from across the Council and a (strategic) gold group which consists of members of the Council's Corporate Management Team, senior officers from major Council partners and the Director of Public Health.

The Council declared a major incident in relation to Covid-19 on 16 March 2020 with lockdown being announced by the Prime Minister the following week. In the first eight weeks of the pandemic, seven bronze response groups stood up to address particular key challenges for the Council and escalated any issues to the Silver Coordinating Group for decision or ratification. This meant an unrelenting organisational focus on the key priorities for the Council at this time. As time has passed some of these groups have now stood down although the Council remains (at time of writing) in response phase. We are also now running a Recovery process using the same governance structures which worked so well at the height of the Council's response to Covid.

### • *Decision making*

To ensure that the Council continues to apply the principles of good governance, Members adopted the following:

- Introduction of virtual meetings as soon as possible after the secondary legislation to permit this was approved.
- The adoption of a change to the Council's constitution in line with prior legislation to permit the delegation of key or strategic decisions to the Chief Executive, but only with the consent of the Leader and Deputy Leader of the Council and with the requirement to report such decisions to Council.
- The wider use of delegated decision-making as permitted by prior legislation but again in full consultation with the relevant Cabinet Member(s).
- Agreed to change the Constitution to permit the use of electronic signatures so that Cabinet Members could continue to exercise democratically elected and accountable control of the local authority.

### • *Business as usual and new areas of activity*

A range of actions are being taken to try and mitigate the impact of Covid-19 on the delivery of the Council's critical services. This will be kept under constant monitoring and review. The following chart demonstrates some of the work undertaken during the Covid-19 crisis.





- *Longer term impacts/ Lessons learned*

An assessment of the long-term disruption and consequences arising from the coronavirus pandemic will be carried out, which will result in the development of an action plan and an update of the relevant risk registers.

A review will also be undertaken around the lessons to be learned from our response to the Covid-19 pandemic, including the identification of any improvement actions.

## **Review of the effectiveness of our governance arrangements**

Swindon Borough Council annually reviews the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by executive managers within the Council who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, and by comments made by the external auditors and other review agencies and inspectorates. The Head of Internal Audit's report stated that the Council's framework of governance, risk management and control during 2019/20 are considered satisfactory, resulting in a 'moderate' level of risk.

The Council's External Auditor has been very positive regarding the content and nature of the Internal Audit reports presented to Audit Committee stating that where issues are found they are reported upon and relevant senior managers attend Audit Committee to respond to queries raised by Members

Corporate Directors and relevant Heads of Service have completed an assurance questionnaire reviewing the control environment within their service and the results of the questionnaire have been used to help inform our assessment of significant control issues for the Council.

Details of the review were presented to Audit Committee at their July 2020 meeting. Details can be found at:

<https://ww5.swindon.gov.uk/moderngov/ieListDocuments.aspx?CId=687&MIId=9878&Ver=4>

### **Opinion on the Council's governance arrangements**

The review has found that the Council's governance arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

## **Areas of focus – looking forward**

Whilst these arrangements generally work well the review identified a number of significant governance issues that need to be addressed:

Governance issue	Lead Officer
Covid-19	Chief Operating Officer
Information Governance and Security	Head of IT
GCSE attainment	Head of Education
Youth Offending Team	Corporate Director: Children Services
SEND	Corporate Director: Children Services
Car Park income	Head of Highways and Transport
Communities and Housing	Chief Operating Officer
State of Data	Chief Operating Officer

- **Covid-19:** Responding to the challenges brought about as a result of a prolonged pandemic will undoubtedly be a major area of focus for the Council in the coming year. Those challenges are broad in their scope – supporting the Swindon economy, improving the health of the Swindon population and supporting those with increasing personal vulnerabilities as a result of the pandemic - will be key areas of focus. The Council is also significantly financially impacted by its increased

responsibilities during this time as well as a significant loss of income and ensuring this is mitigated will be a key area of focus for the Council in the coming year.

- **Information Governance and Security:** A new Senior Information Risk Owner (SIRO) was appointed in October 2019 and there are plans (the pace of which has been impacted by the Covid-19 pandemic) to deliver specific SIRO and Information Asset Owner training to support the improvement of information ownership, risk management and governance through delivery of the wider Information Governance Framework.

Work on PSN and cyber security standards continues at pace, with this year's PSN assessments due to take place before year end. A further consideration on Cyber Essentials Plus will then follow.

We have been successful in securing £20,800 funding from the Local Government Association to bolster our Cyber Security stance. This will be used to increase awareness of cyber security for all staff and members, including use of tools like email phishing testing.

We have begun key work to move our data to SharePoint online, enabling a more secure, efficient and compliant way to manage, share and use our information and data.

- **GCSE Attainment:** Action was taken during 2019/20 to develop a Governance structure and school improvement processes that support and challenge school performance and improvement in Swindon. This has included working with education providers across the Borough to re-set the Educational and School Improvement Strategy and establish a system led Governance model to replace the Swindon Challenge Board that was established in March 2017. The 2019 GCSE results showed improvement in mathematics and English GCSE progress and outcomes in a number of schools. Pupil progress in mathematics was in line with the national average and the overall Progress 8 measure saw considerable improvement. However, GCSE results are currently still below the national average and overall pupil progress measures are still not good enough.
- **Youth Offending Team:** Audit and review work undertaken in Swindon's Youth Offending Team (YOT) during 2019/20 demonstrate areas of strength and areas in need of improvement. The YOT Board has undertaken a detailed self-evaluation against the Youth Justice Board (YJB) framework and is working to deliver a service improvement plan to address improvement priorities.

The YOT team has experienced significant staffing instability and staff changes and at times has been working with reduced staffing levels. Despite this the staff have worked with real commitment and dedication to maintain strong relationships with young people and provide them with good support and this is evidenced in case audit outcomes. It has sometimes been a challenge to identify the right educational opportunities for young people over a sustained period and this is an improvement priority. More support for young people and families is being provided through the Early Help Service and this is strengthening the offer from the YOT. A Youth Restorative Intervention Panel (YRIP) has been established to provide young people with restorative and diversionary opportunities. The panel is gaining commitment from Partners and is a positive initiative for young people in Swindon.

- **SEND:** In November 2018 Ofsted undertook a Joint Local Area Special Education needs and Disabilities (SEND) Inspection in Swindon. The report identified eight significant weaknesses and required the Local Authority and the CCG to produce a Written Statement of Action (WSOA) to explain how the weaknesses will be addressed. A WSOA was submitted to Ofsted within the required timescale and was approved without amendment. The Local Authority and CCG are working closely together and with other key partners to address the weaknesses and deliver the improved outcomes that have been set out in the WSOA.

The pace of progress has been impacted by a full re-structure and significant staffing changes within the Local Authority SEND team and reliance over a long period on agency staff. The Governance arrangements have been strengthened and a Strategic Partnership Board is in place to monitor, scrutinise and challenge pace and progress of delivery of the WSOA. A Quality Assurance and Performance Board is also in place that monitors demand, performance and quality of work.

- **Car Park income:** An Internal Audit review of car parking income identified significant control and health and safety issues. These have been reported to management and relevant actions agreed for implementation.

The secure management of car parking income remains a key priority for the Council in 2020-21 especially given the significant drop in income the Council has experienced as a result of the Covid 19 pandemic. Finding appropriate and consumer friendly ways to manage car parks and car parking income is subject to a significant review and the implementation of the results of that review will be taken forward in the coming year.

- **Communities and Housing:** A key area of focus for the Council in the coming year will be the performance of the Council's operations department. This contains the following functions: Waste Operations, Highways Operations and Assets, Public Realm Operations and Enforcement, Parking Operations and Enforcement, Housing Operations, Compliance, Fleet and Stores Management. In disbanding the Communities and Housing directorate, the Council will focus in 2020-21 on improving operational performance, compliance and delivery through the implementation of a wide-ranging improvement plan.
- **State of the Council's data:** Over the last couple of years it has become evident that the Council's ability to become modern, efficient and effective and to manage the demand for its services is being impeded by the lack of joined up data across the Council, and the inability to match data sets together to give a complete picture of an individual, a community or service need. In order to deliver a step-change in our data management and quality, prolonged focus and investment is required. The development of a Data Strategy this year will outline the steps the Council needs to take in this area and the appointment of a new Head of Data, Performance and Insight will help to drive this strategy forward. It is likely that significant investment will be required in this area in the coming years.

### Looking back to 2018/19

The review also identified that the following area included in last year's statement is considered to have progressed sufficiently for it not to be included in this year's statement:

- **Children Services** - Swindon Children's Social Care Services were inspected by Ofsted in July 2019 and achieved a Good judgement. The inspection report demonstrates and evidences the progress that has been made in addressing the key issues of the previous focused inspection visit in April 2018 and within the service's own self-evaluation.

The service has robust service delivery and improvement plans in place to ensure that improvements continue and are sustained and embedded in practice. This is monitored by a comprehensive and systematic performance management and quality assurance process which includes weekly performance management reports at individual and team level and monthly team performance clinics that feed into a monthly Quality Assurance Performance and Improvement Board (QAPIB) chaired by the DCS. There has been a focus to continue to improve practice and provision for Swindon's Children in Care and Care Leavers and this has received over-sight and scrutiny from the Council's Corporate Parenting Board.

This area will continue to be reviewed and relevant risks will be included and managed through the Council's Corporate Risk register.

### Certification

To the best of our knowledge, the governance arrangements, as defined above, have been effectively operating during the year although we recognise the areas for additional focus identified in the first section of this statement. We are satisfied that these enhancements will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed:

Signed:

Councillor David Renard  
Leader of the Council

Susie Kemp  
Chief Executive

## Governance and Internal Control - Areas of Focus: Action Plan 2020/21

Ref.	Area of Focus	Action
1	Covid-19	<p>In the first eight weeks of the pandemic, seven bronze response groups stood up to address particular key challenges for the Council and escalated any issues to the Silver Coordinating Group for decision or ratification. This meant an unrelenting organisational focus on the key priorities for the Council at this time. As time has passed some of these groups have now stood down although the Council remains (at time of writing) in response phase.</p> <p>We are also now running a Recovery process using the same governance structures which worked so well at the height of the Council's response to Covid-19.</p> <p>Responding to the challenges brought about as a result of a prolonged pandemic will undoubtedly be a major area of focus for the Council in the coming year. Those challenges are broad in their scope – supporting the Swindon economy, improving the health of the Swindon population and supporting those with increasing personal vulnerabilities as a result of the pandemic, will be key areas of focus.</p> <p>The Council is also significantly financially impacted by its increased responsibilities during this time as well as a significant loss of income and ensuring this is mitigated will be a key area of focus for the Council in the coming year.</p>
2	Information governance and security	<p>Areas for improvement during 2020/21:</p> <ul style="list-style-type: none"> <li>▪ A new Senior Information Risk Owner (SIRO) was appointed in October 2019 and there are plans (the pace of which has been impacted by the Covid-19 pandemic) to deliver specific SIRO and Information Asset Owner training to support the improvement of information ownership, risk management and governance through delivery of the wider Information Governance Framework.</li> <li>▪ Work on PSN and cyber security standards continues at pace, with this year's PSN assessments due to take place before year end. A further consideration on Cyber Essentials Plus will then follow.</li> <li>▪ We have been successful in securing £20,800 funding from the Local Government Association to bolster our Cyber Security stance. This will be used to increase awareness of cyber security for all staff and members, including use of tools like email phish testing.</li> <li>▪ We have begun key work to move our data to SharePoint online, enabling a more secure, efficient and compliant way to manage, share and use our information and data.</li> </ul>
3	GCSE attainment	<p>During 20/2021 the key actions are:</p> <ul style="list-style-type: none"> <li>▪ Finalise consultation on the Education and School Improvement Strategy 2020-25</li> <li>▪ Approve and publish the Education and School Improvement Strategy 2020-25</li> <li>▪ Implement system wide Governance and accountability arrangements led by Head Teachers</li> <li>▪ Implement revised school improvement processes, including a revised School Performance Review Process</li> <li>▪ Strengthen relationships and working practices with Multi-Academy Trusts and Trust Boards</li> <li>▪ Progress work on Swindon Learning Town and Lifelong Learning Initiatives</li> <li>▪ Develop the Governance arrangements for Adult Learning by implementing a stakeholder Governance Board</li> </ul>



Ref.	Area of Focus	Action
4	Youth Offending Team	<p>During 20/21 the key actions are:</p> <ul style="list-style-type: none"> <li>▪ Improve access for young people to a wider range of education and learning programmes from September 20/21</li> <li>▪ Work with Partners to appoint to vacant posts and provide a good induction for new staff</li> <li>▪ Undertake a staff skills audit and use this to inform the annual Learning and Development Plan</li> <li>▪ Embed the work of the Youth Restorative Intervention Panel (YRIP)</li> <li>▪ Involve children, young people and families more consistently in decision making</li> <li>▪ Continue to strengthen the work of the YOT Board and the relationship with operational staff</li> <li>▪ Develop and Implement an audit and quality assurance framework</li> </ul>
5	SEND	<p>During 20/21 the key actions are:</p> <ul style="list-style-type: none"> <li>▪ Appoint a Director of Inclusion and Achievement and appoint to vacant leadership posts</li> <li>▪ Strengthen co-production and commissioning arrangements across education, health and social care</li> <li>▪ Further strengthen partnership work with Swindon's Parent Carer Forum and engage children, young people and families more in decision making</li> <li>▪ Continue to deliver improvements in the timeliness and quality of assessments and plans for children</li> <li>▪ Embed inclusion work in schools and settings through the implementation of Swindon's core standards and graduated response</li> <li>▪ Implement an Inclusion Forum and review the advisory services that work with children and families in Swindon</li> <li>▪ Develop and Implement a Budget Deficit Recovery Plan for the Dedicated School Grant (DSG) High Needs Budget</li> <li>▪ Work with schools to reduce the number of children excluded from schools and those on part-time timetables</li> </ul>
6	Car Park income	<p>An Internal Audit review of car parking income identified significant control and health and safety issues. These have been reported to management and relevant actions agreed for implementation and detailed in an action plan. The status regarding the implementation of recommendations will be reported back to Audit Committee.</p> <p>The secure management of car parking income remains a key priority for the Council in 2020-21 especially given the significant drop in income the Council has experienced as a result of the Covid 19 pandemic. Finding appropriate and consumer friendly ways to manage car parks and car parking income is subject to a significant review and the implementation of the results of that review will be taken forward in the coming year.</p>
7	Communities and Housing	<p>A key area of focus for the Council in the coming year will be the performance of the Council's operations department. This contains the following functions: Waste Operations, Highways Operations and Assets, Public Realm Operations and Enforcement, Parking Operations and Enforcement, Housing Operations, Compliance, Fleet and Stores Management.</p> <p>In disbanding the Communities and Housing directorate, the Council will focus in 2020-21 on improving operational performance, compliance and delivery through the implementation of a wide-ranging improvement plan.</p>
8	State of the Council's data	<p>In order to deliver a step-change in our data management and quality, prolonged focus and investment is required.</p> <p>The development of a Data Strategy this year will outline the steps the Council needs to take in this area and the appointment of a new Head of Data, Performance and Insight will help to drive this strategy forward. It is likely that significant investment will be required in this area in the coming years.</p>

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## Review on the effectiveness of corporate governance arrangements: 2019/20

### Introduction

Swindon Borough Council annually reviews the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by executive managers within the Council who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, and also by comments made by the external auditors and other review agencies and inspectorates.

Corporate Directors and relevant Heads of Service have completed an assurance questionnaire reviewing the control environment within their service and the results of the questionnaire have been used to help inform our assessment of significant control issues for the Council.

The following process, split over the seven key principles, has been applied in maintaining and reviewing the effectiveness of the system of corporate governance. Both in-year and year-end review processes have taken place.

### Review of effectiveness

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

The roles and responsibilities of the executive, scrutiny and other functions are clearly defined through relevant terms of reference. The terms of reference can be found within the Constitution available on the Council's website at:

<http://ww5.swindon.gov.uk/moderngov/ecCatDisplay.aspx?sch=doc&cat=13338&path=0>

The Constitution is reviewed at least annually and agreed at Full Council.

The Council's Monitoring Officer has responsibility for ensuring that the Council acts lawfully by considering any proposal, decision or omission to ensure that it wouldn't give rise to unlawfulness or if any decision or omission has given rise to maladministration. The Monitoring Officer did not have to exercise her powers under section 5 of the Local Government and Housing Act 1985 during 2019/20.

The Council's Local Code of Corporate Governance reflects the updated framework and guidance issued by CIPFA/SOLACE that applies to annual governance statements prepared for the financial year 2016/17 onwards.

The Council maintains a register of interests for both Members and Officers. The register includes declarations of gifts and hospitality.

The Monitoring Officer provides advice to Members throughout the year regarding any potential conflicts of interest and the need to declare these under the Localism Act 2011 and the local Member Code of Conduct.

The Standards Committee has monitored standards of conduct of Members and advised the Council on probity issues. Standards Committee received five complaints regarding Borough and Parish Councillors during 2019/2020. Four of these were resolved informally and no further action was required regarding one complaint.

The role of the Director of Finance as Section 151 Officer has been assessed by Internal Audit against the CIPFA statement on the role of the Chief Financial Officer in Local Government and found to be meeting the requirements of the statement.

A Corporate Governance Working Group, consisting of both Members and officers reviews the effectiveness of the Council's corporate governance arrangements. The Group also give guidance and opinion to the Leader of the Council and the Deputy Monitoring Officer on ongoing governance issues. The Group meets on an ad-hoc basis when issues are identified.

An officer Governance Group was established during 2018/19 consisting of the Chief Executive, Director of Finance (Section 151 Officer); the Head of Legal (Monitoring Officer) and the Head

of Internal Audit. The group meets regularly to review any emerging governance issues that may affect the Council.

The Council operates a whistleblowing policy that provides a confidential and secure means for staff to raise concerns. Eleven whistleblowing cases were reported during 2019/20. The outcomes of investigations are reported to the Standards Committee. Of the eleven cases reported to the Standards Committee:

- Two cases were substantiated and resulted in a member of staff being dismissed following disciplinary investigations.
- Four cases were substantiated with recommendations that existing working arrangements be improved.
- One case resulted in no further action following an investigation.
- Four cases are still being investigated.

The Council also subscribes to Protect (formerly Public Concern at Work), who provide an independent confidential service where employees can report issues where they do not wish to use the internal processes.

The Council has established a Corporate Fraud team who investigate allegations of external fraud against the Council. Internal Audit investigate any employee fraud.

### **B. Ensuring openness and comprehensive stakeholder engagement**

The Council's constitution sets out how the Council operates, how decisions are made and the procedures that are followed to ensure that these are efficient, transparent and accountable to local people.

The constitution sets out that decisions will be made in accordance with the following principles:

- proportionality (i.e. the action must be proportionate to the desired outcome)
- due consultation and the taking of professional advice from officers
- respect for human rights
- a presumption in favour of openness
- clarity of aims and desired outcomes

The Council has a Consultation Policy that sets out the Council's commitment to effective and efficient public consultation and sets the expectation that this commitment will be consistently applied, particularly in relation to the Council's key decisions.

The Council will consult with residents, businesses, partner bodies and other stakeholders and will use the results of the consultation to inform its decision-making processes, to develop and refine its policies, and to drive improvement in the services for which it is responsible. The Council has carried out consultations on the budget and proposed policy changes such as Electric Vehicle Charging; Housing Tenants Communications. Further details are available at:

[https://www.swindon.gov.uk/downloads/20019/consultations\\_engagement\\_and\\_surveys](https://www.swindon.gov.uk/downloads/20019/consultations_engagement_and_surveys)

The Council carried out a Residents' Survey in 2017/18. Satisfaction with the Council (66%) and perceived value for money (52%) were in line with national averages. Trust in the Council (60%) however is below the national average. Satisfaction with the local area as a place to live was slightly above the national average at 84%.

The Council's Lead for Organisational Development and Equality, Diversity and Inclusion has confirmed that the Council is compliant with the Public Sector Equality Duty (Equality Act 2010); has published our PSED report in January 2020 and our gender pay gap report in March 2020, demonstrating a reduction in our gender pay gap from 2.03% in 2019 to 1.73% for this year. The Council has in place a consistent approach to equality analysis through our diversity impact assessment, (DIA) process and this year we updated our DIA process to include the additional characteristic of children in care and care leavers, to enhance our decision making in line with our Corporate Parenting responsibility. All Cabinet reports include specific equality consideration showing 'due regard' to the duty. This information is quality assured prior to Cabinet meetings. The Council has clear 2019-2021 Equality Objectives in place, along with an

action plan and performance scorecard which receives scrutiny by the Equality Advisory Group and Equality Task Group.

Details regarding Data Protection and Freedom of Information are provided on the Council's website. The publication scheme sets out information that is available.

The Council also has collected information in accordance with the Local Government Transparency Code 2015 and is available on the website:

[https://www.swindon.gov.uk/site\\_search/results/?q=transparency+code](https://www.swindon.gov.uk/site_search/results/?q=transparency+code)

The Council has established a Customer complaints, comments and feedback process which is also available on the Council's website:

[https://www.swindon.gov.uk/site\\_search/results/?q=complaints](https://www.swindon.gov.uk/site_search/results/?q=complaints) along with separate processes for Children and Adults.

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

By 2030, Swindon will have all of the positive characteristics of a British city with one of the UK's most successful economies a low-carbon environment with compelling cultural, retail and leisure opportunities and excellent infrastructure. It will be a model of well-managed housing growth, which supports and improves new and existing communities.

Swindon will be physically transformed with existing heritage and landmarks complemented by new ones that people who live, work and visit here would recognise and admire. It will remain a place of fairness, and opportunity, where people can aspire to and achieve prosperity supported by strong civic and community leadership.

The Corporate Plan sets out a clear set of priorities and pledges, which will enable Councillors and officers to prioritise their work and ensure that the Council is using its increasingly limited resources to best effect in pursuit of delivering the vision for Swindon.

The Vision for Swindon 2030 was originally adopted in September 2015. This set out how the Council will shape the borough and deliver growth that allows communities to prosper, families to live healthy and happy lives, and children to fulfil their potential. The vision set out four priorities and 30 pledges.

In September 2018, the Council's Cabinet agreed a renewed set of 26 pledges (some of which have been split into sub-pledges this now totals 40 pledges). This took into account the pledges that had now been delivered, and new issues and opportunities that had emerged since the original set of pledges was developed.

Pledges that have been delivered during 2019/20 include:

- Enhance Wellington Street as a prime thoroughfare for the town
- Work with Nationwide Building Society to deliver homes at the former Oakfield campus

You can view the Vision, Priorities and Pledges by selecting the priority links below:

Our Vision, Priorities and Pledges:

[https://www.swindon.gov.uk/info/20028/open\\_data\\_and\\_transparency/952/our\\_vision\\_priorities\\_and\\_pledges](https://www.swindon.gov.uk/info/20028/open_data_and_transparency/952/our_vision_priorities_and_pledges)

Priority One: Improve infrastructure and housing to support a growing, low-carbon economy

[https://www.swindon.gov.uk/info/20028/open\\_data\\_and\\_transparency/952/our\\_vision\\_priorities\\_and\\_pledges/2](https://www.swindon.gov.uk/info/20028/open_data_and_transparency/952/our_vision_priorities_and_pledges/2)

Priority Two: Offer education opportunities that lead to the right skills and right jobs in the right places

[https://www.swindon.gov.uk/info/20028/open\\_data\\_and\\_transparency/952/our\\_priorities\\_and\\_pledges/3](https://www.swindon.gov.uk/info/20028/open_data_and_transparency/952/our_priorities_and_pledges/3)

Priority Three: Ensure clean and safe streets and improve public spaces and local culture

[https://www.swindon.gov.uk/info/20028/open\\_data\\_and\\_transparency/952/our\\_priorities\\_and\\_pledges/4](https://www.swindon.gov.uk/info/20028/open_data_and_transparency/952/our_priorities_and_pledges/4)

Priority Four: Help people to help themselves while always protecting the most vulnerable children and adults

[https://www.swindon.gov.uk/info/20028/open\\_data\\_and\\_transparency/952/our\\_priorities\\_and\\_pledges/5](https://www.swindon.gov.uk/info/20028/open_data_and_transparency/952/our_priorities_and_pledges/5)

As at 29th February 2020 (Pre Covid-19), the Council's Performance Dashboard shows that the following progress has been made in terms of the set deliverables for the pledges:

Priority	No. of Pledges	Completed	On Track	Need Improvement
One	19	2	15	2
Two	5	0	3	2
Three	6	0	6	0
Four	10	0	9	1
Total	40	2	33	5

The Council has improved upon the way that it tracks progress with pledges. Each pledge has set deliverables that it has set out to achieve each month and progress is reported on. Some pledges also have outcomes that are tracked, e.g. numerical values/ targets. The aim of introducing the deliverables is so that there is a clear set of monthly actions to be completed that either work towards completing the pledge or meeting the associated outcomes. This is regularly reported to the Corporate Management Team and to the Portfolio Holder within Cabinet. The Council will be working with Cabinet to understand the impact of Covid-19 on the pledges and if affected, what may be required to bring them back on track.

#### **D. Determining the interventions necessary to optimise the achievement of the intended outcomes**

The Council has a robust decision-making process that ensures defined outcomes can be achieved in a way that provides the balance between the various types of resource inputs while still enabling effective and efficient operations. A clear statement of the Council's priorities and pledges is set out in the Corporate Plan.

The Council's External Auditor, Grant Thornton, was satisfied that in all significant respects, that the Council had proper arrangements in place to secure economy, efficiency and effectiveness in the use of its resources. In reaching this conclusion the External Auditor completed an overall assessment of arrangements and risks for the year of audit and looked in detail at how the Council built up savings plans and included them in to budgets.

The Council's financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2015)

The Council is aware of and ensuring that they meet the requirements of CIPFA's Financial Management Code that was issued in October 2019 and becomes effective from 1<sup>st</sup> April 2020.

Timely support, information and responses are provided to our external auditors. Findings and recommendations from both our Internal and External Auditors are considered by senior management and at the Council's Audit Committee.

As detailed above the Council has a Performance Dashboard that forms part of a regular performance report to the Corporate Management team along with the Corporate Risk Register. Key issues regarding performance and risk are discussed and appropriate action taken to address any issues arising.



### **E. Developing the Council's capacity, including the capability of its leadership and the individuals within it**

The Council is continuing to develop leadership skills. It has introduced various initiatives over recent years, such as:

- Senior Leadership Development Programme for members of the Extended Leadership Team
- Swindon Future Leaders Programme - Working with the University of the West of England, the Council has developed a programme which will lead to a recognised qualification and is aimed at those people who have shown the potential to be our next heads of service and directors.
- Aspiring Leaders – for staff who have been identified as someone having leadership potential in the future.
- Swindon Manager Programme - To support managers with their development we have set out the competencies required at the most fundamental level and are working to build them into a full leadership and management development programme. The foundation levels competencies and guidance and support to achieve them are set out here.
- Development of e-learning including mandatory courses and links to Future Learn
- One to one coaching

Staff should have appraisals on an annual basis with six-monthly update review, along with regular 1:1's and team meetings. Compliance with the requirement for appraisals has improved over 2019/20, with 84.5% of staff reporting that they had completed their PDP by May 2020.

Information is regularly cascaded to staff through all staff briefings, the Core Brief and through senior management/leadership teams and individual team meetings.

One of the themes of the Swindon Programme is Workforce Excellence. The aim of this theme is to ensure that the Council has workforce policies and practices in place which support a modern, effective and efficient organisation; a consistent approach to pay and reward; and the Council will be seen as an attractive recruitment proposition with slick recruitment processes.

Performance monitoring is in place to ensure that the Council effectively manages its workforce with a particular focus on reducing absence management, which at present is above national average. The Council is also investing in its workforce to ensure that effective leadership and management is in place to support the workforce of the future (see above).

### **F. Managing risks and performance through robust internal control and strong public financial management**

The Executive is responsible for considering overall financial and performance management and receives comprehensive reports on a regular basis. It also receives reports relating to risk management and monitors the corporate risk register, as well as being responsible for key decisions and for initiating corrective action in relation to risk, performance and internal control issues.

The risk management strategy and the Corporate Risk Register is regularly updated in consultation with Corporate Management Team and presented to both Leaders Advisory Group and Audit Committee. The latest report to Audit Committee can be found at:

<http://ww5.swindon.gov.uk/moderngov/ieListDocuments.aspx?CId=687&MId=9457&Ver=4>

The Council's Performance Framework is led by the Chief Operating Officer. The framework includes a Performance and Corporate Health dashboard that enables the Council to better target resources and demonstrates the organisation's desire to be as transparent as possible. The Performance dashboard is reported regularly to Corporate Management Team and is available at:

[https://www.swindon.gov.uk/info/20028/open\\_data\\_and\\_transparency/952/our\\_vision\\_priorities\\_and\\_pledges](https://www.swindon.gov.uk/info/20028/open_data_and_transparency/952/our_vision_priorities_and_pledges)

The terms of reference for the Audit Committee reflect CIPFA guidance best practice. The Committee is a full committee of the Council emphasising the commitment to ensuring that there are high standards of internal control, governance and risk management within the Council.

The Committee is responsible for reviewing the financial performance, risk management, has an oversight of Treasury Management and both, Internal and External Audit performance and their findings and recommendations.

The Audit Committee also reviews the Council's assurance statements to ensure that they properly reflect the risk environment and any actions to improve it

The Internal Audit section was externally assessed against the Public Sector Internal Audit Standards during 2016/17. The assessment, carried out by Bristol City Council, concluded that the Council's Internal Audit section conforms to the requirements of the Standards.

A self-assessment of the Head of Internal Audit's role has also been made against CIPFA's statement on the Role of the Head of Internal Audit in Public Service organisations. It was found that the requirements of the CIPFA statement are being met.

Audit Committee's terms of reference require that a least one full Internal Audit report be brought to each Audit Committee. Relevant Corporate Directors/Heads of Service attend to relay to Members progress that has been made in implementing agreed recommendations. The Council's External Auditor has been very positive regarding the content and nature of the Internal Audit reports presented to Audit Committee. They were assured that if issues were found then they are reported to Members.

The Head of Internal Audit's Annual report is presented to Audit Committee. The overall opinion regarding the Council's governance, risk management and internal control arrangements was that they were satisfactory. A link to the Head of Audit's report is below:

<http://ww5.swindon.gov.uk/moderngov/ieListMeetings.aspx?CId=687&Year=0>

Corporate Directors and Heads of Service completed assurance statements to confirm that key elements of the control framework were in place during the year in their areas of responsibility. They were also asked to identify areas where control weaknesses had resulted in a significant issue arising for the department.

Specific assurances were also obtained from Heads of Service with regard to the governance arrangements in place for key partnerships.

The Senior Information Risk Officer (SIRO) has assessed the Council's information governance and security arrangements and has stated that:

An IT and Digital strategy has been formalised to ensure continuous service improvement for the IT department in line with Swindon Borough Council's need to be modern, efficient and effective. The strategy will help push the business into modern tools and practices while improving the skills of staff to use, support and be secure in their workings. It will also enable greater effectiveness of a Cyber Response Plan in the event of a major breach.

Information Governance Board has met regularly throughout the year at CMT to review information compliance, security and records management issues and incidents and to oversee and support the functions of the Information Governance Manager, work stream and roles of Data Protection Officer (DPO), Proper Officer for Freedom of Information and Senior Responsible Officer for compliance with the Surveillance Camera Code of Practice and adherence to the Protection of Freedoms Act 2012. This has ensured high level visibility of Information Governance priorities and corporate compliance targets, risks and challenges.

Substantial improvements in the accessibility, management, completion and reporting of mandatory employee training of the Information Security, Data Protection and Freedom of Information e-learning modules resulted in recording over 95% of all staff passing their annual mandatory tests.



A new Senior Information Risk Owner (SIRO) was appointed in October 2019 and there are plans (the pace of which has been impacted by the Covid-19 pandemic) to deliver specific SIRO and Information Asset Owner training to support the improvement of information ownership, risk management and governance through delivery of the wider Information Governance Framework.

The management of email security was improved in 2019, removing the need for an expensive external secure email solution to be used, by utilising and deploying Microsoft 365 encryption and securing email by default between the Council and other public sector partners and key external partners.

The proposed restructure of IT has been completed and roles formalised for staff, providing more accurate job descriptions which are reflective of the roles staff perform along with improved lines of reporting, as well as a new Head of IT role and Head of Digital and Business Change.

We have overhauled our data centre backup tools to ensure a future proofed and fit for purpose processes, enabling greater response to data risks.

Work on PSN and cyber security standards continues at pace, with this year's PSN assessments due to take place before year end. A further consideration on Cyber Essentials Plus will then follow.

We have been successful in securing £20,800 funding from the Local Government Association to bolster our Cyber Security stance. This will be used to increase awareness of cyber security for all staff and members, including use of tools like email phish testing.

We have begun key work to move our data to SharePoint online, enabling a more secure, efficient and compliant way to manage, share and use our information and data.

We have now rolled out Teams business wide to enable secure and collaborative working across the business and with external partners.

An Annual Governance Statement is produced that sets out the Council's governance arrangements, a review of the effectiveness of those arrangements and highlights any area for improvement. This statement is signed by the Leader of the Council and the Chief Executive and is published with the Statement of Accounts.

#### **G. Implementing good practices in transparency, reporting and audit to deliver effective accountability**

Details of Council meetings including agendas and minutes, showing what decisions have been made, are available on the Council's website. As mentioned above the Monitoring Officer will ensure that all decisions are legal and the Chief Finance Officer will ensure that resources are available for decisions made.

The Audit Committee complies with the CIPFA document: *Audit Committees – Practical Guidance for Local Authorities and Police* that were updated in 2018.

The Head of Internal Audit produces a report for each Audit Committee meeting setting out which audit reports have been issued since the previous Committee meeting. The report also contains a summary of each finalised report setting out the key recommendations made.

Audit Committee's terms of reference include a requirement for the Head of Internal Audit to present at least one full Internal Audit report where a 'significant' or 'of concern' risk has been identified. The relevant Head of Service will attend to update Members on what action has been taken to address agreed recommendations. Reports are also presented on areas that fall within the Committee's terms of reference.

Internal Audit reports presented to Audit Committee include those on: Corporate Fraud; Treasury Management; Compliance with Contract Standing Orders; Premises Management; IT

Governance and Security; Services to Parishes; Absence Management and the Swindon Housing Company.

External Audit also attend each Audit Committee to present their reports including any relevant recommendations.

Significant issues raised by Internal Audit are also reported to Corporate Management Team.

### **Impact of Covid-19 on the Council's Review of the effectiveness of our governance arrangements**

The Covid 19 pandemic has placed significant additional responsibilities on the Council which have been well managed with a strong emergency governance structure in place as per the requirements of a major incident. This takes the form of a number of bronze (tactical) groups, a Silver Coordinating Group (operational) comprised of senior officers from across the Council and a (strategic) gold group which consists of members of the Council's Corporate Management Team, senior officers from major Council partners and the Director of Public Health.

The Council declared a major incident in relation to Covid-19 on 16 March 2020 with lockdown being announced by the Prime Minister the following week. In the first eight weeks of the pandemic, seven bronze response groups stood up to address particular key challenges for the Council and escalated any issues to the Silver Coordinating Group for decision, or ratification. This meant an unrelenting organisational focus on the key priorities for the Council at this time. As time has passed some of these groups have now stood down although the Council remains (at time of writing) in response phase. We are also now running a Recovery process using the same governance structures which worked so well at the height of the Council's response to Covid.

#### **• Decision making**

To ensure that the Council continues to apply the principles of good governance, Members adopted the following:

- Introduction of virtual meetings as soon as possible after the secondary legislation to permit this was approved.
- The adoption of a change to the Council's constitution in line with prior legislation to permit the delegation of key or strategic decisions to the Chief Executive, but only with the consent of the Leader and Deputy Leader of the Council and with the requirement to report such decisions to Council.
- The wider use of delegated decision-making as permitted by prior legislation but again in full consultation with the relevant Cabinet Member(s).
- Agreed to change the Constitution to permit the use of electronic signatures so that Cabinet Members could continue to exercise democratically elected and accountable control of the local authority.

#### **• Business as usual and new areas of activity**

A range of actions are being taken to try and mitigate the impact of Covid-19 on the delivery of the Council's critical services. This will be kept under constant monitoring and review. The following chart demonstrates so of the work undertaken during the Covid-19 crisis.



#### • **Longer term impacts/ Lessons learned**

An assessment of the long-term disruption and consequences arising from the coronavirus pandemic will be carried out, which will result in the development of an action plan and an update of the relevant risk registers.

A review will also be undertaken around the lessons to be learned from our response to the Covid-19 pandemic, including the identification of any improvement actions.

#### **In-Year events**

- **Ofsted** - Swindon Children's Social Care Services were inspected by Ofsted in July 2019 and achieved a Good judgement. The inspection report demonstrates and evidences the progress that has been made in addressing the key issues of the previous focused inspection visit in April 2018 and within the service's own self-evaluation. The service has robust service delivery and improvement plans in place to ensure that improvements continue and are sustained and embedded in practice.
- **Highworth Elections** - A mathematical/ clerical error during the Highworth Parish election in May 2019 led to an incorrect Parish election result; and subsequently an election petition from members of the Highworth community.

The Council acted quickly to acknowledge the error and worked hard, through the appropriate governance structures, to ensure that a re-count could take place as soon as was practicable. This re-count was effectively and accurately completed on 6<sup>th</sup> August 2019 and resulted in one change to the make-up of the Parish Council.

A European election and a General Election have subsequently taken place effectively and efficiently since the Highworth Parish election took place and learnings have been applied to ensure that all future elections are run as well as the two elections which have taken place since this mistake was made. Corporate Management Team have therefore not included this as an action to address in 2020/21.

#### **Last year's statement**

The review has identified that the following area included in last year's statement has progressed sufficiently for them not to be included in this year's statement:

- **Children Services** - Swindon Children's Social Care Services were inspected by Ofsted in July 2019 and achieved a Good judgement. The inspection report demonstrates and evidences the progress that has been made in addressing the key issues of the previous focused inspection visit in April 2018 and within the service's own self-evaluation. The service has robust service delivery and improvement plans in place to ensure that improvements continue and are sustained and embedded in practice. This is monitored by a comprehensive and systematic performance management and quality assurance process which includes weekly performance management reports at individual and team level and monthly team performance clinics that feed into a monthly Quality Assurance Performance and Improvement Board (QAPIB) chaired by the DCS. There has been a focus to continue to improve practice and provision for Swindon's Children in Care and Care Leavers and this has received over-sight and scrutiny from the Council's Corporate Parenting Board.

These areas will continue to be reviewed and relevant risks will be included and managed through the Council's Corporate Risk register.

However, further progress is still required in the following areas before they can be taken off the statement:

- Information Governance and Security
- GCSE attainment

#### Areas for improvement to be included in the Annual Governance Statement for 2019/20

Whilst these arrangements generally work well the review identified a number of significant governance issues that need to be addressed:

Governance issue	Lead Officer
Covid-19	Chief Operating Officer
Information Governance and Security	Head of IT
GCSE attainment	Head of Education
Youth Offending Team	Corporate Director: Children Services
SEND	Corporate Director: Children Services
Car Park income	Head of Highways and Transport
Communities and Housing	Chief Operating Officer
State of Data	Chief Operating Officer

- **Covid-19:** Responding to the challenges brought about as a result of a prolonged pandemic will undoubtedly be a major area of focus for the Council in the coming year. Those challenges are broad in their scope – supporting the Swindon economy, improving the health of the Swindon population and supporting those with increasing personal vulnerabilities as a result of the pandemic - will be key areas of focus. The Council is also significantly financially impacted by its increased responsibilities during this time as well as a significant loss of income and ensuring this is mitigated will be a key area of focus for the Council in the coming year.
- **Information Governance and Security:** A new Senior Information Risk Owner (SIRO) was appointed in October 2019 and there are plans (the pace of which has been impacted by the Covid-19 pandemic) to deliver specific SIRO and Information Asset Owner training to support the improvement of information ownership, risk management and governance through delivery of the wider Information Governance Framework.

Work on PSN and cyber security standards continues at pace, with this year's PSN assessments due to take place before year end. A further consideration on Cyber Essentials Plus will then follow.



We have been successful in securing £20,800 funding from the Local Government Association to bolster our Cyber Security stance. This will be used to increase awareness of cyber security for all staff and members, including use of tools like email phishing testing.

We have begun key work to move our data to SharePoint online, enabling a more secure, efficient and compliant way to manage, share and use our information and data.

- **GCSE Attainment:** Action was taken during 2019/20 to develop a Governance structure and school improvement processes that support and challenge school performance and improvement in Swindon. This has included working with education providers across the Borough to re-set the Educational and School Improvement Strategy and establish a system led Governance model to replace the Swindon Challenge Board that was established in March 2017. The 2019 GCSE results showed improvement in mathematics and English GCSE progress and outcomes in a number of schools. Pupil progress in mathematics was in line with the national average and the overall Progress 8 measure saw considerable improvement. However, GCSE results are currently still below the national average and overall pupil progress measures are still not good enough.
- **Youth Offending Team:** Audit and review work undertaken in Swindon's Youth Offending Team (YOT) during 19/20 demonstrate areas of strength and areas in need of improvement. The YOT Board has undertaken a detailed self-evaluation against the Youth Justice Board (YJB) framework and is working to deliver a service improvement plan to address improvement priorities. The YOT team has experienced significant staffing instability and staff changes and at times has been working with reduced staffing levels. Despite this the staff have worked with real commitment and dedication to maintain strong relationships with young people and provide them with good support and this is evidenced in case audit outcomes. It has sometimes been a challenge to identify the right educational opportunities for young people over a sustained period and this is an improvement priority. More support for young people and families is being provided through the Early Help Service and this is strengthening the offer from the YOT. A Youth Restorative Intervention Panel (YRIP) has been established to provide young people with restorative and diversionary opportunities. The panel is gaining commitment from Partners and is a positive initiative for young people in Swindon.
- **SEND:** In November 2018 Ofsted undertook a Joint Local Area Special Education needs and Disabilities (SEND) Inspection in Swindon. The report identified eight significant weaknesses and required the Local Authority and the CCG to produce a Written Statement of Action (WSOA) to explain how the weaknesses will be addressed. A WSOA was submitted to Ofsted within the required timescale and was approved without amendment. The Local Authority and CCG are working closely together and with other key partners to address the weaknesses and deliver the improved outcomes that have been set out in the WSOA. The pace of progress has been impacted by a full re-structure and significant staffing changes within the Local Authority SEND team and reliance over a long period on agency staff. The Governance arrangements have been strengthened and a Strategic Partnership Board is in place to monitor, scrutinise and challenge pace and progress of delivery of the WSOA. A Quality Assurance and Performance Board is also in place that monitors demand, performance and quality of work.
- **Car Park income:** An Internal Audit review of car parking income identified significant control and health and safety issues. These have been reported to management and relevant actions agreed for implementation.

The secure management of car parking income remains a key priority for the Council in 2020-21 especially given the significant drop in income the Council has experienced as a result of the Covid 19 pandemic. Finding appropriate and consumer friendly ways to manage car parks and car parking income is subject to a significant review and the implementation of the results of that review will be taken forward in the coming year.

- **Communities and Housing:** A key area of focus for the Council in the coming year will be the performance of the Council's operations department. This contains the following functions: Waste Operations, Highways Operations and Assets, Public Realm Operations and Enforcement, Parking Operations and Enforcement, Housing Operations, Compliance, Fleet and Stores

Management. In disbanding the Communities and Housing directorate, the Council will focus in 2020-21 on improving operational performance, compliance and delivery through the implementation of a wide-ranging improvement plan.

- **State of the Council's data:** Over the last couple of years it has become evident that the Council's ability to become modern, efficient and effective and to manage the demand for its services is being impeded by the lack of joined up data across the Council, and the inability to match data sets together to give a complete picture of an individual, a community or service need. In order to deliver a step-change in our data management and quality, prolonged focus and investment is required. The development of a Data Strategy this year will outline the steps the Council needs to take in this area and the appointment of a new Head of Data, Performance and Insight will help to drive this strategy forward. It is likely that significant investment will be required in this area in the coming years.

**Overall opinion on the Council's governance arrangements:**

The review has found that the Council's governance arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

## Regulation of Investigatory Powers Act 2000 (RIPA)

**Audit Committee**

**Date: 21<sup>st</sup> July 2020**

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Author: Head of Internal Audit

Wards: None

Parishes Affected: None

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### **1. Purpose and Reasons**

- 1.1 The Council's Audit Committee has a strategic role to ensure that the Council's assurance framework is operating effectively. To this end it should seek assurance that key areas that contribute to this framework are operating effectively.
- 1.2 The Council's Policy and Protocol in relation to the Regulation of Investigatory Powers Act 2000, requires that an annual report be presented to Members reviewing the authority's use of the 2000 Act and to agree any amendments to the policy. This should ensure that the policy is being used consistently and that the policy remains fit for purpose.

### **2. Recommendations**

The Committee is recommended to:

- 2.1 It is recommended that Audit Committee note the report and approve the recommended amendments to the Council's RIPA policy.

### **3. Detail**

Background

- 3.1 The Human Rights Act 1998 was introduced to give effect to European Convention on Human Rights (ECHR) and came into force in October 2000. From that date the ECHR became part of our domestic law. Consequently, individuals may enforce their rights under ECHR in domestic courts rather than having to go before the European Court of Human Rights in Strasbourg.
- 3.2 The Human Rights Act imposes a duty upon the Council to act in a way that is compatible with the rights under ECHR. Failure to do so may enable a person to seek damages against the Council or to use our failure as a defence in any proceedings that we may bring against them.
- 3.3 Under Article 6 of the ECHR, everyone is entitled to a fair and public hearing, within a reasonable time, of any criminal charge against him or her or into the determination of any civil dispute.
- 3.4 Under Article 8, everyone also has the right to respect for the private and family life, their home and their correspondence. The Article recognises that there may be circumstances in a democratic society where it may be necessary for the

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Further information on the subject of this report can be obtained from Nick Hobbs, Direct Dial Telephone Number: 07769 281679, [nhobbs@swindon.gov.uk](mailto:nhobbs@swindon.gov.uk).

# Regulation of Investigatory Powers Act 2000 (RIPA)

**Audit Committee**

**Date: 21<sup>st</sup> July 2020**

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State (which includes the Council) to interfere with this right. This can only be done in accordance with the law and for clearly defined purposes. These purposes are:

- In the interest of national security
- In the interest of public safety
- In the interest of the economic well-being of the country
- For the prevention or detection of crime or of preventing disorder
- The protection of health or morals
- For the purposes of assessing or collecting any tax, levy or other imposition, contribution or charge payable to a government department
- For the purpose, in emergency, of preventing death or injury or any damage to a person's physical or mental health, or mitigating the same
- For any other purpose as specified by the Secretary of State

- 3.5 Local authorities can only authorise use of directed surveillance under the Regulation of Investigatory Powers Act 2000 to prevent or detect criminal offences. These offenses must be either punishable, whether on summary conviction or indictment, by a maximum term of at least six months' imprisonment or are related to the underage sale of alcohol and tobacco. They can only do so where prior approval from a Justice of the Peace has been granted. These requirements do not apply to communications data or to the use of human intelligence resources. But the authorisation of a magistrate is needed for the use of all three forms of surveillance.
- 3.6 To be able to justify any interference with the right to respect for an individual's privacy, and comply with the Human Rights Act, the Council will need to demonstrate that any intrusion into an individual's privacy is necessary for the purposes of an investigation. Surveillance is often a necessary part of any investigation. The Regulation of Investigatory Powers Act 2000 (RIPA) regulates the use of covert surveillance and the acquisition of communication data. Where it is considered appropriate, it will be necessary for it to be authorised before it can commence. This applies where the surveillance is being undertaken by Council Officers or by an outside agency acting on the Council's behalf. Authorising officers will need to satisfy themselves that a defensible case can be made for covert surveillance activity.
- 3.7 The Secretary of State has issued codes of practice on the use of covert surveillance under RIPA. The codes are admissible as evidence in criminal and civil proceedings. A court or tribunal must take any relevant provision of the codes into account.

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# Regulation of Investigatory Powers Act 2000 (RIPA)

**Audit Committee**

**Date: 21<sup>st</sup> July 2020**

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- 3.8 To ensure that authorisations and procedures are applied in a consistent way, the Council has adopted a policy covering the authorisation, the use of covert surveillance and the acquisition of communication data, as well as approving a Protocol.
- 3.9 This document is in four parts:
- The Council's Policy on the Use of Surveillance and the acquisition of communication data.
  - Easy Reference Guide to the Code of Practice and Procedure;
  - Forms
  - Specimen directed surveillance application form.
- 3.10 The Council's Policy and Protocol on the Regulation of Investigatory Powers Act 2000 is attached as Appendix A to this report.

## Inspection

- 3.11 The Council is subject to inspection by the Investigatory Powers Commissioner's Office who carry out periodic inspections to ensure that the Council's policies and procedures comply with the requirements of the Act.
- 3.12 The last inspection was carried out on 4<sup>th</sup> May 2020. This was a desk-top review and included a conversation regarding procedures and processes with the IPCO Inspector (Mr Paul Gratton), the Chief Legal Officer (the Council's RIPA Senior Responsible Officer) and the Head of Internal Audit.
- 3.13 The Inspection letter confirmed that the information provided demonstrated a level of compliance that removed the need for a physical inspection.
- 3.14 The findings and recommendations of the review (set out in the IPCO letter - Appendix 1) were:
- 3.14.1 The recommendations made in the previous inspection in May 2016 had been implemented.
- 3.14.2 The Council's RIPA Policy and Protocol requires updating to incorporate recent legislative changes and Codes of Practice.
- 3.14.3 Authorising Officers should outline clearly their statutory considerations of necessity, proportionality and collateral intrusion when authorising activity under RIPA.
- 3.14.4 The Senior Responsible Officer should ensure that authorisations are regularly reviewed to assess the need for the surveillance to continue.

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# Regulation of Investigatory Powers Act 2000 (RIPA)

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## Recommended changes to the Policy and Protocol on the Regulation of Investigatory Powers Act 2000

- 3.15 The IPCO inspection identified that some update of the Council policy was required. These updates have now been completed and are included in the revised Policy attached as Appendix 2). The amendments relate to:
- Updating the list of authorised officers (see Appendix B of the Policy and Protocol)
  - Changes reflecting recent legislative changes
  - Changes relating to the Codes of Practice
  - Reference to the current oversight regime provided by IPCO
  - Other minor changes

## Council's use of the Regulation of Investigatory Powers Act 2000

- 3.16 The Council is required to report on its usage of the Regulation of Investigatory Powers Act 2000.
- 3.17 The Council did not use the legislation to commence any new cases during 2019/20.

## **4. Alternative Options**

- 4.1 Not applicable

## **5. Implications, Diversity Impact Assessment and Risk Management**

### Financial and Procurement Implications

- 5.1 There are no direct financial implications arising from this report.

### Legal and Human Rights Implications

- 5.2 The Human Rights Act 1998 was introduced to give effect to European Convention on Human Rights (ECHR) and came into force in October 2000. From that date the ECHR became part of our domestic law. Consequently, individuals may enforce their rights under ECHR in domestic courts rather than having to go before the European Court of Human Rights in Strasbourg.
- 5.3 The Human Rights Act imposes a duty upon the Council to act in a way that is compatible with the rights under ECHR. Failure to do so may enable a person to seek damages against the Council or to use our failure as a defence in any proceedings that we may bring against them.
- 5.4 Under Article 6 of the ECHR, everyone is entitled to a fair and public hearing, within a reasonable time, of any criminal charge against him or her or into the determination of any civil dispute.

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# Regulation of Investigatory Powers Act 2000 (RIPA)

**Audit Committee**

**Date: 21<sup>st</sup> July 2020**

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- 5.5 Under Article 8, everyone also has the right to respect for the private and family life, their home and their correspondence. The Article recognises that there may be circumstances in a democratic society where it may be necessary for the State (which includes the Council) to interfere with this right. This can only be done in accordance with the law and for clearly defined purposes.
- 5.6 Local authorities can only authorise use of directed surveillance under the Regulation of Investigatory Powers Act 2000 to prevent or detect criminal offences. These offenses must be either punishable, whether on summary conviction or indictment, by a maximum term of at least six months' imprisonment or are related to the underage sale of alcohol and tobacco.
- 5.7 To be able to justify any interference with the right to respect for an individual's privacy, and comply with the Human Rights Act, the Council will need to demonstrate that any intrusion into an individual's privacy is necessary for the purposes of an investigation. Surveillance is often a necessary part of any investigation. The Regulation of Investigatory Powers Act 2000 (RIPA) regulates the use of covert surveillance and the acquisition of communication data.

## All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.8 None

## Diversity Impact Assessment

- 5.9 None

## Risk Management

- 5.10 None other than those highlighted in the body of the report. Individual RIPA authorisations must demonstrate how the requirements of the RIPA legislation have been met.

## **6. Consultees**

- 6.1 The Corporate Director of Finance and Assets (Section 151 Officer) and the Chief Legal Officer (Monitoring Officer) are consulted in respect of all reports.

## **7. Background Papers**

- 7.1 None

## **8. Appendices**

- 8.1 Appendix 1: IPCO Inspection letter
- 8.2 Appendix 2: The Council's Policy and Protocol on the Regulation of Investigatory Powers Act 2000

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Further information on the subject of this report can be obtained from Nick Hobbs, Direct Dial Telephone Number: 07769 281679, [nhobbs@swindon.gov.uk](mailto:nhobbs@swindon.gov.uk).

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Civic Offices  
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Swindon  
SN1 2JH  
ceoffice@swindon.gov.uk

May 6<sup>th</sup> 2020

Dear Ms. Kemp,

### **Inspection of Swindon Borough Council**

Your Council was recently the subject of a telephone-based inspection by one of my Inspectors, Mr Paul Gration. The call was organised by Nick Hobbs, your Head of Internal Audit and included your RIPA Senior Responsible Officer, Lisa Hall. Prior to the call Mr Hobbs kindly provided the required supporting documentation.

The information provided has demonstrated a level of compliance that removes, for the present, the requirement for a physical inspection. I ask you to consider and to ensure that any observations from the findings of the remote inspection are promptly addressed.

The previous recommendations made by HH Norman Jones QC in May 2016 have all been discharged, as you have amended both your policy and central register in line with his guidance and implemented a clear training and awareness plan. I understand, following receipt of my correspondence outlining my expectations regarding handling of data, that you are working your way through the necessary safeguarding measures. Mr Gration was reassured that you have measures in place which will be supported by a new Data Assurance policy which awaits sign off. Regarding any product obtained through surveillance, and as an extra safeguarding measure, I understand that you will amend your central register to highlight any required measures.

Following the inspection, Mr Gration has made a number of recommendations which require some attention. These points, along with others, have been fully discussed with Ms Hall and Mr Hobbs and can be summarised as follows:

1. The council's RIPA Policy and Protocol requires updating to incorporate recent legislative changes; it should be linked to the current relevant Home Office Codes of Practice and ideally include reference to the current oversight regime provided by IPCO.



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2. Authorising Officers should outline clearly their statutory considerations of necessity, proportionality and collateral intrusion and any activity authorised.
3. The SRO should ensure that authorisations are regularly reviewed to assess the need for the surveillance to continue.

In conclusion, although your Council is a limited user of its surveillance powers, I take the opportunity here to reiterate to you the importance of regular, ongoing internal oversight of the actual or potential use of these powers, which should be managed through your Senior Responsible Officer.

It is also important that officers engaged in investigatory or enforcement areas where RIPA considerations are not so immediately apparent maintain their levels of knowledge and know whom to approach for guidance. The SRO, although relatively new to the role, has given the appropriate reassurance that the integrity of your Council's processes and governance procedures will be maintained to ensure that high standards of compliance with the Act and relevant codes of practice are achieved.

I hope that you find this letter to be helpful and constructive. My Office is available to you should you have any queries following the recent inspection, or at any point in the future. Contact details are provided at the foot of this letter.

I shall be grateful if you would acknowledge receipt of the report within two months.

Yours sincerely,



**The Rt. Hon. Sir Brian Leveson**  
The Investigatory Powers Commissioner

# **SWINDON BOROUGH COUNCIL**

## **POLICY and PROTOCOL on**

## **REGULATION OF INVESTIGATORY**

## **POWERS ACT 2000**

### **Scope**

This Protocol applies to authorisations for surveillance (not involving entry on or interference with property or wireless telegraphy as regulated by the Police Act 1997), the use of covert human intelligence sources and the acquisition of communication data in exercise of available powers set out in the Regulation of Investigatory Powers Act 2000 (“RIPA”) by Local Authority Investigation Sections.

# 1. INTRODUCTION

## 1.1 Background

- 1.1.1 The Human Rights Act 1998 (“HRA”) was introduced to give effect to European Convention on Human Rights (“ECHR”) and came into force in October 2000. From that date the ECHR became part of our domestic law. Consequently, individuals may enforce their rights under ECHR in domestic courts rather than having to go before the European Court of Human Rights in Strasbourg.
- 1.1.2 The HRA imposes a duty upon the Council to act in a way that is compatible with the rights under ECHR. Failure to do so may enable a person to seek damages against the Council or to use our failure as a defence in any proceedings that we may bring against them.

## 1.2 European Convention on Human Rights

- 1.2.1 Under Article 6 of the European Convention on Human Rights, everyone is entitled to a fair and public hearing, within a reasonable time, of any criminal charge against him or her or into the determination of any civil dispute.
- 1.2.2 Under Article 8, everyone also has the right to respect for their private and family life, their home and their correspondence. The Article recognises that there may be circumstances in a democratic society where it may be necessary for the State (which includes the Council) to interfere with this right. This can only be done in accordance with the law and for clearly defined purposes. These purposes are:
- In the interest of national security;
  - In the interest of public safety;
  - In the interest of the economic well-being of the country;
  - For the prevention or detection of crime or of preventing disorder;
  - The protection of health or morals;
  - For the purposes of assessing or collecting any tax, levy or other imposition, contribution or charge payable to a government department;
  - For the purpose, in emergency, of preventing death or injury or any damage to a person’s physical or mental health, or mitigating the same;
  - For any other purpose as specified by the Secretary of State.
- 1.2.3 **Local authorities can only authorise use of directed surveillance under RIPA to prevent or detect criminal offences. These offences must be either punishable, whether on summary conviction or indictment, by a maximum term of at least six months’ imprisonment or are related to the underage sale of alcohol and tobacco. They can only do so where prior approval from a JP has been granted. A local authority is a ‘Relevant Public Authority’ as listed in schedule 2, Part 2 of the Regulation of Investigatory Powers (Communications Data) Order 2010. However local authorities may only authorise the acquisition of communications data within section 21(4) (b) and(c) of RIPA for preventing or detecting crime or preventing disorder as specified in section 22(2). A local authority requires the authorisation of a magistrate to exercise its available powers under RIPA.**



### 1.3 Impact on Investigations

- 1.3.1 To be able to justify any interference with the right to respect for an individual's privacy, and comply with the HRA, the Council will need to demonstrate that any intrusion into an individual's privacy is necessary for the purposes of an investigation. Surveillance is often a necessary part of any investigation. The Regulation of Investigatory Powers Act 2000 (RIPA) regulates the use of covert surveillance and the acquisition of communication data. Where it is considered appropriate, it will be necessary for the exercise of these powers for them to be authorised before it can commence. This applies where the surveillance is being undertaken by the Council Officers or by an outside agency acting on the Council's behalf. Authorising officers will need to satisfy themselves that a defensible case can be made for covert surveillance activity.
- 1.3.2 The Secretary of State has issued codes of practice on the use of covert surveillance under RIPA. The codes are admissible as evidence in criminal and civil proceedings. A court or tribunal must take any relevant provision of the codes into account.

### 1.4 Policy and Codes of Guidance

- 1.4.1 To ensure that authorisations and procedures are applied in a consistent way, the Council has adopted a policy covering the authorisation, the use of covert surveillance and the acquisition of communication data, as well as approving a Protocol.
- 1.4.2 This document is in four parts:
- The Council's Policy on the Use of Surveillance and the acquisition of communication data.
  - Easy Reference Guide to the Code of Practice and Procedure;
  - Forms
  - Specimen directed surveillance application form.
- 1.4.3 The Statutory Codes of Practice are incorporated as **Appendix C**. In cases of conflict between the Policy, the Easy Reference Guide and the Statutory Codes of Practice, the latter shall prevail.
- 1.4.4 The Council adopted the Policy and Code of Guidance on the 25<sup>th</sup> September 2002 and has been subsequently revised. This revision was issued in June 2019.
- 1.4.5 The Policy will be reviewed annually to reflect any changes in legislation and best practice.

## PART 1 – STATEMENT OF POLICY

1. The Council and officers, as well as those acting on its behalf undertaking investigations into criminal offences and breaches of the civil law will endeavour to comply with the following statement of policy at all times.

*In carrying out investigations into criminal offences and breaches of the civil law, the Council will seek to ensure that any interference with the rights of any person is in accordance with the law and is justified by reason of it being undertaken for a legitimate purpose. The use of the covert surveillance or the acquisition of communication data will be conducted in accordance with the statutory code of practice then in force. The means to be employed in any investigation will be proportionate.*

*Proportionality is an essential element of the Human Rights Act; in order to be proportionate any surveillance must not be arbitrary, unfair or excessive. The extent of the surveillance must be balanced against the individual's human rights. This involves balancing the intrusiveness of the activity on the target and others who might be affected by it against the need for the activity in operational terms. The activity will not be proportionate if it is excessive in the circumstances of the case or if the information which is sought could reasonably be obtained by other less intrusive means. All such activity should be carefully managed to meet the objective in question and must not be arbitrary or unfair".*

*This requires the officer to justify the need for the surveillance and the methods used and balance those with the impact on the privacy of the subject. The Department of Constitutional Affairs ("DCA") guide on Human Rights (page 55) states:*

*"When taking decisions that may affect any of the qualified rights, a public authority must interfere with the right as little as possible only going as far as is necessary to achieve the desired aim."*

**To demonstrate proportionality, the following issues must be addressed here:**

***Is this proposed use proportionate?***

- ***To the seriousness of the offence or the mischief***
- ***To the degree of intrusion on the target and other people***
- ***Have other overt means been considered and discounted***

***Factors to set out include:***

- *Amount of information to be gathered during the surveillance*
- *Impact of surveillance on the subject*
- *Timing of the surveillance*

## PART 2 – EASY REFERENCE GUIDE TO PROCEDURES AND THE CODES OF PRACTICE

### 2.1 Introduction

- 2.1.1 This Easy Reference Guide seeks to set out the Council's procedures for the authorisation of surveillance operations and acquisition of communications data, and to provide a brief summary of the main points in the Statutory Codes of Practice on Covert Surveillance. The Statutory Codes of Practice are set out at **Appendix C**. The SWERCOTS Enforcement Manual details the procedures, which must be followed when conducting surveillance operations, acting or using a Covert Human Intelligence Source or seeking communications data. This manual is available through Trading Standards Service. Where the Council's CCTV is used for surveillance purposes the CCTV manual must be followed, this is located in the CCTV control room.
- 2.1.2 This guidance is an aide for clarification and is **not** a substitute for the Codes themselves.

### 2.2 Surveillance

- 2.2.1 Surveillance includes monitoring, observation or listening to persons, their movements, their conversations or their other activities or communications. If surveillance is carried out without the person's knowledge, it will be covert and require prior authorisation.
- 2.2.2 RIPA applies to "directed surveillance", "intrusive surveillance" and the use of "covert human intelligence sources".

### 2.3 What is "Directed Surveillance"?

- 2.3.1 Surveillance will be "directed surveillance" if:
- It is covert
  - Undertaken for a specific operation; and
  - Is carried out in such a way as to make it more likely that private information will be obtained about a person
- 2.3.2 "Private Information" includes any information relating to a person's private, business, professional and family life. This phrase echoes that of Article 8 of the ECHR and should therefore be considered to include questions of personal and sexual identity, personal information, telephone calls from business premises, health and injury and sexual activity.
- 2.3.3 Directed surveillance excludes intrusive surveillance which is surveillance carried out on residential premises or in any private vehicle where the observer is present in the premises or vehicle, or is carried out using a surveillance device. **The Council is not permitted to carry out intrusive surveillance.**

## 2.4 “Covert Human Intelligence Sources”

### 2.4.1 What is a Covert Human Intelligence Source (CHIS)?

A person is a Covert Human Intelligence Source if:

- (a) The source establishes or maintains a personal or other relationship with a person for the covert purpose of facilitating the doing of anything falling within paragraph (b) and (c) below.
- (b) The source covertly uses such a relationship to obtain information or provide access to any information to another person; or
- (c) The source covertly discloses information obtained by the use of such a relationship or as a consequence of the existence of such a relationship.

***It is important to remember a relationship can be formed from a single encounter.***

### 2.4.2 Examples of Covert Human Intelligence Sources.

- (i) Purchases from a person selling goods from home should be covered by a CHIS Authorisation, both because the nature of discussion generally might go further than an ‘across-the-counter exchange and to avoid intrusive surveillance.
- (ii) Trading Standards Officers may use residential and business premises, rented specifically for the purpose, to invite suspected rogue traders to quote for business. A CHIS Authorisation should be used. However if the premise is being used as a residential dwelling then the surveillance is consider to be intrusive surveillance and cannot take place.
- (iii) An officer working under cover, gathering information by concealing his or her identity will usually require the activity to be authorised, in accordance with the forms in Appendix A. The authorisation would also cover the use of any, body worn covert recording device. Other directed surveillance of a covert human intelligence source would require separate authorisation.
- (iv) Routine test purchases where the officer acts as a member of the public and purchases goods for sale **will not** require authorisation. If the officer extends this situation in any significant way, by for example,
  - Engaging the seller in conversation to elicit information;
  - Developing a relationship with the seller to gain access to goods not on display.
 Then authorisation will be required for the use of a covert human intelligence source.

2.4.3 If officers are considering the use of a ‘CHIS’ they must seek advice and guidance from the Legal Services Department, prior to completing the RIPA application.

2.4.4 Where the authority uses a ‘CHIS’, that ‘CHIS’ should be assigned a “handler”, the “handler” will keep regular contact with the ‘CHIS’, or daily where the Authority

uses one of its own officers as the 'CHIS'. The handler will ensure that the CHIS' identify has not been compromised.

- 2.4.5 The 'Handler' will record information of the identity of the source on a log and will destroy all records which identify the 'CHIS' once the investigation has been completed.
- 2.4.6 The authority shall also appoint a 'Controller' who will have general oversight of the use made of the source.
- 2.4.7 Before a CHIS is used a risk assessment must be completed and kept with the application **Form RIPA 7**. This risk assessment should be reviewed at least monthly.
- 2.4.8 The use of a juvenile or other vulnerable person as a CHIS should generally be avoided and must only be used in exceptional circumstances. **The Chief Executive is the only officer who can authorise an application to use such persons as a CHIS.**
- 2.4.9 Any decision to use a juvenile or other vulnerable person as a CHIS will be based on full consideration of the justification for doing so, the risks posed to that individual and the protection able to be afforded to the CHIS.

## **2.5 Is the surveillance permitted and does it require authorisation?**

- 2.5.1 The processes and procedures outlined in the Codes of Practice are shown diagrammatically in **Table 1**.
- 2.5.2 Accordingly, Investigating Officers may need to identify whether a location is suitable for surveillance, for example, by "drive-by". This is not prevented under the Code of Practice. However if officers make more than one "drive-by" then authorisation may be required. It is possible to complete more than one "drive-by" without an authorisation, for example, where the officer's observation was interrupted or blocked in some way.

## **2.6 Collateral Intrusion**

- 2.6.1 Where a request for surveillance is requested, the Authorising Officer will also have to be satisfied that the risks of collateral intrusion have been properly considered. Collateral intrusion is where a third party's privacy is being infringed. For example, where an officer takes still or video photographs, or observes one or more innocent third parties, this could be considered as being collateral intrusion. If in the course of investigating a case, a third party's privacy has been inadvertently invaded, the action should be defensible from a legal viewpoint, provided that the grounds for investigation are sound, i.e. the investigation has been undertaken to detect and/or prevent fraud or some other offence for which the Council is the enforcing authority and the actions are reasonable.

People who may be the subject of collateral intrusion include:

- Customers or workers at a business premises
- Visitors to a property
- Friends or relatives of the suspect

Firstly, identify here who else may be caught by the surveillance.

Secondly, state why it is unavoidable. This could be because of the nature of the premises (e.g. restaurant) or because of what the person is doing (e.g. visiting other subject/target premises) that there will always be third parties around who will be captured on film or whose activities will be recorded/observed in some way.

Thirdly set out what steps you have taken to minimise collateral intrusion. This may include:

- Using a still camera as opposed to a video camera
- If installing hidden cameras, only switching them on at specific times rather than all the time
- Narrowing the field of vision or the place where the cameras are cited
- Reducing the amount of surveillance done at busy times e.g. shops or places of worship

If you cannot minimise collateral intrusion you still need to show you have considered it. You may wish to add that you cannot do anything to minimise it but you will not be making any decisions on the information gathered about third parties unless it shows them committing a criminal offence.

## 2.7 Written Authorisation

2.7.1 Unless a warning letter has been sent to an individual advising them that a complaint has been received and informing them that monitoring of a type described in the letter will be undertaken, before surveillance can be carried out, the Investigating Officer must:

- Complete an application for authorisation to use surveillance on **Form RIPA1**; and for CHIS, **Form RIPA7**.
- Obtain authorisation from an Authorised Officer. Appendix B lists the officer's the Council has designed as being able to authorise surveillance.

**Note:** *Both the Authorising Officer and the Designated Person must be 'Operationally Independent' from any investigation they are considering or are involved with. . More information on this requirement is provided in Appendix B, along with details as to how the council will ensure that this requirement is met.*

2.7.2 Warning letters must identify the period during which any surveillance will take place, a maximum of 12 months. **This should be reviewed on at least a monthly basis.** A copy of the warning letter should be kept with the application for authorisation to use surveillance.

2.7.3 A specimen directed surveillance application form is set in **Appendix D**.

2.7.4 Before making an application for surveillance the investigating officer shall contact the Chief Legal Officer to obtain a unique reference number ("URN").

## 2.8 Time Limit on Written Authorisation

2.8.1 **Written authorisation is valid for three months** (unless cancelled), and must be reviewed by the Authorising Officer at least **every** month. If it is necessary to continue the surveillance for longer than three months or in the case of a CHIS one year, an application for a renewal of authorisation for surveillance must be

made on **Form RIPA 2** or CHIS **Form RIPA 8**. The Authorising Officer, after carrying out a review, should complete **Form RIPA 4** or CHIS **Form RIPA 9**.

**Note:** *The effective duration of an authorisation (three months for Directed Surveillance and twelve months for a CHIS) commences from the date of Magistrates approval.*

**Oral Authorisations** for urgent surveillance are no longer available for use by Local Authorities.

## 2.9 Cancellation of Authorisation of Surveillance

- 2.9.1 At the end of any surveillance that has been carried out, the Authorising Officer must complete **Form RIPA 3** (or CHIS **Form RIPA 10**) to cancel the authorisation for surveillance, in addition a review should also take place.
- 2.9.2 The officer is responsible for the proper storage of any products of the surveillance. All information and materials must be stored securely and an audit log kept of what has been collected and where it is stored. Any information that is not required as evidence should, in the event of criminal proceedings, be retained, as unused material, and destroyed as soon as is practical following the expiration of any appeal period. Any product of collateral intrusion must be destroyed as soon as possible.

## 2.10 Justice of the Peace Approval

- 2.10.1 No covert surveillance can be authorised without approval by a Justice of the Peace. The process for obtaining approval is set out in table 2.
- 2.10.2 The applicant completes the application form and obtains authorisation in the usual way.
- 2.10.3 The applicant will provide the Justice of the Peace (JP) with a copy of the original RIPA authorisation or notice and the supporting documents setting out the case. This forms the basis of the application to the JP and **should contain all information that is relied upon**.
- 2.10.4 For communications data requests the RIPA authorisation or notice may seek to acquire consequential acquisition of specific subscriber information. The necessity and proportionality of acquiring consequential acquisition will be assessed by the JP as part of his consideration.
- 2.10.5 The original RIPA authorisation or notice should be shown to the JP but will be retained by the local authority.
- 2.10.6 In addition, the applicant has to provide the JP with a partially completed judicial application/order form (at Annex B).
- 2.10.7 The order section of this form will be completed by the JP and will be the official record of the JP's decision.

2.10.8 The applicant will need to obtain judicial approval for all initial RIPA authorisations/applications **and renewals** and the local authority will need to retain a copy of the judicial application/order form after it has been signed by the JP. There is no requirement for the JP to consider either cancellations or internal reviews.

## 2.11 When Authorisation of Surveillance In or Into a Public Place is Not Required

2.11.1 Where the use of CCTV surveillance systems (fixed or mobile) is overt, usually by way of a notice, authorisation is not required. However if the camera is used to observe the actions of a particular individual then the surveillance becomes directed and covert, therefore an authorisation would be required.

2.11.2 Where a person suspected of having committed an offence has been notified that his activities are being monitored, no authorisation will be required. For example, where the Council receives a noise complaint, or it is alleged that goods are being displayed on the highway verge, if a letter is sent to the person responsible for the alleged nuisance or display, notifying him that the level of noise from his premises or activities are being monitored, any surveillance will not be covert. However any recording of conversations, rather than just the level of noise is intrusive surveillance and must not be done. However the investigating officer must consider whether there is likely to be any collateral intrusion as a result of his surveillance. If there is any likelihood of any collateral intrusion where private information is acquired, an authorisation will be required.

## 2.12 Surveillance where it is likely that Confidential Material will be obtained

2.12.1 If, exceptionally, an Investigating Officer thinks that in the course of conducting surveillance he may obtain confidential information, the Investigating Officer will have to obtain authorisation from the Chief Executive (or designated deputy), as outlined in 2.6.1 on **Form RIPA 1**. Confidential information consists of matters subject to legal privilege, confidential personal information or confidential journalistic material.

- Legal privilege includes:
  - a. Communications between a professional legal adviser and his client or any person representing his client, which are made in connection with the giving of legal advice to the client; or
  - b. Between a professional legal adviser and his client or any person representing his client, or between a professional legal adviser or his client or any such representative and any other person, which are made in connection with or in contemplation of legal proceedings and for the purposes of such proceedings. It does not include communications and items in the possession of a person who is not entitled to possession of them, and communications and items held, or oral communications made, with the intention of furthering a criminal purpose
- Confidential personal information is information held in confidence relating to the physical or mental health or spiritual counselling concerning an individual (whether living or dead) who can be identified from it.
- Confidential journalistic material includes material acquired or created for the purposes of journalism and held subject to an undertaking to hold it in



confidence, as well as communications resulting in information being acquired for the purposes of journalism and held subject to such an undertaking.

## 2.13 General Observation

2.13.1 General observation forms part of the duties of many law enforcement officers and other public authorities and Authorisations are not usually required. For example, officers might covertly observe and then visit a shop as part of their enforcement function. Such observation may involve the use of equipment to merely reinforce normal sensory perception, such as binoculars, or the use of cameras, where this does not involve systematic surveillance of an individual.

## 2.14 Use of the Council's CCTV system

2.14.1 The use of Council's CCTV system is detailed in the CCTV manual located in the CCTV control room. This manual covers the use of the CCTV for surveillance purposes and must be followed at all times when conducting surveillance activities. Where CCTV is used overtly the guidance on the Implications for Public Space Surveillance in the light of the Data Protection Act 1998 produced by the Home Office must be followed, this can be found at:  
<http://www.sia.homeoffice.gov.uk/pages/licensing-cctv.aspx>

## 2.15 Keeping Records

- 2.15.1 All Investigating Officers have a legal obligation to keep accurate and full records of investigations under the Criminal Investigations and Procedures Act 1996 - Code of Practice. The Surveillance Code of Practice puts an additional obligation on officers to maintain such records.
- 2.15.2 Records of the surveillance authorisations and JP Approval should be maintained by all staff involved in the process. The authorisations and current position should be summarised and maintained on the authorisation matrix and presented to the Authorising Officer at each review (**Form RIPA 4**).
- 2.15.3 Copies of the risk assessments, authorisations, JP Approval, renewals, reviews and cancellations given should be retained on the investigation file, the investigation file must be kept in a secure location. In particular, for the purposes of the Surveillance Code of Practice, Investigating Officers must keep in the investigation file:
- Reasons for any application for an oral application for authorisation;
  - An account of events observed and/or conversations overheard;
  - A full account of any surveillance which has taken place (undertaken in order to maintain contact with the moving target or to assess whether the target has been lost);
  - Reasons for and the nature of collateral intrusion -and the results;
  - Reasons for selecting a target when authorised only for general observations, without a specified target.

The Investigating Officer's official notebook is used to maintain the account of the events observed and heard.

2.15.4 The Chief Legal Officer is responsible for monitoring and maintaining a central register of authorisations issued. Originals of all authorisations, JP Approvals, renewals, reviews and cancellations should be forwarded to the Chief Legal Officer as soon as reasonably practicable after their completion.

2.15.5 When an officer wishes to make an application to conduct any surveillance, they must contact the Chief Legal Officer, who will provide a URN for the surveillance and will keep a central record of all application and authorisations. Officers must ensure that they update the Chief Legal Officer, when there is a review, renewal or cancellation of an authorisation and must send a copy of the relevant documentation to the Chief Legal Officer.

## 2.16 RIPA Roles and Responsibilities

2.16.1 **Senior Responsible Officer** – is responsible for having daily oversight of the RIPA process by ensuring:

- The integrity of the process in place within the public authority to authorise directed and intrusive surveillance;
- Compliance with Part II of the 2000 Act, Part III of the 1997 Act and with the codes;
- Engagement with the Commissioners and inspectors when they conduct their inspections,
- That all authorising officers are of an appropriate standard in light of any recommendations in the inspection reports prepared by the Office of Surveillance Commissioners. Where an inspection report highlights concerns about the standards of authorising officers, this individual will be responsible for ensuring the concerns are addressed
- To review the quality of the applications and authorisations
- To authorize surveillance activities but only in exceptional circumstances.

2.16.2 **Coordinating Officer** - is responsible for ensuring all authorising officers and investigating officers are properly trained and to raise awareness of RIPA within the Authority.

2.16.3 **CHIS handler** - is responsible for the safety and security of the CHIS and the identity. The handler is also responsible for directing the day to day activities of the source and recording the information supplied by the source. The handler will ensure that the CHIS' identity has not been compromised and will destroy all records which identify the 'CHIS' once the investigation has been completed.

2.16.4 **CHIS Controller** - be responsible for the general oversight of the use of the source.

2.16.5 **Authorising Officer** is responsible for ensuring that the application for surveillance is permitted to be undertaken by the local authority, to ensure that the proposed surveillance is necessary and proportionate and that any collateral intrusion is limited as far as is practical. The authorising officer is responsible for determining the surveillance that can take place.

**Note:** The Authorising Officer must be independent from any operation/investigation they are asked to consider. If this requirement cannot be

*shown to have been met OR if there is any uncertainty, then a different Authorising Officer who is independent must consider the application.*

**2.16.6 Elected members** - a report will be issued to elected members reviewing the authority's use of the 2000 Act and set the policy at least once a year to ensure that it is being used consistently with the local authority's policy and that the policy remains fit for purpose. They should not, however, be involved in making decisions on specific authorisations.

**2.16.7 Coordinating Officers Group** is responsible for ensuring that the procedures are being applied across the Authority. To ensure consistency of approach and application of RIPA.

**2.16.8** The Chief Legal Officer is responsible for:

- Keeping the central register of RIPA authorisation
- Providing a URN for each RIPA application and
- Maintaining the records of applications, authorisations, reviews, renewals and cancellations.

## **2.17 Completion of Risk Assessments**

**2.17.1** When any directed surveillance or use of a CHIS is considered the applicant should produce a detailed risk assessment for the surveillance requested.

## **2.18 Communications Data**

### **2.18.1 What is communications data?**

Communications data does not include the contents of a communication of any telephone or email communication but does include:

- Information about communications (traffic data)
- Information about the use of communications services (service use data)
- Information about communications service users (subscriber data)

Local Authorities currently do not have access to 'traffic data'. Any request for communications data must start with 'subscriber data'. 'Service use' data cannot be sought unless 'subscriber data' has already been obtained.

Whilst other forms of surveillance must be treated as a last resort, obtaining Communications Data should be the first resort in helping to identify offenders and victims.

### **2.18.2 Obtaining communications data**

Communications data can be obtained by way of a notice given to the communications data provider to collect or retrieve the data and provide it to the public authority, or through an authorisation that allows the public authority to collect or retrieve the data itself. In most cases the data should be sought by way of a notice.

### 2.18.3 Applications

Applications to obtain communications data must be sought through the Authority's Single Point of Contact (SPOC) using **Form RIPA 5**. The SPOC may reject the application; otherwise the authorisation must be given to obtain the data by the Designated Person using **Form RIPA 5**. The Designated Persons and SPOC are listed in Appendix B. In the case of Service Data then **Form RIPA 11** must be completed by the investigating officer. NAFN guidance for obtaining magistrates authorisation must be followed. This guidance is set out in Appendix F.

### 2.18.4 Renewal and Cancellations

Authorisations and notices are valid for 1 month and they may be renewed at any time during that month. The Designated Person shall cancel a notice as soon as it is no longer necessary, or the conduct is no longer proportionate, and the communications data provider will be notified of any cancellation.

### 2.18.5 Disclosure and Retention of Data

Disclosure will be made to the SPOC. Communications data and all copies, extracts and summaries of it must be handled and stored securely in compliance with the requirements of the Data Protection act 1998. The authority must retain applications, authorisations, and notices for communications data until they have been audited by the Commissioner. The authority should also keep a record of the dates on which the authorisation or notice started and was cancelled. Where any errors in the granting of authorisations or notices occur, a record should be kept and a report and explanation sent to the Commissioner.

### 2.18.6 Data Retention

The Data Retention (EC Directive) Regulations 2007 require public communications providers to retain certain data to enable public authorities to undertake their lawful activities to investigate detect and prosecute serious crime. The Regulations relate exclusively to traditional fixed line and mobile telephony. The contents of phone calls or text messaging can be required providing the investigating officer can demonstrate it is necessary and proportionate to do so. Officers should follow the procedures for acquiring communications data.

## 2.19 Encryption

### 2.19.1 What is Encryption?

Encryption is the conversion of data into a form that renders the contents unintelligible to anyone not authorized to read it. Decryption is the process of converting the encrypted data back into its original form, so it can be understood. Many people use easily-accessible programmes to encrypt their email, files, folders, documents and pictures. However, these technologies are also used by terrorists, criminals and paedophiles to conceal their activities.

Part III of RIPA deals with the 'Investigation of Electronic Data Protected by Encryption etc.' It provides any public authority the power to require that data they

have obtained or expect to obtain lawfully should be put into an intelligible form or to require disclosure of the means to make it intelligible.

### 2.19.2 How to use encryption powers

When using encryption powers refer to the 'Investigation of Protected Electronic Information: Code of Practice'.

## 2.20 Use of Social Media

2.20.1 The use of Social Media as a potential source of information in the course of an investigation is now commonplace and often most useful. There are however, specific considerations required before accessing Social Media where there is any possibility that information obtained in this way could be used as evidence.

2.20.2 Investigatory Powers Commissioner's Office ("IPCO") guidance

<https://www.ipco.org.uk/docs/OSC%20PROCEDURES%20AND%20GUIDANCE.pdf> provides at Note 289 information and advice on how to approach this to ensure that this is done in a lawful way and that evidence gathered from Social Networking Sites (SNS's) in the course of an investigation remains admissible. Most importantly it guides investigators to ensure that the rights of persons posting information on SNS's are not infringed.

2.20.3 Investigators should become fully familiar with this guidance before undertaking any investigations involving the use of SNS's. The following is a summary of some of the key points contained in IPCO Guidance:

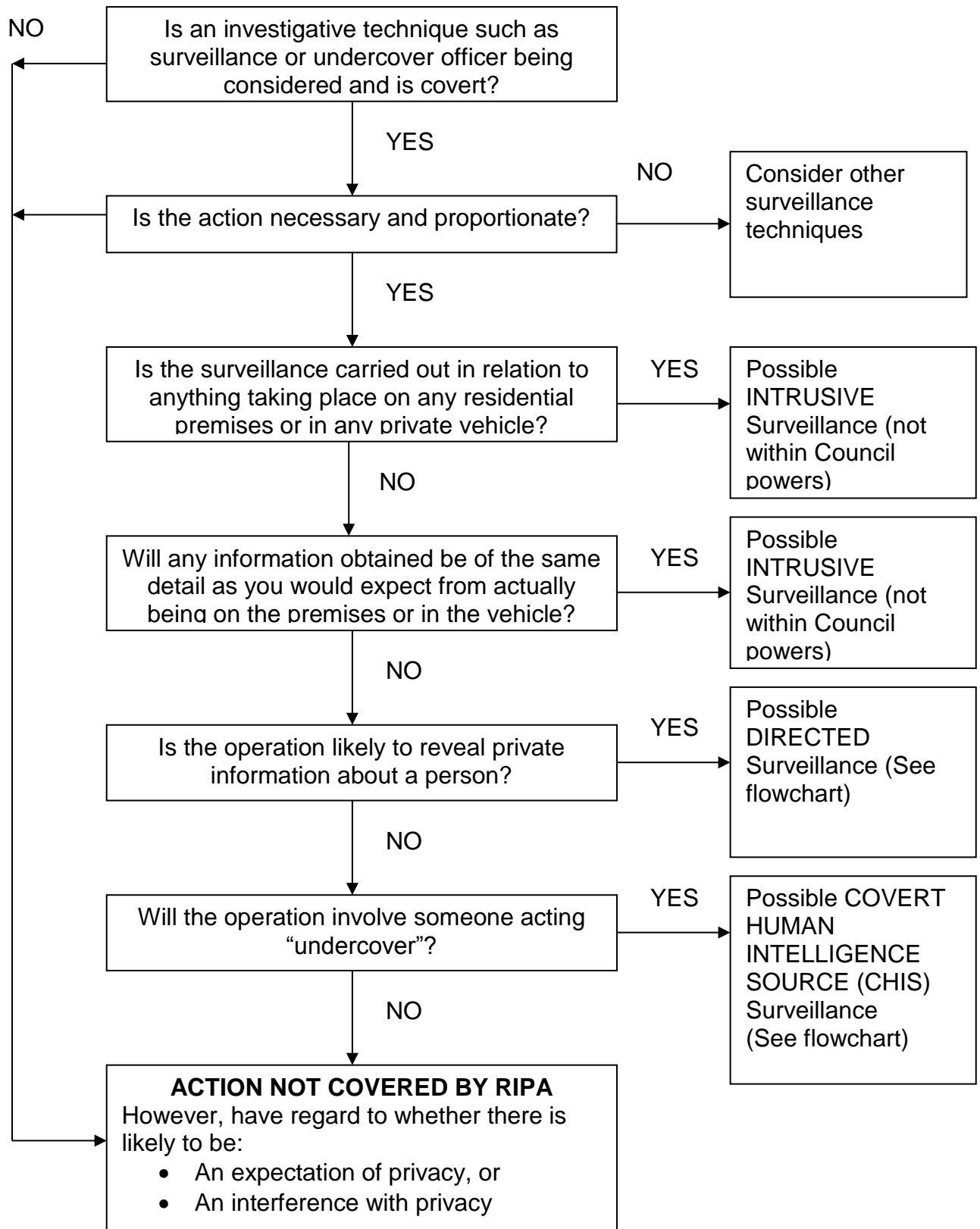
- The fact that digital investigation is routine or easy to condone does not reduce the need for authorisation under RIPA.
- Care must be taken to understand how the SNS, being used, works.
- Authorising officers must not be tempted to assume that one service provider is the same as another or that the services provided by a single provider are the same.
- Whilst it is the responsibility of an individual to set privacy settings to protect unsolicited access to private information, and even though data may be deemed published and no longer under the control of the author, it is unwise to regard SNS data as 'open source' or publicly available.
- The author has a reasonable expectation of privacy if access controls are applied.
- In some cases data may be deemed private communication still in transmission (instant messages for example).
- Where privacy settings are available but not applied the data may be considered open source and an authorisation is not usually required.
- It is not unlawful for a member of a public authority to set up a false identity but it is inadvisable for a member of a public authority to do so for a covert purpose without an authorisation for directed surveillance when private information is likely to be obtained.
- A member of a public authority should not adopt the identity of a person known, or likely to be known, to the subject of interest or users of the site without authorisation, and without the consent of the person whose identity is used, and without considering the protection of that person. The consent must be explicit (i.e. the person from whom consent is sought must agree (preferably in writing) what is and is not to be done).

## **2.21 Non RIPA**

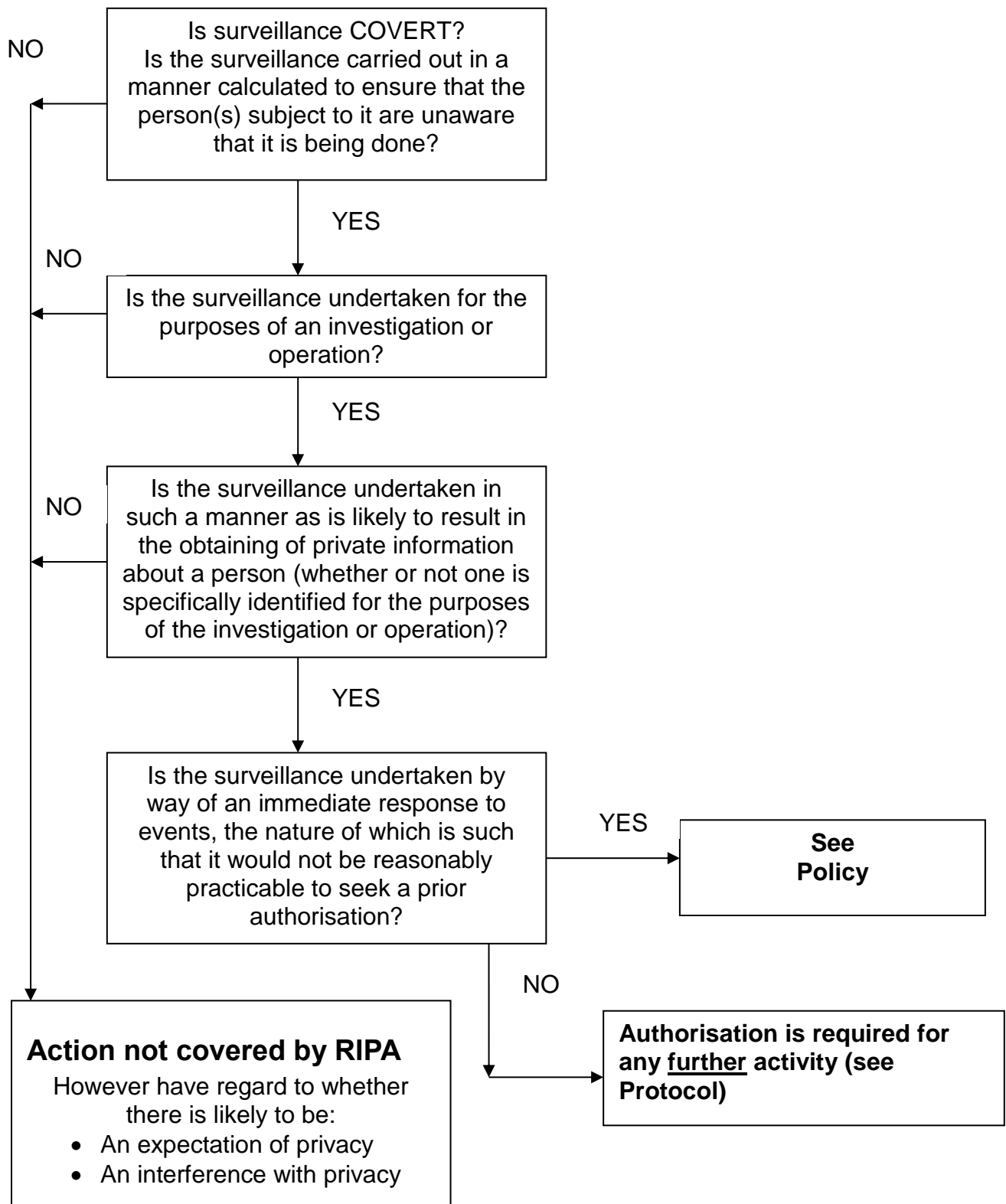
- 2.21.1 Due to the changes brought about by the Protection of Freedoms Act 2012, there may be circumstances whereby it is necessary and proportionate, to carry out covert surveillance for activities which do not meet the crime threshold set out in paragraph 1.2.3 above.
- 2.21.2 In such circumstances, staff must complete a non-RIPA form (adapt Appendix D for these purposes), setting out why such activity is necessary and proportionate and giving due consideration to any potential collateral intrusion.
- 2.21.3 Non RIPA forms must be authorised by a Head of Service. However, if the activity relates to an investigation against a member of staff, authorisation must be provided by the Chief Legal Officer, the Head of Internal Audit or one of the Council's Corporate Directors.

## **2.22 Training**

- 2.22.1 No officer shall undertake any surveillance activity unless they have received training for RIPA. Every applying officer should undertake refresher training every two years.
- 2.22.2 Authorising officers should be regularly trained and if they do not authorise surveillance activities on a regular basis they should refresh their knowledge of RIPA before they authorise a request.

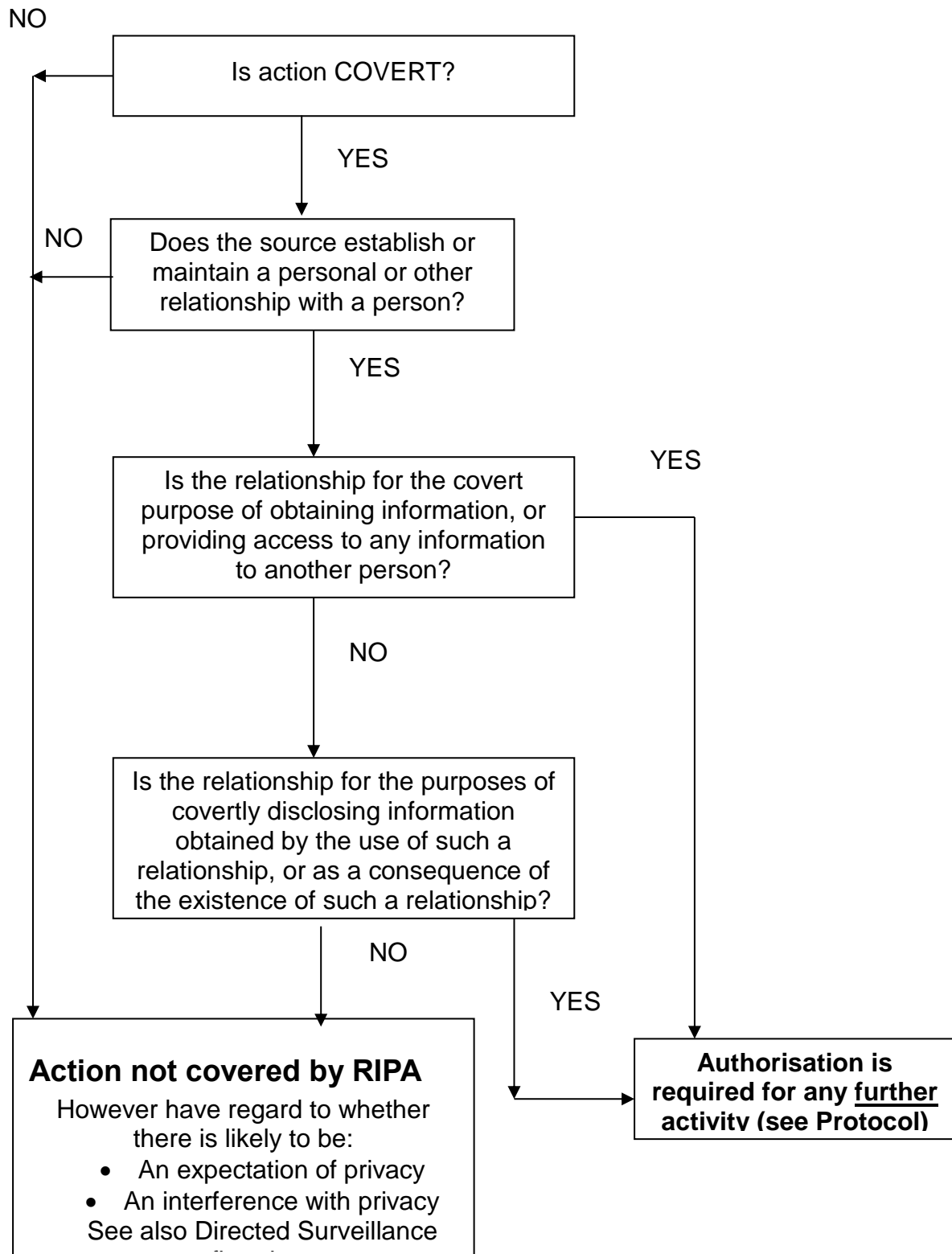
**TABLE 1 FLOW CHART – IS AUTHORISATION REQUIRED?**

## DIRECTED SURVEILLANCE

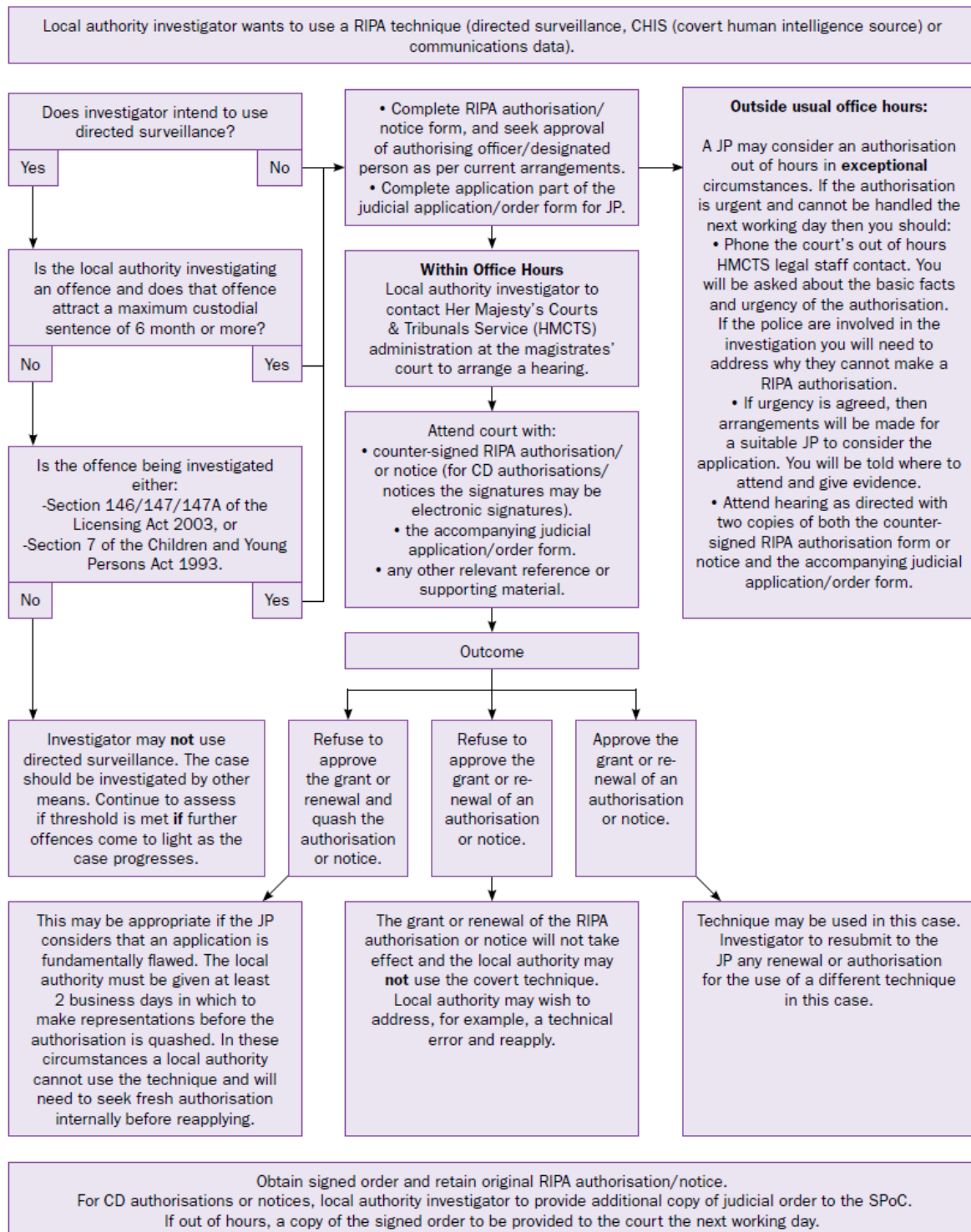




## COVERT HUMAN INTELLIGENCE SOURCES



**TABLE 2 - APPLICATION TO A JUSTICE OF THE PEACE SEEKING AN ORDER TO APPROVE THE GRANT OF A RIPA AUTHORISATION OR NOTICE**



## Appendix A – RIPA Forms

FORMS	TITLE	LINK
<b>RIPA 1</b>	Part II Application for Authorisation (Directed Surveillance).	<a href="http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/application-directed-surveillance">http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/application-directed-surveillance</a>
<b>RIPA 2</b>	Application for a Renewal of Authorisation for Surveillance	<a href="http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/renewal-directed-surveillance">http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/renewal-directed-surveillance</a>
<b>RIPA 3</b>	Cancellation of Authorisation (Directed Surveillance).	<a href="http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/cancellation-directed-surveillance">http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/cancellation-directed-surveillance</a>
<b>RIPA 4</b>	Review of Authorisation (Directed Surveillance).	<a href="http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/review-directed-surveillance">http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/review-directed-surveillance</a>
<b>RIPA 5</b>	Application for Communications Data	<a href="http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/communications-data1.doc">http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/communications-data1.doc</a>
<b>RIPA 6</b>	Notice Under Section 22(4) of the RIPA 2000 Receiving Communications Data to be Obtained and Disclosed	<a href="http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/specimen-part-I-ch-II-notice">http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/specimen-part-I-ch-II-notice</a>
<b>RIPA 7</b>	Part II Application for Authorisation (CHIS).	<a href="http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/chis-application">http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/chis-application</a>
<b>RIPA 8</b>	Review of A covert human intelligence source (CHIS) authorisation.	<a href="http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/chis-review">http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/chis-review</a>
<b>RIPA 9</b>	Application for renewal of a covert human intelligence source (CHIS) authorisation	<a href="http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/chis-renewal">http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/chis-renewal</a>
<b>RIPA10</b>	Cancellation of an authorisation for the use or conduct of a covert human intelligence source	<a href="http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/chis-cancellation">http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/chis-cancellation</a>
<b>RIPA 11</b>	Request schedule for subscriber information	<a href="http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/RIPAschedule-for-subscriber-info">http://www.homeoffice.gov.uk/publications/counter-terrorism/ripa-forms/RIPAschedule-for-subscriber-info</a>

## Appendix B – Authorising Officers

The Council has designated the following officers to authorise surveillance:-

**\*Notes:**

- i. The Authorising Officer must be 'Operationally Independent' from any investigation they are asked to consider for approval. If this requirement cannot be shown to have been met OR if there is any uncertainty, then a different Authorising Officer who is independent, must consider the application.
- ii. For guidance, areas of investigation presumed to compromise respective Approving Officers operational independence are shown in the table below.
- iii. Ultimately it is for Approving Officers to make this judgment in each case i.e. to ensure their Operational Independence AND their ability to demonstrate this to the IOCCO if required.

Designation	Officer	Scope	Exclusions
Chief Executive	Susie Kemp	All purposes (including where there is a likelihood of acquiring confidential information); the use of a juvenile or other vulnerable person as a CHIS although this should generally be avoided and must only be used in exceptional circumstances).	Where there is insufficient Operational Independence
Chief Legal Officer	Lisa Hall	Senior Responsible Officer for RIPA	<i>*Precluded except in exceptional circumstances.</i>
Corporate Director: Community and Housing	Steve Jorden	All purposes (including where there is a likelihood of acquiring confidential information, but only in the absence of the Chief Executive)	Where there is insufficient Operational Independence.
Head of Community Safety	Steve Kensington	RIPA Co-ordinating officer. Any appropriate investigations.  <i>*Single Point of Contact for Acquiring Communications Data</i>	Where there is insufficient Operational Independence.

<b>Designation</b>	<b>Officer</b>	<b>Scope</b>	<b>Exclusions</b>
Head of Planning, Regulatory Services & Heritage.	Richard Bell	Any appropriate investigation.	Investigations Involving: Planning Trees Licensing Taxis Animal welfare and related offences.
Head of Housing Services	Michael Ash	Any appropriate investigation.	Housing (tenant related) Anti-Social Behaviour investigations.
Director of Adult Services.	Sue Wald	Any appropriate investigation.	Safeguarding of Adults and other related issues where there is insufficient operational independence.
Director of Children's Services	David Haley	Any appropriate Investigation	Truancy, Youth Offending, Safeguarding of Children or young persons and other related issues where there is insufficient operational independence.

**\*Explanation:**

*The Government's recent legislative and policy changes to the [Code of Practice](#) for the Acquisition and Disclosure of Communications Data, which came into force in March 2015 requires relevant authorities to ensure the independence of the Designated Person (DP) and other RIPA Authorisers. The Code requires public authorities to satisfy IOCCO that they have sufficient measures in place to ensure independence.*

## Appendix C - Codes of practice

### Covert Surveillance Code of Practice

<https://www.gov.uk/government/publications/code-of-practice-for-covert-surveillance-and-property-interference>

### Covert Human Intelligence Code of Practice

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/97958/code-practice-human-intel.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/97958/code-practice-human-intel.pdf)

### Interception of Communications Code of Practice

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/97956/interception-comms-code-practice.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/97956/interception-comms-code-practice.pdf)

### Investigation of Protected Electronic Information Draft Code of Practice (29/06/2007)

<http://www.legislation.gov.uk/ukdsi/2007/9780110772455/note>

### Acquisition and Disclosure of Communications Data Code of Practice

<https://www.gov.uk/government/publications/code-of-practice-for-the-acquisition-and-disclosure-of-communications-data>

### Protection of Freedoms Act 2012 – changes to provisions under the Regulation of Investigatory Powers Act 2000 (RIPA)

Home Office guidance to local authorities in England and Wales on the judicial approval process for RIPA and the crime threshold for directed surveillance

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/118173/local-authority-england-wales.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/118173/local-authority-england-wales.pdf)

## APPENDIX D - Specimen Directed Surveillance application form

### Part II of the Regulation of Investigatory Powers Act 2000

#### Authorisation Directed Surveillance

Sample Form with Notes to Assist Completion

**This form is to be completed by an officer of the local authority seeking authorisation to carry out Directed Surveillance. If granted, authorisation will last for a period of up to three months.**

**Code of Practice:** References to the “Code” or “Code of Practice” are to the RIPA Covert Surveillance Code of Practice.

**Unique Reference Number (URN):** This is a reference unique to each individual form but which also allows the form to be matched with other forms in the same investigation or which are issued by the same department. The idea is that, during an OSC inspection, the inspector can see which forms relate to each other. A URN also allows the form relating to each investigation to be kept together in the Central Record. Some organisations devise a URN which comprises of the year, department initials, applicant initials and investigation number. There are no hard and fast rules.

<b>Public Authority</b> (including full address)			
<b>Name of Applicant</b>		<b>Unit/Branch /Division</b>	
<b>Full Address</b>			
<b>Contact Details</b>			
<b>Investigation/Operation Name</b> (if applicable)			
<b>Investigating Officer (if a person other than the applicant)</b>			

<b>DETAILS OF APPLICATION</b>
<b>1. Give rank or position of authorising officer in accordance with the Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2003; No. 3171.<sup>1</sup></b>
Insert the name and position of the Authorising Officer. This is the person who will decide whether or not Directed Surveillance should be authorised and he/she will countersign this form.
<b>2. Describe the purpose of the specific operation or investigation.</b>
<p><i>For example:</i></p> <ul style="list-style-type: none"> <li>▪ <i>To investigate acts of crime or disorder e.g. racially aggravated criminal damage and racist verbal abuse</i></li> <li>▪ <i>To investigate and gather evidence of a potential benefit fraud</i></li> <li>▪ <i>To investigate instances of illegal dumping of waste</i></li> </ul> <p><i>If possible, include the relevant legislation that would be used to prosecute offenders and/or which gives you the power/duty to investigate the matter</i></p>
<b>3. Describe in detail the surveillance operation to be authorised and expected duration, including any premises, vehicles or equipment (e.g. camera, binoculars, recorder etc.) that may be used.</b>
<p><i>The key phrase here is “in detail.” Therefore a response, which merely states, “Video camera and recording equipment will be installed at a fixed point”, will not be adequate.</i></p> <p><i>Your statement here needs to include what is going to be done, who is going to do it, when they are going to do it, where they are going to do it and how they are going to do it. Other points to address here include:</i></p> <ul style="list-style-type: none"> <li>▪ <i>How long will the surveillance last?</i></li> <li>▪ <i>Specific details about dates and times i.e. is it 24/7, at specific times of the day or at random times?</i></li> <li>▪ <i>Which premises are to be used and/or targeted?</i></li> <li>▪ <i>Which vehicles are to be used? Are they public or private?</i></li> <li>▪ <i>What type of equipment is to be used?</i></li> </ul> <p><i>Note that, if the Authorising Officer approves this surveillance, your authorisation will only cover you to do what you have stated here (subject to any amendments made by the Authorising Officer in box 12). Consequently you can only rely on section 27 “the RIPA Shield/Defence” only in so far as you were undertaking the activities set out in this section (as amended). Therefore it pays to include lots of detail.</i></p>

<sup>1</sup> For local authorities: The exact position of the authorising officer should be given. For example, Head of Trading Standards.



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

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

*Include as much information as you have. If you do not know the identity say so. Other information could include a general description of the possible target(s).*

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

*Your statement here should be more detailed than in Box 2. You should give details of the precise information sought by doing the surveillance. For example:*

- *To ascertain what time the suspect enters and leaves the building*
- *Or to capture images of the perpetrators of anti-social behaviour at (place/address)*
- *To find out who is delivering the goods to the suspect's premises etc. (place/address)*

**6. Identify on which grounds the directed surveillance is necessary under Section 28(3) of RIPA. Delete those that are *inapplicable*. Ensure that you know which of these grounds you are entitled to rely on (SI 2003 No.3171)**

- *In the interests of national security;*
- ***For the purpose of preventing or detecting crime or of preventing disorder;***
- *In the interests of the economic well-being of the United Kingdom;*
- *In the interests of public safety;*
- *for the purpose of protecting public health;*
- *for the purpose of assessing or collecting any tax, duty, levy or other imposition, contribution or charge payable to a government department;*

*Since 5<sup>th</sup> January 2004, local authorities can only authorise Directed Surveillance for the purpose of preventing or detecting crime or of preventing disorder.*

*Therefore all other grounds should be deleted.*

**7. Explain why this directed surveillance is necessary on the grounds you have identified [Code paragraph 2.4]**

*State why Directed Surveillance is needed to obtain the information that is sought.*

*The most important question to address is – why is it necessary to use covert surveillance?*

*How will doing the Directed Surveillance lead to prevention or detection of crime or prevention of disorder?*

*Factors to include will be:*

- *The offence or disorder you are investigating*
- *Seriousness of the offence*
- *Impact on victims*
- *What other means you have tried/considered to obtain the information and why are those impracticable*

**8. Supply details of any potential collateral intrusion and why the intrusion is unavoidable. [Bear in mind Code paragraphs 2.6 to 2.10.]****Describe precautions you will take to minimise collateral intrusion**

*When doing Directed Surveillance you may be invading the privacy of those who are not your target e.g. third parties, passers-by etc. RIPA requires you to think about their rights and what you can do to minimise the impact on them of your surveillance.*

*Paragraph 2.6 of the Code of Practice states:*

*“Before authorising surveillance the authorising officer should also take into account the risk of intrusion into the privacy of persons other than those who are directly the subjects of the investigation or operation (collateral intrusion). Measures should be taken, wherever practicable, to avoid or minimise unnecessary intrusion into the lives of those not directly connected with the investigation or operation”.*

*People who may be the subject of collateral intrusion include:*

- *Customers or workers at a business premises*
- *Visitors to a property*
- *Friends or relatives of the suspect*

*Firstly, identify here who else may be caught by the surveillance.*

*Secondly, state why it is unavoidable. This could be because of the nature of the premises (e.g. restaurant) or because of what the person is doing (e.g. visiting other subject/target premises) that there will always be third parties around who will be captured on film or whose activities will be recorded/observed in some way.*

*Thirdly set out what steps you have taken to minimise collateral intrusion. This may include:*

- *Using a still camera as opposed to a video camera*
- *If installing hidden cameras, only switching them on at specific times rather than all the time*
- *Narrowing the field of vision or the place where the cameras are cited*
- *Reducing the amount of surveillance done at busy times e.g. shops or places of worship*

*If you cannot minimise collateral intrusion you still need to show you have considered it. You may wish to add that you cannot do anything to minimise it but you will not be making any decisions on the information gathered about third parties unless it shows them committing a criminal offence.*

**9. Explain why this directed surveillance is proportionate to what it seeks to achieve. How intrusive might it be on the subject of surveillance or on others? And why is this intrusion outweighed by the need for surveillance in operational terms or can the evidence be obtained by any other means? [Code paragraph 2.5]**

*Paragraph 2.6 of the Code of Practice states:*

*“This involves balancing the intrusiveness of the activity on the target and others who might be affected by it against the need for the activity in operational terms. The activity will not be proportionate if it is excessive in the circumstances of the case or if the information which is sought could reasonably be obtained by other less intrusive means. All such activity should be carefully managed to meet the objective in question and must not be arbitrary or unfair”.*

*This requires you to justify the need for the surveillance and the methods used and balance those with the impact on the privacy of the subject. The DCA guide on Human Rights (page 55) states:*

*“When taking decisions that may affect any of the qualified rights, a public authority must interfere with the right as little as possible only going as far as is necessary to achieve the desired aim.”*

**To demonstrate proportionality you must consider the following elements,**

***Is this use proposed use proportionate***

- ***To the seriousness of the offence or the mischief***
- ***To the degree of intrusion on the target and other people***
- ***Have other overt means been considered and discounted***

**The following issues must be addressed here**

- *Can you get information using less intrusive means/other methods?*
- *What other means have you tried?*
- *What have you done to try and lessen the impact on the target? Factors to set out include:*
  - *Amount of information to be gathered during the surveillance*
  - *Impact of surveillance on the subject*
  - *Timing of the surveillance*

*At the same time, the above must be balanced with the need for the activity in operational terms. To demonstrate this balance you should set out:*

- *What you are seeking to achieve?*
- *Seriousness of the offence*
- *Impact of the offence on the victims, others/wider community and on the public purse*

**10. Confidential information. [Code paragraphs 3.1 to 3.12]**

INDICATE THE LIKELIHOOD OF ACQUIRING ANY CONFIDENTIAL INFORMATION:

*This is defined in the Code of Practice as communication involving confidential personal information (including health and religious counselling information), confidential journalistic material or communications subject to legal professional privilege.*

*Local authorities are unlikely to come across the kind of information during routine surveillance operations. However you have to be alive to the possibility and add include wording here to show how you have thought about it. For example, where you will be following someone who may end up at a church, mosque or doctor's surgery.*

*Note that in cases where you will be obtaining confidential information, the authorisation has to be granted by the Chief Executive or, in his/her absence, a chief officer.*

11. Applicant's Details.			
Name (print)		Tel No:	
Grade/Rank		Date	
Signature			
12. Authorising Officer's Statement. [Spell out the "5 Ws" – Who; What; Where; When; Why and HOW– in this and the following box.]			
<p>I hereby authorise directed surveillance defined as follows: [<i>Why is the surveillance necessary, whom is the surveillance directed against, Where and When will it take place, What surveillance activity/equipment is sanctioned, How is it to be achieved?</i>]</p> <p><i>This section is for the Authorising Officer to complete. It should not be pre completed by the investigating officer. Sufficient detail must be included here to demonstrate that he/she has considered thoroughly. Reference can be made to the boxes above but "cut and paste" should be avoided.</i></p> <p><i>The five "Ws" stated above must be addressed in detail. This is important so that investigating officers are clear as to what they can and cannot do and the means that they can adopt. The Authorising Officer should not be afraid to reject the application if it lacks clarity or detail.</i></p>			

<b>13. Explain <u>why</u> you believe the directed surveillance is necessary. [Code paragraph 2.4]</b> Explain <u>why</u> you believe the directed surveillance to be proportionate to what is sought to be achieved by carrying it out. [Code paragraph 2.5]
<i>You may refer to box 7 and 9 when completing this section. You can also add any additional factors you have considered. However, to demonstrate that you have given the issues due to thought, if it important not to cut and paste that wording or to just state “see box 7 and 9”.</i>

<b>14. (Confidential Information Authorisation.) Supply detail demonstrating compliance with Code paragraphs 3.1 to 3.12</b>	
<i>This box should only be completed if you are likely to obtain Confidential Information (see box 10) through Direct Surveillance.</i>	
<b>Date of first review</b>	
<b>Programme for subsequent reviews of this authorisation: [Code paragraph 4.22]. Only complete this box if review dates after first review are known. If not or inappropriate to set additional review dates then leave blank.</b>	

*Regular reviews are stressed by the Code of Practice. Where a surveillance operation is going to last more than one month then, the Surveillance Commissioners have suggested, there should be at least a review once a month. Shorter or time limited operations may not require a review.*

*During a review consideration will have to be given to whether the surveillance is still necessary and proportionate. A standard form is available to record the review.*

<b>Name (Print)</b>		<b>Grade / Rank</b>		
<b>Signature</b>		<b>Date and time</b>		
<b>Expiry date and time [ e.g.: authorisation granted on 1 April 2005 - expires on 30 June 2005, 23.59 ]</b>				

**15. Urgent Authorisation [Code paragraphs 4.17 and 4.18]: Authorising officer: explain why you considered the case so urgent that an oral instead of a written authorisation was given.**

*Paragraph 4.13 of the Code of Practice states:*

*“A case is not normally to be regarded as urgent unless the time that would elapse before the authorising officer was available to grant the authorisation would, in the judgement of the person giving the authorisation, be likely to endanger life or jeopardise the investigation or operation for which the authorisation was being given. An authorisation is not to be regarded as urgent where the need to for an authorisation has been neglected or the urgency is of the authorising officer’s own making.”*

*In urgent cases this section still has to be completed as soon as reasonably practicable. It will be rare for a local authority to be able to claim that an authorisation was so urgent that it had to be obtained verbally.*

<b>16. If you are only entitled to act in urgent cases: explain why it was not reasonably practicable for the application to be considered by a fully qualified authorising officer</b>				
<p><i>This section is only to be completed where an urgent verbal authorisation was given by an Authorising Officer only entitled to act in urgent cases. This will usually not be appropriate for local authorities.</i></p>				
<b>Name (Print)</b>		<b>Grade/ Rank</b>		
<b>Signature</b>		<b>Date and Time</b>		
<b>Urgent authorisation Expiry date:</b>		<b>Expiry time:</b>		
<p><i>Remember the 72 hour rule for urgent authorities – check Code of Practice.</i></p>	<p>e.g. authorisation granted at 5pm on June 1<sup>st</sup> expires 4.59pm on 4<sup>th</sup> June</p>			



## APPENDIX E

### Application for judicial approval for authorisation to obtain or disclose communications data, to use a covert human intelligence source or to conduct directed surveillance. Regulation of Investigatory Powers Act 2000 sections 23A, 23B, 32A, 32B.

Local authority:.....

Local authority department: .....

Offence under investigation:.....

Address of premises or identity of subject: .....

.....

.....

Covert technique requested: (tick one and specify details)

Communications Data ☐

Covert Human Intelligence Source ☐

Directed Surveillance ☐

Summary of details

.....

.....

.....

.....

.....

**Note:** this application should be read in conjunction with the attached RIPA authorisation/RIPA application or notice.

Investigating Officer:.....

Authorising Officer/Designated Person: .....

Officer(s) appearing before JP:.....

Address of applicant department:.....

.....

Contact telephone number:.....

Contact email address (optional): .....

Local authority reference: .....

Number of pages:.....

## APPENDIX F



### NAFN Court Hearing Guidance

You may already be familiar with making applications to the Magistrates for orders in connection with the investigation of offences. All courts have local practices and if the practice at your local court is different you should follow the local practice.

#### 1. Before the hearing

Read through the authorisation and the application form for Judicial Approval thoroughly. You are welcome to amend the application form supplied by NAFN but the authorisation itself should not be amended once it has been approved by the Designated Person.

Ensure you have: **The original authorisation plus one copy.**  
**Two copies of the application for Judicial approval**  
**One copy of the Court Order form.**

Be prepared to explain everything to the Magistrate – remember they may never have seen an application like this before. Try and anticipate what questions the Magistrate might ask.

Check if it is necessary for your Head of Legal Services to authorise you to appear in Court.

Make sure the Court know you are coming in advance.

## **2. At the hearing**

You should address the Magistrate as ‘Sir’ or ‘Ma’am’. They may be accompanied by a legal adviser who will be a lawyer. The public should not be present during the application. This is important because anything heard by the public might get back to the person you are investigating.

After introducing yourself you may be asked to swear an oath (or make an affirmation). This is a matter for the Magistrate’s discretion. In general it is necessary to be sworn in if what you say is going to be treated as formal evidence. If, however, what you say is a presentation about the authorisation then it is not strictly necessary for you to be sworn in. Leave this to the Magistrate. If you are asked to swear an oath you can choose to affirm instead if you object to swearing on the Bible/Holy book. Legally there is no difference between an oath and an affirmation. It is a matter of your own personal preference/religious belief. Magistrates should be able to accommodate all religious requirements.

The Magistrate may not be familiar with RIPA. It is helpful if you offer to talk them through the application, or the entire authorisation. The Magistrate may not find this necessary but they will generally appreciate the offer.

## **3. If everything goes well**

Ask the Magistrate to sign the order. You need to keep the original authorisation and the original signed order. The Magistrate keeps a copy of everything for the Court records. Ensure that the scanned signed application form and order are returned to NAFN.

## **4. If the Magistrate is not happy to approve the authorisation**

In most cases it is likely that the Magistrate will be happy to approve the authorisation.

However, if the Magistrate is not happy to authorise try to get as much information as possible as to why. It might be helpful to ask them if there is any further information which can be provided in support to help persuade them in future. You cannot amend the authorisation without getting it approved again by the Designated Person, but you can amend the application for Judicial approval. You can also provide further evidence to the Magistrate outside the application – if they agree to this.

If the Magistrate considers quashing the authorisation they must adjourn the application for at least two working days to give you a chance to make further representations. Although this isn’t in RIPA, it is a strict legal requirement in the Criminal Procedure Rules (rule 6.28).

Whatever the outcome you should take the original authorisation with you when you leave.

## **5. Need further advice**

If you are not sure of what to do next or need further advice contact NAFN who will be able to assist and direct your query accordingly.

### **NAFN UK**

**Telephone:** 0161 342 3480

**Email:** [general@nafn.scn.gov.uk](mailto:general@nafn.scn.gov.uk)

**Version Control**

<b>Issue</b>	<b>Date</b>	<b>Purpose</b>	<b>Reviewed by</b>	<b>Approved by</b>
1.0	April 03	Initial Draft	Geoffrey Snowball	Stephen Taylor
2.0	Nov 05	Amended procedures	Phil Thomas	Stephen Taylor
3.0	Mar 07	Amended procedures	Phil Thomas	Stephen Taylor
4.0	Oct 07	Amended procedures	Phil Thomas	Stephen Taylor
5.0	April 08	Amended procedures	Phil Thomas	Stephen Taylor
6.0	May 08	Amended procedures	Phil Thomas	Stephen Taylor
7.0	Jan 09	Amended procedures	Phil Thomas	Stephen Taylor
8.0	Mar 09	Amended procedures	Phil Thomas	Stephen Taylor
9.0	May 09	Amended procedures	Phil Thomas	Stephen Taylor
10.0	Oct 10	Amended procedures	Phil Thomas	Stephen Taylor
11.0	July 10	Amended procedures	Phil Thomas	Stephen Taylor
12.0	Aug 10	Amended procedures	Phil Thomas	Stephen Taylor
13.0	Feb 12	Amended procedures and authorisers in light of Council restructure	Phil Thomas	Stephen Taylor
14.0	Oct 12	Amended procedures in light of the changes to the RIPA procedures for Local Authorities	Philip Thomas	Stephen Taylor
15.0	Nov 14	Updated list of Authorisers and refresh of all hyperlinks to key Govt. documents and procedures.	Paul Simmonds	Stephen Taylor
16.0	Nov 15	Update guidance and amend scope of Authorisers to ensure operational independence	Paul Simmonds	Stephen Taylor.
17.0	Mar 16	Updated Appendix B with details of roles	Paul Simmonds	Stephen Taylor
18.0	Mar 16	Insertion of 2.2 regarding the use of Social Media + Further updating of Appendix B to reflect now appointments.	Paul Simmonds	Stephen Taylor
19.0	Aug 16	Minor alterations to policy guidance and to Appendix B following Recommendations made by OSC.	Paul Simmonds	Stephen Taylor
20.0	July 2019	Updated Appendix B with details of roles and other minor amendments re central register process, non NAFN covert surveillance etc.	Phil Wirth, Steve Kensington, Nick Hobbs	Audit Committee

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## Internal Audit Plan: 2020/21

**Audit Committee**

**Date: 21<sup>st</sup> July 2020**

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Author: Head of Internal Audit

Wards: All

Parishes Affected: All

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### **1. Purpose and Reasons**

- 1.1 To present the draft Internal Audit Annual Plan (2020/21) for approval by the Audit Committee.
- 1.2 The Council's Audit Committee has a strategic role to ensure that the Council's assurance framework is operating effectively. To this end it should seek assurance that key areas that contribute to this framework are operating properly.
- 1.3 The Council's Internal Audit section is a key component of the assurance framework and therefore it is essential that this Committee monitor its performance against the annual plan along with the implementation of agreed recommendations by Client departments.

### **2. Recommendations**

The Committee is recommended to:

- 2.1 Approve the draft Internal Audit plan for 2020/21, attached at Appendix 1, if the Committee is satisfied that it includes all areas where it requires assurance with regards to the Council's Control, Risk and Governance framework.

### **3. Detail**

Legal Framework

- 3.1 Internal Audit is a statutory requirement for local government.
  - 3.1.1 Section 151 of the Local Government Act 1972 requires every authority to make arrangements for the proper administration of its financial affairs and to ensure that one of the officers has responsibility for the administration of those affairs. Internal Audit supports the role of the Section 151 Officer by assessing the financial controls of the Council, in particular in relation to the main financial systems and provides assurance to the External Auditor regarding the reliance that can be placed upon these.
  - 3.1.2 Section 5 of the Accounts and Audit Regulations 2015 states that 'a relevant body must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.'

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Further information on the subject of this report can be obtained from Nick Hobbs, Direct Dial Telephone Number: 01793 463940 nhobbs@swindon.gov.uk.

## Internal Audit Plan: 2020/21

**Audit Committee**

**Date: 21<sup>st</sup> July 2020**

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- 3.2 These regulations emphasise the much wider role for Internal Audit and the need to consider all internal control arrangements, not just financial, and places more emphasis on the risk management arrangements and the need to consider the key risks to the Council's objectives.

### Annual Internal Audit plan 2020/21

- 3.3 The Head of Internal Audit has put together a draft risk-based Internal Audit plan for 2020/21 (see Appendix 1). The plan has been produced on the basis of:

3.3.1 Ensuring that there is adequate coverage of the Council's governance, risk management and key systems of internal control in order to provide assurance to the Leader and Chief Executive when certifying the Annual Governance Statement, and to the Council's Audit Committee.

3.3.2 Ensuring that the Corporate Director Finance and Assets' Section 151 (Local Government Act 1972) requirements are met.

3.3.3 Ensuring compliance with the requirements of the Accounts and Audit Regulations 2015.

3.3.4 Risks identified to the Council meeting its key objectives identified in the Corporate Risk register are covered.

3.3.5 Ensuring that Internal Audit both identifies areas for improvement and links to the Council's improvement plans.

3.3.6 The requirements of External Audit, in particular in relation to the audit of the Council's main financial systems.

3.3.7 Corporate Director, Director and Heads of Service and Leadership team priorities.

3.3.8 Priorities identified by Internal Audit.

3.3.9 Additional Corporate Governance issues including anti-fraud and corruption work.

3.3.10 Certification work including Troubled Families, Highways and Disabled Facilities grant certification audits etc.

3.3.11 A contingency has also been allowed for investigation work, follow-up work and advice and consultancy.

- 3.4 Meetings with the Chief Executive, Corporate Management Team members, tier two officers; key finance staff and the Intelligence Lead (Analysis and Performance Improvement) were held in order to identify their priorities for Internal Audit over the coming financial year. All leadership management teams were also consulted.

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Further information on the subject of this report can be obtained from Nick Hobbs, Direct Dial Telephone Number: 01793 463940 [nhobbs@swindon.gov.uk](mailto:nhobbs@swindon.gov.uk).



# Internal Audit Plan: 2020/21

**Audit Committee**

**Date: 21<sup>st</sup> July 2020**

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- 3.5 Appendix 1 sets out those audits included in the draft audit plan for 2020/21. The plan has been split in to those audits that are of a high, medium and low priority.

## Internal Audit resource - Impact of Covid-19

- 3.6 The draft annual audit plan was put together pre Covid-19 and had been due to come to Audit Committee in March 2020 for approval.
- 3.7 The level of audit resource calculated pre Covid, and used to prepare the audit plan, has been significantly reduced. The Internal Audit plan has been put on hold as internal audit staff have been redeployed to critical Council services since late March 2020. These audit staff are still filling redeployment roles within areas such as the Live Well Hub, Business Grants and the IT help desk.
- 3.8 Since the start of the financial year only a couple of time critical audits have been undertaken (e.g. Grant certification audit) as well as finalising draft audit reports issued prior to April.
- 3.9 Internal Audit has also been involved in providing advice regarding control arrangements for processes set up to respond to Covid-19 including Business Grants, Supplier Relief etc.
- 3.10 Internal Audit staff are expected to return from the redeployment pool later this month/early August.

## Internal Audit resource - Staffing

- 3.11 Internal Audit resource will also be impacted by two current vacancies that we are in the process of recruiting to.

## Internal Audit resource – Impact on the Internal Audit plan

- 3.12 Once the redeployment and recruitment has been completed and actual available resource has been established it has been agreed with Corporate Management Team that the previously prepared draft plan will be used as a basis on which to agree priorities for audits on a quarterly basis at individual senior management teams.
- 3.13 These priority audits will also take account of any issues brought about by Covid and the Council's response/recovery to them.
- 3.14 Audit Committee are therefore requested to agree the Internal Audit plan as set out in Appendix 1 as the basis for agreeing priorities for 2020/21.
- 3.15 It should be noted that the Internal Audit plan is flexible and can be changed to reflect changes in risk and priority. As stated above the Head of Internal Audit will meet quarterly with senior management teams as well as the Corporate

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Further information on the subject of this report can be obtained from Nick Hobbs,  
Direct Dial Telephone Number: 01793 463940 nhobbs@swindon.gov.uk.

# Internal Audit Plan: 2020/21

**Audit Committee**

**Date: 21<sup>st</sup> July 2020**

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Management Team to ensure that the plan remains current and makes best use of the limited internal audit resource.

## **4. Alternative Options**

4.1 Not Applicable.

## **5. Implications, Diversity Impact Assessment and Risk Management**

### Financial and Procurement Implications

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

### Legal and Human Rights Implications

5.2 Internal Audit is a statutory requirement of the Accounts and Audit Regulations 2015. The Internal Audit service also provides assurance to the Director of Finance regarding the requirements of Section 151 of the Local Government Act 1972.

### All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

5.3 None.

### Diversity Impact Assessment

5.4 No Diversity Impact Assessment (DIA) has been undertaken since this report does not recommend a change in any service.

### Risk Management

5.5 The Internal Audit plan is risk-based and the Council's Corporate Risk register is used to inform the plan. Individual audits carried out during the year will identify any relevant risks in areas examined.

## **6. Consultees**

6.1 The Chief Executive, Corporate Management Team, Directors and Head of Service, Heads of Finance, and the Intelligence Lead (Analysis and Performance Improvement) have been consulted when putting the internal audit plan together.

## **7. Background Papers**

7.1 None.

## **8. Appendices**

8.1 Appendix 1 – Draft Internal Audit Plan 2020/21

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Further information on the subject of this report can be obtained from Nick Hobbs, Direct Dial Telephone Number: 01793 463940 [nhobbs@swindon.gov.uk](mailto:nhobbs@swindon.gov.uk).

# Audit Committee

**DRAFT**

## Internal Audit Plan 2020/21

Nick Hobbs

Head of Internal Audit

March 2020

## Appendix 1

# Corporate Governance:

- *Annual Governance Statement*
- *Governance of wholly owned subsidiaries*
- *Risk and performance management*
- *Climate Change*
- *Information governance*
- *Strategic review of Council assets*
- *Swindon Housing Company*
- *Contract Management*
- *Business Continuity / Emergency Planning*
- *Absence management / Absentia*

*136 days*

# Key financial systems and grants:

- *Treasury management*
- *Creditors*
- *Main accounting*
- *Payroll*
- *Key ICT controls: main financial systems*
- *Grant certifications: Troubled Families; Bus subsidy; Disabled facilities; Public Health; Local Transport Capital Funding; Blue Badge*

*134 days*

# Adults, Housing and Public Health:

- *Building Independent Futures: Internal Provider*
- *Complex Needs*
- *Support Workers*
- *Toothill Big Local*
- *Adults Safeguarding*
- *Homeline*
- *Money management team*
- *Transitions*
- *Housing maintenance - repairs*
- *Empty Homes*
- *Eclipse*

*143 days*

# Children:

- *External Placements – funding split with Health*
- *Foster Care*
- *Youth Offending Team*
- *SEN High Needs Funding*
- *Troubled families – process review*
- *Commissioning school improvement*
- *School themed audit*
- *Central Library*

*114 days*

# Finance, Assets & Digital:

- *Fraud and corruption checks*
- *NFI*
- *IT Strategy and delivery plan*
- *Cyber and Information Security*
- *IT Projects*
- *Key ICT controls*

*92 days*



# Chief Operating Officer:

- *Payroll: acting up, honorarium and additional pay*
- *Electoral Services*
- *Grievance Process*
- *Lydiard Park*
- *Capital Projects*
- *Transport Compliance*
- *Car park income/bus lane enforcement*
- *Highways Operations*
- *Food Safety*
- *HR Transformation – recruitment and retention*
- *Equalities, diversity and inclusion* *144 days*

# External work:

- *St Joseph's Catholic College and associated schools*
- *Stratton St Margaret Parish Council*

*35 days*

# Internal Audit:

- *Investigations*
- *Contingency*
- *Advice, assistance and communication*
- *Follow-ups*

*180 days*

# Medium Priority audits:

Page 148

<i>Tenant Scrutiny Panel</i>	<i>Housing Maint' – Voids</i>	<i>Section 75</i>
<i>FAB Team</i>	<i>Workplace Health</i>	<i>Newton Europe</i>
<i>School Forum</i>	<i>Building Bridges</i>	<i>Crematorium</i>
<i>Children Complaints</i>	<i>Tool and Plant</i>	<i>Waterside H&amp;S</i>
<i>Licensing income</i>	<i>PPS Waste Data</i>	<i>PCI Compliance</i>
<i>Business Improvement Team</i>	<i>GDPR Compliance</i>	<i>IT Business continuity plans</i>
<i>IT Asset Management</i>	<i>VMWare Security</i>	<i>Identity and Access Management</i>
<i>Commissioning L&amp;D Section 106</i>	<i>Security and Facilities Management</i>	<i>Organisational change – managing change policy</i>
<i>Passenger Transport</i>	<i>Debtors (old debts)</i>	<i>Council Tax/NNDR – new properties</i>

*Est days needed: 403*

*Est available days: 59*

# Lower Priority audits:

- *NEV follow-up*
- *Planning fees*
- *PPS Governance follow-up*
- *Stores*
- *Enterprise Works*
- *Services to Parishes*
- *Deprivation of liberty*
- *CCG medicine – smoking cessation*
- *Community and Health Wellbeing*
- *Substance Misuse Policy*
- *Reablement*
- *Asset management valuations*
- *Housing and Council Tax benefits*

*Est days needed: 135*

*Est available days: 0*

Internal Audit

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## Head of Internal Audit Update

**Audit Committee**

**Date: 21<sup>st</sup> July 2020**

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Author: Head of Internal Audit

Wards: None

Parishes Affected: None

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### **1. Purpose and Reasons**

- 1.1 To present Members with a summary of the main issues arising from the Internal Audit reports finalised since the Audit Committee meeting in January 2020, to update Members with regard to progress against the annual internal audit plan and other key issues.
- 1.2 The Council's Audit Committee has a strategic role to ensure that the Council's assurance framework is operating effectively. To this end it should seek assurance that key areas that contribute to this framework are operating properly.
- 1.3 The Council's Internal Audit section is a key component of the assurance framework and therefore it is essential that this Committee monitor its performance against the annual plan along with the implementation of agreed recommendations.

### **2. Recommendations**

The Committee is recommended to:

- 2.1 It is recommended that Audit Committee note the report.

### **3. Detail**

Progress on completion of Internal Audit Plan 2019/20

- 3.1 Details of audits finalised since the January 2020 Audit Committee meeting are set out in Appendix 1. The Appendix sets out the key audit recommendations made along with the overall risk assessment to the Council.
- 3.2 As detailed in the Head of Internal Audit's annual report (included on the agenda for the July Audit Committee meeting) 93% of the number of audits in the audit plan had been completed by the year end. However, a number of these pieces of work relate to internal investigations which continue to have an impact on the number of actual audits completed by the team. Only 84% of the key audits identified at the start of the year were completed. Appendix 2 sets out progress against the annual Internal Audit plan.
- 3.3 Customer feedback on completed audits continues to be very strong with 87.5% of respondents saying the audit was good to excellent; and the remaining 12.5% rating the audit average – good. There were no responses that rated the audit 'poor'.

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Further information on the subject of this report can be obtained from Nick Hobbs,  
Direct Dial Telephone Number: 07769 281679, [nhobbs@swindon.gov.uk](mailto:nhobbs@swindon.gov.uk).

# Head of Internal Audit Update

Audit Committee

Date: 21<sup>st</sup> July 2020

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## Progress on completion of Internal Audit Plan 2020/21

- 3.4 Details of audits issued during 2020/21 are set out in Appendix 3.

### Corporate Fraud Team

- 3.5 The team has received 337 referrals this year (as at the end of March 2020) of which 117 cases were closed.
- 3.6 Set out below is the Corporate Fraud Team's performance to date. In order to help us benchmark our performance we are now using the updated national figures when calculating nominal savings. These figures recognise the average length of a fraud as well as associated costs.

### *Housing related fraud*

- 3.7 The Team continue to work on Housing related fraud. The figures to end of March 2020 are:
- 3.7.1 13 Council properties have been recovered resulting in a nominal savings of £1,213,000
- 3.7.2 12 fraudulent Housing Application being stopped resulting in a nominal saving of £38,880
- 3.7.3 18 Right to Buy applications have been stopped resulting in discount of £1,239,510 being 'saved'.

### *Council Tax related fraud*

- 3.7.4 Council Tax Single Person Discount savings of £16,275 have been identified
- 3.7.5 Council Tax Reduction savings: £18,120.61 and Housing Benefit savings of £12,436
- 3.7.6 Three Council Tax penalty charge notice has been issued (£950)

### *Other*

- 3.7.7 Debtors have been traced regarding an outstanding debt of £49,618.
- 3.7.8 290 properties listed as empty were identified as being occupied: £418,000 (note revised amount for only 1 year).
- 3.7.9 Eleven parking permits withdrawn £22,550.

### *Overall*

- 3.8 The total nominal and actual savings to date identified by the Team amounts to: **£3,209,420.**

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Further information on the subject of this report can be obtained from Nick Hobbs, Direct Dial Telephone Number: 07769 281679, [nhobbs@swindon.gov.uk](mailto:nhobbs@swindon.gov.uk).



# Head of Internal Audit Update

**Audit Committee**

**Date: 21<sup>st</sup> July 2020**

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3.9 There are also nominal savings of £219,680 in relation to the Bristow case which haven't been included in the figures above.

3.10 Applying the new savings figures to our 2018/19 results the total savings, excluding SPD review and empty homes, was £1,213,264.65 (£527,400 more than reported).

## **4. Alternative Options**

4.1 Not applicable

## **5. Implications, Diversity Impact Assessment and Risk Management**

### Financial and Procurement Implications

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

### Legal and Human Rights Implications

5.2 Internal Audit is a statutory requirement of the Accounts and Audit Regulations 2015. The Internal Audit service also provides assurance to the Director of Finance regarding the requirements of Section 151 of the Local Government Act 1972.

### All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

5.3 None

### Diversity Impact Assessment

5.4 None

### Risk Management

5.5 Potential risks to the Council are identified in the individual audit reports summarised in Appendices 1 and 2.

## **6. Consultees**

6.1 Officers have chosen not to consult the Corporate Director of Finance and Assets (Section 151 Officer) or the Chief Legal Officer (Monitoring Officer) as the recommendations are to be noted and do not commit the Council to any expenditure.

## **7. Background Papers**

7.1 None

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Further information on the subject of this report can be obtained from Nick Hobbs, Direct Dial Telephone Number: 07769 281679, [nhobbs@swindon.gov.uk](mailto:nhobbs@swindon.gov.uk).

# Head of Internal Audit Update

**Audit Committee**

**Date: 21<sup>st</sup> July 2020**

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## **8. Appendices**

- 8.1 Appendix 1: Internal Audit Reports finalised since the January 2020 Audit Committee.
- 8.2 Appendix 2: Progress against the Internal Audit plan 2019/20
- 8.3 Appendix 3: Audit issued to date (2020/21)

<b>New Eastern Village: Follow-up</b>	<b>Date of report:</b> <b>27/02/20</b>	<b>Audit Opinion:</b>	<b>MODERATE</b>	
<b>Recommendations</b>	<b>Target date</b>	<b>Responsible Officer</b>	<b>Update/management comment</b>	<b>Target achieved?</b>
Programme Gateway reviews should be introduced at key decision points of the NEV programme. Reviews should include an appraisal of whether the current programme remains aligned to the Council's current strategic context and that the delivery approach remains viable.	Mar-20	Head of Highways and Transport and NEV Programme Lead	Programme Gateway reviews will be included in the NEV programme critical path, and managed through the NEV Operational Board and NEV Delivery Board reporting by exception to the Programme Sponsor.	In Progress
Outline contingency plans for NEV transport scheme slippage beyond LGF funding timescales should be produced, so that a decision on risk and scheme viability can be taken.	Mar-20	Head of Highways and Transport and NEV Programme Lead	The delivery of NEV transport schemes continue to be managed through the NEV Operational Board, NEV Delivery Board and Highways Delivery Board. The NEV Delivery Board, which is Chaired by the Programme Sponsor, has undertaken a series of 'deep dives' into the NEV transport schemes and continues to monitor programme and quality assurance. The 'deep dives' include a review of the procurement and construction programme including critical path, key milestones and alternative scenarios	Yes
Highways and Transport should prioritise production of the Infrastructure Delivery Plan. Council leadership should use the plan to ensure that adequate prioritisation of works and wider portfolio management of Council projects takes place	Mar-20	Head of Highways and Transport and NEV Programme Lead	The revised Infrastructure Delivery Plan for the NEV forms part of the Local Plan Review programme and will be subject to statutory public consultation in 2019 and 2020. A Highway and Planning Managers meeting has been established to improve resource identification, allocation and management; issues are escalated to Heads of Service as necessary. The Head of Planning, Regulatory Services and Heritage and Head of Highways and Transport have regular 1:1s, and the Chief Legal Officer now attends NEV Delivery Board.	In Progress
Adequate resources across Council departments should be identified and secured to deliver critical NEV programme activities	Mar-20	Head of Highways and Transport and NEV Programme Lead	The Highways Delivery Board has oversight of all strategic transport projects and manages internal and external resource proactively in line with Council's priorities and pledges. A review of how effectively each department has been supporting each other to progress programme activities will be managed through the Highway Delivery Board and reported to C&H SMT.	In Progress
Plans to provide required capacity to support the CPO process by Legal Services should be agreed as soon as is practically possible.	Mar-20	Head of Highways and Transport and NEV Programme Lead	External legal support has been commissioned for the SCR CPO Inquiry which is programmed to start in January 2020.	Yes
Escalation of issues with the contractor should continue, including Cabinet Member and the Council's Chief Executive involvement where required. The Programme Team should continue to explore the use of alternative contractors where this would provide greater certainty of delivery for actions on the programme critical path.	Mar-20	Head of Highways and Transport and NEV Programme Lead	The procurement strategy for the NEV transport schemes has been reviewed and reliance on the contractor has been reduced in this context.	Yes
Work to identify funding sources for potential financial risks should continue to be progressed.	Mar-20	NEV Infrastructure Co Ordinator	The HIF award for SCR, £19m, was confirmed in November 2019. The NEV Operational Board and NEV Delivery Board continue to monitor infrastructure delivery and quality assurance and a 'deep dive' into education provision is programmed for March 2020.	In Progress
The summer review of infrastructure deliverables should be progressed to identify what infrastructure can be delivered and what items require additional work to determine how they will be addressed.	Mar-20	NEV Infrastructure Co Ordinator	The Local Plan review, Local Transport Plan review and Infrastructure Delivery Plan review timetables have been aligned to ensure a co-ordinated approach to infrastructure delivery aligned to housing needs.	In Progress

<b>Swindon Museum and Art Gallery</b>	<b>Date of report:</b> <b>27/02/20</b>	<b>Audit Opinion:</b>	<b>MODERATE</b>	
<b>Recommendations</b>	<b>Target date</b>	<b>Responsible Officer</b>	<b>Update/management comment</b>	<b>Target achieved?</b>
No high priority recommendations were made.				

<b>Shaw Farm Follow-up</b>	<b>Date of report:</b> <b>27/02/20</b>	<b>Audit Opinion:</b>	<b>MODERATE</b>	
<b>Recommendations</b>	<b>Target date</b>	<b>Responsible Officer</b>	<b>Update/management comment</b>	<b>Target achieved?</b>
A local and corporate performance reporting indicators and monitoring of the leachate levels at Shaw Farm landfill should be established. This should include performance monitoring, reporting and narrative commentary to explain variations in achievement of leachate levels within the revised two metre limit.A service risk register should be produced and the leachate risk and mitigating actions captured. Given the environmental, financial, reputation and staff imprisonment risks this should be escalated to the Delivery Group Pillar Risk Register to monitor and scrutinise.	Apr-20	Service Manager Highway Infrastructure in conjunction with the Compliance Engineer.		

<b>Procurement arrangements for the supply and erection of scaffolding</b>	<b>Date of report:</b> <b>27/02/20</b>	<b>Audit Opinion:</b>	<b>NO OPINION</b>	
<b>Recommendations</b>	<b>Target date</b>	<b>Responsible Officer</b>	<b>Update/management comment</b>	<b>Target achieved?</b>
Until a tendered call-off contract can be secured, the aggregate value of supply should be estimated and a short-term contract put in place.	Sep-20	Head of Property Maintenance		
To ensure compliance with the Council’s Contract Standing Orders procurement training and awareness should be arranged to inform all relevant procuring officers within the Property Maintenance Team of the process. This training may be available through the Corporate Procurement Team.	Sep-20	Head of Property Maintenance		
An internal form of approval (Procurement Approval Document) should be completed for all expenditure in excess of £5,000 and forwarded to the Corporate Procurement Team within 10 days of contract award. This is to ensure compliance with legislation requirements relating to publication of Contract award notices. In compliance with the Council’s Contract Standing Orders, where the aggregated value of spend is expected to exceed £25,000, at least three written quotations should be sought from approved suppliers.	Apr-21	Head of Property Maintenance		

<b>Plas Pencelli Data Protection Compliance</b>	<b>Date of report:</b> <b>20/02/2020</b>	<b>Audit Opinion:</b>	<b>MODERATE</b>	
<b>Recommendations</b>	<b>Target date</b>	<b>Responsible Officer</b>	<b>Update/management comment</b>	<b>Target achieved?</b>
The Centre must be given access to, and must comply with Council's data protection guidance and policies in relation to subject access requests and data breaches. (AP 1.1)	Mar-20	Head of Centre in conjunction with Data Protection Officer		
The Head of Centre should be given responsibility for the Centre's data as an Information Asset Owner, and should undertake relevant corporate training in order to effectively carry out his duties. (AP 1.1)	Mar-20	Head of Centre in conjunction with Data Protection Officer		
A decision should be made on whether the Centre should use the Corporate IT services or continue to run its operations independently from the rest of the organisation. This decision should be based on an assessment of the most effective use of the Council's resources and the adequacy to manage the security risks to the Centre's data, for which the Council, as the data controller, has responsibility. A document identifying the risks to the security of the Centre's data along with the actions required to make the Centre compliant with the Data Protection Act, and with Council policies has been included at Appendix B. (AP 2.1)	Jun-20	Commissioner – Education Place Planning and Admissions in conjunction with Chief Operating Officer and Head of IT Operations		
The Centre should expand its data asset register to include the additional details required to form a record of processing activity (ROPA). The Centre must share its ROPA with the Information Governance Manager at the Council to enable it fulfil any requirements under the Act. The Centre's exercise to complete the ROPA should be used to perform an assessment of the risk and controls in place for each type of personal data processed by the Centre. Any weaknesses in the data security identified should be addressed. (AP 2.2)	Jun-20	Head of Centre		

<b>Council Tax</b>	<b>Date of report:</b> <b>07/02/2020</b>	<b>Audit Opinion:</b>	<b>MODERATE</b>	
<b>Recommendations</b>	<b>Target date</b>	<b>Responsible Officer</b>	<b>Update/management comment</b>	<b>Target achieved?</b>
No high priority recommendations				

<b>IT Disaster Recovery and Resilience</b>	<b>Date of report:</b> <b>27/01/2020</b>	<b>Audit Opinion:</b>	<b>MODERATE</b>	
<b>Recommendations</b>	<b>Target date</b>	<b>Responsible Officer</b>	<b>Update/management comment</b>	<b>Target achieved?</b>
The active contractor badges should be located or cancelled. If not located, a review of the badge use should be performed to establish whether they had been used, and if this requires further investigation.	Dec-19	Head of IT Operations	A list of badges with access to the Civic Data Centre, IT Incident Room and IT Build Room was requested by the Head of IT Operations and one badge that was no longer held by IT was requested to be disabled	
The IT Business Continuity/Disaster Recovery plan should be updated to include the following: <ul style="list-style-type: none"> <li>• Recovery Scenarios</li> <li>• Activities required for restoring services from the Civic Offices to the secondary site at Waterside in priority order as determined by IT and the business.</li> <li>• Plans to operate Waterside as the primary site for as long as required</li> <li>• Identification of the Disaster Recover Team and their responsibilities</li> <li>• Key contacts for communication and escalation within the IT department and wider organisation.</li> <li>• Key contacts for suppliers</li> </ul> Once updated, the plan should be regularly reviewed by an appropriate forum to ensure that it remains up to date.	Mar-20	Head of IT Operations		
Criticality of all supported systems should be assessed using an agreed criteria. Once determined by IT this should be agreed by the business (CMT/IGB) A service level agreement should be made for the recovery time objective and recovery point objective for each category. This should be published and communicated to services areas. The SLA for recovery times should be used by service areas to inform their business continuity plans.	Mar-20	Head of IT Operations and Business Continuity Manager		
IT Systems Support should work with business areas during the creation of specifications for systems purchased as software as a service to ensure that the back-up and disaster recovery requirements are defined to meet the business needs. Support and guidance should also be available to enable business areas to have assurance that these requirements are being met throughout the duration of the contract.	Mar-20	Head of IT Change		
An assessment should be performed to set the maximum tolerable time that the Jadu services could be unavailable. The provider should be contractually required to put disaster recovery arrangements in place to meet the agreed recovery time required.	Mar-20	Head of IT Change		

<b>Creditors</b>	<b>06/03/20</b>	<b>Audit Opinion:</b>	<b>MODERATE</b>	
<b>Recommendations</b>	<b>Target date</b>	<b>Responsible Officer</b>	<b>Update/management comment</b>	<b>Target achieved?</b>
A review of the Creditors system was undertaken with no key recommendations made				

<b>Brindley Close follow-up</b>	<b>Date of report:</b> <b>27/02/20</b>	<b>Audit Opinion:</b>	<b>OF CONCERN</b>	
<b>Recommendations</b>	<b>Target date</b>	<b>Responsible Officer</b>	<b>Update/management comment</b>	<b>Target achieved?</b>
A waste management register should be prepared setting out Environment Agency waste transfer stations and landfill sites on Council owned land. This should be populated with details of Environment Agency waste licences on Council land including maximum permitted waste levels, Environment Agency assurance of compliance with licence terms and conditions, risk profile and sureties.	Jan-20	Contaminated Land Officer		
An operational level relationship with the Environment Agency needs to be developed by the Council's Technically Competent Manager (Shaw Farm Landfill Site, phases three and four) and the Responsible Officer(s) to ensure that any emerging risks or issues relating to waste permits on Council land can be addressed and promptly mitigated as far is practically possible	Mar-20	Corporate Director of Communities and Housing		
If a situation arises where a new lease is to be considered for a waste operator on Council land it should be considered with the Lead Member. Any decision to be based on how to best protect the Council's interest.	As and when a new waste operator lease is considered	Head of Property Assets		
The Senior Valuer to formalise monitoring and management records i.e. dates, sites, issues and outcomes of any emerging risks and issues from waste transfer sites. This to include retaining a log and attaching copies of photographic evidence and e-mail trail of communications with the EA.	Dec-19	Head of Property Assets		
To improve the robustness of lease agreements it is recommended that waste management specific requirements be considered to be introduced as a schedule to the lease.	As and when a new waste operator lease is considered	Head of Property Assets		
The Auditor has set out in appendix D (of the original audit report) some of the key control requirements that should be evaluated for new or assigned lease agreements to see whether they need to be included in future.	As and when a new waste operator lease is considered	Head of Property Assets		
Put in place a formal escalation process with the Environment Agency so that any future emerging risks or issues regarding operators of waste sites on Council owned land are taken forward to secure the best outcomes. Where necessary joint inspections should take place between the Council and the EA wto esnure tenants address any potential breach of the EA waste license.	Dec-19	Head of Property Assets		

<b>Eclipse Lessons Learned</b>	<b>Date of report:</b> <b>24/6/20</b>	<b>Audit Opinion:</b>	<b>NO OPINION</b>	
<b>Recommendations</b>	<b>Target date</b>	<b>Responsible Officer</b>	<b>Update/management comment</b>	<b>Target achieved?</b>
No high priority recommendations were made.				

<b>Tenant Scrutiny Panel</b>	<b>Date of report:</b> <b>20/3/20</b>	<b>Audit Opinion:</b>	<b>NO OPINION</b>	
<b>Recommendations</b>	<b>Target date</b>	<b>Responsible Officer</b>	<b>Update/management comment</b>	<b>Target achieved?</b>

Recommendations were not given priorities as this was a consultancy piece of work				

<b>Building independent Futures</b>	<b>Date of report: 11/3/20</b>	<b>Audit Opinion:</b>	<b>SIGNIFICANT</b>	
<b>Recommendations</b>	<b>Target date</b>	<b>Responsible Officer</b>	<b>Update/management comment</b>	<b>Target achieved?</b>
Appraise whether there is sufficient in-house capacity and capability to achieve: <ul style="list-style-type: none"> <li>the necessary controls and best practice working arrangements to fulfil statutory requirements and best practice,</li> <li>a cohesive best practice model for the Building Independent Futures service as a whole</li> </ul>	Aug-20	Head of Regulated Services		
The strategy for Building Independent Futures should be reviewed to provide an overarching plan to achieve the objectives of the service as a whole.	Aug-20	Head of Regulated Services		
As a matter of urgency the service provision delivered at the Hawthorns should be registered with the Care Quality Commission.	Apr-20	Head of Regulated Services		
A Statement of Purpose should be produced and agreed to support the registration process along with the named Officer to act in the capacity of the Council's Registered Manager.	Apr-20	Head of Regulated Services		
A formal service delivery framework should be produced and applied to the in house BIF service. This should set out the rules and specific requirements from which to effectively deliver, monitor and manage service provision including the following key components stated opposite	Aug-20	Head of ASC Commissioning		
A service improvement process should be put in place across all aspects of the BIF service. Actions should be monitored for implementation	Aug-20	Head of Regulated Services		
To enable the BIF service to review and progress service users, and achievement of their required outcomes annual Care Act reviews, care assessments should be conducted on a timely and periodic basis	Aug-20	Head of Transitions		
Review and evaluate the statement of purpose for respite provided through Swindon Family Breaks at Firethorn Close.	Aug-20	Head of Transitions, Head of Regulated Services and Head of Commissioning		
The Council's Conflicts of Interest process, set out in the Code of Conduct – section 3.7, must be complied with by the BIF service.	Apr-20	Service Manager, LD in-house provision		
Review and reset the budgets for each site contributing to the in-house provision of Building Independent Futures and objectives.	Apr-20	Head of Transitions, Head of Regulated Services and Head of Commissioning		
Conduct a review of the nightly service user charge applied for respite stay at Firethorns.	Mar-20	Head of Regulated Services		



Public Health Grant Certification	Date of report: 27/4/20	Audit Opinion:	NO OPINION	
Recommendations	Target date	Responsible Officer	Update/management comment	Target achieved?
A certification audit was carried out on the Public Health Grant				

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Key Audits Completed (Audits) - Draft - Total 32

	April	May	June	July	August	September	October	November	December	January	February	March
Key Audits Completed												
	Public Health Grant	Troubled Families (April & May)	Asset Management (Valuation)	Housing Rents	Car Park income	Troubled Families (September)	IT Management f/up	IT Disaster recovery	Council Tax	Additional DFG		Main accounting
	Annual Governance Statement		Governance of PPS Ltd	Carbon Reduction Grant	Troubled Families (August)	Integrated Trnspt & Highway Maint' Grant Cert & others (see below)	Debtors	Treasury Management	Creditors			Troubled Families (February)
			Troubled Families (June)	Troubled Families (July)		NEV follow-up			Troubled Families (December)			Payroll
									DFG Funding			
Key audits Month Total	2	1	3	3	2	3	2	2	4	1	0	3
Key audits Cumulative Total	2	3	6	9	11	14	16	18	22	23	23	26
Key audits Target %	5	8	12	20	25	30	50	60	70	80	90	100
Key audits Achieved %	6%	9%	19%	28%	34%	44%	50%	56%	69%	72%	72%	81%

Total other Audits Completed - Draft (57+12)

	April	May	June	July	August	September	October	November	December	January	February	March
Other Audits Issued												
Page 163	Transport compliance	Business Expenses	RIPA	Childrens: Cash and Procurement Card Use	Inv 19/20-7 wider findings	Recruitment	Direct Payments	Building Independent Futures	Members Allowances	Tenant Scrutiny Panel	Inv 19/20-24	Car Parking follow-up
	Schools payroll	LADO: Allegation management	Inv 19/20-6	Workplace Health: follow-up	Procurement (Children Disabilities)	Data breach wider findings	Phones f/up	Empty Homes	Inv 19/20-26	Fessey House Discharge	Children Payments	Eclipse Lessons Leanred
	Children's Payroll	i-TRENT	Inv. 19/20-7	Early Years Funding	Inv 18/19-7	National Productivity Inv Fund (Mead Way) Grant Cert	Corporate Reporting f/up	Plas Pencelli - Data Protection	Inv 19/20-23	Brindley Close: follow up	Inv 19/20-27	
	Homeline	OK4U follow-up	Data Governance & Architecture	Planning Application (ombudsman)	L&D: Children & Adults	Pothole Action Fund 2018/19 Grant Cert	3rd Party Assurance	Inv 19/20-8	WB 19/20-7	Inv 19/20-2	Transport Policies	
	Additional Payments		WB 19/20-1	Inv 19/20-5	Inv 19/20-12	Pothole Action Fund 2019/20 Grant Cert	Starters/Leavers asset management	Inv 19/20-1&11		Swindon Museum & Art Gallery	Password Vaults	
	Privileged Access Management		Swindon Housing Company: Business Plan			Pothole Action and Flood Resilience Fund 2017/18	Eclipse	Inv 19/20-16		Procurement of Scaffolding services	WB 19/20-3	
	CITS - Highways project		Inv 19/20-3			Bus Service Operators Grant Cert		Inv 19/20-25		Gifts & Hospitality		
	Plas Pencelli		Inv 19/20-10							Shaw Farm Landfill		
Other audits total for month	8	4	8	5	5	7	6	7	4	8	4	2
Cumulative other audits	8	12	20	25	30	37	43	50	54	62	66	68

	April	May	June	July	August	September	October	November	December	January	February	March
Overall Month Total Audits	H	5	11	8	7	10	8	9	8	9	4	5
Overall Total Audits	10	15	26	34	41	51	59	68	76	85	89	94
Target Completion of Plan %	12	20	28	35	42	50	58	65	72	78	85	92
Audit Plan Achievement %	10%	15%	26%	34%	41%	50%	58%	67%	75%	84%	88%	93%

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Audits Completed (Audits)

	April	May	June	July	August	September	October	November	December	January	February	March
Audits Issued												
	Toothill Big Local (1)	Accounts Payable Process	Greenmeadow Primary	Toothill Big Local (Phase 2)								
	Additional Pay & Exp	RIPA Policy	PCI-DSS Compliance	Strategic review of Assets								
	Public Health Grant		Discharge to Assessment Beds									
Audits total for month	3	2	3	2	0	0	0	0	0	0	0	0
Cumulative audits for year	3	5	8	10	10	10	10	10	10	10	10	10

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