



BROMLEY CIVIC CENTRE, STOCKWELL CLOSE, BROMLEY BRI 3UH

TELEPHONE: 020 8464 3333

CONTACT: Steve Wood
stephen.wood@bromley.gov.uk

DIRECT LINE: 020 8313 4316

FAX: 020 8290 0608

DATE: 15 May 2018

To: Members of the
AUDIT SUB-COMMITTEE

Councillor Neil Reddin FCCA (Chairman)
Councillor William Huntington-Thresher (Vice-Chairman)
Councillors Gareth Allatt, Ian Dunn, Robert Evans, Christopher Marlow and
Tony Owen

(Subject to ratification by Annual Council on 16th May)

A meeting of the Audit Sub-Committee will be held at Bromley Civic Centre on
THURSDAY 24 MAY 2018 AT 7.00 PM

MARK BOWEN
Director of Corporate Services

Copies of the documents referred to below can be obtained from
<http://cds.bromley.gov.uk/>

A G E N D A

- 1 **APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**
- 2 **DECLARATIONS OF INTEREST**
- 3 **CONFIRMATION OF THE MINUTES OF THE MEETING HELD ON 7TH MARCH EXCLUDING THOSE CONTAINING EXEMPT INFORMATION (Pages 5 - 10)**
- 4 **QUESTIONS FROM COUNCILLORS OR MEMBERS OF THE PUBLIC**

In accordance with the Council's Constitution, questions to this Committee must be received in writing 4 working days before the date of the meeting. Therefore please ensure questions are received by the Democratic Services Team by 5pm on Friday 18th May 2018.

- 5 **MATTERS OUTSTANDING FROM THE LAST MEETING--EXCLUDING EXEMPT INFORMATION (Pages 11 - 14)**
- 6 **QUESTIONS ON THE AUDIT REPORTS PUBLISHED ON THE WEB**

The Briefing comprises:

Internal Audit Published Reports

1-Review of Southborough Primary School Audit for 2017/18

2-Review of Treasury Management Audit for 2017/18

3-Review of Children's Safeguarding for 2017/2018

4- Review of Compliance with the Intermediaries legislation (IR35)

5-Review of Contracts and Commissioning for the public Health Audit 2017/2018 GP Alliance

6-Review of Contracts and Commissioning for Public Health Audit 2017/2018; 0-4year old Health Visiting Service

7- Review of Children with Disabilities Audit for 2017/2018

8-Internal Audit Review of the Troubled Families Claims for the period 1st April 2017 to 31st March 2018

9-Review of Main Accounting System Audit for 2017/2018

10-Review of Contract sand Commissioning for Public Health Audit for 2017/2018. Point of Care Testing.

Members and Co-opted Members have been provided with advanced copies of the briefing via email. The briefing is also available on the Council website at the following link:

<http://cde.bromley.gov.uk/ieListMeetings.aspx?CId=559&Year=0>

- 7 **INTERNAL AUDIT PROGRESS REPORT** (Pages 15 - 60)
- 8 **ANNUAL INTERNAL AUDIT REPORT** (Pages 61 - 80)
- 9 **ANNUAL GOVERNANCE STATEMENT** (Pages 81 - 106)
- 10 **LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND THE FREEDOM OF INFORMATION ACT 2000**

The Chairman to move that the Press and public be excluded during consideration of the item of business listed below as it is likely in view of the nature of the business to be

transacted or the nature of the proceedings that if members of the Press and public were present there would be disclosure to them of exempt information.

Items of Business

Schedule 12A Description

- | | |
|---|---|
| <p>11 FRAUD, INVESTIGATIONS AND INTERNAL AUDIT EXEMPT ITEMS REPORT (Pages 107 - 158)</p> | <p>Information relating to any individual.
Information which is likely to reveal the identity of an individual.
Information relating to the financial or business affairs of any particular person (including the authority holding that information)</p> |
| <p>12 EXEMPT MINUTES OF THE MEETING HELD ON 7TH MARCH 2018 (Pages 159 - 162)</p> | <p>Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.</p> |
| <p>13 AOB</p> | |
| <p>14 DATE OF THE NEXT MEETING</p> | |

The Audit Sub Committee will meet next on 25th September 2018

This page is left intentionally blank

AUDIT SUB-COMMITTEE

Minutes of the meeting held at 7.00 pm on 7 March 2018

Present:

Councillor Neil Reddin FCCA (Chairman)
Councillor William Huntington-Thresher (Vice-Chairman)
Councillors Ian Dunn, Will Harmer and Tony Owen

Also Present:

Deepali Choudhary, Catriona Ellis, David Hogan, Dan Jones and Linda Pilkington

Philip Johnstone attended from KPMG

27 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

No apologies for absence had been received.

28 DECLARATIONS OF INTEREST

There were no declarations of interest.

29 CONFIRMATION OF THE MINUTES OF THE MEETING HELD ON 8th NOVEMBER EXCLUDING THOSE CONTAINING EXEMPT INFORMATION

The minutes of the meeting held on 8th November 2017 were agreed as a correct record.

30 QUESTIONS FROM COUNCILLORS OR FROM MEMBERS OF THE PUBLIC

No questions had been received from Councillors or from members of the public.

31 MATTERS OUTSTANDING FROM THE PREVIOUS MEETING- EXCLUDING EXEMPT ITEMS

CSD 18041

Members noted and commented on the Matters Arising report.

Members discussed the arrangements to recruit a Trainee Auditor. Funding for this would be available from April. LBB may decide to target the

recruitment process to students leaving school and college as the training would not commence until September.

Members noted the ongoing correspondence relating to the SFIS service initiated by the Department for Work and Pensions. To this end, the Chairman had written a letter to the Right Honourable Esther McVey MP, who was the Secretary of State for Work and Pensions. The letter expressed LBB's continued concern about the Department's penalties policy, which was at odds with LBB's normal practice when prosecuting fraud cases.

The Committee discussed the matter of insurance cover against cyber-attacks. Some insurance companies offered cover, but in most cases it was not clear as to what exactly would be covered. Many policies would not cover problems caused by Malware which was one of the main areas where a cyber-attack would originate. The matter would need to be discussed further by the Corporate Risk Management Group.

The matter of the objections to the accounts was updated upon in the Internal Audit Progress report.

RESOLVED that the Matters Arising report be noted.

32 QUESTIONS ON THE REDACTED REPORTS PUBLISHED ON THE WEB

No questions had been received concerning the internal audit reports that had been published on the Council website.

33 EXTERNAL AUDIT PLAN 2017-2018

FSD 18021

Members were presented with an External Audit Plan summary report for 2017-2018, written by David Hogan—Head of Audit.

The report had been written to provide a review of the External Auditor's annual plan arrangements for 2017-2018.

Also presented to Members was KPMG's External Audit Plan report to LBB for 2017/18. Mr Phil Johnstone attended from KPMG to answer any questions.

The Chairman was pleased to note that the audit fee had not increased.

Mr Johnstone explained that last year it had been possible to issue opinions concerning the objections to the accounts, but this was not the case for this year. It was not possible to issue a certificate ratifying the accounts at this time. The issues raised were too complex and went back many years. The objector had asked for additional time to provide supporting information in respect of objections. The Chairman asked when the matter of the objections

would be finalised. Mr Johnstone answered that KPMG had not formally accepted the objections yet.

A Member asked Mr Johnstone if there was any similarity between the financial position of LBB and Northamptonshire County Council. Mr Johnstone stated that there was no similarity—the respective financial positions were poles apart.

The Committee noted page 6 of the KPMG report which highlighted revised deadlines for draft accounts and the use of accounting estimates.

RESOLVED that

1-The External Auditor's arrangements for the Audit Plan for 2017-2018 are noted

2- The Materiality limits set out in the Annual Plan are noted

3- Members note there was no increase in the audit fee compared to last year

4- Members note the significant risks identified in the Audit Plan

34 ANNUAL INTERNAL AUDIT PLAN 2018--2019

FSD 18022

The Annual Internal Audit Plan report—2018/19 was written by David Hogan, Head of Audit.

The Public Sector Internal Audit Standards (PSIAS) refer to the need to produce a risk-based Internal Audit Plan. This should take into account the requirement to produce an annual audit opinion and report that could be used by the Council to inform the Annual Governance Statement. The annual audit opinion must conclude on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control. To support this, the risk-based plan needs to include an appropriate and comprehensive range of work. The report sets out the approach to producing the draft audit plan and invites comments from Members. In addition the PSIAS require the chief audit executive to review and update the Internal Audit Charter on a regular basis.

Members were being asked to review the Audit Plan, and also the revised Internal Audit Charter.

It was noted that corporate risks would be tackled corporately. The Plan outlined audit tasks that were mapped against broad based risks identified for the authority as a whole.

The Chairman commented that the Risk Management Strategy had matured.

RESOLVED that the Annual Internal Audit Plan for 2018/19 and the Internal Audit Charter are approved.

35 INTERNAL AUDIT PROGRESS REPORT--PART 1

FSD 18023

The Internal Audit Progress report was written by Mr David Hogan, Head of Audit.

The report was written to inform Members of recent audit activity across the Council and provided updates on matters that had arisen since the previous meeting of the Audit Sub Committee.

Members discussed the update concerning Transforming Community Equipment Services (TCES). A Priority 1 recommendation had been identified regarding the roles and responsibilities for contract monitoring and contract compliance. The previous Contract Manager had retired in May 2017, and had not been replaced. Subsequently, the Director of Adult Social Care had confirmed that the Head of Service (Assessment and Care Management) would act as the Contract Manager, supported by the Strategic Commissioner.

Eight Priority 2 recommendations and three Priority 3 recommendations had been raised for a variety of matters relating to TCES. Remedial action for all of these was due to be in place by the end of the financial year.

A Member stated that since his return to the Audit Sub Committee, he had been impressed by the work being undertaken by Internal Audit. Another Member stated that the items being looked at were more interesting and substantial. The Chairman felt that strategic lessons had been learned. The Vice-Chairman said that LBB departments were now asking Internal Audit to come in and to review—management saw the value in this. A collegiate approach was being developed.

Members were briefed concerning the contributions policy for ECHS. It had been discovered that the Reablement Service had not been levying the required charges for cancelled and abortive visits. This was a Priority 1 recommendation. It was estimated that lost income was just over £10k.

The Committee was updated regarding the audit of agency staff. There were three Priority 1 recommendations. One of these involved the procedure for approving extensions for the use of agency staff beyond six months, which was not being followed. It was felt that Human Resources should be taking a more pro-active lead in these matters.

Members were appraised that the audit relating to the contract for grounds maintenance, park management and other related services had resulted in an

audit opinion of 'Substantial'. Seven Priority 2 recommendations were made to further improve controls.

Members discussed the matter of Gifts and Hospitality. It was noted that various versions of guidance were available on the Intranet, and so conformity was required. A Member expressed the view that all hospitality should be declined to avoid any allegations of corruption.

The objective of the planning audit was to look at the planning application process with particular emphasis on pre-application advice and the subsequent approval process. The review also looked at current planning enforcement arrangements. A Member expressed the view that if an officer provided pre-planning advice and then wrote the associated report, then this was not impartial. Mr Hogan stated that all the reports should be signed off by a manager or Chief Officer. It was noted that the regulatory body was happy with the same person giving pre-application advice, and then writing the final report.

Members noted progress concerning the follow up audit of Biggin Hill Airport and the Glades. Assurances had been provided that a sample of evidence of income and expenditure incurred on the quarterly statements would be provided with respect of the quarter ending March 2018. On this basis the previous Priority 2 recommendation was regarded as resolved.

The Head of Audit updated Members concerning the follow up audit of Building Control. He explained that there was no interface between the Oracle financial system and the Uniform Building Control case management system—so that no automatic reconciliation of financial data could take place. The Head of Building Control was now in discussions with the IT provider to see if output from both systems could be combined for reconciliation purposes. To this end a work request had been raised.

The Committee was informed that all of the recommendations with respect to Street Works and Defaults had now been implemented.

Members were briefed concerning the two Priority 1 recommendations for Contract Monitoring. It had been agreed that documents in the legal vault be scanned, and that a Document Management System (DMS) be developed to provide a robust repository for contract documentation. Internal Audit regarded the two Priority 1 recommendations as 'in progress'.

Members discussed the Priority 1 update concerning Document Storage and Retention. The Director of Regeneration had previously advised that this matter was not likely to be resolved until the Civic Centre Accommodation strategy had been progressed. Meanwhile Members heard that the number of storage boxes was increasing. The Chairman expressed the view that the Civic Centre Accommodation strategy was not likely to be progressed any time soon, and there was a consensus amongst Members that in the meantime action should be taken.

The Committee noted that comprehensive new documentation had been produced for all aspects of the authorisation process, and that these could now be found on the Commissioning & Procurement One Bromley Site, and on Team Contract Management.

The Internal Audit Team had evidenced significant progress in improving the eviction process; this being the case the Priority 1 recommendation with respect to Temporary Accommodation was considered closed.

Members noted the internal audit reports that had been published.

36 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND THE FREEDOM OF INFORMATION ACT 2000

RESOLVED that the press and public be excluded during consideration of the items of business listed below as it was likely in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present, there would be disclosure to them of exempt information.

37 EXEMPT MINUTES OF THE MEETING HELD ON 8th NOVEMBER 2018

The exempt minutes of the meeting held on 8th November 2018 were agreed and signed as a correct record.

38 MATTERS ARISING FROM THE MEETING ON 8th NOVEMBER 2017--EXEMPT INFORMATION

Members noted and commented on the matters arising relating to exempt information.

39 INTERNAL AUDIT FRAUD, INVESTIGATIONS AND EXEMPT ITEMS REPORT

Members noted and discussed confidential matters relating to the Internal Audit Fraud, Investigations and Exempt Items report.

40 DATE OF THE NEXT MEETING

The next meeting is scheduled for May 24th 2018.

The Meeting ended at 9.30 pm

Chairman

Report No.
CSD 18074

LONDON BOROUGH OF BROMLEY

PART 1 PUBLIC

Decision Maker: **AUDIT SUB-COMMITTEE**

Date: **24th May 2018**

Decision Type: Non-Urgent Non-Executive Non-Key

Title: **MATTERS ARISING**

Contact Officer: Stephen Wood, Democratic Services Officer
Tel: 020 8313 4316 E-mail: Stephen.Wood@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Resources

Ward: n/a

1. Reason for report

To update the Sub-Committee on progress with Matters Arising (Part 1) from previous meetings.

2. **RECOMMENDATION(S)**

To note and comment on progress with matters outstanding from previous meetings.

To recommend any action as deemed appropriate with respect to matters that have not been resolved.

Corporate Policy

1. Policy Status: Existing Policy:
 2. BBB Priority: Excellent Council
-

Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Democratic Services
 4. Total current budget for this head: **£350,650**.
 5. Source of funding: 2018/19 revenue budget
-

Staff

1. Number of staff (current and additional): 8 posts 6.87fte
 2. If from existing staff resources, number of staff hours: Completion of "Matters Arising" reports for the Audit Sub Committee normally takes a few hours per meeting.
-

Legal

1. Legal Requirement: None:
 2. Call-in: Not Applicable:
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): This report is intended primarily for the benefit of members of the Audit Sub-Committee.
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: N/A
3. **COMMENTARY**

Attached is a schedule of matters outstanding from previous meetings of the Audit Sub Committee with a note of progress made. Most of these issues are taken up in more detail in the progress reports on this agenda (parts 1 and 2). Once an outstanding matter has been completed it will be removed from the schedule.

Non-Applicable Sections:	Policy/Financial/Legal/Personnel
Background Documents: (Access via Contact officer)	Previous Minutes of Audit Sub Committee.

Appendix 1

Issue & Date	Summary	Action being taken	By	Estimated Completion
<p>Minute 20</p> <p>8th November 2017</p> <p>Zurich Overview</p>	<p>The Head of Audit mentioned the possibility of cyber-attack, and that the matter of insurance against the effects of such an attack would need clarifying.</p>	<p>The Council's insurers currently do not offer a specific Cyber Insurance product. The main reason for this is that the cover provided by some on the market (which is very limited and more commercially focused) does not offer anything additional to the cover the Council already has. There are elements of what can be found within a "Cyber" product already within our package such as:</p> <ul style="list-style-type: none"> - Data damage - Virus / hacker damage - Denial of service - Employee data sabotage - Media liability <p>These come under various covers depending on the claim, such as:</p> <ul style="list-style-type: none"> - Property - Officials' Indemnity - Computer - Fidelity Guarantee / Crime - Public Liability <p>They are currently working on the possibility of a specific Cyber policy bespoke to the Public Sector. When this comes available we will be made aware.</p>	<p>Zurich</p>	<p>TBC</p>
<p>Minute 21</p> <p>8th November 2017</p> <p>Internal Audit Progress Report</p>	<p>Members were advised that there had been an objector to the accounts. The objections were in relation to Waste Management and Trade Waste Collection</p>	<p>There are no further updates at this time.</p>		

This page is left intentionally blank

Report No.
FSD 18037

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **AUDIT SUB-COMMITTEE**

Date: **Thursday 24 May 2018**

Decision Type: Non-Urgent Non-Executive Non-Key

Title: **INTERNAL AUDIT PROGRESS REPORT**

Contact Officer: David Hogan, Head of Audit
Tel: 0208 313 4886 E-mail: david.hogan@bromley.gov.uk

Chief Officer: Director of Finance

Ward:

1. Reason for report

This report informs Members of recent audit activity across the Council and provides updates on matters arising from the last Audit Sub Committee. It covers:-

- 3.3 Audit Activity
 - 3.3.1 Priority 1 Recommendations
 - 3.11 Audit Report Summaries
 - 3.20 Publication of Internal Audit Reports
 - 3.21 Auditor of the Year
 - 3.22 Risk Management
 - 3.24 Waivers

2. **RECOMMENDATION(S)**

- a) **Note the Progress Report and comment upon matters arising**
- b) **Note the list of Internal Audit reports published on the Council's web-site**
- c) **Approve the nomination for Auditor of the Year**
- d) **Note the latest position on the Council's Departmental and Corporate Risk Registers**
- e) **Note the list of waivers sought since October 2017**

Impact on Vulnerable Adults and Children

1. Summary of Impact:
-

Corporate Policy

1. Policy Status: Not Applicable
 2. BBB Priority: Excellent Council
-

Financial

1. Cost of proposal: Not Applicable
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Internal Audit
 4. Total current budget for this head: £560K
 5. Source of funding: General Fund, Legal cost recoveries
-

Personnel

1. Number of staff (current and additional): 6.5 FTE (currently one FTE vacant)
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Statutory Requirement
 2. Call-in: Not Applicable
-

Procurement

1. Summary of Procurement Implications: Some findings I this reports will have procurement implications.
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Approximately 100 including Chief Officers, Managers, Head Teachers and Governors
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not Applicable

3. COMMENTARY

3.1 This report advises Members of the Audit Sub-Committee on the work undertaken by the Internal Audit Team since the meeting held on 7th March 2018 and the level of assurance on that work. The Accounts and Audit Regulations require the Council to undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes; taking into account the Public Sector Internal Auditing Standards (PSIAS) and other guidance.

3.2 It should be noted that due to the revised deadlines that apply which require draft accounts by 31st May and final accounts by 31st July, this meeting has been brought forward a month in comparison to previous years and therefore is only a brief time lapse between this meeting and the last.

3.3 Audit Activity

3.3.1 The current list of priority 1 recommendations is shown in Appendix A. There have been further additions detailed in the report, and some movements in those brought forward.

3.3.2 Paragraphs 3.4 to 3.9.5 of this report detail the follow up work on the outstanding priority 1 recommendations to update Members. A summary of audits completed since the last meeting of the Audit Sub Committee which contain new priority 1 recommendations can be found in paragraphs 3.10 to 3.11.4. Paragraphs 3.12 to 3.17.2 relate to other completed audits stating the audit objective, the opinion and a brief summary.

3.4 Document Storage and Retention – Priority 1 Update

3.4.1 As an update for this Committee, the Director of Regeneration confirmed that the brief for the Instruction and Intention to Tender for a Multi-Disciplinary Consultancy Evaluation for the Civic Centre Strategy makes a clear reference for the need to move to a “paper light” environment. It is envisaged that the consultants will be appointed in quarter 2 of 2018 with a project delivery date of 2021. In the interim period the Senior Property Manager will continue to work with service heads across the Council to ensure that there is clear awareness.

3.4.2 The Senior Property Manager confirmed that 20 Bromley officers had been e-mailed and reminded to confirm destruction of 904 boxes held by TNT. As at the end of April 2018, authorised forms had been received from 9 officers to instruct TNT to take action; 63 boxes were destroyed and 15 boxes confirmed to be retained. TNT are awaiting instruction on 826 boxes.

3.4.3 Since this priority 1 was raised in November 2016 there has been developments in the Council with regard to document storage and retention, specifically the need for GDPR compliance. All departments have appointed Information Asset Owners and Assistants and should therefore be focused on what information is stored and where. Similarly work is currently underway to review and evaluate the Council’s retention of documents policy.

3.4.4 The issue is two fold, historic data held and the need to reduce stored data moving forward. It is evidenced that with the current initiatives of GDPR, retention policy and accommodation strategy, managers must consider document storage and should therefore address the issues identified by this priority 1 finding. At this time the recommendation remains outstanding.

3.5 Review of Waivers – Priority 1 Update

- 3.5.1 Both priority 1 recommendations are being progressed as part of the proposed electronic Authorisation Process, which is being developed as part of the Contracts Database (CDB).
- 3.5.2 It is currently anticipated that this Authorisation Process will be ready in August 2018. The process will generate and securely store formally approved authorisations in accordance with the Council's Contract Procedure Rules, so that there is one agreed and auditable record for every contract authorisation (including contract variations). Training will be provided to Contract Owners to facilitate a clear understanding of the process.
- 3.5.3 The new authorisation process is designed to address all aspects of the two priority 1 recommendations including:
- 1:** (i) verification by Commissioning & Procurement (C&P will be a signatory); (ii) storage of the forms (these will be securely held within the CDB); (iii) form number system (this will relate to contract ID); (iv) ensuring all elements are completed (activity cannot be authorised until the form is fully completed)
- 2:** (i) form separation (discrete forms have been developed for each activity); (ii) date & signature requirement (this is built into the alerting and workflow system); (iii) total expenditure with supplier (this would best be done through Oracle which captures all expenditure including activity below the threshold used in the CDB); (iv) indisputable record (there will be one agreed and auditable record for each authorisation)
- 3.5.4 While the new system is being developed, the new paper authorisation forms (referred to previously in the last update) will continue to be used by the relevant services to ensure that contracting activity (for both new contracts and variations to contract) is properly authorised and recorded.
- 3.5.5 These paper forms have been revised so that they will work smoothly as part of the electronic Authorisation Process (e.g. they will be automatically populated wherever possible) and equally importantly that they can be output as officer or committee reports.
- 3.5.6 An important aspect of the new system is that an alerting and workflow process will ensure that contract activity is authorised by the relevant officers relative to the values of the activity concerned.
- 3.5.7 Going forward, it will be possible to produce a report listing the most recent contract authorisations and Change Control Notices. The recommendations are therefore in progress but remain open.

3.6 Reablement Service – Priority 1 Update

- 3.6.1 We had previously reported that as this service is currently in the process of being tendered and the issue was reported in Part 2 at the request of management. The transfer of the service to BCCG was awarded in June 2017 with the transfer on 1st December 2017. This is now not due to happen and the service is remaining in house as approved by the Executive.
- 3.6.2 As the transfer is no longer taking place, the priority 1 recommendation relating to the Outcome Measurement Tool (OMT) has been reinstated and retested as this would have been reviewed by BCCG. Sample testing showed that issues arose with all 5 cases at the time of testing. Two of the OMT were found to be incomplete and there was no OMT located for the remaining three cases at the time of testing.

3.6.3 The Operations Manager advised the Auditor on the 23/4/18 that all staff have been reminded that they are to commence the OMT, when referring for this service.

3.6.4 In respect of the previous priority 1 recommendation relating to key performance data, testing found that from the data provided to Internal Audit for 18th December 2017 to 2nd April 2018, there still remain some inconsistencies. Contact time continues to be below the target of 65% and inconsistencies remain with the data contained within the monitoring spreadsheets. Therefore, this recommendation is partially implemented.

3.7 Contributions Policy – Priority 1 Update

3.7.1 In respect of the previous priority 1 recommendation related to charges not being levied for cancelled calls where service users failed to provide 24 hours prior notice. A process has now been put into place whereby a charge of £14.34 is levied. The Interim Direct Service Manager confirmed by email on 9/5/18 that the implementation of the charge has notably reduced the numbers of aborted visits. This recommendation has now been implemented.

3.8 Contract Monitoring – Priority 1 Update

3.8.1 Members were previously informed that the Internal Audit review of contract monitoring, issued on 26 October 2017, found that key supporting documentation including all signed variations to the contract, Performance Bonds or Parent Company Guarantees and Public Liability Insurance documents was not held with the signed and sealed contracts. There was no single source record to identify where key supporting documentation for contracts is held.

3.8.2 We made two priority 1 recommendations to address these findings.

3.8.3 Further to the update given to the previous meeting of the Audit Sub-Committee, all Contract Owners (and Deputies) were reminded by email on 9 April 2018 that they are required to set up and maintain their information on the Contracts Database. They were requested to upload key contract documents (if they had not already done so) by 28 May 2018.

3.8.4 Attached to the email was an extract from the Contracts Database Training Manual showing how and where to upload documents on the contracts database. It also listed which documents to upload, including performance and insurance bonds and certificates. We consider therefore that the two priority 1 recommendations are closed.

3.8.5 It should be noted that our Internal Audit Annual Plan for 2018/19 includes a review of the use of the Contracts Database.

3.9 Agency Staff – Priority 1 Update

3.9.1 The final report on agency staff, issued in March 2018, contained three priority 1 recommendations. The first of these three recommendations related to the need for governance arrangements to be put in place for the recruitment and management of agency staff across the Council. The Director of HR is progressing this as an agenda item for discussion at the next Corporate Leadership Team meeting. At this time the recommendation remains outstanding.

3.9.2 The second priority 1 recommendation was for Directors to review, by 30 April 2018, their agency staff engagements which currently exceed six months and obtain approval from the Director of HR where there is a need to extend the engagement. The Director of HR has recently asked Directors to do this and the recommendation is in the early stages of being implemented. As such, although the recommendation is being progressed, it remains outstanding.

3.9.3 The final priority 1 recommendation related to HR reminding managers of the need to ensure that when an agency worker leaves the Council, the process of removing the IT systems access and recovering the security pass and any Council equipment, is carried out promptly. The Head of HR Strategy and Education has revised and updated the guidance on agency staff for managers and this has been issued to managers. It will be also be publicised at the next Corporate Leadership Team meeting, the manager's briefing in June and put on the Council's intranet site. We consider that this recommendation has, therefore, been implemented.

3.10 The Community Equipment Store (TCES) – Priority 1 Update

3.10.1 Members were previously informed that the Internal Audit review finalised in December 2017 gave a limited assurance for the effectiveness of overall controls for TCES. Eleven recommendations were raised; one priority 1, eight priority 2 and two priority 3 recommendations.

3.10.2 Management accepted and agreed all eleven recommendations, remedial action to be in place by the end of the financial year. The priority 1 recommendation related to a lack of clarity regarding the roles and responsibilities for contract monitoring; including performance monitoring and contract compliance. Since the retirement of the previous Contract Manager in May 2017, a replacement officer had not been directly assigned to the role. The Director of Adult Social Care had confirmed that the Head of Service, Assessment and Care Management would be the contract manager but with support from the Strategic Commissioner, ECHS Programmes and the roles and responsibilities would be effective immediately, December 2017.

3.10.3 To update this Committee and follow up the priority 1, interviews were held with the Head of Service and Strategic Commissioner Programmes. Both officers confirmed their appointed roles and responsibilities with regard to the TCES contract. The Head of Service is the contract owner/budget holder but as a complex contract the Programmes Team have nominated a Senior Commissioner to lead on TCES.

3.10.4 The Procurement Officer nominated to undertake contract monitoring confirmed attendance at the Consortium Board meetings with the nominated operational lead; the acknowledged practitioner who liaises with the Occupational Therapists. It was not possible to measure the effectiveness of the monitoring role as no data or management information has been available from the system since the new contract commenced on the 1/4/17. As at the 31st March 2018 no monitoring to KPI's has been possible throughout 2017-18. However on the 23rd April the Procurement Officer confirmed that KPI data was now available for 2017-18 and he was starting to process the data and would be reporting to the nominated leads for TCES.

3.10.5 The Department have evidenced that the roles for TCES have been allocated and the nominated officers understand their responsibilities. The priority 1 is therefore considered closed and the remaining recommendations relating to a signed copy of the call off contract, meeting minutes, performance to KPI's, overall performance, management reports, standard suite of reports, explanation of variances and exception checking on invoices will be reviewed during a planned follow up in 2018-19.

3.11 Children with Disabilities – New Priority 1

Objective

3.11.1 Review the system to assess and monitor clients. Include respite, placements and other care settings. Consider the controls in place to ensure that value for money objectives are met

Audit opinion – Limited

- 3.11.2 One priority 1 recommendation and seven priority 2 recommendations have been made. The priority 1 recommendation related to providing support for a service user in a high cost residential placement from 11/9/17 (split funded) at a cost of £3,072.85 per week since 11/9/17. However, the service user has been attending only 2 out of 4 nights funded. Issues arose with payments for three other cases; firstly, a backdated payment of £11,857.70 dated 23/2/17, which was a one off payment. Retrospective approval was made for the period 13/2/17 to 24/7/17. The Head of Service confirmed that this period was prior to his start at Bromley.
- 3.11.3 A further service agreement dated 19/6/17 for £2,221.60 per week, does not reconcile to the breakdown provided on Carefirst and the mileage rate had also been calculated incorrectly. Instead of 37.6 miles x 0.45p per mile which is £16.92, £37.60 was paid each week, resulting in an overpayment of £ 20.68 per week.
- 3.11.4 Secondly, a service agreement which commenced on 4/9/17 for £69.92 per week and the direct payment covers 4 hours support a week at the rate of £17.92. However, the weekly payment should be £71.68 and equates to a shortfall in the direct payment of £1.76 per week.
- 3.11.5 Thirdly, a service agreement which commenced on 27/3/17 at the rate of £21.46 per week which equates to the direct payment rate of £10.73, the children's direct payment rate. However, on Carefirst, the service agreement notes specify that the rate is £21.56 causing confusion.
- 3.11.6 The seven priority 2 recommendations related to annual reviews, placement reviews, supporting documentation, the direct payment rate for children, contract monitoring and occupancy levels.

3.12 Review of Compliance with the Intermediaries Legislation (IR35) - New Priority 1

Objective

- 3.12.1 To review the key controls around the Council's compliance with the Intermediaries Legislation (IR35)

Audit opinion – Substantial

- 3.12.2 Controls were in place and working effectively in the areas of ownership of the process by HR and retrospective checks carried out by HR to identify any suppliers set up which may be a Personal Services Company and where an IR35 assessment had not been completed.
- 3.12.3 We have made one priority 1 recommendation to improve the controls. This relates to HR reminding managers to ensure that an IR35 assessment check is carried out on the chosen supplier of a service, by the relevant manager, before the supplier is formally engaged for the role and set up on the Oracle financial system. Any incident of non-compliance identified should be reported immediately by HR to the relevant Director to consider what action should be taken.
- 3.12.4 We have also made two priority 2 recommendations. One of these concerns the periodic review of guidance and procedures to ensure that they are up-to-date and have a responsible officer assigned. The other recommendation relates to maintaining records of all agency workers not engaged through Adecco, interims and contractors who are operating as a Personal Services Company (PSC).

3.13 Treasury Management

Objective

3.13.1 To review the key controls around the Council's investments and borrowings.

Audit opinion – Substantial

3.13.2 Controls were in place and working well in the areas of assessing the Council's financial position regularly, complying with investment processes and completion and accuracy of investment records. We also found that monthly reconciliations are being performed, investments are being made to maximise returns to the Council; and relevant investment related information is supplied to senior management on a regular basis.

3.13.3 We have made three priority 3 recommendations to improve the controls. These relate to evidencing the separation of duties when quarterly investment reconciliations are performed and seeking assurance from Investment Managers relating to the design and operating effectiveness of the internal controls in place over their systems for financial reporting.

3.13.4 We also recommended maintaining an audit trail to support the reasoning for those instances where investments in Money Market Funds had not been made at the highest annual rate of return.

3.14 Main Accounting and Revenue Budgetary Control

Objective

3.14.1 To test key controls around financial administration, specifically around the approval of journal transfers. This was highlighted within an external audit report and highlighted to Audit Sub Committee in November 2017. The audit also followed up issues identified in the previous Main Accounting audit.

Audit opinion – Substantial

3.14.2 Testing identified that journal transfers are processed by one authorised officer without any further approval process being in place. There is no regular management review of journals. In response to the Audit management are introducing a quarterly sample check of journals.

3.14.3 Supporting documentation was found not to be readily available in one case and when produced contained an error which was then corrected.

3.14.4 Five previous members of staff had since left employment at the Authority but remained on the list of current FIS users. Internal Audit were informed that managers are not always completing the leavers form correctly to ensure that access to Oracle is removed. Therefore, the FIS team are not being notified. Internal Audit were advised by the HR Support Services Team Leader on 2/5/18, that when a member of staff leaves the Authority, an end date is entered onto Resourcelink and that this starts a process whereby an email is generated which activates the suspension of the user's account on the last day of service. A finding has not been made within this report, but instead the process will be fully tested within the Starters and Leavers Audit for 2018-19.

3.15 Children's Safeguarding

Objective

3.15.1 Review the system to monitor the budget, assessments and controls to ensure that all cases are effectively managed within agreed timescales and according to safeguarding procedures.

Audit opinion – Substantial

3.15.2 Controls were in place and working well in the areas of policies and procedures; timely receipt and recording of referrals on CareFirst; timely completion and recording of assessments on CareFirst; development and monitoring of Child Protection/Children in Need plans; regular monitoring meetings; timely closure of cases when the safeguarding concern had been removed and management information was produced and reviewed on a weekly basis.

3.15.3 A priority 2 recommendation was raised with regard to training programmes to ensure that staff receive relevant training according to their job roles and that appropriate training records are maintained.

3.15.4 A priority 3 recommendation was raised in respect of the upload of information to CareFirst and the need for officers to use consistent document names and save information to consistent locations.

3.16 Contracts and Commissioning for Public Health

- a) NHS Health Checks Programme Point of Care Testing
- b) Procurement of NHS Health Checks through the GP Alliance
- c) Health Visiting Service 0-4 years including the Family Nurse Partnership

Objective

3.16.1 The objective of these audits was to:-

- a) Review controls on reimbursement for point of care testing consumables for the NHS Health Checks programme,
- b) Review the pilot for the procurement of NHS Health Checks through the GP Alliance,
- c) Carry out a health check of the new contract for provision of Children's Services (0-4 years) within Public Health, to ensure compliance with Financial Regulations and Contract Procedure Rules.

Audit opinion – Substantial (for all three audits)

3.16.2 Controls were in place and working well in the areas of data management and analysis.

3.16.3 Four priority 3 recommendations have been made to further improve controls. These relate to ensuring that invoices state to which month the payment relates; orders are raised in a timely manner to accurately reflect budget commitments (this recommendation was made in both reports relating to the NHS Health Checks programme) and that GP Surgeries provide independent confirmation to Public Health of orders placed, goods received and certificates of destruction completed for goods compromised in transit, through the consumables for point of care testing contract.

3.17 Southborough Primary School

Objective

3.17.1 Adequacy and effectiveness of the system of controls surrounding the financial administration of the school, as required by the 1998 School Standards and Framework Act Section 48, paragraph 2(d) and the Authority's Scheme for Financing Schools.

Audit Opinion - Substantial

3.17.2 Internal Audit visited the school on the 27th and 28th February. Controls were in place and working well in the areas of financial management, governance arrangements and for primary accounting, voluntary funds, bank reconciliation, DBS checks, income and credit cards.

3.17.3 There were 6 priority 2 recommendations relating to a review of the expenditure process to improve the procedures to authorise; evidencing annual completion of the HMRC online questionnaires for payments to individuals; banking of income, in respect of charity collections, promptly; checking the arithmetic accuracy on timesheets; reconciliation of ParentPay to the school system and current information shown on the asset register.

3.17.4 There were 3 priority 3 recommendations relating to the availability of the signed pecuniary interest forms for Governors; the need to update the contracts register and to update the lettings information displayed on the school website.

3.17.5 All findings were discussed and agreed with the Head Teacher and School Business Manager at the end of audit meeting on the 15th March. The management comments incorporated in the report finalised on the 9th April indicate that the school have implemented all recommendations.

3.18 Tackling Troubled Families

3.18.1 The Troubled Families Programme is a government agenda led by the Ministry of Housing, Communities and Local Government, in partnership with the Departments for Education, Health, Work and Pensions and Ministry of Justice. A local authority can claim a results payment if it can demonstrate that an eligible family has achieved significant and sustained progress against all problems identified at the point of engagement and during the intervention or if an adult in the family has moved into continuous employment.

3.18.2 We analysed a random sample of 15 individual claims for the claim period between 1 April 2017 and 31 March 2018. From our testing we found that there was documentary evidence to support that the individual claims met the employment or significant and sustained criteria, enabling a claim to be made.

3.18.3 We also confirmed that the total amount claimed for payment by results for the 150 individual claims submitted between the period 1 April 2017 and 31 March 2018 was £120,000. 14 were employment claims and 136 were for significant and sustained progress made.

3.19 Other Internal Audit activity

3.19.1 We also carried out the following:

- Planned audit work.
- Fraud and investigations - the results of which are reported in Part 2 of this agenda

- Advice and support - Internal Auditors are available to offer advice and consultation to all officers. The input required from Internal Audit varies; ad hoc enquires will be received by e-mail, phone or in person. Requests are not always settled by one response and have generated audit review work. Internal Audit also attend working groups to advise on system controls and good practice.
- Monitoring/authorisation role for the Greenwich Fraud partnership.
- Attended as a witness and presented evidence at a disciplinary hearing
- Internal Liaison with the Commissioning Board; Corporate Leadership Team/Directors' Group; Directorate Management Teams and Corporate Risk Management Group.
- External liaison with the London Audit Group.

3.20 Publication of Internal Audit Reports

3.20.1 Four exemptions are sought for this cycle, explained in Part 2 of this agenda.

3.20.2 Since the last cycle of this Committee we have published 10 redacted final reports, listed in the table overleaf. At the request of Members of this Committee we have included the audit opinion given to each audit. Follow up audits for implementation of previous recommendations are not given an opinion.

AUDIT	OPINION
Children with Disabilities	Limited
Review of compliance with the Intermediaries Legislation (IR35)	Substantial
Treasury Management	Substantial
Main Accounting and Revenue Budgetary Control	Substantial
Children's Safeguarding	Substantial
Contracts and Commissioning for Public Health (NHS Health Check Programme Consumables)	Substantial
Contracts and Commissioning for Public Health (NHS Health Checks GP Alliance)	Substantial
Contracts and Commissioning for Public Health (Children's Services 0-4)	Substantial
Southborough Primary School	Substantial
Tackling Troubled Families	N/A

3.20.3 For definitions of audit opinions, see below:

- Full Assurance - There is a sound system of control designed to achieve all the objectives tested.
- Substantial Assurance - While there is a basically sound systems and procedures in place, there are weaknesses, which put some of these objectives at risk. It is possible to give substantial assurance even in circumstances where there may be a priority 1 recommendation that is not considered to be a fundamental control system weakness. Fundamental control systems are considered to be crucial to the overall integrity of the system under review. Examples would include no regular bank reconciliation, non-compliance with legislation, substantial lack of documentation to support expenditure, inaccurate and untimely reporting to management, material income losses and material inaccurate data collection or recording.
- Limited Assurance - Weaknesses in the system of controls and procedures are such as to put the objectives at risk. This opinion is given in circumstances where there are priority 1 recommendations considered to be fundamental control system weaknesses and/or several priority 2 recommendations relating to control and procedural weaknesses.
- Nil Assurance - Control is generally weak leaving the systems and procedures open to significant error or abuse. There will be a number of fundamental control weaknesses highlighted.

3.21 Auditor of the Year

3.21.1 The Annual Report on the agenda highlights how the Internal Audit team reviewed current working practices and alternatives to the commercial IT system that had been in place for many years. Following the decision to develop bespoke systems using MS Word and Excel and associated processes in house Barrie Cull, Principal Auditor played a key role in producing monitoring systems and working paper templates along with his normal workload. This work will also help contribute to required savings and it is noted that research was done by Barrie in his own time. The newly developed systems have been successful although this has taken some time to develop with time required for the development of a suite of documentation for terms of reference, control matrices, report templates, review records and client questionnaires. He was also the Section's lead for GDPR compliance. Barrie has produced some outstanding audit work this year including the Community Infrastructure Levy review which identified priority 1 findings relating to uncollected income, the agency review which was a complex cross departmental audit identifying three priority 1 findings and the waivers audit which identified two priority 1 findings. For these reasons I should like to nominate Barrie for Auditor of the Year.

3.22 Risk Management

3.22.1 Members will be aware that we had commissioned Zurich our insurers to carry out a check and challenge process on the risk registers to be undertaken for each of the three Directorates (Education, Care & Health Services (ECHS), Environment & Community Services (E&CS) and Chief Executive Directorates). The process provided the Directorate Management Teams (DMTs) with an independent discussion on risk and one that challenged, refreshed and validated the risk register content. The output from the exercise was updated risk registers.

3.22.2 Zurich's findings and recommendations were discussed at the Corporate Risk Management Group (CRMG). Finally the findings were discussed at Corporate Leadership Team, where it was agreed to undertake the same challenge and scoring process for corporate risks. The registers were reported to the Audit Sub Committee and then the respective PDS Committees.

3.22.3 It was agreed that Risk Registers would be reviewed at least 6 monthly, updated and reported first to Audit Sub-Committee and then to the respective PDS Committees. Internal Audit have discussed the registers with DLT's and CLT. They have also been discussed at a meeting of the CRMG. The updated Risk registers are shown in Appendix B.

3.22.4 A meeting of the CRMG was held on the 10th April. The agenda considered a wide range of topics. Following this, for example, representatives from Bromley have been invited to attend a fire safety seminar hosted by RB Greenwich, in October, which will be run by a senior fire protection engineer from Zurich Risk Engineering. As part of the Council's Insurance Contract with Zurich there is a "notional budget" to use the services of their Strategic Risk Management Consultants and their expertise and knowledge to further strengthen risk management and control arrangements within the Council.

3.22.5 CRMG commissioned two pieces of work to be undertaken in 2018:

1. Information Governance & GDPR Health-Check

A desktop analysis of existing information, security policies and procedures. 1 day of onsite interviews with key stakeholders. Playback meeting with key stakeholders to review key findings.

2. Business Continuity Plan Testing

Comprehensive scenario based tests on the Council's plans. This will allow for any potential weaknesses or impracticalities to be identified and resolved. Design and facilitate testing workshops to suit and feedback learning and best practice points through a briefing and summary report.

3.23 External Audit Fees

3.23.1 The Council's new External Auditor's Ernst & Young have written to the Council outlining the indicative fees for auditing the Council's accounts and that of the Pension Fund for 2018/19. These fees are based on the scale fees published by Public Sector Audit Appointments Ltd.

3.23.2 The indicative fee for 2018/19 is £91,689 for the Main Accounts and £16,170 for the Pension Fund.

3.23.3 Their plan is to engage with the outgoing auditors KPMG later this year and commence their planning processes once they have concluded on 2017/18. Their letter is attached as Appendix C.

3.24 Waivers

3.24.1 Members of this Committee took the decision to only report on waivers sought under the Contract Procedure Rules 3 and 13.1 and to therefore exclude specific exemptions provided to officers under the Council's Scheme of Delegation which relate to social care placements. The list attached as Appendix D reflects waivers sought for the period October 2017 to March 2018. As required by the Contract Procedure Rules (CPR) this Committee has to be updated on waivers sought across the Authority at six monthly intervals. Members are asked to review this list and comment as necessary preferably prior to the meeting so that officers can extract the details on queried waivers. The low number of waivers could indicate that officers are using the tendering process or that not all waivers had been captured as indicated in the findings of the audit report on waivers reported previously.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

The contents of this report will have implications for both adults and children in respect of cost and care requirements.

5. POLICY IMPLICATIONS

None

6. FINANCIAL IMPLICATIONS

Some of the internal audit findings may have financial implications.

7. PERSONNEL IMPLICATIONS

None

8. LEGAL IMPLICATIONS

Internal Audit is a statutory function under the requirements of the Accounts & Audit Regulations 2015.

9. PROCUREMENT IMPLICATIONS

The contents of this report have implications for procurement relating to Contract Procedure Rules, Financial Regulations and VFM issues.

Non-Applicable Sections:	Policy & Personnel
Background Documents: (Access via Contact Officer)	None

Report Number/Date	Title	Opinion	No. of Priority One's	Details of original Recommendation	Implemented	Responsible Officer	Comments	Risk of fraud or loss
CX/025/01/2016-17 Finalised date 3rd November 2016	Document Storage & Retention	Limited	Originally 2, 1 o/s	1. Contract monitoring and invoice checking are not robust. 2. Cumulative spend on this contract continues to rise.	In progress	Executive Director, Environment and Community Service Director of Regeneration	November 2017 The one 1 priority one recommendation remains outstanding. March 2018 See Progress Report May 2018 See Progress Report	High
CX/089/16/2016 Finalised date 17th March 2017	Review of Waivers	Limited	2	Need for central register of waivers for accountability purposes. Need for a standard template that cannot be altered, can be tracked to promote consistency.	In progress	Chief Executive Director of Commissioning and all Chief Officers	June 2017 See Progress Report to be followed up for November 2017 Audit Sub Committee. November 2017 See Progress Report March 2018 See Progress Report May 2018 See Progress Report	High
ECH/036/01/2016 Finalised date 9th March 2017	Review of Reablement Team	Limited	2	Part 2	In progress	Deputy Chief Executive and Executive Director of Education, Care and Health Services Director of Adult Social Care	March 2018 See Part 2 update May 2018 See Progress Report	High
ECH/020/2017/AU Finalised date 8/2/18	St Olaves School	Limited	1	Non compliance to EU procurement rules for the IT support contract	In Progress	Deputy Chief Executive and Executive Director of Education, Care and Health Services Director of Education Head Teacher St Olaves School	March 2018 Part II May 2018 See Fraud, Investigations and IA Exempt Items Report	High
ECHS/04/2017/AU Finalised date 30th April 2018	Children With Disabilities	Limited	1	Payments to service users. High cost and split funded placement. Service user attending only part of the service being funded resulting in	In progress	Group Manager / Head of Service	See Progress Report New addition to P1 list	High

Report Number/Date	Title	Opinion	No. of Priority One's	Details of original Recommendation	Implemented	Responsible Officer	Comments	Risk of fraud or loss
CX/047/01/2016/17 Draft issued 9 February 2018	Agency Staff	Limited	Originally 3 2 o/s	1) Lack of oversight and governance of arrangements put in place for the recruitment and management of agency staff. 2) Process for extending the length of service of agency staff is not complied with. 3) Procedures are not followed when an agency worker leaves the Authority.	In Progress	Chief Executive Director of Human Resources	March 2018 See Progress Report May 2018 See Progress Report	High
CX/016/2017 Final issued 9 May 2018	Compliance with the Intermediaries Legislation (IR35)	Substantial	1	HR to remind managers to ensure that an IR35 assessment check is carried out on the chosen supplier of a service, by the relevant manager, before the supplier is formally engaged for the role and set up on the Oracle financial system.	In Progress	Director of Human Resources	May 2018 See Progress Report	High
The following priority one recommendations have been implemented:								
Waste Services - 15 priority 1 recommendations now implemented - See Part II								
Transforming Community Equipment Services (TCES) 1 priority 1 recommendation implemented - See Progress								
Contract Monitoring 2 priority 1 recommendations implemented - See Progress								
Contributions Policy - 1 priority 1 recommendation implemented relating to charges being levied for cancelled calls without 24 hours notice.								

Chief Executive's (CEX) Risk Register (Appendix B)

										DATE LAST REVIEWED:	11/04/2018		
REF	DIVISION	RISK TITLE & DESCRIPTION (a line break - press alt & return - must be entered after the risk title)	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING (See next tab for guidance)			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING (See next tab for guidance)			FURTHER ACTION REQUIRED	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING		
1	Corporate Services	IT Security failure	<p>Cause(s): Failure of IT Security (responsibility across Bromley & BT) to manage risk of attack or intrusion leading to potential corruption / loss of data / loss of systems</p> <p>Effect(s): Loss of service, potential fines, resident dissatisfaction</p>	Data and Information	4	5	20	<ul style="list-style-type: none"> - Application of effective security management including effective application of anti-virus protection and security measures through the Facilities Management (FM) Contract with BT - Regular Penetration Testing undertaken 	2	2	4		Vinit Shukle
2	Corporate Services	Telecommunications failure Prolonged telecoms / switchboard failure	<p>Cause(s): Power surge, contractor failure, malicious attack, IT failure</p> <p>Effect(s): Widespread disruption across the Council</p>	Data and Information	3	5	15	<ul style="list-style-type: none"> - Stand-by arrangements available so that in the event of failure highest priority services can be recovered - Technical design takes into account the criticality of systems and ensures, where justified, that additional resilience is built in - All Critical Services now have additional independent lines as contingency (if not their first line) - Additional resilience in use of LBB mobile phones - The ICT Disaster Recovery Plan is in progress 	3	3	9	<ul style="list-style-type: none"> - Working with Capita to implement disaster recovery arrangements as part of new backup contract - Effective application of anti-virus protection and security measures through the Facilities Management (FM) contract with Capita - Virtualisation project will help facilitate disaster recovery provision - Secondary Session Initiation Protocol (SIP) connection being added to provide resilience. 	Vinit Shukle
3	Corporate Services	IT System Failure (partial loss) Partial loss of IT systems	<p>Cause(s): Failure of Outlook or similar applications Failure of Novell Filing Registry system which carries details of all departmental files</p> <p>Effect(s): Widespread disruption across the Council</p>	Data and Information - Operational	4	4	16	<ul style="list-style-type: none"> - Effective incident management / support and resilient systems in use so that single points of failure are minimised - Technical design that takes into account the criticality of systems and ensures, where justified, that additional resilience is built in - Ensure proactive monitoring tools are in place to highlight potential issues before there is a major incident - System now migrated to the server - No longer dependent on Win7 - all services successfully transferred. However, the Novell filing registry/Regnet system has no further upgrade options and is not compatible with Win10 which will be deployed before December 2019 (Win7 support expiry date) 	4	3	12	<ul style="list-style-type: none"> - Awaiting an update from IS on the ability to migrate the original filing registry Novell / Regnet system onto the Windows 7 environment. Dependent on their advice this may well upgrade the risk and present the Legal team with an operational issue of new file allocations etc. 	Vinit Shukle
4	Corporate Services	IT System Failure (total loss) Complete failure of IT systems resulting in widespread disruption across the Council	<p>Cause(s): Complete loss of data centre and related hardware</p> <p>Effect(s): Widespread disruption across the Council Financial loss Reputational impact</p>	Data and Information - Operational	3	5	15	<ul style="list-style-type: none"> - Effective incident management / support and resilient systems in use so that single points of failure are minimised - Technical design that takes into account the criticality of systems and ensures, where justified, that additional resilience is built in - Ensure proactive monitoring tools are in place to highlight potential issues before there is a major incident - Backup power arrangements in the event of power issues (most likely) - Server room has fire suppression, water detection and significant physical security measures have been undertaken. 	2	4	8	<ul style="list-style-type: none"> - Property are planning additional works to resolve the issues that caused the outages, but until then we remain at an elevated risk. 	Vinit Shukle
5	Corporate Services	Network Loss Loss of the customer service centre network as a result of a major malfunction of the council's network, leading to system access loss preventing staff from processing service requests.	<p>Cause(s): Major malfunction of council's network caused by Cyber Attack or other means</p> <p>Effect(s): Loss of system access Service Disruption Reputational impact</p>	Data and Information - Operational	3	3	9	<ul style="list-style-type: none"> - Existing local resilience procedures (over Liberata network via Citrix) - Business Continuity Plan and manual procedure plans in place - Prepared for use of smart telephony messaging, web banner message and reception signage 	3	2	6		Duncan Bridgewater

Chief Executive's (CEX) Risk Register (Appendix B)

											DATE LAST REVIEWED:	11/04/2018	
REF	DIVISION	RISK TITLE & DESCRIPTION <small>(a line break - press alt & return - must be entered after the risk title)</small>	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING <small>(See next tab for guidance)</small>			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING <small>(See next tab for guidance)</small>			FURTHER ACTION REQUIRED	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING		
6	Corporate Services	Budgetary overspend	Cause(s): Overspending budgets as a result of increased costs outside Council's direct control (e.g. increase in minimum wage, court / legal fees) Effect(s): Financial	Economic - Strategic	4	3	12	- Effective forward budgetary planning	3	3	9	- Identify "risk areas" (e.g. contracts using low paid labour)	Director of Corporate Services
7	Corporate Services	Fall in income from Registrars Economic downturn, uncertainty regarding accommodation and other external factors contributing to a significant fall in income in Registrars	Cause(s): Uncertainty regarding accommodation Leaving Civic Centre for a less appealing venue Effect(s): Reduced level of bookings Financial impact	Financial - Operational	3	3	9	- Regular budget and activity monitoring - Targeted marketing of ceremonies, venues etc. to maximise income, website videos, use of 'twitter' - Flexible use of staff to maximise income in periods of high activity - Development of civil funeral service	3	2	6		Carol Tyson
8	Corporate Services	Contractor Failure	Cause(s): Contractor (such as Liberata) cease trading due to financial or other failure. Effect(s): Interruption to or deterioration of service due to failure of contractors (out of hours security guards @ Civic Centre, for example)	Contractual and Partnership - Operational	2	4	8	- Regular monitoring of performance and monthly operational meetings to identify any continued and ongoing reduction in service delivery - Core contract monitoring and overview of other elements of the contract to identify shortfalls in other areas of service delivery - Effective scrutiny of potential contractors - Appropriate performance bonds or parent company guarantees - Business continuity planning - Standardised contract letting procedures and documentation as contracts renew	2	3	6	-Identify potential alternative contractors	Duncan Bridgewater
9	Corporate Services	Contractor Performance	Cause(s): Failure to effectively manage service delivery contracts with provided such as Liberata Effect(s): Continued and ongoing poor performance and/or increased customer complaints.	Contractual and Partnership - Operational	4	3	12	- Daily, weekly, monthly and annual monitoring of performance and key performance indicators - Monthly operational meetings with contractor to discuss performance and monitor against balanced score card - Escalation through core contract route of any continued and ongoing shortfalls in performance	3	2	6		Duncan Bridgewater
10	Corporate Services	Failure to follow Legal Advice Breach of law, statutory duty or carrying out inadequate consultation arising from failure of clients to follow Legal briefing procedures	Cause(s): Advice not being sought and/or followed by clients. Effect(s): - Breach of statutory obligations through failure of compliance with relevant legislation (e.g. 'Duty to Consult', EU Procurement Rules, Health and Safety etc.) leading to adverse publicity and significant costs including fines. - Council making unlawful decisions - Potential compensation to injured parties - Negative publicity - Potential judicial reviews	Legal - Operational	3	3	9	- Service procurement procedures - Register of all relevant statutory requirements - Regular review of compliance - Effective training of managers in requirements of relevant legislation - Systematic consultation - Robust internal customer service standards - Continuous learning and feedback	2	3	6	- Review service procurement procedures and redesign if appropriate - Regular service delivery meetings with clients - Identify, document and review all relevant statutory requirements - Identify and train all staff responsible for meeting statutory requirements	Director of Corporate Services

Chief Executive's (CEX) Risk Register (Appendix B)

											DATE LAST REVIEWED:	11/04/2018	
REF	DIVISION	RISK TITLE & DESCRIPTION <small>(a line break - press alt & return - must be entered after the risk title)</small>	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING <small>(See next tab for guidance)</small>			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING <small>(See next tab for guidance)</small>			FURTHER ACTION REQUIRED	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING		
11	Corporate Services	Maintenance of Statutory and GRO standards	Cause(s): Increase in life events (births / deaths) within Bromley Staffing pressures Effect(s): Drop in standards leading to a potential breach of statutory duty and loss of confidence from residents.	Legal - Operational	3	3	9	-Regular monitoring of registration activity and timescales.	3	3	9		Carol Tyson
12	Corporate Services	Disaster Recovery Inadequate disaster recovery arrangements leading to dislocation of Council services	Cause(s): Lack of adequate disaster recovery arrangements Effect(s): Dislocation of council services	Data and Information - Operational	2	5	10	-Stand-by arrangements available so that in the event of failure highest priority services can be recovered - Working with BT to review and implement disaster recovery arrangements as part of new IT contract. - Effective application of malware protection and security measures through the Facilities Management (FM) contract with BT - Technical design takes into account the criticality of systems and ensures, where justified, that additional resilience is built in - Virtualisation project will help facilitate disaster recovery provision with the option of using the cloud to provide quick capacity - New Storage Area Network (SAN) gives additional replication facilities to work with suitable partners reducing the time to switch over to a Disaster Recovery site - ICT Disaster Recovery Plan in progress	2	5	10	Exploring cloud back up	Vinit Shukle
13	Corporate Services	Loss of Facility Loss of customer service accommodation as a result of a major power failure or other incident that prevents access to the Civic Centre	Cause(s): Major power failure or other incident that prevents access to the Civic Centre Effect(s): Major disruption to council services	Data and Information - Operational	3	3	9	- Existing local resilience procedures (overflow to alternative Liberata Office)	2	2	4		Duncan Bridgewater
14	Corporate Services	IT Compliance failure	Cause(s): Failure to meet compliance regulations i.e. CoCo (Code of Connection) / London Public Services Network (LPSN) Effect(s): Loss of access to certain government systems	Data and Information - Operational	3	3	9	- Penetration Test (PenTest) carried out to ensure the integrity of the system and establish vulnerability - Met with Head of Public Services Network (PSN) - Carried out patching on the network to ensure security - PSN Compliant. Results and remediation of ICT Health Check submitted	2	3	6		Vinit Shukle
15	Corporate Services	Data Protection Breach	Cause(s): Failure to adapt to the upcoming change in legislation (GDPR) Failure to ensure the confidentiality, integrity, and availability of information assets. Effect(s): 1. Distress and/or physical impact on wellbeing of customers 2. Impact on operational integrity 3. Reputational damage to services and the authority as a whole 4. Liability in law 5. Economic damage to authority and/or customers 6. Impact on service take up due to reduced confidence from the public	Data and Information - Operational	4	5	20	- LBB is currently compliant with the Public Services Network Code of Connection (PSN CoCo) and Connecting for Health Information Governance Toolkit (CfH IGT). The LBB Information Governance Board formally accepted the CfH IGT as the basis of LBB's internal information governance program at their meeting in August 2012. Both standards are based on the ISO27001 international best practice standard for managing information security and are therefore fit for purpose for assessing and managing the Council's information risk	2	3	6		Director of Corporate Services

Chief Executive's (CEX) Risk Register (Appendix B)

										DATE LAST REVIEWED:	11/04/2018		
REF	DIVISION	RISK TITLE & DESCRIPTION <small>(a line break - press alt & return - must be entered after the risk title)</small>	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING <small>(See next tab for guidance)</small>			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING <small>(See next tab for guidance)</small>			FURTHER ACTION REQUIRED	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING		
16	Corporate Services	Failure to publish Register of Electors	Cause(s): Failure of IT systems Insufficient resources provided to Electoral Registration Officer to deliver a comprehensive canvass Failure to follow legislative and regulatory requirements Effect(s): Disenfranchisement of local residents Potential to challenge any election which relies on an inadequate register Reputational damage	Political - Strategic	2	3	6	Controls: 1. Project Plan including detailed Risk Register 2. Robust documented internal procedures 3. Monitoring by Electoral Commission through appropriate Performance Standards	1	3	3		Carol Ling
17	Corporate Services	Failure to manage election process	Cause(s): Failure of Council in its duty to provide sufficient resources to the Returning Officer Failure of IT systems Effect(s): Costs of dealing with a challenge to election process Reputational damage Cost of re-running an election if result is set aside	Political	3	4	12	- Project Plan including detailed Risk Register specific to election underway - Staff Training - Adequate insurance (Returning Officer - personal liability) - Monitoring by Electoral Commission through appropriate Performance Standards.	2	3	6		Carol Ling
18	Corporate Services	Safety of Statutory Records	Cause(s): Fire / flooding Strong room not GRO compliant Effect(s): Damage to or destruction of historic statutory registration records	Operational	2	4	8		2	4	8	- We are aware the strong rooms requires investment to bring it up to General Register Office (GRO) security standards. This will be looked at during the wider accommodation review	Carol Tyson

Remember to consider current Internal Audit priority one recommendations when identifying, assessing and scoring risks.

Commissioning Risk Register (Appendix B)

										DATE LAST REVIEWED:	01/05/2018		
REF	DIVISION	RISK TITLE & DESCRIPTION (a line break - press alt & return - must be entered after the risk title)	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING (See next tab for guidance)			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING (See next tab for guidance)			FURTHER ACTION REQUIRED	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING		
1	Commissioning	Failure to deliver the Council's Target Operating Model as a "Commissioning Organisation"	Cause(s): - Unclear (or lack of) commissioning strategies - Poor commissioning activities - Inability to undertake full commissioning cycles - Failure to engage and develop markets Effect(s): - Service cuts required if balanced budget is not met - Reputational damage	Procurement & Contracts	5	4	20	1. Commissioning Programme developed 2. Initial pilot of 10 services identified 3. Commissioning Team represented at senior level across the Council 4. Governance arrangements and budget agreed 5. Commissioning Programme 6. Member and Officer training 7. Weekly Commissioning Board 8. Contract Sub Committee (5x per year) 9. Monitoring and progress reports to the Executive	4	3	12	1. Proposals relating to the individual services to be submitted to the respective PDS Committees for scrutiny and approval.	Director of Commissioning
2	Commissioning	Effective governance and management of contracts	Cause(s): - Lack of clear management across contracts - Capacity and capability - Contract management processes ineffective - Organisational culture and understanding Effect(s): - Financial losses - Service disruptions - Poor quality services	Procurement & Contracts	4	4	16	1. Review of contract management and contract monitoring controls including any issues identified by internal audit 2. Database alerts to assist in monitoring 3. Contract Sub Committee	4	4	16	None Identified	Director of Commissioning
3	Commissioning	Database Utilisation	Cause(s): - Lack of organisational buy-in from contract managers - Lack of governance - Poor awareness / education in understanding purpose Effect(s): - Impacts upon decision making and outcomes - Poor quality data - Commissioned services not fit for purpose - Increased financial costs	Procurement & Contracts	4	3	12	1. Database guidance issued to officers 2. Follow-ups issued to remind contract managers and commissioners 3. Quarterly Member reporting 4. Sign-off by CLT 5. Contract Sub Committee	4	3	12	None Identified	Director of Commissioning

Remember to consider current Internal Audit priority one recommendations when identifying, assessing and scoring risks.

This page is left intentionally blank

Corporate Risk Register (Appendix B)

											DATE COMPLETED:		17/04/2018
REF	DIVISION	RISK TITLE & DESCRIPTION (a line break - press shift & return - must be entered after the risk title)	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING (See next tab for guidance)			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING (See next tab for guidance)			FURTHER ACTION REQUIRED	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING		
1	Corporate Risk	Failure to deliver a sustainable Financial Strategy which meets with BBB priorities and failure of individual departments to meet budget	<p>Cause(s):</p> <ol style="list-style-type: none"> As a consequence of significant Government funding reductions (austerity is expected to continue beyond 2019/20), need to reduce the Council's significant 'budget gap' of £38.7 m per annum by 2021/22. The Government's aim is to transform 'local government, enabling it to be self-sufficient by the end of Parliament' e.g. business rates to be fully devolved to local government by 2020/21. A future national recession could have a significant impact on income generated to fund key services within a fully devolved model. Failure to meet departmental budgets due to increased demand on key services resulting in overspends: (Housing (homelessness and cost of bed and breakfast); Social Care (welfare reform and ageing population); and Waste (growing number of households). The risk of the Council not being able to carry out its statutory duties (e.g. pupil admissions, school improvement, child protection) as a consequence of funding reductions. Dependency on external grants to fund services (schools and housing benefits are ring-fenced) - effect if grant reduces (Public Health services) or ceases. The new national living wage will have cost implications to the Council over the next few years (e.g. care providers and carers). As the local government core grant is fully phased out, local government will take on new funding responsibilities e.g. public health, housing benefit administration for pensioners. With ageing population there will be associated cost pressures. Impact of welfare reforms and the phased roll out of Universal Credit. Failure to identify and highlight frauds and weaknesses in the system of internal control (which invariably have a financial impact). Overall, fraud losses are mainly benefit related (Council Tax Support / Single Person Discount). <p>Effect(s):</p> <ul style="list-style-type: none"> Increased overspends in particular services Council unable to carry out its statutory duties due to services cuts Reputational damage Failure to achieve our Building a Better Bromley priorities. 	Finance	5	5	25	<ul style="list-style-type: none"> Regular update to forward forecast Early identification of future savings required Transformation options considered early in the four year forward planning period Budget monitoring to include action from relevant Director to address overspends including action to address any full year additional cost Mitigation of cost pressures including demographic changes Directors to update commissioning strategies with strategic choices to address financial envelope 	4	5	20		Director of Finance
2	Corporate Risk	Failure to deliver the Council's Target Operating Model as a "Commissioning Organisation"	<p>Cause(s):</p> <ol style="list-style-type: none"> Driven by budgetary considerations. Our low cost base reduces the scope to identify efficiency savings compared with a higher cost organisation. Availability of quality data to support decisions. Capacity to deliver the Commissioning agenda. Capacity of key areas to deliver outsourcing i.e. ICT (supporting IT and information transfers), HR, procurement teams and legal services. Impact of not being able to outsource targeted services means that additional savings are required elsewhere. Ensuring that we adequately engage with Members and consult staff, residents, service users, businesses and other interested parties. Contracts and SLAs fail to deliver required quantity / quality / value for money services. Potential downside: Contracted provider fails to meet performance standards, terminates contract or ceases to trade with the result that the service has to be brought back in-house. <p>Effect(s):</p> <ul style="list-style-type: none"> Service cuts required if balanced budget is not met Reputational damage Service standards reduce / outcomes not met Contracts / SLAs fail to deliver required quantity / quality / value for money If provider fails, potential for service to be brought back in-house Failure to achieve our Building a Better Bromley priorities. 	Commissioning	5	4	20	<ul style="list-style-type: none"> Commissioning Programme developed Initial pilot of 10 services identified Commissioning Team represented at senior level across the Council Governance arrangements and budget agreed Commissioning Programme Member and Officer training Weekly Commissioning Board Contract Sub Committee (5x per year) Monitoring and progress reports to the Executive Appropriate engagement with Members, staff, residents, service users, businesses and other stakeholders 	4	3	12	<ol style="list-style-type: none"> Proposals relating to the individual services to be submitted to the respective PDS Committees for scrutiny and approval. Ensure that the organisation has the appropriate capacity and governance arrangements in place to deliver the agenda. 	Director of Commissioning
3	Corporate Risk	Failure to deliver partial implementation of Health and Social Care Integration. Plans not in place to deliver partial integration by 2020	<p>Cause(s):</p> <ol style="list-style-type: none"> Difficulty in achieving rapid change in a system as complex as health and social care. Rising social care costs due to ageing population and people living longer with increasing complex needs. Difficulties with agreeing budgets (given likely funding reductions going forward), complex governance arrangements, and workforce planning. Need to focus on collaborative working (cultural differences). Diminishing / reduced resources and changes in the way public funds are directed. Pressure for social care services to be accessible 7 days a week both in terms of our own workforce and contracts with external providers in line with NHS priority to deliver 7 day working across the health sector. LBB will need to contribute to a whole system review (led by the Bromley Clinical Commissioning Group) to ensure that funding follows the patient. <p>Effect(s):</p> <ul style="list-style-type: none"> Failure to deliver statutory duties Failure to achieve our Building a Better Bromley priorities. 	Health and Social Care Integration	2	3	6	<ul style="list-style-type: none"> A commitment to deliver a draft 2020 integration plan for health and social care integrated service delivery and commissioning across the borough by May 2018 by Education, Care and Health Services and the Bromley Clinical Commissioning Group Continued work with health partners to deliver the main transformation programmes e.g. Bromley Well and the transformation of prevention Building on the work already delivered through S75 agreement with Oxleas and being implemented through the Better Care Fund workstreams e.g. Winter Resilience work, Transfer of Care Bureau, Integrated Care Records and Discharge to Assess. New Governance structure between the London Borough of Bromley and the Bromley Clinical Commissioning Group feeding into the Health and Wellbeing Board via the Integrated Commissioning Board (strategic) and Commissioning Network (operational) 	2	3	6		Deputy Chief Executive & Executive Director for Education, Care and Health Services
4	Corporate Risk	Failure to manage change and maintain an efficient workforce to ensure that BBB priorities are met	<p>Cause(s):</p> <ol style="list-style-type: none"> The on-going need to reduce the size and change the shape of the organisation to secure priority outcomes within the resources available. Having the right people in place by implementing effective recruitment and retention strategies. Potential skills gap and deterioration of service quality through loss of experienced staff as a result of age profile of workforce and downsizing (failure to succession plan). Disruption while services realigned and staff appointed to new structure. Increasing demands and pressures on remaining staff given increased customer expectation levels, could lead to morale issues. Increased potential for internal controls to be bypassed due to flatter reporting structure. Lack of capacity to lead projects / manage change agenda and consequent ability to respond to change initiatives and the achievement of outcomes and benefits. Potential future shortage of professionally qualified practitioners in key areas, particularly around the Safeguarding agenda. Need to ensure that relevant staff have necessary disciplines to drive improvement and enable good practice and consistency in delivering change and the achievement of outcomes and benefits e.g. risk and performance management. Adverse industrial relations climate with individual and collective grievances including trade disputes with the unions, causing some disruptions to vital Council services. Increasing number of employment tribunal cases causing financial and administrative inconveniences. Having the right buildings and facilities to support fewer, more professional, differently organised staff. Potential changes to working relationship with Members as we move to a smaller organisation. The need to track continued changes to government strategy and policies coupled with changes in legislation to avoid compliance issues (approx. 1,300 statutory duties). Adequacy of consultation on issues that affect residents across the borough i.e. re-organisation of libraries, Biggin Hill expansion. Adverse external audit comment and resulting ratings in relation to 'excellent in the eyes of local people'. <p>Effect(s):</p> <ul style="list-style-type: none"> Skill gaps Deterioration of service quality through loss of experienced staff Disruption while services are realigned 	Organisational Change	4	2	8	<ul style="list-style-type: none"> Continuously address the recruitment and retention of key individuals in critical posts. Effective succession planning and grow your own initiatives, and using the Apprenticeship Levy to address recruitment challenges in the medium-long term Ensure the organisation has the HR capacity and employment law expertise to manage change. Address the transformational and transitional capabilities (including leadership) required for a successful commissioning journey/process. Provide adequate resources to support and improve staff engagement and communications. 	4	2	8		Director of Human Resources

Corporate Risk Register (Appendix B)

											DATE COMPLETED:		17/04/2018
REF	DIVISION	RISK TITLE & DESCRIPTION (a line break - press shift & return - must be entered after the risk title)	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING (See next tab for guidance)			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING (See next tab for guidance)			FURTHER ACTION REQUIRED	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING		
5	Corporate Risk	Ineffective governance and management of contracts	<p>Cause(s):</p> <ol style="list-style-type: none"> Ensuring client side staff have the necessary training and skills to manage and monitor contracts. Ensuring effective communication channels between client and provider to ensure contract compliance. Need for monitoring officers to check quality of outsourced services and customer satisfaction levels. Lack of understanding of the contract deliverables. Short cuts in procurement processes e.g. extending contracts rather than retendering. Compatibility of different systems and availability of IT support. Failure of a contractor / partner / provider to maintain agreed service levels resulting in an interruption to or deterioration of service delivery. Potential for operational errors / omissions by contractors (responsibility remains with LBB). Managing customer expectations and dealing with complaints where there are failures. <p>Effect(s):</p> <ul style="list-style-type: none"> Financial losses Service disruptions Provider fails to maintain agreed service levels routinely Increased resource to handle and manage complaints / customer expectations Failure to achieve our Building a Better Bromley priorities. 	Contract Management	4	4	16	<ul style="list-style-type: none"> Review of contract management and contract monitoring controls including any issues identified by internal audit Database alerts to assist in monitoring Contract Sub Committee Contract Monitoring Summary template completed and loaded on the Contract Monitoring Team site. 	4	4	16		All Directors
6	Corporate Risk	Failure to maintain and develop ICT information systems to reliably support departmental service delivery	<p>Cause(s):</p> <ol style="list-style-type: none"> Need to ensure that Information systems are fit for future business purpose. Capacity and skill within Corporate ICT to maintain and support systems during a period of significant change and in the future. Increasing reliance on stability of ICT infrastructure in all areas of the Council (Lync telephony service). Council website now a major channel for the delivery of services (Pay for it, Apply for it, Report it). Adequacy of information governance data protection rules to ensure the confidentiality, integrity and availability of information assets. IT failure impacting on critical operational systems. Over the next 3 years we will need to undertake gateway reviews / procurement plans for at least 4 of the Council's business critical systems; Customer Relationship Manager, Carefirst, Housing info system and Education's Capita One system plus the main LBB website and SharePoint. Transfer of IT contract to new ICT 3rd party supplier. <p>Effect(s):</p> <ul style="list-style-type: none"> Service disruptions Inability to access key systems Reputation damage Inability to support organisation change and savings targets Failure to achieve our Building a Better Bromley priorities. 	ICT	3	2	6	<ul style="list-style-type: none"> Transfer of IT contract to new BT in 2016 to give greater resilience. Robust backup arrangements Enhanced antivirus/cyber security. tested system restoration arrangements. 	3	2	6	<p>Review data storage /hosting arrangements. Carry out at least 4 gateway reviews for major systems.</p> <p>Increase stability of ICT infrastructure including Lync.</p>	Director of Corporate Services
7	Corporate Risk	Failure to maintain robust Business Continuity and Emergency Planning arrangements	<p>Cause(s):</p> <ol style="list-style-type: none"> Unavailability of Council offices / depots due to explosion, fire flood or police cordons around Council buildings Operational emergencies due to severe weather conditions, fire, or major incident. Availability of staff to deliver key services if trained volunteers are taken away to deal with a major incident (the Council is a Category 1 responder under the Civil Contingencies Act). Loss of key business systems due to power problems or system failure. Inadequate IT disaster recovery arrangements leading to dislocation of Council services. Sustained industrial action affecting key services. Lack of Business Continuity Plan testing. Adequacy of contractor's business continuity plans. Shortage of staff to deliver key services in the event of a flu pandemic or similar <p>Effect(s):</p> <ul style="list-style-type: none"> Significantly prolonged service disruptions Normal service takes longer to resume Reputational damage / loss of credibility Increased costs to rectify disruptions Injury / harm Loss of access to key systems Failure to achieve our Building a Better Bromley priorities. 	Business Continuity	4	3	12	<ul style="list-style-type: none"> Business Continuity Plans Emergency Planning procedures 	4	3	12	<p>To ensure that all Business Continuity Plans are up to date and are cross linked with one another across the Authority, specifically in relation to fall back sites, where there may be a number of departments using the same scarce resource.</p> <p>To consider our Business Continuity plans in the event of a major incident in the Borough (staff unable to get to work , staff caught up in or helping with the incident.</p> <p>To revisit the evacuation protocols within the Civic Centre site, specifically where staff would go if there was a large cordon around Bromley Town Centre.</p> <p>To continue to provide a resilient out of hours service to Emergency Planning by having Trained contactable volunteers.</p>	Director of Environment & Community Services
8	Corporate Risk	Failure to deliver effective Children's services to fulfil statutory obligations in safeguarding and protect those at risk of significant harm or death, sexual exploitation or missing from care	<p>Cause(s):</p> <ol style="list-style-type: none"> Increasing demand The Secretary of State could determine that the Council is failing to deliver its Children's Social Care services to an adequate standard and approve alternative delivery arrangements as the most effective way of securing and sustaining improvement. This arrangement could include the removal of service control from the authority <p>Effect(s):</p> <ul style="list-style-type: none"> The Council is unable to fulfil its statutory obligations in Safeguarding and Education 	Children's Social Care	4	5	20	<ul style="list-style-type: none"> Multi Agency Bromley Children's Safeguarding Board (BCSB) in place and BCSB Training programme Dedicated HR programme of support in place to recruit social workers to front line posts Review of Performance Management Indicators Effective procurement framework and contract monitoring arrangements to ensure acceptable quality of service provision and value for money Appointment of Deputy Chief Executive with Director of Children's Services responsibility (in post December 2016) Appointment of Director, Children's Services (in post December 2016) £950k available for immediate use to build capacity and £2.3m available on a recurring basis for Children's services Performance Framework Quality Assurance Audit Programme Children's Service Improvement Action Plan refocused to ensure that Heads of Service and Group Managers are delivering the actions relevant to their teams - Phase 2 commencing 2018 Key events and supporting material developed to ensure improving practice is at the heart of the organisation Review of team structures New process for authorising placements developed Continued reduction of caseloads Development of CSE and missing unit (ATLAS team in place) Identified Training plan for qualified social workers and other professionals reviewed and updated quarterly 	4	4	16		Directors, Specifically Executive Director of Education, Care and Health Services

Corporate Risk Register (Appendix B)

										DATE COMPLETED:		17/04/2018	
REF	DIVISION	RISK TITLE & DESCRIPTION <small>(a line break - press shift & return - must be entered after the risk title)</small>	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING <small>(See next tab for guidance)</small>			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING <small>(See next tab for guidance)</small>			FURTHER ACTION REQUIRED	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING		
9	Corporate Risk	Temporary Accommodation Inability to effectively manage the volume of people presenting themselves as homeless and the additional pressures placed on the homeless budgets	Cause(s): 1. Changes in government funding 2. Rising numbers of placements (approx. 20 per month). Effect(s): - Failure to fulfil statutory obligations - Impact on life chances and outcomes for individuals and families in temporary accommodation - Increased risk of legal challenge due to provision of unsuitable accommodation (including shared accommodation) - Pressure on other services	Housing	5	4	20	- Focus on preventing homelessness and diversion to alternative housing options through:- - Landlord and Tenancy advice, support and sustainment - Assistance, (including financial aid) to access the private rented sector - Access to employment and training - Debt, money, budgeting and welfare benefits advice, including assistance to resolve rent and mortgage arrears - Sanctuary scheme for the protection of victims of domestic violence - Effective contract monitoring arrangements to ensure acceptable quality of service provision and value for money - Implementation of the More Homes Bromley initiative to ensure the supply reduces the reliance on nightly paid accommodation	5	4	20	- Seek new and alternative forms/supply of temporary accommodation - Continue to develop partnership working with private sector landlords to assist households to remain in private sector accommodation - Work innovatively with a range of providers to increase access to a supply of affordable accommodation - Produce and maintain the new London Borough of Bromley Homelessness Strategy ensuring that the strategy promotes partnership working to reduce and prevent homelessness - Monitoring impact of implementation of Homelessness Reduction Act - Complete tender process for modular homes supplier for temporary accommodation	Deputy Chief Executive & Executive Director for Education, Care and Health Services

This page is left intentionally blank

Education, Care and Health Services (ECHS) Risk Register (Appendix B)

'Q4 2017/18

REF	DIVISION	RISK TITLE & DESCRIPTION (a line break - press shift & return - must be entered after the risk title)	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING (See next tab for guidance)					EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING (See next tab for guidance)					FURTHER ACTION REQUIRED	RISK OWNER		
					LIKE	LIHO	OD	IMPA	CT		RISK	RATI	NG	LIKE	LIHO			OD	IMPA
1	All	Failure to deliver ECHS Financial Strategy	<p>Cause(s):</p> <ul style="list-style-type: none"> - Continual reduction in Central Government funding - Demographic changes - Increased demand for services - Demand led statutory services (c. 80% of operations) which can be difficult to predict - Increasing cost volatility due to rise of complex, high cost families or placements requiring services. <p>Effect(s):</p> <ul style="list-style-type: none"> - Lower than anticipated levels of financial resource - Failure to achieve a balanced budget - Failure to secure economy, efficiency, and effectiveness of use of resources leading to a Qualified Independent Auditors' Report - Objectives of the service not met - Reputation is impacted - Wider goals of the Council are not achieved 	Financial		5		5		25	<ul style="list-style-type: none"> - Budget monitoring and forecasting - Regular review of medium term strategy - Regular reporting to DLT and Members via the Committee reporting process - Effective contract monitoring arrangements to ensure acceptable quality of service provision and value for money - Monitor demographics, economic indicators and develop insight into future demand - Match financial planning to Council priorities - Internal audit framework - Early intervention with service users - Constantly reviewing service operations for potential efficiencies 		4		5		20		ECHS DLT Ade Adetosoye, Janet Bailey, Sara Bowrey, Naheed Chaudhry, Paul Feven, Stephen John, Nada Lemic, Gillian Palmer.
2	Adult Social Care	Failure to deliver effective Adult Social Care services The Council is unable to deliver an effective adult social care service to fulfil its statutory obligations including the safeguarding of Adults	<p>Cause(s):</p> <ul style="list-style-type: none"> - Increasing demand - Above compounded by associated longer waiting lists leading to deteriorating condition and ultimately increased service user/ carer costs - Failure to deliver effective safeguarding arrangements - Failure to comply with statutory requirements including the Care Act <p>Effect(s):</p> <ul style="list-style-type: none"> - Impact on life chances and outcomes for service users - Failure to keep vulnerable adults safe from harm or abuse 	Legal, Reputational		4		4		16	<p>Care Act - Redesigned processes, including amending forms, and operational procedures in place and Care Act compliance training</p> <p>Improved Better Care Fund - Programme overseen by the Interim Director of Programmes and the CCG</p> <p>Safeguarding - 1. Multi Agency Bromley Adult Safeguarding Board (BSAB) in place. 2. BSAB Training programme (E Learning and Face to Face). 3. Awareness training for vulnerable groups. 4. Care Act compliance training</p> <p>Recruitment - Dedicated HR programme of support in place to recruit social workers to front line posts</p> <p>Performance Monitoring Framework - Review of Performance Management Indicators</p> <p>Procurement and Contract Monitoring - Effective procurement framework and contract monitoring arrangements to ensure acceptable quality of service provision and value for money</p>		3		4		12		Director, Adult Social Care (Stephen John)
2a	Learning Disability Service	Failure to deliver effective Learning Disability services Failure to assess service users, establish eligibility criteria and carry out the review process.	<p>Cause(s):</p> <ul style="list-style-type: none"> - Failure to identify and meet service users' needs - Provision of service to ineligible clients - Provision of service prior to/without appropriate authorisation - Failure to manage the transition process of service users from Children's Services to Adult Services leading to increased risk of Judicial Review <p>Effect(s):</p> <ul style="list-style-type: none"> - Costs associated with Legal process - Ongoing care package costs as a result of Legal process outcome - Placement predictions leading to financial pressures (cross refer ECHS Budget risk) 	Legal, Reputational		4		4		16	<ul style="list-style-type: none"> - Close monitoring of placements and eligibility criteria - Budget monitoring and forecasting - Regular review of medium term strategy - Regular reporting to DLT and Care Services PDS - Effective contract monitoring arrangements to ensure acceptable quality of service provision and value for money - Hold provider to account for poor performance - Monitor demographics, economic indicators and develop insight into future demand 		4		4		16		Director, Adult Social Care (Stephen John)
3	All Children's Social Care and Safeguarding Sections	Failure to deliver effective Children's services The Council is unable to deliver an effective children's service to fulfil its statutory obligations in safeguarding and protect those at risk of significant harm or death, sexual exploitation or missing from care	<p>Cause(s):</p> <ul style="list-style-type: none"> - Increasing demand - The Secretary of State could determine that the Council is failing to deliver its Children's Social Care services to an adequate standard and approve alternative delivery arrangements as the most effective way of securing and sustaining improvement. This arrangement could include the removal of service control from the authority. <p>Effect(s):</p> <ul style="list-style-type: none"> - Impact on life chances and outcomes for children 	Legal, Reputational		4		5		20	<ul style="list-style-type: none"> - Multi Agency Bromley Children's Safeguarding Board (BCSB) in place and BCSB Training programme - Dedicated HR programme of support in place to recruit social workers to front line posts - Review of Performance Management Indicators - Effective procurement framework and contract monitoring arrangements to ensure acceptable quality of service provision and value for money - Appointment of Deputy Chief Executive with Director of Children's Services responsibility (in post December 2016) - Appointment of Director, Children's Services (in post December 2016) - £950k available for immediate use to build capacity and £2.3m available on a recurring basis for Children's services - Performance Framework - Quality Assurance Audit Programme - Children's Service Improvement Action Plan refocussed to ensure that Heads of Service and Group Managers are delivering the actions relevant to their teams - Phase 2 commencing 2018 - Key events and supporting material developed to ensure improving practice is at the heart of the organisation - Review of team structures - New process for authorising placements developed - Continued reduction of caseloads - Development of CSE and missing unit (ATLAS team in place) - Identified training plan for qualified social workers and other professionals reviewed and updated quarterly 		4		4		16		Director, Children's Services Janet Bailey)

Education, Care and Health Services (ECHS) Risk Register (Appendix B)

4	All	Recruitment and Retention Failure to recruit and retain key skilled staff with suitable experience/qualifications	<p>Cause(s):</p> <ul style="list-style-type: none"> - Failure to compete with other organisations to recruit the highest quality candidates to build an agile workforce - Small pool of experienced Social Workers, particularly children's <p>Effect(s):</p> <ul style="list-style-type: none"> - Failure to identify and meet service user needs - Provision of service to ineligible clients - Provision of service prior to/without appropriate authorisation - Lack of skill set results in an inability to deliver effective adults, children's and public health services to fulfil statutory safeguarding obligations, impacting on life chances and outcomes 	Personnel	5	4	20	<ul style="list-style-type: none"> - Dedicated HR role to support managers in recruiting social workers to front line posts - Joint meetings held between HR and employment agencies to improve the quality and speed of locum assignments - Repromotion and review of the current Recruitment and Retention package - Repromotion of the 'no quit' policy - Recruitment drive to convert locums to permanent staff - Commissioning of improvements to the Council's recruitment web site to include a video virtual tour of the Council - Support in effectively managing staff performance - Provision of training measures to include targeted leadership and management training programmes including partners and other stakeholders - Tailored individual career plan for staff - Bespoke training for first line managers - Training and quality assurance of practice - Provision of regular monitoring information to feed into the corporate governance dashboard - Role on Recruitment and Retention Board 	3	4	12	<ul style="list-style-type: none"> - Review the recruitment/retention of housing staff including packages for retaining staff 	<p>Director, Adult Social Care (Stephen John)</p> <p>Director, Children's Services (Janet Bailey)</p> <p>Director, Public Health (Nada Lemic)</p> <p>Director, Housing (Sara Bowrey)</p>
5	Housing Needs	Failure to deliver effective Housing Needs services The Council is unable to deliver an effective Housing Needs service to fulfil its statutory obligations	<p>Cause(s):</p> <ul style="list-style-type: none"> - very demand led - lack of trained staff - homelessness is increasing number and complexity of cases <p>Effect(s):</p> <ul style="list-style-type: none"> - Impact on life chances and outcomes for individuals and families in need of Housing Services - Reputational damage - Legal challenge 	Legal	4	4	16	<ul style="list-style-type: none"> - Focus on preventing homelessness and diversion to alternative housing options through:- - Landlord and Tenancy advice support and sustainment - Assistance (including financial aid) to access the private rented sector - Access to employment and training - Debt, money, budgeting and welfare benefits advice, including assistance to resolve rent and mortgage arrears - Sanctuary scheme for the protection of victims of domestic violence - Effective contract monitoring arrangements to ensure acceptable quality of service provision and value for money - Implementation of the More Homes Bromley initiative to ensure the supply reduces the reliance on nightly paid accommodation 	3	4	12	<ul style="list-style-type: none"> - Seek new and alternative forms/supply of temporary accommodation - Continue to develop partnership working with private sector landlords to assist households to remain in private sector accommodation - Work innovatively with a range of providers to increase access to a supply of affordable accommodation - Produce and maintain the new London Borough of Bromley Homelessness strategy ensuring that the strategy promotes partnership working to reduce and prevent homelessness - Monitoring impact of implementation of Homelessness Reduction Act 	Director, Housing (Sara Bowrey)
5a	Housing Needs	Temporary Accommodation Inability to effectively manage the volume of people presenting themselves as homeless and the additional pressures placed on the homelessness budgets	<p>Causes:</p> <ul style="list-style-type: none"> - changes in government funding - rising number of placements (approx. 20 per month) <p>Effect(s):</p> <ul style="list-style-type: none"> - Failure to fulfil statutory obligations - Impact on life chances and outcomes for individuals and families in temporary accommodation - Increased risk of legal challenge due to provision of unsuitable accommodation (including shared accommodation) - Pressure on other services 	Social	5	4	20	<ul style="list-style-type: none"> - Focus on preventing homelessness and diversion to alternative housing options through:- - Landlord and Tenancy advice support and sustainment - Assistance (including financial aid) to access the private rented sector - Access to employment and training - Debt, money, budgeting and welfare benefits advice, including assistance to resolve rent and mortgage arrears - Sanctuary scheme for the protection of victims of domestic violence - Effective contract monitoring arrangements to ensure acceptable quality of service provision and value for money - Implementation of the More Homes Bromley initiative to ensure the supply reduces the reliance on nightly paid accommodation 	5	4	20	<ul style="list-style-type: none"> - Seek new and alternative forms/supply of temporary accommodation - Continue to develop partnership working with private sector landlords to assist households to remain in private sector accommodation - Work innovatively with a range of providers to increase access to a supply of affordable accommodation - Produce and maintain the new London Borough of Bromley Homelessness strategy ensuring that the strategy promotes partnership working to reduce and prevent homelessness - Monitoring impact of implementation of Homelessness Reduction Act - Complete tender process for modular homes supplier for temporary accommodation 	Director, Housing (Sara Bowrey)
5b	Housing Needs (Housing Strategy)	Capital Grant Failure to deliver the Council's affordable housing strategy in support of statutory obligations Lack of infrastructure in place where growth is occurring (Section 106 monies)	<p>Cause(s):</p> <ul style="list-style-type: none"> - Lack of availability of external capital grant (Housing Associations) to deliver key housing schemes - Lack of available suitable sites within the borough on which to develop new affordable housing schemes over the short to medium term <p>Effect(s):</p> <ul style="list-style-type: none"> - An inadequate supply of housing will lead to an inability to meet housing needs of a range of client groups in support of statutory housing and homelessness duties. 	Social	4	4	16	<ul style="list-style-type: none"> - Lead negotiations on the affordable housing provision on section 106 applications, ensuring that the affordable housing obligation reflects local adopted planning policy and local statutory and high priority housing need - Determination at planning stage to ensure collection of obligations due - Conditions attached to funding received to ensure it is spent on preventing homelessness 	3	4	12	<ul style="list-style-type: none"> - Review of proposed legislation as it develops 	Director, Housing (Sara Bowrey)
6	Public Health	Inability to deliver an effective Public Health service The Council is unable to deliver an effective Public Health service to fulfil its statutory obligations	<p>Cause(s):</p> <ul style="list-style-type: none"> - Reduced budget which has led to funding cuts, reduced service and redundancies. Withdrawal of non-statutory services. <p>Effect(s):</p> <ul style="list-style-type: none"> - Increased clinical risk to patients and Bromley residents - Reputational risk to council - Gaps and potential blocks in health service between NHS and Local Authority 	Professional, Legal, Reputational	4	4	16	<ul style="list-style-type: none"> - Working with partners including the CCG and Hospital Trust to jointly deliver Public Health functions and mitigate impact of cuts - Effective contract monitoring arrangements to ensure acceptable quality of service provision and value for money 	3	4	12	<ul style="list-style-type: none"> - Plans for further integration of some functions and services with CCG 	Director, Public Health (Nada Lemic)
7	All ECHS Divisions	Business Interruption / Emergency Planning Failure to provide Council services or statutory requirements of mass illness/fatalities scenario following a business interruption or emergency planning event	<p>Cause(s):</p> <ul style="list-style-type: none"> - Business Interruption could be caused by Loss of Facility (fire, flood etc.), Staff (illness, strike) or IT (cyber attack). - Mass fatalities or illness has a range of causes and this risk to the council could be caused by council staff being impacted resulting in failure to manage statutory requirements of mass illness/fatalities scenario (e.g. registering of deaths within timescales) <p>Effect(s):</p> <ul style="list-style-type: none"> - Business interruption - failure to deliver services, loss of customer / resident satisfaction. - Emergency planning - failure to deliver statutory duties. 	Personnel, Reputational	2	5	10	<p>Business Interruption</p> <ul style="list-style-type: none"> - Civil protection and emergency planning policies in place at corporate level overseen by the Corporate Risk Management Group - Business Continuity Plans in place at service level - Contracts contain business continuity provision - Communication to all staff prior to all impending industrial action, informing of any possible service disruption as well as explaining implications of strike action for individual staff members <p>Emergency Planning</p> <ul style="list-style-type: none"> - Robust plans in place, including Outbreak Plan, Flu Plan and Pandemic Flu Plan - Alert system via the South East London Health Protection Unit (SEL HPU) - Annual Flu vaccination programme in place - Introduction of Humanitarian and Lead Officer (HALO) role 	1	5	5		ECHS DLT

Education, Care and Health Services (ECHS) Risk Register (Appendix B)

8	All ECHS Divisions	Contracts and Service Level Agreements Failure to effectively procure and/or manage key contractors or partners, leading to the department being unable to deliver key services, including attracting appropriate contractors or partners to deliver services	Cause(s): - Failure of provider - Provider withdrawing from the contract Effect(s): - Failure to deliver required quality/quantity/value for money services	Contractual, Partnership	4	1	4	- Timely and effective procurement process - Effective contract monitoring arrangements to ensure acceptable quality of service provision and value for money - Business Continuity plans - Contracts Sub-Committee established (a sub-committee of the Executive and Resources PDS Committee which considers a range of contracts issues including legal requirements, contract clauses and contract management to ensure value for money). - Traffic light system in use to assess the current status of each procurement project, as part of the Corporate Contract Management System) and any projects with a red status are tracked and reported to fortnightly divisional management team meetings - Commissioners and Procurement and Contract Compliance staff implement recovery plans for projects with red status alerts in order to mitigate all risks and to ensure that the department operates within financial regulations	3	1	3	- Ensuring appropriate adjustment of prices following introduction of the National Living Wage	ECHS DLT
9	Education	School Place Planning Failure to meet the statutory requirement to ensure sufficient school places to meet the needs of the population in the area	Cause(s): - Failure to secure sufficient Primary and Secondary school places in the area - Failure to secure sufficient educational placements for children with disabilities and special educational needs - Failure to secure sufficient alternative provision Effect(s): - Disruption to the education of children and impact on their life chances	Political, Legal, Professional	4	4	16	- Strategic needs analysis (birth rate, dwelling stock and migration) to project demand - Review analysis of demand annually (Primary and Secondary School development plans) - SEND4Change to develop model for projecting demand for SEND provision - Implement Basic Need and PSB programmes - Maintain relationships with ESFA	2	4	8		Director, Education (Gillian Palmer)
10	Children's Social Care	Not in Education, Employment or Training (NEET) Failure to meet requirements of Education, Care and Skills Act 2008 - duty on all young people to participate in Education, Employment or Training until their 18th birthday	Cause(s): - Lack of control over Academies Effect(s): - Disruption to Education - Impact on life chances for young people	Professional, Legal	3	2	6	- Provision offered by Bromley Youth Support Programme (BYSP) - Advice and Guidance Drop in sessions - One to one support - Looked After Children NEET support - YOT NEET support - Provision offered by Bromley Education Business Partnership (BEBP) - Bromley Youth Employment Scheme (YES) - Bromley Flexible Learning programme - Mentoring programme - Skills Xtra - Work experience for Children Looked After - N-Gage - Youth Contract - Tracking service in conjunction with South London CCIS Service - 'Door knocking' - Additional NEET worker started, based in Leaving Care service	3	2	6		Director, Children's Services (Janet Bailey)
11	Education	SEND Transport Failure to provide appropriate home to school transport assistance for children and young people with special educational needs and disabilities	Cause(s): - Fluctuating demand year on year - Rising numbers of children meeting criteria for transport provision and associated increase in costs Effect(s): - Disruption to education - Impact on life chances and outcomes for children and young people	Legal Financial	3	3	9	- Budget monitoring and forecasting - Effective contract monitoring arrangements to ensure acceptable quality of service provision and value for money - Travel Training Programme - Route review and rationalisation - Gateway review to improve efficiency	3	3	9	Review of policy	Director, Education (Gillian Palmer)
12	Education	SEND Reforms Failure to meet expectation of SEND reforms	Cause(s): - Ineffective and inaccurate identification of SEND - Failure of schools to make reasonable adjustments to meet needs of individual children and young people - Failure to provide appropriate and effective support for children with identified needs and their schools - Pattern of provision which does not meet the needs of the local population Effect(s): - Costs associated with the Legal process - Escalating cost of provision - Impact on education and life chances of children and young people	Financial Legal Professional	5	4	20	- SEND4Change engaged to carry out root and branch review of Bromley's response to SEND reforms - Phase 1 complete and action plan for improvement implemented from Feb 2018 - Readiness for SEND inspection monitored - Transfer of statements to EHC Plans completed by March 2018	4	4	16	SEND4Change Phase 2	Director, Education (Gillian Palmer)
13	Education	School Standards Failure to meet duty to promote educational achievement of all children	Cause(s): - Abdication of responsibility for outcomes for all children - Failure to use available intelligence to recognise when schools are letting children down - Failure to intervene effectively when schools let children down Effect(s): Impact on life chances and outcomes for children and young people	Political Legal Professional Reputational	3	3	9	- Contact with primary schools sustained through EYFS, KS1 and KS2 moderation - Relationship building with teaching schools via school improvement bid and activity	3	3	9	- Improve collation and analysis of information about performance of schools and outcomes for children - Establish pathways to challenge and support school improvement and outcomes for children - Maximise every contact with schools to balance lack of school improvement and resources	Director, Education (Gillian Palmer)

Education, Care and Health Services (ECHS) Risk Register (Appendix B)

14	Children's Social Care	Youth Offending Failure to deliver effective youth offending services to protect children and young people and reduce their vulnerability	Cause(s): - Increase in youth offending Effect(s): - Impact on life chances and outcomes for children - Failure to protect the public and actual or potential victims (assessment of risk to others and planning to manage the risk and protect the public)	Professional Reputational	3	4	12	- Learning from the Youth Justice follow up Inspection of February 2017. Action plan developed, fortnightly Improvement Board implemented to ensure action plan carried out. - Improved inspection result - Good in 2017 - Implementation of Strategic Plan 2017/19 - Youth Justice Board self-assessment audit of National Standards - 2 moderation exercises carried out and YJB assured that this reflected service standards - Bi-monthly audits within quality assurance framework - Monthly YOS performance meeting to review national KPIs, act upon trends and drive improvement plan - Triage support to divert low level offenders from YJS - Packages of support to manage young people's risk appropriately in the community for those who are sent to custody.	2	4	8		Director, Children's Services (Janet Bailey)
15	Education Children's Social Care	Out of Borough Placements (Children and Young People) Inability to reduce reliance on out of borough placements Financial implications	Cause(s): - Failure to provide/commission sufficient local placements for children with disabilities, special educational needs, and children in care See 12 - SEND Reforms Effect(s): - Cost implications of out of borough placements (Cross refer ECHS Budget risk) - Impact for children's welfare and development	Professional Financial	3	3	9	- Close monitoring of placements and eligibility criteria - Budget monitoring and forecasting - Regular review of medium term strategy - Effective contract monitoring arrangements to ensure acceptable quality of service provision and value for money - Monitor demographics, economic indicators and develop insight into future demand - Out of borough officer in Placements Team reviewing OOB placements and those placed in Bromley from other authorities See 12 SEND Reforms	3	3	9	Carrying out a review of how to move this forward.	Director, Education (Gillian Palmer) Director, Children's Services (Janet Bailey)
16	Children's Social Care	Foster Carers Failure to meet the statutory requirement to ensure sufficient local placements to satisfy need	Cause(s): - Failure to recruit sufficient carers, particularly for adolescents, siblings, disabled children, parent and child placements, and BME children Effect(s): - Lack of suitable carers from independent foster care sources leading to the arrangement of more expensive alternatives - Impact on life chances and outcomes for children	Professional	4	2	8	- Reviewed and refreshed recruitment strategy - dedicated fostering recruitment officer appointed - Reviewed and refreshed Fostering web pages including rebranding and improved navigation - Carried out two borough wide leaflet distributions, via council tax information and environmental information - Monthly drop in sessions being held closer to foster carer homes within Children and Family Centres - Support to SGO carers provided in C&F Centres - Joint training of social work professionals and foster carers - Head of Service attending Fostering Network Groups - Fostering and Adoption Panels merged in January 2018	3	2	6	- Head of Service to lead on the development of improved support and training packages for Foster carers to enable them to Care for children and young people with complex needs and/or challenging behaviour	Director, Children's Services (Janet Bailey)
17	Housing Needs	Care Leavers' accommodation Failure to provide a sufficient range of safe and suitable housing for care leavers	Cause(s): - Failure to appropriately risk assess housing provision offered to care leavers Effect(s): - Impact on life chances and outcomes for Care Leavers	Legal	3	3	9	- Review of all young people in B&B accommodation (post 18 years) undertaken and all were moved into more suitable accommodation. - Pathway plans updated to ensure appropriate support provided in relation to health and education needs. - Full strategic needs assessment of Bromley's young people's accommodation needs funded by DCLG commissioned from St Basils (a specialist service in young people's housing) to inform future decision making and help streamline the housing pathway. - BIS team to work closely with colleagues in the Housing Teams (S&R and Allocations) to review the housing pathway for care leavers and to identify suitable accommodation options for care leavers. - Undertake a review of the current homelessness strategy, ensuring it sets out the policy for housing all young people. - Develop a policy for vulnerable homeless and care leavers as part of the homelessness strategy, outlining the housing pathways, all placement options and alternatives to bed and breakfast accommodation. - Develop and implement a risk assessment framework for care leavers to be used before any placement in new accommodation. - Amend the wider housing policy to ensure it aligns to the new care leaver placement strategy - The BIS Team to adopt the risk assessment tool in practice to ensure that all accommodation to be provided to care leavers is assessed for its suitability, as a safe and secure base, prior to the placement being commissioned.	2	3	6	- Potentially developing a framework for tendering the Care Leavers accommodation service	Director, Housing (Sara Bowrey) Director, Children's Services (Janet Bailey)
18	Housing Needs	Welfare Reform Impact of Welfare Reform legislation (including Universal Credit).	Cause(s): - Universal Credit payments commenced on 18th January 2016 in Bromley for single people only. From this time, there is no separate Housing. - Benefit payment direct to the Landlord Further roll out planned for 2018 which will increase the impact of this reform Effect(s): - Increased Rent Arrears - Subsequent evictions and landlords reluctant to rent properties to claimants.	Social	4	3	12	- Notification, advice and support provided through:- - Housing Association transfers - Negotiations with landlords - Budgeting/debt advice - Moves to cheaper areas - Prevention grants/welfare fund/Credit union loans and savings - Access to child care and employment	3	3	9	- Work in partnership with Housing Benefit, the DWP, partner landlords and Social Care to minimise the impact of the Welfare Reform Act - Implement awareness raising campaign for Universal Credit Digital rollout and monitor impact from July 2018	Director, Housing (Sara Bowrey)
19	Adult Social Care	Deprivation of Liberty Safeguards Failure to prevent unlawful deprivation of liberty	Cause(s): - Risk increased due to change in legislation increasing scope. Effect(s): - Failure to comply with statutory requirements pursuant to Section 4 and paras 129, 180 and 182 of Schedule A of the Mental Capacity Act 2005 (as amended to incorporate the Deprivation of Liberty Safeguards 2009)	Legal	3	4	12	- Core administrative function maintained - Framework in place to deliver the functions of the Best Interest Assessor and the 'Section 12' Doctor - Rolling out training for all social workers to become Best Interest Assessors - Reviewed IR 35 agreement to manage response to demand	2	4	8		Director, Adult Social Care (Stephen John)
20	Strategic & Business Support Services	Data Collections Failure to undertake statutory statistical data collections; including pupil census, attainment data and key adults' and children's social care information, thereby adversely affecting government grant allocations and performance assessments	Cause(s): - Business Interruption Effect(s): - Failure to commission effectively - Adverse impact on the timing and quality of decision making	Data and Information	3	3	9	- Schedule of statutory returns has been incorporated into the Performance and Information team's work programme - Specialist members of the team for each area - Other staff trained to provide 'back up' for specialist members of the team - Good project planning in place to co-ordinate all data collections including contributions from other services	1	3	3		Assistant Director, Strategic and Business Support Services (Naheed Chaudhry)

Education, Care and Health Services (ECHS) Risk Register (Appendix B)

21	Education	<p>30 hours funded childcare for three and four year olds of working parents The Council is unable to provide sufficient places within the local sector to fulfil its Statutory Duty</p>	<p>Cause(s): - Insufficient places within local sector resulting in Local Authority failure to meet its statutory duty - Inability to implement a suitable IT system which supports efficient and timely processing of funding claims</p> <p>Effect(s): - Parental dissatisfaction - Official notification from DfE regarding failure to fulfil statutory duty - Delays in payment to providers, destabilising local businesses.</p>	Political, Reputational	4	3	12	<p>- Detailed sufficiency planning in process - Introduce process for capturing vacant nursery placements as part of the claim submissions - Monitor eligibility, confirmations and take up of places to predict growth of demand - Work with ECHS Change and IT provider to ensure best fit IT solution within deadlines</p>	3	3	9	Director, Education (Gillian Palmer)
22	Programmes	<p>Failure to deliver partial implementation of Health & Social Care Integration Plans are not in place to deliver partial integration by 2020</p>	<p>Causes(s): - Difficulty in achieving rapid change in a system as complex as health and social care - Rising social care costs due to ageing population and people living longer with increasing complex needs - Difficulties with agreeing budgets (given likely funding reductions going forward), complex governance arrangements and workforce planning - Need to focus on collaborative working (cultural differences) - Pressure for social care services to be accessible 7 days a week in terms of our own workforce and contracts with external providers in line with NHS priority to deliver 7 day working across the health sector - LBB will need to contribute to a whole system review (led by BCCG) to ensure that funding follows the patient</p> <p>Effects(s): - Failure to deliver statutory duties - Failure to achieve our Building a Better Bromley priorities</p>	Financial Reputational Compliance /Regulation	2	3	6	<p>- A commitment to deliver a draft 2020 integration plan for health and social care integrated service delivery and commissioning across the borough by May 2018 by ECHS/BCCG - Continued work with health partners to deliver the main transformation programmes eg Bromley Well and the transformation of prevention - Building on the work already delivered through S75 agreement with Oxleas and being implemented through the Better Care Fund workstreams eg Winter Resilience work, Transfer of Care Bureau, Integrated Care Records and Discharge to Assess - New governance structure between LBB and BCCG feeding into the Health and Wellbeing Board via the Integrated Commissioning Board (strategic) and Commissioning Network (operational)</p>	2	3	6	<p>Director, Programmes (Paul Feven)</p> <p>Director, Integrated Commissioning- BCCG Graham Mackenzie</p>

Remember to consider current Internal Audit Priority one recommendations when identifying, assessing and scoring risks.

This page is left intentionally blank

Environment & Community Services (ECS) Risk Register (Appendix B)

											DATE LAST REVIEWED:	03/04/2018	
REF	DIVISION	RISK TITLE & DESCRIPTION	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING			FURTHER ACTION REQUIRED	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING		
1	All ECS	Emergency Response Failure to respond effectively to a major emergency / incident internally or externally	Cause(s): Emergency may be triggered by storms, floods, snow, extreme heat or other emergency. Ineffective response could be caused by capacity and/or organisational issues Effect(s): - Failure to fulfil statutory duties in timely manner - Disruption to infrastructure and service provision in general	Service Delivery	2	4	8	1. Corporate Major Emergency Response Plan 2. E&CS Incident Plan 3. Service Business Continuity Plans 4. Out-of-Hours Emergency Service 5. Winter Service Policy and Plan (reviewed annually) 6. Training, Testing and Exercising 7. Multi-agency assessment of emergency risks	2	3	6	1. Greater Corporate awareness and support 2. Development of risk-specific arrangements in accordance with Minimum Standards for London and informed by the Borough Risk Assessment 3. Implement 'on-call rota' for Emergency Response Manager 4. Recruit and train more Emergency Response Volunteers	All ECS
2	All ECS	Central Depot Access Major incident resulting in loss of / reduced Depot access affecting service provision (LBB's main vehicle depot)	Cause(s): Fire, explosion, train derailment, strike etc. Effect (s): Significant service disruption (Waste, Street Cleaning, Gritting, Fleet Management, Streetscene & Greenspace service management etc.)	Service Delivery	2	3	6	1. Contingency plans for: - Alternative vehicle parking - Temporary relocation of staff - Storage of bulky materials 2. Implement Business Continuity Plans 3. Close liaison with other Depot users (e.g. Waste Contract, Street Cleansing) and Highways Winter Service Team 4. 'Central Depot Users Group' (Health & Safety forum for all site users) 5. Work Place Risk Assessments in place	1	3	3	1. Consideration of issue as part of proposed Environmental Services Contract	Paul Chilton
3	All ECS	Fuel Availability Fuel shortage impacting on transport fleet and service delivery	Cause(s): National or local fuel shortage caused by picketing or other external factors Effect (s): Failure to provide services impacting on residents and other customers	Service Delivery	1	3	3	1. Identified alternative fuel supplies at contractors and neighbouring boroughs 2. Designated Filling Station identified under National Emergency Plan by London Resilience Team as designated fuel supply for LBB logoed vehicles 3. Fuel store at Central Depot 4. Ongoing liaison with other London Boroughs concerning collaboration and assistance	1	2	2	1. Ensure contractors have adequate arrangements	Paul Chilton
4	All ECS	Business Continuity Arrangements Lack of up-to-date, tried and tested, BCP for all Council services	Cause(s): Failure to implement and keep up-to-date effective service and corporate Business Continuity Plans Effect (s): Non-provision of critical services following an incident (internal or external)	Service Delivery	2	4	8	1. Corporate Risk Management Group (Chaired by Dave Hogan) now encompasses Business Continuity 2. Undertaking Business Impact Analyses of all services to identify priorities 3. Developing a Corporate Business Continuity Plan and updating service BCPs	2	3	6	1. Conduct training exercises to ensure that BCP work in real life	Laurie Grasty
5	Public Protection	Infectious Disease Pandemic outbreak leading to staff shortages potentially coupled with increased service demand	Cause(s): Major pandemic (e.g. 'flu') outside of Bromley's control. Effect(s): Disruption to normal services due to staff sickness and high demand on services from community	Health & Safety	1	5	5	1. Notifiable Infectious Disease Protocol in place (with Public Health England and DEFRA) including out-of-hours provision 2. Flu Pandemic Plan also in place	1	5	5	1. Regular multi-agency review of Protocols 2. Consider immunisation of key staff 3. Director should ensure BCP plans provide for service continuity in the event of a major outbreak affecting key staff	Joanne Stowell
6	Streetscene and Greenspace	Industrial Action Contractors' staff work-to-rule / take strike action impacting on service delivery	Cause(s): Union dissatisfaction over pay and conditions (particularly in Waste) Effect (s): Temporary disruption to service / reduced customer satisfaction	Service Delivery	2	3	6	1. Ongoing monitoring / meetings regarding workforce issues 2. Joint development of Business Contingency Plans with contractor	2	1	2	1. Review public communications to be used in the event of a strike	Dan Jones
7	All ECS	Line of Business Systems Temporary loss of key systems such as CONFIRM / UNIFORM etc. due to IT failure	Cause(s): Network, software, hardware failure Effect (s): Impact on contractor liaison and service delivery	Service Delivery	3	3	9	1. Paper-based system implemented when network problems occur 2. Ongoing discussion with Corporate IT to reduce likelihood of IT failure	3	3	9	1. Review and refresh ICT Quality Assurance Procedures accounting for more mobile working 2. Ensure issue addressed in future contracting arrangements	Dan Jones
8	All ECS	Health & Safety (E&CS) Ineffective management, processes and systems within E&CS departmentally	Cause(s): Failure to take departmental action to reduce likelihood of accidents, incidents and other H&S issues Effect (s): HSE investigation / prosecution leading to fines, increased insurance claims, and reputational damage	Health & Safety	2	4	8	1. Workplace Risk Assessments (including lone and home working) 2. Accident & Incident Reporting system (AR3 & Riddor) 3. Contractor Inspection Reporting system 4. Interface with Corporate Risk Management Group 5. Annual audits and annual paths surveys (Parks) 6. Cyclical 5-year survey of park trees and highway trees 7. Regular Footway inspections	2	3	6	1. Ensure Workplace Risk Assessments (inc. Homeworking) updated annually and biennial reviews conducted 2. Encourage reporting of all significant accidents and incidents using AR3 form (and reporting of RIDDOR incidents) 3. Use of newly-revised Contractor Inspection Reporting forms (and consideration of electronic forms) 4. Ensure resource exists to discharge statutory functions	All ECS

Environment & Community Services (ECS) Risk Register (Appendix B)

											DATE LAST REVIEWED:	03/04/2018	
REF	DIVISION	RISK TITLE & DESCRIPTION	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING			FURTHER ACTION REQUIRED	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING		
9	Public Protection	Health & Safety (Council) Ineffective management, processes and systems across all Council departments	<p>Cause(s): Capacity to discharge the Council's H&S responsibilities</p> <p>Effect (s): Potential prosecution of Council and / or civil claims for compensation</p>	Health & Safety	2	4	8	<ol style="list-style-type: none"> 1. 0.6 fte Corporate Safety Advisor employed (Post temporarily filled) 2. Safety Policy reviewed and updated regularly 3. Commitment to HSW from Chief Executive and Directors 4. Risk assessment & proactive monitoring in place to ensure highest standards for Council premises, equipment & activities 5. Supported by H&S training programme and network of policies and procedures (regularly reviewed) 6. Departmental Safety Committees meet regularly 7. Property-related HSW matters now provided through Amey 	1	3	3	<ol style="list-style-type: none"> 1. Escalate to Corporate H&S Group? 2. Recruit permanent Corporate H&S advisor 	Joanne Stowell
10	Streetscene and Greenspace	Environmental Services Contract (General) Failure to procure tendered services to schedule and to budget	<p>Cause(s): - Tender programme not keeping to schedule - Lotting structure and/or timetable unattractive to tenderers - Unfamiliarity with new contract model (client & contractors) - Lack of client capacity to process contract documentation - Significant service change requiring service-user consultation - Tendered costs being higher than budget / forecast</p> <p>Effect(s): - Procurement timetable slippage - Reduced negotiation time - Risk of challenge - Reputational damage - Failure to achieve best value - Lack of competition / bids - Failure to deliver service to requirements / KPIs / expectations</p>	Service Delivery	3	4	12	<ul style="list-style-type: none"> - Tested attractiveness at Bidders Day - Procurement Strategy Report (ES17002): 21/04/17 - PIN issued 17/11/17 - OJEU notice issued 08/01/18 - Programme Plan regularly updated by Programme Management Team - Regular progress reports to Environmental Services Commissioning Board (includes Service Owner, Project Sponsor and Programmer Manager) - Price / growth pressure to be flagged in four-year forecast and actual costs to be included in 2019/20 budget - Programme Resourcing: Project Manager vacancy on Adecco (May) and funding identified for Waste Expert 	2	3	6	<p>Risk mitigated by phasing activity:</p> <ol style="list-style-type: none"> 1. Stage 2 (ISIT & Evaluation) commenced (March to June 2018) 2. Stage 3: Feedback & Negotiation (July-Sept. 2018) 3. Stage 4: Final Tender & Authorisation (October 2018) 4. Stage 5 (Award) Contract Award & Transition/Mobilisation (November 2018) 5. Contract Start date: 01/04/19 	Dan Jones
11	Transport & Highways	Highways Management Deterioration of the Highway Network due to under-investment	<p>Cause(s): Failure to manage Highways in respect of traffic volumes, winter weather, financial resources leading to deteriorating condition</p> <p>Effect (s): Leading to increased maintenance costs, insurance claims (trips, falls and RTAs) and reputational damage</p>	Financial	2	4	8	<ol style="list-style-type: none"> 1. Strategy to mitigate insurance claims 2. Inspection regime and defined intervention levels for maintenance repairs and monitoring 10% of works for compliance 3. Winter Maintenance procedures (gritting / salting) 4. Increased salt storage capacity 5. Improved customer expectation management 6. Asset management technique (e.g. Highway Asset Management Plan) 7. New capital programme to reduce reactive works 	3	2	6	<ol style="list-style-type: none"> 1. Review frequency of Highways Inspections and adjust as deemed appropriate to effectively manage the risk in line with revised Code of Practice (published 2016) 2. Additional inspections carried out and repairs undertaken as necessary 3. Modernisation of contractor's programming and completion of maintenance repairs involving remote working ICT technology 	Gary Warner
12	Streetscene and Greenspace	Arboricultural Management Failure to inspect and maintain Bromley's tree stock leading to insurance claims etc	<p>Cause(s): Failure to ensure that trees are managed as safely as reasonably practicable</p> <p>Effect (s): Leading to blocked highways, reputational damage and financial liabilities</p>	Financial	4	3	12	<ol style="list-style-type: none"> 1. Tree care and safety contract (commenced July 2008) with Gristwood & Toms Tree Contractors Ltd 2. Full asset Survey of ~30% of street and park trees (and 50% of school trees) 3. Risk trees identified and registered increased inspection frequency using asset management database (Confirm) 4. Implement remedial works to address risk associated defects 	3	3	9	<ol style="list-style-type: none"> 1. Review the 'Storm Strategy' annually (last reviewed Feb 2018) to be able to respond quickly and call in additional staff, equipment and contractors 2. Provide a cyclical safety survey and remedial works schedule commensurate to budget availability and potential prioritisation 3. Review Tree Risk Management Strategy 	Julian Fowgies
13	All ECS	Income Variation Loss of income when the Council is looking to grow income to off-set reduced funding	<p>Cause(s): - Improved Street Works performance by utility companies (reduced fines) - Under-achievement of expected car parking income and parking enforcement, due to resistance to price increases and reduced incidents - Loss of income from Penalty Charge Notices for Bus Lane Enforcement activity - Reduction in Street Enforcement activity (Fixed Penalty Notices) - Failure of APCOA (new Parking contractor) to provide contracted services (e.g. strikes) - Removal of Council exemption for charging VAT on commercial waste impacting on pricing and therefore income</p> <p>Effect (s): Loss of income with potential to reduce service delivery funds</p>	Financial	3	2	6	<ol style="list-style-type: none"> 1. Regular income monitoring 2. Monitoring contractor performance (e.g. only issue good quality PCNs) 3. Good debt recovery systems 4. Monitoring parking use and avoid excessive charge increases 5. Provide attractive, safe clean car parks 6. Reviewed fees and charges to optimise Trade Waste income 7. Regular contractor meetings 	2	2	4	<ol style="list-style-type: none"> 1. Refine procedure for resolving disputes with utilities 2. Review parking tariff structures annually 3. Monitor income trends 4. Monitor success in achieving enforcement objectives 5. Benchmark Parking charges against other authorities and local private sector competitors 6. Intelligence-led targeting of hotspot sites for enforcement 	All ECS

Environment & Community Services (ECS) Risk Register (Appendix B)

													DATE LAST REVIEWED:	03/04/2018
REF	DIVISION	RISK TITLE & DESCRIPTION	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING			FURTHER ACTION REQUIRED	RISK OWNER	
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING			
14	Streetscene and Greenspace	Waste Budget Increasing waste tonnages resulting in increased waste management costs	Cause(s): - Failure to anticipate/manage waste management financial / cost pressures due to increasing landfill tax, increasing property numbers, declining recycling income (lower paper tonnages) and limited incineration capacity - Failure to achieve contract payment mechanism targets for the proportion of waste sent to landfill / incineration / recycling / composting - Waste tonnage growing faster than budgeted or operational factors (i.e. adverse weather conditions, etc) Effect (s): - Budgets being exceeded and potential knock-on impact on other Council services	Financial	3	4	12	1. Cost pressures recognised in Council's Financial Strategy 2. Landfill tonnages falling - offsets any tax increase 3. Continued focus on promoting waste minimisation and recycling (e.g. in Environment Matters) - Monthly monitoring of recycled tonnages and projection to yearly figures - Regular and sustained recycling awareness campaign - Consolidation of Compositing for All campaign - Continuing investigation of waste minimisation and recycling initiatives - Monthly monitoring of all waste tonnages and projection to yearly figures - Monthly monitoring of all collection costs and figures - Ongoing analysis of collection and disposal methodology	2	3	6	1. Consideration of alternative disposal routes e.g. Veolia's MBT plant 2. Reviewing and benchmarking operational costs to identify options 3. Achieving BV tenders under new contract	Dan Jones	
15	S&G	Environmental Services Contract (Waste) Waste growth and proposed management solutions / technologies fail to control waste costs	Cause(s): - Failure to secure sufficient Waste Disposal facility capacity to handle / process future needs - Over-reliance of waste tenders on unproved technology or unbuilt plant - Changing government requirements regarding collection frequencies / segregation / containers - Tenders found to be more expensive than existing service Effect (s): - Higher service costs (and pressure on other aspects of the Contract)	Financial	3	4	12	1. Programme Board aware of issues e.g. need to scrutinise unproved / unbuilt proposals 2. LBB input to Defra Waste Collection Harmonisation Steering Group and will Provide early feedback on any possible changes 3. Process & frequency plan for each service 4. Programme Board: aware of need to secure sufficient guaranteed but flexible capacity	2	2	4	1. 'Ensure responsibility to secure assured capacity is clearly placed on contractor in contract specification 2. Assess tenders to ensure sufficient capacity (including capacity to accommodate future waste growth)	Dan Jones	
16	Public Protection	Food Standards Agency Audit Failure to meet required service standards as required by Food Standards Agency Audit (April 2017)	Cause(s): Lack of resource to meet Code of Practice service standards Effect(s): Leading to reputational damage and possible use of Power of Direction	Health & Safety	4	4	16	1. Current levels of resourcing 2. Prioritised according risk	3	3	9	1. Executive agreed to fund 5 additional posts 2. Recruitment underway but risk of not being able to recruit to these posts. 3. Update 15/11/17: 2 contractors engaged. 1 full-time, 1 part-time for temporary posts. Interviews held 6 & 7 Nov 2017 for full-time staff. 2 offers made 4 Update 3/4/18. 2 Full-time permanent Food Safety Officer posts filled and both have started. One Adecco contractor agreed to continue for a further 12 months on a short-term Bromley Contract. Other part-time Adecco contractor extended to 30/9/18. Interview planned for 3/4/18 for further staff. One staffer went on maternity leave at the end of March and we need to cover this vacancy. Staffing position is positive. In the next 12mths we need to show a positive impact in the backlog of inspections.	Joanne Stowell	
17	All ECS	Town Centre Businesses Loss of town centre businesses to competition	Cause(s): Failure to redevelop high streets coupled with competition from out-of-town developments and online shopping Effect(s): Reduction in high street business and market stall occupancy Loss of income (Business rates and market stalls) Poor public perception and negative publicity	Financial	3	4	12	- BID Teams organise town centres events - Investment in Orpington High Street and Bromley North (done) - Regular advertising / promotion of markets and availability of stalls - Review of Market operational costs to reduce costs where possible - Regular maintenance and renewal of market infrastructure	2	3	6	1. Ongoing review of market provision linked to outsourcing service provision to Bromley Business Improvement District 2. Detailed annual action plan to be drawn up for each town centre	Jim Kehoe Colin Brand Dan Jones	
18	Transport & Highways	New Parking Schemes Failure to deliver new Parking schemes resulting income loss and congestion	Cause(s): Increasing demand from residents for parking schemes coupled with decreasing grant funding from TfL Effect (s): Increased congestion and reduced income	Service Delivery	3	4	12	1. Set up register of agreed schemes with designated officers and timescales 2. Develop and agree financial appraisal framework with finance department 3. Software procured (2013/14) to help improve project and programme management	2	3	6	1. Consideration to be given to better balancing the cost of scheme design against parking charges	Angus Culverwell	

Environment & Community Services (ECS) Risk Register (Appendix B)

											DATE LAST REVIEWED:	03/04/2018	
REF	DIVISION	RISK TITLE & DESCRIPTION	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING			FURTHER ACTION REQUIRED	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING		
19	All ECS	Staff Recruitment and Retention Loss of corporate memory and ability to deliver as key staff leave (good new staff are at a premium)	Cause(s): Availability of suitably qualified / experienced staff to replace retirees and leavers. Particular problem within Planning, Environmental Health and Traffic professionals (TfL offers better remuneration and career progression). Effect (s): Loss of organisational memory, greater reliance on contracted staff, delays in delivering services / plans (e.g. Transport Local Implementation Plan)	Service Delivery	3	3	9	1. Ongoing programme to find and retain quality staff through internal schemes such as career grades and ongoing CPD	2	2	4	1. Consider potential for contractors to supply necessary skills	All ECS
20	Streetscene and Greenspace	Burial Space Insufficient Council-operated burial space for long-term demand	Cause(s): Potential lack of acceptable local space for burials (ashes interment not a problem) Effect (s): Leading to reputational damage	Reputational	3	3	9	1. Burial plots are available at St Mary Cray and Biggin Hill (with some limited capacity in other sites for partners of deceased) 2. New cemetery provided by the private sector at Kemnal Manor Chislehurst, which will alleviate pressures Council-owned burial space	2	2	4	1. Monitor availability of private sector capacity 2. Consider what further burial alternatives are being provided by the private sector i.e. new cemetery at Kemnal Manor, Chislehurst	John Bosley
21	All ECS	Climate Change Failure to adapt the borough and Council services to our changing climate	Cause(s): Severe weather events including extreme heat, storms, floods etc Effect (s): Resulting in threats to service provision, environmental quality and residents' health	Service Delivery	3	3	9	1. Adopt best adaptation practice as identified through London Climate Change Partnership, UK Climate Impacts Programme, and the Local Adaptation Advisory Panel 2. LBB Surface Water Management Plan and Draft Local Flood Risk Strategy	2	3	6	1. Liaise with Public Health on cross-cutting issues e.g. excess summer deaths and vector-borne disease etc	All ECS

Remember to consider current Internal Audit priority one recommendations when identifying, assessing and scoring risks.

Finance Risk Register (Appendix B)

											DATE LAST REVIEWED:	11/04/2018	
REF	DIVISION	RISK TITLE & DESCRIPTION (a line break - press alt & return - must be entered after the risk title)	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING (See next tab for guidance)			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING (See next tab for guidance)			FURTHER ACTION REQUIRED	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING		
1	Finance	Gaps in Insurance cover Failure to ensure that sufficient insurance cover is in place with the result that Council assets may not be adequately covered and that claims in excess of our current excess (£125k - Public Liability) could be turned down by our insurance company	Cause(s): 1. Incorrect/incomplete asset/risk data provided to insurer. 2. Total level of insurance insufficient e.g. to cover damage to multiple high value assets. 3. Uninsurable risks e.g. criminal/regulatory fines. Effect(s): Inadequate or no insurance cover could have significant financial implications, dependent on the value of the asset and the extent of the damage / loss.	Financial - Operational	1	4	4	1. Maintain schedule of all property, vehicles and plan to be insured by the Council 2. Maintain a register of all insurance premiums paid each year 3. Independent check on all such records by internal / external audit and professional insurance brokers.	1	3	3		James Mullender
2	Finance	Financial Market Volatility Financial loss arising from the volatility of financial markets.	Cause(s): Market volatility, recession, banking failure Effect(s): We do not maximise our interest earnings on balances and could also suffer the following issues - Liquidity, Interest rate, Exchange rate, Inflation, Credit and counterparty, Refinancing, legal and regulatory risks	Financial - Operational	3	5	15	1. Regular strategy meetings 2. Use of external advisors 3. Internal Audit review of activities 4. Quarterly reporting to E&R PDS Committee (Members) 5. Adoption of CIPFA Treasury Management Code of Practice 6. Regular meetings / discussions with external auditors 7. Treasury management strategy	2	4	8		James Mullender
3	Finance	Capital Income Shortfall Inability to generate capital receipts	Cause(s): Property price reductions as a result of the economic environment. Falling number of assets available for disposal Effect(s): Financial	Economic - Strategy	3	4	12	1. Close monitoring of spend and income 2. Reporting to Members 3. Tight control of spending commitments 4. Quarterly reports on capital receipts (actual and forecast) to Executive.	2	3	6		James Mullender
4	Finance	Pension Fund The pension fund not having sufficient resources to meet all liabilities as they fall due	Cause(s): 1. Investment markets fail to perform in line with expectations 2. Market yields move at a variance with assumptions 3. Investment managers fail to achieve their targets over the longer term 4. Longevity horizon continues to expand 5. Deterioration in pattern of early retirements 6. Administering authority unaware of structural changes in an employer's membership e.g. large fall in employee members, large number of retirements Effect(s): Financial	Financial - Operational	3	5	15	1. Use of external advice. 2. Financial: Monitoring of investment returns - analysis of valuation reports 3. Demographic: Longevity horizon monitored at triennial reviews - quarterly review of retirement levels 4. Regulatory: Monitor draft regulations and respond to consultations - actuarial advice on potential where appropriate 5. Internal audit review of activities, performance, controls etc. 6. Quarterly reports to Pensions Investment Sub-Committee 7. Funding Strategy Statement 8. Statement of Investment Principles 9. Communications Policy 10. Governance Policy 11. Triennial valuation by actuary 12. Strategic asset allocation review.	2	4	8	Seeking opportunities for future 'gifting'	Director of Finance
5	Finance	Failure to deliver a sustainable Financial Strategy which meets with BBB priorities and failure of individual departments to meet budget	Cause(s): 1. As a consequence of significant Government funding reductions (austerity is expected to continue beyond 2019/20), need to reduce the Council's significant 'budget gap' of £38.7 m per annum by 2021/22. 2. The Government's aim is to transform 'local government, enabling it to be self-sufficient by the end of Parliament' e.g. business rates to be fully devolved to local government by 2020/21. A future national recession could have a significant impact on income generated to fund key services within a fully devolved model. 3. Failure to meet departmental budgets due to increased demand on key services resulting in overspends: (Housing (homelessness and cost of bed and breakfast); Social Care (welfare reform and ageing population); and Waste (growing number of households). 4. The risk of the Council not being able to carry out its statutory duties (e.g. pupil admissions, school improvement, child protection) as a consequence of funding reductions. 5. Dependency on external grants to fund services (schools and housing benefits are ring-fenced) - effect if grant reduces (Public Health services) or ceases. 6. The new national living wage will have cost implications to the Council over the next few years (e.g. care providers and carers). 7. As the local government core grant is fully phased out, local government will take on new funding responsibilities e.g. public health, housing benefit administration for pensioners. With ageing population there will be associated cost pressures. 8. Impact of welfare reforms and the phased roll out of Universal Credit. 9. Failure to identify and highlight frauds and weaknesses in the system of internal control (which invariably have a financial impact). Overall, fraud losses are mainly benefit related (Council Tax Support / Single Person Discount). Effect(s): - Increased overspends in particular services - Council unable to carry out its statutory duties due to services cuts - Reputational damage - Failure to achieve our Building a Better Bromley priorities.	Financial - Operational	5	5	25	Strategic Controls: 1. Regular update to forward forecast 2. Early identification of future savings required 3. Transformation options considered early in the four year forward planning period 4. Budget monitoring to include action from relevant Director to address overspends including action to address any full year additional cost 5. Mitigation of cost pressures including demographic changes 6. Directors to update commissioning strategies with strategic choices to address financial envelope Operational Controls: 1. Management of Risks document covering inflation, capping, financial projections etc. attached to budget reports 2. Departmental risk analysis 3. Reporting of financial forecast updates in year to provide an update of financial impact and action required 4. Obtain monthly trend / current data to assist in any early action required 5. Obtain regular updates / market intelligence 6. Reporting full year effect of budget variations 7. Analysis of government plans and changes	4	5	20		Director of Finance
6	Finance	Failure to act upon Financial assessments or arrears in a timely manner	Cause(s): 1. Severe/catastrophic IT problems 2. Loss of key staff 3. Organisation experiencing severe financial problems Effect(s): Loss of income	Financial - Operational	3	3	9	Controls: 1. There is a disputed debt process that is followed to ensure that departments do not hold up debt recovery (i.e. actioning write offs and disputes). 2. All outstanding Financial Assessments are completed in accordance with the agreed timescales 3. Monitoring is carried out on a regular basis to ensure financial assessments are completed and contributions are set up on CareFirst in order for service users to be charged 4. Effective SLA is in place	2	3	6		Claudine Douglas-Brown
7	Finance	Failure of Finance IT systems	Cause(s): Failure of CareFirst or the various databases Oracle cheques not being produced Failure of BACs to pay LBB Effect(s): Inability to pay creditors, calculate payments due to our suppliers / foster carers (Payments Team) or to accommodate charging information for billing clients which could result in fines, penalties and loss of goodwill / reputation.	Contractual and Partnership - Operational	3	2	6	1. CareFirst has replaced the majority of the databases used in Finance for ECHS payments 2. All systems are backed up daily 3. If systems fail, new databases can be built and/or manual calculations for charges or payments could be made 4. Manual cheque payments could be raised 5. Close liaison with Liberata (and sub contracted company Xerox) to discuss any problems - escalation procedure works well. 6. Alternative printers being available at Xerox reduces the risk of cheques not being produced due to printer failure 7. Stock control measures in place to ensure cheques are ordered in time 8. BACS payments increasing - solid and dependable	2	2	4		Claudine Douglas-Brown

Finance Risk Register (Appendix B)

											DATE LAST REVIEWED:	11/04/2018	
REF	DIVISION	RISK TITLE & DESCRIPTION <small>(a line break - press alt & return - must be entered after the risk title)</small>	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING <small>(See next tab for guidance)</small>			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING <small>(See next tab for guidance)</small>			FURTHER ACTION REQUIRED	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING		
8	Finance	Failure of external contractors	Cause(s): Contractor ceases to trade due financial failings. Effect(s): disruption and delays to key services, financial loss and adverse publicity	Contractual and Partnership - Operational	3	4	12	1. Constant review of contractors financial standing 2. Maintaining knowledge and contact with alternative service suppliers	2	3	6		John Nightingale
9	Finance	Contractor Poor Performance Contractor fails to meet performance expectations across Revs & Bens, Payroll, Pensions, Debtors and Accounts Payable	Cause(s): Severe catastrophic IT problems Loss of key staff Organisation experiencing severe financial problems Effect(s): - Delay / non payment of suppliers, customers, staff salaries, pensions. - Increase in fraudulent payments -Delayed or non repayment from debtors Resulting in loss of income, increased costs, increase in complaints and subsequent loss of good will and / or reputational damage.	Financial - Operational	3	3	9	1. Effective SLAs and contracts in place 2. Regular operational and strategic meetings monitoring progress and identifying action required 3. Action identified and formally agreed when monitoring key performance areas 4. Formal structures and procedures in place for monitoring and corrective action to minimise risk 5. Process reviewed on an ongoing basis 6. Weekly monitoring of complaints and patterns identified	2	3	6		Claudine Douglas-Brown / John Nightingale

Remember to consider current Internal Audit priority one recommendations when identifying, assessing and scoring risks.

Human Resources Risk Register (Appendix B)

													DATE LAST REVIEWED:	23/04/2018
REF	DIVISION	RISK TITLE & DESCRIPTION (a line break - press alt & return - must be entered after the risk title)	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING (See next tab for guidance)			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING (See next tab for guidance)			FURTHER ACTION REQUIRED	RISK OWNER	
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING			
1	Human Resources	Ability to respond to industrial action, changes in government initiatives or legal requirements	Cause(s): - Changes to staff terms and conditions (localisation agenda) - Lack of flexibility of workforce - Poor horizon scanning and networkings Effect(s): - Increased costs (bank / agency usage) - Reputation damage - Impacts on service delivery	Political	3	2	6	1. Early and effective engagement with staff and trade unions 2. Sound internal and external legal advice 3. Identifying appropriate legal options 4. Pro-active intelligence gathering via London Councils and other networks	3	2	6	1. Submitting timely proposals to Chief Officers and / or members of the Industrial relations committee.	Director of HR	
2	Human Resources	Failure to comply with HR related legislative requirements e.g. Equalities Act 2010	Cause(s): - Lack of awareness with legislation - Failure to effectively consult staff where appropriate - Indirect / direct discrimination - Human error / lack of understanding Effect(s): - Reputation damage - Financial costs - Regulatory inspection / intervention	Legal	4	3	12	1. Bromley Council Equality Scheme in place 2. Requirement to report and record accurately equalities information 3. Equalities training in place for managers and staff	3	2	6	1. Professional updates / HR Mgt Team forward planning	Director of HR	
3	Human Resources	Ineffective recruitment and retention strategies for hard to fill posts e.g. Children's Social Workers	Cause(s): - Increasingly fluid market - Increases in demand and/or reductions in supply - Lack of experienced staff in the labour pool Effect(s): - Potential service delivery impacts - Increased costs due to usage of agency workers - Reduction in quality of service	Personnel / Operational	3	3	9	1. Horizon scanning to anticipate changes and trends to staff complement 2. Keeping up to date on national trends for hard to recruit professions 3. Case load promise	2	2	4	1. Implement grow your own initiatives e.g. senior practitioners progression pathway, training pathways for social workers, graduate trainees	Director of HR Lead Officers: Head of HR Strategy and Head of Workforce Development	
4	Human Resources	Ineffective Agency Worker Checks	Cause(s): - Poor procedures - Inadequate monitoring - Lack of awareness / understanding Effect(s): - Workers with safeguarding concerns not identified - Safeguarding incident occurs (harm / injury) - Agency worker ID fraud - Reputation damage	Personnel / Operational	4	3	12	1. Managers check identity of candidate when arriving for work, with copy of DBS and proof of identity. E.g. passport, and original copy of birth certificate. 2. Up front audits with Adecco undertaken to ensure processes are robust.	4	1	4	None identified	Director of HR Lead Officer: Head of HR Strategy	

Human Resources Risk Register (Appendix B)

										DATE LAST REVIEWED:	23/04/2018		
REF	DIVISION	RISK TITLE & DESCRIPTION (a line break - press alt & return - must be entered after the risk title)	RISK CAUSE & EFFECT	RISK CATEGORY	GROSS RISK RATING (See next tab for guidance)			EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING (See next tab for guidance)			FURTHER ACTION REQUIRED	RISK OWNER
					LIKELIHOOD	IMPACT	RISK RATING		LIKELIHOOD	IMPACT	RISK RATING		
5	Human Resources	Management of the on-going transitional and transformational changes (Commissioning process, baseline exercise and service redesigns and alternative delivery options)	Cause(s): - Lack of expertise - Unexpected delays - Changes in strategic direction - Lack of capacity to undertake in a timely manner Effect(s): - New service models are ineffective / not fit for purpose - Increased costs - Legislative and legal requirements breached (e.g. TUPE) - Reduction in service quality / provision - Reputation damage	Personnel / Operational	3	2	6	1. Managing change procedure in place 2. Capacity building and additional resources to support the change process 3. Effective communication and engagement with staff and their representatives. 4. Formal consultation processes and departmental representatives 5. Regularly meetings include members	3	2	6	None identified	Director of HR Lead Officer: Head of HR Consultancy
6	Human Resources	Inability to process / access pay and personnel records	Cause(s): - IT failure - Loss of power - Data breach / cyber attack - Ineffective business continuity plan for manual work around Effect(s): - Delays or restriction in level of HR support available - Pay changes not made - Staff morale reduction if for a long period - Delays in ability to recruit	Data and Information	4	3	12	1. Back-up payroll processes/systems 2. Regular saving of personnel information on Resource Link 3. Business Continuity Plan in place	4	2	8	None identified	Director of HR Lead Officer: Head of HRIS and Reward
7	Human Resources	1) ineffective workforce planning initiatives including succession planning, talent management. 2) upskilling of staff - lack of training resources/opportunities	Cause(s): - Insufficient strategic management control and planning - Staff turnover (capacity) - Lack of resources Effect(s): - Potential service delivery impacts - Loss of skilled/experienced staff - Missed opportunity to develop and retain talent "in house" - Recruitment Costs	Personnel / Operational	3	3	9	1. Graduate Intern Scheme 2. Apprenticeship Scheme	2	2	4	1. Development of a Talent Management Strategy. 2. Ensure that Apprenticeship Levy funds are utilised effectively	Director of HR Lead Officers: Head of Workforce Development and Head of HR Strategy

Remember to consider current Internal Audit priority one recommendations when identifying, assessing and scoring risks.

Doug Patterson
Chief Executive
London Borough of Bromley
Bromley Council,
Civic Centre,
Stockwell Close,
Bromley BR1 3UH

25 April 2018

Ref: LBB18.19FEE

Direct line: 020 7951 2340

Email: SPatel22@uk.ey.com

Dear Doug,

Annual Audit 2018/19

I am writing to confirm the audit that we propose to undertake for the 2018/19 financial year at Bromley Council and the Bromley Pension Fund (PF).

As you will know from 2018/19 you were required to make your own arrangements for local auditor appointment under the Local Audit and Accountability Act 2014 for the audit of the accounts and certification of the housing benefit subsidy claim. You opted into the national scheme managed by Public Sector Audit Appointments Ltd (PSAA). We were pleased that PSAA appointed EY as your auditor for the duration of the five-year appointing period, covering the audits of the accounts for 2018/19 to 2022/23.

Indicative audit fee

For the 2018/19 financial year, PSAA has set the scale fee for each audited body that have opted into its national auditor appointment scheme. Following consultation on its Work Programme and Scale of Fees, PSAA has reduced the 2018/19 scale audit fee for all opted-in bodies by 23 per cent from the fees applicable for 2017/18.

The fee reflects the risk-based approach to audit planning set out in the National Audit Office's Code of Audit Practice for the audit of local public bodies.

The audit fee covers the:

- Audit of the financial statements
- Value for money conclusion (n/a for the PF)
- Whole of Government accounts (n/a for the PF).

For Bromley we have set our indicative fee at the PSAA scale fee level, assuming:

- The overall level of risk in relation to the audit of the financial statements is not significantly different from that of the prior year;

- Your officers meet the agreed timetable of deliverables;
- You operate effective arrangements of internal control;
- Our accounts opinion and value for money conclusion being unqualified;
- You provide appropriate quality of documentation;
- You operate an effective control environment; and
- You provide prompt responses to our queries and our draft reports.

Meeting these assumptions will help ensure the delivery of our audit at the indicative audit fee which is set out in the table below.

2018/19 will be the first year that EY audit the Council. As I outlined when we met earlier this year we will commence our formal audit planning process for 2018/19 once your current auditors conclude the 2017/18 audit. Our audit planning will continue as the year progresses. We will review and update fees as necessary through discussion with Peter, within the parameters of our contract.

Summary of fees

	Indicative fee 2018/19 £
Total Code audit fee Bromley Council	91,689
Total Code audit fee Bromley PF	16,170
Certification of housing benefit subsidy claim	N/A

The appointment for a review of the Council's 2018/19 housing benefit subsidy claim is not covered by the PSAA appointment. We would be very happy to provide Peter a quote for undertaking this work.

Billing

The indicative audit fee will be billed in 4 quarterly instalments of £22,922 for the Council and £4,043 for the PF.

Audit plan

We expect to issue our plan before December 2018. This will communicate any significant financial statement risks identified, planned audit procedures to respond to those risks and any changes in fee. It will also set out the significant risks identified in relation to the value for money conclusion. Should we need to make any significant amendments to the audit fee during the course of the audit, we will discuss this in the first instance with Peter and, if necessary, prepare a report outlining the reasons for the fee change for discussion with the Audit Sub-Committee.

We are committed to providing you with a high quality service. If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, please contact me as your Engagement Lead. If you prefer an alternative route, please contact Steve Varley, our Managing Partner, 1 More London Place, London, SE1 2AF. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. Should you remain dissatisfied with any aspect of our service, you may of course take matters up with our professional institute.

Yours sincerely



Suresh Patel
Associate Partner
For and on behalf of Ernst & Young LLP
cc. Peter Turner, Director of Finance
Councillor Neil Reddin FCCA, Chair of Audit Sub-Committee

This page is left intentionally blank

DIRECTORATE	SERVICE AREA	CUMULATIVE VALUE	ANNUAL AMOUNT	DETAILS- PARTICULARS FOR SEEKING WAIVER	PERIOD FROM	PERIOD TO	APPROVAL
Environment and Community Services	Transport and Highways	£114,902	£34,972	Design work for Orpington station forecourt	01/04/2018	One off	Head of Service, Director of ECS. No signatures dated except CM Hof F 23.3.18
Environment and Community Services	Transport and Highways	£169,969	£9,750	Procurement of bike hangers	01/04/2018	One off	Head of Service, Director of ECS. No signatures dated
Environment and Community Services	Cultural Business Development	£151,600	£8,380	Award of 5 year contract to manage and operate Crofton Roman Villa	01/04/2018	31/03/2023	Gateway 1 Members Report tp R&R PDS 27/03/18 but no reference to project on the signature page. Directors of Regeneration, Commissioning, Corporate Services and Finance. Director of ECS and Portfolio holder
Environment and Community Services	Parking Services	£317,971	£34,548	OpenView annual system maintenance	31/05/2017	30/05/2019	Head of Service, Directors of Regeneration and ECS
Chief Executives	Internal Audit	£4,127,000	£190,000	Fraud Services Partnership with RBG	01/04/2018	31/03/2019	Directors of Commissioning, Finance and Corporate Services, Portfolio Holder
Environment and Community Services	Street Scene and Greenspace	£190,000	£18,000	Pop up gazebos for Bromley market - purchase of 46 new units	01/04/2018	One off	Head of Service, Directors of Commissioning, Corporate Services and Finance Gateway 1 Members Report to Executive 01/03/2018
Chief Executives	ICT Division	£61,200	£15,000	Data cabling services	01/07/2018	30/06/2019	Head of Service, Directors of Commissioning, Corporate Services and Finance Gateway Report - Officers
Education Care and Health Services	Disabled Children services	£574,476 for 3 years (award would be a 3 + 2 contract)	£191,492	Short breaks for Disabled Children and Young People	01/04/2018	31/03/2021	Gateway Report to Executive 13/09/2017

This page is left intentionally blank

Report No.
FSD 18035

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **AUDIT SUB-COMMITTEE**

Date: **Thursday 24 May 2018**

Decision Type: Non-Urgent Non-Executive Non-Key

Title: **ANNUAL INTERNAL AUDIT REPORT**

Contact Officer: David Hogan, Head of Audit
Tel: 0208 313 4625 E-mail: david.hogan@bromley.gov.uk

Chief Officer: Director of Finance

Ward: (All Wards);

1. Reason for report

The report informs the Audit Sub Committee of Internal Audit activity in 2017/18. It assists the Council in meeting the financial management and internal control requirements of the Accounts and Audit Regulations 2015. In particular it includes:

- an overview of work undertaken and the levels of assurance;
- an analysis of the quality and effectiveness of Internal Audit confirming that the service conforms with the Public Sector Internal Audit Standards;
- the Head of Audit's opinion on the internal control environment.

2. **RECOMMENDATION(S)**

Members are asked to note the report and the Head of Audit's opinion on the soundness of the internal control environment within the London Borough of Bromley.

Impact on Vulnerable Adults and Children

1. Summary of Impact: Some of the audit findings could have an impact on adults and children.
-

Corporate Policy

1. Policy Status: Not Applicable
 2. BBB Priority: Excellent Council
-

Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Internal Audit
 4. Total current budget for this head: £560K
 5. Source of funding:
-

Personnel

1. Number of staff (current and additional): 6.5 FTE (currently one FTE vacant)
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Statutory Requirement Non-Statutory - Government Guidance None:
Further Details
 2. Call-in: Applicable Not Applicable: Further Details
-

Procurement

1. Summary of Procurement Implications:
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected):
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes No Not Applicable
2. Summary of Ward Councillors comments:

3. COMMENTARY

3.1 The annual report is for Member information and intended to assist the Council in meeting the requirements of the Accounts & Audit Regulations 2015. The regulations require the Council to undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, and taking into account the Public Sector Internal Auditing Standards (PSIAS). The work forms the basis of the annual opinion of the Head of Audit and provides supporting evidence for the Annual Governance Statement, which also is considered on the agenda.

3.2 Internal Audit's objectives have been to assist management and Members in managing risks, maintaining good standards of control and continuously improving service delivery through independent appraisal, review and advice. We have carried this out in 2017/18 by:

- independently reviewing, appraising and providing assurance reports;
- ascertaining the extent of compliance with procedures, policies, regulations and legislation;
- reviewing client contract and monitoring arrangements;
- reviewing and refreshing the arrangements for Risk Management and departmental and corporate risk registers;
- identifying fraud and irregularity and working in partnership with RB Greenwich;
- hosting interactive web training for officers in Financial Regulations, Risk Management and Fraud Awareness.

3.3 Key aspects of our reviews examined controls in place and assessed these together with associated risks to ascertain if they are being followed. Internal audit has ensured that controls operate in an efficient and effective manner, statutory and management requirements are complied with, completeness and accuracy of records are secured and identified weaknesses are corrected.

3.4 Analysis of 2017/18 activity and use of resources

3.4.1 The 2017/18 Audit plan identified a total of 69 separate tasks including 3 schools. 19 audits were carried forward from 2016/17 and finalised in the year. By the end of the year work was either completed or in progress on a total of 51 further projects. 16 tasks were either cancelled or carried forward to 2018/19. Unplanned investigations were also carried out involving Internal Audit as opposed to the Anti-Fraud work separately completed by the Royal Borough of Greenwich Team.

3.4.2 Completion of the 2017/18 Internal Audit plan was been affected by several factors. Members were advised at the November meeting that the section had completed about 80% of the 2016/17 plan at the time of the Annual Report (June 2017) and therefore there was a significant amount of work brought forward into the year to finalise. Days lost to vacancy and sickness impacted on the 2017/18 plan, with 143 days lost during the year. Action was therefore required to risk-assess the current plan, bring in additional resources from the Croydon Framework and re-scope and prioritise tasks in the 2017/18 plan.

3.4.3 Members will be aware that since 2008 Croydon Council has held a single provider framework contract for the provision of Internal Audit services. The framework expired in March 2018 and a tender process has been undertaken. Whilst the incumbent supplier won the tender a number of staff who were assigned to Bromley projects, left for other work opportunities. The impact to

Bromley was slippage in the timing of the work assigned to them. However all outstanding allocated audits will be completed shortly.

3.4.4 Finally, as Members will be aware in prior years the Authority has been required to prepare draft financial statements by 30 June and final accounts by 30th September. From this year revised deadlines apply which require draft accounts by 31 May and final accounts by 31 July. These changes represent a significant change to the timetable that the Council has previously worked to. In order to support this, the Annual Governance Statement and the Annual report to support have been produced one month earlier than in previous years. As a result of these changes, combined with the issues above there is more work in progress and at draft stage than would otherwise be the case. Work in progress and draft reports will, when finalised, be reported to the next meeting of the Committee.

3.4.5 The days allocated to Departments is set out below with a comparison to 2016/17

Table 1

Department	Actual Days 2016/17	Actual Days 17/18 including commissioned from the Croydon Framework (includes some yet to be delivered)
Chief Executive's	303	321
Education Care and Health Services including Public Health	285	298
Environment and Community Services	183	124
Sub Total	771	743
Anti-Fraud and Investigations	91	81
Total	862	824

3.4.6 It should be noted that the 2016/17 departmental figures included 104 days spent on investigations in addition to the 91 shown in Anti-Fraud & Investigations row. Therefore 667 days (771 less 104) was spent on assurance work. In 2017/18, 743 have been spent on assurance work when the work commissioned from the Croydon Framework is completed. Therefore resources for 2017/18 have been adequate.

3.5 Summary of work undertaken and audit opinions

3.5.1 Audits are conducted in accordance with prescribed standard. Not all tasks result in an opinion.

3.5.2 A summary of work undertaken follows in Table 2 overleaf.

Table 2

Planned tasks 2017/18	67
Deferred as already issued report on same issue this year/moved to next year or cancelled with management agreement	16
Completed tasks including reports at draft stage	36
Work in progress	15
Reports carried forward from 2016/17 and issued in 2017/18	19

3.5.3 Whilst there have been some variances and amendments to the plan, sufficient work has been undertaken to form the Head of Audit's opinion.

3.5.4 Further analysis is detailed in Appendix A

3.5.5 An Assurance rating was given in respect of 34 reviews at draft or final stage

Table 3

Full Assurance	0
Substantial Assurance	25
Limited Assurance	9
Nil Assurance	0

3.5.6 Following an Internal Audit review and after consultation with management, auditors form an overall opinion on the extent that actual controls in existence provide reasonable assurance that significant risks are being managed. They grade the control system accordingly. Full assurance of internal control systems is rare, because no matter how sophisticated or robust they are, it will not be possible to prevent or detect all errors or irregularities. The opinions given are graded according to the criteria in Table 4 overleaf.

Table 4

Assurance Level	Definition
Full Assurance	There is a sound system of control designed to achieve all the objectives tested.
Substantial Assurance	While there is a basically sound system and procedures in place, there are weaknesses, which put some of these objectives at risk. It is possible to give substantial assurance even in circumstances where there may be a priority one recommendation that is not considered to be a fundamental control system weakness. Fundamental control systems are considered to be crucial to the overall integrity of the system under review. Examples would include no regular bank reconciliation, non-compliance with legislation, substantial lack of documentation to support expenditure, inaccurate and untimely reporting to management, material income losses and material inaccurate data collection or recording.
Limited Assurance	Weaknesses in the system of controls and procedures are such as to put the objectives at risk. This opinion is given in circumstances where there are Priority one recommendations considered to be fundamental control system weaknesses and/or several priority two recommendations relating to control and procedural weaknesses.
No Assurance	Control is generally weak leaving the systems and procedures open to significant error or abuse. There will be a number of fundamental control weaknesses highlighted.

3.5.7 Summaries of all individual reports have been reported to the Audit Sub-Committee following a formal report to management and it is not necessary to detail them again here. Each audit has agreed terms of reference and is conducted according to the Public Sector Internal Audit Standards. Final reports are agreed with the client prior to release. They are followed up systematically.

3.5.8 In June 2017, there were 35 priority 1 recommendations reported to Audit Sub Committee, brought forward from 2016-17. At the time of writing this report, 30 of these recommendations had been implemented. Fourteen new priority 1 recommendations were reported during 2017-18 of which 9 have been implemented prior to the May 2018 Committee. Ten priority 1 recommendations have been carried forward to 2018/19.

3.5.9 Following a decision by Members, all audit reports suitably redacted, are published on the internet unless exemption is sought. A summary of the key issues and challenges for the authority arising from our work is detailed in the Head of Audit's opinion in para 3.9 to 3.9.4.

3.6 Schools

3.6.1 As at 1/4/17 there were 14 Bromley maintained schools; 1 secondary, 3 special schools and 10 primary schools. The 2017-18 audit plan included 20 days for school audits to be allocated during the year. The intention was to complete full audits at the secondary school and 2 primary schools and to complete the follow up of the

priority 1 recommendations at one primary school.

- 3.6.2 The Internal Audit programme reviewed controls around processes categorised as Governance Arrangements, Financial Management Information, Primary Accounting Documentation (the tests in this area include payments, income, payroll and school meals) and Assets. The programme was amended this year to also consider contract monitoring and authorisation procedures.
- 3.6.3 The follow up visit to the primary school in October 2017 satisfactorily evidenced implementation of the 5 priority 1 recommendations. The school had made significant progress to improve the financial management of the school and enhance the controls within the finance processes. The audit identified 4 new recommendations, all considered priority 2 and will be followed up during 2018-19.
- 3.6.4 The audit of the secondary school identified one priority 1 recommendation, 12 priority 2 recommendations and a priority 3 recommendation. The Internal Audit opinion was that limited assurance could be placed on the effectiveness of the overall controls. A follow up will be carried out in quarter 3 of 2018-19 and progress to implement the priority 1 will be reported to committee.
- 3.6.5 The significant findings at both schools resulted in a greater time spent at the schools, supporting officers. This reduced available time for the other Bromley schools. However of the 4 primary schools due for a full audit in 2017-18, 2 converted to Academy, 1 was audited in March and the other is booked for May. All schools which convert to Academy status are subject to a close down, pre academy conversion audit by the Schools Finance Team; 3 such visits were carried out this year.
- 3.6.6 As at 31/3/18 there are 9 Bromley maintained schools; 1 secondary, 2 special schools and 6 primary schools.

3.7 Risk Management

- 3.7.1 Members were informed that we had commissioned Zurich, our insurers, to carry out a check and challenge process on the current risk registers to be undertaken for each of the three Directorates (Education, Care & Health Services (ECHS), Environment & Community Services (ECS) and Chief Executive Directorates). The aim of this process was to provide the Directorate Management Teams (DMTs) with an independent discussion on risk and one that challenged, refreshed and validated the current risk register content. The outputs from the exercise were updated departmental risk registers.
- 3.7.2 Zurich's findings and recommendations were discussed at the Corporate Risk Management Group and Zurich attended all the DMT's to discuss their findings and provide a challenge where necessary. Finally the findings were discussed at Corporate Leadership Team, where it was agreed to undertake the same challenge and scoring process for corporate risks.
- 3.7.3 Following further review and consideration by DMTs, the Corporate Leadership Team and the Corporate Risk Management Group, a summary of the latest iteration of the Departmental and Corporate Risk Registers appear elsewhere on the Agenda.

3.8 Public Sector Internal Audit Standards (PSIAS)

- 3.8.1 Internal Audit engagements are subject to a thorough internal review of quality to ensure that its work meets the standards expected from its staff. For example an internal file quality review is carried out to confirm that:

- All work is undertaken in accordance with the PSIAS
- The work is planned and undertaken in accordance with risks associated with the areas under review
- The conclusions are fully supported by detailed work undertaken

3.8.2 Under the requirements of the Public Sector Internal Audit Standards (PSIAS) there is a need for an external quality assessment of the service every 5 years. A peer review was carried out in March 2016. The review concluded that the section generally conforms with the standards. A number of recommendations were made and actioned.

3.8.3 Internal Audit had been using a commercial software system since 2005-06. This was a fully integrated audit management, working papers, action tracking and reporting system. This was central to the working practices of the Audit Team; time recording, templates for standard audit documentation (terms of reference, satisfaction questionnaires, testing matrices), control matrices and risks, working papers and scanned evidence, draft and final reports and management information to monitor audit progress and outcomes, specifically recommendations classifications and implementation. The system had not been upgraded at Bromley for many years and therefore had become very slow and cumbersome and in many ways restricted efficient working practices.

3.8.4 Internal Audit were advised in July 2016 that the version used by the team would not be supported past June 2017, but the timescale for any decision to upgrade or replace was reduced when ISD confirmed that the system could not be migrated to the new servers as part of an urgent project planned for February 2017.

3.8.5 A quote of £9K was received to upgrade to the latest version including workshops, consultants support and changes to the software according to specific requirements. The Internal Audit Team attended two workshops in January and February 2017, confirming that there were significant changes between the versions which would be time intensive to adapt to a new system and its functionality. Although the new version satisfied some of the shortcomings of the current version it was designed for multi-site, hierarchical structure audit teams and was deemed too complicated for the team of 5 principal auditors and Head of Audit at Bromley.

3.8.6 The Internal Audit team reviewed current working practices and alternatives to the system. Given the change in Head of Audit with effect from May 2017, the incoming Head of Audit was invited to attend the team meeting to debate the strengths and weaknesses of changing or to develop bespoke systems using MS Word and Excel. A decision was made to develop processes in house. This will also help contribute to required savings. The newly developed systems have been successful although this has taken some time to develop with time required for the development of a suite of documentation for terms of reference, control matrices, report templates, review records, client questionnaires and time recording. Additionally monitoring spreadsheets for the audit plan, progress and outcomes to be monitored by the Head of Audit and reported to this committee were also written. There is a need to reflect on feedback on how they work in practice and ensure they are consistently applied. There is also a need to update the Internal Audit Manual to reflect these changes

3.8.7 All work is quality reviewed by the Head of Audit before reports are issued and it can be confirmed that the section still generally conforms to the PSIAS.

3.9 Head of Audit – Annual Opinion

3.9.1 The Annual assessment is based on the work reported between April 2017 and the date of this report. In formulating this opinion the assurance activity undertaken by the Council and other external assurance providers is taken into account along with the following:

- The Audit work undertaken including the assurance opinion ratings
- The follow up reviews determining how the authority responds to identified weaknesses and in particular priority 1 recommendations
- Its approach to risk management particularly the detailed refresh of the Council's Risk registers
- Internal Audit's review of the supporting evidence for the Annual governance Statement

3.9.2 The work completed to draft or final stage shows that 74% were classified as substantial assurance with 26% limited. In addition the results of follow up work, as outlined in paragraph 3.5.8, show that audit recommendations are consistently implemented. The concept of continuous improvement is applied in that even in the best performing authorities errors will occur or control failures may result despite good intentions. However the Council should learn from its past performance, rectify defects and not continue along a path when control failure is evident. The Corporate Leadership Team considers priority one recommendations on a regular basis and managers are held to account. Audit reports highlight those areas where internal control systems need to be improved and the Internal Audit Plan for 2018/19 has time allocated for undertaking follow up work. Internal Audit will pay particular attention to those areas where the Internal Audit opinion was limited and priority one recommendations have been raised.

3.9.3 The work reviewing the Annual Governance Statement also clearly demonstrates the range of organisational controls which serve to provide an effective level of governance.

3.9.4 **From the work undertaken during 2017/18, reasonable assurance can be provided that there is generally a sound system of internal control, designed to meet the Council's objectives and that controls are applied consistently.** Where weaknesses are identified, i.e. Limited Assurance reports and Priority One recommendations are made; these are tracked by the Corporate Leadership Team and the Audit Sub Committee until implemented or discharged. In giving this opinion it should be noted that assurance can never be absolute. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud. Through our Internal Audit work we have noticed a trend that reduced resources has been quoted as a reason for a reduced level of a control or the reason why a recommendation is difficult to implement. This can also result in a lack of oversight where a post is removed and responsibility for that function is not assigned to another officer. As part of our work on risk management and identifying areas for inclusion in the Annual Governance Statement we have identified key areas for management attention over the next year as discussed in the paragraphs below.

3.10 Finance

3.10.1 The Council has identified the challenge in its capacity to make further budget savings and maintain frontline services. The Council has set a balanced budget for 2018/19 without a detrimental impact on key services. There are savings/income generating options required for 2019/20. However, there are significant challenges for 2020/21 and beyond. Work is ongoing

to explore options to address the future years' budget gap through the four year forward planning arrangements. This has therefore been raised as an issue for the Annual Governance Statement.

3.11 Contract Management

3.11.1 Contract issues have been identified across the organisation in the last two years which have identified the need for strengthened control and management oversight. This had been most evident in management of the Waste Contract which had resulted in 15 Priority 1 Recommendations at the end of 2016/17. Progress in addressing these issues took time and therefore it was not until the end of the year that recommendations were fully implemented. However there have been other examples in the area of TCES and Adult Mental Health, which is at draft report stage. In these cases we have noticed a trend of posts being deleted to contribute to expenditure reductions but the oversight functions are not reassigned. There has also been a need identified to improve contract awareness and management skills. This has been monitored by the Contract Sub-Committee. As a result, a number of actions have taken place to strengthen arrangements across the Council. These include a Contract Database with an alert system for tendering/renewal. It also includes a Document Management System which holds all electronic contracts, minutes of meetings, Change Control Notices (CCN) and Waivers. Some of this will be fully implemented in August 2018 and Internal Audit is following up progress.

3.11.2 Training has been identified as a mandatory requirement for 'commissioners of services'. It consists of four modules (3 hours per module) with compulsory attendance on all four to complete the course.

- Module 1 – Commissioning
- Module 2 – Contracting process, engaging with the market (procurement)
- Module 3 – Tender & evaluation process
- Module 4 – Award (Governance)

3.11.3 In view of the importance of the Commissioning Agenda to the Council's strategic objectives this has therefore been raised as an issue for the Annual Governance Statement.

3.12 General Data Protection Regulations (GDPR)

3.12.1 Significant changes are required to ensure that the Council is compliant with the General Data Protection Regulations 2016 (GDPR) when introduced from 25th May 2018. This includes interaction with customers, the way in which information is recorded, the way in which data processing activities are communicated and a number of other areas all relating to the Council's processing activities of personal information. It will have a significant impact on all directorates and contractual arrangements.

3.12.2 In preparation for this change, a detailed challenging independent review was undertaken by the Data Protection People (DPP), who were invited to carry out a data protection compliance review and gap analysis to compare current practices against the GDPR. Therefore this eliminated the need for Internal Audit to carry out its scheduled review. Reliance has been placed on this work, with Internal Audit providing advice to the project team at various stages.

3.12.3 The DPP review provided 51 recommendations that the Council needed to action to advance towards being compliant with GDPR. A High Level Project Plan was also provided to assist LBB in its efforts to be compliant by the go-live date of GDPR.

3.12.4 The 25th May 2018 is not a finish line and work is continuing on the project plan. However, when assessing progress in March, there was still a considerable amount of work to be done

to ensure compliance. This has therefore been raised as an issue for the Annual Governance Statement.

3.13 Corporate and other non-benefit Related Fraud

3.13.1 Internal Audit works in partnership with the Royal Borough of Greenwich in respect of Fraud Investigations. In 2017/18 147 allegations of corporate related fraud were received. These are detailed in Appendix B of the Fraud Investigations and Internal Audit Exempt Items Report on the agenda. These investigations covered areas such as:

- Council Tax Discounts and Exemptions
- Blue Badge Fraud
- Fraudulent School Admission Applications
- Theft
- Conflicts of interest
- Freedom passes
- Housing related fraud
- False identity

3.13.2 Since last year's annual report, 168 allegations of corporate and other non-benefit related fraud were investigated, which included 21 cases brought forward from previous years. A total of 68 cases were successfully prosecuted in the year of which 66 cases related to Blue Badge misuse, one prosecution was for Council Tax fraud and one for a false re-housing application.

3.14 Freedom passes – Proactive Exercise

3.14.1 Internal Audit and the Greenwich Fraud Team undertook a proactive data matching exercise in 2016-17 to identify Freedom Pass holders who potentially are no longer resident in the Borough. As previously reported, a total of 684 Freedom Passes were cancelled.

3.14.2 The proactive exercise also highlighted 20 cases where the council tax system identified a different occupant who was in receipt of single person discount. These cases were referred to Greenwich Fraud Team for further investigation. The outcome of further investigations into these cases is summarised in the Table 5 overleaf.

Table 5

ISSUE	ACTION TAKEN	NUMBER OF CASES	COMMENTS
Inappropriate claim of SPD by occupants	GFT visited the properties. Found both FP holder and CTP resident.	3	<p>Case 1: SPD cancelled. Underpayment of £3,039.42 of Council tax is being recovered.</p> <p>Case 2: SPD cancelled. Underpayment of £2,575.79 of Council tax is being recovered.</p> <p>Case 3: Residency confirmed with landlord and SPD cancelled. Council tax payer prosecuted under Fraud Act for the underpayment of Council tax totalling £1,873.21. Additional overpayment of £3,233.43 HB and £205.37 CTB being recovered.</p>
Freedom pass holder not resident in Bromley	GFT visited the properties. Found FP no longer resident at the address	8	<p>Case 4, 5 and 6: Moved abroad. FP cancelled.</p> <p>Case 7: Moved out of London. FP cancelled.</p> <p>Case 8, 9: Resident in another London borough.</p> <p>Case 10: Previous resident with no forwarding address. FP cancelled.</p> <p>Case 11: Business address used to obtain freedom pass. FP cancelled.</p>
No issue with FP entitlement.	Further investigation highlighted issues with other entitlements being claimed.	9	Seven cases referred to relevant departments for investigation. Data quality issue with the remaining two cases which have been resolved.

3.14.3 In addition to the previously reported potential savings of approximately £194K from cancelled Freedom passes, the proactive exercise has also identified underpayment of £7,488.42 Council Tax, overpayment of £3,233.43 Housing Benefit and £205.37 Council Tax Benefit.

3.14. National Fraud Initiative

3.14.1 The National Fraud initiative is carried out by the Cabinet Office every 2 years. However an annual match is made between the Council Tax database and the Register of Electors. After matching results were received in January 2017, Internal Audit and Counter Fraud staff ensure responsible officers carry out investigations into these matches which continue until the next exercise begins. The team also deal with enquiries from other public bodies.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

The contents of this report have implications for both adults and children in respect of cost and care requirements.

5. POLICY IMPLICATIONS

None

6. FINANCIAL IMPLICATIONS

Some of the internal Audit findings have financial implications.

7. PERSONNEL IMPLICATIONS

Some investigations may result in disciplinary actions.

8. LEGAL IMPLICATIONS

Internal Audit is a statutory function under the Accounts & Audit Regulations 2015.

9. PROCUREMENT IMPLICATIONS

The contents of this report have implications for procurement relating to Contract Procedure Rules, Financial Regulations and VFM issues.

Non-Applicable Sections:	Policy; Personnel
Background Documents: (Access via Contact Officer)	None

This page is left intentionally blank

Audit	Status	Assurance rating
C/F from 2016/17 Plan		
Downe Primary Follow up	Final issued May 2017	N/A
Parking Penalty Charge Notices	Final issued May 2017	Substantial
Election Expenses	Final issued May 2017	Substantial
Legal Expenses Follow up	Final issued June 17	N/A
Residential Placements and Central Placement Team	Final issued May 17	Substantial
Parking Income Audit	Final issued May 17	Substantial
Bickley Primary Follow up	Final issued May 17	Substantial
Main Accounting System	Final issued May 17	Substantial
Riverside School Follow up	Final issued May 17	N/A
Debtors income	Final issued June 17	Limited
Payroll Expenses	Final issued June 17	Substantial
Streetworks permits and Defaults	Final issued June 17	Limited
Poverest Primary school follow up	Final issued July 17	N/A
Majorie McClure school follow up	Final issued July 17	N/A
Children with Disabilities Follow up	Final issued Aug 17	N/A
Bromley Children's Project	Final issued Sept 17	Substantial
Internet Usage	Final issued Aug 17	Substantial
Pensions Audit	Final issued Sep 17	Substantial
Agency Staff	Final issued Feb 18	Limited
2017/18 Plan		
Council Tax	In progress	
Creditors	In progress	
Housing Benefit	In progress	
NNDR	We have volunteered to take part in a pilot exercise with NFI and R B Greenwich. The results will be included in the 2018-19 audit	
Cash & Banking	Final report issued Jan 18	Substantial
Pensions	Transferred to 18/19 as full	See above

	report already issued Sept 2017	
Debtors-Income	Transferred to 18/19 as full report finalised June 2017. However followed up recommendations	See above
Treasury Management	Final report issued April 18	Substantial
Main A-C System and Revenue Budgetary Control	Final report issued May 18	Substantial
IT Audit-Review of CareFirst system	Agreed with management to postpone as subject to ICT review	
Data Security and Information Governance	Ongoing and in progress. IA represented on GDPR steering group. Reliance to be placed on report by Data Protection People (July 2017) and review of progress on action plan.	N/A
Capita One	Moved to 2018-19	
IT project delivery	In progress	
New Housing and IDScan systems	Postponed as the Housing system and ID scanner are not in operation	
Payroll-Expenses	Moved to 2018/19 as full report already issued June 17	See above
IR35 intermediaries legislation / HMRC compliance	Final issued May 18	Substantial
Contract Monitoring	Final issued Oct 17	Limited
Corporate Governance Declarations of Interests/Gifts & Hospitality	Final issued Feb 18	Substantial
Pre-Commissioning Health Checks	Review and advice re Libraries transfer and Cash Management	N/A
Contracts database	Moved to 2018-19	

Post contract Implementation reviews Parks and Greenspace	Audit on Grounds Maintenance and Parks Maintenance Contract. Final issued Feb 18	Substantial
CIL Follow up	Final issued Oct 17	N/A
Biggin Hill/Glades Follow up	Final issued Jan 18	N/A
Building control Follow up	Final issued Jan 18	N/A
Waivers Follow up	Final issued Mar 17 2 x Priority 1 recommendations being followed up through Audit Sub-Committee.	N/A
IT Contract Follow up	2 X priority 2 recommendations to follow up. Contract expanded (Nov 17) so full review to take place in 2018/19.	
Governance Arrangements review and co-ordination of Annual Governance Statement	Completed extensive testing of control framework and draft report to Audit Committee.	N/A
Leaving Care Team	In progress	
Tackling Troubled Families	Attendance at TTF Board and verification of 2017-18 claim.	N/A
Family Placements	Draft report	Draft opinion substantial
Children with Disabilities	Final issued April 18	Limited
Children's Safeguarding	Final issued May 18	Substantial
Adults Safeguarding	Draft report	Draft opinion Substantial
TCES	Final issued Dec 17	Limited
Adults with Mental Health	Draft report	Draft opinion Limited
Continuing Healthcare Funding	In Progress	
Direct Payments	In Progress	
Housing Register	In progress	

Temporary Accommodation	In Progress	
Contributions Policy	Final issued Feb 2018	Limited
Capital Schemes for ECHS	Moved to 2018/19	
Contracts and Commissioning For Public Health (NHS Health Check Programme consumables)	Final issued April 18	Substantial
Contracts and Commissioning For Public Health (NHS Health checks NHS Alliance)	Final issued April 18	Substantial
Contracts and Commissioning For Public Health (Children's services 0-4)	Final issued April 18	Substantial
Southborough Primary School	Final issued April 18	Substantial
St Paul's Cray follow up	Final issued Oct 2017	N/A
St Olave's	Final issued Feb 18	Limited
Early Years	Final issued Oct 17	Substantial
SEN Follow Up	Advice Note issued – full audit scheduled for 2018/19	N/A
Learning Disabilities Follow Up	Completed reports on progress to Audit Sub-Cttee	N/A
Youth Offending Team	Moved to 2018-19	
Residential Placements Follow Up	Full audit planned for 2018-19	
Reablement Team Follow Up	Completed reports on progress to Audit Sub-Cttee	N/A
Looked After Children Follow Up	Completed reports on progress to Audit Sub-Cttee	N/A
Home Tuition	In Progress	
Carelink Follow Up	Moved to 2018-19	
Car Parking – Income multi-storey and on street.	Moved to early 2018/19 at the request of management	
Car Parking – PCNs	In Progress	
Waste Services follow up	Final issued April 18	N/A

Transport and Highways (crossovers)	In Progress	
Public Protection	Moved to 2018/19	
Environment Protection	Moved to 2018/19	
Environment Protection-default process follow up	Included in other contract audits	
Transport and Highways-follow up of street works audit	Completed reports on progress to Audit Sub-Cttee	N/A
Strategic Property - Cushman	In progress	
Property -Facilities	In progress	
Planning	Final report issued Feb 18	Substantial

This page is left intentionally blank

Report No.
FSD 18036

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **AUDIT SUB-COMMITTEE**

Date: **Thursday 24 May 2018**

Decision Type: Non-Urgent Non-Executive Non-Key

Title: **ANNUAL GOVERNANCE STATEMENT**

Contact Officer: David Hogan, Head of Audit
Tel: 0208 313 4886 E-mail: david.hogan@bromley.gov.uk

Chief Officer: Director of Finance

Ward: (All Wards);

1. Reason for report

The Accounts and Audit Regulations (England) 2015 require the Council to conduct at least annually a review of the effectiveness of its system of internal control and to approve an Annual Governance Statement, prepared in accordance with proper practices in relation to internal control. The Annual Governance Statement must be prepared in accordance with the requirements of 'Delivering Good Governance in Local Government: Framework' (CIPFA/SOLACE, 2016).

Regulation 6(1)(a) of the Accounts and Audit Regulations 2015 require an authority to conduct a review at least once in a year of the effectiveness of its system of internal control and include a statement reporting on the review with any published Statement of Accounts. Regulation 6(1) (b) of the Regulations 2015 requires that for a local authority in England the statement is an Annual Governance Statement. It is also included within the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17.

2. **RECOMMENDATION(S)**

1. **To comment on the 2017/18 Annual Governance Statement, attached as Appendix A.**
2. **To agree the 2017/18 Annual Governance Statement subject to any changes to the draft made as a result of recommendation one.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: None
-

Corporate Policy

1. Policy Status: Not Applicable
 2. BBB Priority: Excellent Council
-

Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Internal Audit
 4. Total current budget for this head: £560K
 5. Source of funding: General Fund, Legal Cost Recovery
-

Personnel

1. Number of staff (current and additional): 6.5 FTE (currently one FTE vacant)
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Statutory Requirement
 2. Call-in: Applicable
-

Procurement

1. Summary of Procurement Implications: None
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A relevant to all stakeholders of the Council
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not Applicable

3. COMMENTARY

- 3.1 The Accounts and Audit Regulations (England) 2015 require the Council to conduct at least annually a review of the effectiveness of its system of internal control and to approve an Annual Governance Statement (AGS), prepared in accordance with proper practices in relation to internal control.
- 3.2 The Council must assure itself that its internal control environment is effective. Regulation 3 of the Accounts and Audit Regulations 2015, require audited bodies to ensure that it has a sound system of internal control which:
- (a) facilitates the effectiveness of its functions and the achievement of its aims and objectives;
 - (b) ensures that the financial management and operational management of the authority is effective;
 - (c) includes effective arrangements for the management of risk.

Regulation 6 requires that each financial year, the authority must:

- (a) conduct a review of the effectiveness of the system of internal control
 - (b) Prepare an Annual Governance Statement.
- 3.3 The AGS must be prepared in accordance with proper practices as defined in the CIPFA publication "Delivering Good Governance in Local Government: Framework 2016". The guidance outlines seven core principles of governance focusing on the systems and processes for the direction and control of the Council and its activities whereby it engages with and leads the community. There is no prescribed format.

3.4 Annual review of LB Bromley's Governance Framework

- 3.4.1 The annual review and development of the Annual Governance Statement was undertaken by Internal Audit in consultation with the Corporate Leadership Team, and included input from the Monitoring Officer, Section 151 Officer, Democratic Services Manager and Corporate Risk Management Group.
- 3.4.2 The assurance framework sets out the sources of assurance that are relied upon on to enable preparation of the Annual Governance Statement. These include the work of Internal Audit, and of directors and managers within the Council who have responsibility for the development and maintenance of the internal control environment. It also includes the comments made by the external auditors and other review agencies and inspectorates. The Head of Audit opinion set out in the internal audit annual report forms a key element of the review.

3.5 Governance Issues

- 3.5.1 As a result of our annual review we have identified the following areas where further work is required to monitor how the key risks facing the Council are being managed or where further work is required to improve systems.

3.6 Finance

- 3.6.1 The capacity to make further budget savings and maintain frontline services. The Council has set a balanced budget for 2018/19 without a detrimental impact on key services. There are savings/income generating options required for 2019/20. However, there are significant challenges for 2020/21 and beyond.

3.7 Contract Management

3.7.1 Contract issues have been identified across the organisation in the last two years which have identified the need for strengthened control and management oversight.

3.8 Performance Management

3.8.1 Further work is required to ensure a comprehensive understanding of the strengths and weaknesses of services provided; effective use of performance management information and robust quality assurance arrangements across the Council, building on the work undertaken in Children's Services.

3.9 Code of Corporate Governance

3.9.1 The Council's Code of Corporate Governance has not been updated to reflect the 2016 CIPFA guidance.

3.10 General Data Protection Regulations (GDPR)

3.10.1 Significant changes are required to ensure that the Council is compliant with the General Data Protection Regulations 2016 (GDPR) when introduced from 25th May 2018.

3.11 The above areas are highlighted because of the need for the Council to be realistic and open about those functions and activities which will require attention over the next year to ensure they are operating effectively and mitigating risks to the Council. This in turn should ensure that any future problems in those areas are averted or minimised. They also represent some of the key areas that will help the Council to deliver its key priorities.

3.12 The Annual Governance Statement is subject to audit alongside the Statement of Accounts. The auditors do not give an opinion on the statement as such, but consider whether it reflects their understanding of the Council's governance arrangements obtained through all aspects of their work. They also form a view as to whether the statement adequately discloses any significant governance issues.

3.13 Members will note the robustness by which the development of the AGS has been managed. As part of the conclusion to the process it is important that the Audit Sub-Committee provides independent consideration, challenge and approval of the document.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

None

5. POLICY IMPLICATIONS

None

6. FINANCIAL IMPLICATIONS

None

7. PERSONNEL IMPLICATIONS

None

8. LEGAL IMPLICATIONS

- 8.1 The Accounts and Audit Regulations (England) 2015 require the Council to conduct at least annually a review of the effectiveness of its system of internal control and to approve an Annual Governance Statement, prepared in accordance with proper practices in relation to internal control. The Annual Governance Statement must be prepared in accordance with the requirements of 'Delivering Good Governance in Local Government: Framework' (CIPFA/SOLACE, 2016).
- 8.2 Regulation 6(1)(a) of the Accounts and Audit Regulations 2015 require an authority to conduct a review at least once in a year of the effectiveness of its system of internal control and include a statement reporting on the review with any published Statement of Accounts. Regulation 6(1)(b) of the Regulations 2015 require that for a local authority in England the statement is an Annual Governance Statement. It is also included within the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17.

9. PROCUREMENT IMPLICATIONS

None

Non-Applicable Sections:	Impact on vulnerable adults and children, policy, financial, personnel and procurement.
Background Documents: (Access via Contact Officer)	None

This page is left intentionally blank



Annual Governance Statement 2017/18

DRAFT

Contents

1. Executive Summary	2
2. Significant Governance Issues	2
3. What is Corporate Governance?	4
3.1 Definition	4
3.2 The Principles	5
4. The Council - How it Works	7
5. Outcomes and Value for Money	9
5.1 Building a Better Bromley 2016-2018	9
5.2 Portfolio Plans	9
5.3 Managing our Resources (Value for Money)	9
6. How do we know our arrangements are working?	11
6.1 The Role of Management	11
6.2 The Role of the Audit Committee	11
6.3 Our Governance Framework	12
6.4 Annual Governance Assurance Statement	13
6.5 External Inspections/Peer Reviews	13
6.6 The Role of Internal Audit	14
6.7 The Role of the Head of Audit and Opinion on Governance Risk and Control	14
7. Our Strategic Risks	14
8. Looking Back on 2016/17	16
9. Appendix 1 – Links to Documents	17

1. Executive Summary

The Leader of the Council and Chief Executive recognise the importance of having appropriate processes and controls in place to run the Council and ensure its services are delivered effectively.

The Council is required to produce an Annual Governance Statement (AGS) which describes how its corporate governance arrangements have been working. The Council's Audit Sub-Committee review the production of the AGS and considers and scrutinises the content.

Bromley is a Member led, commissioning authority, delivering services through whoever is best placed to provide quality and value for money to its residents, who are supported to manage their lives with the minimum of intervention from the Council. 'Building a Better Bromley' has contained the guiding principles for Bromley Council since 2004/05 and was amended in 2013 to reflect the Public Health and Wellbeing agenda as well as the priority to continue to invest in the economic wellbeing of the borough. Following public consultation, in 2016 Bromley Council updated and relaunched the priorities contained in the vision and strengthened links with key partner organisations to help deliver important outcomes for residents, businesses and visitors to Bromley.

[Building a Better Bromley \(2016-2018\)](#)

Bromley's governance framework comprises the systems and processes, culture and values, by which the authority is directed and controlled, and the activities through which it accounts to, engages with and leads its 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 services and value for money.

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

The governance framework has been in place at Bromley for the year ended 31 March 2018 and up to the date of approval of the Leader's Foreword and Statement of Accounts.

The Council conducts an annual review of its governance arrangements, including the system of internal control. The purpose of the review is to provide assurance from a number of sources including Members, Chief Officers, internal and external audit, other review agencies and inspectorates that corporate governance arrangements are adequate and operating effectively; or where gaps are revealed, action is planned that will ensure effective governance in future.

With substantial additional savings to be made over the next four years, the financial situation continues to drive the future direction and work of the Council.

2. Significant Governance Issues

Overall, we can confirm that the Council has appropriate systems and processes in place to ensure that good governance is maintained in line with the 'Delivering Good Governance in Local Government Framework, 2016 Edition'. Whilst we are satisfied that these generally work and can be regarded as fit for purpose, we have identified a number of areas for improvement.

Progress made in dealing with the governance issues identified in the 2016/17 Annual Governance Statement is detailed on page 16.

The five areas detailed overleaf have been identified as requiring further work during 2018/19:

Governance Issue	Action	Lead Officer
<p>Finance Capacity to make further budget savings and maintain frontline services. The Council has set a balanced budget for 2018/19 without a detrimental impact on key services. There are savings/income generating options required for 2019/20. However, there are significant challenges for 2020/21 and beyond</p>	<p>Work is ongoing to explore options to address the future years' budget gap through the four year forward planning arrangements.</p> <p>Draft 2018/19 budget and update on Council's financial strategy 2019/20 to 2021/22 report to Executive on 10th January 2018 identified the 'One Council' approach.</p> <p>Draft 2018/19 Budget and update on Council's Financial Strategy 2019/20 to 2021/22</p>	<p>Director of Finance</p>
<p>Contract Management Contract issues have been identified across the organisation in the last two years which have identified the need for strengthened control and management oversight</p>	<p>Contract Database Authorisation system for tendering/change control</p> <p>Document Management System Holds all contracts electronically and also Minutes of meetings, Change Control Notices (CCN), Waivers</p> <p>Training Has been identified as a mandatory requirement for 'commissioners of services'. It consists of four modules (3 hours per module) with compulsory attendance on all four to complete the course.</p> <ul style="list-style-type: none"> • Module 1 – Commissioning • Module 2 – Contracting process, engaging with the market (procurement) • Module 3 – Tender & evaluation process • Module 4 – Award (Governance) <p>Restructuring of the Commissioning Team To improve Governance and Quality Assurance</p>	<p>Director of Commissioning</p>
<p>Performance Management Further work is required to ensure a comprehensive understanding of the strengths and weaknesses of services provided; effective use of performance management information and robust quality assurance arrangements across the Council, building on the work undertaken in Children's Services</p>	<p>We will be launching an Adults Performance Framework during 2018/19 to compliment the new Children's Performance Management Framework launched in 2017/18. The Council will also be improving performance management arrangements more broadly across the Council including Environmental Services during 2018/19.</p> <p>Performance Reporting - Children's Services - covering report</p> <p>Performance Index</p>	<p>Assistant Director, Strategy, Performance and Business Support</p>

Governance Issue	Action	Lead Officer
Code of Corporate Governance The Council's Code of Corporate Governance has not been updated to reflect the 2016 CIPFA /Solace guidance	A review of the Code will be undertaken to ensure that it reflects recommended practice	Director of Corporate Services and Monitoring Officer
General Data Protection Regulations (GDPR) Significant changes are required to ensure that the Council is compliant with the General Data Protection Regulations 2016 (GDPR) when introduced from 25 th May 2018.	Following an independent review which provided a data protection compliance review and initial gap analysis, a project plan was created with actionable tasks for working towards GDPR compliance. Additional staff support and investment have been secured. The 25 th May 2018 is not a finish line and work is continuing on the project plan GDPR Regulations Executive Report 6th December 2017	Director of Corporate Services

3. What is Corporate Governance?

3.1 Definition

The CIPFA International Framework 'Good Governance in the Public Sector' defines governance as:-

'The arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved'

It also states that:-

'To deliver good governance in the public sector, both governing bodies and individuals working for public sector entities must try to achieve their entity's objectives while acting in the public interest at all times'

'Acting in the public interest implies primary consideration of the benefits for society, which should result in positive outcomes for service users and other stakeholders'

Governance is about how local government bodies ensure that they are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. It comprises the systems and processes, cultures and values, by which local government bodies are directed and controlled and through which they account to, engage with and, where appropriate, provide leadership to their communities.

Effective corporate governance and the capacity to lead and manage change are essential to meet the ever increasing challenges for the public sector. Good governance is important to all involved in local government and a key responsibility of the Chief Executive, the Leader of the Council and other statutory governance Chief Officers.

Our governance framework comprises the culture, values, systems and processes by which the Council is directed and controlled. It brings together an underlying set of legislative and regulatory requirements, good practice principles and management practice.

Bromley Council recognises that:

- ▶ Good governance leads to good management, good performance, good stewardship of public money, good public engagement and, ultimately, good outcomes for residents and service users
- ▶ Good governance enables an authority to pursue its vision effectively, as well as underpinning that vision with appropriate mechanisms for control and management of risk
- ▶ All authorities should aim to meet the standards of the best and governance arrangements should not only be sound, but also be seen to be sound

3.2 The Principles

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

How we do this

- Having regard for the principles of selflessness, integrity, objectivity, accountability, openness, honesty and leadership
- Being accountable for decisions to the public and co-operating fully with whatever scrutiny is appropriate to one's office
- Commitment to promoting an anti-fraud and corruption culture evidenced through a detailed anti-fraud and corruption policy and ensuring fraud and corruption are dealt with effectively
- Adherence to ethical values and respect for the rule of law
- Creating a culture where statutory officers and other key post holders are able to fulfil their responsibilities

Principle B – Ensuring openness and comprehensive stakeholder engagement

How we do this

- Ensuring transparency of decisions supported by an effective scrutiny and challenge process
- Consulting with residents during the budget setting process for 2018/19 and beyond
- Demonstrating engagement with all groups of stakeholders to determine the most appropriate course of action/effective intervention
- Ensuring a clear, evidence based, decision making path

Principle C – Defining outcomes in terms of sustainable, economic, social and environmental benefits

How we do this

- Having a clear vision and strategy, with key partner organisations through ‘Building a Better Bromley’
- Delivering defined, sustainable outcomes within the limits of resources and authority
- Balancing competing demands with finite resources when determining priorities; managing service users’ expectations effectively with regard to determining priorities and making the best use of the available resources
- Taking a longer term view with regard to decision making, taking account of potential conflicts between the organisation’s vision and short term factors such as financial constraints

Principle D – Determining the interventions necessary to optimise the achievement of the intended outcomes

How we do this

- Having a clear vision and strategy setting out our intended outcomes for citizens and service users
- Ensuring decision makers receive a robust best value option analysis detailing associated risks and outcomes to be achieved
- Considering stakeholder feedback and future impact when making decisions about service delivery, prioritising competing demands

Principle E – Developing capacity including the capability of leadership and individuals

How we do this

- Ensuring that the decision making process is clearly defined and supported by protocols to ensure a shared understanding of roles and objectives is maintained
- Ensuring Members and Officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities, reflecting the structure and diversity of the community
- Evaluating, and supporting, staff performance through regular reviews which take into account training and development needs
- Supporting the workforce to maintain their health and wellbeing

Principle F – Managing risks and performance through robust internal control and strong public financial management

How we do this

- Regular review of Corporate and Departmental Risks and Risk Registers
- Integration of effective risk management arrangements into the decision making process
- Ensuring an effective scrutiny function which provides a constructive challenge and allows for debate at all stages of the decision making process
- Ensuring effective counter fraud and anti-corruption policies are in place and there is good staff awareness
- Having an effective Audit Sub-Committee whose remit incorporates financial delegation, fraud prevention, internal and external audit

Principle G – Implementing good practices in transparency, reporting, and audit to deliver effective accountability

How we do this

- Publishing information on our activities and decisions
- Maintaining a rigorous, effective and transparent decision making and scrutiny process
- Ensuring that public reports are easily accessible and use a style appropriate to the intended audience
- Embracing peer challenge, reviews and inspections from regulatory bodies, implementing recommendations for corrective action as required
- Maintaining an effective internal and external audit service, with direct access to Members

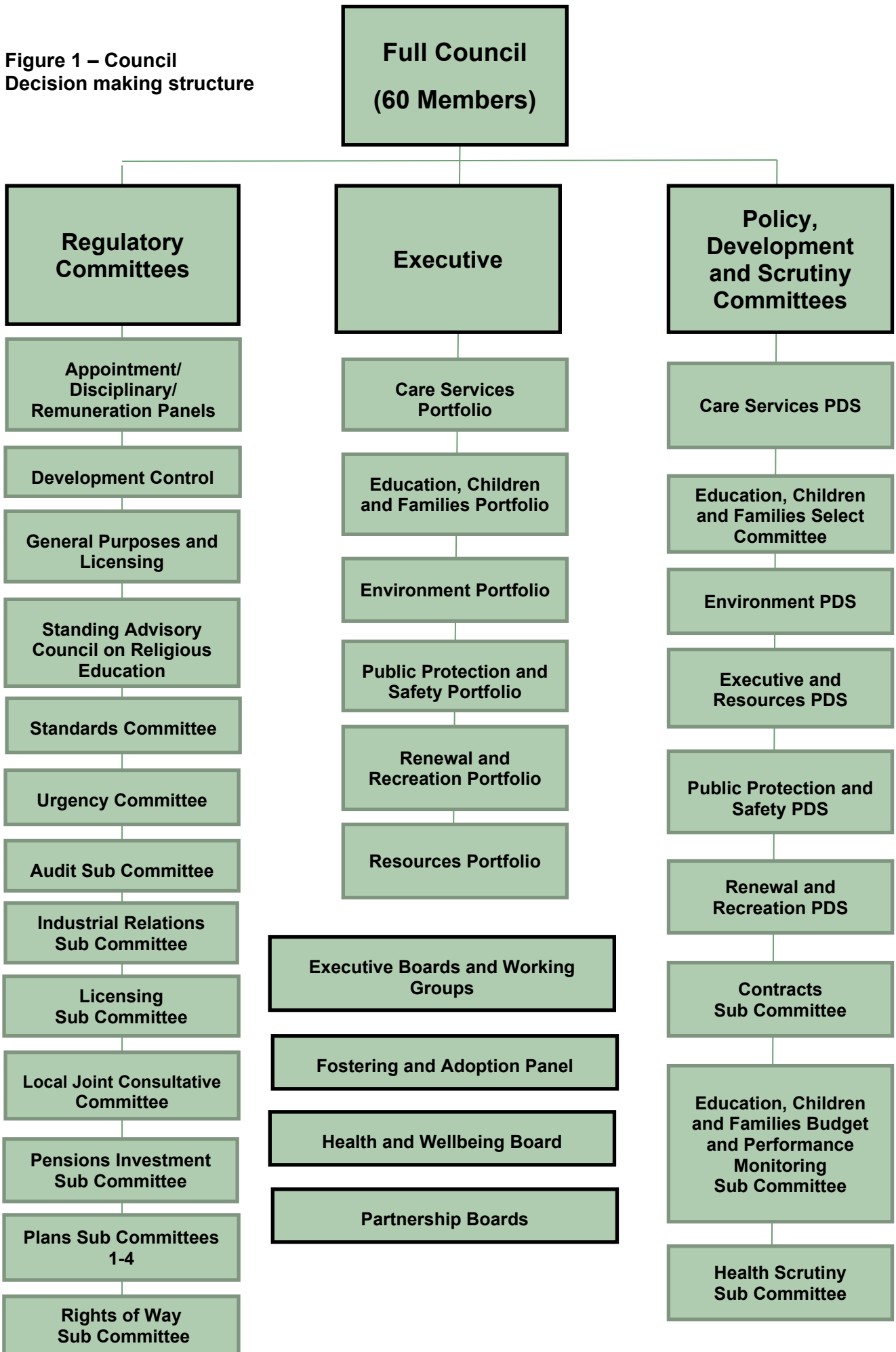
4. The Council - How it Works

This Annual Governance Statement covers the period 1st April 2017 to 31st March 2018.

The Council is made up of 60 Councillors with the decision making structure divided between Executive and non-Executive matters. Executive duties are carried out by an Executive body of Councillors, which includes six Councillors with specific Portfolio responsibilities. Non-Executive duties are performed by the Development Control Committee and the General Purposes and Licensing Committee.

The decision making structure is depicted overleaf:

Figure 1 – Council Decision making structure



5. Outcomes and Value for Money

5.1 Building a Better Bromley 2016-2018

Bromley Council will continue to reduce bureaucratic burdens whilst meeting its role in providing key services. An environment will be created where individuals and communities can thrive and where people can lead healthier, more independent and self-reliant lifestyles. This means that the authority can focus on supporting the Borough's most vulnerable residents with services underpinned by the principles of early intervention and prevention.

Bromley aims to create an environment where children and young people can be successful: supporting people into work; offering advice and signposting to self-help solutions, and working with partners to minimise crime and antisocial behaviour.

Bromley recognises that this activity cannot be done in isolation, so will continue strong support for the voluntary sector as well as working closely with outside bodies in the private and public sector.

Despite the unprecedented financial challenge, Bromley will serve and advocate on behalf of its residents and aim to deliver cost-effective services. Working with strategic partners, it will also continue to ensure that it receives the fairest deal from the Government on issues that are important to Bromley residents.

Bromley's achievements over the past year and plans for the future are reported in the Leader's Foreword and Statement of Accounts.

5.2 Portfolio Plans

Portfolio Plans set out each Portfolio Holder's aims in the current year and the supporting performance targets, using a range of national and local indicators. Overseeing the successful delivery of each plan is the joint responsibility of the Portfolio Holder and the Members of the appropriate Policy Development and Scrutiny Committee (PDS). The Portfolios are aligned to the priorities identified in Building a Better Bromley. In addition, the Health and Wellbeing Board is a collaboration between Bromley Council and various partner agencies whose role is to understand their local community's needs, agree priorities and encourage commissioners to work in a more joined up way.

[Care Services Portfolio Plan 2017/18](#)

[Education, Children and Families Portfolio Plan 2017/18](#)

[Environment Portfolio Plan 2017/18](#)

[Public Protection Portfolio Plan 2017/18](#)

[Renewal and Recreation Portfolio Plan 2017/18](#)

Updates on progress are reported to Members through the Policy, Development and Scrutiny process. Examples of this include:

[Environment Portfolio Plan - half year update covering report \(January 2018\)](#)

[Environment Portfolio Plan - half year update on progress \(January 2018\)](#)

5.3 Managing our Resources (Value for Money)

The Council's external auditors issued a qualified 'except for' conclusion on the authority's arrangements to secure value for money for 2016/17 on 27 September 2017. The 'except for' was in relation to Children's Services following the Ofsted rating of inadequate in 2015/16 as improvements had not been in place for the entirety of 2016/17. They issued an unqualified opinion on the authority's

financial statements on 27th September 2017. This means that they believe the financial statements give a true and fair view of the financial position of the Authority and of its expenditure and income for the year. The financial statements also include those of the pension fund.

The Council's external auditors 'External Audit Plan' for 2017/18 (published February 2018) states that:

'Our risk assessment regarding your arrangements to secure value for money has identified the following VFM significant risks to date:

- ▶ **Delivery of budgets:** As a result of reductions in central government funding and overspends in children's services, the Authority is having to identify savings beyond those from prior years. We will consider how the Authority identifies, approves, and monitors savings plans and how budgets are monitored throughout the year.
- ▶ **Findings from regulatory bodies:** As a result of the Ofsted inspection in June 2016 children's services were rated as 'inadequate'. We will review the Council's continuing response to this review and the progress that has been made. We will consider the results of any recent reports from Ofsted'.

The external auditors have therefore stated that the 2017/18 review will incorporate:

- ▶ 'The Controls the Authority has in place to ensure financial resilience, specifically that the Medium Term Financial Plan has duly taken into consideration factors such as funding reductions, salary and general inflation, demand pressures, restructuring costs and sensitivity analysis given the degree of variability in the above factors'.
- ▶ 'The Council's continuing response to the Ofsted report including how the Council is working with the Commissioner to improve services. We will consider how the approach to improving services is being managed across the Authority, for example, whether there is an appropriate amount of Senior Manager and Councillor oversight of issues. We will also consider the results of any recent relevant reports from Ofsted or similar bodies'.

The Budget Strategy for 2018/19 has been set within the context of a reducing resource base, with Government funding reductions likely to continue beyond 2020 – the on-going need to reduce the size and shape of the organisation to secure priority outcomes within the resources available. There is also a need to build in flexibility in identifying options to bridge the budget gap, as the gap could increase further. The overall strategy has to be set in the context of the national state of public finances, with austerity continuing given the level of public sector debt, and the high expectation from Government that services should be reformed and redesigned with devolution contributing to the transformation of local government.

The Council has had to take significant action to reduce the cost base while protecting priority front line services and providing sustainable longer term solutions.

Council Tax has been kept low compared with other Councils. A combination of front loading of savings in previous years, pro-actively generating investment income and prudent financial management have provided an opportunity to provide a balanced budget for next year with potential opportunity to balance the budget in 2019/20, assuming any further cost pressures are contained and relentless cost control is undertaken.

There will be significant challenges as the Council is a low cost authority and the position will need to be regularly reviewed, particularly as there are risks relating to recent increases in inflation compared with the previous year's forecast, and further cost pressures/new burdens. Apart from early identification of options to address the future years' budget gap (2020/21 and beyond), including any significant transformation and income generating opportunities, it remains essential that Chief Officers identify mitigating action to address any in year cost pressures/new burdens to remain within their 'cash envelope'.

Stewardship and delivering sustainable finances are increasingly important whilst the Government's austerity measures continue. It is important to consider actions now that address the "budget gap" in the medium term.

The Council's prudent approach to identify and deliver front loading efficiency savings, together with being debt free and having healthy reserves, places the Council in a stronger position to respond to the challenges that will undoubtedly arise. The strategy needs to remain flexible and the Council's reserves resilient to respond to the impact of volatile external events and the structural budget deficit during this austerity period.

6. How do we know our arrangements are working?

6.1 The Role of Management

The Corporate Leadership Team are responsible for the Strategic Leadership of the organisation, with managers having day to day responsibility for the management and control of service delivery. Our managers set the 'tone from the top' and develop and implement policies, procedures, processes and controls. They ensure compliance.

The Corporate Risk Management Group (CRMG), chaired by the Director of Finance and including the Head of Audit in its membership, oversees the Council's governance arrangements and delivery of the Annual Governance Statement.

This year, Internal Audit commissioned Zurich, in their capacity as the Authority's insurers, to carry out a 'check and challenge' exercise on the departmental Risk Registers. The aim of this was to provide the Departmental Management Teams (DMT) and the Corporate Leadership Team (CLT) with an independent discussion on risk and one which challenged, refreshed and validated the current risk register content.

Zurich attended the October 2017 Corporate Risk Management Group (CRMG) meeting to discuss their findings and recommendations prior to the Corporate Leadership Team's approval of each refreshed Risk Register and presentation of the same to Audit Sub Committee on 8th November 2017. Each Risk Register was then submitted to the most appropriate Policy Development and Scrutiny Committee/Sub Committee for scrutiny.

This year, a review of our governance arrangements was undertaken by Internal Audit, overseen by the Corporate Risk Management Group. The outcome of this is that we have adequate governance arrangements in place and relevant to the environment we work in. The review suggested a number of improvements in the areas of performance management and the Council's Code of Corporate Governance (having not been updated to reflect the 2016 CIPFA/Solace guidance). However, in practice, the code consists of a number of codes and documents which can be regarded as fit for purpose in accordance with the governance framework.

6.2 The Role of the Audit Committee

The Council has appointed an Audit Sub-Committee which considers financial delegations, fraud prevention, internal and external audit. It is a sub-committee of the General Purposes and Licensing Committee and meets three times a year.

[Audit Sub Committee Meetings \(Agendas, Papers, Minutes\)](#)

The Audit Sub-Committee plays an important role in ensuring that the Council learns from Internal Audit findings and rectifies identified weaknesses in control. All Priority One recommendations from Internal Audit are tracked by the Committee until implemented.

6.3 Our Governance Framework

Key Policies/Processes/Posts/Functions in our Governance Framework include:

	Policy/Process
A	Annual Audit Letter
	Annual Governance Statement
	Anti-Fraud and Corruption Strategy
	Audit Sub Committee
B	Building a Better Bromley
C	Capital Strategy
	Code of Conduct for Members
	Communications Strategy
	Complaints System
	Constitution
	Contract Procedure Rules/Standing Orders
	Corporate Induction Process
	Corporate Leadership Team
	Corporate Operating Principles
	Customer Access Channel Strategy
	Customer Services Charter
D	DISCUSS Appraisal Scheme
E	Executive and Resources PDS Committee Annual Report
F	Financial Regulations
	Financial Strategy
	Forward Plan of Key Decisions
G	'Getting it Right – Complaints, Compliments and Suggestions
	Gifts and Hospitality Code of Conduct
H	Head of Audit
	Head of Paid Service
I	Internal and External Audit Reports
	Internal Audit Opinion and Annual Report
	Internal Controls
	IT Governance
L	Leader's Foreword and Statement of Accounts
	Learning and Development
	Local Development Framework
M	Member/Officer Protocol
	Monitoring Officer (Director of Corporate Services)
P	Portfolio Plans
	Public Consultations/Meetings
R	'Raising Concerns' whistle blowing
	Register of Interests
	Risk Management Strategy
S	Scheme of Delegation
	Section 151 Officer (Director of Finance)
	Statement of Accounts
T	Treasury Management Strategy

6.4 Annual Governance Assurance Statement

Each member of the Corporate Leadership Team is required to confirm that:

‘In meeting my responsibilities above, I have:

- ▶ Contributed to the review of Risk Registers and the outcomes
- ▶ Ensured that there are controls in place to mitigate the risks highlighted in the above exercise
- ▶ Considered relevant assessments of key service areas within the Department e.g. benchmarking, peer review
- ▶ Taken into account internal and external audit and inspection reports and results of follow ups regarding implementation of recommendations

I am satisfied that to the best of my knowledge the following procedures are in place:

- ▶ The service is planned and managed in accordance with the Council’s Corporate Operating Principles
- ▶ Business risks are identified, assessed and reported on a regular basis
- ▶ Key controls over systems and processes are in place to ensure the Council’s assets are safeguarded
- ▶ Business Continuity Plans are maintained and reviewed as circumstances change
- ▶ The monthly Cumulative Spend Report has been reviewed and agreed as part of the Full Budget Monitoring System
- ▶ Key contract information is kept up to date in the Contracts Database to allow Contract Registers and other management information to be reported

Where unable to confirm all, or some of these, the areas for improvement and planned actions must be detailed.

6.5 External Inspections/Peer Reviews

During the last year the Council has received the following assessments from other Inspectorates, agencies or Peer Reviews:

- The London Association of Directors of Social Services (ADASS) Peer Review of Bromley – Use of Resources (22nd – 24th November 2017).
[ADASS Peer Review - Use of Resources](#)
- Ofsted – sixth monitoring visit (13th and 14th March 2018).
[Press release 20th April 2018](#)
[Ofsted sixth monitoring visit](#)
- CQC review of Health Services for Children Looked After and Safeguarding in Bromley (16th – 20th October 2017, published 29th January 2018).
[Health Services for Children Looked After and Safeguarding](#)

- Food Standard Agency audit of the food hygiene service (24th April 2017).
[Food Standards Agency - audit of food hygiene service delivery Committee Report](#)
[FSA report](#)
[Action Plan](#)
[Executive Report - additional resources](#)
[Executive Report - additional resources - minutes](#)

6.6 The Role of Internal Audit

Internal Audit provides independent and objective assurance to the Council through its Audit Sub-Committee, to support them in discharging their responsibilities under S151 of the Local Government Act 1972, relating to the proper administration of the Council's financial affairs, and is a key component of Corporate Governance within the Council.

An independent Internal Audit function will, through its risk-based approach to work, provide assurance to the Council's Audit Sub-Committee and senior management on the higher risk and more complex areas of the Council's business, allowing management to focus on providing coverage of routine operations.

Internal Audit's objectives include supporting a positive culture of internal control improvement, effective risk management and good governance. The purpose, authority and responsibility of the internal audit activity are formally defined in the Internal Audit Charter, which will be periodically reviewed and presented to senior management and the Audit Sub-Committee for approval.

6.7 The Role of the Head of Audit and Opinion on Governance Risk and Control

The Council is responsible for ensuring that it has a sound system of governance (incorporating the system of internal control).

The Head of Audit is required to provide an independent opinion on the overall adequacy of the effectiveness of the Council's governance, risk and control framework. Their Annual Report and Opinion has been considered and any significant issues incorporated as a result.

From the work undertaken during 2017/18, reasonable assurance can be provided that there is generally a sound system of internal control, designed to meet the Council's objectives and that controls are applied consistently. Where weaknesses are identified, i.e. Limited Assurance reports and Priority One recommendations are made; these are tracked by the Corporate Leadership Team and the Audit Sub Committee until implemented or discharged.

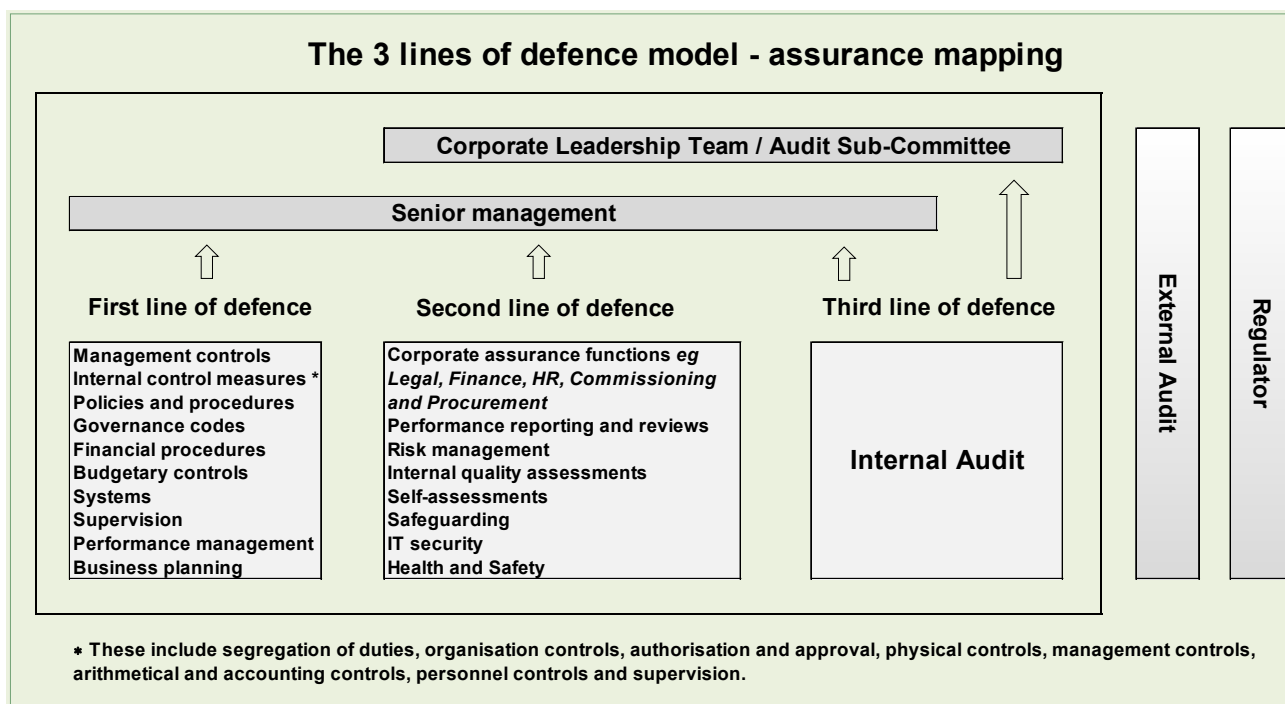
7. Our Strategic Risks

The Accounts and Audit Regulations require the Council to undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account the Public Sector Internal Auditing Standards (PSIAS) or guidance. Internal audit is a key component of corporate governance within the Council. The three lines of defence model, as detailed below, provides a simple framework for understanding the role of internal audit in the overall risk management and internal control processes of an organisation.

- ▶ First line – operational management controls
- ▶ Second line – monitoring controls, e.g. the policy or system owner / sponsor
- ▶ Third line – independent assurance

The Council's third line of defence includes Internal Audit, who should provide independent assurance to senior management and the Audit Sub-Committee on how effectively the first and second lines of defence have been operating.

Figure 2 – 3 Lines of Defence Model



Risk management is an important element of the system of internal control at Bromley Council. It is based on a process designed to identify, prioritise and control the risks to achieving Bromley’s policies, aims and objectives.

The Corporate Risk Register (CRR) is a key document in the Council’s approach to risk management; it captures the key strategic risks to the delivery of the corporate objectives as set out in the ‘Building a Better Bromley’ vision. It also provides a context through which high level risks are identified and is used to inform decision making about business planning and service delivery. Chief Officers assume the lead role for Strategic Risks affecting their own service areas with the Corporate Risk Register reviewed at least annually. The Corporate Risk Management Group takes the lead in championing and co-ordinating the Council’s approach to risk management, and ensures that effective risk management processes are fully embedded.

The current Corporate Risk Register can be viewed by following the link

[Corporate Risk Register](#)

8. Looking Back on 2016/17

Governance Issue	Actions	Progress
Capacity to make further budget savings and maintain frontline services: The Council will need to make significant savings of around £24m per annum by 2020/21.	The Executive is working to balance the budget for 2017/18. Where possible identified savings will be taken as early as possible. We continue to retain four year forward planning.	The Executive have achieved a balanced budget for 2018/19 and there are options to balance the budget for 2019/20 without a detrimental impact on key services. Work is ongoing to explore options to address the future years' budget gap through the four year forward planning arrangements.
Commissioning and transformation agenda	The Commissioning Team will continue to identify services that are either standalone or can be bundled together and then seek approval to market test or other options.	Officers have, and will continue, to review all services to identify more efficient ways of commissioning and to contribute to the Council's budget gap.

To the best of our knowledge, the governance arrangements as defined above, have been operating effectively during the year.

We propose to take steps over the coming year to address the Significant Governance Issues defined on Page 3 and 4 to further enhance our governance arrangements. We are satisfied that these steps 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.....

Chief Executive

Leader of the Council

Date.....

Date.....

9. Appendix 1 – Links to Documents

Page 2	Building a Better Bromley (2016-2018)
http://www.bromley.gov.uk/downloads/file/2005/building_a_better_bromley	
Page 3	Draft 2018/19 Budget and update on Council's Financial Strategy 2019/20 to 2021/22
http://cds.bromley.gov.uk/documents/s50056259/Executive%20100118%20Draft%20Budget%20Report.pdf	
Page 3	Performance Reporting - Children's Services - covering report
http://cds.bromley.gov.uk/documents/s50059461/Performance%20Reporting%20-%20Childrens%20Services.pdf	
Page 3	Performance Index
http://cds.bromley.gov.uk/documents/s50059462/App.%20to%20Performance%20Reporting%20-%20Childrens%20Services.pdf	
Page 4	GDPR Regulations Executive Report 6th December 2017
http://cds.bromley.gov.uk/documents/b50011952/10.%20THE%20GENERAL%20DATA%20PROTECTION%20REGULATIONS%202016%20Wednesday%2006-Dec-2017%2019.00%20Executive.pdf?T=9	
Page 9	Care Services Portfolio Plan 2017/18
http://www.bromley.gov.uk/downloads/file/1741/care_services_portfolio_plan	
Page 9	Education, Children and Families Portfolio Plan 2017/18
http://www.bromley.gov.uk/downloads/file/1796/education_children_and_families_portfolio_plan	
Page 9	Environment Portfolio Plan 2017/18
http://cds.bromley.gov.uk/documents/s50051289/Appendix%201%20for%20Environment%20Portfolio%20Plan.pdf	
Page 9	Public Protection Portfolio Plan 2017/18
http://cds.bromley.gov.uk/documents/s50051026/Enc.%201%20for%20Draft%20Portfolio%20Plan%20PPS.pdf	

Page 9	Renewal and Recreation Portfolio Plan 2017/18
http://cds.bromley.gov.uk/documents/s50051160/Appendix1%20RENEWAL%20AND%20RECREATION%20PORTFOLIO%20PLAN%20201718.pdf	
Page 9	Environment Portfolio Plan - half year update covering report (January 2018)
http://cds.bromley.gov.uk/documents/s50056769/Environment%20Portfolio%20Plan%20201720%20Half-Year%20Progress%20Report.pdf	
Page 9	Environment Portfolio Plan - half year update on progress (January 2018)
http://cds.bromley.gov.uk/documents/s50056770/Appendix%20for%20Environment%20Portfolio%20Plan%20201720%20Half-Year%20Progress%20Report.pdf	
Page 11	Audit Sub Committee Meetings (Agendas, Papers, Minutes)
http://cds.bromley.gov.uk/ielListMeetings.aspx?CId=135&Year=0	
Page 13	ADASS Peer Review - Use of Resources
http://cds.bromley.gov.uk/documents/s50059178/ADASS%20Peer%20Review%20of%20Bromley%20-%20Use%20of%20Resources.pdf	
Page 13	Press release 20th April 2018
http://www.bromley.gov.uk/press/article/1373/bromley_early_intervention_service_is_jewel_in_the_crown	
Page 13	Ofsted sixth monitoring visit
https://reports.ofsted.gov.uk/sites/default/files/documents/local_authority_reports/bromley/070_Bromley_Monitoring%20visit%20of%20LA%20childrens%20services.pdf	
Page 13	Health Services for Children Looked After and Safeguarding
http://www.cqc.org.uk/sites/default/files/20180129_clas_bromley_final_report.pdf	
Page 14	Food Standards Agency - audit of food hygiene service delivery Committee Report
http://cds.bromley.gov.uk/documents/s50051118/Food%20Standards%20Agency%20Report.pdf	

Page 14	FSA report
http://cds.bromley.gov.uk/documents/s50051119/FSA-Enc%201.pdf	
Page 14	Action Plan
http://cds.bromley.gov.uk/documents/s50051120/Enc2.pdf	
Page 14	Executive Report - additional resources
http://cds.bromley.gov.uk/documents/s50051984/Additional%20Resources%20for%20Environment%20Community%20Services.pdf	
Page 14	Executive Report - additional resources - minutes
http://cds.bromley.gov.uk/documents/g6245/Printed%20minutes%20Wednesday%2009-Aug-2017%2009.00%20Executive.pdf?T=1	
Page 15	Corporate Risk Register
http://cds.bromley.gov.uk/documents/s50055065/Corporate%20Risk%20Register.pdf	

By virtue of paragraph(s) 1, 2, 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is left intentionally blank

By virtue of paragraph(s) 1, 2, 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is left intentionally blank

By virtue of paragraph(s) 1, 2, 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is left intentionally blank

By virtue of paragraph(s) 1, 2, 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is left intentionally blank

By virtue of paragraph(s) 7 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is left intentionally blank