

Public Document Pack

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A meeting of **Corporate Governance & Audit Committee** will be held in Committee Room 2 - East Pallant House on **Tuesday 16 October 2018 at 9.30 am**

MEMBERS: Mrs P Tull (Chairman), Mrs P Plant (Vice-Chairman), Mr J Brown, Mrs N Graves, Mrs P Hardwick, Mr F Hobbs, Mr S Lloyd-Williams, Mr K Martin, Mr S Morley and Mr P Wilding

AGENDA

- 1 **Chairman's Announcements**
Any apologies for absence will be noted at this point.
- 2 **Approval of Minutes** (Pages 1 - 10)
To approve the minutes of the Corporate Governance and Audit Committee meeting held on 26 July 2018.
- 3 **Urgent items**
The Chairman will announce any urgent items that due to special circumstances are to be dealt with under the agenda item below referring to late items.
- 4 **Declarations of Interest**
Members and officers are reminded to make any declarations of disclosable pecuniary, personal and/or prejudicial interests they may have in respect of matters on the agenda for this meeting.
- 5 **Public Question Time**
The procedure for submitting public questions in writing by no later than 12:00 on the day before the meeting is available on request from Democratic Services (the contact details for which appear on the front page of this agenda).
- 6 **Annual Audit Letter 2017-18** (Pages 11 - 33)
The Committee is requested to consider and note the key issues arising from the work of the council's external auditors on the 2017-18 Accounts in the Annual Audit Letter from Ernst & Young LLP.
- 7 **Corporate Health & Safety and Business Continuity Management** (Pages 35 - 40)
That the Committee is requested to consider and note the council's arrangements in place for monitoring and controlling the risks associated with health and safety and business continuity matters.

8 **Financial Strategy and Plan 2019-20** (Pages 41 - 52)

The Committee is requested to consider and recommend to Cabinet:

- The updated key financial principles in Appendix 1, which underpin the council's aim to set balanced budgets without the use of reserves, except where necessary in the short term
- In the short to medium term that the council maintains a minimum level of reserves of £6.3m for general purposes

9 **S106 Annual Exceptions Report** (Pages 53 - 60)

The Committee is requested to note the contents of this report concerning section 106 agreements nearing their expenditure date (as set out in Appendix 1) and to raise any concerns.

10 **Complaints, Freedom of Information Requests and Data Protection Analysis - 2017/18** (Pages 61 - 97)

The Committee is requested to consider:

- The revised complaints scheme - Appendix 1
- A policy for the management of unreasonable complainant behaviour to support the revised complaints scheme and to follow best practice as per Local Government Ombudsman – Appendix 2
- Making recommendations as to future monitoring arrangements to identify improvement where appropriate
- A call recording policy to support the complaints scheme and to comply with the GDPR – Appendix 3

11 **Progress Report - Audit Plan** (Pages 99 - 141)

The Committee is requested to consider the Audit Reports, Follow Ups and Position Statement and to note progress against the audit plan.

12 **Exclusion of the Press and Public**

The Committee is asked to consider in respect of the following item(s) whether the public, including the press, should be excluded from the meeting on the grounds of exemption under Parts I to 7 of Schedule 12A of the Local Government Act 1972, as indicated against the item and because, in all the circumstances of the case, the public interest in maintaining the exemption of that information outweighs the public interest in disclosing the information. **The report dealt with under this part of the agenda is attached for members of the Corporate Governance & Audit Committee and senior officers only (salmon paper).**

13 **Strategic Risk Update** (Pages 143 - 179)

The Committee is requested to note:

- The current strategic risk register and the internal controls in place, plus any associated action plans to manage those risks, and raises any issues or concerns
- Both the high scoring programme board and organisational risks, and the mitigation actions in place, and raises any issues or concerns

14 **Late items**

The Committee will consider any late items as follows:

- a) Items added to the agenda papers and made available for public inspection
- b) Items that the chairman has agreed should be taken as a matter of urgency by reason of special circumstances to be reported at the meeting

NOTES

1. The press and public may be excluded from the meeting during any item of business where it is likely that there would be disclosure of “exempt information” as defined in section 100A of and Schedule 12A to the Local Government Act 1972.
2. Restrictions have been introduced on the distribution of paper copies of supplementary information circulated separately from the agenda as follows:
 - a) Members of the Corporate Governance & Audit Committee, the Cabinet and Senior Officers receive paper copies of the supplements (including appendices).
 - b) The press and public may view this information on the council’s website here [here](#) unless they contain exempt information.
3. The open proceedings of this meeting will be audio recorded and the recording will be retained in accordance with the council’s information and data policies. If a member of the public enters the committee room or makes a representation to the meeting, they will be deemed to have consented to being audio recorded. If members of the public have any queries regarding the audio recording of this meeting, please liaise with the contact for this meeting at the front of this agenda.
4. Subject to the provisions allowing the exclusion of the press and public, the photographing, filming or recording of this meeting from the public seating area is permitted. To assist with the management of the meeting, anyone wishing to do this is asked to inform the chairman of the meeting of their intention before the meeting starts. The use of mobile devices for access to social media is permitted, but these should be switched to silent for the duration of the meeting. Those undertaking such activities must do so discreetly and not disrupt the meeting, for example by oral commentary, excessive noise, distracting movement or flash photography. Filming of children, vulnerable adults or members of the audience who object should be avoided.

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Minutes of the meeting of the **Corporate Governance & Audit Committee** held in Committee Room 2, East Pallant House on Thursday 26 July 2018 at 9.30 am

Members Present: Mrs P Tull (Chairman), Mrs P Plant (Vice-Chairman), Mr J Brown, Mrs P Hardwick, Mr S Lloyd-Williams, Mr K Martin, Mr S Morley and Mr P Wilding

Members not present: Mrs N Graves and Mr F Hobbs

In attendance by invitation: Mr J Jones (Ernst & Young LLP)

Officers present: Mrs H Belenger (Divisional Manager for Financial Services), Mr S James (Principal Auditor), Mrs K Dower (Principal Planning Officer (Infrastructure Planning)), Miss A Loaring (Partnerships Officer) and Mr J Todd (Corporate Fraud Officer)

192 **Chairman's Announcements**

Apologies had been received from Mrs Graves and Mr Hobbs.

193 **Approval of Minutes**

RESOLVED

That the minutes of the meeting held on 29 March 2018 were agreed as a correct record.

Matters arising:

Minute 184 – Audit Committee Briefing – EY, fourth bullet point: The issue of an override would be dealt with later in the meeting.

Minute 186 – 2017-18 Accounting Policies, seventh bullet point: Mrs Belenger advised that the request to reinstate the Council Tax leaflet would be passed on to Mrs Dodsworth, Director Residents Services.

194 **Late Items**

There were no urgent items.

195 **Declarations of Interests**

No declarations of interests were made.

196 **Public Question Time**

No public questions had been received.

197 **Corporate Governance and Audit Committee Work Programme 2018-2019**

The Committee considered the Work Plan for 2018-2019 circulated with the agenda.

The following issues were moved or added to the work programme for 2018-2019:

- Add the Capital Strategy to 10 January 2019 meeting
- Move the Fraud Prevention report from 28 March 2019 to the July meeting
- Add Treasury Management Strategy 2019-2020 to January 2019 meeting

RESOLVED

That the Committee's work programme for 2018-2019 be approved.

198 **Audit Fees 2018-2019**

Mr Jones from Ernst & Young LLP (EY) gave an oral report. He referred to the Public Sector Audit Appointments Limited (PSAAL) contract for the certification of housing benefit subsidy claims for which EY had provided a quote for 2018-2019.

Mrs Belenger confirmed that the Council had secured EY to undertake the certification of housing benefit subsidy claims for 2018-2019. The PSAAL new contract for the audit of the Council's final accounts for 2018-2019 was £37,799, which was a reduction in EY's previous fee.

Mr Jones confirmed that EY would prepare an engagement letter setting out their terms, scope and fee.

The Committee requested that in future the fees should be provided in writing as part of the agenda.

RESOLVED

That the Ernst and Young LLP Audit and Certification Fees 2018-2019 be noted.

199 **Chichester District Council Audit Results Report for the Year Ended 31 March 2018**

The Committee considered this report circulated with the agenda.

Mr Jones of Ernst & Young LLP (EY) outlined the report and took members through the main sections of the Audit Results report for the year ended 31 March 2018.

With regard to the status of the audit, all sections in the first bullet point on page 18 had now been completed. The remaining bullet points would be completed at the end of the audit process. There remained one unadjusted error under Audit Differences on page 18 relating to the business rates appeal provision for the new

rating listing issued by the Valuation Office that the Council was required to assess the number of expected appeals. However due to the lack of data assumptions must be made, as this was a new list, the Council and EY had undertaken their own assessments which resulted in a difference of £375,000. The Council, due to it being an estimate and not material, had chosen not to adjust their figure. He reported a further adjustment to the accounts of £5.7m to the Council's assets, which took into account the increase in the value of the Council's car parks based on an income approach.

With regard to training material for guiding Corporate Governance and Audit Committees, the Chairman advised that EY intended to provide guidance for members of the Committee to encourage members to challenge the accounts more than some currently did. Mrs Belenger advised that following the District Council elections next year it was intended that the 2019 Member Induction would ensure that the Committee was fully aware of its responsibilities. Mrs Belenger undertook to see if the CIPFA documentation 'Audit Committees, Practical Guidance for Local Authorities and Police 2018' was available for circulating to the Committee.

In response to a question Mr Jones confirmed that a Council has to set a minimum level of reserves but there was no maximum.

Mrs Belenger confirmed that it was for each Council to decide their reserves based on their individual circumstances. This Council's reserves were quite high due to how the Council was treating the New Homes Bonus which the Council had presently decided not to use.

Mr Jones undertook to define the term REFCUS (revenue expenditure funded from capital under statute) PPE (property plant and equipment) in the report.

RESOLVED

That the Annual Results Report for the year ended 31 March 2018 be noted.

200 Statement of Accounts for 2017-2018

The Committee considered this report circulated with the agenda. A revised appendix 2 (Statement of Accounts for 2017-2018) to replace the version circulated with the second agenda supplement was tabled at the meeting.

Mr Catlow presented the report. Mr Cooper was also in attendance.

Mr Catlow outlined the Statement of Accounts for 2017-2018. He referred to the new requirement, from this year, for the completion of the statement of accounts as at 31 May 2018 instead of as at 31 June 2018, which had resulted in their preparation being challenging for officers. The preparation of the statement of accounts had been a collaborative effort with the Council's other services now required to submit their accounts information earlier to meet the new deadline, by the use of service divisional champions. Following the approval of new accounting policies by the Committee as its last meeting, the number of pages produced for the Statement of Accounts had been reduced in order to focus on the important

information and to make it more readable. There had been no unexpected changes in terms of service revenue.

Mr Catlow drew attention to the Balance Sheet. The increase in the amount owed by short term debtors and advised that £600,000 related to an increase in monies owed to the Council from sundry trade debtors and housing benefit overpayments, which officers were aware and internal discussions were ongoing. The amount of money received from CIL was £800,000 and reflected the increase in the number of receipts. The increase in short term creditors related to the increase in short term which had mostly resulted from the operation of the business rates retention system.

A significant change this year related to Community Services as a result of the outsourcing of leisure. Mr Cooper, in response to a member comment made about the £1m difference for Residents Service, added that this had resulted from the housing benefit subsidy claim form adjustments following an audit of the claim forms.

Officers responded to members' questions as follows:

- Human Resources undertook reports on staff numbers, which were in the public domain a part of the transparency agenda.
- A no deal Brexit was not currently part of the business continuity risk as this concerned the Council's own ability to provide its services. The Risk Register was reviewed quarterly by the Strategic Management Team and reported to members twice a year.
- The Council had already taken on board the impact of IFRS 9 and had assessed it against the investments the Council currently had. Comprehensive Income Statement. At 31 March 2018 whatever was left on the Financial Statement Reserve was transferred into the Revenue Account and an adjustment made in subsequent years.
- Mrs Belenger undertook to include a footnote in the report stating that Council Tax figure of £11m related to both the District Council's and parish councils' share.
- It was agreed that the broad spectrum of the number of Council employees, their roles and their costs would in future be added to the narrative.
- Members were provided with an explanation with regard to the decrease in staffing costs and advised that it was for service managers and directors to ensure that they provided the service required for the community.
- With regard to Ernest Young's Chichester District Council Audit Results Report (Agenda item 8):
 - Management Representation Letter - Page 59: Mrs Belenger explained the proposed changes made by officers to the letter that took into account the Council's individual circumstances and the £382,000 not adjusted for Paragraph 5 was amended to read "...because in our view the estimate provided by the Council was formulated using an appropriate methodology and the adjustments suggested by the Auditor would not be material to the Statement of Accounts."
 - Comparative Information - Page 60: Attention was drawn to the amended sentence to read "...to reflect the Councils revised Cabinet member portfolio responsibilities in the current year's financial statements."

RESOLVED

That the audited Statement of Accounts shown in revised appendix 2 for the financial year ended 31 March 2018, note the outturn position and authorise the Letter of Representation to be given to the Council's External Auditor be approved.

201 Section 106 and CIL Annual Monitoring Report

The Committee considered the full Section 106 and Community Infrastructure Levy (CIL) annual monitoring report published in December each year circulated with the agenda.

Mrs Dower and Mr Davies were in attendance for this item.

Mrs Dower introduced this report and advised that officers from West Sussex Council and the South Downs National Park Authority who had been invited to attend the meeting had sent their apologies. Any questions raised by the Committee directed to these officers would be forwarded on for comment.

The Committee would receive a S106 report in October specifically on those agreements approaching or past their target spend date. This is to ensure that funds received were spent in accordance with the agreement and time limits for spending, so that they did not have to be handed back to the developer. There is no expenditure deadline on CIL receipts.

During the discussion comments were made by members and answers provided by officers as follows:

- Members received a report, sent electronically, each March and September reflecting progress of S106 agreements in their ward.
- Officers were asked if they had any concerns that any of the agreements were not making progress or might not meet their target date. Mr Davies confirmed that the spending officers were actively monitoring the monies to ensure they were spent before expiry. That most of the information in this report is as at 31 March 2018 further updates from the spending officers would be included in the September reports to members.
- Mr Davies explained that appendix 1 the unspent contributions coming up to their expiry date was a quarterly report considered by the Senior Management Team who engaged with divisional managers to ensure any issues were followed up with the spending officers. In addition there is an e quarterly officer liaison group meeting where progress is discussed, to focus on those projects nearing their target date.
- An explanation was given concerning the amount of CIL contribution received in relation to expenditure, to date. The CIL spending plan is a five-year rolling programme introduced on 1 February 2016. The apparent spending delay is to allow sufficient funds to accrue to pay for more expensive infrastructure projects in the spending plan With regard to the A27 contributions, a new Transport assessment was currently being undertaken to support the Local Plan review and officers would be engaging with Highways England in due course..

- The CIL charging schedule would be reviewed as part of the Council's Local Plan Review. The South Downs National Park, has its own CIL in place, and their charges are higher because land and property values in the Chichester part of the National Park are higher than the rest of the district. With regard to Wakeford's Field and concern that the community provision may be lost, Mr Davies undertook to speak to Mrs Golding, Principal Solicitor, and Mrs Archer, Enforcement Manager, to get a progress update, as they were liaising with the administrator following the financial failure of the developer.
- Approved schemes were listed in the capital programme. It was agreed that a link should be provided in the report to provide a cross reference to the CIL Spending Plan to assist the reader.
- A parish council could change their projects at any time but they must advise the Council to ensure the new proposals meet the CIL spend regulations for parishes.
- Mr Oakley was invited to address the Committee and was provided with answers concerning the vulnerability of projects due to the possibility of having to hand back Section 106 monies, an update on the CIL trajectory in the IBP and renegotiations on existing Section 106 agreements. With regard to the former Shiphams Factory site Section 106 contributions and the decision made by Cabinet concerning the Priory Park Masterplan, Mr Davies undertook to ask the spending officer for an update on the total contributions of £40,291.61 remaining.

RESOLVED

- 1) That the income and expenditure between 1 April 2017 and 31 March 2018 in respect of S106 contributions from CIL be noted;
- 2) That the information on S106 agreements within two years of the expenditure target date as set out in appendix 1 be noted;
- 3) That the details of non-fictional S106 obligations set out in appendix 2 be noted; and
- 4) That the monitoring information required by the CIL regulations as set out in appendix 6 be noted.

202 Partnerships Report 2018

The Committee considered this report circulated with the agenda.

Miss Loaring presented the report. She referred to the template that had been updated following the request of the Committee to consider governance arrangements and the exposure of the partnership to risks and their mitigation and also the updated guidance. Not all risk assessments had been completed by the partnerships and some had not got an exit strategy.

On page 233, Budget: reduction in future income, Miss Loaring undertook to find out if the result score should be amended from '6' or to a '3'.

With regard to the number of different matrix used, it was suggested that all returns should use the Council's 4x4 risk matrix as this was clearer. Mrs Belenger undertook to liaise with Miss Loaring to require that all returns used this matrix in future.

With regard to the Safety Advisory Group, Mrs Belenger undertook to ask the Communications, Licensing and Events Divisional Manager about the representation on SAG.

The absence of the identification of partners for each of the partnerships was referred to. Miss Loaring advised that this could be reinstated and undertook to change the guidance to add a request for each of the partnerships membership list and then add to the report a general summary for each. Each of the partnerships targets were measured from their business plans and considered by the Overview and Scrutiny Committee. With regard to the Solent Recreation Mitigation Partnership, Mrs Belenger advised that the Planning Policy Manager would need to set out how they address the gap. Miss Loaring added that the Partnership may need to review it as no independent review had been done.

The Chairman commented on the improved layout.

RESOLVED

- 1) That the Annual Partnerships report is noted;
- 2) That it is recommended that the partnerships annual report is an appropriate mechanism for ensuring our strategic partnerships have appropriate governance measures in place and should continue reporting to Corporate Governance and Audit Committee on an annual basis and that the specific issues raised by the Committee are pursued by officers separately;
- 3) That the updated Partnerships Guidance 2018 be approved by the Committee; and
- 4) That officers involved with the partnerships complete/update risk assessments looking at financial/reputational and exit strategy risks.

203 2017-2018 Annual Governance Statement and Corporate Governance Report

The Committee considered this report circulated with the agenda.

Mr James outlined this report.

The Committee made the following comments and received answers to questions as follows:

- Section D: Concern was raised about the lack of interventions included in this section. Mrs Belenger advised that reference to the Programme Boards, SLT meetings and Pentana should be included. She undertook to include reference to these interventions in the 2017-2018 Annual Governance Statement in consultation with the Chairman, the Cabinet Member for Corporate Services and the Chief Executive.
- Section F: Concern was raised that there was not enough reference to the actual scrutiny processes. Mrs Belenger undertook to provide the necessary information in future statements.
- Section G: Line 8 - Delete the sentence 'During 2018/2019 the Council will...'

RESOLVED

That the draft Annual Report on Corporate Governance at appendix 1 subject to the amendments requested which the Committee gives delegated authority to the Chairman to sign on behalf of the Committee, the Annual Governance Statement 2017-2018 (appendix 2), and Internal Audit and Corporate Counter Fraud Annual Report 2017-2018 (appendix 3), and to recommend these to the Council for approval.

204 **Fraud Prevention Report 2017-2018**

The Committee considered this report circulated with the agenda.

Mr Todd outlined this report, which demonstrated the work undertaken by the Fraud Team.

The Committee made the following comments and received answers to their questions as follows:

- A question was asked as to whether or not the Council's Whistle Blowing Policy was working. Mrs Belenger advised that the Policy was published on the website to make public were made aware of it.
- Mrs Belenger advised that if any additional resources to support the Fraud Team work would require the business case to be assessed. The overtime carried out by the assistant fraud post was currently being funded by an approved carry forward arising from staff savings in 2017-18 for the Audit Team.
- Mr Todd confirmed that the money owed to the Council through overpayments was clawed back.

The Chairman thanked Mr Todd for his ongoing work.

RESOLVED

- 1) That the Committee is requested to consider this report and the corporate approach to fighting fraud to ensure they fulfil their stewardship role and protect the public purse; and
- 2) The Committee notes that the Council will actively pursue potential frauds identified through ongoing investigations by the Corporate Counter Fraud Team (CCFT).

205 **Public Sector Internal Audit Standard (PSIAS) - Peer Review**

The Committee considered the report circulated with the agenda that provided the Committee with details of the outcome of the external peer review on compliance with the Public Sector Internal Audit Standards (PSIAS).

Mr James introduced this report and explained that the Public Sector Internal Audit Standards required the assessment to be carried out at least every five years. He pointed out that the Council was required to undertake its own internal assessment yearly. This Council was currently undertaking Lewes District Council's peer review.

Mr Davies outlined his findings of this Council's first peer review. He reported that it would not be difficult for the Council to make the necessary changes to become fully compliant.

Mrs Belenger informed the Committee that officers would consider how to make the peer Council's peer review fully compliant.

RESOLVED

That the Chichester District Council peer review be noted.

206 Audit Reports, Progress Report - Audit Plan

The Committee considered the report circulated with the agenda.

Mr James introduced the audit reports on Gifts, Hospitality and Staff Loans, and Key Financial Systems 2017/2018. He referred to the Key Financial Systems 2017/2018 audit and the one High priority action in respect of Housing Benefits concerning accuracy checks, which he advised would be assessed further once the electronic system had been implemented.

Mrs Belenger added that with regard to the certification work, the Housing Benefit Team had been restricted and new procedures had been brought in that should improve accuracy in the future. She confirmed that this year the Council incurred financial penalty as it breached the allowance for errors. However in the previous financial year it had worked in the Council's favour and had received an extra £200,000.

With regard to the Audit Plan, Mr James updated the Committee on the Audit Plan progress. With regard to the Debt recovery audit, final tests would not be completed until the following week, as a bug had been found in the system.

RESOLVED

- 1) That the Gifts, Hospitality and Staff Loans, and the Key financial Systems 2017-2018 audits be noted; and
- 2) That progress against the 2018-2019 audit plan be noted.

207 2017-18 Treasury Management Out-turn

The Committee considered this report, which provided details of the Council's Treasury Management Outturn position for 2017-2018 concerning the treasury management activity and performance, circulated with the agenda.

Mr Catlow presented the report. He highlighted the key risks and advised that that the Council's performance was with other councils. He invited the Committee to provide any comments before recommending to Cabinet for approval.

He referred to the current difficult investment environment and the risks in terms of banking. However, with regard to local authority investments these were still classed as low risk. To address this risk Council was continuing to seek

opportunities to invest long term. With regard to the Council's Treasury Management returns they had slowed slightly over the final quarter. The Council had expected the Bank of England's Monetary Policy Committee to increase interest rates in May 2018 but this did not happen. However the next expected date for an increase in interest rates was 2 August 2018. In the meantime officers were keeping the Council's investments to a duration of between 3-6 months and would review its position if interest rates were not increased. With regard to IFRS9, he advised that the Ministry of Housing, Communities and Local Government had today issued a consultation on mitigating the impact of fair value movements on pooled investment funds on local authority budget setting. The consultation appeared to offer a three year strategy override for movements of fair value until 1 April 2021.

Officers answered members questions concerning staffing, the Council's process for deciding which investments to make and the Council's large amount of treasury investments.

RECOMMENDED

That the 2017-2018 Treasury Management outturn Report be recommended to Cabinet.

208 **Appointment to the Strategic Risk Group**

RESOLVED

That Mrs Tull, Mrs Hardwick and Mr Lloyd-Williams be appointed to the Strategic Risk Group for 2018-2019.

The meeting ended at 3.40 pm

CHAIRMAN

Date:

Chichester District Council

Annual Audit Letter for the year
ended 31 March 2018

August 2018

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Agenda Item 6

The EY logo consists of the letters 'EY' in a bold, white, sans-serif font. A yellow triangle is positioned above the 'Y'.

Building a better
working world

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Focused on your future



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Public Sector Audit Appointments Ltd (PSAA) have issued a 'Statement of responsibilities of auditors and audited bodies'. It is available from the Chief Executive of each audited body and via the PSAA website (www.psa.co.uk)

The Statement of responsibilities serves as the formal terms of engagement between appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas.

The 'Terms of Appointment (updated 23 February 2017)' issued by PSAA sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice (the Code) and statute, and covers matters of practice and procedure which are of a recurring nature.

This Annual Audit Letter is prepared in the context of the Statement of responsibilities. It is addressed to the Members of the audited body, and is prepared for their sole use. We, as appointed auditor, take no responsibility to any third party.

Our Complaints Procedure - 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, you may take the issue up with your usual partner or director contact. 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. We can provide further information on how you may contact our professional institute.



01

Executive Summary



Executive Summary

We are required to issue an annual audit letter to Chichester District Council (the Council) following completion of our audit procedures for the year ended 31 March 2018. Below are the results and conclusions on the significant areas of the audit process.

Area of Work	Conclusion
Opinion on the Council's:	Unqualified - the financial statements give a true and fair view of the financial position of the Council as at 31 March 2018 and of its expenditure and income for the year then ended
▶ Financial statements	
▶ Consistency of other information published with the financial statements	Other information published with the financial statements was consistent with the Annual Accounts
Concluding on the Council's arrangements for securing economy, efficiency and effectiveness	We concluded that you have put in place proper arrangements to secure value for money in your use of resources

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Area of Work	Conclusion
Reports by exception:	
▶ Consistency of Annual Governance Statement	The Annual Governance Statement was consistent with our understanding of the Council
▶ Public interest report	We had no matters to report in the public interest.
▶ Written recommendations to the Council, which should be copied to the Secretary of State	We had no matters to report.
▶ Other actions taken in relation to our responsibilities under the Local Audit and Accountability Act 2014	We had no matters to report.

Area of Work	Conclusion
Reporting to the National Audit Office (NAO) on our review of the Council's Whole of Government Accounts return (WGA).	The Council is below the specified audit threshold of £500mn. Therefore, we did not perform any audit procedures on the consolidation pack.



Executive Summary (cont'd)

As a result of the above we have also:

Area of Work	Conclusion
Issued a report to those charged with governance of the Council communicating significant findings resulting from our audit.	Our Audit Results Report was issued on 18 July 2018
Issued a certificate that we have completed the audit in accordance with the requirements of the Local Audit and Accountability Act 2014 and the National Audit Office's 2015 Code of Audit Practice.	Our certificate was issued on 31 July 2018

In November 2018 we will also issue a report to those charged with governance of the Council summarising the certification work we have undertaken. We would like to take this opportunity to thank the Council's staff for their assistance during the course of our work.

Kevin Suter
Associate Partner
For and on behalf of Ernst & Young LLP

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02

Purpose and Responsibilities

Purpose and Responsibilities

The Purpose of this Letter

The purpose of this annual audit letter is to communicate to Members and external stakeholders, including members of the public, the key issues arising from our work, which we consider should be brought to the attention of the Council.

We have already reported the detailed findings from our audit work in our 2017/18 Audit Results Report to the 26 July 2018 Corporate Governance and Audit Committee, representing those charged with governance. We do not repeat those detailed findings in this letter. The matters reported here are the most significant for the Council.

Responsibilities of the Appointed Auditor

Our 2017/18 audit work has been undertaken in accordance with the Audit Plan that we issued on 13 March 2018 and is conducted in accordance with the National Audit Office's 2015 Code of Audit Practice, International Standards on Auditing (UK and Ireland), and other guidance issued by the National Audit Office.

As auditors we are responsible for:

Expressing an opinion:

- ▶ On the 2017/18 financial statements; and
- ▶ On the consistency of other information published with the financial statements.
- ▶ Forming a conclusion on the arrangements the Council has to secure economy, efficiency and effectiveness in its use of resources.
- ▶ Reporting by exception:
 - ▶ If the annual governance statement is misleading or not consistent with our understanding of the Council;
 - ▶ Any significant matters that are in the public interest;
 - ▶ Any written recommendations to the Council, which should be copied to the Secretary of State; and
 - ▶ If we have discharged our duties and responsibilities as established by the Local Audit and Accountability Act 2014 and Code of Audit Practice.

Alongside our work on the financial statements, we also review and report to the National Audit Office (NAO) on your Whole of Government Accounts return. The Council is below the specified audit threshold of £500mn. Therefore, we did not perform any audit procedures on the return.

Responsibilities of the Council

The Council is responsible for preparing and publishing its statement of accounts accompanied by an Annual Governance Statement (AGS). In the AGS, the Council reports publicly each year on how far it complies with its own code of governance, including how it has monitored and evaluated the effectiveness of its governance arrangements in year, and any changes planned in the coming period.

The Council is also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.



03

Financial Statement Audit

Key Issues

The Council's Statement of Accounts is an important tool for the Council to show how it has used public money and how it can demonstrate its financial management and financial health. We audited the Council's Statement of Accounts in line with the National Audit Office's 2015 Code of Audit Practice, International Standards on Auditing (UK and Ireland), and other guidance issued by the National Audit Office and issued an unqualified audit report on 31 July 2018. Our detailed findings were reported to the July 2018 Corporate Governance and Audit Committee.

The key issues identified as part of our audit were as follows:

Significant Risk	Conclusion
<p>Misstatements due to fraud or error</p> <p>The financial statements as a whole are not free of material misstatements whether caused by fraud or error.</p> <p>As identified in ISA (UK and Ireland) 240, management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records directly or indirectly and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. We identify and respond to this fraud risk on every audit engagement.</p> <p>Our work focused on assessing the potential for management overriding controls through capital expenditure, Revenue Expenditure Funded from Capital under Statute (REFCUS) and the Movement in Reserves Statement. We assessed the potential for material error existed in the classification of REFCUS.</p>	<p>We:</p> <ul style="list-style-type: none"> • Wrote to the s151 officer, Chair of the Corporate Governance and Audit Committee and the Internal Audit and Corporate Fraud Manager in this regard and reviewed their responses; • Documented our understanding of the controls relevant to this significant risk and considered they have been appropriately designed; • Tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in preparing the financial statements; • Amended our sample sizes when testing REFCUS to reflect the existence of this risk. Agreed samples to source documentation to ensure the classification was reasonable; • Reviewed accounting estimates for evidence of management bias; and • Evaluated the business rationale for any significant unusual transactions. <p>We did not identify any material weaknesses in controls or evidence of material management override.</p> <p>We did not identify any issues with the classification of REFCUS.</p> <p>We did not identify any instances of inappropriate judgements being applied.</p> <p>We did not identify any other transactions during our audit which appeared unusual or outside the Council's normal course of business</p>

Financial Statement Audit (cont'd)

The key issues identified as part of our audit were as follows: (cont'd)

Other financial statement risk	Conclusion
<p>Valuation of land and buildings</p> <p>The fair value of Property, Plant and Equipment (PPE) represent significant balances in the Council's accounts and are subject to valuation changes, impairment reviews and depreciation charges. Management is required to make material judgemental inputs and apply estimation techniques to calculate the year-end balances recorded in the balance sheet.</p> <p>We respond to this risk by reviewing and testing material revenue and expenditure streams and revenue cut-off at the year end.</p>	<p>We have reviewed the instructions and data provided to the valuer by the Council. We identified no issues.</p> <p>We have reviewed the classification and valuation methods used and identified an understatement of PPE in relation to the valuation of car parks. The car parks valued in the year had significant upward valuation movements. However, the other car parks owned by the Council were not adequately considered for any material movement in valuation since their last valuation date in previous financial years. An adjustment of £5.2 million was made to the PPE values.</p> <p>We reviewed the relationship of the valuer to the Council and identified no issues.</p> <p>Our review of accounting entries at period end and those journals made in processing valuation adjustments did not reveal any instances of management intention to misreport the financial position.</p>
<p>Pension Asset valuation</p> <p>The Local Authority Accounting Code of Practice and IAS19 require the Council to make extensive disclosures within its financial statements regarding its membership of the Local Government Pension Scheme administered by West Sussex County Council.</p> <p>The Council's pension fund surplus contains material estimations and the Code requires that this asset be disclosed on the Council's balance sheet. At 31 March 2018 this totalled £0.623m.</p> <p>The information disclosed is based on the IAS 19 report issued to the Council by the actuary to the County Council.</p> <p>Accounting for this scheme involves significant estimation and judgement and therefore management engages an actuary to undertake the calculations on their behalf. ISAs (UK and Ireland) 500 and 540 require us to undertake procedures on the use of management experts and the assumptions underlying fair value estimates.</p>	<p>We obtained assurances from the auditors of West Sussex County Council Pension Fund that the information supplied to the actuary in relation to Chichester District Council was accurate and complete.</p> <p>We assessed and were satisfied with the competency and objectivity of the Council's actuaries: Hymans Robertson. We have reviewed the work of the actuaries. We challenged the actuarial valuation and found no indication of management bias in this estimate.</p> <p>Our review of accounting entries at period end and those journals made in processing valuation adjustments did not reveal any instances of management intention to misreport the financial position.</p> <p>Our only finding in this area related to the value of the pension assets. When preparing the actuarial report, the actuary estimates the total net value of the Fund's assets as at 31 March 2018, using data from earlier in the year. The final outturn for the Pension Fund's net assets at year-end differed to the actuary's estimate, which had the effect of understating Chichester District Council's share of those assets by £2.7 million</p> <p>The Council contacted the actuary for an updated IAS 19 report and amended the accounts.</p>

Financial Statement Audit (cont'd)

The key issues identified as part of our audit were as follows: (cont'd)

Other areas of audit focus	Conclusion
<p>NDR Appeals Valuation</p> <p>The Code of Practice on Local Authority Accounting requires the Council to account for NDR income (business rates) on an accruals basis. Therefore, the Council is required to consider a provision for the outcome of any appeals to business rates</p> <p>The Non Domestic Rates Appeals Provision is a material balance in the financial statements which requires a number of assumptions and judgements.</p>	<p>We have reviewed the calculation of the provision for accuracy.</p> <p>We identified an overstatement of the provision. We recalculated the provision based on information provided by management's specialist, and identified a difference of £382k.</p> <p>However, this was not material and so Management chose not to correct the misstatement.</p> <p>We confirmed that the provision considered unlodged appeals.</p> <p>We reviewed the assumptions, methods and models used by management's specialist. We identified no issues.</p> <p>Our post year-end review of appeals settled identified no issues.</p>

Financial Statement Audit (cont'd)

Our application of materiality

When establishing our overall audit strategy, we determined a magnitude of uncorrected misstatements that we judged would be material for the financial statements as a whole.

Item	Thresholds applied
Planning materiality	We determined planning materiality to be £1.508mn (2017: £1.423mn), which is 2% of gross revenue expenditure reported in the draft accounts of £75.388 million. We consider gross revenue expenditure to be one of the principal considerations for stakeholders in assessing the financial performance of the Council.
Reporting threshold	We agreed with the Corporate Governance and Audit Committee that we would report to the Committee all audit differences in excess of £0.075mn (2017: £0.075mn)

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We also identified the following areas where misstatement at a level lower than our overall materiality level might influence the reader. For these areas we developed an audit strategy specific to these areas. The areas identified and audit strategy applied include:

- ▶ Remuneration disclosures including any severance payments, exit packages and termination benefits
- ▶ Related party transactions.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations.

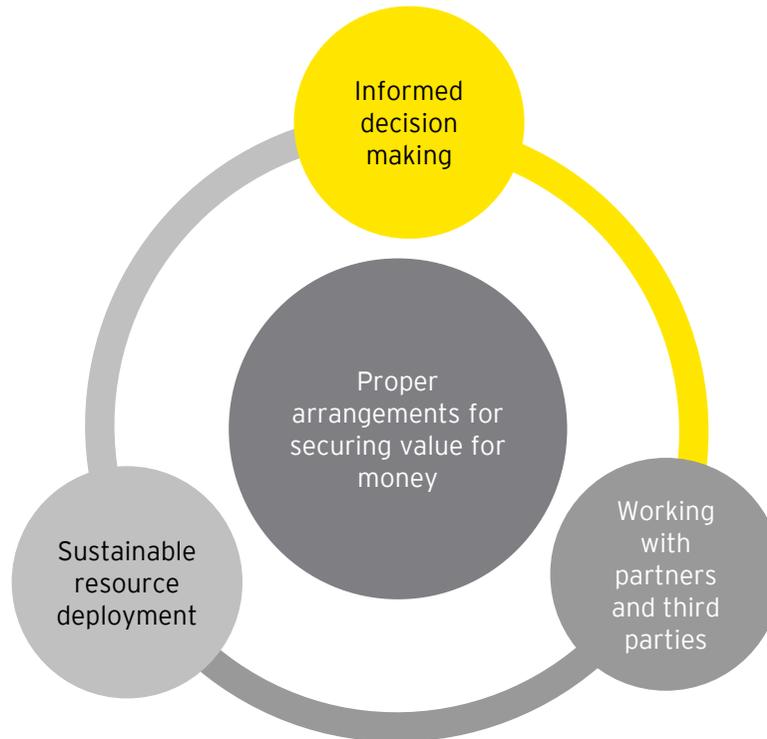


04 Value for Money

We are required to consider whether the Council has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources. This is known as our value for money conclusion.

Proper arrangements are defined by statutory guidance issued by the National Audit Office. They comprise your arrangements to:

- ▶ Take informed decisions;
- ▶ Deploy resources in a sustainable manner; and
- ▶ Work with partners and other third parties.



We did not identify any significant risks in relation to these criteria.

We did not identify any significant weaknesses in the Council's arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people.

We therefore issued an unqualified value for money conclusion on 31 July 2018.



05

Other Reporting Issues



Other Reporting Issues

Whole of Government Accounts

We performed the procedures required by the National Audit Office on the accuracy of the consolidation pack prepared by the Council for Whole of Government Accounts purposes. The Council is below the specified audit threshold of £500mn. Therefore, we did not perform any audit procedures on the consolidation pack.

Annual Governance Statement

We are required to consider the completeness of disclosures in the Council's Annual Governance Statement, identify any inconsistencies with the other information of which we are aware from our work, and consider whether it is misleading.

We completed this work and did not identify any areas of concern

Report in the Public Interest

We have a duty under the Local Audit and Accountability Act 2014 to consider whether, in the public interest, to report on any matter that comes to our attention in the course of the audit in order for it to be considered by the Council or brought to the attention of the public.

We did not identify any issues which required us to issue a report in the public interest.

Written Recommendations

We have a duty under the Local Audit and Accountability Act 2014 to designate any audit recommendation as one that requires the Council to consider it at a public meeting and to decide what action to take in response.

We did not identify any issues which required us to issue a written recommendation.

Objections Received

We did not receive any objections to the 2017/18 financial statements from members of the public.

Other Powers and Duties

We identified no issues during our audit that required us to use our additional powers under the Local Audit and Accountability Act 2014.

Independence

We communicated our assessment of independence in our Audit Results Report to the Corporate Governance and Audit Committee on 26 July 2018. In our professional judgement the firm is independent and the objectivity of the audit engagement partner and audit staff has not been compromised within the meaning regulatory and professional requirements.



Other Reporting Issues (cont'd)

Control Themes and Observations

As part of our work, we obtained an understanding of internal control sufficient to plan our audit and determine the nature, timing and extent of testing performed. We have adopted a fully substantive approach and have therefore not tested the operation of controls. Although our audit was not designed to express an opinion on the effectiveness of internal control we are required to communicate to you significant deficiencies in internal control.

Our audit did not identify any controls issues to bring to the attention of the Corporate Governance and Audit Committee.



06

Focused on your future



Focused on your future

The Code of Practice on Local Authority Accounting in the United Kingdom introduces the application of new accounting standards in future years. The impact on the Council is summarised in the table below.

Standard	Issue	Impact
IFRS 9 Financial Instruments	<p>Applicable for local authority accounts from the 2018/19 financial year and will change:</p> <ul style="list-style-type: none"> ▶ How financial assets are classified and measured; ▶ How the impairment of financial assets are calculated; and ▶ The disclosure requirements for financial assets. <p>There are transitional arrangements within the standard and the 2018/19 Accounting Code of Practice for Local Authorities has now been issued, providing guidance on the application of IFRS 9. In advance of the Guidance Notes being issued, CIPFA have issued some provisional information providing detail on the impact on local authority accounting of IFRS 9, however the key outstanding issue is whether any accounting statutory overrides will be introduced to mitigate any impact.</p>	<p>Although the Code has now been issued, providing guidance on the application of the standard, along with other provisional information issued by CIPFA on the approach to adopting IFRS 9, until the Guidance Notes are issued and any statutory overrides are confirmed there remains some uncertainty. However, what is clear is that the Council will have to:</p> <ul style="list-style-type: none"> ▶ Reclassify existing financial instrument assets ▶ Re-measure and recalculate potential impairments of those assets; and ▶ Prepare additional disclosure notes for material items.
IFRS 15 Revenue from Contracts with Customers	<p>Applicable for local authority accounts from the 2018/19 financial year. This new standard deals with accounting for all contracts with customers except:</p> <ul style="list-style-type: none"> ▶ Leases; ▶ Financial instruments; ▶ Insurance contracts; and ▶ For local authorities; Council Tax and NDR income. <p>The key requirements of the standard cover the identification of performance obligations under customer contracts and the linking of income to the meeting of those performance obligations.</p> <p>Now that the 2018/19 Accounting Code of Practice for Local Authorities has been issued it is becoming clear what the impact on local authority accounting will be. As the vast majority of revenue streams of Local Authorities fall outside the scope of IFRS 15, the impact of this standard is likely to be limited.</p>	<p>As with IFRS 9, some provisional information on the approach to adopting IFRS 15 has been issued by CIPFA in advance of the Guidance Notes. Now that the Code has been issued, initial views have been confirmed; that due to the revenue streams of Local Authorities the impact of this standard is likely to be limited.</p> <p>The standard is far more likely to impact on Local Authority Trading Companies who will have material revenue streams arising from contracts with customers.</p>



Focused on your future (cont'd)

Standard	Issue	Impact
IFRS 16 Leases	<p>It is currently proposed that IFRS 16 will be applicable for local authority accounts from the 2019/20 financial year.</p> <p>Whilst the definition of a lease remains similar to the current leasing standard; IAS 17, for local authorities who lease a large number of assets the new standard will have a significant impact, with nearly all current leases being included on the balance sheet.</p> <p>There are transitional arrangements within the standard and although the 2019/20 Accounting Code of Practice for Local Authorities has yet to be issued, CIPFA have issued some limited provisional information which begins to clarify what the impact on local authority accounting will be. Whether any accounting statutory overrides will be introduced to mitigate any impact remains an outstanding issue.</p>	<p>Until the 2019/20 Accounting Code is issued and any statutory overrides are confirmed there remains some uncertainty in this area.</p> <p>However, what is clear is that the Council will need to undertake a detailed exercise to identify all of its leases and capture the relevant information for them. The Council must therefore ensure that all lease arrangements are fully documented.</p>



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07 Audit Fees

Audit Fees

The table below sets out the scale fee for 2017/18 and our final proposed audit fee.

Description	Final Fee 2017/18 £	Planned Fee 2017/18 £	Scale Fee 2017/18 £	Final Fee 2016/17 £
Total Audit Fee - Code work	TBC*	49,090	49,090	49,090
Total Audit Fee - Certification of claims and returns	TBC**	7,847	7,847	14,031
Total Audit Fee	TBC	56,937	56,937	63,121

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We confirm we have not undertaken any non-audit work outside of the PSAA's requirements.

*We have proposed the final fee includes £1,000 in respect of additional work required to gain assurance over the restatement of gross income and gross expenditure within the various portfolios as a result of the Council's revised portfolio structure. The restatements affected the Comprehensive Income and Expenditure Statement, the Expenditure and Funding Analysis and the related notes. This is yet to be agreed with management or the PSAA.

**Our fees for the work on the Housing Benefit Subsidy claim will be finalised after the completion of the work, due by 30 November 2018.

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Chichester District Council

CORPORATE GOVERNANCE AND AUDIT COMMITTEE

10 September 2018

Corporate Health & Safety and Business Continuity Management

1. Contacts

Report Author:

Warren Townsend, Corporate Health & Safety Manager

Tel: 01243 534605 E-mail: wtownsend@chichester.gov.uk

2. Recommendation

- 2.1 **That the Committee considers and notes the Council's arrangements in place for monitoring and controlling the risks associated with health and safety and business continuity matters.**

3. Background

- 3.1. This report provides an update on the current position of Business Continuity (BC) management arrangements within the council.
- 3.2. This report also covers a brief overview of the Council's performance in relation to the health, safety and welfare of its staff and anybody else affected by its undertaking.

4. Outcomes to be achieved

- 4.1. To ensure that the Council has a robust business continuity management system that is simple to use in the event of a business interruption.
- 4.2. To ensure that the Council is assessing its performance for Health and Safety adequately and concentrating its H&S resources in the correct areas to make improvements.

5. Progress Report for Business Continuity (BC) Management

- 5.1 The Corporate H&S team have undertaken health-checks on BC plans and as part of this exercise have also challenged SLT and Divisional Managers on the mitigation identified in the plans.
- 5.2 First 3-day and over 3-day BC plans and critical staff list are currently stored on the Council's X drive and also on Resilience Direct (Government website for emergency planning - hosted off site).
- 5.3 Cloud storage is currently being considered by the IT service. This would be used to store key documents (that currently have to be stored on the desktop of key personnel's laptops).

5.4 The Council's ability to reinstate IT functions after a major loss has always been the biggest concern. It could take at least 3 months to reinstate some of the Council's critical IT software following a major incident involving the loss of servers, e.g. fire, theft, cyber-attack, etc. There is however a good level of mitigation in place to protect against such activities.

Having the ability to switch over to back-up servers would put the Council in a much stronger position to recover quickly after a major incident. Therefore, a project is currently underway to assess the feasibility and cost of building a purpose-built server room at the depot to either house back-up servers or to become the main server room and East Pallant House (EPH) server room to house the back-up server. This project is due to conclude and present its findings by the end of October.

5.5 A business continuity exercise is currently being planned for the Autumn. This will involve setting SLT a scenario of a business interruption and testing the plans.

6. Health and Safety Management

6.1 Total accidents for each year

Year	No of incidents
2015 - 2016	74
2016 - 2017	101
2017 - 2018	92

The total number of accidents/incidents/near misses in the year 2017-18 have decreased by 9% compared to the previous year.

Service areas are required to record and submit, to the Corporate H&S team, all (including those that are minor) accidents, incidents and near misses. These are all included in the accident statistics in this report. It is important for all accidents, incidents and near misses to be recorded and reported to the Corporate H&S team to enable trends to be identified. This can prevent significant accidents or incidents occurring in the future.

6.2 Total number of RIDDOR incidents for each year

Year	Total RIDDOR	>7 days absent	Public to hospital	Major	Dangerous Occurrence
2015 - 2016	5	4	0	1	0
2016 - 2017	3	3	0	0	0
2017 - 2018	2	2	0	0	0

There were 2 RIDDOR reportable accidents in the 2017-18 period. The manual nature of the work at the depot means that there will inevitably be some injuries, pulled muscles, twisted ankles, etc. that prevent the injured party from being able to return to work within 7 days. We had one operative that slipped on grass and had a suspected

snapped tendon and another who suffered a twisted ankle and damage to his shin when moving a wheeled bin that bounced back on him due uneven ground.

RIDDOR (Reporting of Injuries Diseases and Dangerous Occurrences Regulations) are certain categories of accidents that are reportable to the enforcing Authority - HSE (Health and Safety Executive). These include:

- deaths at work
- major injuries (broken bones etc.)
- over 7-day injuries (injuries that result in the person being unable to return to work within a 7-day period); and
- members of the public being taken from the scene to hospital due to an accident that was potentially caused by poor safety management or a physical defect with a building or equipment.

6.3 Accidents by Type

Accident Type	2015 - 2016	2016 - 2017	2017 - 2018
Exposed to, or in contact with, a harmful substance	0	3	0
Fell from a height	4	2	0
Hit by a moving, flying or falling object	10	6	10
Hit by a moving vehicle	2	0	0
Hit something fixed or stationary	7	14	9
Injured by an animal	1	16	6
Injured while handling, lifting or carrying	13	14	14
Near Miss	14	18	23
Not in connection with work activity	5	4	3
Other kind of accident	1	3	3
Pre-existing medical condition	1	2	0
Slipped, tripped or fell on the same level	10	17	20
Contact with electrical discharge	0	1	0
Contact with sharps*	6	0	0
Contact with moving machinery or material being machined	0	1	4

The number of 'Near miss' incidents increased in the 2017-18 period which is excellent as the Corp. H&S team have continued to encourage service areas to report near misses. Several years ago we received no near miss reports (and this is common within organisations). Near misses allow us to check for trends and to identify areas for audit and inspection or minor intervention to prevent future accidents/incidents.

The number of accident/incidents in the category of 'Injured by an animal' increased significantly in 2016-17 due to the category being used to capture wasp stings to Chichester Contract Services (CCS) staff. There were 3 wasp stings in the 2017-18 period.

'Slips, trips and falls' remains one of the main causes of accidents in workplaces in the UK (according to HSE statistics). We've seen a significant increase in these types of accidents since the 2015-16 period. These are mainly attributable to CCS activities and specifically waste collection. It is to be expected that CCS will suffer a high

number of slips, trips and falls due to the nature of their work, i.e. distance walked by operatives, the terrain, etc. However, this still appears to be linked to the pace of work by operatives and the care given to their work tasks. We have focussed on this in 'Safetywatch'. We have raised pace of work in all of our observations – acknowledging good and bad practice. We will continue to monitor this.

The category 'Hit something fixed or stationary' has returned to a lower number in 2017-18 – again, these have resulted in very minor injuries. These are typically operatives walking into fixed objects like walls, gates, cars etc.

6.4 Accidents by Location

	2015 - 2016	2016 - 2017	2017 - 2018
Location	Total number of incidents	Total number of incidents	Total number of incidents
Car Park	4	5	3
Depot, Yard or Tip	6	6	14
External Building Feature	0	0	2
Foreshores	0	3	1
Internal Building Feature	2	0	1
Kitchen or Welfare Area	1	0	2
Office	3	10	2
Other	2	1	3
Parks & Open Spaces	5	7	5
Reception / Public Area	6	10	5
Third Party Premises	5	5	3
Vehicle, Roadside or Round	40	53	48
Workshop	0	1	3
Total	74	101	92

Total accidents within the 'Depot, Yard or Tip' doubled in the 2012/18 period. These were looked at closely and there are no trends, other than 3 insect stings. Apart from 1 near miss there were no accidents/incidents that related to a physical defect of the depot building. The near miss related to spalling concrete falling from roof height in the workshop – the building was surveyed following the incident and remedial works will be undertaken as part of a bigger project of improvement works.

6.5 Training Courses delivered in the 2017 – 2018 period

Course Title	Attendees
Asbestos Awareness	41
Display Screen Equipment Workshop	6
Fire Awareness Training	1
Manual Handling Awareness	17
Risk Assessment	10
Risk Assessment Workshop	5
Fire Warden Training	20
Evacuation Chair Training	10
First Aid Workshop	10
First Aid at Work (3 day)	14
Ladder Safety	17
Fire Risk Assessment – Resp. Persons Briefing	9
Emergency First Aid at Work Course	4
Constructions and General Site Safety Awareness	10
Fire Awareness - DVD	9

Electrical Safety Awareness	19
Conflict Mgt & Physical Intervention	31
NEBOSH Award in Health and Safety	1
Physical Intervention – Violence & Aggression Response Team	10
Dealing with Difficult Situations - HS	37
Manual Handling – Train the Trainer Refresher	6
Permit to Work	9
NEBOSH - H&S for Supervisors and Managers Refresher	15
Vibration Awareness	33
Total Attendees	361

6.6 Vibration Management

The health and safety enforcement authority for this Council is the Health and Safety Executive (HSE). The HSE have conducted visits to all of the local authorities nationwide to check that vibration risk is being managed appropriately. They focussed on the grounds maintenance function (as it involves the use of equipment that creates vibration and can cause vibration-related health conditions to the operative, e.g. vibration white finger). The HSE inspector visited our depot in September 2017 and was satisfied with our management of vibration. A few of our neighbouring authorities received formal action from the HSE in respect to improvements required. We have shared our policy, procedures and guidance across the Sussex authorities.

6.7 Health and Safety Compliance Monitoring – ‘Safetywatch’

The overall purpose of the Safetywatch scheme is not only to monitor that the workforce at CCS is working in compliance with the procedures/work instructions/risk assessments but to promote engagement with the workforce on health and safety matters. In addition to Safetywatch, formal ‘crew monitoring’ is undertaken by the supervisors in the waste team. We have had a full 12-month period of Safetywatch and have found it to be extremely successful in engaging with the workforce and working with them to recognise good practice and improve safety. Due to the number of different types of collection rounds, and due to extending Safetywatch to grounds maintenance and street cleansing teams we will only be able to conduct 1 visit per crew rather than the proposed 2 visits per year as originally thought. Grounds and Streets each have 3 Safetywatch visits per year. We issue green coloured cards to the crews for the good practices seen, yellow cards for practices that need improvement and red cards for any serious poor practices seen. All crews received green cards in the first 12 months, several received yellow cards and no red cards were issued.

6.8 Leisure Centre Contract Audits

The Corporate H&S team undertake H&S audits of each of the 3 leisure centre sites operated by Everyone Active. The main areas of focus are fire safety and legionella management plus 1 area of focus for each site that is determined by their H&S performance in terms of accidents/incidents data. The audits have not highlighted any significant issues in the 2017-18 period.

7. Resource and legal implications

7.1 There could be legal implications of not having a robust business continuity management system. If the Council is not adequately prepared for a business

interruption then some of its statutory functions may not be capable of being performed.

- 7.2 There are legal implications of not complying with health and safety legislation i.e. imprisonment of individuals, fines for the organisation and/or individuals.

8. Community impact and corporate risks

8.1 There is a corporate risk of not having a robust business continuity management system as there would be financial, reputational and legal implications of not being capable of continuing to provide a service to the public.

8.2 There is corporate risk of not complying with H&S legislation due to a risk of legal action against the Council. This is a financial risk to the Council through potential prosecution, fines, increase in civil claims, increased insurance premiums, risk of personal and/or corporate liability and reputational damage.

9. Other Implications

	Yes	No
Crime & Disorder:		✓
Climate Change and Biodiversity:		✓
Human Rights and Equality Impact:		✓
Safeguarding and Early Help:		✓
General Data Protection Regulations (GDPR):		✓

10. Appendices

None

11. Background Papers

None

Chichester District Council

CORPORATE GOVERNANCE & AUDIT COMMITTEE 16 October 2018

Financial Strategy and Plan 2019-20

1. Contacts

Report Author:

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2. Recommendation

That the Committee consider and recommend to Cabinet:

2.1 The updated key financial principles in Appendix 1, which underpin the Council's aim to set balanced budgets without the use of reserves, except where necessary in the short term.

2.2 In the short to medium term that the Council maintains a minimum level of reserves of £6.3m for general purposes;

3. Background

3.1 The Council has a 5 year Financial Strategy model which is underpinned by key financial principles, which determine the approach by the Council in its aim to achieve a balance budget over the medium term, without the use of reserves, except where this is necessary in the short term.

3.2 As part of the 2017-18 budget cycle the Council accepted a four year funding offer from the Government to help provide some degree of certainty, and the 2019-20 Budget will be the final year of this agreement, as the Government assumed the starting point of the arrangement was from 2016-17.

3.3 Associated with the funding agreement the Council also has an approved 2016 Deficit Reduction Plan which was expected to achieve savings or additional income of £3.8m. The plan is monitored regularly by the appropriate Programme Board; either the Commercial Board or the Business Improvement Board and as part of the Council's quarterly revenue and capital monitoring regime.

3.4 Each year the Committee, as part of the Council's financial planning regime, recommends to Cabinet the minimum level of reserves to be held.

4. Outcomes to be achieved

4.1 That the key financial principles adopted and which underpin the Council's approach to financial planning are current and remain relevant to the Council, ensure a robust budget process.

5. Proposal

- 5.1 As the Council is starting to prepare for the forthcoming budget cycle, the key financial principles have been updated and refreshed to take account of the current situation and the actions undertaken to date, and to set out any further action required, and are set out in Appendix 1.
- 5.2 Officers are currently updating the Financial Strategy model to take account of known budget changes, cost pressures, and assessing any impact of other changes necessary, including those arising from legislation or functions operated.
- 5.3 However the Financial Strategy model has yet to be completed as officers are assessing what impact proposed budget changes by West Sussex County Council may have on service delivery or service demand in the district.
- 5.4 Based on the expected spending plans of the Council for both revenue and capital, the Director of Corporate Services is recommending that the minimum level of reserves remains at the current level of £6.3m. This gives the flexibility required should this reserve be required to smooth any adverse changes to Council funding in the short term.
- 5.5 It should be noted that there is a lot of uncertainty surrounding the future financial settlements from the Government due to the 2019 Funding Review and the localisation of business rates. This Council has bid to participate in a new pilot for 75% Business Rates Localisation to operate across West Sussex County Council. The outcome of the bidding process will be announced at the same time as the 2019-20 settlement from the Government, normally in December. Hopefully in the coming year, the way forward for 2020 and beyond will become clearer but this potential financial risk will continue to be monitored.

6. Alternatives that have been considered

- 6.1 The Financial Strategy is a vital tool for ensuring the Council continues to set a balanced budget even with all of the uncertainty and pressure faced by the Council in the current economic climate.
- 6.2 Various alternatives exist within the strategy and the 5 year plan. The NHB could for example be used to support revenue budgets, but this would be contrary to the financial principle of not using non-recurring income to fund recurring expenditure.
- 6.3 Although the financial model will assume certain levels of Council Tax increases, it will be for the Council to determine the appropriate level annually. For 2019-20 the Council Tax levels will be recommended by Cabinet at their February 2019 meeting for Council to consider at the March 2019 meeting.

7. Resource and legal implications

- 7.1 The financial principles will help to guide the management of the Council's finances over the short to medium term, and will underpin the budget process that will be reported to Cabinet in February.

8. Consultation

- 8.1 Corporate Governance and Audit Committee are asked to consider this report and make any recommendations as appropriate to Cabinet.
- 8.2 The budget will be considered by a Task and Finish Group comprising of members from both this Committee and Overview and Scrutiny Committee in December, prior to the budget for 2019-20 being considered by the Cabinet at its February meeting.

9. Community impact and corporate risks

- 9.1 The Council has taken action over many years to achieve a relatively strong financial position. However, there remains a great deal of uncertainty over the future with many different factors that may impact on the Council and change the financial forecast. The financial principles contained within this report will help the Council maintain its financial standing and protect valuable services to the community, whilst giving flexibility to respond to changes in the future.

10. Other Implications

	Yes	No
Crime & Disorder:		X
Climate Change and Biodiversity:		X
Human Rights and Equality Impact:		X
Safeguarding and Early Help:		X
General Data Protection Regulations (GDPR):		X

11. Appendices

- 11.1 Appendix 1 – Financial Principles

12. Background Papers

- 12.1 None

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Principle	Narrative	Actions
Key Financial Principles		
<p>1. All key decisions of the Council should relate back to the Corporate Plan.</p>	<p>The Corporate Plan is the driver for our decision making, including the allocation of resources, and sets the Council’s work plan. Each year the Corporate Plan is reviewed. The affordability role of finance in the corporate planning process has evolved into an assessment of what resources are required to deliver the emerging Corporate Plan projects, whilst maintaining high quality provision of services wherever possible.</p> <p>So far, major service reductions have been largely avoided. However, with finite resources that are predicted to continue to reduce in the immediate future, the Council may not be able to deliver all of its aspirations whilst maintaining existing services to the current level provided. Members may have to make difficult decisions in the future about service provision and competing priorities.</p>	<p>Regular monitoring and reporting against the deficit reduction plan approved by full Council September 2016 will be undertaken by officers & reported to members.</p> <p>New and emerging issues and service requirements will be considered by SLT and members during strategy planning events.</p>
<p>2. Ensure the revenue budget and capital programme remain balanced and sustainable over a rolling 5 year period.</p>	<p>There is a legal requirement to set a balanced revenue budget and ensure the capital programme is fully resourced. Over the last nine years 2010-11 to 2018-19 the Council took action to balance the revenue budget without drawing on general reserves.</p> <p>The Statement of Resource Allocation demonstrates that the capital programme remains affordable. In setting the 2018-19 budget, the £1.3m that was previously set aside to support the revenue budget should conditions dictate was added to the Council’s General Fund reserve with the minimum level of reserves set at £6.3m during the 2018-19 budget process. Whilst the intention is to set a balanced budget over the medium term, this finite resource remains available to smooth the impact should there be any unanticipated adverse changes to our funding, or where service savings have been unavoidably delayed.</p> <p>The 5 year financial risk model will be updated and reported to Cabinet in December with the forecast of the budget for the next five years.</p>	<p>The five year financial model will continue to be monitored and updated, and Cabinet is given regular briefings on this throughout the year. Senior managers will monitor delivery of the approved deficit reduction plan.</p> <p>Budget monitoring for revenue and capital schemes is completed quarterly by budget managers, and reported to all members on the Modern.gov website.</p> <p>The challenge is to consider future Government funding in light of the fair funding review which will impact settlements from 2020-21 and beyond;</p>

Principle	Narrative	Actions
	<p>The Corporate Governance and Audit Committee (CGAC) will consider the appropriateness of the minimum level of reserves at their meeting in October 2018. Their recommendations will be made available to the December 2018 Cabinet meeting.</p>	<p>as 2019-20 is the final year of the four settlement agreement accepted by the Council.</p>
<p>3. Over the next five years maintain a position of non-dependency on reserves.</p>	<p>Appropriate funding needs to be built into the revenue and capital budget, taking into account the whole life cost of the assets. With reserves being largely committed, the revenue budget will need to make an appropriate contribution to reserves to fund any future capital commitments.</p> <p>Base budgets incorporate repairs and maintenance to council buildings, thereby removing dependency on reserves for what is a recurring revenue cost. Similarly, other recurring items still funded from reserves must be built into future revenue budgets.</p> <p>Building Services have undertaken a full review of the existing asset base of the council and identified with service managers the need to reinvest in our existing essential assets. This is updated annually to ensure the current asset base remains affordable over the long term.</p> <p>Following changes to the Council's Treasury Management Investment strategy in 2017 interest receipts arising from permitted long term investments to a property fund and other specific vehicles whose returns are less volatile are used to assist with the funding of the revenue budget, as part of the Council's deficit reduction strategy without creating volatility and risk. The Council currently has £10m invested in a Local Authority Property fund and a further £8m in mixed asset bonds generating returns of approximately 4.3% and 3% to 4% respectively.</p> <p>Other interest arising from the general investment of surplus funds throughout the year for cash flow purposes is recycled into the funding the Council's capital programme; interest receipts on S106 balances are ring-fenced and added to those funds. Whilst any changes in interests rates will have an impact on the overall position of the Council, this approach will not affect the day to day activities of the</p>	<p>To build future demands for recurring expenditure into the five year Financial Model, and thereby into any potential savings target.</p> <p>To avoid funding recurring expenditure from reserves as a key financial principle.</p> <p>To determine annually as part of the budget process an amount of revenue income to set aside for future investment opportunities.</p>

Principle	Narrative	Actions
	<p>Council.</p> <p>Recent investment decisions in the Council’s own property portfolio will also generate further revenue receipts for the Council. The 5 year financial model takes into account income from historic investment decisions such as Barnfield Drive, Plot 21 Terminus Road and the Enterprise Hub as part of the Commercial Programme Board.</p>	
<p>4. In order to maintain a balanced budget in a climate of reduced funding, savings in the revenue budget or external funding will need to be identified before any new revenue expenditure, including capital expenditure that has revenue consequences, is approved.</p>	<p>The Council needs to have certainty about capital and revenue funding before entering into new commitments. This will require robust project management processes to ensure the full consequences of embarking on particular projects are known and understood from the outset for both revenue and capital. The whole life costs of the project must be considered.</p> <p>Where projects are dependent on match funding, the funding partner may impose certain conditions. The Council needs to clearly understand what those conditions are and their possible financial consequences. Projects should only proceed once all funding has been secured, and the conditions have been assessed and evaluated. The relevant service should also consider, in advance, any costs that may arise at the end of the project and prepare an exit strategy so that the full consequences are known in advance. Whole life costing should be used. Copies of all funding agreements should be copied to financial services to ensure all possible future liabilities are considered and documentation retained.</p>	<p>All Project Initiation Documents (PIDs) are to be based on whole life costs, and include an exit strategy.</p>
<p>5. Review costs in response to changes in service demands.</p>	<p>The call upon council services is fluctuating more during a period of economic and financial uncertainty. Whilst short-term variances in demand can be accommodated, any longer term trends, i.e. beyond one year, will require the Council to respond by redirecting its resources in line with changes in demand. This is a key principle as future changes in demand on services are bound to occur.</p> <p>Prioritising the Council’s services will enable scarce resources to be directed to areas of need and priority over the medium term.</p>	<p>Essential services that experience an increase in demand will be recognised and supported. However, where there is an on-going reduction in demand beyond one year they should be reviewed in order to realign resource allocation.</p>
<p>6. Where the Council has discretion over charging for</p>	<p>The Council has limited discretion to set fees and charges for some services. Clearly, the setting of charges should have regard to community needs for those</p>	<p>Service managers need to consider their fees & charges in advance of the start of</p>

Principle	Narrative	Actions
<p>services, consideration needs to be given as to the extent to which service users should bear the costs, and the proportion, if any, that should be met by Council Tax.</p>	<p>services as well as affordability. Traditionally, many fees and charges have increased in line with inflation. The Council has a Fees & Charges Policy. This requires services that have discretion to charge, to attempt to at least break even, unless there is a clear approved policy reason for not doing so. The underlying principle is that the service user should pay the full cost of the services received.</p>	<p>each financial year. Any individual services operating at a deficit should aim to break even unless there is an approved policy to support their on-going subsidy. This should be based on the whole cost of delivering the service, including use of assets.</p>
<p>7. Continue to review the Council's costs in order to find further savings.</p>	<p>The Council has already achieved significant savings over recent years. However, the Council will continue to seek further efficiencies to help free up resources, ensure services are as efficient and effective as possible and support the community. The focus is to ensure services are delivered to an appropriate standard at a competitive unit cost.</p> <p>Members and the Senior Leadership Team (SLT) developed a strategy to eliminate the projected budget deficit up 2022-23. The "Deficit Reduction Strategy" was approved by full council September 2016 to achieve further savings of £3.8m. So far savings of £2.7m have been achieved. The challenge now is to see the remainder of that plan is delivered and to consider the future impact of any service delivery changes, budget pressures or funding reductions by the Government as a result of the fair funding review, or pressures arising due to other external agencies and partners, including West Sussex County Council.</p> <p>Three programme boards (Infrastructure, Business Improvement and Commercialisation) have been set up to co-ordinate the various projects that the council is engaged in. This enables the council to direct resources to higher priority projects, and enables senior management to intervene to assist projects to remain on track to deliver their planned objectives. The programme boards also track efficiencies as part of their process which aids corporate financial planning. These boards are incorporated in the 5 year financial model.</p> <p>Future service reviews will consider the most efficient ways of working, including working with partners, channel shift, sharing assets, shared services and</p>	<p>In order to assist the budget process for future periods, further efficiencies should be identified. Officers will need to review service costs to determine whether unit costs are appropriate and report back to members where service reviews are deemed necessary to reduce unit costs to an acceptable level.</p> <p>Prior year variances in relation to underspends will be reviewed by Financial Services as to whether an opportunity exists to adjust future budget requirements, in consultation with the budget manager.</p>

Principle	Narrative	Actions
	<p>outsourcing to deliver the best and most effective solutions for services and the community.</p> <p>Aside from formal service reviews, service managers should normally be considering the best, most cost effective procurement methods in their service areas.</p>	
<p>8. Match Council Tax increases to a realistic and affordable base budget.</p>	<p>The objective is to limit increases in Council Tax to modest and affordable levels over the next 5 years, whilst accepting that such an objective may be impacted by national government policy.</p> <p>For 2018-19 the Government changed the threshold for triggering a requirement to hold a referendum for council tax increased from over 2% to over 3%. It also allowed again that councils could increase by the higher of a 3 % council tax rise or £5, depending on which was the higher. In effect this rule change has permitted this council, since it has one of the lowest Council Tax levels, to increase its Council Tax by £5. The Government have yet to confirm what rules will apply for 2019-20.</p>	<p>5 year financial strategy model to be updated as necessary, once Government criteria known for referendum thresholds for setting Council Tax increase.</p>
<p>9. Budgets should be pooled with other service providers to achieve more effective and cost efficient outcomes for the community.</p>	<p>It is likely that in future the Council will become more involved in new ways of working, including greater partnership working, devolved budgets and pooling resources with other agencies. It is important that the Local Strategic Partnership strategic objectives and community outcomes are agreed from the outset when partnerships are formed so that the achievement of results can be measured and reported to members to ensure public funds are being used in the most efficient way to achieve greatest impact for the community.</p>	<p>Where appropriate we should commission services with other service providers and pool our budgets to provide more effective and efficient outcomes for the customer.</p>
<p>10. New Homes Bonus (NHB) This should be allocated annually, and only committed once received.</p>	<p>The NHB is not new funding. This is paid from local government funding pot that would otherwise have been distributed to councils. The grant is not ring-fenced, and as such the Council can choose how it wants to use this source of funding, although the previous coalition Government pointed out that it expected it to be used to help “reward” communities that have taken housing growth. Further, the Government also stated that it expects councils to consult with their communities</p>	<p>The NHB to be reserved for community and other uses after it has been received. It remains important, however, to allocate this funding taking into account the legal requirement to set a balanced budget for the council.</p>

Principle	Narrative	Actions
	<p>on its use, and in areas where there is a national park as the planning authority, to also consult with the park authority.</p> <p>The funding is paid as a grant in respect of each new domestic dwelling coming into the tax base (net of any long term empty properties) of the whole District, including the area within the National Park. The amount paid is based on the national average council tax, and is paid for the following four years from 2018-19, split 20% to the County Council and 80% to the Housing authority, i.e. CDC. The legacy payment term for developments is for 4 years from 2018-19 rewarding development that exceeds the baseline set at 0.4%.</p> <p>No changes to the NHB scheme was made in 2018-19 following a Government consultation but there is always a risk that NHB will be amended further, as the Government tries to increase the number of houses that are built. The view remains that NHB should not, therefore, be relied upon long term to resolve our budget position, and should only be committed after it is received, so the decision not to rely upon it to fund core services has proven to be prudent.</p> <p>In previous years the Council have not used the NHB to assist in balancing our revenue budget, and have instead used this source of funding to help reward communities by funding one off projects. The Fair Funding Review and the localisation of business rates, along with the introduction of CIL there remains uncertainty surrounding the future of NHB.</p>	<p>As such this will be reviewed annually.</p> <p>The grants and concessions panel review the use of NHB, along with other grant funding that the council makes available to individuals and groups.</p>
<p>11. Localisation of Business Rates. We should review the decision to pool our business rates annually after receipt of the government draft settlement to ensure that the Council is in the best possible financial position.</p>	<p>A business rates pool in West Sussex has been created, thereby enabling us to retain more of the NDR growth locally for investment jointly with other pool member authorities. Full localisation of business rates which was expected by the end of this parliament may in effect do away with the need to form pools to retain this growth. Until then it is recommended that we continue with pooling arrangements. West Sussex authorities have submitted a bid for 75% pilot status for 2019-20. No decision will be made until the draft settlement is received at which point the council can opt in or out of the pilot. If the Council does accept the</p>	<p>The existing pooling arrangement will continue into 2019-20 unless the council opts out of this arrangement or the 2019-20 75% pilot bid is accepted by the Ministry of Housing, Communities and Local Government (MHCLG). Once the draft settlement has been announced this will indicate which</p>

Principle	Narrative	Actions
	pilot status, that would supersede the old pooling arrangement.	NDR arrangement the council will operate. The Council does have an option to withdraw from the existing pool, or the 75% bid, however, until NDR is fully localised it would remain beneficial to retain the current pooling arrangements.
Resources and Capital Programme Principles		
<p>1. Capital receipts, reserves and interest on investments (other than property and multi bond investments) will primarily be available for new investment of a non-recurring nature, thereby minimising the overall financial risk.</p> <p>Income earned from property investments, both directly owned and managed property, and the Local Authority Property Fund, together with mixed asset bonds, can be used to support revenue as the income streams earned are much less volatile.</p>	<p>This is a long-established principle whereby non-recurring resources are used to meet non-recurring expenditure. The revenue budget is no longer reliant on reserves. Interest receipts are, with the exception of property related income and mixed asset bonds, diverted to support the capital programme.</p>	<p>Temporary sources of funding should not be relied upon to fund recurring revenue costs. Budget managers embarking on new projects that involve temporary funding must design an exit strategy from the outset to ensure the council is not left with unfunded costs at the end of the funding stream.</p>
<p>2. Ensure that a sufficient level of reserves are maintained, as informed by the Financial Strategy, so that the Council can remain flexible and is able</p>	<p>The objective is to offer resilience against the unexpected and provide resources for new initiatives including one off costs to assist with reshaping the organisation.</p> <p>The Capital Programme is an estimate of the capital schemes' likely cost and the funding resources likely to be available to meet that need. This is always subject to</p>	<p>Routine monitoring of the capital schemes and the overall resources position will continue to ensure the capital programme remains affordable.</p>

Principle	Narrative	Actions
to respond to a changing local government environment.	amendment if, for example, a scheme cost is higher than anticipated or an anticipated capital receipt is less than expected. The capital programme is by its nature constantly changing and the resource position will be continuously monitored to ensure it remains affordable. The Resources Statement reflects the current level of reserves, anticipated receipts, and commitments, and this will be updated alongside the 5 year financial plan.	All earmarked reserves will be reviewed annually with service managers to ensure that they remain relevant and essential, otherwise the funds should be returned to available balances.

Chichester District Council

CORPORATE GOVERNANCE & AUDIT COMMITTEE 16 October 2018

S106 Annual Exceptions Report

1. Contacts

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2. Recommendation

- 2.1 The committee is requested to note the contents of this report concerning section 106 agreements nearing their expenditure date (as set out in Appendix 1) and to raise any concerns.**

3. Background

- 3.1 Section 106 (S106) financial receipts nearing the date for expenditure need additional monitoring and input from officers and managers of the services concerned with spending the S106 funds. This is in accordance with the Section 106 and CIL Protocol approved by Corporate Governance and Audit Committee at its meeting on 19 January 2016. Under the protocol the Committee receives an exceptions report each October/November detailing all contributions due to be spent within a two-year deadline.
- 3.2 Section 6 of this report identifies the contributions that have not been received where the trigger date has been reached and provides an update on the current position with respect to securing the payment of the financial contributions due.
- 3.3 This report only makes reference to financial contributions. Non-financial obligations are included in the full report to Corporate Governance and Audit Committee in June/July each year.

4. Outcomes to be achieved

- 4.1 To provide clarity in the way money obtained from S106 agreements is monitored and spent.
- 4.2 To ensure that S106 receipts are spent in accordance with the agreements and within the agreed targets to reduce the risk of developers seeking to amend agreements and/or the return of the funding.

5. The updated position on those contributions received that will reach their target expenditure by end of September 2020

- 5.1 This report outlines those contributions that need additional monitoring. It is ordered by spending deadline date with those that have passed their deadline date first.

5.2 Definitions used in this report are as follows:

- a) Received: financial obligation received from the developer, usually following the issue of an invoice by the Council
- b) Allocated: formal approval of fund allocation given in accordance with the S106 and CIL protocol
- c) Spent: outgoing expenditure already approved and undertaken
- d) Remaining: monies unspent and held by the Council
- e) Remaining and unallocated: monies unspent and held by the Council that is yet to be allocated
- f) Spend deadline: the date specified in the S106 agreement by which the money must be spent or spending approved and allocated. An (*) following the date denotes a 5 year notional date. This is applied for monitoring purposes in circumstances where the S106 agreement does not specify a spending deadline. This is because the applicant can seek to vary an agreement after 5 years.

5.3 Whilst a number of contributions have passed their spend deadline, in most cases monies have been allocated and will be spent shortly. The committee's attention is drawn to 11/01198/FUL, Selsey Tram, where there is £1,651.03 remaining of the Open Space Land contribution. The expiry date is notional and officers are liaising with the Parish Council to ensure this is spent as soon as possible.

6. Outstanding receipts

6.1 At the time of writing all contributions reaching their triggers have been paid, and there are no outstanding receipts.

7. Resource and legal implications

7.1 Section 106 of the Town and Country Planning Act 1990 (as amended) permits local planning authorities to enter into agreements with applicants for planning permission to regulate the use and development of land. This may involve the payment of a financial contribution for offsite works.

7.2 The Community Infrastructure Levy Regulations that came into force on 6 April 2010 (as amended) set out new statutory tests on what can reasonably be sought under section 106, replacing the former Circular 05/2005 guidance.

7.3 Staffing implications – no additional requirements.

7.4 IT requirements – no additional requirements.

7.5 Property Implications – none.

8. Consultation

8.1 Chichester District Council officers involved with the S106 process were consulted and the matters set out in Appendix 1 have been agreed by the S106 Monitoring and Liaison Group for referral to the Corporate Governance and Audit Committee.

9. Community and corporate risks

- 9.1 Provided funds have been allocated for a specified purpose, the risk of having to return funds to a developer is considered minimal.
- 9.2 There is a potential risk of non-payment by developers or a risk that developers may seek to re-negotiate agreements reducing anticipated income. There are procedures in place for dealing with these issues.
- 9.3 Where S106 contributions are passed to Town or Parish Councils for spending on specified projects, this is conditional that any unspent monies will be returned to the District Council within the period specified in the S106 agreement or, if the agreement is silent, within five years.

10. Other Implications

Are there any implications for the following?		
	Yes	No
Crime & Disorder:		✓
Climate Change and Biodiversity:		✓
Human Rights and Equality Impact:		✓
Safeguarding and Early Help:		✓
General Data Protection Regulations (GDPR		✓
Other (Please specify):		✓

11. Appendices

- 11.1 Appendix 1: S106 Contributions approaching 2 years of their expiry

12. Background Papers

- 12.1 None

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Site Address	App Number	Ward	Obligation Type	Received	Allocated	Spent	Remaining	Remaining & Unallocated	Spend Deadline	Comment
Land At Windmill Park Halnaker Boxgrove Chichester West Sussex PO18 0NF	10/05085/FUL	Boxgrove	Sport & Leisure Contribution	28,537.00	28,537.00	1,426.85	27,110.15	0.00	04/08/2016	* S.O Sam Miles: June 2016: Paul Over has approved the spend on enhancements to the sports pavilion. Aug 2016. The Parish Council have responded to say that they have agreed to issue a 25 year lease to the sports pavilion which will enable partnership funding to be applied for and enable the project to be delivered. Feb 2017: Planning permission has been awarded for the scheme and I am now waiting for a timescale for the project delivery from the parish council. May 2017 Parish advise they have applied for grants to Sports England, WSCC and "Inert" (a quarry company in Boxgrove who have a community funding scheme). Delivery will depend upon outcome of these applications. Feb 18 - The cricket club has been successful in its application to the BSF and they have been awarded a further £10K. May 18. Work commencing on stage 1 of pavilion shortly - dependant on weather. Aug 18. Project in hand, with clearing out to begin in August before contractors come in.
34 Hay Road Chichester West Sussex PO19 8BE	09/02417/FUL	Chichester South	Community Facilities Contribution	68,247.08	68,247.08	5,522.35	62,724.73	0.00	15/01/2018	* S.O. David Hyland. Feb 2018 – Whyke Community Orchard volunteers were given approval for £2,110 towards an additional bench and noticeboard at the Orchard, these have been installed and the payment made, leaving £62,724.73. The Scouts have decided to proceed with their improvements (upgrading of the rear lean to into a more substantial structure to include a shower and a wet room) at the Scout Hut and have submitted a planning application (CC/18/00212/FUL) for these works, pending decision. Aug 2018 - Planning permission granted. Sep 18; cabinet have approved spend of £62,724.73 on Chichester Scouts project.
Selsey Tram Stockbridge Road Chichester West Sussex PO19 8SJ	11/01198/FUL	Donnington	Open Space Land	6,482.14	4,831.11	4,831.11	1,651.03	1,651.03	03/04/2018	* S.O. Sam Miles: Feb 18 – The parish Council are currently obtaining quotations for new goalposts at Wiston Avenue. May 18 Quote for bench £1309.43. Payment for goalposts made - £633, awaiting further invoices for installation of posts and bench. Aug 18: Spends to date are; £1963 on Donnington Playground improvements in 2016, £833 on goalposts for Wiston Av pitch and £1711 on picnic benches. This leaves £1,651.03 - the Parish are now looking into spending this on bike racks/playground equipment
West Sussex Fire Brigade City Fields Way Tangmere Chichester West Sussex PO20 2EY	07/04577/FUL	Tangmere	Open Space Land	87,000.00	87,000.00	84,741.04	2,258.96	0.00	09/04/2018	* S.O Sam Miles: Jan 2016: £81,774.85 spent on MUGA. Jan 18 Remaining £5,225.15 allocated to fencing around Allotments and open space in Tangmere of which £2,996.19 has now been spent. Aug 18. Awaiting allotment fencing invoice
Selsey Tram Stockbridge Road Chichester West Sussex PO19 8SJ	11/01198/FUL	Donnington	Affordable Housing Commuted Sum	74,495.07	74,495.07	73,724.75	770.32	0.00	14/05/2018	* S.O. Holly Nicol On 3rd May 2016 Cabinet approved the allocation of £70,000 towards the delivery of 2 affordable rented homes at Tozer Way , Chichester by Hyde. May 18: Site complete and invoice for £70,000 being processed. This will leave £770 to be allocated. Aug 18: The remaining sum will be used towards a bat survey

Site Address	App Number	Ward	Obligation Type	Received	Allocated	Spent	Remaining	Remaining & Unallocated	Spend Deadline	Comment
Former Shippams Factory 42 43 45 And Social Club East Street Chichester West Sussex PO19 1PQ	05/00430/FUL	Chichester North	Affordable Housing Commuted Sum	376,000.00	376,000.00	375,520.77	479.23	0.00	20/08/2018	S.O. Holly Nicol £210,000 was spent on The Heritage in March 2015 and £61,000 on Stonepillow 5 bed spaces in May 2015. Remaining funds to be spent on the Rural Enablers post and enabling activities. Aug 18: remaining allocated and to be spent on enabling activities
Former Shippams Factory 42 43 45 And Social Club East Street Chichester West Sussex PO19 1PQ	05/00430/FUL	Chichester North	Sport & Leisure Contribution	84,212.00	84,212.00	79,267.54	4,944.46	0.00	20/08/2018	S.O. Sam Miles: Aug 18: Spends to date: £30,000 on Chichester Rugby Club improvements, £1,565 to Sussex Otters for an Hydraulic Bed, £1,696 to Everyone Active for Balanceability Bikes, £1,462.80 to Chichester Falcons Softball for a temporary ball stop structure, £19,611.07 Chichester Hockey Club floodlights, £4,733.57 to Knights Basketball for equipment, and £2,395 to Everyone Active for a tumble run, £4,441.20 to Chichester Falcons for improvements to Softball pitch and £11882.16 to Chichester Cormorants for new swimming blocks. Aug 18: Approval has been obtained for £1,534.56 to fund new short mat bowls equipment, £3,409.50 on gymnastics equipment, £350 on a disabled swing and £1,131.14 on picnic benches. Total £6,425.20. All monies allocated and projects in course of being delivered. Sep 18: payments made £350 for disabled swing, £1,130.74 on picnic benches,
Westhampnett Gravel Pit Stane Street Westhampnett West Sussex	04/03947/OUT	Lavant	Community Facilities Contribution	98,712.00	98,712.00	0.00	98,712.00	0.00	20/11/2018	S.O. David Hyland: The payment is being held for Westhampnett's ongoing project to build a village hall utilising funds across this and WH/12/02360/OUT (Maudlin Site). May 2018 - a report recommending release of monies to Westhampnett PC has been drafted for June Cabinet, with recommendations to Full Council Aug 18: Council approved the release of the funds on 24/07/18 and payment will be made shortly
The Heritage Winden Avenue Chichester West Sussex	10/02034/FUL	Chichester South	Community Facilities Contribution	58,509.58	7,863.95	7,863.95	50,645.63	50,645.63	28/02/2019 *	S.O David Hyland. Feb 2017 Shona Turner continues to contact community buildings close to the development regarding their projects. Feb 2018 – Waiting for an update from the Guides with their proposal to improve the flooring at the Guide Hall. May 2018 - Shona Turner has visited the Guide Hall and received a request for improvements to the flooring of the Hall. In addition, they are currently looking at improving their outside space to enable this area to be used and increase storage facilities for all Hall users. Aug 18 payment of £4,438.47 made to Guides..
The Heritage Winden Avenue Chichester West Sussex	10/02034/FUL	Chichester South	Open Space Land	9,034.96	1,552.20	451.75	8,583.21	7,482.76	28/02/2019 *	S.O Sam Miles: Feb 2016: Contacted CCS to discuss projects and they are intending to use some S106 money to enhance the play provision at The Amphitheatre but they are awaiting English Heritage approval. Aug 17: . Amphitheatre play project has been put on hold due to English Heritage requirements and limited resources. Aug 18: Approval given for £1,100.45 for an archaeological investigation of the Amphitheatre to meet English Heritage requirements. Any balance required for Whyke gym equipment and path to come from this agreement.

Site Address	App Number	Ward	Obligation Type	Received	Allocated	Spent	Remaining	Remaining & Unallocated	Spend Deadline	Comment
The Heritage Winden Avenue Chichester West Sussex	10/02034/FUL	Chichester South	Sport & Leisure Contribution	30,409.83	1,520.49	1,520.49	28,889.34	28,889.34	28/02/2019	* S.O. Sam Miles: Feb 18 – The Chichester Bowmen are currently obtaining quotes and designs for their new clubhouse before applying for planning permission. May 18 . Chichester Bowmen supplied three quotes and are having drawings produced for Planning. Aug 18 - chasing for Planning update
Graylingwell Hospital College Lane Chichester West Sussex PO19 6PQ	08/03533/OUT	Chichester North	Chichester Harbour	52,500.00	52,500.00	45,077.28	7,422.72	0.00	10/10/2019	S.O. Tom Day . Projects identified: Graylingwell & Roussillon Mitigation Project. Aug 18 : Progress on the mitigation project is monitored jointly with the Manhood Wildlife and Heritage Group through regular Service Level Agreement meetings and is on track to spend the remaining sum from this last tranche of a larger overall agreement before the expiration date of Oct 2019.
Land To The East Of East Walls Chichester West Sussex	04/03596/FUL	Chichester East	CCTV	72,216.00	71,775.00	71,775.00	441.00	441.00	15/12/2019	Spending officer: Pam Bushby , CCTV/Car Parks. Projects identified: Installation of two new CCTV cameras at the Eastgate retail and housing development and relocation of the existing CCTV camera in New Park Road car park to cover the new parking area. March 2016 : Camera 6117 was installed. April 2016: Contact to be made with the developer to ascertain whether agreement can be given to the remaining balance being included within the budget for future replacement or maintenance of the camera. May 2016 : Spending officer has written to the developer to seek permission about how the remaining balance is used. Awaiting response. Aug 2016 : No response has been received from the developer, although a reminder email has been sent. Aug 18 : Pam Bushby has taken over responsibility for CCTV and will determine future spend of remaining monies.
Land To The East Of East Walls Chichester West Sussex	04/03596/FUL	Chichester East	Open Space Land	13,111.00	0.00	0.00	13,111.00	13,111.00	15/12/2019	S.O Sam Miles: Feb 2016 : Contacted CCS to discuss projects and they are intending to use some S106 money to enhance the play provision at The Amphitheatre but they are awaiting English Heritage approval. Aug 17 : . Amphitheatre play project has been put on hold due to English Heritage requirements and limited resources. OCT 17 ; Spending officer is arranging a meeting with CCS to discuss potential projects Aug 18 : No further update
Land At Southfields Close Stockbridge West Sussex	12/04410/FUL	Donnington	Public Art Contribution	42,323.50	2,116.17	2,116.17	40,207.33	40,207.33	06/02/2020	* S.O. Shona Turner Feb 2018 –Spending Officers have held a number of meetings with the PC since May 2016 The Parish Council set up a small working group to consider spend of these funds. May 18 : - Although this contribution was originally going to be pooled with the Selsey Tram contribution. Due to size of contribution and time scales, Parish Council and the working group are considering this as a separate project, ideas are being discussed. Plus S106 monitoring summary sent to Parish Council in April. July 18 - awaiting response

Site Address	App Number	Ward	Obligation Type	Received	Allocated	Spent	Remaining	Remaining & Unallocated	Spend Deadline	Comment
Land West Of Broad Road Broad Road Hambrook Chidham West Sussex	12/04778/FUL	Bosham	Public Art Contribution	10,049.63	10,049.63	8,502.48	1,547.15	0.00	27/04/2020	* S.O. Shona Turner Feb 2018 – Proposal submitted for the total of £13,441.83 (this contribution and CH/12/04778/FUL) for ceramic tiled murals on the three lower brick alcoves on the north wall of Chidham Village Hall. Approval has been given and the Village Hall is in the process of commissioning the artwork and obtaining planning consent. July 2018 - Planning permission has been granted and ceramic tiles are being fired and painted. Tiles expected to be fitted in September 2018.
Downview And Ridge House Station Road Petworth West Sussex GU28 0ES	08/00797/FUL	Petworth	Affordable Housing Commuted Sum	136,177.00	136,177.00	30,000.00	106,177.00	0.00	25/05/2020	S.O. Holly Nicol On 3rd May 2016 Cabinet approved the allocation of £30,000 towards the delivery of 3 affordable rented homes at Lamberts Lane, Midhurst; £140,000 towards the delivery of 4 affordable rented homes at the Parsonage Estate , Rogate and £210,000 towards the delivery of 6 affordable rented homes at Compton (subsequently this scheme had to be reduced to 3 units due to planning constraints) July 18: Parsonage Estate completed and we are awaiting invoice £140,000.. Compton progressing completion estimated Spring 2020
The Studio Chichester Road Selsey West Sussex PO20 9EA	15/01484/FUL	Selsey North	Recreation Disturbance Pagham	1,110.00	1,110.00	0.00	1,110.00	0.00	31/08/2020	* S.O: Tom Day. Projects identified: Pagham Joint Scheme of Mitigation. Aug 18: Approval to spend obtained at Cabinet in January 2016 with revisions to the scheme agreed at Cabinet in May 2017 due to increased planned housing in Arun District. Once the legal agreement is signed then the money from all the s106s listed in this section will be pooled into one cost centre including in due course contributions from Arun DC too. In order to fund the scheme in-perpetuity £236,300 is due to be transferred to an investment fund in 18/19 with similar amounts due in future years. Revenue expenditure is projected to be £55,000 per year from April 2018 which will eventually be funded from the investment fund once contributions to the scheme cease at the end of the local plan periods. A Service Level Agreement has been reached with RSPB Pagham to fund 1.5FTE post from 2018 for five years. A MoU with Arun has been agreed and awaits final sign off expected in September 18. Subject to recruitment then delivery of scheme expected from December 18

* indicates a notional date of 5 years from date of receipt has been applied for monitoring purposes only, as the S106 agreement did not set a spend deadline

Chichester District Council

CORPORATE GOVERNANCE AND AUDIT COMMITTEE

16 October 2018

**Complaints, Freedom of Information Requests and Data Protection
Analysis – 2017/18**

1. Contacts

Report Author:

Fiona Delahunty, Divisional Manager Customer Services
Tel: 01243 534734 E-mail: fdelahunty@chichester.gov.uk

2. Recommendation

- 2.1 The Committee consider the revised complaints scheme - Appendix 1**
- 2.2 The Committee consider a policy for the management of unreasonable complainant behaviour to support the revised complaints scheme and to follow best practice as per Local Government Ombudsman – Appendix 2**
- 2.3 The Committee consider the information provided in this report and to make any appropriate recommendations as to future monitoring arrangements to identify improvement where appropriate.**
- 2.4 The Committee consider a call recording policy to support the complaints scheme and to comply with the GDPR – Appendix 3**

3. Background

- 3.1 The Corporate Governance and Audit Committee receive an annual analysis of all formal complaints, compliments, freedom of information requests and data subject access requests together with a summary of the Local Government Ombudsman's Annual Report.**
- 3.2 The Council's complaints scheme has been reviewed following a recent management re-structure. It has three stages:**

Stage 1 – Initial complaint investigated by the Manager/Senior Officer responsible for the service team.

Stage 2 If the customer is dissatisfied with the response 1, they can ask for the complaint to be reviewed the Divisional Manager or in some cases the Director of the service.

Stage 3 If the customer remains dissatisfied with the Council's response they are offered the opportunity to seek and independent investigation by the Local Government Ombudsman.

- 3.3 Analysis of Stage 2 complaints has shown that a longer investigation period is often required therefore it is proposed to increase the response time to these complaints to 15 working days.
- 3.4 From April 2017 – March 2018 the council received 160 complaints. 94% of these were answered within the response date offered by the service team. Analysis of complaints over the last three years is attached as Appendix 4.
- 3.5 This year has seen an increase in complaints of 29% Stage 1 complaints have increased by 26%; Stage 2 complaints have increased by 67%; Ombudsman complaints have reduced by 11%
- 3.6 The annual report letter from the Ombudsman shows the number of complaints received for Chichester as 13, 15 complaints have been decided, this figure includes complaints which were submitted in year ending March 17. Of the decided complaints 1 was invalid, 3 were closed after initial enquiries, 7 were referred back to the Council to resolve, and 4 were investigated. Of the four complaints that were investigated 2 were not upheld and 2 were upheld. The Ombudsman publish their decisions, to view these details use this link to their website <https://www.lgo.org.uk/decisions>
- 3.7 To follow the guidance and advice from the Local Government Ombudsman that the Council have a policy for the management of unreasonable complainant behaviour.

Compliments are also recorded. Service teams received 105 compliments this year.
- 3.8 All calls received by the Customer Contact Centre and the Revenues and Benefits Client Support team are recorded; this is standard practice that allows the recording of telephone calls for quality monitoring, training, compliance, security and safeguarding purposes. This proposed policy is to ensure the use of call recordings is fair and that we comply with the requirements of legislation.

4. Learning Points

Following two upheld complaints from the Ombudsman the Development Management team have made the following improvements to the planning application process;

- 4.1 The procedure for posting site planning site notices has been reviewed and all officers now take a photograph of the notice in situ and this is placed on file.
- 4.2 Senior planning officers have a greater oversight of the progress of planning applications.
- 4.3 An alert system has also been introduced to notify officers to comments on an application as soon as they are received, in order to avoid delays in raising potential issues with applicants.

5. Outcomes to be achieved

- 5.1 The primary purpose of investigating complaints is to resolve customer dissatisfaction where possible. However, by recording and monitoring the nature of complaints it is possible to identify trends or address issues to avoid further complaints and to improve service delivery and/or to contribute to a review of the policy.
- 5.2 Each Divisional Manager has access to monthly reports containing a summary of all complaints received for their service areas performance in dealing with complaints.
- 5.3 The website has the option to provide feedback on usability and usefulness on each page. This information is fed back to the services areas responsible for the appropriate page.
- 5.4 The Customer Service centre undertakes monthly performance monitoring with customers contacting the Council. This information is used to identify areas where services improvements may be made.
- 5.5 All telephone calls to the Customer Service and Revenues Client Support teams are recorded and monitored. These recordings are used to mentor and train staff with a view to improving quality of service.
- 5.6 The Council have a Facebook and Twitter account which is a quick and easy way for customer to make contact and provided feedback.

6. Freedom of Information Requests

- 6.1 The Freedom of Information (FOI) Act gives people the right to ask the Council for recorded information they have on any subject. If the request relates to environmental information, this will be handled under the Environmental Information Regulations (EIRs). We are required to reply within strict deadlines, giving the information requested, or explaining why we cannot provide that information.
- 6.2 The FOI process is administered by Customer Services.
- 6.3 From April 2017 - March 2018 we received 759 requests, 107 of these were redirected to other agencies
- 6.4 90% of requests were answered within the 20 working day deadline.
- 6.5 The number of requests received can take up a great deal of officer time in collating the responses. Many requests continue to be received from the press or from commercial organisations. The legislation does not provide for the Council to recover costs for the officer time involved unless the estimated staff costs involved locating or compiling the information exceeds £450. Under these circumstances, we can refuse the request on grounds of cost, or charge the applicant £25 per hour for the estimated work.
- 6.6 This year saw an increase in requests for our housing team as we received a number of requests for information regarding tower blocks in our district following the Grenville Tower Fire in West London.

7. Data Protection Requests

The General Data Protection Regulations (GDPR) provides individuals the right to access their personal information. In 2017-18 the Council received 3 requests from customers and 17 requests from other agencies such as the Police and HMRC.

8. Improvements to Procedures and Publication

Utilise reports from Customer Services to publish more information on website and improve our online services.

9. Proposal

9.1 To continue monitoring and recording formal complaints, freedom of information requests and subject data access requests.

9.2 To continue to provide feedback on performance to services areas to provide the opportunity to improve service delivery.

9.3 To continue to provide performance monitoring with the Customer Service Centre to gain customer insight and improve service delivery.

10. Alternatives that have been considered

None

11. Resource and legal implications

There is a legal obligation to comply with the Freedom Information and Data Protection Acts. Compliance does require a significant amount of staff time. The Legal team are able to assist and advise staff when dealing with requests.

12. Consultation

None

13. Community impact and corporate risk

None

14. Other implications

	Yes	No
Crime & Disorder:		x
Climate Change and Biodiversity:		x
Human Rights and Equality Impact:	x	

Safeguarding and Early Help:		X
General Data Protection Regulations (GDPR):		X
Other (Please specify): eg health and wellbeing		X

15. Appendices

- 15.1 Appendix 1 Revised complaints scheme.
- 15.2 Appendix 2 Managing unreasonable behaviour.
- 15.3 Appendix 3 Call recording policy
- 15.4 Appendix 4 Analysis of complaints of the last three years
- 15.5 Appendix 5 General description of complaints received

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Complaints Scheme

V5.0

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21..02.2013	Assistant Director of Support Services		

5.0 Complaints Scheme

Introduction - Our Aims and Standards

We are committed to providing high quality services with our customers at the heart of everything we do. We do our best to make sure your contact with us is professional, courteous and goes beyond your expectations. However, we do accept that sometimes things can go wrong and at these times we need to listen to your views and put things back on the right track and take action to prevent similar occurrences in the future.

There are times when the Council is required to act in the wider public interest or is compelled to act in a prescribed manner by law - in which case the views of an individual may not coincide with those of the Council and what is it required to do.

Who can complain and how?

Our complaints procedure is available to anyone who uses or receives any of our services.

The procedure is also available to any individual/company/agent acting on behalf of and with the consent of the complainant e.g. a nominated friend or relation, professional advisor or Member of Parliament. Where somebody acts on behalf of somebody else we will usually need their permission to be recorded in writing to ensure that there is a clear record that the Council can share relevant information.

We want to make our complaints procedure accessible to everyone and easy to use.

A complaint can be written or oral and customers can complain;

- By using the online form on our Website
- By email
- By phone
- In writing
- In person
- By fax or minicom
- By social media

We do not insist that complaints are put in writing however if the complaint involves a serious allegation about an officer, or council activity. It is also essential that a complaint, which may give rise to an insurance claim, be in writing for onwards transmission to the Council's insurers.

We will also do our best to help customers who do not speak English or want a complaints leaflet in another format.

Anonymous Complaints

Anonymous complaints about the Council have less value as evidence than complaints where the complainant is identified. Because of this the Council cannot normally investigate anonymous complaints or otherwise take action and at best the anonymous complaint will be passed to an officer for awareness. Please note that different rules apply for anonymous complaints about Councillors, these should be referred to the Council's Monitoring Officer.

What is a Complaint and what is not a Complaint?

It is important that we understand what exactly is meant by a complaint, in order that they are accurately recorded and that they can be dealt with in the appropriate way.

Many “complaints” by customers are in fact queries about the service; the Council expects all officers to provide such information freely and to enable our residents to understand the work of the Council.

For the purposes of this policy complaints are approaches to the Council about the way in which their application or case has been handled, about procedures followed, or about officer conduct or service provision.

In the first instance,

Complaints may arise where the Council has;

- Failed to do something it should have done
- Failed to meet our targets or a delay in providing the service
- Used an informal response which has failed to resolve the issue
- Treated someone unfairly or rudely
- Failed to provide an Officer in a customer facing role with a good standard of spoken English
- Partner organisations have not acted fairly – for example private companies who act as our Bailiffs

What is not a complaint?

- Appeals about housing benefit awards or parking fines (penalty charge notices)
- Request for service provision (e.g. the bin men did not collect my bin)
- Where there is a legal form of redress
- Criticisms of a policy adopted
- Level of council tax charges (e.g. charges on empty homes)
- A decision regarding a planning application
- A complaint about an Officer’s accent, dialect, origin or nationality
- Insurance claims- damage to property or people
- Complaints about Councillors which should be directed through the Code of Conduct for members processes to the Monitoring Officer (see below)

Customers do have other options open to them when they wish to appeal a penalty charge notice, housing benefit awards, a decision on homelessness or a decision regarding a planning application, therefore these enquiries should be referred to the relevant service teams, who will be able to advise on how to appeal.

Complaints Stages

There are three stages of the Council's complaints procedure.

Stage 1 Complaints

When a complaint is received, it is dealt with by the relevant Service Manager or Senior Officer.

If the complaint is received by post or electronically, it should be acknowledged in writing within 3 working days, and within 10 working days the customer will be provided with a full explanation and details of how the situation will be resolved, or in complicated cases, a progress report at 7 working days.

If a customer completes a complaint form and hands it to an Officer, that Officer must record the date and time of receipt on the form, together with their name and job title and take a copy for the customer to retain.

It is sometimes the case that a customer will write in directly to the Chief Executive with a complaint. In normal circumstances, (except in cases of serious charges against officers), the Chief Executive will pass the complaint to the Service Manager/Senior Officer to resolve the case at Stage 1 level.

Reports show that the vast majority of complaints are resolved at Stage 1 level.

Stage 2 Complaints

Where the customer is not satisfied with the explanations or the remedy offered following investigation at Stage 1 level, the customer can request the matter be reviewed by a Divisional Manager/Director. The review should be requested within 1 months of the Stage 1 investigation.

The review within Stage 2 may involve more extensive investigations, interviews with relevant officers, the customer who made the complaint, other members of staff (as determined by the investigating Divisional Manager/Director, and in some cases an on-site visit. In more serious cases, where for example, a serious complaint has been made about a member of staff e.g. a Service Manager, the complaint handling process may bypass Stage 1, and move directly to Stage 2.

As with Stage 1, the complaint will be acknowledged within 3 working days, and within 15 working days the customer will be provided with a full explanation and details of how the situation will be resolved, or in complicated cases, a progress report stating when a full response may be expected.

When responding to a Stage 2 complaint with the outcome of the investigation the Divisional Manager/ Director must advise the complainant of their option to request an independent investigation by the Local Government Ombudsman should they be dissatisfied with the Stage 2 investigation and must provide the Ombudsman's contact details.

Stage 3 Complaints – The Local Government Ombudsman

Should a customer remain dissatisfied with the explanations or the remedy offered following investigation at Stage 2, they may have the right to submit a complaint to the Local Government Ombudsman, who is independent of the Council. The Ombudsman has the same powers as the High Court, and can order anyone to produce documents for their investigation.

It is sometimes the case that the Ombudsman will receive a complaint which has not previously been raised with the Council, and which we have not had an opportunity to comment on or resolve. In these circumstances, the Ombudsman will normally refer them back to the Council to seek resolution at local level. These will normally be referred to the Stage 1 process, except in the most serious allegations, where it would go straight to Stage 2.

If during the complaints procedure if an injustice is found, the Council will review its procedures and put measures in place to prevent a re-occurrence.

Divisional Managers in conjunction with the Divisional Manager for Finance, are able to make payments to the customer by way of compensation, but “Without prejudice”, under section 92 of the Local Government Act 2000. Payments may be up to a maximum of £500. The Chief Executive is responsible for making payments above this amount.

Racial, Officer and Councillor Complaints

Racial Complaints

Complaints of a racial nature will be investigated by the Divisional Manager of Communities if however they have been involved or involve them directly they will be investigated by the Director of Housing and Communities.

Councillor Conduct Complaints

Complaints concerning the conduct of a Councillor should be referred directly to the Council’s Monitoring Office who will investigate the complaint in accordance with the Members Code of Conduct and Standards Committee. The Divisional Manager of Democratic Services is the Council’s Monitoring Officer.

Senior Officer Complaints

A complaint concerning the conduct of the Chief Executive or a Director will be investigated at Stage 2 of the Council’s complaints procedure by another Director who has not been involved in the original complaint

Roles and Responsibilities

Chief Executive	Has overall responsibility for the management of the Council's complaints system and procedures.
Service Complaints Administrators/ Service Managers	Register Complaints with Customer Services. Acknowledge within 3 days Track to ensure response is sent within 10 days or send an update within 7 days. Advise Customer Services when response sent.
Divisional Manager Customer Services/ Customer Services	Act as a point of contact for complaints. Register and create complaints reports. Look for trends and remedies. Acknowledge complaints should Administrator/Service Manager unavailable. .Act as Link Officer for Ombudsman. Prepare a report and present to Corporate Governance. Compliments will also be registered
Corporate Governance and Audit Committee	Look for opportunities to improve the handling of complaints. Ensure actions required to effect an improvement are followed through. Analyse trends and act upon them to make improvements. Ensure the Cabinet are fully aware of the situation on complaints
Divisional Manager Financial Services	Divisional Manager for Finance, acting in their role as advisor to the Council on Insurance matters, must be kept fully informed of any complaints which may give rise to an insurance claim or possible liability issue
Divisional Manager Communities	Complaints of a racial nature will be investigated by Divisional Manager of Communities if however they have been involved or involve them directly they will be investigated by the Director of Housing and Community Services
Role of the Monitoring Officer	The Council's Monitoring Officer will conduct investigations into matters referred by Ethical Standards Officers on issues concerning Members, and make reports or recommendations in respect of them to the Council's Standards Committee. The Monitoring Officer must be consulted if the Divisional Manager of Financial Services wishes to make a payment to the customer by way of compensation
Role of Standards Committee	This Committee will consider reports from the Monitoring Officer concerning complaints about the conduct of Members

Unreasonable Persistent Complainants

A very small minority of customers makes or pursues complaints in a persistent way which can either slow down the investigation of their complaint or can have significant resource issues for us. To ensure unreasonable and unreasonably persistent complainants are dealt

with fairly. The Council have a policy which sets out clearly for staff and complainants what is expected of them, what they can do, and who can authorise actions. It will help us assess and monitor how we deal with and respond to unreasonable and unreasonably persistent complainants Full details of the policy can be viewed {insert link}

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Management of Unreasonable Complainant Behaviour

V1.0

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Introduction

Chichester District Council is committed to dealing with all complaints fairly and impartially, and to making our services as accessible as possible. In a minority of cases people pursue their complaints in a way that is unreasonable. They may behave unacceptably, or be unreasonably persistent in their contact and submission of information; they can take up an unwarranted amount of council resources or impede the investigation of their complaint.

This policy does not apply to complaints made in respect Councillors. Guidance on how to proceed with the complaint about a Councillor can be found in the Code of Conduct

The purpose of this policy

- To identify situations where the complainant could be considered vexatious or unreasonable or unreasonable persistent.
- To ensure the Council's resources are managed appropriately and efficiently
- To ensure staff of the District Council are offered a safe working environment and do not suffer any detriment from customers making unreasonably persistent complaints or behaving in an unacceptable way
- To identify a corporate approach to respond fairly to such behaviour
- To recognise the rights of complainants under the Human Rights Act 1998
- To follow best practice as set out by the Local Government Ombudsman

Unreasonable behaviour by a complainant

It must be recognised that complainants may sometimes act out of character at times of anxiety or distress and reasonable allowances should be made for this.

Unreasonable and unreasonably persistent complainants are those complainants who, because of the nature or frequency of their contacts with the council, hinder the council's consideration of their or other people's complaints.

Unreasonable and unreasonably persistent complainants may have justified complaints or grievances but are pursuing them in inappropriate ways. Others may pursue complaints which appear to have no substance or which have already been investigated and determined. Their contact with the council may be amicable but still place heavy demands on staff time, or they may be very emotionally charged and this can be distressing for all involved.

This hinders the consideration of their complaint and if necessary, we will take action to restrict access to our service when unreasonable behaviour persists.

Warnings

In most instances when we consider someone's behaviour is unreasonable we will explain why and ask them to change it. We will also warn them that, if the behaviour continues, we may take action to restrict their contact with our offices.

Where the behaviour is so extreme that it threatens the immediate safety and welfare of our staff we may report the matter to the police or consider taking legal action. In such cases, we may not give the complainant prior warning.

Restricting Access

If a complainant's persistence adversely affects the council's ability to do its work and provide a service to others, a Divisional Manager or Director will decide whether the circumstances justify any restriction to access. They will record the reason for their decision and explain it to the person concerned. They will state how long any restriction will apply for before it is reconsidered.

The sort of restrictions imposed could include;

- Limiting the complainant to one method of contact (telephone, letter or email)
- Limiting contacts to one form only (for example, a maximum of one letter or email a week)
- Requiring contact to take place with one named staff member
- Managing contact with the help of an independent advocate.

Other suitable options will be considered in the light of the complainant's circumstances. Our objective, wherever possible, is to complete consideration of the complaint on its merits in a managed way.

If a complainant continues to behave unreasonably, or overrides the restrictions placed on access to our service, we may decide to terminate contact with them and end any investigation into their complaint.

Referring unreasonable and unreasonably persistent complainants to the Local Government Ombudsman

A complainant who has been treated as behaving unreasonably can complain to the LGO Ombudsman who may be prepared to consider their complaint.
The contact details for the LGO are:-

Online <https://www.lgo.org.uk/make-a-complaint>

Telephone 0300 061 0614

Other Relevant Council Policies that should be read in conjunction with this Policy

Responding to FOI requests (S.14 of the FOI Act 2000)

Responding to DPA requests

Health and Safety at Work

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Call Recording

V1.0

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Introduction

Chichester District Council (CDC) has a telephone recording system in the Customer Contact Centre (CCC) and the Revenues and Benefits Client Support Team (CST). Like many other organisations, this is a standard practice that allows the recording of telephone calls for quality monitoring, training, compliance, security and safeguarding purposes.

All calls received into and made from the CCC and CST are recorded and retained for a period of six months. When calls are transferred from CCC or CST to another officer in the authority the call will continue to record.

Purpose of this policy

In order to maintain high standards and protect the public and staff we record all telephone calls received into and made from CCC and CST and they are retained for 6 months. Access is limited to those senior officers/managers needing to listen to calls in order to carry out a function of the Council as a public body, or as an employer.

We ensure that the use of the recordings is fair and that we comply with the requirements of relevant legislation. This includes:-

- Data Protection Act 1998
- General Data Protection Regulations (GDPR) 2018
- Regulation of Investigatory Powers Act 2000
- Human rights Act 1998
- Telecommunications (Data and Privacy) Regulations 1999

Scope of policy

All calls received into and made from CCC and CST are recorded and stored as a data cache. Under normal circumstances a call to the Council will not be retrieved monitored or otherwise listened to by any person unless:-

- It is necessary to investigate a complaint or a fine that has been issued.
- It is part of a management 'spot check' to ensure customer service standards are being maintained
- It has been identified as abusive or threatening
- There is a threat to the health and safety of staff or customers or for the prevention or detection of crime
- It is necessary to check compliance with regulatory procedures
- It will aid standards in call handling through use in training, coaching and performance development of staff
- It is for safeguarding purposes

Decisions as to whether the above conditions are met will be made at the discretion the Divisional Manager Customer Services, Divisional Manager Revenues and Benefits or Director of Residents Services or the Data Processing Officer to the Council.

Collecting information

Personal data collected in the course of call recording will be processed fairly and lawfully in accordance with the current Data Protection Act and the General Data Protection Regulation. It will be:

- Adequate, relevant and not excessive
- Treated confidentially
- Used for the purpose(s) stated in this policy and not used for any other purpose
- Accessible only to Managers and Senior Officers after securing permission from Divisional Manager Customer Services, Divisional Manager Revenues and Benefits, Director of Residents Services or the Data Processing Officer to the Council.
- Stored securely

- Not kept for longer than necessary and securely destroyed once any issue(s) in question have been resolved

Advising customers that calls are being recorded/monitored

Before an officer takes a call in CCC or CST customers are greeted with a pre-recorded welcome message part of which advises the customer that their call will be recorded and why so they have the opportunity to consent by continuing the call or disconnecting.

A customer may request that their call is not recorded, in which case the customer is asked to make contact with the Council by email or in writing.

In exceptional circumstances a customer who requests their call is not recorded may be transferred to a non-recorded phone. This decision will only be agreed by a manager within Customer Services or Revenues and Benefits and where not doing so could cause unnecessary and undue distress to the customer or otherwise at the discretion of the Data Protection Officer to the Council.

In order to comply with Payment Card Industry Data Security Standards (PCI/DSS) calls where the customer provides details of a payment card for the purpose of making a payment are automatically stopped when the officer opens the income software payment page. The recording recommences when the payment page is closed.

Related policies

- Data Protection Policy
- Information security policy
- Safeguarding policy
- Disciplinary policy

Procedures for managing, releasing and deleting call recordings

- Call recordings are stored digitally, with access to the recordings controlled by the Divisional Manager Customer Services and the Data Protection Officer
- Access to call recordings is limited to Divisional Manager Customer Services, Lead Customer Services Officers and the Principle Client Support Officer
- Access to recorded calls is by secure unique log in.
- The system records when a recorded call has been accessed.
- Divisional Manager Customer Services records details of all call access requests
- Monitoring of calls may be undertaken by an officers direct line manager or service manager. This will be solely to assess individual performance to agreed call handling standards or in order to improve services
- Where recordings are used for quality management and control purposes officers will be provided with a small selection of calls scored against criteria for discussion with their manager
- Any play back of recordings will be in a private setting and officers will be given the opportunity to listen/see their own calls as part of training, coaching and performance development with their manager
- Browsing of recordings for no valid reason is not permitted

- Call recordings are deleted after 6 months unless it is subject to an ongoing criminal investigation or formal complaint. In this case the recording will be retained until the completion of the complaint or investigation procedure and the expiry of any appeals period and the investigating officer will inform the Data Protection Officer of this decision to retain past six months.
- Other than where held for a criminal investigation, call recordings are automatically deleted after 6 months. Where individual recordings have been saved to a separate area (training, coaching, investigation) it is the service managers responsibility to ensure the recording is deleted when necessary.

Subject Access Requests

Every individual has the right to access information we hold about them. This includes recorded telephone calls as recordings constitute the personal data of both the caller and the officer taking the call. They will therefore be managed in such a way that the rights of the data subjects (callers and officers) can be fulfilled and all obligations of the data controller (Chichester District Council) are observed as per the councils Data Protection Policy.

A person may request a copy of a telephone conversation via a Subject Access Request which must be notified in writing to the Data Protection Officer. If the recording has not been deleted in accordance with this policy, the recording may be provided to the requester.

Breach of policy

Any breach of this policy may result in action being taken under the Councils Disciplinary and Contract Termination policy. Breaches will also be reported to the Council's Data Protection Officer and subsequently the Information Commissioner.

Service Team	Type of Complaint	Details of Complaint	Stage 1 Complaint	Stage 2 Complaint	Ombudsman Complaint
Benefits	Procedures/Enforcement	Complaint concerning benefits claim.	√		
Benefits	Quality of Service	Delay in processing benefits claim	√		
Benefits	Quality of Service	Benefit claim delay Premature Ombudsman complaint concerning benefits claim -ref: 17 016 173. To be investigated at Stage 1 of Council's complaints procedure	√	√	
Benefits	Quality of Service	Complaint concerning housing benefit claim and customer not being informed of changes in her payments	√		√
Benefits	Quality of Service	Information received at Benefits reception desk by an Officer	√		
Benefits	Quality of Service	Delay in processing discretionary housing benefit payment	√		
Benefits	Quality of Service	Customer has not received a reply to their complaint regarding a benefits enquiry she is chasing	√		
Benefits	Officer Conduct/Performance	Complaint concerning payment of housing benefit claim	√	√	
Benefits	Officer Conduct/Performance	Complaint regarding an officers comments	√		
Benefits	Officer Conduct/Performance	Delay in Benefits Application process	√		

Benefits	Quality of Service	Delay in processing discretionary housing benefit payment	√
CCS	Officer Conduct/Performance	Conduct of Officer from Contract Services	√
CCS	Officer Conduct/Performance	Complaint concerning conduct of waste collection crew	√
CCS	Quality of Service	Complaint concerning crew not returning bin to collection point. It was left on the pavement which caused an obstruction	√
CCS	Quality of Service	Complaint regarding early closing of Bishop Palace Gardens which resulted in the customer being locked into the gardens	√
CCS	Quality of Service	Complaint concerning non collection of contaminated bin	√
CCS	Contract Services	Waste Collection Crew have driven over and damaged customers grass verge.	√
CCS	Quality of Service	Waste collection crew keep leaving the bin in a position which wedges the customers garden gate open	√
CCS	Contract Services	Complaint re non collection of recycling bin	√
CCS	Quality of Service	Customer alleges bin was not returned to correct collection point	√
CCS	Officer Conduct/Performance	Conduct of refuse driver	√
CCS	Contract Services	Complaint regarding continued non collection of recycling	√

CCS	Procedures Enforcement	Customer unhappy that the Council charge for upgrading and new waste bins	√	
CCS	Officer Conduct/Performance	Complaint from customer that Officer was rude	√	
CCS	Contract Services	Complaint concerning fly tipping report, customer was unhappy that we would not collect dumped bicycle.	√	
CCS	Contract Services	Complaint regarding volunteers working for CDC at Centurion Way	√	
Community Wardens	Officer Conduct/Performance	Complaint regarding Community Warden Service	√	
Council Tax	Quality of Service	Complaint regarding incorrect name being used in Council Tax correspondence.	√	
Council Tax	Procedures/Enforcement	Complaint concerning council tax debt	√	√
Council Tax	Procedures/Enforcement	Complaint re council tax	√	√
Council Tax	Officer Conduct/Performance	Complaint concerning Officer filming delivery of mail to an address	√	
Council Tax	Procedures/Enforcement	Complaint concerning bailiff action against a vulnerable person	√	
Council Tax	Officer Conduct/Performance	Customer complaint regarding incorrect advice given by an Officer	√	
Council Tax	Quality of Service	Time taken for Council Tax team to answer the phone.	√	

Customer Services	Quality of Service	Service received from Customer Service Centre when purchasing a new season ticket.	√		
Customer Services	Quality of Service	Complaint regarding the wait to be seen by Customer Services	√		
Customer Services/Parking Services	Quality of Service	Incorrect information provided by Parking Services for Customer Services	√		
Development Management	Quality of Service	Delays and lack of communication/feedback	√		
Development Control	Procedures Enforcement	Handling of Planning Application	√		
Development Management	Procedures Enforcement	Complaint regarding enforcement procedure	√		
Development Management	Procedures Enforcement	Determination of planning application	√		
Development Management	Procedures Enforcement	Complaint concerning the way an application has been dealt with	√		
Development Management	Quality of Service	Lack of communication with Officer during planning application process, return calls were not received when messages left with Customer Services	√		
Development Management	Procedures Enforcement	Complaint concerning determination of new development in Fishbourne	√		
Development Management	Procedures Enforcement	Complaint from Ombudsman Our ref: 17 014 358 re determination of planning application.	√	√	√
Development Management	Procedures Enforcement	Non Material Amendment Process	√	√	

Development Management	Quality of Service	Lack of response to letter and emails which were sent to an Officer	√	
Development Management	Procedures Enforcement	Unhappy with planning process/consideration process	√	√
Development Management	Quality of Service	Complaint regarding data published on our website	√	
Development Management	Committee Decision	Planning Committee Consideration	√	
Development Management	Procedures Enforcement	Ombudsman complaint ref: 16 018 849 - Planning application Decision; Not upheld: no maladministration.	√	√
Development Management	Officer Conduct/Performance	Customer believes the Council is hiding information regarding application	√	
Development Management	Procedures Enforcement	Determination of planning application	0	√
Development Management	Officer Decision	Planning Maladministration, Brambles Nursery	√	√
Development Management	Quality of Service	Delay in determination of planning application and service received during the process	√	
Development Management	Procedures Enforcement	Determination of planning application	√	√
Development Management	Committee Decision	Committee decision regarding permitting a planning application	0	√
Development Management	Procedures Enforcement	Planning and Enforcement	√	

Development Management	Quality of Service	Lack of discussion with Officer before decision made to refuse planning application	√			
Development Management	Procedures Enforcement	Determination of a planning application	√			
Development Management	Quality of Service	Time taken to determine planning application and lack of response to letter. Ombudsman ref: 17009895 Determination of planning application - at assessment stage Decision: For the reasons given above I find the Council acted without fault in granting planning permission and considering enforcement action. It failed to issue a valid breach of condition notice but that did not result in any harm and so no injustice arose	√			
Development Management	Procedures Enforcement		0	0		√
Development Management	Procedures Enforcement	Determination of planning application	√	√		
Development Management	Quality of Service	Information given regarding the decision of a planning application	√			
Development Management	Quality of Service	Customer has not received return call or email regarding a planning application enquiry. Complaint withdrawn	√			
Development Management	Committee Decision	Planning Committee	√			
Development Management	Quality of Service	Lack of due process during planning application process	√			
Development Management	Quality of Service	Quality of service received from Planning team during planning application process.	√			

Development Management	Quality of Service	Lack of communication from Officer during planning application process Premature Ombudsman Complaint regarding a planning enforcement matter ref: 17 003 292 regarding planning enforcement complaint	√	√	
Development Management	Procedures Enforcement		√		√
Development Management	Procedures Enforcement	Planning conditions relating to planning application for Marsh Farm Barn Complaint concerning lack of enforcement with regard to application SDNP/16/03499 - Dangstein estate.	√	√	
Development Management	Procedures Enforcement	Complaint received regarding lack of planning enforcement action	√	√	
Development Management	Procedures Enforcement	Customer not happy with Stage 1 response to complaint regarding Customer is unhappy he did not received a response to his complaint within 10 days and has now asked for a Stage 2 investigation into the determination of a planning application Ombudsman ref: 17018916 Complaint regarding planning decision.	0		
Development Management	Procedures Enforcement	Decision not to investigate as the Council have admitted fault and apologised.	√	√	√
Development Management	Procedures Enforcement	Determination of planning application	√	√	
Development Management	Procedures Enforcement	Determination of planning applications at Rogate	√	√	
Development Management	Procedures Enforcement	Lack of effect - enforcement process	0	√	

Development Management	Procedures Enforcement	Parish Council are unhappy with a number of planning issues	√		
Development Management	Quality of Service	Invalid application due to incorrect certificate Ombudsman Ref: 17 012 150 - Decision not to investigate.	√		
Development Management	Procedures Enforcement	Regarding notification of planning application and consultee comments Planning Enforcement enquiry re HGV traffic routing for Polo events at Manor Farm, South Ambersham	√		√
Development Management	Procedures Enforcement	Planning Enforcement complaint concerning helicopters landing without permission	√	√	
Development Management	Procedures Enforcement	Planning Application	√		
Development Management	Officer Conduct/Performance	Customer alleges that the Officer discriminated against her whilst investigating an enforcement complaint Complaint about lack of response from Officer dealing with planning application when emails and call-back requests were sent. Complaint withdrawn	√		
Development Management	Quality of Service		√		
Development Management	Procedures Enforcement	Alterations approved under Fir Trees	√		
Development Management	Procedures Enforcement	Development at Dangstien Estate	√		
Development Management	Officer Conduct/Performance	Case Officer not returning email communication and planning application not determined within target date.	√		
Development Management	Quality of Service	Complaint concerning service received during pre-application scheme	√		

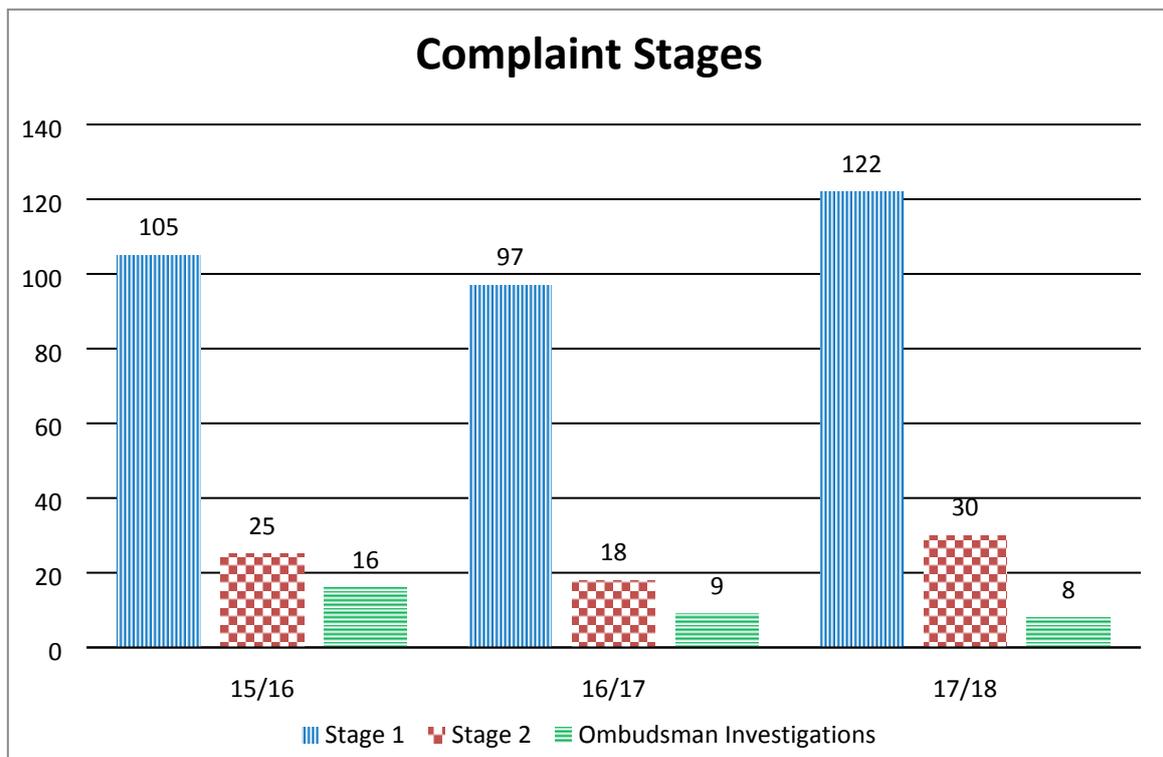
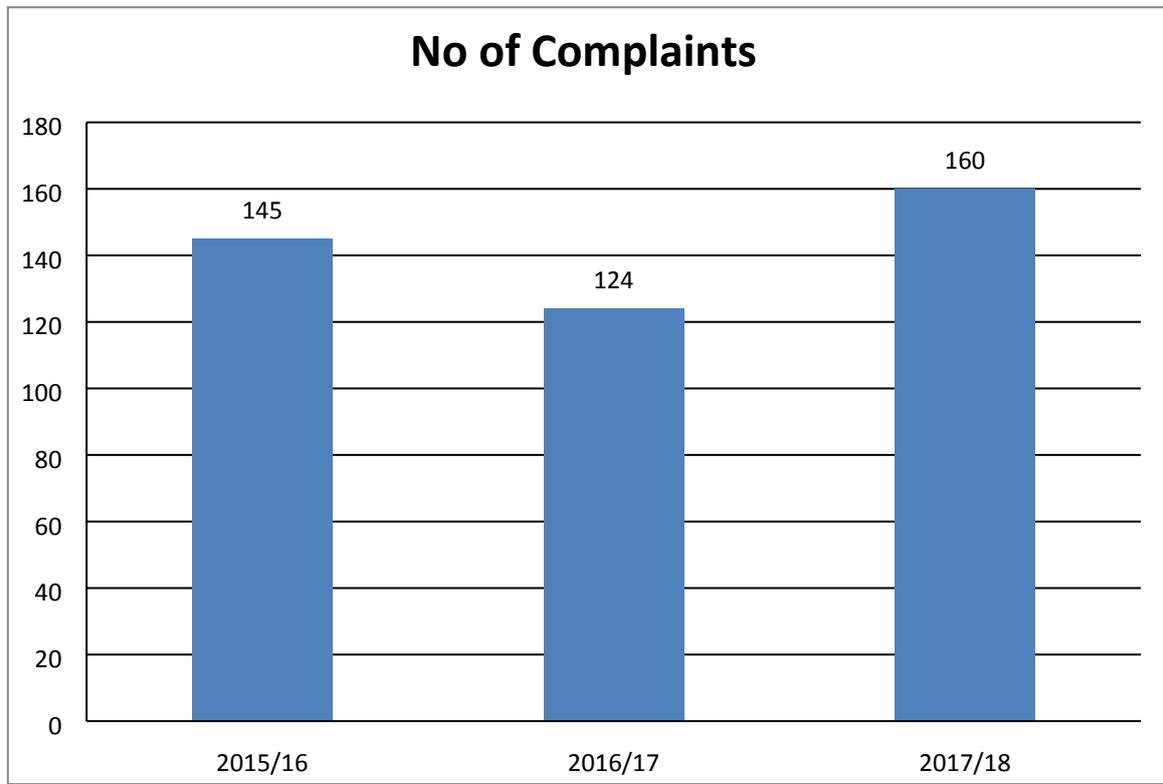
Development Management	Procedures Enforcement	Customer not satisfied with Stage 2 response regarding determination of planning application	0	√	
Development Management	Procedures Enforcement	Ombudsman ref:16 008 874 Investigation into planning application.	0	0	√
Development Management	Procedures Enforcement	Complaint regarding event at Cowdray Park- Planning Enforcement	√		
Development Management SDNP	Quality of Service	Service received during planning process	0	√	
Development Management SDNP	Procedures Enforcement	Complaint concerning the development of Dangstein Estate	√		
Development Management SDNP	Quality of Service	Lack of Service	√		
Development Management SDNP	Quality of Service	Handling of Planning Application	√		
Development Management SDNP	Quality of Service	Level of professionalism during planning application process.	√		
Development Management team	Procedures Enforcement	Customer not happy with the response to stage 1 complaint re concerning the development of Dangstein Estate	0	√	
Environmental Protection	Officer Decision	Complaint concerning pollution from neighbouring property	√	√	
Environmental Protection	Officer Conduct/Performance	Lack of action by Environmental Health Officer on noise complaint	√		
Environmental Protection	Officer Conduct/Performance	Lack of response to letter and emails which were sent to an Officer	√		

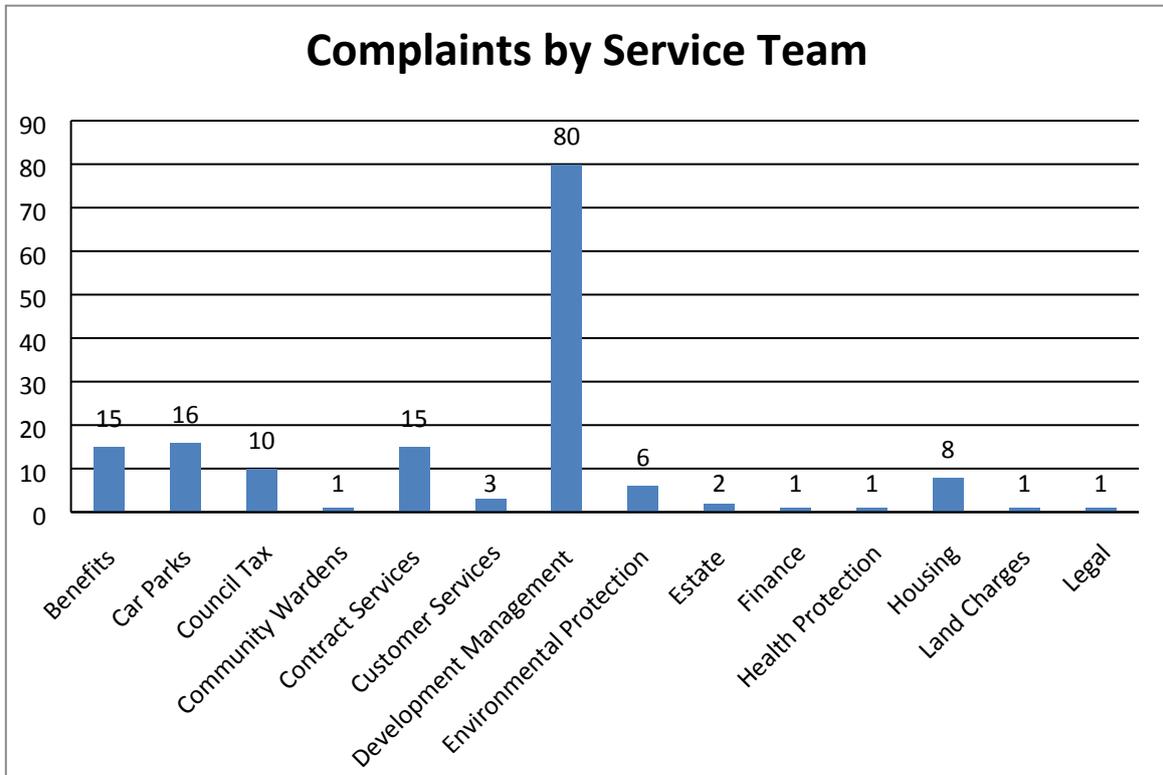
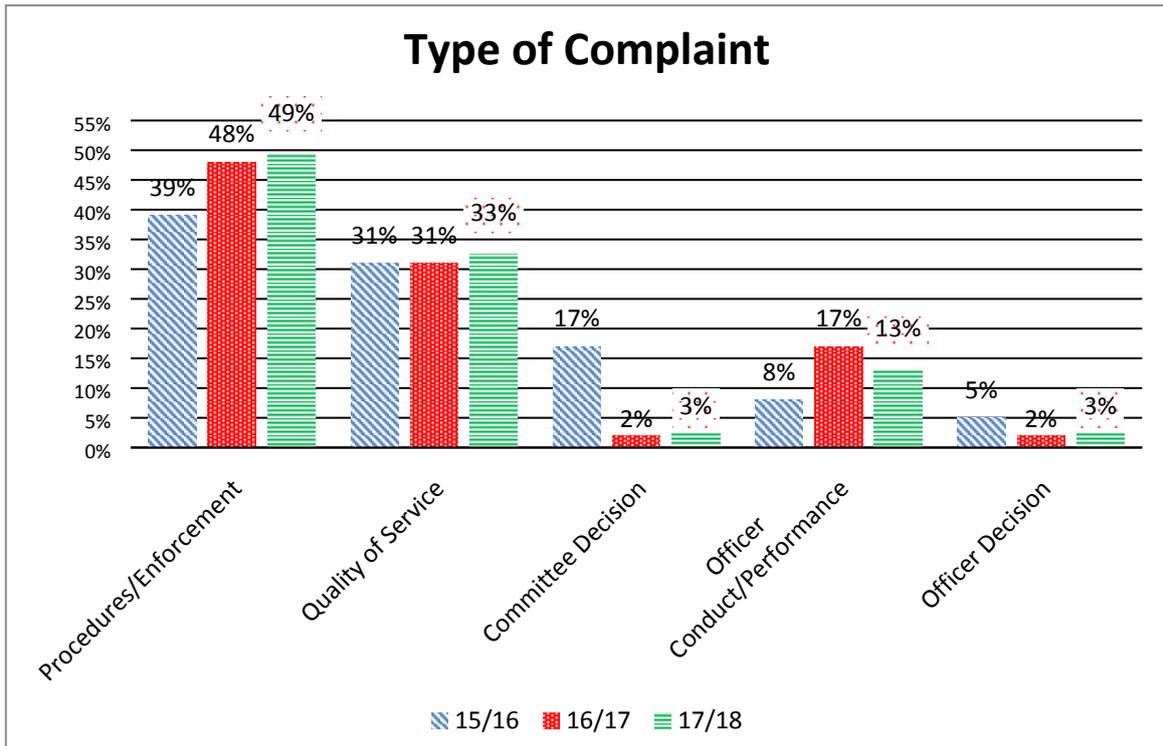
Environmental Protection	Procedures Enforcement	Complaint concerning dog control on the beach	√	
Environmental Protection	Quality of Service	Complaint concerning lack of action from EH regarding pest control problem	√	
Environmental Protection	Procedures Enforcement	Complaint concerning license for dog walking/kennelling business	√	
Estates	Procedures/Enforcement	Council lack of action over a tenanted property Failed to appreciate we have a statutory obligation to make the disclosure imposed by Regulation 113(7) of the Public Contracts Regulations 2015.	√	√
Finance	Procedures/Enforcement		√	
Housing	Quality of Service	Complaint regarding Home move and the allocation of a property	√	√
Housing	Officer Conduct/Performance	Complaint concerning Officer refusing to destroy personal data held by the Council. Fiona	√	
Housing	Procedures Enforcement	Complaint re housing register	√	
Housing	Procedures Enforcement	Mr Spurway is complaining about the rent for Westward House and Service Charge	√	
Housing	Procedures Enforcement	Customer complaint regarding not being accepted on the housing register	√	
Housing	Officer Conduct/Performance	Complaint concerning poor advice and service received from Housing Officer	√	
Housing Improvement Team	Quality of Service	Service received by contractors appointed for disabled facilities grant	√	

Land Charges	Quality of Service	Complaint concerning delay in receiving information requested for CON29 search	√	
Legal	Procedures/Enforcement	Procedure followed by the Council regarding rent arrears	√	
parking	Quality of Service	Complaint regarding the resurfacing of car park in Midhurst without warning and the damage it did to cars	√	
Parking Service	Procedures/Enforcement	Conduct of Bailiffs employed by Parking Services to collect penalty charge notice	√	
Parking Services	Committee Decision	Complaint concerning increase in hours for parking charges at Northgate	√	
Parking Services	Procedures/Enforcement	Extension to parking charges time at Northgate Car Park	√	
Parking Services	Procedures/Enforcement	Increased noise caused by parking	√	
Parking Services	Procedures/Enforcement	Response from Officer regarding a Penalty Charge Notice	0	√
Parking Services	Procedures/Enforcement	Complaint following a PCN challenge	√	
Parking Services	Officer Conduct/Performance	Complaint regarding comments made to a member of the public by Parking Services Officer	√	
Parking Services	Quality of Service	Customer unable to use parking machines as it did not accept new £1.00 coins Customer was advised by a CEO that he needed to change his tyres as they say 'winter' on them. He checked with our MOT assessor and they advised this	√	
Parking Services	Officer Conduct/Performance	advice was incorrect.	√	

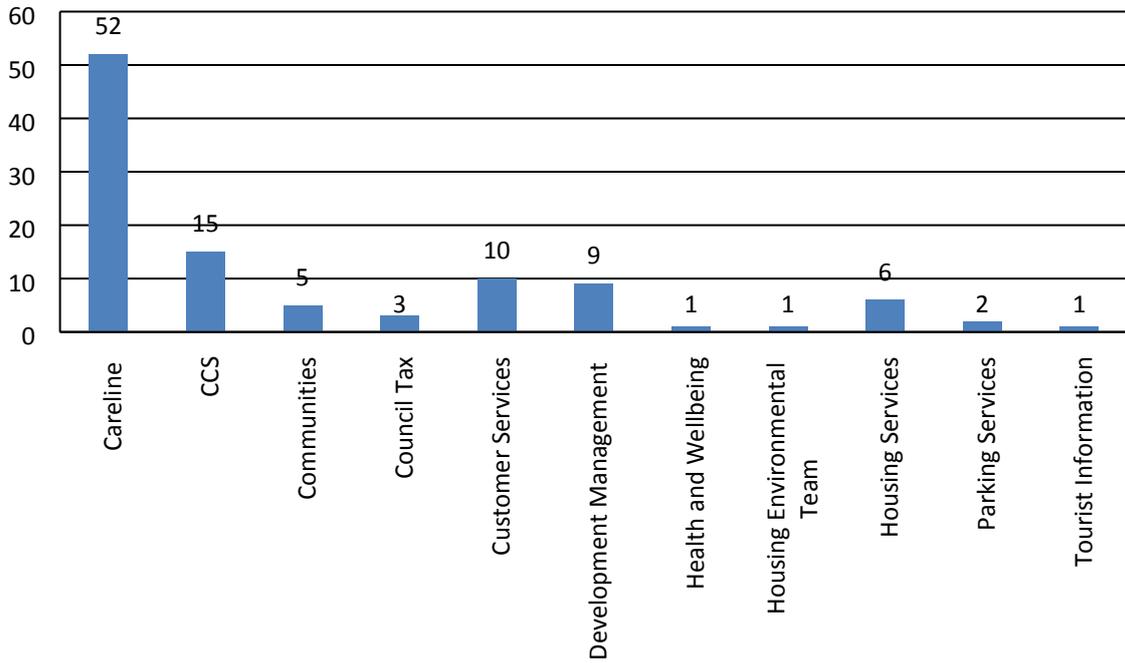
Parking Services	Procedures/Enforcement	Complaint concerning Penalty Charge Notice	√	
Parking Services	Quality of Service	Complaint received re residents Parking Permit being cancelled	√	√
Parking Services	Procedures/Enforcement	Complaint regarding enforcement agency employed by CDC	√	
Parking Services	Quality of Service	Complaint regarding parking machines at Midhurst and the enforcement of parking in this area	√	
Parking Services	Procedures/Enforcement	Customer complaint that we were unable to renew specific season ticket has she was outside the grace period of 14 days	√	

Complaints/Freedom of Information Graphical Reports

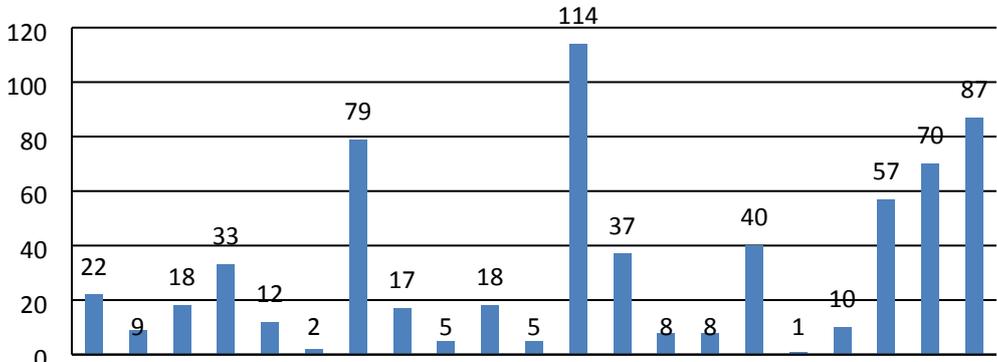




Service Team Compliments



Requests for Information by Service



FOI - Accommodation, Business, Communities, Council Tax, Customer Services, Development Management, Environmental Health, Finance, Health and Wellbeing, Housing, Human Resources, Information Services, Legal, Marketing, Operations, Planning, Public Works, Security, Transport, Waste Management, Water

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Chichester District Council

CORPORATE GOVERNANCE & AUDIT COMMITTEE 16 October 2018

Progress Report – Audit Plan

1. Contacts

Report Author:

Stephen James – Principal Auditor

Tel: 01243 534736

E-mail: sjames@chichester.gov.uk

2. Recommendation

The Committee is requested to consider the Audit Reports, Follow Ups and Position Statement and to note progress against the audit plan.

3. Main Report

3.1. Building Security Audit

The audit review of Building Security has been carried out as part of the Annual Audit plan for 2018/2019.

The brief for this audit review was to identify processes and test controls in place so that reliance could be given that they were operating in accordance with procedures over the security of Council Buildings.

The areas to be covered are:

- Responsibility for Building Security
- Issue and removal of staff badges/passess
- Control over visitor and contractor passes
- Out of hours access
- Monitoring arrangements

Six areas of improvement have been identified all of which have been discussed and actions agreed with the appropriate Service Managers, Heads of service and Divisional Managers.

3.2. Leisure Centres Contract Monitoring Audit – Follow Up

The audit review on the contract monitoring for Leisure Centres was originally undertaken in October 2017. This was subject to a six monthly follow up in August 2018; this was to ensure that all the recommendations contained in the Action Plan have been implemented. The Action Plan at Appendix 1 of the report has been annotated to show what actions have been taken and any outstanding or ongoing actions still required, which in this cases there were none.

3.3. Security of IT Assets Audit – Follow Up

The audit review on the Security of IT assets was originally undertaken as part of the 2015/2016 audit Plan. This was subject to a six monthly follow up. However, due to the prospect of Shared Services and the appointment of a new IT manager this was deferred until this year.

Each recommendation has been revisited and evidence obtained to confirm actions taken. The Action Plan at Appendix 1 has been annotated to show what actions have been taken and any outstanding or on-going actions still required, which in this case there were none. A copy of the original audit undertaken is attached for reference purposes.

3.4. Southern Gateway Use of Consultants – Position Statement

The audit on the use of Consultants was to be reviewed as part of the three year audit plan. As the largest current project engaging consultants is the Southern Gateway, this was chosen for review.

The expenditure was reviewed and found to be correctly coded and the consultancy fees were in the initial period and professional in the latter period.

There needs to be a watching brief over the expenditure incurred, however, there are no concerns over the use of Consultants, therefore no further action was deemed necessary.

4. Background

4.1. Not Applicable

5. Outcomes to be achieved

5.1. Not Applicable

6. Proposal

6.1. Not Applicable

7. Alternatives that have been considered

7.1. Not Applicable

8. Resource and legal implications

8.1. Not Applicable

9. Consultation

9.1. Not Applicable

10. Community impact and corporate risks

10.1. Not Applicable

11. Other Implications

Are there any implications for the following?		
	Yes	No
Crime & Disorder:		√
Climate Change:		√
Human Rights and Equality Impact:		√
Safeguarding:		√
Other (Please specify):		√

12. Appendices

12.1. Progress Report – Audit Plan

13. Background Papers

13.1 None

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Progress Report – Audit Plan



Appendix 1

Audits	Auditor	No of Days	Position with Audit if commenced
Museum & TIC	Stephen James	3	This audit was brought forward from the 2017/2018 plan. The scope of the Audit has been agreed, and testing has commenced.
Debt Recovery	Ann Kirk /Julie Ball	10	This audit was brought forward from 2017/2018. Testing has commenced and awaiting the completion of procedure notes before the Audit can be completed.
2018/2019 Audit Plan			
S106 and CIL (Follow Up)	Stephen James	8	This follow up was partially completed in 2017/2018 the remaining recommendation will be followed up during 2018/2019.
Use of Consultants (Southern Gateway only)	Sue Shipway	1	Position Statement issued
Personnel & Recruitment (Gifts and Hospitality Car Loans & Debts)	Ann Kirk/Julie Ball	0	Audit Completed
IT Inventory (Follow Up)	Sue Shipway	0	Audit Completed
Building Security	Sue Shipway	0	Audit Completed
Housing Applications	Sue Shipway	10	
IT GDPR Post Implementation	Ann Kirk/Julie Ball	5	Scope agreed, testing commenced
Income Generation (Financial Resilience and VFM)	Stephen James/Sue Shipway	20	
Grants Paid	Stephen James	10	
Business Continuity	Sue Shipway/Ann Kirk	6	Scope agreed, started testing
Key Financial Systems Report - 2017/2018	Sue Shipway	0	Audit Complete
Trade Waste	Ann Kirk/Julie Ball	8	

2018/2019 AGS	Stephen James	15		
PSIAS	Sue Shipway	20		
Inclusion in Key Financial Systems				
Creditors	Sue Shipway / Julie Ball / Ann Kirk / Stephen James	}	The Key Financial review work take place over the next twelve months, the first level of tesing is cutrrently being carried out.	
Debtors	Sue Shipway / Julie Ball / Ann Kirk / Stephen James			
Payroll	Sue Shipway / Julie Ball / Ann Kirk / Stephen James			
NNDR	Sue Shipway / Julie Ball / Ann Kirk / Stephen James			41
Treasury Management	Sue Shipway / Julie Ball / Ann Kirk / Stephen James			
Fixed Assets	Sue Shipway / Julie Ball / Ann Kirk / Stephen James			
Council Tax	Sue Shipway / Julie Ball / Ann Kirk / Stephen James			
Bank Reconciliation	Sue Shipway / Julie Ball / Ann Kirk / Stephen James			
Other Audit Activities				
Key Financial Systems - As above	Sue Shipway / Julie Ball / Ann Kirk / Stephen James	41		
Planning and Control (Audit planning and review)	Stephen James / Sue Shipway	8		
Meeting / Discussions with EY	Stephen James / Sue Shipway	2		
Committee reports and representation	Stephen James / Sue Shipway	10		
Corporate Advice	Stephen James / Sue Shipway / Julie Ball	12		
2017/2018 AGS and Evidence	Stephen James	4		
Contingency	Stephen James / Sue Shipway / Ann Kirk / Julie Ball	20		
Public Sector Internal Audit Standard (PSIAS)	Stephen James / Sue Shipway	5		
Follow Ups	Stephen James / Sue Shipway / Ann Kirk / Julie Ball	17		



Internal Audit Summary Report

Building Security Audit

**Sue Shipway
Senior Auditor
August 2018**

Contents

Audit: Building Security
Auditors: Sue Shipway

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2	Scope	3
3	Areas for Improvement.....	3

4	Agreed Actions	4
5	Action Plan – Appendix 1	5

1 Introduction

- 1.1 The audit review of Building Security has been carried out as part of the Annual Audit Plan for 2018/19 which was agreed by the Corporate Governance and Audit Committee.

2 Scope

- 2.1 The brief for this audit review was to identify processes and test controls in place so that reliance could be given that they were operating in accordance with procedures over the security of Council buildings. The areas to be covered are:

- Responsibility for Building Security
- Issue and removal of staff badges/passes
- Control over visitor and contractors passes
- Out of hours access
- Monitoring arrangements

- 2.2 The format of this report is to raise exceptions only; highlight areas where improvements could be made. All exceptions raised in this report have already been discussed and actions agreed with the appropriate Service Managers, Heads of Service and Divisional Managers.

3 Areas for Improvement

- 3.1 In the main, there are operational procedures in place for the general security of the building and out of hour's access and the monitoring of movement via CCTV. However, there was little evidence of when these procedures were reviewed etc.
- 3.2 The main areas where improvement is considered necessary, relate to monitoring and reviewing arrangements for the issue and removal of passes to staff and visiting personnel, these include; contractors, visitors, volunteers, shared services, partnership working and staff (temporary). Furthermore, although the overall responsibility for Building Security lies with Facilities Management, there was a question mark over the day to day operational responsibilities for monitoring passes in circulation.

Records from the Control soft Pro system identified nearly three times the number of passes being active on the system than staff employed. Confirmation has been given that there are personnel marked as 'active' despite they are no longer a member of staff and for non-staff had passed the expiry date, but had not been deactivated or removed. There was also an issue

regarding the deactivation function and whether this was working, but confirmation has since been sought to confirm this is functioning correctly.

In addition, a small number of staff had been issued two passes both of which were active; however no immediate reason could be given for these.

The report also showed a number of non-staff, visitors and contractors with active badges, some of which had indefinite passes with no expiry date.

- 3.3 The above would suggest a lack of controls over the monitoring of active passes and the removal/deactivation of them once no longer required.
- 3.4 This report aims to address any areas where improvement is deemed necessary. This will be achieved through agreed actions and these are reported below in the Action Plan. This plan also shows the responsible officer and target dates for completion of agreed actions.

4 Agreed Actions

- 4.1 The agreed Action Plan can be seen at Appendix 1 to this report.
- 4.2 In order to prioritise actions required, a High, Medium and Low risk factor has been applied to identify issues raised as follows:
 - High – Significant areas of improvement to be addressed
 - Medium – Important areas of improvement to be addressed
 - Low – Minor areas of improvement to be addressed

Agreed Action Plan – Appendix 1

Areas for Improvement	Priority	Agreed Actions	Responsible Officer	Target Date
<p>The system report needs to be reviewed and all Staff passes should be given a three year expiry date (as agreed by SLT). Any members of staff no longer employed by CDC should be removed as soon as possible.</p>	<p>Medium</p>	<p>A full review is currently being carried out and all obsolete passes will be removed from the system. HR receive all starters and leavers e-forms, therefore it was agreed that they would give all staff passes three year expiry date. Any leavers will be removed completely and other absences such as those on career breaks etc. will have their passes deactivated.</p>	<p>HR Administrator</p>	<p>30 September 2018</p>

<p>The Control soft Pro system needs to be set so that passes are automatically deactivated once they reach the expiry date. These should only be extended if a request has been made to do so.</p>	<p>High</p>	<p>The Access control system is due for an upgrade this will take some time but and once the current review is complete, all passes will be deactivated on the agreed expiry dates.</p> <p>These are:</p> <p>Staff = after 3 years</p> <p>Shared Services/Partnership working = after 1 year and</p> <p>Visitors/Contractors/Temp Staff = after 6 months.</p> <p>There will also be colour coded passes introduced to differentiate between CDC and non CDC staff. Different lanyards will also be introduced. Full details will be included in the procedures.</p>	<p>Facilities Manager/HR Administrator</p>	<p>31 December 2018</p>
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A process for monitoring and reviewing active passes needs to be introduced. This will ensure that all staff with active passes are correctly recorded on the system or where necessary, action is taken to remove or deactivate them.	Medium	Written procedures for the monitoring of all CDC passes will be introduced once the above exercise is complete.	Facilities Manager/HR Administrator	31 December 2018
Responsibility for all Staff and Non-Staff passes needs to be clearly defined and documented in case someone needs to deputise.	High	Overall security lies with Facilities Management, however, the role of HR is important, so it was agreed that they should be responsible for adding and deleting passes from the system. A support person will be named and provide back up if and when required.	Facilities Manager	30 September 2018
All non-staff passes, such as those relating to; visitors, contractors, shared services and working partnerships needs to consistent approach and all should be given reasonable expiry dates.	High	An agreed protocol will be agreed to ensure consistency. Expiry dates have been agreed above and passes will be deactivated accordingly.	Facilities Manager/HR Administrator	30 September 2018

Written procedures for all areas relating to Building Security need to be accessible to the appropriate responsible officers. These should be reviewed on a regular basis and evidence of such kept as an audit trail.	Med	Agreed, these will be produced, reviewed and updated as soon as possible and dates recorded of this taking place will be available.	Facilities Manager	31 December 2018
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**Internal Audit Report
2015-2016**

IT Security of Assets

**Julie Ball & Sue Shipway
Auditor and Senior Auditor
September 2015**

Contents

Audit: IT Security of Assets
Auditor: Julie Ball & Sue Shipway

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4	Conclusion.....	5
5	Recommendations.....	5
6	Action Plan – Appendix 1	6

1 Introduction

- 1.1 The council has a significant volume of ICT assets and the ICT Operations service is responsible for the management of all IT assets across the council.
- 1.2 To achieve value for money, and full use from the hardware in use it is important that all ICT assets are tracked and managed appropriately. This is now essential under NWOW (new ways of working), where staff and equipment are no longer stationary and working from home is becoming a routine occurrence.
- 1.3 All IT Inventories are currently now being updated as part of the ICT 'Business As Usual Strategy' (BAU) Transformation Project, so that all ICT assets are held on Track IT, along with requests and history of individual items being ordered, replaced or disposed of.

2 Scope

- 2.1 The scope of the audit was to review the inventory for portable items to ensure that:
 - Policies and Procedures are in place and regularly reviewed
 - Controls are in place for the purchase and disposal of small portable items
 - Purchases are recorded, updated and reviewed
 - Accurate data is provided for Insurance cover purposes
- 2.2 Testing was carried out according to our findings below.

3 Findings

- 3.1 Internal Policies, processes and procedures are important to have in place; thus ensuring staff awareness regarding of their roles and responsibilities. Without up to date policies and procedures in place, staff may not be aware of current working practices and this could result in a lack of control over the security of assets.
- 3.2 The service is responsible for the council's corporate IT Security Policy. Internal Audit was informed by the ICT Operations Manager, that this policy had not been reviewed or updated since 2010, as part of the PSN certification. Audit have since been informed that these have now been updated and are awaiting formal approval by the Head of Service. In future, a more formal annual review will be take place and be recorded, even if no amendments are required.

- 3.3 Further policies being reviewed at the time of audit were; the Email Policy and Information Security Incident Policy and Members Information Security Policy.
- 3.4 No written processes or procedures for; the recording and disposal of equipment were made available when requested. However, since then, audit had been issued with an Equipment Workflow. Unfortunately, this is very basic and does not contain sufficient detail for audit to be able to perform a full walkthrough to confirm the process. It is important that all documents are reviewed on a regular basis and updated accordingly to ensure that they reflect arrangements in accordance with the council's working practices. ICT are aware that the systems and processes in place are not current and regularly reviewed in line with best practice. Internal Audit have been informed that they will be reviewing and implementing policies, procedures and policies using a (BAU) based on an IT Infrastructure Library (ITIL). [A spreadsheet is currently being populated to ensure that all policies and procedures are reviewed, and in line with PSN compliance.](#)
- 3.5 There are various places where the asset information is held. Unfortunately, the master Inventory provided from Track-IT had only limited information at the time it was audited and not one document contained all the relevant asset information. As a result, Internal Audit could not confirm that all purchases made had been recorded for; laptops, mobile phones, VPN's or cameras. Records include a unique identification number against each item, but there was no record of the date of purchase, the cost of the item, or whom the item had been allocated to.
- 3.6 [In addition, the ICT inventories had not been consistently updated for the following: purchases, disposal, resignations, extended leave, re-deployment or termination of staff. Audit testing identified that recorded users of equipment, such as phones and laptops, were no longer employed by the council and/or did not reflect the current whereabouts of an item or who it had been reassigned to. In addition to the TrackIT requests, ICT do receive E forms of starters, changes and leavers, which could be used to populate this combined information, providing all the required information in supplied.](#)
- 3.7 In future TrackIT will be the designated Configuration Management Data Base (CMDB) for asset management. Whilst ICT confirm that the information is accurate for new assets, it may not reflect accurately older assets; these are currently being transferred from existing spreadsheets and databases as part of ICT's action plan. However, the Service will need to test-check TrackIT, sooner rather than later, to ensure that the asset module is fit for purpose can record and report on asset data as required. Training on this module will be essential for all staff using it.
- 3.8 There are three electronic forms Managers complete to notify personnel and ICT that an applicant has been successful, member of staff is transferring to another position or is leaving. The template for these forms need to be reviewed and updated to give a detailed list of all equipment that is required or needs to be transferred or returned.

- 3.9 Employees are required to sign the ICT Security Policy but do not sign any acknowledgement of receipt or the return of IT equipment. Staff within the organisation should be made aware of their responsibilities and security of the equipment on receipt of and at the point of termination of their contract, to ensure equipment is returned and inventories are updated. The template for these forms need to be updated to give a detailed list of all equipment that is required or need to be returned.
- 3.10 It is the ICT services responsibility to inform the council's insurance officer of the value of IT items on an annual basis, so that insurance cover can be provided. Internal audit were informed by the service that the insurance officer should be notified of all items within one month of purchase. We were unable to confirm that for the items selected as a sample were insured, as insurance values are recorded by bulk and not individual items.
- 3.11 Further testing found that purchases to the value of £89,687 were made during period July 2014 to July 2015. However, the Insurance Officer had not been informed of any of these items. As the cost of assets is only required annually and allegedly not used by Finance, there needs to be clarification between ICT and the Insurance Officer as to the requirements going forward and procedures amended to reflect any changes.

4 Conclusion

Whilst it is noted that ICT are currently going through a period of change and the indication is that many of the findings will be addressed. There is general concern that the [inventory remains incomplete and the whereabouts of all assets is not easily identified](#). It is essential that a reconciliation of assets is undertaken, in the short term in order to record their current location and ownership.

5 Recommendations

- 5.1 A number of recommendations have been made and an Action Table has been produced, see Appendix 1. In order to prioritise actions required, a traffic light indicator has been used to identify issues raised as follows:

Red – Significant issues to be addressed

Amber – Important issues to be addressed

Green – Minor or no issues to be addressed

6 Action Plan – Appendix 1

Paragraph Ref	Recommendation	Officer	Priority	Agreed?	Comments	Implementation Date
4.	Although ICT have agreed that there are plans for in place to improve the current system of recording. It is essential for a reconciliation to take place between the current records and equipment held be undertaken as soon as possible.	IT Manager	Significant 	Yes	1. It would be practical to do this once the current NWOW's Laptop Rollout Project is complete and unused desktops are removed from offices. (A dependency of this will also be the big office moves taking place in early 2016.) 2. In future ICT will be introducing an annual asset review exercise.	March 2016 On-going

3.3	All processes and procedures for; recording, transfer and disposal of assets is sufficiently detailed up to date to reflect current practises.	IT Manager	Important 	Yes	The ICT BAU Transformation project is in flight and all processes and procedures are currently being reviewed and updated. A spreadsheet is being populated to control this.	March 2016
3.4	A master inventory is to be held on TrackIT, this should include: the cost of the item, date of purchase, unique ID number and who it has been allocated to. The information held should also be current.	IT Manager	Significant 	Yes	The process of updating the Asset Database is on-going. The ICT team are in the process of consolidating all previously held information to assure the information is stored and is accessible in one place -TrackIT.	March 2016

3.5	All movements of assets should be entered onto the master inventory, so that the life of the asset from purchase to disposal is recorded.	IT Manager	Important 	Yes	Whilst ICT will be diligent in updating TrackIT with any changes they become aware of, it is important to recognise that ICT can only make changes when they have been notified of such changes. It is also worth noting that CDC now work in a flexible environment and there has to be some responsibility taken by the individuals for their equipment, and in notifying ICT of changes or transfers etc. This is covered in the NWOW	Ongoing
3.6	Users of Track IT are given training to understand the systems capabilities so that it can be used as it is intended for the purposes of an Inventory.	IT Manager	Important 	Yes	As part of the ICT BAU Project there are training Workshops arranged to provide assistance in ITIL based procedures and best practise.	December 2015

3.7	The asset module within TrackIT needs to be tested to ensure that it is able to capture and report all information required of an asset inventory. If not an alternative method will need to be considered as a matter of urgency.	IT Manager	Important 	Yes	IT Manager has agreed that this needs to be completed as soon as possible.	December 2015
3.8	The electronic form for starters/transfers and leavers could be reviewed and updated to record these details.	IT Manager	Important 	Yes	The IT Manager is happy to discuss their requirements of equipment being recorded on the e-forms with Personnel. However, ICT will remain reliant on these forms being completed.	December 2015

3.9	Staff should be reminded of their responsibilities and sign for equipment on receipt and return to show a record of issued and received.	IT Manager	Important 	Yes	<p>This is completed when the Security Policy is signed and the device is handed over by ICT to the end user and also at IT Essential's workshop and as part of the users general CDC Induction.</p> <p><i>Note: ICT will be happy to assist with the process of collecting the kit from the individuals and updating TrackIT. However this is a wider process that needs to be addressed across the organisation and communicated as such.</i></p>	On-going
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Chichester District Council
Internal Audit Report

3.10 & 3.11	A process is put in place for the way forward for informing the Insurance Officer of IT purchases to ensure that all ICT assets have sufficient cover of insurance.	IT Manager	Important 	Yes	IT Manager has contacted Insurance Officer to confirm requirements and will assist with applying these once known.	October 2015
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Internal Audit Follow up Report

Security of IT Assets Audit

Sue Shipway
Senior Auditor
August 2018

Contents

Audit: IT Security of Assets Follow-up
Auditors: Sue Shipway

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1 Introduction

- 1.1 The audit review on the Security of IT assets was originally undertaken as part of the 2015/16 audit plan. This was subject to a six monthly follow up, however due to the prospect of Shared Services and the appointment of a new IT manager this was deferred until this year.
- 1.2 The purpose of this was to ensure that all the recommendations contained within the Action Plan have been implemented.

2 Scope

- 2.1 Each recommendation has been revisited and evidence obtained to confirm actions taken.
- 2.2 The Action Plan at Appendix 1 has been annotated to show what actions have been taken and any outstanding or ongoing actions still required, which in this case there were none

3 Agreed Actions

- 3.1 The agreed Action Plan can be seen at Appendix 1 to this report.

Paragraph Ref	Recommendation	Officer	Priority	Agreed?	Comments	Update @ August 2018
4.	Although ICT have agreed that there are plans for in place to improve the current system of recording. It is essential for a reconciliation to take place between the current records and equipment held as soon as possible.	IT Manager	Significant 	Yes	<p>1. It would be practical to do this once the current NWOW's Laptop Rollout Project is complete and unused desktops are removed from offices. (A dependency of this will also be the big office moves taking place in early 2016.)</p> <p>2. In future ICT will be introducing an annual asset review exercise.</p>	<p>1. All inventory items are now on TrackIT. A reconciliation took place, however no evidence was kept to support this because the system is live and so overwrites any previous audits.</p> <p>The system currently does an automated check randomly during the time a person is logged on.</p> <p>Additionally, TH selects a sample monthly for physical verification.</p> <p>2. A full inventory check will be completed, exported and kept for evidence by the 30 September 2018.</p>

Paragraph Ref	Recommendation	Officer	Priority	Agreed?	Comments	Update @ August 2018
3.3	All processes and procedures for; recording, transfer and disposal of assets is sufficiently detailed up to date to reflect current practises.	IT Manager	Important 	Yes	The ICT BAU Transformation project is inflight and all processes and procedures are currently being reviewed and updated. A spreadsheet is being populated to control this.	On-going. Flow diagrams have been updated for; On-Boarding, Off boarding however they were still dated 2015. These have now been reviewed, updated and signed as such. No further action required.
3.4	A master inventory is to be held on TrackIT, this should include: the cost of the item, date of purchase, unique ID number and who it has been allocated to. The information held should also be current.	IT Manager	Significant 	Yes	The process of updating the Asset Database is on-going. The ICT team are in the process of consolidating all previously held information to ensure the information is stored and is accessible in one place -TrackIT.	A copy of the master inventory should be held outside of TrackIT, to demonstrate that the annual review has taken place. <u>Further Action:</u> This will be completed by the end of September and a copy held as an audit trail.

Paragraph Ref	Recommendation	Officer	Priority	Agreed?	Comments	Update @ August 2018
3.5	All movements of assets should be entered onto the master inventory, so that the life of the asset from purchase to disposal is recorded.	IT Manager	Important 	Yes	Whilst ICT will be diligent in updating TrackIT with any changes they become aware of, it is important to recognise that ICT can only make changes when they have been notified of such changes.	Ongoing – ICT aim to record all movements, i.e. items returned go back into ICT stock before being re-issued to another member of staff. Now actioned, no further action required.
3.6	The asset module within TrackIT needs to be tested to ensure that it is able to capture and report all information required of an asset inventory. If not an alternative method will need to be considered as a matter of urgency.	IT Manager	Significant 	Yes	IT Manager has agreed that this needs to be completed as soon as possible.	There is a full record of equipment for each person within the council. Some additional work does need to be completed so that all items returned are removed from that person's record and transferred back into ICT stock, in practice these items are sometimes given out as they are handed back. Now completed, no further work required.

Paragraph Ref	Recommendation	Officer	Priority	Agreed?	Comments	Update @ August 2018
3.7	The electronic form for starters/transfers and leavers could be reviewed and updated to record these details.	IT Manager	Important 	Yes	The IT Manager is happy to discuss their requirements of equipment being recorded on the e-forms with Personnel. However, ICT will remain reliant on these forms being completed.	The e-forms have been amended to ensure that the requirements for equipment is being captured and sent to IT. This is now automated so that IT received copies of all e-forms. No further work required.
3.8	Staff should be reminded of their responsibilities and sign for equipment on receipt and return to show a record of issued and received.	IT Manager	Important 	Yes	This is completed when the Security Policy is signed and the device is handed over by ICT to the end user and also at IT Essential's workshop and as part of the users general CDC Induction. <i>Note: ICT will be happy to assist with the process of collecting the kit from the individuals and updating TrackIT.</i>	On-going, but this will also be firmed up with the appointment of the new IT service desk person.

Paragraph Ref	Recommendation	Officer	Priority	Agreed?	Comments	Update @ August 2018
3.9 & 3.10	A process is put in place for the way forward for informing the Insurance Officer of IT purchases to ensure that all ICT assets have sufficient cover of insurance.	IT Manager	Important 	Yes	IT Manager has contacted Insurance Officer to confirm requirements and will assist with applying these once known.	Confirmed that this was completed just prior to the insurance renewal in 2017. Any additional bulk purchases are notified to the Insurance Officer as required. No further work required.



Internal Audit Follow up Audit

Leisure Centres Contract Monitoring Audit

**Sue Shipway
Senior Auditor
August 2018**

Contents

Audit: Leisure Centres Contract Monitoring
Auditors: Sue Shipway

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1 Introduction

- 1.1 The audit review on the contract monitoring of Leisure Centres was originally undertaken in October 2017. This was subject to a six monthly follow up in August 2018; this was to ensure that all the recommendations contained within the Action Plan have been implemented.

2 Scope

- 2.1 Each recommendation has been revisited and evidence obtained to confirm actions taken.
- 2.2 The Action Plan at Appendix 1 has been annotated to show what actions have been taken and any outstanding or ongoing actions still required, which in this case there were none.

3 Agreed Actions

- 3.1 Both recommendations were rated an important priority and actions required implemented, see Action Plan at Appendix 1.

4 Agreed Action Plan – Appendix 1

Paragraph Ref	Recommendation	Comments	Priority	Responsible Officer	Target Date
3.1	Internal written procedure/guidance notes on the monitoring requirements of the SLM Ltd contract should be introduced as soon as possible, this would ensure continuous monitoring should a key member of staff be absent.	Procedure/guidance notes to be developed by the end of the financial year	 Amber Important	Contract Monitoring Officer	Completed by 1 April 2018 <u>Audit Update as at Aug 2018:</u> Confirmed, although links need to be updated due to changes in the structure. Procedure

Chichester District Council
Internal Audit Follow up on Action Plan

3.4	All data supporting the KPI's should be reviewed on an adhoc basis, in order to confirm the validity of the performance indicator and outturn reported.	Different KPI's to be selected and randomly checked at site visits and reported to the task and finish group.	 Amber Important	Contract Monitoring Officer	Ongoing commencing at next site visit (January 2018). <u>Audit Update as at Aug 2018:</u> Some data has now been checked for validity and found to be correct, this will continue on an adhoc basis.
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Internal Audit Position Statement

Southern Gateway Use of Consultants Audit

**Sue Shipway
Senior Auditor
August 2018**

1 Introduction

- 1.1 The audit on the Use of Consultants was to be reviewed as part of the three year audit plan which was approved by Corporate Governance and Audit Committee.
- 1.2 As the largest current project engaging consultants is the Southern Gateway, this was chosen for review.

2 Scope

2.1 The scope was simply to identify the controls in place to ensure that:

- The expenditure incurred on the project for Consultants, is correctly coded to consultancy and not professional services, and
- The budget is being monitored so that any variances are identified and explained.

3 Outcome

3.1 Over the course of the past three years the total spend to date was £292k including accruals and of this £248k of this has been spent on Consultancy and Professional service, the split is as follows:

2016-17	£
Consultancy Fees	16,260
Professional Services	64,957
2017-18	
Professional	167,359
2018-19	
Professional Services	36,950
Total to Date	<u>248,576</u>

3.2 This expenditure was reviewed and found to be correctly coded and the consultancy fees were in the initial period and professional in the latter periods.

3.3 The project team includes a senior member of Finance, who monitors expenditure. There was an overspend on C0240 in 2016/17 but this was setoff against the carry forward on C0241.

There needs to be a watching brief over expenditure incurred, however, there are no concerns over the use of Consultants, therefore no further action was deemed necessary.

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Chichester District Council

CORPORATE GOVERNANCE & AUDIT COMMITTEE

16 October 2018

Strategic Risk Update

1. Contacts

Report Author:

Helen Belenger, Financial Services Divisional Manager

Tel: 01243 521045 E-mail: hbelenger@chichester.gov.uk

2. Recommendation

- 2.1. That the Committee notes the current strategic risk register and the internal controls in place, plus any associated action plans to manage those risks, and raises any issues or concerns.**
- 2.2. That the Committee notes both the high scoring programme board and organisational risks, and the mitigation actions in place, and raises any issues or concerns.**

3. Background

- 3.1. In accordance with the governance arrangements as set out in the Council's Risk Management Strategy and Policy, the Strategic Risk Group (SRG) reviews the strategic and programme board risk registers, and the high scoring organisational risk register bi-annually. The outcome of their review is then reported to this Committee, which last received an update on the risk registers on 29 March 2018.
- 3.2. The SRG met on 20 September 2018 to consider the latest position of the risk registers and is the purpose of this report.
- 3.3. Under the current Risk Management Policy the Strategic Leadership Team (SLT) review the Council's risk registers on a quarterly basis; a review took place in July/August with a further update in September.

4. Outcomes to be achieved

- 4.1. The Strategic, Programme Board Risk and Organisational Risk Registers are current, and relevant to the Council and its operation, and that those risks are well managed in accordance with the Council's Risk Strategy and Policy.

5. Update on the Strategic Risk Register

- 5.1. The strategic risk register was considered by the relevant risk owner prior to the reviews by the Strategic Leadership Team and the Strategic Risk Group.
- 5.2. SRG considered the updated risk register, with its discussion focussed on the current risk scores, the latest situation affecting the risk position, and the

mitigation action plans that are in place or being developed to manage the identified risks.

5.3. The risk map below shows the risk numbers and where they currently appear on the heat map for the strategic risk register:

LIKELIHOOD				
	8	1, 149	147, 148	
		145	9,97, 165	
			88	68
IMPACT				

Key to Risk Numbers:

1 = Financial Resilience, 8 = Skills, Capability/Capacity, 9 = Business Continuity, 68 = Health & Safety, 88 = Recycling Target, 97 = Cyber Risk, 145 = Breach of Data Protection Act, 147 = Southern Gateway Regeneration, 148 = Local Plan, 149 = Impact of Universal Credit (UC) on working claimants across the district, 165 = Brexit.

5.4. Since the last report to the Committee in March 2018, the risk score for **CRR 01 Financial Resilience** has increased from a score of 4 to a risk score of 6. This change took place in the second quarterly review in September, and is due to the effect of uncertainty in relation to future budget pressures from both Brexit and budget changes at West Sussex County Council affecting the Council's financial position; so the likelihood score has been increased to probable (3) and impact still assessed as significant (2).

5.5. All other existing risks, the scores remained unchanged; however risk CRR 145 Data protection Act Breach - Data Loss was increased by the Strategic Risk Group from a score of 4 to 6.

5.6. A new strategic risk has been added to the risk register by the Strategic Leadership Team (SLT), in respect of:

- CRR 165 – Brexit

5.7. Appendices 1 (a) and (b) show the updated Strategic Risk Register taking into account the following comments from SRG:

- a. **CRR 01 Financial Resilience** – Two changes were requested: That item 10 within the internal controls for Financial Strategy Principles relating to the use of the New Homes Bonus is reworded. The revised wording is reflected in Appendix 1. This was previously stated as “New Homes Bonus (NHB should be reserved to reward communities that have accepted growth, whilst also considering the fact that this is not new funding, and to some extent may have to be used to protect services. This should be allocated annually, and only committed once received.” Secondly that within the latest position statement the reference in the last paragraph “Links to other funding partners...” to add “, *including WSCC,*”

- b. **CRR 08 Skills / Capability / Capacity** – To amend the internal control for Staff Satisfaction Survey by adding to the end of the sentence “*and action plans progressed.*”
 - c. **CRR 09 Business Continuity** – To amend the risk description by removing the reference to “*suffer*” reputational damage”.
 - d. **CRR 97 Cyber Risk Attack Across ICT Estate** – To add the following risk description “*Failure to protect the council against a cyber-attack across the ICT estate resulting in service disruption and reputational damage.*” The latest position statement to reflect the current status for the back-up solution and encryption.
 - e. **CRR 147 Southern Gateway** – This risk is to be divided into the different phases of the project, this current phase should have a target date of 30 June 2019 instead of 28 September 2018 and the risk register amended as necessary. Appendix 1 (a) reflects the updated risk register.
 - f. **CRR 148 Local Plan** – Amend the risk description second bullet point to read as follows; “making it highly likely that it would not be able to possible to demonstrate...”
 - g. **CRR 149 Impact of Universal Credit (UC) on working claimants across the district** – The internal control for the UC Focus Group which was rated as poor, required further explanation to support that assessment. This has been updated in Appendix 1 (a).
 - h. **CRR 145 Data Protection Act Breach – Loss of data** – Three items were amended; the target score was amended from 4 to 3, with the current assessment the risk score was increased from 4 to 6. The following comment was added to the latest position statement; “*To assess the progress of compliance at the Council, the Data Protection Officer has recently completed the Information Commissioner’s Office (ICO) self-assessment toolkit.*”
- 5.8. Previously when reported the strategic risk register had ten strategic risks, of which six were considered to be controlled, and the remaining four with controls pending, as the actions planned are still in progress to control or mitigate the risk.

6. Programme Board Risk Registers

- 6.1. Three Programme Boards were set up for Business Improvement, Commercial and Infrastructure matters with head of service leads along with the relevant portfolio holder. A risk register, if necessary, is compiled for each board. Any high scoring risks from these risk registers would be escalated within the Risk Management Framework for consideration by senior officers and members as necessary.
- 6.2. There are currently no high scoring risks for any of the Programme Boards.

7. Update of the Organisational Risk Register

- 7.1. The SRG considered the high scoring risks and the associated mitigation plans which are shown in appendix 2 reflects the changes recommended by the group.

8. Risk Management Loss Control Allowance

- 8.1. The Council receives an allowance under the insurance contract with Zurich Municipal to use their Risk Management Consultants. This has been used to deliver training on corporate inspection regimes for specific service areas on 12 September, including car parks and those responsible for the council's administrative buildings. Other training may also be arranged to assist those officers that have taken on new responsibilities due to the implementation of the new management structure.
- 8.2. It is also intended to undertake a risk appetite review similar to the one previously undertaken by Zurich approximately 8 years ago, and for Zurich to help deliver a strategic business continuity exercise.

9. Conclusion

- 9.1. The SRG considered the high scoring risks and the associated mitigation plans which are shown in appendix 1 (a) and (b) reflects the changes recommended by the group.

10. Other Implications

	Yes	No
Crime & Disorder:		X
Climate Change:		X
Human Rights and Equality Impact:		X
Safeguarding:		X

11. Appendices

- 11.1. Appendix 1(a) – Strategic Risk Register
11.2. Appendix 1 (b) – Strategic Risk Register (Part 2)
11.3. Appendix 2 – Mitigation plans for the high scoring organisational risks

12. Background Papers

- 12.1. None.

Corporate Risk Register - Strategic Risks Quarterly Update

Report Author: Helen Belenger
Generated on: 02 October 2018



Risk Status	
	Alert
	High Risk
	Warning
	OK
	Unknown

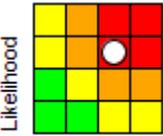
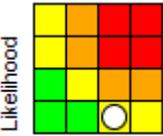
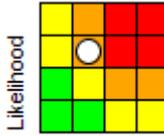
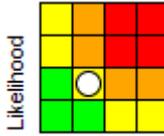
Controlled

Status	Risk No.	Risk Area	SLT Lead	Original Score	Previous 1/4ly Review Score	Current Score	Target Score	Target Date	Internal Controls
	CRR 01	Financial Resilience	John Ward	9	4	6	3	31-Mar-2019	Good
	CRR 08	Skills / Capability / Capacity	John Ward	3	3	3	2	31-Mar-2019	Good
	CRR 09	Business Continuity	John Ward	9	6	6	3	31-Mar-2019	Good
	CRR 68	Health and Safety	John Ward	9	4	4	4	31-Mar-2019	Good
	CRR 97	Cyber Risk Attack Across ICT Estate	John Ward	6	6	6	6	31-Mar-2019	Good
	CRR 145	Data Protection Act Breach - Loss of Data	John Ward	4	4	6	3	31-Mar-2019	Good

Control Pending

Status	Risk No.	Risk Area	SLT Lead	Original Score	Previous 1/4ly Review Score	Current Score	Target Score	Target Date	Internal Controls
	CRR 88	Non Achievement of Recycling Target of 50% by 2020	Jane Dodsworth	6	3	3	3	01-Jan-2020	Improving
	CRR 147	Southern Gateway Regeneration	Paul Over	9	9	6	4	30-Jun-2019	Improving
	CRR 148	Local Plan	Andrew Frost	9	9	9	3	31-Jul-2020	Improving
	CRR 149	Impact of Universal Credit (UC) on working claimants across the district	Louise Rudziak / Jane Dodsworth	9	6	6	3	31-Mar-2019	Improving
	CRR 165	Brexit	John Ward	6	6	6	4	29-Mar-2019	Poor

Management Controlled

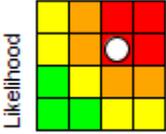
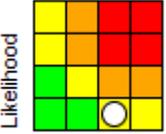
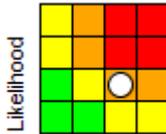
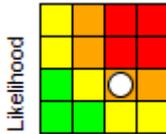
CRR 01	Financial Resilience	Management	Controlled		
		Corporate Links	Corporate Plan Priority - Use Resources Effectively and Efficiently.		
<p>Risk Description:</p> <ul style="list-style-type: none"> - Failure to maintain a robust and deliverable budget will lead to a lack of resources to fund services and council priorities, leading to reactionary decision making, and reputational consequences. - Failure to maximise efficient use of resources and so unsuccessful redirection of resources and not achieving objectives and outcomes of the council including deficit reduction plans. - Failure to maximise income streams. - Unpredictable Government policy (e.g. Brexit and localisation of business rates.) <p>SLT Risk Owner: John Ward Responsible Officer: Helen Belenger</p>					
Original and Target Risk Assessment					
Original Risk Date	31-Jul-2012		Target Risk Date	31-Mar-2019	
Original Risk Score	9		Target Risk Score	3	
Current and Previous Quarter Risk Assessment					
Current Assessment Previous Quarter Assessment	05-Sep-2018			6	
	04-Sep-2018			4	

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Internal Controls	Current Status	
Five Year Financial Model and Deficit Reduction Plan	<ol style="list-style-type: none"> 1. Monitor and update the 5 year financial model as required and review with CMT. 2. Assess against progress on Deficit Reduction Plan and savings targets. 3. Monitor income volatility in relation to use of New Homes Bonus (NHB) (Policy approved) and localisation of both Council Tax Reduction scheme (CTR) & business rates. 	Good
Income Streams	<ol style="list-style-type: none"> 1. Monitor income performance and review with SLT so remedial action can be taken. 2. Heads of Services and budget managers monitor income monthly from budget monitoring reports. 3. Service managers to assess fee setting for services in accordance with Fees & Charging Policy, and react when if income reductions occur. 4. Putting money in place to achieve better returns. 	Good
Reconciliation of Income	<ol style="list-style-type: none"> 1. Monthly reconciliations by services. 2. Non compliant services are identified by Internal Audit when service is reviewed as part of the Audit Plan. 3. Support given by Financial Services when setting up new income streams and reconciliation processes. 	Improving
Control of Expenditure	<ol style="list-style-type: none"> 1. Approval limits and routes for additional funding are detailed in the Council's Constitution and Financial Regulations. 2. Quarterly monitoring of major variances by SLT. 	Good
Financial Strategy Principles	<ol style="list-style-type: none"> 1. All key decisions of the Council should relate back to the Corporate Plan. 2. Ensure the revenue and capital programme remain balanced and sustainable over a rolling 5 year period. 3. Over the next 5 years maintain a position of non-dependency on reserves. 4. In order to maintain a balanced budget in a climate of no growth, savings in the revenue budget or external funding will need to be identified before any new revenue expenditure, including capital expenditure that has revenue consequences, is approved. 5. Review costs in response to changes in service demand. 6. Where the Council has discretion over charging for services, consideration needs to be given as to the extent to which service users should bear the costs, and the proportion met by Council Tax. 7. Continue to review the Council's costs in order to find further savings. 8. Match Council Tax increases to a realistic and affordable base budget. 9. Budgets should be pooled with other service providers to achieve more effective and cost efficient outcomes for the community. 10. New Homes Bonus (NHB) is a non ring-fenced grant from Government. Council policy has agreed in principle that this funding should be reserved to reward communities that have accepted growth. However, the allocation of this source of funding and its use must take into account that as this is not new funding; it can be used to protect services, and aid the council's legal requirement to set a balanced budget. The allocation of this funding will be reviewed annually during the budget setting process taking into account the financial settlement from Government. 11. Localisation of Business Rates. The decision to pool our business rates should be reviewed annually after receipt of government draft settlement to that the Council is in the best financial position. The Section 151 Officer 	Good

	continues to review the risks and opportunities that will emanate from the 100% localisation of business rates.	
Revenue and Capital Programme Principle	<p>1. Capital receipts, reserves and interest on investment will primarily be available for new investment of a non-recurring nature, thereby minimising the overall financial risk.</p> <p>2. Ensure that a sufficient level of reserves are maintained, as informed by the Financial Strategy, so that the Council can remain flexible and is able to respond to a changing local government environment.</p> <p>3. Borrowing could be used for capital schemes or "invest to save" projects providing the cost of servicing the debt is contained within the revenue savings/income the project generates. The payback period for invest to save projects should be shorter than the life of the asset.</p>	Good
Treasury Management	1. Generate better returns with the Treasury Management Strategy and the Investment Protocol and the Council's view of risk and increased diversity.	Good
Latest Position Statement		
02 Oct 2018	<p>The Council has secured Government funding certainty until 2019-20 as it accepted the 4 year settlement funding agreement available from 2016-17 onwards.</p> <p>The Council uses its 5 year Financial Strategy Model to forecast its future budget requirements, although due to the 2019 spending review, the fair funding position after the 2019-20 settlement, including the localisation of business rates, there remains a lot of uncertainty surrounding future Government funding. This is underlined by the continued uncertainty in relation to Brexit and the impact this may have directly on council services or on the demand for its services.</p> <p>The council remains part of the Coastal West Sussex business rates pool in 2018-19, and the Government is currently undertaking a consultation for 75% localisation of Business Rates for 2019-20, prior to any new system coming into effect from 2020.</p> <p>During the year monitoring of the financial targets continues to be undertaken through the relevant programme boards, and the achievement of savings or increased income as part of the Council's Deficit Reduction Plan which underpins its ability to continue to set balanced budgets, whilst not relying on the New Homes Bonus (NHB) or any other temporary funding as well as forward fund an 25 year asset replacement programme.</p> <p>Parking income continues to be monitored on a monthly and quarterly basis to determine trends. Tariffs were reviewed and amended 1 April 2018, with an agreement to freeze charges until April 2020. Parking income is affected by changes in the use of cities and towns, with latest figures showing volume as being down but duration of stay having increased.</p> <p>In preparation for the 2019-20 budget cycle any on-going variances identified as part of the 2017-18 closedown will be considered, plus any growth to address budget pressures or new service requirements. These will be considered by SLT and Cabinet at their strategy days. Links to other funding partners, including WSCC, for service delivery and joint funding arrangements will need to be considered taking into account their own budget pressures, plus the uncertainty in the economy due to Brexit. The risk score has increased as result of the likelihood moving to probable.</p>	

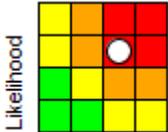
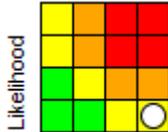
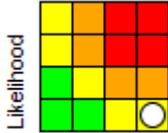
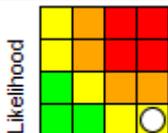
	<p>2. Completion of appraisals on time.</p> <p>3. Strategic training needs identified using Belbin or equivalent.</p> <p>4. Possible use of 360 degree appraisals.</p>	
Training Plan and Budget	<p>1. Use First Line Managers course to develop new managers.</p> <p>2. Use diploma management studies for senior managers.</p> <p>3. Specific training programme for new Directors and Divisional Managers.</p>	Good
Recruitment Benefits	<p>1. Use of benefits packages for relocation, assisted house purchase scheme to aid recruitment.</p> <p>2. Guidance to be issued for how to use recruitment benefits.</p>	Good
Staff Satisfaction Survey	<p>1. Staff survey to be undertaken every two years, and action plans progressed.</p>	Improving
Strategic Leadership Team & Divisional Managers	<p>1. Specific training programme to newly appointed Divisional Managers to address core competencies, hosted by Portsmouth University.</p>	Good
Measuring Staff Turnover by Significant Groups	<p>1. SLT to review turnover statistics and the reasons quarterly.</p>	Good
Latest Position Statement		
<p>Sep 2018</p> <p>Page 152</p>	<p>Apprenticeship Levy came into effect 1.4.17 and several staff now undertaking levy funded courses. Workforce development initiatives are live.</p> <p>Corporate Pay review underway and due to be agreed and implemented in 2019, will focus on ensuring equal pay for equal tasks with some additional resource to include in designing a new reward structure, with a focus of targeting the levels where recruitment difficulties are apparent.</p> <p>Workforce planning including Divisional Manager's (DM) training programme at University of Portsmouth nearing completion. Increased use of premier payments for those areas with long term established recruitment issues and the use of the relocation scheme has aided recruitment for some service areas. Successful recent recruitment of CCS Divisional Manager & ICT Service Manager.</p> <p>Access to courses on Levy has been of some concern although number of courses increasing and has been publicised to managers and uptake is increasing (up to 14 accessing the scheme by the end of 2018), requirement to release staff for 20% of time to study and pre-course requirements. HR monitoring take-up of courses and spend of Levy. Strong links developed with both Chichester College and University, new ICT apprentice just started.</p>	

CRR 09	Business Continuity	Management	Controlled		
		Corporate Links	Corporate Plan Priority - Use Resources Effectively and Efficiently.		
Risk Description: Failure to react to an incident that would adversely affect the delivery of services, including leading to a breach of the council's statutory duties under the Civil Contingencies Act and result in both inability to service the community and reputational damage.					
SLT Risk Owner: John Ward. Responsible Officer: Helen Belenger/Warren Townsend.					
Original and Target Risk Assessment					
Original Risk Date	31-Jul-2012		Target Risk Date	31-Mar-2019	
Original Risk Score	9		Target Risk Score	3	
Current and Previous Quarter Risk Assessment					
Current Assessment	05-Sep-2018		6		
	23-Jul-2018		6		
Previous Quarter Assessment					
Internal Controls					Current Status
Robust BC Plans	<ol style="list-style-type: none"> 1. Refresh Business Impact Assessment (B.I.A). 2. Critical services to prepare plans. 3. Test Plans. 4. Retrain where necessary, embed BC into culture of the council. 5. Identify system to store BC plans. 				Good

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	<ul style="list-style-type: none"> 6. Non critical services to make appropriate arrangements. 7. Audit of Plans in high risk service areas. 8. Effective backup of data. 	
BC Management Strategy	<ul style="list-style-type: none"> 1. Annual BCM corporate meetings held. 2. Key managers identified for BC plans. 3. Articles for team briefs or management forum to embed BC planning into organisation. 	Good
Disaster Recovery Team	<ul style="list-style-type: none"> 1. Training and repeated messaging to embed BC cultural into organisation. 2. Annual appraisals targets for Divisional Managers and relevant staff. 	Good
Latest Position Statement		
06 Sep 2018	<p>Whilst the internal controls are good for business continuity, the risk score is always likely to continue to remain the same because the impact is serious and the likelihood is possible rather than unlikely. The main reason for this is the continuing cyber-attack threats that organisation continue to get. We have good mitigation against cyber-attacks; however there remains a risk.</p> <p>Physical controls against loss of IT or building/s are good and would be 'unlikely' and less of a risk.</p> <p>The IT team are currently considering the use of cloud storage for critical documents that currently cannot be kept on Resilience Direct (storage facility for business continuity plans only). Also, a project is currently underway to investigate the installation of a server back-up to be located at the depot which would significantly reduce lost time in the event of the loss of IT at EPH. Consideration will also be given to relocating the main servers to a bespoke-fitted server room at the depot and EPH's current server room would provide the back-up. Approval for the approach to a server back-up is due by 31st October 2018. The risk score would very likely be reduced if cloud storage and a server back-up were to be implemented.</p>	

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CRR 68	Health and Safety	Management	Controlled		
		Corporate Links	Corporate Plan Priority - Use Resources Effectively and Efficiently.		
Risk Description: Failure to adhere to H&S policies and procedures leading to death or serious injury of an employee or third party resulting in prosecution under H&S legislation, adverse publicity, fines and possible prison sentences. Such failures may also lead to civil claims for compensation.					
SLT Risk Owner: John Ward.					
Responsible Officer: Helen Belenger/Warren Townsend.					
Original and Target Risk Assessment					
Original Risk Date	03-Sep-2013		Target Risk Date	31-Mar-2019	
Original Risk Score	9		Target Risk Score	4	
Current and Previous Quarter Risk Assessment					
Page 1555	Current Assessment	05-Sep-2018			4
		Previous Quarter Assessment	23-Jul-2018		
Internal Controls					Current Status
H&S policies & procedures	Clear health and safety policies, procedures and guidance are available to all staff and members via intranet and in hard copy format at some sites including: 1. Statement of intent. 2. Hierarchy for communication/organisation. 3. Roles and responsibilities. 4. H&S arrangements.				Good

	<p>5. Policies, procedures and guidance for specific H&S issues e.g. control of contractors, COSHH assessments forms etc.</p> <p>6. An extensive range of evidence compliance forms.</p> <p>7. Specific risk assessments for site visits undertaken for staff and member visits.</p> <p>8. Quarterly updates to Cabinet member for Corporate Services by the H&S Manager.</p>	
Training Programme & Competencies	<p>1. Specific training programmes for all aspects of H&S skills and competencies required with the Council's business.</p> <p>2. Staff names with relevant competencies and holding key responsibilities available on staff intranet.</p> <p>3. Training records maintained to evidence training provided.</p> <p>4. Training for all new members as part of the Members' Induction Programme.</p>	Good
Legionella Testing	<p>1. Written policy available.</p> <p>2. Regular testing and monitoring to demonstrate compliance.</p> <p>3. Staff involved in legionella management or may be exposed to legionella risk are provided with training.</p>	Good
Quarterly service meetings for high risk service areas	<p>1. CCS - Quarterly insurance & H&S meetings with the Director of Residents' Services & the Contract Services Divisional Manager with the Financial Services Divisional Manager, insurance officer, H&S Corporate Manager & CCS Technical Supervisor. To assess accident trends and claims and agree any actions required to staff duties, policies and procedures.</p> <p>2. Culture & Place - Quarterly insurance & H&S meetings with Director of Growth & Place Services and the Divisional Service Managers for the museum, Westgate Leisure contract, and car park service, to discuss claims & accidents to identify any necessary changes to procedures/policies etc.</p> <p>3. All accidents, near misses and reports of ill health are investigated by the Corporate H&S team. Interventions made with the service where appropriate to improve systems of work to prevent reoccurrence.</p>	Good
PAT testing	<p>1. Annual testing of all electrical equipment carried out by qualified contractor.</p>	Good
Safety Committee	<p>1. A group of managers and employees meet 3 times a year to discuss health and safety issues and matters of interest. CCS and car parks have local 'Safety Forums', meeting bi-monthly, that feed into this committee. The Safety Committee reports any issues of significance to the JECP.</p>	Good
Caution Alert Register (CAR)	<p>1. Specific procedures and decision tree guidance in place for staff and members to follow on staff intranet.</p> <p>2. Nominated person CR Keeper who maintains register and advises staff.</p> <p>3. Procedures in place for appropriate staff and members to access CAR.</p> <p>4. Compliance with data protection legislation included in policies and procedures.</p> <p>5. Violence & aggression response team available to support staff and members at EPH if an incident occurs.</p> <p>6. Two levels of Violence & Aggression (V&A) resolution training provided to relevant staff.</p>	Good
Emergency arrangements for Council Premises	<p>1. Evacuation procedures in place for EPH on staff intranet.</p> <p>2. Known competent staff with allocated roles & responsibilities for evacuation procedures.</p> <p>3. Regular testing of evacuation procedures carried out.</p> <p>4. Policy advising the arrangements in place for safe evacuation of council owned buildings.</p>	Good

Corporate H&S Audits & Action Plans for Service H&S Improvement	<ol style="list-style-type: none"> 1. Programme of H&S audits of service areas, improvements and observations which are fed back to Service, H&S and management with any necessary improvement action plans. Progress with recommendations made is reviewed after an agreed period. 2. In addition, there is a programme of audits in place for the SLM leisure centres contract. This involves checking H&S performance and compliance in key identified areas. 	Good
Contract Management	<ol style="list-style-type: none"> 1. Every major contract should have an identified contract manager who is responsible for ensuring the delivery of the contract in accordance with specification. 2. The contractor manager must ensure that their contractor adheres to H&S legislation in carrying out the specification and has a monitoring system in place which is also including performance reporting to the council's contract manager. 3. Upon request the H&S manager will attend regular quarterly/annual meetings for the council's specific high risk activity contracts along with the contract manager, to liaise with the contractors regarding any H&S concerns. 4. Members are involved in major decisions on procurement matters. 	Good
Fire Safety of all Council Owned Premises	<ul style="list-style-type: none"> • Fire Risk Management Group – Quarterly meetings held to develop and monitor action plans following fire assessments results with the Directors of Corporate Services, Housing & Communities, and Growth & Place Services plus other relevant council officers. • Activity-based Fire Risk Assessments of all premises have been undertaken. Following the Grenfell fire we have used a fire engineer to carry out structural Fire Risk Assessments to check the horizontal and vertical fire compartmentation. A number of remedial works were identified and are currently being undertaken by the Building Services team based on risk. 	Improving
Latest Position Statement		
06 Sep 2018	<p>The consequences of a serious accident or incident at work have the potential to be 'major', i.e. death of a member of staff, contractor or member of the public. Therefore the severity in the risk score is always going to be high.</p> <p>However, due to the operation of an effective H&S management system there are good controls in place to reduce the likelihood of such an incident. Despite having good systems and procedures in place, CCS remains the highest risk operation within the Council due to the nature of the work.</p> <p>H&S compliance of CDC's biggest service contractor, Everyone Active, is now monitored through a programme of audits carried out by the Corp. H&S team on an annual basis. The first year of audits generally found Everyone Active to be performing well in relation to health and safety with mainly minor issues being raised.</p> <p>The initial findings of the Grenfell fire provided opportunity for further checks on fire safety management to be considered. This prompted a fire safety focus group to be set up to check for any weaknesses in CDC's fire safety management. The focus group is represented across all service areas which highlighted some new areas for consideration in respect to CDC's responsibilities for fire safety management. Fire Safety checks are now being carried out in temporary accommodation used by the housing service. A specialist company has undertaken structural</p>	

	fire risk assessments to assess the horizontal and vertical compartmentation. Remedial works were identified as a result of the assessments and a programme of works has been produced, based on risk, and is currently being actioned.
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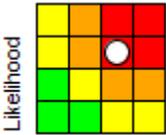
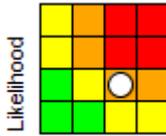
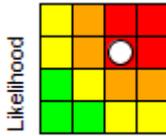
CRR 145		Data Protection Act Breach - Loss of Data		Management	Controlled
				Corporate Links	
Failure to keep all personal data secure leading to a breach of the General Data Protection Regulations (GDPR) and Data Protection Act, resulting in fines and reputational risk.					
SLT Risk Owner: John Ward Responsible Officer: Nick Bennett					
Original and Target Risk Assessment					
Original Risk Date	16-Mar-2017			Target Risk Date	31-Mar-2019
Original Risk Score	4			Target Risk Score	3
Current and Previous Quarter Risk Assessment					
Page 159 Current Assessment Previous Quarter Assessment	20-Sep-2018			6	
	03-Sep-2018			4	
Internal Controls					Current Status
Data protection Officer	Divisional Manager of Democratic Services is the designated Data Protection Officer providing advice to officers, advising on safe sharing of data between agencies, overseeing data subject access requests and liaison with Information Commissioners Office in the event of customer complaint or security breach.				Good
Protocols and Policy in place	Data Protection Policy is in place to provide advice and guidance for staff and customers. Internal protocols and processes are in place to manage/limit risk of data loss. Updating processes to comply with new guidance under GDPR is underway.				Improving

Staff Training	Data Protection training is provided to all new staff and Members. Staff online training is available to allow staff to refresh their knowledge. Specific GDPR module for all staff is in place, manager training day has been held.	Improving
Data backed up	All electronic data is backed up daily and securely stored off-site.	Good
Secure devices	All staff laptops are encrypted to secure data. All mobile phones are provided with secure application to protect data. Dual authentication in place for remote access to data.	Good
PSN Compliance	The authority is taking steps to meet new certification requirements in accordance with the updated requirements of the Public Services Network requirements for provision of a secure network.	Good
Safe transfer of personal data	Personal and sensitive data shared with other government agencies is transferred via GCSX secure email accounts. A review of processing has been completed as part of GDPR approach.	Good
Safe destruction of confidential documents	All hard copies of confidential papers are shredded prior to disposal.	Good
Latest Position Statement		
Oct 2018	New data breach process drafted and circulated for consultation. Agreements with organisations sharing premises have been signed to provide legal framework for mutual data protection responsibilities. Staff "attendance" monitored and over 75% have completed the initial training module. Register of Processing in place and operating. Data Protection Officer log of decisions in place. Work to clear unneeded documents from depot underway. To assess the progress of compliance at the Council, the Data Protection Officer has recently completed the Information Commissioner's Office (ICO) self-assessment toolkit.	

Management Control Pending

CRR 88	Non Achievement of Recycling Target of 50% by 2020	Management		Control Pending	
		Corporate Links			
<p>The current recycling target set for 2020 is 50%. The failure to achieve this target could mean the Council may incur significant fines, taxes or extra landfill taxes or reputational damage.</p> <p>SLT Risk Owner: Jane Dodsworth Responsible Officer: Bob Riley</p>					
Original and Target Risk Assessment					
Original Risk Date	28-Nov-2014			Target Risk Date	01-Jan-2020
Original Risk Score	6			Target Risk Score	3
Page 161	Current and Previous Quarter Risk Assessment				
	Current Assessment	06-Sep-2018			3
		Previous Quarter Assessment	24-Jul-2018		
Internal Controls				Current Status	
Initiatives to increase amount of recycling		<p>1. New initiatives to increase recycling rates are being implemented and further work to improve the quality of the waste for recycling collected are under consideration.</p> <p>2. A Waste & Recycling Panel has been established to drive forward initiatives and improvements.</p>			Improving
Latest Position Statement					

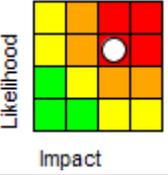
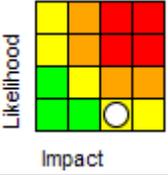
06 Sep 2018	Performance improving and year end outturn for 2017/18 is 45% but not expecting to achieve 50% in next 2 years. However, not expecting a financial penalty. Possible introduction of food waste collections in medium term would take recycling rate over 50%.
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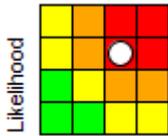
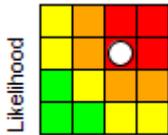
CRR 147		Southern Gateway Regeneration		Management	Control Pending
				Corporate Links	
<p>Failure to appoint a development partner and potential repayment of the Local Enterprise Partnership (LEP) (and other funding). Lack of engagement or buy in by other key partners, leading to CDC being isolated, financially exposed and unable to deliver outcomes. Masterplan becomes commercially unviable due to certain market sectors' changes including demands for community/public realm use types.</p>					
<p>SLT Risk Owner: Paul Over / Jane Hotchkiss Responsible Officer: Victoria McKay</p>					
Original and Target Risk Assessment					
Original Risk Date	23-Feb-2018			Target Risk Date	31-Jul-2019
Original Risk Score	9			Target Risk Score	4
Current and Previous Quarter Risk Assessment					
Current Assessment	02-Oct-2018			6	
	Previous Quarter Assessment	22-Jun-2018			9
Internal Controls					Current Status
Partner Organisation Engagement	1. Law Courts - Homes England (HE) hand over. Pilot use of EPH committee rooms completed satisfactorily. CDC has agreed 43 Fridays per annum and MOJ has indicated complete closure by December 2018. 2. WSCC and land held. WSCC will retain their land and be a strategic partner so this risk is now removed.				Good
Strategic Land Owner Engagement	1. Memorandum of Understanding (MOU) signed. 2. Growth Deal approved and Growth Board meeting held in September approved the principles of the				Improving

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	Collaboration Agreement which is now being finalised prior to going to market. 3. Relocation of Royal mail & Stage coach - suitable sites have now been identified and terms agreed.	
Financial Controls & Budget Monitoring	1. Identifying potential abnormal costs as early as possible by undertaking key studies in advance e.g. flooding, contamination and drainage. 2. Relocation funding from key partners - Timely reapplication to LEP/HE and exploring alternative funding routes as necessary.	Poor
Management of External Consultants	1. Contract T&C's for consultants employed to ensure delivery of service. 2. Availability of consultancy advice - Use tried and tested framework agreements to source expertise; test knowledge via tendering process.	Good
Masterplan	1. Demand in market sector changes - Regular updating of viability advice for the Masterplan as the project is implementation proceeds. 2. Road space configuration - WSCC Highways input to project team to ensure solution(s) are acceptable. 3. Community or Public Realm Uses for site - Steering group input and regular re-appraisal of the scheme as it progresses.	Improving
Compulsory Purchase Order (CPO)	1. Use of CPO if required for land acquisitions for Masterplan assembly, where unable to agree terms to complete acquisitions. 2. Use of consultancy support to ensure CPO grounds well founded, including independent valuations.	Improving
Latest Position Statement		
October 2018	<p>The Strategic Collaboration Agreement and the development brief/revised PID was approved by Cabinet on the 2 October and is with strategic partners to complete their own governance processes. The Development Brief was informed by input from key stakeholders including Visit Chichester and the BID and well as being considered by the Overview and Scrutiny committee on 18 September and CDC/WSCC member's workshop on 3 September.</p> <p>A further bespoke piece of work is required on waste water treatment and has been commissioned. All other pre-marketing studies have been completed.</p> <p>Slippage in the program and the impact on the funding was discussed at the LEP Investment Board meeting on 13 September and whilst our funding remains secure for the time being we are required to spend it all by 31 March 2019 and have been asked to implement backup plans to do so. A further meeting with the LEP to discuss this is planned for 15 October.</p> <p>Sites have been identified for the relocation of Stagecoach and Royal Mail but agreeing the basis for their relocation continues. Heads of Terms for the acquisition of a suitable site were approved by Cabinet at their meeting on 2 October and a suitable site in CDC ownership has been identified and reserved.</p> <p>Transfers of the Sussex Police and MoJ sites to HE are progressing but have not yet been completed – expected transfer dates remain October 2018 and December 2018 respectively. A presentation took place to the Chichester Chamber (10/9) and is planned for WSCC CLC early in 2019.</p>	

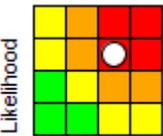
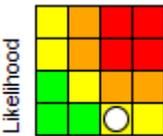
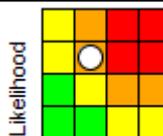
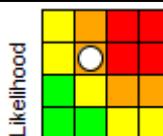
	<p>The Dept for International Trade has confirmed that we have passed "Gateway 2" approval and the opportunity will be included in MIPIM (Le marché international des professionnels de l'immobilier) UK in October. Discussions with network rail continue.</p> <p>Provided appropriate approvals are obtained from strategic partners (WSCC and HE) the opportunity will be taken to the market via an OJEU compliant process at the end of October 2018 with a development partner being selected in June 2019.</p>
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CRR 148	Local Plan	Management	Control Pending		
		Corporate Links			
<p>Failure to complete Local Plan Review and achieve an adopted Local Plan by 2020. This would mean that the Council would face challenge that it does not have an up to date Local Plan and the impact would be:</p> <ul style="list-style-type: none"> Without an up to date Local Plan the presumption in favour of sustainable development would apply, assessed against the policies in the National Planning Policy Framework (ref: para 14). 5 year housing land supply (HLS) would be assessed against the objectively assessed need (OAN) for housing rather than the housing requirement figure in the Local Plan, making it highly likely that it would not be possible to demonstrate a 5 year HLS. Both 1. & 2. would result in a loss of control over the location and form of development with decisions being made through the application and appeal process, rather than in accordance with the development plan as it would be considered to be out of date. With respect to the Local Plan Review, the 40% cap applied to the OAN growth for housing in the government’s draft methodology would not apply and the amount of housing to be provided for in the LPR would increase substantially requiring an increase in the amount of land to be allocated for development. The ability to plan and coordinate development with the provision of infrastructure would be reduced with an unplanned approach to the location of new development. The potential for government intervention to take plan-making decisions out of the control of the Council. Damage to the reputation of the Council for failing to produce a plan to guide and control development in line with its statutory duties as Local Planning Authority. <p>SLT Risk Owner: Andrew Frost Responsible Officer: Mike Allgrove</p>					
Original and Target Risk Assessment					
Original Risk Date	07-Mar-2018		Target Risk Date	31-Jul-2020	
Original Risk Score	9		Target Risk Score	3	
Current and Previous Quarter Risk Assessment					

Current Assessment Previous Quarter Assessment	28-Aug-2018	 Likelihood Impact	9
	03-Jul-2018	 Likelihood Impact	9
Internal Controls			Current Status
Agreed Timetable for Plan Production	1. Statutory Local Development Scheme agreed by Council. Detailed project plan for evidence base and plan production prepared.		Good
Sufficient Staff Resources to achieve timetable	1. Additional posts created in team. 2. Recruitment incentive payment and premia payments agreed to recruit and retain staff.		Improving
Ensure evidence base provided to meet timetable	Detailed project plan prepared for evidence base.		Improving
Member agreement to contents of plan	1. Provision of information, debate and discussion through Member briefings, Development Plan and Infrastructure Panel and formal democratic decision making process through Cabinet and Council.		Improving
Public Consultation	1. Public consultation to ensure that the views of the community are taken in to account in the plan-making process. 2. Initial public consultation has taken place on issues and options. 3. There will be further public consultation on a draft plan and then again prior to examination. This will enable the Council to take in to account the views of all interested parties on the contents of the plan and outstanding matters can resolved through the public examination in to the soundness of the plan (to be conducted by a planning inspector appointed by the Secretary of State). The current status will reflect the stage of consultation reached.		Improving
Latest Position Statement			
04 Sep 2018	A full-time planning policy officer and part-time principal planning officer have been appointed to the team. However, another planning policy officer and the senior neighbourhood planning officer have since resigned and these posts are being recruited to, alongside the vacant Planning Policy Officer (CIL and Infrastructure) post.		

Individual meetings have now been held with the majority of parish councils not located solely within the national park. Members have been briefed on the emerging evidence base in relation to: Gypsies and travellers; retail; wastewater treatment; and open space. Further briefings are planned to cover transport, strategic flood risk assessment and landscape evidence. The majority of the evidence base studies are now either complete or nearing completion. The transport study still represents the greatest probable risk to the Local Plan Review, although at the time of writing the impact of development on the highway network and potential mitigation are unknown.

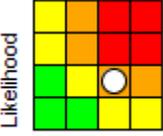
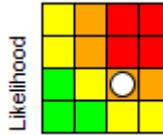
Detailed policy writing continues and in cases where it is uncertain whether a parish council will wish to deal with a strategic allocation through a neighbourhood plan, it is being assumed that the land needs to be allocated in the Local Plan Review. The revised National Planning Policy Framework has been published and initial analysis has not resulted in an increased risk to achieving the Local Plan Review. The government has yet to respond to the consultation on the standard methodology for the calculation of objectively assessed need for housing and this is expected in September, alongside a confirmed housing figure for Chichester. If this is delayed beyond early October it will become a significant risk to progress on the Local Plan Review. Similarly, if there is a significant change to the housing figure that was the subject of consultation (609 dpa) then there may be a delay to taking the preferred approach plan to Cabinet and Council.

CRR 149	Impact of Universal Credit (UC) on working claimants across the district		Management	Control Pending
			Corporate Links	
<p>Failure to provide appropriate support and guidance for claimants affected by the welfare reforms, including the rollout of Universal Credit (UC) on working age claimants across the district, resulting in the risk of rent arrears and the threat of homelessness. The benefits service currently administer in excess of 3,800 working age Housing Benefit claims. Full UC service in the district has been delayed until July 2018. The roll out will initially only affect new claims, although the majority will transition across over a period of 12-18 months.</p> <p>SLT Risk Owner: Louise Rudziak / Jane Dodsworth Responsible Officer: Linda Grange / Diane Kirkham</p>				
Original and Target Risk Assessment				
Original Risk Date	02-Mar-2018		Target Risk Date	31-Mar-2019
Original Risk Score	9	Likelihood Impact	Target Risk Score	3
				
				Likelihood Impact
Current and Previous Quarter Risk Assessment				
Current Assessment	06-Sep-2018			6
	Previous Quarter Assessment	05-Jul-2018		6
		Likelihood Impact		
				Likelihood Impact
Internal Controls				Current Status
UC Focus Group	<p>An initial meeting April 2017 identified the challenges our largest RP (Registered Provider) had experienced locally and nationally. Identified challenges that could reduce impact on claimants and prevent homelessness and agreed to:</p> <ul style="list-style-type: none"> • support vulnerable claimants • prepare claimants for the transition 			Improving

	<ul style="list-style-type: none"> • assist claimants with their online UC claims • hold multi agency events to raise awareness • deliver pre and post tenancy workshops on money management • identify suitable venue and volunteers to run the workshops • identify resource requirements to deliver <p>This action plan has largely been achieved. Including the following mitigations action examples - contracting with CAB for debt advice, the appointment of Tenancy Sustainment Officers and a Housing Welfare Officer. The Housing Service will also assess the impact since the UC rollout from July 2018 for any further action required.</p>	
Nomination of a formal UC lead within the Housing Advice Team	In compliance with Homelessness Reduction Act s.179(2)(g) "The service must be designed to meet the needs of persons in the authority's district including, in particular, the needs of any other group that the authority identify as being at particular risk of homelessness in the authority's district." The Housing Advice Team have nominated a UC lead who will be responsible for coordinating advice to UC claimants that present seeking housing services assistance.	Improving
Register Provider eviction protocol	There is an intention to create a Register Provider eviction protocol so that the Council is warned in advance where there is a risk of homelessness, this will include tenants in receipt of UC, in arrears and where possession proceedings have been instigated. The lead officer conducting this piece of work has been briefed.	Improving
Increase number of units of Council owned temporary accommodation (TA).	On 31 October 2017 CDC purchased 22 Freelands Close. Three, 1 bed units were in use as TA (Temporary Accommodation) from December 2017 with a fourth unit due to be available in March 2018. The Council are considering options to redevelop the site and increase the number of units to a maximum of 12.	Good
Impact on services	<ul style="list-style-type: none"> • Benefit service will be impacted by transfer of WA claims to UC. Exceptions to UC, pensioner HB claims and CTR claims for WA and pensioners will continue to be administered. Revenues and Benefits Management team will continually review impact of rollout and resource requirements, as necessary • Housing service may result in increased demand for services, as above, nominated UC lead officer to coordinate housing advice requirements 	Good
Claimant support	<ul style="list-style-type: none"> • Minimal funding received from DWP to assist claimants with submitting and managing their online UC claims • 6 kiosk style PC's located in main reception for claimants to use, any assistance to be provided by benefits staff • Minimal funding also received to provide PBS (personal budgeting support) cases would be referred from DWP. 	Good

	<p>Currently engaging with CAB to provide this service as the rollout takes effect</p> <ul style="list-style-type: none"> • Publicity for claimant engagement to be arranged as soon as confirmation of roll out date received 	
Staff awareness and training	<ul style="list-style-type: none"> • DWP training for staff postponed, new dates not yet arranged • Internal staff training options being considered 	Improving
Latest Position Statement		
06 Sep 2018	<p>Universal Credit roll out commenced 4 July 2018. The Benefits service has experienced an increase in customer contact and enquiries, especially following the issue of the information booklets to all working age claimants.</p> <p>Revenues and Benefits Client Support team members and benefits assessors accepted an invitation to visit Chichester Job Centre to better understand their Universal Credit processes and meet the staff. This was a useful visit and direct lines of contact were established to ease any problem areas experienced with UC claims and claimants. This has already proved fruitful where claimants have been incorrectly referred here to make an HB claim when they should in fact make a claim for UC.</p> <p>The R&B Client Support team members are providing the Assisted Digital Service (ADS) by assisting claimants with verifying their identity, making their online UC claims and setting up email accounts using PC's in main reception area. Each online claim is taking approximately 1-1.5 hours to complete.</p> <p>DWP are issuing stop notices, as required, to end current HB claims and as a result there has been a slight reduction in caseload to the end of August.</p> <p>A transition timetable for the remaining HB working age caseload transfer to Universal Credit has not yet been released by DWP.</p>	

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CRR 165		Brexit		Management	Control Pending
				Corporate Links	
The risks of Brexit and in particular of a "no deal" Brexit scenario and its impact on the council, its services and communities. SLT Risk Owner: John Ward Responsible Officer: Joe Mildred					
Original and Target Risk Assessment					
Original Risk Date	07-Sep-2018			Target Risk Date	29-Mar-2019
Original Risk Score	6			Target Risk Score	4
Current and Previous Quarter Risk Assessment					
Page 172	Current Assessment	07-Sep-2018			6
	Previous Quarter Assessment				
Internal Controls					Current Status
Impact Assessment	Paper on potential impact of Brexit and in particular a 'no deal' scenario is currently being compiled; it will look at the impact on our communities, economy, the council's services and resources. It is to include some financial impact modelling. Mitigating actions are to be explored and developed but the final position in terms of the deal is expected to be known by November 2018 at the latest.				Poor
Latest Position Statement					
07 Sep 2018	Position and potential impact paper to be written by end of October 2018.				

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

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High Scoring Organisational Risks - Mitigation Actions

Growth and Place Directorate - Jane Hotchkiss Culture Division - Sarah Peyman

Status	Risk No.	Risks Area	Lead Officer	Original Score	Previous Review Score	Current Score	Target Score	Target Date	Internal Controls
	CRR 141	Culture Division - Non achievement of savings target for Museum	Sarah Peyman	4	6	6	2	31-Jan-2019	Improving

Following the conclusion of the Options Appraisal, July Cabinet agreed to remain in-house and to undertake a review of the Business Plan for the Service.

Growth and Place Directorate - Jane Hotchkiss Growth Division - Victoria McKay

Status	Risk No.	Risks Area	Lead Officer	Original Score	Previous Review Score	Current Score	Target Score	Target Date	Internal Controls
	CRR 61	Growth & Property - Estates - Rent arrears	Victoria McKay	9	6	6	4	31-Mar-2019	Improving

The impact and likelihood of rent arrears remains unchanged, with rent arrears generally staying at unchanged levels. Work is undertaken regularly to review arrears and take action as necessary.

The current level of rent arrears stands at 2.44% of total rent roll, with arrears being defined as rent overdue by 30 days or more. One year ago, this figure was 3.45% (Q2 17/18). The figure is generally subject to fluctuation during any one year and further work is planned to revisit processes associated with the recovery of arrears with the aim of seeking to improve the current risk score.

Housing and Communities Directorate - Louise Rudziak
Health Protection and Wellbeing Division - Ian Brightmore

Status	Risk No.	Risks Area	Lead Officer	Original Score	Previous Review Score	Current Score	Target Score	Target Date	Internal Controls
	CRR 124	Health & Wellbeing Division - Statutory functions and other Health Protection team responsibilities not being carried out due to insufficient staffing.	Ian Brightmore	4	4	6	2	28-Feb-2019	Improving

Statutory functions and other Health Protection team responsibilities not fully meeting targets due to other work pressures in the team.

Actions to mitigate risk:- Report to SLT was considered. Service is currently undertaking further work to assess the resource requirements in the team.

Planning and Environment Directorate - Andrew Frost
Planning Policy Division - Mike Allgrove

Status	Risk No.	Risks Area	Lead Officer	Original Score	Previous Review Score	Current Score	Target Score	Target Date	Internal Controls
	CRR 116	Planning - Neighbourhood plans work reaches unmanageable levels	Mike Allgrove	8	4	6	2	31-Mar-2019	Improving

Parish councils are still in the process of confirming their intentions, although some have already indicated that they will not be preparing a neighbourhood plan. However, following the resignation of the Senior Neighbourhood Planning Officer there is a current backlog of work. Recruitment is taking place and interim alternative service delivery is being put in place but until either of these actions are complete the current score should be increased.

**Residents Services Directorate - Jane Dodsworth
Contract Services Division – Kevin Carter**

Status	Risk No.	Risks Area	Lead Officer	Original Score	Previous Review Score	Current Score	Target Score	Target Date	Internal Controls
	CRR 91	CCS - Reduction of recycling sales income	Kevin Carter	4	6	6	1	31-Mar-2019	Poor
<p>Impact and likelihood of risk is now heavily linked with CRR 152. If the West Sussex Waste Partnership were to change the model for recycling support payments and moves to default payments based on statutory recycling credit values, CDC will no longer receive the shared income from the sale of recycling. Please refer to CRR152 notes.</p> <p>Market still remains volatile for the sale of mixed paper and income for this material stream is lower than anticipated. WSCC is monitoring and impact on existing recycling payment model to be brought to the next SWOG meeting in October.</p>									

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