



Audit and Procurement Committee

Time and Date

3.00 pm on Monday, 24th July, 2017

Place

Committee Room 3 - 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 26th June 2017.
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. **Work Programme 2017/18** (Pages 11 - 12)
Report of the Deputy Chief Executive (Place)
6. **Outstanding Issues** (Pages 13 - 18)
Report of the Deputy Chief Executive (Place)
7. **Audit Findings Report 2016/17**
Report of the External Auditor, Grant Thornton – to follow
8. **Audited 2016/17 Statement of Accounts** (Pages 19 - 22)
Report of the Deputy Chief Executive (Place)
9. **Audit and Procurement Committee Annual Report to Council 2016/17**
(Pages 23 - 30)
Report of the Deputy Chief Executive (Place)
10. **Information Governance Annual Report 2016/17** (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 - 50)

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, 14 July 2017

Note: The person to contact about the agenda and documents for this meeting is Lara Knight

Membership: Councillors S Bains (Chair), R Brown, L Harvard (Deputy Chair), R Singh, H Sweet and K Taylor

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

If you require a British Sign Language interpreter for this meeting
OR if you would like this information in another format or
language please contact us.

Lara Knight

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Coventry City Council
Minutes of the Meeting of the Audit and Procurement Committee
held at 3.00 pm on Monday, 26 June 2017

Present:

Members: Councillor S Bains (Chair)
 Councillor R Brown
 Councillor L Harvard
 Councillor R Singh
 Councillor H Sweet

Employees (by Directorate):

People M Burn

Place P Baggott, P Jennings, L Knight, K Tyler

Apologies: Councillor K Taylor

Public Business

1. Declarations of Interest

There were no disclosable pecuniary interests.

2. Minutes of Previous Meeting

The minutes of the meeting held on 3rd April 2017 were agreed and signed as a true record.

Further to Minute 77/16, the Committee were advised that the Record Manager was now in post.

3. Exclusion of Press and Public

RESOLVED to exclude the press and public under Section 100(A)(4) of the Local Government Act 1972 relating to the private report in Minute 12 below headed 'Procurement and Commissioning Progress Report' on the grounds that the report involves the likely disclosure of information defined in Paragraph 3 of Schedule 12A of the Act, as it contains information relating to the financial and business affairs of a particular person (including the authority holding that information) and that, in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

4. 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.

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

5. Work Programme 2017/18

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

RESOLVED that the Audit and Procurement Committee approve the work programme for 2017/18.

6. Internal Audit Annual Report 2016/17

The Committee considered a report of the Deputy Chief Executive (Place) which summarised the Council's Internal Audit activity for the period April 2016 to March 2017 against the agreed Audit Plan for 2016/17. 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 Audit and Procurement Committee approved the Council's Internal Audit Plan for 2016/17 at its meeting on 24th October 2016. The report submitted detailed the performance of the Internal Audit Service against the Plan for 2016/17, which was presented in order for the Audit and Procurement Committee to discharge its responsibility, as reflected in its term of reference.

The key target for the Internal Audit and Risk Service is to complete 90% of its agreed work plan by the 31st March 2017 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 2016/17, compared with performance in 2015/16.

Appendix One of the report detailed the audit reviews that had been carried out in the financial year 2016/17, along with the level of assurance provided. A summary of the findings of key audits that had not already been reported to the Committee during 2016/17 were included at Appendix Two. In all cases, the relevant managers had agreed to address the issues raised in line with the timescale stated. These reviews would be followed up in due course and the outcome reported to the Audit and Procurement Committee. In addition, the report provided an update on those disclosures made by the Internal Audit Annual Report 2015/16 where it was believed that significant control improvements were required.

The Committee noted that the Public Sector Internal Audit Standards (PSIAS) highlighted that a key responsibility of Internal Audit was to provide an objective evaluation of, and assurance on, the effectiveness of the organisation's risk management, control and governance arrangements. It required that the annual internal audit opinion provided by the Acting Chief Internal Auditor was a key element of the framework of assurance that informed the Annual Governance Statement.

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 2016-17. These related to the delivery of the Workforce Strategy and Adult Social Care and report provided detail on the reasons for their consideration.

Having considered the content of the report, the Committee sought assurance in relation to the checks and balances in place regarding the maintenance of Council vehicles and fuel consumption and requested that information on this matter be forwarded to Committee Members.

RESOLVED that the Audit and Procurement Committee note:-

- 1. The performance of Internal Audit against the Audit Plan for 2016/17.**
- 2. The summary findings of key audit reviews, attached at appendix two, that have not already been reported to Audit and Procurement Committee during municipal year 2016/17 and which are relevant to the opinion on the overall adequacy and effectiveness of Coventry City Council's internal control environment.**
- 3. The opinion of the Acting Chief Internal Auditor on the overall adequacy and effectiveness of Coventry City Council's internal control environment.**
- 4. That information be forward to Committee Members in relation to the checks and balances in place regarding maintenance of Council vehicles and fuel consumption.**

7. **Annual Governance Statement 2016/17**

The Committee considered a report of the Deputy Chief Executive (Place), which sought approval of the Annual Governance Statement, which formed part of the Statement of Accounts for 2016/17.

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.

To demonstrate such arrangements, the Council had adopted a Code of Corporate Governance. The Code was reviewed during 2016/17 and a revised Code of Corporate Governance was approved, which was consistent with the principles reflected in the CIPFA / SOLACE framework and guidance 'Delivering Good Governance in Local Government (2016).

The Annual Governance Statement ('AGS') explained how the Council had complied with the Code and in doing so, reflected the requirements of the Accounts and Audit Regulations 2015, which required all relevant bodies to prepare an Annual Governance Statement. The AGS also detailed key governance / control issues identified through the assessment that the Council faced in the coming year.

The AGS, attached at Appendix One, highlighted those areas that the Council considered required internal control / governance improvements. This assessment was co-ordinated by the Acting Chief Internal Auditor, but also incorporated the views and opinions of senior officers.

Key disclosures come from a review of progress against disclosures highlighted in the Annual Governance Statement 2015/16 and new disclosures identified as part of the assessment process. A review of the seven disclosures highlighted in the Annual Governance Statement 2015-16 found that the disclosures fell into two categories, namely 'closed from 2014/15 Statement' and 'carry forward to the 2015/16 Statement'. The report detailed the specific matters in each of the categories and provided an update on the current position. Two new disclosures were identified for the 2016/17 Statement. The first related to the long term sustainability of adult social care in the context of financial and demand issues and the second to the delivery of the Workforce Strategy.

RESOLVED that the Audit and Procurement Committee approve the Annual Governance Statement, attached at Appendix One, which accompanies the 2016/17 Statement of Accounts.

8. **Internal Audit Plan 2017/18**

The Committee considered a report of the Deputy Chief Executive (Place), which outlined the draft Internal Audit Plan for 2017-18, a copy of which was set out at an appendix to the report.

The draft Internal Audit Plan documented the outcome of the audit planning process for 2017-18 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. This was an increase of approximately 60 days when compared with 2016/17 and reflected that the Service was no longer impacted by long term absence. In focussing the resources to meet the needs of the Council, the following approach was taken:-

- An exercise was undertaken in 2016-17 to identify the Council's audit universe and establish what sources of assurance existed in relation to this and upon which the organisation could place reliance. This was used to establish priorities in those areas where other sources of assurance were not available.
- 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.

RESOLVED that the Audit and Procurement Committee approve the draft Internal Audit Plan 2017/18.

9. **Unaudited Statement of Accounts 2016/17**

The Committee considered a report of the Deputy Chief Executive (Place), which set out the unaudited statement of accounts for 2016/17.

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

Having considered the report and presentation, the Committee noted that following comments made during consideration of the 2015/16 Statement of Accounts, the Council's reserves had been broken down to clearly identify usable and unusable reserves and those reserves which the Council held in relation to Schools.

RESOLVED that the Audit and Procurement Committee note the Unaudited Statement of Accounts 2016/17.

10. **Revenue and Capital Outturn 2016/17**

The Committee considered a report of the Director of Finance and Corporate Services, which set out the final revenue and capital outturn position for 2016/17 and reviewed treasury management activity and 2016/17 Prudential Indicators under the Prudential Code for Capital Finance.

The Committee noted that the Cabinet had also considered the report at their meeting on 13th June 2017.

The report indicated that the overall financial position included a revenue overspend of £0.7m, which was required to be funded by a contribution from the Council reserves. At quarter 3 there had been a projected overspend of £4.8m and the report identified the underlying movements between quarter 3 and outturn which had resulted in an overall underlying net underspend of £4.1m in the final quarter and led to the overall overspend of £0.7m.

The Committee were advised that, consistent with the approval of the programme of staffing reductions approved by the Cabinet in November 2015, £6.7m of costs had been incurred as a result of early retirement and voluntary redundancy decisions.

There had been Capital Programme expenditure of £71m, which was £52m less than envisaged at the start of the year. The quarter 3 monitoring report to Cabinet on 21st February 2017 approved a revised capital budget of £81m for 2016/17. Since then, there had been a net programme increase of £1.3 giving a final budget for the year of £82.3m. Since February, a total of £12.5m net rescheduled spending had arisen on directorate capital programmes. The report provided a scheme by scheme analysis of the rescheduling and accelerated spend.

The Committee were advised that the Cabinet had given retrospective approval for a change to the Capital Programme, reflecting final scheme costs on the completed Whitley Infrastructure, Friargate Bridgedeck and South West Coventry Junction Improvement schemes delivered by Costain.

There was also a reduction in the level of Council revenue reserves from £57m to £51m and an increase in balances held relating to capital grants and capital receipts to fund future projects from £12m to £30m. Table 2 of the report provided a summary of reserve movements during the year.

In relation to Treasury Management Activity, the report indicated that political uncertainty had been the main driver of the economic landscape during 2016/17. Uncertainty over the outcome of the US Presidential election and the UK's future relationship with the EU resulted in significant market volatility during the year. UK Inflation continued to be subdued in the first half of 2016/17, however, a sharp fall in the Sterling exchange following the EU referendum had an impact on import prices which resulted in inflation rising from 0.3% in April 2016 to 2.3% in March 2017. Despite this uncertainty, the UK GDP grew steadily during the year and the unemployment rate dropped to 4.7% in February, its lowest level in 11 years. The fallout from the EU Referendum also caused the Bank of England Base rate to be cut to 0.25% from 0.5%. Current forecasts expected the base rate to stay at 0.25% until at least June 2020, with a further reduction to close to zero more likely than a rate rise in the meantime.

Given the interest rates provided by the Public Works Loans Board, it continued to be cheaper for local authorities to use short rather than long term funds for financing. At outturn, the Capital Financing Requirement, which indicated the authority's underlying need to borrow for capital purposes, had reduced by £11m. No new long term borrowing was taken out during 2016/17, however, some borrowing would be required in the future to support current expenditure plans and the need for any such borrowing would be kept under review in 2017/18.

Appendix 3 of the report submitted set out the ratio of financing costs to Net Revenue Stream, highlighting the revenue impact of the capital programme. This showed the Council's revenue costs of financing its capital expenditure as a proportion of its income from Government grant and Council Tax. The actual was 13.09% against a forecast of 14.03% in the Treasury Management Strategy. This reflected a lower level of borrowing than anticipated to fund the Capital Programme and higher levels of investment balances. The Appendix also provided Capital and Treasury Management Related Prudential Indicators, including authorised limit for external debt; operational boundary for external debt; gross debt v "Year 3" capital financing requirement; and debt maturity structure, interest rate exposure and investments longer than 364 days.

RESOLVED that, having considered the contents of the report, the Audit and Procurement Committee determine that there were no specific issues which it wants to refer to the Cabinet Member for Strategic Finance and Resources.

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.

12. **Procurement and Commissioning Progress Report**

The Committee considered a report of the Deputy Chief Executive (People) which provided an update on the procurement and commissioning undertaken by the Council since the last report submitted to the meeting on 3rd April 2017. Details of the latest positions in relation to individual matters were set out in an appendix to the report.

Having considered the report, the Committee requested information on the timescales for the completion of the City's 50m swimming pool.

RESOLVED that:

1. **The current position in relation to the Commissioning and Procurement Services be noted.**
 2. **No recommendations be made to either the Cabinet Member for Strategic Finance and Resources, Cabinet or Council on any of the matters reported.**
 3. **No changes are required to the format of the report at this time.**
 4. **That information on the timescales for the City's 50m swimming pool be forwarded to the Committee Members.**
13. **Any other items of private business which the Chair decides to take as a matter of urgency because of the special circumstances involved.**

There were no other items of private business.

(Meeting closed at 5.45 pm)

Audit and Procurement Committee

Work Programme 2017-18

26th June 2017

Revenue and Capital Out-turn 2016-17
Draft Statement of Accounts 2016-17
Annual Governance Statement 2016-17
Internal Audit Annual Report 2016-17
Internal Audit Plan 2017-18
Procurement Progress Report (Private)

24th July 2017

Audit Findings Report 2016-17 (Grant Thornton)
Statement of Accounts 2016-17
Audit Committee Annual Report 2016-17
Information Governance Annual Report 2016/17
Procurement Progress Report (Private)

11th September 2017

Quarter One Revenue and Corporate Capital Monitoring Report 2017-18
Annual Audit Letter 2016-17 (Grant Thornton)
Fraud Annual Report 2016-17
Information Management Strategy Update
Procurement Progress Report (Private)

13th November 2017

Half Year Internal Audit Progress Report 2017-18
Treasury Management Update
Information Management Strategy Update
Procurement Progress Report (Private)

18th December 2017

Quarter Two Revenue and Corporate Capital Monitoring Report 2017-18
Half Yearly Fraud Update 2017-18
Ombudsman Complaints Annual Report 2016-17
Corporate Risk Register Update
Annual Audit Letter 2016/17 - Progress Report on Actions
Procurement Progress Report (Private)

19th February 2018

Grant Certification Report (Grant Thornton)
Quarter Three Revenue and Corporate Capital Monitoring Report 2017-19
Quarter Three Internal Audit Progress Report 2017-18
RIPA (Regulation of Investigatory Powers Act) Annual Report 2016-17
Contract Management Review
Information Management Strategy Update including result of follow up audit by ICO
Procurement Progress Report (Private)

26th March 2018

Annual Audit Plan (Grant Thornton)
Internal Audit Recommendation Tracking Report
Internal Audit Plan 2018-19
Procurement Progress Report (Private)
Code of Corporate Governance (Adrian West)

Dates to be confirmed

Audit and Procurement Committee

24th July 2017

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 Executive Director of 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

Tel and email contact:

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Enquiries should be directed to the above person.

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

This report is published on the council's website: www.coventry.gov.uk/moderngov

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 Management Strategy Update Report back of the outcome of the follow up audit by the Information Commissioner	36/16 24 th October 2016	January / February 2018	Helen Lynch / Joe Sansom		

* 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.	Internal Audit Annual Report 2016/17	Minute 6/17 26 th June 2017	That information be forwarded to the Committee in relation to the checks and balances undertaken regarding maintenance of vehicles and fuel consumption.	Karen Tyler	
2.	Procurement and Commissioning Progress Report	Minute 12/17 26 th June 2017	The Committee requested information on timescales for the City's 50m swimming pool.	Mick Burn	



Public report Audit & Procurement Committee

Audit and Procurement Committee

24th July 2017

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 2016/17 Statement of Accounts

Is this a key decision?

No

Executive Summary:

The purpose of this report is to gain Audit & Procurement Committee's approval for the audited 2016/17 Statement of Accounts and Annual Governance Statement. The Audit & Procurement Committee is approving these accounts on the Council's behalf.

Recommendations:

Audit & Procurement Committee is recommended to approve the final 2016/17 Statement of Accounts and the Annual Governance Statement.

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 Services

Other useful background papers:

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. The Audit & Procurement Committee is approving the City Council's Statement of Accounts and Annual Governance Statement on the Council's behalf.

Report title:

Audited 2016/17 Statement of Accounts

1. Context (or background)

- 1.1** The Accounts and Audit Regulations 2011 require the Council to have its audited statements approved by 30th September. The Council has previously approved the delegation of responsibility for approving the statements to the Audit & 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 2016/17 Statement of Accounts and Annual Governance Statement at its meeting on 26th June 2017. This report now seeks approval of the final audited statements.
- 1.3** It is worth noting that an update to the current regulations means that the 2017/18 and subsequent accounts will need to be prepared to an earlier timescale requiring publication of the draft accounts by 31st May and approval of the final accounts by 31st July. Coventry has already brought forward its processes and governance timetable such that the 2016/17 accounts already comply with these revised provisions.

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 & 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****Tel and email contact: 02476833753 paul.jennings@coventry.gov.uk**

Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Lara Knight	Governance Services Co-	Place	27/6/17	3/7/17

	Ordinator			
Names of approvers for submission: (officers and members)				
Legal: Carol Bradford	Corporate Governance Lawyer – Legal Services	Place	27/6/17	7/7/17
Finance: Barry Hastie	Director of Finance and Corporate Services	Place	27/6/17	27/6/17

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**Audit and
Procurement
Committee
Annual Report to
Council
2016-17**

To be considered at the City Council meeting
on the 5th September 2017

Audit and Procurement Committee Annual Report 2016-17

Introduction by Chair of Audit and Procurement Committee

In May 2016 I was appointed as the Chair of the Audit and Procurement Committee and I am pleased to present this report which outlines the Committee's work over the municipal year 2016-17.

Over the last year, the Committee has continued to discharge its key responsibility effectively, namely providing independent assurance on the adequacy of the Council's internal control environment, the risk management framework and the integrity of the financial reporting and annual governance processes. At the same time, the Committee has been able to consider other matters to support the Council including providing scrutiny and challenge over procurement activity and arrangements to ensure compliance with data protection requirements.

I am looking forward to building on the good work done in 2016-17 and ensuring that the Committee continues to make a positive contribution to the overall governance arrangements within the Council. In terms of initial priorities for 2017-18 these include ensuring that:

- Action is taken in response to disclosures made in the Annual Governance Statement and that any issues raised by the external auditors in the audit of the Council accounts are addressed on a timely basis.
- Members of the Audit and Procurement Committee are appropriately supported through training and development.
- Any actions arising from the outcome of the annual review of the Council's Code of Corporate Governance are effectively implemented.

I hope that 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.



**Councillor Sucha Bains
Chair, Audit and Procurement
Committee**

1 Activity of the Council's Audit and Procurement Committee

During 2016-17, the Council's Audit and Procurement Committee met on eight occasions. Meetings were held in June, July, September, October and December 2016 as well as in January, February and April 2017.

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 2016-17 are expanded upon below.

1.1 **Governance** - As part of the Annual Accounts process for 2015-16, 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 2016 and then in July 2016, 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 2016-17; 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, addressing actions arising from the Information Commissioner's Audit and implementing the Information Management Strategy. The Statement also highlighted internal control issues for improvement in relation to the Council's processes for awarding council tax discounts and exemptions and review of a number of the key procedures that underpin the governance framework, namely the Risk Management Strategy, the Code of Corporate Governance, the Whistleblowing Procedure and the Fraud and Corruption Strategy.

1.2 **Financial Management and Accounting** - The unaudited Statement of Accounts was considered by the Committee in June 2016 and then in July 2016, 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 2015-16 was considered in July 2016. 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 2016-17 were considered in September 2016, December 2016 and February 2017.
- A treasury management activity update was considered in October 2016. 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 2016-17:

- The Audit Findings for Coventry City Council - This report was considered in July 2016, 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 2016. The report conclusions were that, pending satisfactory clearance of outstanding matters:
 - An unqualified audit opinion would be provided on the Council's financial statements.
 - Whilst work in respect of Children's Services was still underway, the value for money work undertaken found that 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 commissioning a new valuation for its investment in Birmingham Airport Holdings Limited, enhancing controls within the Agresso application, making improvements to the process for managing leavers' access to IT systems and taking actions to maintain a sound financial position, including ensuring that the medium term financial plan is up-to-date and covers a range of potential scenarios. The Committee received an update on the implementation of these recommendations in December 2016.

- Annual Audit Letter - This was considered at the September 2016 meeting. The main focus of this report being to summarise the findings from the 2015-16 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 2016 and confirmed that an unqualified value for money conclusion had been issued.
- Certification of Claims and Returns Annual Report - This was considered in February 2017 and summarised the findings from the certification of 2015-16 claims and returns that were subject to review by the external auditors. The report highlighted that only the Housing Benefits subsidy claim was subject to external audit approval, which had been qualified due to errors identified, although the impact of this was estimated not to be significant. The external auditors' conclusion was that the Council has appropriate arrangements to compile complete, accurate, and timely claims / returns for audit certification.
- 2016-17 Audit Plan - This was considered in April 2017 and set out the work that Grant Thornton would undertake in respect of the audit of the Council's financial statements for the year ended 31 March 2017. It also documented the expected outputs that the Committee would receive from the external auditors.

1.4 **Internal Audit** - During the year, the Audit and Procurement Committee received the following reports at the July and October 2016 meetings as well as in February and April 2017.

- Internal Audit Annual Report - This report had two main purposes:
 - To summarise the Council's Internal Audit activity for the period April 2015 to March 2016, 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 2016.
 - 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 2015-16, 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 2016-17 – 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 October 2016 and February 2017. 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 April 2017, a report on action taken by Council officers in implementing agreed audit recommendations was presented. This highlighted high levels of compliance with the implementation of agreed actions.

1.5 **Fraud** - The following fraud reports were considered in 2016-17:

- Annual Fraud Report - This report was considered by the Committee in September 2016 and summarised the Council's response to anti-fraud activity for the financial year 2015-16. This included:
 - A rolling programme of reviews linked to Council Tax exemptions. It was highlighted that 105 exemptions had been removed from customers' accounts in 2015-16, which resulted in revised bills being issued amounting to around £120k.
 - 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 December 2016, which provided an up-date on anti-fraud activity in 2016-17.

- 1.6 **Procurement** – Procurement was a standard agenda item at every meeting of the Committee during 2016-17 with the exception of June 2016 and January 2017. 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 reports in December 2016, January and February 2017 linked to the discharge of this function, which included approving a revised interpretation of this requirement in light of new legislation, to include all severance packages where the benefits payable to the employee and the costs to the Council exceed £100k.
- 1.8 **Other** - The Audit and Procurement Committee also supports the Council in considering other areas and in 2016-17, this included the following:
- Information Management Strategy – The Committee received reports in July and October 2016, as well as February 2017, linked to the findings of the Information Commissioner’s Office data protection audit and the progress made in implementing the audit recommendations. By the end of 2016-17, all of the 77 recommendations had been completed and it was anticipated that a significantly improved level of assurance would be received from the Information Commissioner’s Office at the point of their follow up visit.
 - 2015-16 Annual Freedom of Information (FOI) / Data Protection Act (DPA) Report - This report considered the Council’s performance for responding to information requests through the different mechanisms 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 60% of FOI requests on time and 53% of DPA requests. 5 Information Commissioner’s Office complaints were received during the course of the year, which were appropriately dealt with.
 - Regulation of Investigatory Powers Act 2000 Annual Report – This report focused on providing oversight of the Council’s compliance with this Act. 2 directed surveillance applications were granted during the year. There were no reported instances of the Council having misused its powers under the Act.
 - Ombudsman Complaints Annual Report - This report provided information regarding the number and outcome of Local Government Ombudsman complaints received and investigated during 2015-16, along with outlining the actions taken by the Council where a complaint was upheld by the Ombudsman. Of the 109 complaints, only 22 were pursued and 11 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. Members of the Committee also received a specific training session on risk management during the year.
- Code of Corporate Governance – a briefing note was received in April 2017 which outlined the revised Code of Corporate Governance based on updated national guidance. It was highlighted that the proposed changes will help support the preparation of the Annual Governance Statement which the Committee approves.
- Whistleblowing Policy – the Committee is required to monitor the Council's policy on Whistleblowing and in April 2017 considered a report on the review and update of the Council's policy to ensure compliance with current legal obligations and best practice.

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Public report Audit and Procurement Committee

Audit and Procurement Committee

24th July 2017

Name of Cabinet Member:

Cabinet Member for Policy and Leadership - Councillor Duggins

Director Approving Submission of the report:

Director of Finance and Corporate Services

Ward(s) affected:

None

Title:

2016/17 Information Governance Annual Report

Is this a key decision?

No

Executive Summary:

Data Protection and transparency legislation are identified as important factors in the Council's Information Management Strategy. This report highlights the Council's performance in relation to handling requests for information, managing data protection security incidents and completing data protection training demonstrating the Council's commitment to the strategy and compliance with relevant legislation.

Compliance and performance have improved from last year's position following the Information Commissioner's Office (ICO) audit report received in 2016 and recommendations that have been implemented. There is still work to be done to embed these actions within the Council in order to gain full compliance. The General Data Protection Regulation (GDPR) comes into force on 25th May 2018 and will introduce major changes to the Data Protection Act 1998 (DPA). This is an additional challenge that will introduce stricter rules around the way we capture, use and retain personal information and will attract higher financial penalties for non-compliance.

Under the Freedom of Information Act 2000 (FOIA) the Council is required to respond to requests for information it holds from members of the public subject to any exemptions that may apply. The Environmental Information Regulations 2004 (EIR), require Public Authorities to consider disclosure of environmental information under EIR rather than FOIA. Both FOIA and EIR encourage proactive publication of information however the EIR provides fewer grounds for public authorities to withhold information.

The DPA requires the authority to process personal data in accordance with the principles of the Act, which includes providing access to information the Council processes about them, subject to any exemptions. DPA security breaches occur when there is unlawful or unauthorised processing of personal data, or where there is accidental loss, damage or destruction to personal data. The Council is required to report serious breaches to the ICO. It is also required to have in place

technical and organisational measures to minimise occurrence of such incidents. DPA training is one of the organisational measures the Council is required to have in place.

The Information Commissioner's Office (ICO) oversees FOIA, EIR and DPA compliance, promotes good practice and deals with complaints from members of the public who are not satisfied with the response they receive. The ICO also investigates data protection breaches reported to them and can exercise enforcement powers that include civil monetary penalties. This report provides an overview of the number of requests for information received under the FOIA, EIR and DPA and the completion rate, outcome of internal reviews and complaints made to the ICO during 2016/17. This report also covers data protection security incidents reported and DPA training completed.

Recommendations:

The Audit & Procurement Committee are requested to consider and note:

- (1) The Council's performance on Freedom of Information, Subject Access and other Data Protection Act requests. This covers the number of responses within statutory time limits, outcome of internal reviews and number and outcome of complaints made to the ICO.
- (2) Data security incidents reported. This includes the number, nature and risk level.
- (3) DPA training completed. This covers the number of employees that have completed the training.

List of Appendices included:

- Annex A – Number of FOI/EIR requests received and completion rates in the last 3 years
- Annex B – Number of Subject Access Requests received and completion rates in the last 3 years
- Annex C – Nature of Data protection security breaches reported and severity in 2016/17

Other useful background papers:

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

1. Context (or background)

- 1.1 The Information Management Strategy Group (IMSG) oversees the Council's performance in relation to handling requests under the FOIA, EIR and DPA. This is part of monitoring compliance with relevant legislation as stated in the 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 also monitors public authorities that do not respond to at least 90% (previously 85%) of FOI/EIR requests they receive within 20 working days.
- 1.4 The DPA 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, have sufficient information about the request and receive the statutory £10 fee before it can respond. SARs have to be completed 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 breaches 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 This report 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 2016/17. Details on the number of data protection security incident reported and DPA training completed by Council employees are also included.

1.9 Freedom of Information and Environmental information Regulations

1.9.1 FOI/EIR performance in the last 3 years.

1374 FOI/EIR requests were received in period 2016/17, compared to 1329 requests received in the previous year. The Council responded to 68% of FOIA/EIR requests within 20 working days in 2016/17 compared to 60% for the previous year. This improvement may be as a result of improved processes; a new system has been put in place that notifies the information owner of a received request when the request is logged by IGT. Our figure is below the required level of 90% by the ICO, however we continue to make progress. See Annex A

1.9.2 There were 15 requests for internal reviews in the year 2016/17 compared to 18 in the previous year. The Council responded to 12 of these with the following outcomes:

- 5 were not upheld - exemptions applied were maintained and no further information was provided
- 3 partially upheld - further information provided
- 4 upheld - information provided
- 3 remain under consideration.

1.9.3 Three complaints were referred to the ICO. The reasons and outcomes for these were:

- Response not received to a request for an internal review; internal review processed
- Initial response to request not received; response provided
- Requester stated they had not received a response to their internal review; response re-issued.

1.10 Data Protection Act Requests

1.10.1 The Council received 144 valid SARs during the course of 2016/17, compared to 93 in the previous year. There was an improvement in the response rate to SARs 112 (68%) were completed within 40 calendar days compared to 53% in 2015/16. 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 Annex B.

1.10.2 The Council received three SAR internal review applications in the course of the year, that were all partially upheld and additional information was disclosed. There were three SAR complaints referred to the ICO. In all three, Council had taken more than 40 calendar days to respond. In one of the complaints, the Council did not hold the required information and the complainant was referred to the relevant organisation. In another complaint, there was inconsistency in the way the information was redacted and more information was required. Following the complaints there has been an improvement in the way SARs are processed this includes a closer monitoring of the process by the IGT and a quality check of responses before disclosure.

1.10.3 The new General Data Protection Regulations (GDPR) that will be in effect from May 2018 will require the Council to respond to SARs within one calendar month (and 2 calendar months for complex requests). Under the GDPR, the Council will no longer be able to charge a £10 fee for SARs. The Council can be fined a maximum of 20 million Euros for not meeting the deadlines or providing insufficient information to the requester. The IGT has recently rolled out an eLearning training aimed for employees that handle SARs.

- 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. 398 'one-off' requests were logged on the central register managed by the IGT. 340 (95%) of these requests have been 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. The importance of this is 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 The Data protection security incident reporting process promotes an awareness of the need to handle personal information securely. The investigation and mitigation element serves as a reminder/refresher of ensuring that there are sufficient controls in place to ensure that personal information is secure. It further allows us to 'learn from our mistakes' and prevent serious breaches that may cause harm to individuals and the Council.
- 1.11.3 There are continuous improvements 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 will have responsibility for investigating any breach of information that is within their function.
- 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, notifying 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. 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 Annex C.
- 1.11.5 In 2016/17, there were 138 information security incidents reported, compared to 102 in the previous financial year. The increase in incidents reported does not necessarily mean that more information was compromised but could be due to the higher level of awareness. Most of the reported incidents were as a result of information disclosed in error or lost or as a result of stolen hardware. A breakdown of the nature of incidents reported is illustrated in Annex C.
- 1.11.6 Whilst it is not a requirement under the current legislation to report breaches to the ICO, this is recommended where there is a likelihood of significant harm to the individuals or a large number of individuals are affected. Under the GDPR the Council will be required to report breaches to the ICO with 72 hours from the time the Council is made aware of the incident.

1.11.7 Two incidents were reported to the ICO in 2016/17, both have been concluded with no enforcement action due to sufficient remedial measures taken by the Council. This compares to 3 incidents reported to the ICO in 2015/16 about sending Council tax bill emails, Case management documents and Housing benefit invoices to the wrong recipients. However, all cases were closed with no enforcement action. We have 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 During their investigations, the ICO considers controls that the organisations have in place to minimise occurrence of similar incidents and if similar incidents by the same organisation have reported to them. Since April 2016, the ICO has issued 3 civil monetary and 2 enforcement notices penalties to local authorities for breaches of the DPA. The Civil monetary penalties given were for the following data protection security breaches:

- Hampshire County Council; £100,000 - documents of over 100 people found in a disused building
- Norfolk County Council; £60,000 - Files with sensitive information about children in a cabinet sent to a second hand shop
- Basildon Borough Council; £150,000 - Sensitive personal information about a family published on Planning Application portal

1.12 Data Protection Training

1.12.1 The current DPA mandatory e-learning training was launched on 4 November 2016 and all members of staff with access to computers are expected to complete it on an annual basis. Completion of this training is monitored regularly by the Information Management Strategy Group (IMSG) and shared with the Corporate Leadership Team. Managers in teams where the training has not been completed are reminded to improve uptake of the training.

1.12.2 By the end of the 2016/17 financial year, 2717 employees had completed the DPA e-learning. This figure represents 57% of the Council employees and takes into account those who do not have access to computers as part of their role. Alternative training is being considered for those without access to computers. The Corporate Leadership Team are still working on improving the completion rate of this training.

1.12.3 To support the training, there has been a “Data-Day” event and a communications campaign held to raise Data Protection awareness. Completion of Data Protection training has also now been included in the appraisal document.

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.

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 Services

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

Any other specific 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

Information provided within this report will also be reported to the Corporate Leadership Team and the Directorate Leadership Teams to raise awareness of the issues in an effort to drive improvement in the compliance to legislation and regulations regarding the security and integrity of information handling and processing activities undertaken by the Council.

Report author(s):**Name and job title:**

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Directorate:

Place

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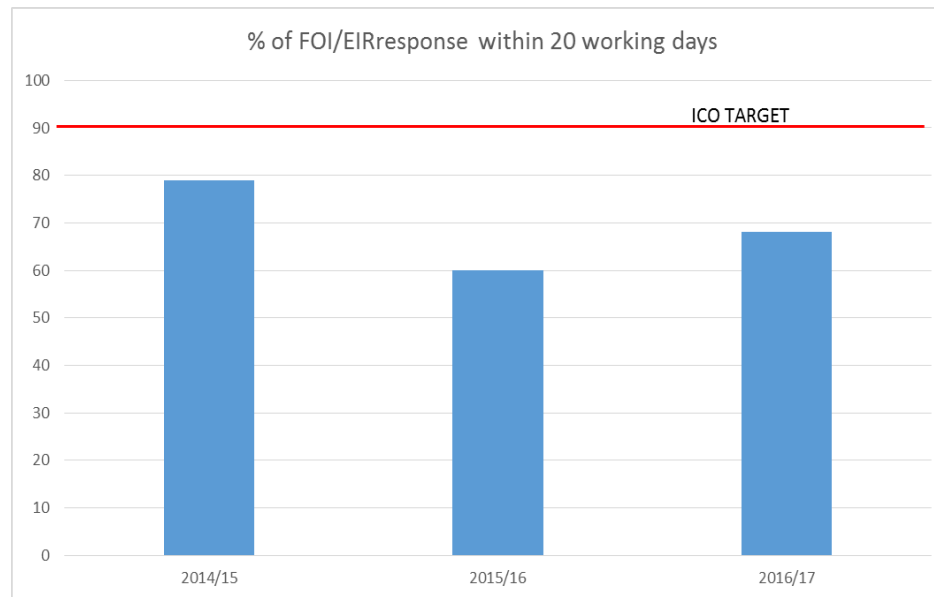
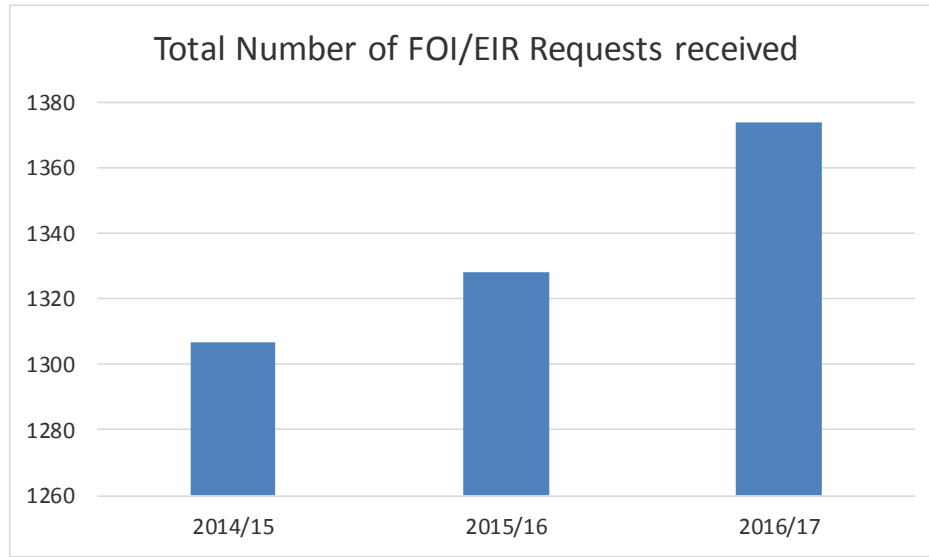
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Lara Knight	Governance Services Co-ordinator	Place	10/7/17	10/7/17
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Other members				
Names of approvers for submission: (officers and members)				
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Director: Barrie Hastings	Director of Finance and Corporate Services	Place	11/7/17	12/7/17
Members: Cllr George Duggins	Leader- Policy and Leadership		11/7/17	

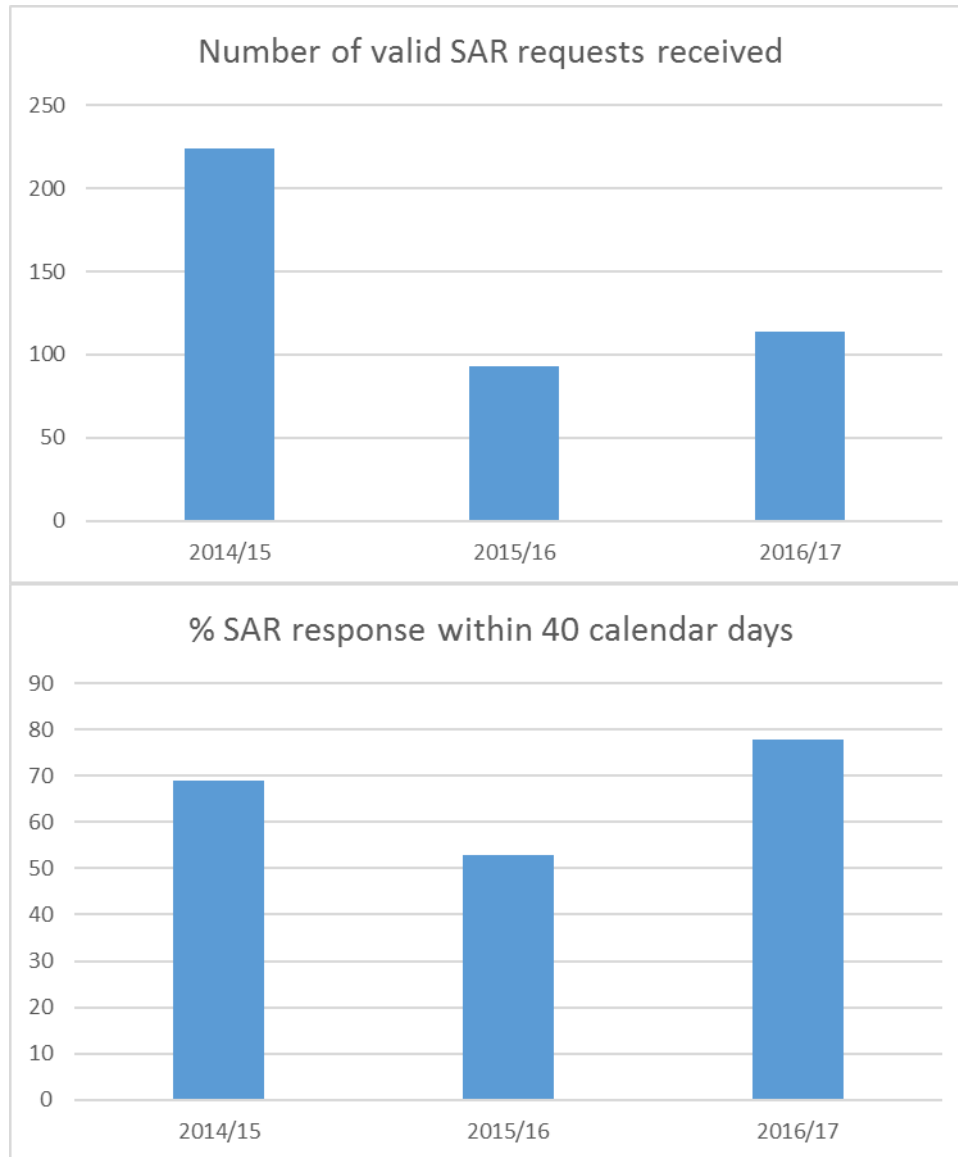
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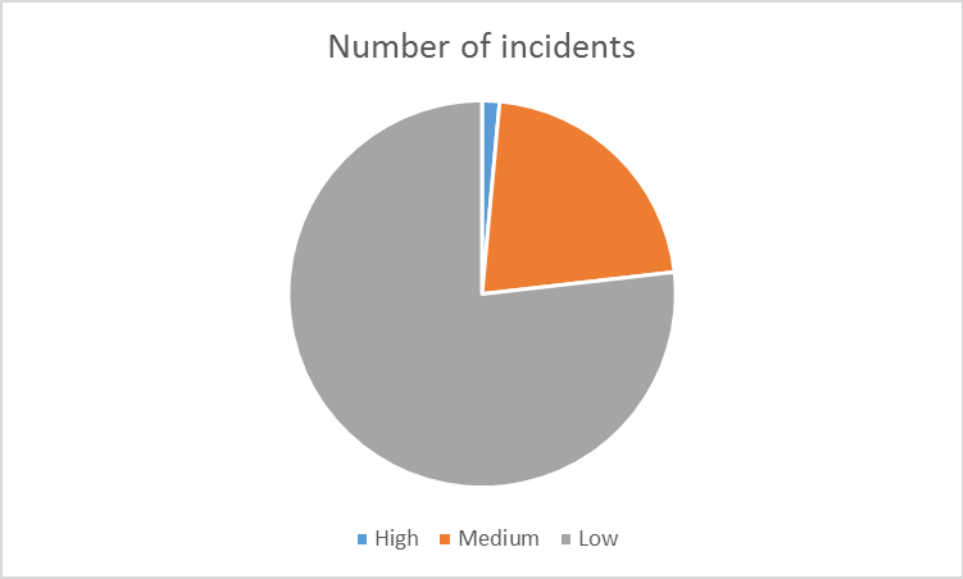
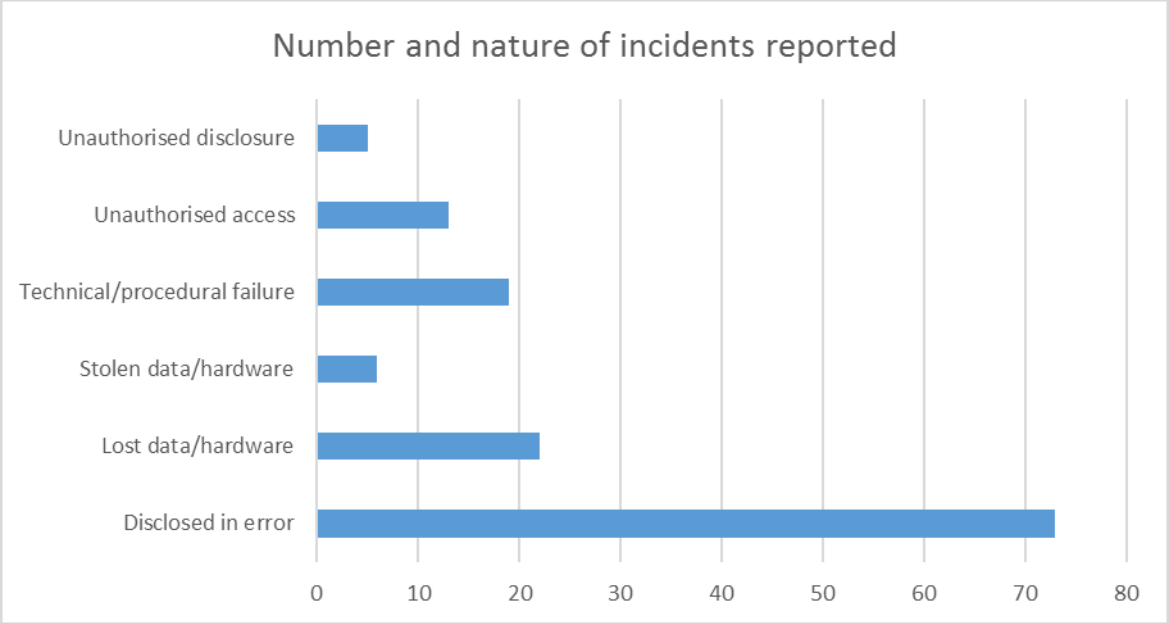
Annex A. Number of FOI/EIR requests received and completion rates in the last 3 years



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



Annex C. Nature of Data protection security breaches reported and severity in 2016/17



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