**Appendix A: Progress Report - Internal Audit Work**

**1.    Audit Progress**

1.1    The Annual Audit Plan was presented to the Audit Committee in February 2021.  The plan was developed using a thematic approach, in line with the Corporate Plan priorities for 2021/22, with time allocated under each theme to carry out risk identification and process mapping, where required.  Members are reminded that the 2021/22 audit plan was presented as a flexible plan, subject to review through the year to ensure that emerging risks are covered.   Adjustments to the plan are made to allow for changes in the risk and operational environment in which the Council operates.  Where changes are made they are outlined in Appendix C

1.2    Current, cumulative progress toward delivery of the 2021/22 audit plan, as at the end of September 2021, is summarised in the table below, with further detail provided in Appendix C.   It should be noted that some of the work undertaken by internal audit does not result in an opinion being provided, such as advisory reviews and grant claims.

| Audit Plan Status | Number of Audits / Tasks |
|---|---|
| Final reports issued / Reviews Completed | 12 |
| Draft reports issued | 2 |
| Underway | 8 |

**2.    Risk Based Systems and School Audits**

2.1    The table below details the results of the work undertaken during quarter two.

| Report | Assurance | Recommendations | | | |
|---|---|---|---|---|---|
| | | **High** | **Med** | **Advisory** | **Total** |
| **System Audits** | | | | | |
| Housing Voids | Limited | 3 | 4 | 0 | 7 |
| Reablement Contract Award (report 2) | Limited | 1 | 0 | 0 | 1 |
| Reablement Quality Review (report 1) | Reasonable | 0 | 2 | 1 | 3 |
| Direct Debits (Phase One) | N/A | N/A | N/A | N/A | N/A |
| Office Decant Process (Phase One) | N/A | N/A | N/A | N/A | N/A |
| Project Management Review | N/A | N/A | N/A | N/A | N/A |
| Supported Families (mid-year review) | N/A | N/A | N/A | N/A | N/A |
| Mayor's Appeal Charity Fund | N/A | N/A | N/A | N/A | N/A |
| **School Audits** | | | | | |
| Squirrels Heath Infants | Reasonable | 0 | 2 | 5 | 7 |
| St Edwards Primary | Reasonable | 0 | 1 | 6 | 7 |
| **Total** | | **4** | **9** | **12** | **25** |

In addition, a total of seven school health checks were completed during July to September 2021.

Summaries of both the Housing Voids and Social Care Contract Award reports are provided in section 4.  In addition, a summary of the Direct Debit work has been provided. Whilst this did not result in an assurance opinion being provided as the nature of the work

was in an advisory capacity, it was felt that due to the significance of the event reviewed, context around the findings would be useful.

| Key to Assurance Levels | |
|---|---|
| Reasonable Assurance | The control framework is adequate to manage the risks in the areas reviewed. Controls are applied consistently or with minor lapses that do not result in significant risks to the achievement of system objectives. |
| Limited Assurance | There are fundamental weaknesses in the internal control environment within the areas reviewed, and further action is required to manage risks to an acceptable level. |

**3. Audit Recommendations Update and status of High Risk Recommendations**

3.1 Internal Audit follows up all high and medium risk audit recommendations with relevant service management when the deadlines for implementation are due. There is a rolling programme of follow up work, with each auditor taking responsibility for tracking the implementation of recommendations made in their audit reports. The implementation of audit recommendations, in systems where limited assurance was provided, is verified through a follow up audit review.

3.2 This work is of high importance given that the Council's risk exposure remains unchanged if management fail to implement the recommendations raised in respect of areas of control weakness. Part of the Audit Committee's role is to monitor the extent to which recommendations are implemented as agreed and within a reasonable timescale, with particular focus applied to any high risk recommendations.

3.3 Recommendations are classified into three potential categories according to the significance of the risk arising from the control weakness identified. The three categories comprise:

| | |
|---|---|
| **High** | Fundamental control requirement needing implementation as soon as possible. |
| **Medium** | Important control that should be implemented. |
| **Advisories** | Pertaining to best practice. |

3.4 All high risk recommendations due as at the end of September 2021 have been confirmed as implemented. One recommendation has been given an extended deadline for completion as exception reports remain under development within the new Fusion financial system. The table in 3.6 provides details of the open high risk recommendations that were due to be implemented by the end of September 2021, along with a status update. There were four high risk recommendations raised during quarter two of 2021/22. These recommendations have not been included in the table at 3.6 and instead are provided in detail along with the summary report in section 4.

3.5 All medium risk recommendations that became due before the end of September 2021 have been confirmed as implemented.

3.6     Status of High Risk Recommendations

| High Risk Recommendations | Status |
|---|---|
| **Payroll** | |
| Exception reports highlighting information that might indicate unusual activity (e.g. high overtime earners / additional payments) should be produced and distributed to support and enable managers to undertaken their duties. | Revised implementation date of December 2021 due to the ongoing development of reports and exception reports in Fusion. (original date September 2020) |

**4.      Limited Assurance Report Summaries**

4.1     Housing Voids

| Executive Summary |
|---|

**Introduction**
As part of the Internal Audit Plan for 2020/21 agreed by Audit Committee, a review of the Council's Housing Voids process was undertaken.

**Scope of Review**
The scope of this audit focused on the effectiveness of the financial and operational controls in the following key risk areas:
- Vacant properties are processed and confirmed as void properties in a timely manner;
- Repairs to void properties are completed and they are available to let within a suitable time period;
- The cost of repairs to void properties is reasonable and where relevant, recharged to the relevant person(s);
- Checks are undertaken to ensure works invoiced for have been completed; and
- Properties are let as soon as practically possible.

The Housing Service has been reviewing a number of service areas over the previous 18 months and a review of the voids process is currently ongoing. It is expected that this review will address the findings from this audit and a full follow up of the implementation of the recommendations will be provided to a future meeting of the Audit Committee.

**Summary of Findings**
This audit is intended to assist the Housing Service in the identification and resolution of issues identified. A system of exception reporting is operated whereby only risks that are not being adequately managed or controls that are not being performed effectively are reported on. The overall audit opinion on the system reviewed provides **Limited Assurance** showing that there are fundamental weaknesses in the internal control environment within the areas reviewed, and further action is required to manage risks to an acceptable level.

This audit makes **three high** priority and **five medium** priority recommendations that aim to mitigate the risks identified.

This review has found that there are inconsistencies throughout the voids process, and the documents retained. The inconsistencies found relate to:
- The approach to monitoring the return of keys and application of additional rent charges;
- The recording of rechargeable costs when completing the surveyor reports;
- Rechargeable costs are being applied to tenants in PSL properties, however not for Council properties;
- The application of naming conventions, file locations and level of detail retained on the documentation relating to each void property; and
- Key performance targets are also currently not being achieved, which has been attributed to the effects of Covid.

| | Expected Outcome | Management Response inc Planned Actions | Timescale |
|---|---|---|---|
| R1 | In order to know whether rent charges have been accurately applied there should be a standard approach adopted that is consistent on all communications with tenants. This should include a definitive cut off point from when rent accounts will be extended, and maintaining a record of keys expected to be returned. | To identify all procedures and customer information that have been written with conflicting information and ensure they are updated and reflect the new cut off points. (Completed August 2021)<br><br>We will train all staff including the new senior officers on the approach and we will monitor the performance accordingly. | October 2021 |
| R2 | A date should be agreed to fully adopt the Repairs Policy for Council general needs stock, and processes put in place to be able to accurately monitor the level of tenant recharges. | The policy is live, but we have not currently implemented the recharge approach.<br>We will ensure a robust process is in place of identifying, recording and managing recharges, and ensuring there is a clear auditable information trail to justify and evidence recharges.<br>We will use Open housing functionality for recording and managing recharges.<br>A monetary credit to the service need to be provided in the accounts, irrespective of whether the monies are recovered or appropriate budget allowances made. | June 2022 |
| R3 | A standard approach should be put in place for the recording of which costs can be recharged for each void. | As above | October 2021 |
| R4 | Swordfish/ Open Housing should be utilised as a document retention system, for all void documents, to enable all information to be stored in one easily accessible location.<br><br>Communication should be sent to all staff to remind them that Swordfish/ Open Housing is the services document retention system. Training should be provided to ensure staff comply with document retention expectations. | We liaise with Housing IT over naming protocols etc, all void information going forward will be stored on Swordfish and we will try to consolidate historic information onto one central drive.<br><br>Training on Swordfish Additional training will be provided where necessary.<br><br>The service will strengthen the monitoring of the existing process with additional staff briefings and training. | October 2021 |

| | | | |
|---|---|---|---|
| R5 | The void process sheet should be completed to ensure that all required compliance checks are completed and the relevant documentation maintained on file. | Staff will instructed to complete the forms, and as part of the restructure sufficient back office staff will be in the service to provide checks.<br><br>We will look at possible IT solutions as part of the transformation project. | October 2021 |
| R6 | Staff should be provided with equipment to be able to accurately record and reflect the work identified and completed for each void; Accompanying procedures and training should be put in place to ensure staff are aware of their responsibilities with regard to any equipment supplied. | Management accepts that there has been difficulties in obtaining and equipment. In particular with mobile phones and ICT.<br>This will be escalated with the IT service accordingly.<br><br>The service will work with the ICT constraints to issue all staff with suitable equipment. Suitable training will be provided. | October 2021 |
| R7 | A recovery plan, including target dates, should be set for performance to improve to the expected levels following the easing of Covid restrictions. | A voids action plan has been produced where weekly updates are now provided in relation to voids data and performance monitoring. | Implemented |

4.2    Reablement - Contract Award

| Executive Summary |
|---|

A contract for the provision of social care was tendered in 2018, with support from the Council's Procurement Team. However, Post award of the contract / prior to the signing of the contract, the number of staff that were originally expected to TUPE transfer significantly reduced, leaving the new provider unable to deliver the level of service set out within the contract. In response, a sub clause was added to the contract (post award), to allow for a ramp up period to run over the first six months of the contract, during which time the provider would deliver a reduced service. It should be noted that the contract was not signed and sealed.

The Council's Constitution sets out that any changes to the Council's standard terms and conditions must be approved by the Director of Legal and Governance in advance. No advice or approval was obtained from Legal Services.

Whilst a ramp up plan was agreed between Senior Officers from the JCU and the new provider, no changes were made to the monthly contractual payments made to the provider. There is no evidence to support the governance / decisions made in 2019 around this change to the contract awarded.

Failure to engage Legal Services and Procurement at this point resulted in a potential breach of the Public Contracts Regulations (Section 72). Ultimately the addition of sub clause B28.3 and the lack of negotiation to pro rata the contract costs may have altered the economic balance of the contract in favour of the new provider. This allowed the provider to deliver a reduced service during the first 6 months of the contract, for the same contract price as it would have received for the full service; and without penalty or having to provide compensation.

As a result of the post award amendment, the provider was paid for up to 4800 care service hours that were not delivered (as per the awarded contract). These decisions may have been detrimental to the value for money achieved as full contract payments were made and further emergency care costs in excess of £100,000 were incurred over the ramp up period.

As a result of these findings, Limited Assurance can be placed on the procurement process, specifically the governance process and decisions made to amend the contract post award.

One high risk recommendation has been raised in this report to seek assurance that Legal Services are consulted and that consequently actions taken in the future are appropriate and consistent with procurement law.

| | Expected Outcome | Timescale |
|---|---|---|
| R1 | Governance procedures should be established within the JCU to ensure that all activity and any contract variations are undertaken with appropriate Legal Service and Procurement Service guidance, to ensure these comply with Council and Legislative regulations. | TBC |
| | Management Response: It is standard practice within the JCU that legal and procurement colleagues are engaged through established governance routes. For example, legal and procurement colleagues worked with the JCU throughout the tender process preceding this problem arising. The thinking and awareness of how and when legal and procurement should be engaged whenever such governance issues arise will be reinforced and further embedded in JCU practice. In terms of context, this service is essential for the continuous flow of people from hospital. If this flow stops or is interrupted at any point then beds start to block in the hospital. The lack of provision of this service for people means that their condition deteriorates and short and long term social care costs increase. There is an increased risk of interruption to this flow when there is a change to the provider. The situation that arose in 2019 threatened this flow and the remedies were designed to minimise detrimental impact. This does not excuse the fact that there should have been a dialogue with the legal and procurement department to explain the planned approach and to get assurance that we were not opening ourselves up to unnecessary risk, to assure us that remedies were the best possible and that appropriate governance routes were followed. This will be addressed through explicit and consistent messaging within the JCU. | |

4.3 Direct Debits

| Executive Summary |
|---|

**Scope of Review**

The BACS process utilises BACSTEL software, which was recently upgraded. Issues with the upgrade of BACSTEL resulted in the software incorrectly interpreting one of the Council's BACS file data, which resulted in the decimalisation of the direct debit amounts; significantly increasing the amounts subsequently debited from customer accounts.

This briefing note contains a summary of findings to date (August 2021) regarding the incident above. Further work will be undertaken by Internal Audit, specifically regarding the ICT upgrade control processes.

**Summary of Findings**

The incorrect debit of payments has materialised as a result of two key issues:
- Insufficient  testing of the BACSTEL system was undertaken to ensure the upgrade to software was successful; and
- Failure to follow the Council controls in place within the BACS process to identify errors as occurred above.

The ICT upgrade process in this case, did not include post implementation testing that would have identified the decimalisation issue. However, had the Council controls in place to verify the data produced by the BACS systems been complied with, sufficient time was available to prevent the deductions from being made to customer accounts, 10 days later.

The BACS process provides four opportunities for errors in the transmission of the BACS file to be detected. In all four cases this is a manual control, reliant on Council officers checking that the data produced matches the original submission to complete. On this occasion, and based on the stage in the process at which the data was distorted, there were two opportunities for checks to identify the issue. There is a separation of duties inherent within the last two key controls, with one check of data totals (value, number of records) against the original service request being undertaken by the ICT team and then verified by the originator of the request.

Given the dual controls within the process, there is not a requirement to add additional controls as these checks are considered sufficient. Rather, it is the application of these controls that needs to be enhanced – i.e. the responsibility of Officers in these controls should be clearly established. Positive confirmation of verification of the checks should be obtained at these stages, with payment requests only being actioned upon receipt of this.

Team members who are responsible for control checks should be identified and their responsibilities in this role highlighted to ensure that the Council does not suffer further financial and reputational damage.

In terms of further lessons to be learnt from this incident, the Council should consider the culture regarding the roles of Officers within the control process. Whilst the internal audit review undertaken does not seek to apportion blame to individual Officers, it is clear that due care and attention has not been paid at key stages in this process.

It is important that individual Officers recognise the significance of the role they play in the control environment, and the effects of not undertaking their role with diligence and care. It is recommended that the outcomes of this incident and the impact it has had on the wider Council are shared more widely with Officers to reiterate this point.

**Audit Committee, 28 October 2021**

**Appendix B: Fraud Progress Update**

**1.      Counter Fraud Audit Work – 01/07/2021 to 30/09/21**

**1.1    Proactive Counter Fraud Investigations**

1.1.1  Proactive work undertaken during 01/07/2021 to 30/09/21 below:

| Description | Risks | Status |
|---|---|---|
| Advice to Directorates | General advice and support to Directors, Heads of Service etc. including short ad-hoc investigations, audits and compliance.<br><br>Six requests for advice were received. | Ongoing |
| Advice to Other Local Authorities | All Data Protection Act requests via Local Authorities, Police etc.<br><br>No DPA requests were received. | Ongoing |
| Fraud Hotline | To take all telephone calls and emails relating to the 'Fraud Hotline' and refer appropriately.<br><br>No referrals were received. | Ongoing |
| FOI Requests | To undertake all Freedom of Information (FOI) Requests.<br><br>No requests were received. | Ongoing |
| National Fraud Initiative Data Upload | To co-ordinate the data upload for the 2020/21 NFI and issue reports to relevant services for review.<br><br>Matching has now been completed and the results are now available for reviewing.<br><br>The NFI is an exercise that matches electronic data within and between public and private sector bodies to prevent and detect fraud and is conducted every two years. | Ongoing |

**1.2    Reactive Investigation Cases**

1.2.1  Five referrals were brought forward from the previous period:
- One case has been referred to the Service Director;
- Three cases have been investigated and concluded; and
- The remaining two cases are still under investigation.

1.2.2 During 01/07/2021 to 30/09/21 five referrals were received; for all five, information was provided by Whistle-blowers:
- One case has been investigated; the findings have been forwarded to HR for reference and monitoring; and
- Four referrals are currently being investigated.

## 1.3 Housing Cases

1.3.1 The following table illustrates the work undertaken in relation to housing fraud and right to buy (RTB) applications:

| Description | 2020/21 | 2021/22 (to date) |
|---|---|---|
| Number of referrals | 57 | 26 |
| Properties recovered | 2 | 3 |
| Notional Saving | £36,000 | £54,000 |
| RTB checked | 178 | 84 |
| RTB stopped | 4 | 2 |
| Notional Saving | £449,200 | £225,600 |
| **Total Notional Saving** | **£485,200** | **£279,600** |

**Appendix C: Current status of 2021/22 Audit Plan**

| Audit Title | Status as at end Q2 | Opinion |
|---|---|---|
| **LBH Systems Audits** | | |
| HMO Enforcement | Completed | Reasonable |
| Supporting Families – Phase one | Completed | N/A |
| Housing Voids | Completed | Limited |
| Social Care Contract Award | Completed | Limited |
| Reablement Quality Review | Completed | Reasonable |
| Direct Debits (Phase One) | Completed | N/A |
| Office Decant Process (Phase One) | Completed | N/A |
| Supported Families (mid-year review) | Completed | N/A |
| Mayor's Appeal Charity Fund | Completed | N/A |
| Project Management Review | Completed | N/A |
| Business Continuity & Emergency Planning | Draft Report | |
| Payroll (compliance key financial work)* | Draft Report | |
| Accounts Payable (compliance key financial work)* | Underway | |
| Social Care Transitions | Underway | |
| Public Protection – Risk Mapping | Underway | |
| Environmental Health | Underway | |
| Post Implementation Review of Liquid Logic | Underway | |
| Youth Justice Service | Underway | |
| Procurement | Underway | |
| Romford Combined Charities | Q3 | |
| SEND - Transport | Q3 | |
| Housing - Property buy-back | Q3 | |
| Housing - Service Charges | Q3 | |
| Housing – Responsive Repairs | Moved to 2022/23 due to procurement of new contractor in progress. | |
| Safeguarding Adults | Q3/4 | |
| Parking | Q3/4 | |
| Contract Management | Q3/4 | |
| Direct Payments | Q4 | |
| Continuing Healthcare | Q4 | |
| Highways Services | Q4 | |
| Planning | Q4 | |
| Housing – Compliance work | Q4 | |
| Compliance – Key Financial Audits | Ongoing – specific audits within this area are identified above* | |
| ICT | TBC | |
| Joint Counter-Fraud work | Ongoing as demand arises | |

| LBH Schools | | |
|---|---|---|
| Rainham Village Primary | Completed | Reasonable |
| The Towers Federation | Completed | Reasonable |
| Harold Wood Primary | Completed | Reasonable |
| Crownfield Juniors | Completed | Reasonable |
| Squirrels Heath Infants | Completed | Reasonable |
| St Edwards CofE Primary | Completed | Reasonable |
| Ardleigh Green | Q3 | |
| Crowlands Primary | Q3 | |
| Crownfield Infants | Q3 | |
| Nelmes Primary | Q3 | |
| Brady Primary | Q4 | |
| Branfil Primary | Q4 | |
| Engayne Primary | Q4 | |
| Gidea Park Primary | Q4 | |
| Hylands Primary | Q4 | |
| Parsonage Farm Primary | Q4 | |
| Scotts Primary | Q4 | |
| St Alban's Catholic Primary | Q4 | |
| St Patrick's Catholic Primary | Q4 | |
| St Ursula's Catholic Primary | Q4 | |
| The James Oglethorpe Primary | Q4 | |
| The RJ Mitchell Primary | Q4 | |
| | | |
| Emerson Park Academy | Underway | |
| Shaw Academy | Q3 | |
| | | |
| Health Checks (13) | 8 completed | 5 underway |

**Appendix D: AGS 2020/21 Significant Governance Issues Update**

**1.      2020/21 AGS – action taken in relation to significant governance issues**

1.1     Regulation 6(1b) of the Accounts and Audit Regulations 2015 requires all relevant bodies to prepare an Annual Governance Statement (AGS).  The purpose of the AGS is to communicate to stakeholders the standards of corporate governance the organisation demonstrates and identify any significant issues that have arisen in year, and what is planned to address these issues.

1.2     The Council has an officer Governance and Assurance Board which meets at least quarterly and is made up of the following standing members:
   - Chief Operating Officer (S151 and Chair)
   - Head of Assurance, oneSource
   - Monitoring Officer (Deputy Director of Legal & Governance oneSource)
   - Director of Finance (oneSource)
   - Deputy s151 Officer
   - Director of Procurement (oneSource)
   - Head of the Programme Office
   - Assistant Director Transformation
   - Technical Services Director
   - Head of the Joint Commissioning Unit
   - Director of Human Resources / Organisational Development (oneSource)

2.1     This group oversees the process to produce the AGS annually and as a standing meeting item monitors and updates the action plan to address significant governance issues raised.  The group maintains a record of new issues raised during the year and a detailed action plan to capture outcomes and achievements.  Actions are allocated to responsible officers for progression between meetings.

2.2     The 2020/21 AGS was published on 31st July 2021.  The Governance and Assurance Board have reviewed each of the significant governance issues since then and an action plan outlining progress is provided below:

**1. Delivery of a balanced budget:** The Council was able to set a balance budget for the 2019/20 financial year. As set out in the report to Council at the start of the year there continues to be pressure over the medium term to the Council due to increased service demand and demographic pressures while available resources are reducing. As outlined in the budget setting report for 20/21 approved in February 2020, uncertainty around many aspects of the future funding model for Local Government remains a challenge in the medium term. However over and above all this sits the COVID19 pandemic and the emergency response which was initiated nationally in March 2020 and continued through the entire financial year. This has brought an unprecedented challenge to local government generally and has led to a reconsideration of the MTFS that was agreed and the corporate approach to recovery.

| Action Already Taken | Planned Actions for 2021/22 and Progress |
|---|---|
| <ul><li>Monthly reports provided to the Senior Leadership Team outlining anticipated outturn for the financial year, assisting in the identification of Medium-Term financial pressures and opportunities.</li><li>Regular update of the Medium-Term Financial Strategy and overarching financial position provided to Cabinet throughout the year.</li><li>Continued delivery of the transformation and modernisation programme with theme board focus on core business and transformation delivery. Transition to Oracle Fusion has been an ongoing project during 2020/21. Go live with the Fusion system was delayed by a short while because of COVID issues but went live in September 2020.</li><li>Detailed monitoring of the impact of the COVID19 pandemic on the financial standing of the organisation and the MTFS included as part of the corporate monthly monitoring process, and compliance with the MHCLG reporting requirements on expenditure, loss of income and impact on savings proposals was achieved.</li><li>Close monitoring of the revenue and capital plans and scrutiny of the balances and reserves of the council is included in the monitoring reporting, including the potential impact on the collection fund and forecast for year-end position.</li><li>Regular reporting to Cabinet and Overview and Scrutiny Board on the COVID19 response and the sustainability of the MTFS has taken place including the position in reserves, taking in to account the impact on the base assumptions.</li></ul> | <ul><li>Acknowledgement of ongoing issues with embedding Fusion – work will continue developing confidence of service users in deployment of product. The Fusion Improvement Board will monitor the ongoing progress.</li><li>Continue to monitor the impact of the Covid-19 pandemic on the financial standing of the organisation and the MTFS which is reviewed as part of the corporate monthly monitoring process.</li><li>Continued focus on the delivery of the corporate recovery programme and close monitoring of the revenue and capital plans.</li><li>Senior Leadership continue to monitor the MTFS and the recovery plan to ensure the sustainability of the Council's finances.</li></ul> |

| | |
|---|---|
| • Delivery of the corporate recovery programme which contains the main strands of the Council's approach to successful recovery to the new normal. Recovery Officer Group meets to manage and monitor the recovery planning.<br>• A balanced position for the 21/22 budget and a revised MTFS was presented to cabinet in February 2021 and Council in March 2021. | |
| **Lead Officer** | **Target Date for Completion** |
| Jane West, Chief Operating Officer | March 2022 |

| 2. COVID-19: Impact and recovery | |
|---|---|
| **Action Already Taken** | **Planned Actions for 2021/22 and Progress** |
| <ul><li>Implemented the Havering Multi-agency Pandemic Plan</li><li>Managed the response in accordance with the Major Emergency Plan and Strategic Coordination Group direction commonly referred to as the gold, silver, bronze framework.</li><li>Minimised the impact on, and provide support to, the community and businesses</li><li>Maintained and restored essential services, working to the Corporate Business Continuity Plan.</li><li>Provided information to the community and businesses to aid self-help, working to Central Government guidance</li><li>Established an Outbreak Control Service and Covid Marshals to ensure Covid restrictions were widely adhered to across the borough</li><li>Distributed grants to businesses on behalf of central government</li><li>Provided financial assistance; mainly to families, through the local Havering Helps scheme and central government grant e.g., Winter Pressures grant</li><li>Protected the health, safety, and welfare of staff, including reducing risk to staff by maximising working from home.</li><li>Relieved suffering and provided humanitarian assistance through a range of initiatives including setting up the COVID line, food, medicine, and PPE distribution and mobilising Voluntary and Community Sector support.</li></ul> | <ul><li>Facilitating recovery and the return to the new normality through a Council and Service Recovery Plans</li><li>Continue to monitor the pandemic, legislation changes and the impacts on the borough through the gold, silver, bronze framework</li><li>Overseeing Outbreak Management Plans including monitoring Track and Trace.</li><li>To take an evidence-based and proactive approach in identifying any action(s) necessary to highlight or reduce specific risks of the impact of coronavirus faced by any group, community or individual likely to be disproportionately affected.</li><li>To continue to support NHS services (e.g. vaccination), Care Homes and Home Care Resilience.</li></ul> |
| **Lead Officer** | **Target Date for Completion** |
| Jane West, Chief Operating Officer | March 2022 |

| 3. Cyber Security: Chief Information Officer (CIO) has raised concerns about the increased likelihood of Cyber security breaches given the almost exclusive focus of public sector organisations on COVID-19 response. | |
| --- | --- |
| **Action Already Taken** | **Planned Actions for 2021/22 and Progress** |
| <ul><li>Raised awareness concerning cyber security.</li><li>All staff trained in the General Data Protection Regulation (GDPR).</li><li>Develop tools to help identify vulnerabilities.</li><li>Obtained funding for the development of cyber security online training.</li><li>Test and rehearse our response to cyber security attacks.</li><li>Cyber Security Programme outline presented to SLT</li></ul> | <ul><li>Monitor and consider cyber security implications.</li><li>Develop our response to cyber security attacks.</li><li>Raise awareness and train staff in cyber security.</li><li>Refresher training for all staff and members in the General Data Protection Regulation (GDPR). New course live at end September.</li><li>Prepare monthly reports for the Senior Leadership Team.</li><li>Review and update our Disaster Recovery and Business Continuity plan. This forms part of the annual update in February 2022.</li><li>Review and update our governance and policies.</li><li>Planned desktop exercise involving SLT to test our response to a cyber-security attack that impacts the network and access to systems and data.</li><li>The Cyber Security Programme will oversee the delivery of several key projects to help strengthen our current cyber security measures. This is split into across the following themes and will be delivered over 12 – 18 months period<ul><li>Designing a secure digital service</li><li>Delivering a secure digital service</li><li>Operating and managing a secure digital service</li></ul></li></ul> |
| **Lead Officer** | **Target Date for Completion** |
| Lauren White: Assistant Director of Oversight and Support | March 2022 |

| 4. Joint Venture Governance: Circumstances that have arisen at other councils have highlighted the importance of monitoring the sustainability of significant regeneration programmes. | |
|---|---|
| **Action Already Taken** | **Planned Actions for 2021/22 and Progress** |
| <ul><li>Joint venture boards are regularly held.</li><li>Regeneration group was established to manage and monitor the progress of the joint venture schemes.</li><li>Programme dashboards are produced including progress of key deliverables and future milestones, key risks and issues.</li><li>Business plans refreshed and reported to cabinet and implications included in MTFS.</li></ul> | <ul><li>The regeneration schemes and the progress of the joint ventures will be part of the capital programme reporting to theme board.</li><li>The pipeline schemes for the JVs and Mercury Land Holdings are reviewed at the officer board.</li><li>A review of the financial viability of the joint ventures given the economic challenges following COVID to monitor programme sensitivities.</li></ul> |
| **Lead Officer** | **Target Date for Completion** |
| Jane West, Chief Operating Officer | March 2022 |

| 5. Contract Register | |
|---|---|
| **Action Already Taken** | **Planned Actions for 2021/22 and Progress** |
| <ul><li>The Director of Procurement has initiated a programme of procurement improvement.</li><li>We now have a dedicated resource focussing on the Contact Register</li><li>We have asked all Directors to provide their contract information</li><li>Contract Register update will form Gateway 3 of a new Gateway process</li><li>We have developed a Power BI dashboard available to all Directors to enable self-service</li><li>All Procurement Managers are asked to work with their counterparts in the services to review and correct the register data</li><li>We are reviewing/ renewing the contract standing orders</li><li>We are drafting a new procurement intranet site; all guidance and templates are being reviewed /refreshed</li><li>All waiver requests (relating to contract extension) are refused if no contract is registered to improve compliance</li></ul> | <ul><li>Approval for new CPR's</li><li>Launch new guidance, documents, and templates</li><li>Initiate training, videos, drop-in sessions etc.</li></ul> |
| **Lead Officer** | **Target Date for Completion** |
| Rose Younger: Director of Procurement | March 2022 |

**Audit Committee, 28 October 2021**

**Appendix E: Risk Management Update**

**1.    Risk Management Update**

1.1    Since the Corporate Risk Register was last presented to Audit Committee in February 2021 the Governance and Assurance Board (GAB), chaired by the Chief Operating Officer, have been reviewing and updating the Council's risks.

1.2    As part of this review, new risks have been added and existing risks amended.  There has been a shift from the focused, emergency pandemic response that previously dominated the Council's Corporate Risk Register as well as acknowledgement that the ongoing response to, and consequences of the pandemic will form part of our risk exposure for some time.

1.3    A summary of the current Corporate Risk Register is provided as Appendix F in a separate document.  This includes current scoring of the risks based on assessment by the risk owner (using the risk matrix from the Council's Risk Management Strategy and Toolkit).

1.4    Work continues by the Internal Audit & Risk Team to further embed the risk management strategy at a Directorate level, including risk workshops and further training where required.  This phase of work will ensure Directorate level risks are aligned to the strategic risks to ensure mitigating actions are managed consistently.

1.5    The next stage of our risk management work is the implementation of JCAD, a bespoke Risk Management system to make the process more efficient and effective; providing links to strategic objectives; easier monitoring and reporting, and demonstration of compliance with good risk management practices.  This is expected to be in place by December 2021.