

Audit and Standards Advisory Committee

Monday 20 January 2020 at 6.00 pm

Boardrooms 1 & 2, 3rd Floor - Brent Civic Centre,
Engineers Way, Wembley HA9 0FJ

Membership:

Members

Mr Ewart (Chair)

Substitute Members

Councillors:

A Choudry (Vice-Chair)
Donnelly-Jackson
Hassan
Long
Naheerathan
Nerva
Kansagra

Councillors:

S Choudhary, Colacicco, Kabir, Lo and Perrin

Councillors:
Colwill and Maurice

Independent Members

Robert Cawley
Karen McArthur
Margaret Bruce

Independent Advisor

Vineeta Manchanda

For further information contact: Kunwar Khan, Governance Officer
Tel: 020 8937 2037; Email: kunwar.khan@brent.gov.uk

For electronic copies of minutes, reports and agendas, and to be alerted when the minutes of this meeting have been published visit: www.brent.gov.uk/committees

The press and public are welcome to attend this meeting

Notes for Members - Declarations of Interest:

If a Member is aware they have a Disclosable Pecuniary Interest* in an item of business, they must declare its existence and nature at the start of the meeting or when it becomes apparent and must leave the room without participating in discussion of the item.

If a Member is aware they have a Personal Interest** in an item of business, they must declare its existence and nature at the start of the meeting or when it becomes apparent.

If the Personal Interest is also significant enough to affect your judgement of a public interest and either it affects a financial position or relates to a regulatory matter then after disclosing the interest to the meeting the Member must leave the room without participating in discussion of the item, except that they may first make representations, answer questions or give evidence relating to the matter, provided that the public are allowed to attend the meeting for those purposes.

*Disclosable Pecuniary Interests:

- (a) **Employment, etc.** - Any employment, office, trade, profession or vocation carried on for profit gain.
- (b) **Sponsorship** - Any payment or other financial benefit in respect of expenses in carrying out duties as a member, or of election; including from a trade union.
- (c) **Contracts** - Any current contract for goods, services or works, between the Councillors or their partner (or a body in which one has a beneficial interest) and the council.
- (d) **Land** - Any beneficial interest in land, which is within the council's area.
- (e) **Licences** - Any licence to occupy land in the council's area for a month or longer.
- (f) **Corporate tenancies** - Any tenancy between the council and a body in which the Councillor or their partner have a beneficial interest.
- (g) **Securities** - Any beneficial interest in securities of a body which has a place of business or land in the council's area, if the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body or of any one class of its issued share capital.

**Personal Interests:

The business relates to or affects:

- (a) Anybody of which you are a member or in a position of general control or management, and:
 - to which you are appointed by the council;
 - which exercises functions of a public nature;
 - which is directed is to charitable purposes;
 - whose principal purposes include the influence of public opinion or policy (including a political party or trade union).
- (b) The interests a of a person from whom you have received gifts or hospitality of at least £50 as a member in the municipal year;

or

A decision in relation to that business might reasonably be regarded as affecting the well-being or financial position of:

- You yourself;
- A member of your family or your friend or any person with whom you have a close association or any person or body who is the subject of a registrable personal interest.
- A member of your family or your friend or any person with whom you have a close association or any person or body who employs or has appointed any of these or in whom they have a beneficial interest in a class of securities exceeding the nominal value of £25,000, or any firm in which they are a partner, or any company of which they are a director.
- any body of a type described in (a) above.

Agenda

Introductions, if appropriate.

Item **Page**

1 Apologies for Absence and Clarification of Alternate Members

2 Declarations of Interest

Members are invited to declare at this stage of the meeting, the nature and existence of any relevant disclosable pecuniary or personal interests in the items on this agenda and to specify the item(s) to which they relate.

3 Deputations (if any)

To hear any deputations received from members of the public in accordance with Standing Order 67.

4 Minutes of the Previous Meeting 1 - 16

To approve the minutes of the previous meeting as a correct record.

5 Matters Arising (if any)

To consider any matters arising from the minutes of the previous meeting.

Standards Items

6 Quarterly Update on Gifts and Hospitality 17 - 26

The report updates the Audit and Standards Advisory Committee on gifts and hospitality registered by Members, the attendance record for Members in relation to mandatory training sessions and two recent cases reported in the media involving general councillor conduct.

Ward Affected:

All wards

Contact Officer:

Debra Norman

Director of Legal and HR Services

Email: Debra.Norman@brent.gov.uk

Tel: 020 8937 1578

7 Member Learning & Development and Member Expenses 27 - 50

This provides members of the Standards Committee with a summary of the Member Development Programme since last reported to Committee

and information regarding the Members' Expenses Scheme.

Wards affected:

All wards

Contact Officer:

Thomas Cattermole

Head of Executive and Member Services

Email: Thomas.Cattermole@brent.gov.uk

Tel: 020 8937 5446

Audit Items

8 Review of the Use of RIPA Powers 51 - 62

The report provides update to the Council's policy in relation to the Regulation of Investigatory Powers Act 2000 (RIPA).

Wards Affected:

All wards

Contact Officer:

Debra Norman

Director of Legal HR Audit and Investigations

Email: Debra.Norman@brent.gov.uk

Tel: 020 8937 1578

9 Internal Audit Quarterly Update (To Follow)

This report provides an update on progress against the Internal Audit Plan for the latest available period.

Wards Affected:

All wards

Contact Officer:

Michael Bradley

Head of Audit and Investigations

Email: Michael.Bradley@brent.gov.uk

Tel: 0208 937 6526

10 Counter Fraud Quarterly Update 63 - 68

This report provides an update on the counter fraud activity undertaken for Quarter 3.

Wards Affected:

All wards

Contact Officer:

Michael Bradley

Head of Audit and Investigations

Email: Michael.Bradley@brent.gov.uk

Tel: 0208 937 6526

11 Emergency Planning Resilience - Peer Review 69 - 104

To review Brent's Emergency Planning Resilience - Peer Review - a self-assessment on the 11 new emergency planning standards for London.

This report summarises the progress made since the 2019 report, details

the type and number of incidents in Brent and provides some information around initiatives and programmes of work under way to enhance our resilience and response arrangements.

Wards Affected: All wards
Contact officer: Daryl Jooste
Civil Contingencies Manager
Email: Daryl.Jooste@brent.gov.uk
Tel: 0208 937 5415

12 External Audit Progress Report and Sector Update, including Certification of Grants and Returns 105 - 117

The paper provides the Audit and Standards Advisory Committee with a report on progress in delivering Grant Thornton's responsibilities as the Council's external auditors. It also includes a summary of emerging national issues and developments that may be relevant to Brent as a local authority as well as certification of grants and returns.

Wards Affected: All wards
Contract person: Sophia Brown,
Engagement Manager, Grant Thornton
Email: Sophia.Y.Brown@uk.gt.com
Tel: 020 7728 3179

13 Additional Audit Fees 2019-20 119 - 122

The report provides a brief note on the increased audit fees to pay for additional audit work Grant Thornton have planned to address enhanced requirements placed upon them by the Financial Reporting Council (FRC), their regulator.

Ward Affected:
Contact Officer: Ben Ainsworth, Head of Finance
Email: Benjamin.ainsworth@brent.gov.uk
Tel: 020 8937 1731

14 The Complimentary Roles of the ASC, ASAC and Scrutiny Committees (Review the Performance of the Committee - self-assessment) 123 - 132

This report provides an update about the effectiveness of the Audit and Standards Advisory Committee (ASAC) following the training workshop held after the previous meeting facilitated by a CIPFA trainer.

Ward Affected: All wards
Contact Officer: Debra Norman
Director of Legal and HR Services
Email: Debra.Norman@brent.gov.uk

Tel: 020 8937 1578

15 Forward Plan and Scheduled Reports 133 -
134

To note the Committee's Forward Plan and scheduled reports for the next meeting.

Wards Affected:
All wards

Contact officer:
Kunwar Khan
Governance Officer
Email: Kunwar.Khan@brent.gov.uk
Tel: 020 8937 2037

16 Treasury Management Strategy 2020/21 135 -
156

To receive the Brent Council's Treasury Management Strategy 2020/21.

Ward Affected:
All wards

Contact Officer:
Daniel Omisore, Deputy Director of Finance
Email: Daniel.Omisore@brent.gov.uk
Tel: 020 8937 3057

17 Brent Council Borrowing Strategy Update 157 -
208

To receive an update report on the Brent Council Borrowing Strategy.

Ward Affected:
All wards

Contact Officer:
Daniel Omisore, Deputy Director of Finance
Email: Daniel.Omisore@brent.gov.uk
Tel: 020 8937 3057

18 Any other Urgent Business

Notice of items to be raised under this heading must be given in writing to the Head of Executive and Member Services or his representative before the meeting in accordance with Standing Order 60.

Date of the next meeting: Wednesday 11 March 2020



- Please remember to **SWITCH OFF** your mobile phone during the meeting.
- The meeting room is accessible by lift and seats will be provided for members of the public.

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MINUTES OF THE AUDIT AND STANDARDS ADVISORY COMMITTEE Thursday 26 September 2019 at 6.00 pm

PRESENT: David Ewart (Chair), Councillor A Choudry (Vice-Chair) and Councillors Donnelly-Jackson, Hassan, Long, Nerva, Kansagra, Colwill (left slightly early due to another meeting) and Perrin

Independent (co-opted) Members: Margaret Bruce

Independent Advisor: Vineeta Manchanda

Also Present: Councillor Margaret McLennan (Deputy Leader and Lead Member for Resources, Brent Council)

1. **Apologies for absence and clarification of alternate members**

The following apologies for absence were received:

- Councillor Naheerathan (Member of the Committee, substituted by Councillor Perrin)
- Dr Rob Cawley (Independent co-opted Member)
- Karen McArthur (Independent co-opted Member)
- Nigel Shock (Independent Person)

2. **Declarations of Interest**

In relation to agenda items 8 and 9 - to review performance and management of Invest 4 Brent Holdings Ltd (i4B) and First Wave Housing Limited (FWH) - the Chair, David Ewart, declared that he knew Martin Smith, Chair of i4B and FWH Boards, for a number of years when they both worked at Ealing Council.

3. **Deputations**

There were no deputations.

4. **Minutes of the previous meeting**

RESOLVED:

The minutes of the Audit and Standards Advisory Committee (ASAC) held on 10 July 2019 be approved as an accurate record.

5. **Matters arising**

In relation to mandatory training for Members, Debra Norman (Director of Legal, HR, Audit and Investigations, Brent Council) informed that an update report would be presented at the next meeting.

6. **i4B and FWH accounts assurance-testing and the Council's audit process**

The Committee at its last meeting on 10 July requested an update report about assurance-testing and the Council's audit process concerning Invest for Brent Holdings Limited (i4B) and First Wave Housing Limited (FWH) company accounts.

Olga Bennet (Head of Finance, Commercial and Projects, Brent Council) introduced the report providing the Committee with an update about the progress of i4B and FWH company audits, together with, the proposed new tender and schedule for the next year's audit. Joanne Love (Grant Thornton) also contributed to the discussion on this item.

In considering the report and during the discussion, the Committee noted the following key points:

- a. The deadline for FWH for filing audited accounts was 30 September 2019 (six months from the accounting reference date of 31 March 2019). FWH was expected to have filed audited accounts by this deadline.
- b. The deadline for i4B for filing audited accounts was 31 December 2019 (nine months from the accounting reference date of 31 March 2019).
- c. Both companies' audit had progressed well and thus far provided the required level of assurance for the auditors to provide an unqualified audit opinion.
- d. The i4B and FWH Boards were responsible for governance and signing off the respective audits and accounts for these companies.
- e. Both companies had corrected preceding year accounts and detailed these in an adjustment note. These adjustments had been agreed with the auditors and were detailed in section 2 of the auditor's draft report Audit Findings for I4B Holdings Limited.
- f. Responding to a comment about a long audit process in concluding the i4B and FWH accounts that were often regarded as relatively smaller provisions within the overall budget/accounts of the Council, the proposed audit plan for next year (2019/20) accounts was to complete the audit of both companies by the 30 June 2020. This would provide enough time for financial statements of the companies to be consolidated with the Council's financial statements for group accounting purposes within the Council's statutory deadline.
- g. In relation to FWH accounts, as a result of the audit, two audit adjustments had been made to the accounts, one for the current year (2018/19) and the other resulting in a prior year adjustment with restated balances. These

adjustments resulted in a movement in reserves from the 'revenue reserve' to the 'revaluation reserve'. For the prior year adjustment, net assets remained unchanged. These had been agreed with the auditors, as well as, Council officers and were detailed in section 7 of the auditor's draft report *The Audit Findings for First Wave Housing Limited*. There were no other significant issues that had been raised by the auditors at the time of writing the report. The auditors had begun closing procedures and subject to the completion of some remaining tasks, a final draft would be produced with audit amendments for sign off.

- h. Concerning i4B accounts, no significant issues had been raised by the auditors at the time of writing the report. The auditors had begun closing procedures, with some remaining tasks to complete, after which a final draft would be produced for audit sign off.

The Chair thanked Olga Bennet (Head of Finance, Commercial and Projects, Brent Council) and Joanne Love (Grant Thornton) for their update and the written report.

RESOLVED:

- i. That the Committee notes the progress and completion of First Wave Housing Limited (FWH) and Invest for Brent Holdings Limited (i4B) company audits.
- ii. That the Committee agrees to the proposed new schedule.

7. Additional Audit Fees

The Chair, David Ewart, and Ben Ainsworth (Head of Finance - Corporate, Brent Council) introduced the report. In considering the report, the Committee noted that:

- a. For the five financial years commencing 1 April 2018, the Audit Committee agreed that the Council should appoint PSAA (Public Sector Audit Appointments) to procure an external auditor for the Council to benefit from the economies of scale and to seek better accountability from PSAA managing contracts on behalf of local government by participating in a procurement across local government. PSAA appointed Grant Thornton as the Council's external auditor for this period. The contract had saved the Council a further £50,736 compared to 2017/18 and 2018/19 audits, which was on top of the earlier reduction in fees of circa 55% compared with the fees in 2012.
- b. Not all the work that external auditors had to carry out was within the scope of the agreed fees. In such cases, the external auditors might choose to charge additional fees, however, these additional fees were subject to scrutiny by PSAA who had to agree the fees before they were paid. This acted to consolidate skills in managing external audit contracts across local government, and helped ensure a consistent approach to additional fees across the sector.
- c. KPMG (the Council's previous external auditors) had been carrying out work in relation to an objection received to the 2015/16 accounts concerning the

Council's Lender's Option, Borrower's Option Loans (LOBOs). This objection had now been resolved and audit certificates were issued for the financial years 2015/16, 2016/17 and 2017/18. The work that KPMG completed was outside the standard audit fee and an additional fee was payable to reflect the work completed on the objection. KPMG was proposing a fee of £14,630 to take into account their review of the 14 LOBOs (including inverse floaters and those with upfront incentives); review of relevant papers to support the decisions to take out the loans; various correspondence and policies; drafting their provisional view; considering additional issues raised and challenges to their findings from the elector; discussions with PSAA, including PSAA's legal team, as well as, final drafting and issue of their decision.

- d. For 2018/19, Grant Thornton (the Council's current external auditors) were proposing an additional fee of £6,400, connected with additional work they carried out on evaluating the issues raised by the McCloud judgement for the pension reserves and liabilities and additional work required by their regulator - the Financial Reporting Council - on verifying asset valuations and pensions. As with the KPMG additional fees, the next stage was for PSAA to review these costs with a view to either agree or to amend these.

RESOLVED:

The Committee notes the additional fees proposed by KPMG and Grant Thornton.

8. To review performance & management of i4B Holdings Ltd

Martin Smith, the Chair of i4B Board, introduced the report that provided the Audit and Standards Advisory Committee (the Committee) with an update on i4B Holdings Limited's (i4B) recent performance, audit arrangements and risk register. He stated that, overall, it had been a good period since his last appearance before the Committee, in February 2019.

In considering the report, and in response to queries and comments, the Committee noted the following key points:

- a. i4B's 2019/20 business plan was agreed by the Shareholders in February 2019. The business plan incorporated i4B's strategic priorities for 2019/20. The Company adjusted the number of properties bought compared to originally intended due to the slow housing market but there was still good progress and the Brent property values were still rising, albeit slower than before.
- b. The Company's register was now a lot greener (outcomes successfully achieved) on Red Amber and Green (RAG) monitoring table.
- c. In February 2019, i4B had 204 properties in its portfolio purchased at an average cost of £352,900 with 177 of these properties were let. As of August 2019, i4B's portfolio had increased to 228 properties purchased at an average cost of £356,637 with the target acquisition cost being £363,000. 213 of these properties had been let and people were now living in decent quality accommodation. The rate of acquisitions had decelerated primarily

due to a slowdown in the housing market. Officers were currently investigating opportunities to increase the rate of acquisitions. As of August 2019, i4B had 22 properties in the process of negotiation and valuation, 29 properties in conveyancing, 4 properties in the delegated authority (final approval) stage and 8 properties awaiting contract exchange.

- d. 95% of all urgent repairs were resolved within 24 hours in August 2019, which was consistent with the 95% in February 2019. 100% of all emergency repairs were resolved within 24 hours both in February and August 2019.
- e. The average rent collection rate as reported by the management agents in June was 94.35% compared to 90.67% in February 2019. BHM's collection rate of 95.61% was the highest amongst the three contractors. All contractors would continue to be closely monitored for rent collection performance to encourage the target of 98.5% to be achieved.
- f. The rental income was lower than budgeted due to less than anticipated property acquisitions by 31 March 2019 (86 fewer properties acquired compared to the target of 300 - with 179 properties occupied - culminating in an adverse impact of circa £1.5m); higher average cost per property at £358,000 against the target of £333,333; and the average weekly rent being lower at £296 compared to the target of £300 resulting in an adverse impact of circa £160k (7% below) per annum.
- g. i4B's PRS acquisition programme increased the number of affordable housing tenures in Brent and the Home Counties. The Company had been successful in purchasing private sector homes and switching the tenure to an affordable rent product. Consequently, 360 new affordable homes would be created by April 2021. As at January 2019, 213 Brent families, including 534 children, had been housed in i4B properties.
- h. i4B's net ongoing annual financial benefits to the Council stood at £298,000. In addition, the Council received significant one-off benefits from the programme. These benefits stem from two sources: the loan to i4B and financial benefits relating to ownership of properties and price increases in the property; the one-off financial benefits from the loan for the first 300 properties which were the Loan Arrangement Fee of 1% (£830k); and the Loan non-utilisation charge (£620k). Moreover, as the sole shareholder, the Council could also benefit from property price growth of the portfolio.
- i. Responding to a query about genuinely affordable housing for key workers, Martin Smith highlighted that i4B's 2019/20 Business Plan, approved by the Cabinet in February 2019, agreed that the Company progressed the purchase of a block of 153 units for the provision of key worker accommodation at 60-80% market rent. i4B was currently pursuing this new opportunity and there was a scope for 553 homes for key workers near a transportation hub if all went according to the plan. In addition, the Company was working with the Council to explore a number of other potential opportunities for purchasing smaller blocks, this was in line with the agreed business plan and would provide numerous benefits to the Council with regards to key worker accommodation and its other housing provisions.

- j. The Company's Risk Register (Appendix 1) and the Risk Management Framework (Appendix 2) were attached to the report and since the last meeting with the Committee in February 2019, no new risks had been added. The risks which remained as live issues and were being monitored were 'the pipeline of properties was slower than the SLA target' and the 'business plan rent collection rates were not being achieved and bad debt exceeding business plan assumptions'.
- k. Concerning a Financial Model Audit, officers would be working to implement recommendations during the 2019/20 financial year and full management responses could be found in the Internal Audit Responses Action Plan (Appendix 3). In April 2019, i4B agreed a programme of two internal audits for 2019/20. The Acquisitions Audit was now underway and i4B would provide the Committee with an update in due course. The next steps would be to focus on viability and long term sustainability as efficiently and swiftly as possible.
- l. With regards to recommendations emanating from previous audits, Internal Audit recently carried out a follow-up review into the i4B Governance Risk Management, and Financial Management Action Plan (Appendix 4) was attached 4 to the report. i4B had fully implemented agreed actions from the audit and was now currently undertaking an overarching policy review. There were two independent directors on the Company Boards with relevant skill-set, as well as, very experienced senior-level officers who carefully examined the reports and progress on all aspects - including a live dashboard to monitor performance and commissioning deep-dive reports - backed up with a sound internal audit mechanism.
- m. In response to queries about financial stability - being in a current position of operational loss etc. - Martin Smith highlighted that the Company was 'successfully' loss-making as expected at this relatively early stage in its life as it was heavily tilted towards servicing interest at present but it hoped to break-even in 2021-22 and start making profit thereon. He added that despite good progress, the Company was not complacent and undertook continuous evaluation, improvements and would further examine its financial modelling. The Chief Executive added that the Company paid £1m to the Council, which were added to the General Fund, therefore, from the Local Authority's perspective, it was not loss-making.
- n. Being a Public Benefit Entity (PBE) did not change the audit and financial results for the company. Most properties bought by the Company were leaseholds which was a principal problem. More properties bought by the Company would be better but the Company had to follow a strict purchasing criterion which was, at times, time/resource consuming aspect of the process. Stock valuation might be affected by market changes but this was a slightly academic point to an extent as the Company had no plans to sell its houses.

RESOLVED:

The Committee notes the current company performance; the update to the i4B risk register; and the update on recent i4B audits; including an update report on recent i4B audits; and progress towards implementing previous audit recommendations.

9. To review performance & management of First Wave Housing Ltd

Martin Smith, the Chair of FWH Board, introduced the report that provided the Audit and Standards Advisory Committee with an update on First Wave Housing Limited's (FWH) business plan, recent performance, risk register, and audit arrangements.

In considering the report, and in response to queries and comments, the Committee noted the following key points

- a. The 2019/20 FWH Business Plan was approved by the Guarantor in February 2019 which outlined FWH's strategic plans for 2019/20.
- b. A stock condition survey (SCS) had been carried out on FWH stock, this provided an assessment of investment requirements over 30 years. The SCS and local knowledge had been used to create a 30-year investment plan. The investment plan was a key focus for the FWH board. The key areas of investment included resolving historic poor building and maintenance practices by BHP in South Kilburn, refurbishment of market rented properties, and a provision for the purchase of new build homes, as well as, cyclical maintenance works.
- c. Brent Finance Team were currently in the process of confirming the affordability of the programme and any associated funding gaps. However, FWH's cashflow forecast over the next 5 years was relatively favourable. It was, thus, less critical at this stage to seek alternative financing models to carry through with the investment plan but there was a likelihood that capital funding would need to be raised over the medium term. One option under consideration was renegotiating the terms of the loan.
- d. The 2019/20 Business Plan also highlighted that the Guarantor was exploring opportunities to align i4B and FWH, including looking at the possibility of merging the two companies. However, the Guarantor has determined that merging the two companies was not viable primarily because i4B was a company limited by shares whereas FWH was a company limited by guarantee.
- e. FWH had 329 tenanted properties. Of 329 - 89 were at social rent rate, 25 were at intermediate rent, and 45 were at PRS /market rent as well as 170 Settled Homes (SH) - a form of temporary accommodation. SH were let on assured short hold tenancies, with rent levels slightly below LHA rates (the weekly rent for a two-bedroom property was £300). When business plan surpluses to become sufficient, properties would be converted, on an incremental basis, to social rents, on assured tenancies.

- f. The annual FWH rent roll was £4.2 million with two commercial properties within the portfolio. FWH had not purchased any new properties, therefore, performance was only based on housing management.
- g. Performance in June 2019 exceeded the monthly performance target for rental income collection of 98.5% and the year to date target of 99.5%. This was similar to February 2019, where the performance was 107% (due to arrears collection).
- h. Repair and void turn around had improved and remained good. For example, In June 2019, 100% of emergency repairs were completed in less than 24 hours and in June 2019 88% of qualifying repairs were completed within 14 days compared to a target of 85%. Year to date performance for qualifying repairs was also 88%. In February 2019, there were two market rent voids and it took on average 162 days to let the two properties and the turnaround was higher than the target of 21 days due to difficulties in competing with similar market rented products on the market. In June 2019, performance had now improved significantly - 4 properties were let; 3 Settled Homes and 1 PRS property (formerly Intermediate and Market Rent). 1 PRS property let was a minor void and it took 16 days to let against a target of 21 days. The 3 Settled Homes properties were also minor voids and took an average of 37.3 days. This was due to delays in sourcing suitable applicants from the Private Rent Sector Team in Housing Needs. Officers were currently reviewing the Settled Homes Allocation process to improve targeting of suitable applicants.
- i. The Company's Risk Register (Appendix) 1 and the Risk Management Framework (Appendix 2) were attached to the report. Since the last report to the Committee, no new risks had been added. The risks that remained live issues and being monitored were unforeseen costs and loss of income as a result of poor quality housing stock and contingency/repair costs being inadequate which would be rectified. A Responsive Repairs Report had been drafted and distributed to Sean Gallagher (Head of Housing Management, Brent Council) and Hakeem Osinaike (Operational Director for Housing, Brent Council) for action about the repairs.
- j. The primary challenge to FWH was expected in about 3 - 4 years as it was not generating enough cash but there was a possible solution in terms of valuation and cash option. However, the Company's balance sheet remained strong.
- k. In April 2019, FWH Board had agreed a programme of internal audits for 2019/20.

RESOLVED:

- i. The Committee notes the company performance; the update to the FWH risk register; the update on recent FWH audits; and progress towards implementing previous audit recommendations; and
- ii. The Committee requests that the contingency/repair/refurbishment costs be adequately established and reflected accordingly in the Company's Risk Register.

10. Internal Audit Progress Report

Colin Garland (Audit Manager, Brent Council) introduced the report providing an update to the Committee on progress against the Internal Audit Plan for the period 1 April 2019 to 31 August 2019.

In considering the report, the Committee noted the following key points:

- a. Internal Audit team had completed seven audit reviews and advisory pieces of work; twelve follow up reviews; two school audits from this year's program of ten school audits led grant claim certifications for the Troubled Families Programme.
- b. The team had been functioning below its budgeted resource and this was supplemented by temporary staff in the final quarter of 2018/19. Recruitment of new permanent staff had now brought improved stability and performance with two new auditors joining the team, one in April and a further one in July. The team continued to be supplemented by a contracted resource from PWC.
- c. The Internal Audit Plan for 2019/20 initially comprised 55 audits excluding school reviews, follow ups and advisory work. Seven audits had been completed with a further two draft reports issued, awaiting a response from management. A further 17 were nearing completion or were in progress. Resources had been allocated to allow full completion of the plan.
- d. As part of the audit process, follow-up reviews were carried out to ensure that agreed management actions in respect of significant risks had been implemented.
- e. Twelve follow up reviews had been completed. A further ten were currently in progress. Details of the completed follow up reviews were set out in Appendix C of the report. Of the 12 completed, three had high risk issues and associated actions that had not been implemented or only partially implemented. A total of 95 management actions had been reviewed with high risk actions shown in brackets. Details of these actions were also included in Appendix C.
- f. Referring to issues highlighted in IR35, a query was raised about the use of agency staff from other than the agreed contractor. The Committee requested that details be circulated to all by email.
- g. There was a good follow-up and completion rate on recommendations raised during audit reports, increasing from 40% and 50% to 90+%.

RESOLVED:

The Committee notes the content of the report.

11. Counter Fraud Progress Report

Michael Cassel (Counter Fraud Manager, Brent Council) introduced the report providing a summary of the counter fraud work undertaken for the period 1 April to 30th June 2019. He also provided details and examples of relevant cases, including identity theft and blue badge fraud.

During the update and in considering the report, the Committee noted:

- a. The total referrals of alleged internal fraud for Q1 were consistent with the previous year. This included whistleblowing referrals and a range of case types that included financial, staff conduct and procedural irregularities. Internal fraud typically had the fewest referrals in any period but was generally more complex in nature.
- b. A particular case was highlighted which concluded in April 2019 about a Blue Badge misuse by a member of staff. The offence was identified in September 2018 during one of the team's on-street enforcement operations. The individual resigned pending a disciplinary hearing and subsequently pleaded guilty to a misuse offence under the Road Traffic Act. They were sentenced to a £500 fine (half the maximum) and ordered to pay £1,092 costs and a £50 victim surcharge. Another case which was highlighted about a new member of staff dismissed for recruitment irregularities and providing false information. They were dismissed in Q4 of the previous year and appealed, which in Q1 was not upheld.
- c. There were eight referrals logged in Q1 that related to whistleblowing from a variety of sources. Due to the confidential nature and types of referrals, it was not appropriate to provide details in the report.
- d. There had been an increased presence on the Council's website that enabled members of the public to report all suspected fraud. Additionally, fraud awareness sessions had been delivered across a number of Council departments. A further nine cases had been logged to date in Q2, which represented a slight increase in internal-related activity over the same period last year. The Chair commented that there seemed to be more referrals now and there was a need to make a judgement as to whether this was healthy or excessive.
- e. The recovery of social housing properties by the Investigations Team had a positive impact upon the temporary accommodation budget and remained a high priority fraud risk area for the Council. The average value of each recovered tenancy was £93,000 per property as reported by the Cabinet Office in its 2016 National Fraud Initiative Report.
- f. A total of five housing cases, with a notional value of £542,900, were recorded as a result of fraud / irregularity in Q1, which was consistent with the same period last year where fraud was identified in seven cases. There were currently 86 live housing related cases. Eight cases were currently going through various stages of legal proceedings to recover properties and/or prosecute housing related offences. Enquiries into an additional 18

cases had concluded and reports issued recommending recovery action was instigated.

- g. Since Q1 of 2017/18, the Internal Investigations Team had led on an organised Freedom Pass fraud investigation involving several councils in London with over 100 fraudulent applications identified to date. The team identified 17 fraudulent Brent applications. The main subject of the investigation, who has now been convicted, was identified, arrested and appeared in court on 26 June 2018 relating to 21 counts of fraud, counterfeiting and forgery. The investigation was in collaboration with London Councils, Transport for London and the Police and was being led by Brent Council. The fraud had been present in our system since September 2016 and specifically targeted the 'partially sighted' entitlement category using false supporting documentation. This occurred due to inadequate controls on the verification of supporting documentation which was addressed by the service area at an early stage of the investigation. The potential value of a Freedom Pass was approximately £6,000 per year and the cost to councils was significantly more due to the charging structure with London Councils, costing Brent approximately £350 per pass to administer.
- h. Responding to a query about housing, vulnerable people, safeguarding and the use of bailiffs to collect debts etc., it was highlighted that relevant Brent staff were fully trained about safeguarding issues and the use of bailiffs was more relevant to the housing team.
- i. In response to a question about its approach, it was clarified that the Council used both reactive and pro-active techniques in relation to counter fraud.

The Chair thanked officers for the report and their continued work.

RESOLVED:

The Committee notes the counter fraud work within the period of this report.

12. Strategic Risk Register Update

Michael Bradley (Head of Audit and Investigations, Brent Council) introduced the report which contained the Corporate Risk Register including an update on the Council's Risk Management position. He informed that each of the departmental management teams had carried out a review and re-assessment of their risk registers that were put together last year following a series of workshops with each of the teams.

There were inherent risks which the Council faced which were owned and monitored at the departmental level. These had previously been identified as:

- Safeguarding (Children and Adults);
- Business Continuity;
- Information Governance;
- Legislative Compliance;
- Fraud and Corruption;

- Financial Stability; and
- Health and Safety.

These risks would be incorporated into the Corporate Risk Register when net or mitigated risk ratings were deemed to be of a level that exceed the appropriate tolerance. During the course of the workshops for last year's exercise none of these inherent high risks were rated as 'high risk' although some risks were identified which could potentially have an impact on financial stability. Since then, the main changes to the risk register were:

- Removal of the Council Tax Transition Risk due to the completion of the project, and
- Addition of the Brexit Risk in view of the approaching potential 'no deal' scenario. A recent Internal Audit of Brexit preparations found that the Council's analysis of Brexit risks in the event of no deal was good and no gaps in coverage were identified. Therefore, although the likelihood was increasing, effective action had been taken to ensure the impact was being sufficiently mitigated.

In response to a query, Carolyn Downs (Chief Executive, Brent Council) informed that if there was a specific concern or need, audit reports could be requested by Members, however, the Departmental Risk Registers, were best presented to and scrutinised by the relevant scrutiny committees. Carolyn Downs indicated that she would ask to ensure that Departmental Risk Registers were shared with the respective scrutiny committees on a periodic basis.

RESOLVED:

The Committee notes an updated Corporate Risk Register.

13. Treasury Management Mid-term Report

Daniel Omisore (Head of Finance, Brent Council) introduced the report providing an update to the Committee on treasury activity for the first half of the financial year 2019-20.

In considering the report and during the discussion, the Committee noted the following key points:

- a. That during the first half of the year the council has complied with all of its stated prudential indicators and there were no breaches.
- b. In respect of the wider economy GDP growth in the first calendar quarter for 2019 increased from 0.2% in Q4 2018 to 0.5%. Stockpiling ahead of the uncertain Brexit date seemed to be the main driver of this increase however this growth had not been maintained. Economic growth stalled in Q2 with a growth rate of - 0.2%. The trade conflict between the US and China had also contributed to sluggish global growth. The outlook for the UK economy remained challenging to predict following the extension of the Brexit deadline or potential no-deal scenario between the EU and the UK.

- c. Consumer Price Index (CPI) had increased to 2.1% in July and was expected to decline further below the Monetary Policy Committee's (MPC) 2% target in the near term - largely due to lower than expected retail prices. The unemployment rate remained at a low of 3.9% with the employment rate at 76.1% - the joint highest since comparable records began in 1971. Wages excluding bonuses grew by 3.9% which when adjusted for inflation showed real wages were up 1.9%.
- d. The Council's external interest budget for the year was £24.2m, and for investment the income was £4.7m. The Council was likely to exceed this figure in 19-20 due to enhanced income returns from subsidiary loans such as i4B. The average cash balances, representing the Council's reserves and working balances, were £94m during the period to 31 August 2019.
- e. The interest rate the Council received on money market funds had remained stable and outperformed local authority deposits over the three-months (to the end of Aug 19) whilst providing added liquidity benefits.
- f. In relation to a query from the Committee about the historic low rates, it was highlighted that the Authority continued to qualify for borrowing at the 'Certainty Rate' (0.20% below the Public Works Loan Board, PWLB, standard rate). This was reviewed on an annual basis and had been confirmed as applying until 31 October 2019 and alternative sources of long term funding were available. However, the Council would continue to adopt a cautious and considered approach to funding from the capital markets. The affordability, simplicity and ease of dealing with the PWLB represented a strong advantage. Having said this, due to its prudent policies and strong balance sheet, the Council was in a position to consider alternatives and had already begun this process with the implementation of the forward borrowing strategy work which would be reported back to this Committee early next year.
- g. There was an £18m downward movement in short-term investments which was expected to continue in the coming years as the capital programme was progressed. The investment balances were expected to drop significantly over the next six months with the impending purchase of the 235 units at Gloucester & Durham in South Kilburn. The year to date capital spend for 19-20 currently stood at just over £30m with a forecast of £297m for the full year. This was having a significant impact on the Council cash available for investment and the use of internal balances to fund capital expenditure might not be sustainable over the medium to long term and was being monitored. The Council had undertaken a detailed analysis of its cash flows, examining the pace at which it was reducing its cash reserves. The analysis was based on forecasted capital commitments, incoming resources and seasonal variations. The latest analysis suggested the Council would need to borrow towards the end of 2021 to a certain extent limiting the Council's ability to use financial products that generated higher financial returns, as they would require longer time horizons.
- h. The Council was reviewing its borrowing options which might include short-term loans, PWLB borrowing, forward borrowing and other market loans. At a meeting in September 2018, Brent Cabinet endorsed an updated

borrowing strategy that included a recommendation to commence negotiations to agree a forward funding loan of up to £40m. The Council was currently undertaking an exercise with external Treasury Advisors to review whether forward borrowing was the most appropriate form of funding for our expected capital expenditure and existing debt portfolio.

- i. Treasury Management Indicators, including risks, were detailed in Appendix 1 of the report.
- j. In response to a question concerning forward borrowing it was noted that one of the main benefits of this approach included the ability to agree sums in advance of need, at a fixed rate for delivery on a pre-determined future date. This way the Council is able to hedge future interest rate exposure whilst avoiding a short term increase in costs, as interest payments do not commence until the loan starts.
- k. Following previous queries by the Committee, a benchmarking exercise was carried out to look at a comparison between Brent's investment portfolio and that of Arlingclose's (the Council's Treasury Advisor) other Local Authority clients. The comparison exercise demonstrated that Brent's portfolio had a very low risk profile compared with many others which also equated to a lower yield. However, many authorities were to the right of Brent obtaining similar yields for much higher risk. In summary, Brent was consistently right in the middle of the comparative graph which was attached to the report under paragraph 3.25.

RESOLVED:

The Committee notes the content of 2019/20 mid-year Treasury report including Appendix 1.

14. The Annual Audit Letter

Minesh Patel (Director of Finance, Brent Council) and Paul Dossett (Partner and Head of Public Sector Assurance, London and South East at Grant Thornton UK) introduced the Annual Audit Letter issued by the Council's external auditors, Grant Thornton, following completion of the audit of accounts.

Minesh Patel informed the Committee that he was satisfied with the process and the Council was joint-first Council in London to submit its annual accounts. In relation to value for money, the Council's external auditors were satisfied that in all significant respects the Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2019.

The Committee requested more details outside of the meeting about the valuation of level 3 investments as highlighted on page eight of the letter. Minesh Patel undertook to ensure the Chair and Vice Chair were invited to regular meetings with Grant Thornton.

The Chair thanked officers and external auditors for their hard work in being the joint-first local authority in London to submit their account despite a very challenging deadline this year.

RESOLVED:

The Committee notes the contents of the Annual Audit Letter issued by Grant Thornton (the Council's external auditors).

15. External Audit Progress Report and Sector Update

Paul Dossett (Partner and Head of Public Sector Assurance, London and South East at Grant Thornton UK) and Sophia Brown (Engagement Manager, Grant Thornton) introduced the report providing the Audit and Standards Advisory Committee with an update on progress in delivering Grant Thornton's responsibilities as the Council's external auditors.

In considering the report and during the discussion, the Committee noted the following key points:

- a. The report included a summary of emerging national issues, developments that could be relevant to Brent as a local authority and plans, including a timeline, about the next year's audit.
- b. i4B and FWH subsidiary year-end accounts were planned to be concluded by the end of May next year.
- c. Subject to planned legislative change, in future, the reporting would require more work, with the VFM conclusions probably abolished and replaced with detailed value for money reporting which could result an increase in professional fees. Carolyn Downs (Chief Executive, Brent Council) felt that this would be an increased cost and additional burden on Brent.

The Chair thanked Paul Dossett for the report, particularly the sector update, which was very useful for the Committee.

RESOLVED:

The Committee notes the content of the report, including the sector update.

16. An update report on review the performance of the Committee (self-assessment)

Debra Norman (Director of Legal, HR, Audit and Investigations, Brent Council) informed that work had been progressing and an update report would be provided at the next meeting of the Committee.

RESOLVED:

To receive an update report at the next meeting of the Committee.

17. **Review the Committee's Forward Plan**

The Chair introduced the Committee's Forward Plan. The Committee reviewed its Forward Plan and made the following additions:

- Review the performance of the Committee (self-assessment); and
- Emergency preparedness - Peer Review.

RESOLVED:

Kunwar Khan (Governance Officer, Brent Council) undertook to update the Audit and Standards Advisory Committee's Forward Plan.

18. **Any other urgent business**

None.

The meeting closed at 8:12

David Ewart
Chair

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 Brent	Audit and Standards Advisory Committee 20 January 2020
	Report from the Director of Legal, HR, Audit and Investigations
QUARTERLY UPDATE ON STANDARDS (INC. GIFTS & HOSPITALITY)	

Wards Affected:	All
Key or Non-Key Decision:	Not applicable
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
No. of Appendices:	Two: 1) Appendix A – Gifts & Hospitality register 2) Appendix B - Member mandatory training, non-attendance record.
Background Papers:	None
Contact Officer(s):	1. Debra Norman Director of Legal, HR, Audit & Investigations Email: Debra.Norman@brent.gov.uk Tel: 020 8937 1578 2. Biancia Robinson Senior Constitutional & Governance Lawyer Email: Biancia.Robinson@brent.gov.uk Tel: 020 8937 1544

1.0 Purpose of the Report

1.1 The purpose of this report is to update the Audit and Standards Advisory Committee on gifts and hospitality registered by Members, the attendance record for Members in relation to mandatory training sessions and two recent cases reported in the media involving general councillor conduct.

2.0 Recommendations

2.1 That the Committee note the contents of the report.

2.2 That the Committee considers what further steps could be undertaken to improve the attendance record for Members in relation to mandatory training sessions.

3.0 Detail

Gifts and Hospitality

- 3.1 Members are required to register gifts and hospitality received in an official capacity worth an estimated value of at least £50. This includes a series of gifts and hospitality from the same person that add up to an estimated value of at least £50 in a municipal year.
- 3.2 Gifts and hospitality received by Members are published on the Council's website and open to inspection at Brent Civic Centre. A list of gifts and hospitality registered by Members from 26 June to 20 December 2019 is attached at Appendix A.
- 3.3 Hospitality accepted by the Mayor in her/his civic role is recorded separately and published on the Council's website.

Member Training Attendance

- 3.4 On the 10 July 2019 the Committee received a report updating it on the attendance records for Member's in relation to mandatory training sessions.
- 3.5 The Committee is reminded:
 - a) it is a requirement of the Members' Code of Conduct that all members' *"must attend mandatory training sessions on this Code or Members' standards in general, and in accordance with the Planning Code of Practice and Licensing Code of Practice"*.
 - b) the schedule for all mandatory sessions is published and approved in the Council calendar at the May Annual General meeting. All internal training sessions attended by Members are published on the Council's Website and on individual Member profile pages.
 - c) training sessions reminders are sent via email, calendar invitations, text messages and, on some occasions, direct telephone calls to Members. Re-run(s) of sessions have been scheduled from September 2018 for Members who could not attend the originally listed training session and sessions are scheduled to take account of personal circumstances like work commitments, child care arrangements etc.
 - d) there are four mandatory training sessions provided for all Members and five mandatory sessions provided for Committee Members and, where appropriate, co-opted members. These are both identified in Table 1 below.
 - e) mandatory sessions are provided annually and all committee members and substitutes are required to attend the relevant session. In addition, all other Members are invited to attend the sessions.

Table 1

Mandatory Training	Attendee requirement
1) Standards and the Code of Practice	All Members
2) Corporate Parenting & Safeguarding Children	All Members
3) Safeguarding vulnerable adults	All Members
4) Equalities Training	All Members
5) Planning	Committee Members only
6) Alcohol and Entertainment Licensing	Committee Members only
7) Scrutiny induction	Committee Members only
8) Audit & Standards Committee and the Audit & Standards Advisory Committee induction training	Committee Members only
9) Brent Pensions Fund – Approach to responsible investment	Committee Members only

An overview of the current non-attendance record is set out below.

3.6 Mandatory all member sessions:

- 12 Members need to attend the Safeguarding Vulnerable Adults training. This position remains the same as reported in July 2019.
- 12 Members need to attend the Corporate Parenting & Safeguarding Children training. This is a reduction of four against the position reported in July 2019.
- 7 Members need to attend the Equalities Training. This is a reduction of five against the position reported in July 2019.
- 1 Member needs to attend the Standards and the Code of Conduct training. This is a reduction of two against the position reported in July 2019.

Committee Member mandatory sessions:

- 2 Members / substitute members need to attend the Audit & Standards Committee and the Audit & Standards Advisory Committee induction

training. This is a reduction of six against the position reported in July 2019.

- 10 Members need to attend the Scrutiny induction training.
- 6 Members / substitute members need to attend the Brent Pensions Fund – Approach to responsible investment training. This is a reduction of one against the position reported in July 2019.
- All Members / substitute members have attended the Alcohol and Entertainment Licensing training and Planning training.

3.7 A summary setting out the sessions of mandatory training and Members names is attached as Appendix B.

3.8 The Committee is invited to consider what further steps could be undertaken to improve the attendance records of some Members.

3.9 General Councillor Conduct

The Committee will be aware that there are currently four councillor vacancies, three relate to resignations due to the councillors other commitments and location issues.

3.10 The fourth resignation concerns Cllr James Allie, 50. Mr Allie had been appointed the executor of Ruth Ballin's will. Instead of administering the estate for the benefit of Canon Collins Educational and Legal Assistance Trust charity as required, he hid the bequest from the charity for over two years, utilising her assets to buy a £580,000 property in Brent.

3.11 The High Court heard that Mr Allie has been dismissed from his place of employment and a freezing injunction has been obtained over the estate's assets. The police and Solicitor's Regulation Authority have both been informed.

3.12 Judge David Rees QC ordered that Mr Allie vacate the property by January 31 2020 and hand over any remaining money from the estate. The charity and his former employers are seeking their costs.

3.13 Following the High Court decision Mr Allie stood down as a Cllr in the Alperton Ward.

3.14 The Committee are advised that had Cllr Allie not resigned, this would have been a potential standards matter, although it should be noted the Code only specifically applies where there is a criminal conviction of a specified level of seriousness, while this was a civil case.

3.15 The by-elections for Barnhill, Wembley Central and Alperton will be held on the 23 January 2020. The Committee may be familiar with the recent case of Cllr David Pope, 75, of West Norfolk. Mr Pope needed signatures of supporters on his nomination paper for Upwell and Delph, where he stood as an Independent West Norfolk councillor. Candidates seeking selection needed the signatures of eight supporters who were electors in the ward.

- 3.16 The form was due to be, and purportedly, signed by Mr D Gooch. However, Mr Gooch was not home when Mr Pope called and told the court it was not his signature on the nomination form. It transpired the form was signed by Mr Gooch's son who was home when Mr Pope called round. Mr Pope admitted one charge of permitting a false signature on an election nomination paper and was fined £3,300. He has stood down as a Councillor.

4.0 Financial Implications

- 4.1 There are no financial implications arising out of this report.

5.0 Legal Implications

- 5.1 The Council, individual Members and co-opted Members are required to promote and maintain high standards of conduct in accordance with s27 of the Localism Act 2011. The attendance at mandatory training sessions is a means to achieve this and a requirement pursuant to the Brent Members' Code of Conduct.

6.0 Equality Implications

- 6.1 There are no equality implications arising out of this report.

7.0 Consultation with Ward Members and Stakeholders

- 7.1 Not applicable.

8.0 Human Resources/Property Implications (if appropriate)

- 8.1 Not applicable.

Report sign off:

Director of Legal, HR, Audit & Investigations

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Gifts and Hospitalitys (26 June - 20 December 2019)


Councillor	Date of gift	Gift received	Value £	From
M Butt	07/09/2019	England v Bulgaria (x 2 tickets)	80	Anthony Angol, Community and CSR Manger, The FA Group, Wembley Stadium
	26/09/2019	Soul of Shaolin Gala Performance - Guest of Honour	80	Room Entertainments, Performance Marketing for live experiences, 2nd Floor, 17a Newman Street, London W1T PB
	09/10/2019	Invite to Highways Excellence Awards	75	Awards Highways, 32 Vauxhall Bridge Road, London SW1V 2SS
	10/10/2019	Invite to GG2 Leadership Awards 2019	70	Asian Media Group, Garavi Gujarat House, 1 Silex Street, London SE1 0DW
	22/10/2019	Invite to attend the Festival of Ideas at the University of Cambridge	0	Department of Politics and International Studies (POLIS), University of Cambridge. All cost to and from paid by Cllr M.Butt who attended as Guest speaker
	25/10/2019	POLITICAL FIGURE of the Year at the Grand Connaugh Rooms, Covent Gardens	70	Daniel Hughes PR agency, 4th Floor, Bling Bling Building, 69 Hanover Street, Liverpool L1 3DY
	31/10/2019	Invite to Kickoff on Kismet 2019	50	Jacksonville Jaguars, LC, 1 TIAA Bank Field, Jacksonville, Florida, 32202
	03/11/2019	Invite to Jaguars game at Wembley Stadium	38	NFL Jacksonville Jaguars, LLC, 1 TIAA Bank Field, Jacksonville, Florida, 32202
	06/12/2019	OPDC Board Member Dinner	50	Old Oak and Park Royal Development Corporation.
George Crane	29/10/2019	Complimentary ticket to Capital West London Conference.	400	Reason for attending - Director of Invest 4 Brent
Ernest Ezeajughi	11/06/2019	Three tickets for England v Bulgaria (match date 7/9/19). Mayor and Mayoress and Mayor's Attendant	80	Received from Anthony Angol, Community and CSR Manager, the FA Group, Wembley Stadium
Krupesh Hirani	29/10/2019	Troubadour Theatre opening night	38.5	Troubadour Theatre
	03/11/2019	NFL Ticket - Wembley Stadium	38	Jacksonville Jaguars
Ketan Sheth	28/09/2019	3 tickets for the final matinée performance of The Seven Ages of Patience at the Kiln Theatre, London NW6.	32.5	The Kiln Theatre
	29/09/2019	Invitation to the celebration of the 150th anniversary of Mahatma Gandhi at the Ballroom, 8 Northumberland Avenue, London WC2	50	High Commission of India
	01/10/2019	Special guest at Healing Words 2019 Awards Ceremony at Plantation Place, 30 Fenchurch Street, London EC3	25	The Advocacy Project
	12/10/2019	Evening of Raas Garba at the Grand Hall, Brent Civic Centre	100	Raj Soni & Family
	29/10/2019	Three tickets for the Gala Performance of "War Horse" at the Troubadour Wembley Park Theatre	125	Wembley Park Ltd
	05/11/2019	Two tickets for the preview performance of "When the Crows Visit" at the Kiln Theatre	27.5	The Kiln Theatre, London NW6
Krupa Sheth	03/11/2019	NFL Game ticket - Wembley Stadium	38	Jaguars NFL Team
Shama Tatler	23/07/2019	Development in Partnership with Communities - Dinner at Claridges with Cllr Peter John	50	Kanda Consulting

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	Corporate Parenting and Safeguarding Children	Equalities Training	Planning	Scrutiny Induction	Standards and the Code of Conduct	Alcohol & Entertainment Licensing	Brent Pension Fund - Approach to Responsible Investment	Audit and Standards Committee and the Audit and Standards Advisory Committee Induction Training	Safeguarding Vulnerable Adults Training
	Mandatory All	Mandatory All	Mandatory for Committee Members ONLY	Mandatory for Committee Members ONLY	Mandatory to All Members	Mandatory for Committee Members ONLY.	Mandatory for Committee Members ONLY.	Mandatory for Committee Members ONLY.	Mandatory for All Members
Councillors Yet To Attend a Mandatory Training Session									
	Abdi	Abdi		Aden	Naheerathan		Colwill (sub)	Donnelly-Jackson (member)	Chan
	Aden	Chan		Colwill			Marquis (sub)	Hassan (member)	Chohan
	Chappell	Crane		Ethapemi			Maurice (member)		Crane
	Crane	Daly		Gill			McLeish (sub)		Daly
	Daly	Kansagra		Kabir			Naheerathan (sub)		Gill
	Denselow	Marquis		Kansagra			Stephens (member)		Hassan
	Ethapemi	Naheerathan		Maurice					Kelcher
	Hassan			Nerva					Kennelly
	Marquis			S Choudhary (new since 8th July 2019)					Lo
	Mashari			S Butt					Marquis
	Maurice								McLeish
	McLeish								Patel, Ramesh
	12	7	0	10	1	0	6	2	12
Since this report went to Audit & Standards Advisory Committee on 10 July 2019	This session was repeated on the 9 October 2019. No other dates planned. The session has been repeated 4 times since 2018.	A session on Equalities and Relationships and Relationships Education took place on the 21 October 2019.	All committee members have now had training.	The Scrutiny Committee officers are not planning to hold this session again.	All members have now had training except for Cllr Naheerathan.	All committee members have now had training.	Committee training took place on the 2nd October, before the main committee meeting. The former Head of Finance advised that this was members only training. Therefore not appropriate for subs committee members.	All members of the committee have now had training except for the above Cllrs, who could not attend the repeat session on 24 July 2019. No other dates planned	This session was repeated on the 10 September 2019. No other dates planned. This session has been repeated 3 times since 2018.

* Cllr Marquis stood down in December 2019

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 <p>Brent</p>	<p>Audit and Standards Advisory Committee 20 January 2020</p> <hr/> <p>Report from the Assistant Chief Executive</p>
<p>ANNUAL REVIEW OF THE MEMBER DEVELOPMENT PROGRAMME AND MEMBERS' EXPENSES</p>	

Wards Affected:	All
Key or Non-Key Decision:	N/A
Open or Part/Fully Exempt:	Open
No. of Appendices:	Six: Appx 1 - List of sessions 2019/2020 Appx 2 - Attendance at internal training events Appx 3 - Attendance at external training events Appx 4 – Induction training for the Newly elected Members Appx 5 - LB Brent Charter Plus Action Plan Appx 6 - Member Expenses, 2018-2019
Background Papers:	N/A
Contact Officer(s):	Thomas Cattermole, Head of Executive and Member Services, Email: Thomas.Cattermore@brent.gov.uk Michelle Sylva, Member Support Officer, Email: Michelle.Sylva@brent.gov.uk

1.0 Purpose of the Report

- 1.1 The purpose of this report is to provide members of the Audit and Standards Advisory Committee with a summary of the Member Development Programme since last reported to Committee and information regarding the Members' Expenses Scheme.
- 1.2 This report provides information about the member learning and development sessions delivered since March 2019, and provides, for information, an overview of upcoming member learning and development sessions.
- 1.3 The report also provides an outline of the Member induction programme to be delivered after the by elections on 23 January 2020.

2.0 Recommendation(s)

- 2.1 That the Committee notes the work being undertaken by the Member Learning and Development Steering Group in ensuring effective training and

development for Brent's elected representatives that responds both to the Council's corporate priorities and councillors' individual training needs.

3.0 Detail

- 3.1 The Member Development Programme was last reviewed by Members of the Audit and Standards Advisory Committee on 20 March 2019. A report on Mandatory training was considered by that Committee on 10 July 2019. That review covered the period May 2018 to October 2019.
- 3.2 In addition to the annual review by members of the Standards and Audit Advisory Committee, the member learning and development programme is monitored quarterly by the cross party Member Learning and Development Steering Group.
- 3.3 The Member Learning and Development Steering Group provides invaluable Member and Chief Officer input into the rolling programme. The scope of that Group is to consider the type of training provided and review attendance at each session, and consider any requests and suggestions for training from Members, in particular requests for external training with a cost implication.
- 3.4 The Member Learning and Development Steering Group provides constructive input and evaluation of the programme. A strong political lead on member development from all groups is essential to ensure member ownership of the programme.
- 3.5 The Council has organised and delivered twenty Member learning and development sessions since March 2019. Nine of the twenty sessions provided have been mandatory. Members who were unable to attend the original mandatory training sessions were required to attend a repeat session. **The data is attached at Appendix 1.**
- 3.6 Member attendance at internal learning and development sessions has varied for each session during the current municipal year. Reminders are issued on a weekly basis via text message and email. Since the introduction of the electronic calendar invitations text messaging service, attendance has improved significantly.
- 3.7 Member learning and development sessions are advertised widely to all members in various ways;
- The weekly Members' Information Bulletin;
 - The Members' Portal;
 - The weekly update of the Council calendar ;
 - Electronic calendar invitations to all Councillors.
- 3.8 Attendance at training sessions has been encouraging. Sessions have been well attended. Of the twenty sessions delivered since March 2019, not including the mandatory sessions, fifteen members or more have attended 5 sessions.
- 3.9 Since May 2018, attendance at internal training sessions has been published on the Council's Website and on individual Member profile pages.
- 3.10 The most attended session was the Equalities and Relationship training. The next most attended session, which were not mandatory were the Presentation

and Public Speaking training and Prevention Matters - Home Office and Elected Members, Prevent Strategy Roundtable, Nineteen Members attended both the sessions. **Attendance data at each session is attached for information as Appendix 2.**

- 3.11 Understandably, sessions with the lowest attendance tend to be those aimed at specific committee membership.

Public Speaking and Presentation skills

- 3.12 In response to requests from a number of Councillors, the Member Learning and Development Working Group agreed to offer a Public Speaking and Presentation skills course again for all Members in March 2019. This course was last offered in March 2017.

The purpose of the course was to improve Members' ability to present and communicate more effectively and dynamically.

The course comprised different exercises for Members to discover more about what works and what could be improved in their ability to present. Nineteen Members attended. This course was followed by a 1-1 session for each Member with the trainer. The feedback received from Members after the course was very positive.

External Training Events March 2019 – January 2020

- 3.13 Since March 2019, Members have attended a number of external events delivered by organisations including the Local Government Association (LGA), London Councils, Centre for Public Scrutiny (CfPS) and the Local Government Information Unit (LGIU).
- 3.14 The Member Learning and Development working group considers all attendance at external sessions. **Attendance data is attached as Appendix 3.**
- 3.15 Feedback has been crucial to shaping and developing the member development programme. The Council has developed an electronic feedback form to collate Member feedback on each Member Learning and Development session delivered since February 2019.
- 3.16 The purpose of this survey is to get Members' views about the quality of the training, to identify future needs.

Induction for Newly Elected Members in January 2020

- 3.17 The core Induction process for the four Councillors (23 January 2020) will provide the key information, support, resources and training for the new members. In order to ensure that information is made available to members at a steady pace, the new Members will be given a welcome pack of basic information, IT equipment at the Induction day on 27 January.

Induction Training

- 3.18 Access to comprehensive induction arrangements are vital to ensure that the newly elected members are fully conversant with all aspects of the various roles within the council as soon as possible after their election. Member induction covers key corporate themes, initiatives and departmental overviews and introductions including Mandatory trainings. **The induction training programmed is attached as Appendix 4.**

Members' Handbook

- 3.19 The 'Members' Handbook' is being updated. This will be launched in January 2020. Members can currently access the current Handbook from the Council's intranet site or via the new Members' Portal.

Member Development Charter Award – Gold Standard

- 3.20 The Council was re-assessed for Charter Plus in December 2018. The assessors confirmed that Brent Council has achieved and continues to meet the Charter Plus standard of the London Charter for Elected Member Development. The council was awarded Charter Plus status – Gold Standard for three years from 10 December 2018.
- 3.21 The assessment was based on an analysis of a portfolio of evidence submitted in advance by the Council, plus a number of interviews with councillors, officers and partner organisations. The evidence presented in the portfolio was drawn from a wide range of sources and gave an overview of the council's member development activities. The self-assessment was linked to the three Charter criteria, highlighting specific examples of where different elements of the Charter Plus standard are met by the Council. The assessment team confirmed that the Council continues to have a strong strategic commitment to member development that the Council has responded to the recommendations following the September 2015 assessment and has also moved forward with a comprehensive member development programme.
- 3.22 The assessment team were 'more than satisfied' that the comprehensive portfolio both met and in many areas, exceeded the Charter Plus criteria. The council will be required to present evidence of continuing progress as part of the direction of travel in eighteen months' time and will be re-assessed in full against the Charter Plus standard in three years.
- 3.23 The assessment team identified the following key strengths:
- The assessment team was pleased to see that there continued to be very strong political and organisational support for member development;
 - Partnership working has moved from the rhetorical to the actual;
 - The Member Development Steering Group continues to have a high profile and reflects the current two political groups, group leaders and both experienced and newly elected councillors;
 - The 'Be A Councillor' programme was highly successful and involved over 100 attendees and supported the promotion of local democracy as well as encouraging individuals to put themselves forward as prospective councillors;
 - The Council has a comprehensive member development programme

that consists of high quality external facilitators and a particular focus on community leadership and neighbourhood engagement;

- The Council has positively embraced and taken forward the recommendations highlighted in the Members Needs Analysis Report 2017;
- Members have embraced the opportunity provided through the mentoring programme and many external Member mentors are in place to support Lead Members and Committee Chairs.
- Member development is supported by a sustainable budget and the Member Development Steering Group ensure accountability of the use of the budget;
- There is a strong commitment to a structured approach to cabinet succession planning supported by an effective leadership development strategy;
- The Member Development Strategy and Vision Statement and the development programme compliment and support the key strategic priorities of the organisation and ensure councillors have the skills and knowledge to deliver the priorities

3.24 The assessors' suggested improvement areas:

- The Member Development Steering Group to focus on “maintaining momentum” and increasing councillor engagement in member development;
- The Member Development Steering Group to have a more proactive focus on evaluation of member development and identifying the impact of member development both internally and externally;
- The council should continue to support the strategic approach to leadership development both for Cabinet members and for all councillors as community leaders;
- The Council should further develop the e-learning resources and begin to introduce and look to develop webinars to respond to the different learning styles of councillors;
- The council should consider more effectively differentiating between training and development sessions and more concise member briefings;
- There should be the opportunity to focus development in how to work effectively with and influence external organisations. E.g., Transport for London, Thames Water and Government Departments.

3.25 In response to the assessment, an action plan to address the suggested areas for improvement has been drafted. The action plan will be monitored by the Member Development Steering Group. **The Action Plan is attached as Appendix 5.** An interim assessment visit will take place in 18 months.

4.0 Members' expenses

4.1 The Council's Allowance scheme for Members, as detailed in Part 8 of the council's constitution, makes provision for the payment of certain expenses, in accordance with stipulated conditions.

4.2 The Executive Support Manager is responsible for administering the Members' Allowance Scheme and therefore oversees the receipt, processing and payment of all appropriate expense claims submitted by members.

4.3 A total of £1,348.95 was claimed. The majority of these claims were for travel to and from Warwick and Coventry for LGA training/conferences. In addition to travel, there were also two claims for hotel accommodation for the LGA conference in July and one Member submitted some childcare claims.
Member Expenses for 2018 -2019 is attached at Appendix 6.

4.4 To date the Member Expenses claimed 2019 – 2020 are £1,362.93 and again the majority of this is for training related travel.

5.0 Financial Implications - Expenses

5.1 The costs of the member learning and development programme are met from a budget of £17,000. The majority of training sessions are delivered by council officers thus keeping costs down. There was an overspend of approximately £2,213.58 which was mainly due to the additional cost of the Charter Plus.

6.0 Legal Implications

6.1 None for the Member Development Programme.

6.2 The Local Authorities (Members' Allowances) (England) Regulations 2003 requires the council to keep a record of the payments made by it in accordance with its Members' Allowance Scheme. The record has to be made available for public inspection and copies can be supplied too on request and on payment of a reasonable fee.

6.3 After the end of each year, the total amount paid in that year to each member has to be published in the council's area.

7.0 Equality Implications

7.1 This report contains no specific diversity implications.

8.0 Consultation with Ward Members and Stakeholders

8.1 This report has been shared with the Member Learning and Development Steering Group Members.

9.0 Human Resources/Property Implications (if appropriate)

9.1 N/A

Report sign off:

**Shazia Hussain
Assistant Chief Executive**

Appx 1 - List of sessions 2019/2020

APPENDIX 1 – List of sessions delivered from March 2019 to January 2020

The Council has organised and delivered the following member learning and development sessions since May 2018.

Nine of the twenty-one sessions were mandatory. Members who were unable to attend the original Mandatory training sessions were invited to attend the repeat sessions.

The vast majority of sessions have been delivered by council officers and partners, with some external facilitators:

- **Understanding how the prevent strategy is delivered within Brent Local Authority - Monday 11 March 2019**

This session was delivered to give Members the opportunity to hear from the Prevent Team and key delivery partners, understand what the counter – terrorism threat picture looks like in Brent, patterns, emerging trends and community activity. The session was jointly delivered by officers from the Local Authorities Prevent Team and Counter – Terrorism Police officers.

- **Presentation and Public Speaking Skills**

This course was delivered in response to requests from a number of Councillors. The purpose of the course was to improve Members' ability to present and communicate more effectively and dynamically. This course was followed by a 1-1 session for each Member with the trainer, to cover what each participant has identified as areas they wished to work on – in a totally private and confidential environment.

- **Dementia Awareness Training**

This session was delivered to enable Members become a Dementia Friend and to understand the Council's commitment to becoming a dementia friendly borough by 2020. The session explained the action plan led by the council and key partners locally, supporting people with dementia and their carers including dementia cafes, peer support and carer training.

- **Planning Committee training session (all Members were welcome to attend) - Wednesday, 8 May 2019**

This training session was mandatory for committee Members and Substitutes. This training session was an opportunity for all members to find out what they need to know about the Licensing Act. Under the Act, the Council has a duty to prevent crime and disorder and public nuisance, protect children from harm and ensure public safety. Whether in their capacity as a ward member or a member of the Alcohol and Entertainment Licensing Committee, Members have a key role to play in both setting policy and influencing the outcome of individual applications.

- **Briefing on the Neighbourhood Community Infrastructure Levy – Monday, 13 May 2019**

This session was delivered to give Members an overview of the NCIL process, including how applications can be made, key dates and what support is available for those who want to make an application and to share examples of successful projects.

Scrutiny Essentials Training – For all Scrutiny Committee Members, all Members were welcome to attend – Thursday, 14 May 2019

This session was facilitated by the Centre for Public Scrutiny (CfPS). The aim of this session was to help provide Members with a clear understanding of their role in scrutinising the council's executive and relevant partner organisations.

The session covered:

- the role and potential impact of scrutiny
 - council performance
 - how scrutiny can better add value to policy and practice in the future
 - the focus of overview and scrutiny and work programmes
 - preparing for meetings
 - questioning techniques.
- **Code of Conduct and related issues – Repeat Mandatory training sessions - 15 May 2019, 24 June 2019 and 8 July 2019**

This training session was mandatory for Members' who had not attended this training since May 2018. However, all members were invited to attend. The training was delivered to help Members comply with their Code of Conduct obligations by providing practical guidance on the different types of interest members need to legally register and/or declare at meetings. Guidance was also provided to Members on gifts and hospitality.

This training covered issues crucial to the ethical operation of members' roles, including the council's Code of Conduct, the subject of bias and predetermination and the use of council resources. Also included for discussion were the topics of Freedom of Information, and IT including blogging and social media.

- **Alcohol and Entertainment licensing committee Mandatory training session for Committee Members, all Members were welcome to attend - Wednesday, 22 May 2019**

This training session was mandatory for Members and Substitutes. The training session was an opportunity for all members to find out what they need to know about the Licensing Act. Under the Act, the Council has a duty to prevent crime and disorder and public nuisance, protect children from harm and ensure public safety. Whether in the capacity as a ward member or a member of the Alcohol and Entertainment Licensing Committee.

- **Brent Pensions Fund - Approach to Responsible Investment - Mandatory Training for Committee Members – Tuesday, 29 May 2019**

This mandatory session was delivered to cover the Council's legal responsibilities about management of the assets of the Brent Pension Fund, while incorporating environmental, social and governance considerations in its strategic decision making and to support and train the local pension committee and board members.

- **Audit Committee and the Audit Advisory Committee Mandatory Induction for Committee Members - Monday, 17 June 2019**

This session was delivered to provide support to all newly appointed Members, including substitute Members and returning Members of the Audit Committee and the Audit Advisory Committee in reviewing the management of the loans and investment portfolios. The session

explored the key role of the committee, including the support that could be provided to the Head of Internal Audit in promoting good governance.

- **Safeguarding Vulnerable Adults - Repeat Mandatory Training – Monday, 24 June 2019**

This training session was mandatory for Members who did not attend the training in 2018. However, all members were welcomed to attend. This training was facilitated to introduce members to the collective responsibility of the council, elected members, employees, and partner agencies, for providing the best possible care and safeguarding for our vulnerable adults.

- **Consultation on new Council Tax Support Scheme and Briefing on Brent Customer Access Review - Monday, 22 July 2019**

This session was delivered to give Members a better understanding of the Council's proposed change to a new scheme from April 2020 which will be simpler, more transparent and which works effectively alongside the introduction of Universal Credit. The Customer Access Review was to look at ways that Council interacts with its customers. It will lead to a new access offer, which will make it easier for customers to access services online and will be more closely aligned to the Brent Borough Plan 2019 – 2023 and evolving Digital Strategy.

- **Member Seminar on: Establishing an Integrated Environmental Services Delivery Model for 2023 - Monday 5 August 2019**

This seminar was delivered to give Members a better understanding of how our environmental services contracts were deliberately aligned to end in 2023. The seminar enabled Members to explore how these services could best meet the needs of residents, businesses and the environment and discuss a range of potential delivery models, from outsourcing to bringing services in house.

- **Landlord Licensing Consultation**

This session was delivered to brief Members on the ongoing consultation on the extension of Landlord Licensing and to seek Members' input.

- **Safeguarding Vulnerable Adults – Repeat Mandatory Training – Monday, 10 September 2019**

This training session was mandatory for Members' who had not attended this training since 2018. The training was delivered to introduce members to the collective responsibility of the council, elected members, employees, and partner agencies, for providing the best possible care and safeguarding for our vulnerable adults.

- **Brent Customer Access Review - Wednesday, 18 September 2019**

This session was delivered to explain how the Customer Access Review is looking at ways that Council interacts with its customers, which will lead to a new access offer, which will make it easier for customers to access services online more closely aligned to the Brent Borough Plan 2019 – 2023 and evolving Digital Strategy.

- **Corporate Parenting and Safeguarding Children – Mandatory Training - Wednesday, 9 October 2019**

This training session was mandatory for Members' who had not attended this training since 2018. However, all members were invited to attend. One of the mandatory Member Learning and Development sessions relates to statutory Safeguarding of Children and Young People and Members' role as a Corporate Parent. This session was delivered to provide Members

with details of their responsibilities as a Corporate Parent and how they can support the improvement in outcomes for our most vulnerable group of children.

- **Equalities & Relationships Education - Mandatory Training - Monday, 21 October 2019**

This mandatory session was delivered to provide Members with information on what public bodies are required to do under the Equality Act 2010 and the Public Sector Equality Duty, and explore what this means in practice. The second part of this training session was to discuss age-appropriate relationship education and sex and relationships education in Brent schools, and to explain the legal duties on Schools to comply with the relevant requirements of the Equality Act 2010 and the Public Sector Equality Duty.

- **Neighbourhood Community Infrastructure Levy (NCIL) Grants Programme - Wednesday 30 October 2019**

The aim of delivering this session was to provide Members with a comprehensive overview of the Neighbourhood Community Infrastructure Levy (NCIL) grants programme and to highlight how best Members could support residents and community groups with their applications.

The NCIL grants programme is a significant driver for positive change across the borough, with millions of pounds available and dozens of community projects funded at each round. The scheme provides the opportunity to address the demands brought about by development on a neighbourhood-specific level.

- **Environmental Enforcement Meet, Greet, and Briefing with Councillors - Monday 6 January 2020**

This briefing session was for a formal introduction to Members by the Environmental Enforcement team. The aim was to give Members a better understanding of the work of the Environmental Enforcement team, to make Members aware of the current crime trends and the role of the Councillor when dealing with enquiries from their electorate. In addition, to show Members the work Environmental Enforcement (as a unit 18 months old) do in connection to the wards they represent and how the unit work with the Neighbourhood Managers.

- **Brent's Response to the Climate and Ecological Emergency - Tuesday, 7 January 2020**

This session was delivered to give Members and understanding of the climate science and how global warming will affect communities in Brent and share the steps the Council has been taking since declaring an emergency (at Full Council). In addition, to provide Members with the opportunity to share ideas on what action the Council and the whole community Brent can take.

Future Planned Mandatory Sessions

- TFL Member Briefing - Major Cycle Route from Wembley to Willesden Junction - Tuesday, 14 January 2020
- Understanding Adult Social Care Services and Thresholds - Monday, 27 January 2020
- Chairing skills and Questioning Skills Workshop - Wednesday, 12 February 2020
- Emergency Preparedness: The Role of Councillors during Civil Emergencies - Monday, 17 February 2020
- Brent Parking Management Strategy – Members' Workshop - Monday, 24 February 2020
- Prevent Strategy - Home Office and Elected Members Roundtable Event - Tuesday, 10 March 2020
- The work and achievements of Regeneration in the Borough - Tuesday, 24 March 2020

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
1	Appx 2 - Attendance at internal training events																	
2	TOTAL ATTENDED	COUNCILLOR SURNAME	Elected Member Induction Evening- Mandatory to All Wednesday 09 May 2018	Member Learning and Development Session: Standards and the Code of Conduct - Mandatory to All Tuesday 15 May 2018	Member Learning and Development Session: Planning Mandatory Training, Committee Members ONLY Wednesday 16 May 2018	Member Learning and Development Session: Alcohol & Entertainment Licensing Mandatory training: Committee Members ONLY. Tuesday 22 May 2018	Member Learning and Development Session: Corporate Parenting & Safeguarding Children Training - Mandatory to All Wednesday 23 May 2018	Member Learning and Development Session: Scrutiny Induction - Mandatory to Committee Members ONLY Thursday 24 May 2018	Member Learning and Development Session: Modern Gov - Aimed at New Members. Wednesday 30 May 2018	Member Learning and Development Session: Casework Training and Surgery Management - Aimed at New Members Wednesday 30 May 2018	Member Learning and Development Session: Equalities Training - Mandatory - All Members Tuesday 05 June 2018	Member Learning and Development Session: Emergency Preparedness: The Role of Councillors During Civil Emergencies - All Members Tuesday 12 June 2018	Member Learning and Development Session: Background to Local Government Finance and Financial Management - All Members Wednesday 13 June 2018	Member Learning and Development Session: Audit and Standards Committee and the Audit and Standards Advisory Committee Induction Training - Mandatory to Committee Members ONLY. Thursday 14 June 2018	Member Learning and Development Session: Local Government Boundary Review Briefing - All Members Thursday 14 June 2018	Member Learning and Development Session: Local Government Pensions - Mandatory Training - Committee Members ONLY Tuesday 26 June 2018	Member Learning and Development Session: Seminar on Prevention Matters: Understanding Radicalisation and Extremist Ideologies - All Members Wednesday 25 July 2018	Re-Run - Members' Code of conduct and related standards issues - Mandatory Training. (for Members who could not attend the first session in May). Tuesday 11 September 2018
3																		
4	5	Abdi	✓		✓													✓
5	11	Aden	✓	✓														✓
6	33	Afzal	✓	✓				✓	✓	✓			✓	✓				✓
7	20	Agha	✓	✓			✓											✓
8	19	Ahmed	✓	✓	✓	✓	✓	✓										✓
9	8	Allie (no longer a Cllr as of December 2019)	✓	✓		✓												✓
10	22	Butt, Muhammed	✓	✓	✓		✓		✓	✓			✓	✓				✓
11	33	Butt, Saqib	✓	✓	✓		✓	✓	✓	✓			✓	✓				✓
12	3	Chan	✓	✓														✓
13	10	Chappell (Cllr from 22-06.2018)																✓
14	18	Chohan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
15	36	Choudhary, S	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
16	24	Choudry, Aslam	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
17	25	Colacicco							✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
18	27	Colwill	✓	✓														✓
19	12	Conneely	✓	✓				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
20	3	Crane	✓	✓														✓
21	3	Daly	✓	✓														✓
22	18	Dar	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
23	5	Denselow	✓	✓	✓													✓
24	16	Dixon	✓				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
25	14	Donnelly-Jackson (Cllr from 22-06.2018)																✓
26	25	Ethapemi	✓	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
27	19	Ezeajughi	✓	✓				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
28	19	Farah	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
29	24	Gbajumo	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
30	7	Gill	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
31	5	Hassan	✓	✓														✓
32	14	Hector	✓	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
33	3	Hirani	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
34	3	Hylton	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
35	33	Johnson	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
36	26	Kabir	✓	✓					✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
37	8	Kansagra	✓	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
38	7	Kelcher	✓	✓				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
39	16	Kennelly	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
40	26	Knight	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
41	11	Lo	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
42	37	Long	✓	✓					✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
43	21	Mahmood	✓						✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
44	0	Marquis (no longer a Cllr as of December 2019)																✓
45	3	Mashari																✓
46	17	Maurice	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
47	9	McLeish	✓	✓														✓
48	20	McLennan	✓	✓				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
49	10	Miller (returning Cllr from 22-06.2018)																✓
50	7	Murray, Joshua							✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
51	16	Mitchell Murray		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
52	4	Naheerathan	✓	✓														✓
53	19	Nerva	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
54	11	Patel, Mill	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
55	7	Patel, Ramesh	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
56	17	Patterson (no longer a Cllr as of December 2019)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
57	1	Pavey (no longer a Cllr as of December 2019)	✓															✓
58	15	Perrin	✓	✓														✓
59	30	Sangani	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
60	7	Shahzad	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
61	20	Sheth, Ketan	✓	✓														✓
62	11	Sheth, Krupa	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
63	16	Southwood	✓	✓														✓
64	22	Stephens	✓	✓					✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
65	14	Tatler	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
66	33	Thakkar	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
67																		
68		TOTAL		52	43	21	13	32	23	26	26	40	29	21	4	16	7	21
69																		7

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	S	T	U	V	W	X	Y	Z	AA	AB	AC	AD	AE	AF	AG	AH	AI
1	Re-run - Using and making the most of Mod.Gov/ Casework Training and Surgery Management (for Members who could not attend the first session in May) Tuesday 18 September 2018	Member Learning and Development - Member Briefing on: Universal Credit / Welfare Reform - All Members Thursday 27 September 2018	Member Learning and Development - Member Briefing - London Borough of Culture - All Members Thursday 11 October 2018	Member Learning and Development - Safeguarding Vulnerable Adults Training – Mandatory for All Members Monday 15 October 2018	Member Learning and Development - Member Briefing on: The Community Infrastructure Levy/ S106 - All Members Monday 22 October 2018	Member Learning and Development - Housing Induction - All Members Wednesday 31 October 2018.	Re-run - Member Learning and Development - Corporate Parenting and Safeguarding Children Mandatory - (for Members who could not attend the first session in May) Monday 12 November 2018.	Re-run - Member Learning and Development - Equalities Training – Mandatory - (for Members who could not attend the first session in May) Monday 19 November 2018.	Member Learning and Development - Brent Design Guide Supplementary Planning Document (SPD1) Tuesday 27 November 2018.	Member Learning and Development - Health Scrutiny Training - For Scrutiny Committees Members only Thursday 6 December 2018	Member Learning and Development - Understanding how the prevent strategy is delivered within Brent Local Authority Monday 10 December 2018	Member Learning and Development - Proposed Changes to Brent's Housing Allocations Policy – Member Discussion Tuesday 18 December 2018	Member Learning and Development - Brent Start Adult Education Tuesday 18 December 2018	Member Learning and Development - Council Tax Support and Local Welfare Assistance scheme reviews, 2020/21 Thursday 10 January 2019	Member Learning and Development - Digital Strategy Thursday 31 January 2019	Member Learning and Development - Social Media Training Tuesday 19 February 2019	Member Learning and Development - Understanding Biodiversity Thursday 28 February 2019
2																	
3																	
4	✓																
5		✓			✓												
6		✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓		✓
7		✓		✓		✓		n/a	✓			✓	✓	✓		✓	
8			✓		✓			n/a				✓	✓	✓			✓
9																	
10		✓		✓	✓	✓		n/a				✓	✓	✓		✓	✓
11		✓	✓	✓	✓	✓		n/a			✓	✓	✓	✓	✓	✓	✓
12								✓									
13				✓	✓												
14								n/a				✓	✓			✓	
15		✓	✓	✓	✓	✓		n/a			✓	✓	✓	✓	✓	✓	✓
16		✓	✓	✓	✓	✓		n/a									✓
17		✓	✓	✓	✓	✓		✓				✓	✓	✓	✓	✓	✓
18								n/a		✓					✓	✓	✓
19				✓	✓			✓									
20																	
21																	
22			✓	✓		✓		n/a				✓				✓	✓
23				✓		✓		✓									
24				✓	✓	✓		n/a				✓					
25	✓		✓	✓	✓	✓		✓		✓							✓
26				✓	✓	✓		✓				✓	✓	✓		✓	✓
27			✓	✓	✓	✓		✓				✓					✓
28		✓		✓	✓	✓		n/a				✓	✓				✓
29		✓	✓	✓	✓	✓		n/a									✓
30								n/a									
31								n/a									
32				✓				n/a		✓							
33		✓	✓	✓				n/a									
34		✓	✓	✓		✓		n/a			✓	✓	✓	✓			✓
35			✓	✓	✓	✓		n/a		✓	✓	✓	✓	✓		✓	✓
36		✓		✓				n/a							✓		✓
37				✓				n/a									
38								n/a									
39								✓				✓	✓				
40		✓		✓	✓			n/a		✓		✓	✓	✓		✓	✓
41								n/a									
42	✓	✓		✓	✓	✓		✓		✓	✓	✓	✓	✓	✓	✓	✓
43	✓	✓	✓	✓	✓	✓		✓		✓	✓	✓	✓	✓	✓	✓	✓
44																	
45				✓				n/a									
46								n/a									
47								n/a									
48				✓		✓		✓				✓	✓	✓	✓		✓
49	✓			✓	✓			✓				✓					
50		✓		✓				✓									
51				✓				n/a				✓	✓	✓		✓	
52								✓									
53					✓	✓		n/a				✓	✓		✓		
54								n/a				✓	✓				
55								n/a									
56		✓	✓	✓				n/a									
57																	
58		✓		✓				n/a		✓						✓	
59		✓	✓	✓		✓		n/a		✓	✓	✓	✓	✓			
60								n/a									
61	✓		✓	✓	✓	✓		✓		✓	✓	✓	✓	✓	✓	✓	✓
62				✓	✓			n/a				✓	✓	✓			
63		✓		✓	✓	✓		✓				✓	✓	✓	✓	✓	✓
64		✓		✓	✓	✓		✓				✓	✓	✓	✓	✓	✓
65								n/a		✓							
66		✓	✓	✓	✓			n/a		✓	✓	✓	✓	✓		✓	
67																	
68	6	23	18	39	26	23	15	11	13	7	18	24	22	20	14	17	15
69																	

	AJ	AK	AL	AM	AN	AO	AP	AQ	AR	AS	AT	AU	AV	AW	AX	AY	AZ	BA
1	Member Learning and Development - Prevention Matters - Home Office and Elected Members, Prevent Strategy Roundtable - Monday 11 March 2018	Member Learning and Development - Presentation and Public Speaking Training Wednesday 20 March 2018	Member Learning and Development Session: Dementia Training Wednesday 28 March 2019	Member Learning and Development Session: Planning Mandatory Training for Committee Members Wednesday 8 May 2019	Member Learning and Development - Member Briefing on: The Community Infrastructure Levy - All Members Monday 13 May 2019	Member Learning and Development Session: Scrutiny Induction - Mandatory to Committee Members ONLY Tuesday 14 May 2019	Repeat - Member Learning and Development Session: Standards and the Code of Conduct - Mandatory to All Wednesday 15 May 2019	Member Learning and Development Session: Alcohol & Entertainment Licensing Mandatory training: Committee Members ONLY Tuesday 22 May 2019	Member Learning and Development Session: Brent PensionFun - Approach to Responsible Investment Mandatory for Committee Members ONLY Tuesday 29 May 2019	Member Learning and Development session: Audit & Standards Advisory Committee Training - Mandatory for all Committee Members Monday 17 June 2019	Repeat - Member Learning and Development - Safeguarding Vulnerable Adults Training - Mandatory for All Members Monday 24 June 2019	Member Learning and Development - Member Briefing on: Consultation on new Council Tax Support Scheme and Briefing on Brent Customer Access Review - All Members Monday 22 July 2019	Member Learning and Development - Member Seminar on: Establishing an Integrated Environmental Services Delivery Model for 2023 - All Members Monday 5 August 2019	Member Learning and Development - Landlord Licensing Consultation - All Members Wednesday 14 August 2019	Repeat - Member Learning and Development - Member Seminar on: Establishing an Integrated Environmental Services Delivery Model for 2023 - All Members Monday 2 September 2019	Repeat - Member Learning and Development - Safeguarding Vulnerable Adults Training - Mandatory for All Members Monday 10 September 2019	Member Learning and Development - Brent Customer Access Review - All Members Wednesday, 18 September 2019	
2																		
3																		
4					n/a				n/a	X	n/a	X						
5			✓		n/a				n/a	✓	n/a	X				✓	✓	
6	✓	✓	✓		n/a	✓	✓		n/a	n/a	n/a	✓	✓		✓	✓		✓
7	✓	✓			n/a			✓	n/a	n/a	n/a	✓				✓		
8	✓	✓			✓				✓	n/a	n/a	✓	✓					✓
9					n/a				X	n/a	n/a	X					✓	
10					n/a				n/a	n/a	n/a	✓						✓
11	✓	✓	✓		✓	✓			n/a	n/a	n/a	n/a	✓	✓				
12					n/a				n/a	n/a	n/a	X						
13	✓	✓			✓				n/a	n/a	n/a	n/a					✓	
14					n/a				✓	n/a	n/a	X	✓					✓
15		✓	✓		n/a	✓		✓	n/a	✓	✓	✓	✓		✓	✓		✓
16					n/a	✓		✓	n/a	✓	✓	✓	✓		✓	✓		✓
17	✓	✓			n/a	✓	✓	X	n/a	n/a	n/a	✓	✓				✓	
18	✓	✓	✓		✓	✓		✓	n/a	X	X	✓		✓				✓
19					n/a			✓	n/a	n/a	n/a	n/a						
20					n/a			X	n/a	✓	n/a	X						
21					n/a				n/a	✓	n/a	X						✓
22			✓		✓				n/a	n/a	n/a	n/a						
23					✓			✓	n/a	n/a	n/a	n/a						
24					n/a			X	n/a	n/a	n/a	✓						✓
25					n/a	✓			n/a	n/a	X	n/a						
26					✓			✓	n/a	n/a	n/a	n/a	✓					✓
27	✓	✓			n/a	✓		✓	n/a	n/a	n/a	✓		✓				
28	✓	✓	✓		n/a			✓	n/a	n/a	n/a	✓						✓
29	✓	✓	✓		n/a		✓	✓	n/a	n/a	n/a	✓						
30					n/a				n/a	n/a	n/a	X						
31					n/a				n/a	n/a	n/a	X						
32					n/a			✓	n/a	✓	n/a	✓						
33					n/a		✓	✓	n/a	n/a	n/a	✓						
34		✓	✓		✓	✓		✓	n/a	✓	n/a	✓	✓					✓
35	✓	✓			✓	✓		✓	n/a	n/a	n/a	✓		✓	✓			✓
36	✓		✓		✓			✓	n/a	✓	✓	n/a	✓	✓				✓
37					X				n/a	✓	n/a	X						
38					n/a		✓		n/a	n/a	n/a	n/a						
39					n/a				X	n/a	n/a	n/a						✓
40					n/a		✓		n/a	n/a	n/a	✓	✓					✓
41					X				n/a	n/a	n/a	X	X					
42	✓		✓		n/a	✓		✓	✓	✓	✓	✓	✓					✓
43	✓		✓		✓	✓		✓	✓	n/a	n/a	✓	✓	✓				✓
44					n/a			X	n/a	X	n/a	X						
45					n/a		✓	X	n/a	n/a	n/a	n/a						
46		✓			✓			✓	n/a	X	X	X			✓			✓
47					n/a				✓	X	n/a	X						
48					n/a				n/a	n/a	n/a	n/a	✓	✓				✓
49	✓				n/a				n/a	n/a	n/a	✓						
50					n/a			X	n/a	n/a	n/a	✓						
51					n/a				✓	n/a	n/a	n/a						✓
52					n/a			X	n/a	n/a	X	✓						✓
53	✓				n/a			X	n/a	n/a	X	✓	✓	✓				✓
54					n/a			X	n/a	n/a	n/a	✓	✓					
55					n/a				X	n/a	n/a	X						
56		✓			✓				n/a	n/a	n/a	✓	✓					
57					n/a			X	n/a	n/a	n/a	X						
58					n/a				n/a	✓	n/a	✓						✓
59	✓	✓			✓				n/a	n/a	n/a	n/a	✓					✓
60					n/a		✓		n/a	n/a	n/a	✓						
61		✓			n/a		✓		n/a	n/a	n/a	n/a						
62					n/a				n/a	n/a	n/a	n/a						✓
63					n/a		✓		n/a	n/a	n/a	✓						✓
64	✓	✓			n/a	✓	✓		n/a	X	X	n/a						
65					n/a				n/a	n/a	n/a	✓						
66	✓	✓	✓		n/a		✓		n/a	✓	n/a	✓						✓
67																		
68	19	19	13		13	15	13		17	8	11	5	27	17	11	14	15	5
69																		

	BB	BC	BD	BE	BF
1	Repeat - Member Learning and Development Session: Corporate Parenting & Safeguarding Children Training - Mandatory for All Members Wednesday 09 October 2019	Member Learning and Development Session: Equalities and Relationships Education - Mandatory for all Members Monday 21 October 2019	Member Learning and Development Session: Member Briefing - Neighbourhood Community Infrastructure Levy (NCIL) Grants Programme - All Members Wednesday 30 October 2019	Member Learning and Development Session: Member Briefing on: Environmental Enforcement Meet, Greet, and Briefing with Councillors - All Members Monday 6 January 2020	Member Learning and Development Session: Brent's Response to the Climate and Ecological Emergency - All Members Tuesday 7 January 2020
2					
3					
4	X	X			
5	X	✓			
6	n/a	X		✓	
7	n/a	X		✓	
8	n/a	✓		✓	
9	✓	✓		n/a	
10	n/a	✓		✓	
11	n/a	✓	✓		
12	n/a	X			
13	X	✓			
14	n/a	✓			
15	n/a	✓		✓	
16	✓	✓			
17	n/a	✓			
18	✓	✓	✓	✓	✓
19	n/a	X			
20	X	X		✓	
21	X	X			
22	n/a	X			
23	X	X			
24	n/a	✓		✓	
25	n/a	X	✓		
26	X	✓	✓	✓	
27	n/a	✓			
28	n/a	✓		✓	
29	✓	✓			
30	n/a	X			✓
31	X	X			
32	n/a	✓			
33	n/a	✓			
34	✓	✓			✓
35	n/a	X			✓
36	n/a	✓		✓	
37	n/a	X			
38	✓	✓			
39	n/a	✓			
40	n/a	✓		✓	
41	n/a	X			
42	n/a	✓		✓	✓
43	n/a	X			
44	X	X		n/a	
45	X	X			
46	X	X		✓	
47	X	X		✓	
48	n/a	✓			
49	n/a	✓			
50	n/a	X			
51	n/a	✓			
52	n/a	X			
53	n/a	✓	✓	✓	✓
54	✓	✓			
55	n/a	X			
56	n/a	✓		n/a	
57	X	X		n/a	
58	✓	✓		✓	
59	n/a	✓	✓	✓	✓
60	n/a	X		✓	
61	n/a	X			
62	n/a	X		✓	✓
63	n/a	X		✓	
64	n/a	✓			
65	✓	✓	✓	✓	
66	✓	✓		✓	✓
67					
68		10	35	7	23
69					9

Appx 3 - Members External Training Record 2018-22

COUNCILLORNAME	COUNCILLOR SURNAME	Member Learning & Development: Programme Name	Date of Programme From - TO	End of Event
Abdi	Aden	Leadership Academy - Prog 181	16/03/19	17/03/19
Abdi	Aden	Leadership Academy - Prog 181	16/02/19	17/02/19
Abdi	Aden	Leadership Academy - Prog 181	12/01/19	13/01/19
Amer	Agha	Leadership Academy - Programme 184	09/11/19	10/11/19
Amer	Agha	Leadership Academy - Programme 184	12/10/19	13/10/19
Amer	Agha	1-1 Public Speaking Training	18/09/19	18/09/19
Amer	Agha	Leadership Academy - Programme 184	14/09/19	15/09/19
Aslam	Choudry	Central & Local Government Finance Conference 2019	16/10/19	16/10/19
Aslam	Choudry	3rd Annual Tackling Public Sector Fraud Forum	27/06/19	27/06/19
Aslam	Choudry	PSAA Local Audit Quality Forum Event	10/06/19	10/06/19
Aslam	Choudry	Inaugural CIPFA Councillors Conference	13/09/18	13/09/18
Aslam	Choudry (Aslam)	CIPFA - Introduction to the Knowledge and Skills of the Audit Committee	20/09/18	20/09/18
Aslam	Choudry	CIPFA's Treasury management and investment training for councillors	14/10/19	14/10/19
Aslam	Choudry	LGA Leadership Essentials - Audit Committees Programme 2	01/02/20	02/02/20
Aslam	Choudry	Central & Local Government Finance Conference 2019 - www.govnet.co.uk - 16.10.19	16/10/19	16/10/19
Eleanor	Southwood	Effectively Regulating Private Housing and Tackling Rogue Landlords	24/05/18	24/05/18
Eleanor	Southwood	Cancelled - Leadership Essentials: Homelessness - programme 1	06/12/19	
Eleanor	Southwood	Leadership Essentials: Housing - programme 1	23/01/20	24/01/20
Erica	Gbjumo	Women's councillors weekend	11/01/20	12/01/20
Erica	Gbjumo	Young councillors weekend	23/11/19	24/11/19
Harbi	Farah	Leadership Academy - Programme 184	14/09/19	15/09/19
Ihtesham	Afzal	BAME	09/02/19	10/02/19
Ihtesham	Afzal	Younger Councillor Weekender	24/11/18	25/11/18
Ihtesham	Afzal	Younger Councillor Weekender	24/11/18	25/11/18
James	Denselow	Leadership Essentials Planning: Planning Committee Decision	27/09/18	28/09/18
James	Denselow (Prov)	PLAN-DMT	14/03/19	15/03/19
Janice	Long	Annual Licensing Conference: Tuesday 5 February 2019	05/02/19	05/02/19
Janice	Long	CFPS: Local Government Scrutiny Conference	04/12/18	04/12/18
Janice	Long	LGA Annual Licensing Conference	05/02/20	05/02/20
Ketan	Sheth	The Healthcare Show and Digital Healthcare Show, part of Health+Care	26/06/19	27/06/19
Ketan	Sheth	CFPS: Local Government Scrutiny Conference	04/12/18	04/12/18
Ketan	Sheth	CFPS National Health Scrutiny & Assurance Conference	14/09/18	14/09/18
Ketan	Sheth	CFPS: Local Government Conference - Driving Smarter Scrutiny	03/12/19	03/12/19
Krupa	Sheth	Labour Next Generation	19/01/19	20/01/19
Krupa	Sheth	Labour Next Generation	01/12/18	02/12/18
Krupa	Sheth	Leadership Academy - Prog 117	22/11/18	23/11/18
Krupa	Sheth	Leadership Academy - Prog 117	25/10/18	26/10/18
Krupa	Sheth	Labour Next Generation	20/10/18	21/10/18
Krupa	Sheth	Leadership Academy - Prog 117	19/09/18	20/09/18
Krupesh	Hirani	Cultural Services	24/01/19	25/01/19
Krupesh	Hirani	Leadership Essentials Cultural Services programme	24/01/19	25/01/19
Margaret	McLennan	Central & Local Government Finance Conference 2019	16/10/19	16/10/19
Margaret	McLennan	LOCAL GOVERNMENT ASSOCIATION conference - Bournemouth 2nd Jul	28/06/19	28/06/19
Margaret	McLennan	Annual local Government Finance Conference 2020	07/01/20	07/01/20
Margaret	McLennan	Central & Local Government Finance Conference 2019 - www.govnet.co.uk - 16.10.19	16/10/19	16/10/19
Matt	Kelcher	Scrutiny	26/01/19	27/01/19
Matt	Kelcher	Finance	08/12/18	09/12/18
Mili	Patel	Finance	08/12/18	09/12/18
Mili	Patel	LGA course at Warwick. Train to Coventry	28/11/19	29/11/19
Neil	Nerva	Inaugural CIPFA and CFPS Councillors' Conference	13/09/18	13/09/18
Robert	Johnson	Transforming Technology Services in Local Government Conference	07/03/19	07/03/19
Robert	Johnson	Speed reading and retention - Fast Reading Techniques and Memory Strategies	18/12/18	18/12/18
Robert	Johnson	Planning your message training	06/12/18	06/12/18
Robert	Johnson	Registration Confirmation for The need for speed: increasing build out rates for new homes	11/10/18	11/10/18
Robert	Johnson	Leadership Essentials Planning: Planning Committee Decision	27/09/18	28/09/18
Robert	Johnson	Planning Decision Making	27/09/18	28/09/18
Robert	Johnson	Combating Rogue Landlords: Ensuring Safer and Securer Homes - 19th Sep 2019 Government Events	19/09/19	19/09/19

Robert	Johnson	The National Combating Gangs, Violence and Weapon Crime Conference 2019 - 03rd Dec 2019	03/12/19	03/12/19
Robert	Johnson	CCIN Conference (1/10/19) Rochdale	01/10/19	01/10/19
Sandra	Kabir	Taking a public health approach to tackling serious violent crime - 13.11.19	13/11/19	13/11/19
Sandra	Kabir	The National Combating Gangs, Violence and Weapon Crime Conference 2019 - 03rd Dec 2019	03/12/19	03/12/19
Shafique	Choudhary	BAME	09/02/19	10/02/19
Shafique	Choudhary	Annual local Government Finance Conference 2021 (replaced Cllr Aslam Choudry)	07/01/20	07/01/20
Shama	Tatler	BAME	09/02/19	10/02/19
Shama	Tatler	Getting your Message	26/01/19	27/01/19
Shama	Tatler	Planning, housing and affordable housing 13/14th Dec	13/12/18	14/12/18
Shama	Tatler	Community Infrastructure Levy, S106 and Developer Contributions 6/7th Dec	06/12/18	07/12/18
Thomas	Stephens	Getting your Message	26/01/19	27/01/19
Thomas	Stephens	Younger Councillor Weekender	24/11/18	25/11/18
Thomas	Stephens	Younger Councillor Weekender	24/11/18	25/11/18
Thomas	Stephens	Leadership Essentials: Finance - LGA Warwick Conferences, Coventry	11/09/19	12/09/19
Thomas	Stephens	Leadership Essentials: Finance - LGA Warwick Conferences, Coventry	14/09/19	15/09/19
Tom	Miller	Leadership Academy - Programme 189	14/03/20	15/03/20
Tom	Miller	Leadership Academy - Programme 189	15/02/20	16/02/20
Tom	Miller	Leadership Academy - Programme 189	11/01/20	12/01/20
Tom	Miller	Seminar: Combating Gangs, Violence and Weapon Crime	04/12/18	04/12/18
Tom	Miller	CCIN Conference (1/10/19) Rochdale	01/10/19	01/10/19
Tony	Ethapemi	Working with the Media Political Leadership Masterclass	11/09/19	12/09/19
Tony	Ethapemi	LGA - Black, Asian and Minority Ethnic (BAME) Councillors Weekender - Warwick Conference Centre	22/02/20	23/02/20
Tony	Ethapemi	Leadership Essentials: Effective Scrutiny - Warwick Conference Centre	05/10/19	06/10/19
Tony	Ethapemi	Leadership Essentials: Getting Your Message Across - Warwick Conference Centre	25/01/20	26/01/20
Tony	Ethapemi	Working with the Media Political Leadership Masterclass - LGA Warwick Conferences, Coventry	06/09/19	07/09/19
Tony	Ethapemi	Working with the Media Political Leadership Masterclass - LGA Warwick Conferences, Coventry	11/09/19	12/09/19
Trupti	Sangani	BAME	09/02/19	10/02/19
Trupti	Sangani	Leadership Essentials: Getting Your Message Across - Programme 5 - Warwick Conference Centre	25/01/20	26/01/20
Wilhemina Mitchell	Murray	Addressing The Barriers For BAME Representation In The Workplace 2020 – 24 March 2020 - Government Events	24/03/20	24/03/20



**Member Induction – Newly Elected Councillors
January 27 to February 27
Mandatory Learning and Development Programme**

Newly Elected Members' Induction Afternoon

Aim: The aims and objectives of the Members' Induction session are to provide a supportive and structured development framework to welcome the incoming Members. By the end of the session, Members will have a better knowledge of:

- The Council's Borough Plan;
- Brent 2020;
- Budgetary position;
- Governance arrangements and the responsibilities of specific committees, such as Planning, Licensing and Scrutiny Committees
- The different role of Members and officers.

Who for: All four newly elected Members will be required to attend this event.

Date: Monday 27 January 2020.

Time: 4.00pm to 6.00pm

Location: Brent Civic Centre

Code of Conduct and related issues - Mandatory

Aim: This session will cover issues crucial to the ethical operation of members' roles, including the council's Code of Conduct, the subject of bias and predetermination and the use of council resources. Also included for discussion are the topics of Freedom of Information, and IT including blogging and social media.

Who for: All Members are required to attend.

Date: TBC

Time: TBC

Location: Brent Civic Centre.

Corporate Parenting and Safeguarding Children - Mandatory

Aim: The term 'Corporate Parent' means the collective responsibility of the council, elected members, employees, and partner agencies, for providing the best possible care and safeguarding for the children who are looked after by the council. This session will provide Members with details of their responsibilities as a Corporate Parent and how they can support the improvement in outcomes for our most vulnerable group of children.

Who for: All Members are required to attend.

Dates: TBC

Times: TBC

Location: Brent Civic Centre.

Safeguarding Vulnerable Adults Training - Mandatory

Aim: All Members of the Council have a strategic role in relation to social services issues and need to satisfy themselves that the Council as a whole is discharging its statutory responsibilities and demonstrates good practice wherever possible.

This evening training, which is mandatory for all members will introduce members to the collective responsibility of the council, elected members, employees, and partner agencies, for providing the best possible care and safeguarding for our vulnerable adults.

Who for: Mandatory for all members.

Date: TBC

Time: TBC

Location: Brent Civic Centre

Using and making the most of mod.gov

Aim: Members will received an introduction to mod.gov. How to make the most of the system, how to maximise the app's potential and show some useful shortcuts / tips.

Who for: New members but all members may attend.

Dates: TBC

Times: TBC

Location: Brent Civic Centre

Casework Training and Surgery Management

Aim: This session will provide Members with detailed guidance on how best to manage their casework.

This session will cover issues such as:

- Hiring/finding Surgery venues,
- Identifying what the problem is – establishing the facts and find out how your constituent wants you to help.
- Referring the problem to the appropriate council department,
- Providing feedback to the constituent,
- Considering the wider issues – reflect on the issues raised by the casework,
- Monitor and assess own performance.

Who for: All members.
Dates: TBC
Times: TBC
Location: Brent Civic Centre.

Equalities Training - Mandatory

Aim: During this session, members will develop a comprehensive understanding regarding equality and diversity, and why they are fundamental to delivering on Brent’s vision, values and priorities. As a result of the session members will understand the expectations of the “Equality Framework for Local Government”, why Brent is going for ‘Excellent’ accreditation this year and what is asked of members during the assessment process.

Who for: Mandatory for all members
Date: TBC
Time: TBC
Location: Brent Civic Centre.
Location: Brent Civic Centre.

For further information, or if you would like to suggest topics for future sessions, please contact Michelle Sylva

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Appx 5 - Update on the Charter Plus Action Plan 2018 - Assessors' suggested improvement areas

The following were identified by the assessors as areas that the council should work on over the next three years. They will act as a focus for the direction of travel to take forward Member Development and will compliment other initiatives and approaches led by the council.

The Member Development Steering Group

- The Member Development Steering Group to focus on “maintaining momentum” and increasing councillor engagement in member development through participation at events and workshops and through a review of PDPs mid-term and to set new individual development priorities for councillors. The council should continue to work towards a target of 60-70% participation in the PDP process.
- The Member Development Steering Group to have a more proactive focus on evaluation of member development and identifying the impact of member development both internally and externally. This should complement the introduction of the evaluation IOS App that is been launched.
- The Member Development Steering Group should continue to draw together examples of best practice in member development across the council and other Boroughs and partner organisations. This can be drawn externally from network meetings, leadership development activities and pan London forums. Identified good practice should be utilised to support improvement to the member development offer across the council.

Desired Outcome	Key activities	Suggestions	Target Date	ORG	Owner
PDP mid-term renew – June 2020	<ul style="list-style-type: none"> • Raise the target to 60-70% participation in the PDP process 	<ul style="list-style-type: none"> • Members must have a PDP before we fund any external training; external funding request must be related to PDP. 	June 2020	On target	Michelle
Councillor engagement in member development through participation at events and workshops	<ul style="list-style-type: none"> • Encourage Member attendance at internal learning and development sessions. • Promote internal sessions in member information bulletin. 	<ul style="list-style-type: none"> • Promote sessions in Bulletin well in advance of sessions. • Use text, email alerts to encourage and maximise attendance. 	Ongoing	On target	Michelle / Tom C
	<ul style="list-style-type: none"> • Encourage Member attendance at relevant external learning and development sessions. 	<ul style="list-style-type: none"> • Circulate and promote relevant external training sessions to Councillors, including LGA, London Councils etc. courses. 	Ongoing	On target	Michelle / Tom C
Evaluation of Member Development	<ul style="list-style-type: none"> • Feedback Forms after every member development session 	<ul style="list-style-type: none"> • Feedback forms are sent by email morning after every session. • Monitor response rate to feedback. • Act on feedback from members. • Regular report on feedback to Lead Member and Member Learning and Development steering group. 	Every session	On target	Michelle
Examples of best practice in member development across the council and other Boroughs and partner organisations.	<ul style="list-style-type: none"> • Attending external network meetings 	<ul style="list-style-type: none"> • Active member of London Member Development Network. • Learn from examples of best practice. 	Attend quarterly meetings of the LMDN	On target	Michelle
	<ul style="list-style-type: none"> • Leadership development activities and pan London forums 	<ul style="list-style-type: none"> • Promote development activities and pan London forums to our members. 	Ongoing	On target	Michelle
	<ul style="list-style-type: none"> • Identified and utilise good practice to support improvement to the member development offer across the council 	<ul style="list-style-type: none"> • Active member of London Member Development Network. • Use Charter Plus framework as a model of good practice to support improvement with regular monitoring of improvement to learning and development steering group. 	Quarterly	On target	Tom C

Appx 5 - Update on the Charter Plus Action Plan 2018 - Assessors' suggested improvement areas

The following were identified by the assessors as areas that the council should work on over the next three years. They will act as a focus for the direction of travel to take forward Member Development and will compliment other initiatives and approaches led by the council.

The Council


- The council should continue to support the strategic approach to leadership development both for Cabinet members and for all councillors as community leaders. Leadership development should continue to support cabinet succession planning.
- The Council should further develop the e-learning resources and begin to introduce and look to develop webinars to respond to the different learning styles of councillors. There is an opportunity to take this forward on a pan London basis or with several partner councils to share and mitigate the development cost.
- The council should consider more effectively differentiating between training and development sessions and more concise member briefings, although both develop knowledge and skills, they have different learning objectives and a different level of commitment is required from councillors participating.
- The council should identify opportunities to further improve formal/informal dialogue and relationships with partner organisations. This may include involving partners as participants on member development workshops where applicable and relevant in order to enhance collaboration.
- There should be the opportunity to focus development in how to work effectively with and influence external organisations. E.g. Transport for London, Thames Water and Government Departments. This will be particularly beneficial in supporting councillors in the wards with case work and in exerting influence through the overview and scrutiny committees and task groups.

Service Area Desired Outcome	Key activities	Suggestions	Target Date	ORG	Owner
LGA Leadership Academy	<ul style="list-style-type: none"> • To enrol all cabinet members, scrutiny and committee chairs on to the LGA Leadership Academy and / or relevant course 	<ul style="list-style-type: none"> • Target at least three members per financial year (two cabinet one committee chair) 	May- April every year	On target	Tom C
Cabinet and Committees Mentoring	<ul style="list-style-type: none"> • All cabinet members, Mayor and Chairs of committees to be allocated a mentor during their first year in position. 	<ul style="list-style-type: none"> • All 2018/2019 cabinet members, the Mayor and Chairs have been offered a mentor through the LGA mentoring scheme. • To continue to give new chairs this opportunity. 	Every year	On target	Tom C
Data and Information Security – Mandatory E-learning	<ul style="list-style-type: none"> • All Members to be set up to access the internal course same as staff 	<ul style="list-style-type: none"> • Data Governance team are currently updating the system to enable Members to do the course on their devices 	31 October 2019	On target	Michelle
LGA – E-Learning Modules	<ul style="list-style-type: none"> • All Members to register on the LGA website and take advantage of courses available online. 	<ul style="list-style-type: none"> • In order to access the free training modules, councillors need to register to use the system, and receive a user name and password. They can do this by emailing elarning@local.gov.uk • Circulate the LGA Highlighting Political Leadership Quarterly Update 	31 October 2019	On target	Michelle
Webinars	<ul style="list-style-type: none"> • Certain sessions to be made available online 	<ul style="list-style-type: none"> • Remote Member Learning development – Webinars. 	31 October 2019	On target	Michelle
Partner organisations	<ul style="list-style-type: none"> • Organise briefings/learning and development sessions with partner organisations 	<ul style="list-style-type: none"> • Identify sessions with cabinet members and members of CMT 	31 October 2019	On target	Michelle
Involving partner Organisations as participants on member development workshops where relevant in order to enhance collaboration.	<ul style="list-style-type: none"> • Liaising with partner organisations such as CVS Brent, Age UK Brent • How to work effectively with and influence external organisations. E.g. Transport for London, Thames Water and Government Departments. 	<ul style="list-style-type: none"> • Member Learning and Development with CVS Brent 	31 October 2019	On target	Michelle

Councillor Name (Claimant)	Nature of expense	Date expense incurred	Date claim submit	Mode of travel	Value of claim	Claim Approved / rejected
Cllr Promise Knight	Childcare	May, June & July 18	17/8/18	N/A	£185.00	Approved
Cllr Robert Johnson	Travel	26/9/18 & 28/9/18	1/10/18	Taxi	£24.60	Approved
Cllr Krupa Sheth	Car Mileage – LGA Training Warwick	October 2018	29/10/18	Car	£88.20	Approved
Cllr Krupa Sheth	Car Mileage – LGA training Warwick	November 2018	6/12/18	Car	£88.20	Approved
Cllr Krupa Sheth	Car Mileage – Next Generation Training Warwick	1/12/18	6/12/18	Car	£88.20	Approved
Cllr Matt Kelcher	Travel LGA Conference Coventry	25/1/19	25/1/19	Train	£34.32	Approved
Cllr Ihtesham Afzal	Travel LGA Conference Warwick	8/2/19	8/2/19	Train	£34.32	Approved
Cllr Trupti Sangani	Travel LGA Conference Warwick	8/2/19	8/2/19	Train	£34.32	Approved
Cllr Matt Kelcher	Travel LGA Conference Warwick	25/1/19	29/3/19	Cab	£8.63	Approved
Cllr Matt Kelcher	Travel LGA Conference Warwick	27/1/19	29/3/19	Cab	£11.55	Approved

Appx 6 - Member Expenses, 2017-2018
Audit and Standards Advisory Committee
 20 January 2020

Cllr Aden	Leadership Academy - Prog 181 -Coventry conference	14/3/19	14/3/19	Train	£45.76	Approved
Cllr Trupti Sangani	Travel LGA Conference	8/2/19	4/4/19	Taxi	£12.80	Approved
Cllr Trupti Sangani	Travel LGA Conference	10/2/19	4/4/19	Taxi	£13.05	Approved
Cllr. M Butt	Accommodation LGA Conference	3/7/18	3/7/18	Hotel	194.00	Approved
Cllr Margaret McLennan	Accommodation LGA Conference	3/7/18	3/7/18	Hotel	194.00	Approved
Cllr. Reg Colwill	Accommodation LGA Conference	3/7/18	3/7/18	Hotel	292.00	Approved

 Brent	<p align="center">Audit and Standards Advisory Committee</p> <p align="center">20 January 2020</p>
	<p align="center">Report from the Director of Legal, HR, Audit and Investigations</p>
<p align="center">REVIEW OF THE USE OF REGULATION OF INVESTIGATORY POWERS ACT 2000</p>	

Wards Affected:	All
Key or Non-Key Decision:	Not applicable
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
No. of Appendices:	One: 1. Appendix A – Proposed changes to RIPA policy
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	(1) Debra Norman, Director of Legal, HR, Audit & Investigations (ext. 1578) (2) Biancia Robinson, Senior Constitutional & Governance Lawyer (ext. 1544) (3) Tola Robson, Principal Lawyer Criminal Lit and Licensing(ext 1455)

1. Purpose

- 1.1. This report explains the Council's use and conduct of surveillance techniques in accordance with the Regulation of Investigatory Powers Act (RIPA) 2000; notifies the committee of the pending Investigatory Powers Commissioner's Inspection and requests Members note the changes to the policies on RIPA.

2. Recommendations

That the Committee notes:

- 2.1. the contents of this report and the changes to the Council's policies on:
 - 2.1.1. Directed Surveillance and Covert Human Intelligence Sources;
 - 2.1.2. the Acquisition and Disclosure of Communications Data.
- 2.2. the updated policies and procedures on RIPA are to be approved by Cabinet on 9 March 2020.

3. Detail

Background

- 3.1. The Regulation of Investigatory Powers Act 2000 (RIPA) gave the Council significant powers in order to investigate serious matters and offences. It enables the Council to use covert surveillance, covert human intelligence sources (CHIS) and the acquisition of service use or subscriber information in relation to communications data in a manner which is compatible with Article 8 of the European Convention on Human Rights (which governs an individual's right to respect for their private and family life). Before the Council may undertake covert surveillance, there are various criteria which must be met including approval of the application by a Magistrate.
- 3.2. Covert surveillance techniques include static surveillance (e.g. taking up an observer post to monitor the activities and movements of those suspected of having committed criminal offences); mobile surveillance (e.g. following someone to see where they are going without their knowledge) and using hidden CCTV at a crime hotspot. RIPA refers to these techniques as 'directed surveillance'. It also extends to the use of undercover officers and informants. RIPA refers to these as 'Covert Human Intelligence Sources' (more commonly referred to as CHISs).

Inspection

- 3.3. The Council is periodically inspected by the Office of Surveillance Commissioners (now superseded by the Investigatory Powers Commissioner's Office). Inspections focus on RIPA policies, procedures and practice. The last inspection was undertaken in November 2016; and the Report following the Inspection was positive. This Committee considered a report in March 2018 which set out the compliance with the two suggestions made by the Commissioner arising out of the 2016 inspection as part of its higher-level review.
- 3.4. The Investigatory Powers Commissioner's next inspection is due in March 2020.
- 3.5. The Committee should note a further paper updating it on the RIPA inspection will be presented to the ASAC at its April 2020 meeting.

Legal development - Communications Data

- 3.6. Previously the acquisition of communications data was covered by RIPA and there was a requirement to obtain Judicial Approval in order to acquire it. Communications data is now addressed by Part 3 of the Investigatory Powers Act (IPA) 2016 and consequently from June 2019 all communications data applications must be authorised by the Office for Communications Data Authorisations (OCDA).

- 3.7. The Home Office Communications Data Code of Practice, chapter 8 sets out the procedures to be complied with by a local authority. Now, all applications to obtain communications data have to be made via a Single Point of Contact (SPOC) at the National Anti-Fraud Network (NAFN). In addition to being considered by a NAFN SPoC, the authority making the application must ensure someone of at least the rank of the Senior Responsible Officer (SRO), is aware that the application is being made before it is submitted to an Authorising Officer in the (OCDA). In Brent, this role is undertaken by the Head of Regulatory Services.
- 3.8. Communications data has been re-categorised as Entity and Events data:
- Entity data is information about the subscriber account such as name, address, payment method.
 - Event data is anything else such as call data, internet usage.
- 3.9. In relation to Events data there is now a serious crime threshold and the council can only submit an application for an investigation of a criminal offence capable of attracting a sentence of 12 months or more.
- 3.10. In relation to Entity data, this can be done for any criminal investigation where it is considered necessary and proportionate to do so.
- 3.11. The Communications Data Code of Practice states a local authority may not make an application that requires the processing or disclosure of Internet Connection Records for any purpose. An Internet Connection Record (ICR) is data which maybe used to identify, or assist in identifying, a telecommunications service to which the data is being transmitted and will generally identify a service that customer had been using. The Code makes clear that there is no single set of data that constitutes ICR as it will depend on the service provider concerned.

Key changes to RIPA policy

- 3.12. The RIPA Policy and procedures were revised in 2016 where it was commented by the Commissioner to be “excellent”. A number of changes have now been made to ensure that it remains up to date and compliant with the Home Office’s revised Codes of Practice.
- 3.13. The key amendments to the Policy relate to:
- a) the change from the Office Surveillance Commissioner (OSC) to the Investigatory Powers Commissioner Officers (IPCO);
 - b) the changes put into place by the IPA 2016 in relation to the acquisition of Communications data;
 - c) the consequences of non-compliance with the RIPA framework;
 - d) changes to Data Protection legislation.

Extracts of the key changes to the RIPA Policy are produced as **Appendix A** for Members consideration.

Oversight

- 3.14. The Council’s use and conduct of covert surveillance techniques is overseen internally by the Council’s Monitoring Officer, who also acts as the Council’s Senior Responsible Officer (SRO) for the purposes of the Home Office codes of practice.

3.15. The Monitoring Officer also keeps the Council's RIPA policy and procedures document under review and updates it as and when necessary. This ensures compliance with the most current legislation, statutory codes of practice, technical guidance and best practice. It is also necessary to keep the list of authorising officers up to date and for administrative, technical and presentational changes to be made from time to time to ensure the document acts as a helpful source of instruction and guidance to all officers of the Council. In addition, the SRO is responsible for:

- a) the integrity of the process in place for the management of CHIS and directed surveillance;
- b) compliance with the codes of practice;
- c) engagement with the IPCO inspectors when they conduct their inspections;
- d) oversight of the implementation of post-inspection action plans;
- e) ensuring authorisation officers are of an appropriate standard (where a IPCO report highlights concerns about the standard of authorising officers, the SRO will be responsible for ensuring the concerns are addressed).

3.16. In accordance with paragraph 4.47 of the Covert Surveillance and Property Interference Code, Councillors have a formal scrutiny role in relation to RIPA and should regularly review the authority's use of RIPA. Accordingly, it was decided that this Committee should conduct a high-level annual review. Any significant policy changes recommended by the Committee arising from its review will be reported to Cabinet for decision.

Use of RIPA

3.17. Following the changes in the RIPA regime, the number of RIPA authorisations have seen a continuous decline with local authorities. In Brent, for the current financial year, there has been zero RIPA Directed Surveillance or CHIS authorisations. Table 1 below sets out the directed surveillance authorisations in previous years.

Table 1

Year	Number of Authorisations
2018/2019	0
2017/2018	0
2016/2017	1
2015/2016	0

3.18. RIPA powers are now predominantly used to enforce trading standards controls and, in particular, to conduct test purchases of age restricted products such as alcohol. It is occasionally used in the context of serious fraud investigations.

4. Financial Implications

4.1. There are no financial implications arising out of this report.

5. Legal Implications

5.1. The legal considerations are contained within the body of the report.

6. Equality Implications

- 6.1. Under section 149 of the Equality Act 2010, the council has a duty when exercising its functions to have 'due regard' to the need to eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act and advance equality of opportunity and foster good relations between persons who share a protected characteristic and persons who do not. This is the public sector equality duty.
- 6.2. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.
- 6.3. Due regard is the regard that is appropriate in all the circumstances.
- 6.4. There are no equalities implications arising from this report.

7. Consultation with Ward Members and Stakeholders

- 7.1. None

Report sign off:

DEBRA NORMAN

Director of Legal, HR, Audit and Investigations

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Appendix A: Key changes which have been inserted into the RIPA policy and procedures.

The following sections highlighted in red have been inserted into the RIPA policy and procedure. The numbering reflects the current numbering in the policy.

6.3 Aerial Covert Surveillance

- 6.3.1 Where surveillance using airborne crafts or devices, for example helicopters or unmanned aircraft (colloquially known as 'drones'), is planned, consideration should be given as to whether an aerial surveillance authorisation is appropriate.

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7. Communications Data

- 7.1 As part of an investigation, there are occasions when "Communications Data" (CD) is permitted to be obtained from a Communications Service Providers ("CSPs").

- 7.2 Communications Data includes the 'who', 'when', 'where', and 'how' of a communication, but Local Authorities are prohibited from obtaining the content of any communication i.e. what was said or written. It is generated, held or obtained in the provision, delivery and maintenance of communications services i.e. postal services or telecommunications services.

All communications data held by a telecommunications operator or obtainable from a telecommunication system falls into two categories of entity data and events data; and Local Authorities may only acquire less intrusive types of Communications Data:

- (i) "Entity data" (e.g. subscriber information such as the identity of the person to whom services are provided, address and customer information); includes:
- 'subscriber checks' such as "who is the subscriber of phone number 01234 567 890?", "who is the account holder of e-mail account example@example.co.uk?" or "who is entitled to post to web space www.example.co.uk?";
 - subscribers' or account holders' account information, including names and addresses for installation, and billing including payment method(s), details of payments;
 - information about the connection, disconnection and reconnection of services to which the subscriber or account holder is allocated or has subscribed (or may have subscribed) including conference calling, call messaging, call waiting and call barring telecommunications services; or
- (ii) "Events data" (e.g. the date and time sent, duration, frequency of communications, call diversion and IP address information) includes, but is not limited to:
- information tracing the origin or destination of a communication that is, or has been, in transmission (including incoming call records);

- information identifying the location of apparatus when a communication is, has been or may be made or received (such as the location of a mobile phone);
 - itemised telephone call records (numbers called);
 - itemised timing and duration of service usage (calls and/or connections);
- 7.3 Part 3 of the Investigatory Powers Act 2016 (IPA) contains the provisions that now govern the powers available to the Local Authorities for the lawful acquisition of CD. Some of the key parts of Part 3 came into force on 11 June 2019 and replace many of the provisions relating to acquisition of CD under RIPA.
- 7.4 Under the IPA and for the purpose of acquiring CD, the role of the Designated Person (DP) within the Local Authority (LA) and the Magistrate/District Judge is abolished. The authorising role of the DP and the Magistrate / District Judge is now replaced by a new independent body called the Office for Communications Data Authorisations (OCDA).
- 7.5 Further the Data Retention and Acquisition Regulations 2018 (SI 2018/1123) (“DRAR”) amend Parts 3 and 4 of the IPA which provides for the retention of Communications data by telecommunications and postal operators, and the acquisition of that communications data by public authorities.
- 7.6 The DRAR introduced the new code of practice entitled “Communications Data Code of Practice” about the exercise of functions conferred by Parts 3 and 4 of the IPA (Regulation 2).
- 7.7 As a matter of policy and practice, the Council’s Communications data activities have been outsourced to the National Anti-Fraud Network (“NAFN”). The IPA has now codified this process. Local Authorities **must now** submit all their Communications data applications, via, NAFN, for the consideration of the OCDA. This effectively means that NAFN will continue to be the Single Point of Contact (“SPoC) for all applications made by Brent Council.
- 7.8 However before submission to NAFN, the application must be brought to the attention of the Designated Senior Officer who has been given the designated role of overseeing the applications before submission to NAFN. The details of the Designated Senior Officer appears in Appendix 4.
- 7.9 Brent Council’s Trading Standards Service collaborates and liaises with NAFN to ensure the provisions of the IPA are complied with and to ensure any application follows best practice.
- 7.10 For applications made for the acquisition of CD under the IPA, the “applicable crime purpose” must be met concerning all applications for both *Entity Data* and *Events Data*.
- 7.11 The applicable crime purpose is defined differently depending on the data type. Where the Communications Data sought is *Entity Data*, the applicable crime purpose is the prevention or detection of crime or the prevention of disorder.

7.12 In cases where the Communications Data required is wholly or partly *Events Data*, the applicable crime purpose is defined as preventing or detecting serious crime (the “serious crime threshold”). The *serious crime threshold* under IPA includes offences where an adult may be sentenced to at least 12 months or more in prison (and any offence committed by a body corporate).

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8. Covert Human Intelligence Sources [CHIS]

8.2 The key difference between Directed Surveillance and use of CHIS is that the first involves the obtaining of private information through covert means, whereas the second involves the manipulation of a relationship to obtain information. **Any manipulation of a relationship amounts to a fundamental breach of trust, which depending on the covert purpose can place a CHIS in serious danger. Consequently, extra precautions may be required to ensure a CHIS is not discovered.**

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9.8 The use and wearing of recording devices is done in accordance with the College of Policing Body Worn Video Guidance 2014. **Following the case of AB v Hampshire Constabulary IPT/17.191/CH (5.2.19) it should be noted the video recording body worn camera is capable of amounting to surveillance within the meaning of Part 11 RIPA 2000.**

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13. Proportionality – striking the balance

13.1 This involves considering a number of factors as highlighted by s4.7 of the Code:

- the seriousness of the intrusion into the private or family life of the target - and any other person likely to be affected (collateral intrusion);
 - balancing the size and scope of the proposed activity against the gravity and extent of the perceived crime or harm;
 - explaining how and why the methods to be adopted will cause the least possible intrusion on the subject and others;
 - considering whether the activity is an appropriate use of the legislation and a reasonable way, having considered all reasonable alternatives, of obtaining the information sought;
 - evidencing, as far as reasonably practicable, what other methods had been considered and why they were not implemented, or have been implemented unsuccessfully.
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16.1 RIPA for Brent Council CCTV

- 16.1.1 Directed Surveillance requests for access to Brent Council's CCTV must comply with the RIPA CCTV protocol.
- 16.1.2 The Council will only allow the Police and other third parties to use its CCTV systems to carry out targeted covert surveillance (which includes the disclosure of recordings) in the Borough of Brent if the requirements of the protocol are adhered to.
- 16.1.3 All visitors to the CCTV room must also complete the visitors' signing-in book giving relevant details of the operation involved and the specific CCTV camera(s) to be used.
- 16.1.4 Records are to be retained for inspection by the Information Commissioner's Office (IPC), Surveillance Camera Commissioner (SCC), IPCO and SRO as and when required.

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18. Senior Responsible Officer (SRO)

18.1 Under the relevant Home Office Codes for surveillance, CHIS and Communications Data, the SRO is responsible for-

- the integrity of the process in place within the public authority for the management of CHIS and to acquire communications data.
- engagement with officers in the Office for Communications Data Authorisations (where relevant).
- compliance with Part II of the RIPA 2000 and Part 3 of IPA and with the relevant Codes Of Practice
- oversight and prompt reporting of errors in accordance with the Codes of Practice to the IPCO and the identification of both the cause(s) of errors, and the implementation of the processes to minimise repetition of errors; (an example of such an error would be carrying out surveillance without proper authorisation);
- ensuring the overall quality of applications submitted to OCDA by the Council.
- engagement with the IPCO inspectors when they conduct their inspections; and
- where necessary, oversight of the implementation of post inspection action plans approved by the IPCO.

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Codes of Practice

- 24.1 **As mentioned above** the Home Office publishes Codes of Practice giving guidance on the use of RIPA by public authorities. The current editions were published in 2018 pursuant to section 71 of RIPA 2000. There is a separate Code concerning Communications Data which is not covered in **detail** in this Policy.
- 24.2 Unlike the OSC and IPCO guidance, the **Home Office Codes are admissible in evidence** in any court proceedings, and **must be taken into account**. Public authorities like the Council may be required to justify the use, granting or refusal of

authorisations by reference to the Codes.

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25 Data Protection Act 2018

- 25.1 Care must be taken to ensure that information received through directed surveillance is handled in accordance with the relevant legislative requirements and in accordance with the Council's information governance requirements.
- 25.2 Dissemination, copying and retention of material must be limited to the minimum necessary for authorised purposes.
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26. Consequences of non –compliance with RIPA


Where covert surveillance work is being proposed for matters which fall within the ambit of RIPA 2000, this Policy and procedure must be strictly adhered to in order to protect both the Council and individual officers from the following:

- 26.1 **Inadmissible Evidence and Loss of a Court Case:** there is a risk that, if Covert Surveillance and Covert Human Intelligence Sources are not handled properly, the evidence obtained may be held to be inadmissible in court proceedings by virtue of s78 Police and Criminal Evidence Act (PACE) 1984. Section 78 allows for evidence, that was gathered in a way that affects the fairness of the criminal proceedings, to be excluded. The Common Law Rule of Admissibility means that the court may exclude evidence because its prejudicial effect on the person facing the evidence outweighs any probative value the evidence has (probative v prejudicial test).
- 26.2. **Legal Challenge** –Article 8 of the European Convention on Human Rights, establishes a “right to respect for private and family life, home and correspondence”. Any potential breach could give rise to an application for Judicial Review proceedings in the High Court by the aggrieved person.
- 26.3. **Censure** – the IPCO conduct regular audits on how Local Authorities implement RIPA and IPA. If it is found that a Local Authority is not implementing RIPA/IPA properly, then this could result in censure.
- 26.4 **Complaint to The Investigatory Powers Tribunal (“IPT”):** Any person who believes that his or her Article 8 rights have been unlawfully breached by an authority using the RIPA authorisation process may submit a complaint the IPT. This Tribunal is made up of senior members of the judiciary and the legal profession. It is independent of the Government and has full powers to investigate and decide any case within its jurisdiction and award compensation. It will consider complaints made up to one year after the conduct to which the complaint relates and, where it is equitable to do so, may consider complaints made more than one year after the conduct to which the complaint relates (see section 67(5) of the Act), particularly where continuing conduct is alleged.
- 26.5 Any action commenced in paras 26.1-26.4 above may have financial and reputational implications for the council as well as affect its ability to utilise RIPA.

27 Case to Note: Case of Gary Davies v British Transport Police (IPT/17/93/H)

27.1 On 30th April 2018, the IPT awarded £25k to reflect the gravity of the breach and damage suffered and a further award of £21,694 in respect of costs, totalling a compensation award of £46,694 to an individual who complained about surveillance by British Transport Police. This case involved surveillance carried out without proper authorisation and without proper compliance with all the relevant provisions of RIPA 2000. The tribunal indicated that in their view none of the officers involved in the matter demonstrated an adequate knowledge of the relevant requirements of RIPA. The Tribunal classified the unauthorised surveillance as “unlawful”.

27.2 The above case shows that the importance and extent of financial penalties that can be imposed by failing to adhere to provisions of this Policy, the IPA, RIPA and the relevant Codes of Practice.

 <p>Brent</p>	<p>Audit and Standards Advisory Committee 20 January 2020</p> <hr/> <p>Report from the Director of Legal, HR, Audit and Investigations</p>
<p>COUNTER FRAUD PROGRESS REPORT – Q3 2019/20</p>	

Wards Affected:	N/A
Key or Non-Key Decision:	N/A
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
No. of Appendices:	N/A
Background Papers:	N/A
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Michael Bradley, Head of Audit and Investigations Service 07920 581620, Michael.Bradley@brent.gov.uk

1.0 Purpose of the Report

1.1 The report sets out the counter fraud activity for this year up to Q3.

2.0 Recommendation(s)

2.1 That the Audit and Standards Advisory Committee notes the counter fraud work in the period of this report.

3.0 Detail

Internal Fraud

3.1 This category includes whistleblowing referrals and a range of case types such as financial, staff conduct and procedural irregularities. Proactive work and our review of the National Fraud Initiative (NFI) data-matched reports is covered in the 'Proactive' section of this report. Internal fraud typically has the fewest referrals in any period but is generally more complex in nature. The table below sets out key figures in this area.

Table A – Internal Fraud

Internal Fraud	2019/20 Q4	2019/20 Q3	2019/20 Q2	2019/20 Q1	2018/19 (full year)	2017/18 (full year)	2016/17 (full year)
Open Cases b/f		15	9	5	11	16	22
New Referrals		6	13	11	28	35	28
Closed Cases		9	7	7	34	40	34
Open Cases c/f		12	15	9	5	11	16
Fraud/Irregularity Identified*		7	2	2	11	10	12
Dismissal		2	0	1	2	1	1
Resignation/Left		2	1	1	2	1	2
Warning		0	0	0	3	2	1
Other Outcome		3	1	0	4	7	8

* Where closed cases do not identify fraud / irregularity, these are recorded as NFA (No Further Action)

3.2 There were 19 referrals logged between Q2 and Q3 from a variety of sources that also related to whistleblowing, which is consistent with the previous year. In the same period, 16 cases were closed though it should be noted that this also includes six cases that were opened before Q2 – nine of these were proven to represent fraud/irregularity. Due to the confidential nature of the type of referrals, it is not appropriate to provide details in this report. A summary of the case types is as follows:-

- Officer/Service – bribery / corruption (x4)
- Officer/Service – breach of financial (or other) regulations (x6)
- Officer/Service – recruitment irregularities (x3)
- Officer – theft of cash / assets (x2)
- Officer – payroll / expenses fraud (x1)
- Officer – external offences (x2)
- Service Advice / Review – fraud / risk review (x1).

3.3 One case concluded in Q3 that is worth noting was a Care Manager within Adult Social Care whose payroll record matched on the National Fraud Initiative (NFI) against another local authority identifying undeclared employment. The employee was dismissed for a variety of conduct charges, which included; failure to declare past & present employment, dishonestly providing a reference, providing false information and failure to declare a conflict of interest.

3.4 Another case worth noting is a whistleblowing referral received in Q2 that alleged corruption and discrimination within the Housing Needs Service in relation to its Allocations Policy. Comprehensive enquiries by the Counter Fraud team found no evidence to support the allegations, though a number of agreed recommendations were made to protect the service from similar allegations and to help its decision-making be more transparent.

3.5 A recent case of note was an employee who resigned from a team within Environment Services for misusing their works vehicle. The case was referred

to the team for suspicions relating to undeclared employment, though after initial checks it was decided to assist management with preparing for an investigatory interview that subsequently led to the employee resigning.

Tenancy and Social Housing Fraud

- 3.6 The recovery of social housing properties by the Counter Fraud team has a positive impact upon the temporary accommodation budget and remains a high priority fraud risk for the Council. The average value of each recovered tenancy is £93,000 per property as reported by the Cabinet Office (National Fraud Initiative Report 2016). The counter-fraud activity to end of year is summarised in the table below:

Table B – Tenancy and Social Housing Fraud

g Fraud	Housin	2019/20 Q4	2019/20 Q3	2019/20 Q2	2019/20 Q1	2018/19 (full year)	2017/18 (full year)	2016/17 (full year)
Open cases b/f			44	41	23	28	82	121
New Referrals			60	35	47	151	130	332
Closed cases			30	32	29	156	184	371
Open cases c/f			74	44	41	23	28	82
Fraud Identified			7	2	5	27	42	52
Recovered Properties			6	2	2	20	38	44
Applications Refused			0	0	1	3	1	0
Property Size Reduced			1	0	1	0	2	4
Right To Buy			0	0	1	3	1	4
Value of properties recovered*			£651,000	£186,000	£372,000	£2,139,000	£738,000	£864,000
Value of Right to Buy Discount Prevented**			NIL	NIL	£170,900	£315,800	£103,900	£311,700
Cases with Legal for Possession/Prosecution			9	9	8	12	11	26

* Notional value of recovered properties (including housing and Right to Buy applications stopped, property size reduction and prevention of split tenancy) used for reporting purposes is £93,000. (£18,000 used previously)

** Actual amount of Right to Buy discount stopped.

*** Fraud Found includes one housing case where Council Tax fraud/irregularity (£145.10) was identified.

- 3.7 Nine housing cases, with a notional value of £837,000, were recorded as a result of fraud / irregularity in Q2 and Q3, which is consistent with the same period last year where fraud was identified in ten cases.

- 3.8 The number of housing frauds detected has reduced when compared to an average of 40 recoveries over the last three years. Referrals from the Home and Communities team have declined over the last 18 months, though both teams are working to address this and help improve the quality and quantity. The total referrals are increasing due to information received from the public and proactive work conducted by the team, such as NFI data matching against tenancy records.

- 3.9 There are currently 108 live housing investigations and of these; nine cases are involved with legal proceedings to recover the property and a further 17 cases have been concluded by the team and a report issued to Housing Management to instigate recovery action. We are working closely with the Home and Communities team who have responded positively to progress these outstanding cases.
- 3.10 A notable case concluded in Q2, found the tenant had fraudulently attempted to assign their tenancy in NW10 to an unauthorised occupant to whom she had been unlawfully subletting and dishonestly made representations they had split from a relationship. Court proceedings was instigated the hearing on the 20th June 2019 found in favour of Brent and judgement made as follows;
- Possession in 42 days
 - Defendant 1 (tenant) to pay money judgment for arrears of rent in the sum of £397.32,
 - Defendant 2 (unlawful sub-tenant) to pay money judgment for arrears of use/occupation in the sum of £760.32 within 28 days,
 - D2 to pay charges for use/occupation from 22 June 2019 in the sum of £17.46/day until possession is recovered, and
 - D2 to pay court costs summarily assessed at £5,136 within 28 days.

External Fraud

- 3.11 'External fraud' includes all external fraud / irregularity that affects the council. This will include (but is not limited to) fraud cases involving; Blue Badge, Direct Payments, Council Tax, Business Rates, insurance, finance, concessionary travel and grant applications. The counter fraud activity up to end of the year is summarised in the table below:

Table C – External Fraud

External Fraud	2019/20 Q4	2019/20 Q3	2019/20 Q2	2019/20 Q1	2018/19 (full year)	2017/18 (full year)	2016/17 (full year)
Open cases b/f		61	44	20	13	14	57
New Referrals		48	49	53	142	88	161
Closed Cases		53	32	29	135	89	204
Open cases c/f		56	61	44	20	13	14
Fraud / Irregularity *		22	11	2	23	12	22
Prosecution		4	0	1	2	1	2
Warning / Caution		18	5	1	4	2	6
Overpayment/Saving		22	11	2	19	11	7

* Where closed cases do not identify fraud / irregularity, these are recorded as NFA (No Further Action).

- 3.12 There has been an increase in referrals throughout this year. This is mainly due to a new referral process developed in April with the Parking service and its contractor Serco to tackle Blue Badge fraud and misuse.

- 3.13 In addition, successful outcomes have significantly increased with five prosecutions and 24 cautions/warnings being issued for fraud and / or persistent misuse.
- 3.14 A press release for a notable prosecution concluded in Q2 that resulted from a team-enforcement operation is summarised below;

A fine-dodging fraudster who refused to turn up to legal proceedings on 5 separate occasions has been ordered to pay nearly £1,500 in penalties for using a counterfeit Disabled Blue Badge, which she falsely claimed belonged to 'her mother'.

Ms Rhonda Rose had ignored numerous parking notices and tried to flee when confronted in Wembley in November 2018. She was thwarted by council and police officers who stopped her and took away her car keys.

Brent Council prosecuted Ms Rose in her absence at Willesden Magistrates Court on 30th July 2019 where she was fined £660, with costs of £726 as well as a victim surcharge of £66.

Cllr Krupa Sheth, Lead Member for Environment, said: "Fraudsters like Ms Rose try to abuse a system that helps disabled people who genuinely need accessible parking. I hope this makes anyone thinking of wrongfully using a Blue Badge think twice."

Proactive / Other Counter Fraud activity

- 3.16 The team led on a further three Blue Badge operations during Q2 and Q3 in Kingsbury and Wembley locations. 146 badges were checked, 15 cases identified as fraud / misuse and 22 Penalty Charge Notices issued.
- 3.17 The National Fraud Initiative (NFI) 2018/19 exercise has generated 19,296 data matches in Q4 2018/19 covering multiple data reports across the full range of data sets that include Payroll, Pensions, Finance, Creditors, Housing, Benefits, Direct Payments, Insurance, Parking Permits and concessionary travel. In addition, there is an annual data match between Electoral Roll and Council Tax Single Persons Discount data, which produced over 6,500 matches this year, of which it is expected that approximately 25% will have the Single Persons Discount cancelled. The team is currently reviewing all reports and a full summary of outcomes will be presented in the end of year report. One report that was recently completed relates to deceased person records against live Blue Badges, which has resulted in 277 (of 348) badges being cancelled with a notional value of £159,275. Another report matching Housing Benefit and deceased persons data has recently identified £149,000 in savings.
- 3.18 After a recent successful pilot, the team is aiming to introduce an identity authentication system that will enable all council services to have full assurance when accepting and verifying identity documents, which will help to prevent fraud. The preferred system is called IDScan – Scannet. The system is designed for use at customer facing points, though the company also provides a mobile solution where customers can upload and have their identity documents verified remotely before submission. It is anticipated the new scanners will be introduced in Q4 at three or four locations.

4.0 Financial Implications

4.1 There are no specific financial implications associated with noting this report.

5.0 Legal Implications

5.1 There are no specific legal implications associated with noting this report.

6.0 Equality Implications

6.1 None

7.0 Consultation with Ward Members and Stakeholders

7.1 None


8.0 Human Resources/Property Implications (if appropriate)

8.1 None

Report sign off:

Debra Norman

Director of Legal, HR, Audit and Investigations

 <p>Brent</p>	<p>Audit and Standards Advisory Committee 20 January 2020</p> <hr/> <p>Report from the Strategic Director of Regeneration and Environment</p>
<p>EMERGENCY PREPAREDNESS UPDATE</p>	

Wards Affected:	All
Key or Non-Key Decision:	Non-key
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
No. of Appendices:	One: 1. Appendix A: Brent RSL Self-Assessment
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Daryl Jooste Civil Contingencies Manager 0208 937 5415 daryl.jooste@brent.gov.uk

1.0 Purpose of the Report

1.1 At the January 2018 Audit Advisory Committee, it was resolved that an Emergency Preparedness item be added to its Forward Plan to be discussed annually going forward. This report briefly outlines the progress made since the 2019 report, details the type and number of incidents in Brent and provides some information around initiatives and programmes of work under way to enhance our resilience and response arrangements.

2.0 Recommendation(s)

2.1 Consider and note the information contained in this report

3.0 Detail

3.1 New Assurance Mechanism – Resilience Standards for London (RSL)

3.1.1 The nature of the emergencies in London are becoming increasingly varied and there is heightened expectation on authorities to provide the individual and collective leadership required during incidents.

- 3.1.2 Following several major emergencies affecting London and putting the London Resilience Partnership under considerable strain during 2017, London Councils commissioned an independent peer challenge that took place in early 2018, focusing on the extent to which Boroughs' collaborative resilience arrangements continue to provide assurance. The London Resilience Forum (LRF) and the Local Authorities' Panel (LAP) are overseeing the recommendations.
- 3.1.3 The previous standards used were the Minimum Standards for London (MSL), comprising of sixteen (16) standards designed to support the London Local Authority Gold (LLAG) arrangements. It was recommended that the Minimum Standards for London, which were introduced in 2007 to ensure a baseline standard of resilience planning across London local authorities, be replaced.
- 3.1.4 A resultant outcome of the review was the new Resilience Standards for London (RSL) v1.0 which were officially launched in 2019. All 33 London Councils will be undertaking a self-assessment on an annual basis using the new Resilience Standards for London. The self-assessment is an important improvement tool for the Council and its stakeholders and should be an accurate and honest representation as to how the Council is currently performing.
- 3.1.5 A series of peer challenge workshops will be arranged in order to share and challenge the results from the individual self-assessments across Boroughs. This will be led by the Resilience Support Team (RST) at the City of London Corporation, overseen by LAP.
- 3.1.6 In addition, a peer review will be facilitated by the LGA with 6 boroughs undergoing the process each year. In 2020, selected boroughs are Brent, Ealing, Kingston, Merton, Richmond and Wandsworth. In Brent, the Peer Review will take place over a three-day period on the 27-29 January 2020. Our self-assessment submission to London Resilience for 2020 and the peer review team at the LGA is attached at Appendix [A].

3.2 Emergency Shelter & Accommodation

- 3.2.1 Since January 2019, Brent has opened an emergency shelter (Rest Centre) for persons displaced from emergencies on 6 occasions; the largest single instance was for 250 people displaced by a fire in their backpacker's hostel in October.
- 3.2.2 The Emergency Accommodation Protocol (a product of one of the 2017 Task & Finish Group recommendations) was used on 4 occasions to accommodate small numbers of evacuees from emergencies in local hotels. The protocol recognises the need for quality accommodation to be sourced in a timely manner for those affected by emergencies and balances the needs of those affected with the resource requirements, especially demands on officer time, cost to the council and the ease of implementation in the midst of an emergency.
- 3.2.3 One new emergency shelter venue has come forward and agreed to be used in case of an emergency in the local area. This takes the total number of such venues in the borough to 48.

3.3 New Emergency Response Officers

- 3.3.1 In November 2019, we recruited an additional 11 new Emergency Response Officers. These staff volunteer to join the scheme and 2 are placed on call each week to provide the immediate 24/7 response to any incident in the borough under the supervision of the Emergency Duty Officer (also on call 24/7). This takes our total number of trained Emergency Response Officers to 31, up from 24 last year.

3.4 Impact of Brexit on our ability to respond to an emergency

- 3.4.1 Core response capabilities: Brent Council's core response capabilities (such as staffing, vehicles and software systems) are sourced and maintained in-house and are not critically dependant, in the immediate term, on external suppliers or support.
- 3.4.2 Additional response capabilities: Response capabilities that are provided by suppliers and voluntary sector partners e.g. the British Red Cross, Vodaphone etc. are sourced from well-established, UK-based and multi-national organisations.
- 3.4.3 Other capabilities: Contractors who provide services such as street cleansing or highways management and exist as part of the council's business-as-usual operation may have a role during an emergency. Such suppliers are subject to regular contract management to identify any emerging issues early. There are likely to be stresses in certain sectors, post-Brexit, but the impacts of these are likely to emerge and become known over time and should not manifest acutely at the time of an emergency or as a result of the emergency.

3.5 Potential role of Emergency Planning during Brexit

- 3.5.1 Business Continuity: All council services complete an annual assessment of their capability to deliver services during a disruption to business. Whilst not specifically examining the impacts of Brexit, Business Continuity Plans do gauge the impacts (and short term solutions) of scenarios like loss of staff which is one of the concerns as it relates to Brexit.
- 3.5.2 Emergency Plans: The constraint of fuel supply has always been a risk to the UK. Brent maintains a Fuel Disruption Protocol for these situations and in the event of actual constraint, HMG would activate the National Emergency Plan for Fuel, which rations fuel to the public and non-essential business users. Brent Council is an authorised recipient of fuel in these circumstances for our "life and limb" services, which are already known and assessed in order to ensure they receive fuel under a Temporary Logo Scheme, maintained by Emergency Planning.
- 3.5.3 Reporting: Central Government has indicated that during the Brexit period, they may require local authorities to report any issues experienced that are related to Brexit. Indicators such as community tension, staff shortages, and shortages of material or food are likely to have to be reported to central government as they occur on the ground. Emergency Planning, will provide the conduit

between local and central government via London Resilience once the reporting regime is known.

3.6 Incidents

- 3.6.1 There have been 15 incidents since January 2019 that have warranted a response by Emergency Planning. Of those, 11 caused the Silver (senior manager) level to be notified. This demonstrates that Brent's operational arrangements are adequate in dealing with the types of incidents faced to date and align with the UK's Response Doctrine principle of subsidiarity. Gold (Chief Executive/Strategic Director) level was informed in most cases for information and exercised their Gold Functions in 4 instances (for approval of expenditure, setting of strategy and direction of resource). Again, this aligns well with the subsidiarity principle.

A summary table of incidents is below:

DATE	INCIDENT TYPE	LOCATION	ROLES ACTIVATED / INFORMED (A/I)									KEY ACTIONS	
			Duty Officer	Silver	LALO	Surveyor	Rest Centre	Red Cross	GOLD /CMT	Comms	Other		
04/01/2019	Residential Fire	Windmill Court, NW2	A	A	A	A	A			A	A	BHM, Housing Needs	Attended scene. Established Rest Centre, multi-agency liaison, sourced standby emergency accommodation, repairs, site survey
26/01/2019	Residential Fire	26 Keswick Gardens	A										Liaised with landlord re alternative accommodation
27/01/2019	Industrial Units Fire	Park Royal Studios, NW10	A			A							Monitoring of incident, deployment of building surveyor, liaising with LFB
19/03/2019	Fire - Flats (with sprinkler flood)	Unite Students, Wembley	A	I	A					I	I		Attended scene. Multi-agency liaison, liaison with Unite.
15/05/2019	Warehouse Fire	715 North Circular Rd	A	A	A	A	A			A	A		Attended scene. Rest Centre at Civic. 21 Evacuees accommodated in local hotel. Provided structural advice. Transport for evacuees. Comms provided info re road closures on social media etc.
17/05/2019	Flat Fire - Venice House	Hatton Rd	A	I	A		A			I	I		Attended scene, opened RC in anticipation of a substantial evacuation (ultimately not required), LALO to scene, structural advice, comms re road closures

06/07/2019	Gas Leak - Morritt House	1 Talbot Rd	A	I	A		A		I	A		Rest Centre for evacuees, liaison with emergency services, comms updating social media re road closures
23/08/2019	Arson	High St Harlesden	A								Private Housing	Attended scene with Housing Inspector. No further EP involvement
30/08/2019	Residential Fire	Harrow Rd, HA9	A	I	A					I		Attended scene. Rehoused one family.
19/10/2019	Fire Backpackers Hostel	Harrow Rd, NW10	A	I	A		A		I	A		Attended scene. Sheltered 250 evacuees. Liaison with Emergency Services and hostel owners
25/11/2019	Residential Fire	34 Grasmere Ave	A	A	A		A		A	A	Private Housing, Welfare	Attended scene. Sheltered evacuees. Purchased new clothing for them. Emergency cash grant given to each. Hotel accomm. Referral to Housing Needs for ongoing support with housing
03/12/2019	Residential Fire	6-8 Kingsway	A	I	A	A			I	I		Attended scene. Liaised with LFB and police and homeowners. Surveyor arranged
03/12/2019	Residential Fire	Denzil Rd	A			A						Surveyor requested and attended. Rehousing arranged privately, not required from council
05/12/2019	Residential Fire	10 Greenwood Terrace	A	I					I	I	Private Housing	Patrol team attended scene. EP Liaison with landlord. Believed unlicensed HMO. Referred to PHS. Accom sorted privately
07/12/2019	Residential Fire	60 Austen House	A	I	A				A	I	BHM, ASC, Care Agency	LALO attended scene. Accommodated 1 elderly gent. BHM arranging repairs - substantial rewire needed. ASC sorting care visits to hotel and liaising with family

3.7 Initiatives

3.7.1 Community Engagement is an area that progressed since the last report. A Community Resilience training package has been developed and is ready to deliver to community groups accompanied by a proposed refresh of our web pages and redesigned Community Resilience Guide.

3.7.2 The faith sector is an important community partner in the response and recovery to incidents. Regional promotion via London Faith Networks has resulted in local faith groups making contact and expressing an interest in being part of the arrangements. Brent Emergency Planning intends to further develop this network, offering training and cultivate good working relationships with our faith partners – using the “Every Place Ready” theme promoted via London Faith Network.

3.7.3 Resilience for schools has recently been promoted via a schools newsletter and as a result a number of local schools have been assisted with Business Continuity Planning with 2 emergency exercises arranged with local schools in January 2020.

4.0 Financial Implications

4.1 Nil

5.0 Legal Implications

5.1 Nil

6.0 Equality Implications

6.1 Nil

7.0 Consultation with Ward Members and Stakeholders

7.1 N/A

8.0 Human Resources/Property Implications (if appropriate)

8.1 N/A

Report sign off:

Amar Dave

Strategic Director of Regeneration
and Environment

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BRENT RESILIENCE STANDARDS

PEER REVIEW SELF ASSESSMENT

DECEMBER 2019

Contents:

- [1. Standard 1 – Risk Assessment](#)
- [2. Standard 2 – Political Leadership](#)
- [3. Standard 3 – Managerial Leadership](#)
- [4. Standard 4 – Organisational Engagement](#)
- [5. Standard 5 – Capabilities and Plans](#)
- [6. Standard 6 / 6a – Resources, Roles, Responsibilities and Quantitative Data](#)
- [7. Standard 7 – Partnerships](#)
- [8. Standard 8 – Training, Exercising and Evaluation](#)
- [9. Standard 9 – Business Continuity](#)
- [10. Standard 10 – Community Resilience](#)
- [11. Standard 11 – Recovery Management](#)

1. Standard 1 – Risk Assessment

Desired outcome:

The council has a robust and collectively understood assessment of the most significant risks to the local area, based on how likely they are to happen and what their impacts might be. This information is used to inform a range of risk management decisions, including the development of proportionate emergency plans and preparations.

Brent Assessment of Current Position:

ESTABLISHED – with elements of advanced

1.1 Public Awareness

Brent has a population of around 340,000. It is one of London’s most well-connected Boroughs in terms of transport, with thousands of visitors passing through every day. Major events also frequently take place at Wembley Stadium and the SSE Arena. To ensure that residents and visitors are provided with pertinent and easily understandable information about what the public may do to protect themselves before, during and after an emergency, Brent has produced a Community Resilience Guide (**Appendix 1**). This guide includes information about the most common specific risk scenarios (e.g. Pandemic Influenza and severe weather), common consequences (e.g. evacuations and utility disruption) as well as practical safety advice (crime and fire safety).

The guide is reviewed annually according to the Brent Borough Resilience Forum (Brent BRF) Business Plan and made available [here](#) on the London Borough of Brent website. Refinements to this document are currently under way to make it even more accessible, concise and user-friendly to our community.

1.2 Borough Risk Register – Review Process

The Borough Risk Register is reviewed annually by the core review group of the Brent BRF. The Council Management Team are also provided with the final version of the local register for consideration on a regular basis.

This risk register takes into account the complexities and densely populated nature of the local area, as well providing key consideration to sites of national importance located within the borough, such as the Wembley National Stadium, SSE Arena and the Neasden Temple.

The core review group of the Brent BRF consists of members from agencies who are designated as “risk owners” in the London Risk Register. The BRF Risk Review Management document (**Appendix 2**) describes the review process in more detail. It outlines how any Brent BRF partner can bring a new risk, or request a review of an existing risk, at any point outside of the annual review cycle.

The council additionally ensures that actual events and incidents are able to influence the risk register and accompanying planning activities. The mechanism for achieving this is outlined in the Debrief Procedure (**Appendix 3**). Even for minor incidents, where no formal post-incident report is generated, lessons are captured via informal discussion with the staff involved and recorded on the Incident Summary Log (**Appendix 4**), which is examined annually to pick up on trends, or to open learning points that have yet to be actioned.

1.3 Detailed Analysis of Risks on the Risk Register

A deeper and more detailed analysis of each risk on the Borough Risk Register comes from the council's Civil Contingencies Team. The team analyse each risk against a list of probable impacts to further derive a set of common consequences. The effectiveness of this approach has been highlighted in the February 2019 Audit Report (**Appendix 5**): *“The Council have taken a consequence-based approach to devising the emergency plans in place as opposed to creating plans for each potential incident that may occur. This allows for greater flexibility in terms of the Council’s response to an incident and provides the ability for the Council to appropriately deal with all forms of incident that it may be faced with.”*

In addition to identifying the impacts and common consequences of risks, the list of supporting capabilities required in every scenario, regardless of cause or impact, is also reviewed to ensure it remains fit for purpose. The full list of impacts, common consequences, specific scenario plans and supporting capabilities is kept in spreadsheet format in the Common Consequences Document (**Appendix 6**).

1.4 Local Partnerships – Collective Risk Planning

In addition to the annual review of the local register by the Brent BRF, the council maintains strong relationships with its partners and works in collaboration to conduct a number of collective risk planning activities.

For example, the council has facilitated an annual strategic-level multi-agency counter-terrorism exercise, centred around an attack at an iconic site in Wembley. This exercise involved senior leaders from both public and private organisations that operate in the Wembley area – namely, The FA, Wembley Stadium, SSE Arena, Hotels and Wembley Park Estate Management.

The Metropolitan Police Service Counter Terrorism Advisors have also delivered “Stay Safe/Run, Hide, Tell” training sessions to over 1,300 council employees over the course of two years, with the training now becoming a regular feature as part of the council’s training offer.

The council continues to share information across borough boundaries which occurs as a requirement of Control of Major Accident Hazard (COMAH) regulations. There are no upper-tier COMAH sites in or adjacent to Brent, however a lower-tier site exists in a neighbouring borough and we have been provided with the safety data relating to this site.

1.5 Local Impact

When attempting to understand local impacts of emergencies on our communities and to factor these into the design of our services, the council has considered the Joint Strategic Needs Assessment (**Appendix 7**) to better understand the community it serves. This helps shape the design and nature of the services and communications style. Examples of how this translates into operational practice are noted below:

- **Older and Vulnerable Persons** – Brent has an increase in its older population and that this demographic may need extra support during emergencies. Our Identification of Vulnerable Persons Procedures (**Appendix 8**) outlines how we might quickly identify those in extra need of support. We have programmed a capability into our GIS system to be able to identify all persons over 70 who are known to the council within any given area within seconds. Similar capabilities exist for persons with disabilities such as mobility or sensory impairment.
- **Young People** – Brent has a high number of young people. This demographic is likely to be connected online and tech-savvy. Our Rest Centre Procedures (**Appendix 9**) allow people who are connected in this way to register themselves in an emergency using their smartphones. This allows staff resource to be directed to register those who are not “online” or who require assistance.
- **Cultural Diversity** – Brent is a culturally and religiously diverse borough and each group has certain customs around diet and prayers. During an emergency, we have arrangements with a supplier of emergency food to take into account residents’ dietary needs in a single order, without the need to purchase from multiple suppliers. We also ensure facilities for prayers to take place.

Other sources of information are also used to inform our planning activities. For example, it is known that mental health can be impacted during an incident and an early duty of commanders, as outlined in the Major Emergency Plan (**Appendix 10**), is to undertake an immediate Impact Assessment (**Appendix 11**) to include psychological impacts.

The council is also undertaking an exercise to recruit and train Mental Health First Aiders from existing staff to provide the necessary immediate support to those who have their mental health affected. It is expected that this will be completed during the first half of 2020.

Upcoming Key Actions:

- The council is seeking to establish an additional role of the internal Health & Safety and Resilience Committee in relation to the local risk register. The Committee could be used as another mechanism to promote awareness and drive preparedness activity in Brent.
- The council intends to refine the existing Community Resilience Guide (**Appendix 1**) with particular regard to the latest Joint Strategic Needs

Assessment (**Appendix 7**). This will present an opportunity for wider promotion of this resource to our communities, both in online (hosted on council website and website promoted in e-newsletter and Brent Magazine) and cut-down printed format. The suggested format by Communications Team is a leaflet – distributed to libraries and hubs and available as promotional material as part of any community events that the council attends.

- The council has developed a community resilience training offer in consultation with a residents group. This is intended to form part of our community resilience work stream and to be delivered to community groups. It includes risk information and will also present the opportunity for residents and community groups to engage in further discussion regarding their perceived local risks.
- The council is developing further means to share local risk information with surrounding BRF's/neighbouring local authorities outside of the West London Programme Board, where resilience, cooperation and mutual aid are standing agenda items.

2. Standard 2 – Political Leadership

Desired outcome:

A council that operates with effective political governance, which enables the organisation to meet their duties under the Civil Contingencies Act, and to achieve local resilience objectives.

Brent Assessment of Current Position:

ESTABLISHED – with elements of advanced

2.1 Elected Member Roles, Responsibilities and Training

Brent has passionate and dedicated elected members, all of whom play an important role in supporting the borough's residents and council officers during an emergency.

To support elected members, the council's Major Emergency Plan (**Appendix 10**) includes guidance for all elected members. This summarises the expectations of councillors during an emergency, and is based on the London Council's Civil Resilience Handbook and the LGA Councillors Guide to Civil Emergencies. It also establishes the mechanism by which elected members should link in at the appropriate level with officers during a major incident, clearly setting out the command structure that the council adopts in response to an emergency.

Expectations of councillors around their role both before and after an emergency were reinforced at an all-councillor training event in June 2018 as part of the elected member induction programme, where the Emergency Planning College were commissioned to deliver the session, followed by a visit to the council's Borough Emergency Control Centre (BECC). Cabinet Members also receive specific media training, and social media and communications. Media and social media training is readily available to all elected members.

2.2 Emergency Planning Exercise

The council conducts regular Emergency Planning Exercises to reinforce the knowledge of roles and responsibilities, thus ensuring officers are prepared in the eventuality of a real incident.

At the latest Corporate-level Emergency Planning Exercise held on the 9 October 2019, a new exercise format was trialled that included political leadership to enhance understanding and awareness of how the council would respond to incidents. The inclusion of a group of Cabinet Members (Leader of the Council, Lead Member for Community Safety and Lead Member for Regeneration, Property & Planning) at this training event was considered a success and will be adopted for future corporate-level exercises.

One of the findings of the Exercise Report (**Appendix 12**) was that ward members would benefit from a similar, more focused exercise to enhance their understanding of their role. This has been scheduled by Executive and Member Services for 17 Feb 2020.

2.3 Scrutiny of Emergency Planning and Resilience Arrangements

An Emergency Planning Scrutiny Task and Finish Group was convened by in 2017 following a number of high-profile and serious incidents across London, including the Grenfell Tower fire, to assess and assure Brent's Emergency Response arrangements. The Emergency Planning Task and Finish Group Report (**Appendix 13**) also advised that the Audit and Standards Advisory Committee receive an annual update on the state of the council's preparedness and resilience activities annually, which has occurred annually since January 2018 (reports attached as **Appendices 3 and 14**)

2.4 Mutual Aid Arrangements

Mutual aid arrangements with other London boroughs are recognised as being important in the eventuality of a pan-London or national incident. On this basis, the council is a signatory to the Gold Resolution and Mutual Aid Memorandum of Understanding (MoU).

Brent has previously provided mutual aid to Croydon in 2014 (Rest Centre staff for flooding), Kensington & Chelsea in 2017 (various staff and physical resource for the Grenfell fire) and Ealing in 2019 (physical resource for flooding), as well as stood by mutual aid to Sutton in 2019 (Rest Centre staff for fire) although this was ultimately not required.

2.5 Supplier Resilience

With regard to supplier resilience, any tenders over the threshold are assessed by Procurement including financial viability checks. Where the nature of the contract includes response to emergencies (e.g. Highways emergencies, urgent waste removal, etc.), KPI's are developed at service level and are subject to routine contract management arrangements. It should be noted that elected members do not usually form part of the tendering assessment process, but the mechanism by which they can flag up concerns regarding the quality of the contract and any early warning signs are established.

Upcoming Key Actions:

- The council's Executive and Member service area has enhanced the current member induction programme to build in an emergency planning awareness session that will be delivered to newly elected members.
- The council will continue to promote resilience training to councillors, both via in-house sessions and the regionally arranged programme.
- The council's Procurement service is currently reviewing and updating the existing contract management documentation along with devising a training presentation on contract management. The aim is to provide a regular training session for commissioners and contract managers to reinforce their understanding and responsibilities so we can obtain the best outcomes through contract management.

3. Standard 3 – Managerial Leadership

Desired outcome:

A council that operates with managerial leadership that drives the emergency planning and resilience agenda across the organisation. The organisation meets their duties under the Civil Contingencies Act and achieves local resilience objectives.

Brent Assessment of Current Position:

ESTABLISHED

3.1 Senior Leadership and Organisational Culture

The culture of Brent Council on emergency planning matters over the last four years has been transformed. From passive to proactive; from little corporate oversight and involvement to the welcoming responsibility and involvement with a distributive leadership model.

This transformation has engendered the wider senior leadership to embrace emergency planning to be part of the managers' working day. Led from the front by the Chief Executive, who ensures promotion of the need for emergency planning to be at the heart of the council, and the Council Management Team (CMT), who act as role models by actively undertaking the role of Council 'Gold' or 'Silver'.

This strong managerial leadership enables a clear emphasis and direction of travel to be cascaded to the rest of the organisation. It is a particularly high priority area for the Chief Executive who has had first-hand experience of leading and coordinating the Humanitarian response to the Grenfell Tower Tragedy. An array of other Brent officers at all levels across the organisation also aided the response, which occurred in a neighbouring borough. The response in the aftermath to Grenfell which has ingrained the importance of the resilience and emergency planning agenda across the council.

The Chief Executive is notified as a first port of call whenever the Emergency Planning Team are reacting operationally to an emergency, no matter how big or small the issue is. Other CMT members will then be notified and will visit and coordinate response sites and rest centres as and when required. The Strategic Director of Children and Young People and Strategic Director of Community Wellbeing are the nominated points of contact to lead on humanitarian assistance in the event of an emergency.

CMT now receive bi-annual reports relating to emergency planning functions (an Emergency Preparedness update in winter, followed by a review of the Major Emergency Plan in summer) and alongside other more specific reports. As an example, the most recent report heard by CMT sought senior sign-off on a building lockdown plan in response to a marauding terrorist attack at, or close by, to council premises. This plan will also be extended and offered to the borough's schools and other third-party managed sites to use, should they not have their own local arrangements in place.

3.2 Council Gold/Silver

As noted above, Council Gold cover is in place at all times via the Chief Executive or a nominated member of the Council Management Team (CMT). All of the council's Strategic Directors have received training to undertake the role of Council 'Gold' as and when required, and there is a system of cover in place throughout the year when the Chief Executive is on leave.

Since November 2017, the senior point of contact has been activated 23 times at various hours of the day and days of the week, and there has been no occasion where senior input from this tier was required but not available. This demonstrates that the system is mature and well-embedded amongst senior management.

In addition to this, a rota of senior managers has been in place since November 2017 to undertake the role of Council Silver, and provide senior operational assistance within the command structure to council gold. Senior Managers are encouraged to further their skill set in this area and many voluntarily put themselves forward.

A specific Senior Managers Group meeting (80 members – encompassing the Chief Executive, Strategic Directors, Operational Directors and Heads of Service) took place in 2017 in the aftermath of Grenfell and focused solely on emergency planning and resilience functions. This included a guest speaker from Westminster City Council and asked Senior Managers to undertake an exercise in response to a developing emergency. Loggists, at a junior level of the organisation, were also encouraged to attend by the Chief Executive in order to hone their skills and gain a greater understanding of their role in an emergency.

3.3 Organisational Resilience

Emergency Plans are allocated a plan owner at senior level who is responsible for review and maintenance, including briefing and arranging training with assistance from the Emergency Planning team.

The council learns lessons from its own exercises and response activities as well as from elsewhere via, among others, the London Resilience Lessons Learned Database. Engagement with partners regarding lessons learned from incidents is via the Brent BRF, where incidents occurring in the previous quarter are discussed.

The Emergency planning team also post information and photos on the internal council-wide social media site 'Yammer' when responding to emergencies, to give staff a greater sense of what is happening and frequently promote the sense that emergency planning and resilience functions are 'everybody's business'.

Emergency planning culture within the council has markedly shifted over the past few years to become more inclusive. Some examples of this are noted below:

- All staff training packages made available via the corporate network
- A prospectus of training (**Appendix 15**) is available to services and officers published by Emergency Planning so that services can identify their own needs based on experiences and select the content and format that suits them best

- Council-wide exercises – including a test exercise earlier this year on the dissemination and cascade of information throughout the organisation in relation to information about a fake emergency.
- Officers are encouraged to become Duty Officers or Loggists and play their part in responding to an emergency
- Officers from across the council are regularly recruited to become Emergency Response Officers and cross-trained as LALO's and Rest Centre managers. HR have recognised the important civic duty these roles undertake and, with direction from senior management, have incentivised staff to enrol in this scheme through enhanced rates of pay whilst responding and paid time off after responding
- The emergency response team are regular nominees for Chief Executive and Director's commendations and staff awards. This visible recognition and celebration of achievements raises the profile of the team, encourages interest in the emergency planning function and rightly highlights the important work of the team

3.4 Structures and Senior Manager Roles

The specific Emergency Planning function within the council is staffed by 2x FTE posts, with an additional on-call budget to retain three people on-call per week at any one time. The Emergency Planning team sits within the Regeneration and Environment department at the council with structure organised so that the Civil Contingencies Manager intentional reports straight an Operational Director given the significance of the role. The Civil Contingencies Manager will also have frequent contact with the Chief Executive directly, particularly in providing regular updates when an incident occurs.

A recent change to ensure Emergency Planning has an even higher profile is for it to be an equal partner on the council's Health and Safety Committee – recently re-titled as Health, Safety and Emergency Planning Committee. The evolution of organisation culture ensures that we continually improve the service to ensure it stays

It is understood that it is not possible to predict overtime and staffing cost spend on incidents over any financial year, therefore no budget is allocated to this. However, previous incidents that have incurred an expense in these categories have been met centrally. It is worth noting that the Major Emergency Plan (**Appendix 10**) directs commanders to consider the costs of an incident in the early stages and, if necessary, to allocate a specific cost code to this.

Upcoming Key Actions:

- Following the success of the 2017 session, an emergency planning awareness and exercise session will become a regular feature of the Senior Managers Group calendar in future.
- Regular training sessions and exercises are also planned for Council Gold, Silver, Members and Loggists following a successful a further 'desktop' exercise earlier this year.

4. Standard 4 – Organisational Engagement

Desired outcome:

The council has a positive culture towards Emergency Planning and resilience, which is embedded and seen as ‘everyone’s business’. Capacity and resilience are developed across the organisation ensuring the responsibility of plans and decision-making is at the appropriate level, building experience and knowledge across the organisation.

Brent Assessment of Current Position:

ESTABLISHED

4.1 Corporate Training

A series of training modules for all staff is available on the corporate network. These are intended primarily as general awareness-raising amongst all staff, especially those who do not have specific response roles and therefore have not had the benefit of prior training in a specific response role. Topics available include:

- Introduction to Emergency Preparedness
- Major Emergencies
- Personal resilience
- Communicating during emergencies
- Emergency Alerting and Service response arrangements

4.2 Business Continuity

The responsibility for the completion of Business Continuity Plans annually sits at service level, with assistance provided by the Emergency Planning Team in accordance to the Business Continuity Protocol (**Appendix 16**). Business continuity activities are overseen at corporate level by a Business Continuity Steering Group, chaired by an Operational Director. This group is in the process of merging with the Health and Safety and Resilience Committee to further broaden the reach of resilience agenda.

4.3 Supplier Resilience

The function for the assessment of resilience of providers during the tendering process sits with Procurement, who request Finance’s support to complete a health check on the financial viability of the company. To help support the supplier base, Procurement are considering working with the Civil Contingencies Team to understand if they can provide some guidance.

4.4 Organisational Engagement

A merger of the Emergency Communications Protocol into the Major Emergency Plan (**Appendix 10**) was completed in 2019. This is so that communication during an emergency is seen as an integral part of emergency management and not something

that occurs in isolation. The plan includes guidance for Communications Teams and communications representatives are present at all tiers of the command structure. The council actively seeks to understand the effectiveness of its response arrangements and preparedness activities. Apart from learning from live incidents and exercises, as outlined in the Debrief Procedure (**Appendix 3**), there is annual reporting to the Audit and Standards Advisory Committee (**Appendices 5 and 14**), external audits (**Appendix 5**) and participation in regional assurance processes (Interim Assurance Process, previously the Minimum Standards for London).

Upcoming Key Actions:

- To further embed preparedness and response activities throughout the organisation, each future employee's Job Description will include the following requirement as compulsory content "[...] and Emergency Planning & Awareness (including to provide assistance where available)".
- A further needs analysis will be undertaken for specific response roles and where these are allocated to a particular post, the JD for that post will reflect this requirement.
- The informal all-staff awareness modules currently available on the corporate network should be streamlined and formalised into the e-learning offer so that effectiveness of the training and its uptake can be monitored.
- Guidance to contract managers regarding effective contract monitoring practice and assessing/assuring the preparedness of providers is being developed by procurement.
- A high percentage of staff are also Brent residents and could assist with communication, developing a community response and championing resilience, with adequate support e.g. training.

5. Standard 5 – Capabilities and Plans

Desired outcome:

The council has risk-based emergency plans which are easy to use, underpin an agreed, clearly understood, and exercised set of arrangements to reduce, control or mitigate the effect of emergencies in both the response and recovery phases.

Brent Assessment of Current Position:

DEVELOPING – alignment with new standards is underway to bring us to established

5.1 Risk Register and Common Consequences

After the completion and sign off by the BRF of the Borough Risk Register (see standard 1) each risk is assigned all consequences that can reasonably be expected to arise should the risk occur. The list of possible consequences can be found in a single Common Consequences Document (**Appendix 6**) which outlines the core capabilities, impacts and specific scenarios for which a plan is required. Each capability, impact and scenario are divided into different categories and for each category we analyse if the following exists:

- Regional multi-agency plans
- Regional Local Authority plans
- Local multi-agency plans
- Local plans
- Guidance documents

The Common Consequences Document also provides a comprehensive overview of all existing plans, procedures and documents and provides an easy gap analysis.

5.2 Major Emergency Plan

The Major Emergency Plan (**Appendix 10**) is considered the cornerstone for Brent Council's response to a major emergency. It documents the council's default activation and notification process, prompts Gold Command from the outset to consider the establishment of work stream leads, recovery coordinating groups and other sub groups, and outlines how and with whom communication will be undertaken and what factors need to be considered when providing public information. The plan is approved annually by the Council Management Team.

Standalone plans also exist which might have enhanced activation and notification processes, depending on the scenario. Guidance regarding deactivation and stand-down can be found in the Major Emergency Plan as well as the individual plans.

5.3 Monitoring

As outlined in the Major Emergency Plan, page 7 states that monitoring is *“the default state of the council at all times when not responding to an emergency.”* Brent Emergency Planning is subscribed to a number of early warning methods from

regional and national sources and distributes received information via the Emergency Planning & Business Continuity SharePoint site that generates an automated email to key personnel within the organisation.

5.4 Mutual Aid and Multi-Agency Plans

Mutual Aid can either be requested via the sub-regional Mutual Aid Agreement, or via the regional MoU between London Local Authorities via the LLACC. Some voluntary sector partners are engaged via the Brent BRF and/or via the regional Voluntary Sector Capabilities Document.

Where good practice suggests, multi-agency plans are developed at BRF local level and the following are currently maintained: BRF Incident Coordination Action Card (**Appendix 17**) BRF Influenza Pandemic Plan (**Appendix 18**) and a Multi-Agency Flood Plan (**Appendix 19**). Where regional level multi-agency plans are sufficient to guide the local response these are brought to the BRF for familiarisation and ensuring roles and responsibilities are clear and understood by all members.

5.5 Other Procedure Documents

The Identification of Vulnerable Persons Procedures exists and is cross-referenced in other plans if the capability is required.

The Debrief Procedure (**Appendix 3**) outlines the internal as well as the multi-agency debrief process and includes the debrief forms as annex.

With the change in standards, boroughs are not required to have a set list of plans but rather derive what plans are needed through the Borough Risk Register. Over the next planning cycle, existing plans will be assessed to see if they are still necessary, can be combined or should be changed in any other way. The Evacuation, Transport and Shelter plan (included in Rest Centre Procedures - **Appendix 9**) has already been collated as a result of this.

Upcoming Key Actions:

- With the change in standards, boroughs are not required to have a set list of plans but rather derive what plans are needed through the Borough Risk Register. Over the next planning cycle, existing plans will be assessed to see if they are still necessary, can be combined or should be changed in any other way. The Evacuation, Transport and Shelter plan has already been collated as a result of this.

6. Standard 6 & 6A – Resources, Roles, Responsibilities and Quantitative Data

Desired outcome:

The council has sufficient resources in place to support emergency planning and organisational resilience arrangements and has the ability to scale up staff resources, not only to support the response and recovery, but also to maintain the delivery of business-critical services.

Brent Assessment of Current Position:

ESTABLISHED

6.1 Strategy and Planning

The council maintains a robust suite of documentation designed to inform and guide senior managers in supporting emergency planning activities and on their roles and responsibilities in the eventuality of an emergency.

- The Major Emergency Plan (**Appendix 10**) contains guidance for senior management regarding strategy setting and decision control following the JESIP principles. This in accordance with an Emergency Planning College (EPC) occasional paper titled “Controlling your Crisis”. Gold and Silver tier officers are given the opportunity to exercise strategy setting and tactical planning at the regular corporate level exercise (detailed in standard 2).
- The communications activities during an incident are also outlined in the Major Emergency Plan. The Communications team has a permanent out of hours on call phone number, which can be found on the Internal Brent Emergency Contact List which is, in turn, circulated to senior management and responders.
- The Business Continuity Protocol (**Appendix 16**) guides the Business Continuity process in the occurrence of a borough emergency. Service Heads have been given the opportunity to improve and refine their BCPs, and this year the BCPs were made available to the Heads of Service via sharepoint, which allows greater accessibility, enhances ease of collaboration and amendment.
- The Brent Evacuation, Transport & Shelter plan (included in rest centre procedures - **Appendix 9**) outlines in one concise document the different options of transporting and sheltering evacuees. The council uses a GIS mapping software called “statmap”, which contains the record of suitable shelter venues. Currently, 47 venues are identified and are a mix of council owned, places of worship, community centres and hotels allowing for the best possible option to be chosen depending on the scenario. The statmap record includes name, address, capacity, notes and contact details which are updated biennially.
- The Brent Humanitarian Assistance Plan outlines the ability to open and operate a HAC within the agreed timescale.

- A Training and Exercising record (**Appendix 21**) is kept by the Emergency Planning team, detailing which staff members have been trained and/or exercised for the various core emergency response roles.

6.2 Resourcing

The London Borough of Brent has a permanently equipped BECC, which operates at level 1 at all times through a combination of physical staffing and duty officer on-call arrangements out of hours. Emergency Planning and Environmental Teams are based in the BECC routinely and continuous use of the facility in this manner ensures all equipment is in working order, supplies are stocked and any equipment faults are noted and rectified immediately. The BECC is one of the few Civic Centre offices, which operates on UPS and generator back up. An annual black building test ensures these arrangements function correctly.

As noted above, a stock of emergency equipment is kept on site. This includes PPE, immediately required shelter supplies and ICT. Larger stocks of bulkier items are kept at an off-site store for collection as required.

Emergency Planning maintains an on-call rota (**Appendix 20**) for two Emergency Response officers, one Emergency Duty Officer and one Silver which are on call for seven days at a time. The current rotas and contact lists of staff are kept in both electronic and hard copy to ensure accessibility and resilience at all times.

Dedicated decision loggists are trained and ensure that decisions made by Gold are documented. During Brent's periods at being primary London Local Authority Gold (LLAG) a separate on-call rota is drawn up for the decision loggists to ensure availability at all times.

The Director of Property and Assets is the nominated director level representative for the London Borough of Brent at the sub-regional group. The role and function of the group is outlined in the terms of reference (**Appendix 24**).

Upcoming Key Actions:

- With further physical storage becoming available at the Civic Centre imminently, selected supplies currently held off-site will be brought and stored at the Civic Centre to ensure the full range of emergency supplies is available at both storage sites in case one is inaccessible.
- Heads of Services are well versed in Business Continuity, however their roles during civil contingencies as well as the role of the service link officers require further training and development. Training is available on line (Service Link Officer module) and will be streamlined into the formal training package as outlined in Standard 4.
- In order to maintain current staffing levels, recruitment is routinely undertaken and currently 11 new Emergency Response Officers are being trained.

7. Standard 7 - Partnerships

Desired outcome:

The council demonstrates a high level of partnership working and interoperability between itself and all emergency responder and supporting organisations, as a means to ensure an inclusive, collaborative approach to Integrated Emergency Management.

Brent Assessment of Current Position:

ESTABLISHED

7.1 Partner Engagement

The council is supportive of a collective and collaborative approach with partners to risk management and emergency planning activities. The council is represented on a number of boards, fora and emergency planning exercises to support and augment an Integrated Emergency Management approach.

- As outlined in section 1.4 of this self-assessment, the council has facilitated an annual strategic level multi-agency counter-terrorism exercise, centre around an attack at an iconic site in Wembley. This exercise involved senior leaders from both public and private organisations that operate in the Wembley area – namely, the FA, Wembley Stadium, SSE Arena, Hotels and Wembley Park Estate Management.
- The Metropolitan Police Service Counter Terrorism Advisors have also delivered “Stay Safe/Run, Hide, Tell” training sessions to over 1,300 council employees over the course of two years, with the training now becoming a regular feature as part of the council’s training offer.
- The council continues to share information across borough boundaries which occurs as a requirement of Control of Major Accident Hazard (COMAH) regulations. There are no upper-tier COMAH sites in or adjacent to Brent, however a lower-tier site exists in a neighbouring borough and we have been provided with the safety data relating to the site.
- The council is represented at the Brent Resilience Forum (BRF) by the Brent Civil Contingencies, Community Safety and Public Health teams. The BRF is the primary mechanism by which partners engage regarding emergency and resilience matters. It is at this forum that agencies brief one another regarding organisational and operational changes that are relevant to other partners.
- Cross-border engagement exclusively on emergency planning and resilience matters occurs strategically by sub-region at the West London Programme Board (these boards feed into the Regional Local Authorities Panel) and operationally at West London Emergency Planning practitioner meetings.
- An annual exercise, Exercise Fadden, jointly run with Harrow provides insight into the issues that present when an incident affects more than one Local Authority and how cross-border incidents could be better managed.

- Brent also has strong Neighbourhood Forums, with Neighbourhood Plans, as well as a network of private, housing and Resident Associations, as well as and Business Forums and Associations. These are being explored at a very local level, including a possible role with the identification of vulnerable persons, coordination of community volunteers and the Community Resilience training referred to in Standard 1. Similarly, the Voluntary and Community Service is being considered for communication and reach into the diverse communities of Brent.

The Emergency Planning team has also been promoting the emergency preparedness message to a number of groups and forums recently. These sessions have all been directly-delivered by the emergency planning team at regular network and forum events or at specially arranged events and include:

- Emergency Table-top fire exercise at Brent Housing Providers Forum (LFB also attended this at the request of Brent Emergency Planning)
- Emergency Table-top fire exercise on site at a local TMO (LFB also attended this at the request of Brent Emergency Planning) - This site had a fire a few months after this exercise and feedback from the management team was that the training was invaluable.
- Business Continuity and emergencies presentation at Brent Teachers Panel
- Business Continuity and emergencies presentation at Brent National Education Union
- Emergency Awareness and the role of faith communities' presentation at the Brent Multi-faith forum
- Presentation and information stall at the International Day for People with Disabilities
- On site delivery of table-top business continuity scenarios at a number of Brent Schools to help them test and better understand their emergency procedures

The Multi-Faith Forum also provides a related opportunity to tie into local level plans with the identification of places, as well as people, who could be part of emergency plans. Regional work by, for example, London Borough Faith networks is also paying dividends in Brent. As a result of this, local churches in Brent are contacting the Emergency Planning Team to offer their venues to appear on our list of emergency shelter venues and explore ways in which they could assist during an emergency. Coupled with the Community Resilience Training, this could be a strong and well-prepared network not only to assist with any response to an emergency, but also to help promote the preparedness and resilience message within their own networks of people and communities.

Upcoming Key Actions:

- Identify further networks and engage regarding awareness training and to cultivate relationships.
- Include additional representatives from the voluntary and faith sectors at the Brent BRF.
- Include the Brent Neighbourhood Managers in local planning activities.
- The Disability and Pensioners Forums are also being considered for potential future engagement.
- Improved monitoring of supplier partners via feedback mechanism for reporting to central department (Procurement) supplier of contract issues for awareness during future tendering exercises (potentially in a lessons learned database).

8. Standard 8 – Training, Exercising and Evaluation

Desired outcome:

Members and officers across the organisation are competent to fulfil their roles in emergency preparedness, response and recovery. The council develops and assures their resilience capabilities and arrangements through an exercise programme that is risk-based. Lessons learned from previous exercises and incidents have been identified and plans modified accordingly.

Brent Assessment of Current Position:

ESTABLISHED

8.1 Organisational Resilience Capabilities

Apart from the training, exercising and evaluation activities mentioned elsewhere in this document, initial analysis of roles within the council and appropriate learning and development activities to support the organisation's capability for resilience has been undertaken and the following training and exercise programmes are in development/ on offer:

- a. **Strategic leadership / councillors and members**
Regional programme pilot (as referenced in Standard 2) For emerging strategic leaders identified as part of succession planning there will be a reflection within their Personal Development Plan (PDP) to ensure that learning activities are undertaken to ensure an understanding of responsibilities and implementation.
- b. **Specific roles i.e. Emergency response officers**
Will have access to appropriate training commensurate with their role, the scope of which will be decided within their PDP.
- c. **Volunteers**
Work is commencing with the Emergency Planning team to support the development of a bank of volunteers to improve the council's capacity and organisational resilience. A bespoke recruitment and training programme will be developed to support the development of volunteers.
- d. **All staff**
An e-learning module will be developed which will be rolled out as part of the essential training that all staff undertake as part of their orientation in the council. Uptake and completion will be monitored through the Learning Hub. Staff duties and responsibilities will also be part of the induction programme which all staff attend within their first 3 months of commencing work within the council.
- e. **Staff involved in an incident**
A package of interventions to support staff who have been involved in an incident is already on offer within the council including Mental Health First Aiders, Talking Therapies Mindfulness workshops, Talking Therapies Stress Awareness Workshops and Mental Health Awareness workshops.

9. Standard 9 – Business Continuity

Desired outcome:

The council is able to demonstrate a high level of resilience in their priority functions and emergency response and recovery capabilities.

Brent Assessment of Current Position:

ESTABLISHED

9.1 Business Continuity Management

Business Continuity Management is governed by the Business Continuity Protocol (**Appendix 16**) and overseen by the Business Continuity Steering Group. Work is currently underway to merge this group with the Health & Safety Committee so that the business continuity and resilience agenda assumes a higher profile within the organisation.

The Corporate Business Continuity Plan is the core operational response document for internal business continuity disruptions, in the same way that the Major Emergency Plan (**Appendix 10**) is for emergencies in the community. Both plans reference one another in recognition of the impact that an emergency can have on business continuity.

Business Continuity planning by all services takes place annually. From 2014-2018, this has been achieved by annual face-to-face meetings between each Head of Service and the Emergency Planning team. This format allows discussion and any briefing/training regarding Business Continuity to take place directly. The process has been kept static over these years to allow the processes to embed and the Business Continuity Programme to mature.

For 2019, plans have now been made available via SharePoint, allowing those Heads of Service who do not feel they require direct support the opportunity to self-serve. Hosting the Business Continuity Plans in this way is also seen as an opportunity for both within and cross-service collaboration. A further benefit of the online system is that all Business Continuity Plans are now all hosted centrally, aiding accessibility.

9.2 High Impact Scenarios

Certain specific, high-impact business-continuity scenarios require joined up central planning that cannot be achieved at individual service level, for example the loss of the Civic Centre. Specific plans for these scenarios are developed by the emergency planning team using data provided by services in their individual plans. At each corporate level emergency exercise for senior leadership, a Business Continuity impact that needs to be managed alongside the emergency is included to ensure the two elements are considered equally and managed effectively.

Upcoming Key Actions:

- Procurement are currently reviewing and updating the existing contract management documentation along with devising a training presentation on contract management. The aim is to provide a regular training session for

commissioners and contract managers to reinforce their understanding and responsibilities so we can obtain the best outcomes through contract management.

10. Standard 10 – Community Resilience

Desired outcome:

The council has a strategic and coordinated approach to activity that enables individuals, businesses, community networks and voluntary organisations to behave in a resilient way and act to support other members of the public. Community resilience considerations and the voluntary capabilities of all these partners are integrated into existing emergency management plans.

Brent Assessment of Current Position:

DEVELOPING – Though in some parts established

10.1 Community Engagement

The council is proud of the borough's cultural diversity and it takes its role in supporting all of its communities very seriously. For this reason, the council has opened a number of channels to support individuals, businesses, community networks and voluntary organisations to behave in a resilient way and to be able to act as a support to other members of the public in the case of an emergency. Some of the key engagement channels are noted below:

- Brent maintains a public facing **emergencies page** with advice, contacts and other resource for residents and businesses to make use of, including the **Community Resilience Guide** (outlined in Standard 1).
- A **Voluntary Sector Capabilities** document produced by London Resilience, outlining the resource available from the voluntary sector during an emergency, is available to inform Local Authority awareness.
- Brent hosts a **Community Directory** on the internet, serving to link organisations both to the council and to one another, and to highlight the services available in the community.
- Brent commissions the local CVS to build the capacity of smaller local VCSE organisations to support community engagement and champion the voice of the sector in the borough.
- The Brent Multi-faith forum is a closed group (unlike the Pensioners' and Disability Forums), with a representative of the main Faiths attending and disseminating information. Emergency Planning has presented to the forum regarding our role and how the faith sector can support the response to an emergency.
- Brent maintains a business network database of over 1,500 subscribing organisations, which is currently used for communication and networking purposes.
- A dedicated group of four Town Centre Managers provide personal contact with businesses across 9 town centres in Brent which is another network that could

be used to build relationships concerning emergencies and assistance. Brent is also represented by the Town Centre Managers at 8 High Street Business Associations.

- A new business events programme - Brent for Business – is being launched in the New Year of 2020, including a Business Expo aimed at support, advice and networking with over 200 micro, small and medium enterprises in the borough. Information can be provided at the event to inform small businesses to support them with emergency management.
- A Donations Management protocol (**Appendix 22**) is in draft which includes how offers of goods, skills and labour from groups and individuals as well as the process by which spontaneous volunteers within the council could be coordinated.

Upcoming Key Actions:

- Use the existing networks as a means to promote discussion and understanding about emergencies and resilience as well as develop relationships. Tailor the community resilience training offer to suit the business sector. An opportunity for business engagement has been identified at the Business Expo seminars in March 2020 and discussions between the ESS Team and Emergency Planning will explore this opportunity further.
- Asset mapping to identify places and groups best placed to play a role, and to engage with these through some of the forums, associations and other such processes mentioned.
- The registration of Community Response Team Volunteers will be reviewed to consider how Brent reaches and communicates with the range of foreign-language speakers the borough welcomes. The new Volunteering Strategy offers an opportunity to connect to and work with volunteers. Likewise, the development of a pool of Community Champion volunteers from within the emerging communities in the borough (Eastern European and South American), who have access to these groups and speak the relevant languages in addition to English.
- Promotion of existing resource through the networks listed above as well as a link to the online resource to be included in a ratepayer's newsletter going out in Jan 2020. Explore the role of the Council Community Volunteer Coordinator (primarily for BOC 2020) to see whether legacy volunteers could form part of our arrangements. There is a LBOC volunteer person, and a volunteering lead in Strategy and Partnership, who is developing a strategy. This includes volunteers with a language additional to English as mentioned. This group, and the links to emerging communities, could be of value and engagement can be considered alongside working with the VCS and any asset mapping.

11. Standard 11 – Recovery Management

Desired outcome:

The council has robust, embedded and flexible recovery management arrangements in place to support the rebuilding, restoring and rehabilitation of the community following an emergency. Arrangements clearly link and complement emergency response arrangements, enable the smooth transition from response to recovery and support collective decision making to initiate, inform, resource, monitor and ultimately closedown the recovery phase of emergencies.

Brent Assessment of Current Position:

DEVELOPING

11.1 Brent Recovery Plan

The Brent Recovery Plan (**Appendix 23**) outlines recovery management arrangements in place to support the community following an emergency. It ensures that community perspectives are both sought and considered to ensure a holistic approach.

In larger incidents, the Brent Recovery Plan makes provision for the establishment of specific sub-groups, e.g. Business & Economic sub-group. Each group has a detailed Terms of Reference and a detailed Impact Assessment Template is provided as a guide.

Recovery matters are also considered at the earliest opportunity and are, therefore, included on the Council Gold Group sample agenda within the Major Emergency Plan (**Appendix 10**) as an initial consideration.

11.2 Recovery Management

Recovery commences at the outset of every incident with the completion of the impact assessment template mentioned in Standard 1 as part of the Major Emergency Plan. Admittedly Brent, in common with most other London Boroughs, has had limited recent experience of real-world protracted and complex recovery operations. The most complex recovery operation was after a tornado in 2006, which caused damage to approximately 100 properties, with around 30 severely damaged. A substantial debris clearance, programme of structural surveying, traffic management and resident communication and assistance programme (primarily centred around liaison with insurers and financial relief) was developed to support those affected.

More recently, Brent was involved during the tragedy at Grenfell, with the establishment and operation of the Friends and Family Assistance Centre as part of the humanitarian assistance piece, which straddled both response and recovery phases.

At the time of writing, Brent is also supporting the recovery of 7 households who lost their homes and possessions in a recent, serious fire. Support thus far includes an emergency cash grant, purchase of new clothing items, emergency accommodation (with support into alternative accommodation ongoing), paid-for travel to

appointments, advice on mental health and support available through the NHS, liaison on their behalf with police and landlord as well as providing as central point of contact within the council to keep them up to date about the situation.

Mutual aid is factored in via both sub-regional and regional agreements, if necessary. A flooding exercise at Senior Manager Group in 2017 had a specific recovery focus to ensure that recovery is not overlooked, embed the message that Recovery is led by the Local Authority and ensure that Recovery is not underestimated in its potential scale and complexity.

Upcoming Key Actions:

- Potential for future exercise to be dedicated solely to Recovery without the response phase being examined at length.

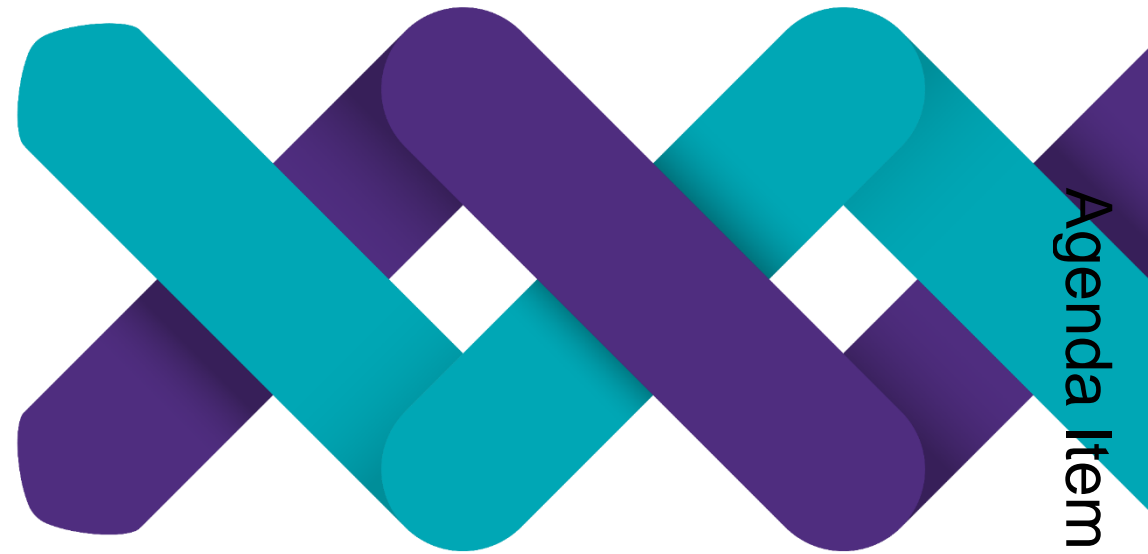
Supporting Documents:

Appendix 1 – Community Resilience Guide
Appendix 2 – Borough Resilience Forum (BRF) Risk Review Management Document
Appendix 3 – Debrief Procedure
Appendix 4 – Incident Summary Log
Appendix 5 – February 2019 Audit Committee Report
Appendix 6 – Common Consequences Document
Appendix 7 – Joint Strategic Needs Assessment (2015)
Appendix 8 – Identification of Vulnerable Persons Procedures
Appendix 9 – Rest Centre Procedures
Appendix 10 – Major Emergency Plan
Appendix 11 – Immediate Impact Assessment
Appendix 12 – Gold/Silver Table-Top Exercise Report
Appendix 13 – Emergency Planning Task and Finish Group Report
Appendix 14 - January 2019 Audit Committee Report
Appendix 15 – Training Prospectus 2019/20
Appendix 16 – Business Continuity Protocol
Appendix 17 - BRF Incident Coordination Action Card
Appendix 18 - BRF Influenza Pandemic Plan
Appendix 19 - Multi-Agency Flood Plan
Appendix 20 – On call rota
Appendix 21 – Training and Exercising Record
Appendix 22 – Management Protocol
Appendix 23 – Brent Recovery Plan
Appendix 24 – West Sub Region Terms of Reference

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Audit Progress Report and Sector Update

Brent Council
Year ending 31 March 2020
Page 105
20 January 2020



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Introduction



Paul Dossett

Partner

T 020 7728 3180
M 07919 025198
E paul.dossett@uk.gt.com



Sophia Brown

Engagement Manager

T 020 7728 3179
M 07584 617957
E sophia.y.brown@uk.gt.com

This paper provides the Audit and Standards Advisory Committee with a report on progress in delivering our responsibilities as your external auditors.

The paper also includes a summary of emerging national issues and developments that may be relevant to you as a local authority.

Members of the Audit and Standards Advisory Committee can find further useful material on our website, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications www.grantthornton.co.uk.

If you would like further information on any items in this briefing, or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either Paul or Sophia.

Progress at January 2020

Financial Statements Audit

We commenced our planning for the 2019/20 audit in October and will agree the detailed audit plan, setting out our proposed approach to the audit of the Council's 2019/20 financial statements with management. The audit plan will be presented to the Audit and Standards Advisory Committee in March.

We will begin our interim audit in January 2020. Our interim fieldwork includes:

- Updated review of the Council's control environment;
- Updated understanding of financial systems;
- Review of Internal Audit reports on core financial systems;
- Early work on emerging accounting issues;
- Controls testing; and
- Early substantive testing

We will report our work in the Audit Findings Report and aim to give our opinion on the Statement of Accounts by the statutory accounts publication date of 31 July 2020.

Value for Money

The NAO is consulting on a new Code of Audit Practice from 2020 which proposes to make significant changes to Value for Money work. Please see link to NAO webpage for the Code consultation for more details:

<https://www.nao.org.uk/code-audit-practice/code-of-audit-practice-consultation/>

Other areas

Certification of claims and returns

2018/19 Housing Benefit Assurance Process

We certified the Council's 2018/19 annual Housing Benefit Subsidy claim in accordance with procedures agreed with the Department for Work and Pensions. The certification work for the 2018/19 claim was completed on 29 November 2019. We summarise the main findings below:

Initial testing

➤ HRA rent rebates:

- We identified incorrect calculation of maintenance income on one case.
- We identified incorrect calculation of child benefit on one case.

For the above two cases there was no impact on benefit paid as maintenance income and child benefit are fully disregarded, therefore no additional testing completed in these areas.

- We identified incorrect calculation of self-employed income on one case resulting in overpayment of benefit. It was not possible to identify the necessary amendment to the claim so additional testing of 40 cases was completed for the error and results reported to DWP.
- We identified incorrect calculation of earned income on one case resulting in underpayment of benefit. This error could equally have resulted in overpayment of benefit, and as it was not possible to identify the necessary amendment to the claim so additional testing of 40 cases was completed for the error and results reported to DWP.

➤ Rent allowances:

- We identified one case that had a tax credit incorrectly applied. It was not possible to identify the necessary amendment to the claim so additional testing of 40 cases was completed for the error and results reported to DWP.

Cumulative assurance knowledge and experience (CAKE) 40+ testing

➤ The Council completed CAKE 40+ testing in relation to prior year qualification errors in the following areas:

- Non-HRA rent rebates overpaid benefit earned income calculation error
- HRA rent rebates incorrect application of non-dependent deduction
- HRA rent rebates overpaid benefit self-employed income calculation error
- Rent allowances incorrect application of non-dependent deduction
- Rent allowances incorrect application of non-dependent deduction

We have re-performed a sample of the Council's testing and confirm the tests we carried out concur with the Council's results. Any errors identified in the testing above have been reported to DWP.

Progress at January 2020 (continued)

Certification of claims and returns (continued)

The Council also completed CAKE 40+ testing in the following areas and our re-performance testing concurs that no errors were identified, so we consider these four areas closed going forward:

- Rent allowances claimant error overpayment classification
- Non-HRA rent rebates overpaid benefit self-employed income calculation error
- Non-HRA rent rebates (Cell 012) incorrect cap applied to claims
- Non-HRA rent rebates (Cell 014) incorrect cap applied to claims

Additional issues

- Risk-based verification (RBV) – The Council's RBV policy was last approved in May 2017. We carried out our testing in line with the May 2017 policy but would expect the Council's RBV policy to be reviewed and approved on an annual basis.
- In-year reconciliations – the in-year reconciliation cells 077 and 130 did not agree to the corresponding headline cells of 055 and 094. The Council is unable to reconcile the difference of £89 for cell 077 and £798 for cell 130 but will continue to review the four isolated cases that impact on the reconciliation of cells 077 and 130.

The base fee of £20,000 was on the understanding that the audit team would complete the initial testing and the Council would complete the nine workbooks for CAKE 40+ testing along with any other 40+ testing identified from the initial testing (an extra two workbooks). Our day rate charge for re-performance testing of the Council's 11 testing workbooks along with time spent coaching the HB team to complete the workbooks and dealing with information delays brings the additional fee of £40,000.

2018/19 Teachers' Pensions Return

We certified the Council's 2018/19 annual Teachers' Pensions return in accordance with agreed upon procedures agreed with the Teachers' Pensions Unit. The certification work for the 2018/19 return was completed on 29 November 2019. We summarise the main findings below:

- Contributions breakdown – we were unable to agree the breakdown of contributions in Tiers 1-6 to the percentage rate of the contributory salary;
- Payroll records – we identified differences between entries on the return and supporting payroll records for the return period. This has been amended in the end of year certificate (EOYC); and
- Contributions paid – we identified a difference between the contributions paid for the return period and the Employer's accounts. This has been amended in the EOYC.

The fee for audit of the Teachers' Pensions Return was £3,000.

We certify the Council's pooling of housing capital receipts return and will soon commence our work in this area for completion in line with the national deadline.

Meetings

We met with Finance Officers in October as part of our regular liaison meetings and continue to be in discussions with finance staff regarding emerging developments and to ensure the audit process is smooth and effective.

Events

We provide a range of workshops, along with network events for members and publications to support the Council. Your officers are invited to attend our Financial Reporting Workshop in February, to help to ensure that members of your Finance Team are up to date with the latest financial reporting requirements for local authority accounts.

Audit fees

During 2017, PSAA awarded contracts for audit for a five year period beginning on 1 April 2018. 2019/20 is the second year of that contract. Since that time, there have been a number of developments within the accounting and audit profession. Across all sectors and firms, the Financial Reporting Council (FRC) has set out its expectation of improved financial reporting from organisations and the need for auditors to demonstrate increased scepticism and challenge and to undertake additional and more robust testing.

Our work in the Local Government sector in 2018/19 has highlighted areas where financial reporting, in particular, property, plant and equipment and pensions, needs to improve. There is also an increase in the complexity of Local Government financial transactions and financial reporting. This combined with the FRC requirement that all Local Government audits are at or above the "few improvements needed" (2A) rating means that additional audit work is required.

We are currently reviewing the impact of these changes on both the cost and timing of audits. We will discuss this with your s151 Officer including any proposed variations to the Scale Fee set by PSAA Limited, before communicating fully with the Audit and Standards Advisory Committee.

As a firm, we are absolutely committed to meeting the expectations of the FRC with regard to audit quality and local government financial reporting.

Audit deliverables

2019/20 Deliverables	Planned Date	Status
Fee Letter Confirming audit fee for 2018/19.	April 2019	Complete
Accounts Audit Plan We are required to issue a detailed accounts audit plan to the Audit and Standards Advisory Committee setting out our proposed approach in order to give an opinion on the Council's 2019-20 financial statements.	March 2020	Not yet due
Interim Audit Findings We will report to you the findings from our interim audit and our initial value for money risk assessment within our Progress Report.	March 2020	Not yet due
Audit Findings Report The Audit Findings Report will be reported to the July Audit and Standards Advisory Committee.	July 2020	Not yet due
Auditors Report This is the opinion on your financial statement, annual governance statement and value for money conclusion.	July 2020	Not yet due
Annual Audit Letter This letter communicates the key issues arising from our work.	August 2020	Not yet due

Sector Update

Councils continue to try to achieve greater efficiency in the delivery of public services, whilst facing the challenges to address rising demand, ongoing budget pressures and social inequality.

Our sector update provides you with an up to date summary of emerging national issues and developments to support you. We cover areas which may have an impact on your organisation, the wider local government sector and the public sector as a whole. Links are provided to the detailed report/briefing to allow you to delve further and find out more.

Our public sector team at Grant Thornton also undertake research on service and technical issues. We will bring you the latest research publications in this update. We also include areas of potential interest to start conversations within the organisation and with audit committee members, as well as any accounting and regulatory updates.

- [Grant Thornton Publications](#)
- [Insights from local government sector specialists](#)
- [Reports of interest](#)
- [Accounting and regulatory updates](#)

More information can be found on our dedicated public sector and local government sections on the Grant Thornton website by clicking on the logos below :

Public Sector

Local
government

MHCLG – Independent probe into local government audit

In July, the then Communities secretary, James Brokenshire, announced the government is to examine local authority financial reporting and auditing.

At the CIPFA conference he told delegates the independent review will be headed up by Sir Tony Redmond, a former CIPFA president.

The government was “working towards improving its approach to local government oversight and support”, Brokenshire promised.

“A robust local audit system is absolutely pivotal to work on oversight, not just because it reinforces confidence in financial reporting but because it reinforces service delivery and, ultimately, our faith in local democracy,” he said.

“There are potentially far-reaching consequences when audits aren’t carried out properly and fail to detect significant problems.”

The review will look at the quality of local authority audits and whether they are highlighting when an organisation is in financial trouble early enough.

It will also look at whether the public has lost faith in auditors and whether the current audit arrangements for councils are still “fit for purpose”.

On the appointment of Redmond, CIPFA chief executive Rob Whiteman said: “Tony Redmond is uniquely placed to lead this vital review, which will be critical for determining future regulatory requirements.

“Local audit is crucial in providing assurance and accountability to the public, while helping to prevent financial and governance failure.”

He added: “This work will allow us to identify what is needed to make local audit as robust as possible, and how the audit function can meet the assurance needs, both now and in the future, of the sector as a whole.”



In the question and answer session following his speech, Brokenshire said he was not looking to bring back the Audit Commission, which appointed auditors to local bodies and was abolished in 2015. MHCLG note that auditing of local authorities was then taken over by the private, voluntary and not-for-profit sectors.

He explained he was “open minded”, but believed the Audit Commission was “of its time”.

Local authorities in England are responsible for 22% of total UK public sector expenditure so their accounts “must be of the highest level of transparency and quality”, the Ministry of Housing, Local Government and Communities said. The review will also look at how local authorities publish their annual accounts and if the financial reporting system is robust enough.

Redmond, who has also been a local authority treasurer and chief executive, is expected to report to the communities secretary with his initial recommendations in December 2019, with a final report published in March 2020. Redmond has also worked as a local government boundary commissioner and held the post of local government ombudsman.

The terms of reference focus on whether there is an “expectation gap” between the purpose of external audit and what it is currently delivering. It will examine the performance of local authority audit, judged according to the criteria of economy, effectiveness and efficiency.

Other key areas of the review include whether:

- 1) audit recommendations are effective in helping councils to improve financial management
- 2) auditors are using their reporting powers appropriately
- 3) councils are responding to auditors appropriately
- 4) Financial savings from local audit reforms have been realised
- 5) There has been an increase in audit providers
- 6) Auditors are properly responding to questions or objections by local taxpayers
- 7) Council accounts report financial performance in a way that is transparent and open to local press scrutiny

Financial Reporting Council – Summary of key developments for 2019/20 annual reports

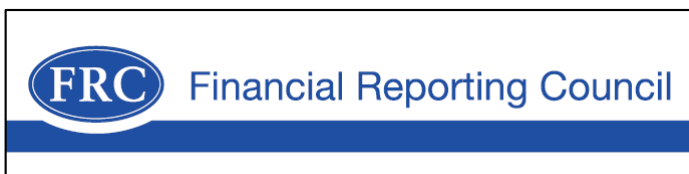
On 30 October the Financial Reporting Council (FRC) wrote an Open Letter to Company Audit Committee Chairs. Some of the points are relevant to local authorities.

The reporting environment

The FRC notes that, “In times of uncertainty, whether created by political events, general economic conditions or operational challenges, investors look for greater transparency in corporate reports to inform their decision-making. We expect companies to consider carefully the detail provided in those areas of their reports which are exposed to heightened levels of risk; for example, descriptions of how they have approached going concern considerations, the impact of Brexit and all areas of material estimation uncertainty.” These issues equally affect local authorities, and the Statement of Accounts or Annual Report should provide readers with sufficient appropriate information on these topics.

Critical judgements and estimates

The FRC wrote “More companies this year made a clear distinction between the critical judgements they make in preparing their accounts from those that involve the making of estimates and which lead to different disclosure requirements. However, some provided insufficient disclosures to explain this area of their reporting where a particular judgement had significant impact on their reporting; for example, whether a specific investment was a joint venture or a subsidiary requiring consolidation. We will continue to have a key focus on the adequacy of disclosures supporting transparent reporting of estimation uncertainties. An understanding of their sensitivity to changing assumptions is of critical value to investors, giving them clearer insight into the possible future changes in balance sheet values and which can inform their investment decisions.” Critical judgements and estimates also form a crucial part of local authority statements of account, with the distinction often blurred.



IFRS 16 Leases

The FRC letter notes “IFRS 16 is effective for periods beginning on or after 1 January 2019. We recently conducted a thematic review looking at how companies reported on their adoption of the new standard in their June 2019 interim accounts. In advance of our detailed findings which will be published shortly, I set out what we expect to see by way of disclosures in the forthcoming accounts, drawing on the results of our work.

- Clear explanation of the key judgements made in response to the new reporting requirements;
- Effective communication of the impact on profit and loss, addressing any lack of comparability with the prior year;
- Clear identification of practical expedients used on transition and accounting policy choices; and
- Well explained reconciliation, where necessary, of operating lease commitments under IAS 17, ‘Leases’, the previous standard and lease liabilities under IFRS 16.”

The implementation of IFRS 16 is delayed until 1 April 2020 in the public sector when it will replace IAS 17 Leases and the three interpretations that supported its application. Authorities will need information and processes in place to enable them to comply with the requirements. They will need to make disclosures in the 2019/20 accounts about the impact of IFRS 16 in accordance with IAS 8/ Code 3.3.4.3 requirements for disclosure about standards which are issued but are not yet effective.

Financial Reporting

Challenge question:

Will you have the opportunity to review and comment on your authority’s statement of accounts before they are published at the end of May?



What is the future for local audit?

Paul Dossett, Head of local government at Grant Thornton, has written in the Municipal Journal “Audit has been a hot topic of debate this year and local audit is no exception. With a review into the quality of local audit now ongoing, it’s critical that part of this work looks at the overarching governance and management of the audit regime. We believe there is a strong need for new oversight arrangements if the local audit regime is to remain sustainable and effective in the future.”

Paul goes on to write “Local (local authority and NHS) audit has been a key part of the oversight regime for public services for more than a century. The National Audit Office (NAO) has exercised this role in central government for several generations and their reporting to Parliament via the Public Accounts Committee is a key part of the public spending accountability framework.

Local audit got a significant boost with the creation of the Audit Commission in 1983 which provided a coordinated, high profile focus on local government and (from 1990) NHS spending and performance at a local level. Through undertaking value for money reviews and maintaining a tight focus on the generational governance challenges, such as rate capping in the 1980s and service governance failings in the 1990s, the Commission provided a robust market management function for the local audit regime. Local audit fees, appointments, scope, quality and relevant support for auditors all fell within their ambit.

However, the Commission was ultimately deemed, among other things, to be too expensive and was abolished in 2010, as part of the Coalition Government’s austerity saving plans. While the regime was not perfect, and the sector had acknowledged that reform of the Commission was needed, complete abolition was not the answer.

Since then, there has been no body with complete oversight of the local audit regime and how it interacts with local public services. The Ministry of Housing, Communities and Local Government; Department of Health; NHS; NAO; Local Government Association (LGA); Public Sector Audit Appointments Ltd (PSAA); the Financial Reporting Council (FRC); the Chartered Institute of Public Finance & Accountancy (CIPFA), audit firms and the audited bodies themselves all have an important role to play but, sometimes, the pursuit of individual organisational objectives has resulted in sub-optimal and even conflicting outcomes for the regime overall.

These various bodies have pursued separate objectives in areas such as audit fee reduction, scope of work, compliance with commercial practice, earlier reporting deadlines and mirroring commercial accounting conventions – to name just a few.

This has resulted in a regime that no stakeholder is wholly satisfied with and one that does not ensure local audit is providing a sufficiently robust and holistic oversight of public spending.

To help provide a more cohesive and co-ordinated approach within the sector, we believe that new oversight arrangements should be introduced. These would have ultimate responsibility for ensuring the sustainability of the local audit regime and that its component parts – including the Audit Code, regulation, market management and fees – interact in an optimal way. While these arrangements do not need to be another Audit Commission, we need to have a strategic approach to addressing the financial sustainability challenges facing local government and the NHS, the benchmarking of performance and the investigation of governance failings.

There are a number of possible solutions including:

- 1) The creation of a new arm’s length agency with a specific remit for overseeing and joining up local audit. It would provide a framework to ensure the sustainability of the regime, covering fees, appointments, and audit quality. The body would also help to create a consistent voice to government and relevant public sector stakeholders on key issues arising from the regime. Such a body would need its own governance structure drawn from the public sector and wider business community; and
- 2) Extending the current remit of the NAO. Give it total oversight of the local audit regime and, in effect, establish a local audit version of the NAO, with all the attendant powers exercised in respect of local audit. In this context, there would be a need to create appropriate governance for the various sectors, similar to the Public Accounts Committee.

While the detail of the new arrangements would be up for debate, it’s clear that a new type of oversight body, with ultimate responsibility for the key elements of local audit, is needed. It would help to provide much-needed cohesion across the sector and between its core stakeholders.

The online article is available here:

<https://www.themj.co.uk/What-is-the-future-for-audit/214769>

Grant Thornton's Sustainable Growth Index Report

Grant Thornton has launched the Sustainable Growth Index (formerly the Vibrant Economy Index) – now in its third year. The Sustainable Growth Index seeks to define and measure the components that create successful places. Our aim in establishing the Index was to create a tool to help frame future discussions between all interested parties, stimulate action and drive change locally. We have undergone a process of updating the data for English Local Authorities on our online, interactive tool, and have produced an updated report on what the data means. All information is available on our online hub, where you can read the new report and our regional analyses.

The Sustainable Growth Index provides an independent, data-led scorecard for each local area that provides:

- businesses with a framework to understand their local economy and the issues that will affect investment decisions both within the business and externally, a tool to support their work with local enterprise partnerships, as well as help inform their strategic purpose and CSR plans in light of their impact on the local social and economic environment
- policy-makers and place-shapers with an overview of the strengths, opportunities and challenges of individual places as well as the dynamic between different areas
- Citizens with an accessible insight into how their place is doing, so that they can contribute to shaping local discussions about what is important to them

The Index shows the 'tip of the iceberg' of data sets and analysis our public services advisory team can provide our private sector clients who are considering future locations in the UK, or wanting to understand the external drivers behind why some locations perform better than others.

Our study looks at over 50 indicators to evaluate all the facets of a place and where they excel or need to improve.

Our index is divided into six baskets. These are:

- 1 Prosperity
- 2 Dynamism and opportunity
- 3 Inclusion and equality
- 4 Health, wellbeing and happiness
- 5 Resilience and sustainability
- 6 Community trust and belonging

This year's index confirms that cities have a consistent imbalance between high scores related to prosperity, dynamism and opportunity, and low scores for health, wellbeing, happiness inclusion and equality. Disparity between the richest and poorest in these areas represents a considerable challenge for those places.

Inclusion and equality remains a challenge for both highly urban and highly rural places and coastal areas, particularly along the east coast from the North East to Essex and Kent, face the most significant challenges in relation to these measures and generally rank below average.

Creating sustainable growth matters and to achieve this national policy makers and local authorities need to do seven things:

- 1 Ensure that decisions are made on the basis of robust local evidence.
- 2 Focus on the transformational trends as well as the local enablers
- 3 Align investment decisions to support the creation of sustainable growth
- 4 Align new funding to support the creation of sustainable growth
- 5 Provide space for innovation and new approaches
- 6 Focus on place over organisation
- 7 Take a longer-term view

The online report is available here:

<https://www.grantthornton.co.uk/en/insights/sustainable-growth-index-how-does-your-place-score/>



Institute for Fiscal Studies – English local government funding: trends and challenges in 2019 and beyond

The Institute for Fiscal Studies (IFS) has found “The 2010s have been a decade of major financial change for English local government. Not only have funding levels – and hence what councils can spend on local services – fallen significantly; major reforms to the funding system have seen an increasing emphasis on using funding to provide financial incentives for development via initiatives such as the Business Rates Retention Scheme (BRRS) and the New Homes Bonus (NHB).”

The IFS goes on to report “Looking ahead, increases in council tax and additional grant funding from central government mean a boost to funding next year – but what about the longer term, especially given plans for further changes to the funding system, including an expansion of the BRRS in 2021–22?”

This report, the first of what we hope will be an annual series of reports providing an up-to-date analysis of local government, does three things in this context. First, it looks in detail at councils’ revenues and spending, focusing on the trends and choices taken over the last decade. Second, it looks at the outlook for local government funding both in the short and longer term. And third, it looks at the impact of the BRRS and NHB on different councils’ funding so far, to see whether there are lessons to guide reforms to these policies.

The report focuses on those revenue sources and spending areas over which county, district and single-tier councils exercise real control. We therefore exclude spending on police, fire and rescue, national park and education services and the revenues specifically for these services. When looking at trends over time, we also exclude spending on and revenues specifically for public health, and make some adjustments to social care spending to make figures more comparable across years. Public health was only devolved to councils in 2013–14, and the way social care spending is organised has also changed, with councils receiving a growing pot of money from the NHS to help fund services.”

The IFS reports a number of key facts and figures, including


- 1) Cuts to funding from central government have led to a 17% fall in councils’ spending on local public services since 2009–10 – equal to 23% or nearly £300 per person.
- 2) Local government has become increasingly reliant on local taxes for revenues.
- 3) Councils’ spending is increasingly focused on social care services – now 57% of all service budgets.

The IFS report is available on their website below :

<https://www.ifs.org.uk/publications/14563>



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 <p>Brent</p>	<p>Audit and Standards Advisory Committee 20 January 2020</p> <hr/> <p>Report from the Director of Finance</p>
<p>NOTE ON PROPOSED ADDITIONAL AUDIT FEES 2019-20</p>	

Wards Affected:	All
Key or Non-Key Decision:	N/A
Open or Part/Fully Exempt:	N/A
No. of Appendices:	N/A
Background Papers:	N/A
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Ben Ainsworth Head of Finance Email: Benjamin.ainsworth@brent.gov.uk Tel: 020 8937 1731

1.0 Purpose of the Report

- 1.1 Prior to 2018/19, the council's external auditors were KPMG who had been appointed by the audit commission (following closure of the Audit Commission the contract was novated to Public Sector Audit Appointments (PSAA)). This contract reduced costs to the council and as a result of the new PSAA audit appointment process local authorities nationwide benefited from a reduction in audit fees in the order of 55% compared with fees in 2012.

- 1.2 For the five financial years commencing 1 April 2018, the audit committee agreed that the council should appoint PSAA to procure an external auditor for the council to benefit from the economies of scale and better accountability arising from PSAA managing contracts collectively on behalf of local government PSAA appointed Grant Thornton as the council's external auditor for this period. This contract has saved the council a further £50k comparing the 2017/18 and 2018/19 audits, on top of the saving detailed in the previous paragraph.

- 1.3 Not all the work that external auditors may have to carry out is within the scope of the agreed fees. In such cases, the external auditors may choose to charge additional fees. However, these additional fees are subject to scrutiny by PSAA who have to agree the fees before they are paid. This acts to consolidate skills in managing external audit contracts across local government, and helps ensure a consistent approach to levying additional fees across the sector.

1.4 Due to additional requirements by their regulator, Grant Thornton are proposing additional fees for the 2019-20 audit.

2.0 Recommendations

2.1 The Committee note the additional fees proposed by Grant Thornton.

3.0 Detail

3.1 Grant Thornton have stated that they are proposing an increased audit fees to pay for additional audit work they have planned to address enhanced requirements placed upon them by the Financial Reporting Council (FRC), their regulator.

3.2 The FRC have increased the standard that they require for all audits from 'acceptable but with improvements required' to 'acceptable with limited improvements required'. This means that, where the FRC reviews the auditor's work, the FRC will be less tolerant of mistakes in audits that would require improvement. Grant Thornton proposed fees include the cost of additional work in the audit, to ensure that it meets this standard.

3.3 In addition, to address the higher standard, Grant Thornton plan to reduce the materiality level, which will mean further work as additional items will need auditing in more depth. This will also increase work for the council in demonstrating to the auditors that items are accurate to the required level in the Statement of Accounts. The changes in materiality levels have not been formally calculated by Grant Thornton yet, but is estimated to be as follows:

Amount	2018/19	2019/20 estimate
Materiality for the financial statements	£20m	£16.2m
Performance materiality	£15m	£12.2m
Trivial matters	£1m	£0.8m

3.4 The FRC wants all auditors to improve their audit challenge on Property, plant and equipment audit. Grant Thornton plan to address this for the 2019/20 audit by increasing the amount of work done on auditing and appointing their own external valuer to provide assurance that the accounts meet the appropriate standard

3.5 Pensions are another area where the FRC wants audits to increase the quality of their work. Grant Thornton plan to address this with increased levels of sampling, additional levels of challenge and explanation sought, which will involve additional work by the audit team.

3.6 Grant Thornton are also planning additional work on the Group Accounts to satisfy the FRC. This will involve additional review of the audits of the council's subsidiaries and of the consolidation process.

3.7 The auditors are required to audit the council's response to new audit standards. The Code of Practice requires leases to be reported under the new IFRS 16 standard from 2020/21, but also requires that the council disclose the

expected impact of IFRS 16 on the accounts in the 2019/20 accounts. The auditors plan additional audit work for this, and have included this in their additional fees.

3.8 The proposed additional fees are as follows:

Area	2019/20
Increased challenge and depth of work	6,500
Materiality	3,500
PPE – additional audit work	4,500
PPE Valuation – cost of auditor’s expert	5,000
Pensions	4,000
Group Accounts	4,000
New Standards / developments/new ledger	3,000
Total including valuer	30,500

3.8 These fees, totalling £30,500 require agreement by PSAA before they are paid. These are on top of the £153,684 fee for the statutory accounts audit for 2019/20, making a total for the audit of the statutory accounts of £184,184. Grant Thornton have also stated that should further risks arise in the audit there may be further additional fees.

4.0 Financial Implications

4.1 The financial implications of this report are the additional fees detailed in the previous section.

5.0 Legal Implications

5.1 There are no legal implications arising from this report.

6.0 Equality Implications

6.1 There are no equality implications arising from this report.


7.0 Consultation with Ward Members and Stakeholders.

7.1 Not applicable.

Report sign off:

Deputy Director of Finance
Daniel Omisore

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 Brent	Audit and Standards Advisory Committee 20 January 2020
	Report from the Director of Legal, HR, Audit and Investigations
THE COMPLEMENTARY ROLES OF THE ASC, ASAC AND SCRUTINY COMMITTEES	

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
No. of Appendices:	One: 1. Discussion paper – the complementary Roles of the ASC, ASAC and Scrutiny Committees
Background Papers:	One: 1. ASAC Self –Assessment Exercise report dated 10.07.19.
Contact Officer(s): (Name, Title, Contact Details)	1) Michael Bradley, Head of Audit & Investigations, 7 th Floor, Brent Civic Centre (T) 0208 937 6526, (E) Michael.Bradley@brent.gov.uk 2) James Diamond, Scrutiny Officer, 4 th Floor, Brent Civic Centre (T) 0208 937 1068 3) Debra Norman, Director of Legal, HR, Audit & Investigations

1. Summary

- 1.1. This report seeks the Committees views with regard to clarifying the respective roles of scrutiny and audit related committees and improving how they work in a complementary way in the future.

2. Recommendation(s)

- 2.1 The Committee is asked to consider and review the discussion paper attached at Appendix A and provide feedback/recommendations as to the areas of compatibility and better working between the respective committees.

3. Detail

- 3.1. In July 2019, the Audit and Standards Advisory Committee (ASAC), considered a “self-assessment” outcome report following a workshop session with officers and councillors. The workshop focused on some of the key elements of an effective Audit Committee as suggested by the Chartered Institute of Public Finance & Accounting (CIPFA); as well as considering the recent move to combine the functions of the Audit and Standards Committees.
- 3.2. One of the recommendations for improvement noted in the report the report was:

Liaison with the Scrutiny function

Achieve better interface/ alignment between ASAC and Scrutiny especially on financial matters. This could be achieved by:

- *synchronising the work programmes of Scrutiny and ASAC with the work of Cabinet (including, as part of that, clarifying the distinction between the roles of ASAC and Scrutiny Committees), and*
 - *seeking greater understanding on all available sources of assurance. Once adequately mapped, Scrutiny and ASAC could seek to address any gaps”.*
- 3.3. The committee asked that a discussion paper covering these issues be prepared and a draft discussion paper is attached as Appendix A. This explores the potential complementary roles of the ASAC and the Scrutiny Committees in further detail, as well as highlighting the areas that require clear demarcation. The Committee should note the discussion paper was considered by the Council Management Team on the 9th January 2020, and has had informal input from the ASAC Chair and Vice-Chair, the Independent Audit adviser and one or more representatives of the scrutiny.
 - 3.4. Ultimately, any liaison between the respective committees would need to embed greater working together to ensure the committees are co-ordinated in order to maximise their effectiveness and avoid duplication where possible. It is also imperative that the independence of the respective committees is preserved throughout any closer working process.
 - 3.5. The review undertaken for the self-assessment exercise is timely from a scrutiny perspective in that it reflects the position of the Ministry of Housing, Communities and Local Government in the “Overview & Scrutiny in Local and Combined Authorities” Statutory Guidance. This recommends, “*Council’s cast a critical eye over their existing arrangements and above all, ensure they embed a culture that allows Overview and Scrutiny to flourish*”.
 - 3.6. The attached discussion paper explores the respective remits of the committees as well as highlighting potential options to resolve the uncertainties created about how the respective roles should operate and which function should be responsible for considering particular questions/issues that arise.

4. Legal Implications

4.1. The CIPFA position statement in respect of Audit committees in Local Authorities recommends (among other things) that an Audit committee:

- be independent of both the executive and the scrutiny functions;
- include an independent member where not already required to do so by legislation;
- have clear rights of access to other committees/functions, for example, scrutiny and service committees, corporate risk management boards and other strategic groups.

4.2. Statutory guidance in relation to Scrutiny Committees has been issued under section 9Q of the Local Government Act 2000 and under paragraph 2(9) of Schedule 5A to the Local Democracy, Economic Development and Construction Act 2009.

4.3. The guidance provides that local authorities and combined authorities must have regard to it when exercising their functions. The phrase “must have regard”, when used in this context, does not mean that the sections of statutory guidance have to be followed in every detail, but that they should be followed unless there is a good reason not to in a particular case.

5. Equality Implications

5.1. There are no equality implications arising directly out of this report.

Report sign off:

DEBRA NORMAN

Director of Legal, HR, Audit and Investigations

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APPENDIX A: Discussion paper – The Complementary Roles of the Audit Standards Committee (ASC) and Audit Standards Advisory Committee (ASAC) and the Scrutiny Committees

1 Complementary roles of the Committees

The ASC and ASAC are responsible for providing assurance on the adequacy of the Council's overall systems of governance, risk management and internal control and compliance with established policies and operational procedures and recommending necessary changes in controls, policies, or procedures. The Committees must be satisfied that the Council's assurance statements, including the Annual Governance Statement properly reflect the risk and control environment and that appropriate action is being taken on risk-related issues.

Scrutiny takes a broader strategic perspective and is concerned with the impact of decisions on the people, providing an important check and balance to ensure the decisions that are made reflect the interests and needs of local residents and businesses, holding the Cabinet to account through effective scrutiny of performance, policy development and decision making.

Scrutiny is therefore an integral part of the council's governance arrangements, and a source of assurance to the ASC and ASAC on the effectiveness of operations.

All four committees have a role in ongoing review of the outputs of all assurance providers (e.g. IA, EA, OFSTED, CQC) to identify and risk areas and inform work programmes of respective committees as necessary.

The audit and scrutiny functions have complementary roles but there is sometimes some uncertainty about how this should operate and which function should be responsible for considering particular questions or issues.

This was discussed by the ASAC as part of its recent self-assessment and as a result it was agreed that we should seek to achieve better alignment between ASAC and Scrutiny especially on financial matters which could be achieved by synchronising the work programmes of Scrutiny and ASAC with the work of Cabinet (including clarifying the distinction between the roles of ASAC and Scrutiny Committees).

Some responsibilities are clear.

ASAC/ASC are clearly responsible for obtaining assurance on the effectiveness of:

- Internal Audit and Counter Fraud activity;
- The Risk Management framework;
- External audit activity;
- The corporate governance framework (including signing off the Annual Governance Statement);
- The regulatory framework (including in particular Contract Standing Orders and Financial Regulations), and
- Member conduct standards.

Scrutiny Committees are clearly responsible for:

- Supporting the Cabinet in policy development through scrutiny and task group activity;
- Holding the Cabinet and other decision makers to account for the performance of services;
- Calling in individual key decisions, and
- Considering requests for reviews on the handling of petitions in accordance with standing orders.

Resources and Public Realm Scrutiny Committee in particular has a role in relation to the budget.

There are other areas where there is scope for confusion. The table below suggests where the demarcation in these areas between the two functions may lie in respect of some that have been identified.

TOPIC	Scrutiny Responsibility	Audit Responsibility
Budget setting	To consider the policy implications of the budget and the potential impacts of local residents and businesses.	To consider whether financial assumptions made in the budget setting process are realistic.
Budget Monitoring	To review the budget performance of specific areas/services, for example in areas where expenditure against budget looks to be well above or below forecasts or where growth/savings targets exist.	To provide assurance that budgets are monitored and reported effectively.
Partners and partnerships	Review or scrutinise the performance of key public sector bodies (in particular the NHS and the community safety partnership) and anybody carrying out any function on behalf of or in partnership with the Council.	Provide assurance as to the council's arrangement for governance of partnerships and relationships with partners
Project management	Carrying out periodic 'post implementation reviews' of large revenue or capital projects to determine whether these were delivered on time and within budget, achieved their stated aims and delivered the outcomes and value for money anticipated.	Provide assurance as to the council's overall arrangements for managing significant projects.

Value for money	Assess the value for money (social and financial) provided by council and where relevant other local public services or provided by council grant funding programmes.	Consider the annual VFM assessment provided by the external auditors.
Risk Management	Consider particular issues highlighted through the council's risk management process to scrutinise sufficiency and implementation of mitigation measures.	To oversee the effectiveness of the Council's risk management framework including receiving bi-annual update on the Corporate Risks Register.

2 Skills and attributes for committee members

Members of Audit Committees and Scrutiny Committees require many of the same skills and attributes, including:

- Curiosity;
- Active listening;
- Effective questioning;
- A willingness to courteously challenge;
- Objective and independent thinking, and
- Ability to understand data.

For both types of committee, diversity of membership is also important to achieve a variety of perspectives.

However, additional particular skills and attributes are also needed as follows:

Audit Committee members need to have a detailed understanding of:

- finance and accounting, including financial reporting;
- broad governance, assurance, and risk management disciplines;
- understanding of internal controls and assurance frameworks, including understanding of the roles of internal and external audit.

Scrutiny Committee members need to have an understanding of the council services which fall within their remit. They also need to understand the structures and context of the partner organisation which they scrutinise. Scrutiny committee members will also often be presented with performance management information and need to have the skills to navigate this information effectively. They also an understanding of local government finance and budgeting to enable them to scrutinise such issue effectively.

These training needs are currently addressed through the Member Learning & Development Programme, as follows:

Training for Scrutiny Committee Members

All Scrutiny Members attend an induction training session on *Scrutiny Essentials* delivered by the Centre for Public Scrutiny (CfPS).

This training event is to help provide Members with a clear understanding of their role on the committee in scrutinizing the council's executive and relevant partner organisations.

The session covers:

- the role and potential impact of scrutiny
- council performance
- how scrutiny can better add value to policy and practice in the future
- the focus of overview and scrutiny and work programmes
- preparing for meetings
- questioning techniques
- themes and key lines of enquiry.

Training for Audit & Standards and Audit & Standards Advisory Committee Members

All Audit & Standards Advisory Committee Members attend a mandatory induction session when appointed to the Committee.

The main purpose of the induction is to provide Members with the information and support they would need to fulfil their roles on the committee.

The session covers the following:

- Standards
- Treasury Management Framework - CIPFA Treasury Management Code of Practice
- Financial Governance and Position
- Internal Audit and Risk Management
- Counter Fraud and Investigations

The committee may wish to consider undertaking a specific training needs assessment for ASAC members.

3 Aligning the complementary work of the committees

A potential option for developing and encouraging a closer alignment between areas of complementary work undertaken by both the ASAC and Scrutiny Committees could involve the introduction of a more co-ordinated approach towards the work programme setting process for each Committee.

The ASAC and Scrutiny Committees are required to set and agree a work programme at the start of each Municipal Year, based on their respective remits. One way in which

it may be possible to encourage a more joined up approach would be for the Chair's (and Vice-Chair of the ASAC), supported by a senior officer, to meet at the start of each year, with their Support Officers. This joint meeting would review the draft work programmes and identify any areas where the potential for complementary work could be undertaken. This could be combined with the existing scrutiny committee work planning meetings. Having identified any potential areas of work there would then be the option for each Committee to consider how they may wish to work together in order to support the respective reviews.

This complementary work could take the form of Scrutiny proposing specific areas of IA focus in order to receive assurance on areas where they may have a gap in that respect. ASAC may wish to receive the outputs of any Scrutiny activity in order to inform the work of the Internal Audit function if assurance gaps became evident.

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A&SAC FORWARD PLAN / WORK PROGRAMME

Topic / Date	20-Mar-19	24-Apr-19	Jul-19	Sep-19	Jan-20	Mar-20	Apr-20
Internal Audit & Investigations							
Internal Audit Counter Fraud Annual Report, including Audit Opinion			X				
Review Internal Audit Charter - Annual							
Internal Audit and Counter Fraud Progress Reports - Quarterly				X			
Draft Internal Audit and Investigations Annual Plan	X					X	
External Audit							
External Audit progress report		X	X	X	X	X	
External Audit plan						X	
External Audit - Certification of grants and returns	X				X	X	
Statement of Accounts & External Auditor's Report			X				
External Auditor Annual Audit Letter				X			
Financial Reporting							
Treasury Management Mid-term Report				X			
Treasury Management Strategy & Annual Investment Strategy					X		
Brent Council Borrowing Strategy Update					X		
Treasury Management Outturn Report			X				
Governance							
To review performance & management of i4B Holdings Ltd and First Wave Housing Ltd				X			
Review of the use of RIPA Powers	X				X		X
Receive and agree the Annual Governance Statement		X					X
Risk Management							
Strategic Risk Register Update	X			X			X
Emergency Preparedness - Peer Review					X		
Audit Committee Effectiveness							
Review the Committee's Forward Plan	X		X	X	X	X	X
Review the performance of the Committee (self-assessment)		X	X		X		
Determine and Deliver Training Requirements for Audit Committee Members as required							
Standards Matters							
Quarterly update on gifts and hospitality	X		X		X		X
Annual Standards Report	X						X
To consider the Council's response to the report on local government ethical standards issued by the Committee on Standards in Public Life	X						
Review of the Member Development Programme and Members' Expenses	X				X	X	

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 Brent	Audit and Standards Advisory Committee 20 January 2020
	Report from the Director of Finance
TREASURY MANAGEMENT STRATEGY 2020/21	

Wards Affected:	All
Key or Non-Key Decision:	Non-key
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
No. of Appendices:	One: 1. Draft Treasury Management Strategy 2020/21
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Amanda Healy Senior Finance Analyst Email: amanda.healy@brent.gov.uk Tel: 020 8937 5912 Daniel Omisore Deputy Director of Finance Email: daniel.omisore@brent.gov.uk Tel: 020 8937 3057

1.0 Purpose of the Report

- 1.1 This report presents the draft Treasury Management Strategy (TMS) for 2020/21 for consideration by the Committee. The final version of the TMS incorporating the views of this Committee will be included in the annual budget setting report to be presented to Cabinet on 10 February 2020.

2.0 Recommendations

2.1 That the Audit and Standards Advisory Committee considers and comments on the draft Treasury Management Strategy 2020/21 included in Appendix 1.

3.0 Detail

3.1 The Strategy sets out the framework for Treasury Management activity in 2020/21 and includes details on:

- Borrowing Strategy and sources of debt finance
- Investment Strategy, investment types and prescribed limits
- Treasury Management Indicators for 2020/21
- Alternative options/strategies
- External context
- Local context

3.2 The draft strategy is included in Appendix 1.

4.0 Financial Implications

4.1 The planned treasury management activity outlined in appendix 1 will result in capital interest costs as well as the generation of investment income for the council. The Council's capital financing budget for 2020/21, including provisions for MRP (sums set aside for the repayment of debt) has been aligned with this strategy and will form part of the overall budget setting report scheduled to be presented to cabinet on 10 February 2020.

5.0 Legal Implications

5.1 None directly arising from this report.

6.0 Equality Implications

6.1 None

7.0 Any Other Implications (HR, Property, Environmental Sustainability - where necessary)

7.1 None

8.0 Proposed Consultation with Ward Members and Stakeholders

8.1 N/A

Report sign off:

Minesh Patel
Director of Finance

Treasury Management Strategy Statement 2020/21

Introduction

- 1.0 Treasury management is the management of the Authority's cash flows, borrowing and investments, and the associated risks. The Authority has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Authority's prudent financial management.
- 2.0 Treasury risk management at the Authority is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2017 Edition* (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year. This report fulfils the Authority's legal obligation under the *Local Government Act 2003* to have regard to the CIPFA Code.

Local Context

- 3.0 On 31st December 2019, the Authority held £491.5m of borrowing (386.5m long term and £105m short term) and £86.3m of investments. This is set out in further detail at **Appendix B**. Forecast changes in these sums are shown in the balance sheet analysis in table 1 below.

Table 1: Balance sheet summary and forecast

£m	31.3.19 Actual	31.3.20	31.3.21	31.3.22
General Fund CFR	527.1	588.2	676.6	811.0
HRA CFR	161.6	233.5	283.2	325.5
Total CFR	688.7	821.7	959.7	1,136.4
Existing Borrowing	396.3	369.8	341.1	316.1
Borrowing required to meet CFR	292.4	451.9	618.6	820.4
Projected Usable Reserves	368.4	289.8	341.5	350.1
Projected Working Capital	27.2	(20.0)	50.0	30.0
Available Cash Reserves	395.6	269.8	391.5	380.1
Investments (or New borrowing)	103.2	(182.1)	(227.1)	(440.3)

- 4.0 The Council's Capital Financing Requirement (CFR) is greater than its borrowing. This is because the Council has minimised its interest costs by utilising internal resources over the short term instead of undertaking more expensive external borrowing. However, the increased focus on capital investment to transform the financial position has reduced the Council's investments during 19/20.
- 5.0 As demonstrated in the September 2018 Cabinet report "Brent Council Borrowing Strategy 2018/19 - 2020/21" the Council has a borrowing requirement during 2019/20. In recent years the Council's strategy has been to maintain borrowing at the lowest level possible unless interest rate prospects present a clear case for taking long term borrowing ahead of immediate requirements. However current interest rate forecasts along with the significant levels of planned and actual capital investment means that this approach is no longer sustainable or optimal.
- 6.0 CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Authority's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the Authority expects to comply with this recommendation during 2020/21.

Borrowing Strategy

- 7.0 The Council currently holds £491.5 million of loans, an increase of £95 million on the previous year, due to the decrease in internal cash reserves and planned capital expenditure. The balance sheet forecast in table 1 shows that the Council expects to borrow up to £227 million by 2020/21 however this is largely dependent on how the capital programme progresses. In accordance with the September 2018 strategy report the Council may also borrow additional sums to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing of £1.2 billion.
- 8.0 **Objectives:** The Council's main objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Authority's long-term plans change is a secondary objective.
- 9.0 **Strategy:** Given the significant cuts to public expenditure and in particular to local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead. By doing so, the

Council is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of short term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. The cost of carry exercise which will evaluate the cost of borrowing now to borrowing in the future will determine whether the Council borrows additional sums at long-term fixed rates in 2020/21 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

10.0 The Council is also utilising forward starting loans during 2020/21, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

11.0 In addition to above, the Authority may borrow short-term loans to cover temporary cash flow pressures.

Sources of borrowing: The approved sources of long-term and short-term borrowing are:

- Public Works Loan Board (PWLB) and any successor body
- any institution approved for investments (see below)
- any other bank or building society authorised to operate in the UK
- any other UK public sector body
- UK public and private sector pension funds (except the local Brent Pension Fund)
- capital market bond investors
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues

12.0 **Other sources of debt finance:** In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- leasing
- hire purchase
- Private Finance Initiative
- sale and leaseback

13.0 The Council has previously raised the majority of its long-term borrowing from the PWLB but the government increased PWLB rates by 1% in October 2019 making it now a relatively expensive options. The Authority will now look to borrow any long-term loans from other sources including banks, pensions and local authorities, and will investigate the possibility of issuing bonds and similar

instruments, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code.

- 14.0 **Municipal Bonds Agency:** UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It plans to issue bonds on the capital markets and lend the proceeds to local authorities. The recent PWLB rate rise has boosted hopes that the UK Municipal Bonds Agency can finally issue its first bond. The MBA has failed to get its first bond off the ground since its launch more than five years ago, partly due to the low rates on offer to councils through the PWLB but also due to concerns around the joint and several liability that requires all members to collectively and individually guarantee the debt of each borrower. However, the 1% hike in the PWLB's borrowing rates has given fresh impetus to the agency's hopes of getting an issue off the ground and the MBA will be a core part of the councils borrowing strategy going forward.
- 15.0 **LOBOs:** The Council holds £70m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Authority has the option to either accept the new rate or to repay the loan at no additional cost. Although the Authority understands that lenders are unlikely to exercise their options in the current low interest rate environment, there remains an element of refinancing risk. The Authority will take the option to repay LOBO loans at no cost if it has the opportunity to do so.
- 16.0 **Short-term and variable rate loans:** These loans leave the Authority exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators below.
- 17.0 **Debt rescheduling:** The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Authority may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk.

Investment Strategy

- 18.0 The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's investment balance has ranged between £116 and £32 million due to capital expenditure utilising the Council's internal cash reserves. These balances are expected to remain low as the Council enters a borrowing period with cash available to invest for relatively short periods.

- 19.0 **Objectives:** The CIPFA Code requires the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.
- 20.0 **Negative interest rates:** If the UK enters into a recession in 2020/21, there is a small chance that the Bank of England could set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short-term investment options. This situation already exists in many other European countries. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.
- 21.0 **Strategy:** Given the increasing risk and very low returns from short-term unsecured bank investments, the Council aims to diversify into higher yielding asset classes during 2020/21. This diversification will represent a continuation of the new strategy adopted in 2018/19. However, it is worth noting that this approach will be limited to the extent that this the capital investment plans are delivered in line with current expectations. Should this prove to be the case, surplus funds may not be available to invest over longer durations as set out below.
- 22.0 The average rate of interest received on short-term investments during the year to December 19 was 0.72%. Comparison data for other local authorities from Arlingclose's benchmarking club (which uses the data of 136 Local Authorities) places Brent around average compared to our peers - Appendix C. Due to the authorities borrowing requirement, there is unlikely to be scope to improve the short term investment returns achieved as liquidity of the surplus funds will play a key role.
- 23.0 The majority of the Council's surplus cash is currently invested short-term with other Local Authority's and money market funds. The Council will maintain a minimum investment balance of £10m to ensure the Council complies with the requirements to be a professional client under MIFID II regulations.
- 24.0 **Credit Rating:** The minimum credit rating for non-UK sovereigns will be set at AA+ (or equivalent) and the minimum long term rating for counterparties is A- (or equivalent). Within these criteria the Director of Finance will have discretion to accept or reject individual institutions as counterparties on the basis of any information which may become available.

- 25.0 The Council uses the lowest rating quoted by the main rating agencies, as recommended by CIPFA. Where instrument credit ratings are available, the instrument credit rating will be used if different from the counterparty rating. Credit ratings are monitored continually by the Council, using the advice of Arlingclose on ratings changes, and action taken as appropriate so an investment decision is not made solely based on credit ratings.
- 26.0 Any institution will be suspended or removed should any factors give rise to concern, and caution will be paramount in reaching any investment decision regardless of the counterparty or the circumstances. Should an entities credit rating be downgraded so that it does not meet the Council's approved criteria then:
- No new investments will be made;
 - Full consideration will be made to the recall or sale of existing investments with the affected counterparty.
- 27.0 Having an appropriate lending list of counterparties, remains critically important to protecting Brent's investments. A list of extremely secure counterparties would be very small, and the limits with each would be correspondingly high. This would expose the Council to a risk of an unlikely but potentially large loss. This arises because the arrangements for dealing with banks in difficulty now require a loss to be imposed on various categories of liabilities of the banks to allow the bank to recapitalise itself and continue in business (sometimes referred to as bail in).
- 28.0 When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.
- 29.0 **Unsecured deposits:** unsecured deposits with banks could be exposed to credit loss by the 'bail-in' process. This is where depositors are expected to make a significant contribution to recapitalise a bank that is failing or likely to fail before government support is provided and public money is invested in the organisation. There is no upper limit to the maximum credit loss that the authority could suffer in the event of a bail-in scenario. Investments in unsecured deposits will be limited to £20m.
- 30.0 **Secured deposits:** secured deposits of various kinds are not included in bail in provisions where investments are secured on the bank's assets. It is likely that the Council's preferred instruments in lending to institutions without some kind

of government guarantee will increasingly be in the form of secured or marketable instruments. The Council and its advisors remain alert for signs of credit or market distress that might adversely affect the Council. Investments in secured deposits will be limited to £20m.

31.0 **Money market funds (MMFs):** will be utilised but good treasury management practice prevails, and whilst MMFs provide good diversification, the Council will also seek to mitigate operational risk by using at least two MMFs where practical. They will not exceed 0.5% of the net asset value of the MMF. In addition, each Fund will be limited to a maximum deposit of £20m.

32.0 **Government:** Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.

The investment strategy will provide flexibility to invest cash for longer periods in order to access higher investment returns. The upper limit for lending beyond a year is £500m. In practice, lending for more than one year will be only to institutions of the highest credit quality and at rates which justify the liquidity risk involved. Marketable instruments may have longer maturities, though the maturity will be considered in conjunction with the likely liquidity of the market and credit quality of the institution. Other than UK Central Government the council may invest its surplus funds subject to a maximum duration of 30 years.

Alternative investment options will include:

33.0 **Corporate bonds:** These can give significantly higher yields than our current deposits but give exposure to risks from economic, commercial and operational difficulties. Diversification would involve investing small amounts with a large number of companies or buying diversified Funds. Seeking additional security could involve exchanging our deposit for known high credit quality assets, or a claim on a pool of assets. Seeking capital strength would involve investing in companies with high levels of assets in relation to liabilities or a strong fixed asset base, or whose business is not subject to market fluctuations in activity or profitability. Investment in corporate bonds will be limited to £20m in 2020/21.

34.0 **Registered Providers (Housing Associations and Registered Social Landlords):** Loans and bonds issued by RP's have been included as an approved investment counterparty for 2020/21. Any investments with Registered Providers will be analysed on an individual basis and discussed with Arlingclose prior to investing. Investments with registered providers will be limited to £20m in 2020/21 for up to 5 years.

- 35.0 **Collective Investment Schemes (Pooled Funds):** Shares or units in diversified investment vehicles consisting of the any of the above investment types, plus equity shares and property. The Council has evaluated the use of Pooled Funds and determined the appropriateness of their use within the investment portfolio. Pooled funds enable the Council to diversify the assets and the underlying risk in the investment portfolio and provide the potential for enhanced returns. Investments in pooled funds will be undertaken with advice from Arlingclose. Although considered as pooled funds, MMF's are discussed separately in paragraph 44. The Council currently has no investments in Pooled Funds (other than MMFs) at present, but may make prudent use of them in the future. Investments in pooled funds will be limited to £20m in 2020/21.
- 36.0 **Real estate investment trusts:** Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term, but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties. The risk with any investments in REITs is that shares cannot be withdrawn but can be sold on the stock market to another investor which leaves the Council open to market risk. Investments in REITs will be limited to £20m in 2020/21.
- 37.0 **Operational bank accounts:** The Council may incur operational exposures, for example though current accounts, collection accounts and merchant acquiring services. These are not classed as investments, but are still subject to the risk of a bank bail-in, and balances will therefore be kept to a minimum. The Council banks with National Westminster Bank (NatWest) who meet the Council's minimum credit criteria. Should Natwest's creditworthiness deteriorate below the Council's minimum credit criteria, then as far as is consistent with operational efficiency, no money will be placed with NatWest and credit balances in the various Council accounts will be kept to a minimum level.
- 38.0 **Investment limits:** The Council's revenue reserves available to cover investment losses are forecast to be £132 million on 31st March 2020. In order that no more than 10% of available reserves will be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government and Council subsidiaries) will be £20 million. A group of banks under the same ownership will be treated as a single organisation for limit purposes.

Table 2: Investment Limits

	Credit Quality	Cash limit
Any single organisation, except the UK Central Government	A- Or equivalent	£20m
UK Government	Any	Unlimited for up to 50 years

Foreign countries	AA+ or equivalent	£20m per organisation
Registered providers and registered social landlords	A- Or equivalent	£20m per provider for up to 5 years
Loans to subsidiaries	n/a	£500m
Money market funds	A- Or equivalent	Lower of 5% of total net assets of the fund or £20m
Real estate investment trusts	A- Or equivalent	£20m
Corporate Bonds	A- Or equivalent	£20m
Any group of pooled funds under the same management	A- Or equivalent	£20m
Secured deposits	A- Or equivalent	£20m

39.0 **Liquidity management:** The Council uses internal purpose-built cash flow modelling tools to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council’s medium-term financial plan and cash flow forecast.

TREASURY MANAGEMENT INDICATORS

40.0 The Council measures and manages its exposures to treasury management risks using the following indicators.

41.0 **Security:** The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Table 3: Credit risk indicator

Credit risk indicator	Target
Portfolio average credit rating	A

42.0 **Liquidity:** The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three month period, without additional borrowing.

Table 4: Liquidity risk indicator

Liquidity risk indicator	Target
Total cash available within 3 months	£20m

43.0 **Interest rate exposures:** This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates will be:

Table 5: Interest rate risk indicator

Interest rate risk indicator	Limit
Upper limit on one-year revenue impact of a 1% rise in interest rates	£5m
Upper limit on one-year revenue impact of a 1% fall in interest rates	£5m

The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at current rates.

44.0 **Maturity structure of borrowing:** This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Table 6: Refinancing rate risk indicator

Refinancing rate risk indicator	Upper limit	Lower limit
Under 12 months	40%	0%
12 months and within 24 months	40%	0%
24 months and within 5 years	40%	0%
5 years and within 10 years	60%	0%
10 years and within 20 years	75%	0%
20 years and within 30 years	75%	0%
30 years and within 40 years	75%	0%
Over 40 years	75%	0%

Time periods start on the first day of each financial year. LOBOs are classified as maturing on the next call date i.e. the earliest date that the lender can require repayment.

45.0 **Principal sums invested for periods longer than a year:** The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

Table 7: Price risk indicator

Price risk indicator	2020/21	2021/22	2022/23
Limit on principal invested beyond year end	£500m	£550m	£600m

Related Matters

- 46.0 The CIPFA Code requires the Council to include the following in its treasury management strategy.
- 47.0 **Financial Derivatives:** Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the Localism Act 2011 removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).
- 48.0 The Authority will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Authority is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.
- 49.0 Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.
- 50.0 In line with the CIPFA Code, the Authority will seek external advice and will consider that advice before entering into financial derivatives to ensure that it fully understands the implications.
- 51.0 **Housing Revenue Account:** As of 1 April 2012, the Council notionally split each of its existing long-term loans into General Fund and HRA pools. Individual loans or parts of loans have been allocated to the HRA, on the basis of achieving the same long term rate as that which applied to the General Fund at the self-financing date.

- 52.0 Differences between the value of the HRA loans pool and the HRA's underlying need to borrow results in a notional element of internal borrowing. This balance will be assessed over the year and interest charged to the HRA at an appropriate rate for short term borrowing. The HRA will also hold reserves and balances which will be invested with the Council, and interest will be paid on identified balances at a rate which recognises that any investment risk is borne by the General Fund.
- 53.0 **Markets in Financial Instruments Directive:** The MiFID II regulations took effect from January 2018 which saw the council reclassified as a retail client with the opportunity to opt up to professional client status. Retail clients have access increased protection however this would be balanced against potentially higher fees and access to a more limited range of products. The council has opted up to professional client status with its providers of financial services, including advisors, banks, brokers and fund managers. The Director of Finance believes this to be the appropriate status for the Council's treasury management activities.
- 54.0 **Other Options Considered:** The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Council believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

Table 8: Alternative Strategies

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

External Context

- 55.0 **Economic background:** The UK's progress negotiating its exit from the European Union, together with its future trading arrangements, will continue to be a major influence on the Authority's treasury management strategy for 2020/21. The General Election has removed some uncertainty within the market, however following the expected Withdrawal Bill, uncertainties around the future trading relationship with the EU remain.
- 56.0 GDP growth rose by 0.4% in the third quarter of 2019 from -0.2% in the previous three months with the annual rate falling further below its trend rate to 1.1% from 1.2%. Services, construction and production added positively to growth, by 0.5%, 1.2% and 0.1% respectively, while agriculture recorded a fall of 0.1%. Looking ahead, the Bank of England's Monetary Policy Report (formerly the Quarterly Inflation Report) forecasts economic growth to pick up during 2020 as Brexit-related uncertainties dissipate and provide a boost to business investment helping GDP reach 1.6% in Q4 2020, 1.8% in Q4 2021 and 2.1% in Q4 2022.
- 57.0 The headline rate of UK Consumer Price Inflation remained the same in November 2019 at 1.5% year-on-year, the same as October 2019, however continuing to fall from highs of 2.1% in July and April 2019 as accommodation services and transport continued to contribute to a level of inflation below the BOE target of 2%. Labour market data continues to be positive. The ILO unemployment rate continues to hold at historic lows at 3.8%, its lowest level since 1975. The 3-month average annual growth rate for pay excluding bonuses rose to 3.5% in November 2019 providing some evidence that a shortage of labour is supporting wages. However, adjusting for inflation this means real wages were only up by 0.9% in October 2019 and only likely to have a moderate impact on household spending.
- 58.0 Domestic inflationary pressures have abated, as domestic gas and electricity price freezes have taken effect until 2020. The price of oil has fallen through the year, despite a rise in prices in December 2019. The limited inflationary pressure from real wages will likely keep inflation below the Bank of England target of 2%. The Bank of England maintained Bank Rate to 0.75% in November following a 7-2 vote by the Monetary Policy Committee. Despite keeping rates on hold, MPC members did confirm that if Brexit uncertainty drags on or global growth fails to recover, they are prepared to cut interest rates as required. Moreover, the downward revisions to some of the growth projections in the Monetary Policy Report suggest the Committee may now be less convinced of the need to increase rates even if there is a Brexit deal.
- 59.0 The US economy has continued to perform relatively well compared to other developed nations; however, the Federal Reserve has started to unwind its monetary tightening through 2019. The Federal Reserve has cut rates three times

to 1.5% - 1.75%, to stimulate growth as GDP growth has started to fall (to 2.1%).

- 60.0 The fallout from the US-China trade war continues which, risks contributing to a slowdown in global economic activity in 2019. Recent suggestions have been an initial compromise and potential unwinding of tariffs; however, this can change quickly. Slow growth in Europe, combined with changes in leadership at the ECB and IMF has led to a change of stance in 2019. Quantitative easing has continued and been extended.
- 61.0 **Credit outlook:** The recent Bank of England stress tests assessed all seven UK banking groups. The tests scenarios include deep simultaneous recessions in the UK and global economies that are more severe overall than the global financial crisis, combined with large falls in asset prices and a separate stress of misconduct costs. All seven banks passed the test on both a CET1 ratio and a leverage ratio basis. Major banks have steadily increased their capital for many years now. However, there are a number of shortcomings in the Bank's approach; timeliness as the results are over 11 months of out date when they are published, being based on end-2018 balance sheets; ringfencing, as the tests ignore the restrictions on transferring capital between ringfenced "retail" banks and non-ringfenced "investment" banks within the larger groups and; coverage - the tests should be expanded to cover a wider range of UK banks and building societies.
- 62.0 The Bank of England will seek to address some of these issues in 2020, when Virgin Money/Clydesdale will be added to the testing group and separate tests will be included of ringfenced banks.
- 63.0 Challenger banks hit the news headlines in 2019 with Metro Bank and TSB Bank both suffering adverse publicity and falling customer numbers.
- 64.0 Looking forward, the potential for a "no-deal" Brexit and/or a global recession remain the major risks facing banks and building societies in 2020/21 and a cautious approach to bank deposits remains advisable.
- 65.0 **Interest rate forecast:** The Authority's treasury management adviser Arlingclose is forecasting that Bank Rate will remain at 0.75% until the end of 2022. The risks to this forecast are deemed to be significantly weighted to the downside, particularly given the upcoming general election, the need for greater clarity on Brexit and the continuing global economic slowdown. The Bank of England, having previously indicated interest rates may need to rise if a Brexit agreement was reached, stated in its November Monetary Policy Report and its Bank Rate decision (7-2 vote to hold rates) that the MPC now believe this is less likely even in the event of a deal.

- 66.0 Gilt yields have risen but remain at low levels and only some very modest upward movement from current levels are expected based on Arlingclose's interest rate projections. The central case is for 10-year and 20-year gilt yields to rise to around 1.00% and 1.40% respectively over the time horizon, with broadly balanced risks to both the upside and downside. However, short-term volatility arising from both economic and political events over the period is a near certainty.
- 67.0 For the purpose of setting the budget, it has been assumed that new investments will be made at an average rate of 1%, and that new long-term loans will be borrowed at an average rate of 3%.

Appendix A - Arlingclose Economic & Interest Rate Forecast November 2019

Underlying assumptions:

- The global economy is entering a period of slower growth in response to political issues, primarily the trade policy stance of the US. The UK economy has displayed a marked slowdown in growth due to both Brexit uncertainty and the downturn in global activity. In response, global and UK interest rate expectations have eased.
- Some positivity on the trade negotiations between China and the US has prompted worst case economic scenarios to be pared back. However, information is limited, and upbeat expectations have been wrong before.
- Brexit has been delayed until 31 January 2020. While the General Election has maintained economic and political uncertainty, the opinion polls suggest the Conservative position in parliament may be strengthened, which reduces the chance of Brexit being further frustrated. A key concern is the limited transitional period following a January 2020 exit date, which will maintain and create additional uncertainty over the next few years.
- UK economic growth has stalled despite Q3 2019 GDP of 0.3%. Monthly figures indicate growth waned as the quarter progressed and survey data suggest falling household and business confidence. Both main political parties have promised substantial fiscal easing, which should help support growth.
- While the potential for divergent paths for UK monetary policy remain in the event of the General Election result, the weaker external environment severely limits potential upside movement in Bank Rate, while the slowing UK economy will place pressure on the MPC to loosen monetary policy. Indeed, two MPC members voted for an immediate cut in November 2019.
- Inflation is running below target at 1.7%. While the tight labour market risks medium-term domestically-driven inflationary pressure, slower global growth should reduce the prospect of externally driven pressure, although political turmoil could push up oil prices.
- Central bank actions and geopolitical risks will continue to produce significant volatility in financial markets, including bond markets.

Forecast:

- Although we have maintained our Bank Rate forecast at 0.75% for the foreseeable future, there are substantial risks to this forecast, dependant on General Election outcomes and the evolution of the global economy.
- Arlingclose judges that the risks are weighted to the downside.
- Gilt yields have risen but remain low due to the soft UK and global economic outlooks. US monetary policy and UK government spending will be key influences alongside UK monetary policy.
- We expect gilt yields to remain at relatively low levels for the foreseeable future and judge the risks to be broadly balanced.

	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Average
Official Bank Rate														
Upside risk	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.21
Arlingclose Central Case	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Downside risk	-0.50	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.73
3-month money market rate														
Upside risk	0.10	0.10	0.25	0.25	0.25	0.25	0.25	0.25	0.30	0.30	0.30	0.30	0.30	0.25
Arlingclose Central Case	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Downside risk	-0.50	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.73
1yr money market rate														
Upside risk	0.10	0.20	0.20	0.20	0.20	0.20	0.20	0.25	0.30	0.30	0.30	0.30	0.30	0.23
Arlingclose Central Case	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85	0.85
Downside risk	-0.30	-0.50	-0.55	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.60
5yr gilt yield														
Upside risk	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.45	0.45	0.45	0.37
Arlingclose Central Case	0.50	0.50	0.50	0.55	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.57
Downside risk	-0.35	-0.50	-0.50	-0.55	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.56
10yr gilt yield														
Upside risk	0.30	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.40	0.45	0.45	0.37
Arlingclose Central Case	0.75	0.75	0.80	0.80	0.85	0.85	0.90	0.90	0.95	0.95	1.00	1.00	1.00	0.88
Downside risk	-0.40	-0.40	-0.40	-0.40	-0.45	-0.45	-0.45	-0.45	-0.50	-0.50	-0.50	-0.50	-0.50	-0.45
20yr gilt yield														
Upside risk	0.30	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.40	0.45	0.45	0.37
Arlingclose Central Case	1.20	1.20	1.25	1.25	1.25	1.30	1.30	1.30	1.35	1.35	1.35	1.40	1.40	1.30
Downside risk	-0.40	-0.40	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.50	-0.50	-0.45
50yr gilt yield														
Upside risk	0.30	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.40	0.45	0.45	0.37
Arlingclose Central Case	1.20	1.20	1.25	1.25	1.25	1.30	1.30	1.30	1.35	1.35	1.35	1.40	1.40	1.30
Downside risk	-0.40	-0.40	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.45	-0.50	-0.50	-0.45


PWLB Certainty Rate (Maturity Loans) = Gilt yield + 1.80%

PWLB Local Infrastructure Rate (Maturity Loans) = Gilt yield + 0.60%

Appendix B - Existing Investment & Debt Portfolio Position

	31/12/19 Actual Portfolio £m	31/12/19 Average Rate %
External borrowing:		
Public Works Loan Board	301.0	4.9
Local authorities	105.0	0.9
LOBO loans from banks	70.5	4.8
Other loans	15.0	4.3
Total external borrowing	491.5	3.7
Other long-term liabilities:		
Private Finance Initiative	23.6	
Finance Leases	5.2	
Transferred Debt	0.0	
Total other long-term liabilities	28.8	
Total gross external debt	520.3	
Treasury investments:		
Banks & building societies (unsecured)	0.2	0.0
Government (incl. local authorities)	5.0	0.8
Money Market Funds	81.3	0.7
Total treasury investments	86.5	0.7
Net debt	433.8	

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 <p>Brent</p>	<p>Audit and Standards Advisory Committee 20 January 2020</p>
<p>Report from the Director of Finance</p>	
<p>BRENT COUNCIL BORROWING STRATEGY UPDATE</p>	

Wards Affected:	All
Key or Non-Key Decision:	Non-key
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Part Exempt Appendix 1, 2, 3 & 5 is not for publication as it contains exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely "Information relating to the financial or business affairs of any particular person (including the authority holding that information)".
No. of Appendices:	Five: <ol style="list-style-type: none"> 1. Forward Borrowing Strategy Review – September 2019 2. Addendum to Forward Borrowing Strategy following PWLB rate announcement 3. Revised Indicative Transaction Timetable 4. Member Briefing – PWLB rate rise 5. Local Authorities: Pricing Benchmarks
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Daniel Omisore Deputy Director of Finance Email: Daniel.omisore@brent.gov.uk Tel: 020 8937 3057

1.0 Purpose of the Report

- 1.1 In September 2018 cabinet approved a comprehensive borrowing strategy setting out the medium to long-term borrowing requirement for the council, whilst at the same time highlighting several options for funding. The report recommended that cabinet endorse the strategy and agreed that officers should

(with the support of treasury and legal advisors) commence negotiations to agree a forward funding loan of up to £40m.

- 1.2 This report provides an update on the progress made in implementing the actions noted above.

2.0 Recommendations

- 2.1 That the committee note the work performed to date (in conjunction with our advisors) in developing and implementing the borrowing strategy set out in Appendix 1 and 2.

- 2.2 That the committee note the conclusion and next steps summarised in section 6 (Appendix 1) of the borrowing strategy report, along with the revised indicative transaction timetable summarised in Appendix 3.

3.0 Detail

- 3.1 In September 2018 cabinet approved a comprehensive borrowing strategy setting out the medium to long-term borrowing requirement for the council, whilst at the same time highlighting several options for funding. As explained in the report, up until now the council had adopted the strategy of funding capital spend from internal cash balances and delayed entering into borrowing commitments, which has proved to be highly effective.

- 3.2 As the council's borrowing requirement has not been immediately funded with loan debt but instead by using cash reserves, this has used up c£230m in cash that could otherwise have generated 0.7% (£1.6m) of investment income.

- 3.3 There was an option to borrow the £230m, however a 25-year loan at 3% would have cost the council £6.9m a year in interest payments. In simple terms, this strategy means that the council has foregone £1.6m investment income whilst at the same time saving £6.9m in loan interest payments. Capital financing costs of £5.3m per year have therefore been avoided for several years.

- 3.4 A key element of the council's successful financial strategy has been to expand the capital investment programme and enable it to deliver substantial revenue savings (e.g. the NAIL and PRS acquisition programmes are forecast to save £3.9m over the next 2 years).

- 3.5 Looking further ahead there are plans to utilise CIL (Community Infrastructure Levy) to undertake major infrastructure projects and in October 2019 cabinet agreed to fund i4B a further £110m equity and loan funding for phase 2 of the PRS programme (on top of the £110m agreed for phase 1). There have also been a number of major property acquisitions either already completed or near to completion in 2019. At the time of writing this includes 235 affordable units at Gloucester & Durham, 153 key worker units in Wembley plus a number of smaller property acquisitions in Harlesden.

- 3.6 To date major capital investment has been managed without the need to enter into new borrowing commitments, thereby reducing external interest costs as

described above in paragraph 3.3. However, it is self-evident that this cannot be continued indefinitely; hence, this report provides an update on the steps taken for raising additional finance to support delivery of the capital investment programme.

3.7 A detailed review of the council's financial projections and borrowing requirement alongside key financial objectives are set out in Appendix 1. In line with the aspirations set out in September 2018 this strategy review recommends that the council utilise forward funding from the PP (Private Placement) market to partially fund the borrowing requirement and lock in the low rate environment whilst securing certainty of funding for the capital programme.

3.8 It is also worth noting that a key driver for this recommendation was to desire to diversify away from government funding, thereby opening up other funding options and reducing funding risk for the council. The decision to prioritise this approach has subsequently been vindicated post the PWLB rate hike which demonstrates the downsides of relying primarily on one funding source such as PWLB.

3.9 The council's formal response to the 1% PWLB rate rise on 9th October has been included in Appendix 4.

MBA (Municipal Bonds Agency)

3.10 The recent PWLB rate rise has boosted hopes that the UK Municipal Bonds Agency can finally issue its first bond. The MBA has failed to get its first bond off the ground since its launch more than five years ago, partly due to the low rates on offer to councils through the PWLB but also due to concerns around the joint and several liability that requires all members to collectively and individually guarantee the debt of each borrower.

3.11 However, the 1% hike in the PWLB's borrowing rates has given fresh impetus to the agency's hopes of getting an issue off the ground and the MBA will be a core part of the councils borrowing strategy going forward (see Appendix 4).

4.0 Financial Implications

4.1 Until recently the council has utilised internal cash resources to fund the elements of the capital programme in lieu of borrowing. This helps keep interest costs low as it delays the requirement to undertake new external borrowing. However, these resources are expected to be depleted by the end of 2019/20 so any capital expenditure not immediately financed by grants, reserves or other resources will have to be covered with new external borrowing.

4.2 This requirement could be met using a variety of sources including the MBA (Municipal Bonds Agency), PWLB or banks and private institutions. The interest cost and MRP arising from new borrowing will be met from the capital financing budget held within central items. Borrowing costs relating to HRA schemes are recharged to the HRA.

4.3 As set out in the Treasury Management Strategy the council has an internally set authorised borrowing limit of £1.2bn. Current actual external borrowing amounts to £491m (as at Dec 2019).

5.0 Legal Implications

5.1 Under part 1 chapter 1 of the Local Government Act 2003, a local authority may borrow for any purpose relevant to its functions or for “the prudent management of its financial affairs”. Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (SI 2003/3146), as amended.

5.2 Each authority must set a total borrowing limit for itself in accordance with the principles of the Prudential Code. The borrowing limit will be related to the revenue streams available to the local authority, with which it can repay the debt.

5.3 The total amount that a local authority may borrow is governed by the requirements of CIPFA’s Prudential Code for Capital Finance in Local Authorities; and by the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (SI 2003/3146), as amended

6.0 Equality Implications

6.1 None

7.0 Any Other Implications (HR, Property, Environmental Sustainability - where necessary)

7.1 None

8.0 Proposed Consultation with Ward Members and Stakeholders

8.1 N/A

Report sign off:

Minesh Patel
Director of Finance

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Members Briefing Note

11th October 2019 (updated Jan 2020)

PWLB Increases Loan Margin

The Public Works Loan Board has increased the margin applied to loan rates as of 9th October 2019 from 80bps (0.8%) to 180bps (1.8%). HM Treasury cite the substantial increase in use of PWLB loans at some authorities as the cost of borrowing has fallen. Many authorities have used the funds to invest in commercial property to produce financial returns to invest in services. MHCLG expressed concern about local authorities acting in this way back in April 2018 by issuing revised guidance for Local Authority Investments. The drop in gilt yields during 2019 only improved the margin achievable by these commercial activities prompting record levels of new borrowing through the PWLB with £1.9billion new borrowing undertaken in August.

The key considerations on the impact of the policy for the council are discussed below.

Future Funding

Borrowing long-term from the PWLB is now considerably more expensive. The movement in rates on maturity loans is shown in the table below. Reactions in the inter-authority market, which provides short-term borrowing, have been volatile but the short-term spike in rates is expected to settle. The ability to borrow from institutional investors is expected to prevent the full impact of the 1% increase being passed on to the market.

Period	Mar-18	Sep-18	Mar-19	Aug-19	Oct-19
1 year	1.67	1.75	1.68	1.44	2.61
5 year	2.09	2.18	1.77	1.28	2.42
10 year	2.46	2.57	2.09	1.44	2.60
20 year	2.75	2.91	2.56	1.96	3.10

Financial Strength Ratings

Market alternatives to PWLB are currently available however unlike borrowing from the PWLB, there is significant scrutiny from investors. This may cause notable differences in interest rates between “strong” and “weak” authorities and balance sheet management will be paramount to achieving favourable rates. The rating agencies are likely to comment on the increase in interest cost across the Local Authority space however it is unclear whether this will influence the outlook or credit rating for the few rated authorities.

Future Policy Change

The lobbying back in 2010 had limited effect on the margin change so it is not expected for this policy to be reversed in the short term. Treasury will keep the rate policy under review so with talks of a general election, a change in government could bring about another policy development.

Brent's Funding Requirements

The council has a borrowing requirement of £230m over the next 5 years. The 1% increase in interest rate will cost an additional £2.3m per annum. Financial appraisals for the capital programme during 2018 were calculated using a 4% interest rate. This means there was headroom already built in and

the change in policy is not expected to have a serious impact on the programme's viability. The rate rise does however make future capital appraisals more challenging.

There are alternative options to using PWLB to fund our borrowing requirement which are summarised below:

Short Term	Long Term
<p data-bbox="125 97 327 124">Cash Balances</p> <ul data-bbox="174 132 1043 643" style="list-style-type: none"> <li data-bbox="174 132 1043 228">• In recent years the council has deliberately chosen to utilise cash reserves, balances and cash flow in lieu of actual borrowing. <li data-bbox="174 236 1043 403">• In simple terms this means that the Council has forgone interest income (which is historically low) whilst at the same time saving interest payable on borrowing. This strategy has resulted in approximately £5m capital financing costs being avoided for several years. <li data-bbox="174 411 1043 507">• There is nothing unusual in this, Councils across the country have been utilising cash balances to finance capital investment and many are now having to borrow as balances run down. <li data-bbox="174 515 1043 643">• Current interest rate forecasts along with the significant levels of planned capital investment over the next three years means that this approach is no longer sustainable and we anticipate a borrowing need within 12 – 24 months. 	<p data-bbox="1066 97 1317 124">Forward Borrowing</p> <ul data-bbox="1115 132 2096 922" style="list-style-type: none"> <li data-bbox="1115 132 2096 268">• Following the comprehensive borrowing strategy endorsed by Cabinet in Sep 2018 officers have been working with our treasury advisors for the last 6-8 months to secure borrowing from private institutions and expect to be in a position to lock in competitive terms in 2020. <li data-bbox="1115 276 2096 303">• Part of this work includes the consideration of forward borrowing. <li data-bbox="1115 311 2096 370">• Forward starting loans are agreed in advance of need, at a fixed rate for delivery on a pre-determined future date. <li data-bbox="1115 378 2096 437">• Although there is a much longer lead time compared to PWLB they do therefore offer greater flexibility. <li data-bbox="1115 445 2096 545">• A number of institutions currently offer these loans to Councils including commercial investors and recently the European Investment Bank (EIB). <li data-bbox="1115 553 2096 681">• A major advantage of forward loans is that by agreeing to a fixed rate now for future delivery (up to 5 years) the Council is able to hedge future interest rate exposure whilst avoiding a short term increase in costs, as interest payments do not commence until the loan starts. <li data-bbox="1115 689 2096 817">• Furthermore, with recent announcements concerning the PWLB 1% rate rise there is an expectation that private sector lenders that would previously have lent at 0.2% to 0.5% above PWLB rates will now lend at 0.8% to 0.5% below the new rates. (subject to credit quality). <li data-bbox="1115 825 2096 922">• As Brent are already significantly advanced in this process we are in an ideal position to take advantage of this before the market reacts and expect to be in a position to agree sometime during 2020.
<p data-bbox="125 963 434 991">Local Authority Lending</p> <ul data-bbox="174 999 1043 1401" style="list-style-type: none"> <li data-bbox="174 999 1043 1126">• There is an active council to council short term lending market, that offers short term rates generally lower than PWLB. This is seen as a low risk strategy and is “mutually beneficial” for both lending and borrowing councils. <li data-bbox="174 1134 1043 1230">• This is because lenders should benefit from the higher credit quality that local authorities offer, while borrowers get a rate preferable to other sources like the PWLB. <li data-bbox="174 1238 1043 1401">• However, this generally applies to short term funding (1 - 2 years) which obviously carries re-financing risk. With the levels of cash balances held the council has not needed to utilise LA borrowing recently however this does remain a short term option. 	<p data-bbox="1066 963 1375 991">Municipal Bond Agency</p> <ul data-bbox="1115 999 2096 1369" style="list-style-type: none"> <li data-bbox="1115 999 2096 1094">• The agency’s purpose is to raise finance for local government at a lower rate than the individual authorities could raise finance from the PWLB. <li data-bbox="1115 1102 2096 1230">• The agency, which launched five years ago, has yet to raise its first bond due to low rival rates offered by the Public Works Loan Board and concerns over the “joint and several guarantee” which would see participants share responsibility for any defaults by borrowers. <li data-bbox="1115 1238 2096 1297">• However, as the margin above gilts for PWLB loans has increased, the market has shifted in the agency’s favour. <li data-bbox="1115 1305 2096 1369">• Treasury officers are actively looking at what steps would be required to raise funding from the MBA.

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