

CORPORATE AFFAIRS AND AUDIT COMMITTEE

A meeting of the Corporate Affairs and Audit Committee was held on 7 February 2019.

PRESENT: Councillors Walkington, (Chair), C Hobson, Storey and Walters

PRESENT BY INVITATION: Councillor N J Walker

ALSO IN ATTENDANCE: H Fowler, Tees Valley Audit and Assurance Services (TVAAS)
S Kenny and N Wright, Ernst Young (EY)

OFFICERS: J Armstrong, J Bromiley, J Etherington, S Lightwing, S Reynolds, P Schofield, J Shiel, P Stephens

APOLOGIES FOR ABSENCE were submitted on behalf of Councillor Hubbard.

DECLARATIONS OF INTERESTS

There were no Declarations of Interest at this point in the meeting.

1 MINUTES - CORPORATE AFFAIRS AND AUDIT COMMITTEE - 6 DECEMBER 2019

The minutes of the meeting of the Corporate Affairs and Audit Committee held on 6 December 2018 were taken as read and approved as a correct record.

2 HEALTH AND SAFETY ANNUAL ASSURANCE REPORT

The Annual Health and Safety and Wellbeing Assurance Report was presented. The purpose of the report was to provide the Corporate Affairs and Audit Committee with an annual review of the corporate approach to the management of Health and Safety and Wellbeing within the Council and also provide details of the proposed action plans for the year ahead.

The Health and Safety Manager summarised the good progress made against the 2018/2019 Health and Safety Action Plan, details of which were provided at paragraph 6 of the submitted report. The 2019/2020 Health and Safety Action Plan was also presented, the details of which were listed at paragraph 7 of the report.

A concern was raised in relation to recent fire drills in the civic building. The Health and Safety Manager confirmed that regular emails were sent to Managers to encourage staff to leave the buildings quickly and volunteer fire wardens received annual training. Evacuation times were monitored and reported to the Leadership Management Team if they exceeded the required time allowed. It was noted that a new online Incident Management System was being implemented which would improve the current paper-based quarterly analysis and reporting of statistics and assist with tracking trends.

The Council's Managing Health, Attendance and Wellbeing Policy and procedures were revised and republished in 2018 to provide a framework for the range of health and wellbeing services offered to employees, details of which were contained at paragraph 8 of the submitted report. It was highlighted that whilst the projected outturn for sickness absence rates in 2018/2019 had increased slightly recently, it was still an improvement on the previous year.

The Council had achieved the 'Continuing Excellence' standard in the North East Better Health at Work Awards and was seeking to improve the health and wellbeing offer further for employees. A list of health and wellbeing activities provided in 2018/2019 and those planned for the 2019/2020 as part of the Action Plan were contained in the submitted report.

It was confirmed that the highest reason for absence was stress and mental health related issues, with musculoskeletal second and the third highest reason was infections. It was queried whether the reduction in overall sickness absence in 2018/2019 could be attributed to

the actions taken by the Council to improve the health and wellbeing of its employees. The Head of Human Resources responded that it was difficult to make a direct connection as there was such a range of different activities offered. However where there were high levels of sickness, work was ongoing with managers to focus on the specific issues and monitor them.

Health and Wellbeing activities had been well received by employees and take up of the activities offered was encouraging. The Health and Wellbeing offer would continue to be reviewed and aligned with the main reasons for sickness and absence and hard to reach groups within the workforce.

AGREED as follows that:

1. The outcome of the Annual Review and content of the report was received and noted.
2. The proposed Health and Safety and Health and Wellbeing Action Plans for 2019/2020 were endorsed.

3 **ANNUAL REPORT OF THE SENIOR INFORMATION RISK OWNER (SIRO)**

The Head of Strategy, Information and Governance presented the Annual Report of the Senior Information Risk Owner (SIRO).

The purpose of the report was to advise the Corporate Affairs and Audit Committee of arrangements in place to ensure the proper governance of information within the Council, progress made within the past year, risks and issues arising, and priorities for the next twelve months.

In general terms there had been very good progress on the compliance, risks and issues highlighted in 2018. Details of progress on Cyber Security, Data Protection and Information Requests were contained in the submitted report.

Members' attention was drawn to the Information Risk Register, a copy of which was attached to the submitted report at Appendix 1. A red risk had been identified in relation to responding to information requests, particularly subject access requests in relation to personal information. There was pressure on Children's Services in responding, since all responses had to be reviewed by a Social Worker, who already had pressure on their caseloads. However, agreement had been reached with Children's Service to fund additional posts to clear the backlog and avoid future pressures.

A range of priorities and actions for 2019 to move risks towards the targeted scores had been identified as follows:

- Implementation of actions from the 2018 LGA Cyber Security Stocktake, specifically providing specialist cyber security training for professionals in IT, implementing an intrusion alert system, and nominating a council member with lead responsibility for cyber security.
- Implementation of a revised process for starters/leavers/movers notifications, removing reliance on manager notification, and reducing the risk of data breach.
- Implementation of the Information Strategy and revised policies for Secure Working, Data Protection, Records Management, Data Management, Access to Information and RIPA that underpinned it.
- Continuation of enhancing the functionality and securing of email, improving integration with Objective to allow email records to be better captured, and ensuring that the Council's system is able to offer the same level of security as the Government's GCSX accounts, when these end in March 2019.
- Digitising and/or archiving historic paper records as appropriate, minimising the creation of new paper records through revised approaches to print and mail, and shifting the majority of electronic records to our Enterprise Content Management System (Objective), to improve their accessibility and usefulness.
- Implementation of a business change programme to ensure managers and employees understand the Information Governance framework and how to make it work for them.

This would integrate with other work being undertaken to modernise working practices in the run-up to moving into the new headquarters in 2020.

- Automation of data sharing where practicable, and ensuring that employees, and where appropriate, partners and contractors, are provided with the tools to share information securely and effectively.
- Reduction in the number of information requests requiring an individual response by proactively publishing commonly requested information via new Open Data portal, and establishing an arrangement within Children's Services to improve the responsiveness to SARs.

In relation to GDPR (General Data Protection Regulation) it was confirmed that the Council had put in place robust project governance arrangements to achieve a baseline compliance. Work to further enhance the Council's GDPR compliance was on target.

AGREED that the information provided was received and noted.

4 **HR ANNUAL ASSURANCE REPORT**

The Head of Human Resources provided a progress update on the People Strategy 2017/2019 as a power point presentation.

The presentation showed progress against the 5 key elements of the people strategy and the following areas were highlighted:

Great leadership

- Quarterly staff briefings hosted by the Chief Executive at different locations to engage with staff, encourage interaction and provide clarity on the Council's priorities.
- Chief Executive launched Leadership Challenge to improve and enhance the leadership approach from the Leadership Management Team (LMT) through the Heads of Service (HoS) and wider management population.
- Regular briefings by LMT, Directors and HoS.
- Corporate values developed and launched.
- 360 degree feedback initiative to support LMT and HoS personal development and inform trends.

Attract and retain great people

- Stars of the month launched.
- Reconfigured staff survey.
- Robust corporate induction event led by the Chief Executive.

Great place to work

- Living the Values event.
- Employee Engagement Group.
- Equality and inclusion forum led by LMT member, Disability and BAME networks with HoS Champions.
- In-house Diversity Calendar on Outlook.
- Staff engagement on the new civic centre plans.

Develop our people

- Series of Middlesbrough Manager masterclasses.
- Developed content on Middlesbrough Learns.
- Skills development and group problem solving projects to enable people to get wider experience than their existing role.

Deliver Excellence

- Developed a robust customer excellent programme.
- Launched Rich Feedback/Difficult Conversations upskilling for Managers to improve confidence and ability.
- Performance Management and other masterclasses in development.

The Council had previously set itself a target to become one of the Sunday Times' best 100 companies to work for. The Council was not yet in a position to bid for this accolade, and there was a cost, but it was still using the framework to improve. A staff survey would be undertaken later this year to address some of the areas that still need improvement.

A mentoring programme for staff was being piloted and had generated a high level of interest, with over 30 people signing up to the programme within a few hours of the launch.

It was noted that Elected Members were not directly involved in the corporate induction, but information on the democratic process and political nature of the Council was provided. It was suggested that Elected Members could become more involved to embed the values and show support for staff.

AGREED that the information provided was received and noted.

5 **DECISION MAKING ANNUAL ASSURANCE REPORT**

A report of the Strategic Director of Finance, Governance and Support was presented to provide an update on the Council's Decision Making Process.

Since the last update to the Corporate Affairs and Audit Committee, the Council's Decision Making Process was subjected to an audit. The audit concluded that there was a Good Control environment in place in respect of the Decision Making Process with room for improvement in some of the areas examined.

A number of improvements had been made to the Decision Making Process as well as raising awareness throughout the Council. The Officer Delegated Decision Form was currently being amended and improved and a Decision Making Masterclass had been developed which would be rolled out to all Managers and potentially included in the Member Induction Programme. The electronic Decision Making form was also being revised as part of Egenda - the Council's Committee Management System.

A copy of the revised Guidance Note for Officers was attached at Appendix A to the submitted report and a report containing details of Officer Delegated Decisions taken during the period 1 January to 31 December 2018 was attached at Appendix B to the submitted report. Decisions taken were published on the Council's website and Members received an automated notification email.

A random sample of decisions were monitored for compliance with the decision making process every quarter. As part of that monitoring process it was identified that a decision had been taken incorrectly and that decision was set aside by Council. In addition, a report detailing all outstanding Executive decisions was provided to the Leadership and Management Team on a monthly basis to assist in the monitoring process. A copy of a report detailing all Executive decisions taken during the period 1 January - 31 December 2018 was attached at Appendix C to the submitted report.

Since April 2018 there had been 62 Executive decisions and 4 requests for call-in had been considered by the Overview and Scrutiny Board but not referred back to the decision-maker. One further call-in request had been deemed invalid.

The Council's Call-In Procedure was reviewed in March 2018 and a rolling review of the Council's Constitution was also being undertaken.

The Chair highlighted that the audit had concluded that a good control environment in place for decision-making, one flaw that had been identified had been addressed, and Members

could therefore look on the decision-making process with confidence.

AGREED that the report was received and noted.

6 **EXTERNAL AUDIT RECOMMENDATIONS 2017-18 – FOLLOW-UP**

A report of the Strategic Director of Finance, Governance and Support was presented the purpose of which was for Members to note the action taken in response to the recommendations made by Ernst and Young (EY) regarding the 2017/2018 accounts.

The report set out the recommendations as published by EY in their audit results reports; the proposed actions for the Council and an update of actions taken in response to the recommendations.

The Chair expressed his disappointment that some Elected Members would not accept the recommendation of an external independent source and participate in mediation.

AGREED that the report was received and noted.

7 **UPDATE OF ASSET DISPOSAL POLICY**

A joint report of the Executive Member for Finance and Governance and the Strategic Director of Finance Governance and Support was presented. As part of the work of External Audit on the 2017/2018 accounts it was recommended that the Council should amend the Asset Disposal Policy to clarify the distinction between pipeline and active disposals.

The Asset Disposal Policy had been updated to make clear that a disposal became active at the point that the Asset Disposal Business Case was approved, and that ahead of this approval, any discussions that took place about a potential disposal were to be treated as pipeline. These discussions would be updated on the Asset Disposal Control Sheet for completeness and transparency but were, by their nature, less advanced and would not necessarily have all the documentation that would be expected for an active disposal. A copy of the updated Policy was attached to the submitted report.

AGREED that the updates to the Asset Disposal Policy were noted by the Corporate Affairs and Audit Committee.

8 **UPDATE ON ESTATES STRATEGY AND ASSET DISPOSALS**

A joint report of the Executive Member for Finance and Governance and the Strategic Director of Finance Governance and Support was presented for Members' information to provide an update on the implementation of the Estates Strategy and on assets agreed for disposal in the financial year 2018-2019 to date.

The report was considered by the Executive Sub Committee for Property on 19 December 2018 and the contents noted.

Details of the disposals agreed from April to November 2018 were provided at paragraph 4 of the submitted report.

AGREED that the report was received and noted.