

# Public Document Pack

## Coventry City Council

### Minutes of the Meeting of the Audit and Procurement Committee held at 2.30 pm on Monday, 30 January 2023

Present:

Members: Councillor R Lakha (Chair)  
Councillor S Agboola  
Councillor J Blundell  
Councillor A Hopkins (Substitute for Councillor B Singh)  
Councillor J Lepoidevin (Substitute for Councillor T Sawdon)  
Councillor R Singh (Substitute for Councillor M Ali)

Employees (by Service):

Finance: B Hastie (Chief Operating Officer (Section 151 Officer),  
P Helm, P Jennings, K Tyler

Law and Governance: L Knight, A West

Other Present: M Stocks, External Auditors (Grant Thornton)

Apologies: Councillor M Ali  
Councillor R Auluck  
Councillor T Sawdon  
Councillor B Singh

## **Public Business**

### **40. Declarations of Interest**

There were no disclosable pecuniary interests.

### **41. Minutes of Previous Meeting**

The minutes of the meeting held on 26<sup>th</sup> September 2022 were agreed and signed as a true record.

Further to minute 38/22, the Chair reported that he had been in discussion with the Deputy Head of Procurement regarding the presentation of future reports, along with arrangements to enable delegations to be reported back to the appropriate Cabinet Member to ensure that they are aware of them and to ensure accountability. The Chief Internal Auditor indicated that the changes would be reflected in the next Procurement and Commissioning Progress Report.

### **42. Outstanding Issues**

The Audit and Procurement Committee considered a report of the Director of Law and Governance which identified issues on which a further report / information had been requested or was outstanding so that Members were aware of them and could manage their progress.

Appendix 1 to the report provided details of issues where a report back had been requested to a meeting, along with the anticipate date for consideration of the Matter.

Appendix 2 of the report provided details of items where information had been requested outside formal meetings, along with the date when this had been completed.

The Chief Internal Auditor indicated that the matter in relation to the progress of recommendations made in respect of the audit of IT Disaster Recovery, set out within Appendix 1 of the report, would be included in a report to the committee at the next meeting.

**RESOLVED that the Audit and Procurement Committee notes the Outstanding Issues report.**

43. **Work Programme 2022/23**

The Audit and Procurement Committee considered a report of the Director of Law and Governance which set out the Work Programme of scheduled issues to be considered by the Committee during the Municipal Year 2022/2023.

The External Auditor, Grant Thornton, provided an update on the position in relation to the submission of the end of year accounts for 2019/20, which had been subject to significant delay. The Committee were provided with a reminder of the circumstances which had resulted in the delay and had previously been reported to the Committee in November 2020. They were provided with details of the work that had been undertaken to address the fundamental issues identified, in order to enable the outstanding accounts to be finalised at the earliest opportunity.

Whilst the issues identified had resulted in significant amounts of additional work to ensure that they were appropriately recorded within the statement of accounts the Committee were advised that these were of a technical and governance nature but that they would not have changed any decisions that the Council had already made. In addition, there was no change to the balance sheet, however, how the sums were reached had been subject to change.

Whilst there were still some matters outstanding, it was anticipated that these would be resolved as soon as possible and that as soon as these were complete, the statement of accounts would be submitted to the next available Committee meeting.

**RESOLVED that the Audit and Procurement Committee:**

1. **Note the Work Programme for 2022/2023.**
2. **Receive and note the update provided in relation to the Statement of Accounts 2019/20.**

#### 44. **2022-23 Second Quarter Financial Monitoring Report (to September 2022)**

The Audit and Procurement Committee considered a report of the Chief Operating Officer (Section 151 Officer), which set out the forecast outturn position for the revenue and capital expenditure and the Council's treasury management activity as at the end of September 2022. The headline revenue forecast for 2022/23 was for a net expenditure to be £11.3m over budget. At the same point in 2021/22, there was a projected overspend of £3.1.

The Committee noted that the report had also been considered by the Cabinet at its meeting held on 13<sup>th</sup> December 2022.

The Council continued to face budget pressures due to increased volumes and higher costs of placements within Children's Services and costs incurred due to the previous refuse drivers' industrial dispute within Streetscene and Regulatory Services. A range of other smaller but still significant overspends were also being reported in several other services including Legal and Governance Services and Business, Investment and Culture.

As reported at Quarter 1, significant additional costs were also being faced due to inflationary pressures affecting the Council, with the approved local government pay award and costs affecting contracts for energy and social care amongst others. The in-year and ongoing impact of these inflationary pressures was a serious factor affecting the Council's ability to manage its budgetary position.

The Council's capital spending was projected to be £165.8m and included major schemes progressing across the city. The size of the programme and the nature of the projects within it continued to be fundamental to the Council's role within the city. There was limited evidence that inflationary pressures referenced above on capital projects this year and the assumption is that stand-alone projects that were already in-progress would be delivered as planned. It was more likely that future projects that had not yet started may need to be re-evaluated to determine their deliverability within previously defined financial budgets.

The Council's services had moved to a business as usual position with activity and impacts arising from the Covid pandemic having reduced significantly. Some pockets of service activity continued to be affected but this was not resulting in a large financial cost. The Council did not expect to receive any Government support linked to Covid within the 2022/23 financial year.

The emerging inflationary risks facing the Council and the wider local government sector had renewed the imperative to maintain financial discipline and prioritise the Council's medium-term financial position. This would be a key focus of the Council's activities over the remainder of the year and several key measures were set out in section 5 of the report to help minimise the size of any budgetary overspend.

The Committee noted that, in September 2022, the Council received a £3.2m extension to the nationally distributed Household Support Fund (HSF), a legacy scheme from the previous Covid Winter Grant and the Local Support Grant. The HSF was intended to provide support over October 2022 to March 2023 to Coventry households who were most in need of support with the significantly rising

cost of living. This fund was being distributed in-line with the key aims of the previous HSF schemes, with priority being given to supporting vulnerable households with the costs of food, energy and other related essentials. The Committee requested further information on the amounts of distributed by either ward or, if that was not available, by constituency area.

**RESOLVED that, the Audit and Procurement Committee note the report, indicate that there were no recommendations to be forwarded to the Cabinet and that the additional information requested in respect of the HSF scheme be forwarded to members of the Committee.**

#### 45. **Treasury Management Update 2022-23 - Half Year Progress Report**

The Audit and Procurement Committee considered a report of the Chief Operating Officer (Section 151 Officer) which provided an update on the Council's Treasury Management activity in 2022/23 to the end of September 2022.

The Council adopted the Chartered Institute of Public Finance and Accountancy's "Treasury Management in the Public Services: Code of Practice (the CIPFA code). This requires the Council to approve an annual Treasury Management Strategy and a mid-year update report. Treasury Management performance was reported as part of regular budget monitoring reports to the Committee.

The Council's Treasury Management activity is undertaken in line with the Treasury Management and Commercial Investment Strategy and Policy for 2022/23, which was agreed by Cabinet as part of the Budget Report 2022/23 at its meeting of 22<sup>nd</sup> February 2022. There were no breaches of the strategy and policy to report.

The Council is supported in the Investment Strategy and Policy by its Treasury Management Advisors - Arlingclose. The advisors provide economic analysis and specialist advice. A key element of this is the provision of advice on credit risk and the supply of information on credit ratings. Regular review meetings with the advisors continue to be held.

Appendix 1 is a detailed list of short-term borrowing and investments that the Council holds as at 1<sup>st</sup> October 2022. The first table at Appendix 1 identifies that there is no short-term borrowing outstanding as at 30<sup>th</sup> September 2022. Cash projections indicated that the Council may require short-term borrowing to cover cash shortfalls for the final quarter of 2022/23.

The Committee noted that no new long-term borrowing had been undertaken since 2009, due in part to the level of investment balances available to the Council. The Council has no immediate plans to take any new long-term borrowing, however, this would be kept under review. As at 30<sup>th</sup> September 2022, the Council's long-term liabilities totalled £327.1m. This total is mainly made up of long-term borrowing sourced from the Public Works Loan Board (PWLB); Liabilities arising from the Private Finance Initiative (PFI) and Lender Option Borrower Option (LOBO's) borrowing.

In November 2020, the rules governing local authority access to PWLB changed and borrowing interest rates were reduced by 1%. The Treasury Management

Strategy 2022/23 approved by Cabinet on 22<sup>nd</sup> February 2022 reflected this change and agreed that the Council would not buy investment assets primarily for yield. The Budget Report 2022/23 advised to not pursue this type of activity in the medium term and no current capital projects are affected by this. This would ensure that the Council's access to the PWLB for capital funding is maintained.

The final three tables at Appendix 1 provide a detailed list of investments held as at 1<sup>st</sup> October 2022 and identified a total investment of £82.5m. This compares to £76.3m one year prior to this. These balances were a snapshot and impacted by timing differences. For the twelve-month period to 30<sup>th</sup> September 2022, the Council's investments earned an average rate of interest of 2.76%. This could be split down between Collective Investment Funds at 4.17% and other investments at 1.98%. This was against a backdrop of the Bank of England base rate rising from 0.1% in October 2021 to 2.25% in September 2022.

Appendix 2 showed the Council's Lending List as at 31<sup>st</sup> December 2022. This list showed those banking and government institutions that the Investment Strategy allowed the Council to invest cash balances with. The list was taken using specialist advice from Arlingclose and was split between UK and foreign institutions. The Council did not hold any funds with counterparties that were not on this list. Duration limits for counterparties on the Council's lending list are under regular review and would continue to reflect economic conditions and the credit outlook.

The ongoing impact of financial uncertainty in the UK together with the impact of the war in Ukraine, higher inflation and the current rising interest rate environment were major influences on the economy and the Council's ability to gain returns on investments.

Through 2022, the Bank of England Monetary Policy Committee (MPC) had raised bank interest rates on 8 occasions with the rate rising from 0.25% at the start of the year to 3.50% in December. Rising inflation through the year had prompted this trend as the MPC raised concerns about strong labour market performance and persistent increases in prices. There may be further rises in the early part of 2023, although the rate is expected to stabilise in the middle part of the year. The latest forecast from the Council's Treasury Management Advisors, Arlingclose, was for the Bank Interest Rate to rise to 4.25% in 2023, but then remain there.

For the early part of 2021/22, the Council continued to be in receipt of central government funding to support small and medium businesses linked to the coronavirus pandemic through grant schemes and to payments to households relating to the energy rebate. The upfront payment of these grants which temporarily inflated the Council's cash balances had now worked its way through and was no longer a factor.

**RESOLVED that, the Audit and Procurement Committee note the update against the Treasury Management Strategy 2022-23 to the end of September 2022.**

#### 46. **Annual Governance Statement 2021/22**

The Audit and Procurement Committee considered a report of the Chief Operating Officer (Section 151 Officer), which provided details of the results of the annual review of effectiveness of the Council's governance arrangements and sought approval of the Annual Governance Statement, which formed part of the Statement of Accounts for 2021-22.

Coventry City 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 City 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 City Council had adopted a Code of Corporate Governance, 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 Coventry City Council had complied with the Code and in doing so, reflected the requirements of the Accounts and Audit Regulations 2015 and the Accounts and Audit (Amendment) Regulations 2022, which required all relevant bodies to conduct a review of the effectiveness of its system of governance and prepare an Annual Governance Statement. The AGS also detailed key governance / control issues that the Council faced in the coming year.

The AGS would normally be presented to the Audit and Procurement Committee in June / July each year to meet the deadline for publication specified in the Accounts and Audit Regulations. However, as there were delays in the completion of the audit of the 2019-20 accounts (due to technical and balance sheet valuation issues), the draft accounts for 2021-22 had not yet been published. The Council had worked closely with its auditors, Grant Thornton to resolve the outstanding matters and it was anticipated that a decision would be reached on these in the imminent future. Whilst there was a delay in the finalisation of the 2019-20 accounts, it was felt appropriate to present the AGS for 2021-22 at this time to facilitate the AGS annual review for 2022-23.

Whilst processes were in place to assess key elements of the governance framework through-out the year, for example through the work of Internal Audit, the Corporate Governance Steering Board and the Council's Audit and Procurement Committee, an annual review was also undertaken as part of the production of the AGS for the year. The purpose of the review was to provide assurance that arrangements continue to be fit for purpose and identify key governance issues for the forthcoming year. This annual review incorporated a number of processes with the outcomes reviewed and agreed by the Corporate Governance Steering Board and Strategic Leadership Team.

Based on the outcomes of the review, the overall opinion that had been reached was that reasonable assurance could be provided that the Council's governance

arrangements continued to be regarded as fit for purpose in accordance with the governance framework. The basis of this opinion, including the key findings from the review were set out in the report.

The AGS also detailed the key governance issues that the Council faced in the coming year. Section 5.3 of the Statement, attached at Appendix 1 to the report, provided details of these areas. Whilst the process of identifying the issues was co-ordinated by the Chief Internal Auditor, it incorporated the views and opinions of senior officers, the Council's Governance Steering Board and Strategic Leadership Team.

An update on the progress against planned actions in relation to the issues raised in the 2020-21 AGS was provided in section 5.1 of the Statement attached at Appendix 1. A review of the 19 issues highlighted in the AGS for 2020-21 has found that these fall into two categories, namely issues which had now been addressed, and carry forward to the 2022-23 Action Plan.

In considering the report, the Committee discussed matters in relation to the Coventry Municipal Holdings Limited (CMH), particularly ensuring robust governance over group activities and investments, and requested that the group account for CMH be submitted to their next meeting.

**RESOLVED that, the Audit and Procurement Committee:**

- 1. Considered the finding of the review of effectiveness of the Council' governance arrangements and confirm its satisfaction with the level of assurance provided that arrangements are fit for purpose.**
- 2. Considered and approved the Annual Governance Statement attached at Appendix 1 of the report, which will accompany the 2021-22 Statement of accounts.**
- 3. Request that the group accounts for Coventry Municipal Holdings Limited be submitted to their next meeting.**

#### **47. Internal Audit Plan 2022-23 – Half Year Progress Report**

The Audit and Procurement Committee considered a report of the Chief Operating Officer (Section 151 Officer), which provided an update on the internal audit activity for the period April to September 2022, against the Internal Audit Plan for 2022-23. The report was the first monitoring report for 2022-23 and was presented in order for the Audit and Procurement Committee to discharge its responsibility 'to consider summaries of specific internal audit reports as requested' and 'to consider reports dealing with the management and performance of internal audit'.

The key target facing the Internal Audit Service was to complete 90% of its work plan by the 31st March 2023. As at the end of September 2022, the Service had completed 44% of the Audit Plan against a benchmark of 50% (which reflected delivery of 100% of the Plan) and was on track to meet its key target by the end of 2022-23. This also represented an improvement in performance from 2021-22.

It was noted that whilst the Annual Audit Plan was agreed at the start of the financial year, this may be subject to change as a result of emerging risks, requests from service areas to reschedule work, and any exceptions such as unplanned absence within the Service. It was important that the Internal Audit Service retained a flexible approach in order to ensure it could respond to issues on a timely basis and add value. The Committee were advised that it would be necessary to make some revisions to the audit plan for quarters 3 and 4 and that these would be detailed in a report to the next meeting, scheduled for 20<sup>th</sup> March 2023.

Appendix 1 of the report provided a list of the audits finalised between April and September 2022, along with the level of assurance provided. As at 30th September 2022, the following audits were in progress:

- Software Asset Management
- CareDirector 21-22
- Templars Primary School
- Formal follow up Asset Management and Patching
- Climate Change risk assessment
- ICT Physical Security Controls
- Pre-employment Checks
- Formal follow up Information Governance risk management
- Pot Hole Pro Health Check
- Motion helpdesk
- CWRT Loan Book Health Check

Details of a selection of key reviews completed in this period were provided at Appendix Two. In all cases, the relevant managers had agreed to address the issues raised in line with the timescales stated. These reviews would be followed up in due course and the outcomes reported to the Committee.

The Committee noted that the Business Rates Team had continued to re-purpose its activities throughout 2021/2022 in order to administer Covid-19 grants to businesses. As a result, there had again been a significant impact on the Service's ability to maintain normal systems of control. Whilst this was not due to management failings, it did affect the level of assurance provided in relation to the objective. It was now imperative that systems of control were robustly re-set and consistently complied with in 2022-23. The assurance level also reflected that the review had highlighted errors in the application of specific discounts / reliefs. Whilst these did not have a significant financial impact, it did indicate the need to strengthen arrangements around testing of parameters prior to implementation.

In relation to Equality, Diversity and Inclusion in Recruitment, the review had highlighted that there were some elements of the recruitment process which clearly supported EDI aims, including training, use of anonymised applications and targeted routes to attract candidates from diverse backgrounds / under-represented groups. However, given the importance of equality and diversity within the Council, a more proactive approach was required in some areas if sustained, tangible improvements were to be achieved.



The report also indicated that, the formal follow up of IT Disaster and Business Continuity had identified that whilst a number of actions were continuing to be progressed, there was a clear desire to continue to develop arrangements to the benefit of both parties, including refining the business continuity plans to reflect a co-ordinated, organisation-wide approach to, for example, recovery prioritisation, and the development and collation of the key recovery data required into a single document. It was also acknowledged that there had been noticeable improvements in the relationship between ICT and the Resilience Team with more collaborative and closer working.

**RESOLVED that, the Audit and Procurement Committee:**

- 1. Note the performance at quarter two against the Internal Audit Plan for 2022-23.**
- 2. Considered and note the summary findings of the key audit reviews attached as Appendix two to the report submitted.**

**48. Internal Audit Recommendation Tracking Report**

The Audit and Procurement Committee considered a report of the Chief Operating Officer (Section 151 Officer), which provided an update on the progress made in implementing internal audit recommendations since October 2021.

The Public Sector Internal Audit Standards requires that “the Chief Audit Executive (i.e. Chief Internal Auditor) must establish a follow up process to monitor and ensure that management actions have been effectively implemented or that senior management have accepted the risk of not taking action”.

As reflected within its terms of reference, the Audit and Procurement Committee is required to receive reports on Internal Audit’s follow up process. The report submitted provided an update as to progress in respect of the agreed management actions which had been followed up during the period October 2021 to November 2022.

The Committee noted that, due to the impact of Covid-19, a decision was taken to suspend self-assessment follow ups from March 2020. These arrangements had been re-set for follow ups due from October 2021 onwards. It was therefore recognised that for those audits which were due to be followed up by the self-assessment method during the period March 2020 to October 2021, no follow up had been undertaken. This did not mean that the recommendations were not implemented, but rather that assurance had not been obtained. Any future audits of these areas would encompass a follow up of previous recommendations.

Given the number of audits that the Internal Audit Service completes every year, it was critical that it had a robust procedure in place for ensuring that it obtained appropriate assurance that audit recommendations had been implemented but did so in an efficient and proportionate way. Where appropriate, Internal Audit defined within its audit reports the follow up process to those responsible for the system / area under review and a date was agreed of when this would take place.

Currently, there were three key considerations that would determine the follow up procedure adopted, namely:

- 1) Whether the area audited is of such significance that it is subject to an annual review.
- 2) The level of assurance provided in the audit report.
- 3) A self-assessment process for those reviews where neither of the points above apply, but a follow up review is necessary.

Overall, it was believed that the procedure achieved the right balance between ensuring action was taken in response to risks identified by Internal Audit and allowing the Service to focus on identification of new risks.

The results of the latest follow up exercise were appended to the report. In summary, of the 104 actions followed up, 53% had been implemented based on both the formal and self-assessment follow up method. After the follow up had been completed, the results were collated within Internal Audit. If progress was not consistent with expectations, audit management would determine the next course of action. The proposed actions for the audits where recommendations were outstanding were highlighted within the appendices.

**RESOLVED that the Audit and Procurement Committee note the progress made in implementing audit recommendations and confirm its satisfaction with this and the proposed action by the Chief Internal Auditor for audits where actions remain outstanding.**

#### 49. **Complaints to the Local Government and Social Care Ombudsman 2021/22**

The Audit and Procurement Committee considered a report of the Chief Executive, which indicated that the Local Government and Social Care Ombudsman (LGSCO) is the final stage for complaints about Councils, all adult social care providers (including care homes and home care agencies) and some other organisations providing local public services. It is a free service that investigates complaints in a fair and independent way; and provides a means of redress to individuals for injustice caused by unfair treatment or service failure.

Coventry City Council's complaints policy sets out how individual members of the public could complain to the Council, as well as how the Council handled compliments, comments and complaints. The Council informs individuals of their rights to contact the LGSCO if they are not happy with the Council's decision after they have exhausted the Council's own complaints process.

Every year, the LGSCO issues an annual letter to the Leader and Chief Executive of every Council, summarising the number and trends of complaints dealt with in each Council that year. The latest letter, issued on 20<sup>th</sup> July 2022, covered complaints to Coventry City Council between April 2021 and March 2022 (2021/22) and was appended to the report.

The report set out the number, trends and outcomes of complaints to the LGSCO relating to Coventry City Council in 2021/22. It focused on upheld complaints,

service areas with a high number of complaints, compliance with Ombudsman's recommendations, learning from complaints, and how the Council compared to previous years and other local authorities.

The Committee noted that the report had previously been considered by the Ethics Committee at its meeting on 15<sup>th</sup> December 2022 and by the Cabinet Member for Policy and Leadership at his meeting on 18<sup>th</sup> January 2023.

**RESOLVED that the Audit and Procurement Committee:**

- 1. Note the Council's performance in relation to complaints to the LGSCO.**
- 2. Note the Council's complaints process and guidance.**
- 3. Reviewed and were assured that the Council takes appropriate action in response to complaints investigated and where the Council is found to be at fault.**

**50. Information Governance Annual Report 2021-2022**

The Audit and Procurement Committee considered a report of the Director of Law and Governance, which provided a summary of the Council's performance during 2021/22 in responding to requests for information received under the Freedom of Information Act 2000, the Environmental Information Regulations and Data Protection Act. It also reported on the management of data protection security incidents reported and data protection training.

Information is one of the Council's greatest assets and its correct and effective use is a major responsibility and is essential to the successful delivery of the Council's priorities. Ensuring that the Council has effective arrangements in place to manage and protect the information it holds is a priority.

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.

The Information Governance function supports the Council's compliance with the Freedom of Information Act 2000 (FOIA), Environmental Information Regulations (EIR), General Data Protection Regulations GDPR (now UK GDPR) and Data Protection Act (DPA) 2018. The Council has a statutory obligation to comply with this framework by responding appropriately to requests and managing personal data appropriately.

The Information Governance Team supports the organisation in meeting these requirements, by monitoring internal compliance, informing and advising on data protection obligations, providing advice and guidance and raising awareness on data protection matters.

The Committee noted that the landscape in which local authorities were operating had continued to change since the introduction of the GDPR and the UKGDPR and the new Data Protection Act 2018 (DPA 2018).

The pandemic particularly during periods of lockdown and subsequently had a significant impact on ways of working and priorities. During this period, the Information Governance Team supported the Council to adapt and keep working effectively, supporting data to flow compliantly for the purposes of the Council's pandemic response and as new ways of working have been introduced to meet needs while ensuring the continuing protection of information.

During the year the government launched its consultation 'Data: a new direction' to inform its development of proposals to reform the UK's data protection laws as part of the UK's National Data Strategy and the ICO had more recently launched its ICO25 plan which sets out how the ICO will regulate and prioritise work over the next three years.

The number of Freedom of Information Requests received by the Council, 1167 was slightly down (by 100 requests) from 2020/21. The Council responded to 86% of FOIA/EIR requests within the target time of 20 working days in 2021/22 compared to 71% for the previous year. Although a much better completion rate overall, the performance however remains below the 90% target set by the ICO.

The Council received 47 requests for internal reviews in the year 2021/22. The Council responded to these with the following outcomes:

- 8 were not upheld – the exemptions that had been applied were maintained and no further information was provided
- 8 were not upheld – but advice or clarification was provided
- 13 were partially upheld – some further information was provided
- 16 were upheld - information was provided
- 2 were withdrawn

11 complaints were made to the ICO during 2021/22. The reasons and outcomes for these were:

- 7 complaints related to the handling of the FOI/EIR and the exemptions engaged by the Council.
- 4 complaints related to Data Protection obligations and information rights and practices.

Of the 11 complaints referred to the ICO:

- 9 were not upheld/no further action required (four of these had Decision Notices issued)
- 1 case was closed by the ICO following no response from the complainant
- 1 complaint was upheld with a Decision Notice being issued to the Council and a direction to disclose the requested information.

225 valid Subject Access Requests (SARs) were received during 2020/21. The number of Subject Access Requests received by the Council had been rising year on year since the introduction of GDPR but this represented a fall on the previous

year of 268 requests. While the Council receives fewer SARs than other information requests, many of these are complex and can involve managing significant amounts of sensitive information. While the overall number of requests reduced this year, the number of requests relating to Children's Social care increased, as did the number of SARs to which extensions were applied due to their size and/or complexity. The completion rate within the target time has seen a slight decrease to 79%.

The Council received 14 requests to carry out an internal review into a SAR application during 2021/22. In 9 cases, further information was provided which was located through further searches based on information provided by the requester or by reviewing the information which had originally been redacted. Where information was not provided, this was due to the original exemptions being upheld or information not being held by the Council.

One complaint was made to the ICO related to Subject Access Requests in 2021/2022. The ICO found that the Council had not provided all the personal information the requester was entitled to and requested this was rectified and in future extra care was taken to provide all information the requester is entitled to where exemptions do not apply.

Protecting information from theft, loss, unauthorised access, abuse and misuse is crucial in order to reduce the risk of data breaches or financial loss incurred through noncompliance with key legislation. The Information Governance data protection security incident reporting process supports the Council's objective that breaches are managed promptly, and outcomes of investigations are used to inform reviews of the control measures in place to keep personal information secure.

In addition, the Council actively encourages the reporting of near misses and potential breaches to identify learning, promote awareness and reduce the likelihood of a serious breach to information even though not all reported incidents will have resulted in a breach. Even where there is no breach, incidents can provide valuable insight into training requirements and processes and procedures which may need to be strengthened as a preventative measure. When investigating data protection security incidents, the Data Protection Team routinely consider resultant training needs and provide advice and guidance as required. Messages continue to be provided to staff alerting them to the need to protect personal data and use it appropriately.

In 2021/22, 263 reports of information security incidents were sent to the Data Protection Team, a decrease from 295 in the previous year. Of these, 135 did not involve a breach of personal data. These included for example near misses, loss or theft of equipment, cases where technical measures prevented access to data and incidents where a breach was contained. Of the incidents where a breach of personal data was identified, 120 were identified as low risk, 8 medium and 0 high. The majority of reports were classified as information being disclosed in error with 75 reports relating to technical/procedural errors, 24 reports relating to loss or theft of hardware and two to unauthorised access.

Data Protection training is key to ensuring staff are aware of their responsibilities. Training is currently delivered through the Council's e-learning platform and annual

completion of the data protection course is mandatory for all staff with access to personal data. Staff who do not have access to a computer in their role (not office based) and those with minimal personal data involved in their role are provided with appropriate level training. This ensures that an appropriate level of understanding and awareness is reached that is relevant to their role/responsibilities. For the 2021/22 year, the Council reported a completion rate of the Council's mandatory data protection training of 90%. During the year, Council adopted an Elected Member Training and Development Strategy which also includes data protection training. In addition to the above, ICT have delivered awareness sessions specifically relating to cyber security and regular cyber security messages are issued by ICT to staff. This has included a programme of awareness raising during cyber security month.

**RESOLVED that the Audit and Procurement Committee:**

- 1. Note the Council's performance on Freedom of Information, Subject Access and other Data Protection Act requests, including the outcome of internal reviews and the number and outcome of complaints made to the ICO.**
  - 2. Note the reporting and management of data security incidents and / or those reported to the ICO.**
  - 3. Note data protection training compliance.**
51. **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 item of public business.

(Meeting closed at 5.00 pm)