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Date: 12 April 2019

## Notice of meeting

### Cabinet

**Date:** Wednesday, 24 April 2019

**Time:** 7.00 pm

**Place:** Goddard Room, Council Offices, Knowle Green, Staines-upon-Thames

The members of the Cabinet	Cabinet member areas of responsibility
I.T.E. Harvey (Leader)	Leader and Council Policy co-ordination
A.C. Harman (Deputy Leader)	Deputy Leader and Communications
M.M. Attewell	Community Wellbeing
C. Barnard	Planning and Economic Development
J.R. Boughtflower	Corporate Management
M.P.C. Francis	Housing
D. Patel	Environment and Compliance
O. Rybinski	Customer Service, Estates and Transport
H.R.D. Williams	Finance

**Spelthorne Borough Council, Council Offices, Knowle Green**

**Staines-upon-Thames TW18 1XB**

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## AGENDA

	<b>Page nos.</b>
<b>1. Apologies for absence</b>	
To receive any apologies for non-attendance.	
<b>2. Minutes</b>	<b>3 - 10</b>
To confirm the minutes of the meeting held on 27 March 2019 as a correct record.	
<b>3. Disclosures of Interest</b>	
To receive any disclosures of interest from councillors in accordance with the Council's Code of Conduct for members.	
<b>4. Recommendations of the Audit Committee</b>	
<b>Councillor Williams</b>	
To consider the recommendations of the Audit Committee held on the 28 March 2019 in relation to:	
a) Corporate Risk Management	11 - 22
b) Anti-Fraud, Bribery & Corruption Strategy	23 - 30
<b>5. SCC Consultation on 'Making Surrey Safer'</b>	<b>To Follow</b>
<b>Councillor Harvey</b>	
To consider the Council's draft response to Surrey County Council's consultation on 'Making Surrey Safer'.	
<b>6. Leader's announcements</b>	
To receive any announcements from the Leader.	
<b>7. Urgent items</b>	
To consider any items which the Chairman considers as urgent.	

**Minutes of Cabinet**

**27 March 2019**

**Present:**

Councillor I.T.E. Harvey, Leader and Council Policy co-ordination  
Councillor A.C. Harman, Deputy Leader and Communications  
Councillor M.M. Attewell, Community Wellbeing  
Councillor C. Barnard, Planning and Economic Development  
Councillor J.R. Boughtflower, Corporate Management  
Councillor M.P.C. Francis, Housing  
Councillor D. Patel, Environment and Compliance  
Councillor O. Rybinski, Customer Service, Estates and Transport  
Councillor H.R.D. Williams, Finance

**2587 Minutes**

The minutes of the Cabinet meeting held on 20 February 2019 were agreed as a correct record.

**2588 Disclosures of Interest**

There were none.

**2589 Recommendations from the Local Plan Working Party**

Cabinet considered the recommendations from the Local Plan Working Party held on 21 March 2019.

**Resolved to:**

1. Agree the change to the Local Development Scheme timetable;
2. Note the progress on the site selection work;
3. Note the progress on drafting the new Local Plan policies and encourage Members who wish to make suggestions on their content to forward these to the Portfolio Holder, Cllr Barnard, to pass on to officers for consideration; and
4. Note the progress on the local Green Space assessment methodology, subject to this being amended to reflect in the criteria the importance of green spaces to local communities that are not well served by other nearby public recreation land, following consultation with the Local Plan Working Party on the precise wording.

**2590 New Jetty for River Thames**

Cabinet considered a report on a new jetty for the river Thames with access from the bandstand in the Riverside car park.

Spelthorne Borough Council has one of the longest stretches of the river Thames along its border, outside of the London Boroughs, extending for around 11 miles. The river Thames is regarded as a key asset of the Borough, and the Council is keen to maximise its potential. There has been a very strong demand for a stopping off point in Spelthorne for commercial boat trips along the Thames for many years, but limited opportunities for riverboat companies due to the lack of exclusive access to moorings.

Alternative options considered and rejected by the Cabinet:

- to provide a licence for exclusive use of part of the moorings opposite the old Town Hall

**Resolved** to approve the construction of a new jetty with access from the bandstand in the Riverside Car Park, Staines-upon-Thames.

#### **Reason for Decision**

The introduction of a new jetty for the exclusive use of commercial riverboat operations would increase the competitiveness of Staines-upon-Thames as a destination and increase the number of visitors to the town which would support our retailers.

#### **2591 Surrey Waste Local Plan 2019**

Cabinet considered the Council's consultation response on the Surrey Waste Local Plan 2019 which, due to the date on which the consultation was set to end, had been agreed by the Portfolio Holder.

**Resolved** to note the response to Surrey County Council's consultation on the Surrey Waste Local Plan 2019 as agreed by Councillor C. Barnard, Portfolio Holder for Planning.

#### **2592 Leader's announcements**

The Leader made the following announcements:

The Council announced the purchase of a surplus car park on the site of Ashford Hospital to develop into much needed housing for local residents, including key workers. This marks another milestone in the Council's ambitious building programme which aims to produce over 600 housing units across the Borough over the next five years.

Also part of the programme are the new homes recently completed on the site previously occupied by the Bugle Returns pub in Upper Halliford, providing two one-bedroom and six two-bedroom apartments for local people.

The new combined reception is now fully reopened and most of the work to relocate staff into renovated offices in the east and south wings are complete. Congratulations to Siraj and his team for delivering this.

The Council's response to Heathrow's latest consultation on proposed changes to airspace and future operations includes that there should be no

increase in flights before the third runway, no interim measures introduced that will result in newly overflowed areas, that the Compton Route needs to be removed without delay, and that a night-time ban should mean just that.

Following on from the success of the first Spelthorne Means Business Awards last year to recognise and celebrate our thriving business community, the second SMBA Awards were launched at an event held at the Hazelwood Centre in Sunbury on 7 March. With an additional five categories and new sponsors, there are plenty of opportunities for a variety of businesses to get involved.

Thirty-five primary school children from seven Spelthorne schools were treated to an interactive conference by charismatic environmentalist Phil Williams on Tuesday 5 March in the Council Chamber. Phil started these conferences in Spelthorne and his inspirational events are now held across the whole of the UK.

The Secretary of State has confirmed that he does not intend to 'call in' the planning application to expand Shepperton Studios. The expansion will now be able to go ahead subject to the prior completion of measures to ensure public benefits and mitigation, including junction improvements, new crossings in Charlton and Laleham, and a River Ash Community Park.

The Council had a lovely compliment about our Leisure Team's Walking for Health Scheme from inspirational 87 year-old Shepperton resident, Peter Cooper, who told us what a positive impact the volunteer-led walks have made to his life since losing his wife last year. It is uplifting to know that our schemes can make such a difference in helping improve physical and mental wellbeing in our communities.

The Council is continuing to work with Staines Park Residents' Association to achieve 'Fields in Trust' status for Staines Park. The Council is also committed to progressing plans to build a new Leisure Centre in an alternative location.

The extension to the Greeno Centre is nearing completion, providing a dedicated space for those who need a bit of extra support when visiting the Centre.

Following a petition presented to the Joint Committee in December by Stanwell Moor Residents Association about HGV movements in the village, the Borough stepped in to pay for an engineering survey to look at solutions. This has led to a scheme being drawn up to restrict HGVs going through the village and local people are currently being asked for their views.

The Council's noticeboards have been replaced as part of a project called 'every ward at its best', set up to look at making small improvements to sites across the Borough to improve the 'street-scene', and works to improve a number of smaller shopping parades in the Borough are expected to complete in early April.

Spelthorne has raised concerns about Surrey County Council's proposals to reduce future fire service cover in Spelthorne from two full-time crews to two day-time and one night-time crew.

A report to look at parking issues in Ashford Town and the impact of increased parking enforcement checks was discussed at the Overview and Scrutiny meeting on 19 March. A further period of enhanced enforcement checks is now planned, with the intention of comparing the results with data obtained from the first trial. Recommendations will then be considered by Cabinet in the summer.

**2593      Urgent items**

There were none.

**2594      Exempt Business**

**Resolved** to move the exclusion of the Press and Public for the following items in view of the likely disclosure of exempt information within the meaning of Part 1 of Schedule 12A to the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006.

**2595      Exempt report - Acquisition V - Key decision**

*Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)*

Cabinet considered an exempt report on the proposed acquisition of Property V.

Alternative options considered and rejected by the Cabinet:

- Formally agree not to submit a bid

**Resolved** that Cabinet:

1. Approves the acquisition of the site for strategic regeneration of Staines town centre and its future development for Housing purposes as identified in the report;
2. Agrees the offer submitted for the acquisition, and authorises the Chief Executive (and delegated Officers) to undertake any necessary subsequent negotiations (including a further bid if required) and complete the acquisition of the asset (in consultation with the Chief Finance Officer, the Leader and the Cabinet Member for Finance);
3. Authorises the Chief Finance Officer to decide (i) the most financially advantageous funding arrangements for the purchase, (ii) the most tax efficient method of holding the asset to include the transfer of the asset

into Knowle Green Estates Limited if and when appropriate to do so, and overall to ensure the acquisition is prudentially affordable;

4. Authorises the Head of Corporate Governance to enter into any legal documentation necessary to acquire and develop the asset including any documentation required for any potential transfer of the asset to Knowle Green Estates Limited;
5. Agrees to exempt Contract Standing Orders in respect of our Advisors; and
6. Delegates the selection of the design team and the contractor to the Group Head of Regeneration and Growth in consultation with the Portfolio Holder.

#### **Reason for Decision**

The site will deliver a steady income stream once developed which will support the Council to deliver its ambitious housing and regeneration programme across the Borough to help meet the needs of its residents. The Council needs to generate additional income to offset the revenue impacts of undertaking these projects across the Borough. The site is a key element in the emerging regeneration plans for Staines town centre.

#### **2596      Exempt report - Decision on award of contract for the provision of a Property Management System - Key Decision**

*Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)*

Cabinet considered an exempt report on the provision of a Property Management System to help underpin and support the on-going management of the Council's investment portfolio.

The new system would effectively and efficiently manage property and enable officers to view Key Performance Indicator reports to keep financial risks to a minimum. It would ensure that accounting processes tie up with the Council's obligations for financial reporting and auditing, allow the Council to maintain a full asset register, and the property team to have a rounded view of each and every asset. In addition, the system would encompass some key Facilities Management functions, and have the ability to tie in with future portals/third party suppliers to enable residential tenants to find a property, pay their rent and arrange for maintenance of their property online.

Alternative options considered and rejected by the Cabinet:

- Delay the start of the implementation project another month, which would result in missing the preferred 'Go Live' date of 1 September 2019.

**Resolved** to approve the delegation for the award of contract for the Property Management software to the Group Head of Regeneration and Growth, in consultation with the Leader, Portfolio Holder for Finance (Councillor Williams) and the Deputy Chief Executive (Finance).

### **Reason for decision**

A ‘fit for purpose’ Property Management System will enable the Council (over time) to manage its investment portfolio efficiently and accurately. The automated processes will ensure we can bring existing robust property processes back ‘in house’ and keep financial risk to a minimum.

Delegation was requested as the tender process had not been completed in time for the Cabinet meeting.

### **2597      Exempt report - West Wing, Council Offices, Knowle Green, Staines - Key Decision**

*Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)*

Cabinet considered an exempt report seeking a construction budget for the conversion of the West Wing, Council Offices, Knowle Green, Staines-upon-Thames, to 25 new apartments.

Alternative options considered and rejected by the Cabinet:

- Withhold approval of the expenditure budget for construction works

### **Resolved to:**

1. Authorise the spend of £5,200,000 for the procurement of construction works;
2. Authorise the Head of Corporate Governance to enter into any legal documentation necessary to implement the redevelopment project; and
3. Delegate the appointment of the contractors to the Group Head of Regeneration and Growth in consultation with the Portfolio Holder.

### **Reason for decision**

The conversion of the West Wing, Council Offices to residential use will meet the wider objectives of the Council in increasing the provision of housing within the Borough. The ongoing revenue stream (once the works have been completed) will assist in the future long term financial stability of the Council.

### **NOTES:-**

- (1) ***Members of the Overview and Scrutiny Committee are reminded that under Overview and Scrutiny Procedure Rule 16, the “call-in” procedure shall not apply to recommendations the Cabinet makes to the Council. The matters on which recommendations have been made to the Council, if any, are identified with an asterisk [\*] in the above Minutes.***
- (2) ***Members of the Overview and Scrutiny Committee are entitled to call in decisions taken by the Cabinet for scrutiny before they are***

*implemented, other than any recommendations covered under (1) above.*

- (3) *Within five working days of the date on which a decision of the Cabinet or a Cabinet Member is published, not less than three members [one of whom must be the Chairman] of the Overview and Scrutiny Committee are able to "call in" a decision;*
- (4) *To avoid delay in considering an item "called in", an extraordinary meeting of the Overview and Scrutiny Committee will be convened within seven days of a "call in" being received if an ordinary meeting is not scheduled in that period;*
- (5) *When calling in a Cabinet decision for review the members doing so should in their notice of "call in":-*
  - *Outline their reasons for requiring a review;*
  - *Indicate any further information they consider the Overview and Scrutiny Committee needs to have before it in order to conduct a review in addition to the written report made by officers to the Cabinet;*
  - *Indicate whether, where the decision was taken collectively by the Cabinet, they wish the Leader or his nominee (who should normally be the Cabinet Member) or where the decision was taken by a Cabinet Member, the member of the Cabinet making the decision, to attend the committee meeting; and*
  - *Indicate whether the officer making the report to the Cabinet or the Cabinet Member taking the decision or his/her representative should attend the meeting.*
- (6) *The deadline of five working days for "call in" by Members of the Overview and Scrutiny Committee in relation to the above decisions by the Cabinet is the close of business on 4 April 2019.*

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## **RECOMMENDATION FROM THE AUDIT COMMITTEE CORPORATE RISK MANAGEMENT**

### **Cabinet: 24 April 2019 Report of the Audit Committee**

- 1.1 The Council's Risk Management Policy/Strategy was approved by the Executive in 2002.
- 1.2 The Audit Committee is responsible for considering the effectiveness of the authority's risk management arrangements, and receives regular reports on risk issues.
- 1.3 The Audit Committee reviewed the revised Corporate Risk Register (attached as Appendix 1) at its meeting on 28 March 2019 and noted and accepted the contents. The revised register is considered to be an accurate reflection of the high level risks affecting the Authority, as well as the progress made on actions previously proposed, based on our assessment of risk and controls in operation.

#### **Audit Committee Recommendation**

The Audit Committee recommends to the Cabinet:

That the Corporate Risk Register, as submitted, be approved.

**Contact: Punita Talwar, Internal Audit Manager**

**Cabinet member: Councillor Howard Williams**

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## APPENDIX 1

CORPORATE RISK REGISTER

A

This register summarises the Council's most significant risks which align to one or more Corporate Priority. It sets out controls in place and identifies any further action needed to mitigate risks . Actions are assigned to appropriate officers with target dates for implementation. The relevant Portfolio Holder for each risk category is also highlighted.

## Level of risk: Likelihood vs. Impact on a scale of 1 (lowest) to 4 (highest)

## Content reviewed March 2019 by the Internal Audit Manager

JULY OCT

PREVIOUS RAG	CURRENT RAG	RISK / IMPACT (WITH REFERENCE TO CORPORATE PRIORITY)	LIKELIHOOD OF RISK	IMPACT OF RISK	LEVEL OF RISK (to evaluate)	CONTROLS	OUTSTANDING ACTIONS	RISK OWNERSHIP	TARGET DATE	PROGRESS /REASONS WHERE NOT IMPLEMENTED	
		1. If Health and Safety fails it could result in death or serious injury to staff /public and legal action against the Council, with associated reputational damage <b>(CLEAN &amp; SAFE ENVIRONMENT)</b>	2	4	4	Approved Health and Safety Policy. Health and Safety Plan. Health and Safety at Work Regulations. SHE (Safety Health and Environment) system with dedicated training . Health, Safety and Insurance Risk Manager. Dedicated Health and Safety Officer in Neighbourhood Services. Managers have a legal requirement to conduct regular risk assessments. Staff Induction training. Annual reminders to complete/update health and safety risk assessments (DSE, Homeworking, and Service). Annual Health and Safety checklist, activity and compliance programme for Managers. Health and Safety Champions and meetings. Personal Safety Training and Lone Worker protection process. IOSH training provision and Champions encouraged to attend. The robustness of inspections and site monitoring is periodically discussed at the Corporate Risk Management Group.	<i>1i. There is scope to tighten up controls relating to training, procedures and the Management activity/compliance programme</i> <i>1ii. The inspection process across the authority needs to made more robust - regular inspections/site monitoring to be carried out and consistently documented to ensure evidence is available.</i> <i>1iii A project is due to be undertaken to enhance the efficiency of the SHE system (health and safety management).</i>	HSIRM/ SEHM/ MAT/ All Group Heads * Cllr Boughtflower	30 June 2019 *R Requires Monitoring	1i. <b>Partially Implemented &amp; Progressing.</b> Further documentation and development of Health and Safety Procedures is ongoing. 1ii. <b>Partially Implemented &amp; Progressing</b> . The monthly Health and Safety Committee is now attended by most service areas, however, some services are regularly absent. Going forward an attendance register will be taken. Work has been undertaken to address the shortfalls in the inspection process with ongoing improvements in health and safety monitoring, however, further improvements are still required. The restructure of the parks team is nearing completion and greater control measures for supervision and inspection of this area are currently being developed. 1iii. <b>Commenced.</b> Changes have been made to SHE to make it more user friendly, additional measures are planned. A number of SHE user guidance notes have been written, available to all service areas. Additional guidance notes will be developed. Systems for health and safety monitoring, along with auditing and review are to be developed and implemented.	
Page 13		2. If there was a major Disaster in the borough, e.g. flooding, this may result in significant strain on council services <b>(CLEAN &amp; SAFE ENVIRONMENT)</b>	2	4	4	Performance monitoring by Commissioning and Transformation. Emergency Planning support. Emergency Plan. agency flood plan reviewed January 2018. Membership of Local Resilience Forum (LRF). Regular testing of Emergency Assistance Centre plan. Borough Emergency Centre (BEC) Plans and staff training in 2017. Staff feedback considered in updates to (BEC) plan and equipment. Incident management and Multi-Agency training. Prevent Strategy training and awareness (March 2017).	Corporate Multi-	<i>2i. The Corporate Emergency Plan is currently being updated and reviewed .</i>	CX (DM)/ GH C & T* Cllr Harman	Completed/ Ongoing Monitoring	2i. <b>Implemented.</b> The corporate emergency plan has been reviewed and updated plus a public version placed on the Council's website.
		3i. If performance at corporate and service level is not effectively managed then the authority could fail to deliver priorities, objectives and targets. 3ii. If there is failure to align service objectives to corporate priorities and objectives this could result in services not meeting residents /stakeholder needs. <b>(ALL PRIORITIES)</b>	2	3	3	Corporate Planning process incorporates a vision, priorities and targets. Monitoring by Members and Management Team. Service Planning and review process. Individual Service Plans should consider the Council's Corporate Priorities and statutory/other responsibilities (this is in the guidance). Service performance monitored by Management Team. Individual performance monitored through 1 to 1's and the appraisal process. Appraisal timetable. Priority Flagship project performance is reported regularly to Management Team and Members. Corporate Annual Report for 2017/18 reported to Cabinet in July 2018.	<i>3i. To initiate process for 2019/20 Service Planning in February 2019.</i> <i>3ii. Quarterly reporting and monitoring of Service Plan implementation (NEW).</i> <i>3iii. Improved alignment between Service Plans and the Corporate Plan as well as the budgetary cycle is planned . (NEW)</i>	MAT / DCX LO/GH C & T/Group Heads & Managers * Cllr Boughtflower	i. Completed/ Ongoing Monitoring ii. 30 September 2019 * O Requires Monitoring iii. 2020 * O Requires monitoring	3i. <b>Implemented.</b> The process has been initiated with Service Plan templates issued and planning currently underway. 3ii & 3iii <b>NEW ACTIONS</b> Proposals for more frequent reporting and monitoring of progress in implementing service plans for 2019/20 have been communicated to Group Heads and Managers, as have further planned developments to the service planning process.	

PREVIOUS RAG	CURRENT RAG	RISK / IMPACT (WITH REFERENCE TO CORPORATE PRIORITY)	LIKELIHOOD OF RISK	IMPACT OF RISK	LEVEL OF RISK (to evaluate)	CONTROLS	OUTSTANDING ACTIONS	RISK OWNERSHIP	TARGET DATE	PROGRESS /REASONS WHERE NOT IMPLEMENTED
		4. If there are inadequate project management arrangements (including lack of resources and relevant expertise or skills), then outcomes are unlikely to meet community/ service needs or projects fail to be delivered on time/ to budget. If projects do not incorporate sufficient governance standards, then this could result in poor decision making and unclear justification for actions, resulting in potential challenge (ALL PRIORITIES)	2	3	3	Project governance framework/methodology includes processes for project initiation, resource planning, risk assessment, and progress reporting processes. Corporate Project Register updated as necessary. Corporate Project resource is in place but ownership for ensuring that project documentation is completed, resource implications assessed and necessary control processes are applied rests with Project Managers and Sponsors. Priority Flagship project performance is reported weekly to Management Team and includes asset acquisitions and development projects. On a quarterly basis a report goes to MAT, Cabinet Briefing and Overview and Scrutiny committee outlining progress made with projects and the work of the corporate project team.	<i>4 i Management team to consider limited capacity and revenue implications prior to approving additional / new projects. (Ongoing)</i> <i>4ii . Whilst the Council has a proportionate project governance framework, consistent and proportionate application of project governance arrangements are required to contribute to the likely success of projects whilst reducing potential risks of delays and overspend. Effective governance should incorporate the necessary structures and processes to support key decisions and approvals, promote the need for robust plans, monitor progress against pre-determined plans and milestones, and include regular effective reporting to Management Team and Members.</i> <i>4iii. An internal audit review of Project Governance is currently underway (NEW)</i>	MAT/GH C&T /Group Heads* Cllr Boughtfower	30 June 2019 * R Requires Monitoring	4i. <b>Ongoing.</b> Approx. 35 projects are currently being tracked through the Project Office . Resourcing of projects remains an ongoing challenge as officers are often balancing several work tasks. Through the root and branch review of Services, the Commissioning and Transformation team will continue to identify projects and resources required but also improve processes and systems to assist the organisation's capacity and resilience. This also links in with risk categories 8 & 9 below. (There are no further developments to report) 4ii. <b>In Progress.</b> Some processes have been implemented, such as weekly reporting to Management Team and quarterly reporting to Overview and Scrutiny Committee on the status of projects (Dashboard), enabling improved oversight and an opportunity to highlight any issues/actions required. Other areas remain ongoing , eg the Group Head for C & T has advised that amendments to project documentation have been completed and are to be rolled out to assist in any start up process and project monitoring.
Page 14		5a. Information Governance risks relating to organisational measures. Non compliance with data protection legislation. Information could be processed inappropriately resulting in breaches of the DP legislation, Information Commissioner fines, reputational damage, and loss of public confidence. Potential to breach Freedom of Information (FOI) Act resulting in disclosure of personal data or commercial sensitive data, and ICO enforcement. (ALL PRIORITIES)	4	4	4	Mandatory data protection online training on a yearly basis. In house (more specific) training for staff continues as requested by services; supplemented by external training. Member training. Data Protection Officer (trained and experienced) provides ongoing guidance on the Data Protection Act (2018), and the Privacy and Electronic Communications Regulations. Information Governance structure agreed by MAT and made available on Spelnet; this identifies the Senior Information Risk Owner (SIRO) and lines of responsibility for Information Assets. Data protection compliance plan for services agreed by MAT+ and distributed to Group Heads and Managers to progress data protection compliance within service lines. Information Asset Owners identified.  FOI requests: FOI online training and guidelines, FOI process flowchart, online FOI module and templates for response text are available	<i>5i. Data Protection Officer to pursue plan to ensure information assets are identified and managed.</i> <i>5ii. Raise awareness of Information Governance and the requirements of the DP legislation amongst staff and members.</i> <i>Identification of detailed training requirements in services.</i> <i>5iii. Information flows to be mapped and completion of information assets registers for all areas.</i> <i>(SEE ALSO FURTHER ACTIONS BELOW)</i>	GH C & T */IGO * All Portfolio Holders	30 June 2019 * R Requires Monitoring	5i. <b>Implemented &amp; Ongoing :</b> The Data Protection Officer has produced a detailed work plan to work towards GDPR compliance. This has fed into the data protection compliance plan for services (issued Autumn 2018) - see 5v. 5ii. <b>Implemented &amp; Ongoing :</b> The level of data protection awareness in the Council continues to increase. The temporary administrator was trained and helped move forward completion of many of the Information Asset Registers. The administrator has now taken a job elsewhere, but due to the volume of work a further 9 months will be contracted. A total of 78 staff members have been trained with a further 28 still to attend training delivered by the Data Protection Officer. 5iii. <b>In Progress</b> - Process flows are being mapped as part of the Route & Branch review being undertaken by the Projects team which will significantly assist with mapping data flow.
		See above (Continuation of risk category 5a).				See above (Continuation of risk category 5a).	<i>See above (Continuation of risk category) 5iv. An Internal Audit review of GDPR preparedness was undertaken in April 2018 highlighting the position and recommending improvement actions. In particular there are lessons around resource planning and application of corporate project processes, which are currently being considered by Management.</i> <i>5v. Group Heads to ensure that the Data protection compliance plan for services is followed to progress compliance within service lines. This plan includes identification of information assets and data mapping (relates also to 5i &amp; 5iii above).</i>			5iv. <b>In Progress</b> - Some recommendations are being addressed and overlap to some degree with other actions in this category. 5v. <b>In Progress</b> - Deadlines in the data protection compliance plan for services have not been achieved in many areas.

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		5b Information Governance risks relating to technological measures. If security breaches occurred this may cause system failure, non compliance with various information legislation which might lead to Information Commissioner fines/enforcement and reputational damage, with loss of public confidence. <b>(ALL PRIORITIES)</b>	2	4	3	Data Back up and continuity arrangements managed by ICT and tested by Managers. ICT security policies and security alerts. Personal Commitment statement required from staff on appointment. ICT security group assess ongoing risks. Series of Security Awareness updates conducted in October 2017 for all staff and a representative from the Cyber Crime Unit raised specific awareness of Cyber crime in July 2018 (mandatory session). Information Governance Officer in post. ICT Disaster Recovery test conducted in November 2017 (successful) and further test planned in May 2019.	NONE	GH C & T*/DHICT * Cllr Boughtflower	Completed/Ongoing Monitoring	N/A
Page 15		6. Failure to meet the minimum security requirements of the Government's Public service Network resulting in termination of connection to any other government sites/data; unavailability of ICT systems impacts service provision; unauthorised creation & amendment of records for fraudulent purposes; inadequate measures to combat cyber security attacks or respond effectively resulting in reputational damage and financial losses <b>(ALL PRIORITIES)</b>	2	3	3	National Cyber Security Strategy. A review group assesses compliance with security requirements - Public Service Network (PSN). Successful certification of the Public Service Network (PSN) compliance. Security measures include firewalls, encryption, egress, black-listing of memory stick,CD's and DVD'S, and universal serial bus (USB) ports locked down. Dual factor authentication on all laptops. All Baseline Personnel Security Standard checks completed. Annual health check and security penetration test, with all risks flagged up addressed (last exercise February 2018). Mimecast e-mail filtering software in place. Disaster Recovery plan for ICT developed alongside Applied Resilience. ICT Strategy consistent with the core objectives of the Council. Network refresh undertaken. System Administrators are currently assigned for each key application system, with privileged access rights to undertake relevant duties. Independent review of the ICT function undertaken in 2018.	<i>6i. As System Administrators also have operational and processing roles within the associated service area, this lack of segregation of duties (between operations and administration) increases associated risks of fraud or error. This is a longstanding issue which requires ongoing review by Management Team.</i> <i>6ii. An ICT Audit Needs Assessment is currently underway to highlight risks for further consideration in the audit planning process. (NEW)</i>	DHICT *Cllr Boughtflower	30th June 2019 R* Requires Monitoring	6i. <b>In Progress</b> - Discussions with the ICT Manager have confirmed that anyone with Systems Administrator rights has the ability to grant themselves processing functionality - regardless of whether they are part of the front end service or support the back end ICT function and therefore it is very difficult to achieve full segregation of duties. Given that these risks prevail Internal Audit have highlighted the importance of applying compensating controls within service areas (raised at the Corporate Risk Management Group in December 2018 and continue to be promoted during audit reviews).
		7. Ineffective business continuity planning to cover loss of building, equipment, ICT or staff could lead to loss of service or disruption in a real scenario <b>(CLEAN &amp; SAFE ENVIRONMENT)</b>	2	3	3	New contract in place from September 2018 for ongoing provision of Business Continuity Planning support . Performance monitoring by Commissioning and Transformation. Business Continuity (BC) Policy . Corporate Business Continuity Plan and Service Level plans with periodical review. The BC Forum oversees progress of BC planning. Business Impact Assessments . Emergency protocols for loss of building access/loss of power/loss of ICT are being developed. Emergency messaging system for staff. Telephony resilience. Key responders - Incident Management Team and recovery team.	<i>7i. Management Team are keen to undertake a fire evacuation procedure combined with a scenario where re-entering the building is not possible.</i> <i>7ii. Management Team have highlighted that bomb awareness procedures require updating.</i>	GH C & T*	30 June 2019 R* Requires monitoring	7i. <b>Outstanding</b> . Applied Resilience are organising an exercise for late Spring 2019. 7ii. <b>Implemented</b> - Security policy updated and Applied Resilience have a text messaging system which will alert staff and instruct on whether to leave or stay where they are. Service level business continuity plans are being reviewed and updated.
		8. If there is over reliance on individual officers then in the event of absence or departure this may cause a gap in technical/systems knowledge and expertise, with subsequent failings in delivery of functions/ services <b>(ALL PRIORITIES)</b>	3	3	3	Business continuity arrangements to cover loss of key staff. Critical procedures should be documented and staff appropriately trained. Any weaknesses in resilience arrangements should be highlighted in the service planning process. In some service areas greater resilience is being built into teams with some individuals taking on a variety of roles. (An example of this is the Project Officer/Committee Manager within the Commissioning and Transformation team)	<i>8i. Management Team to keep resilience arrangements under review.</i> <i>8ii. Root and Branch service reviews are underway giving consideration to resilience, resourcing and capacity.</i>	MAT/ Group Heads/ GH C & T * All Portfolio Holders	30 June 2019 R* Requires monitoring	8. <b>In progress</b> . Resilience is one of the issues being considered as part of the root and branch service reviews during 2018/19 and into 2019/20. There are no further developments to report in this area.

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		9. If increased service demands coincide with a lack of staff resources/capacity to deliver then this may result in reduced morale, high staff stress levels, delays and errors, increased turnover, with subsequent failings in delivery of services <b>(ALL PRIORITIES)</b>	2	3	3	Short term reductions in capacity are accommodated by prioritisation and reallocating work . Longer term impacts and changes to demand may be more difficult to address. Employment arrangements and staff support mechanisms. Market supplements/allowances to assist with recruitment and retention. Training and development. Performance management systems, (appraisals, one to one's). Regular staff meetings. Stress audits (risk assessments) can be arranged if necessary. Human Resources reporting to MAT. Significant investment was built into the 2017-18 & 2018-19 budget to address resourcing for some service areas (such as HR, Legal, Independent Living).	9i. Management Team will need to keep resourcing levels under review, particularly the impact of new projects and any statutory obligations on service/project delivery. 9ii See action at 8ii above relating to Root and Branch reviews.	MAT *Cllr Boughtflower	30 June 2019 R * Requires monitoring	9i. <b>Completed/Ongoing Monitoring.</b> Additional staffing resource approved for some areas in 2019/20. 9ii. <b>In Progress</b> - Root and branch review of services have commenced in order to identify efficiencies and capacity issues which can be resolved to improve organisational performance and resilience . Mandatory training to raise awareness of mental health is to be delivered in due course.
		10. If there are prolonged staff vacancies due to inability to recruit, then this may result in a failure in service delivery <b>(ALL PRIORITIES)</b>	3	4	4	Market supplements awarded to certain roles when recruiting. Annual review of recruitment and retention allowances. Salary review/enhancements in some services. Posts advertised with Surrey Jobs as well as a wider network of job sites. Specialist websites are also used to advertise posts where necessary. Annual report summarising staff recruitment and turnover. National apprenticeship scheme. Levy to be focussed on upskilling internal employees aswell as some recruitment of new apprenticeships. Local arrangements in place for deciding pay awards and to local terms and conditions of employment	10i. Human Resources to monitor the effectiveness of measures taken to improve recruitment and retention across the authority , in collaboration with Services. 10ii. Any future review of the recruitment and retention strategy should consider the feasibility of a staff referral scheme (NEW).	MAT/Group Heads/GH C & T/HRM * Cllr Boughtflower	30 June 2019 R * Requires monitoring	10i. <b>In progress.</b> The Council has moved to local arrangements for deciding pay awards and to local terms and conditions of employment rather than continuing with nationally agreed pay awards and conditions. There are many external factors which have an ongoing impact on recruitment and retention.
Page 16		11a. Procurement - If governance arrangements are weak with a lack of transparency, this could result in any of the following: financial penalties for non-compliance with legislative requirements; contractual disputes and claims through poor specifications; contractors/partners failing to deliver expected outcomes; reputational damage, challenge and poor VFM. <b>(This section links also with section 4 above - Project Management) (ALL PRIORITIES)</b>	3	3	3	Contract Standing Orders (April 2016). Contract guidelines with compliance checklist. Requirement for declaration of interests (Officers and Members). Corporate Procurement training last provided in October 2014. E-procurement system in place and contracts sourced with this solution. Revised Procurement strategy and action plan to facilitate monitoring. Developing improved reporting systems. Interim Procurement Manager in post to establish revised procurement processes. Enhanced monitoring for key suppliers now added to the S&P Watch list to enable concerns to be picked up pro-actively	11i. Full compliance with the Local Government Transparency Code is required and should be confirmed once achieved. 11ii. To ensure there is an ongoing reference for officers involved in procurement activity, Procurement and Contract Management guidelines need to be updated and publicised to reflect regulatory changes of 2015. 11iii. Implement a programme of training for contract managers where the principles of Contract Standing Orders and Contract Checklist form the core element of the learning. 11iv. The future of the Procurement Board to be considered as part of a review of all boards across the authority. 11v. Revised Procurement processes are being established . (NEW)	MAT /HOCG *Cllr Boughtflower	30 June 2019 R * Requires monitoring	March 2019 - No further updates have been received in this area (HOCG). 11i, 11ii, 11iii & 11iv . <b>In Progress</b> . Compliance with the transparency code is being addressed through the purchase of a procurement and contract management system used by 27 local authorities. The role has recently been transferred to Corporate Governance on departure of the former Procurement officer. An interim Procurement Manager has been employed to address outstanding issues, as well as establish revised processes. A decision as to whether a procurement board continues will also be considered through the Project Governance process and liaison with service areas, as there are close linkages between project governance and procurement . 11v. Following the transfer of the Procurement function, the Procurement strategy and policy have been revised in February 2019 and an initial indicative spend analysis exercise undertaken. Revised procurement processes are being established and the service are planning for/implementing changes. The Head of Corporate Governance will be attending Audit Committee in March to provide an update.

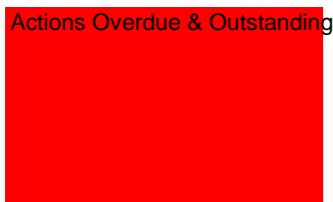
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		11b. Major Procurement - A lack of ongoing forward planning in preparation for the expiry of existing Leisure Centre arrangements in 2021 may result in delays in delivery of key project milestones and provision of leisure facilities to the community. If the project is not effectively managed, this could result in overspends, delays and significant ongoing strain on the Council's financial resources. <b>(This section links also with section 4 above - Project Management)</b>	3	3	3	Current Leisure centre operator contract ends 2021. "Leisure Centre Needs Analysis" submitted to MAT in 2014 and updated in 2017, which endorsed the recommendation to carry out a feasibility study. A high level discussion document was presented to Cabinet in October 2016 and a project team formed. Project Sponsors and Project Managers identified. Project related documentation. Risk Register. Councillors and staff kept informed of key progress milestones, requirements and timeframes . Feasibility study completed March 2018 by specialist Advisors, design brief signed off and public consultation undertaken in summer 2018 .	<i>11bi. Assessment of possible sites for the new leisure centre is under consideration with further proposals for consultation to be issued in due course .</i>	Dcex (LO)/ Group Head CW* Cllr Attewell	30 June 2019 R * Requires monitoring	11bi. <b>March 2019 - In Progress</b> - The report to Overview and Scrutiny in January 2019 states that a timetable for the next phase of consultation on the Council's plans for a new Spelthorne Leisure Centre will be decided once the review of alternative locations for the facility have been completed and options identified. The team are continuing to assess alternative sites and are intending to peer review those to obtain an independent view, prior to any public consultation.
Page 17		12. External factors including national housing shortage , insufficient affordable properties, London Boroughs increased use of Spelthorne properties and welfare reforms such as Universal Credit may all impact on the effective delivery of Spelthorne's Housing Service to the community. Ongoing uncertainty over recovery of outstanding Housing Benefit debt. <b>(HOUSING )</b>	3	3	3	Group Heads/ MAT/Members are aware of ongoing risks in this area. Universal Credit rollout/migration is under consideration. Housing Benefit regulations stipulate limitations around overpayment debt recovery. Current debt stands at approx. £3m. Internal Audit review of Housing Benefit Overpayments completed March 2019 and recommendations agreed by management (see risk category 19). Discretionary housing payments Corporate Debt Group and Strategic Housing Group monitor progress. Officers and A2D continue to work with families affected by the benefit cap. Close working with private landlords. Landlord guarantee scheme. Knowle Green Estates (subsidiary) focusing on the Housing Delivery Programme. The Council was assessed by the Ministry for Housing, Communities and Local Government as being well prepared for the implementation of the 2018 Homelessness Reduction Act, which was reported to Overview and Scrutiny in January 2019.	<i>12i. Management Team to continue to monitor the ongoing pressures facing the Housing Service (including impact of County Council cuts and statutory changes).</i>	MAT / Joint Group Heads CW * Cllr Francis	Completed/ Ongoing Monitoring	12i. Ongoing. Overview and Scrutiny at its January meeting received a positive report on the successful implementation of the Homeless Reduction Act.
		13a. Uncertainty over economic growth and supplier failure could impact on: • Delivery of contracts and services • Business Rate income collected/retained , thereby affecting the Council's overall finances. <b>(ECONOMIC DEVELOPMENT &amp; FINANCIAL SUSTAINABILITY)</b>	2	3	3	Financial Services monitor the financial media in relation to larger companies and critical commercial partners. Enhanced Monitoring arrangements implemented as key suppliers now added to the S&P Watch list . Aim to maximise Business Rate collection/minimise losses for the Council. Additional quarterly monitoring of collection and projected outturn retention implemented . Additional counter fraud resource is available to identify and investigate potential tax avoidance and evasion cases, which can be translated into cashable savings for the authority. (Being pursued under Corporate Counter Fraud work).	<i>13i. Impact of Business Rate arrangements on Council finances is under ongoing review. 13ii. Spelthorne are participating in the 100% retention of business rates pilot for 2018/19 providing further incentive to maximise income collection</i>	DCX (TC)/Acting Group Head CR * Cllr Barnard & Cllr Williams	Completed/ Ongoing Monitoring	13i. <b>Implemented and ongoing.</b> 13ii. <b>Implemented and ongoing.</b> Currently on track to generate an estimated net additional £800k from the 2018-19 "100%" Business rates retention pilot.

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		13b. If the Economic Development Strategy fails to be implemented, this could impact on growth <b>(ECONOMIC DEVELOPMENT)</b>	2	3	3	Regular reporting to Members. A 5 year economic assessment & development strategy for 2017 - 2022 ( previous audit recommendations were taken into account). Economic Development Strategy is reviewed every twelve months. Annual review and refreshing of the strategy, enabling targets that have been achieved to be commented upon and removed; new targets that have emerged over the previous twelve months are then included. Prioritisation of projects to benefit from the business rates retention has been completed.	<i>13bi. Economic development is a Council priority and growth will impact on business rate income - this is under ongoing review. 13bii. Regarding governance, through the EDEG 5 areas have been identified as the most important areas of delivery within the strategy and will be reported on every 6 months to the group to strengthen performance monitoring. The refreshed strategy needs to be approved by the EDEG. (REVISED)</i>	DCX (TC) */GH R & G*/ EDM* Cllr Barnard	Completed/ Ongoing Monitoring	13bi & ii. <b>Implemented and ongoing review.</b>
		14. If there was failure to comply with statutory duty / adhere to Safeguarding Policy, (including failure by County to address Spelthorne referrals), this could lead to death or injury to a child or vulnerable adult, resulting in legal action and reputational damage. <b>(CLEAN &amp; SAFE ENVIRONMENT)</b>	2	4	4	Council has statutory responsibility for safeguarding children and Adults. Approved and publicised Safeguarding policies and procedures. Staff and Member training. All referrals to Surrey County Council should be reported to a nominated Spelthorne Officer. Regular liaison with Surrey County Council and the Surrey Safeguarding Children's Board (SSCB). Annual Section 11 audit (a review of training records was also undertaken in 2018). Liaison with Human Resources for training purposes and DBS checks. Online safeguarding training module and cascade training. Procedure to deal with the Multi Agency Safeguarding Hub (MASH) enquiries. Spelthorne is represented on the new Early Help Advisory Board by the Deputy Chief Executive. A restructure of Surrey County Council Children's services is currently being undertaken. This will mean that the procedure for referrals to MASH/Early Help will change.	<i>14i. Officers are currently undertaking the statutory children's Safeguarding audit which is completed annually. Any recommendations arising are to be considered. (REVISED) 14ii. Monitoring of any likely changes to the safeguarding referral process and subsequent implementation (NEW)</i>	DCX (TC)/LSM/LM/Joint Group Heads - CW * Cllr Attewell	30 June 2019 R * Requires monitoring	14. <b>Completed/ongoing monitoring.</b> Awaiting feedback from the statutory audit recently undertaken. With the transformation taking place at Surrey County Council it has been more challenging to maintain key relationships and to understand changing processes. An internal officer group has been set up which meets monthly to coordinate responding to safeguarding and early help issues.

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		15. In light of ongoing reduction in Central Government funding, if opportunities for significant income generation and investments are missed, then this will impact on the Council's ability to close the budget gap and deliver vital services. If weak governance arrangements prevail, this may contribute to poor investment outcomes and increase exposure to financial risk including loss of anticipated rental income and poor investment returns. <b>(FINANCIAL SUSTAINABILITY)</b>	3	4	4	Long term strategic/financial plan. Corporate Plan / priorities reviewed. Member engagement. The Council is applying innovative ways to fund services and create new revenue streams through significant commercial asset acquisitions and investments. Since September 2016 an additional ongoing annual net income of £9.5m has been generated from commercial asset acquisitions. This enabled a balance budget to be set for 2018-19 and to make revenue contributions towards capital to put capital programme financing on a more sustainable basis. Investment Asset Strategic Parameters approved by Council in December 2017. Advice is sought from the Treasury Management advisors as appropriate. Thorough due diligence undertaken with respect to leases and acquisitions and with respect to evaluating strength of covenant of tenants- now using S&P to evaluate. A second set of advisers used to independently assess the robustness and appropriateness of modelling assumptions for acquisitions. A robust governance framework has been developed and continues to support property acquisitions and investment processes, to include 1. Asset Governance framework and action plan; 2. Property Investment Strategy; 3.DIG meet weekly to track project progress plus a Councillor led Investment and Development Committee; 4. Revised regulatory investment guidance (Feb 18) requires LA'S to develop quantitative indicators to assess a local authority's total risk exposure as a result of its investment decisions, with reporting on Prudential indicators; 5. Presentation by the Portfolio Holder for Finance and DCX (TC) to O & S on the council's approach to management of risk; 6. Robust Treasury Management Strategy; 7. Weekly update to MAT on status of Priority Flagship projects(incl. commercial asset acquisitions).	<i>15i. A robust governance framework continues to be developed to support property acquisitions and investment processes. Further actions for this risk category are recorded below.</i>	MAT/GH R & G* Cllr Williams	30 June 2019 R * Requires monitoring	<b>15i. Implemented/ Ongoing .</b> Performance is monitored regularly at Development and Investment Group (DIG) and a quarterly performance report is produced for the Investment Portfolio. DIG comprises of senior officers from across the Council and meets weekly to undertake a review of performance of acquisition, progress of developments, and evaluation of possible acquisitions. Monthly meetings of Investment and Property Committee (IPC), on which Leader and Finance Portfolio Holder sit, review and discuss performance of investments, developments and consider/ evaluate possible acquisitions and whether to put forward to Cabinet for consideration. Planned reporting of prudential indicators has taken place and went to the Development and Investment Group (DIG), with formalised reporting to take effect once the new Property Management System is operational. Council approved at its February meeting the Capital Strategy. The new draft Strategy was scrutinised by Overview and Scrutiny as a draft before going to Council for approval. <b>15ii. Progress underway-</b> Work is underway to deliver a new Property Management System to effectively manage Spelthorne's property portfolio (investment, community, commercial and residential properties). Tenders for the Property Management System have been evaluated and a decision on the supplier will be made by end of March with initial 'go live' implementation anticipated September 2019.The Council uses expert external advisors (where required) for its investment portfolio to manage matters such as service charges.
Page 19		15. In light of ongoing reduction in Central Government funding, if opportunities for significant income generation and investments are missed, then this will impact on the Council's ability to close the budget gap and deliver vital services. If weak governance arrangements prevail, this may contribute to poor investment outcomes and increase exposure to financial risk including loss of anticipated rental income and poor investment returns. <b>(FINANCIAL SUSTAINABILITY)</b>					<i>15ii. Robust and effective systems need to be in place to record and recover significant rental income due to SBC from its increased property portfolio.</i> <i>15iii. In view of the level of development work being undertaken as a result of property acquisitions, robust monitoring arrangements need to be in place.</i>			DIG receives timely updates on rental income collected on the Council's commercial investment assets. The Deputy Chief Executive has advised that 93% of commercial assets rent for quarter 3 was received within 7 days , with no outstanding amounts. <b>15iii. Progress underway -</b> The Group Head for Regeneration and Growth prepared a briefing note for Audit Committee in November 2018 on monitoring arrangements, for example quality control measures undertaken by professionals. The Council has brought in additional advisers to provide a second opinion on lead advisers advice, and to produce reports on the financial robustness of tenants in potential and acquired acquisitions. The Council has subscribed to Standard &Poor's credit rating database and set up watch lists for its tenants to alert it to any deterioration in the health of its tenants. Where there is any deterioration the potential impact of this is reviewed by the internal team. Sensitivity analysis is undertaken with respect to variables such as rental growth.

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		16. If there is reduced service capacity then this may result in greater instances of error, loss, fraud, theft , irregularity, all representing a loss of internal control. <b>(ALL PRIORITIES )</b>	3	3	3	Management as the first line of defence in the overall assurance framework are responsible for maintaining key services and internal controls. Reduced resource levels in some areas are likely to impact on the ability to operate an adequate level of controls. For example segregation of duties is not always possible and there may be fewer management checks. In such cases compensating controls are required which is promoted by Internal Audit where deemed appropriate. In some areas additional resources have been provided and key governance roles have also now been in place for some time in areas such as Procurement and Information Governance.	<i>16i. A recurring theme across some service areas is resourcing constraints often combined with weak resilience arrangements. These are often highlighted as reasons for controls and governance processes being compromised within functions/corporate systems and processes. Associated with this is a lower level of assurance and therefore MAT need to keep this area under review.</i> <i>16ii. Effective reconciliation exercises between key financial systems represent a fundamental financial control and need to be carried out regularly to enable prompt identification and investigation of discrepancies, errors and potential fraud. Adequate staff contingency arrangements need to be built into the process.</i>	Group Heads/ MAT/DCX (TC) <b>All Portfolio Holders</b>	Completed/ Ongoing Monitoring	16. i. <b>Completed/Ongoing Monitoring</b> - Additional growth to provide additional resources in HR, Accountancy, Legal and Property was built into the 2018-19 budget and various appointments have since been made. Further growth approved and built into the 2019- 20 Budget for ICT, HR, Environmental Health and Assets. Resilience is being considered as part of the root and branch service reviews. 16ii. <b>Completed/Ongoing Monitoring</b> - Monthly reconciliations are undertaken and additional staff resource has been focused on resolving residual issues. A review of the Accountancy structure is also planned to take place shortly which may help further to assess staff contingency arrangements/requirements.
Page 20		17. In light of the changing political landscape & Brexit, this represents many potential uncertainties of a recruitment, financial, regulatory and supply chain management nature arising from currency devaluation/volatility, trade, investments, relocation of Partners/Suppliers, changing access to EU funds, level of compliance with EU regulations , workers rights (EU Nationals). These could all impact on existing policies, procedures, and processes. <b>ALL PRIORITIES</b>	3	3	3	The Group Head for Commissioning and Transformation is the Corporate lead for Brexit. Summary briefing note issued to MAT/Cabinet/Audit Committee in August 2018 on possible implications of a Brexit "no deal" on the Council .This note highlighted the potential indirect impact in terms of skills shortages with implications for increased costs and timings, particularly in the construction and social care sectors. Brexit Continuity Planning continues to takes place.	<i>17i. MAT to regularly consider potential Brexit uncertainties for Spelthorne and have a plan in place to address.</i> <i>17ii. Group Head Transformation &amp; Commissioning is participating in regular Countywide Brexit Continuity Planning meetings and briefing MAT and Group Heads. Briefing paper on Audit Committee Agenda for 28th March 2019 (NEW)</i>	MAT/ Group Heads <b>All Portfolio Holders</b>	30 June 2019 R * Requires monitoring	17i. <b>Progress underway</b> - MAT and Group Heads are briefed regularly regarding developments. 17ii. <b>Progress underway</b> - There is ofcourse continued uncertainty associated with scenario planning for Brexit. The Group Head for Commissioning and Transformation considers that overall Spelthorne are aware of the risks and trying where possible to address these. A weekly report on preparedness for Brexit is issued to the Local resilience Forum which feeds through to Central Government. Also attending weekly tactical and fortnightly strategic teleconferences with the Local Resilience Forum to ensure contingencies where appropriate in place. Services are updating on any information/impacts relevant to their service via weekly reports back to the LRF and onto central Government. Services are noting potential implications including staffing, environmental health and data protection. The Group Head for Commissioning and Transformation has prepared a summary briefing note to go to MAT/Cabinet/Audit Committee for end of March 19 on possible implications of a Brexit "no deal" on the Council.
		18. If the Council receives a poor return on long term investments and/or investments become insecure in the current climate, then this will have an adverse impact on the Council's financial position. <b>(FINANCIAL SUSTAINABILITY)</b>	2	3	3	Treasury Management Strategy approved annually by Members. Reporting of Treasury Management performance to Members. Aim to select counter parties of the highest credit quality; credit ratings monitored closely and apply criteria recommended by Arlingclose. Council's investments managed internally in consultation with Arlingclose. Roles and responsibilities assigned within Accountancy. Deputy Chief Executive and Portfolio Holder are involved in key decisions. Regular monitoring ,reporting of investment portfolio and returns achieved. CIPFA Code of Practice and Prudential Code being applied with new recommended indicators for measuring investment performance.	NONE	DCX (TC) * Cllr Williams	Ongoing monitoring	18. <b>Completed/Ongoing review.</b> The team continues to explore options for diversifying the portfolio. Approved Capital Strategy (see risk category 15).

PREVIOUS RAG	CURRENT RAG	RISK / IMPACT (WITH REFERENCE TO CORPORATE PRIORITY)	LIKELIHOOD OF RISK	IMPACT OF RISK	LEVEL OF RISK (to evaluate)	CONTROLS	OUTSTANDING ACTIONS	RISK OWNERSHIP	TARGET DATE	PROGRESS /REASONS WHERE NOT IMPLEMENTED
		19. If there is a failure to collect/recover income due, this will result in financial losses to the authority. <b>(FINANCIAL SUSTAINABILITY)</b>	3	3	3	Corporate Debt Group monitor the more material items on the aged debt analysis and also coordinate action to tackle debt that is unlikely to be recovered. The Chief Finance Officer reviews a monthly status report of higher value aged debts over 6 months old for reasonableness. A progress review of audit recommendations is discussed at each Corporate Debt Group meeting (in particular actions relating to the monitoring and recovery of outstanding aged debt and the governance of the recovery process). Recovery policies (may require updating). collection statistics produced and analysed. Budget Monitoring identifies any anticipated shortfall in income. Accountancy report to Management Team and Members on significant variances and comparisons with previous year. Benefit regulations stipulate limitations around overpayment debt recovery. Current debt stands at approx £3m. Internal Audit review of Housing Benefit Overpayments completed March 2019 and recommendations agreed by management (see risk category 19).	19i. <i>The corporate debt recovery policy is being reviewed</i> 19ii. <i>In order to improve efficiency, there is scope for Customer Services to take greater control over the persual of all sundry debts.</i> 19iii. <i>The Corporate Debt Group monitor developments in recovering CIL with particular focus on larger sums due.</i> 19iv. <i>Further to the recent audit review of Housing Benefit Overpayments, increased reporting (management information and breakdowns) will help to enhance visibility in terms of debt monitoring of this area. This will be pursued in collaboration with the Corporate Debt Group.(NEW)</i> 19v. <i>Development of systems to assist in monitoring of Bed and Breakfast debt in terms of enhancing efficiency and avoiding duplication is ongoing ( NEW)</i>	MAT/ DCX, TC/AGH CR/ Group Heads Cllr Williams	30 June 2019 * R Requires Monitoring	19i. <b>Progress underway</b> - Internal Audit have provided constructive advice and guidance regarding policy review of this area (February 2019) for consideration by the lead officer with subsequent reporting to the Corporate Debt Group. It is intended that the Policy will be fully refreshed and reviewed at the next Corporate Debt Group meeting 12.3.19. 19ii. <b>Progress underway</b> - Considerable amount of analysis has been undertaken to identify and address historic debts which are not cost effective to pursue or with low probability of recovery, and therefore require write off. Customer Services have been liaising with services to agree write offs. The progress of Customer Services lead in the persual of debts is reviewed at Corporate Debt Group. If the preferred direction is for Customer Services to take a greater lead role in the persual of all sundry debts (i.e. reducing the frequency by which cases are passed back to Services to make decisions), then this will need to be reflected in any revised corporate debt policy (see action 19i). 19iii. <b>Implemented/ongoing</b> . Some good results have been achieved in enforcing collection of CIL and a Root and Branch review of CIL income is also underway.
Page 21		20. If there is an increased risk of fraud / theft due to, this will resulting in financial losses and reputational damage. Housing tenancy fraud reduces availability of social housing impacting on the Housing register. Business Rates Avoidance and Evasion results in loss of income. <b>(FINANCIAL SUSTAINABILITY &amp; HOUSING)</b>	3	3	3	Various corporate Policies including Confidential Reporting Code (Whistle blowing), Anti-fraud, Bribery and Corruption Strategy, Proceeds of Crime and Anti-Money Laundering, Code of Conduct, Financial Regulations and Contract Standing Orders. Management checks, segregation of duties, reconciliation processes for financial systems and IT Security measures. Specialist Fraud groups with Surrey Partners enable sharing of skills, knowledge and approaches. Fraud alerts circulated. Enhanced verification checks for new housing claims. Non-benefit fraud returns are collated quarterly, focusing on housing, council tax support, and business rates (evasion and avoidance). These are reported to the Surrey Counter Fraud Board. Collaborative working with Reigate and Banstead's Counter Fraud team has continued to produce positive outcomes and impressive financial returns/payback. Wider benefits are also being realised from this counter fraud work and a further growth bid has been secured (February 2019) for these counter fraud measures to continue. Overview and Scrutiny Committee report of January 2018 highlighted measures being taken by Spelthorne to address business rates tax avoidance and evasion, along with further initiatives to explore.	20i. <i>To arrange refresher Counter Fraud, anti-bribery and corruption training for all staff and Members.</i> 20ii. <i>To undertake a risk assessment for money laundering to ensure compliance with regulations.</i>	Group Heads/ MAT/IAM/ Head of CG Cllr Williams & Cllr Francis	30 June 2019 * R Requires Monitoring	At 31.12.18 the cumulative return for Spelthorne (since the start of the Surrey Fraud Partnership in January 2015) equates to £2.46 m in terms of savings to the public purse, with estimated cashable savings for Spelthorne of £481k. 20i. <b>Progress underway</b> . The Internal Audit Manager has outlined suggested requirements for inclusion in proposed Counter Fraud, anti-bribery and corruption training for staff and Members. Further discussions are being held to take this further forward. Trainers are being explored to offer refresher awareness training . 20ii. <b>At March 2019 - No further updates have been received for this area.</b>

**\*KEY TO RAG RATING**

Completed/Ongoing Monitoring

Note that previous RAG ratings are included to illustrate the Direction of Travel for recommended actions

**\*KEY TO TARGET DATES****\* N = New Action****\*R = Revised target date for assigned action****\*O = Original target date for assigned action****\*KEY TO OFFICERS**MAT - Management Team  
CX, - Daniel MouawadHead of CG – Head of Corporate Governance, Michael Graham  
Deputy Head of ICT – Alistair Corkish  
DCX (TC) – Terry CollierGH R & G - Group Head - Regeneration and Growth, Heather Morgan  
IGO - Information Governance Officer, Clare Williams  
HRM – Human Resources Manager, Debbie O'Sullivan

PREVIOUS RAG	CURRENT RAG	RISK / IMPACT (WITH REFERENCE TO CORPORATE PRIORITY)	LIKELIHOOD OF RISK	IMPACT OF RISK	LEVEL OF RISK (to evaluate)	CONTROLS	OUTSTANDING ACTIONS	RISK OWNERSHIP	TARGET DATE	PROGRESS /REASONS WHERE NOT IMPLEMENTED
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HSIRM - Health and Safety, Insurance and Risk Manager – Stuart Mann  
GH C & T - Group Head - Commissioning and Transformation, Sandy Muirhead  
GH - NS - Group Head - Neighbourhood Services- Jackie Taylor  
DCX (LO) – Lee O'Neil  
SEHM - Senior Environmental Health Manager, Tracey Wilmott-French  
PS - Principal Solicitor, Victoria Statham  
AGH CR - Acting Group Head for Customer Relations, Roy Tilbury

CM- Contract Managers  
Joint Group Heads of CW – Joint Group Heads for Community Wellbeing, Deborah Ashman and Karen Sinclair  
LSM - Leisure Services Manager, Lisa Stonehouse  
RRO – Risk and Resilience Officer, Nick Moon  
EDM – Economic Development Manager, Keith McGroarty  
IAM - Internal Audit Manager, Punita Talwar

**PORTFOLIO HOLDERS - recorded under risk ownership column**

**RECOMMENDATION FROM THE AUDIT COMMITTEE  
ANTI- FRAUD, BRIBERY AND CORRUPTION STRATEGY**

**Cabinet: 24 April 2019  
Report of the Audit Committee**

- 1.1 The Audit Committee is required to review the Council's Anti-Fraud, Bribery and Corruption Strategy annually and to make any recommendations for change to the Cabinet. The Strategy forms part of the Council's Constitution and is in line with best practice. The Strategy continues to underpin the Council's commitment to prevent all forms of fraud, bribery and corruption, demonstrating the important role it plays in the overall corporate governance framework.
- 1.2 The Audit Committee reviewed the Anti-Fraud, Bribery and Corruption Strategy (attached as Appendix 1) at its meeting on 29 March 2019 and noted and accepted the contents. Any additional text has been highlighted in yellow and also the change of name of any other party referenced in the strategy.

**Audit Committee Recommendation**

The Audit Committee recommends to the Cabinet:

That the Anti-Fraud, Bribery and Corruption Strategy, as submitted, is recommended to Council for approval.

**Contact: Punita Talwar, Internal Audit Manager**

**Cabinet member: Councillor Howard Williams**

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## APPENDIX 1 - ANTI FRAUD, BRIBERY AND CORRUPTION STRATEGY

### Introduction

1. This strategy is applicable to Members and staff. The Borough of Spelthorne is committed to providing a high standard of service and accountability. An important aspect of this is a strategy which protects against fraud, bribery and corruption within the Council itself and from external sources.

In this context

Fraud means - the illicit gaining of cash or other benefit by deception;

Corruption means - the dishonest influencing of actions and decisions.

Bribery means – the offering, giving or soliciting of an inducement or reward which may influence a person to perform a function or activity improperly.

2. The Council recognises that it is already subject to a high degree of external scrutiny of its affairs by a variety of parties. This includes the general public, Council Tax / Business Rates payers, service users, The European Institute for combatting corruption and fraud (TEICCAF), the Local Government Ombudsman, Central Government, in particular, HM Revenue and Customs, the **Ministry of Housing, Communities and Local Government** and the Department for Work and Pensions.
3. It also has external auditors who advise whether the Council has in place adequate arrangements for the prevention and detection of fraud, bribery and corruption.
4. While this external scrutiny assists in protecting against fraud, bribery and corruption the Council believes a clear statement of its own strategy is needed.
5. The key elements of the Council's strategy to combat fraud, bribery and corruption are:
  - An open and honest culture
  - Adequate preventative measures
  - Systems for detection and investigation
  - Understanding and awareness within the Council and the adoption of a "whistleblowing" policy

### Culture

6. The Council expects Members and staff at all levels to behave with integrity and propriety and to act within the law and the regulations, procedures and

practices laid down in relation to the conduct of the Council's business. The Council believes this is achieved best through the promotion of an atmosphere of honesty and openness.

7. The Council encourages Members and staff to raise any concerns they have about fraud, bribery and corruption immediately as they occur. It will treat all concerns raised, seriously and in confidence.
8. The Council has three senior officers who have particular responsibility for regulating the conduct of the Council and its activities. These are:

Chief Finance Officer (currently Terry Collier)	Responsible for the financial management, audit and financial probity of the Council and also for its proper personnel policies and practices.
Monitoring Officer (currently Michael Graham)	Responsible for the legal probity and avoidance of maladministration or injustice by the Council.
Chief Executive (currently Daniel Mouawad)	Responsible as Head of Paid Service for the overall management and direction of the Council and for ensuring adequate staff resources for services.

9. In addition each Group Head and senior manager have responsibility for the proper organisation and conduct of their service area. It is important that Managers and officers at all levels do not become complacent about the risk of fraud as this may have an impact in terms of the robustness of controls applied in practice. Please refer to the section on systems below.
10. Concerns should be raised with any of the above officers under section 8 or with the Council's Internal Audit Manager (Punita Talwar).
11. More detailed guidance and advice on how to raise any concerns is contained in the Council's Confidential Reporting Code (whistleblowing policy).
12. If anyone feels they are unable to raise their concerns through any of the above routes they may contact 'Protect' ((0203 1172520 – advice line), a registered charity whose services are free and strictly confidential.

### **Prevention**

13. The adoption of proper and adequate measures to prevent fraud, bribery and corruption is the responsibility of Members, Chief Executive, Deputy Chief Executives, Group Heads and other managers. Preventative measures can be classified under two broad headings - Codes/Procedures and Systems.

## **1. Codes/Procedures**

All Members and staff need to be aware of, and have ready access to, the Council's agreed policies and procedures eg. Financial Regulations, Standing Orders, Codes of Conduct, Code of Corporate Governance and any relevant practice and procedure documents. A planned review of the Council's Constitution is scheduled for 2019, being led by the Head of Corporate Governance. The Governance Framework has been developed and enhanced to reflect the increasing commercial asset acquisitions and investments.

In particular staff must observe the Council's Code of Conduct for Staff (a copy of which is made available to all staff) and any relevant professional codes.

References will be taken up for all permanent and temporary staff to verify their suitability, honesty and integrity.

Members will in particular observe the Spelthorne code of conduct adopted on the 27 June 2012 and subsequently revised on 25 June 2013 any other local Spelthorne code. The Members Code of conduct is kept under review by the Members Code of Conduct Committee. Members will be supplied with a copy of any relevant code, policy and procedure and advised of their responsibilities.

Spelthorne have signed up to a Benchmark package with 'Protect' (December 2018) to assess the effectiveness of its whistleblowing arrangements against best practice. This is being led by the Head of Corporate Governance.

## **2. Systems**

The Council has and will maintain in place systems and procedures which incorporate internal controls, including adequate separation of duties to ensure that, as far as possible, errors, fraud, bribery and corruption are prevented.

The Chief Finance Officer has a statutory responsibility under Section 151 of the Local Government Act 1972 to ensure the proper administration of the Council's financial affairs. Financial procedures detail key financial systems and provide guidance which underpins the Council's Financial Regulations.

Chief Executive, Deputy Chief Executives, Group Heads and managers are responsible for ensuring that appropriate internal controls are properly maintained to minimise the risk of errors, fraud, bribery and corruption.

A detailed analysis of the risks associated with any service should be carried out by managers (with assistance from Audit Services as necessary) to ensure that fraud, bribery and corruption is minimised.

### **Detection and investigation**

14. Concerns should be reported to one of the individuals referred to in paragraphs 8 and 10 above or in accordance with the Council's whistleblowing policy.

A detailed investigation of any concerns raised will be undertaken with the assistance of the Council's Internal Audit Service. The Head of Corporate Governance holds responsibility for responding to allegations of bribery and corruption. The Council will deal with any instances of fraud, bribery or corruption swiftly. Disciplinary action will be taken if appropriate after the police have been informed/involved, and the relevant Cabinet Member informed where necessary. Where the Council has adopted a prosecution policy for any business area (eg Housing Benefit Fraud or Housing register) this will be followed. Any lessons learnt from Investigations undertaken relating to systematic weaknesses will be highlighted and should feed back into improving fraud prevention/detection measures.

In the event that fraud is suspected on the part of contractors' employees or internally, by staff involved in agency or contract work on behalf of other bodies, procedures and responsibilities for reporting and initial investigation are the same as for staff. The Council will inform and involve employing contractors or agencies when appropriate.

Counter Fraud measures - Given the significance of corporate fraud in national and local statistics and the cost to the taxpayer, the Council recognises the continued importance of collaborative working arrangements with other Councils/Partners to help deter, detect and investigate fraud, providing access to specialist skills and greater capacity to investigate fraud. The strategy to target areas which are likely to generate greater financial payback (Business Rates and Housing ) will continue and is led by the Internal Audit Manager. Such initiatives have demonstrated positive financial fraud returns for Spelthorne (notional and cashable savings) in the areas of Housing, Business Rates and Council Tax and continue to do so. These savings could be enhanced further through the use of Financial Investigator Resource to recover losses/assets (where appropriate). Counter fraud measures also contribute to the delivery of wider social benefits, enabling more social housing to be available to those people who are genuinely in need of a home, leading to a reduction in housing applicant waiting times, reduced temporary accommodation costs and ultimately the need for fewer houses to be built. Positive results are publicised periodically to serve as a deterrent.

External groups are attended with Surrey Partners including the Surrey Counter Fraud Board (SCFB). This enables the sharing of best practice and approaches in tackling public fraud, and provides opportunities to pursue joint counter fraud initiatives such as data matching. The importance of engaging with members of the public to join the fight against fraud is recognised. Spelthorne's fraud returns are collated quarterly and reported to the Surrey Counter Fraud Board, which enables some benchmarking and comparison across Surrey Partners.

**Awareness** The Council recognises the continuing effectiveness of the Anti Fraud, Bribery and Corruption Strategy depends largely on the awareness and

responsiveness of Members and staff. It is essential that both Members and staff are made aware of the strategy when they join the Council and receive a copy for inclusion in their personal records and, in addition, have ready access to all other relevant documents, policies and procedures which regulate the Council's activities. Action will be taken on a regular basis to remind both Members and staff of the importance the Council places on preventing fraud and corruption **and investigating irregularities**. Effective methods for mandatory training and raising awareness including face to face and online shall be periodically explored **and delivered**.

In accordance with the Government's Serious and Organised Crime Strategy, local Police representatives have provided two awareness raising sessions for staff and Members during 2018 to identify areas where Spelthorne is at most risk of being targeted by serious and organised crime and highlight known vulnerabilities. During these sessions the importance of sharing intelligence with Law Enforcement Partners has been encouraged. Organised crime includes drug trafficking, human trafficking, child sexual exploitation, high value fraud and cyber-crime. Further consultation with the local police is ongoing and red flags /known risks will continue to be highlighted. Group Heads and Managers are responsible for assessing governance arrangements in place to combat risks in this area for their respective functions.

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