

Governance and Ethics Committee

Thursday, 27 January 2022 at 14:00

County Hall, West Bridgford, Nottingham, NG2 7QP

AGENDA

- | | | |
|---|--|---------|
| 1 | Minutes of last meeting held on 16 December 2021 | 3 - 6 |
| 2 | Apologies for Absence | |
| 3 | Declarations of Interests by Members and Officers:- (see note below)
(a) Disclosable Pecuniary Interests
(b) Private Interests (pecuniary and non-pecuniary) | |
| 4 | Local Government & Social Care Ombudsman decisions (November to December 2021) | 7 - 12 |
| 5 | Counter Fraud Progress Report | 13 - 20 |
| 6 | Regulation of Investigatory Powers Act 2000 Annual Report | 21 - 24 |
| 7 | Work Programme | 25 - 30 |

Notes

- (1) Councillors are advised to contact their Research Officer for details of any Group Meetings which are planned for this meeting.
- (2) Members of the public wishing to inspect "Background Papers" referred to in the reports on the agenda or Schedule 12A of the Local Government Act should contact:-

- (3) Persons making a declaration of interest should have regard to the Code of Conduct and the Council's Procedure Rules. Those declaring must indicate the nature of their interest and the reasons for the declaration.

Councillors or Officers requiring clarification on whether to make a declaration of interest are invited to contact Keith Ford (Tel. 0115 977 2590) or a colleague in Democratic Services prior to the meeting.

- (4) Councillors are reminded that Committee and Sub-Committee papers, with the exception of those which contain Exempt or Confidential Information, may be recycled.
- (5) This agenda and its associated reports are available to view online via an online calendar - <http://www.nottinghamshire.gov.uk/dms/Meetings.aspx>



Meeting GOVERNANCE AND ETHICS COMMITTEE

Date Thursday 16 December 2021 (commencing at 2.00 pm)

membership

Persons absent are marked with 'A'

COUNCILLORS

Philip Owen (Chairman)
Nigel Moxon (Vice-Chairman)

Richard Butler
Neil Clarke MBE
John Cottee
Errol Henry JP - A
Michael Payne

Helen-Ann Smith - A
Roger Upton
Daniel Williamson - A
Elizabeth Williamson

SUBSTITUTE MEMBERS

Councillor Anne Callaghan for Councillor Errol Henry

OFFICERS IN ATTENDANCE

Heather Dickinson Chief Executive's Department
Rob Disney
Richard Elston
Keith Ford
Jo Kirkby
Nigel Stevenson
Jo Toomey
Marjorie Toward

Sue Batty Adult Social Care and Health Department
Ainsley MacDonnell

1. MINUTES

The Minutes of the last meeting held on 11 November 2021, having been previously circulated, were confirmed and signed by the Chairman.

2. TO NOTE THE CHANGE IN MEMBERSHIP WITH THE REPLACEMENT OF COUNCILLOR STEVE CARR WITH COUNCILLOR DANIEL WILLIAMSON

The Committee noted the change in its membership with the replacement of Councillor Steve Carr with Councillor Daniel Williamson.

3. APOLOGIES FOR ABSENCE

Apologies for absence were received from:

- Councillor Errol Henry – other reasons
- Councillor Helen-Ann Smith – other reasons
- Councillor Daniel Williamson – sickness / medical

4. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

None

5. UPDATE ON LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN (LGSCO) DECISIONS

Jo Kirkby, Team Manager, Complaints and Information introduced the report which informed Members of the latest complaint outcomes from the LGSCO.

Sue Batty, Service Director, Ageing Well Community Services and Ainsley MacDonnell, Service Director, Living Well Community Services, responded to comments and questions from Members in relation to the Adult Social Care cases.

Members of the Committee expressed concern about reports received across a number of meetings where the LGSCO had found fault with communication and complaint handling within Adult Social Care.

RESOLVED: 2021/049

That the following action was required in relation to the issues contained within the report:

- That the concerns of the Governance and Ethics Committee about complaint handling and communication in Adult Social Care be raised with the Adult Social Care and Public Health Committee for it to agree an action plan to improve those areas.

6. STRATEGIC INTERNAL AUDIT PLAN 2022-25

In discussing the report, a question was raised about whether internal audit would be able to review complaint handling and communication with customers within Adult Social Care to ensure processes are in place and provide value for money. This was noted for inclusion within a future termly audit plan.

RESOLVED: 2021/050

1. That the Strategic Internal Audit Plan 2022-25 (attached as Appendix 1 to the report) be approved.
2. That consideration be given to an internal audit review of complaint handling and customer communication in Adult Social Care.

7. INTERNAL AUDIT CHARTER

RESOLVED: 2021/051

That the revised Internal Audit Charter (attached as Appendix 1 to the report) be approved.

8. COUNCILLOR DIVISIONAL FUND – ESTABLISHMENT OF A WORKING GROUP

RESOLVED: 2021/052

- 1) That a cross party Councillor Divisional Fund Review Working Group be established as outlined in the report with the membership being the Chairman and Vice-Chairman of Governance and Ethics Committee, the Business Manager or their nominee from each political Group of the Council and the Council's non-aligned member.
- 2) That a report detailing the proposed changes to the policy and procedures resulting from the Working Group be submitted to a future meeting of the Committee for consideration and approval.

9. RUSHCLIFFE BOROUGH COUNCIL ELECTORAL REVIEW – CONSULTATION RESPONSE

Members commended Jo Toomey, Advanced Democratic Services Officer, for her work in pulling together the response based on Members' views.

RESOLVED: 2021/053

That the response attached as Appendix A to the report be approved for submission as the Council's response to the Local Government Boundary Commission for England's consultation on its proposed Warding arrangements for Rushcliffe Borough Council, subject to correction of typographical errors and the following amendments made during the meeting:

- a) That under a section on 3 member Wards, the final sentence be amended to read: *“There is some acknowledgement that, in some urban areas there are large communities and few distinct boundaries”*.
- b) That a sentence be added under the paragraph relating to population growth and the Councillor : elector ratio to state that the size of the Council should increase to meet the demands of the projected 18% elector growth, lowering the Councillor : elector ratio.
- c) That the two proposed Wards in the East Bridgford area be updated to:
 - o East Bridgford: *East Bridgford, Saxondale village, Newton, Shelford and Kneeton.*
 - o Thoroton: *Car Colston, Screveton, Flintham (incl. Coneygreys Spinney), Sibthorpe, Shelton, Hawksworth and Thoroton*

10. BASSETLAW COMMUNITY GOVERNANCE REVIEW

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RESOLVED: 2021/054

That the Chief Executive be authorised to submit the letter at Appendix A to the report as a courtesy response to the consultation on the draft proposals in respect of Bassetlaw District Council's Community Governance Review, reserving its position for any formal response until phase 2 of the consultation.

11. WORK PROGRAMME

RESOLVED: 2021/055

That no changes were required to the work programme.

The meeting closed at 2.49 pm.

CHAIRMAN

27 January 2022

Agenda Item: 4

**REPORT OF THE SERVICE DIRECTOR FOR CUSTOMERS, GOVERNANCE
AND EMPLOYEES**

**LOCAL GOVERNMENT & SOCIAL CARE OMBUDSMAN DECISIONS
NOVEMBER TO DECEMBER 2021**

Purpose of the Report

1. To inform the Committee about Local Government & Social Care Ombudsman's (LGSCO) decisions relating to the Council since the last report to Committee.

Information

2. Members have asked to see the outcome of Ombudsman investigations regularly and promptly after the decision notice has been received. This report therefore gives details of all the decisions received since the last report to this Committee on 16th December 2021.
3. The LGSCO provides a free, independent and impartial service to members of the public. It looks at complaints about Councils and other organisations. It only looks at complaints when they have first been considered by the Council and the complainant remains dissatisfied. The LGSCO cannot question a Council's decision or action solely on the basis that someone does not agree with it. However, if the Ombudsman finds that something has gone wrong, such as poor service, a service failure, delay or bad advice and that a person has suffered as a result, the LGSCO aims to get the Council to put it right by recommending a suitable remedy.
4. The LGSCO publishes its decisions on its website (www.lgo.org.uk/). The decisions are anonymous, but the website can be searched by Council name or subject area.
5. A total of five decisions relating to the actions of this Council have been made by the Ombudsman in this period. Appendix A to this report summarises the decisions made in each case for ease of reference.
6. Following initial enquires into four cases the LGSCO decided not to continue with any further investigation for the reasons given in Appendix A.
7. Full investigations were undertaken into one complaint and no fault was found. Appendix A provides a summary of all the cases and it is pleasing to note that for this period no fault has been found in any case.

Statutory and Policy Implications

8. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Data Protection and Information Governance

9. The decisions attached are anonymised and will be publicly available on the Ombudsman's website.

Financial Implications

10. None.

Implications for Service Users

11. All of the complaints were made to the Ombudsman by service users, who have the right to approach the LGSCO once they have been through the Council's own complaint process.

RECOMMENDATION/S

That members consider whether there are any actions they require in relation to the issues contained within the report.

Marjorie Toward

Monitoring Officer and Service Director – Customers, Governance and Employees

For any enquiries about this report please contact:

Jo Kirkby Team Manager – Complaints and Information Team

Constitutional Comments (HD (Standing))

12. Governance & Ethics Committee is the appropriate body to consider the content of this report. If the Committee resolves that any actions are required, it must be satisfied that such actions are within the Committee's terms of reference.

Financial Comments (SES 04/01/2022)

13. There are no specific financial implications arising directly from the report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

Electoral Division(s) and Member(s) Affected

- All

APPENDIX A

DECISIONS NOT TO INVESTIGATE FURTHER

DATE	LGO REF	PROCEDURE	COMPLAINT SUMMARY	REASON FOR DECISION
26.11.21	21009455	CHILDRENS	Complaint about the children services team's actions.	Cannot achieve outcome complainant seeks – he can return to court for a further order.
03.12.21	21013239	CORPORATE	Employment/personnel matter	Ombudsman cannot consider this complaint it relates to an employment or personnel matter and is excluded from its jurisdiction under schedule 5/5A paragraph 4 of the Local Government Act 1974.
06.12.21	21010699	CORPORATE	Complainant says the Council wrongly claimed for several years that a detour was along public roads, when in fact it involved private roads. He says this causes inconvenience and confusion	Ombudsman will not investigate this complaint because the Council's description of the detour did not directly cause complainant a significant injustice. We have already decided the underlying point, namely the Council restricting vehicular access to the bridleway.
14.12.21	21012350	CHILDRENS	Complaint that a s.7 report was incorrect, biased, not factual and incomplete	Ombudsman will not investigate this complaint about the content of a court report. This is not separable from matters where complainant had or has a right to go to court that would be reasonable to use.

FULL INVESTIGATIONS WHERE NO FAULT FOUND

DATE	LGO REF ANNEX PAGE No	PROCEDURE	COMPLAINT SUMMARY	DECISION	RECOMMENDATION
09.12.21	20014351	CORPORATE	Council failed to properly consider or give valid reasons for refusing a request to remove public rights from a road. The Road runs between land owned by the company the complainant represents. Complainant said the Council's refusal to act was hampering the Company's development plans.	NO FAULT	

PLEASE NOTE THERE WERE NO FULL INVESTIGATIONS WHERE FAULT FOUND

27 January 2022

Agenda Item: 5

REPORT OF SERVICE DIRECTOR FOR FINANCE, INFRASTRUCTURE & IMPROVEMENT

COUNTER-FRAUD PROGRESS REPORT

Purpose of the Report

1. To update the Governance and Ethics Committee on the counter-fraud work undertaken to date in 2021/22.

Information

2. Counter-fraud work has continued to focus on key risk areas during 2021/22 and the Council has remained vigilant to the threat of fraud and emerging risks.
3. The report brings together work undertaken in relation to:
 - National Fraud Initiative (NFI) – matches from the 2020-22 exercise;
 - Counter-fraud activities – to provide an update on recent, pro-active work; and
 - Counter-fraud action plan - an update on progress made against the action plan.

National Fraud Initiative (Updated)

4. The Council participates every two years in the compulsory NFI exercise. Data matching reports were generated from the exercise, comparing Council data to data sources such as the Driver & Vehicle Licensing Agency (DVLA), mortality data, and the Department for Work & Pensions (DWP). The outcomes for the 2018-20 exercise are shown below in **Table 1**, which compares 2018-20 outcomes alongside the outcomes of the 2020-22 exercise.

Table 1 – Headline Categories of Potential Fraud/Error - 2018-20 & 2020-22 to date

Category	2018-20	2020-22
Pension Overpayments (Deceased)	£83,028	No outcomes yet to report. 148 from 870 (17%) matches checked to date.
Personal budgets	£2,049	Not included in the latest matching exercise due to NFI GDPR issues.
Trade Creditors	£0	£81,640

Category	2018-20	2020-22
		<i>(see paragraph 6, below)</i>
Payments to Private Care Homes for Deceased Persons	£6,409	Not included in the latest matching exercise due to NFI GDPR issues.
Total	£91,486	£81,640
Other significant estimated results		
Blue Badges cancelled or withdrawn (no's)	576 cases	479 cases - with a potential value of: £275,425
Concessionary Travel Passes Cancelled (no's)	115 cases	1839 cases With a potential value of: £44,136
Theoretical estimates based on average value of cases above (not previously estimated in this way before)	691 cases	£319,561

5. The outcomes show a slight decrease in the values identified. Overall, 18,541 matches were generated, of which 7,556 matches were recommended for high priority review. These are cases where the algorithms indicate the highest likelihood of a match, but they do not necessarily indicate fraud. In total 14,020 matches (75%) have been looked at so far. Of these 11,695 (83.4%) were cleared with no suggestion of fraud or error. The remaining 2,325 cases were found to be more suggestive of error rather than fraud (this includes the cases totalling £81,640 in the table above and explained further below).
6. Six duplicate charges (from a total of 749,888 transactions) have been identified for recovery, totalling £81,640 (0.0028% from a total value of £2.9 billion). These were where the provider had invoices on two separate occasions for the same thing. These were not picked up by the service department as part of their internal checking and monitoring procedures. A brief summary of these cases is set out below:
- Adults Social Care payments to Nottinghamshire Clinical Commissioning Groups (CCGs) - four invoices totalling £67,741 were duplicate charges on different invoice and vendor numbers from two different vendors, NHS Rushcliffe CCG and NHS Nottingham CCG (the district CCGs merged into a central account around this time). Additional invoices were submitted from the new vendor which could not be matched against the original purchase orders quoted, so they were referred to the requisitioner team to liaise with the budget holders. New purchase orders were subsequently raised by the service department in error against the new vendor number, resulting in duplicate payments being made, which have now been recovered
 - Children's Placement Team payments - a payment of £12,483 was made against a duplicate charge as opposed to a duplicate invoice i.e. two different invoice numbers charging for the same period. The Children's' Placement Team incorrectly raised a retrospective purchase order to cover the duplicate charges which has now been recovered.
 - Design and Print Team payment - £1,416 was paid against a duplicate invoice which was coded and approved by Design and Print twice and not picked up by their electronic ordering/receipting system, Optimus. Internally the service department did not pick this up through their own internal checking procedures. BMS did not flag this as a duplicate as it

was paid through two separate vendor accounts (for the same vendor but to different parts of the business).

7. All the duplicate charges have since been recovered. For a number of years, the services of an external company were used to run pre-payment, data-matching checks to identify potential duplicates for investigation. Whilst this system was in place the duplicates identified versus the cost and effort involved did not justify renewing the contract. As an alternative, the Business Service Centre (BSC) has been working with Audit to review and develop additional in-house options, for example using fuzzy searches within Excel and the IDEA Audit software.
8. Previously the Customer Service Centre has run campaigns regarding the appropriate use of blue badges, and this is something they intend to pick up again in 2022. Where errors have been detected through the NFI and travel passes and blue badges have been subsequently cancelled, the NFI has recently started to quantify these errors – quoting savings that it refers to under the heading of “Co Estimates”. This gives us an additional, estimated saving of £319,561 (using average values of £575 per blue badge and £24 per concessionary pass) in relation to potential unpaid parking charges and bus fares. However, it is difficult to measure the savings accurately.
9. The table above includes matches also identified through the latest Re-Check exercise which included mortality data matches.

Counter-fraud E-learning and Other Activities

10. As identified in the previous progress report, the take-up of training had declined. In response to this, we have undertaken a re-refresh and re-launch of the e-learning materials and this was promoted to staff as part of International Fraud Awareness Week, which ran from 14 – 20 November 2021. In addition, an email has been sent to Team Managers for cascading to all employees to encourage everyone to undertake the training. We will continue to monitor the completion of the training. To complement this, we have issued a press release and article on the public website aimed at raising awareness in relation to scams and signposting the residents of Nottinghamshire to our online scams information as well as additional sources of counter fraud advice.
11. In our Annual Fraud Report we reported on how the Council’s insurers, Zurich Municipal, had worked with the Risk and Insurance Team to provide fraud awareness training, including the pandemic effect.
12. The Risk and Insurance Team remain vigilant to potentially fraudulent claims and continue to undertake pro-active detection work, including using the fraud checklist to assist in the identification of fraudulent claims. The team have also been active in the successful defence of claims made against the council and have recently generated estimated savings of £35k through such work.
13. Internal Audit continues to be involved in fraud investigation activities and are currently involved in six live cases. The developments and outcomes continue to be reported to the Chairman of this committee through regular updates with the Group Manager and summarised to all members in the Annual Fraud Report.

14. Whilst attempts to commit fraud continue to occur, we do have measures in place to identify, prevent and address these. Staff in the BSC are vigilant to supplier mandate frauds and we are still actively engaged with reporting these cases to Action Fraud. We will continue to report our findings and recommendations to management in relation to recommended redress and /or strengthening of the control environment.
15. We have previously reported our engagement with the Government Agency Intelligence Network (GAIN), which sits within each Regional Organised Crime Unit (ROCU). GAIN helps to facilitate information sharing between partner agencies to identify potential matches with known serious organised crime targets. 'Data-washing' exercises have been completed over the last two years and no targets were identified from the sample data provided. We acknowledge that further work has been delayed due to Covid, but further exercises will continue to be undertaken in the future.

Fighting Fraud and Corruption Locally (FFCL) Strategy and Checklist

16. FFCL 2020 is the latest national strategy developed jointly by central government and Cifas (a not-for-profit fraud prevention membership organisation). It is aimed at providing a coordinated approach to tackling fraud locally.
17. The national strategy contained a recommendation for organisations to consider their options in relation to providing counter-fraud coverage and provided a self-assessment checklist for completion. Internal Audit previously completed the self-assessment for the Council, and the outcome was presented to Members.
18. In line with the Counter fraud action plan, we have reviewed progress against the counter fraud checklist contained within FFCL 2020. This was previously reported as an appendix to the report and rather than repeating all the completed items, the table below focusses on the areas where actions continue to be implemented.

What should senior Stakeholders do?		
Question	Response	Status
The portfolio lead		
1- Receives a regular report that includes information, progress and barriers on the assessment against the FFCL checklist, fraud risk assessment and horizon scanning.	Initial assessment of the FFCL 2020 checklists is being shared with Members and is complemented with this revised risk assessment and horizon scanning work to inform the termly planning.	Ongoing

Appendix 2 – Questions

Fighting Fraud and Corruption Locally Checklist		
Question	Response	Status
9- Counter fraud staff are consulted to fraud-proof new policies, strategies and initiatives across departments and this is reported upon to committee.	Work is still required to address consultation on policies and strategies across the Council.	Yet to address

Fighting Fraud and Corruption Locally Checklist		
Question	Response	Status
10- Successful cases of proven fraud/corruption are routinely publicised to raise awareness.	Work is still required to determine the most appropriate method of publicising cases both internally and externally.	Yet to address
12- The local authority has put in place arrangements for monitoring compliance with standards of conduct across the local authority covering: <ul style="list-style-type: none"> • Codes of conduct including behaviour for counter fraud, anti-bribery and corruption. • Register of interests. • Register of gifts and hospitality. 	This is included as an action in the Governance Action Plan and is part of the wider revision of the constitution for the new cabinet/scrutiny model.	Work in progress
14- Members and staff are aware of the need to make appropriate disclosures of gifts, hospitality and business. This is checked by Auditors and reported to committee.	A review of the Register of Interests is now included as an action in the Governance Action Plan and is being undertaken as part of the codes of conduct work detailed above.	Work in progress
30- The local authority shares data across its own departments and between other enforcement agencies.	Data sharing continues to be limited across departments; however, data is shared with government agencies through NFI and GAIN.	Work in progress
31- Prevention measures and projects are undertaken using data analytics where possible.	Data analytic techniques have developed and continue to be used where possible and shared with other agencies. Work has been developed in relation to a continuous audit process which incorporates counter fraud measures.	Work in progress

19. We will continue to address the items which remain work in progress and revise this in 12 months' time.

20. In recognition of our previous and continued support to the work of Cifas, we were invited to attend the 2021 conference in December. However, this was cancelled due to recent Covid outbreaks but is expected to take place in early 2022. Meanwhile, we will continue our proactive engagement with counter-fraud professionals and disseminate learning and insight to inform our future work.

21. We have also updated the Counter Fraud Risk Assessment 2020-21 to capture FFCL emerging issues, along with emerging COVID19 related risks (e.g. supply chain fraud, grant fraud etc.) that have surfaced through our connections with national fraud networks (see further details below). The risk assessment identifies high priority areas for the consideration of pro-active counter-fraud work.

22. In the past year this included post-payment assurance, which incorporated the checking of emergency and non-routine payments during the pandemic. Work has already been undertaken by Internal Audit to test for potentially fraudulent activity that has occurred in relation to such payments during the Covid-19 crisis. These pieces of work continue to be incorporated into our termly planning, and key findings will be shared with Members.
23. It remains a key area of focus for the Internal Audit team to support the Council's pandemic response through the provision of timely advice and consultancy on appropriate counter-fraud measures and internal control. Recent examples have included advice on the Household Support Fund, UK Community Fund and Covid Culture Payments. Outcomes from this work will continue to be reported to Members as part of our termly updates.

Counter Fraud Networks and National Picture

24. We continue to disseminate any alerts received from other bodies such as Cifas, National Anti-Fraud Network (NAFN) and the Midland Counties Counter-Fraud Group (MCCFG). The MCCFG Knowledge Hub continues to be used as a forum to raise questions and share knowledge of potentially fraudulent activity or issues that have arisen at other local authorities.
25. Recent activity included a notification from NAFN regarding a County-Wide attempted mandate fraud where fraudsters posed as a key Council supplier which had multi-million-pound contracts with local Councils. In addition, fraud alerts are disseminated by Trading Standards through their 'emailme' newsletter which goes to over 17,000 scam alert subscribers. This includes a recent new strand of fraud concerning the Omicron variant of Covid-19 where fraudsters circulated posts on social media purporting to be from the NHS. In this instance, Trading Standards also sent out messages on social media in relation to this scam.
26. Nottinghamshire County Council took part in the annual Chartered Institute of Public Finance and Accountancy (CIPFA) Fraud and Corruption Tracker (CFACT) survey in 2020. The survey gives a national picture of fraud, bribery and corruption across UK local authorities and the actions being taken to prevent it. It aims to: help organisations understand where fraud losses could be occurring; provide a guide to the value of detected and prevented fraud loss; help senior leaders understand the value of counter-fraud activity; and assist operational staff to develop pro-active, counter-fraud plans. The results of this survey were presented to Members in September 2021 as part of the Annual Fraud report.

Counter Fraud Action Plan Progress

27. We have reviewed the implementation of actions within the Counter-Fraud Action Plan which was reported to the Governance and Ethics Committee in September 2021. Below is an update on progress for each of the outstanding actions. All previously completed actions have been removed from the current action plan.

Action	Timescale
Pro-active work with the Travel & Transport team to respond to the threat of Blue Badge and Concessionary Travel Fraud, including an audit of the notification process (Tell Us Once) and the hot-listing system.	March 2022

Continued work with Legal Services to consider a protocol for the pursuit of private and civil prosecutions.	To be reviewed once current work on the revised constitution has been completed
Review progress with actions from the FFCL self-assessment and address outstanding actions.	Reviewed November 2021 and continues to March 2022
Review the findings from the Department for Levelling Up, Housing and Communities (DLUHC) (formerly MHCLG) – Fraud and Corruption in LG Procurement work with the procurement team.	March 2022
Continued engagement with GAIN on the 6-monthly data-washing matching with Organised Crime Group intelligence.	March 2022

28. The Council's Counter-Fraud and Counter-Corruption Strategy and Fraud Response Plan were reviewed and updated in May 2021 and the latest versions are available on the intranet. A further update will be carried out in 2022.

Other Options Considered

29. The Audit Section is working to the Public Sector Internal Audit Standards and the contents of the Counter Fraud Action Plan. This report follows the requirements of the Standards to undertake a risk-based approach to counter fraud work and report progress and outcomes of such work. No other option was considered.

Reason/s for Recommendation/s

30. To report the progress made by the Group Manager – Assurance in undertaking counter fraud work.

Statutory and Policy Implications

31. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Crime and disorder

32. The Council's Counter-Fraud Policy provides for a zero-tolerance approach to fraud and corruption. The Fraud Response Plan provides for all suspected cases being considered for referral to the Police for investigation.

Human Resources implications

33. Under the zero-tolerance approach in the Council's Counter-Fraud Policy, all suspected cases involving members of the Council's staff are investigated and consideration given to disciplinary proceedings.

Financial Implications

34. Any money lost to fraud is money that cannot be spent delivering critical public services to the citizens of Nottinghamshire. The Annual Fraud Report for 2020/21 was presented to the Governance & Ethics Committee in September 2021 and identified that the value of detected or prevented fraud in that year amounted to approximately £370k.

RECOMMENDATIONS

- 1) Committee considers whether it wishes to see any additional actions put in place to tackle fraud or to receive further reports on the actions already being taken within the Council.

Nigel Stevenson

Service Director for Finance, Infrastructure & Improvement

For any enquiries about this report please contact:

Rob Disney

Group Manager – Assurance

Constitutional Comments (KK 23/12/2021)

35. The proposals in this report are within the remit of the Governance and Ethics Committee.

Financial Comments (SES 04/01/2022)

36. There are no specific financial implications arising directly from the report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

Electoral Division(s) and Member(s) Affected

- All

27 January 2022

Agenda Item: 6

REPORT OF SERVICE DIRECTOR – CUSTOMERS GOVERNANCE AND EMPLOYEES AND SENIOR RESPONSIBLE OFFICER FOR RIPA

REGULATION OF INVESTIGATORY POWERS ACT 2000 – ANNUAL REPORT

Purpose of the Report

1. To report to the Committee:
 - a. Activity by the Council under the Regulation of Investigatory Powers Act 2000 (RIPA) for the periods from January 2021 to December 2021.
 - b. Activity by the National Anti-Fraud Network (NAFN) on behalf of the Council under the Investigatory Powers Act 2016 (IPA) in respect of Communications data.
 - c. An update on mandatory training for Officers.

Information

Background

2. The Regulation of Investigatory Powers Act 2000 (RIPA) gives the Council the power to undertake covert surveillance in relation to certain investigations. Since 2017 the Investigatory Powers Commissioner's Office (IPCO) has been responsible for the oversight of the use of RIPA.
3. There is a strict authorisation process set out in the legislation; applications are considered by senior officers before final approval is given by the Magistrates Court. The Council is required to submit an annual statistical return to the IPCO on the number of authorisations made and is subject to periodic inspections.
4. The Council is also able to obtain certain communications data (i.e. data about electronic communications) through the National Anti-Fraud Network (NAFN), an expert provider accredited by the IPCO and the Home Office. This process is now carried out in accordance with the Investigatory Powers Act 2016 (IPA). NAFN submits the annual statistical return to the IPCO on the number of submissions made by it on behalf of the Council.
5. A programme of monitoring and review is set out in the Council's RIPA policy and guidance. Since 2017 annual reports are made to the Governance and Ethics Committee. Throughout the year quarterly reports of Trading Standards activity, which includes use of RIPA, are made to the Communities and Place Committee.

6. This is the fourth oversight report to Governance and Ethics Committee since November 2017. This report covers January 2021 to December 2021.

Annual Activity January 2021 to December 2021

7. Two new authorisations have been made in relation to on-going investigations in relation to illicit and counterfeit cigarettes and tobacco. Both have yielded evidence which is currently being assessed for future criminal proceedings and both were duly cancelled upon their expiry. NAFN has confirmed that it has made six new applications for communication data access for the relevant period on behalf of NCC; three in respect of doorstep crime and three in respect of food labelling investigations.
8. The Council will submit the annual statistical return to IPCO for the 2021 period by 31 January 2022.
9. Training and awareness raising activity has been undertaken as follows:
 - a. Refresher RIPA training was undertaken by the Council's Senior Responsible Officer (SRO) for RIPA (the Service Director for Customers, Governance and Employees) on 7 July 2021, and for the Service Director of Children's Services on 17 November 2021.
 - b. Trading Standards Officers are to view an EM Law Share webinar in relation to RIPA during the week commencing 10 January 2022. They are also in the process of securing additional external training for 2022.
 - c. Awareness raising for employees and staff has also been undertaken via the Council's Intranet News, with an article having been published in the November 2021 Team Talk.

IPCO Inspection/Update

10. The Council is inspected by the IPCO approximately every 3 years with the last inspection being successfully completed on 1st November 2019. This was a desk-top documentary inspection. The next IPCO inspection will be in 2023 and it is anticipated that this will consist of a physical inspection.
11. The Council has now purchased and uses drones which currently assist the work of the Place Department. This is in relation to flood risk management, property inspections, assessing waste and soil heaps. While at present the drones are solely used by the Place Department, any team within the Council could potentially use the drones, subject to the approval of the single point of contact for drones (Callum Smith, Principal Officer for Flood Risk Management) who would ensure that the proposed use would not breach any data protection or Civil Aviation Authority rules. The Council currently owns three drones and has five trained CAA approved pilots. When flying drones for the Council strict policies and procedures are in place to avoid the unintentional capturing of personal data. The Council's use of Drones is pre-planned, pre-approved and overt, ensuring full visibility and transparency of use. There may be future situations where covert operations involving drones are needed and in such scenarios the appropriate RIPA authorisation would be sought prior to any use, ensuring that any flight made is

necessary and proportionate. NCC guidance on the use of drones is contained in the Surveillance Camera (CCTV) Procedure.

12. Amendments to the current RIPA Policy and Guidance have been made to reflect the process for NAFN seeking authorisation to obtain Communications data on the Council's behalf, and to make reference to the use of drones. These are minor amendments and as there were no substantive changes to the Policy or Guidance, authority was sought for the Service Director for Customers, Governance and Employees to approve the changes and these were approved on 7 January 2022.

Other Options Considered

13. None. Activity under the RIPA Policy requires reporting to Committee.

Reason/s for Recommendation/s

14. To ensure the Council is able to exercise its statutory powers in relation to RIPA (and for NAFN to make the relevant applications on its behalf in respect of communications data in relation to IPA) where it is necessary and proportionate to do so.

Statutory and Policy Implications

15. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Where appropriate consultation has been undertaken and advice sought on these issues as required

Crime and Disorder Implications

16. Use of surveillance can assist the Council in relation to the reduction of crime in Nottinghamshire.

Human Rights Implications

17. Every authorisation for surveillance requires consideration of human rights including the right to privacy and the right to a fair trial. The rights of people under surveillance need to be balanced against public safety and the prevention of crime. Every authorisation, therefore, has to clearly set out why the surveillance is considered necessary and proportionate in the circumstances.

RECOMMENDATION/S

- 1) That members consider whether there are any actions they require in relation to the matters contained within the report.

Marjorie Toward

Service Director, Customers Governance and Employees and Senior Responsible Officer for RIPA

For any enquiries about this report please contact:

Emma Hunter, Legal Services: emma.hunter@nottsc.gov.uk

Constitutional Comments (CEH 10.01.2022)

18. The report falls within the remit of Governance and Ethics Committee for consideration.

Financial Comments (SES 11/01/2022)

19. There are no specific financial implications arising directly from this report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

Electoral Division(s) and Member(s) Affected

- All

27 January 2022

Agenda Item: 7

REPORT OF THE SERVICE DIRECTOR, CUSTOMERS, GOVERNANCE AND EMPLOYEES

WORK PROGRAMME

Purpose of the Report

1. To review the Committee's work programme.

Information

2. The County Council requires each committee to maintain a work programme. The work programme will assist the management of the Committee's agenda, the scheduling of the Committee's business and forward planning. The work programme will be updated and reviewed at each pre-agenda meeting and Committee meeting. Any member of the Committee is able to suggest items for possible inclusion.
3. The attached work programme includes items which can be anticipated at the present time. Other items will be added to the programme as they are identified. The meeting dates and agenda items are subject to review in light of the ongoing COVID-19 period.
4. As part of the transparency introduced by the revised committee arrangements in 2012, committees are expected to review day-to-day operational decisions made by officers using their delegated powers. It is anticipated that the committee will wish to commission periodic reports on such decisions. The committee is therefore requested to identify activities on which it would like to receive reports for inclusion in the work programme.

Other Options Considered

5. None

Reason/s for Recommendation/s

6. To assist the Committee in preparing and managing its work programme.

Statutory and Policy Implications

7. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION

1) That Committee considers whether any changes are required to the work programme.

Marjorie Toward
Service Director, Customers, Governance and Employees

For any enquiries about this report please contact:

Jo Toomey, Advanced Democratic Services Officer / Keith Ford, Team Manager, Democratic Services

Tel. 0115 9774506 / 0115 9772590

E-mail: jo.toomey@nottsc.gov.uk / keith.ford@nottsc.gov.uk

Constitutional Comments (EH)

8. The Committee has authority to consider the matters set out in this report by virtue of its terms of reference.

Financial Comments (NS)

9. There are no financial implications arising directly from this report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

Electoral Division(s) and Member(s) Affected

- All

GOVERNANCE & ETHICS COMMITTEE – WORK PROGRAMME (AS AT 18 JANUARY 2022)

Report Title	Brief Summary of agenda item	Lead Officer	Report Author
10 March 2022			
Update on Local Government and Social Care Ombudsman Decisions	To consider any recent findings of the Local Government Ombudsman in complaints made against the County Council	Marie Rowney	Marie Rowney
Whistleblowing update	To update the committee on whistleblowing activity during 2021	Marjorie Toward	Heather Dickinson / Emma Hunter
Corporate Governance Update	To receive an update on progress against the Annual Governance Statement action plan for 2021.22	Rob Disney	Rob Disney
Internal Audit Term 3 (2021/22) Report and Term 1 (2022/23) Plan	To review the outcomes of Internal Audit's recent work and consider proposals for planned coverage in the next term	Rob Disney	Simon Lacey
Corporate Risk Management 6-monthly update	To consider the updated corporate risk register and developments in the Council's approach to risk management	Rob Disney	Simon Lacey
Whistleblowing Policy Review	To consider the outcome of the review	Marjorie Toward	Heather Dickinson / Catherine Haywood
Review of Councillors Divisional Fund Policy and Processes	To consider the outcomes of the CDF Review Working Group.	Marjorie Toward	Keith Ford
21 April 2022			
Update on Local Government and Social Care Ombudsman Decisions	To consider any recent findings of the Local Government Ombudsman in complaints made against the County Council	Marie Rowney	Marie Rowney
Governance and Ethics Committee annual report	To consider the draft annual report and recommend to full council for consideration	Rob Disney	Rob Disney
Statement of Accounts 2021-22 – Accounting Policies	To consider the annual review of the accounting policies	Nigel Stevenson	Glen Bicknell

Informing the Risk Assessment – 2021/22 Statement of Accounts	To consider the risk assessment	Nigel Stevenson	Glen Bicknell
Annual Governance Statement 2021-22	To consider the draft statement for 2021/22	Rob Disney	Simon Lacey
Follow-up of Internal Audit recommendations – 6 monthly update	To consider an update on progress with implementing agreed actions from Internal Audit reports	Rob Disney	Simon Lacey
9 June 2022			
Update on Local Government and Social Care Ombudsman Decisions	To consider any recent findings of the Local Government Ombudsman in complaints made against the County Council	Marie Rowney	Marie Rowney
Assurance Mapping 2021-22	To review the assurance provided from the map in 2021/22 and consider coverage for 2022/23	Rob Disney	Simon Lacey
Head of Internal Audit Annual Report 2021-22	To consider the Head of Internal Audit's annual opinion of the arrangements for governance, risk management and control	Rob Disney	Rob Disney
External Audit Plan 2021/22	To consider the External Audit Plan for the forthcoming audit	Nigel Stevenson	Glen Bicknell
Update on the Use of the Councillor's Divisional Fund	To consider six monthly update	Marjorie Toward	Keith Ford
21 July 2022			
Update on Local Government and Social Care Ombudsman Decisions	To consider any recent findings of the Local Government Ombudsman in complaints made against the County Council	Marie Rowney	Marie Rowney
Annual Fraud Report 2020-21	To review the incidence of fraud over the year and an update on risks and mitigations	Rob Disney	Simon Lacey
Internal Audit Term 2 2022/23	To consider proposed audit coverage for Term 2	Rob Disney	Simon Lacey
Councillor Code of Conduct Review	To consider the findings of the working group	Marjorie Toward	Heather Dickinson
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Other – to be removed			
Review of virtual and hybrid meetings	To consider the impact of virtual and hybrid meetings including on public engagement	Marjorie Toward	Dem Services / Comms / ICT
<i>This item has been superseded because the Council is currently broadcasting its public meetings with no current legislative provision for virtual and hybrid Council and Committee meetings</i>			

