



Audit and Procurement Committee

Time and Date

3.00 pm on Monday, 16th July 2018

Place

Diamond Room 2 - Council House

Public Business

1. **Apologies**
2. **Declarations of Interest**
3. **Minutes of Previous Meeting** (Pages 3 - 10)
To agree the minutes of the meeting held on 18th June 2018
4. **Exclusion of Press and Public**
To consider whether to exclude the press and public for the item(s) of business for the reasons shown in the report.
5. **Outstanding Issues** (Pages 11 - 16)
Report of the Deputy Chief Executive (Place)
6. **Work Programme 2018/19** (Pages 17 - 18)
Report of the Deputy Chief Executive (Place)
7. **Audit Findings Report 2017-2018**
Report of the Deputy Chief Executive (Place) – to follow
8. **Audited 2017/2018 Statement of Accounts** (Pages 19 - 22)
Report of the Deputy Chief Executive (Place) – Statement to follow
9. **Audit and Procurement Committee Annual Report 2017-2018** (Pages 23 - 30)
Report of the Deputy Chief Executive (Place)
10. **2017-2018 Information Governance Annual Report** (Pages 31 - 42)
Report of the Deputy Chief Executive (Place)

11. **Any other items of public business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

Private business

12. **Procurement and Commissioning Progress Report** (Pages 43 - 54)

Report of the Deputy Chief Executive (People)

(Listing Officer: M Burn, Tel: 024 7683 3757)

13. **Any other items of private business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

Martin Yardley, Deputy Chief Executive (Place), Council House, Coventry

Friday, 6 July 2018

Note: The person to contact about the agenda and documents for this meeting is Lara Knight / Michelle Salmon, Governance Services, Tel: 024 7683 3237 / 3065, Email: lara.knight@coventry.gov.uk / michelle.salmon@coventry.gov.uk

Membership: Councillors P Akhtar, S Bains (Deputy Chair), R Brown (Chair), T Sawdon, R Singh, H Sweet and K Taylor

Please note: a hearing loop is available in the committee rooms

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OR if you would like this information in another format or
language please contact us.

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Coventry City Council
Minutes of the Meeting of the Audit and Procurement Committee held at 3.00 pm
on Monday, 18 June 2018

Present:

Members: Councillor R Brown (Chair)
 Councillor P Akhtar
 Councillor R Bailey (Substitute for Councillor Sawdon)
 Councillor R Singh
 Councillor H Sweet
 Councillor K Taylor

Employees (by Directorate):

Place V Castree, P Jennings, K Tyler

Apologies: Councillor S Bains (Deputy Chair)
 Councillor T Sawdon

Public Business

1. Declarations of Interest

There were no disclosable pecuniary interests.

2. Minutes of Previous Meeting

The minutes of the meeting held on 26th March 2018 were agreed and signed as a true record.

3. Outstanding Issues

The Committee considered a report of the Deputy Chief Executive (Place), which identified those issues on which further reports / information had been requested or were outstanding so that Members were aware of them and could manage their progress.

Appendix 1 to the report outlined where a report back had been requested to a future meeting along with the anticipated date for further consideration of the issue. Where a request had been made to delay the consideration of the report back, the proposed revised date was identified along with the reason for the request. Appendix 2 set out items where additional information was requested outside of the formal meeting along with the date when this had been completed.

The Committee were informed that the Acting Chief Internal Auditor was continuing to work with the Council's Communications Team on Appendix 2 to the report, action 2 'the Half Yearly Fraud Update 2017-18' to produce the press release.

RESOLVED that the Audit and Procurement Committee note the outstanding issues report.

4. **Work Programme 2018/19**

The Committee considered a report of the Deputy Chief Executive (Place), which set out the Work Programme for the Committee for the coming year.

Members requested additional reports to seek assurance on the governance and financial processes of outside bodies who were receiving significant grants from Coventry City Council. Therefore, the following organisations were to be added to the Work Programme on the basis above, subject to consultation with and agreement from relevant scrutiny chairs:

- 1) Coventry City of Culture Trust
- 2) Culture Coventry
- 3) Coombe Abbey Park Limited

RESOLVED that the Audit and Procurement Committee approves the Work Programme for 2018/2019, subject to the additions above.

5. **Internal Audit Annual Report 2017/2018**

The Committee considered a report of the Deputy Chief Executive (Place) which summarised the Council's Internal Audit activity for the period April 2017 to March 2018 against the agreed Audit Plan for 2017/18. The report also provided the Committee with the Acting Chief Internal Auditor's opinion on the overall adequacy and effectiveness of the Council's internal control environment.

The key target for the Internal Audit and Risk Service was to complete 90% of its agreed work plan by the 31st March 2018 and the report indicated that this target was met. In addition to the delivery of the Plan, the Service had a number of other key performance indicators (KPIs) which underpinned its delivery. These KPIs were aimed at ensuring that the audit process was completed on a timely basis. The report provided details of the performance of Internal Audit against the KPIs for 2017/2018, compared with performance in 2016/17. Appendix One of the report detailed the audit reviews that had been carried out in the financial year 2017/2018, along with the level of assurance provided. A summary of the findings of key audits were included at Appendix Two of the report.

In the Acting Chief Internal Auditor's view, sufficient assurance work had been carried out to allow her to form a reasonable conclusion on the adequacy and effectiveness of the Council's internal control environment. It was the Acting Chief Internal Auditor's opinion that that moderate assurance could be provided that there was generally a sound system of internal control in place designed to meet the Council's objectives. This meant that there was generally an appropriate level of control for managing the majority of the significant inherent risks to the Council's objectives to a reasonable level.

In giving this opinion, the Committee acknowledged that assurance could never be absolute as the system of internal control was designed to manage risk to a

reasonable level. It could not eliminate all risk and could therefore only provide reasonable and not absolute assurance of effectiveness.

In undertaking the assessment of the Council's internal control environment, the Acting Chief Internal Auditor had identified a number of areas that, in her opinion, needed to be considered when the Council produced its Annual Governance Statement for 2017-2018. These related to readiness for General Data Protection Regulations, Homelessness and the delivery of the IT Strategy.

The Committee asked a number of questions and received answers on areas of the report including:

- That there has been an increase in the number of audits without assurance or with limited assurance – this was due, in part, to being asked to go into an area where the service knows there's an issue.
- How resources within the team were managed whilst it was not at full strength and how the restructure was progressing.
- How work programmes had evolved – used to be a bigger team and do more work with schools, however, the pool of local authority schools had shrunk with the rise of academies which the Authority didn't audit and the team now took a risk based approach.

RESOLVED that the Audit and Procurement Committee notes:

- 1) The performance of Internal Audit against the Audit Plan for 2017-2018.**
- 2) The results of the Quality Assurance and Improvement Programme and the Acting Chief Internal Auditor's statement on conformance with the Public Sector Internal Audit Standards.**
- 3) The summary findings of key audit reviews (attached at Appendix two to the report) that have not already been reported to Audit and Procurement Committee during municipal year 2017-18 and which are relevant to the opinion on the overall adequacy and effectiveness of Coventry City Council's internal control environment.**
- 4) The opinion of the Acting Chief Internal Auditor on the overall adequacy and effectiveness of Coventry City Council's internal control environment.**

6. Annual Governance Statement 2017/2018

The Committee considered a report of the Deputy Chief Executive (Place) that sought approval of the Annual Governance Statement, which formed part of the Statement of Accounts for 2017/2018.

The Council was responsible for ensuring that its business was conducted in accordance with the law and proper standards, and that public money was safeguarded and properly accounted for, and used economically, efficiently and effectively. In discharging this responsibility, the Council was responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, including arrangements for the management of risk.

Reflecting on the action plan which accompanied this document, the Committee requested that the Annual Governance Statement for 2018/2019 contained:

- 1) More specific deadlines in the action plan.
- 2) A breakdown of some of the actions further or signposted to the more detailed plans which sat beneath this overview document.

RESOLVED that the Audit and Procurement Committee approves the Annual Governance Statement (attached at Appendix One tot the report), which accompanies the 2017-2018 Statement of Accounts.

7. Internal Audit Plan 2018/2019

The Committee considered a report of the Deputy Chief Executive (Place), which outlined the draft Internal Audit Plan for 2018-2019, a copy of which was set out in Appendix One to the report.

The draft Internal Audit Plan documented the outcome of the audit planning process for 2018-2019 and provided a mechanism for allowing the Committee to discharge its responsibility to 'consider the Head of Internal Audit's Annual Report and Opinion and a summary of internal audit activities (actual and proposed) and the level of assurance given within the Annual Governance statement incorporated in the Annual Accounts'. The report also enabled the Committee, as a key stakeholder of the Internal Audit Service, to comment on the content and scope of the proposed Internal Audit Plan.

The report set out the planning process for the plan. The draft plan was based on an allocation of priorities against the current level of audit resource available. The Committee were informed that the resources available for audit and corporate fraud work was 550 days. In focussing the resources to meet the needs of the Council, the following approach was taken:-

- A documented risk assessment had been undertaken, which considered the Council's corporate risk register and key priorities as identified from consultation with senior management. This had also been informed by an assurance mapping exercise which was undertaken in 2016-2017 to identify others sources of assurance that the Council placed reliance on. Where appropriate, the assessed risk level had been included in Appendix One to the report. Where the risk had been assessed as medium rather than high, this generally reflected the findings of previous audit reviews in the respective area.
- A risk based approach to the audit of schools based on links with School Finance rather than a fixed programme of audit work.
- A flexible and responsive approach to issues highlighted by Senior Officers with on-dialogue to ensure resources were directed in accordance with their priorities.
- A more flexible response to corporate fraud investigations, offering expert advice and support rather than undertaking the Investigating Officer role.

As a result it was believed that the draft Audit Plan was sufficient for the work required to report on key risks and controls in the year and to prepare for the annual opinion and report.

The report also referred to the implications concerning corporate risks, corporate governance and contingency / directorate risks.

The Plan set out the audit areas under the key driver headings of corporate risk, Council / audit priorities, financial systems, regularity and other. Against each of the audit areas, the level of risk was identified, along with the planned audit days.

The Committee asked how the quality of reviews was assured – this was done through the Acting Chief Internal Auditor independently reviewing the quality of the work produced by her Team.

The Committee also raised concerns about the performance of the telephony system and customer service and were told there would be an external review of customer service undertaken this year.

Members were also assured that they could request specific reviews via the Audit Committee providing the scope of the review fell within the remit of the Committee.

RESOLVED that Audit and Procurement Committee approved the draft Internal Audit Plan for 2018-19 (attached as Appendix One to the report).

8. **Fraud and Corruption Strategy**

The Committee received a report of the Deputy Chief Executive (Place), that would also be considered by the Cabinet Member for Policy and Leadership at his meeting on 26th July 2018, on the Fraud and Corruption Strategy which explained the Council's strategic response to tackling fraud and corruption and set out the Counter Fraud Framework, which comprised the various elements the Council used to fight fraud and implement the Fraud and Corruption Strategy.

This strategy was last updated in 2012, and since then there had been a number of national changes around fraud and corruption work, risk profiles had changed as had best practice. The Council needed a transparent structure of how it delivered counter fraud arrangements and would be producing an annual work plan for the Committee.

The Committee asked how fraud was identified, as there was not known to be a problem until the fraud had taken place. The Acting Chief Internal Auditor indicated that Internal audit work with other councils helped identify areas of weakness as well as receiving fraud alerts and sitting on the West Midlands fraud group.

The importance of capacity within the Internal Audit Team was highlighted and Members requested that capacity was a key element of the Counter Fraud Framework and as such, the restructure of the Internal Audit Team needs to be a priority and that this be referred to Cabinet Member for Policy and Leadership.

RESOLVED that Audit and Procurement Committee recommends that the Cabinet Member for Policy and Leadership approves the revised Fraud and Corruption Strategy (attached as Appendix One to the report).

9. Revenue and Capital Out-turn 2017/2018

The Committee considered a report of the Director of Finance and Corporate Services, that had also been considered by the Cabinet at their meeting on 12th June 2018 (their minute 4/18 referred) and would be considered by the Council at their meeting on 10th July 2018, which set out the final revenue and capital outturn position for 2017/2018 and reviewed treasury management activity and 2017/2018 Prudential Indicators under the Prudential Code for Capital Finance.

The overall financial position included the following headline items:

- Revenue underspending of £1.6m which was required to be contributed to the Council's General Fund reserve.
- Within this position, contributions to reserves that required approval; £3.25m for future UK City of Culture costs and £2.1m to strengthen the Council's Business Rates' reserve.
- Headline overspends of £2.7m within Children's Services and £4.2m relating to Housing Benefit payments; part of wider budgetary pressures relating to housing and homelessness issues.
- An underspend of £6.6m within Corporate budgets relating to variations in inflation contingency, pension, treasury management and Business Rates related budgets.
- Capital Programme expenditure of £107m which is £17m less than envisaged at the start of the year.
- An increase in the level of Council revenue reserves from £51m to £67m.

The underlying revenue position had improved significantly since Quarter 3 when an overspend of £1.8 was forecast. In particular this related to improvements within Children's Services, Adult Social Care, Customer Services and Transformation and Contingency and Central budgets, which were set out in the report. This had enabled the Council to bring forward the fulfilment of several policy commitments and/or transactions recommended by the Council's Director of Finance and Corporate Services – the Council's Section 151 officer - to strengthen the Council's balance sheet position.

RESOLVED that, having considered the contents of the report, the Audit and Procurement Committee determines that there are no specific issues to refer to the Cabinet Member for Strategic Finance and Resources.

10. Unaudited 2017/18 Statement of Accounts

The Committee considered a report of the Deputy Chief Executive (Place), which set out the unaudited statement of accounts for 2017/18.

In addition to the report, the Committee received a presentation setting out the key elements of the statement of accounts and issues to be aware of. These included:

- End of Year Financial Reporting
- Narrative Statement
- Comprehensive Income and Expenditure Statement vs Outturn

- Reserves Trend
- The Balance Sheet
- Fall in Fixed Asset Value
- Contingent Liabilities
- Long Term Investments
- Pensions
- Pensions Liability
- Officers Remuneration
- Other Items Within the Accounts
- Highways Assets Accounting

The Committee noted that there had been significant rescheduling of Capital Programmes but this was not impacting on objectives. They also noted the improved position regarding pension liabilities as a result of making an upfront payment for the year.

The Committee requested more information about the income from fees and charges, rents and dividends and that this be circulated to them.

RESOLVED that the Audit and Procurement Committee notes the Unaudited Statement of Accounts 2017/18.

11. **Any other items of public business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

There were no other items of public business.

(Meeting closed at 4.45 pm)

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Audit and Procurement Committee

16th July 2018

Name of Cabinet Member:

Cabinet Member for Strategic Finance and Resources – Councillor J Mutton

Director approving submission of the report:

Deputy Chief Executive (Place)

Ward(s) affected:

N/A

Title:

Outstanding Issues

Is this a key decision?

No

Executive summary:

This report is to identify those issues on which further reports / information has been requested or are outstanding so that Members are aware of them and can monitor their progress.

Recommendations:

The Committee is recommended to:-

1. Consider the list of outstanding items as set out in the Appendices, and to ask the Deputy Chief Executive concerned to explain the current position on those items which should have been discharged.
2. Agree that those items identified as completed within the Appendices be confirmed as discharged and removed from the outstanding issues list.

List of Appendices included:

Appendix 1 - Further Report Requested to Future Meeting
Appendix 2 - Additional Information Requested Outside of Meeting

Other useful background papers:

None

Has it or will it be considered by scrutiny?

N/A

Has it, or will it be considered by any other council committee, advisory panel or other body?

No

Will this report go to Council?

No

**Report title:
Outstanding Issues**

1. Context (or background)

- 1.1 In May 2004, the City Council adopted an Outstanding Minutes system, linked to the Forward Plan, to ensure that follow-up reports can be monitored and reported to Members.
- 1.2 At their meeting on 25th January 2017, the Audit and Procurement Committee requested that, in addition to further reports being incorporated into the Committee's Work Programme, that a report be submitted to each meeting detailing those additional reports requested to a future meeting along with details of additional information requested outside of the formal meeting.
- 1.3 Appendix 1 to the report outlines items where a report back has been requested to a future Committee meeting, along with the anticipated date for further consideration of the issue.
- 1.4 In addition, Appendix 2 sets out items where additional information was requested outside of the formal meeting along with the date when this was completed.
- 1.5 Where a request has been made to delay the consideration of the report back, the proposed revised date is identified, along with the reason for the request.

2. Options considered and recommended proposal

- 2.1 N/A

3. Results of consultation undertaken

- 3.1 N/A

4. Timetable for implementing this decision

- 4.1 N/A

5. Comments from the Director Finance and Corporate Resources

- 5.1 Financial implications

N/A

- 5.2 Legal implications

N/A

6. Other implications

- 6.1 How will this contribute to achievement of the Council's Plan?**

N/A

- 6.2 How is risk being managed?**

This report will be considered and monitored at each meeting of the Cabinet

6.3 What is the impact on the organisation?

N/A

6.4 Equalities / EIA

N/A

6.5 Implications for (or impact on) the environment

N/A

6.6 Implications for partner organisations?

N/A

Report author(s):

Name and job title:

Lara Knight
Governance Services Co-ordinator

Directorate:

Place

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Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Names of approvers: (officers and Members)				

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Appendix 1

Further Report Requested to Future Meeting

	Subject	Minute Reference and Date Originally Considered	Date For Further Consideration	Responsible Officer	Proposed Amendment To Date For Consideration	Reason For Request To Delay Submission Of Report
*1.	Information Governance Annual Report 2016/17 Report on the General Data Protection Regulations	23/17 24 th July 2017 (see note 3 in Appendix 2) 66/17 (Outstanding Issues) 22 nd January 2018	First meeting of 2018/19 Municipal Year -18 th June 2018	Sharon Lock	July 2018	To be included in the Information Annual Governance Report 2017/2018 scheduled on the Work Programme for July 2018
2.	Information Commissioner's Office – Data Protection Audit November 2017 Report to provide an update on Progress	82/17 19 th February 2018	October 2018	Adrian West		

* identifies items where a report is on the agenda for your meeting.

Appendix 2

Additional Information Requested Outside of Meeting

	Subject	Minute Reference and Date Originally Considered	Information Requested / Action Required	Responsible Officer	Date Completed
1.	Half Yearly Fraud Update 2017 – 2018	Minute 69/17 22 nd January 2018	A press release be prepared highlighting the work undertaken, particularly data matching through NFI, to identify attempts to commit fraud.	Karen Tyler / Nigel Hart	
2.	Certification Work for Coventry City Council for Year Ended 31 st March 2017	Minute 79/17 19 th February 2018	The Committee requested information on how sampling for the certification work is undertaken.	Joan Barnett (External Auditor)	
3.	Unaudited 2017/2018 Statement of Accounts	Minute 10/18 18 th June 2018	The Committee requested that information about the income from fees and charges, rents and dividends, be circulated to them.	Paul Jennings	

Audit and Procurement Committee 16th July 2019

Work Programme 2018-2019

18th June 2018

Internal Audit Annual Report 2017-2018
Annual Governance Statement 2017-2018
Internal Audit Plan 2018-2019
Fraud and Corruption Strategy
Revenue and Capital Out-turn 2017-2018
Draft Statement of Accounts 2017-2018
Procurement Progress Report (Private)

16th July 2018

Audit Findings Report 2017-2018 (Grant Thornton)
Statement of Accounts 2017-2018
Audit Committee Annual Report 2017-2018
Information Governance Annual Report 2017-2018
Procurement Progress Report (Private)

10th September 2018

Quarter One Revenue and Corporate Capital Monitoring Report 2018-2019
Fraud Annual Report 2017-2018
School Audit Recommendations
Procurement Progress Report (Private)

12th November 2018

Annual Audit Letter 2017-2018 (Grant Thornton)
Half Year Internal Audit Progress Report 2018-2019
Treasury Management Update
ICO Update on Progress
Procurement Progress Report (Private)

21st January 2019

Quarter Two Revenue and Corporate Capital Monitoring Report 2018-2019
Corporate Risk Register Update
Half Yearly Fraud Update 2018-2019
Ombudsman Complaints Annual Report 2017-2018
Whistleblowing Policy Annual Report 2017-2018
Procurement Progress Report (Private)

25th February 2019

Grant Certification Report (Grant Thornton)
Quarter Three Revenue and Corporate Capital Monitoring Report 2018-2019
Quarter Three Internal Audit Progress Report 2018-2019
RIPA (Regulation of Investigatory Powers Act) Annual Report 2018-2019
Procurement Progress Report (Private)

25th March 2019

Annual Audit Plan (Grant Thornton)
Internal Audit Recommendation Tracking Report
Internal Audit Plan 2019-2020
Code of Corporate Governance (Adrian West)
Procurement Progress Report (Private)

Date to be agreed

Outside Body - Governance and Financial Arrangements for Coventry City of Culture Trust
Outside Body - Governance and Financial Arrangements for Culture Coventry
Outside Body - Governance and Financial Arrangements for Coombe Abbey Park Limited



Coventry City Council

Public report

Audit and Procurement Committee

16 July 2018

Name of Cabinet Member:

Cabinet Member for Strategic Finance and Resources - Councillor J Mutton

Director Approving Submission of the report:

Deputy Chief Executive (Place)

Ward(s) affected:

All

Title:

Audited 2017/2018 Statement of Accounts

Is this a key decision?

No

Executive Summary:

The purpose of this report is to gain Audit and Procurement Committee's approval for the audited 2017/2018 Statement of Accounts. The Audit and Procurement Committee is approving these accounts on the Council's behalf.

Recommendations:

Audit and Procurement Committee is recommended to approve the final 2017/2018 Statement of Accounts.

List of Appendices included:

The final Statement of Accounts incorporating the agreed changes will be available prior to or at the meeting.

This report is presented alongside the External Auditor's Audit Findings Report which details the key changes to the draft Statement of Accounts considered by the Audit and Procurement Committee in June. The changes have been agreed between Grant Thornton and the Director of Finance and Corporate Resources.

Background Papers

None

Other useful documents:

Final Accounts Working papers - Friargate 6th Floor

Has it been or will it be considered by Scrutiny?:

The Audit and Procurement Committee will consider the Statement.

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?:

No

Will this report go to Council?:

No - The Audit and Procurement Committee is approving the City Council's Statement of Accounts and Annual Governance Statement on the Council's behalf.

Report title: Audited 2017/2018 Statement of Accounts

1. Context (or background)

- 1.1 The Accounts and Audit Regulations 2015 require the Council to have its audited statements approved by 31st May and to approve and publish audited accounts by 31st July. These are new (earlier) reporting dates compared with previous years. The Council has previously approved the delegation of responsibility for approving the statements to the Audit and Procurement Committee, which has become the key body in respect of understanding, analysing and discussing the content of these statements.
- 1.2 The Audit & Procurement Committee reviewed and commented upon the draft 2017/2018 Statement of Accounts and Annual Governance Statement at its meeting on 18th June 2018. This report now seeks approval of the final audited statements.

2. Options considered and recommended proposal

- 2.1 This report is presented alongside the Audit Findings Report of the Council's external auditors Grant Thornton which details all the significant changes to the draft accounts and Annual Governance Statement which the Audit and Procurement Committee considered in June. These changes have been agreed between the Grant Thornton and the Director of Finance and Corporate Services. The revised Statement of Accounts and Annual Governance Statement will be made available prior to or at the meeting and the key changes to them are explained clearly within the Grant Thornton Audit Findings report elsewhere on today's agenda.

Report author(s):

Name and job title:

Paul Jennings
Finance Manager (Corporate Finance)

Directorate:

Place Directorate

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Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Michelle Salmon	Governance Services Officer	Place	19/6/19	20/6/19
Phil Baggott	Lead Accountant	Place	19/6/19	19/6/19
Names of approvers for submission: (Officers and Members)				
Carol Bradford	Corporate Governance Lawyer, Legal Services	Place	19/6/19	19/6/19
Barry Hastie	Director of Finance and Corporate Resources	Place	19/6/19	19/6/19

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Audit and Procurement Committee Annual Report to Council 2017-18

To be considered at the City Council meeting
on the 4th September 2018

Audit and Procurement Committee Annual Report 2017-18

Foreword by Chair of Audit and Procurement Committee 2017-18



**Councillor Sucha Bains
Chair, Audit and Procurement
Committee 2017-18**

I am pleased to present this report, which outlines the Committee's work over the municipal year 2017-18.

Over the last year, the Committee has discharged its key responsibility effectively to support good governance and strong public financial management whilst at the same time considering other matters which contribute to ensuring effective assurance arrangements are in place. This includes continued oversight of the actions arising from the Information Commissioners Office audit to ensure that the Council complies with data protection legislation.

I hope this Annual Report helps to demonstrate to Coventry residents and the Council's other stakeholders the vital role that is carried out by the Audit and Procurement Committee and the contribution that it makes to the Council's overall governance arrangements.

Introduction by Chair of Audit and Procurement Committee 2018-19

In May 2018, the Council appointed me as the new Chair of the Audit and Procurement Committee. I am looking forward to building on the good work done in 2017-18 and ensuring that the Committee continues to make a positive contribution to the overall governance arrangements within the Council. In terms of my priorities for 2018-19 these include ensuring that:

- The Committee's work provides assurance on risk, control and governance issues that are relevant to what is happening in the city at the current time.
- Any issues raised by External and Internal Audit and other assurance providers are addressed on a timely basis.
- The Committee continues to develop its skills and knowledge to effectively influence and add value to the Council.



**Councillor Richard Brown
Chair, Audit and Procurement
Committee 2018-19**

1 Activity of the Council's Audit and Procurement Committee

During 2017-18, the Council's Audit and Procurement Committee met on eight occasions. Meetings were held in June, July, September, November and December 2017 as well as in January, February and March 2018.

The Committee receives a range of:

- Routine reports based on the clearly defined expectations of services / functions that report to the Audit and Procurement Committee, e.g. internal / external audit and financial management.
- Ad-hoc reports which focus on either a specific concern or developments that impact directly on the Committee.

The details of the reports considered in 2017-18 are expanded upon below.

1.1 **Governance** - As part of the Annual Accounts process for 2016-17, the Acting Chief Internal Auditor co-ordinated the development of the Council's Annual Governance Statement. The draft Statement was considered by the Committee in June 2017 and then in September 2017, when the audited Statement of Accounts were approved by the Audit and Procurement Committee. The statement highlighted the following significant governance issues which required the Council's focus in 2017-18; securing sustainable improvement in Children's Services, delivery of the Council's vision and corporate objectives in line with the Medium Term Financial Strategy, on-going implementation of the Kickstart programme, continuing to raise educational standards, implementing the information management strategy, ensuring long term sustainability of adult social care in the context of financial and demand issues and delivery of the workforce strategy. The statement also highlighted the need to embed the arrangements for a number of the key procedures that underpin the governance framework, namely the Code of Corporate Governance, the Counter Fraud Framework and the Risk Management Strategy.

1.2 **Financial Management and Accounting** - The unaudited Statement of Accounts was considered by the Committee in June 2017 and then in July and September 2017, when the audited Statement of Accounts were approved by the Audit and Procurement Committee. Additionally, the following reports were received in year:

- The revenue and capital outturn position for 2016-17 was considered in June 2017. The report showed the Council's financial position in relation to management accounts used to monitor performance through the year.
- Quarterly monitoring reports of the Council's performance against its revenue and capital budgets during 2017-18 were considered in September 2017, December 2017 and February 2018.
- A treasury management activity update was considered in November 2017. The report highlighted investment activity carried out by the Council and

provided assurance that the Council was managing investments in accordance with its Investment Strategy.

1.3 **External Audit** - The following reports were received from the Council's external auditors, Grant Thornton in 2017-18:

- The Audit Findings for Coventry City Council - This report was considered in July and September 2017, and its purpose was to highlight the key findings arising from the audit of the Council's financial statements for the year ending 31 March 2017. The report conclusions were that, pending satisfactory clearance of outstanding matters:
 - An unqualified audit opinion would be provided on the Council's financial statements.
 - The Council had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

The report did identify issues which the external auditors thought required focus by the Council in the next year including annual revaluation of the Council's investment priorities, enhancing security controls within Agresso, ResourceLink and Active Directory and updating the Council's risk register to document accepted risks in relation to the granting of security administration rights and separation of duties of IT staff within Agresso.

- Annual Audit Letter - This was considered at the November 2017 meeting. The main focus of this report being to summarise the findings from the 2016-17 audit and to formally document their conclusions in respect of the audit of the accounts and the Council's arrangements for securing value for money. The conclusions reached for both these areas were consistent with those indicated in the Audit Findings for Coventry City Council report considered in July and September 2017.
- Certification of Claims work - This was considered in February 2018 and summarised the findings from the certification of the 2016-17 Housing Benefit subsidy claim. The report highlighted that the claim had been qualified due to errors identified, and recommended that the Council, as part of its internal quality assurance process, increase its focus or level of testing in respect of the areas where errors were identified.
- 2017-18 Audit Plan - This was considered in March 2018 and set out the planned scope and timing of the work that Grant Thornton would undertake in respect of the audit of the Council's financial statements for the year ended 31 March 2018. It also documented the expected outputs that the Committee would receive from the external auditors and includes an assurance statement that Grant Thornton are independent and are able to express an objective opinion on the financial statements.

1.4 **Internal Audit** - During the year, the Audit and Procurement Committee received the following reports at the June and November 2017 meetings as well as in February and March 2018.

- Internal Audit Annual Report - This report had two main purposes:

- To summarise the Council's Internal Audit activity for the period April 2016 to March 2017, against the agreed Internal Audit Plan for the same period. This highlighted that the Internal Audit Service had met its' target to deliver 90% of the agreed work plan by the 31st March 2017.
 - To provide the Committee with the Acting Chief Internal Auditor's opinion on the overall adequacy and effectiveness of Coventry City Council's internal control environment. Based on the work of Internal Audit in 2016-17, the Acting Chief Internal Auditor concluded that 'moderate' assurance could be provided that there was generally a sound system of internal control in place to help the organisation meet its objectives.
- Internal Audit Plan for 2017-18 – This report considered the outcome of the Internal Audit planning process and provided the Committee as a key stakeholder of the Internal Audit Service, the opportunity to comment on scope and coverage outlined in the plan.

Other Internal Audit reports considered during the year include:

- Progress reports on Internal Audit work - Monitoring reports were received in November 2017 and February 2018. These reports provided updates on the performance of the Service, along with a summary of the key audits from a sample of high profile audit reviews carried out in the relevant periods. In considering these reports, the Committee agreed with the focus of improvements identified and the timescales agreed for implementation.
- Recommendation Tracking Report - In March 2018, a report on action taken by Council officers in implementing agreed audit recommendations was presented. This highlighted the levels of compliance with the implementation of agreed actions and the approach undertaken by Internal Audit to follow up recommendations.

1.5 **Fraud** - The following fraud reports were considered in 2017-18:

- Annual Fraud Report - This report was considered by the Committee in September 2017 and summarised the Council's response to anti-fraud activity for the financial year 2016-17. This included:
 - A rolling programme of reviews linked to Council Tax exemptions / discounts. It was highlighted that 136 exemptions / discounts had been removed from customers' accounts in 2016-17, which resulted in revised bills being issued amounting to around £157k.
 - A summary of the work undertaken in relation to the National Fraud Initiative and other corporate fraud work including investigations and proactive exercises.
- Half Yearly Fraud Update - A report was received in January 2018, which provided an up-date on anti-fraud activity in 2017-18.

1.6 **Procurement** – Procurement was a standard agenda item at every meeting of the Committee during 2017-18. This area is considered under the private part of the agenda and is a progress report summarising procurement activity considered by the Procurement Board and Panels in the relevant period, as well as providing an update on progress made in delivering agreed procurement saving targets. The Committee in considering these reports noted the content of reports and sought assurance around specific activity highlighted.

- 1.7 **Salaries** – Within its terms of reference, the Committee is responsible for determining any salary or severance package for an employee of the Council (except the Chief Executive) of £100k or over. The Committee received a report in November 2017 linked to the discharge of this function.
- 1.8 **Other** - The Audit and Procurement Committee also supports the Council in considering other areas linked to risk management, internal control and governance and in 2017-18, this included the following:
- Information Commissioner's Office: Data Protection Audit – The Committee has received regular reports on progress since the initial data protection audit carried out by the Information Commissioner's Office in October 2015. In November 2017, they carried out a re-audit and a report detailing the outcomes of this was considered by the Committee in February 2018. Following the re-audit, the Information Commissioners Office raised their overall opinion level to limited assurance, with the lead Auditor commenting that clear improvement had been made. The Committee requested that they receive further updates on progress in 2018-19 against the audit's recommendations.
 - 2016-17 Information Governance Annual Report - This report considered the Council's performance in relation to handling requests for information, managing data protection security incidents and completing data protection training, as well as highlighting the outcome of internal reviews carried out by the Council and complaints considered by the Information Commissioners Office. The Council completed 68% of FOI requests on time and 68% of DPA requests. Six Information Commissioner's Office complaints were received during the course of the year, which were appropriately dealt with. Two security incidents were reported to the Information Commissioner's Office, both of which were concluded with no enforcement action due.
 - Accounts Payable Recovery Audit 2016-17 – This report provided the Audit and Procurement Committee with an overview of the results of the Accounts Payable Recovery Audit. In total, the audit identified and recovered a sum of £218k, which represented 0.01% of the total spend reviewed. The Committee approved the option to undertake future annual audit exercises.
 - Regulation of Investigatory Powers Act 2000 Annual Report – This report focused on providing oversight of the Council's compliance with this Act. Three directed surveillance applications were granted during the year. There were no reported instances of the Council having misused its powers under the Act.
 - Complaints to the Local Government and Social Care Ombudsman 2016-17 - This report provided information regarding the number and outcome of Local Government and Social Care Ombudsman complaints received and investigated during 2016-17, along with outlining the actions taken by the Council where a complaint was upheld by the Ombudsman. Of the 105 complaints, only 25 were pursued and 15 upheld. The Ombudsman did not issue formal reports of maladministration for any of the complaints upheld.
 - Corporate Risk Register – This report set out the current Corporate Risk Register with an overview of the Council's corporate risk profile and the

controls in place to address these risks. The Committee noted the Risk Register having satisfied themselves that the corporate risks are being identified and managed.

- Contract Management Progress Report – This report set out the contract management framework which has been developed to help deliver future procurement savings and was considered by the Committee as part of their role to maintain an overview of the procurement decision making process.
- Customer Services Update – This provided an update to the Committee on Customer Services, including performance and customer satisfaction and future plans to develop the service. The Committee recommended to the Finance and Corporate Services Scrutiny Board that they continue to monitor the work of the Customer Service Centre.
- Code of Corporate Governance – This report detailed the outcomes of the review of the Council's governance arrangements against the Code of Corporate Governance. The review identified a number of actions that will help to strengthen the Council's corporate governance arrangements over the coming year and will be considered in the preparation of the Annual Governance Statement which the Committee approves.

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Public report

Audit and Procurement Committee

Audit and Procurement Committee

16th July 2018

Name of Cabinet Member:

Cabinet Member for Policy and Leadership - Councillor G Duggins

Director Approving Submission of the report:

Director of Finance and Corporate Resources

Ward(s) affected:

None

Title:

2017/2018 Information Governance Annual Report

Is this a key decision?

No

Executive Summary:

The City Council adopted its Information Management Strategy in March 2016. The Strategy recognises that information is one of the Council's greatest assets and its correct and effective usage is a major responsibility and essential to the successful delivery of the Council's priorities. Since the introduction of the Strategy, the Council has put a range of measures in place to embed effective information governance throughout the organisation.

The implementation of the Information Management Strategy was a key step in helping the City Council to prepare for the implementation of the General Data Protection Regulation which came into force in May 2018 and introduced the most significant change in data protection legislation in 20 years. The GDPR strengthens the rights of individuals and reflects the significant technological changes that have taken place over the last 20 years since the Data Protection Act legislation was introduced in 1998. The GDPR has been written into UK law and the new Data Protection Act 2018 also came into force in May 2018.

Data protection legislation sets out the requirements on public organisations to manage information assets appropriately and how they should respond to requests for information. The Information Commissioner's Office (ICO) is the UK's independent supervisory authority set up to uphold information rights in the public interest, promote openness by public bodies and data privacy for individuals and monitors compliance with legislation. This report sets out how the Council performed during 2017/18 in responding to requests for information received under the Freedom of Information Act, Environmental Information Regulations and Data Protection Act, the completion rate, outcome of internal reviews and complaints made to the ICO. It also reports on the management of data protection security incidents reported, data protection training, preparations for the introduction of the General Data Protection Regulations and the follow up to the ICO Audit of the Council's data protection arrangements which took place during the year.

Recommendations:

1. The Audit and Procurement Committee is recommended to review:
 - a) The Council's performance on Freedom of Information, Subject Access and other Data Protection Act requests, including the outcomes of internal reviews and the number and outcome of complaints made to the ICO.
 - b) Reporting and management of data security incidents.
 - c) Data Protection training compliance for employees.
 - d) Data protection training arrangements for Members, including any requirements
2. The Audit and Procurement Committee is recommended to identify any comments or recommendations to the Cabinet Member for Policy and Leadership

List of Appendices included:

- Appendix A – Number of FOI/EIR requests received and completion rates in the last 3 years
Appendix B – Number of Subject Access Requests received and completion rates in the last 3 years
Appendix C – Nature and severity of data protection security incidents reported in 2017/2018

Background papers

None

Other useful documents:

None

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title: 2017/18 Information Governance Annual Report

1. Context (or background)

- 1.1 The Information Management Strategy Group oversees the Council's performance in relation to handling requests under the Freedom of Information Act (FOIA), Environmental Information Regulations (EIR) and Data Protection Act (DPA) 1998. This is part of monitoring compliance with relevant legislation as stated in the Council's Information Management Strategy. The Information Governance Team (IGT) coordinates requests received. The team also manages data protection security incidents reported to them by recording, investigating where necessary and recommending actions to be taken based on the risk level.
- 1.2 The Council is obliged to respond to information requests under FOIA/EIR within 20 working days, subject to relevant exemptions. The Code of Practice, issued by the Secretary of State for Constitutional Affairs under Section 45 of FOIA, requires public authorities to have a procedure in place to deal with complaints in regard to how their requests have been handled. This process is handled by the IGT as an FOI/EIR internal review.
- 1.3 After an internal review has been completed an applicant has a right to complain to the ICO for an independent ruling on the outcome. Based on the findings of their investigations, the ICO may issue a Decision Notice. The ICO may also monitor public authorities that do not respond to at least 90% of FOI/EIR requests they receive within 20 working days.
- 1.4 The DPA 2018 provides individuals with the right to ask for information that the Council holds about them. These are also known as Subject Access Requests (SARs). The Council should be satisfied about the individual's identity and have sufficient information about the request. For the period of this report the Council had to receive the statutory £10 fee before it could respond and had to complete the response within 40 calendar days.
- 1.5 There is no requirement for the Council to have an internal review process for SARs. However, it is considered good practice to do so. Therefore, like with FOIA/EIR requests, the Council informs applicants of the Council's internal review process. However, individuals may complain directly to the ICO if they feel their rights have not been upheld.
- 1.6 The Council also receives "one-off" requests for personal information from third parties including the police and other government agencies. The IGT maintains a central log that includes exemptions relied on when personal data is shared with third parties. The IGT gives advice and assesses whether the Council is allowed to disclose the information or not.
- 1.7 Data security incidents reported to the IGT vary in severity based on the nature of the data compromised and the impact of the breach on the data subjects or the people whom the information is about.
- 1.8 The introduction, in May 2018, of the General Data Protection Regulation (GDPR) and passing of the Data Protection Act 2018 represented the most significant change in data protection legislation in 20 years. It strengthened the rights of individuals and reflects the significant technological changes that have taken place over the last 20 years since the Data Protection Act of 1998. This report covers the 2017/18 financial year, so reports against the Council's obligations under previous legislation, but also includes an update

on preparation for the implementation of the GDPR. It covers how the Council handles requests received under FOIA, EIR and DPA. It outlines the number of requests received, proportion of responses completed within the set timescales and outcomes of internal reviews and complaints made to the ICO during 2017/18. Details on the number of data protection security incident reported and data protection training completed by Council employees are also included.

1.9 **Freedom of Information and Environmental information Regulations**

- 1.9.1 The number of FOI requests received by the City Council increased again on the previous year. 1471 FOI/EIR requests were received in period 2017/18, compared to 1374 requests received in the 2016/17. The Council responded to 73% of FOIA/EIR requests within the target time of 20 working days in 2017/18 compared to 68% for the previous year. Despite the number of requests increasing, the proportion of requests dealt with within the target time has improved again, although performance remains below the 90%, the level required by the ICO. See Appendix A.
- 1.9.2 There were 39 requests for internal reviews in the year 2017/18 compared to 15 in the previous year. The Council responded to these with the following outcomes:
- 14 were not upheld – the original response and any exemptions applied were maintained and no further information was provided
 - 12 were partially upheld - further information was provided
 - 8 were upheld and the requested information provided
 - 3 remain under consideration and have not yet been closed.
 - 1 requester submitted a new request
 - 1 sought clarification from the requester as questions had been answered but no response was received
- 1.9.3 Six complaints were referred to the ICO. The reasons and outcomes for these were:
- 1 – Time taken to respond and failure to respond to request to review – response provided
 - 2 - Initial response to request not received; response provided
 - 2 – Handling of request under Section 50 – no further action required
 - 1 – requester is now appealing the ICO's decision and has applied to the First Tier Tribunal. Still awaiting outcome.

1.10 **Data Protection Act Requests**

- 1.10.1 The Council received 136 valid Subject Access Requests (SARs) during the course of 2017/18, compared to 144 in the previous year. There was an improvement in the response rate to SARs 112 (82%) were completed within 40 calendar days compared to 68% in 2016/17. The Council still receives requests relating to social care that are complex to deal with and take a long time to complete. Summary of the number of requests received performance in the last 3 years is shown in Appendix B.
- 1.10.2 The Council received one application to carry out an internal review into a SAR application in the course of the year, which was not upheld. Two SAR complaints were referred to the ICO. In one, the ICO upheld the Council's decision not to provide the information after applying an appropriate exemption. In the other complaint, the requester had complained he had not received a full response within the 40 calendar days. However it had previously been agreed with the requester to receive the information by way of a staged disclosure, which had been completed. No further action was required on both complaints.

1.10.3 The new General Data Protection Regulation that came into effect in May 2018 requires the Council to respond to SARs within one calendar month (and 2 calendar months for complex requests). Under the GDPR, the Council is no longer able to charge a £10 fee for SARs. The Council can be fined for not meeting the deadlines or providing insufficient information to the requester. By their nature, SARs can be complex and the preparation of comprehensive responses time consuming. The IG Team has reviewed its processes for dealing with SARs in line with GDPR and is working with services to ensure that the Council meets its obligations.

1.10.4 Under Section 29 of the DPA the police and other agencies can request for personal information for the purposes of prevention and detection of crime. Other DPA exemptions exist where the organisations can disclose personal data in exceptional situations. 350 'one-off' requests were logged on the central register managed by the IGT. 326 (93%) of these requests have been completed or closed on the central register. IGT responded to a majority of these and others were allocated directly to specific service areas to respond.

1.11 **Data Protection Security Incidents**

1.11.1 The Council's Information Management Strategy sets out the need to protect information from theft, loss, unauthorised access, abuse and misuse. This is important in order to reduce the risk of data breaches or financial loss incurred through non-compliance with key legislation such as the DPA. It is good practice to report on information incidents and breaches.

1.11.2 An effective data protection security incident reporting process ensures that any breaches are contained and managed promptly and the outcomes of the investigation are used to inform reviews of the controls that are in place to keep personal information secure. The reporting of near misses is also actively encouraged. The process allows the organisation to learn from mistakes and prevent serious breaches that may cause harm to individuals and the Council.

1.11.3 Continuous improvements are being made to the data security breach management process that is being aligned to the new Information Risk Management Policy, approved in March 2017. The new Information Asset Register identifies designated Information Asset Owners who have responsibility for investigating any breach of their information assets.

1.11.4 The management of data security incidents or breaches reported involves containing and recovering any compromised information, assessing the harm or risk posed by the breach, considering whether to notify the affected individuals or relevant authorities where necessary and determining mitigation needed to prevent further occurrence of similar incidents. The risk assessment is based on the likely or actual harm to individuals, number of individuals affected and the level of sensitivity of the personal information compromised. The risk assessment score used is based on guidance issued by the Health and Social Care Information Centre (HSCIC) which takes into account the impact and likelihood the breach would have on the individuals. In most of the incidents reported the risk level was low as the data compromised was either contained, not sensitive, encrypted or only a few individuals were affected. See Appendix C.

1.11.5 In 2017/18, there were 114 information security incidents reported, compared to 138 in the previous financial year. The majority of reported incidents were as a result of information being disclosed in error. A breakdown of the nature of incidents reported is illustrated in Appendix C.

- 1.11.6 Whilst it was not a requirement under the relevant legislation to report breaches to the ICO, this was recommended where there was a likelihood of significant harm to the individuals or a large number of individuals were affected.
- 1.11.7 Two incidents were reported to the ICO in 2017/18, resulting from children's social care paperwork being left in a property and the theft of documents from the car of a commissioned service provider. Both were concluded with no enforcement action due to sufficient remedial measures being taken by the Council. This compares to two incidents reported to the ICO in 2016/17. The Council has considered all recommendations following these investigations and carry out regular process reviews in order to minimise the risk of further breaches occurring.
- 1.11.8 The ICO reviewed the 2016/17 Information Governance annual report to look at the variance between the number of reported security incidents and those that the Council had reported to the ICO. It concluded that that "Coventry City Council are risk assessing information security incidents and conducting trend analysis in an appropriate manner and reporting to the ICO in a considered manner".
- 1.11.9 During their investigations, the ICO considers controls that organisations have in place to minimise occurrence of similar incidents and if similar incidents by the same organisation have been reported to them. Recent fines issued by the ICO for data protection security breaches by public sector organisations include:
- Nottinghamshire County Council; £70,000 – for leaving vulnerable people's personal information exposed online for five years
 - Gloucester City Council; £100,000 – after a cyber attacker accessed council employees' sensitive personal information
 - Gloucestershire Police: £80,000 – after sending a bulk email that identified victims of non-recent child abuse.
- 1.11.11 The GDPR introduces the requirement that a personal data breach must be reported to the Information Commissioner within 72 hours of becoming aware of the breach if it's likely to result in a risk to people's rights and freedoms. The Council has been working to update and strengthen its arrangements for reporting, managing and reviewing data security incidents and raising awareness of the need to report all incidents and near misses promptly so that relevant actions can be taken and lessons learned.

1.12 **Data Protection Training**

- 1.12.1 An Information Management and Data Protection Training Strategy was prepared in March 2018 to support the implementation of the Council's Information Management objectives. The Strategy incorporated recommendations made by the Information Commissioner's office following their recent audit. It sets out approach to training for Data Protection Legislation, including the General Data Protection Regulation, Information Security, Records Management, Freedom of Information Act and Subject Access Requests. It sets out how the Council will ensure that the entire workforce has the skills and competence required to carry out the activities in which information is collected, stored and processed, and that they are aware of the legislative environment and their roles and responsibilities. It includes how compliance will be monitored and reported and how the Council will evaluate the effectiveness of training.
- 1.12.2 In line with the new Training Strategy and to support the implementation of the General Data Protection Regulation, the Council updated its online training which all networked employees are required to complete. The first module is an introduction to data protection and is aimed at everyone who handles personal data. It covers what is meant

by personal data, the responsibilities of those handling it and the principles of data protection. It also explains the changes to Data Protection laws that came into force with the implementation of the General Data Protection Regulations and the stronger rights for individuals. The addition of a second module addressing information security, meets a further recommendation from the ICO. This deals with how other people's information, such as a person's name and address or details about their health or financial situation, should be handled. It covers the importance of keeping data secure, what needs to be protected and who it should or shouldn't be disclosed to; the main threats to data and data systems; the basics of cyber security; some key steps to keeping data secure; and how to protect information whilst working on the move.

- 1.12.3 The deadline for completion of the new online training extended into the 2018/19 year and by the implementation of GDPR on 25 May only six of the almost 4000 employees required to complete the course had not done so. These employees have had their network access restricted until the course has been completed.
- 1.12.4 The Training Strategy also includes the roll out of basic training for employees who do not have access to the Council's network and introduces new requirements for specialist data protection training for groups of staff who carry out specific roles. Progress in these areas will be monitored by the Information Management Strategy Group.
- 1.12.5 The online training course has been made available to all elected Members and to date 18 councillors have successfully completed the course. Information on the changes in data protection law has been provided to all Members and a workshop is being planned to highlight case studies that are particularly relevant to Elected Members and discuss any questions or concerns. The Audit Committee are asked to consider any further data protection support that should be offered to Members, including how take up of the training should be encouraged.
- 1.13 Other Issues
 - 1.13.1 In February the outcomes of a data protection audit carried out by the ICO in November 2017 were reported to the Audit and Procurement Committee. This repeated an audit carried out in 2015 looking at governance arrangements, training and awareness and data sharing arrangements corporately and in Children's Social Care and the Revenues and Benefits service. The Council continues to work on delivering the actions arising from the ICO audit (which includes for example the implementation of the training strategy referred to earlier in this report). A detailed report on progress towards completion of the actions is scheduled for the Audit and Procurement Committee later in the year.
 - 1.13.2 In addition to the measures taken in preparation for the introduction of GDPR identified earlier in this report, the Council has designated a Data Protection Officer as public authorities are required to do. It has been carrying out a programme to put in place records of processing activities to record what data the Council handles and the lawful basis for doing so. This has informed updates to the Council's privacy notices. This work has identified further actions to strengthen the Council's data protection arrangements and the Information Management Strategy Group is monitoring progress.

2. Options considered and recommended proposal

- 2.1 It is important that the Council continues to monitor and report on its performance in relation to access to information requests, information security incidents and training completed. This, together with the oversight of elected Members helps to promote high standards of information governance and continuous improvement. The ICO reviewed

the Council's 2016/17 Information Governance Report in the context of the number of information security incidents and commented that *"In all, it appears that the Public Report demonstrates a desire by CCC to be open and transparent in both its FOI and DPA obligations, performance and commitments."*

3. Results of consultation undertaken

3.1 None

4. Timetable for implementing this decision

4.1 None

5. Comments from Director of Finance and Corporate Resources

5.1 Financial implications
There are no financial implications in relation to the recommendations in this report.

5.2 Legal implications
There are no specific legal implications arising out of the recommendations. However, the Council's performance is subject to external scrutiny by the ICO. The monitoring and reporting on the outcomes of ICO complaints represents good practice and promotes good governance and service improvement.

6. Other implications

6.1 How will this contribute to achievement of the Council's Plan?

The monitoring and reporting of the Council's performance for responding and handling access to information requests under FOIA and DPA together with all ICO complaints will promote high standards of information governance and contribute to the openness and transparency of the Council's decision making and commitment to continuous service improvement and equality.

6.2 How is risk being managed?

The reporting and monitoring on the Council's performance and outcomes of ICO complaints will help reduce the risk of the ICO upholding complaints and taking enforcement action against the Council.

6.3 What is the impact on the organisation?

As set out in 6.1

6.4 Equalities / EIA

As set out in 6.1

6.5 Implications for (or impact on) the environment

None

6.6 Implications for partner organisations?

None

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Place

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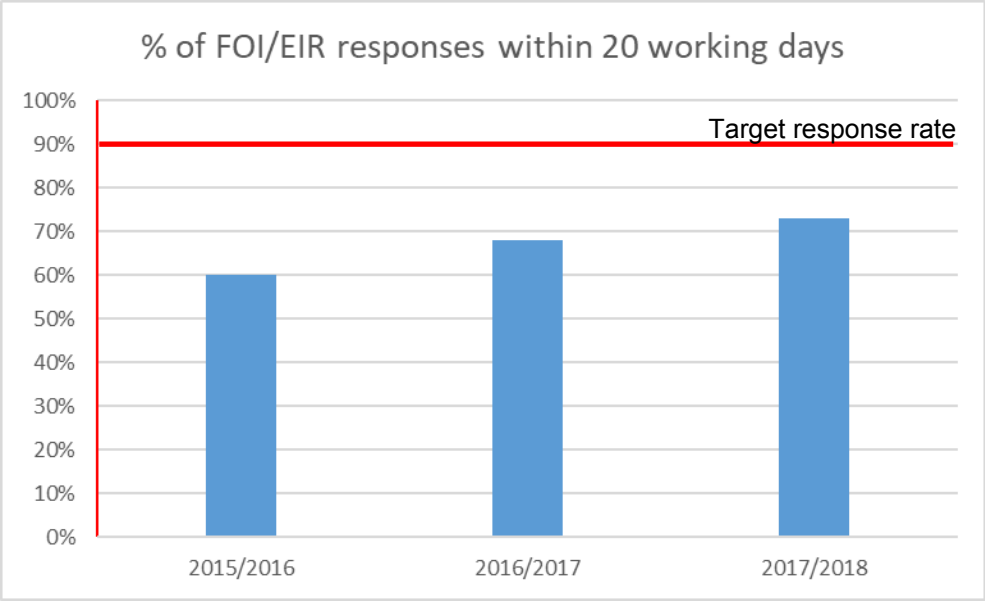
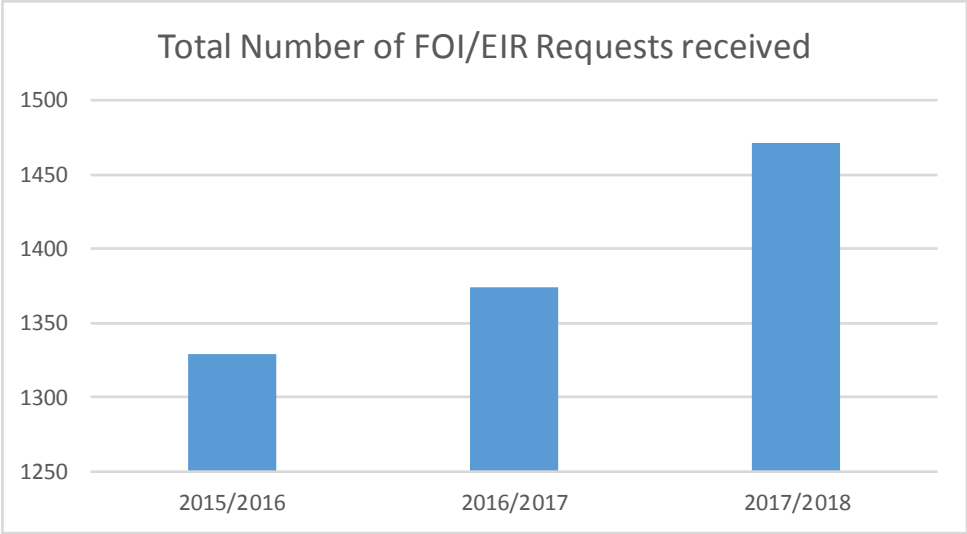
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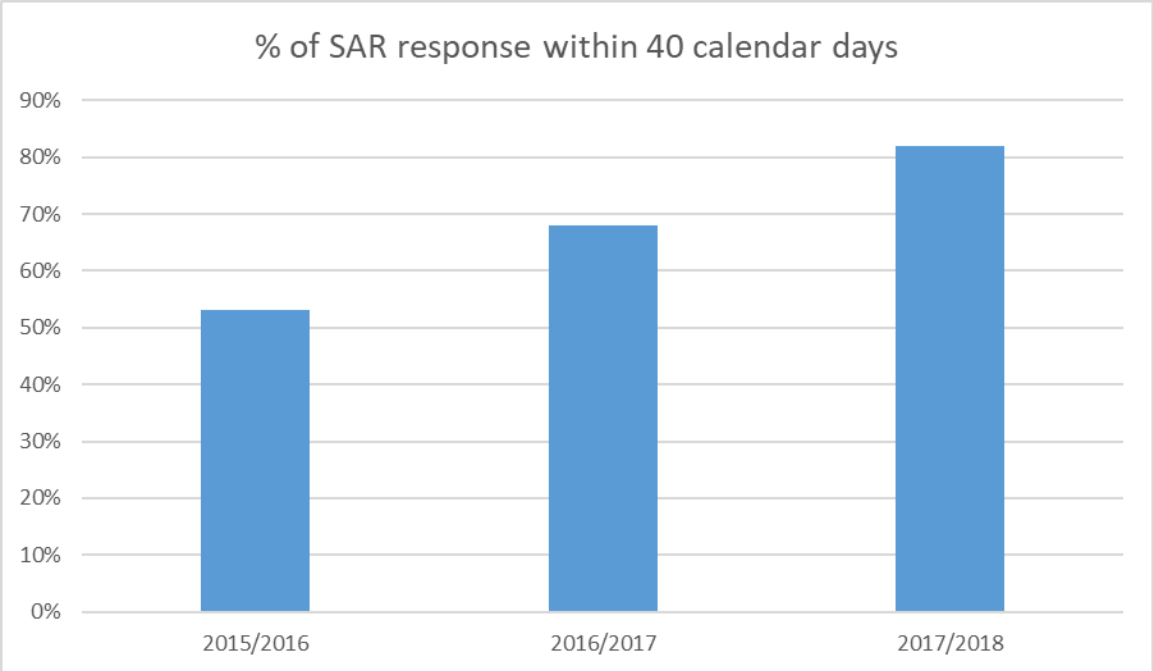
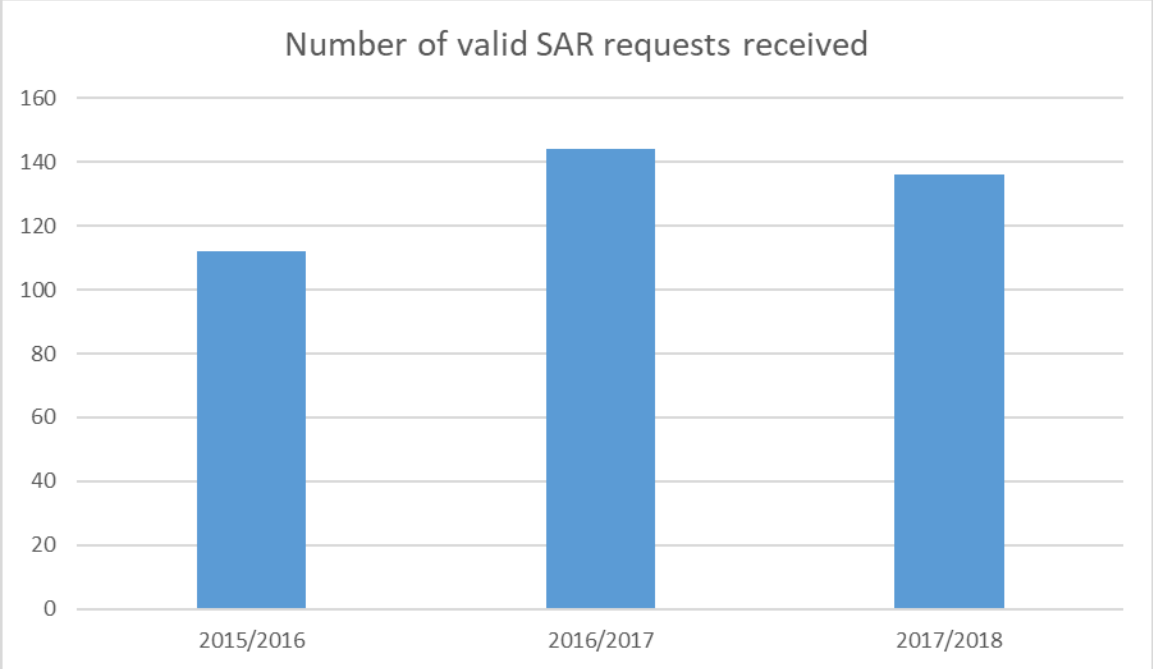
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Councillor G Duggins	Leader and Cabinet Member for Policy and Leadership	-	28.06.18	05.07.18

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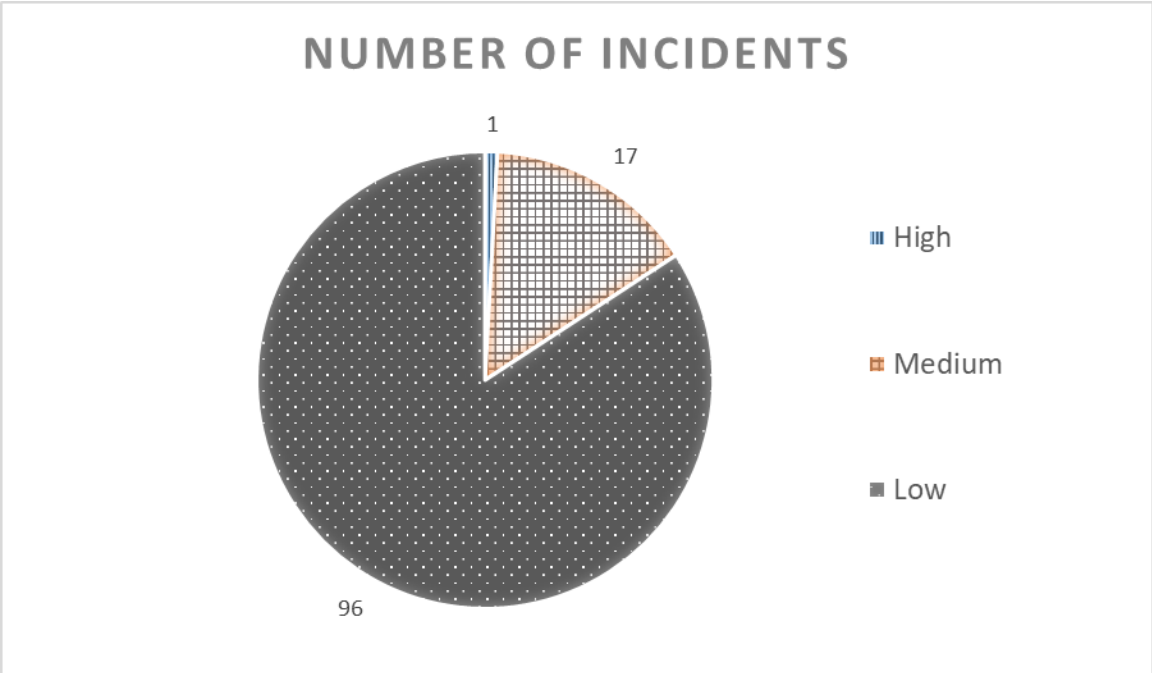
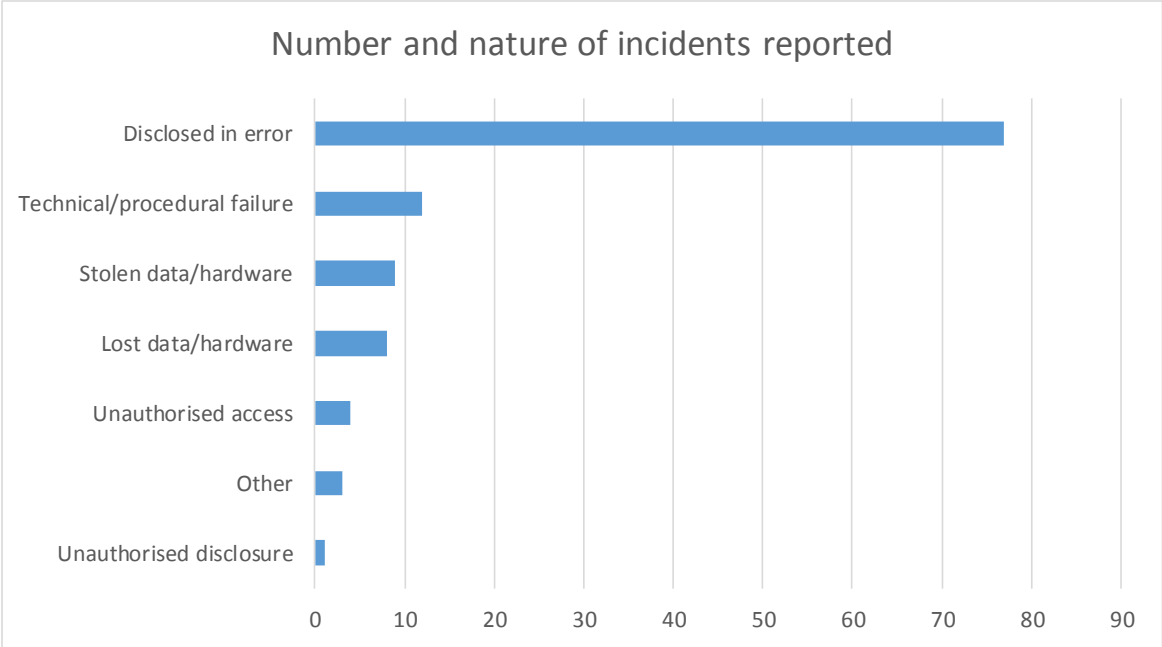
Number of FOI/EIR requests received and completion rates in the last 3 years



Number of Subject Access Requests (SAR) received and completion rates in the last 3 years.



Nature and severity of data protection security breaches reported and severity in 2017/18



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

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